UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LEDUP MANUFACTURING GROUP LTD.,
Petitioner,

v.

SEASONAL SPECIALTIES, LLC,
Patent Owner.

Case IPR2024-01259
U.S. Patent No. 11,533,794

PATENT OWNER SUR-REPLY

TABLE OF CONTENTS

PAGE

I. Introduction.....1

II. The Board should not consider Petitioner's new rationales for combining Smith and Inoue, which are improperly raised on reply. 1

III. Conclusion 5

TABLE OF AUTHORITIES

FEDERAL CASES

Rembrandt Diagnostics, LP v. Alere, Inc., 76 F.4th 1376 (Fed. Cir. 2023) 3, 4

SAS Institute v. Iancu, 584 U.S. 357 (2017) 2

Wyers v. Master Lock Co., 616 F.3d 1231 (Fed. Cir. 2010).....4

FEDERAL STATUTES

35 U.S.C. § 103 2

35 U.S.C. § 312(a)(3).....2

FEDERAL REGULATIONS

37 C.F.R. § 42.23 2

37 C.F.R. § 42.32 3

BOARD DECISIONS

Intel Corp. v. Besang Inc., IPR2023-00991, 2024 WL 5076376 (PTAB Dec. 11, 2024) 4

Exhibit List

Exhibit Number	Description
2001	Affidavit of Courtland C. Merrill in Support of Pro Hac Vice Admission
2002	Declaration of Ted K. Higman, Ph.D.
2003	Curriculum Vitae of Ted. K. Higman, Ph.D.
2004	U.S. Provisional App. No. 60/876,868
2005	Declaration of Steven Altamura, dated September 1, 2022, filed during prosecution of US 11,533,794 (SS00000974-975)
2006	U.S. Patent No. 5,886,423 to Gershen
2007	Scocca, T., *The New Light is Bad, There's something off about LED bulbs—which soon be, thanks to a federal ban, the only king you can buy*, The Strategist, New York Magazine, March 30, 2023
2008	Christmas Light Source, *Current light bulb laws: Can I still purchase glass Christmas lights?* July 19, 2023
2009	Intentionally Left Blank
2010	First Amended Complaint for Patent Infringement, in *Seasonal Specialties, LLC v. LEDup Mfg. Group Ltd.*, 2:23-cv-06318 (C.D. Cal.) (Dkt. 19), filed on November 7, 2023
2011	Plaintiff's Responses to Defendant's First Set of Interrogatories, in *Seasonal Specialties, LLC v. LEDup Mfg. Group Ltd.*, 2:23-cv-06318 (C.D. Cal.), served on Petitioner June 24, 2024.
2012	Product Packaging, Philips 70 Mini Lights Warm White, by Patent Owner SS000002385
2013	Product Packaging, Philips 70 Mini Lights Multicolor, by Patent Owner SS000002386
2014	Product Packaging, Philips 100 Remains Lit Multicolor, by Patent Owner SS000002387
2015	Product Packaging, Philips 50 Remains Lit Multicolor, by Patent Owner SS000002388
2016	Product Packaging, Philips 70 Superbright Mini Warm White, by Patent Owner SS000002390

Exhibit Number	Description
2017	Product Packaging, Philips 70 Superbright Mini Multicolor, by Patent Owner SS000002391

I. Introduction

Patent Owner Seasonal Specialties, LLC submits this limited Sur-Reply to respond only to new arguments and evidence raised on reply with respect to dependent claims 2–6 and 8. Petitioner's Reply ventures well outside the bounds of permissible matter—supplying a wholly new rationale for combining references that was absent from Petition. This contravenes the applicable statute, regulations, Board guidance, and case law. For at least these reasons, the Board should reject Petitioner LEDUp's belated and improper reply arguments, reject Petitioner's Ground 5 (for reasons already stated in its Institution Decision), and find claims 2–6 and 8 non-obvious and thus not unpatentable.

