

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NJOY, LLC, NJOY HOLDINGS, INC.,
Petitioners,

v.

JUUL LABS, INC.,
Patent Owner

IPR2024-00267
Patent 11,134,722 B2

**PETITIONER'S REQUEST FOR REHEARING
OF INSTITUTION DECISION**

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EXHIBIT LIST

EXHIBIT NO.	DESCRIPTION
1001	U.S. Patent No. 11,134,722 (“722 Patent”)
1002	U.S. Patent No. 8,794,231 (“Thorens231”)
1003	U.S. Patent No. 9,427,022 (“Levin”)
1004	WO2011160788A1 (“Thorens788”)
1005	Expert Declaration of Jason Janet
1006	Curriculum Vitae of Jason Janet
1007	U.S. Patent No. 11,134,722 File History
1008	U.S. Patent No. 9,155,336
1009	U.S. Patent No. 7,717,756
1010	U.S. Patent Publication No. 2014/0150783 A1 (“Liu783”)
1011	Universal Serial Bus Micro-USB Cable and Connections Specification – April 4, 2007
1012	U.S. Patent No. 9,420,831
1013	U.S. Patent Publication No. 2013/0319438 A1
1014	U.S. Patent No. 5,505,214
1015	U.S. Patent No. 8,550,068
1016	<i>Intentionally left blank</i>
1017	<i>Intentionally left blank</i>
1018	<i>Intentionally left blank</i>

EXHIBIT NO.	DESCRIPTION
1019	<i>Intentionally left blank</i>
1020	U.S. Patent No. 2,057,353
1021	U.S. Patent No. 8,863,752
1022	U.S. Patent Publication No. 2010/0031968 A1
1023	<i>Intentionally left blank</i>
1024	U.S. Patent No. 8,205,622 (“Pan”)
1025	U.S. Patent Publication No. 2014/0190502 A1
1026	U.S. Patent No. 11,229,239
1027	U.S. Patent No. 8,156,944
1028	U.S. Patent No. 9,386,805
1029	U.S. Patent No. 9,408,416
1030	U.S. Patent No. 9,861,138
1031	U.S. Patent No. 8,528,569
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1033	U.S. Patent Publication No. 2013/0081642 A1
1034	U.S. Patent Publication No. 2013/0192623 A1
1035	U.S. Patent Publication No. 2014/0261495 A1
1036	U.S. Patent No. 10,143,242
1037	<i>Intentionally left blank</i>
1038	U.S. Patent No. 9,901,120

EXHIBIT NO.	DESCRIPTION
1039	<i>Intentionally left blank</i>
1040	U.S. Patent No. 9,301,548
1041	U.S. Patent No. 9,820,509
1042	U.S. Patent No. 9,675,114
1043	U.S. Patent No. 9,609,893
1044	CN202697716U
1045	CN202919037U
1046	KR200453424Y1
1047	<i>Intentionally left blank</i>
1048	<i>Intentionally left blank</i>
1049	Joint Claim Construction Chart (2023-11-07)
1050	U.S. Patent No. 9,060,548 (“Zheng”)
1051	<i>Intentionally left blank</i>
1052	U.S. Patent No. 6,155,268
1053	U.S. Patent No. 6,340,320
1054	U.S. Patent No. 7,201,613
1055	Jonny Stevenson, <i>Guide to Avoid a Dry Hit When Vaping</i> , Vapour Depot, July 18, 2023, available at https://vapourdepot.com/blog/dry-hit-vape-guide-avoid-dry-hits-vaping
1056	CN2002819631U
1057	U.S. Patent Publication No. 2013/0228191 (“Newton191”)

EXHIBIT NO.	DESCRIPTION
1058	JLI-NJOY-ITC1368-01326346
1059	JLI-NJOY-ITC1368-01935331
1060	Transcript from Deposition of James Monsees in Inv. 337-TA-1368
1061	Transcript from Deposition of Adam Bowen in Inv. 337-TA-1368

I. INTRODUCTION

Pursuant to 37 C.F.R. § 42.71(d)(2), NJOY, LLC and NJOY Holdings, Inc. (“Petitioners”) respectfully request rehearing of the Board’s decision Denying Institution of *Inter Partes* Review of U.S. Patent No. 11,134,722 (the “’722 Patent”). See Paper 15 (“Decision”). Rehearing is warranted because the Decision misapplied the law and overlooked evidence and arguments establishing an implicit reasonable expectation of success in combining prior art references.

