UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

MASIMO CORPORATION,
Patent Owner

IPR2024-00290
Patent 8,190,223

PETITIONER'S REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE

LIST OF EXHIBITS

APPLE-1001	U.S. Patent No. 8,190,223 ("the '223 Patent")
APPLE-1002	U.S. Patent No. 8,190,223 File History
APPLE-1003	Declaration of Dr. Cockburn
APPLE-1004	U.S. Patent No. 6,707,476 ("Hochstedler")
APPLE-1005	U.S. Patent Pub. No. 2002/0184055 ("Naghavi")
APPLE-1006	U.S. Patent Pub. No. 2006/0064020 ("Burnes")
APPLE-1007	U.S. Patent No. 6,151,518 ("Hayashi")
APPLE-1008	U.S. Patent No. 5,842,979 ("Jarman")
APPLE-1009	U.S. Patent No. 6,385,471 ("Mortz")
APPLE-1010	U.S. Patent No. 6,584,336 ("Al-Ali-336")
APPLE-1011	U.S. Patent Pub. No. 2003/0181798 ("Al-Ali-798")
APPLE-1012	U.S. Patent Pub. No. 2003/0009119 ("Kamm")
APPLE-1013	U.S. Patent Pub. No. 2003/0145852 ("Schmidt")
APPLE-1014	U.S. Patent Pub. No. 2004/0204637 ("Diab-637")
APPLE-1015	U.S. Patent No. 6,654,624 ("Diab")
APPLE-1016	U.S. Patent No. 5,331,549 ("Crawford")
APPLE-1017	U.S. Patent Pub. No. 2003/0092974 ("Santoso")

APPLE-1018	U.S. Patent No. 6,912,413 ("Rantala")
APPLE-1019	U.S. Patent No. 6,658,276 ("Kianl")
APPLE-1020	U.S. Re-examination No. 90/012,559 File History
APPLE-1021-1059	RESERVED
APPLE-1060	Combined Civil and Criminal Federal Court Management Statistics (Sep. 30, 2023) | United States Courts (uscourts.gov), available at: https://www.uscourts.gov/sites/default/files/fcms_na_distprofile0930.2023.pdf
APPLE-1061	Memorandum, Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (USPTO June 21, 2022) ("*Director's Guidance*")
APPLE-1062	Apple's Complaint for Patent Infringement (Design), *Apple Inc., v Masimo Corporation, et al.*, Case No. 1-22-cv-01377 (D. Del. Oct. 20, 2022)
APPLE-1063	Apple's Complaint for Patent Infringement (Utility), *Apple Inc., v Masimo Corporation, et al.*, Case No. 1-22-cv-01378 (D. Del. Oct. 20, 2022)
APPLE-1064	Defendant Masimo Corporation's Answer to Complaint and Counterclaims, *Apple Inc., v Masimo Corporation, et al.*, Case No. 1-22-cv-01378 (D. Del. Dec. 12, 2022)
APPLE-1065	Order Granting Joint Motion to Amend the Case Schedule, *Apple Inc., v Masimo Corporation, et al.*, Case No. 1-22-cv-01378 (D. Del. Sep. 21, 2023)
APPLE-1066	Stipulation by Apple Inc.
APPLE-1067	Email Identifying Masimo's District Court Invalidity Grounds (Nov. 16, 2023)

APPLE-1068 Excerpt of Apple's District Court Expert Invalidity Report, *Apple Inc., v Masimo Corporation, et al.*, Case No. 1-22-cv-01378 (Nov. 22, 2023)

APPLE-1069 Order Granting Unopposed Motion to Stay Certain Patent Counterclaims, *Apple Inc., v Masimo Corporation, et al.*, Case No. 1-22-cv-01378 (Jan. 10, 2023)

APPLE-1070 – 1074 [RESERVED]

APPLE-1075 Joint Letter for March 20, 2024 Case Management Conference, *Apple Inc., v Masimo Corporation, et al.*, Case No. 1-22-cv-01378 (Mar. 16, 2024)

APPLE-1076 Combined Civil and Criminal Federal Court Management Statistics (Dec. 31, 2023) | United States Courts (uscourts.gov), available at: https://www.uscourts.gov/sites/default/files/fcms_na_distprofile1231.2023_0.pdf

APPLE-1077 Median Time to Disposition in Cases Terminated After Hearing or Submission | United States Court of Appeals for the Federal Circuit (Sep. 30, 2023), available at: MedDispTimeMERITS-Table-FY23.pdf (uscourts.gov)

APPLE-1078 *Sotera* Stipulation by Apple Inc.

I. DISCRETION SHOULD NOT PRECLUDE INSTITUTION

The *Fintiv* framework favors institution, at least because Masimo argued to Judge Hall that trial on Masimo's patents should occur only after a decision that likely will not issue until September 2025, months after the Board's projected June, 2025 final written decision date. *See Director's Guidance*, 8-9; EX1075, 4-5; EX1076, 14; EX1077, 1.

In more detail, Masimo in its March 28, 2024 POPR urged discretionary denial based on inaccurate assertions that "The Delaware Litigation is now ready for trial," and that "trial will likely occur long before Apple's 'statisticaly indicated' date." POPR, 18-19. Contrary to those assertions, Masimo on March 16, 2024 argued in a joint letter to Judge Hall that "the most efficient path" for the Delaware Litigation "would be to try all of Masimo's patents," including the '223 patent, "together in a single jury trial," admitting that "[b]ecause the ITC patents are stayed by statute, this could occur only after the Federal Circuit rules on Apple's appeal from the ITC investigation." EX1075, 4-5. And on May 16, 2024, Judge Hall issued an order scheduling trial on Apple's patents, while noting that trial on issues including Masimo's patents "will be scheduled at a later date."

Based on the late-December 2023 docketing of Apple's appeal and a most-recent median time from docketing to disposition of ITC-originated appeals of 20.5 months, trial on the '223 patent is statistically expected to occur after September,

2025. EX1077, 1. And, realistically, the court and the parties will need additional time after issuance of the appeal decision to prepare for trial on Masimo's 10 counterclaim-asserted patents, including the 5 patents that were statutorily stayed at the Delaware Litigation's outset. *See* EX1064, 128-147. As such, trial on the '223 patent will in all likelihood occur months after the Board's projected June, 2025 final written decision date. *See also* EX1060, 14; EX1076, 14 (indicating median time-to-trial of 38.0 months); Petition, 77 (noting a statistically indicated December, 2025 trial date); *Director's Guidance*, 9. For at least these additional reasons, the *Fintiv* framework favors institution. *See Director's Guidance*, 8-9.

But, to remove any doubt and enable the Board to focus on the petition's compelling merits, Apple has submitted a *Sotera* stipulation. EX1078, 1; *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019 Pap. 12, 18-19 (PTAB Dec. 1, 2020) (precedential); *Director's Guidance*, 3, 9 ("the PTAB will not deny institution …under *Fintiv*…where a petition stipulates not to pursue in a parallel district court proceeding the same grounds as in the petition or any grounds that could have reasonably been raised in the petition").

Accordingly, Apple respectfully submits that the Board should not discretionarily deny institution, because (1) a holistic analysis of the *Fintiv* factors favors institution, (2) Apple has submitted a *Sotera* stipulation, and (3) the petition's merits are compelling. *See Director's Guidance*, 3-5, 9.

Respectfully submitted,

Date: 5/20/2024

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e)(4), the undersigned certifies that on May 20, 2024, a complete and entire copy of this Petitioner's Reply to Patent Owner's Preliminary Response was provided by email to Patent Owner by serving the email correspondence addresses of record as follows:

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