

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NEXT STEP GROUP, INC.,
Petitioner

v.

DECKERS OUTDOOR CORPORATION,
Patent Owner

Case IPR2024-00525
U.S. Patent No. D927,161

**PATENT OWNER PRELIMINARY RESPONSE
UNDER 37 C.F.R. § 42.107(a)**

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Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	File History of U.S. Design Patent No. D927,161
2002	Copy of NPL1 submitted on January 14, 2020, by the Applicant during prosecution of U.S. Design Patent No. D927,161
2003	Copy of NPL2 submitted on January 14, 2020, by the Applicant during prosecution of U.S. Design Patent No. D927,161
2004	Declaration of Christopher S. Hermanson
2005	Copy of Chinese Patent No. 304964897 (“CN’897”) downloaded from Questel
2006	Wayback Machine copy of webpage cited as NPL1 on the January 14, 2020, Information Disclosure Statement submitted during prosecution of U.S. Design Patent No. D927,161
2007	Wayback Machine copy of webpage cited as NPL2 on the January 14, 2020, Information Disclosure Statement submitted during prosecution of U.S. Design Patent No. D927,161
2008	Oppedahl, C., “How to get a decent PDF of a US design patent that is in color or grayscale,” November 9, 2019, accessible at https://blog.oppedahl.com/how-to-get-a-decent-pdf-of-a-us-design-patent-that-is-in-color-or-gray-scale/ (last accessed May 6, 2024)
2009	Declaration of Jim Gandy
2010	<i>Curriculum Vitae</i> of Jim Gandy

I. INTRODUCTION

Patent Owner Deckers Outdoor Corporation is well-known throughout the United States and elsewhere as a source of high quality footwear products, including the famous UGG® brand of premium comfort-leisure footwear (the “UGG Products”). UGG footwear has been and remains highly coveted today by consumers as one of the most popular and recognizable symbols of luxury and style. Since UGG boots were featured on Oprah’s Favorite Things® in 2000, the popularity of UGG footwear has grown exponentially. Among the purchasing public, genuine UGG Products are instantly recognizable as such. In the United States and around the world, the UGG brand has come to symbolize high quality, and UGG Products are among the most recognizable premium footwear products in the world.

The Board should deny institution of *inter partes* review of the challenged claim of U.S. Patent No. D927,161 (“the ’161 patent”) because (1) Petitioner relies on alleged prior sales of certain products, which is not a permissible basis of an *inter partes* review challenge, and (2) Petitioner relies on the same art considered by the Examiner during prosecution of the ’161 patent and has not shown material error in the Office’s prior consideration thereof. The combined discretionary considerations under Sections 314(a) and 325(d) strongly favor denying institution.

Nearly all of Petitioner's asserted grounds are based on the alleged *prior sales* of certain products. In an IPR, grounds of unpatentability may be raised "only on the basis of prior art consisting of patents or printed publications." 35 U.S.C. § 311(b). The Board does not have authority to institute review of a challenge based on prior sales. Instituting review when 13 of Petitioner's 15 asserted grounds are facially deficient is a waste of the Board's and the parties' resources.

Under Section 314(a), the Board should apply its informative *Chevron/Deeper* decisions and deny institution because 13 of Petitioner's 15 grounds are facially deficient for relying on prior sales. Board precedent disfavors instituting review when the majority of the challenges fail to satisfy the threshold for institution.

Section 325(d) and the precedential *Advanced Bionics* decision compound the case in favor of discretionary denial. For the only two grounds not based on prior sales, the Petition relies solely on CN'897. But CN'897 is not new prior art. Rather, the Office previously considered it during prosecution of the '161 patent. The Office also previously considered the UGG® Classic Mini relied on by Petitioner in grounds 6, 7, 8a–8c, 9a–9c, and 10. Petitioner has not shown material error in the Office's prior consideration thereof, as required by *Advanced Bionics*. Thus, the Board's discretionary considerations strongly favor denial, and the Board should deny institution.

On the merits, the Petition fails to meet the reasonable likelihood threshold required for institution. First, the majority of Petitioner's grounds are based on an improper claim construction that ignores a feature of the claim—namely, Petitioner contends that the tab should be ignored because it is allegedly purely functional. Second, all of Petitioner's grounds fail to consider the visual appearance of the claim as a whole. In both instances, Petitioner's contentions are based on legal error and the asserted grounds are insufficient for institution of *inter partes* review.

As will be demonstrated herein, *inter partes* review of the challenged claim of the '161 patent should be denied.

II. THE '161 PATENT

A. Overview

The '161 patent claims the ornamental design for a footwear upper as shown in solid lines in Figures 1–7 of the '161 patent. Figures 2, 5, and 6, showing a side elevation view, a rear elevation view, and a top plan view of the claimed design are reproduced below for reference.

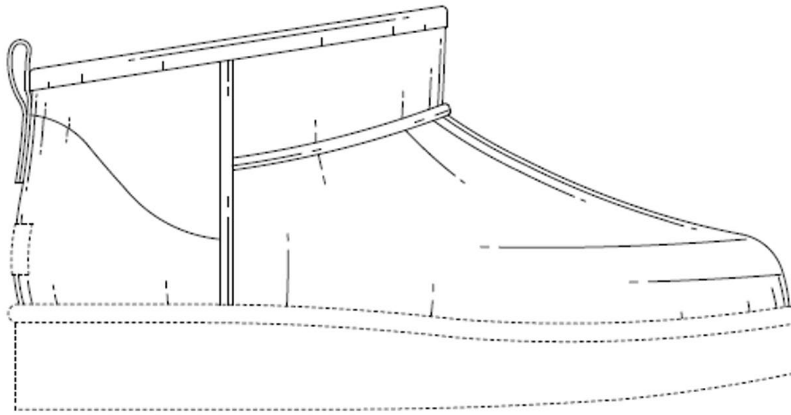


FIG. 2

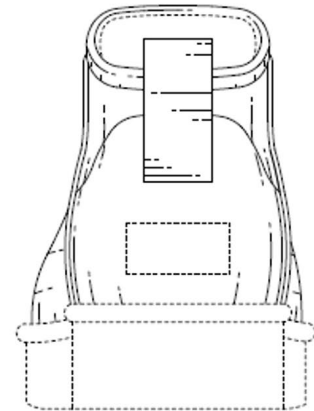


FIG. 5

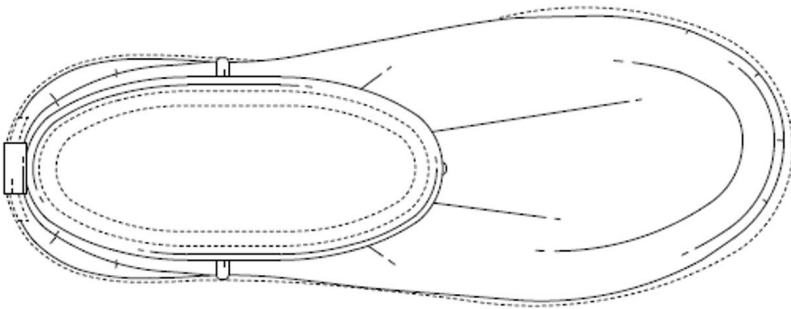


FIG. 6

EX1001, FIGs. 2, 5, and 6.

B. Prosecution History

The '161 patent issued on August 10, 2021, from U.S. App. No. 29/712,480 ("the '480 application"), which was filed on November 8, 2019. EX1001, (21), (22), (45). The '480 application does not claim priority to any earlier-filed applications.