II. LEGAL STANDARD

A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, a reply, or a sur-reply.” 37 C.F.R. § 42.71(d). The Board reviews a request for rehearing a decision of a petition to institute for an abuse of discretion. 37 C.F.R. § 42.71(c).

III. BRIEF SUMMARY OF THE BOARD’S ERROR

Petitioners argued that claims 1, 5, 7, 9-13, 15-16, and 18-21 of the ’722 Patent are rendered obvious by the combination of Thorens788, Thorens231, and Levin. Specifically, Petitioners argued that it would have been obvious to incorporate Thorens231’s mouthpiece housing into the electronic cigarette device of Thorens788. Pet. at 62-64.

The Board denied institution as to the Thorens788 ground after finding that Petitioners had not established a reasonable expectation of success in modifying Thorens788 with the mouthpiece of Thorens231 because Petitioners “never mention[ed] a reasonable expectation of success of combining Thorens788 and Thorens231.” Decision at 38-40. While the Board recognized that “a reasonable expectation of success can be ‘implicit’ and may be ‘intertwined’ with motivation to combine,” it nevertheless found that it could not “reasonably discern any implicit argument in Petitioner’s arguments directed to common inventors, same alleged invention, and possible injury to the consumer, and the evidence discussed above that supports motivation to combine fails to support a reasonable expectation of success.” *Id.* at 39 (quoting *Elektro Ltd. V. ZAP Surgical Sys. Inc.*, 81 F.4th 1368, 1376 (Fed. Cir. 2023)).

IV. ARGUMENT

In its Decision, the Board abused its discretion by applying the wrong legal standard and failing to recognize the reasonable expectation of success established implicitly by the evidence. As the Board recognized, Federal Circuit case law is clear that “a reasonable expectation of success can be ‘implicit.’” *Elektro Ltd.*, 81 F.4th at 1376; *see also Merck & Cie v. Gnosis S.P.A.*, 808 F.3d 829, 836 (Fed. Cir. 2015) (“KSR does not require an explicit statement of a reasonable expectation of success

in every case.”); *Profac Holding Corp. & U.S. Well Serv. LLC v. Halliburton Energy Serv., Inc.*, IPR2023-01318, Paper 7 at 20-21 (P.T.A.B. Apr. 15, 2024) (rejecting patent owner’s argument that “[t]he Board should deny institution because the Petition never addresses reasonable expectation of success” after finding that a reasonable expectation success may be inferred from the Petitioner’s arguments).

The Petition established that Thorens788 disclosed a mouthpiece. *See* Pet. at 62 (citing EX1004, 10:25-11:1), 79 (citing EX1004, 10:28-29), 80 (citing EX1004, 12:12-13). The Petition nonetheless combined Thorens788 with Thorens231 out of an abundance of caution because Thorens231 provided an *illustration* of the mouthpiece. *See* Pet. at 62-63 (“First, while Thorens788 describes a ‘mouthpiece’ comprising a heating element and liquid container, it does not provide an illustration of the mouthpiece housing in any of its figures. Thorens231, however, provides such an illustration. EX1002, Fig. 3.”); EX1005 ¶ 215, 217. In other words, the Petition is not modifying a device without a mouthpiece to include a mouthpiece but is taking an existing, non-depicted mouthpiece and giving it form. *See also* EX1005 ¶ 217 (“[A] POSA would have been motivated to incorporate Thorens231’s mouthpiece housing because Thorens788 already discusses a mouthpiece housing...”).

