

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'S SUR-REPLY TO PETITIONER'S REPLY TO
PATENT OWNER PRELIMINARY RESPONSE**

Mail Stop "PATENT BOARD"
Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

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I. PETITIONER HAS NOT SHOWN THE ASSERTED NON-PATENT REFERENCES ARE PRIOR ART PRINTED PUBLICATIONS.

A. Exhibits 1002, 1005, and 1009 are not prior art printed publications.

Petitioner has not met its burden under the Board’s *Hulu* precedent to show Exhs. 1002, 1005, and 1009 are printed publications. POPR, 13-17. Whether a reference is a printed publication turns on whether it was publicly accessible *at the critical time*, here before Nov. 8, 2019 (the filing date of the ’161 Patent). *SRI Int’l v. Int. Sec. Sys., Inc.*, 511 F.3d 1186, 1194 (Fed. Cir. 2008). When evaluating *public accessibility* of a reference on a website, courts apply a two-part test requiring “some evidence that [(1)] a person of ordinary skill could have reasonably found the website *and then* [(2)] found the reference [(e.g., the specific webpage)] on that website.” *Samsung Elecs. v. Infobridge Pte. Ltd.*, 929 F.3d 1363, 1369 (Fed. Cir. 2019) (emphasis added). It is not sufficient that a webpage simply existed on the critical date. *Acceleration Bay, LLC v. Activision Blizzard Inc.*, 908 F.3d 765, 772-74 (Fed. Cir. 2018).

Petitioner does not even attempt to make the required showings that the submitted webpages or the images on which they rely were (1) publicly accessible and (2) were so prior to Nov. 8, 2019. Nothing in the Reply changes that. This issue is compounded by the fact that it is not even clear which evidence Petitioner relies on as the printed publication in the asserted grounds. Each of Exhs. 1002, 1005, and 1009 includes several documents combined into one reference. This is

improper. *E.g., Enovate Med., LLC v. InterMetro Indus. Corp.*, IPR2015-00300, Paper 12, 3, 11-12 (PTAB May 20, 2015) (denying institution for ground relying inappropriately on a “collection” of documents as a single reference).

1. Petitioner has not shown the webpages and images thereon were publicly accessible prior to the Jan. 2024 retrieval date.

Exhs. 1002, 1005, and 1009 include various webpages accessed in 2024. As an initial matter, Petitioner does not address the public accessibility question *at all*. This alone is sufficient reason to determine that Petitioner has not met its burden on the printed publication issue. As to the *date* of availability, Petitioner improperly alleges that online customer reviews are “reliable business records” (a new argument), and fails to provide any support for its position. Reply, 16-17. Petitioner contends that reviews from prior to 2019 “establish[] that the published listing was available then.” *Id.* At best, this goes to whether a *product was on sale* as of that date, but it cannot support a finding that a particular image was on the webpage on that date. *Ex Parte Zhang*, Appeal 2021-000087, 6 (PTAB Feb. 16, 2021) (“[W]hile the [webpage] date indicates that the product information was last updated on [date], there is no additional evidence to corroborate that the picture was publicly accessible on that date.”). The same is true for the “Date First Available” information on the Amazon listing pages – it is a well-known fact that images on Amazon listings can and do change over time as product designs are updated, but the first available date for the product does not change. Even

assuming this information were reliable, neither is evidence that the *specific webpages or indeed the specific images* relied upon by Petitioner were publicly available *prior to Nov. 8, 2019*. POPR, 14-17; MPEP § 2128 II.B. Similarly, for online articles, Petitioner relies solely on a printed article date that is inconsistent with the 2024 copyright notices. *See* EX1015, ¶¶3, 9. Webpages often change over time, and Petitioner has provided *no evidence* that any 2019 or earlier versions of the webpages or the images they contain were publicly accessible, or, if so, that they were the same as the 2024 versions. *See Topcon Med. Sys., Inc. v. Carl Zeiss Meditec, Inc.*, IPR2021-00452, Paper 14, 14-15 (Wayback Machine page missing relied upon Figure not sufficient to show public accessibility of the Figure as of that date).

