

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CASPER SLEEP INC.,
Petitioner,

v.

WERNER MEDIA PARTNERS, LLC,
Patent Owner.

IPR 2024-00474
Patent 10,842,301 B2

PATENT OWNER'S RESPONSE TO PETITIONER'S MOTION TO STRIKE

Patent Owner respectfully files this Response to Petitioner’s Motion to Strike as authorized by the Board (Exhibit 3001). The table below details the remaining supplemental exhibits at issue as they relate to new evidence and arguments raised in the Reply. Patent Owner has voluntarily withdrawn Exhibits 2031, 2034, 2036-2040 to focus the Board on the new arguments and exhibits raised in the Reply. To the extent necessary, Patent Owner respectfully requests this response be treated as request for authorization under 37 C.F.R. 42.123(b) to file the below supplemental exhibits in response to Petitioner’s new arguments and related exhibits in the Reply.

Exh	Description	New Argument in Reply
2030	Andrew Gross Second Declaration (Confidential)	Exhibit 1075 (¶¶ 103-109), three new Crawford/Liestro configurations
2032	PCM-Over-Gel-Pack-White-Paper-R3-23-July-2024	Exhibit 1085 and argument directed to Rossi (referenced in Schneider)
2033	Jeff Quinn Second Declaration (Confidential)	Exhibits 1039-1043, 1045, 1047, 1050, 1054-1084 referenced in Reply and Shiroff Declaration (Exhibit 1076)
2035	“Resilient”, <i>Merriam-Webster.com Dictionary</i>	III(A) – industry standard of “solid” for claim construction
2041	Largest online retailers in the U.S	VI(B)(1) p. 24 – new Exhibit 1047 and argument of online sales
2042	Declaration of Marc Werner (Confidential)	VI(B)(3) p. 25– addressing tested foam samples (Exhibits 1060-1073) versus production GhostPillows (Exh 1055)
2043	Casper Hybrid Pillow Before It Was Changed (with holes)	VI(B)(1) p. 23 - responding to why Mr. Quinn excluded Petitioner’s product from market share analysis
2044	Amazon Listing Casper Sleep Hybrid Pillow After It Was	VI(B)(1) p. 23 - responding to why Mr. Quinn excluded Petitioner’s product

	Changed (no holes)	from market share analysis
2045	Pictures: Casper Hybrid Sleep Pillow After Change, (Exh 2044) (no holes)	VI(B)(1) p. 23 – responding to why Mr. Quinn excluded Petitioner’s product from market share analysis

I. Evidence in the Sur-Reply Was Supplemental Evidence That Should Be Allowed in the Interest of Justice

In PTAB trials, rules regulate when evidence may be presented by a party to ensure the opposing party a fair opportunity to respond to such evidence. Rule 42.23(b) prohibits a party from filing a sur-reply with “new evidence other than deposition transcripts of the cross-examination of any reply witness.” In the right circumstances, this blanket prohibition against new evidence may be overcome. In *Group III International, Inc. v. Targus International LLC*, (No. IPR2021-00371, Paper 76), the Board granted a motion under 37 C.F.R. 42.123(b) to permit “late” filing of new exhibits as supplemental information with the patent owner’s sur-reply. The Board deemed the exhibits, presented to a reply witness during deposition for testing the credibility of the witness, to satisfy the two-prong test of 42.123(b). At issue was whether two new exhibits were relevant to providing the full context of the deposition transcript for sur-reply submission. The circumstances that led to the motion arose from a supplemental declaration filed by the petitioner’s expert witness (“Expert”), which raised a **new rationale** as to prior art as to why the bags of the cited prior art references could not have had features that would disrupt a scanner. The Expert asserted that the presence of a zipper on a bag was incompatible with a bag

being made of metallic material. The patent owner presented the Expert with two new exhibits, which were directed to bags having zippers and metallic mesh, to challenge the Expert's zipper-metallic material incompatibility argument

