

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 IPR2025-00142

Patent No. 9,730,484

PATENT OWNER'S PRELIMINARY RESPONSE

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EXHIBITS

Exhibit No.	Description
2001	Declaration of Christopher M. Pastore
2002	Skechers' Preliminary Invalidity Contentions Pleading (April 19, 2024)
2003	Email from Oxenford to Wilk (November 5, 2024)
2004	Email from Oxenford to Wilk (November 11, 2024)
2005	Scheduling Order, <i>lululemon usa Inc. v. Nike, Inc.</i> , IPR2023-01460, Paper 10 (P.T.A.B. Mar. 26, 2024)

I. INTRODUCTION

Patent Owner Nike, Inc. (“Nike”) submits this Preliminary Response to the Petition of Skechers U.S.A., Inc. (“Skechers”), challenging the patentability of Claims 1, 5–9, and 11–17 (the “Challenged Claims”) of U.S. Patent No. 9,730,484 (the “’484 Patent”). The Board should deny institution for two independent reasons. First, the Board should exercise its discretion to deny institution under 35 U.S.C. § 314(a) based on *General Plastic* and/or *Fintiv* grounds. Second, the Board should deny institution because Skechers has not established a reasonable likelihood that it will prevail for any Challenged Claim.

The ’484 Patent relates to a footwear upper including a knitted element that “can be formed directly in desired three dimensional shapes” through a flat knitting process. Ex. 1001 at 4:55–56, 7:56–57. The Challenged Claims of the ’484 patent recite a particular configuration of a three-dimensional knitted element, namely a knitted element formed of unitary construction having a central domed portion flanked by flat side portions. *Id.* at 13:6–22, 14:10–27.

Skechers presents three grounds against various Challenged Claims of the ’484 patent. Ground 1 is based on a combination of U.S. Patent No. 2005/0193592 (“Dua-592”: Ex. 1014) and a 1994 journal article to Hong et al. (“Hong”; Ex. 1016) and/or a 2005 article to Choi et al. (“Choi”; Ex. 1015). Ground 2A is based on a combination of JP3118168 (“Yamamoto”; Exs. 1017, 1018) and Choi. Ground 2B

challenges only dependent claims, and adds Dua-592 to the combination of Ground 2A.

The Board should deny institution under *General Plastic* because Skechers was aware of every reference in its asserted grounds at least seven months before filing its Petition, and delayed filing for its own strategic benefit. Skechers waited until the record in lululemon’s *inter partes* review—challenging the same claims of the ’484 patent—was complete to file its own Petition. Skechers’ Petition thus runs afoul of the Board’s clear principle that petitioners should not be permitted to “strategically stage prior art and arguments” by using a patent owner’s information and the Board’s decisions “as a roadmap” for future patent challenges. *See General Plastic Indus. Co. v. Canon Kabushiki Kasha*, IPR2016-01357, Paper 19, 17 (P.T.A.B. Sept. 6, 2017).

Alternatively, the Board should deny institution under *Fintiv*. Validity of the ’484 patent is also at issue in the parties’ parallel district court litigation. Even though Skechers identified each of the references it asserts in the Petition in its invalidity contentions in that litigation, Skechers has offered no prior art stipulation to lessen the overlap in issues between these two proceedings. Further, the parties have invested significant time and effort litigating the district court case, which Nike filed in November 2023.

But even if the Board declines to exercise discretionary denial, the Board should deny institution on the merits, as Skechers has not shown a reasonable likelihood of prevailing against any Challenged Claim. Each challenged independent claim of the '484 patent—claims 1 and 11—recites an upper with a “central portion having a domed, three-dimensional structure” shaped to “extend above the plane” of first and second “side portions” when the upper is in a “flattened configuration.” Skechers has not shown to a reasonable likelihood that the combinations of Grounds 1 or 2A teach or suggest a “domed, three-dimensional structure” formed *during* the knitting process, which both parties agree is required under the proper construction of that term. Skechers also has not shown a reasonable likelihood that the combinations of Grounds 1 and 2A teach or suggest knitting a “domed, three-dimensional structure” “shaped to extend above the plane of the first side portion and the second side portion.”

For these reasons and other discussed below, Nike respectfully requests that the Board decline to institute review.

II. BACKGROUND

A. The '484 Patent

The '484 patent is directed to a footwear upper including “a knitted element formed from at least one mechanically manipulated yarn.” *See e.g.*, Ex. 1001 at 3:10–13. The knitted element is “produced through a flat knitting process.” *Id.* at

4:28–31. The '484 patent describes that the “[f]lat knitted element[]” can be formed directly in three dimensional shapes.” *Id.* at 4:55–56; *see also id.* at 7:56–57 (“the flat knitting process may be utilized to form generally three-dimensional structures”). This can be achieved by, for example, “selectively placing multiple different yarns and/or stitch patterns at multiple different locations in the overall structure during the knitting process.” *Id.* at 4:60–5:1. The ability to knit “directly in three dimensional shapes” helps avoid the need for “additional support structures in the overall footwear construction”—saving time, reducing costs, increasing flexibility, and eliminating seams and sewing. *Id.* at 4:56–60.

Figure 10A of the '484 patent, which is reproduced below, shows an example embodiment of an upper having a knitted element with a “three-dimensional structure formed through a flat knitting process.” Ex. 1001 at 10:18–20.

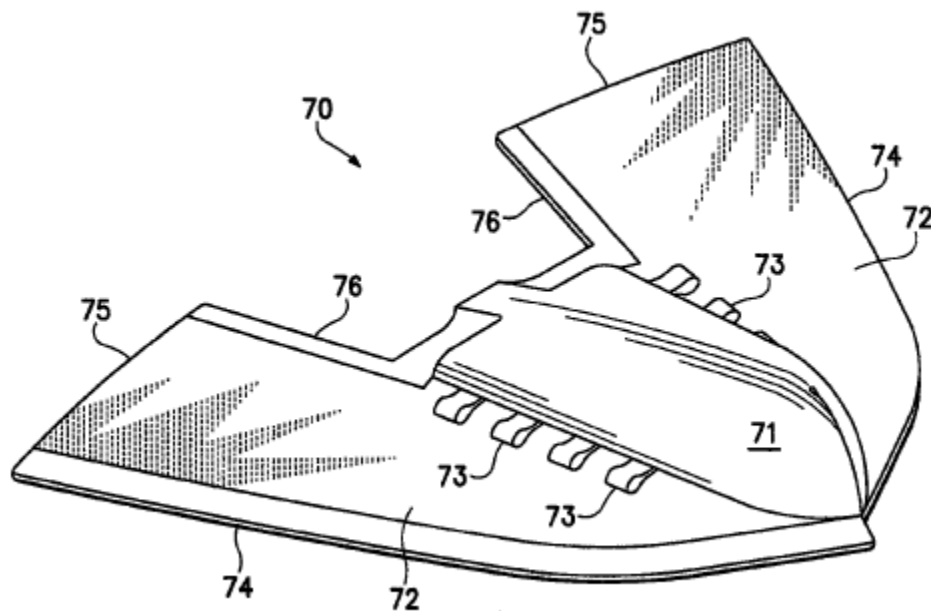


Figure 10A

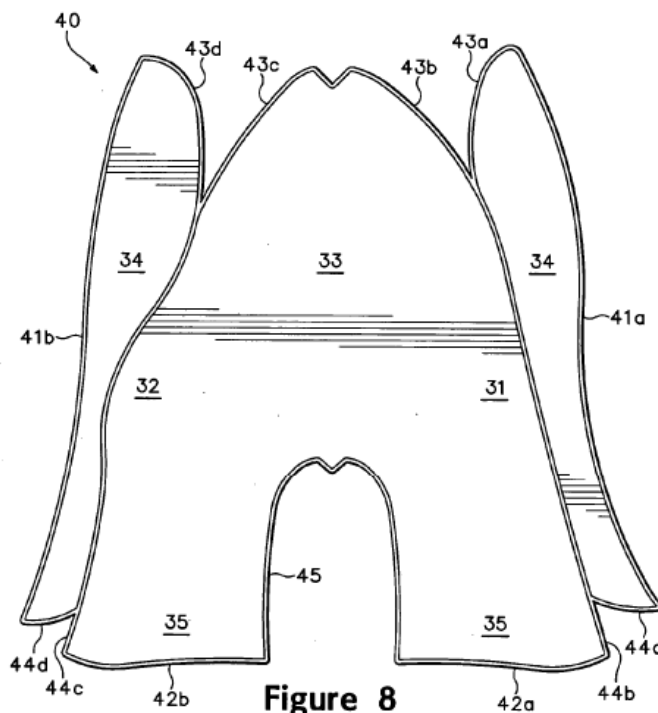
Upper 70 includes “a central portion 71” and “a pair of side portions 72.” *Id.* at 10:20–21. When assembled into an article of footwear, “central portion 71 extends over the foot, and side portions 72 wrap under the foot.” *Id.* at 10:23–25. The “side portions 72 are relatively flat,” while “central portion 71 has a domed shape formed through the flat knitting process.” *Id.* at 10:34–36.