On January 14, 2020, Patent Owner filed an Information Disclosure Statement (IDS). EX2001, 0031–50. The IDS cited two non-patent literature documents, both copies of webpages selling UGG® brand boots. The first document cited was a copy of the webpage www.zappos.com/ugg-classic-mini-

sand showing the UGG® Classic Mini boot (“NPL1”). EX2001, 0032–35. Exhibit 2002 is a copy of the first cited document as submitted with Patent Owner’s IDS.

EX2004, ¶3. The second document cited was a copy of the webpage

<https://www.zappos.com/p/ugg-classic-mini-ii/product/8733926> showing the

UGG® Classic Mini II boot (“NPL2”). EX2001, 0036–47. Exhibit EX2003 is a copy of the second cited document as submitted with Patent Owner’s IDS.

EX2004, ¶4.

On March 26, 2021, the Office issued a non-final Office Action. EX2001, 0051–60. The non-final Office Action did not reject the claim in view of any prior art. The non-final Office Action only objected to the original drawings filed in the ’480 application and rejected the claim under 35 U.S.C. §§ 112(a) and (b). EX2001, 0051–60.

With the non-final Office Action, the Office mailed an initialed copy of Patent Owner’s January 14, 2020, IDS indicating that both of the cited non-patent literature documents were considered by the Examiner. EX2001, 0070. The Office Action also included a Notice of References Cited by the Examiner. EX2001, 0061–63. Notably, this list included CN 304964897, which is the CN’897 reference cited by Petitioner. EX2001, 61. A copy of the CN 304964897 reference was also included. EX2001, 0066–69.

On April 14, 2021, Patent Owner submitted a response to the non-final Office Action, which included a submission of replacement drawings. EX2001, 0076–88. In response, on May 10, 2021, the Office mailed an *Ex parte Quayle* Action requiring corrected drawings. EX2001, 0089–95. Patent Owner subsequently responded with corrected drawings on June 2, 2021. EX2001, 0110–20.

On June 16, 2021, the Office issued a Notice of Allowance allowing the claim based on the drawings submitted with Patent Owner’s June 2nd response. EX2001, 0121–25. Another Notice of References Cited by the Examiner was included with the Notice of Allowance, which again included a citation to CN’897 and a copy thereof. EX2001, 0126–28, 0136–39.

The ’480 application subsequently issued as the ’161 patent on August 10, 2021. EX1001, (10), (45).

III. SUMMARY OF PETITIONER’S ASSERTED GROUNDS

Petitioner presents ten asserted grounds, but many of these grounds are set out in the alternative. *See* Pet., 10–11. To facilitate the discussion herein, Patent Owner provides the following table, breaking out Petitioner’s ten grounds into the 15 distinct grounds presented in the Petition:

Ground	35 U.S.C.	Reference(s)
1	§102	Emu Stinger Micro
2	§103	Emu Stinger Micro
3	§102	CN'897
4	§103	CN'897
5a	§103	Emu Stinger Micro, UGG Neumel Boot
5b	§103	CN'897, UGG Neumel Boot
6	§103	UGG Classic Mini
7	§103	UGG Classic Mini, UGG Neumel Boot
8a	§103	UGG Classic Mini, MacIntyre
8b	§103	UGG Classic Mini, Chung
8c	§103	UGG Classic Mini, Chung, MacIntyre
9a	§103	UGG Classic Mini, MacIntyre, UGG Neumel Boot
9b	§103	UGG Classic Mini, Chung, UGG Neumel Boot
9c	§103	UGG Classic Mini, MacIntyre, Chung, UGG Neumel Boot
10	§103	UGG Classic Mini, CN'897 “together alone or in combination with the other references” (Pet., 11)

IV. PETITIONER'S ASSERTED ART

A. Emu Stinger Micro (EX1002)

Petitioner relies on *sales* of the Emu Stinger Micro Boot in its asserted grounds. Pet., 3¹ (“Emu Stinger Micro Boot, *sold since 2016*, is prior art under 35 U.S.C. § 102(a)(1).”), 1 (“Th[e challenged] design uses the same design that was *sold* by another as the Emu Stinger Micro Boot in 2016.” (emphasis Petitioner’s)), 25 (“The boot was *sold* on the Amazon website (which has verified purchaser reviews from the entire time period), and Emu’s own website, among others, *since 2016*. It is thus prior art under at least 35 U.S.C. § 102(a)(1).”).

Further, Exhibit 1002 comprises multiple documents,² including:

- Pages from Emu Australia’s website (January 2024) (pages 1–7);
- Wayback machine printout from Emu Australia website, dated October 27, 2017 (page 8);
- Wayback machine printout from Emu Australia’s website, dated November 11, 2017 (page 9);

¹ Emphasis added throughout, unless otherwise noted.

² Here, and elsewhere, Petitioner has improperly combined multiple documents into a single exhibit. 37 C.F.R. § 42.63.

- January 2024 Amazon listing and customer reviews for the Emu Stinger Micro Boot (pages 10–12); and
- EMU press release dated December 14, 2010 (pages 13–15).

See EX1002.

B. CN’897 (EX1003)

CN’897 is a Chinese Design Patent directed to Snow Boots. EX1003, 8. As discussed above, CN’897 was cited by the Examiner during prosecution of the ’161 patent. Section II.B; *see, e.g.*, EX2001, 0096, 0106–09.

C. UGG Classic Mini (EX1005)

Petitioner relies on *sales* of the UGG Classic Mini in its asserted grounds. Pet., 4 (“UGG Classic Mini boot, *on sale since 2006*, is prior art under 35 U.S.C. § 102(a)(1)”), 28 (“The UGG Classic Mini is a boot *sold continuously* by the Patent Owner *since 2006*. . . . *This boot* from the Patent Owner *is prior art* under at least 35 U.S.C. § 102(a)(1)”).

Further, Exhibit 1005 comprises multiple documents, including:

- Pages from UGG Website (January 2024) (pages 1–2);
- Deckers Press Release, dated July 19, 2016 (page 3);
- Englin’s fine footwear website (page 4); and
- Portions of the ’161 patent’s file history (pages 5–24);

See EX1005.

D. MacIntyre (EX1007)

MacIntyre is U.S. design patent that issued on October 18, 2016. EX1007.

Petitioner relies on MacIntyre only for its disclosure of boots that differ in the height of their shaft portions. *See* Pet., 30.

E. Chung (EX1008)

Chung is a U.S. design patent that issued on June 17, 2017. EX1008. Again, Petitioner relies on Chung only for its disclosure of boots that differ in the height of their shaft portions. *See* Pet., 31.

F. UGG Neumel Boot (EX1009)

Petitioner relies on *sales* of the UGG Neumel Boot in its asserted grounds. Pet., 5 (“UGG Neumel Boot, *on sale since 2011*, is prior art under 35 U.S.C. § 102(a)(1)”), 31–32 (“The UGG Neumel Boot is a *well-known boot sold continuously* by the Patent Owner *since 2011*. . . . *It [the boot] is prior art* under at least 35 U.S.C. § 102(a)(1).”). Exhibit 1009 comprises multiple printouts of a January 2024 Amazon listing and customer reviews for the UGG Neumel Boot. *See* EX1009.

