

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 IPR2025-00150

Patent No. 9,060,562

PATENT OWNER'S PRELIMINARY RESPONSE

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EXHIBITS

Exhibit No.	Description
2001	File History of U.S. Patent No. 9,060,562
2002	Carly Fink, Nike: Sustainability and Innovation through Flyknit Technology, N.Y.U. STERN CTR. FOR SUSTAINABLE BUS. (August 2016), available at: https://www.stern.nyu.edu/sites/default/files/assets/documents/Nike_Carly_04.2017%20-%20Copy.pdf
2003	Skechers' Supplemental Preliminary Invalidity Contentions Pleading (May 17, 2024)
2004	Skechers' Supplemental Ex. 562-1 Skechers' '562 Patent Invalidity Claim Chart – Glidden (May 17, 2024)
2005	Skechers' Supplemental Ex. 562-5 Skechers' '562 Patent Invalidity Claim Chart – Clark (May 17, 2024)
2006	Skechers' Supplemental Ex. 562-2 Skechers' '562 Patent Invalidity Claim Chart – Dua-956 (May 17, 2024)
2007	Skechers' Supplemental Ex. 562-10 Skechers' '562 Patent Invalidity Claim Chart – Okamoto (May 17, 2024)
2008	Skechers' Supplemental Ex. 562-8 Skechers' '562 Patent Invalidity Claim Chart – Dua-592 (May 17, 2024)
2009	Skechers' Supplemental Ex. 562-6 Skechers' '562 Patent Invalidity Claim Chart – Horii (May 17, 2024)
2010	U.S. Patent No. 2,147,197 (“Glidden”)
2011	U.S. Patent No. 2,440,393 (“Clark”)
2012	Email from L. Oxenford to M. Wilk, November 13, 2024
2013	Skechers' Supplemental Claim Construction Brief (September 30, 2024)
2014	Nike's Supplemental Claim Construction Brief (September 30, 2024)
2015	Skechers' Preliminary Invalidity Contentions Pleading (April 19, 2024)

2016	Nike's Supplemental Infringement Contentions for the '562 Patent (October 23, 2024)
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I. INTRODUCTION

Patent Owner Nike, Inc. (“Nike”) submits this Preliminary Response to the Petition of Skechers U.S.A., Inc. (“Skechers” or “Petitioner”) challenging the patentability of Claims 1-23 (the “Challenged Claims”) of U.S. Patent No. 9,060,562 (the “’562 Patent”; Ex. 1001).

The article of footwear encompassed by the claims of the ’562 Patent has been hailed as “the most groundbreaking sneaker innovation in over 40 years.” Ex.2002¹, 3. The ’562 Patent is generally directed to a method of manufacturing an article of footwear that incorporates a knitted component having an upper and an integral knit tongue, wherein the integral knit tongue is formed of unitary knit construction with the upper and extends through the throat area of the knitted component. The ’562 Patent has three independent claims (1, 8, 16) and twenty dependent claims. The claims generally recite a method of manufacturing an article of footwear comprising a knitted component defining the upper and an integral knit tongue formed with the upper. *See generally* ’562 Patent.

¹ Carly Fink, Nike: Sustainability and Innovation through Flyknit Technology, N.Y.U. STERN CTR. FOR SUSTAINABLE BUS. (August 2016), available at: https://www.stern.nyu.edu/sites/default/files/assets/documents/Nike_Carly_04.2017%20-%20Copy.pdf.

The Board should deny institution for at least three independent reasons.

First, Petitioner’s references were considered or are substantially the same as references that were considered by the Examiner during the prosecution of the ’562 Patent. Petitioner makes no effort to establish that the Examiner committed material error when allowing the claims that matured into the ’562 Patent. These facts independently warrant discretionary denial under 35 U.S.C. §325(d).

Second, Petitioner’s strategic delay in filing the Petition prejudices Nike and wastes judicial resources by ensuring that the validity of the ’562 Patent will be litigated simultaneously in two separate fora—before the Board and in district court. Indeed, the parties have been litigating an infringement action in the United States District Court for the Central District of California for more than a year. Petitioner’s delay wastes party and Board resources and prejudices Nike by forcing it to defend against serial challenges while simultaneously defending the validity of the ’562 Patent in two fora, leading to potentially inconsistent decisions on the same issues. These circumstances favor discretionary denial, which is further justified under *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, 2020 WL 2126495, *2-3 (P.T.A.B. Mar. 20, 2020) (precedential) (“Fintiv”).

Third, the Board should deny institution because Petitioner has failed to meet its threshold burden under 35 U.S.C. §§314(a) and 312(a)(3) to show that there is a reasonable likelihood that at least one of the challenged claims of the ’562 Patent is

unpatentable. Petitioner has not established a reasonable likelihood that it will prevail for any claim in any ground raised in the Petition. Petitioner relies on inaccurate claim constructions and the cobbling together of several combinations of references without explaining any motivation to combine them to argue that the challenged claims are anticipated and obvious. Importantly, Petitioner fails to disclose any reference or combination of references that disclose, teach, or suggest an article of footwear having a knitted upper and an integral knit tongue. This further favors denial of institution.

Petitioner presents seven grounds of invalidity. Six grounds—Grounds 1A, 1B, 1D, 2A, 2B, and 2C—challenge the independent claims. Ground 1A advances an anticipation theory of only claims 1-4 based on U.S. Patent Application No. 2005/0193592 (“Dua-592” Ex.1014), which was cited in an IDS and considered by the Examiner during prosecution. Grounds 1B, 1C, and 1D address the shortcomings in Dua-592 by alleging obviousness based on Dua-592 alone or in view of secondary references (1) Japanese Application Publication No. H3-3203 (“Horii”; Ex.1017; Ex.1031), (2) International Patent Publication No. WO 98/43509 (“McDonald”; Ex.1016), and/or (3) U.S. Patent No. 7,552,547 (“Calderone”; Ex.1018). Ground 2A alleges anticipation of only claims 1-4 based upon European Patent No. 2149629A1 (“Okamoto”; Ex.1015). The remaining two grounds—Grounds 2B and 2C—

advance obviousness theories based upon Okamoto combined with Dua-592 and/or Calderone.

Skechers' Petition is precisely what Congress sought to prevent when it enacted 35 U.S.C. §325(d). *See In re Vivint, Inc.*, 14 F.4th 1342 at 1346 (Fed. Cir. 2021). The Patent Office already considered one of the two primary prior art references presented in the Petition and considered art that was substantially the same as the remaining references. Simply put: nothing in the Petition presents a new question of patentability. The Board should also deny institution because this procedure needlessly wastes the Board's resources in view of the ongoing parallel District Court litigation, where the parties have spent much time and effort engaging in substantial written and document discovery and fully briefing and arguing claim construction.

Lastly, the Board should deny institution because Petitioner has not shown a reasonable likelihood of prevailing on any of its seven grounds. Dua-592 does not anticipate claims 1-4 (Ground 1A) or render claims 8-14 and 16-23 obvious (Ground 1B) because it does not disclose "an integral knit tongue" under Nike's proposed construction. The additions of McDonald and Horii (Ground 1C) do not cure this fatal flaw. Petitioner's Ground 1D, obviousness under Grounds 1A-1C in further view of Calderone under Petitioner's proposed construction of "integral knit tongue," is likewise unsuccessful because Petitioner fails to articulate a motivation

to combine Dua-592 with Calderone. Petitioner's Grounds 2A-2C fail for similar reasons. Petitioner does not demonstrate a reasonable likelihood that Okamoto anticipates claims 1-4 (Ground 2A) or that Okamoto in view of Dua-592 render claims 5-23 obvious (Ground 2B) because, once again, there is no disclosure of "an integral knit tongue" under Nike's proposed construction. And Ground 2C fails because Petitioner fails to articulate a motivation to combine Okamoto and Calderone to arrive at the claimed "integral knit tongue" under its proposed construction.

