

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NEW BALANCE ATHLETICS, INC.,
Petitioner,

v.

NIKE, INC.,
Patent Owner.

IPR2024-00778
Patent 8,266,749 B2

Before KEN B. BARRETT, JOSIAH C. COCKS, and
MICHAEL J. FITZPATRICK, *Administrative Patent Judges*.

COCKS, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

lululemon v. NIKE, Inc. IPR2024-00460 Patent No. 8,266,749 Ex. 2006
--

I. INTRODUCTION

Petitioner New Balance Athletics, Inc. (“Petitioner” or “New Balance”) filed a petition to institute *inter partes* review of claims 1–21 of U.S. Patent No. 8,266,749 B2 (Ex. 1002, “the ’749 patent”). Paper 2 (“Pet.”). Patent Owner Nike, Inc., (“Patent Owner” or “Nike”) filed a Preliminary Response. Paper 7 (“Prelim. Resp.”).

We have authority under 35 U.S.C. § 314, which provides that *inter partes* review may not be instituted unless the information presented in the Petition shows that “there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a); *see also* 37 C.F.R. § 42.4(a) (“The Board institutes the trial on behalf of the Director.”).

Having considered the arguments and evidence presented in the Petition and Preliminary Response, for the reasons discussed below, we do not institute an *inter partes* review.

II. BACKGROUND

A. Related Matters

The parties identify the following district court proceedings as related matters involving the ’749 patent:

- *Nike, Inc. v. lululemon usa inc.*, No. 1:23-cv-00771-AS (S.D.N.Y.);
- *Nike, Inc. v. New Balance Athletics, Inc.*, No. 1-23-cv-12666 (D. Mass.);
- *Nike, Inc. v. Skechers U.S.A., Inc.*, No. 2:23-cv-09346-AB-PVC (C.D.C.A.);
- *lululemon usa inc. v. Nike, Inc.* IPR2024-00460.

Pet. 71; Paper 5 (Patent Owner’s Mandatory Notices), 2.

Petitioner also notes that the '749 patent was the subject of another *inter partes* proceeding (IPR2016-00922) that is now concluded. Pet. 71. The petitioner in that prior proceeding was adidas AG (“adidas”). See Ex. 1015 (IPR2016-00922 Decision on Remand).¹ Petitioner refers to that proceeding as the “*Adidas IPR*.” See, e.g., Pet. 9. We refer to that proceeding in this Decision as “the '922 IPR.” In the '922 IPR, the panel issued a Final Written Decision that determined adidas had not shown by a preponderance of the evidence that claims 1–9, 11–19, and 21 of the '749 patent were unpatentable over the combined teachings of Reed² and Nishida³ based on a deficiency in establishing an adequate reason to combine the teachings of those references. See Ex. 1015. That Decision was affirmed by the Federal Circuit. See *Adidas AG v. Nike, Inc.*, 963 F.3d 1355 (Fed. Cir. 2020); Ex. 2002.

B. Real Parties in Interest

The parties identify themselves as the only real parties-in-interest. Pet. 71; Paper 5, 2

¹ The noted Decision on Remand was generated after the U.S. Court of Appeals for the Federal Circuit (“the Federal Circuit”) remanded a prior Final Written Decision based on *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1354 (2018). See Ex. 1015, 3.

² US Patent No. 3,985,003 issued to Reed (“Reed”).

³ US Patent No. 5,345,638 issued to Nishida (“Nishida”).

C. Overview of the '749 patent

The '749 patent is titled “Article of Footwear Having a Textile Upper.” Ex. 1001, code (54). The Abstract of the '749 patent is reproduced below:

An article of footwear and a method of manufacturing the article of footwear are disclosed. The footwear may include an upper and a sole structure. The upper incorporates a textile element with edges that are joined together to define at least a portion of a void for receiving a foot. The textile element may also have a first area and a second area with a unitary construction. The first area is formed of a first stitch configuration, and the second area is formed of a second stitch configuration that is different from the first stitch configuration to impart varying textures to a surface of the textile element. Various warp knitting or weft knitting processes may be utilized to form the textile element.

Id. at code (57).

Figure 8 of the '749 patent is reproduced below:

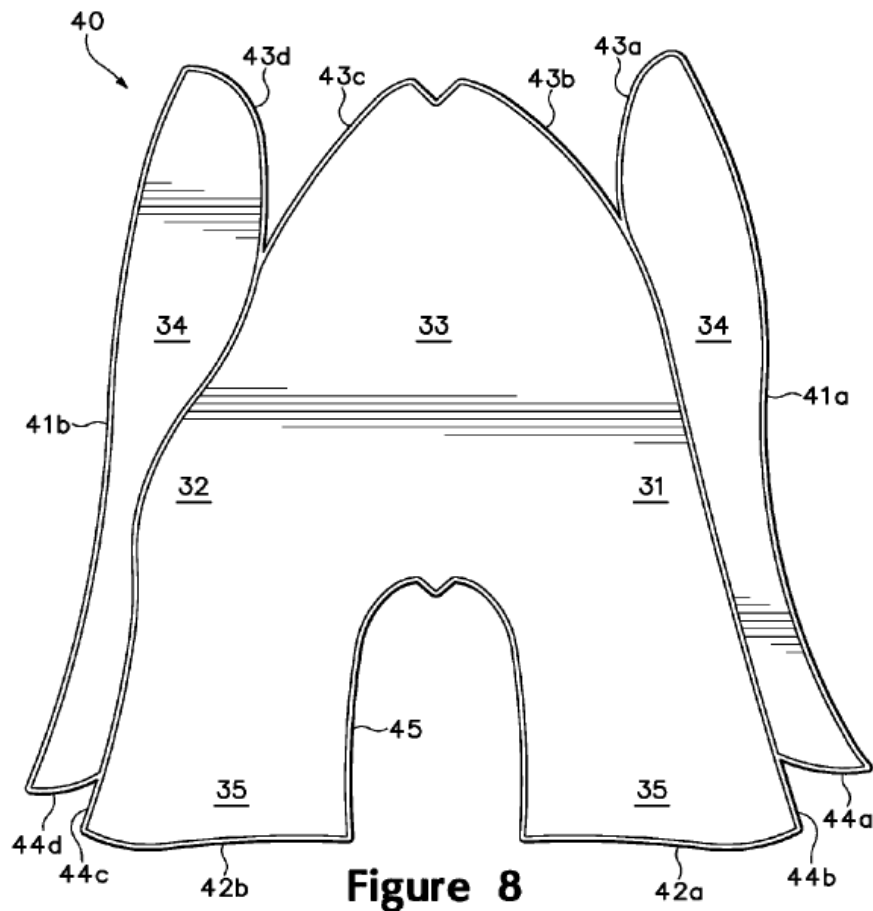


Figure 8 above is a plan view of a textile element that forms at least a portion of a shoe “upper.” *Id.* at 4:11–12. Textile element 40 includes lateral region 31, medial region 32, instep region 33, lower region 34, and heel region 35. *Id.* at 5:21–23.

Figure 9 of the '749 patent is reproduced below:

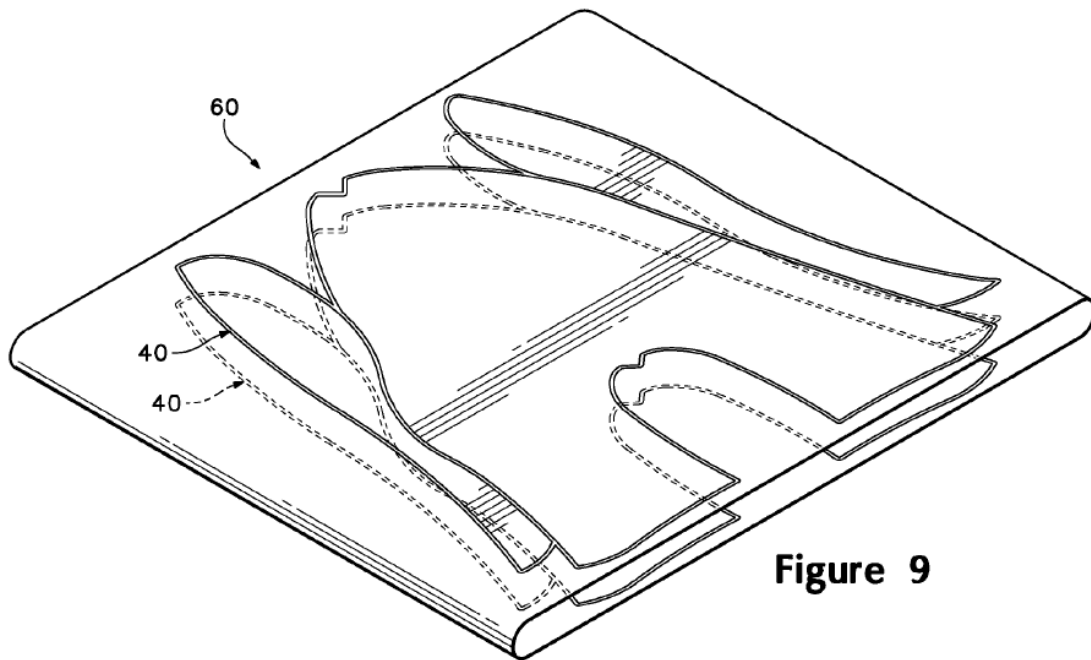


Figure 9

Figure 9 above is a perspective view of textile structure 60 that incorporates two textile elements 40. *Id.* at 4:13–14, 7:38–45. Textile structure 60 may be formed using a “wide-tube circular knitting machine.” *Id.* at 7:38–40.

The '749 expresses the following:

Textile structure 60 has a generally cylindrical configuration, and the types of stitches vary throughout textile structure 60 so that a pattern is formed with the outline of textile element 40. That is, differences in the stitches within textile structure 60 form an outline with the shape and proportions of textile element 40.

Id. at 7:40–45.

The '749 patent also states that “a first textile element 40 and a second textile element 40 may be simultaneously formed in a single textile structure 60.” *Id.* at 7:58–60.

Figure 1 of the '749 patent is reproduced below:

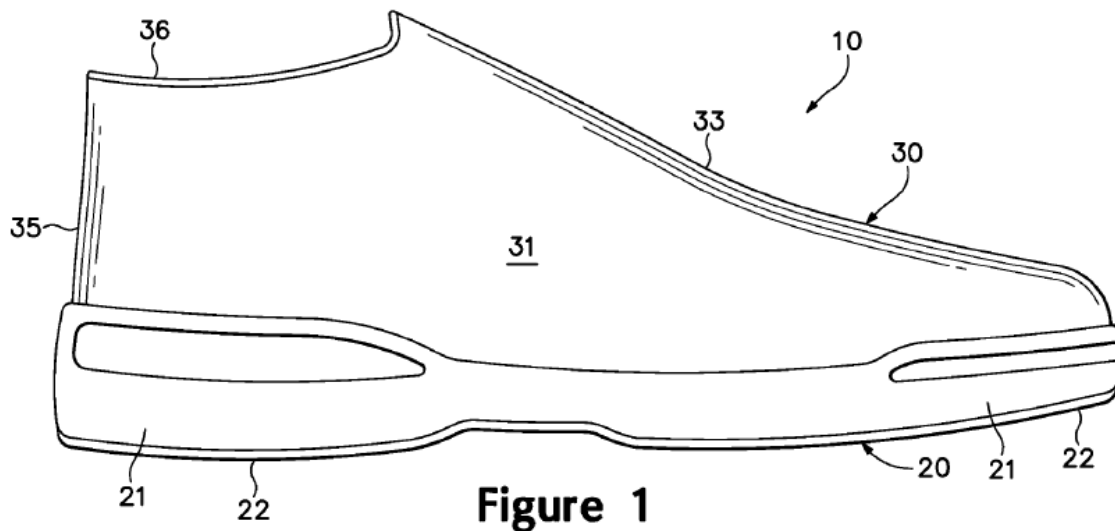


Figure 1 above is a lateral elevation view of an article of footwear 10 having an upper 30 according to the '749 patent. *Id.* at 4:1–2, 4:43–54.