V. THE VAST MAJORITY OF PETITIONER’S ASSERTED GROUNDS ARE BASED ON PRIOR SALES, WHICH IS IMPERMISSIBLE AS THE BASIS OF A CHALLENGE IN AN *INTER PARTES* REVIEW.

Nearly all of Petitioner’s asserted grounds are based on the alleged prior sales of certain products. But the Board does not have authority to institute review of a challenge based on prior sales. *See* 35 U.S.C. § 311(b). Rather, in an IPR,

grounds of unpatentability may be raised “only on the basis of prior art consisting of patents or printed publications.” *Id.* This error is fatal to Grounds 1, 2, and 5–10 of the Petition.

A. Challenges in an *inter partes* review may only be based on patents or printed publications.

In an IPR, Petitioner can raise a ground of unpatentability “only on the basis of prior art consisting of patents or printed publications.” 35 U.S.C. § 311(b). Challenges based on other types of prior art, such as commercial sales and public uses, are impermissible in an IPR. *Id.*; see, e.g., *Spectrum Labs., LLC v. Woodstock Enters., Inc.*, IPR2017-00026, Paper 10 at 14–15 (P.T.A.B. Apr. 21, 2017) (“The fact that a [product] may have been on sale or in public use prior to any priority date is insufficient for an *inter partes* review challenge; what is taught by the asserted prior art references is the appropriate inquiry.”).

Further, these other types of prior art, such as commercial sales and public uses, may not be used in combination with patents or printed publications in an IPR. See, e.g., *Red Hat, Inc. v. Elecs. and Telecomms. Rsch. Inst.*, IPR2019-00465, Paper 15 at 23 (P.T.A.B. June 13, 2019) (“Petitioner cannot combine the teachings of a printed publication with the operations of an actual system that was on sale or in public use, because in an *inter partes* review Petitioner can raise a ground of unpatentability only on the basis of prior art consisting of patents and printed publications.”). In *Qualcomm Inc. v. Apple Inc.*, the Federal Circuit agreed that

“[w]hen Congress enacted the ‘prior art consisting of patents or printed publications’ proviso for IPRs in section 311(b), it is presumed to have done so with reference to the same specialized provision in the reexamination statute.” 24 F.4th 1367, 1375 (Fed. Cir. 2022) (internal citations omitted). The Court explained that “in the context of the reexamination statute, that ‘*questions of public use and on sale were explicitly excluded by statute*’ from those issues on which reexamination could be obtained.” *Id.* at 1376 (quoting *Quad Env’t Techs. Corp. v. Union Sanitary Dist.*, 946 F.2d 870, 875 (Fed. Cir. 1991)). The Court continued, explaining “[t]hat is so because ‘[t]he congressional purpose in restricting reexamination to printed documents, 35 U.S.C. § 301, was to provide a cheaper and less time-consuming alternative to challenge patent validity on certain issues.’” *Id.* (quoting *Quad Env’t Techs.*, 946 F.2d at 875 n.7 (citing H.R. Rep. No. 1307 at 4)). If the Board were to allow other types of prior art, such as commercial sales and public uses, to be combined with prior art consisting of patents or printed publications, this would subvert Congress’s intent.

The statute dictates that unpatentability challenges in an *inter partes* review may only be on the basis of prior art consisting of patents or printed publications. 35 U.S.C. § 311(b). Petitioner’s use of prior sales is impermissible.

B. Petitioner’s grounds that include Emu Stinger Micro Boot, UGG Classic Mini, and UGG Neumel Boot are based on prior sales, not on patents or printed publications.

Petitioner’s Emu Stinger Micro Boot, UGG Classic Mini, and UGG Neumel Boot references are based on prior sales. *See* Sections IV.A, IV.C, IV.F. In particular, Grounds 1, 2, and 5a rely on sales of the Emu Stinger Micro Boot. *See* Pet., 25–26, 35–40, 46–49. Grounds 6, 7, 8a–8c, 9a–9c, and 10 rely on sales of the UGG Classic Mini. *See* Pet., 28–29, 49–64. And Grounds 5a, 5b, 7, and 9a–9c rely on sales of the UGG Neumel Boot. *See* Pet., 31–33, 46–49, 54–60, 63.

Thus, each of Grounds 1, 2, 5a–5b, 6, 7, 8a–8c, 9a–9c, and 10 relies on one or more references that are based on prior sales, not on “patents or printed publications” as required by the statute. Review cannot be instituted on these grounds.

C. The documents submitted as Exhibit 1002, Exhibit 1005, and Exhibit 1009 are not themselves prior art printed publications.

At the outset, Patent Owner notes that Petitioner has not alleged that any of Exhibits 1002, 1005, or 1009 themselves are prior art printed publications, and Petitioner’s unpatentability contentions are *not* based on these documents as printed publications. Rather, as discussed above Petitioner clearly and explicitly relies on the prior sales of these products, which is impermissible as a basis for IPR. In an IPR, “the *petitioner’s* contentions . . . define the scope of the litigation all the way from institution through to conclusion.” *Fanduel, Inc. v. Interactive*

Games LLC, 966 F.3d 1334, 1342 (Fed. Cir. 2020) (quoting *SAS Inst., Inc. v. ComplementSoft, LLC*, 138 S. Ct. 1348, 1357 (2018)) (emphasis in original).

In any event, Petitioner has not made a sufficient showing that any of Exhibits 1002, 1005, or 1009 is a prior art printed publication to warrant institution of review. *Hulu, LLC v. Sound View Innovations, LLC*, IPR2018-01039, Paper 29 at 16 (P.T.A.B. Dec. 20, 2019) (precedential) (“[T]he burden is on the petitioner to identify with particularity evidence sufficient to establish a reasonable likelihood that the reference was publicly accessible before the critical date of the challenged patent, and therefore that there is a reasonable likelihood that it qualifies as a printed publication.”). Petitioner has not even attempted to do so. In fact, many of the documents that make up Exhibits 1002, 1005, and 1009 were admittedly downloaded in January 2024 and therefore are not prior art at all. Specific deficiencies with respect to each of Exhibits 1002, 1005, and 1009 are discussed below.

Exhibit 1002: Exhibit 1002 is a compilation of several websites and documents. Petitioner’s declarant admits that the documents comprising Exhibit 1002 were downloaded in January 2024, which post-dates the ’161 patent’s

priority date. *See* EX1015,³ ¶¶3–6; *see* EX1015, ¶3 (referring to pages 1–7: “These images were downloaded by me on January 4, 2024.”); ¶5 (referring to pages 10–12: “the amazon.com website was accessed *at the same time* and the pages offering the Emu boot for sale downloaded”). This testimony is consistent with the documents themselves, which include for example, Amazon’s “© 1996-2024, Amazon.com, Inc. or its affiliates” marking, PR Newswire’s “Copyright © 2024 Cision US Inc.” marking, and a customer review dated January 17, 2024. EX1002, 10–13.