2. Petitioner's other arguments also fail.

First, Petitioner makes a conclusory argument that Wayback Machine printouts (at EX1002, 8-9) qualify as printed publications. Reply, 15. This is insufficient. POPR, 15-16. And, Petitioner's obviousness contentions are not even based on the Wayback Machine pages. Mr. Holden's testimony and analysis relies instead on the images on pages 1-6 of Exh. 1002, *not* on the images in the Wayback Machine version. EX1016, ¶¶67-77. These images are not the same.

Second, citation on an IDS is not an admission that a document is prior art. EX1005, 5 ("Applicant(s) respectfully submit that the citation of any reference ...

does not constitute an admission that the reference qualifies as prior art”); *see Abbott Labs. v. Baxter Pharm. Prods., Inc.*, 334 F.3d 1274, 1279 (Fed. Cir. 2003).

Third, Patent Owner’s duty of candor does not shift Petitioner’s burden to establish the webpages are prior art printed publications. Petitioner asserts that Patent Owner “must also submit any contrary evidence in its records,” regarding the printed publication issue. Reply, 18 (citing Rule 1.56). Rule 1.56 does not apply in this context. 37 C.F.R. §1.56(a) (rule applies during “the filing and prosecution of a patent application” and to submission of IDS citations).

B. Exhibits 1006 and 1014 are not relied upon in the asserted grounds.

Petitioner contends the “POPR did not challenge the other prior art (e.g., Exhs. 1003, 1006-1008, 1014).” Reply, 15. Exhs. 1003, 1007, or 1008 are patent documents. The printed publication status of Exhs. 1006 and 1014 is irrelevant; these references are not the basis of any asserted grounds presented in the Petition.

Ex. 1006: Petitioner’s Reply characterizes Grounds 6-10 as based on the “UGG Classic,” citing Exhs. 1005 *and 1006* (*see* Reply 2). That is *not* how the grounds were presented *in the Petition*, which clearly lists grounds 6-10 as over the UGG Classic *Mini*, and the obviousness discussion focuses on Ex. 1005. Pet., 49-64. There are no asserted grounds based on the UGG Classic *Short* (EX1006).

Ex. 1014: Ex. 1014 is cited for background teachings of different shaft heights, a feature for which Petitioner relies on Exh. 1007.

In sum, 13 of Petitioner’s 15 grounds are deficient as being based on primary references that are not printed publications as required by 35 U.S.C. § 311, and therefore cannot be the basis for institution. POPR, 10-17, 44-45.

II. PETITIONER FAILS TO DEMONSTRATE A REASONABLE LIKELIHOOD THAT THE CHALLENGED CLAIM IS OBVIOUS POST-*LKQ*.

The touchstone of obviousness is, and always has been, whether “the claimed invention as a whole would have been obvious before the effective filing date of the claimed invention.” 35 U.S.C. § 103. Consideration of the claimed design as a whole is necessary for conducting a proper analysis under the *Graham* factors. First, it is necessary when determining the scope and content of the prior art. “[I]n addressing the differences between the claimed design and prior art designs for validity purposes, we compare the visual appearance of the claimed design with prior art designs.” *LKQ Corp. v. GM Glob. Tech. Operations LLC*, 102 F.4th 1280, 1298 (Fed. Cir. 2024). Second, it is necessary when evaluating whether one of ordinary skill would have combined teachings of the prior art to create the same overall visual appearance as the claimed design. *See id.* (citing *Apple, Inc. v. Samsung Elects., Co.*, 678 F.3d 1314, 1329 (Fed. Cir. 2012)). Indeed, the Federal Circuit in *LKQ* reaffirmed the “inquiry focuses on the *visual impression of the claimed design as a whole and not on selected individual features.*” *Id.* at 1299 (emphasis added).

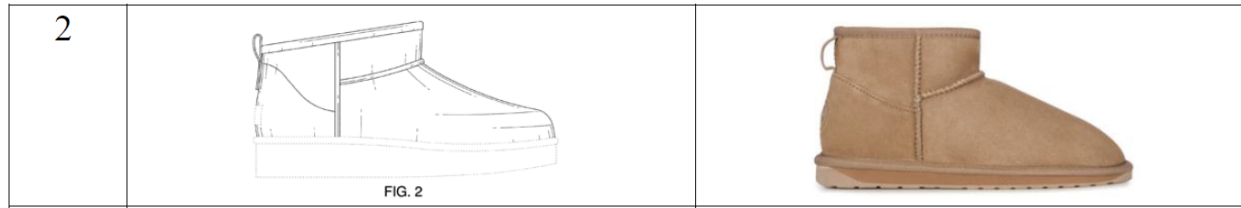
For the first time in its Reply, Petitioner and Mr. Holden give lip service to the obviousness grounds being based on an analysis of the overall visual appearances of the claimed design and the cited references. *See, e.g.*, Reply, 8-9, EX1016, ¶¶45, 48. However, Petitioner continues to gloss over significant differences between the appearances of the claimed design and the cited references, and advance conclusory theories on why the claimed design and cited references (alone or in combination) have the same overall visual appearance. These errors are fatal to all of Petitioner's obviousness grounds.

