

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SINCLAIR PHARMA LIMITED, SINCLAIR PHARMA US, INC., VIORA,
INC., EMA AESTHETICS, LTD., AND AESTHETIC MANAGEMENT
PARTNERS, LLC AND AESTHETIC MANAGEMENT PARTNERS, INC.,
Petitioner,

v.

HYDRAFACIAL LLC,
Patent Owner.

Case No. IPR2025-00145
Patent No. 11,865,287

DECLARATION OF DAVID W. CARRAWAY

I, David W. Carraway, declare:

1. I am employed by Aesthetic Management Partners (AMP). I have worked at AMP since approximately 2020. My current title at AMP is Director of National Accounts.

2. As Director of National Accounts, I sell biologics (e.g., platelet-rich plasma) to national accounts. "National accounts" refers to large chains such as dermatology groups with multiple offices across the country.

3. Prior to being named AMP's Director of National Accounts, I was a sales representative for AMP, with responsibility for selling capital equipment (aesthetic treatment consoles of various kinds) in Georgia, Alabama, Mississippi, and Louisiana. I sold a variety of capital equipment, including devices that deliver radiofrequency energy or intense pulsed light (IPL) energy to the skin. My customers were primarily dermatologists and other physicians who perform aesthetic treatments for their patients, as well as spas (sometimes called "medical spas" or "Med Spas").

4. I have worked in the aesthetics industry, selling products including aesthetic treatment consoles, for approximately 25 years. Prior to joining AMP as an employee, I primarily worked as an independent sales representative through my company Carraway & Company (previously called Therapeutic Skin Specialists). As an independent sales representative, I represented a number of

companies over the years, including, for example, BTL Aesthetics, Sciton, CoolTouch, and Emed (which later changed its name to Envy Medical – for simplicity I will mostly refer to this company as “Envy Medical” in this declaration).

5. As an independent sales representative, I sold devices that treat skin in a variety of ways, including by delivering laser energy, IPL energy, and radiofrequency energy to the skin. In the case of Envy Medical, I sold a device called the SilkPeel, which is a hydrodermabrasion device in which a handpiece with an abrasive tip is used to treat skin while bathed in skin treatment serum.

6. Because the SilkPeel involved the use of hydrating serum, Envy Medical referred to the SilkPeel as a “dermal infusion” device.

7. I served as an independent sales representative for Envy Medical from approximately 2005 until approximately 2016. During this time, I sold many SilkPeel devices, likely in the hundreds.

8. Envy Medical was founded by Ken Karasiuk, who invented and developed the SilkPeel. I worked with Mr. Karasiuk during my tenure as an independent sales representative for Envy Medical.

9. Envy Medical had already begun selling the SilkPeel before I began my relationship with the company in approximately 2005. To my knowledge, Envy Medical began selling the SilkPeel in early 2004, if not earlier.

10. For example, EX1035 is a press release dated February 6, 2004, which discusses the SilkPeel (which it calls “SilkPeel (TM) DermalInfusion (TM)”) and quotes a dermatologic surgeon who reported having used the SilkPeel on patients for acne, psoriasis, irritated skin, and sun damage.

11. EX1036 is a printout, via www.archive.org, of the SilkPeel page from the Emed web site from June 3, 2004.

12. EX1037 is a page from the January/February 2005 edition of an industry periodical called Aesthetic Buyers Guide (archived on the www.silkpeel.com web site) that lists, among other devices, the SilkPeel (which it refers to as “Silkpeel with Dermalinfusion”). I recognize the picture of the SilkPeel on this page as the device that I sold to customers starting in approximately 2005.

13. EX1038 is a page from Emed’s www.silkpeel.com web site from March 21, 2006 that describes the SilkPeel and includes a larger photo of the SilkPeel, which I once again recognize as the device that I sold to customers starting in approximately 2005. This page refers to SilkPeel as “SilkPeel Dermalinfusion.”

14. During my time selling the SilkPeel, Envy Medical released a 2.0 version of the SilkPeel, which was very similar to the original version. EX1039 is a copy of the operator’s manual for the 2.0 version. Pages 5 and 6 of the manual

include front and side pictures of the SilkPeel 2.0. the side picture shows a bottle of serum (blue), a bottle of disinfectant (white) and a waste bottle (clear) attached to the console.