D. The Challenged Claims

Petitioner challenges claims 1–21 of the '749 patent. Pet. 1. Claims 1 and 13 are independent. Claim 1 is representative and is reproduced below:

1[pre] A method of manufacturing an article of footwear,
the method comprising:

1[a] simultaneously knitting a textile element with a surrounding textile structure, the knitted textile element having at least one knitted texture that differs from a knitted texture in the surrounding knitted textile structure;

1[b] removing the knitted textile element from the surrounding knitted textile structure;

1[c] incorporating the knitted textile element into the article of footwear.

Ex. 1001, 11:43–52.⁴

E. Asserted Grounds of Unpatentability

Petitioner asserts the following grounds of unpatentability:

Claim(s) Challenged	35 U.S.C. §⁵	Reference(s)/Basis
1, 2, 5–9, 11–13, 15–19, 21	102	Clark ⁶
3, 4, 14	103	Clark, Müller ⁷
9, 10, 19, 20	102	Clark “in combination with the knowledge of a POSA ^[8] ” Pet. 14
5, 12, 15	103	Clark, Davis ⁹
1–8, 11, 13–18, 21	103	Mills ¹⁰

⁴ We reproduce claim 1 with similar limitation identification numbering used in the Petition (i.e., “1[pre]” through “1[c]”). *See* Pet. 10.

⁵ The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), amended 35 U.S.C. §§ 102 and 103 effective on March 16, 2013. AIA § 3(n). The amendments, however, do not apply to all patents and applications thereafter. *Id.* Because the ’749 patent was filed prior to March 16, 2013, the amendments do not apply. Thus, we apply the pre-AIA versions of §§ 102 and 103. Also, neither party argues that the outcome of this case would differ based on applying the pre-AIA or post-AIA versions of these laws.

⁶ U.S. Patent No. 2,440,393 issued April 27, 1948 (Ex. 1004, “Clark”).

⁷ G.B. Patent No. 228,917 is designated as “Complete Accepted” on March 11, 1925 (Exhibit 1005, “Müller”).

⁸ “POSA” stands for “person of ordinary skill in the art.” At times, the parties also refer to “POSITA,” which similarly stands for “person of ordinary skill in the art.”

⁹ U.S. Patent No. 6,299,962 B1 issued Oct. 9, 2001 (Ex. 1006, “Davis”).

¹⁰ G.B. Patent 500,230 is designated as “Complete Specification Accepted” on Feb. 6, 1939 (Ex. 1007, “Mills”).

Claim(s) Challenged	35 U.S.C. § ⁵	Reference(s)/Basis
9, 10, 19, 20	103	Mills “in combination with the knowledge of a POSA” Pet. 14
12		Mills, Cadenas ¹¹

Pet. 14.

F. Testimonial Evidence

In support of its proposed grounds of unpatentability, Petitioner relies on the Declaration of David S. Brookstein, Sc.D. (Ex. 1003). In challenging those grounds, Patent Owner relies on the Declaration of Christopher M. Pastore, Ph.D. (Ex. 2003).

III. ANALYSIS

A. Principles of Law

Anticipation under 35 U.S.C. § 102 requires that a prior art reference set forth each and every element of a claim as set forth in the claim.

Verdegaal Bros. v. Union Oil Co. of Cal., 814 F.2d 628, 631 (Fed. Cir. 1987); *see also Net MoneyIN, Inc. v. VeriSign, Inc.*, 545 F.3d 1359, 1371 (Fed. Cir. 2008) (anticipation not only requires that each element of a claim be present in a prior art reference, but also the arrangement or combination of those elements).

A patent claim is unpatentable under 35 U.S.C. § 103(a) if the differences between the claimed subject matter and the prior art are such that the subject matter, as a whole, would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said

¹¹ U.S. Patent No. 1,093,032 issued Apr. 14, 1914 (Ex. 1009, “Cadenas”).

subject matter pertains. *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of ordinary skill in the art; and (4) when in evidence, objective evidence of nonobviousness.¹² *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

“In an [*inter partes* review], the petitioner has the burden from the onset to show with particularity why the patent it challenges is unpatentable.” *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1363 (Fed. Cir. 2016) (citing 35 U.S.C. § 312(a)(3) (requiring *inter partes* review petitions to identify “with particularity . . . the evidence that supports the grounds for the challenge to each claim”)). This burden of persuasion never shifts to Patent Owner. *See Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015) (discussing the burden of proof in *inter partes* review).

B. Level of Ordinary Skill in the Art

We consider the asserted grounds of unpatentability in view of the understanding of a person of ordinary skill in the art. In assessing the level of ordinary skill in the art, various factors may be considered, including the “type of problems encountered in the art; prior art solutions to those problems; rapidity with which innovations are made; sophistication of the technology; and educational level of active workers in the field.” *In re*

¹² Neither party has presented any evidence of secondary considerations of nonobviousness.

