

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

**PATENT OWNER'S RESPONSE TO PETITIONER'S REQUEST FOR
DIRECTOR REVIEW OF INSTITUTION DECISION**

The Board’s Decision Denying Institution of *Inter Partes* Review is a cut-and-dried application of 35 U.S.C. §325(d). In its Request for Director Review, Skechers fails to identify any abuse of discretion or erroneous conclusions of law or fact committed by the Board. Nor does Skechers identify any important issues of law or policy requiring the Director’s intervention or guidance. Instead, Skechers uses its Request as a second bite at the apple: repeating three arguments the Board already expressly considered and rejected.

First, Skechers argues that Guenther was not previously presented to the Office because the translation Nike submitted to the Office differs from Skechers’ own translation. Second, Skechers disagrees with the Board’s finding of no Examiner error regarding Nishida. Third, Skechers argues that the Board erred in its analysis of the scope and content of Orei. None of these arguments withstand scrutiny. And none warrant Director Review.

A. The Board Correctly Determined that Guenther was Previously Presented to the Office

Skechers repeats its argument that Guenther was not before the Examiner because Skechers’ *own translation* of Guenther differs from the translation Nike submitted to the Patent Office. Paper 21 (“Request”) at 5–6. The Board rejected this argument for several reasons. First, the Board determined that Skechers failed to “point to anything in the record suggesting that the Examiner deemed [Nike’s]

translation unacceptable or not in a form to be considered.” Paper 20 at 14. Second, the Board found that Guenther’s “figures themselves contain disclosures that Petitioner implicitly agrees are informative.” Paper 20 at 14. And third, the Board found that Nike fully complied with the requirements set forth in 37 C.F.R. § 1.98 by submitting a translation of the foreign-language patent document to the Office. Paper 18 at 2–3.

Skechers now argues that, based on the Board’s decision, “[p]atent owners would be incentivized to submit poor quality translations” in order to “ensur[e] that their patents are immunized from future IPR challenges” under §325(d). Request at 8–9. There are several flaws with this argument. First, as the Board already found, Nike’s translation of Guenther was acceptable to the Examiner. Paper 20 at 14. Nike obtained its translation of the Gunther reference from the European Patent Office. Ex.1013 at 200. And Skechers still fails to identify any aspect of Guenther’s disclosure that was unacceptable to the Examiner. Second, Skechers never explains how the applicant or the Patent Office are supposed to know whether a given translation is “poor quality” or acceptable. In this case, the Examiner apparently had no issue reviewing Nike’s translation. Ultimately, Skechers’ proposed “test” for the quality of translated references is subjective, results-driven, unworkable, and inconsistent with 37 C.F.R. § 1.98(a)(3)(ii).

For these reasons, none of Skechers' arguments present an issue warranting Director Review.

B. Skechers Does Not Identify Any Material Error With Respect to Nishida

Skechers next challenges the Board's analysis of Nishida. In denying institution under § 325(d), the Board found no material error in the Examiner's previous consideration of Nishida. Paper 20 at 19. Skechers now argues that this was "an erroneous finding of material fact, but it also presents an important policy issue that should be remedied by the Director." Request at 9. Neither is true.

To support its argument, Skechers points to two different proceedings involving the '749 Patent: IPR proceedings filed by third parties adidas and lululemon. Request at 9–12. Skechers claims that the Board's decision here is inconsistent with those third-party proceedings. *Id.* But Skechers made this same argument in its Pre-Institution Reply. And when it did so, Skechers dedicated only two sentences to the discussion of these third-party proceedings. Paper 19 at 4. The Board then found, under *Ecto World*, that Skechers' failed to show any "misapprehended or overlooked teachings" in view of these third-party proceedings. Paper 20 at 20. The Board further noted that "even if a panel of the Board made determinations contrary to the Examiner's determinations regarding Nishida, that does not necessarily show that Petitioner here has satisfied [its] burden under the

Ecto World standard.” *Id.*; see also *Ecto World, LLC v. Rai Strategic Holdings*, No. IPR2024-01280, 2025 WL 1528304, at *5 (PTAB May 19, 2025) (rejecting the petitioner’s suggestion that the Board should “scour[] the Petition to cobble together an argument”).

Skechers now attempts to cure this failure of proof, spending nearly three pages belaboring the same arguments. But the time for Skechers to expand on this argument has passed. Skechers could have provided this additional analysis in its pre-institution briefing—but it chose not to. See 37 C.F.R. § 42.75(c)(3). But even now Skechers fails to identify *any* material error committed by Examiner. Request at 9–12. As the Board explained, the record demonstrates that the Examiner “clearly considered the teachings of Nishida on multiple occasions.” Paper 20 at 21. And, as the Board concluded, Skechers did not “address adequately the standard set out in *Ecto World*” or “demonstrate that ‘the previously presented art teaches the limitations of the challenged claims, and that no reasonable examiner could have found otherwise.’” Paper 20 at 21. This is simply a failure of proof, not an issue that warrants Director Review.