Figure 3: Front Console

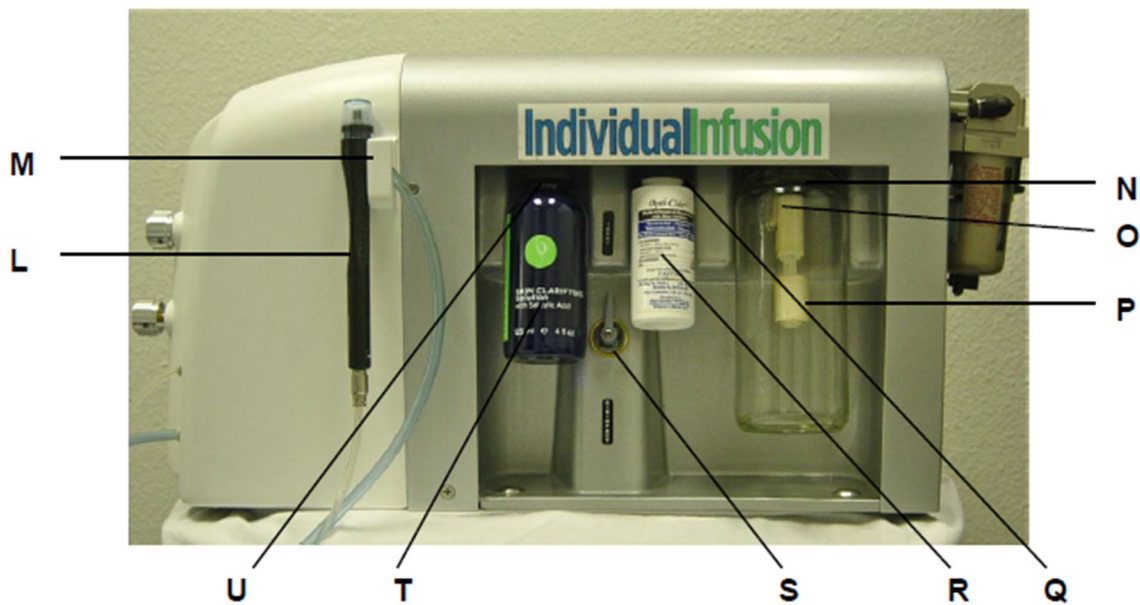


Figure 4: Side Panel

15. Page 10 of the manual shows a picture of the handpiece, which had an abrasive treatment head.

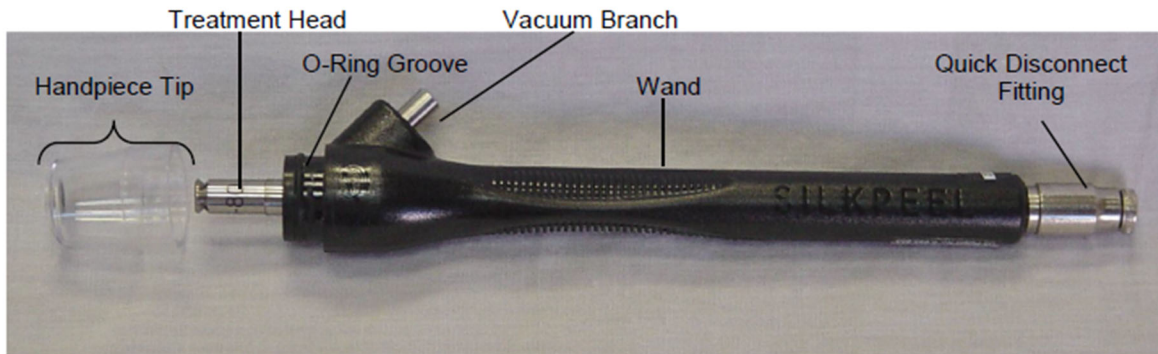


Figure 7: Handpiece

16. The SilkPeel included a vacuum pump that was connected by a tube to a waste container, which in turn was connected by a tube to the handpiece, which in turn was connected by a tube to the serum bottle. Through these connections, the vacuum created by the vacuum pump would suck serum from the serum bottle to the handpiece, where the serum would contact the patient's skin, after which waste would be sucked from the handpiece to the waste container.

17. A few years after I ceased representing Envy Medical, the company was acquired by Allergan. EX1040 is a March 26, 2019 press release describing the acquisition, stating that by that point the device (which Allergan referred to as Dermalinfusion) had an installed base of 3,800 units. This means that Envy Medical had sold 3,800 SilkPeel devices to customers by early 2019.

18. After acquiring Envy Medical, Allergan renamed the SilkPeel/DermalInfusion device, calling it DiamondGlow. Allergan still sells the DiamondGlow today.