B. Alleged Prior Art References

1. Dua-592

Dua-592 is a patent application publication assigned to Nike. As noted above, the Examiner already considered Dua-592 during prosecution: rejecting all claims of the '484 patent based on Dua-592, and then allowing the claims in view of Nike's amendments. Ex. 1013 at 1220–1224 [8/2/2016 Non-Final Rejection, 2–6].

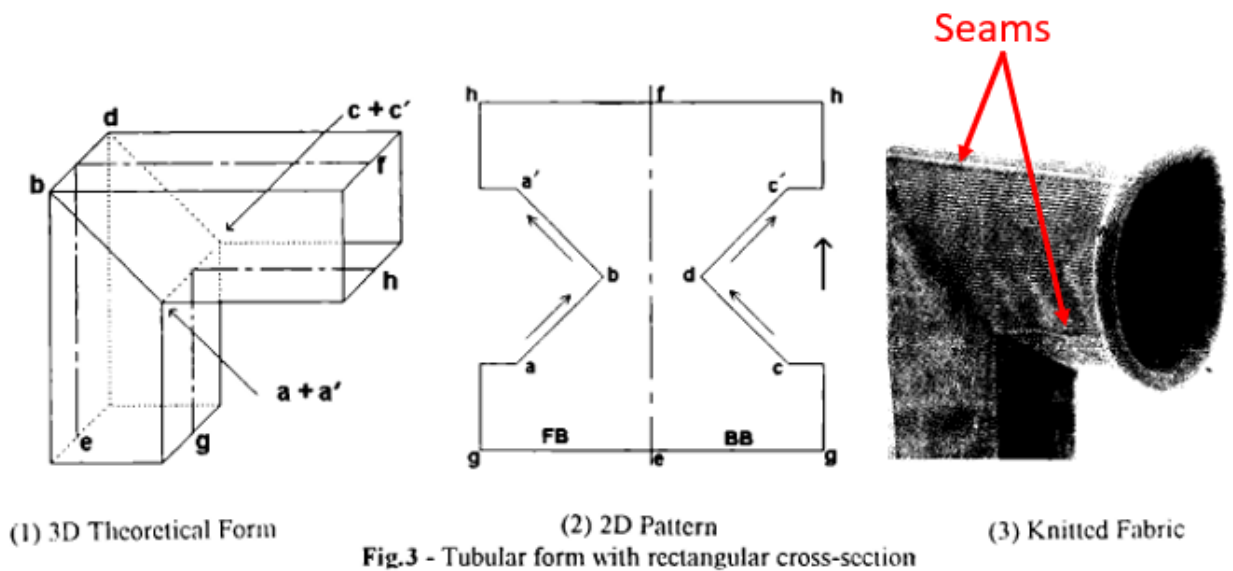
Dua is directed to “an upper for an article of footwear, the upper incorporating a textile element formed with a knitting machine.” Ex. 1014 at [0013]. Dua explains that the textile element may be formed through either warp knitting or weft knitting processes. *Id.* at [0013]; *see also id.* at [0044]–[0045]. Dua does not disclose forming—*during the knitting process*—any three-dimensional structures in its upper. *See, e.g., id.* at [0039] (“Textile element 40 ... has a generally planar configuration.”). An embodiment of Dua's textile element is shown in Fig. 8 below.



2. Hong

Hong is directed to using flat knitting machines to form textiles “to a particular shape or form.” Ex. 1016 at 1. Hong does not disclose knitting footwear. Hong explains that “the ability of knitting to shape of the flat knitting machines” “reduce[s] waste of expensive materials during cutting.” *Id.* Hong discloses techniques for knitting three-dimensional structures that involve “transferring” a “three-dimensional form” to a “two-dimensional pattern” for knitting on a flat-knitting machine. *Id.* at 3. The “three-dimensional shaped knitted fabrics presented in [Hong] are all knitted by using this technique.” *Id.*

Hong shows a series of working examples created using this process. Annotated Figure 3 below depicts the knitting operation for a “knee” form fabric.



From left to right, Figure 3 shows: the three-dimensional concept (“3D Theoretical Form”); the two-dimensional pattern (“2D Pattern”); and the final knitted fabric, after the two-dimensional pattern is assembled into shape (“Knitted Fabric”). *Id.* As annotated in red, the final Knitted Fabric includes seams where the edges of the 2D Pattern are joined together after knitting.

3. Choi

Choi, an article titled “Three Dimensional Seamless Garment Knitting on V-Bed Flat Knitting Machines,” is directed to techniques for knitting garments seamlessly. Seamless knitting, as Choi describes, “produces one entire complete garment without a sewing or linking process” in “tubular-typed” forms. Ex. 1015 at 5–6. For example, the seamless knitting process described in Choi can be

implemented to knit the sweater shown in Figure 5.3 below with “minimal or no cutting.” *Id.* at 11.



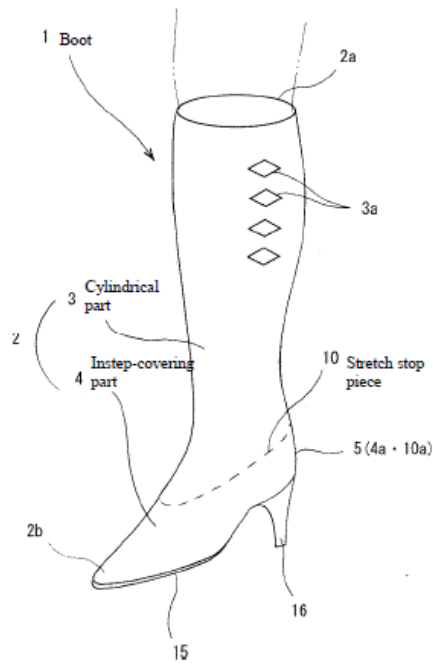
*Figure 5.3. Complete garment production
by a seamless flat knitting machine*

Id. at Fig. 5.3. Choi is directed to knitting apparel, upholstery, industrial, automotive, and medical textiles, not articles of footwear. *Id.* at 7.

4. Yamamoto

Yamamoto is directed to a boot (1) having an outer surface “formed by a single piece of fabric 2.” Ex. 1017 at Abstract.

[FIG. 1]



Yamamoto at Fig. 1. Yamamoto discloses that fabric 2 may be knit in a “cylindrical fabric” “using a flat knitting machine with a three-dimensional seamless knitting function called WHOLEGARMENT (registered trademark).” *Id.* at [0011]. A “stretch stop piece 10” is “bonded to the inside of the instep-covering part 4” for “determining the shape of the shoe.” *Id.* at [0022]. This piece 10 is “affixed to the instep-covering part 4 of the fabric 2” by “thermal pressing” or “adhesive[s].” *Id.* at [0026].

C. Relevant File History

1. Prosecution

During prosecution of the '484 patent, the Examiner issued a non-final rejection of claims 1–20 of the '484 patent based on Dua-592—the primary reference

that lululemon asserts in Ground 1 of its Petition. Ex. 1013 at 1220–1224 [8/2/2016 Non-Final Rejection, 2–6] (rejecting claims 1, 5–9, and 12–18 over Dua-592 and rejecting claims 2–4, 10, 11, 19, and 20 over Dua-592 in view of U.S. Patent No. 6,366,716 to Hatfield). In response, Nike amended independent claims 1 and 12 (now claim 11) to add “the domed three-dimensional structure shaped to extend above the plane of the first side portion and the second side portion when the flat-knitted element is in a flattened configuration.” *Id.* at 1254, 1256 [1/30/2017 Amendment, 2, 4]. Nike further amended independent claim 10 to add that the “central portion” has “a domed, three-dimensional structure configured for extending over the top of a foot.” *Id.* at 1255 [1/30/2017 Amendment, 3]. In view of those amendments, the Examiner allowed the claims over Dua-592. *Id.* at 2018 [6/5/2017 Notice of Allowability].

2. lululemon’s IPR

On September 27, 2023, lululemon filed a petition for *inter partes* review (the “lululemon IPR”) challenging claims 1–19 of the ’484 patent. *lululemon usa, Inc. v. Nike, Inc.*, No. IPR2023-01460, Paper 1 at 15 (P.T.A.B. Sept. 27, 2023). lululemon asserts grounds based on two of the references Skechers now asserts: Dua-592 and Hong. *Id.* lululemon’s IPR is currently pending, with an expected Final Written Decision due date of March 26, 2025.

III. LEVEL OF ORDINARY SKILL IN THE ART

For purposes of this Preliminary Response, Nike applies Skechers' definition of a person of ordinary skill in the art ("POSITA"), namely a person 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 experience, including in the footwear industry; and that a POSITA would have had at least a general understanding of general construction processes and materials used in the manufacturing process of fabric-based articles. *See* Petition at 10–11; Ex. 2001 at ¶19. Nike reserves the right to further address Skechers' definition of a POSITA if trial is instituted.

