

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NJOY, LLC, NJOY HOLDINGS, INC.,
Petitioners,

v.

JUUL LABS, INC.,
Patent Owner

Case No. IPR2024-00536
U.S. Patent No. 11,606,981

**PETITIONERS' REPLY TO PATENT OWNER'S
PRELIMINARY RESPONSE**



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PETITIONERS' EXHIBIT LIST

Exhibit No.	Description
1001	U.S. Patent No. 11,606,981 (“981 Patent”)
1002	U.S. Patent No. 8,794,231 (“Thorens231”)
1003	U.S. Patent No. 9,427,022 (“Levin”)
1004	WO2011160788A1 (“Thorens788”)
1005	Expert Declaration of Jason Janet
1006	Curriculum Vitae of Jason Janet
1007	U.S. Patent No. 11,606,981 File History
1008	U.S. Patent No. 9,155,336
1009	U.S. Patent No. 7,717,756
1010	U.S. Patent Publication No. 2014/0150783 A1 (“Liu783”)
1011	Universal Serial Bus Micro-USB Cable and Connections Specification – April 4, 2007
1012	U.S. Patent No. 9,420,831
1013	U.S. Patent Publication No. 2013/0319438 A1
1014	U.S. Patent No. 5,505,214
1015	U.S. Patent No. 8,550,068
1016	<i>Intentionally left blank</i>
1017	<i>Intentionally left blank</i>
1018	<i>Intentionally left blank</i>
1019	<i>Intentionally left blank</i>
1020	U.S. Patent No. 2,057,353
1021	U.S. Patent No. 8,863,752
1022	U.S. Patent Publication No. 2010/0031968 A1
1023	<i>Intentionally left blank</i>
1024	U.S. Patent No. 8,205,622 (“Pan”)



Exhibit No.	Description
1025	U.S. Patent Publication No. 2014/0190502 A1
1026	U.S. Patent No. 11,229,239
1027	U.S. Patent No. 8,156,944
1028	U.S. Patent No. 9,386,805
1029	U.S. Patent No. 9,408,416
1030	U.S. Patent No. 9,861,138
1031	U.S. Patent No. 8,528,569
1032	Insight: No Smoke, Plenty of Fire Fuels E-Cigarettes – Reuters
1033	U.S. Patent Publication No. 2013/0081642 A1
1034	U.S. Patent Publication No. 2013/0192623 A1
1035	U.S. Patent Publication No. 2014/0261495 A1
1036	U.S. Patent No. 10,143,242
1037	<i>Intentionally left blank</i>
1038	U.S. Patent No. 9,901,120
1039	<i>Intentionally left blank</i>
1040	U.S. Patent No. 9,301,548
1041	U.S. Patent No. 9,820,509
1042	U.S. Patent No. 9,675,114
1043	U.S. Patent No. 9,609,893
1044	CN202697716U
1045	CN202919037U
1046	KR200453424Y1
1047	<i>Intentionally left blank</i>
1048	<i>Intentionally left blank</i>
1049	Joint Claim Construction Chart (2023-11-07)
1050	U.S. Patent No. 9,060,548 (“Zheng”)



Exhibit No.	Description
1051	<i>Intentionally left blank</i>
1052	U.S. Patent No. 6,155,268
1053	U.S. Patent No. 6,340,320
1054	U.S. Patent No. 7,201,613
1055	Jonny Stevenson, <i>Guide to Avoid a Dry Hit When Vaping</i> , Vapour Depot, July 18, 2023, available at https://vapourdepot.com/blog/dry-hit-vape-guide-avoid-dry-hits-vaping
1056	CN2002819631U
1057	U.S. Patent Publication No. 2013/0228191 (“Newton191”)
1058	JLI-NJOY-ITC1368-01326346
1059	JLI-NJOY-ITC1368-01935331
1060	Transcript from Deposition of James Monsees in Inv. 337-TA-1368
1061	Transcript from Deposition of Adam Bowen in Inv. 337-TA-1368

[REDACTED]

The Board should assess secondary considerations after institution on a full evidentiary record. *Umicore AG & Co. KG v. BASF Corp.*, IPR2015-01124, Paper 8, p. 22 (P.T.A.B. Nov. 2, 2015). Nonetheless, JLI’s arguments at this stage fail to overcome the compelling case of obviousness set forth in the Petition.

I. JUUL is Not Co-Extensive with the 981 Patent Claims

For nexus to be presumed, JLI must demonstrate that a specific product: (1) embodies the claimed features; and (2) is co-extensive with the claims. *Polaris Indus., Inc. v. Arctic Cat, Inc.*, 882 F.3d 1056, 1072 (Fed. Cir. 2018). Even if JUUL practices the 981 Patent claims, JLI cannot satisfy the co-extensiveness requirement because the 981 Patent is directed to a narrow subset of features and JUUL comprises numerous material unclaimed features, including:

- Nicotine salt formulation, flavors, and high nicotine concentration. Ex. 2027.005 (“[T]he high level of nicotine in Juul’s pods [is]...almost double the concentration in some rival e-liquids....”); Ex. 2031.002 (“Juulpods...contain a concentrated juice cocktail of salts and organic acids ... [that] more closely resembles the experience of smoking a cigarette....”); Ex. 2036.002 (“The growing popularity of JUUL seems to be driven by flavored offerings....”).
- Thumb drive shape. Ex. 2027.002 (“Juul says its signature brushed-aluminum, thumb-drive-shaped vape is intended to help adult smokers switch....”).