GPAC Inc., 57 F.3d 1573, 1579 (Fed. Cir. 1995) (quoting *Custom Accessories, Inc. v. Jeffrey-Allan Indus., Inc.*, 807 F.2d 955, 962 (Fed. Cir. 1986)).

Petitioner contends the following in connection with the level of ordinary skill in the art:

A hypothetical POSA relevant to the '749 patent would have had at least a bachelor's degree in textile engineering, mechanical engineering, or similar technical degree and at least 3 years of experience working with knitted textiles for use in fabric-based articles, including apparel such as footwear. EX1003, ¶¶28-31. For individuals with different educational backgrounds, a person could still be of ordinary skill in the art provided that person's additional experience compensates for any differences in that person's education as stated above. *Id.*, ¶30.

Pet. 11.

Patent Owner states, “[f]or purposes of this Preliminary Response only, Nike applies New Balance’s proposed level of skill in the art.” Prelim. Resp. 13.

Based on this record, we adopt Petitioner’s articulation of the level of ordinary skill in the art, which is consistent with the '749 patent and the asserted prior art, and we apply it in our patentability evaluations below.

C. Claim Construction

In interpreting the claims of the '749 patent, we “us[e] the same claim construction standard that would be used to construe the claim[s] in a civil action under 35 U.S.C. [§] 282(b).” *See* 37 C.F.R. § 42.100(b) (2020). The claim construction standard includes construing claims in accordance with the ordinary and customary meaning of such claims as would have been understood by one of ordinary skill in the art and the

prosecution history pertaining to the patent. *Id.*; *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–14 (Fed. Cir. 2005) (*en banc*).

Neither Petitioner nor Patent Owner contends that any claim term has a meaning other than its ordinary and customary meaning. *See, e.g.*, Pet. 12–13; Prelim. Resp. 10. For purposes of resolving this proceeding, we determine that it is only necessary to discuss that meaning for the terms “article of footwear” and “knitting.”¹³

1. “*article of footwear*”

Each of claims 1 and 13 is directed to a “method of manufacturing an article of footwear.” Ex. 1001, 11:43–44, 12:27–28. Thus, each claim introduces an “article of footwear” as a part of their respective preambles. The body of each also sets forth a step of “incorporating [a] knitted textile element into the article of footwear.” Ex. 1001, 11:51–52, 12:42–43. Therefore, the claims make explicit reference to, and include a dedicated method step involving, “the article of footwear” that was introduced in the preamble. If the claim preamble, when read in the context of the entire claim, recites limitations of the claim or is “necessary to give life, meaning, and vitality” to the claim, then the claim preamble should be construed as if in the balance of the claim. *Pitney Bowes, Inc. v., Hewlett-Packard Co.*, 182 F.3d 1298, 1305 (Fed. Cir. 1999) (quoting *Kropa v. Robie*, 187 F.2d 150,

¹³ In a conference call conducted on September 23, 2024, Petitioner requested authorization to file additional briefing pertaining to matters of claim construction, including the terms “article of footwear” and “knitting.” *See* Paper 9 (“Order”). As discussed in the Order, and also as set forth below, we conclude that the current record provides an adequate basis to evaluate the parties’ respective positions as to the proposed grounds of unpatentability without further briefing.

152 (CCPA 1951)). Patent Owner also contends that “[t]he preamble of claims 1 and 13 is limiting because it provides antecedent basis for the limitation ‘the article of footwear’ appearing later in the body of those claims.” *See* Prelim. Resp. 17 (citing *SIMO Holdings, Inc. v. Hong Kong Cloudfink Network Tech. Ltd.*, 983 F.3d 1367, 1375–76 (Fed. Cir. 2021) (“We have repeatedly held a preamble limiting when it serves as the antecedent basis for a term appearing in the body of a claim.”)).

With the above recognition in mind of the reference to “an article of footwear” in the preambles of claims 1 and 13 coupled with the positive recitation of “the article of footwear” present in connection with an “incorporating” step in the body of each claim, we conclude that an “article of footwear” is a required limitation of the challenged claims.

Patent Owner contends “that the ordinary and customary meaning of the term ‘article of footwear’ as recited in the ’749 patent, does not include hosiery, stockings, or socks.” Prelim. Resp. 11 (citing Ex. 2003 ¶¶ 23–24). In supporting that contention, Patent Owner and Dr. Pastore point to the intrinsic record, noting that the Specification of the ’749 patent describes “that an ‘article of footwear’ includes two primary elements: ‘an upper and a sole structure.’” *Id.* (referencing Ex. 1001, 1:25–26, 4:43–44); Ex. 2003 ¶ 23. The noted content at column 1 states that “[c]onventional articles of athletic footwear include two primary elements, an upper and a sole structure.” Ex. 1001, 1:25–26. The referenced portion of column 4 content states “[t]he primary elements of footwear 10 are depicted in FIG. 1 as being a sole structure 20 and an upper 30.” *Id.* at 4:43–44. Patent Owner states that “[h]osiery, stockings, and socks do not have sole structures,” and notes that every figure of the ’749 patent shows knitted textile elements that are

incorporated in a shoe. Prelim. Resp. 11. Dr. Pastore makes at least a supporting inference in his testimony in observing that every figure of the '749 patent illustrates a "shoe" as an article of footwear and that a "POSITA would have understood that 'article of footwear,' in the context of the intrinsic record, is a shoe." *See* Ex. 2003 ¶ 23.

Petitioner contends that "a knitted stocking . . . is an article of footwear." Pet. 43 (citing Ex. 1007, 1:19–25; Ex. 1003 ¶¶ 102–106). Page 1, lines 19 through 25 of Exhibit 1007 (Mills) states the following:

The object of this invention is to provide a practicable method whereby there may be produced a commercially satisfactory fashioned stocking (and by fashioned stocking is meant one that is shaped by varying the number of wales down the leg) of such fabric.

