Trials@uspto.gov
571-272-7822

Paper 20
Date: June 3, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

v.

NIKE, INC.,
Patent Owner.

IPR2025-00141
Patent 8,266,749 B2

Before KEN B. BARRETT, MICHAEL J. FITZPATRICK, and MATTHEW S. MEYERS, *Administrative Patent Judges*.

BARRETT, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

A. Background and Summary

Skechers U.S.A., Inc. ("Petitioner")[1] filed a Petition requesting *inter partes* review of U.S. Patent No. 8,266,749 B2 ("the '749 patent," Ex. 1001). Paper 1 ("Pet."). The Petition challenges the patentability of claims 1–21 of the '749 patent. Nike, Inc. ("Patent Owner")[2] filed a Preliminary Response to the Petition. Paper 6 ("Prelim. Resp."). With our authorization, Petitioner filed a Reply to Patent Owner's Preliminary Response (Paper 10) and Patent Owner filed a Sur-reply (Paper 13).

In its Preliminary Response, Patent Owner asks that we exercise discretion to deny institution under 35 U.S.C. § 325(d), arguing that Petitioner "relies on the same or substantially the same art that was considered by the Examiner during prosecution of the '749 patent, and fails to show that the Examiner made any error material to the patentability of the Challenged Claims." Prelim. Resp. 31.

On May 19, 2025, Acting Director Coke Morgan Stewart issued an order in *Ecto World, LLC and SV3, LLC v. RAI Strategic Holdings, Inc.*, and Section A of the order was designated as precedential. IPR2024-01280, Paper 13. *Ecto World*, discussed further below, addresses discretion to deny institution under § 325(d), "clarifies how to apply *Advanced Bionics*[3] and

---

[1] Petitioner identifies Skechers U.S.A., Inc. as the real party in interest. Pet. 110.
[2] Patent Owner identifies Nike, Inc. as the real party in interest. Paper 3, 2; Paper 8, 2.
[3] *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 (PTAB Feb. 13, 2020) (precedential).

Becton Dickinson[4]," and includes a discussion of the analysis required by a petitioner under part two of *Advanced Bionics*. *Ecto World*, Paper 13 at 4–6.

On May 20, 2025, we, in light of this recent development, authorized briefing on the issue. Ex. 2009. Petitioner filed a Pre-Institution Reply addressing 35 U.S.C. § 325(d) issues (Paper 16, "Pet. § 325(d) Reply") and Patent Owner filed a Pre-Institution Sur-reply addressing the same issues (Paper 18, "PO § 325(d) Sur-reply").

Having considered the parties' submissions, and for the reasons explained below, we exercise our discretion under 35 U.S.C. § 325(d) to deny institution of *inter partes* review.[5]

B. Related Proceedings

Both parties identify, as matters involving or related to the '749 patent, *Nike, Inc. v. Skechers U.S.A., Inc.*, No. 2:23-cv-09346-AB-PVC (C.D. Cal.), *Nike, Inc. v. lululemon USA, Inc.*, No. 1:23-cv-00771-AS (S.D.N.Y), and *Nike, Inc. v. New Balance Athletics, Inc.*, No. 1:23-cv-12666-JEK (D. Mass), and Patent Trial and Appeal Board case *lululemon*

---

[4] *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (PTAB Dec. 15, 2017) (precedential as to § III.C.5, first paragraph).
[5] On March 26, 2025, Acting Director Stewart issued a memorandum titled "Interim Processes for PTAB Workload Management" ("Dir. Mem." *available at* https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf). The memorandum provides that the Director will determine whether discretionary denial of institution is appropriate. Dir. Mem. 1. "The processes described [in the memorandum] will be implemented in IPR and PGR proceedings where the deadline for the patent owner to file a preliminary response has not yet passed." *Id.* at 3. In the present case, the deadline for Patent Owner's Preliminary Response (March 20, 2025) had passed prior to the issuance of the memorandum.

USA, Inc. v. Nike, Inc., IPR2024-00460. Pet. 110; Paper 3, 2; Paper 8, 2. The parties also identify, as a matter involving the '749 patent, *adidas AG v. Nike, Inc.*, IPR2016-00922. *See, e.g.*, Pet. 20; Prelim. Resp. 6. Petitioner additionally notes that "New Balance also filed an IPR against the '749 patent." Pet. 22; *see New Balance Athletics, Inc. v. Nike, Inc.*, IPR2024-00778, Paper 10 (decision denying institution).

C. The '749 Patent

The '749 patent is titled "Article of Footwear Having a Textile Upper." Ex. 1001, code (54). The Abstract of the '749 patent is reproduced below:

> An article of footwear and a method of manufacturing the article of footwear are disclosed. The footwear may include an upper and a sole structure. The upper incorporates a textile element with edges that are joined together to define at least a portion of a void for receiving a foot. The textile element may also have a first area and a second area with a unitary construction. The first area is formed of a first stitch configuration, and the second area is formed of a second stitch configuration that is different from the first stitch configuration to impart varying textures to a surface of the textile element. Various warp knitting or weft knitting processes may be utilized to form the textile element.