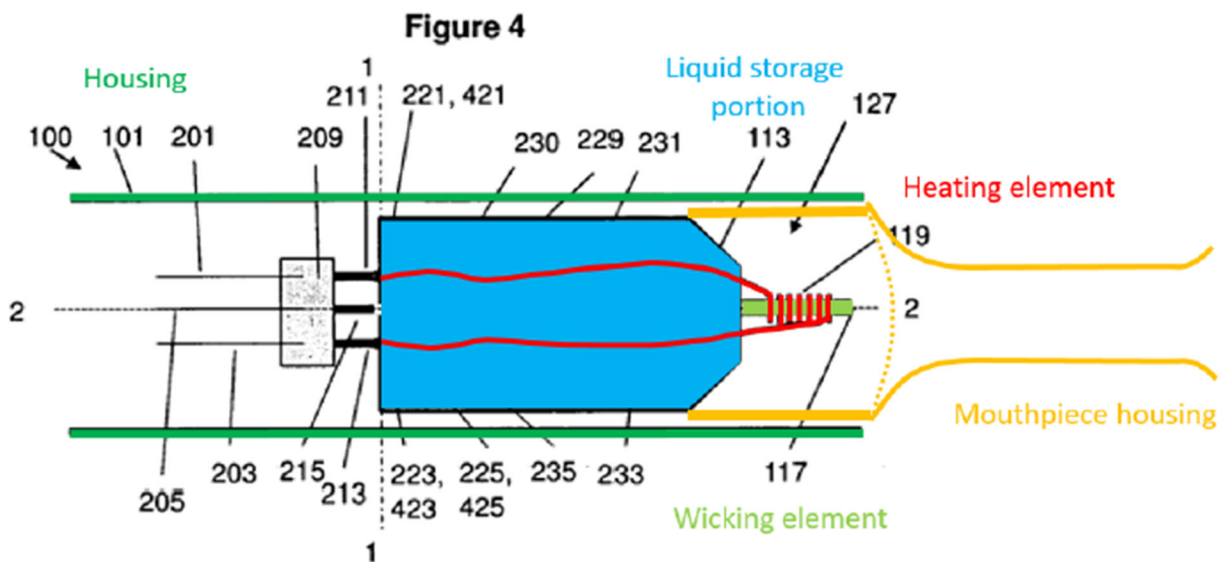
Accordingly, the question is whether a POSITA would have had a reasonable expectation of success of taking the existing mouthpiece of Thorens788 and making

it look similar to the mouthpiece of Thorens231. The Board concluded no – despite Thorens788 and Thorens231 being substantially the same device and sharing the same inventors. The Board was unable to “reasonably discern any implicit argument in Petitioner’s arguments directed to common inventors, same alleged invention, and possible injury to the consumer, and the evidence discussed above that supports motivation to combine fails to support a reasonable expectation of success.” Decision at 39. The Board erred in its decision.

First, the Board has addressed a similar situation in *Fanduel, Inc. v. Winview Inc.* where the Board found that “even though the Petition did not use the phrase ‘reasonable expectation of success,’” it “provides sufficient explanation for the reasonable expectation of success” by showing that “the systems are similar and overlap in functionality.” IPR2022-01306, Paper 22 at 46-47 (P.T.A.B. Jan. 29, 2024). As another example, in *Captioncall, LLC v. Ultratec, Inc.*, the Board found a reasonable expectation of success to combine two references sharing the same inventor and using essentially the same component. IPR2015-01358, Paper 75 at 13 (P.T.A.B. Dec. 9, 2016); *see also Western Union Co. v. Moneygram Payment Sys. Inc.*, 626 F.3d 1361, 1370 (Fed. Cir. 2010) (“We fail to see how it would have been difficult for a person of ordinary skill in the art to integrate an electronic transaction device that was available from Western Union itself into a well-known money

transfer system that was also owned by Western Union at the time of the invention.”); *Kennametal Inc. v. Ingersoll Cutting Tool Co.*, 780 F.3d 1376, 1385 (Fed. Cir. 2015) (noting that similarity in teachings of prior art references support finding of a reasonable expectation of success). Thus, the similarities in disclosure and inventorship between Thorens788 and Thorens231 support an implicit finding of reasonable expectation of success. Pet. at 62-63; EX1005, ¶¶ 214-216.

Second, the Board gave no consideration to the illustrations provided in the Petition, which illustrate the as-modified device resulting from the combination with Thorens231, as shown below.