19. In my experience selling aesthetic treatment devices over many years, many different kinds of devices compete for the attention of physicians and Med Spas. Different devices have different capabilities, strengths and weaknesses, but there is considerable overlap between aesthetic lasers, radiofrequency devices, IPL devices, microdermabrasion devices (which blast particles against the skin), and fluid-based aesthetic devices such as DiamondGlow, HydraFacial's consoles, AMP's AquaFirme XS, and others. Further, other kinds of treatments such as chemical peels and manual facial services also compete with these devices.

20. Thus, in my experience, companies that offer skin treatments and products compete in a diversified, multi-player market. For instance, companies like AMP, which offers the AquaFirme XS which delivers liquid to the skin, and HydraFacial, which also offers devices that deliver liquid to the skin, compete for customers (i.e., doctors and Med Spas) and end customers (patients/clients of the doctors and Med Spas) with a wide variety of other companies offering products ranging from liquid-based consoles to traditional microdermabrasion (so-called "sandblasting" consoles that treat skin using dry particles), to lasers, IPL, radiofrequency, chemical peels, and manual facials, and others.

21. The market for aesthetic treatment devices like Allergan's DiamondGlow, AMP's AquaFirme XS, and HydraFacial's consoles, is thus quite broad, in that it includes devices using different modalities and different types of energy application, and even manual facials, as I just described. However, the market for aesthetic treatment devices does not include every beauty-related product. For example, makeup (e.g., lipstick, blush, etc.), hair care products, soap and shampoo, and hair salons, although part of the broader "beauty" market, are not part of the aesthetic treatment device market. While a customer who goes to a Med Spa for treatment using an aesthetic treatment device probably also uses soap, shampoo, hair brushes, hair blowers, and makeup, and may also go to a hair salon for hair cutting and styling such products and services do not meaningfully compete with aesthetic treatment devices.

22. Companies in the aesthetics treatment device market that compete for sales to end consumers desiring to treat the skin on their faces include HydraFacial, Allergan (DiamondGlow), Cartessa Aesthetics, Medicreations, Sinclair Pharma, BTL Aesthetics, Sciton, Aesthetic Management Partners, Lumenis, and many others.

23. The primary factors that go into making a sale of any capital equipment for aesthetic treatments are (1) the relationship between the sales rep and the customer (i.e., an honest, trustworthy and knowledgeable sales rep who

adds value to the customer's business, and enjoys a good reputation, is more likely to make a sale); (2) the company's marketing and advertising muscle (i.e., how much money the company spends, and how well it spends that money, marketing and advertising its products); and (3) the price of the device.

24. Marketing and advertising muscle, which helps generate sales, can be reflected in several areas, including the number of salespeople the company hires to sell the product, the quality of those salespeople, the commission levels which are used to incentivize the salespeople, the company's budget for print and digital advertising, the number of trade shows attended, and the size of the company's booth at those trade shows.

25. The price of the device is important because sales reps work on commission, which is generally a percentage of the sales price such that the sales rep receives a large commission for a higher sales price, and companies wish to maximize their revenues. Therefore, both the sales rep and the company that he or she represents are incentivized to sell more expensive devices. If a company offers multiple aesthetic treatment devices, the more expensive device will usually sell better than less expensive devices.

26. I am aware that, like every company that sells aesthetic treatment consoles, HydraFacial's sales reps work on commission. Indeed, at one point

HydraFacial approached me about the possibility of representing HydraFacial. I did not, however, end up representing HydraFacial.

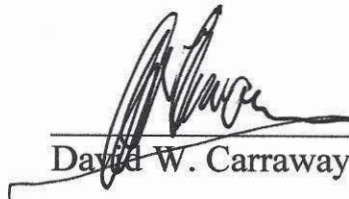
27. Devices with more flexibility and modalities will usually sell better than devices with limited flexibility and fewer modalities. Customers such as doctors and Med Spas know that their own customers (i.e., individuals who come to them for treatments) have varied needs and desires. Therefore, a device that can serve the needs and desires of a wider range of people will be more valuable to the doctor or Med Spa.

28. Aesthetic treatment devices that apply serums to the skin – including HydraFacial’s consoles and Allergan’s DiamondGlow – operate on a razor/razorblade model, in which the company selling the device expects a recurring revenue stream from customers who purchase consumables (primarily serums) for use with the device over time. The device itself is often viewed, from a business perspective, as a vehicle for creating demand for consumables.

I declare that all statements made herein of my own knowledge are true, that all statements made on information and belief are believed to be true, and that these statements were made with the knowledge that willful false statements and the like are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: December 10th, 2025



David W. Carraway