Id. at code (57).

Figure 8 of the '749 patent is reproduced below:

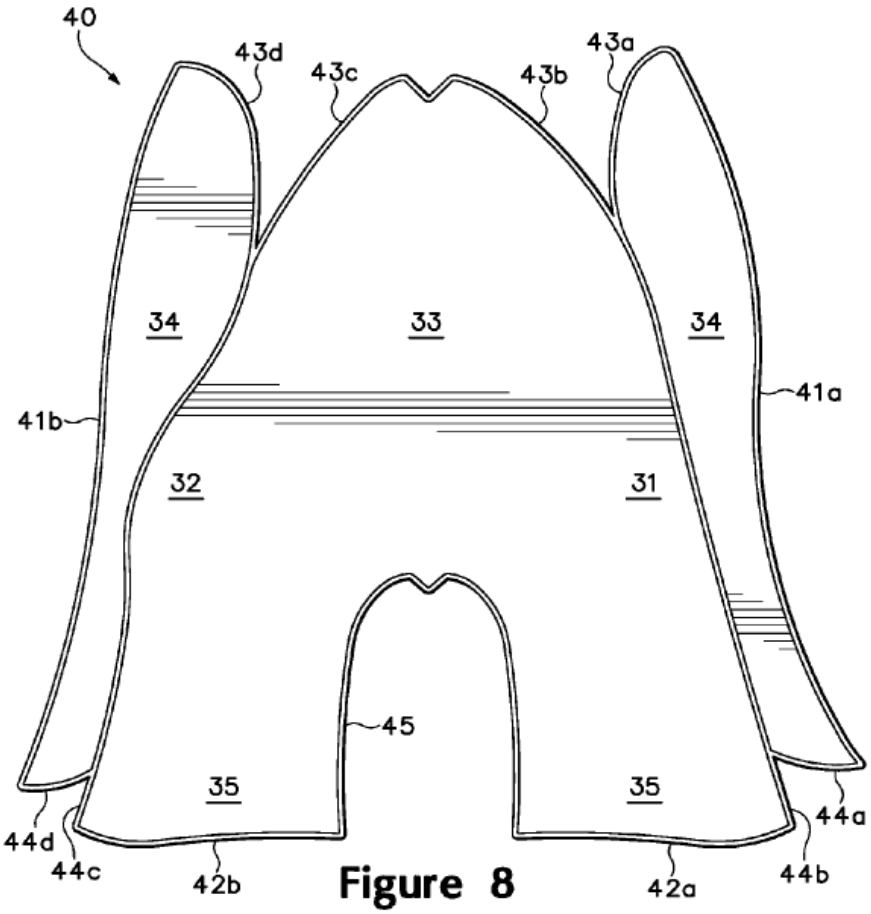

Figure 8

Figure 8 above is a plan view of a textile element that forms at least a portion of a shoe "upper." *Id.* at 4:11–12. Textile element 40 includes lateral region 31, medial region 32, instep region 33, lower region 34, and heel region 35. *Id.* at 5:21–23.

Figure 9 of the '749 patent is reproduced below:

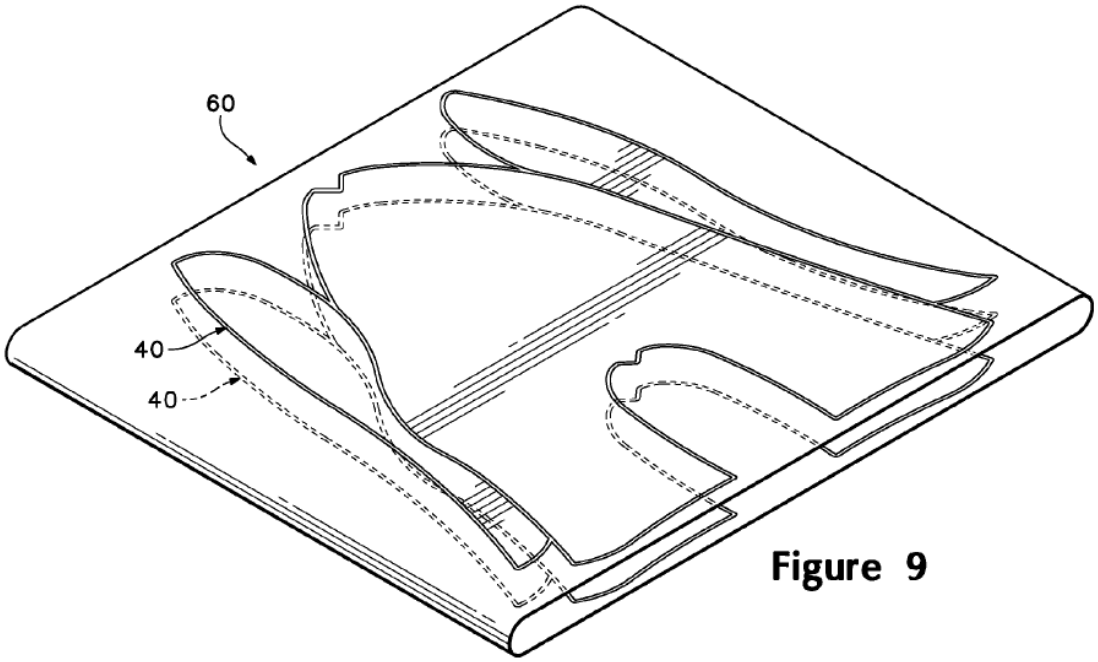

Figure 9

Figure 9 above is a perspective view of textile structure 60 that incorporates two textile elements 40. *Id.* at 4:13–14, 7:38–45. Textile structure 60 may be formed using a "wide-tube circular knitting machine." *Id.* at 7:38–40. The '749 patent states the following:

> Textile structure 60 has a generally cylindrical configuration, and the types of stiches vary throughout textile structure 60 so that a pattern is formed with the outline of textile element 40. That is, differences in the stiches within textile structure 60 form an outline with the shape and proportions of textile element 40.

Id. at 7:40–45.

The '749 patent also states that "a first textile element 40 and a second textile element 40 may be simultaneously formed in a single textile structure 60." *Id.* at 7:58–60.

Figure 1 of the '749 patent is reproduced below:

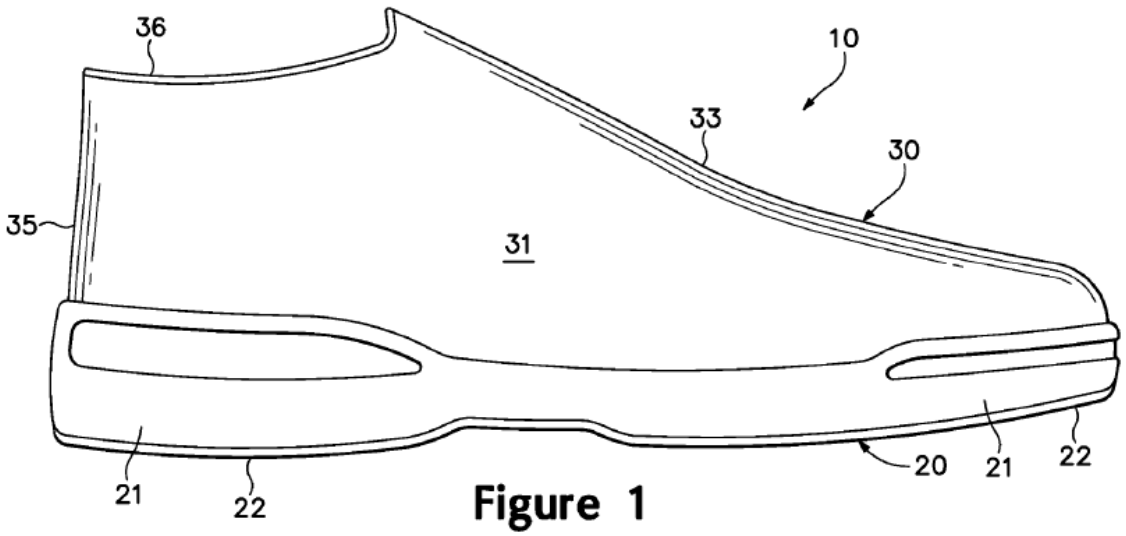

Figure 1

Figure 1 above is a lateral elevation view of an article of footwear 10 having an upper 30 according to the '749 patent. *Id.* at 4:1–2; 4:43–54.

D. Illustrative Claim

Of the challenged claims of the '749 patent, claims 1 and 13 are independent. Claim 1, reproduced below with bracketed annotations[6] inserted, is illustrative.

1. [1Pre] A method of manufacturing an article of footwear, the method comprising:

[1a1] simultaneously knitting a textile element with a surrounding textile structure, [1a2] the knitted textile element having at least one knitted texture that differs from a knitted texture in the surrounding knitted textile structure;

[1b] removing the knitted textile element from the surrounding knitted textile structure;

[6] We utilize Petitioner's annotations for claim 1 but have retained the paragraph formatting from the issued patent.

[1c] incorporating the knitted textile element into the article of footwear.

Ex. 1001, 11:43–52

E. Evidence

Petitioner relies on the following references:

Name	Reference	Exhibit No.
Orei	US 7,051,460 B2, published April 21, 2005, issued May 30, 2006	1020
McDonald	WO 98/43506, published Oct. 8, 1998	1021
Nishida	US 5,345,638, issued Sept. 13, 1994	1022
Günther[7]	German Patent No. 627 878, issued July 1, 1936	1023[8]

Petitioner also relies on the Declaration of Dr. Sabit Adanur (Ex. 1002) and the Declaration of Grant Delgatty (Ex. 1003) in support of its arguments, and Patent Owner relies on the Declaration of Christopher M. Pastore, Ph.D. (Ex. 2001) in support of its arguments. The parties also rely on other exhibits as discussed below.