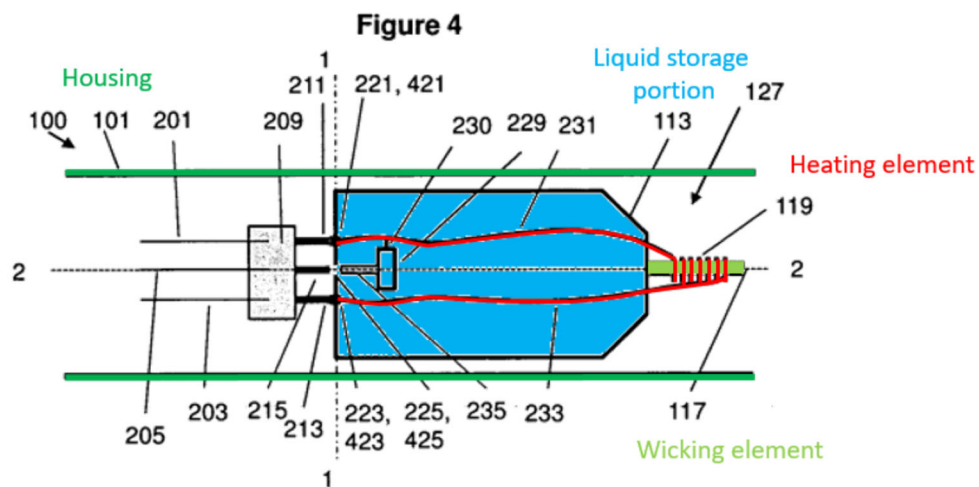
Pet. at 65 (annotating Thorens788 at Fig. 4).

This illustration unequivocally showed how trivial it would have been for a POSITA to combine Thorens788 and Thorens231 to arrive at the claimed invention.

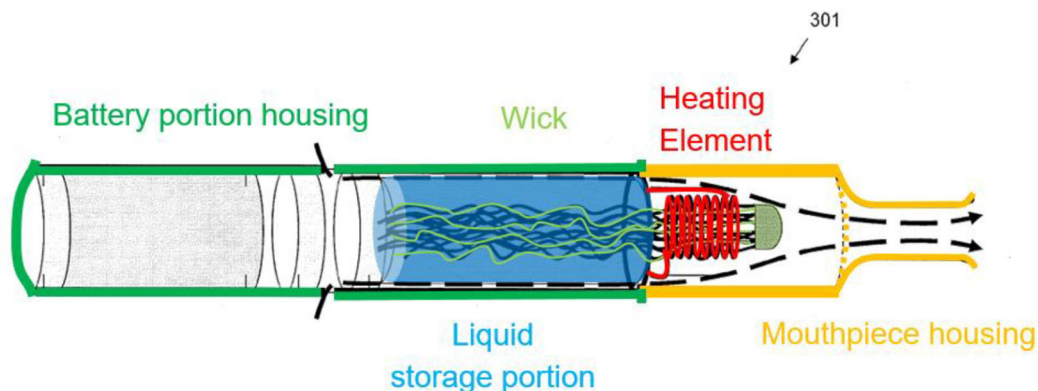
An implicit finding of reasonable expectation of success is particularly warranted here because the illustration demonstrated that the proposed modification only involves a predictable and simple mechanical change: modifying the existing mouthpiece of Thorens788 to resemble the mouthpiece in a substantially identical reference, Thorens231. *See KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 401 (2007) (“If a person of ordinary skill in the art can implement a predictable variation, and would see the benefit of doing so, § 103 likely bars its patentability.”); *Tokai Corp. v. Easton Enterprises, Inc.*, 632 F.3d 1358, 1371-72 (Fed. Cir. 2011) (“[T]he nature of the mechanical arts is such that ‘identified, predictable solutions’ to known problems may be within the technical grasp of a skilled artisan.”). It is well-established law that “the mechanical world [is] a fairly predictable field” and requires a low standard for a reasonable expectation of success. *Bilstad v. Wakalopulos*, 386 F.3d 1116, 1126 (Fed. Cir. 2004); *Rothman v. Target Corp.*, 556 F.3d 1310, 1319 (Fed. Cir. 2009) (“In the predictable arts, a trial record may more readily show a motivation to combine known elements to yield a predictable result, thus rendering a claimed invention obvious.”); *see also Spectra-Physics, Inc. v. Coherent, Inc.*, 827 F.2d 1524, 1533 (Fed. Cir. 1987) (“...an art where the results are predictable, e.g., mechanical as opposed to chemical arts...”); *Vivint, Inc. v. SB IP Holdings LLC*, IPR2022-01352, Paper 20 at 67 (P.T.A.B. Mar. 19, 2024) (finding

a reasonable expectation of success in modifying reference with simple mechanical mounting mechanism).

