

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CASPER SLEEP INC.,
Petitioner,

v.

WERNER MEDIA PARTNERS, LLC,
Patent Owner.

IPR2024-00474
Patent 10,842,301 B2

Before BARRY L. GROSSMAN, JASON W. MELVIN, and
RYAN H. FLAX, *Administrative Patent Judges*.

FLAX, *Administrative Patent Judge*.

ORDER
Granting-in-Part Petitioner's Motion to Strike
37 C.F.R. §§ 42.5(a), 42.7(a)

I. INTRODUCTION

Werner Media Partners LLC (“Patent Owner”) is the owner of U.S. Patent 10,842,301 B2 (Ex. 1001, “the ’301 patent”). Paper 5, 1. On January 18, 2024, Casper Sleep Inc. (“Petitioner”) filed a Petition for *inter partes* review challenging the patentability of claims 1 and 2 of the ’301 patent (all claims). Paper 2, 1 (“Pet.”). On April 26, 2024, trial was instituted. Paper 7.

Patent Owner filed a Response to the Petition on August 23, 2024, to which Petitioner responded with a Reply on November 15, 2024, which was followed by a Sur-reply from Patent Owner on December 6, 2024. Papers 12, 24, and 31.

On December 21, 2024, with our authorization (via email on December 10, 2024—*see* Ex. 3001), Petitioner filed a Motion to Strike evidence and arguments filed by Patent Owner with its Sur-reply. Paper 37 (“Motion” or “Mot.”). Patent Owner opposed this Motion on December 21, 2024. Paper 38 (“Opposition” or “Opp.”).

For the reasons below, Petitioner’s Motion is *granted-in-part* and *denied-in-part*.

II. DISCUSSION

Petitioner asserts that Patent Owner filed with its Sur-reply sixteen exhibits that are improper under our rules, namely Exhibits 2030–2045, which include witness declarations, witness affidavits, and other documents that are not “deposition transcripts of the cross-examination of any reply witness,” per the restriction set forth in 37 C.F.R. § 42.23(b), and discussed in our Consolidated Trial Practice Guide (“CTPG”) at 73–75. Mot. 1–3. Petitioner also asserts that neither these exhibits nor the portions of the Sur-

reply relying thereon are responsive to new theories (of unpatentability) raised by Petitioner in its Reply, and that Patent Owner neither sought nor was granted authorization by the Board to submit such evidence with its Sur-reply. *Id.* at 3.

Because they are improperly filed, and not otherwise authorized by the Board, Petitioner asks that we strike from the record the above-identified exhibits, and also the “portions of [Patent Owner’s Sur-reply] that rely on [these] [e]xhibits.” *Id.* at 4–5. Petitioner asserts it will be “extremely prejudiced” by the improper evidence and arguments because it has no opportunity to cross-examine Patent Owner’s newly testifying witnesses and has no opportunity to respond to the evidence or arguments. *Id.*

In its Opposition, Patent Owner first states, “Patent Owner has voluntarily withdrawn Exhibits 2031, 2034, [and] 2036-2040 to focus the Board on the new arguments and exhibits raised in the Reply.” Opp. 1. There is no indication in the record, other than this statement, that Patent Owner has taken any action to withdraw these exhibits. As it is Patent Owner’s expressed intention, however, we will strike these exhibits from the record.¹

Turning to the remaining evidence and arguments at issue, in its Opposition, Patent Owner further states it “requests [the] response [Opposition] be treated as [a] request for authorization under 37 C.F.R. [§] 42.123(b) to file [its] supplemental exhibits.” *Id.* Thus, Patent Owner highlights that the contested evidence was filed without our prior

¹ Even had Patent Owner not indicated it withdrew (or intended to withdraw) these exhibits, we would order their striking for the same reasons as the other exhibits at issue, as discussed below.

authorization, which Patent Owner did not seek. We do not authorize such a filing.

Patent Owner summarizes Exhibits 2030, 2032, 2033, 2035, 2041, 2043, 2044, and 2045 as witness declarations, as well as documents and photographs, none of which are cross-examination deposition testimony transcripts, which is substantially in agreement with how Petitioner identifies the evidence. *Id.* at 1–2.

Patent Owner argues that Petitioner’s Reply “introduced new arguments not previously raised in the Petition (that could have been raised),” including evidence supporting Petitioner’s Reply arguments responding to Patent Owner’s arguments and evidence on objective indicia of non-obviousness (Patent Owner calls this “secondary considerations”) “raised in the Response.” *Id.* at 3. Patent Owner takes the position that such arguments and evidence should have been preemptively set forth in the Petition, but was not. *Id.* Patent Owner also asserts that Petitioner’s Reply “introduced new grounds of unpatentability with sales information,” which Patent Owner asserts was “evidence attacking the secondary considerations.” *Id.* at 4–5 (capitalization omitted). Patent Owner argues that the interest of justice should allow its above-identified evidence. *Id.* at 5.

Regarding these arguments, although Petitioner has the ultimate burden of proof in this proceeding, the (initial) burden of asserting and producing evidence of objective indicia of non-obviousness falls on Patent Owner, not Petitioner, thus, it was not Petitioner’s responsibility to guess Patent Owner’s future arguments and preemptively address such matters in the Petition. *See Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375 (Fed. Cir. 2015); *Fox Factory, Inc. v. SRAM, LLC*, 994 F.3d 1366

(Fed. Cir. 2019); *WMS Gaming, Inc. v. Int'l Game Tech.*, 184 F.3d, 1339 (Fed. Cir. 1999). Moreover, Petitioner's responding in its Reply to Patent Owner's arguments in the Response concerning objective indicia of non-obviousness does not set forth new grounds of unpatentability.