Ex. 1007, 1:19–27.

The above-quoted portion of Mills uses the term "stocking" but does not designate a stocking as an article of footwear.

Paragraphs 102 through 106 of Exhibit 1003 describe Dr. Brookstein's views as to Mills' teachings. As to "article of footwear," Dr. Brookstein's testimony echoes the argument of Petitioner in stating that "a knitted stocking . . . is an article of footwear," also simply citing to column 1, lines 19 through 25 of Mills. Column 1, lines 19 through 25 does not substantiate Petitioner's view that the claimed "article of footwear" encompasses stockings. We conclude that Petitioner does not explain adequately why, on this record, a person of ordinary skill in the art would understand stockings to include a sole structure and an upper so as to be considered "an article of footwear" in the context of the '749 patent.

2. “knitting”

Although neither party addresses the claim term “knitting” as a part of any specific claim construction section, it is apparent that Patent Owner offers a construction of “knitting” in the context of addressing Petitioner’s proposed grounds based on Mills. *See* Prelim. Resp. 19–20. In particular, Patent Owner contends that in the context of the ’749 patent, a person of ordinary skill in the art would have understood that “knitting” is a technique that “must include the formation of loops.” *Id.* (citing Ex. 1001, 2:53–56; Ex. 2003 ¶ 46). The referenced portion of the ’749 patent at column 2 states “[i]nterlooping involves the formation of a plurality of columns of intermeshed loops, with knitting being the most common method of interlooping.” Ex. 1001, 2:53–56. Dr. Pastore points to the same disclosure in the ’749 patent in expressing that “knitting requires the formation of loops.” *See* Ex. 2003 ¶ 46.

Petitioner does not address any meaning of “knitting,” and does not offer any basis to conclude that Patent Owner’s and Dr. Pastore’s assessment that a skilled artisan would understand from the disclosure of the ’749 patent that the practice of “knitting” requires the formation of loops is incorrect. We adopt, as supported by the record, the proposed meaning of “knitting” advanced by Patent Owner.

3. *Remaining Claim Terms*

Having considered the record, we determine that no further express claim construction is necessary for any claim term. *See Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017) (holding that only claim terms in controversy need to be construed,

and only to the extent necessary to resolve the controversy (citing *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999))).

D. Grounds Involving Clark

1. Alleged Anticipation Based on Clark (Ground 1)

Petitioner contends that claims 1, 2, 5–9, 11–13, 15–19, and 21 are unpatentable as anticipated by Clark. *See* Pet. 15–35.

a) Overview of Clark (Ex. 1004)

Clark is titled “Process of Making Last-Fitting Uppers.” Ex. 1004, Title. Clark characterizes its invention as relating “primarily to shoemaking and consists in a novel process of making of textile material a fast-fitting upper which, as a resilient, self-sustaining article, exactly reproduces the contour of the last upon which it is fashioned and preserves or maintains that contour in wear.” *Id.* at 1:1–7. Clark discloses that the body of an “upper may be knitted of any yarn suitable for machine knitting.” *Id.* at 1:41–43. Clark also describes that the upper is made from “fabric [that] may be knitted as a strip in a flat bed knitting machine and formed into a continuous band by having its ends joined, or it may be knitted as a seamless band in a circular knitting machine.” *Id.* at 2:13–16. Clark’s Figure 5 is reproduced below:

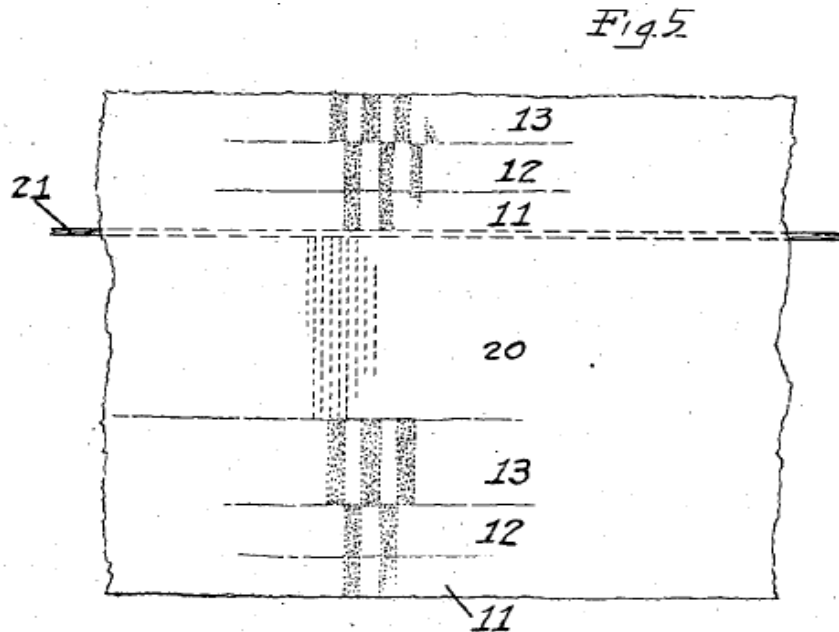
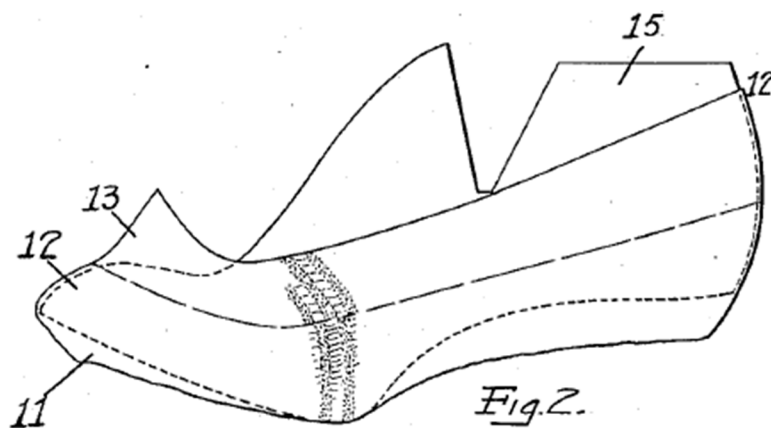