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

II. THE '562 PATENT

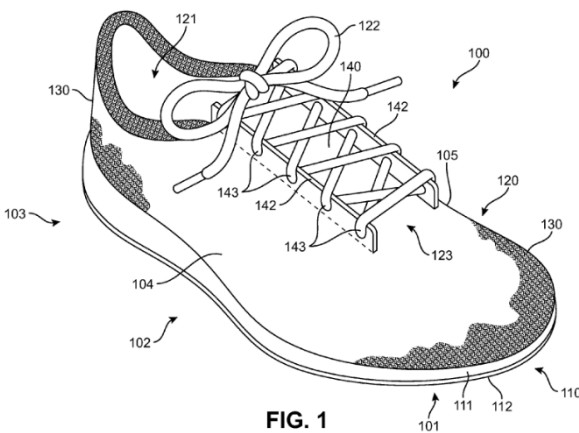
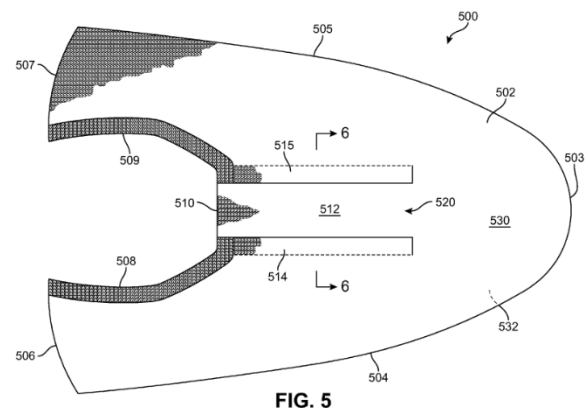
A. Overview of the '562 Patent

The '562 Patent lists Adrian Meir, Daniel A. Podhajny, and Daren Tatler as inventors. The '562 Patent claims priority back to U.S. Patent Application No. 13/400,511, filed February 20, 2012 (now U.S. Patent No. 8,448,474; "the '474 Patent").

The '562 Patent relates to methods of manufacturing a knitted component for an article of footwear that incorporates a knitted upper with an integral knit tongue. Specifically, the '562 Patent recites an article of footwear wherein a majority of the upper is formed from a knitted component. Ex.1001, 6:54-56. The knitted

component extends through the forefoot region, midfoot region, and heel region, along both the lateral and medial side, over the forefoot region, and around a heel region. *Id.*, 6:56-59. Additionally, the knitted component forms portions of both an exterior surface and an opposite interior surface of the upper, which defines a void for receiving a foot. *Id.*, 6:59-62; *see also* Fig. 1. The integral knit tongue is formed of unitary knit construction with the upper and extends through the throat area of the upper between the lateral and medial sides. *Id.*, 6:32-35. The integral knit tongue incorporates raised elements providing lace apertures for a lacing system. *Id.*, 2:32-34. The method of manufacturing the claimed article of footwear is depicted in Figures 16-29. Ex.1001, 17:49-51.

The claimed article of footwear offers many advantages over conventional footwear. For example, “[b]y decreasing the number of material elements used in the upper, ... waste may be decreased while increasing the manufacturing efficiency and recyclability of the upper.” Ex.1001, 2:11-13, 7:5-9.



Figures 1 and 5 of the '562 Patent

Figure 1 (reproduced above) shows an example of an article of footwear with a knitted component and integral knit tongue. Figure 5 (reproduced above) shows an example of a knitted component with an integral knit tongue formed of unitary knit construction. Ex.1001, 7:54-62.

B. Relevant File History

During original prosecution of the '562 Patent, the Examiner rejected (1) then-pending claims 1-23 for nonstatutory double patenting as being unpatentable over U.S. Patent Application No. 14/273,683 ("the '683 Application"; now U.S. Patent

No. 9,032,763) and (2) then-pending claims 1-4 for anticipation by U.S. Patent Application Publication No. 2008/0110048 (“Dua-048”). Ex.2001², 1403-1410.

In response to the rejection, Nike amended independent Claims 1, 8, and 16 in the then-pending application, and also amended independent claim 1 of the co-pending ’683 Application in a different manner so that they were no longer identical. Ex.2001, 1525. Nike also amended Claim 1 to more clearly recite the features of the integral knit tongue and the method of being joined to the throat area. *Id.*, 1525-1526. In particular, Nike clarified that the integral knit tongue is joined by knitting to: (1) a forward portion of the throat area, and (2) at least along a portion of both a lateral side and a medial side of the throat area of the knitted component extending through a portion of a length of the throat area in a longitudinal direction from the forward portion to an ankle opening of the upper. *Id.* Nike argued that Dua ’048 did not disclose this configuration of the integral knit tongue because the central textile element of Dua ’048 is stitched to each of the lateral textile element and medial textile element. *Id.* The Examiner subsequently allowed the claims without further action. *Id.*, 1531. The ’562 Patent was issued on June 3, 2015.

² File History of U.S. Patent No. 9,060,562.

III. Alleged Prior Art References

A. Dua-592

U.S. Patent Application No. 2005/0193592 (“Dua-592”; Ex.1014) is titled “Article of Footwear Having a Textile Upper” and was published on September 8, 2005. During prosecution of the ’562 Patent, the Examiner considered Dua-592 after Nike included it in two separate IDS transmissions. Ex.2001, 102, 1036, 1426, 1547.

Dua-592 describes an article of footwear incorporating a textile element formed with a knitting machine. Ex.1014, [0013]. The article of footwear has an upper that incorporates the textile element. *Id.*, [0015]. Footwear 10 contains a sole structure 20 and an upper 30. *Id.*, [0033]. Upper 30 is at least partially formed by a textile element, which may or may not form substantially all of upper 30. *Id.* Upper 30 has a lateral region 31, an opposite medial region 32, an instep region 33, a lower region 34, and a heel region 35. *Id.*, [0035]. Upper 30 may also include laces or other elements associated with a conventional upper for footwear. *Id.*, [0037]. An embodiment of the article of footwear disclosed in Dua-592 is shown in Figure 1, which is reproduced below:



Ex.1014, Fig. 1.

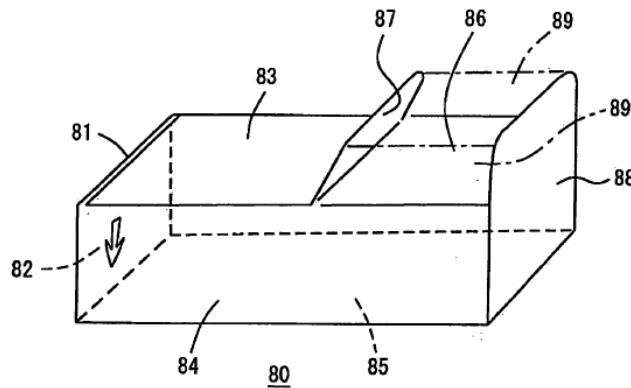
B. Okamoto

European Patent Application Publication No. EP2149629 A1 (“Okamoto”; Ex.1015) is entitled “Three-Dimensional Knitting Method, and Three-Dimensional Article Knitted by the Method” and was published on February 3, 2010.