Patent Owner recognizes that pages 8 and 9 of Exhibit 1002 include Wayback Machine printouts of Emu Australia’s website captured at earlier dates, but Petitioner does not allege that these documents were publicly accessible as of the Wayback Machine capture date. Rather, Petitioner’s declarant, Mr. Rhoads relies on these documents as evidence “demonstrating the boots were *on sale*.” EX1015, ¶4. Further, a Wayback Machine printout, without more, is insufficient to prove public accessibility of a document. *See, e.g., First Solar, Inc. v. Rovshan Sade*, IPR2023-00827, Paper 13 at 13–19 (P.T.A.B. Nov. 16, 2023). “Public

³ EX1015 is a declaration of Donald Rhoads (of counsel to Goldberg Cohen LLP), identifying when various websites included in Petitioner’s exhibits were downloaded.

accessibility requires more than technical accessibility.” *Id.* at 14–15. To prove public accessibility of a document, a petitioner must present sufficient evidence that an interested party exercising reasonable diligence would have been able to locate the document. *See Blue Calypso, LLC v. Groupon, Inc.*, 815 F.3d 1331, 1349 (Fed. Cir. 2016). Examples of evidence could include, for example, a showing of indexing or a research aid including a citation to the document. *Id.* at 1349–50. The burden to show public accessibility of any alleged printed publication is on Petitioner. *Hulu, LLC*, IPR2018-01039, Paper 29 at 16. Here, Petitioner provides *no evidence or discussion* of public accessibility, and has not met that burden.

For these reasons, Petitioner has not shown Exhibit 1002 is a prior art printed publication.

Exhibit 1005: Exhibit 1005 is a compilation of several websites and documents. Again, Petitioner’s declarant admits that the website pages included in Exhibit 1005 (pages 1–2) were downloaded in January 2024, which post-dates the ’161 patent’s priority date. *See* EX1015, ¶¶9–10. The website on page 3 of Exhibit 1005 includes a “Copyright 2024, © Powered by Q4 Inc.” marking, and the website on page 4 of Exhibit 1005 similarly includes a “© 2024 Elgin’s Fine Footwear” marking, indicating that both of these pages also were downloaded in 2024, and are not prior art. Pages 5–24 of Exhibit 1005 include a copy of the IDS

submitted during prosecution of the challenged '161 patent, and likewise, do not constitute a prior art printed publication.⁴ Petitioner has not shown Exhibit 1005 is a prior art printed publication.

Exhibit 1009: Exhibit 1009 is a compilation of images of an Amazon listing for the UGG Neumel Boot. Again, Petitioner's declarant admits that these images were captured on January 26, 2024, which post-dates the '161 patent's priority date. *See* EX1015, ¶17. Petitioner has not shown Exhibit 1009 is a prior art printed publication.

* * *

In sum, Petitioner's Grounds 1, 2, 5a–5b, 6, 7, 8a–8c, 9a–9c, and 10 each are impermissibly based on prior sales—not on patents or printed publications as required by the statute—and review of these grounds should be denied.

⁴ An IDS filed during prosecution of a patent application, by definition, cannot be a prior art printed publication to the issued patent because that IDS is filed *on or after* the filing date of the patent. The burden is on Petitioner to show that any documents cited in an IDS are prior art printed publications, and Petitioner has not done so here.

VI. THE BOARD SHOULD EXERCISE DISCRETION TO DENY INSTITUTION.

The combined discretionary considerations under Sections 314(a) and 325(d) strongly favor denying institution. Under Section 314(a), the Board should apply its informative *Chevron/Deeper* decisions because 13 of Petitioner's 15 grounds are facially deficient, because they are based on prior sales and not on patents or printed publications as required by the statute. *See* Section V. This means only Grounds 3 and 4 are eligible for consideration on the merits, but Board precedent strongly disfavors instituting review when the majority of the challenges fail to satisfy the threshold for institution.

Section 325(d) and the precedential *Advanced Bionics* decision compound the case for discretionary denial for the following reasons. First, the Office previously considered the only reference asserted in Grounds 3 and 4. CN'897 was considered by the Examiner during prosecution of the '161 patent. Second, the Examiner considered the UGG Classic Mini (relied on for Grounds 6, 7, 8a–8c, 9a–9c, and 10) during prosecution as well. Third, Petitioner's allegations that these references were not considered are based on the unsubstantiated notion that the Examiner would not have had access to high quality images of these references.

Considerations under Section 314(a) and Section 325(d) individually support discretionary denial. Combined, this presents a compelling case for discretionary denial.

A. Applying *Chevron* and *Deeper* favors denying institution because an overwhelming majority of Petitioner’s asserted grounds rely on prior sales, which is impermissible in an IPR.

Petitioner asserts 15 grounds against the challenged claim. *See* Pet., 10–11; Section III. Yet 13 of them—all but Grounds 3 and 4— are based on prior sales, which is impermissible under the statute. *See* 35 U.S.C. § 311(b); Pet., 3–6, 10–11; Sections III-V. Accordingly, Petitioner’s Grounds 1, 2, 5a–5b, 6, 7, 8a–8c, 9a–9c, and 10 must fail, leaving only two Grounds remaining.

Even if Petitioner demonstrates a reasonable likelihood of prevailing with respect to one or more claims—here, Petitioner does not, *see infra* Section VII—institution of review remains discretionary. *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018) (“[Section] 314(a) invests the Director with discretion on the question whether to institute review”); *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”). Under the circumstances here—where instituting review would require reviewing all grounds even though 13 of 15 grounds are deficient from the start—it would not be an efficient use of the Board’s time and resources to institute trial. *See Chevron Oronite Co. LLC v. Infineum USA L.P.*, IPR2018-00923, Paper 9 at 10–11 (P.T.A.B. Nov. 7, 2018) (informative) (explaining that “the Board may consider the number of claims and grounds that meet the reasonable likelihood standard when deciding whether to institute *inter*

partes review under 35 U.S.C. § 314(a)"); *Deeper, UAB v. Vexilar, Inc.*, IPR2018-01310, Paper 7 at 41–43 (P.T.A.B. Jan. 24, 2019) (informative) (explaining the same); *see also BJ's Wholesale Club Holdings, Inc. v. Walmart Apollo, LLC*, IPR2022-01561, Paper 11 at 28–29 (P.T.A.B. Apr. 12, 2023) (exercising discretion to deny institution where Petitioner showed a reasonable likelihood of success only for 1 of 14 challenged claims on 2 of 4 asserted grounds).

Furthermore, as discussed below, the case for discretionary denial is particularly compelling where, as here, the Office previously considered the only reference in the remaining grounds. *See* Section VI.B. *Pharmacosmos A/S v. American Regent, Inc.*, PGR2020-00009, Paper 17 (P.T.A.B. Aug. 14, 2020), is instructive. In *Pharmacosmos*, the Board declined to institute all but one of Petitioner's asserted grounds based on § 325(d). *Pharmacosmos*, PGR2020-00009, Paper 17 at 6–28. As to the remaining ground, based on written description, the Board observed that "many of the issues raised by Petitioner with respect to written description overlap with arguments previously before the Office." *Id.* at 29; *see id.* at 21 ("[T]here is substantial overlap between the arguments made in Petitioner's written description analysis and those previously presented to the Office."). Applying *Chevron* and *Deeper*, the Board denied institution, concluding that "instituting a trial with respect to all grounds based on evidence and arguments directed to only one ground, with overlapping issues to those already considered by

the Office, would not be an efficient use of the Board’s time and resources.” *Id.* at 29.

The Board should thus exercise discretion under 35 U.S.C. § 314(a) to decline to institute *inter partes* review.

B. Applying *Advanced Bionics* favors denying institution of Grounds 3–10 because the Examiner considered CN’897 and UGG Classic Mini during prosecution.