[7] The parties spell the reference's name as "Guenther," i.e., with "ue." To the extent we quote herein the parties' briefs in that regard, we retain the respective party's spelling.

[8] Petitioner, for Günther, also cites Exhibit 1024, which includes a translator's certification along with a document in German and a translation. Pet. 23. We are unable to locate any other citations to that exhibit in the Petition.

F. Asserted Grounds of Unpatentability

Petitioner asserts that the challenged claims are unpatentable on the following grounds:

Claim(s) Challenged	35 U.S.C. §[9]	Reference(s)/Basis
1–6, 8, 10–16, 18, 20–21	102(e)	Orei
1–6, 8, 10–16, 18, 20–21	103(a)	Orei
7, 12, 17, 18	103(a)	Orei, McDonald
9, 19	103(a)	Orei
1–8, 11–18, 21	102(b)	Nishida
1–8, 11–18, 21	103(a)	Nishida, Günther
9, 10, 19, 20	103(a)	Nishida
9, 10, 19, 20	103(a)	Nishida, Günther

G. The Level of Ordinary Skill in the Art

In determining the level of ordinary skill in the art, various factors may be considered, including the "type of problems encountered in the art; prior art solutions to those problems; rapidity with which innovations are made; sophistication of the technology; and educational level of active workers in the field." *In re GPAC Inc.*, 57 F.3d 1573, 1579 (Fed. Cir. 1995) (quoting *Custom Accessories, Inc. v. Jeffrey–Allan Indus., Inc.*, 807 F.2d 955, 962 (Fed. Cir. 1986)).

Petitioner contends that:

> A person of ordinary skill in the art ("POSITA") in the field of the '749 patent in March 2004 would have been someone with at least a few years of experience in knit materials and knitting methods and machines that can be used in making footwear, or a bachelor's degree in textile-related sciences, engineering, or industrial product design, or equivalent academic or work

[9] The application that issued as the '749 patent was filed before the effective date of the Leahy Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) ("AIA"), and the pre-AIA versions of 35 U.S.C. §§ 102 and 103 apply here.

> experience, including in the footwear industry. EX1002, ¶68. Such a person of ordinary skill would have at least a general understanding of general construction processes and materials used in the manufacturing process of fabric-based articles. For individuals with a lower educational level, a person could still be of ordinary skill in the art provided that person's working experience compensates for any such lower educational level, or vice versa. *See id.*

Pet. 23–24. Patent Owner states that, "[f]or purposes of this Preliminary Response, Nike applies Skechers' definition for a person of ordinary skill in the art." Prelim. Resp. 14.

Petitioner's definition is consistent with the level of ordinary skill reflected in the prior art references of record. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001) (recognizing that the prior art itself may reflect an appropriate level of skill in the art). For purposes of this decision, we apply Petitioner's definition of the person of ordinary skill in the art.

II. DISCRETIONARY DENIAL UNDER 35 U.S.C. § 325(d)

Patent Owner contends that we should exercise discretion under 35 U.S.C. § 325(d) to deny the Petition, applying the Board's precedential decision in *Advanced Bionics*. Prelim. Resp. 31–38; PO § 325(d) Sur-reply 1–5. Petitioner opposes. Pet. 109; Pet. § 325(d) Reply 1–5. For the reasons discussed below, we exercise discretion to deny institution under § 325(d).

Section 325(d) provides that, in determining whether to institute an *inter partes* review, "the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office." 35 U.S.C. § 325(d).

The Board uses a two-part framework in determining whether to exercise its discretion under § 325(d), specifically:

> (1) whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office; and
> (2) if either condition of [the] first part of the framework is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.

Advanced Bionics, Paper 6 at 8.

We consider several non-exclusive factors as set forth in *Becton, Dickinson*, which "provide useful insight into how to apply the framework" under § 325(d). *Advanced Bionics*, Paper 6 at 9. These non-exclusive factors include:

> (a) the similarities and material differences between the asserted art and the prior art involved during examination;
> (b) the cumulative nature of the asserted art and the prior art evaluated during examination;
> (c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection;
> (d) the extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art;
> (e) whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art; and
> (f) the extent to which additional evidence and facts presented in the Petition warrant reconsideration of the prior art or arguments.

Becton, Dickinson, Paper 8 at 17–18 (formatting added). "If, after review of factors (a), (b), and (d), it is determined that the same or substantially the same art or arguments previously were presented to the Office, then factors

(c), (e), and (f) relate to whether the petitioner has demonstrated a material error by the Office." *Advanced Bionics*, Paper 6 at 10.

A. Part One of the Advanced Bionics Framework

In the first part of the *Advanced Bionics* analysis, we determine whether either the same/substantially-the-same art was presented to the Office *or* the same/substantially-the-same arguments were presented to the Office. *Advanced Bionics*, Paper 6 at 8

The Petition relies on four prior art references, with every ground based on either Orei or Nishida as an anticipatory reference or a primary reference in the obviousness grounds. Pet. 23. Patent Owner argues that Orei, Nishida, and Günther were considered by the Examiner during prosecution, and that McDonald is cumulative of prior art considered by the Examiner, namely Nishida. Prelim. Resp. 32–33.