Okamoto describes “knitting ... a three-dimensional article having a bottom and side face, and particularly to knitting of the bottom face of the three-dimensional article.” Ex.1015, [0001]. “In the present invention, a three-dimensional article with a closed bottom face can be seamlessly knitted easily. This three-dimensional article can be utilized as a glove, a sock with toes and the like since the bottom face fits the fingertips. Moreover, this three-dimensional article can be utilized as a bag or footwear.” *Id.*, [0014].

Figure 8 represents a schematic of the “seamlessly knitted footwear 80” described:

F I G. 8



Okamoto describes that bottom face 82 is knitted on the toe side, and then side faces 83 to 86 are knitted into cylinders. Ex.1015, [0031]. “A surface 87 and other three surfaces are knitted individually in the middle of the cylinders.” *Id.* “A surface 85 is knitted to have more stitch courses than surfaces 84, 86, to knit a heel 88, and then the surface 85 is joined with the surfaces 84, 86, whereby the footwear 80 is obtained.” *Id.*

C. McDonald

International Patent Publication No. WO 98/43509 (“McDonald”; Ex.1016) is titled “Engineered Textile” and was published on October 8, 1998.

McDonald describes a “lightweight, strong, durable engineered textile for use in a shoe upper and other applications....” Ex.1016, Abstract. According to

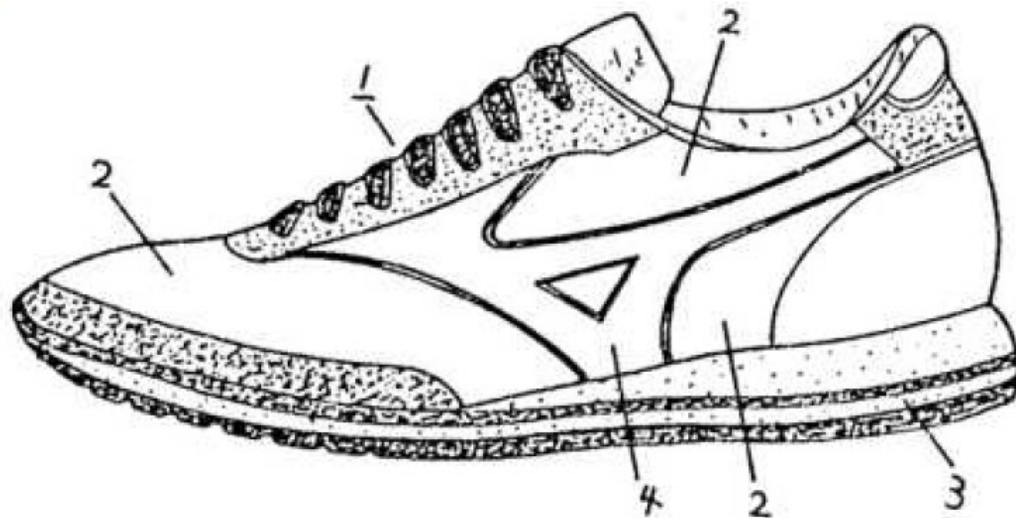
McDonald, “[a]n engineered textile is a textile that is woven or computer stitched to serve a specific function in an item.” *Id.*, 4:32-34. McDonald discloses that “[a] tongue 14 may be included, and be made of the material 1.” *Id.*, 10:14-16. Alternatively, McDonald discloses “eliminat[ing] a tongue” in its entirety. *Id.*, 10:16-19; *see also id.*, 12:7-11 (“The stretching characteristics of the textile permit a more even fit across the foot, and allow an upper design that eliminates the tongue normally associated with conventional shoes.”). McDonald further teaches that “the textile layer or layers forming upper 11 could be formed in sections and attached together by any number of other techniques such as sewing.” *Id.*, 13:9-12.

D. Horii

Japanese Application Publication No. H3-3203 (“Horii”; Ex.1017; Ex.1031) is titled “Shoes” and published on January 14, 1991.

Horii is directed to an article of footwear “with an upper made of an upper member that has good breathability, moderate hardness, and cushioning for the shoe....” Ex.1031, 25. “Upper member 2” of the upper is formed using a flat or circular knitting machine. *Id.*, 26. The embodiment described in Horii is disclosed in Figure 1, which is reproduced below:

Figure 1



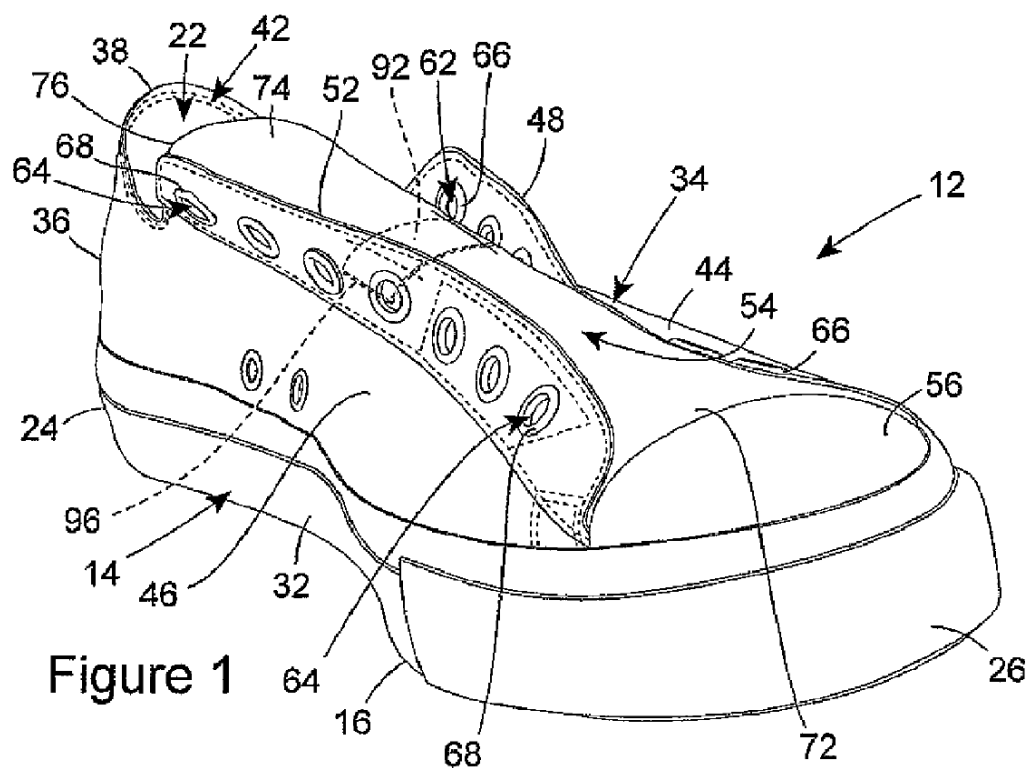
Ex.1031, Fig. 1.

E. Calderone

U.S. Patent No. 7,624,518 (“Calderone”; Ex.1018) is titled “Slip On Athleisure Shoe” and issued on December 1, 2009.