- [REDACTED]
- Temperature control system. Ex. 2003.011 [REDACTED]
- [REDACTED]

See also Fox Factory, Inc. v. SRAM, LLC, 944 F.3d 1366, 1378 (Fed. Cir. 2019) (“[T]he X-Sync products are not coextensive...because the products include a ‘critical’ unclaimed feature...that materially impacts the product's functionality.”).

Because JUUL is not coextensive and a presumption of nexus does not apply, JLI must demonstrate that secondary considerations evidence is the “direct result of the unique characteristics of the claimed invention.” *In re Huang*, 100 F.3d 135, 140 (Fed. Cir. 1996). JLI has not and cannot make any such showing. And even if there is a presumption of nexus, the evidence cited herein clearly overcomes that presumption.

II. The 981 Patent Did Not Satisfy a Long-Felt Need

JLI contends that JUUL met the “long-felt need for a satisfying nicotine delivery product that did not have the...adverse health effects of smoking combustible cigarettes.” POPR at 68. Even if true, JLI has not demonstrated that the 981 Patent satisfied such a need. First, prior art already met the need for a nicotine delivery product that did not have the unhealthy effects of combustible cigarettes. Ex. 1024 at 2:16-22 (“...a green alternative to harmful, polluting conventional cigarettes...”). Second, to the extent JUUL provided satisfying nicotine delivery, it was due to JUUL’s unclaimed nicotine chemistry. Ex.

[REDACTED]

1059.014 [REDACTED]

[REDACTED]. Third, the other purported needs referenced by JLI—a non-cylindrical shape, flame-simulating LED, and a cartridge that does not screw in—are largely unclaimed in the 981 Patent. POPR at 70-71. Thus, there is no nexus between long-felt need and the 981 Patent.

III. Any Unexpected Results Have No Nexus to the 981 Patent Claims

The purported “unexpected results” identified by JLI—reliability, satisfaction, vapor production and nicotine delivery, small form factor, and viewing the liquid level—have no nexus to the 981 Patent or were otherwise already known in the art (and thus not unexpected). POPR at 72-73.

First, the 981 Patent claims do not require a small form factor or reliable device. [REDACTED]

[REDACTED]. Ex. 1058.001 [REDACTED]

[REDACTED]. Second, to the extent JUUL achieved unexpected results related to satisfaction, vapor production, and nicotine delivery, those results are attributable to unclaimed features such as temperature control and nicotine salt chemistry. Ex.

2003.011 [REDACTED]

[REDACTED]; Ex. 1059.014 [REDACTED]

[REDACTED]. Third, prior art devices already included liquid viewing windows, so

[REDACTED]

that result was expected. Ex. 1057.010, [0032] (“The liquid reservoir includes a clear or translucent window...for visually determining the liquid level....”).

Unexpected results do not support non-obviousness.

IV. Any Industry Praise Has No Nexus to the 981 Patent Claims

JLI relies primarily on a brief submitted jointly by JLI and Altria in an FTC proceeding (the “FTC Brief”) to support its industry praise argument. However, the specific features referenced therein—form-factor, liquid viewing window, reversible pod with locking gaps, fresh airflow, and simple user operation—are unclaimed in the 981 Patent and/or were otherwise known in the art. POPR at 73-74. Moreover, the FTC Brief credits JUUL’s powerful battery and proprietary e-liquid formulation for delivering “superior nicotine satisfaction,” both of which are unclaimed. Ex. 2024.058, ¶ 224. The other publications cited by JLI likewise fail to praise any features claimed in the 981 Patent. *See* Ex. 2029; Ex. 2031; Ex. 2032. Thus, any industry praise is not attributable to the 981 Patent.

V. Any Commercial Success Has No Nexus to the 981 Patent

JLI cites no evidence that sales of JUUL were attributable to features claimed in the 981 Patent. To the contrary, any commercial success JUUL experienced was clearly due to unclaimed features, such as its nicotine salt formulation and e-liquid flavors. *See* Ex. 2036.002 (“The growing popularity of JUUL seems to be driven by flavored offerings....”); Ex. 2032.001 (“A huge part

[REDACTED]

of JUUL’s cachet appears to be its pleasing aesthetics, ease of use & nicotine salt e-liquid technology.”). [REDACTED]

[REDACTED]. Ex. 1058.001 [REDACTED]

[REDACTED]; Ex. 1059.014 [REDACTED]

VI. JLI’s Alleged Evidence of Copying Has No Nexus to the 981 Patent

JLI cites several publications that describe that others in the industry purportedly made JUUL-compatible pods or pod-based products, but no evidence that others specifically copied the features claimed in the 981 Patent. For example, the 981 Patent was not at issue in the ITC proceeding referenced by JLI. POPR at 76. Similarly, there is no evidence that Altria’s pod-based products practiced the 981 Patent. POPR at 76-79. Finally, JLI has not identified any evidence that Altria’s investment in JLI was attributable to the 981 Patent. *Id.* As such, alleged copying does not support the non-obviousness of the 981 Patent.

[REDACTED]

[REDACTED]

Dated: June 14, 2024

Respectfully submitted,

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CERTIFICATE OF COMPLIANCE

The undersigned hereby certifies that this brief complies with the type-volume limitations of 37 C.F.R. § 42.24 (c)(1). This brief spans five pages as authorized by the Board.

The undersigned further certifies that this brief complies with the typeface requirements of 37 CFR § 42.6(a)(2)(ii) and typestyle requirements of 37 CFR § 42.6(a)(2)(iii). This brief has been prepared in a proportionally spaced typeface using Microsoft Word 2010 in Times New Roman 14 point font.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on June 14, 2024, the foregoing
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