There is no dispute that Nishida was considered by the Examiner and was asserted by the Examiner in a rejection. *See* Pet. § 325(d) Reply 1; Prelim. Resp. 32. Additionally, Patent Owner's key argument as to Nishida in this *inter partes* review—that Nishida fails to disclose the "simultaneously knitting" limitation—is the same argument made by the applicant to the Examiner. *Compare* Prelim. Resp. 21 (Patent Owner arguing that "Nishida does not disclose 'simultaneously' knitting a 'textile element' with a 'surrounding textile structure,' as recited in independent claims 1 and 13."), *with* Ex. 1013, 259 (the applicant arguing that "Nishida fails to disclose a knitted textile element simultaneously formed with a knitted textile structure during a knitting process."). The applicant argued to the Examiner, for example, that "Nishida necessarily teaches that the backing material for the web of material must be formed prior to the

production of the layouts," Ex. 1013, 259, and Patent Owner similarly argues here that "Nishida discloses that the backing pre-exists the production of layouts for the shoe patterns," Prelim. Resp. 23.

Petitioner initially stated that "Orei, McDonald, and Guenther were not before the Examiner" and "the Examiner did not have before him a translation of Guenther." Pet. 109. After Patent Owner (Prelim. Resp. 32) pointed to the prosecution history regarding Orei and Günther, Petitioner conceded that Orei and a machine translation of Günther were before the Examiner. Pet. 1.

"Challenging the claims using the same prior art that was previously presented on an IDS [(Information Disclosure Statement)] is sufficient to satisfy the first part of the *Advanced Bionics* framework." *Ecto World*, Paper 13 at 4; *see also Advanced Bionics*, Paper 6 at 7–8 ("Previously presented art includes art . . . provided to the Office by an applicant such as on an Information Disclosure Statement (IDS), in the prosecution history of the challenged patent."). Orei was cited on an IDS by the applicant, and the Examiner indicated that all references were considered. Ex. 1013, 245 (entry 28; the notation at the bottom of the page: "ALL REFERENCES CONSIDERED EXCEPT WHERE LINED THROUGH. /M.P./"). And, one of Patent Owner's primary arguments here is that Orei fails to disclose the "simultaneously knitting" limitation. *See* Prelim. Resp. 16. As mentioned, that same limitation was the subject of arguments to the Examiner during prosecution. *See* Ex. 1013, 259.

Günther also was presented by the applicant on an IDS, and indicated as, "Machine Translation Only." Ex. 1013, 248. Petitioner argues that "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." Pet. § 325(d) Reply 1 (citing Ex. 1013, 200–202 (the machine translation)). Petitioner also argues that "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," and that "Guenther's teachings raise new arguments for the Board to consider given [Patent Owner's arguments during prosecution and a different IPR]." *Id.* at 2 (citing Pet. 80–84; EX1013, 286; IPR2024-00460, Ex. 2002 ¶ 36).

Although we acknowledge that the machine translation of Günther is of poor quality, Petitioner does not point to anything in the record suggesting that the Examiner deemed the translation unacceptable or not in a form to be considered. *See* Ex. 1013, 248 (a lack of a line through the reference on the IDS, thus indicating that the Examiner considered the reference). Additionally, Petitioner relies not only on the text of Günther, but also on the figures. *See* Pet. 105–107 (Petition, for Ground 2, *inter alia*, pointing to layers 7 and 8 in the figures in support of the argument that "it would have been obvious to adopt Guenther's multi-layer construction to form Nishida's web of material 1 and layouts 2 as well as tongue 40 by employing one or more base layers which are joined during the knitting process, as Guenther expressly discloses."). Even if the descriptions of these figures are poorly translated, the figures themselves contain disclosures that Petitioner implicitly agrees are informative. *See id.* at 106 (Petitioner stating, "As shown above" under Figures 1 and 2). Even if, as Petitioner argues (Pet. § 325(d) Reply 3), some subset of Günther's "actual teachings" could not have been "meaningfully considered" by the Examiner, we decline to

find that Günther was not "previously . . . presented to the Office." *Advanced Bionics*, Paper 6 at 8. We also note that Nishida contains a general description of Günther's process. *See* Ex. 1022, 1:10–37; Pet. 71 (Petitioner referring to that discussion).