Calderone describes “an oxford type, lace up athleisure shoe” that “enables the shoe to be slipped on the wearers foot and held securely on the foot without the need for lacing on the shoe,” “provid[ing] the shoe with the appearance of a lace up shoe that is worn without lacing.” Ex.1018, Abstract; *see also id.*, 1:15-20. The shoe described in Calderone “has the basic construction of an oxford lace up basketball shoe.” *Id.*, 2:19-21. The shoe upper 34 “is constructed of a flexible material, for example leather or fabric.” *Id.*, 2:45-46. The invention described in Calderone “overcomes the problem of wearing oxford lace up basketball shoes without lacing,”

where the “lacing openings or eyelet openings on the shoe are left open, with there being no lacing on the shoe.” *Id.*, 1:45-47. Instead of having laces, “[t]he shoe is modified with a band that is connected to the left side and the right side of the shoe upper and extends across the shoe forefoot opening.” *Id.*, 1:48-50. The embodiment described in Calderone is depicted in Figure 1, reproduced below:



Ex.1018, Fig. 1.

As shown, lacing openings 62 and 64 are provided on the upper left side 44 and the upper right side 46. *Id.*, 3:5-6. “[I]n the preferred embodiment of the invention, the lacing openings 62, 64 are provided by pluralities of eyelets or grommets 66, 68 on the upper left side 44 and the upper right side 46. The eyelets

66, 68 provide the desired lace up shoe appearance. The eyelet lacing openings 62, 68 are arranged in lines along the upper left side edge 48 and along the upper right side edge 52.” *Id.*, 3:12-18. “The novel features of the invention provide the lacing openings 62, 64 on the shoe 12, with there being no lacing positioned in the lacing openings.” *Id.*, 3:23-25.

IV. DEFINITION OF A PERSON OF ORDINARY SKILL IN THE ART

For the purposes of this Preliminary Response only, Nike applies Petitioner’s proposed level of skill in the art: a POSITA for the ’562 Patent would have had at least a few years’ experience in knit materials and knitting methods and machines that can be used to make footwear, or a bachelor’s degree in textile-related sciences, engineering, or industrial product design, or equivalent work or academic experience, including in the footwear industry. Petition, 22-23. For individuals with a lower educational background, 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*. *Id.*, 22. Nike reserves the right to further address Petitioner’s formulation of a POSITA if trial is instituted.

V. CLAIM CONSTRUCTION

Claims challenged 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 person of ordinary skill. *Phillips v. AWH Corp.*, 415 F.3d 1303 at 1312–13 (Fed. Cir. 2005) (citation omitted).

For purposes of this IPR, Nike contends that no terms require construction. All terms and phrases in the ’562 Patent claims have their ordinary and customary meanings, which are readily apparent, and no further construction is required.

VI. THE BOARD SHOULD DENY INSTITUTION UNDER 35 U.S.C. §325(d)

The Board should exercise its discretion to deny institution of all Grounds under 35 U.S.C. §325(d) because Petitioner relies on the same or substantially the same art that was considered by the Examiner during the prosecution of the ’562 Patent, and fails to show that the Examiner made any error material to the patentability of the Challenged Claims.

The Board applies a two-part framework to analyze discretionary denial under §325(d): “(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, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, 2020

WL 740292, *3–4 (P.T.A.B. Feb. 13, 2020) (precedential), citing *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (P.T.A.B. Dec. 15, 2017) (precedential as to §III.C.5, first paragraph).

A. The Examiner Considered the Same or Substantially the Same Art During Prosecution (*Becton, Dickinson* Factors (a), (b), and (d))

As Petitioner admits, one of its primary references, Dua-952, is cited on the face of the '562 Patent. Petition, 117. Indeed, Dua-592 is used by Petitioner in *all but one* ground (Grounds 1A, 1B, 1C, 1D, 2B, and 2C). Petitioner's remaining references are substantially the same as other references considered by the Examiner during prosecution. These facts, which the Petition elides, satisfy step one of the *Advanced Bionics* framework.

1. Dua-592 was squarely before the Examiner

Dua-592 appears on the face of the '562 Patent. Ex.1001, 2. Patent Owner cited it on two IDS submissions on May 9, 2013 and July 7, 2014, and the Examiner marked the reference “considered” on September 16, 2014 and April 8, 2015. Ex.2001, 102, 1036, 1426, 1547. “[P]reviously presented art includes art made of record ... such as on an [IDS].” *See, e.g., Biocon Pharma Ltd. v. Novartis Pharms. Corp.*, IPR2020-01263, 2021 WL 608300, at *4 (Feb. 16, 2021) (citing *Advanced Bionics*, 2020 WL 740292, at *3)15; *see also Philip Morris Prods., S.A. v. Rai Strategic Holdings, Inc.*, IPR2020-00921, 2020 WL 6750120, at *5 (Nov. 16, 2020); *Mylan Pharms. Inc. v. Merck Sharp & Dohme Corp.*, IPR2020-00040, 2020 WL

2478503, at *6 (May 12, 2020). Dua-592 was thus previously presented to and considered by the Office.

2. The Examiner considered art cumulative of Petitioner's other references

Petitioner's other asserted references are cumulative of art considered by the Examiner. While the Examiner did not consider Okamoto, Horii, McDonald, or Calderone during prosecution, these references "teach[] no more than what a reasonable examiner would consider to be taught by the prior art already before the PTO." *Regeneron Pharms., Inc. v. Merus N.V.*, 864 F.3d 1343, 1350 (Fed. Cir. 2017) (quoting *Regents of the Univ. of Calif. v. Eli Lilly & Co.*, 119 F.3d 1559, 1575 (Fed. Cir. 1997)). Petitioner merely swaps-in these four similar references and points to features in the art already before the Examiner during the prosecution of the '562 Patent. *See Siemens Mobility, Inc. v. Metrom Rail, LLC*, 2024 WL 4827396, 2024 WL 4827396, *7 (P.T.A.B. Nov. 19, 2024) (denying institution under §325(d)).

In its district court invalidity claim charts, Petitioner asserts four references that were previously considered by the Patent Office: Glidden, Clark, Dua-956, and

Dua-592. Ex.2003³, 47; *see also* Ex.2004⁴; Ex.2005⁵; Ex.2006⁶; Ex.2007⁷; Ex.2008⁸; Ex.2009⁹. The Patent Office considered Glidden, Clark, Dua-956, and Dua-592 after Nike identified each reference in an IDS. Ex.2001 at 96, 100, 102, 182, 1412, 1420, 1424, 1426. All four previously asserted references—like the

³ Skechers' Supplemental Preliminary Invalidity Contentions Pleading (May 17, 2024).

⁴ Skechers' Supplemental Ex. 562-1 Skechers' '562 Patent Invalidity Claim Chart – Glidden (May 17, 2024).

⁵ Skechers' Supplemental Ex. 562-5 Skechers' '562 Patent Invalidity Claim Chart – Clark (May 17, 2024).

⁶ Skechers' Supplemental Ex. 562-2 Skechers' '562 Patent Invalidity Claim Chart – Dua-956 (May 17, 2024).

⁷ Skechers' Supplemental Ex. 562-10 Skechers' '562 Patent Invalidity Claim Chart – Okamoto (May 17, 2024).

⁸ Skechers' Supplemental Ex. 562-8 Skechers' '562 Patent Invalidity Claim Chart – Dua-592 (May 17, 2024).