II. The Board should not consider Petitioner's new rationales for combining Smith and Inoue, which are improperly raised on reply.

In Petitioner's Ground 5, it argues that claims 2–6, 8 and 9 are invalid as obvious over U.S. Published App. No. 2005/0168162 to Inoue (EX1003) in view of U.S. Patent No. 4,675,575 to Smith et al (EX1005). *E.g.*, Reply, 6; Paper No. 14 at 26 (Institution Decision ("ID")). In its ID, the Board found the Petition "does not set forth sufficient articulated reasoning with rational underpinning…to combine the teachings of Inoue and Smith[,]" and that it "does not explain sufficiently why a [POSITA] would have modified the teachings of Inoue, which teaches the use of LEDs, in view of the teachings of Smith, which also teaches LEDs." ID, 29. The

Board concluded "there [wa]s not a reasonable likelihood Petitioner would prevail in showing that claims 2–6, 8, and 9 are unpatentable under 35 U.S.C. § 103 over Inoue and Smith" yet instituted the review as to all petitioned grounds, in accordance with *SAS Institute v. Iancu*, 584 U.S. 357, 368 (2017). ID, 29–30.

In its Reply, Petitioner asserts—for the first time—that a POSITA would be motivated to combine Smith with Inoue so as to "broaden the capabilities of [Inoue's] LED lighting circuits…and to include advanced functionality of Smith in Inoue." Reply, 15 (citing EX1013 at 100; quotation marks omitted). These are improper new arguments and the Board should not consider them.

These late-stage attempts to remedy deficiencies in the petition are prohibited by statute, regulations, and the Board's guidelines. *See* 35 U.S.C. § 312(a)(3) (requiring the petition to "identif[y], in writing and with particularity…the grounds on which the challenge to each claim is based, and the evidence that supports the grounds…including…affidavits or declarations"); 37 C.F.R. § 42.23(b). Indeed, the Board's Trial Practice Guide (Nov. 2019) explains, "Indications that a new issue has been raised in a reply include new evidence necessary to make out a *prima facie* case for the patentability or unpatentability of an original or proposed substitute claim, such as ***newly raised rationale to combine the prior art references*** that was not expressed in the petition." *Id.* at 74.

Petitioner attempts to leverage 37 C.F.R. § 42.32(b) and *Rembrandt Diagnostics, LP v. Alere, Inc.*, 76 F.4th 1376 (Fed. Cir. 2023) to allow in its new evidence of motivation to combine. Reply, 13–15. In *Rembrandt*, the patent claims related to a test assay devices for biofluids. 76 F.4th at 1379. Alere had argued in its petition that a POSITA would be motivated to modify one reference (MacKay) from holding a single test strip in a single housing to holding multiple test strips, for the "efficiency" of allowing "multiple tests to be conducted simultaneously." *Id.* at 1384. On reply, Alere argued that such a modification would save cost and time. *Id.* at 1384-85. Alere had also argued in its petition that a POSITA would have been motivated to modify another reference (Tydings) by removing its wicking material to "achieve the benefits of having the liquid sample contact the test strip only [at] a predetermined designated area[.]" *Id.* at 1385. On reply, Alere argued that such a modification would align with Tydings's objectives of "reduc[ing] cost" and "simplify[ing]" its device. *Id.* As to both reply arguments, the Board held (and the Federal Circuit agreed) that they were permissible responses, for they were based on (and expanded upon) the petition's stated rationales of efficiency and reduced cost. *Id.*

Rembrandt does not stretch as far as Petitioner wishes it to. In the Petition, Petitioner stated as to Inoue and Smith:

> Smith…***clearly points out that LEDs can readily replace incandescent bulbs and have superior advantages to [them]***….LEDs have a longer lifespan, generate a much lesser amount of heat, consume less power, and are less expensive than incandescent bulbs…The numerous record-supported advantages, set forth in Smith provide a clear motivation for use of the teachings of Smith as applied to Inoue, so as to enjoy the advantages set forth in Smith.