Patent Owner argues that "McDonald is cumulative prior art to Nishida." Prelim. Resp. 33. McDonald is used in one ground in addressing four dependent claims, claims 7, 12, 17, 18, which pertain to joining or securing edges of the knitted textile element. *See* Pet. 67–70. Petitioner contends that the ground's primary reference, Orei, discloses the pertinent edges secured to the shoe's sole, and asserts that McDonald is evidence that "[i]t was known at the time in the field of footwear manufacturing that the longitudinal sides of a shoe upper could be joined together so as to define a space/void for receiving a foot." *Id.* at 68–69. Patent Owner argues that Petitioner "points to a cumulative disclosure in Nishida," quoting Petitioner's contention that "Nishida discloses that its longitudinal edges (e.g., contours 29.3 and 29.4) are connected together, such as by being stitched or glued, to form a longitudinal seam." Prelim. Resp. 33. Patent Owner also correctly notes that the Examiner found that Nishida discloses the same limitations. *Id.* at 33 (citing Ex. 1013, 237, 272); *see also* Ex. 1013, 237 (the Examiner finding that "Nishida shows . . . the longitudinal edges that are joined together ([claims] 7 and 8)"). Petitioner does not dispute Patent Owner's contention that McDonald is cumulative of prior art previously presented to the Office. *See* Pet. § 325(d) Reply 1–3 (Petitioner addressing part 1 of *Advanced Bionics* but not mentioning McDonald).

Petitioner additionally argues that "the Petition presents substantially different prior art and arguments under Step 1 of *Advanced Bionics* because . . . 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 [sic] before the Examiner." Pet. § 325(d) Reply 3. We do not find this persuasive. Petitioner does not explain adequately why "well-known" techniques would not have been known by the Examiner. And, the Petition does not present any combinations that are based on prior art not before the Examiner, and does identify with any specificity any expert testimony in this case that negates a finding that at least "the same or substantially the same *art* previously was presented to the Office." *Advanced Bionics*, Paper 6 at 8 (the first part of the analysis using the disjunctive "or," i.e., the first part is satisfied with either same/substantially-the-same art *or* arguments) (emphasis added).

We determine that the first part of the *Advanced Bionics* framework is satisfied.

B. Part Two of the Advanced Bionics Framework

Because the first part of the *Advanced Bionics* framework is satisfied, we next determine whether Petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims. *Advanced Bionics*, Paper 6 at 8. "An example of a material error may include misapprehending or overlooking specific teachings of the relevant prior art where those teachings impact patentability of the challenged claims." *Id.* at 6 n.9. However, "[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office

erred in a manner material to patentability." *Id.* at 9. Petitioner bears the burden of showing that the Examiner materially erred. *Id.* at 8.

Patent Owner, in the Preliminary Response, argues that "[Petitioner] Skechers does not even allege that the Examiner committed any error." Prelim. Resp. 35; *see also id.* (Patent Owner further arguing that "Skechers cannot claim ignorance of this legal framework, as it devoted several pages to an argument of material error in its petition for *inter-partes* review of Nike's U.S. Patent No. 7,401,420, filed on October 30, 2020." (citing IPR2021-00160, Paper 1 at 18–22)).

In the Section 325(d) portion of Petition, there is no explicit allegation of any error by the Office. *See* Pet. 109. Rather, Petitioner focused its arguments on the first part of the *Advanced Bionics* framework, with those arguments based in part on the incorrect assertions that "Orei . . . and Guenther were not before the Examiner" and "the Examiner did not have before him a translation of Guenther." *Id.*; *see* Pet. § 325(d) Reply 1 n.1 (Petitioner admitting that "[t]he Petition inadvertently indicated that Orei was not before the Examiner."); *id.* at 1 (Petitioner referring to "the machine translation submitted" to the Examiner).

To the extent that the Petition addresses material error, it would be the contention that "the Petition makes a strong showing that all claims are unpatentable, and therefore the Board should not discretionarily decline institution." Pet. 109. The Acting Director, in *Ecto World*, rejected a similar argument—that the strength of a petitioner's contentions set forth in other parts of the petition can satisfy petitioner's burden—determining that the petitioner's "generalized statements as to the strength of its [p]etition fail to identify sufficiently a material error." *Ecto World*, Paper 13 at 4–6. *Ecto*

World "clarifies that a petitioner must provide an analysis even when the asserted prior art is on an IDS, but the Examiner did not apply the reference." *Id.*, Paper 13 at 5. "In that analysis, a petitioner must explain, with reference to *Becton Dickinson* factors (c), (e), and (f), how the Examiner erred in overlooking the prior art." *Id.* Accordingly, we agree with Patent Owner that Petition fails to satisfy Petitioner's burden to show material error under part 2 of the *Advanced Bionics* framework.

Nonetheless, we, after the *Ecto World* decision issued and was designated precedential, offered Petitioner the opportunity to further address the Section 325(d) issues in light of that decision. *See* Ex. 2009.

In its reply, Petitioner argues that "[t]he Examiner erred in at least three material respects." Pet. § 325(d) Reply 3.

We first turn to Petitioner's arguments regarding Nishida. As mentioned, the Examiner applied Nishida in a rejection. Ex. 1013, 237, 273. The *Ecto Worlds* decision addresses a petitioner's burden in this regard. *Ecto World*, Paper 13 at 6. "[I]f the Examiner applied the asserted prior art or substantially the same prior art during examination, then a petitioner must demonstrate that, for example, the previously presented art teaches the limitations of the challenged claims, and that no reasonable examiner could have found otherwise." *Id.* (citing *Advanced Bionics*, Paper 6 at 9 ("If reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability.")).