⁹ Skechers' Supplemental Ex. 562-6 Skechers' '562 Patent Invalidity Claim Chart – Horii (May 17, 2024).

references Petitioner now asserts in its Petition—are directed to conventional footwear. Ex. 2010¹⁰, 1:1–4 (“[invention] relates to articles of footwear and to methods of making the same”); Ex.2011¹¹, 1:1–3 (“[invention] relates primarily to shoemaking and consists in a novel process of making textile material a last-fitting upper”); Ex.1029, 5:65-67 (directed to an upper of an article of footwear); Ex.1014 at [Abstract] (directed to “[a]n article of footwear and a method of manufacturing the article of footwear.”).

Petitioner tacitly admits—through the claim-by-claim assertions in its district court invalidity contentions—that the teachings of the now-asserted Okamoto, Horii, McDonald, and Calderone references were previously considered by the Patent Office. As to Okamoto, Petitioner asserts that the reference teaches each and every element of claims 1–4, just as Petitioner asserts in its invalidity contentions for the previously considered Glidden, Clark, Dua-956, and Dua-592 references. Petition, 80-91; Ex.2004, 3-34; Ex.2005, 3-35; Ex.2006, 3-25; Ex.2008, 3-26. As to Horii and McDonald, Petitioner asserts that each reference teaches the “free portion” element in Claims 5[a], 5[c], 6, 7 and 15, just as Petitioner asserted in its invalidity contentions for the previously considered Glidden, Clark, Dua-956, and Dua-592

¹⁰ U.S. Patent No. 2,147,197 (“Glidden”).

¹¹ U.S. Patent No. 2,440,393 (“Clark”).

references. Petition, 57-73; Ex.2004, 34-44, 61-63; Ex.2005, 35-54, 88-93; Ex.2006, 25-34, 42-43; Ex.2008, 26-39, 57-59. And as to Calderone, Petitioner asserts that the reference teaches the “raised elements” that it injects into its version of the construction of “integral knit tongue” as recited in at least independent Claims 1, 8, and 16, just as Petitioner asserted in its invalidity contentions for the previously considered Glidden, Clark, Dua-956, and Dua-592 references. Petition, 73-78; Ex.2004, 11-22, 49-53, 68-72; Ex.2005, 10-22, 59-64, 94-95; Ex.2006, 7-15, 35-36, 44-45; Ex.2008, 9-17, 42-44, 60-61.

The Okamoto, Horii, McDonald, and Calderone references are thus cumulative with art already considered by the Patent Office. As the Board explained in *Padagis Israel Pharmaceuticals*, asserted art is deemed cumulative when a petitioner “contends the same teachings are found” in previously considered art:

Turning to the other three references, we agree with Patent Owner that Anderson and Chim are cumulative of Kircik and Shalita. Petitioner relies on Anderson and Chim for their teaching that topical compositions containing 0.05% tazarotene are effective to treat acne. However, Petitioner contends the same teachings are found in Kircik and Shalita. Petitioner’s attempt to distinguish Anderson and Chim by urging they show “real-world clinical practice” and therefore “evidence that prior art use of 0.05% tazarotene for treating acne was not limited to experimental clinical studies,” such as those in Kircik and Shalita is unavailing. The challenged claims draw no such distinction, nor does Petitioner persuasively explain why a person of ordinary skill in the art (“POSITA”) would view Anderson’s and Chim’s teachings to be any more pertinent

than Kircik and Shalita's teachings as they relate to the motivation to combine and reasonable expectation of success allegations in the Petition.

Padagis Israel Pharmaceuticals, Ltd. v. Bausch Health Ireland Ltd., No. IPR2023-01114, 2024 WL 146121, at *5 (P.T.A.B. Jan. 12, 2024). The Board reached the same conclusion in *Sonos, Inc. v. Google, LLC*:

Accordingly, as Horn is applied in the Petition to the challenged claims in the same way as art previously presented to the Office, we determine that with regard to the Petition and the challenged claims that Horn is substantially the same as art previously presented to the Office.

Sonos, Inc. v. Google, LLC, IPR2021-00963, 2021 WL 5195655, at *4 (P.T.A.B. Nov. 9, 2021). A Petitioner cannot merely "swap in similar references" in an attempt to avoid discretionary denial under §325(d). *Siemens Mobility, Inc.*, 2024 WL 4827396 at *7 (denying institution under §325(d)).

In sum, Petitioner's asserted art is the same or substantially the same as the art that was presented to the Office during the prosecution of the '562 Patent. Step one of *Advanced Bionics* is met.

B. Petitioner Has Not Demonstrated that the Examiner Committed Material Error (*Becton, Dickinson* Factors (c), (e), and (f))

As *Advanced Bionics* step one has been satisfied, the burden shifts to Petitioner to show that the Office erred in a manner material to the patentability of

the challenged claims. 2020 WL 740292, *3. “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 *3 n.9. But “[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 *3.

Petitioner has failed to make this showing. Indeed, Petitioner does not even allege that the Examiner committed any error; the word “error” does not appear anywhere in the Petition. Petition, 117-118. Petitioner 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. *Skechers U.S.A., Inc. v. Nike, Inc.*, IPR2021-00160, Paper 1 at 18-22 (P.T.A.B. Oct. 30, 2020). The Board has found that petitioner’s failure to allege material error is sufficient basis to determine that the petitioner did not carry its burden as to *Advanced Bionics* step two. *E.g., Balt USA, LLC v. MicroVention, Inc.*, IPR2019-01259, 2021 WL 219251, at *10, *12 (Jan. 21, 2021) (Petitioner’s own analysis of prior art without reference to Examiner’s analysis insufficient to show material error); *Sony Interactive Entm’t LLC v. Terminal Reality, Inc.*, IPR2020-00711, 2020 WL 6065188, at *5 (P.T.A.B. Oct. 13, 2020) (Petitioner’s argument that asserted references were not substantively evaluated or applied in a rejection

failed to sufficiently identify Examiner error); *NXP USA, Inc. v. Impinj, Inc.*, IPR2020-00519, 2020 WL 4805424, at *5 (P.T.A.B. Aug. 17, 2020) (no discussion of material error); *GlaxoSmithKline Consumer Healthcare Holdings (US) LLC v. Cipla Ltd.*, IPR2020-00369, 2020 WL 4390663, at *5 (P.T.A.B. Jul. 31, 2020). In *Sony Interactive*, the Board noted that “Sony [Petitioner] was provided the opportunity to provide explanation [of material error], but Sony was silent in this regard.... Accordingly, *Becton, Dickinson* Factor (e) favors exercising our discretion to deny institution.” *Id.*; see also *Universal Imaging Indus., LLC v. Lexmark Int’l, Inc.*, IPR2019-01387, 2020 WL 959375, at *5 (P.T.A.B. Feb. 27, 2020) (“Although Petitioner is correct that the Examiner did not reject any claims of the ’921 patent based on [the asserted reference], ***that is not the end of our analysis.***”) (emphasis added).

Even if Petitioner’s allusions to the prosecution record could be construed as an argument that the Examiner erred, those assertions are superficial at best. Petitioner hypothesizes that the Examiner might have overlooked the full scope of the teachings of its asserted art, nothing more. Petition, 117. Petitioner’s theory amounts to a disagreement with the Examiner over the state of the art, which is insufficient to show material error. See *Ocado Grp. PLC v. Autostore Tech. AS*, IPR2021-00412, Paper 9, 36-39 (P.T.A.B. Jul. 21, 2021).