IV. CLAIM CONSTRUCTION

Claims in *inter partes* review proceedings "shall be construed using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. [§] 282(b)." 37 C.F.R. § 42.100(b). Under this standard, claims "are generally given their ordinary and customary meaning," as understood by a POSITA. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–13 (Fed. Cir. 2005).

As Skechers notes, the parties agreed in the parallel district court litigation that the term "central portion having a domed, three-dimensional structure" means "central portion having a domed, three-dimensional structure formed during the flat-

knitting process, and not afterward.” Petition at 11. Nike applies this construction to its analysis herein.

Nike further contends that the ordinary and customary meaning of the term “article of footwear,” as recited in the ’484 patent, does not include hosiery, stockings, or socks. Ex. 2001 at ¶¶27–28. This understanding is consistent with and supported by the intrinsic record. For example, the ’484 patent specification explains that an “article of footwear” includes two primary elements: “an upper and a sole structure.” Ex. 1001 at 1:27–28. Hosiery, stockings, and socks do not have sole structures. Every figure of the ’484 patent confirms this ordinary and customary meaning. *See id.* at Figs. 1–13. The figures depict knitted textile elements which include or are designed to be secured to a sole structure. Thus, articles such as hosiery, stockings, or socks are not “articles of footwear” as that term is used in the ’484 patent¹. Ex. 2001 at ¶¶27–28.

¹ The Board considered previously considered and rejected a proposed construction of “article of footwear” that included hosiery, stockings, and socks in an IPR against another of Nike’s knitted footwear patents (U.S. Patent No. 8,266,749) that also claims an “article of footwear.” *New Balance Athletics, Inc. v. Nike, Inc.*, IPR2024-00778, Paper 10 at 14 (P.T.A.B. Sept. 26, 2024).

For purposes of this Preliminary Response, Nike contends that no other terms require construction. *See Realtime Data, LLC v. Iancu*, 912 F.3d 1368, 1375 (Fed. Cir. 2019) (“The Board is required to construe ‘only those terms ... in controversy, and only to the extent necessary to resolve the controversy.’”) (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)). Nike reserves the right to further address claim construction if trial is instituted.

V. THE BOARD SHOULD DENY INSTITUTION UNDER 35 U.S.C. § 314(a)

Despite the fact that Skechers was aware of every reference in its asserted grounds at least seven months before filing its Petition², Skechers delayed filing for its own strategic benefit. Discretionary denial of institution under 35 U.S.C. § 314(a) is warranted here pursuant to settled doctrines designed to deter serial petitions before the Board and prevent needless duplication with district court proceedings, problems of Skechers’ own making.

² Every reference Skechers asserts (Dua-592, Hong, Choi, and Yamamoto) were included in Skechers’ April 19, 2024 invalidity contentions in the parties’ parallel district court litigation. Ex. 2002 at 84–94 [Preliminary Invalidity Contentions Cover Pleading]. Further, Dua-592 was used substantively by the Examiner during prosecution, and Hong is asserted in lululemon’s IPR which was filed in 2023.

A. Institution Should Be Denied Under the *General Plastic* Factors

Skechers' strategic delay in filing the Petition is a transparent attempt to benefit from information acquired during the course of the lululemon IPR to hone its arguments in this proceeding. These tactics warrant discretionary denial under *General Plastic*. *General Plastic*, IPR2016-01357, Paper 19 (P.T.A.B. Sept. 6, 2017); *see also Am. Well Corp. v. Teladoc Health, Inc.*, IPR2022-00038, 2022 WL 1265771, *4–10 (P.T.A.B. Apr. 19, 2022) (denying institution when petitioner used prior institution decision to “incrementally” bolster a second petition based on learning from the prior instituted IPR). *General Plastic* “recognize[d] the potential abuse of the review process by repeated attacks on patents,” and provided the Board with guidance to deny such petitions under 35 U.S.C §314(a). Patent Trial and Appeal Board Consolidated Trial Practice Guide 56 (Nov. 2019) (“TPG”) (citing *General Plastic*, IPR2016-01357, Paper 19, 16–17). The Board may use the following non-exhaustive list of factors to determine if a serial petition warrants denial:

1. Whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. Whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;
3. Whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;

4. The length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;
5. Whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. The finite resources of the Board; and
7. The requirements under 35 U.S.C. §316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

General Plastic, IPR2016-01357, Paper 19, 15–16. No one factor is dispositive, and “*not all the factors need to weigh against institution for [the Board] to exercise [its] discretion under §314(a).*”³ *Abiomed, Inc. v. Maquet Cardiovascular, LLC*, IPR2017-02150, Paper 11, 7 (P.T.A.B. Mar. 12, 2018) (emphasis added); *see also* TPG, 58 (stating that the factors are “part of a balanced assessment of all relevant circumstances in the case . . . and are not intended to represent all situations where it may be appropriate to deny a petition.”) (citing *General Plastic*, IPR2016-01357, Paper 19, 15-16).

While *General Plastic* addresses the circumstance in which a petitioner challenges the same patent, its application is not so limited. The Board “recognize[s]

³ Discretionary denial is particularly appropriate here, where *Fintiv* also applies, counseling rejection of Skechers’ attempted gamesmanship.

that the *General Plastic* factors have been used to analyze situations in which the same party files multiple petitions challenging the same patent. As the Office Trial Practice Guide Update (August 2018) explains, however, the *General Plastic* factors ***also provide a useful framework for analyzing the facts and circumstances present when a different petitioner files a petition challenging a patent that had been challenged previously by others.***” *Nichia Corp. v. Doc. Sec. Sys., Inc.*, IPR2018-01167, 2018 WL6272232, at *7 (P.T.A.B. Nov. 30, 2018) (emphasis added); *see also NetApp Inc. v. Realtime Data LLC*, IPR2017-01196, Paper 10 at 9 (P.T.A.B. Oct. 13, 2017) (denying institution after considering the *General Plastic* factors where a petitioner had not previously filed a petition); *Samsung Elec. Co., Ltd. v. El 3DSInnovations, LLC*, IPR2017-01305, Paper 11 at 18-19 (P.T.A.B. Oct. 17, 2017) (same).

Recognizing that institution imposes a tremendous burden on the Board and a patent owner, the *General Plastic* factors are meant to prevent a petitioner from pursuing serial challenges and strategically using the Board’s prior decisions and a patent owner’s arguments as a roadmap to refine the petitioner’s case. *See Am. Well Corp.*, 2022 WL 1265771, *10. Here, the *General Plastic* factors uniformly point toward denial of institution to deter Skechers’ gamesmanship and wasteful consumption of Board and party resources.

1. lululemon Previously Challenged the Claims of the '484 Patent (*General Plastic Factor One*)

lululemon filed its petition seeking IPR review of the '484 Patent on September 27, 2023. *See supra* § II.C.2. More than 13 months later, Petitioner filed the instant Petition directed to the same patent, and explicitly admitted that it raised “similar” art and arguments to those raised in the lululemon IPR. Ex. 2004 (admitting that “the relationship between some of the art and arguments in [this petition] and the instituted lululemon petitions”); Ex. 2003 (“[P]lease note some of the similarities between the two petitions filed yesterday and the already instituted lululemon IPRs against those same patents.”). As explained above, Skechers need not be the same petitioner as in the lululemon IPR for this factor to support denial of institution. *See, e.g., Nichia*, 2018 WL6272232, at *7; *NetApp*, IPR2017-01196, Paper 10 at 9; *Samsung*, IPR2017-01305, Paper 11 at 18-19. Given Skechers’ admission that it employs similar art and arguments from the instituted lululemon IPR to support the Petition, *General Plastic* factor one weighs strongly in favor of denying institution.

2. Skechers Knew of the Prior Art (*General Plastic Factor Two*)

Skechers should have known of the prior art in the Petition shortly after lululemon filed its petition, given Nike’s infringement suit against Skechers was filed about a month afterward and Skechers in the Petition relies on cited prior art

from the prosecution history, including Dua-529. *See supra* § II.C.1. Accordingly, *General Plastic* factor two weighs in favor of discretionary denial.

3. Skechers Takes Unfair Advantage of the Prior Proceeding to Roadmap Arguments in the Petition (*General Plastic* Factor Three)

The Board has articulated a clear principle that a petitioner should not be permitted to “strategically stage [its] prior art and arguments” by using a patent owner’s information and the Board’s decisions “as a roadmap” for future patent challenges. *See General Plastic*, IPR2016-01357, Paper 19, 17 (“[F]actor 3 is directed to Petitioner’s potential benefit from receiving and having the opportunity to study” information obtained in prior proceedings.). Permitting such road-mapping by a petitioner would be “unfair to patent owners and is an inefficient use of the *inter partes* review process.” *Id.*, 17–18.