An issue in this case that is potentially dispositive of the Nishida-based grounds is whether Nishida discloses the limitation reciting, "simultaneously knitting a textile element with a surrounding textile

structure." *See, e.g.*, Prelim. Resp. 21. The Examiner, in a non-final rejection, found that Nishida discloses this limitation. Ex. 1013, 237. The applicant asserted, in response, that Nishida fails to disclose this "simultaneously knitting aspect," arguing that "Nishida discloses that layouts 2 [mapped to the textile elements] are printed, embroidered, woven, or knitted onto a *pre-existing* backing material 4 [mapped to the surrounding textile structure]." *Id.* at 259. In a final rejection, the Examiner again found that Nishida discloses the limitation, stating:

> the web material (1 and/or 4) which includes the textile element (2) and surrounding structure (area of 1 around 2) is produced by knitting (column 3 lines 5–15 and column 5 line 63– column 6 line 2) and therefore since element 1 or 4 is a single knitted element it is inherently simultaneously knitted because it is a [single] element.

Id. at 273. Subsequently, the applicant conducted an interview with the Examiner, with the summary thereof stating: "After further consideration and arguments it was clarified that Nishida may disclose a web of material having different textures, but there is no clear disclosure . . . that the textile element and the surround structure are simultaneously knitted." *Id.* at 278. In a response to the final office action, the applicant set out arguments that there is a chronological relationship in the production of the backing 4 for the web of material 1 and of the layouts 2, again asserting that it is a sequential, not simultaneous, process. *See id.* at 286. The applicant specifically addressed one of the Examiner's cited portions of Nishida. *See id.* (discussing Nishida, 5:63–6:2). Thereafter, the Examiner issued a notice of allowability. *Id.* at 295.

Petitioner argues that "the Examiner erred by misapprehending or overlooking Nishida's teachings." Pet. § 325(d) Reply 4. Petitioner,

however, does not identify, in its § 325(d) analysis, what teachings purportedly were misapprehended or overlooked. *See id.* We decline to search Petitioner's discussion of the grounds for an argument in this regard. *Cf. Ecto World*, Paper 13 at 6 n.2 ("Petitioner's suggestion that the Board should have scoured the Petition to cobble together an argument under the second part of *Advanced Bionics* improperly shifts Petitioner's burden to demonstrate material error onto the Board.").

Petitioner points to purported findings and statements in other *inter partes* reviews that Petitioner argues support its position that the Examiner misapprehended or overlooked Nishida's teachings. *See* Pet. § 325(d) Reply 4 (citing IPR2016-00922; Ex. 1069, Paper 8, 23–24 (the institution decision in IPR2024-00460)). But, again, Petitioner's § 325(d) briefing should identify the purportedly misapprehended or overlooked teachings, and we decline to review those IPRs and the bases for the purportedly supporting statements to determine whether an argument could be made that Petitioner has met it burden to demonstrate error. *See Ecto World*, Paper 13 at 5 ("a petitioner may argue that . . . the asserted prior art . . . includes specific teachings that impact patentability of the challenged claims." (internal quotations omitted), 6 n.2 (rejecting the petitioner's suggestion that the Board should scour the petition to "cobble together an argument"). And, even if a panel of the Board made determinations contrary the Examiner's determinations regarding Nishida, that does not necessarily show that Petitioner here has satisfied it burden under the *Ecto World* standard. *See Ecto World*, Paper 13 at 6 (setting out the standard when a reference was applied in an examiner's rejection). For example, even if we were to disagree with the Examiner's findings, that does not necessarily mean that

those findings are unreasonable. *See Advanced Bionics*, Paper 6 at 9 ("If reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability."). The Examiner here clearly considered the teachings of Nishida on multiple occasions and, according to the interview summary, eventually determined that there was "no clear disclosure" of the "simultaneously knitting" limitation. *See* Ex. 1013, 278. Petitioner does not address adequately the standard set out in *Ecto World*, and does not demonstrate that "the previously presented art teaches the limitations of the challenged claims, and that no reasonable examiner could have found otherwise."[10] *Ecto World*, Paper 13 at 6.

Petitioner also argues that the Examiner erred in making only "a single §102 rejection based solely on Nishida." Pet. § 325(d) Reply 3 (emphasis omitted). Specifically, Petitioner argues that:

> 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.

Id. (alterations in original); *see also id.* at 4 (Petitioner arguing that the Examiner clearly erred for "failing to seemingly even consider if it would

---

[10] We quote here, to give context to "otherwise," both aspects that a petitioner must demonstrate in order to meet its burden. In order to determine whether Petitioner has met its overall burden, we need not and do not reach the issue of whether "the previously presented art [Nishida] teaches the limitations of the challenged claims." *Ecto World*, Paper 13 at 6.

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.").