Pet., 49.

The Petition touts only the advantages of substituting LEDs for incandescent lights. Entirely absent from it is any rationale for combining the LEDs of Smith with those LEDs of Inoue—a defect the Board pointed out in its ID at 29. Thus, this is not a situation like *Rembrandt*, where the petition offered one rationale (e.g. "efficiency") and the reply expounded on that (time and cost savings). Here, any rationale for combining two references both teaching LEDs is entirely absent in the Petition; thus there is nothing to expound upon on reply.[1] This is precisely a "newly raised rationale to combine" that the Board's Trial Practice Guide prohibits. *See id.* at 74. Petitioner's belated rationales offered on Reply are improper, and the Board should disregard them. *See Intel Corp. v. Besang Inc.*, IPR2023-00991, 2024 WL 5076376, at *13 (PTAB Dec. 11, 2024) ("[W]e agree with Patent Owner that process

[1] Petitioner also points to the fact that Smith and Inoue are analogous art. Reply, 16; Pet., 49. But analogous art and motivation to combine are separate elements, and a showing of the former does not automatically suffice for a showing of the latter. *E.g.*, *Wyers v. Master Lock Co.*, 616 F.3d 1231, 1237-39 (Fed. Cir. 2010).

optimization is a new argument supporting the combination…that should have been raised in the Petition. As such, we do not consider [it.]" (citing *Rembrandt*, 76 F.4th at 1383)).

III. Conclusion

For the reasons, Patent Owner respectfully requests the Board reject Petitioner's improper reply material, reject Petitioner's Ground 5, and find claims 2–6 and 8 not unpatentable as obvious on that Ground, as it had initially in its ID at 28–30.

Respectfully submitted,

Dated: September 15, 2025

s/Brian M. Landry/

Joseph M. Kuo (Reg. No. 38,943)
(Lead Counsel)
SAUL EWING LLP
161 N. Clark Street, Suite 4200
Chicago, Illinois 60601
Telephone: (312) 876-7100
Facsimile: (312) 876-0288
joseph.kuo@saul.com

Brian Landry (Reg. No. 62,074)
(Back-Up Counsel)
SAUL EWING LLP
131 Dartmouth Street, Suite 501
Boston, MA 02116
Telephone: (617) 723-3300
Facsimile: (617) 723-4151
brian.landry@saul.com

Courtland C. Merrill (pro hac vice)
SAUL EWING LLP
33 South Sixth Street, Suite 4750
Minneapolis, MN 55402
Tel: (612) 225-2949
courtland.merrill@saul.com

Counsel for Patent Owner

Certification of Word Count Under 37 C.F.R. § 42.24(d)

The undersigned hereby certifies that the foregoing complies with the type-volume limitation in 37 C.F.R. § 42.24(c)(4). According to the word-processing system's word count, the document contains 1056 words, excluding the parts of the brief exempted by 37 C.F.R § 42.24(b).

s/Brian M. Landry/
Brian M. Landry

Certificate of Service

Pursuant to 37 C.F.R. § 42.6(e) and the agreement of the parties, the undersigned certifies that on September 15, 2025, a true and correct copy of the foregoing **Patent Owner Sur-Reply** was served by filing through the Patent Trial and Appeal Board End to End (PTAB E2E), as well as providing a courtesy copy via e-mail to the following attorneys of record for Petitioner listed below:

William W. Cochran (Reg. No. 26,652)
Christopher P. Whitham (Reg. No. 53,769)
Bridget A. Cochran (Reg. No. 64,599)
Cochran Freund & Young LLC
2026 Caribou Drive, Suite 201
Fort Collins, CO 80525
(970) 492-1100
billc@patentlegal.com
chrisw@patentlegal.com
bridgetc@patentlegal.com

s/Brian M. Landry/
Brian M. Landry