Here, Skechers waited to file its Petition until it had received the benefit of the full lululemon IPR record. Ex. 2005 at 11. Skechers had the benefit of all of the parties’ briefing, the Board’s Institution Decision, expert declarations, and expert depositions. *Nichia Corp v. Document Security Sys., Inc.*, IPR2019-00398, 2019 WL 1749299, *7 (P.T.A.B. Apr. 15, 2019) (denying institution where the petitioner had a nearly complete record of the proceeding prior to filing follow-on petition). With this benefit, Skechers could polish its arguments against the same claims in the lululemon IPR. Skechers conceded as much. Ex. 2004; Ex. 2003.

Skechers' tailoring of arguments in direct response to information learned from the Board and Nike in the lululemon IPR strongly favors denial of institution under factor three of *General Plastic*. See, e.g., *Am. Honda Motor Co. v. Intellectual Ventures II LLC*, IPR2018-00347, 2018 WL 3203408, *6 (P.T.A.B. Jun. 27, 2018) (factor three weighs "strongly" against institution when petitioner "used the Board's institution decision in the earlier-filed IPR as a roadmap to improve [its] position.>").

4. Skechers Provides No Explanation for Its Lengthy Delay in Filing the Current Petition (*General Plastic* Factors Four and Five)

General Plastic factors four and five look to the amount of time that has passed between the time that Petitioner learned of the prior art and the filing of the second petition, and whether there is any legitimate reason for it. Here, Skechers waited at least seven months and provided no explanation for the delay.

lululemon filed the lululemon IPR on September 27, 2023, about a month before Nike sued Petitioner for infringement of the '484 patent. And Skechers admits familiarity with lululemon's Petition and to similarity between the art and grounds raised in both petitions. Ex. 2004; Ex. 2003. Skechers should have known of the prior art in lululemon's petition at least as of or shortly after Nike's filed suit against Skechers. And Skechers relies on cited prior art from the prosecution history, including Dua-592. See *supra* § II.C.1. At the very least, however, Skechers was aware of the art in the Petition by April 2024, when served its Preliminary Invalidity

contentions. *See* Ex. 2002. Petitioner provides no explanation for its delay in filing its Petition. Skechers' conspicuous attempt to stage its serial attacks to leverage the roadmap that it gained from the lululemon IPR proceeding should be rejected. Factors four and five weigh strongly against institution. *See, e.g., Guest-Tek Interactive Ent. Ltd. v. Nomadix, Inc.*, IPR2018-01668, 2019 WL 1751093, *3 (P.T.A.B. Apr. 16, 2019).

5. Skechers' Strategic Delay Needlessly Taxes the Finite Resources of the Board (*General Plastic* Factors Six and Seven)

Skechers' challenge also needlessly taxes the finite resources of the Board. Skechers chose to delay challenging the '484 Patent until it had the benefit of the complete record from the lululemon IPR. Skechers' wait-and-see approach taxes the Board's finite resources to favor its own strategic advantage. The Board in *General Plastic* identified as a concern "the potential for abuse of the review process by repeated attacks on patents." *General Plastic*, Paper 19 at 16-17. Skechers' delay in filing the instant Petition exemplifies this abuse and frustrates the purpose of the AIA. *See, e.g., Shenzhen Silver Star Intelligent Tech. Co. v. iRobot Corp.*, IPR2018-00882, 2018 WL 4773438, *6-7 (P.T.A.B. Oct. 1, 2018) (factor six weighing against institution because petitioner's waiting until after receiving institution decision in first proceeding to file second petition).

Because Skechers engaged in improper road-mapping and gamesmanship, the Board should deny institution under *General Plastic* and § 314(a).

B. Institution Should be Denied Under *Fintiv*

Discretionary denial is independently warranted under 35 U.S.C. §314(a) and *Fintiv*, in light of the parties' co-pending district court litigation, *Nike, Inc. v. Skechers U.S.A., Inc.*, 2:23-cv-09346-AB-PVC (C.D. Cal.), which also involves the validity of the '484 patent. As explained below, to institute review in these circumstances would (1) needlessly waste the resources of the Board, (2) result in inefficient disposition of the parallel validity challenges to the '484 Patent, and (3) reward Skechers' admitted gamesmanship.

The Board weighs a set of nonexclusive factors, articulated in *Fintiv*, that balance considerations of system efficiency and fairness when a patent owner raises an argument for discretionary denial due to a parallel proceeding. *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, 5-6. (P.T.A.B. Mar. 20, 2020) (precedential). These factors are:

1. Whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. Proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
3. Investment in the parallel proceeding by the court and the parties;
4. Overlap between issues raised in the petition and in the parallel proceeding;

5. Whether the petitioner and defendant in the parallel proceeding are the same party; and
6. Other circumstances that impact the Board's exercise of discretion, including the merits.

Id. In evaluating the factors, the Board takes a holistic view of whether efficiency and the integrity of the system are best served by denying or instituting review. *See* TPG, 58 (quoting 35 U.S.C. §316(b)).

1. Existence of a Stay (*Fintiv* Factor One)

Although the district court recently stayed the litigation, the Board need not weigh the pre-institution stay against discretionary denial because if the Board denies institution, the stay should be lifted. The district court litigation can then resume to address invalidity under the same prior art as advanced here, given the lack of a prior art stipulation.

2. Proximity of the Trial Date to Deadline for a Final Written Decision (*Fintiv* Factor Two)

Before the district court recently stayed the case, trial was set for February 9, 2026, more than four months before the expected Final Written Decision date of June 20, 2026. *Nike, Inc. v. Skechers U.S.A., Inc.*, Case No. 2:23-cv-09346-AB-PVC (C.D. Cal.), Dkt. No. 96 at 4. If the Board denies institution, the stay should be lifted and the parallel litigation should proceed with an approximate four-month delay from the previous schedule. Accordingly, that litigation would head to trial around June 2026. The district court can hear not only Skechers' invalidity defenses,

including IPR-ineligible challenges under 35 U.S.C. § 112, but can resolve infringement and damages as well. As such, especially in light of Skechers' failure to offer a prior art stipulation, it is more efficient to allow these issues to proceed in front of the district court. Further, the Board has found that a trial date in the same month as the due date for a Final Written Decision weighs against institution. *See 10x Genomics, Inc. v. President and Fellows of Harvard Coll.*, IPR2023-01299, 2024 WL 993828, at *7 (P.T.A.B. Mar. 7, 2024). Accordingly, factor two weighs in favor of discretionary denial.

3. The Parties Have Invested in the Parallel Proceeding (*Fintiv* Factor Three)

“The Board also has considered the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.” *Fintiv*, Paper 11 at 9. “[M]ore work completed by the parties and court in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced . . . and instituting would lead to duplicative costs.” *Id.* at 10.

Nike and Skechers have undertaken substantial activity in support of the District Court action since November 6, 2023, when Nike filed its complaint against Skechers for patent infringement. *Nike, Inc. v. Skechers U.S.A., Inc.*, Case No. 2:23-cv-09346-AB-PVC (C.D. Cal.), Dkt. No. 1. The parties submitted opening and

responsive claim construction briefs, and the court held a claim construction hearing on September 20, 2024. *Id.*, Dkt. No. 78; EX1007; EX1008; EX1009; EX1010. Additionally, the parties have exchanged thousands of pages of discovery, including information about their merits positions concerning the '484 Patent. Skechers served preliminary and supplemental invalidity contentions in April and May 2024, respectively, including detailed claim charts that address the prior art cited in the Petition. Nike served initial and supplemental infringement contentions in March and October 2024, respectively. Thus, “the current investment in invalidity and construction contentions” weighs in favor of discretionary denial. *Cisco Sys., Inc. v. Ramot at Tel Aviv Univ.*, IPR2020-00122, Paper 15 at 8-9 (P.T.A.B. May 15, 2020). Further, at the time of the stay, non-email discovery was almost complete. In sum, the parties’ significant investment in the parallel proceeding since November 2023 favors denying institution.

4. The Validity of the '484 Patent Is Central to Both Proceedings (*Fintiv* Factor Four)

The validity of the '484 Patent is central to both this dispute and the parallel litigation. In the parallel litigation, Skechers served invalidity contentions including every piece of prior art asserted in the Petition grounds. Ex. 2002 at 84–94. And Skechers has not offered a *Sotera* stipulation—or even a weaker commitment—not to assert duplicative grounds in the parties’ parallel proceeding. Here, the

circumstances merit denial under a holistic analysis of the *Fintiv* factors due to the duplication of the invalidity grounds asserted in the district court proceeding. *See Fintiv*, Paper 11 at 2-3; *see also Cisco Sys., Inc. v. Oyster Optics, LLC*, IPR2021-00238, Paper 10 (P.T.A.B. Jun. 1, 2021) (exercising discretion to deny institution after holistic analysis of *Fintiv* factors). It would be wasteful and inefficient to proceed here given the overlap between the validity challenges. *See Keyme, LLC v. Hillman Grp.*, IPR2020-01485, 2021 WL 1236002, *5 (P.T.A.B. Mar. 31, 2021) (denying institution in light of parallel litigation with overlapping validity challenges). Factor four, therefore, weighs in favor of denying institution.