The patent owner filed a motion to submit the deposition transcript under 37 C.F.R. 42.123(b) along with the two new exhibits. The introduction of the two exhibits was in the interest of justice because the new exhibits provided a complete record (full context of the deposition transcript) to allow the PTAB to weigh the credibility of the Expert's testimony. The Board's reasoning that admission of the references "would allow the PTAB to weigh the credibility of the Expert's testimony" indicates that it applied the "in the interest of justice prong" of 37 C.F.R. 42.123(b). *See also Ascend Performance Materials Operations LLC v. Samsung SDI Co., Ltd.*, IPR2020-00349, Paper 53, p. 12 (July 15, 2021).

On November 15, 2024, Petitioner filed its Reply to the Patent Owner Response. In the Reply VI(B)(1), Petitioner introduced new arguments not previously raised in the Petition (that could have been raised) and also introduced new sales figures by Petitioner (Exhibit 1082). Petitioner introduced the testimony of David Shiroff (Exhibit 1076) along with new evidence attacking the secondary considerations arguments raised in the Response. In the Petition, Petitioner summarily dismissed any evidence of secondary considerations (Petition, VI(E)) and is now attempting to make it an issue in the Reply.

Patent Owner provided supplemental evidence in response to Petitioner's new grounds of unpatentability. The exhibits should be allowed in the interest of justice as they are relevant to the new arguments and provide a complete record.

II. Petitioner Added New Grounds of Unpatentability

For Crawford in view of Lievestro, the Reply sets forth three new configurations of the Crawford process Petitioner did not raise in the Petition; yet could have. In response to these new grounds of unpatentability, Patent Owner supplemented the Sur-Reply with the second declaration of expert Andrew Gross (Exhibit 2030). Petitioner opened the door and included new arguments in the Reply. Patent Owner should be permitted to submit supplemental evidence in the interest of justice because it is relevant and provides a complete record.

III. Petitioner Attacks the Credibility of the Tested Foam Samples

Marc Werner's declaration (Exhibit 2042) was supplemented because Petitioner tries to distinguish the foam samples submitted to third-party testing facility Element. (Exhibit 1075, ¶¶ 145-152). This supplemental exhibit should be allowed in the interest of justice because it is relevant, directly responds to new arguments raised in the Reply, and provides a complete record.

IV. Petitioner Introduced New Grounds of Unpatentability With Sales Information From Casper

Petitioner introduced the testimony of David Shiroff along with new evidence attacking the secondary considerations. In the Petition, Petitioner never raised the

issue of secondary considerations and attempts to raise new arguments and exhibits in its Reply. Patent Owner provided supplemental evidence by providing the second declaration of expert witness Jeff Quinn (Exhibit 2033) addressing Petitioner's newly disclosed sales information regarding their cooling pillows that are within the defined market, including why some pillow models were not included in the defined market (Reply, VI(B)(1), p.23). This supplemental exhibit should be allowed in the interest of justice because it is relevant and provides a complete record.

The evidence that was supplemented with the Sur-Reply should be allowed so the Board can have a complete record to decide the proceeding on the merits.

December 21, 2024

Respectfully submitted,

Lead Counsel

/s Greg M. Popowitz

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CERTIFICATE OF SERVICE

The undersigned certifies that, in accordance with 37 C.F.R. § 42.6(e) and 37 C.F.R. § 42.205, service was made on Petitioner as detailed below.

<i>Date of Service</i>	December 21, 2024
<i>Manner of Service</i>	P-TACTS and E-Mail
<i>Documents Served</i>	- This Response to Motion to Strike
<i>Persons Served</i>	Mark I. Koffsky mkoffsky@koffskyschwalb.com Gary Serbin gserbin@koffskyschwalb.com Koffsky Schwalb LLC 500 7th Ave, 8th Floor New York, NY 10018

Date: December 21, 2024

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