

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Askeladden L.L.C.,
Petitioner

v.

Calabrese Stemer LLC,
Patent Owner

Case: IPR2024-00368
Patent No. US 8,783,564 B2

PATENT OWNER'S
RESPONSE TO MOTION TO EXCLUDE EVIDENCE

Patent Owner herewith responds to Petitioner's Motion [sic: MOTON] to Exclude Evidence, Paper 33, dated March 13, 2025.

Petitioner has moved to exclude Patent Owner's Declaration, Exhibit 2001. The declaration represents "secondary considerations" under the fourth prong of *Graham v. John Deere*, 381 U.S. 1 (1966).

The Declaration was Executed by Patent Owner

Petitioner alleges that the declaration, Exhibit 2001, was "executed by counsel for Patent Owner." *Paper 33, at 1-2*. This not correct. The declaration was executed by Werner H. Stemer in his position as "Manager of Calabrese Stemer LLC." The declaration was thus executed by Patent Owner.

The Declaration was not Uncompelled and it was Timely

Petitioner argues that the declaration represented uncompelled direct testimony and that it was not filed timely. Again, Petitioner is mistaken.

Patent Owner was compelled to file the paper when it did, because Petitioner did not properly lay out a case of obviousness in the Petition. In fact, the entire argumentation presented by Petitioner – even though a minor portion of it was cloaked under the guise of obviousness-related terminology – was directed towards anticipation. Even Petitioner's reply to Patent Owner's response and to the Board's holdings in the Decision only discussed anticipation. Notwithstanding the fact that the term "obviousness" appeared, Petitioner did not lay out a cogent argument or explanation that would support a holding that any of the claims should be considered obvious over the prior art.

The IPR was Instituted Based Solely on Anticipation

The Board clearly and unambiguously agreed that the Petition was directed to “anticipation” arguments. To wit:

[W]e determine that Petitioner has sufficiently shown that Horie discloses the subject matter of claim 1.¹

Horie discloses each element of claims 1 through 9.²

[W]e determine that Petitioner has sufficiently shown a likelihood of success in showing claim 1 to be anticipated by Horie.³

While Petitioner's argument with respect to claim 1d is presented as an obviousness argument, we do not discern that Petitioner presents any argument distinct from its analysis for anticipation.⁴

Also, Patent Owner pointed out in its Preliminary Response that the Petition, in at least one instance, uses the term “suggests,” which is terminology that belongs to obviousness, as opposed to anticipation.⁵ The argument, however, was traversed by the Board and the Decision on Institution explained that Petitioner's arguments are directed to anticipation, not to obviousness.⁶

Petitioner's Reply Continued with the Anticipation Arguments

In its Reply, Paper 18, Petitioner continued to argue alleged facts and conclusions that properly belong to the law of anticipation. Petitioner only

¹ Paper 8, at 20

² Id., at 20, n.8

³ Id., at 22

⁴ Id., at 23

⁵ PO Prelim. Resp., at 7, n.1

⁶ Paper 8, at 20, n.8

explained its position related to obviousness in response to the Board's admonition questioning the relationship between the Petition and the declaration by their expert, Dr. Akl.⁷

In response to the Board's questioning of Petitioner's line of argumentation regarding obviousness,⁸ Petitioner responded that

*The Petition and supporting testimony of Dr. Akl do not include a motivation to modify Horie as a single reference. **Nor is any such motivation to modify or modification of Horie required in this case** to conclude that the challenged claims are obvious.*

Paper 14, at 7 (emphasis in original).

If, as argued by Petitioner, no modification of Horie is necessary to arrive at the claimed invention, the applicable statute is 35 U.S.C. § 102, not 35 U.S.C. § 103.

Petitioner's entire argument in this regard is that the person of skill in the art **would have understood** the transmission channels of Horie to be "distinct" from one another and that the Horie disclosure thus reads on the transmission channels of the claims.