5. Nike and Skechers Are the Same Parties in Both Proceedings (*Fintiv* Factor Five)

Nike and Skechers are the same parties in both the instant proceeding and the parallel litigation. Accordingly, “this [fifth] factor favors the exercise of discretionary denial.” *Keyme*, 2021 WL 1236002 at *6.

6. Other Circumstances Warrant the Board’s Exercise of Discretion to Deny Institution (*Fintiv* Factor Six)

The other relevant circumstances here warrant denial—namely, the Office’s previous consideration of the Dua-592 and Hong references (*see supra* § II.C); Skechers’ gamesmanship in delaying its filing of the Petition (warranting § 314(a) discretionary denial); and Skechers’ strategic decision to file the Petition at a time when it knew “Nike [would] be doing ‘triple duty’ by simultaneously pursuing

litigations against Skechers, New Balance, and lululemon.” Ex. 2004; *Fintiv*, IPR2020-00019, Paper 11, 16 (noting that other relevant circumstances include “considerations implicated by 35 U.S.C. § 325(d)” and their effect on the “efficiency and integrity of the patent system”).

At the very least, Skechers could have filed its petition on or around April 2024, when it served its invalidity contentions. Yet, Skechers waited an additional seven months to file at a time when Skechers was aware that Nike’s resources would be stretched thin, including with a district court trial impending against lululemon in March 2025. The Board should not encourage or endorse these tactics. Institution under these circumstances would waste judicial resources and reward gamesmanship.

As discussed above, the *Fintiv* factors favor denial. Therefore, the Board should exercise its discretion to deny institution under *Fintiv* and §314(a).

VI. THE BOARD SHOULD ALSO DENY INSTITUTION BECAUSE SKECHERS HAS NOT ESTABLISHED A REASONABLE LIKELIHOOD OF PREVAILING FOR ANY CHALLENGED CLAIM

Skechers bears the burden to demonstrate “there is a reasonable likelihood” it “would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a); *SMIC, Ams. v. Innovative Foundry Techs., LLC*, IPR2020-00837, 2020 WL 5991664, at *5 (Oct. 9, 2020) (denying institution where petition “fails to

identify sufficient evidence”). Skechers has not met its burden here.

Each of Skechers’ grounds challenging independent claims 1 and 11 (Grounds 1 and 2A) are based on obviousness under 35 U.S.C. § 103, i.e., that the differences between the claims of the ’484 Patent and the prior art “are such that the subject matter as a whole would have been obvious at the time the invention was made” to a POSITA. *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). Skechers must articulate specific reasoning and cannot rely on conclusory statements or attorney argument. *Arendi S.A.R.L. v. Apple Inc.*, 832 F.3d 1355, 1362–63 (Fed. Cir. 2016); *Facebook, Inc. v. Windy City Innovations, LLC*, 973 F.3d 1321, 1342 (Fed. Cir. 2020) (affirming non-obviousness where petitioner’s challenge was “based on attorney argument rather than evidence in the record”).

Skechers also must articulate rationales to support why a POSITA would have been motivated to modify or combine teachings from the references. *KSR*, 550 U.S. at 418; *see also In re Stepan Co.*, 868 F.3d 1342, 1345–46 (Fed. Cir. 2017). In addition, Skechers must show that a POSITA would have had a reasonable expectation of success in making the combination. *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1367 (Fed. Cir. 2016).

Here, Skechers has not shown a reasonable likelihood of success for any Challenged Claim, under either ground. Accordingly, institution should be denied.

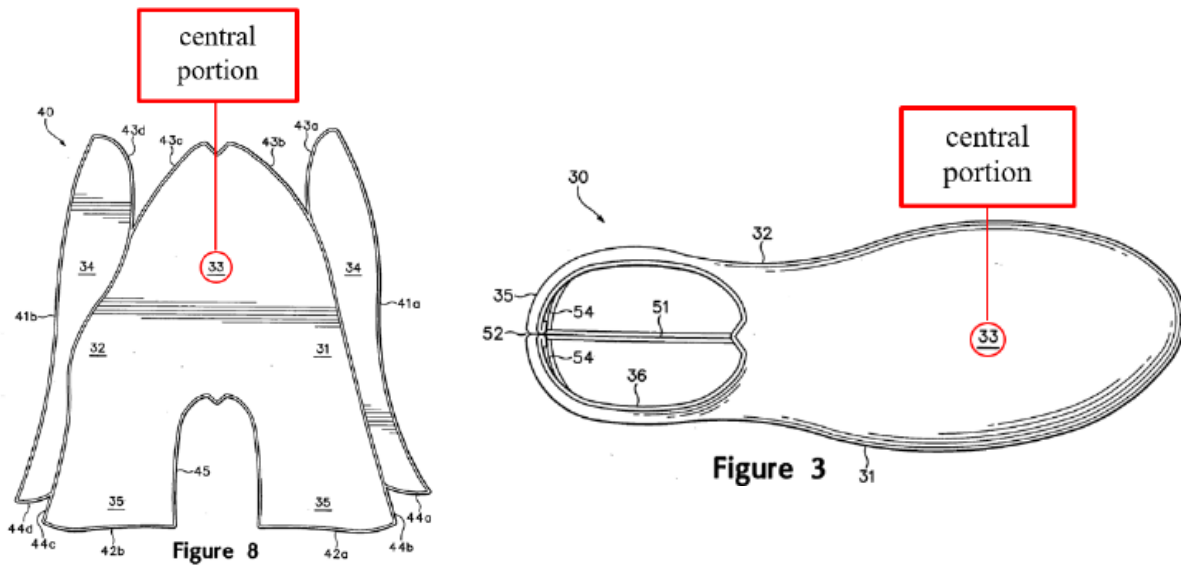
A. Ground 1: The Petition Fails To Show A Reasonable Likelihood Of Success That The Combination of Dua-592 and Hong and/or Choi Renders Obvious Any Challenged Claim

Skechers' Ground 1 fails to teach or suggest any Challenged Claim. Ex. 2001 at ¶39. The combination of Dua-592 with Hong and/or Choi fails to teach or suggest knitting the “domed, three-dimensional structure” during the flat knitting process, as required by independent claims 1 and 11. *See supra* § IV. The proposed combination further fails to teach or suggest knitting a “domed, three-dimensional structure” “shaped to extend above the plane of the first side portion and the second side portion,” as recited in independent claims 1 and 11.

1. None of Dua-592, Hong, or Choi, alone or in combination, teach or suggest forming the “domed, three-dimensional structure” during the flat knitting process, as recited in claims 1 and 11

Skechers fails to show a reasonable likelihood that Dua-592, Hong, or Choi, alone or in combination, teach or suggest a “domed, three-dimensional structure” formed during the flat-knitting process. Petition at 22–32; Ex. 2001 at ¶40.

Dua-592 - Skechers first alleges that Dua-592, on its own, discloses the claimed “domed, three-dimensional structure” because Dua-592's upper is seamed and shaped for incorporation into an article of footwear. *See* Petition at 22–24. Skechers relies on Dua-592's Figures 8 and 3, shown below.



Ex. 1014 at Figs. 3 and 8 (annotated). But Skechers disregards the claim construction that it agreed to earlier in the Petition, i.e., that the “domed, three-dimensional structure” had to be formed *during* the flat-knitting process. Petition at 11. Dua-592 does not disclose an upper with a central portion having a “domed, three-dimensional structure” formed during the knitting process. *E.g.*, Ex. 1014 at [0039] (“Textile element 40, as depicted in FIG. 8, has a generally planar configuration.”). Ex. 2001 at ¶¶41–43. Thus, Dua-592 fails to disclose this limitation. *Id.* at ¶44.

Hong - Skechers also cites to nothing in Hong that teaches or suggests forming three-dimensional structures *during* a knitting process.⁴ Hong is dedicated

⁴ In its Petition, Skechers mischaracterizes a statement that Nike Innovation C.V., a Nike, Inc. subsidiary, made during prosecution of a foreign patent application.

to flat knitting “fully fashioned garments.” Ex. 1016 at 189; Ex. 2001 at ¶45. As Skechers admits, “fully fashioned” knitting means knitting-to-shape “parts of a garment” “separately” and then implementing a “post sewing or linking process.” Petition at 17, 19 (quoting Ex. 1015 at 9). Thus, the cited disclosures in Hong merely describe flat knitting precisely-shaped, two-dimensional patterns—that can later be formed into three-dimensional structures via post knitting processing steps.