The Director has the discretion to deny instituting a petition⁵ where “the same or substantially the same prior art or arguments previously were presented to the Office.” 35 U.S.C. § 325(d). The Board in *Advanced Bionics* “restat[ed] the framework in [§ 325(d)’s] statutory language” as a “two-part framework,” and

⁵ It is appropriate for the Board to apply Section 325(d) to only certain grounds in the Petition, where other grounds are denied for different reasons. *See, e.g., Ocado Group PLC v. AutoStore Tech. AS*, IPR2021-00398, Paper 10 (P.T.A.B. July 21, 2021) (denying institution, exercising § 325(d) discretion for three grounds and denying two grounds based on an asserted reference not being shown to be prior art); *Volkswagen Group of America, Inc. v. StratosAudio, Inc.*, IPR2021-00717, Paper 12 (P.T.A.B. Nov. 12, 2021) (denying institution, exercising Section 325(d) discretion for two grounds and assessing five on the merits); *Pharmacosmos*, PGR2020-00009, Paper 17.

clarified how the six, non-exhaustive *Becton, Dickinson* factors fit within the two-part framework. *Advanced Bionics v. Med-El Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 7–11 (P.T.A.B. Feb. 13, 2020) (precedential). The policy undergirding the *Advanced Bionics* “framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown.” *Id.* at 9.

In *Becton, Dickinson*, the Board enumerated six non-exhaustive factors that it evaluates when determining whether to exercise its discretion under § 325(d). *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8, 17–18 (P.T.A.B. Dec. 15, 2017) (precedential as to § III.C.5, first paragraph). The first part of the *Advanced Bionics* framework considers “whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office,” *Advanced Bionics*, IPR2019-01469, Paper 6 at 8, which encapsulates *Becton, Dickinson* factors (a), (b), and (d), *id.* at 9–10. Critically, *Advanced Bionics* instructs that “[p]reviously presented art includes art made of record by the Examiner, and art provided to the Office by an applicant, such as on an Information Disclosure Statement (IDS), in the prosecution history of the challenged patent.” *Id.* at 7–8. Following this guidance, Board panels have routinely held that art made of record by either the Examiner or applicant during

prosecution but not applied in a rejection is sufficient to satisfy the first part of the *Advanced Bionics* framework. See, e.g., *Keysight Techs., Inc. v. Centripetal Networks, Inc.*, IPR2022-01421, Paper 14 at 5 (P.T.A.B. Aug. 24, 2023) (on Director review, confirming “the first part of the *Advanced Bionics* framework does not require that an Examiner provide a discussion, analysis, or other findings on the applicability of the relevant material contained in an IDS” (internal quotations omitted)); *Ivantis, Inc. v. Sight Sciences, Inc.*, IPR2022-01529, Paper 16 at 17 n.8 (P.T.A.B. Mar. 21, 2023) (explaining that “there is no requirement that [the] Examiner needs to rely on a reference in a rejection during prosecution in order for the reference to be ‘considered’ during prosecution” and citing *Advanced Bionics*); *Boragen, Inc. v. Syngenta Participations AG*, IPR2020-00124, Paper 16 at 21–22 (P.T.A.B. May 5, 2020) (denying petition under § 325(d) and explaining that “a rejection applying a reference that is later relied upon by a petitioner is not a prerequisite to a finding that such reference was already presented to the Office under § 325(d).”).

Under the second part of the *Advanced Bionics* framework, “if either condition of [the] first part of the framework is satisfied, [the Board determines] whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.” *Advanced Bionics*, IPR2019-01469, Paper 6 at 8; see *id.* at 10–11 (explaining that the second part of the test involves

Becton, Dickinson factors (c), (e), and (f)). Examples of material error include “misapprehending or overlooking specific teachings of the relevant prior art where those teachings impact patentability of the challenged claims” and “an error of law, such as misconstruing a claim term, where the construction impacts patentability of the challenged claims.” *Id.* at 8–9, n.9.

Petitioner carries the burden of demonstrating material error: “If a condition in the first part of the framework is satisfied and the petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute *inter partes* review.” *Id.* at 8–9; *see also Becton, Dickinson*, IPR2017-01586, Paper 8 at 17–18 (explaining that factor (e) asks “whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art”); *Microsoft Corp. v. AlmondNet, Inc.*, IPR2022-01319, Paper 9 at 11 (P.T.A.B. Jan. 30, 2023) (denying institution under § 325(d) where Petitioner did not sufficiently address whether the Office materially erred); *Microsoft Corp.*, IPR2022-01319, Paper 14 (P.T.A.B. Apr. 23, 2023) (denying Petitioner’s rehearing request of decision denying institution). Notably, “[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability. At bottom, this framework reflects a commitment to defer to previous Office evaluations of the

evidence of record unless material error is shown.” *Advanced Bionics*, IPR2019-01469, Paper 6 at 9.

In the present case, Petitioner does not address or apply the *Advanced Bionics* framework. Pet., 6–9. On this basis alone, the Board should deny institution.

Nevertheless, applying the *Advanced Bionics* framework, the Board should deny institution under Section 325(d). Part one is satisfied because Petitioner relies on the same or substantially the same (cumulative) art (i.e., CN’897 (EX1003) and the UGG® Classic Mini (EX1005)) that was considered by the Office during original prosecution. As for part two, Petitioner does not show material error. Petitioner argues that there is “significant evidence” CN’897 (EX1003) and the UGG® Classic Mini (EX1005) were not “considered fully” by the Examiner, and are therefore new references for the Board to consider. Pet., 6. Petitioner rests this argument on the theory that the Examiner could not have fully considered these two references because the quality of the copies of these two references available in the file history for the ’161 patent is allegedly insufficient. Pet., 6–9. However, as discussed below, the Examiner did, in fact, consider these references, and Petitioner has not shown material error.

1. Part 1: Petitioner advances the same or substantially the same art that was previously presented to the Office

Petitioner's Grounds 3, 4, 5b, and 10 are based, in whole or in part on CN'897. In Grounds 6, 7, 8a–8c, 9a–9c, and 10, Petitioner's primary asserted reference is the UGG Classic Mini. Both of these references were previously presented to the Office.

There is no dispute that CN'897 was cited by the Examiner during prosecution of the '161 patent. Petitioner acknowledges that “the Examiner identified CN'897, as prior art, as indicated on the face of the '161 patent.” Pet., 6; EX2001, 0061–63 (Examiner's Notice of References Cited, including CN'897). Similarly, there is no dispute that the UGG® Classic Mini was provided to the Office by Patent Owner on an IDS. Petitioner acknowledges that “[t]he Applicant identified Ref. 3, the UGG Classic Mini and the UGG Classic Mini II, as prior art on sale since 2006 and 2017 in an Information Disclosure Statement.” Pet., 8. These documents were considered by the Examiner during prosecution. *See* EX2001, 0070 (showing Patent Owner's IDS form initialed by the Examiner).

Petitioner's acknowledgment that both CN'897 and the UGG® Classic Mini were considered by the Examiner during prosecution, by itself, satisfies part one the *Advanced Bionics* framework. The art relied on by Petitioner is the same as the art considered by the Office during original prosecution.

What is more, for purposes of Petitioner's prior art grounds, the copies of CN'897 and the UGG® Classic Mini provided by Petitioner, are entirely cumulative to the copies available in the file history for the '161 patent (herein after "file history copy(ies)"). Petitioner argues that the claim lacks novelty and/or would have been obvious because the prior art copies provided with the Petition allegedly show the following seven design elements. Pet., 17.