Figure 5 above shows “a fragmentary plan view showing a fabric strip of modified structure.” *Id.* at 2:49–50. The knitted band of Figure 5 includes “lining section 20” and “outer sections 11—12—13.” *Id.* at 4:50–53. The band also includes “parting thread 21.” *Id.* at 4:46–50.

Clark’s Figure 2 is reproduced below:



In Figure 2 above, “the endless band is represented as being worked over a last 15.” *Id.* at 3:67–68.

b) Discussion—Clark

Petitioner contends that all the features of claims 1, 2, 5–9, 11–13, 15–19, and 21 are disclosed in Clark. *See* Pet. 15–35. Patent Owner disagrees. *See* Prelim. Resp. 13–16. The primary focus of Patent Owner’s disagreement lies with the limitation of claim 1 designated as “1a” (and a corresponding limitation of independent claim 13). We consider limitation 1a below.

Limitation 1a requires “simultaneously knitting a textile element with a surrounding textile structure, the knitted textile element having at least one knitted texture that differs from a knitted texture in the surrounding knitted textile structure.” Ex. 1001, 11:45–48. Limitation 1a, thus, has two clauses. A core basis of the dispute here between the parties resides with the first clause pertaining to “simultaneously knitting a textile element with a surrounding textile structure.”¹⁴ More specifically, the dispute lies in purported disclosure in Clark pertaining to knitting a textile element with a “surrounding textile structure.”

Petitioner appears to approach that “surrounding textile structure” requirement in two ways based on Clark’s disclosure, but neither approach is a model of clarity. Petitioner first contends that “[t]he upper of Clark is a textile element, and it is knitted with a surrounding textile structure.” Pet. 20. Apparently, according to Petitioner, in knitting Clark’s upper, there is some “material that is trimmed away,” and that such material constitutes “the surrounding textile structure.” *See* Pet. 20–21 (“The material is knitted

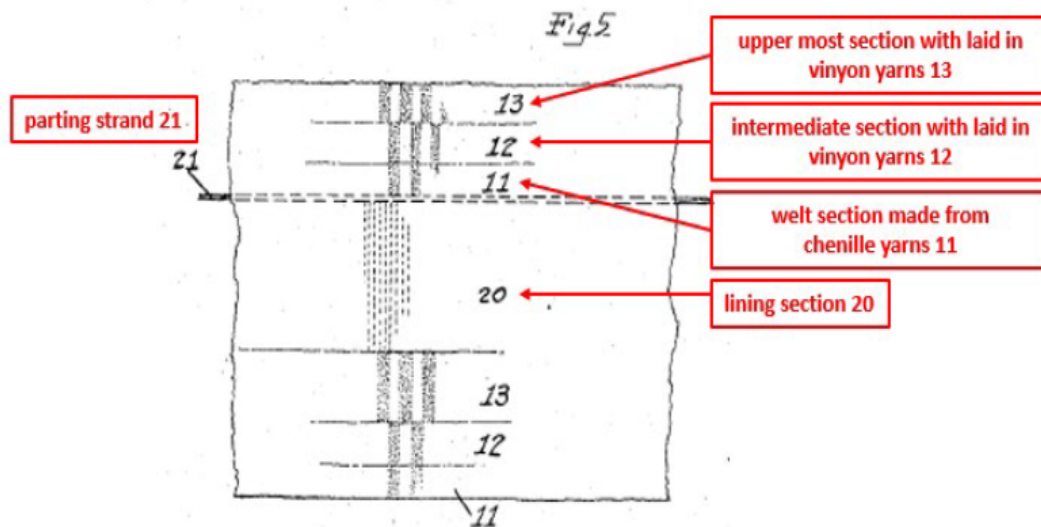
¹⁴ Claim 13 includes a similar requirement of “knitting a first textile element and a second textile element simultaneously with knitting a surrounding textile structure.” Ex. 1001, 12:29–31.

in a continuous fashion, as shown in Figure 5, and this will include the portion that will be used for the upper (the textile element) and the material that is trimmed away (the surrounding textile structure)” (citing Ex. 1003 ¶¶ 124–125)). Notably absent, however, from the above-identified portions of the Petition and testimony of Dr. Bookstein is any reference to material that is “trimmed away” or why any such material is regarded as surrounding a textile element, or any other component of Clark.

In a later portion of the Petition addressing the second clause of limitation 1a, Petitioner makes reference to Clark’s column 4, lines 61 through 66, as disclosing a “trimming process.” Pet. 23–24 (citing Ex. 1003 ¶ 128). That portion of Clark generally expresses that “the exposed edge of the upper may be trimmed in any desired outline . . . and the trimmed edge may be bound or finished as desired.” E. 1004, 4:61–66. We agree with Patent Owner that, to the extent Petitioner and Dr. Brookstein rely on that portion of Clark to account for the first clause of limitation 1a, Petitioner does not meaningfully explain why Clark’s disclosure of “the potential trimming of an ‘exposed edge’ (singular)” of any textile element means that the textile element is regarded as “hav[ing] been knitted with a *surrounding* textile structure.” See Prelim. Resp. 15–16 (citing Ex. 2003 ¶ 38). We credit Dr. Pastore’s testimony to that end, over that of Dr. Brookstein (*see, e.g.,* Ex. 1003 ¶ 128), as we find that Dr. Pastore’s testimony is more consistent with Clark’s actual disclosure and what it would have conveyed to one of ordinary skill in the art.