Skechers specifically points to several instances in which Hong discloses “producing” or “knitting” three-dimensional shaped fabrics. Petition at 24–25 (citing Ex. 1016 at Abstract, 189, 194). For example, Skechers points to Hong’s disclosure that “[t]his work describes the use of the new flat knitting machines to knit 3D structures.” Ex. 1016 at 189. Nike does not dispute that Hong discloses a method in which flat knitting machines are used to knit a fabric that ultimately takes a three-dimensional shape. But Hong produces these three-dimensional fabrics in three steps: (1) conceiving of a “theoretical” three-dimensional object; (2) flat knitting a knit-to-shape, “two-dimensional pattern,” and (3) later forming that two-

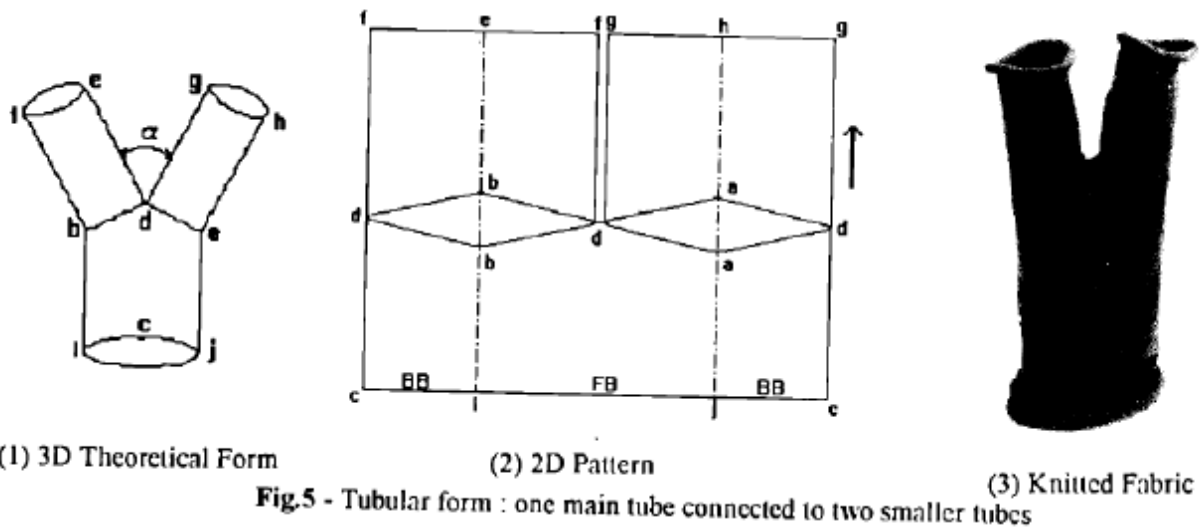
Petition at 3, 27. In that foreign prosecution, Nike only acknowledged that certain prior art documents generally disclose three-dimensional knitted textiles “formed through flat knitting.” Ex. 1019 at 8. This includes achieving three-dimensional structures through post-knitting processes.

dimensional pattern piece into a three-dimensional structure. Ex. 2001 at ¶46; Ex. 1016 at 191. In other words, Hong's three-dimensional fabrics are certainly "knitted," but they only assume a three-dimensional shape *after* the knitting process is complete. Hong programs the knitting machine to knit a precisely-shaped, two-dimensional pattern piece, which is formed into a three-dimensional structure *after* the knitting operation:

[T]he fashioning operation (increasing or decreasing the number of knitting needles) is ***only determined according to two-dimensional patterns***. The three-dimensional shaped knitted fabrics presented in this work are all knitted by using this technique.

Ex. 1016 at 191. Hong's mere mention of "producing" or "knitting" three-dimensional-shaped fabrics does not teach or suggest knitting three-dimensional structures *during* the knitting process.

Skechers also cites Hong's working example shown in Figure 5 (reproduced below) as alleged support that Hong discloses creating tubular forms (albeit forming each tube separately) during the knitting process. Petition at 25–26.



But this does not align with Hong's disclosure, which describes knitting to shape the two-dimensional pattern shown in Figure 5(2) and then later assembling that pattern into the three dimensional shape shown in Figure 5(3). Ex. 2001 at ¶¶47–51.

The “Knitted Fabric” depicted in Figures 5(3) would have required post-knitting processing to reach its final “as-shown” form. *Id.* at ¶¶50–51. As Dr. Pastore explains, it would not have been possible to join together edges “f–d” and “f–d” of Figure 5(2), or any left and right edges of the “2D Pattern,” *during* the knitting process. *See id.* Those edges could only be joined by seaming the edges together *after* the knitting process. This is the case for all of Hong's three-dimensional “Knitted Fabrics”: they are assembled by seaming together the knit-to-shape “two-dimensional patterns.” *See id.* at ¶¶47–51.

Skechers also points to Hong's disclosure of certain benefits of the described knitting methods. Petition at 26–27. Specifically, Skechers points to Hong's

discussion of reducing material waste and labor cost. *Id.* (citing Ex. 1016 at 189, 193). But these benefits stem from Hong's disclosed methods of knitting-to-shape, i.e., knitting precisely-shaped, two-dimensional pattern piece, which can then be formed into three-dimensional structures. *See generally* Ex. 1016; Ex. 2001 at ¶54. The specific shapes of Hong's two-dimensional patterns allow for the creation of three-dimensional knitted fabrics without any post-knitting cutting. *Id.*; Ex. 2001 at ¶31.

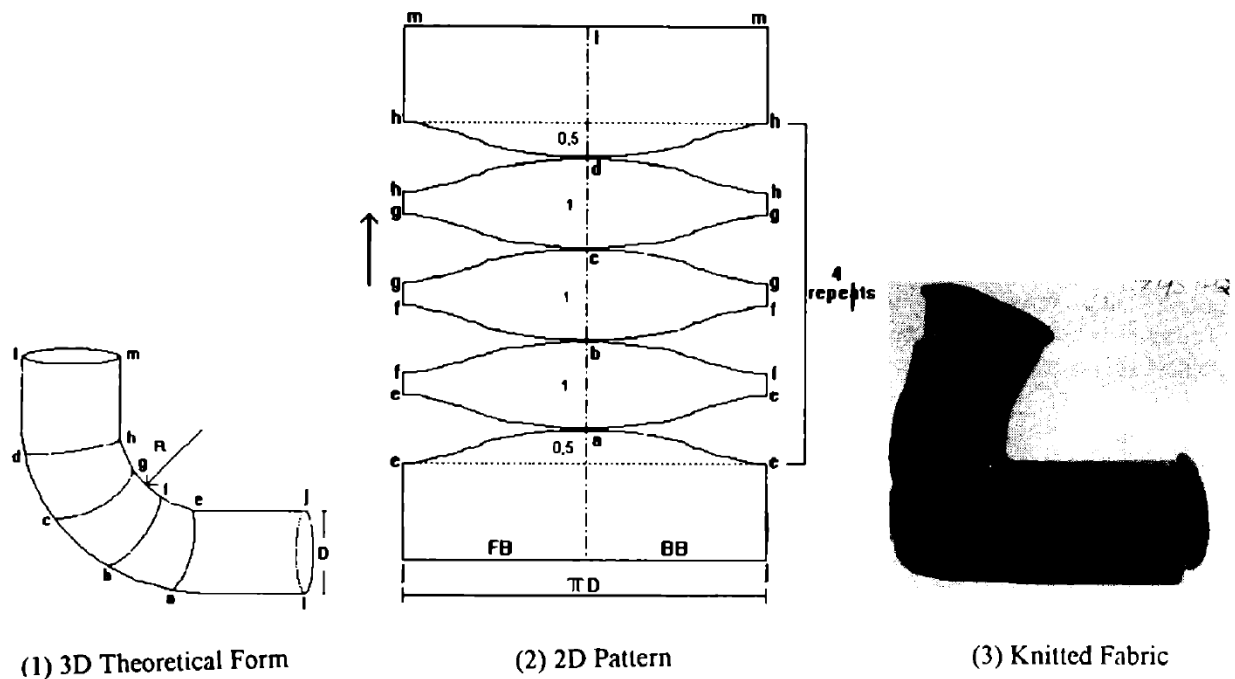


Fig.4 - Tubular form with circular cross-section

Hong's elimination of cutting steps reduces waste and labor costs. *Id.* at ¶¶31, 54. Thus, the recitation of these benefits does not teach or suggest knitting three-dimensional structures *during* the knitting process.