- An ankle-high boot
- Classic suede boot styling
- An exaggerated, raised and exposed circular stitch pattern
- Exposed tufting
- A raised and rounded vamp
- Fabric binding along the top of the boot
- A top line that is higher in the front and lower in the back

Patent Owner does not concede that these seven design elements are shown in the references relied on by Petitioner. That said, as shown in the comparisons below, aside from resolution and color, there are no meaningful differences between the images considered by the Examiner and those submitted by Petitioner.



Comparison of images for CN'897 (EX2001, 66; EX1003, 2).



Comparison of images for the UGG®
Mini Classic (EX2001, 32; EX1005, 2).

Thus, even if the Examiner only had access to the file history copies, the copies of CN'897 and the UGG® Classic Mini provided by Petitioner show designs that are cumulative to the file history copies.

Petitioner contends that the yellow line in CN'897 is not clearly observable in the file history copy. Pet., 7. But the presence (or absence) of that yellow line is not relied on in Petitioner's novelty and obviousness grounds. This alleged deficiency in the file history copy has no bearing on Petitioner's case.

As for the file history copy of the UGG® Classic Mini, Petitioner contends that “[c]ertain of the rear boot lines in particular cannot be observed in the images” and the images “appear to show an exaggerated vamp.” Pet., 8. But the presence (or absence) of these two features are not relied on in Petitioner's novelty and obviousness grounds. Again, these alleged deficiencies in the file history copy have no bearing on Petitioner's case.

Because CN'897 (EX1003) and the UGG® Classic Mini (EX1005) are the same as, or at least entirely cumulative to, art considered by the Examiner during prosecution of the '161 patent, the Board should deny institution of Grounds 3, 4, 5b, and 6, 7, 8a–8c, 9a–9c, and 10 under § 325(d).

2. Part 2: Petitioner fails to identify material error in the Office's previous evaluation of the art and arguments.

Petitioner's arguments do not squarely acknowledge or address the second part of the *Advanced Bionics* framework. Pet., 6–9. Again, Petitioner's argument rests on theory that the quality of the file history copies for CN'897 and UGG® Classic Mini is insufficient. Pet., 6–9. Patent Owner disagrees.

The quality of the file history copies is indicative only of known storage limitations in the USPTO's Image File Wrapper (IFW) system. *See, e.g.*, EX2008. Copies of documents accessed from the IFW commonly appear in grayscale and with limited resolution. *See* EX2009, ¶¶5, 7. That said, the quality of the IFW copies is not necessarily representative of what the Examiner would have reviewed. EX2009, ¶¶6, 8.

Notably, Petitioner does not argue that the Examiner did not have, or did not have access to, a higher quality copy of CN'897. In fact, the Examiner had access to searchable databases that include high quality copies of foreign references, such as CN'897. EX2009, ¶8. The copy of CN'897 provided by the Examiner during prosecution was downloaded from Questel. EX2001, 0066 (including "1/1-DESIGNS-©Questel" notation). The Questel database includes a high quality of copy of CN'897. *See* EX2005 (copy of CN'897 downloaded from Questel).

Petitioner also does not argue that the Examiner did not have, or did not have access to, higher quality copies of the cited webpages showing the UGG® Classic Mini. Patent Owner provided the URL addresses for both webpages in its IDS. EX2001, 0031. The Examiner would have been able to access a higher quality copy of these webpages by simply navigating to the URL. *See, e.g.*, EX2006 (Wayback Machine copy of NPL1); EX2007 (Wayback Machine copy of NPL2). Indeed, examiners routinely visit the URL of a cited webpage if the

webpage looks particularly relevant to patentability. *See* EX2009, ¶6. Alternatively or additionally, examiners can ask an applicant to provide a better copy of the cited webpage, for example, via email or during an in-person interview. EX2009, ¶6.

What is more, Petitioner does not argue or offer any evidence that the Office erred in a manner material to the patentability of challenged claims. Petitioner simply relies on a cursory review of the file history. No supposed errors are identified. Petitioner provides no evidence showing how the Examiner allegedly misapprehended or overlooked specific teachings of CN'897 and/or the UGG® Classic Mini. Without this, Petitioner also fails to show that such misapprehensions or oversights impact the patentability of the challenged claim.

Petitioner's failure to sufficiently address the second part of *Advanced Bionics* is fatal to all grounds in the Petition that reply on CN'897 and/or the UGG® Classic Mini—namely, Grounds 3, 4, 5b, and 6, 7, 8a–8c, 9a–c, and 10. *Advanced Bionics*, IPR2019-01469, Paper 6 at 8–9 (“If a condition in the first part of the framework is satisfied and the petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute *inter partes* review.”); *Microsoft Corp.*, IPR2022-01319, Paper 9 at 11 (denying institution and explaining that “Petitioner’s assertion that the prior art references in the Petition ‘were not substantively considered during the prosecution of the [the challenged patent], or in the prior CBM challenge,’ without further explanation, is

insufficient.”); *Microsoft Corp.*, IPR2022-01319, Paper 14 at 5 (denying Petitioner’s rehearing request of decision denying institution; rejecting Petitioner’s argument that “the only way Petitioner could have demonstrated Office ‘error’ was by showing that [the asserted reference] renders the challenged claims unpatentable.”).

* * *

The combined discretionary considerations under Sections 314(a) and 325(d) strongly favor denying institution because (i) 13 of the 15 Grounds are facially deficient for relying on a prior sales that do not qualify as prior art in an IPR and (ii) 12 of the 15 Grounds are based on the same or substantially the same art that the Office already considered. Combining these considerations, all 15 of Petitioner’s Grounds are covered by one or both of these concerns.

**VII. PETITIONER FAILS TO DEMONSTRATE A REASONABLE
LIKELIHOOD THAT THE CHALLENGED CLAIM IS
ANTICIPATED BY OR WOULD HAVE BEEN OBVIOUS IN VIEW
OF THE ASSERTED ART.**

**A. A majority of petitioner’s grounds are fundamentally flawed
because they are based on an improper claim construction that
ignores a feature of the claim.**

Petitioner proposes alternative claim constructions that differ with respect to a single feature of the claimed design. One construction, which applies to Petitioner’s grounds 1–4, 6, and 8a–8c, posits that the tab on the heel of the claimed design is purely functional and should not be considered as part of the

claim. Pet., 9–11. The other construction includes all of the claimed features of the design, including the tab.

Petitioner bases its first construction that the tab should be ignored on the argument that the tab is purely functional. This argument is based on statements made by Patent Owner in a complaint describing the trade dress of the UGG® Classic Ultra Mini boot. Pet., 17 (citing EX1010). Petitioner concludes that because Patent Owner did not mention the tab in the description of the trade dress, the Patent Owner “impliedly recognizes the functionality” of the tab. Pet., 17–18. Then, for purposes of comparing the claimed design with prior art, Petitioner ignores the presence of the tab entirely in anticipation grounds 1 and 3 on pages 35–38 and 40–43 of the Petition and in obviousness grounds 2, 4, 6, and 8 on pages 38–40, 44–45, 49–54, and 60–63 of the Petition.

Petitioner’s analysis of the claimed tab and its decision to ignore it entirely for purposes of construing the ’161 patent claim is fatal to grounds 1–4, 6, and 8a–8c.

As an initial matter, how Patent Owner chose to describe its trade dress has no bearing on the construction of the claim of a design patent. Even if the trade dress and design patent protect the same product appearance, the two have very different scopes. The trade dress description includes many features that are not even included in the design patent, including: exposed tufting, a suede heel, and a

thick flat sole. Therefore, reliance on the description of a complimentary, but different IP right, is an error.

