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To: Trials <Trials@USPTO.GOV>

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Subject: IPR2024-00525; Next Step Group, Inc. v. Deckers Outdoor Corp.

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Honorable Board,

The parties write this joint email regarding Petitioner Next Step Group, Inc.'s request for authorization to file a 25-29 page Reply to Patent Owner's Preliminary Response ("POPR") under 37 C.F.R. § 42.108(c). The parties met and conferred and were unable to come to agreement. The Petitioner's two-part grounds for the Reply and the Patent Owner's response to each part are set forth below.

Ground 1: The New CAFC Obviousness Standard For Design Patents

- a. Petitioner: Petitioner contends that there is good cause for it to address the fundamental change to the design patent obviousness standard from the CAFC sitting en banc that issued on May 21, 2024 in *LKQ Corp. v. GM Glob. Tech. Operations LLC*, 2024 U.S. App. LEXIS 12139 (CAFC May 21, 2024). That case issued after the Petition in this proceeding was filed and before the Board's decision on whether or not to institute the IPR. Concerning the amount of briefing, Petitioner requests approximately two pages to address the standard (which matches the original Petition amount on the previous standard (pgs. 23-25)), and approximately 23 pages to apply the standard to the same prior art references submitted previously (which matches the original Petition amount applying the previous standard (pgs. 38-40, 44-64)) for a total of approximately 25 pages on this issue (as well as updated expert declarations that apply the new standard). Petitioner would not be repeating the descriptions of the prior art it is asserting that were provided in the original Petition before the sections applying the prior art to the previous legal standard (i.e., pgs. 3-11, 25-34 would not be repeated). Petitioner and its experts did not have the opportunity to address the new standard and its application to the prior art asserted with each of its obviousness challenges previously.

- b. Patent Owner: Patent Owner does not oppose Petitioner's request to submit a short reply brief (3-5 pages) on the impact of the CAFC's *LKQ* decision on this proceeding, so long as Patent Owner also can submit a corresponding sur-reply brief of equal length. Patent Owner opposes Petitioner's request to submit 20+ pages and additional expert testimony on this issue prior to institution. Patent Owner's POPR is largely directed to other issues, and should the Board institute trial, Petitioner will have an opportunity to address the *LKQ* decision in further detail in its Reply. Petitioner also opposes the addition of any new evidence, including new expert testimony, at this stage.

Ground 2: The Patent Owner's Arguments Concerning Lack Of Printed Publications

- a. Petitioner: Petitioner contends that there is good cause for it to identify where in the Petition and supporting exhibits the Petitioner established certain prior art as printed publications and thereby address the Patent Owner's allegations seeking to disqualify prior art printed publications as if they were merely prior sales, so that the Board is clear as to the prior art status of these references as printed publications under 35 USC § 311(b). It was not foreseeable that Patent Owner would mischaracterize the Petition and also deny the availability and printed publication status of its own prior art website information and product printed publications and those of its chief competitor. On the amount of briefing, Petitioner requests approximately three pages to address this issue.
- b. Patent Owner: Patent Owner opposes Petitioner's request to submit additional briefing on the printed publication issue. It is Patent Owner's view that this was a foreseeable issue on which Petitioner bears the burden, and clarifying the arguments presented in the Petition does not constitute good cause under 37 CFR § 42.108(c). The Board is well capable of deciding this issue on the current papers. Should the Board authorize briefing on this issue, Patent Owner respectfully requests a sur-reply of the same length.

If necessary, the parties are available for a telephone conference with the Board on the following dates and times:

Monday (6/3), 11:00 AM – 4:00 PM

Tuesday (6/4), 10:30 AM – 12:00 PM

Wednesday (6/5), 11:00 AM – 6:00 PM

Very truly yours,

Morris Cohen

Jennifer Chagnon

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