A. Grounds 2 and 5a based on the Emu Stinger Micro alone or in combination with a secondary reference fail to consider the claimed design and cited art as a whole.

Both Ground 2 and Ground 5a rely on the Emu Stinger Micro as a primary reference. Petitioner's Reply and Mr. Holden's supplemental declaration allege the claimed design is obvious in view of the Emu Stinger Micro based on (i) a side-by-side comparison of the designs and (ii) an elemental analysis of seven different design concepts that are allegedly similar between the two designs. EX1016, ¶¶67-71. Petitioner and Mr. Holden argue that the only differences lie in "the overall proportions of the footwear upper." *Id.*, ¶74.

This is incorrect, as shown in the comparison below, taken from page 34 of Exh. 1016. While both designs show a similar concept, there are numerous differences between the overall appearance of the claimed design and the Emu

Stinger Micro. For example, the shape and curvature of various design elements, including at least some of the seven design elements identified by Petitioner and Mr. Holden.



Rather than address the effect that these significant differences between the two designs have on their overall visual appearance, Petitioner and Mr. Holden summarily conclude, without offering any supportive evidence, that the two are the same. This is fatal to Petitioner’s Grounds 2 and 5a for at least the following reasons.

First, conclusory statements cannot support a valid obviousness challenge. *See Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 9, 15–16 (PTAB 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.”).

Second, by failing to take into account significant differences, Petitioner and Mr. Holden fail to evaluate the designs in terms of their overall visual appearances. To support a valid obviousness ground, a petitioner must adequately address all differences. “After ascertaining the knowledge of an ordinary designer in the

relevant field, the scope and content of the prior art, *and the differences between the prior art and the claimed design*, the obviousness or nonobviousness of the claimed design is evaluated.” *LKQ Corp.*, 102 F.4th at 1299 (emphasis added). This inquiry focuses on “whether an ordinary designer in the field to which the claimed design pertains would have been motivated to modify the prior art design ‘to create the same overall visual appearance as the claimed design.’” *Id.*

Other than conclusory statements that dismiss differences as related to only “overall proportions,” Petitioner and Mr. Holden do not meaningfully compare the overall visual appearance of the claimed design to the overall visual appearance of the Emu Stinger Micro. The lack of an appropriate analysis of the designs as a whole, including an analysis of significant differences between features of the designs, is fatal. “The ultimate question is whether differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious to a person of ordinary skill in the pertinent art at the time of the invention.” *Id.* at 1291.

Third, Petitioner and Mr. Holden provide insufficient rationale to establish that it would have been obvious to modify the Emu Stinger Micro (alone in Ground 2 or in combination with the UGG Neumel Boot in Ground 5a) to arrive at a design having *the same* overall visual appearance as the claimed design. Petitioner and Mr. Holden gloss over noticeable differences and argue the claimed

design and the Emu Stinger Micro have the same overall visual appearance because they include seven allegedly similar design features. However, as noted by the Federal Circuit in *LKQ*, the *Graham* factors require that *all* differences between the designs be evaluated when assessing whether the prior art renders a claimed design obvious. *See LKQ*, 102 F.4th at 1299.

It is legal error to focus solely on the similarities, as Petitioner and Mr. Holden do here. Petitioner and Mr. Holden fail to acknowledge numerous differences between the Emu Stinger Micro and the claimed design. Other than impermissible hindsight, Petitioner and Mr. Holden fail to identify any motivation for modifying the Emu Stinger Micro to include these differences in a way that would create a design having the same overall visual appearance as the claimed design. The Emu Stinger Micro, or its combinations with other noted references, does not result in *the same* design as the claim.