Second, as all references here are the same or substantially the same as the references that were before the Examiner, as detailed above (*see* Section VI.A, *supra*), Petitioner cannot meet its burden of demonstrating material error on the basis that the Examiner did not apply the asserted combinations of references in a rejection during the '562 Patent's prosecution. Express application simply is not required. *See ABS Global, Inc. v. Cytonome/ST, LLC*, IPR2021-00306, Paper 13, 13-14 (P.T.A.B. Jun. 7, 2021).

The salient facts here are akin to those at issue in *Nespresso USA, Inc. v. K-Fee Sys. GmbH*, IPR2021-01222, 2022 WL 212376 (P.T.A.B. Jan. 18, 2022). There, “four of the six asserted references were considered by the examiner, and an additional one of the references [was] cumulative of a reference considered by the examiner.” *Id.* at *10. The petitioner argued that the examiner erred “by allowing the challenged claims to issue ‘without comment and without considering the art in this petition.’” *Id.* The Board rejected this assertion as insufficient to meet Petitioner’s “burden of showing that the Office erred, for example, by ‘misapprehending or overlooking specific teachings of the relevant prior art whose teachings impact patentability of the challenged claims.’” *Id.* at *11. Further, the Board found Petitioner’s bare observation that “‘the obviousness analysis’ in the Petition ‘is supported by expert testimony, which the Examiner did not have’” to be “ineffective” in showing material error. *Id.*; *see also Nespresso USA, Inc. v. K-Fee*

Sys. GMHB, IPR2021-01221, Paper 11, 21-24 (P.T.A.B. May 6, 2022) (denying petitioner's request for reconsideration).

Similarly, here, the asserted references were before the Examiner or cumulative of references that were before the Examiner, and Petitioner fails to "point out sufficiently how the examiner erred in [his] evaluation of the asserted prior art." *Nespresso*, 2022 WL 212376, *11. Having largely ignored the prosecution history of the '562 Patent, and having failed to direct the Board to any specific (non-speculative) examiner error, Petitioner fails to meet its burden under *Advanced Bionics* step two.

Because Petitioner (1) relies on the same or substantially the same art considered by the Examiner during the prosecution of the '562 Patent, and (2) fails to show that the Examiner materially erred, institution of the instant proceeding should be denied under §325(d).

VII. THE BOARD SHOULD DENY INSTITUTION UNDER 35 U.S.C. §314(A) AND *FINTIV*

Despite the fact that all of Petitioner's asserted references are the same or substantially the same as references already considered by the '562 Patent Examiner, Petitioner admitted to deliberately delaying its filing of the Petition for its own strategic benefit. *Fintiv* also warrants denial of institution under 35 U.S.C. §314(a)

because the validity of the '562 Patent is being litigated concurrently in district court in the Central District of California. *See generally Nike, Inc. v. Skechers U.S.A., Inc.*, 2:23-cv-09346-AB-PVC (C.D.Cal.).

That this Board and the district court are being asked to simultaneously adjudicate the validity of the '562 Patent is the direct consequence of Petitioner's admitted gamesmanship and strategic decision to delay the filing of the present Petition to take full strategic advantage of (1) Nike's upcoming trial with lululemon; (2) the fact that Nike will be doing "triple duty" by simultaneously pursuing litigations against Skechers, New Balance, and lululemon; and (3) Skechers' belief that the Board will institute at least Skechers' petitions challenging Nike's '484 and '749 Patents because those petitions are "similar" to earlier petitions filed by lululemon. Ex.2012¹². To institute review in these circumstances would (1) needlessly waste the resources of the Board, (2) result in inefficient and disorderly disposition of the parallel validity challenges to the '562 Patent, with the potential for conflicting decisions by the Board and the District Court on everything from claim construction to the final merits decision, and (3) reward Skechers' admitted gamesmanship.

¹² Email from L. Oxenford to M. Wilk, November 13, 2024.

A. Legal Standard for *Fintiv* Discretionary Denial

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. *Fintiv*, 2020 WL 2126495, at *2. 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.

These factors relate to whether efficiency, fairness, and the merits support the Board's exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding. 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* Patent Trial and Appeal Board Consolidated Trial Practice Guide (Nov. 2019), 58 (quoting 35 U.S.C. §316(b)).

In addition, Petitioner has not offered a *Sotera* stipulation. The Board should exercise its discretion and deny institution on the basis that “Petitioner has not submitted a *Sotera*-type stipulation that would make discretionary denial inappropriate.” *Zhuhai Cosmox Battery Co., Ltd. v. Ningde Amperex Tech. Ltd.*, IPR2023-00587, Paper 12 at 15, 27 (P.T.A.B. Sept. 22, 2023) (discretionarily denying institution where Petitioner stipulated not to re-raise same grounds in district court as in IPR but where stipulation “does not extend to any ground ‘that could have been reasonably raised,’ pursuant to *Sotera*.”).

Petitioner has not offered a *Sotera* stipulation—or even a weaker commitment not to assert duplicative grounds in the District Court proceeding—and thus the sound logic recognized in *Zhuhai* applies here. The Board should accordingly find that Petitioner’s decision not to offer a *Sotera* stipulation neutralizes the effects of the pre-institution stay recently entered by the District Court, and under the circumstances merits denial under a holistic analysis of the *Fintiv* factors due to the duplication of the invalidity grounds asserted in the parallel District Court proceedings. *See Fintiv*, 2020 WL 2126495, at *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).

B. The Present Facts Warrant Discretionary Denial Under *Fintiv*

1. Whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted (*Fintiv* Factor One)

The first *Fintiv* factor addresses the likelihood of a stay if this proceeding is instituted. Patent Owner recognizes that a stay of District Court proceedings, when coupled with a *Sotera* stipulation, can make discretionary denial under *Fintiv* inappropriate. But here, Petitioner has not offered a *Sotera* stipulation, and there is no reason to conclude that the District Court's stay reflects any analysis regarding the merits of Petitioners' invalidity defense. As such, the Board should not weigh the pre-institution stay against using its discretion to deny institution because if the Board denies institution and the stay is lifted, the litigation can resume *status quo ante*.

2. The trial date is before the deadline for a Final Written Decision (*Fintiv* Factor Two)

"If the court's trial date is earlier than the projected statutory deadline, the Board generally has weighed this factor in favor of exercising authority to deny institution under *NHK*." *Fintiv*, 2020 WL 2126495, at *4. In the parallel litigation, before the Court stayed the case, trial was set for February 9, 2026, more than four months before the expected Final Written Decision date of June 21, 2026. *Nike, Inc. v. Skechers U.S.A., Inc.*, 2:23-cv-09346-AB-PVC, (C.D.Cal.), Dkt. 96 at 4. If the Board denies institution and the matter proceeds with an approximate delay of four

months from the previous schedule, the District Court action will head to trial on or about June 2026. Moreover, the District Court can hear not only Petitioner's invalidity defense, which most certainly will involve IPR-ineligible challenges under 35 U.S.C. §112, but can resolve infringement and damages as well. As such, especially in light of Petitioner's failure to offer a *Sotera* stipulation, it is more efficient to allow this matter to proceed in front of the District Court. The Board has found that a trial date 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). Thus, factor two weighs against institution.

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*, 2020 WL 2126495, at *4. “[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, a stay may be less likely, and instituting would lead to duplicative costs.” *Id.* at 10. The Board considers the amount and type of work already completed in the parallel litigation “at the time of the institution decision.” *Id.*

Patent Owner and Petitioner have undertaken substantial activity in support of the district court proceedings since at least 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. 1. The parties have spent months briefing the district court on the claim construction issues in the parallel proceeding. The parties submitted opening, reply, and supplemental claim construction briefs, and a claim construction hearing was held on September 20, 2024. *Nike, Inc. v. Skechers U.S.A., Inc.*, Dkt. 83, 84; Ex.1006; Ex.1007; Ex.1008; Ex.1009; Ex.1010; Ex.1033; Ex.2013¹³; Ex.2014¹⁴.