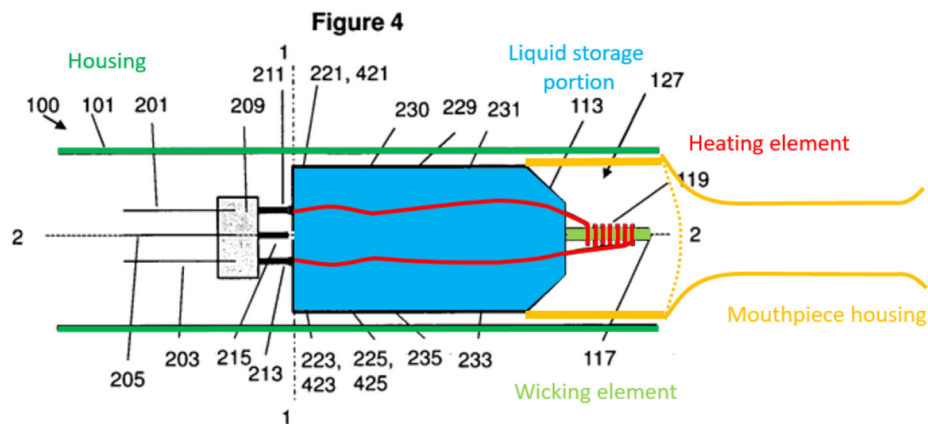
Tellingly, the simple modification proposed in the Petition is nearly identical in modified form to that of Thorens231, which reinforces the reasonable expectation of success. Indeed, the Petition included pictures illustrating how simple it would be to combine Thorens788 and Thorens231, to reach a similarly looking device:



Pet. at 63, citing Thorens788, Fig. 4.



Pet. at 64, citing Thorens231, Fig. 3.



Pet. at 65, illustration of the simple combination

The Petition clearly sets out that Thorens788 already discloses a mouthpiece and that Thorens231 illustrates a mouthpiece for a substantially identical device with shared inventors. The Petition then provides several illustrations demonstrating the simplicity and predictability of that combination. This is more than a sufficient implicit showing of a reasonable expectation of success. *See Google LLC v. Nobots LLC*, IPR2022-00941, Paper 34 at 42-43 (P.T.A.B. Nov. 29, 2023) (“Furthermore, although, as Patent Owner notes, the Petition does not use the specific phrase ‘reasonable expectation of success’ (*see, e.g.*, Prelim. Resp. 15), that such an expectation is present flows intrinsically from Petitioner’s and Dr. Lopresti’s explanation underscoring the proposed ground.”).

Third, beyond the illustrations provided in the Petition, the Petition demonstrated that a reasonable expectation of success is supported by the express teachings of Thorens788 and Thorens231. Specifically, the Petition pointed out that Thorens788 already discloses “a mouthpiece wherein, ‘[p]referably, the liquid storage portion, capillary wick, the at least one heater and the air outlet are contained in the mouthpiece.’” Pet. at 79 (citing EX1004, 10:28-29); *see also* Pet. at 62-63. *See Western Digital Tech., Inc. v. Viasat, Inc.*, IPR2022-01171, Paper 33 at 28-29 (P.T.A.B. Dec. 13, 2023) (finding that the express teaching of a reference may support a reasonable expectation of success). Thus, the proposed modification is already contemplated by the teachings of Thorens788.

Lastly, the knowledge of one of ordinary skill in the art supports a reasonable expectation of success. The Board adopted Petitioner’s definition of a person of ordinary skill, which is a person who “ha[s] at least a B.S. degree in Mechanical Engineering, Electrical Engineering, Industrial Design, Product Design, or similar field, with at least two years of industry experience in one of these fields” and who “would have been familiar with electrically powered vaporizing articles, their components or the underlying technologies.” Decision at 11-12. It would have been trivial to such a person of ordinary skill to take the existing mouthpiece of Thorens788 and making it look similar to the mouthpiece of Thorens231. *KSR*, 550

U.S. at 401 (“[I]f a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond that person’s skill.”); *Google LLC v. Nobots LLC*, IPR2022-00941, Paper 34 at 42-43 (P.T.A.B. Nov. 29, 2023) (finding that the knowledge of a skilled artisan supports a reasonable expectation of success despite Patent Owner’s argument that the Petition is “defective because it presents no evidence or analysis of a reasonable expectation of success, for any asserted grounds”).

V. CONCLUSION

For the reasons stated above, Petitioners respectfully request that the Board reverse its decision Denying Institution of *Inter Partes* Review of U.S. Patent No. 11,134,722.

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Respectfully submitted,

Dated: July 12, 2024

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on July 12, 2024, the foregoing
**PETITIONER'S REQUEST FOR REHEARING OF INSTITUTION
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