Indeed, as commented in the *Whitman Saddle* decision, differences in things like shape or curvature of a design, and combinations of different shapes and curvatures, should be taken into account when assessing the visual impression for purposes of obviousness under § 103. They cannot be summarily dismissed. “A mechanic may take the legs of one stove, and the cap of another, and the door of another, and make a new design which had no element of invention; but it does not follow that the result of the thought of a mechanic who has fused together two

diverse shapes, which were made upon different principles, so that new lines and curves and a harmonious and novel whole are produced, which possesses a new grace, and which has a utility resultant from the new shape, exhibits no invention.”

Smith v. Whitman Saddle Co., 148 U.S. 674, 680-81 (1893).

Accordingly, Petitioner has not demonstrated that Ground 2 or Ground 5a demonstrate a reasonable likelihood that the claimed design is obvious in view of the noted art.

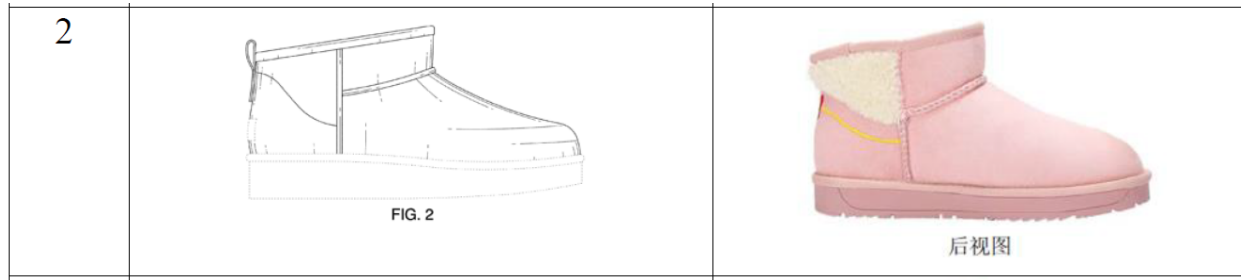
B. Grounds 4, 5b, and 10 based on CN’897 alone or in combination with a secondary reference fail to consider the claimed design and cited art as a whole.

Each of Grounds 4, 5b, and 10 rely on examiner cited CN’897 as a primary reference. Similar to the grounds based on the Emu Stinger Micro, Petitioner’s Reply and Mr. Holden’s supplemental declaration allege the claimed design is obvious in view of CN’897 based on (i) a side-by-side comparison of the designs and (ii) an elemental analysis of seven different design concepts that are allegedly similar between the two designs. EX1016, ¶¶78-82. And again, Petitioner and Mr. Holden acknowledge that there are differences between the two designs, but argue the only differences lie in “the overall proportions of the footwear upper.”

EX1016, ¶85.

This is incorrect. As shown in the comparison below, taken from page 39 of Exh. 1016, there are significant differences between the overall appearance of the

claimed design and that of CN'897.



Also similar to the grounds based on the Emu Stinger Micro, Petitioner and Mr. Holden fail to address these significant differences and how the differences relate to the designs' overall visual appearance. Petitioner and Mr. Holden summarily conclude, without offering any supportive evidence, that the two designs are the same. Petitioner and Mr. Holden also provide insufficient rationale, based on impermissible hindsight, to establish that it would have been obvious to modify CN'897 (alone in Ground 4 or in combination with other references in Grounds 5b and 10) to create a design having the same overall visual appearance as the claimed design. Indeed, CN'897 or its combinations with other noted references, does not result in *the same* design as the claim.

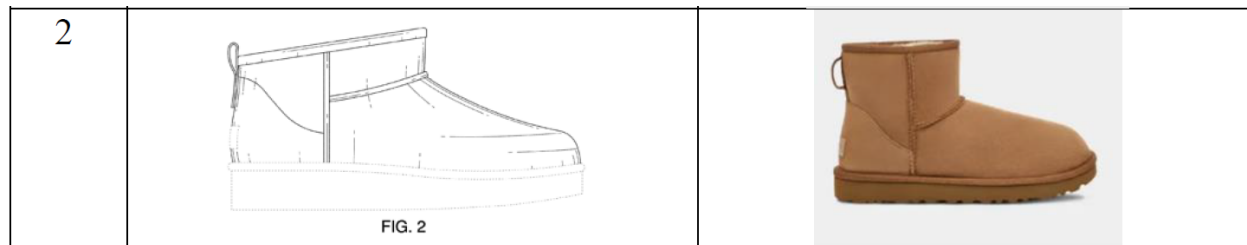
This is fatal to Petitioner's Grounds 4, 5b, and 10 for at least the same reasons discussed above for Grounds 2 and 5a.