Additionally, the parties have exchanged over one million pages of discovery, including information about their merits positions concerning the '562 Patent. Petitioner served preliminary and supplemental invalidity contentions in April and May, 2024, respectively, in the parallel proceeding, including detailed claim charts that address nearly the same exact prior art cited in the Petition. *See* Ex.2015¹⁵; Ex.2003. Nike served initial and supplemental infringement contentions in March

¹³ Skechers' Supplemental Claim Construction Brief (September 30, 2024).

¹⁴ Nike's Supplemental Claim Construction Brief (September 30, 2024).

¹⁵ Skechers' Preliminary Invalidity Contentions Pleading (April 19, 2024).

and October, 2024, respectively. Ex.1011; Ex.2016¹⁶. At the time of the stay, non-email discovery was almost complete, and the parties were finalizing e-mail search terms. 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).

The parties’ significant investment in the parallel proceeding, since at least November 2023, favors denying institution.

4. The Validity of the ’562 Patent Is Central to Both Proceedings (*Fintiv* Factor Four)

The validity of the ’562 Patent is central to both this dispute and the parallel litigation. In the district court case, Patent Owner asserts that Petitioner infringes the ’562 Patent. *Nike, Inc. v. Skechers U.S.A., Inc.*, Case No. 2:23-cv-09346-AB-PVC (C.D.Cal.), Dkt. 1. In turn, Petitioner alleges that the claims of the ’562 Patent are invalid. *Id.*, Dkt. 34. It would be wasteful and inefficient to proceed here given the overlap between the issues and the potential for conflicting decisions. *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 because it would be

¹⁶ Nike’s Supplemental Infringement Contentions for the ’562 Patent (October 23, 2024).

inefficient to proceed in multiple fora and to avoid potential conflicting decisions due to the substantial overlap between claims). Factor four therefore weighs in favor of denying institution.

5. Patent Owner and Petitioner are the same Parties in both proceedings (*Fintiv* Factor Five)

Petitioner and Patent Owner are the same parties in both the instant proceeding and the parallel litigation. Accordingly, “this [fifth] factor favors the exercise of discretionary denial.” *Keyme, LLC v. Hillman Grp.*, IPR2020-01485, 2021 WL 1236002, *6 (P.T.A.B. Mar. 31, 2021).

6. Other circumstances warrant that the Board exercise its discretion to deny institution (*Fintiv* Factor Six)

There are no additional factors that warrant institution. To the contrary, the other relevant circumstances here—including the Examiner’s previous consideration of the same or substantially the same art advanced by Petitioner (warranting §325(d) discretionary denial) and Petitioner’s strategic decision to delay filing the instant petition challenging the validity of the ’562 Patent at a time when it knew that “Nike [would] be doing ‘triple duty’ by simultaneously pursuing litigations against Skechers, New Balance, and lululemon.” Ex.2012; *Fintiv*, 2020 WL 2126495, at *7 (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”).

Petitioner could have filed a petition for IPR of the '562 Patent in May 2024, after it served its supplemental invalidity contentions that included many of the invalidity bases that it now raises in the instant petition. Yet, Skechers waited an additional six months to file it at a time when it was aware that Nike's resources would be stretched thin. The Board should not encourage or endorse these tactics. Institution under these circumstances would waste judicial resources and reward gamesmanship.

The *Fintiv* factors weigh in favor of denial. Therefore, the Board should exercise its discretion to deny institution under *Fintiv* and §314(a).

**VIII. PETITIONER HAS NOT ESTABLISHED A REASONABLE
LIKELIHOOD OF PREVAILING FOR ANY CHALLENGED CLAIM**

Petitioner bears the burden on institution of “demonstrating a reasonable likelihood that it will prevail in showing the unpatentability of at least one claim.” *SMIC, Ams. v. Innovative Foundry Techs., LLC*, IPR2020-00837, Paper 13 at 13–14 (P.T.A.B. Oct. 9, 2020) (citing 35 U.S.C. §§314(a) and 312(a)(3)). In making this showing, Skechers' Petition must identify “the evidence that supports the grounds for the challenge to each claim.” *Id.* Skechers has not met that burden here.

First, Skechers alleges that claims 1-4 of the '562 Patent are invalid as anticipated under 35 U.S.C. §102. Skechers anticipation-based grounds (Grounds

1A and 2A) fail because the asserted references (Dua-592 and Okamoto, respectively) do not disclose “an integral knit tongue.” Anticipation requires “that a single prior art reference discloses each and every element of a claimed invention.” *Silicon Graphics, Inc. v. ATI Techs., Inc.*, 607 F.3d 784 at 796 (Fed. Cir. 2010). Because Skechers does not demonstrate that the allegedly anticipating references disclose “an integral knit tongue,” it has not met its burden with respect to Grounds 1A and 2A.

As an additional matter, Skechers’ Ground 2A anticipation argument cannot succeed as a matter of law because it combines multiple embodiments of a single prior art reference. It is Hornbook law that a reference must not only explicitly or inherently disclose every claimed element, but those elements must also be arranged within that reference as they are in the claim. *See Net MoneyIN, Inc. v. Verisign, Inc.*, 545 F.3d 1359, 1369–71 (Fed. Cir. 2008). Disclosures from multiple, distinct embodiments of a prior art reference cannot be combined to anticipate the challenged claim. *See id.* at 1371. And “differences between the prior art reference and a claimed invention, however slight, invoke the question of obviousness, not anticipation.” *Id.* For these reasons, Skechers’ Ground 2A anticipation theory fails as a matter of law.

Second, Skechers alleges invalidity under 35 U.S.C. §103(a) of all claims of the ’562 Patent, *i.e.*, that the differences between the claims of the ’562 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 the POSITA. *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). Skechers’ obviousness-based grounds (Grounds 1B-D and Grounds 2B-C) fail because the secondary references do not cure the defects in Dua-592 and Okamoto. In other words, neither of Skechers’ primary references teach or suggest “an integral knit tongue,” and Skechers does not use any secondary references to fill in the gaps. To prevail, Skechers must “place themselves in the minds of those of ordinary skill in the relevant art *at the time the invention was made*, to determine whether that which is now plainly at hand would have been obvious at such earlier time.” *Millennium Pharms., Inc. v. Sandoz Inc.*, 862 F.3d 1356, 1367 (Fed. Cir. 2017) (emphasis added). 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 nonobviousness where petitioner’s challenge was “based on attorney argument rather than evidence in the record”). Skechers’ obviousness-based grounds suffer defeat because they do not teach or suggest “an integral knit tongue.”

Additionally, in Grounds 1D and 2C, Skechers fails to demonstrate that the POSITA would be motivated to combine the asserted references to reach the invention claimed in the ’562 Patent. Skechers must prove that a POSITA would have been motivated to modify or combine teachings from different references. *KSR*,

550 U.S. at 418; *see also In re Stepan Co.*, 868 F.3d 1342, 1345–46 (Fed. Cir. 2017).

A patent “composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.”