C. Board Properly Weighed *Becton, Dickinson* Factors

Skechers next argues that Board “improperly ignor[ed]” its obviousness argument based upon Orei. Request at 12–15. Specifically, Skechers argues that the Board ignored (1) Orei’s alleged disclosure of the “simultaneous knitting limitation”

and (2) Skechers’ argument that it would have been obvious to use Orei’s technique “to knit textile elements simultaneously with surrounding textile structures....” *Id.* Neither argument is correct, and neither issue warrants Director Review.

As to the first point, the Board extensively considered—and then rejected—Skechers’ argument that Orei discloses of the “simultaneously knitting” limitation. Paper 20 at 22–24. Indeed, the Board found that Nike “persuasively” demonstrated that Skechers did not “point to any discussion in Orei on an alleged surrounding textile structure, including in terms of its alleged material or production.” *Id.* at 23 (citing Paper 6 at 16). The Board didn’t overlook anything—it simply did not agree with Skechers’ argument.

As to the second point, the Board also considered—and then rejected—Skechers’ alternate basis for finding obviousness in view of Orei. Paper 20 at 22. The Board determined that “Petitioner’s support for the assertion that [the “simultaneously knitting”] limitation is well-known is not persuasive.” *Id.* The Board found that Skechers’ source did not demonstrate that “an article (a textile element) and *surrounding textile structure* are known to be simultaneously knitted.” *Id.* (emphasis in original). Here too, the Board hardly “ignored” Skechers’ argument. Instead, it rejected that argument as unpersuasive.

Dated: July 18, 2025

/s/ Michael J. Harris

Michael J. Harris (Reg. No. 62,957)
Aaron P. Bowling (Reg. No. 67,311)
Arnold & Porter Kaye Scholer LLP
70 West Madison Street, Suite 4200
Chicago, IL 60602-4231
Tel: (312) 583-2300
Fax: (312) 583-2360
Email: michael.harris@arnoldporter.com
aaron.bowling@arnoldporter.com

Michael J. Sebba (Reg. No. 75,595)
Arnold & Porter Kaye Scholer LLP
777 South Figueroa St - 44th Floor
Los Angeles, CA 90017-5844
Tel: (213) 243-4000
Fax: (213) 243-4199
Email: michael.sebba@arnoldporter.com

Lindsey C. Staubach (Reg. No. 76,738)
Arnold & Porter Kaye Scholer LLP
601 Massachusetts Ave, NW
Washington, DC 20001-3743
Tel: (202) 942-5000
Fax: (202) 942-5999
Email: lindsey.staubach@arnoldporter.com

Ryan Casamiquela (*pro hac vice*)
Arnold & Porter Kaye Scholer LLP
Three Embarcadero Center, 10th Floor
San Francisco, CA 94111-4024
Tel: (415) 471-3373
Fax: (415) 471-3400
Email: ryan.casamiquela@arnoldporter.com

Attorneys for Patent Owner Nike, Inc.

CERTIFICATE OF SERVICE

The undersigned hereby certifies service on the Petitioner, pursuant to 37 C.F.R. § 42.6(e) and by agreement of counsel, by electronic (e-mail) delivery of a true copy of the foregoing **PATENT OWNER'S RESPONSE TO PETITIONER'S REQUEST FOR DIRECTOR REVIEW OF INSTITUTION DECISION**, which was served on July 18, 2025 to the following Counsel for Petitioner via e-mail:

Samuel K. Lu (Reg. No. 40,707)
Keith Orso (Reg. No. 52,084)
Connor He-Schaefer
IRELL & MANELLA LLP
1800 Avenue of the Stars, Suite 900
Los Angeles, CA 90067-4276
slu@irell.com
korso@irell.com
che-schaefer@irell.com
SkechersNikeIPRs@irell.com

Jonathan M. Lindsay (Reg. No. 45,810)
Jie Gao (Reg. No. 73,835)
IRELL & MANELLA LLP
840 Newport Center Dr., Suite 400
Newport Beach, CA 92660-6324
jlindsay@irell.com
jgao@irell.com

Michael M. Rosen
IRELL & MANELLA LLP
750 17th Street NW, Suite 850
Washington, DC 20006
mrosen@irell.com

/s/ Michael J. Harris
Michael J. Harris