We do not find this argument persuasive. The cited portion of the Petition is the contention that Orei—not Nishida—would render obvious claim 1. *See* Pet. 37–38, 42–44 (Ground 1A). Thus, Petitioner has not shown persuasively that the Examiner erred in not making an obviousness rejection based on *Nishida* because the disputed limitation was purportedly well-known. Additionally, Petitioner's support for the assertion that this limitation is well-known is not persuasive. The Petition parenthetically quotes from a source stating that plural "*articles* . . . can be simultaneously knitted side-by-side," not that an article (a textile element) and *surrounding textile structure* are known to be simultaneously knitted. *See* Pet. 38 (quoting Ex. 1050, 201) (emphasis added); *see also* Pet. § 325(d) Reply 3 (Petitioner quoting its own argument and characterizing it as a "fact" ("The examiner seemingly failed to consider . . . the fact that it was 'well known . . . ")).

Petitioner also argues that "the Examiner also misapprehended and overlooked the highly-relevant teachings in Orei." Pet. § 325(d) Reply 5. According to Petitioner, the Petition explained that

> 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.

Pet. § 325(d) Reply 5.

We determine that Petitioner has not shown sufficiently for institution that the simultaneous knitting limitation is taught or suggested by Orei, and, by extension, has not shown that the Examiner misapprehended or overlooked a teaching in that regard. Patent Owner persuasively argues that Petitioner "does not point to any discussion in Orei on an alleged surrounding textile structure, including in terms of its alleged material or production." Prelim. Resp. 16 (citing Pet. 34–38; Ex. 2001 ¶ 40). Patent Owner further argues that Petitioner "resorts to inserting an alleged 'surrounding textile structure' by drawing in a brown rectangle in the background of the Figures 1 and 5 in Orei." *Id.* (citing Pet. 36–37).

Petitioner relies heavily on Orei's statement that multiple shoe parts (textile elements) "are disposed in one continuous knitted fabric." Pet. 35 (citing Ex. 1020, 2:1–3; 3:33–37) (emphasis omitted). Petitioner does not explain adequately the basis for its assertion that the "continuous knitted fabric" surrounds the shoe parts—as depicted by Petitioner's added brown rectangle to Orei's Figure 5, which, in the original version, lacks a rectangle or a reference numeral identifying any "continuous knitted fabric" element. *See id.* at 37; *see id.* at 37–38 (Petitioner's conclusory contentions about what "a POSITA would understand").

Further, even if there does exist in Orei a surrounding textile structure, Petitioner has not demonstrated adequately that the structure is knitted simultaneously with the textile elements. *See id.* at 35–38. For example, Petitioner contends that the "simultaneously" aspect is shown because Orei "describe[s] 'a shoe pattern on knitted fabric' where '[o]n one knitted fabric, respective parts are placed continuously.'" *Id.* at 37 (emphasis omitted). Petitioner does not address adequately the possibility that a person of

ordinary skill in the art would understand this as disclosing that shoe patterns are placed continuously on pre-existing knitted fabric, rather than the fabric and patterns being produced at the same time. *See id.* at 37–38.

Petitioner also argues that the Petition explains "why a POSITA would understand that Orei's figures convey different textures for the various knitted shoe parts," and that "[N]o reasonable examiner could have found otherwise." Pet. § 325(d) Reply 5 (quoting *Ecto World*, Paper 13 at 6; citing Pet. 38–42; Ex. 1002 ¶¶ 129–135) (alteration in original; internal quotation marks omitted). However, this argument—regarding two textile elements (e.g., shoe parts)—fails to address the disputed limitation of "simultaneously knitting a textile element with a surrounding textile structure" or any alleged material error regarding the same.

Petitioner does not mention Günther/Guenther or McDonald in its discussion of part two of the *Advanced Bionics* framework. *See* Pet. 109; Pet. § 325(d) Reply 3–5. Thus, Petitioner has not shown material error by the Office regarding those references.

Accordingly, on the record before us, we are persuaded that Petitioner has not established error on behalf of the Examiner in a manner material to patentability.

III. CONCLUSION

Petitioner raises the same or substantially the same prior art previously presented to the Office during the prosecution of the application that issued as the '749 patent, and does not demonstrate that the Office erred in a manner material to patentability of the challenged claims.

Based upon the *Advanced Bionics* framework and in light of *Ecto World*, we exercise discretion to deny institution of *inter partes* review under 35 U.S.C. § 325(d).

IV. ORDER

For the foregoing reasons, it is

ORDERED that the Petition is *denied* and no trial is instituted.

PETITIONER:

Samuel Lu
Keith Orso
Jonathan Lindsay
Jie Gao
IRELL & MANELLA LLP
slu@irell.com
korso@irell.com
jlindsay@irell.com
jiegao08@gmail.com

PATENT OWNER:

Michael Harris
Aaron Bowling
Michael Sebba
Lindsey Staubach
Ryan Casamiquela
ARNOLD & PORTER KAYE SCHOLER LLP
michael.harris@arnoldporter.com
aaron.bowling@arnoldporter.com
michael.sebba@arnoldporter.com
lindsey.staubach@arnoldporter.com
ryan.casamiquela@arnoldporter.com