Skechers' Hong-based obviousness arguments also fail because a skilled artisan viewing Hong in 2006 would not have reasonably expected to succeed in forming a three-dimensional structure *during* the knitting process. Ex. 2001 at ¶¶52–53. Nowhere does Hong teach a POSITA how to create the “Knitted Fabrics” shown in Hong’s working examples. *Id.* at ¶48. As Dr. Pastore explains, a skilled artisan would not understand Hong to teach the creation of any these as-depicted structures during the knitting process. *Id.* at ¶¶49–51. In fact, Dr. Pastore explains, a POSITA would have understood that most of Hong’s “Knitted Fabrics” could not *possibly* be formed during the knitting process. *Id.* These “Knitted Fabrics” could only be shaped into their as-depicted form through the use of post-knitting processing such as folding and sewing. *Id.*

Skechers’ reliance on Dr. Pastore’s testimony from the lululemon IPR that knitting machines in the 1990s had the “capability” to flat knit three-dimensional structures is irrelevant. *E.g.*, Petition at 32. Skechers fails to show that those machines were employing “fully fashioned” knitting to produce three-dimensional structures during the knitting process. As a result, Skechers’ obviousness arguments fail because a skilled artisan would not have reasonably expected to succeed in making the claimed invention. *See Institut Pasteur & Universite Pierre Et Marie Curie v. Focarino*, 738 F.3d 1337, 1346 (Fed. Cir. 2013) (holding that “knowledge

of the goal does not render its achievement obvious”); *see also Arctic Cat Inc. v. Bombardier Recreational Prods., Inc.*, 876 F.3d at 1360–61 (Fed. Cir. 2017).

Choi - Choi also fails to teach or suggest knitting a “domed, three-dimensional structure.” Ex. 2001 at ¶55. Skechers relies on Choi “[t]o the extent that Dua-592 in combination with [] Hong do[es] not render obvious” this limitation. Petition at 27. Skechers looks to Choi’s teaching of knitting whole garments “without any post sewing or linking process.” *Id.* at 27–28. Nike does not dispute that Choi creates three-dimensional garments during a knitting process. Ex. 2001 at ¶55. But nothing that Skechers points to in Choi supports forming a “domed” structure during a knitting process. *Id.* Instead, Choi discloses knitting garments in “tubular” form, examples of which are shown below in Choi’s Figures 6.1 and 6.2. Petition at 28 (citing Ex. 1015 at 2, 6); Ex. 2001 at ¶55.

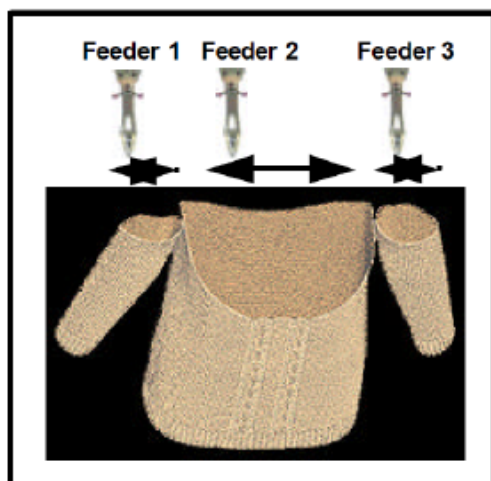


Figure 6.1. Three-dimensional complete garment knitting until underarm point (Shima Seiki)

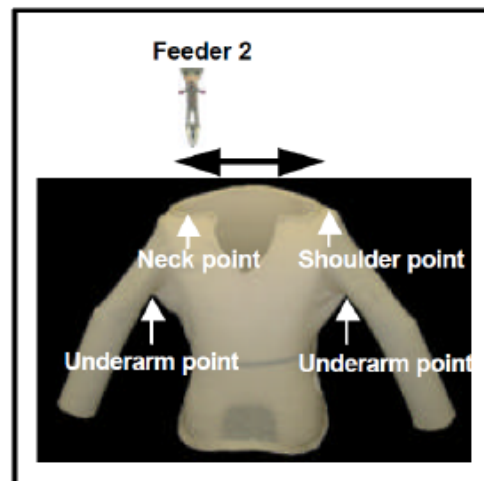


Figure 6.2. Three-dimensional complete garment knitting after underarm point

Nonetheless, Skechers argues that a POSITA would have been motivated to apply Choi's whole garment knitting technique to produce the flat-knitted element of Dua-592. Petition at 29–30. This is nonsensical. The structure of Dua-592's upper is fundamentally different from the types of structures created by Choi. *See* Ex. 2001 at ¶56. For example, Dua-592's upper depicted in Figure 8 (reproduced above) is a single-layer flat piece. It would not make sense (and Skechers does not explain how) a POSITA in 2006 would have knitted Dua-592's upper with the tubular seamless knitting technology disclosed by Choi. *Id.* at ¶56. Not only does Skechers fail to explain how a POSITA in 2006 would have implemented this modification, but a POSITA would not have reasonably expected to succeed in doing so. *Id.*

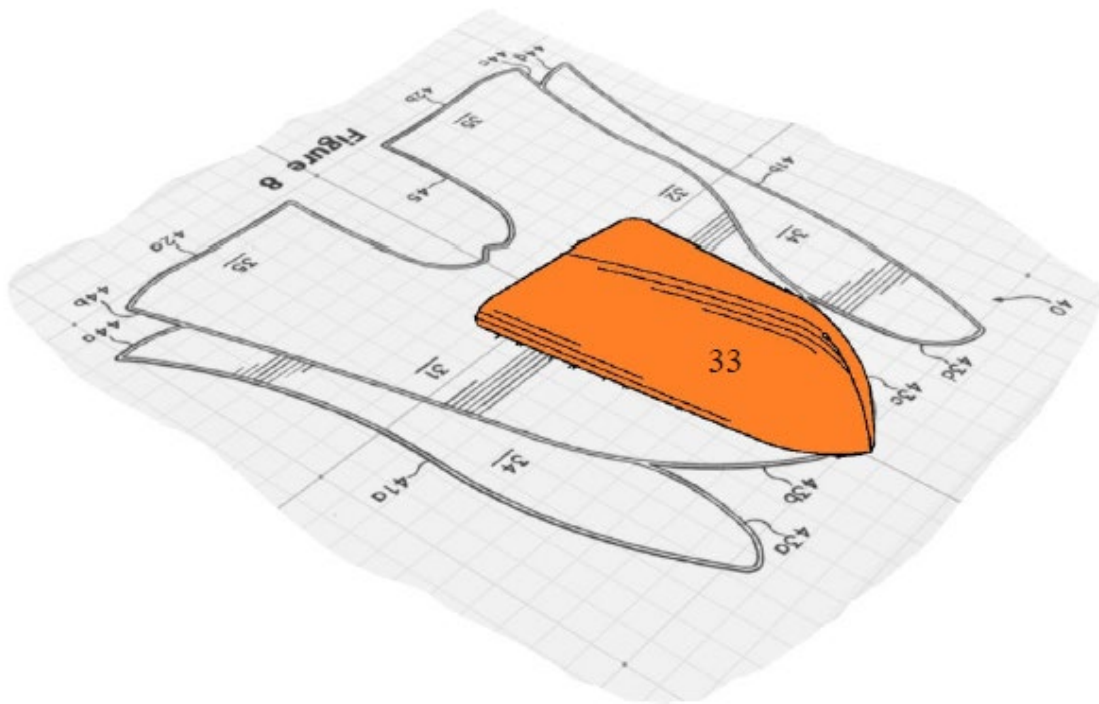
To the extent Skechers argues that Dua-592's upper could be formed directly into the shoe shape shown in Dua-592's Figure 3 (reproduced above), and therefore without any seams, that modification would improperly vitiate portions of claims 1 and 11. Specifically, the limitations of claims 1 and 11 reciting that the “domed, three-dimensional structure” is “shaped to extend above the plane” of first and second “side portion[s]” when the claimed flat-knitted element is in a “flattened configuration.”

For at least these reasons, Skechers has not shown a reasonable likelihood that Dua-592, Hong, and Choi, alone or in combination, teach or suggest this limitation.

Thus, Skechers fails to demonstrate a reasonable likelihood of success for any Challenged Claim in Ground 1.

2. Dua-592 in combination with Hong and/or Choi fails to teach or suggest knitting a “domed, three-dimensional structure” “shaped to extend above the plane of the first side portion and the second side portion,” as recited in claims 1 and 11

Skechers also fails to demonstrate a reasonable likelihood that Dua-592, in combination with Hong and/or Choi, teaches or suggests forming a flat-knitted element with a three-dimensional structure that “extend[s] above the plane” of the “side portion[s]” that are in a “flattened configuration.” Ex. 2001 at ¶58. As discussed above, Dua-592 only discloses knitting a planar upper. *See supra* § VI.A.1. Therefore, Hong or Choi must supply this missing limitation, which requires knitting the claimed “central portion” as a “domed, three-dimensional structure,” while the side portions flanking the central portion remain planar. For illustration’s sake, Skechers’ modified version of Dua-592’s Figure 8 is shown below.



Petition at 37. But, as described below, neither Hong nor Choi supplies this limitation.

Hong - Even if Hong teaches forming three-dimensional structures during the knitting process, Hong at best shows closed-periphery three-dimensional structures held together by seams lacking any flattened portions. *See* Ex. 1016 at Figs. 3(3)–3(9); Ex. 2001 at ¶59. Hong provides no guidance on how to form the claimed configuration. Skechers’ includes only one sentence in its Petition purporting to identify disclosure in Hong regarding knitting components that incorporate both “three-dimensional and planar structures.” Petition at 26 (“Hong explains that the SES 122FF machine can produce knitted components which incorporate both three-dimensional and planar structures, such as car seats and head rests.”). But Skechers

does not explain which elements in the car seats and head rests are planar, and which are three-dimensional. *Id.*; Ex. 2001 at ¶60. And Figures 8 and 9 of Hong that Skechers cites do not include a dome-shape, much less planar portions adjacent to a dome-shape. Ex. 1016 at Figs. 8–9; Ex. 2001 at ¶59.