When interpreting a claim, the decision maker must apply the "broadest reasonable interpretation" and read the claim terms with a view to the specification as understood by a person of ordinary skill in the pertinent art.⁹ Here, Dr. Akl testified that the person of skill in the art "would have

⁷ Paper 8, at 25-26

⁸ *Id.*, n. 10 ("[I]t is unclear that the Petition, unlike Dr. Akl's testimony, argues how a person having ordinary skill in the art would have modified Horie")

⁹ *Phillips v. AWH Corp.*, 415 F.3d 1303, 1316 (Fed. Cir. 2005) (giving claims their broadest reasonable construction "in light of the specification as it would be interpreted by one of ordinary skill in the art").

understood” the Horie disclosure in a certain way, and Petitioner apparently relied on their expert's understanding.

According to Petitioner's allegation, Horie presents a prior art reference that is fatal to the claims of the '564 Patent “**without modification.**”¹⁰ Petitioner's inconsistent position in this regard does not help. Petitioner's more recent argumentation is but a retroactive attempt to better its position. While the Reply tried to present an obviousness argument that might have been more detailed than the purported obviousness argument in the Petition, each line of argument directs the discerning reader towards anticipation. Petitioner did not make out a case of obviousness in the Petition with sufficient detail that would have allowed Patent Owner to properly respond. Patent Owner's sur-reply presented a complete response to an obviousness allegation that appeared for the first time in Petitioner's Reply. Patent Owner's response argued with regard to all four prongs of the *Graham* test. Accordingly, secondary considerations were presented, which included Exhibit 2001.

It would appear that excluding evidence of secondary considerations, as in Exhibit 2001, would “punish” Patent Owner for an omission and mistake on Petitioner's part.

While it is still Patent Owner's position that Petitioner's arguments belong to Section 102, we responded in the Sur-Reply not only to the Section 102 arguments, but we dealt with the Section 103 allegations. Patent Owner's Response, Paper 12, presented a complete discussion of the elements of the Petition. In light of the lack of a properly presented case of obviousness in the

¹⁰ Paper 18, at 4

Petition, Patent Owner “reserved” its rights to present a full discussion of any allegation of obviousness.¹¹

Petitioner should not be allowed to modify and change their arguments in the Reply and at the same time to foreclose Patent Owner from presenting a proper defense to the modified arguments. As explained in its Response, Patent Owner could not present a proper discussion – and/or evidence – with regard to the law of obviousness. The discussion of the law under *Graham* and *KSR* and supporting evidence were then submitted in response to Petitioner's Reply. The evidence presented by Patent Owner was neither uncompelled nor untimely.

FRE 802, 803, 1002

Petitioner argues that Exhibit 2001 should be excluded as hearsay, that it does not fall under the “business records exception,” that the submission lacks a statement of personal knowledge, and that no license was made of record. Again, Petitioner is mistaken.

As noted above, the Declaration was executed by Patent Owner.¹² Personal knowledge is evident and must be presumed. The statement is not “hearsay-within-hearsay.” A license – a signed, currently active license – has been filed and is of record as Exhibit 2003. It is not clear why Petitioner would state that “Patent Owner has not filed any of the purported licenses described in Exhibit 2001.”¹³ An exemplary such license is of record as Exhibit 2003.

¹¹ Paper 12, at 23-24

¹² The Declaration was executed by Werner H. Stemer in his position as the manager (= Director) of Patent Owner Calabrese Stemer LLC.

¹³ Paper 33, at 7.

Patent Owner respectfully submits that Exhibit 2001 in combination with Exhibit 2003 is the best evidence that is available to support the secondary considerations presented by Patent Owner.

Patent Owner submits that Exhibit 2001 and Exhibit 2003 were filed timely and that their entry and retention in the record does not unduly prejudice Petitioner.

Patent Owner further submits that excluding Exhibit 2001 would unduly prejudice Patent Owner.

Relief Requested

Petitioner's motion should be denied and Exhibit 2001, together with the more recently filed Exhibit 2003, should be retained in the record and assigned full evidentiary weight.

Respectfully submitted,

/Werner H. Stemer/
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March 21, 2025