

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DR. SQUATCH, LLC
Petitioner

v.

THE PROCTER & GAMBLE COMPANY
Patent Owner

IPR2024-01173
Patent No. 10,905,647

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

Patent Owner (“P&G”) incorrectly argues that Section 325(d) weighs against institution because the Examiner considered the Lesniak reference during prosecution. First, the Examiner did not apply Lesniak in any rejections. Second, the Examiner erred in allowing the claims over Lesniak, as confirmed by later prosecution of the related ’089 application that P&G failed to inform the Board about in its POPR. *See* Ex. 1077 (post-petition excerpts of App. No. 17/961,089). After the subject Petition was filed, the Examiner relied on Lesniak to reject claims of the ’089 application that do not materially differ from claims challenged here. In doing so, the Examiner disagreed with P&G’s position in this proceeding that Lesniak discloses only sunscreens and diaper creams, not deodorants. Thus, the Examiner’s post-petition treatment of Lesniak contradicts P&G’s central argument about the reference and confirms its applicability to this proceeding.

I. Prior art was not adequately addressed during original examination.

Section 325(d) does not weigh against institution because the Examiner did not apply Lesniak in any rejections. “[A] reference that was neither applied against the claims nor discussed by the Examiner does not weigh in favor of exercising the Board’s discretion under § 325(d) to deny a petition.” *Dropbox, Inc. v. Motion Offense, LLC*, IPR2024-00286, Paper 12, at 15-16 (P.T.A.B. July 25, 2024); *see Samsung Elecs. Co., Ltd. et al v. Maxell, Ltd.*, IPR2024-00867, Paper 9, at 17 (P.T.A.B. Nov. 07, 2024) (declining to deny institution in view of absence of

evidence “that the Office meaningfully addressed this reference during prosecution”). While the Examiner noted Lesniak when allowing the claims of the ’647 patent, the Examiner later acknowledged the error in this notation. *See* Section II. Moreover, prior art combined with Lesniak in Grounds 2-4 was not addressed during prosecution. *See Google LLC v. Dialect, LLC*, IPR2024-00753, Paper 11, at 9 (P.T.A.B. Oct. 23, 2024) (rejecting § 325(d) argument where prior art combination had not been considered). Nor does P&G make any § 325(d) showing for Grounds 5 and 6, which do not rely on Lesniak. Institution on either Ground requires instituting on all Grounds, mooted P&G’s § 325(d) arguments.

II. Recent events confirm that errors were committed during examination.

Section 325(d) also does not weigh against institution because the Examiner erred in allowing the claims of the ’647 patent over Lesniak, as the Examiner subsequently recognized. Claim 1 of the ’647 patent recites a “deodorant stick comprising: a. at least 25% by weight liquid triglyceride; b. a primary antimicrobial having a water solubility of at most about 90 g/L at 25° C.; c. a fragrance composition comprising at least about 50% by weight of natural oils, essential oils, or a combination thereof; and d. a primary structurant with a melting point of at least 50° C.; said deodorant stick being free of an aluminum salt; and said deodorant stick having a hardness from about 70 mm*10 to about 140 mm*10, as measured by penetration with ASTM D-1321 needle.” Pending claims

3, 4, and 10 of the related '089 application contain materially identical limitations (among others).¹ Ex. 1077, 11-12. As highlighted in the Petition, the Examiner twice rejected the '089 application's claims in view of Lesniak after the '647 patent issued. By repeatedly rejecting materially identical claims in view of Lesniak, the Examiner recognized that the '647 patent claims should not have been allowed over Lesniak. *See Godbersen-Smith Const. Co. v. Guntert & Zim. Const. Div., Inc.*, IPR2024-00835, Paper 9, at 11-12 (P.T.A.B. Nov. 14, 2024) (instituting IPR and finding sufficient showing of error under § 325(d) in view of rejection of “similar claims” based on art considered during original examination).

P&G disregards the '089 application rejections and fails to identify any material difference between the '647 patent claims and the '089 application claims that stand rejected. Instead, P&G argues that the Examiner allowed the '647 patent claims “because Lesniak is about sunscreen (and also diaper cream), *not deodorant.*” POPR, 17-18. But this exact argument was rejected by the Examiner in an office action that issued in the '089 application after the filing of this Petition,

¹ P&G does not dispute that the antimicrobial required by claim 3 of the '089 application, magnesium hydroxide, has a water solubility below 90 g/L at 25° C. References herein to materially/substantively identical claims relate solely to unpatentability over Lesniak. Such positions may differ for infringement.

but before P&G's POPR, which omits the rejection.

Specifically, in response to P&G's argument that "Lesniak does not disclose deodorant compositions and focuses on sunscreens and diaper creams," the Examiner alluded to Lesniak's express disclosure that its compositions can be used as antiperspirants. Ex. 1077, 7-8. And the Examiner cited the '089 application's own disclosure that antiperspirants are equivalent to deodorants. *Id.* The Examiner further dismissed P&G's theory that Lesniak's compositions could not be antiperspirants because they lack aluminum. As the Examiner explained, the '089 application itself discloses antiperspirant actives other than aluminum. *Id.*

Further, in the latest rejection in the '089 application, the Examiner correctly found that a POSA would have understood Lesniak's zinc oxide to be an antimicrobial. *See id.* at 4-7 (discussing Lesniak's "zinc oxide, an antimicrobial agent having deodorant properties," and finding it obvious to substitute magnesium hydroxide for zinc oxide based on prior art disclosing them as "functional equivalents" for deodorants). This, too, contradicts the initial erroneous reasoning for allowing the '647 patent claims. POPR, 18 ("Lesniak is directed towards a sunscreen composition that requires the presence of the sunscreen agent Zinc Oxide, whereas the instant claims are drawn to a solid deodorant composition that require the presence of an antimicrobial agent.") (quoting Ex. 2001, 443).

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Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that a complete copy of this Reply and all Exhibits and other documents filed together with this Reply were served by email on counsel for Patent Owner on November 20, 2024, at the following addresses:

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