C. Grounds 6-10 based on the UGG Classic Mini alone or in combination with a secondary reference fail to consider the claimed design and cited art as a whole.

Each of Grounds 6, 7, 8a-8c, 9a-c, and 10 rely on the UGG Classic Mini as a primary reference. Similar to the grounds based on the Emu Stinger Micro,

Petitioner’s Reply and Mr. Holden’s supplemental declaration allege the claimed design is obvious in view of the UGG Classic Mini based on (i) a side-by-side comparison of the designs and (ii) an elemental analysis of seven different design concepts that are allegedly similar between the two designs. EX1016, ¶¶101-104. And again, Petitioner and Mr. Holden acknowledge that there are differences between the two designs, but argue the only differences lie in “the proportions of the footwear upper.” EX1016, ¶106.

This is incorrect. As shown in the comparison below, taken from page 49 of Exhibit 1016, there are significant differences between the overall appearance of the claimed design and that of the UGG Classic Mini.



Also similar to the grounds based on the Emu Stinger Micro, Petitioner and Mr. Holden fail to address these significant differences, and how the differences relate to the designs’ overall visual appearance. Petitioner and Mr. Holden summarily conclude, without offering any supportive evidence, that the two designs are the same. Petitioner and Mr. Holden also provide insufficient rationale, based on impermissible hindsight, to establish that it would have been obvious to modify the UGG Classic Mini (alone in Ground 6 or in combination with other

references in Grounds 7-10) to create a design having the same overall visual appearance as the claimed design. Indeed, the UGG Classic Mini or its combinations with other noted references, does not result in *the same* design as the claim.

This is fatal to Petitioner's Grounds 6, 7, 8a-8c, 9a-c, and 10 for at least the same reasons discussed above for Grounds 2 and 5a.

III. THE BOARD SHOULD EXERCISE DISCRETION TO DENY INSTITUTION.

Petitioner argues that its “obviousness grounds under [*LKQ*] are new,” as compared to grounds already considered by the Examiner (e.g., grounds based on CN'897 and UGG Classic Mini), in part because “the Examiner did not have the benefit of *LKQ*'s new legal approach.” Reply, 8-9. As an initial matter, Petitioner did not request reply briefing on any discretionary issues (such as § 325(d)), nor did Petitioner apply the *Advanced Bionics* framework in its petition. Paper 11; EX3001; POPR, 25. In any event, as highlighted in the chart spanning pages 44 and 45 of the POPR, 13 out of 15 of Petitioner's asserted grounds are deficient because the references relied on do not meet the legal threshold of being printed publications and an overlapping 12 out of 15 grounds are based on art cited or considered by the Examiner during prosecution of the challenged patent. *See* Section I; POPR, 10-17, 21-32, 44-45. As informed by the Board's informative *Chevron/Deeper* decisions, it would not be an efficient use of the Board's time and

resources to institute trial here. *See* POPR, 18-21, 32.

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX PLLC

/Tracy Durkin/

Tracy-Gene G. Durkin
Registration No. 32,831
Lead Attorney for Patent Owner

Date: June 27, 2024

1101 K Street, NW, 10th Floor
Washington, DC 20005
(202) 371-2600

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

I certify that the above-captioned **PATENT OWNER'S SUR-REPLY TO
PETITIONER'S REPLY TO PATENT OWNER PRELIMINARY
RESPONSE** was served in its entirety on June 27, 2024, upon the following
parties via electronic mail:

Morris E. Cohen (Lead Counsel)
Lee A. Goldberg (Back-up Counsel)
GOLDBERG COHEN LLP
MCohen@GoldbergCohen.com
LGoldberg@GoldbergCohen.com

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX PLLC

/Tracy Durkin/

Tracy-Gene G. Durkin
Registration No. 32,831
Attorney for Patent Owner

Date: June 27, 2024

1101 K Street, NW, 10th Floor
Washington, DC 20005
(202) 371-2600