

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SKECHERS U.S.A., INC.,
Petitioner

v.

NIKE, INC.,
Patent Owner

Case IPR2025-00141
Patent No. 8,266,749

PETITIONER'S PRE-INSTITUTION REPLY ON §325(d) ISSUES

Advanced Bionics Step 1: While Orei¹ and Nishida were before the Office, the examiner erred, including by misapprehending or overlooking specific teachings in each reference, as well as *by limiting all of the prior art rejections to a single §102 rejection based solely on Nishida*, as described under Step 2 below.

Regarding Guenther (EX1023-EX1024), Nike purported to submit a machine translation of Guenther during prosecution. EX1013, 200-202 (machine translation); *id.* 57, 248 (IDS). However, Guenther’s *actual* teachings could not have been considered by the Office because the machine translation submitted by Nike was of exceedingly low quality and largely incomprehensible. For example, the Petition repeatedly cites to Guenther’s disclosure at 2:33-35 that “fabric web 1 is a continuous fabric” (Pet., 71, 81-82), which seems to appear in Nike’s translation as “Those Web i places a together suspended Tissues” EX1013, 201 (based on the first sentence after the apparent brief description of Fig. 4 (“Abb, 4”)). Additional passages from Nike’s machine translation of Guenther include:

- “Here the fabric strip is 1 as hollow one fabric_ formed, there it to Preparation that Hinterkappe serves.” *Id.*, 201.
- “Is according to invention easy of shoes, in special athletic shoes, by the fact

¹ The Petition inadvertently indicated that Orei was not before the Examiner.

Orei was cited in an IDS, but was not relied on by the Examiner. EX1013, 54.

prepared that the shoe upper section out a tissue exists” *Id.*, 202.

- “Exist those Reinforcement threads out post traglich curable Materials, then can these into one so large number into the Ge woven introduced become, that with the Har tung, - both in Fabric and with finished shoe made become: can, beside that Reinforcement threads located Textile threads along-impregnated and thereby along are reinforced, so that one dense zusam menhangende Fabric layer develops.” *Id.*

Space precludes additional citations here, but a review of Nike’s translation reveals that it is mostly incomprehensible. *Compare* EX1023, EX1024, 8-11 (certified English translation) to EX1013, 200-202 (Nike’s machine translation).

Guenther’s teachings are a material part of the challenge. **First**, Guenther’s teachings (EX1023, EX1024, 8-11) are relied on in Ground 2 to support how a POSITA would understand Nishida’s web of material 1 and base (backing 4) are constructed. Pet., 80-84. Guenther’s teachings raise new arguments for the Board to consider given Nike’s prosecution arguments about how Nishida’s backing 4 is allegedly formed (EX1013, 286), as well as its IPR position that “Nishida’s pattern elements 2 are produced on a preexisting base material *just like the Guenther Patent*” (IPR2024-00460, EX2002, ¶36). **Second**, Guenther’s teachings are relied on in the alternative to modify Nishida under §103, supported by expert testimony and evidence as to why it would have been obvious to do so. Pet., 105-107.

Therefore, the Petition presents substantially different prior art and arguments under Step 1 of *Advanced Bionics* because (1) the Examiner could not have meaningfully considered Guenther's ***actual*** teachings based on Nike's incomprehensible machine translation, (2) the Petition relies on Guenther's teachings, in combination with Nishida, as an independent ground (Ground 2B), and (3) the Petition presents obviousness challenges based on well-known knitting techniques and prior art combinations, supported by expert testimony and other evidence, none of which was not before the Examiner.

Advanced Bionics Step 2: The Examiner erred in at least three material respects. ***First***, the examiner erred ***by limiting all prior art rejections, including for every dependent claim, to a single §102 rejection based solely on Nishida.***

The examiner seemingly failed to consider how it would have been obvious to combine Nishida (or any other reference of record, such as Orei) with knowledge in the art, including the fact that it was “well known to use double needle-bar raschel machines ... to knit textile elements simultaneously with surrounding textile structures” (Pet., 37-38), and that simultaneous knitting would be obvious because it would “increase yield and reduce manufacturing steps,” as explained in the Petition and supporting evidence. *See* Pet., 42-44; *see also*, IPR2020-01435, Paper 12 at 20-21 (finding additional evidence and facts presented in the Petition weigh in favor of reconsideration).

Second, the Examiner erred by misapprehending or overlooking Nishida's teachings. For example, in IPR2016-00922, the Board issued a FWD with findings establishing that Nishida discloses claims 1 and 13, even though the petitioner had not established a motivation to combine Nishida with Reed. Pet., 20-21. Moreover, the panel in IPR2024-00460, rejected Nike's §325(d) arguments because the "record is devoid of any indication that the Examiner considered or apprehended the extent of [Nishida's] disclosure," and that misapprehending or overlooking Nishida's teachings "seemingly occurred here." EX1069, Paper 8, 23-24.

In addition, even though the examiner initially determined that Nishida disclosed the "simultaneously knitting" limitation, and maintained that rejection in a final office action (EX1013, 237, 273-274), the Examiner inexplicably reversed course after an interview, stating that "there is no clear disclosure" in Nishida "that the textile element and the surround structure are simultaneously knitted." *See id.*, 278. As the panel noted in IPR2024-00460, [i]t is of considerable note that the reasoning for that course reversal has little, if any, explanation in the record at hand." EX1069, 23. This was clear error, as was failing to seemingly even consider if it would have been obvious to combine Nishida with other prior art, or to implement Nishida using well-known techniques for simultaneously knitting textile elements and surrounding structures having differing textures.

Third, by limiting all prior art rejections to a single §102 Nishida rejection, the Examiner also misapprehended and overlooked the highly-relevant teachings in Orei. *Advanced Bionics* at 8, n. 9. For example, as explained in the Petition supported by Dr. Adanur’s testimony, a “POSITA would understand that Orei’s knitted shoe parts would be knitted simultaneously with surrounding material in order for the parts to be ‘placed continuously’ or ‘disposed as one continuous knitted fabric,’ *i.e.*, a POSITA would understand that there would be material between and around the individual knitted shoe parts.” Pet., 37-38; EX1002, ¶126. The Petition also explains in detail, supported by expert testimony and other evidence, why a POSITA would understand that Orei’s figures convey different textures for the various knitted shoe parts. *See* Pet., 38-42; EX1002, ¶¶129-135. “[N]o reasonable examiner could have found otherwise.” *Ecto World, LLC et al. v. Rai Strategic Holdings, Inc.*, IPR2024-01280, Paper 13 at 6 (P.T.A.B. May 19, 2025) (Precedential). Indeed, it was those same ‘simultaneous knitting’ and ‘differing textures’ features that Nike argued were missing from Nishida (EX1013, 286), yet the Examiner proceeded to allowance without mentioning or apparently considering Orei’s spot-on teachings.

Thus, Orei’s highly-relevant teachings were overlooked by the examiner, and the additional evidence and testimony submitted with the Petition, which were not before the examiner, warrant reconsideration.

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CERTIFICATE OF SERVICE

I hereby certify, pursuant to 37 C.F.R. section 42.6, that on May 23, 2025, a complete copy of the foregoing **PETITIONER'S PRE-INSTITUTION REPLY ON §325(d) ISSUES** was served upon the following, by ELECTRONIC MAIL:

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