A POSITA in 2006 would not have looked to combine Hong’s finished structures with Dua-592 to reach this limitation. Ex. 2001 at ¶59. Nor would they have reasonably expected to succeed in making the combination. *Id.*; *Institut Pasteur*, 738 F.3d 1346 (“[T]he expectation-of-success analysis must match the highly desired goal, not switch to a different goal that may be a less challenging but also less worthwhile pursuit.”).

Choi - Similar to Hong, Choi never discloses knitting any three-dimensional structures even remotely similar to the claimed configuration. Ex. 2001 at ¶61. Instead, as discussed above, Choi discusses knitting tubular forms, like the sleeves and torso portions of a sweater. *See supra* § VI.A.1. Choi never depicts or discusses knitting a dome shape at all, let alone a dome flanked by flat side portions. Ex. 2001 at ¶61. Even if Choi did teach creating dome-shaped fabric, a POSITA would have understood that Choi’s garments come off the knitting machine in a flattened configuration. Ex. 2001 at ¶62. And like Hong, Choi provides no guidance on how to achieve the claimed configuration. *Id.* at ¶63. A POSITA in 2006 would not have looked to combine Choi’s whole garment knitting with Dua-592 to reach this

limitation. *Id.* Nor would they have reasonably expected to succeed in making the combination. *Id.*; *Institut Pasteur*, 738 F.3d 1346.

For at least these reasons, Skechers has not shown a reasonable likelihood that Dua-592 in combination with Hong and/or Choi teaches or suggests this limitation. Thus, Skechers fails to demonstrate a reasonable likelihood of success for any Challenged Claim in Ground 1.

B. Ground 2A: The Petition Fails To Show A Reasonable Likelihood Of Success That The Combination of Yamamoto and Choi Renders Obvious Any Challenged Claim

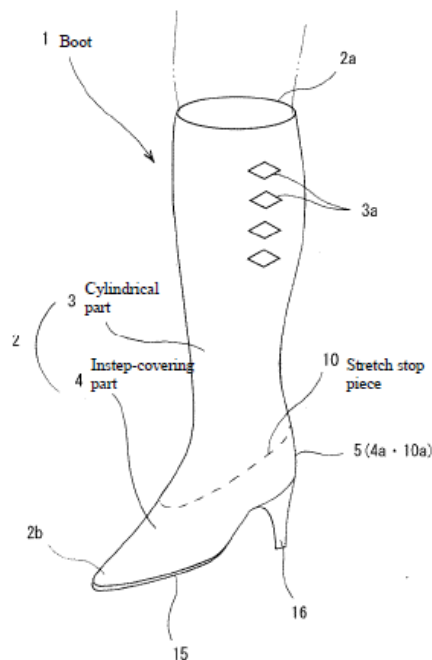
Skechers' Ground 2A fails to teach or suggest any Challenged Claim. Ex. 2001 at ¶65. The combination of Yamamoto and Choi fails to teach or suggest that the “domed, three-dimensional structure” of the “flat-knitted element” is formed during the flat-knitting process, as required by independent claims 1 and 11. The proposed combination further fails to teach or suggest knitting that the “domed, three-dimensional structure” is “shaped to extend above the plane of the first side portion and the second side portion when the flat-knitted element is in a flattened configuration,” as recited in independent claims 1 and 11.

1. Neither Yamamoto nor Choi, alone or in combination, teach or suggest forming the “domed, three-dimensional structure” of

the “flat-knitted element” during the flat-knitting process, as recited in claims 1 and 11

Skechers fails to demonstrate a reasonable likelihood that Yamamoto or Choi, alone or in combination, teach or suggest forming the “domed, three-dimensional structure” of the “flat-knitted element” during the flat-knitting process. Ex. 2001 at ¶¶66. Skechers first points to Yamamoto’s disclosure that the exterior of boot 1 is formed by a “single piece of fabric 2 continuously knitted with yarn.” Petition at 58–59 (citing Ex. 1017 at Abstract). Skechers contends that “instep-covering part 4,” which forms part of fabric 2, satisfies the claimed “central portion” having a “domed, three-dimensional structure.” *Id.* Yamamoto’s boot 1, including instep-covering part 4, is shown in Figure 1 below.

[FIG. 1]



Ex. 1017 at Fig. 1. But Skechers fails to demonstrate that instep-covering part 4 was formed as a “domed, three-dimensional structure” *during* the knitting process, as the parties agree is required under the proper construction of that term. Ex. 2001 at ¶¶67–68. Indeed, Yamamoto’s teachings suggest otherwise. Yamamoto teaches that the shaping of instep-covering part 4 is determined via “stretch stop piece 10”—an insert—that is “bonded to the inside” of part 4 via “thermal pressing” or “adhesive[s].” *Id.* at [0022], [0026]. Thus, it is the insert that forms the “domed, three-dimensional structure” Skechers identifies in Yamamoto, not the knitting process. Ex. 2001 at ¶¶67–68.

Skechers alternatively argues “it would have been obvious to form Yamamoto’s ‘single piece of fabric 2’ with a domed, three-dimensional central portion extending over the top of the foot in view of the express teachings of Choi.” Petition at 59–60. As an initial matter, it’s unclear from the Petition what teachings, if any, Skechers seeks to add from Choi to Yamamoto, particularly because both Yamamoto and Choi teach whole garment seamless knitting. *Compare id.* at 58 (citing Ex. 1017 at [0011]) *with id.* at 60 (citing Ex. 1015 at 5, 12); Ex. 2001 at ¶69. But in any case, Choi never teaches or suggests knitting a “domed, three-dimensional structure” formed during a knitting process. *Id.* Instead, Choi discloses knitting garments in “tubular” form. Petition at 28 (citing Ex. 1015 at 2, 6); Ex. 2001 at ¶¶69–

70. And Choi never teaches or suggests knitting footwear, under the proper construction of that term. *See supra* § VI.A.1; Ex. 2001 at ¶70.

For at least these reasons, Skechers has not shown a reasonable likelihood that Yamamoto or Choi, alone or in combination, teach or suggest this limitation. Thus, Skechers fails to demonstrate a reasonable likelihood of success for any Challenged Claim in Ground 2A.

2. Neither Yamamoto nor Choi teach or suggest the “domed, three-dimensional structure” is “shaped to extend above the plane of the first side portion and the second side portion when the flat-knitted element is in a flattened configuration,” as recited in independent claims 1 and 11

Skechers fails to demonstrate a reasonable likelihood that Yamamoto or Choi, alone or in combination, teach or suggest that the “domed, three-dimensional structure” is “shaped to extend above the plane of the first side portion and the second side portion when the flat-knitted element is in a flattened configuration.” Ex. 2001 at ¶72. Skechers relies on Yamamoto for this limitation.

Skechers first incorrectly argues that forming Yamamoto’s fabric 2 using Choi’s whole garment knitting techniques yields this claim limitation. Petition at 66. But as described above, Yamamoto teaches that the “domed, three-dimensional structure” present in Yamamoto’s instep-covering part 4 is due to a shaping insert 10, not to the knitting process. Ex. 2001 at ¶68.

Skechers then points to disclosure in Yamamoto discussing cutting Yamamoto's instep-covering part 4 at the heel and discontinuing part 4 "between the left and right sides." Petition at 66–67 (citing Ex. 1017 at [0024]). But, as Yamamoto discloses and as Skechers admits, part 4 when cut and laid flat would be of a "planar shape." Petition at 67–68. Thus, Yamamoto's part 4, even in this circumstance, would not include the claimed configuration. Ex. 2001 at ¶73.

For at least these reasons, Skechers has not shown a reasonable likelihood that Yamamoto or Choi, alone or in combination, teach or suggest this limitation. Thus, Skechers fails to demonstrate a reasonable likelihood of success for any Challenged Claim in Ground 2A.

VII. CONCLUSION

For the reasons set forth above, Nike respectfully requests that the Board deny institution of Skechers' Petition challenging the '484 Patent.

Dated: March 20, 2025

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CERTIFICATE OF WORD COUNT

Under the provisions of 37 C.F.R. § 42.24(d), the undersigned hereby certifies that the Microsoft Office word count including all footnotes for the foregoing Patent Owner's Preliminary Response, excluding the table of contents, table of authorities, certificate of word count, appendix and certificate of service, totals 8,628 words, which is less than the 14,000 words allowed under 37 C.F.R. § 42.24(b)(1).

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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 PRELIMINARY RESPONSE**, which was served on March 20, 2025 to the following Counsel for Petitioner via e-mail:

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