Further exacerbating the issue, Petitioner conflates the test for functionality to invalidate a trade dress right with claim construction for a design patent claim. Functionality is considered when evaluating the eligibility of trade dress protection for a product design or feature thereof. If the design is “essential to the use or purpose of the article or if it affects the cost or quality of the article” it is not protectable by trade dress. *See TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 32 (2001) (cleaned up).

In contrast, functionality is considered when analyzing a design patent claim in two ways. The first is in consideration of whether the claimed design as a whole is purely functional in a validity challenge under 35 U.S.C. § 171. Of course, Petitioner cannot raise a ground of unpatentability based on 35 U.S.C. § 171 in an IPR petition, which is limited to “ground[s] that could be raised under section 102 or 103.” 35 U.S.C. § 311(b).

The second way functionality is considered is in claim construction. The Federal Circuit instructed in *Egyptian Goddess* that it can be helpful to distinguish between those features of the claimed design that are ornamental and those that are purely functional, and made clear that “[w]here a design contains both functional and nonfunctional elements, the scope of the claim must be construed in order to

identify the non-functional aspects of the design as shown in the patent.” *See Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 680 (Fed. Cir. 2008) (citing *OddzOn Prods., Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1405 (Fed. Cir. 1997)). But the Federal Circuit has repeatedly stressed that even functional elements cannot be completely eliminated from claim construction. “[I]n no case did we entirely eliminate a structural element from the claimed ornamental design, even though that element also served a functional purpose.” *Sport Dimension, Inc. v. Coleman Co. Inc.*, 820 F.3d 1316, 1321 (Fed. Cir. 2016); *see also Apple Inc. v. Samsung Elecs. Co. Ltd.*, 786 F.3d 983, 998–99 (Fed. Cir. 2015) (explaining that entire elements of a claimed design cannot be eliminated from a claim’s scope)) (*rev’d and remanded on other grounds*, 580 U.S. 53 (2016)). That is precisely what Petitioner is doing here.

Even if the tab of the patented design serves a functional purpose, which Petitioner has not shown, that feature cannot be ignored when assessing claim scope. In *Apple v. Samsung*, the Federal Circuit rejected Samsung’s argument that features determined to be functional should be excluded entirely when assessing claim scope. *Apple Inc.*, 786 F.3d at 998–99. The Federal Circuit stressed that all claimed features must be evaluated to identify and give weight to the overall ornamental aspects of the claimed design. *Id.*

Petitioner’s proposed claim construction that entirely eliminates the claimed tab directly conflicts with controlling case law. Accordingly, Petitioner’s claim construction for each of grounds 1–4, 6, and 8a–8c is legally flawed and Petitioner also fails to demonstrate a reasonable likelihood that the claimed design is invalid in view of the cited art for these grounds.

B. All of petitioner’s grounds are fundamentally flawed because the grounds fail to consider the overall visual appearance of the claimed design.

A determination of whether a design patent claim is invalid, as either anticipated or obvious, requires consideration of the visual appearance of the claim as a whole. Petitioner does not advance an anticipation or obviousness ground based on a proper determination of the claimed design’s overall visual appearance. Petitioner instead argues the claimed design is anticipated or obvious based on a one-to-one comparison of individual design concepts. This is fatal to all of Petitioner’s grounds.

For anticipation, the “ordinary observer” test is the sole test for determining whether a claimed design is anticipated by a prior art reference. *See Int’l Seaway Trading Corp. v. Walgreens Corp.*, 589 F.3d 1233, 1240 (Fed. Cir. 2009). For purposes of comparing a claimed design and a prior art reference, the question is whether the overall appearance of the claimed design and the prior art are substantially the same. *Id.* at 1239 (citing *Gorham Mfg. Co. v. White*, 81 U.S. 511,

528 (1871)). And importantly, the ordinary observer test requires “consideration of the design *as a whole*.” *Id.* at 1243.

For obviousness under § 103, a fact finder “must find a single reference, a something in existence, the design characteristics of which are basically the same as the claimed design.” *Apple Inc. v. Samsung Elec. Co., Ltd.*, 678 F.3d 1314, 1329 (Fed. Cir. 2012) (cleaned up). The fact finder must both “(1) discern the correct visual impression created by the patented design *as a whole*; and (2) determine whether there is a single reference that creates ‘basically the same’ visual impression.” *See High Point Design LLC v. Buyer’s Direct, Inc.*, 730 F.3d 1301, 1312 (Fed. Cir. 2013). And in performing this analysis, the fact finder must focus on the visual appearances of the claimed design and the prior art, not design concepts in general. *See Durling v. Spectrum Furniture Co., Inc.*, 101 F.3d 100, 104 (Fed. Cir. 1996).

And for purposes of construing the overall appearance of a design claim, it is well-settled that a design is represented better by an illustration than a description. *See Egyptian Goddess*, 543 F.3d at 679. Although in some cases it may be “helpful to point out . . . various features of the claimed design as they relate to the . . . prior art.” *Id.* at 680.

That said, when verbal descriptions are offered, they must accurately represent the visual impression of the design as a whole. *See Vitro Packaging, LLC*

v. Saverglass, Inc., IPR2015-00947, Paper 13 at 5 (P.T.A.B. Sept. 29, 2015)

(explaining that petitioner’s claim construction was inaccurate because “it focuses on general dimensions, ratios, and elements common to many bottles”). Any verbal descriptions must not rely simply on design concepts used to draw incomplete and misleading comparisons with the prior art. “[I]n deciding whether to attempt a verbal description of the claimed design, the court should recognize the risks entailed in such a description, such as the risk of placing undue emphasis on particular features of the design and the risk that a finder of fact will focus on each individual described feature in the verbal description rather than on the design as a whole.” *Egyptian Goddess*, 543 F.3d at 679–80.

In the present case, Petitioner contends that it “construes the claim based on the solid lines of the ’161 patent along with limited verbal descriptions of certain features relevant to the prior art.” Pet., 15. The certain features referenced by Petitioner are the following seven design concepts listed on page 17 of the Petition.

- An ankle-high boot
- Classic suede boot styling
- An exaggerated, raised and exposed circular stitch pattern
- Exposed tufting
- A raised and rounded vamp

- Fabric binding along the top of the boot
- A top line that is higher in the front and lower in the back

Petitioner’s claim construction incorrectly focuses on these seven design concepts individually instead of on the overall visual impression created by the claimed design. And all of Petitioner’s anticipation and obviousness grounds rely solely on a one-to-one comparison of the seven design concepts. Petitioner does not offer a claim construction that interrelates the seven design concepts to each other, or the visual appearance of claimed design as a whole. Nor does Petitioner offer an analysis of the prior art that considers the visual appearance of the prior art as a whole. Other than conclusory statements, Petitioner does not compare the overall visual appearance of the claimed design to the overall visual appearance of a cited reference.

For example, in anticipation Ground 1, Petitioner simply lists the seven design concepts and argues that the Emu Stinger Micro includes all seven concepts individually. Pet., 36–37. Petitioner then makes the conclusory statement that “an ordinary observer familiar with the relevant prior art . . . would be deceived into believing that the Emu Stinger Micro Boot, taken as a whole, is the design claimed in the ‘161 patent.” Pet., 37. That said, Petitioner provides no meaningful analysis of the overall visual appearance created by the claimed design or the Emu Stinger

Micro. Petitioner provides a similar cursory analysis for the other anticipation ground (Ground 3). Pet., 40–42.