Patent Owner also argues that Petitioner's "Reply sets forth three new configurations of the Crawford process Petitioner did not raise in the Petition; yet could have," which Patent Owner calls "new grounds of unpatentability."² Opp. 4. Patent Owner does not identify what these "new configurations" and "new grounds" are or why they should be considered new and improper, but argues that the above-identified evidence and Sur-reply arguments are responsive thereto and, thus, justified in the interest of justice. *Id.*

Upon an initial review, we find no asserted new grounds for unpatentability presented in Petitioner's Reply; neither has Patent Owner requested authorization to move to strike any portion of the Reply for such.³ Petitioner's Reply, in relevant part, appears to explain the Petition's asserted unpatentability ground based on the combination of Crawford (Ex. 1011) and Lievestro (Ex. 1013) as rebuttal to Patent Owner's Response arguments.

Having considered the parties' positions and the facts presented, Petitioner is correct and Patent Owner misunderstands or overlooks our rules. Our Consolidated Trial Practice Guide states that a motion to strike

² Crawford refers to Exhibit 1011, a prior art reference asserted by Petitioner.

³ Patent Owner has objected to certain exhibits submitted by Petitioner with its Reply for evidentiary rules violations and filed a Motion to Exclude. Papers 29 and 46 (this Motion, at 2–3, does mention the rule against adding new bases for unpatentability in a Reply, but without further explanation).

may be appropriate when a brief “is accompanied by belatedly presented evidence.” CTPG at 80–81. Even if a motion to strike is “an exceptional remedy that . . . will be granted rarely” (*id.* at 80), Patent Owner’s evidence here warrants that remedy.

It is clear from the language of our rules, as well as our consistent application thereof, that only one form of evidence is appropriately filed (by right, without Board authorization) with a patent owner’s sur-reply: The sur-reply “may not be accompanied by new evidence other than deposition transcripts of the cross-examination of any reply witness,” and “a reply or sur-reply that raises a new issue or belatedly presents evidence may not be considered.” 37 C.F.R. § 42.23(b); CTPG at 73–74; *see also Semiconductor Components Indus., LLC v. Greenthread LLC*, IPR2023-01242, Paper 80 (PTAB Nov. 8, 2024) (granting motion to strike sur-reply evidence that was not deposition transcripts from the proceeding); *Ford Motor Co. v. Safe Driving Tech. LLC*, IPR2021-01446, Paper 28 at 82–83 (PTAB Mar. 10, 2023) (new sur-reply evidence not permitted)); *Satco Prods., Inc. v. Seoul Semiconductor Co., Ltd.*, IPR2020-00836 at 1-2, 75-77 (PTAB Oct. 22, 2021) (considering motion to strike and excluding improper sur-reply “rebuttal” evidence); *Lenovo Holding Co., Inc. v. Dodots Licensing Solutions LLC*, IPR2019-01278, Paper 37, 31-33 (PTAB Jan. 19, 2021) (striking supplemental declaration filed with patent owner’s sur-reply); *Clearone, Inc. v. Shure Acquisition Holdings, Inc.*, IPR2019-00683, Paper 66 at 3-5 (PTAB April 20, 2020) (striking patent file histories and non-patent literature filed with patent owner’s sur-reply). Moreover, “[i]t is also improper for a [sur-]reply to present new evidence (including new

expert testimony) that could have been presented in a prior filing.” CTPG at 74.

Although the Board is empowered to waive application of this rule, the appropriate course for Patent Owner would have been to ask the Board to do so *before* the new evidence was filed—not to file the evidence without preauthorization. 37 C.F.R. § 42.5(b) (providing that the Board may “waive or suspend” a requirement of part 42 of the C.F.R. and “place conditions on the waiver or suspension”). Our Consolidated Trial Practice Guide explains: “[w]here a party believes it has a basis to request relief on a ground not identified in the rules, the party should contact the Board and arrange for a conference call with the Board and opposing party to discuss the requested relief with the judge handling the proceeding.” CTPG at 75. A party seeking to introduce evidence beyond that expressly permitted by our rules should raise the issue with the panel in advance as counseled by the CTPG. Merely submitting new evidence with a sur-reply was not authorized by Board rules or guidance and, here, Patent Owner did not seek authorization to file the new evidence.

With respect to Petitioner’s request that we strike portions of Patent Owner’s Sur-reply itself, the Consolidated Trial Practice Guide notes that a reply that raises a new issue might not be considered. CTPG at 74. However, “striking the entirety or a portion of a party’s brief is an exceptional remedy that the Board expects will be granted rarely,” and we are capable of disregarding any new issues exceeding the proper scope of the Sur-reply. *Id.* at 80. Here, we determine that this is not a case requiring that exceptional remedy, and no part of the Sur-reply need be stricken. We will

disregard and will not consider any new evidence or arguments that exceed the proper scope of the Sur-reply.

III. CONCLUSION

Thus, we *grant-in-part* and *deny-in-part* the Motion to Strike. Specifically, we grant the Motion with respect to striking Exhibits 2030–2045, and deny the Motion with respect to striking any portion of the Sur-reply.

ORDER

Accordingly, it is hereby:

ORDERED that Petitioner’s Motion is *granted* to the extent Exhibits 2030–2045 are stricken from the record; and

FURTHER ORDERED that Petitioner’s Motion is *denied* with respect to striking any part of Patent Owner’s Sur-reply.

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Patent 10,842,301 B2

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