Furthermore, in what Patent Owner views as an additional assessment of Clark’s disclosure vis-à-vis the pertinent requirement of limitation 1a (*see*

Prelim. Resp. 13–15), Petitioner reproduces Clark’s Figure 5 in an annotated fashion as follows:



Pet. 21. The Figure above includes annotations labeling each of components 11, 12, 13, 20, and 21, including labelling component 21 as “parting strand.” Petitioner then states “[t]he portion of the material that becomes the upper is removed from the strip of material at the parting strand and stretched over a last to form the shape of the shoe, as shown in Fig. 2.” *Id.* (citing Ex. 1003 ¶ 119). To the extent that Petitioner regards parting strand 21 as forming a surrounding textile element that is simultaneously knit with the sections numbered 11, 12, 13, and 20, we agree with Patent Owner that Petitioner does not explain why that is the case, or why any formation, or removal, of parting strand 21 amounts to the pertinent requirement of limitation 1a as to simultaneously knitting a textile element with a surrounding textile element. Of additional note, the paragraph 119 of Dr. Pastore’s Declaration (Ex. 1003) offered in support of Petitioner’s statements makes no mention of parting strand 21.

For the reasons set forth above, and having considered the respective positions of the parties, we find that the record does not establish that Clark discloses all the elements required by claim 1 (and claim 13). Accordingly, we determine that Petitioner has not shown a reasonable likelihood of showing that claims 1 and 13 are anticipated by Clark. We reach the same determination for dependent claims 2, 5–9, 11, 12, 15–19, and 21, which ultimately depend from one of claims 1 and 13, and, thus, include all the requirements of those independent claims.

2. Alleged Obviousness Based on Clark (Grounds 2–4)

Petitioner alleges that: (1) claims 3, 4, and 14 are unpatentable over Clark and Müller (Ground 2); (2) claims 9, 10, 19, and 20 are unpatentable over Clark “in combination with the knowledge of a POSA” (Pet. 14) (Ground 3); and (3) claims 5, 12, and 15 are unpatentable over Clark and Davis (Ground 4). *See* Pet. 35–43. All of the above-noted claims are ultimately dependent on either claim 1 or claim 13. Petitioner does not rely on Müller, any alleged knowledge of a POSA, or Davis to account for the deficiencies noted above pertaining to Clark’s disclosure in accounting for the pertinent limitations of claims 1 and 13. Accordingly, we also determine that Petitioner has not shown a reasonable likelihood of success in its challenge to claims of the ’749 patent based on any of Grounds 2–4.

3. Alleged Anticipation Based on Mills (Ground 5)

Petitioner contends that claims 1–8, 11, 13–18, and 21 are unpatentable as anticipated by Mills. *See* Pet. 43–60.

a) Overview of Mills (Ex. 1007)

Mills is titled “Improvement in Stockings and the like and in the Production thereof.” Ex. 1007, Title. With respect to its disclosure, Mills expresses the following:

This invention is for improvements in and relating to stockings and the like (particularly stockings which are prone to ladder such as those knitted from pure silk, artificial silk and similar slippery yarns of mixtures therefore) and is concerned with the manufacture of fashioned stockings consisting wholly or in substantial part of ladder-resistant fabric in which the stitch loops are locked by locking loops passed through and around them.

Ex. 1007, 1:5–15.

Mills’s Figures 1 and 2 are reproduced below:

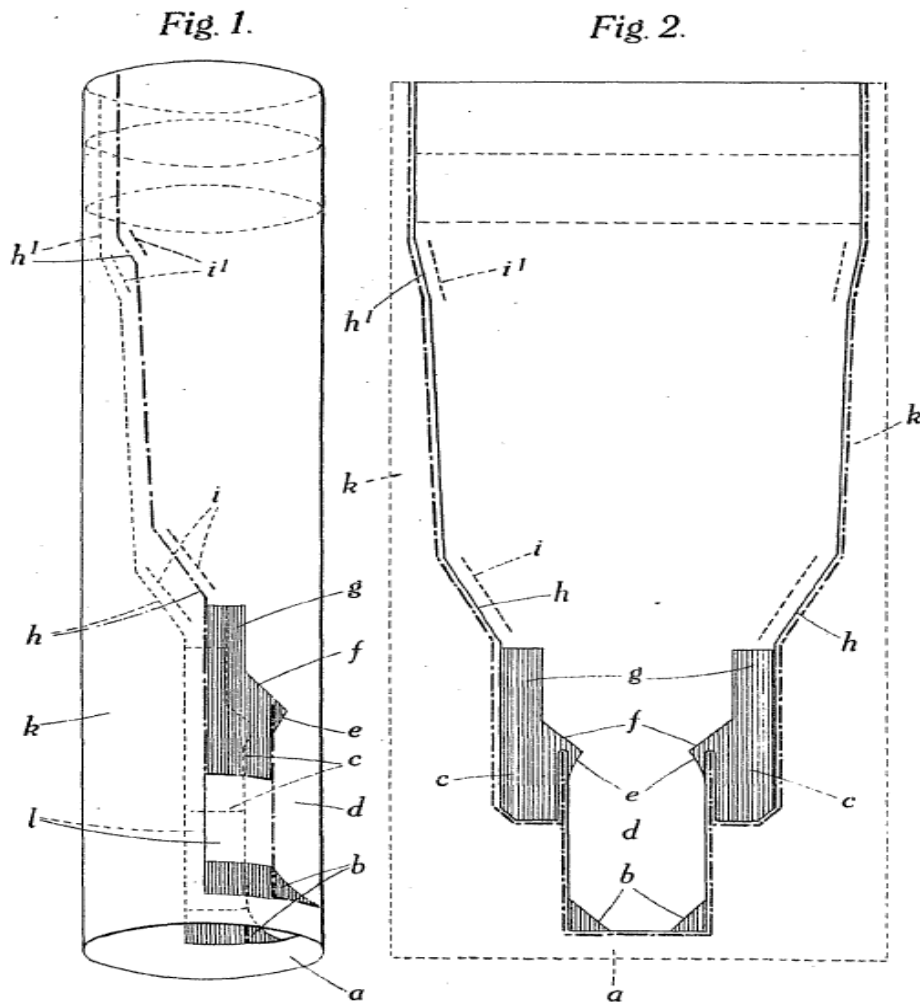


Figure 1 above “illustrates diagrammatically a knitted tube adapted when cut and seemed to form a fashioned stocking having an English foot.” *Id.* at 6:102–105. Figure 2 above “shows a shaped blank produced by cutting the knitted tube of Figure 1 along the dot and dash line, the cut away part being indicated by the marginal dotted line.” *Id.* at 6:106–110. Mills further sets forth the following:

As will readily be appreciated, in the production of the blank, certain portions of the fabric are cut away and are waste. In the production of the fabric on a circular knitting machine it is within the scope of this invention to cause the thread laid at each course to float over the requisite number of needles, instead of begin knitted thereby to produce this waste portion.

Id. at 6:44–53.

b) Discussion—Mills

Petitioner contends that all of the features of claims 1–8, 11, 13–18, and 21 are present in Mills. *See* Pet. 43–60. Patent Owner disputes Petitioner’s contention. *See* Prelim. Resp. 17–21. As the basis of that dispute, Patent Owner directs attention to two limitations of claim 1 (and corresponding limitations of independent claim 13). We consider those limitations below.

Each of claims 1 and 13 is drawn to a “method of manufacturing an article of footwear” and includes a step of incorporating a knitted textile element into “the article of footwear.” As discussed above (*see supra* § II.C.1), we conclude that the claims require an article of footwear, and that such footwear is characterized as having a sole structure and an upper. Petitioner does not explain why stockings are understood reasonably as constituting an article of footwear in the context of the ’749 patent. To that end, and on this record, we agree with Patent Owner that it is not apparent why Mills’s disclosure as to manufacturing stockings amounts to disclosure of manufacturing an “article of footwear.” *See* Prelim. Resp. 17–18.

Each of claims 1 and 13 also requires a textile structure that is “knitted,” and which surrounds a textile element. *See* Ex. 1001, 11:45–50, 12:29–41. Petitioner contends that Mills discloses a surrounding textile structure that is designated as reference characters “*a* and *k*” and is

characterized as “waste.” Pet. 46. As Patent Owner notes, however, Mills describes that its “waste area,” which is mostly formed from area “k,” is explicitly produced in a manner in which thread is “floated” over needles “instead of being knitted.” *See* Prelim. Resp. 19–20 (quoting Ex. 1007, 3:64–76, 7:65–75). We agree with Patent Owner that such disclosure conveys that the waste area (including area “k”) does not involve the “formation of loops” so as to be considered “knitted.” *See id.* Thus, the record at hand conveys that Mills explicitly states that its waste area, which is understood to primarily include area “k,” is formed in a manner that is not knitted. That formation practice is also understood to not involve the creation of “loops,” which is the hallmark of “knitting” in the context of the ’749 patent (*see supra* § II.C.2). Accordingly, we are not satisfied that Petitioner accounts adequately in Mills’s disclosure for the “knitted” surrounding textile structure that is required by the claims of the ’749 patent.

For foregoing reasons, we find that the record does not establish that Mills discloses all the elements required by claim 1 and claim 13. As a result, we determine that Petitioner has not shown a reasonable likelihood of showing that claims 1 and 13 are anticipated by Mills. We reach the same determination for dependent claims 21–8, 11, 14–18, and 21, which ultimately depend from one of claims 1 and 13.

4. Alleged Obviousness Based on Mills (Grounds 6, 7)

Petitioner alleges that: (1) claims 9, 10, 19, and 20 are unpatentable over “Mills in combination with the knowledge of a POSA” (Ground 6), and claim 12 is unpatentable over Mills and Cadenas. (Ground 7). *See* Pet. 14, 60–64. All of the above-noted claims are ultimately dependent on either claim 1 or claim 13. Petitioner does not rely on any alleged knowledge of a

POSA or Cadenas to account for the deficiencies noted above pertaining to Mills's disclosure in accounting for the pertinent limitations of claims 1 and 13. Accordingly, we also determine that Petitioner has not shown a reasonable likelihood of success in its challenge to claims of the '749 patent based on either Ground 6 or Ground 7.

IV. CONCLUSION

For the reasons set forth above, we conclude that Petitioner has not shown a reasonable likelihood that it would prevail with respect to at least one of the challenged claims.

V. ORDER

It is

ORDERED that Petitioner's request for an *inter partes* review of the challenged claims of the '749 patent is denied and no trial is instituted.

IPR2024-00778
Patent 8,266,749 B2

FOR PETITIONER:

Linnea Cipriano
Douglas Kline
GOODWIN PROCTER LLP
lcipriano@goodwinlaw.com
dkline@goodwinlaw.com

FOR PATENT OWNER:

Michael Harris
Aaron Bowling
Lindsey Staubach
ARNOLD & PORTER KAYE SCHOLER LLP
michael.harris@arnoldporter.com
aaron.bowling@arnoldporter.com
lindsey.staubach@arnoldporter.com