As another example, in obviousness Ground 2, Petitioner simply refers back to its comparison of the seven design concepts provided for anticipation Ground 1 to argue the Emu Stinger Micro is basically the same as the claimed design. Pet., 38–39. Petitioner conclusively argues that the “Emu Stinger Micro is a suitable primary reference because its ‘design characteristics [] are basically the same as the claimed design.’” Pet., 38. That said, Petitioner provides no meaningful analysis of the overall visual appearance created by the claimed design or Emu Stinger Micro. Petitioner provides a similar cursory analyses for the other obviousness grounds (Grounds 4 and 5a, 5b, 6, 7, 8a–8c, 9a–9c, and 10). Pet., 44, 46, 51–52, 55, 60, 63–64.

Notably, Petitioner’s analysis of whether the claimed design is basically the same as the UGG® Classic Mini does not change depending on whether the tab is ignored or included in the claim scope. *Compare* Pet., 51–52 (arguing the UGG® Classic Mini is basically the same for Ground 6), *with* Pet., 55 (arguing the UGG® Classic Mini is basically the same for Ground 7). If Petitioner had properly considered the overall appearance of the designs, the tab would have influenced Petitioner’s analysis for Ground 7 (a ground based on the tab being ornamental). Petitioner’s omission of the tab from its “basically the same” analysis in Ground 7

highlights that Petitioner improperly construed the claimed design as a collection of seven design concepts and simply compared those seven concepts to the prior art.

Petitioner’s expert, Lenny M. Holden, does not cure the error in Petitioner’s arguments. For example, when discussing anticipation Ground 1, Mr. Holden simply lists the seven design concepts and argues that the Emu Stinger Micro includes all seven concepts. EX1011, ¶79. Mr. Holden also references a “tree stitch design on the side” of the shoe. EX1011, ¶78. But again, this is nothing more than a one-to-one comparison of a design concept allegedly present on both the claimed design and the Emu Stinger Micro.

And like Petitioner, Mr. Holden conclusively argues that the “Emu Australia Stinger Micro has substantially the same footwear upper as that claimed in the ‘161 patent.” EX1011, ¶78. Mr. Holden provides no meaning analysis of the overall visual appearance created by the claimed design or the Emu Stinger Micro. Mr. Holden’s testimony should, thus, be given little weight. *Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9 at 15–16 (P.T.A.B. Aug. 24, 2022) (precedential) (rejecting expert testimony when “the cited declaration testimony is conclusory and unsupported, adds little to the conclusory assertion for which it is offered to support, and is entitled to little weight.”). Mr. Holden provides a similar cursory analysis for the other anticipation ground (Ground 3). EX1011, ¶¶90–94.

As another example, when discussing obviousness Ground 2, Mr. Holden simply refers back to the comments provided for anticipation Ground 1 to argue the Emu Stinger Micro is basically the same as the claimed design. EX1011, ¶84. Again, like Petitioner, Mr. Holden conclusively argues that the “Emu Australia Stinger Micro would also create the same basic visual impression as the claimed design,” with no meaningful analysis of the overall visual appearance created by the two designs. EX1011, ¶84. “[C]onclusory expert testimony is inadequate to support an obviousness determination” *TQ Delta, LLC v. Cisco Sys., Inc.*, 942 F.3d 1352, 1359 (Fed. Cir. 2019); *Xerox Corp.*, IPR2022-00624, Paper 9 at 15–16. Mr. Holden provides similar cursory analyses for the other obviousness grounds (Grounds 4 and 5–10). EX1011, ¶¶98, 103–104, 114–117, 123, 136, 146, 151.

Petitioner’s claim construction and prior art comparisons boil down to a one-to-one comparison of seven design elements allegedly present in both the claimed design and the prior art. This type of analysis conflicts with case law that explicitly instructs a court not to focus on individual design concepts in lieu of a design’s overall visual appearance. By breaking the claimed design into separate design concepts and comparing only those design concepts to the prior art, Petitioner’s arguments are premised on legal error—asking the Board to assess validity based on isolated design concepts, rather than overall visual appearances.

For anticipation, the ordinary observer test requires the fact finder to “compar[e] similarities in overall designs, not similarities of ornamental features in isolation.” *See Ethicon Endo-Surgery, Inc. v. Covidien, Inc.*, 796 F.3d 1312, 1335 (Fed Cir. 2015). “An element-by-element comparison, untethered from application of the ordinary observer inquiry to the overall design, is procedural error.” *Id.*

Similarly, for obviousness, “the focus in a design patent obviousness inquiry should be on visual appearances rather than design concepts.” *See Durling*, 101 F.3d at 104. It is legal error to compare “the visual impressions of selected, separate features of the prior art designs to the [claimed] designs, rather than the visual impression of the designs as a whole.” *See In re Harvey*, 12 F.3d 1061, 1065 (Fed. Cir. 1993). Indeed, construing a design claim as a collection of individual elements in isolation of the design’s overall appearance is particularly problematic for obviousness. An analysis focused on assembling design concepts from the prior art in isolation to arrive at the claimed design is improper. *See Premier Gem Corp. v. Wing Yee Gems & Jewellery Ltd.*, IPR2016-00434, Paper 9 at 16–17 (P.T.A.B. July 5, 2016).

Petitioner’s claim construction and prior art comparisons are premised on legal error because they place undue emphasis on particular design concepts in isolation and fail to analyze the designs as a whole. Accordingly, none of

Petitioner's grounds demonstrate a reasonable likelihood that the claimed design is invalid in view of the cited art.

VIII. CONCLUSION

The Board should deny institution because discretionary denial under Section 314(a) and/or Section 325(d) is warranted for each of Petitioner's grounds. Further, the Petition fails to show a reasonable likelihood that the challenged claim is unpatentable as anticipated by or obvious in view of the cited art. The following table illustrates the multiple reasons why institution of each, and therefore all, the grounds should be denied.

Ground	314(a) – not printed publication	325(d)	Improper claim construction (functionality)	Failure to consider overall visual appearance
1	X		X	X
2	X		X	X
3		X	X	X
4		X	X	X
5a	X			X
5b	X	X		X
6	X	X	X	X
7	X	X		X
8a	X	X	X	X
8b	X	X	X	X

Ground	314(a) – not printed publication	325(d)	Improper claim construction (functionality)	Failure to consider overall visual appearance
8c	X	X	X	X
9a	X	X		X
9b	X	X		X
9c	X	X		X
10	X	X		X

Respectfully submitted,

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CERTIFICATE OF WORD COUNT (37 C.F.R. § 42.24(d))

1. This Patent Owner Preliminary Response complies with the type-volume limitation of 14,000 words, comprising 9,355 words, excluding the parts exempted by 37 C.F.R. § 42.24(a)(1).

2. This Patent Owner Preliminary Response complies with the general format requirements of 37 C.F.R. § 42.6(a) and has been prepared using Microsoft® Word 2016 in 14-point Times New Roman font.

Respectfully submitted,

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/ Jennifer Meyer Chagnon /

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Date: May 8, 2024

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

I certify that the above-captioned **PATENT OWNER PRELIMINARY
RESPONSE UNDER 37 C.F.R. § 42.107(a)** and associated Exhibits 2001–2010
were served in their entireties on May 8, 2024, upon the following parties via
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