Id. It is “important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does.” *Id.* In addition to motivation to combine, Skechers must show a reasonable expectation of success in making a prior art combination. *See Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1367 (Fed. Cir. 2016). Because Skechers fails to articulate a reason to combine the proposed references in Grounds 1D and 2C, they must fail.

Therefore, for the reasons articulated herein, Skechers has not shown a reasonable likelihood of success for any challenged claim under any ground of unpatentability. Accordingly, the Board should thus deny institution.

A. Ground 1A: Petitioner Fails To Show A Reasonable Likelihood That Dua-592 Anticipates Claims 1-4

Petitioner does not demonstrate a reasonable likelihood that Dua-592 anticipates any challenged claim in Ground 1.

1. Dua-592 does not disclose “an integral knit tongue”

Petitioner’s argument that Dua-592 discloses an “integral knit tongue” as recited in Elements 1[c] and 1[d] fails.

Petitioner argues that “instep region 33” or “third texture 48” of Dua-592 is an “integral knit tongue.” Petition, 28-38. But Skechers’ argument rests on a mischaracterization of Nike’s litigation position regarding the meaning of the term “tongue.” *Id.*, 28-29. Skechers asserts that Nike’s “understanding of ‘integral knit tongue’ refers generally to knitted material within the throat area.” *Id.*, 29. Not so. In its supplemental claim construction briefing in the parallel litigation, Nike articulated to the Court that, as used in the ’562 Patent, “the tongue is ‘integrally knitted’ with the upper, but still has distinctive features of a conventional tongue.” Ex.2014, 1. In conventional articles of footwear, the tongue is a separate component stitched into the upper. The ’562 Patent provides various non-limiting examples of an “integral knit tongue.” For example, the integral knit tongue may have “a top end 814 that extends into the portion of second knitted component 800 that is associated with the ankle opening,” as shown in Figure 8 (below left). Ex.1001, 11:37-41, Fig. 8. Or, as shown in Figure 10 (below right), the integral knit tongue may have a “partially integral portion 1012 and a free portion 1014,” where the free portion provides an enlarged ankle opening to assist a wearer with foot insertion. *Id.* at 13:13-21, 13:57-66, Fig. 10. In these examples, the integral knit tongue is identifiable by its upper boundary which extends beyond the adjacent periphery of the ankle opening.



Id. at 10:63-11:10.

48''' do not have any distinctive features of a conventional tongue.

Therefore, Petitioner has failed to demonstrate that Dua-592 anticipates Claim 1.

2. Dua-592 does not anticipate Claims 2-4

For the reasons discussed above, because Dua-592 does not anticipate independent Claim 1, it does not anticipate dependent Claims 2-4.

B. Ground 1B: Petitioner Fails To Show A Reasonable Likelihood That Dua-592 Renders Claims 8-14 and 16-23 Obvious

Much like Claim 1, independent Claims 8 and 16 recite an “integral knit tongue.” As a result, for at least the reasons discussed above with respect to Ground 1A, Dua-592 does not render Claims 8 and 16 obvious. And because Dua-592 does not render obvious independent Claims 8 and 16, it also does not render obvious dependent claims 9-14 and 17-23.

C. Ground 1C: Petitioner Fails To Show A Reasonable Likelihood That Dua-592 Alone Or In View Of McDonald And/Or Horii Renders Claims 5-7 and 15 Obvious

Similarly, because Petitioner fails to establish that Dua-592 discloses an “integral knit tongue” as recited in independent claims 1 and 8, as discussed in sections VIII.A and VIII.B, *supra*, Dua-592 alone or in view of McDonald and/or Horii does not render claims 5-7 and 15 obvious. Petitioner does not rely on McDonald or Horii to fill the “integral knit tongue” gap in Dua-592.

D. Ground 1D: Petitioner Fails To Show A Reasonable Likelihood That Claims 1-23 Are Obvious Under Grounds 1A-1C In View of Calderone Under Its Construction of “Integral Knit Tongue”

Petitioner argues that, in the alternative, Claims 1-23 are obvious under Grounds 1A-1C in view of Calderone under its own construction of “integral knit

tongue.” Petition, 73-78. Under this theory, Skechers posits, citing its claim construction briefing from the parallel litigation, that the term “integral knit tongue” “corresponds to the throat area between overhanging portions of the upper or adjacent to one or more raised elements.” *Id.*, 73. In turn, Skechers proposes that “raised element” means “a flap or overhanging portion that extends outward away from the surface of the upper along the length of the side of the tongue.” *Id.*, 73-74. Even assuming that Skechers’ proposed constructions are correct, Skechers still fails to demonstrate a reasonable likelihood that Claims 1-23 are obvious under Grounds 1A-1C in view of Calderone.

Skechers proposes that Calderone (Ex.1018) satisfies the “raised element” limitation that is recited in its proposed construction of “integral knit tongue.” Petition, 74-78. As discussed in §III.C, *supra*, Calderone describes “an oxford type, lace up athleisure shoe” that “enables the shoe to be slipped on the wearers foot and held securely on the foot without the need for lacing on the shoe,” “provid[ing] the shoe with the appearance of a lace up shoe that is worn without lacing.” Ex.1018, Abstract; *see also id.*, 1:15-20. Calderone “overcomes the problem of wearing oxford lace up basketball shoes without lacing,” where the “lacing openings or eyelet openings on the shoe are left open, with there being no lacing on the shoe.” *Id.*, 1:45-47. Instead of having laces, “[t]he shoe is modified with a band that is connected to the left side and the right side of the shoe upper and extends across he shoe forefoot

opening.” *Id.*, 1:48-50. Petitioner omits that Calderone expressly discloses an article of footwear that is to be worn without laces. Petition, 74-76.

Petitioner provides no explanation for why the POSITA would look to a laceless shoe to modify the design of Dua-592. While Dua-592 teaches that its upper “may also include laces,” (Ex.1014, [0037]), Petitioner does not explain why the POSITA would incorporate elements from a laceless shoe such as Calderone. Indeed, Calderone teaches away from the invention of the ’562 Patent: “it should be understood that the novel concept of the invention could be employed on other types of lace up shoes that are desired to be worn without lacing and without altering the appearance of the lace up shoe.” Ex.1018, 2:25-28. In other words, Calderone is explicitly intended to be used without laces. As an additional matter, Petitioner also does not explain why there is a need to modify Dua-592, which is already designed to accommodate laces, with the features of Calderone. Petition, 76.

Thus, Petitioner fails to show a reasonable likelihood that Grounds 1A-1C in further view of Calderone renders obvious Claims 1-23.

E. Ground 2A: Petitioner Fails To Show A Reasonable Likelihood That Okamoto Anticipates Claims 1-4

Petitioner’s second set of challenges to the ’562 Patent replace Dua-592 with Okamoto as the primary reference. However, Skechers does not demonstrate that Okamoto anticipates claims 1-4.

1. Petitioner’s anticipation theory fails as a matter of law

The Petition flouts the bedrock principle that a single prior art reference must expressly or inherently disclose each claim limitation *arranged as in the claim* by citing multiple embodiments from Okamoto in its so-called “anticipation” ground. *Net MoneyIn*, 545 F.3d at 1371.

Petitioner attempts to fill the gaps in Okamoto’s description of footwear 80 by referring to a separate embodiment, slipper 90 (Figure 9). *E.g.*, Petition, 80 (citing Ex.1015, [0032], Fig. 9 for element 1[pre]), 81 (citing same for element 1[a]). To the extent Petitioner attempts to fill a gap in Okamoto’s disclosure of footwear 80 by relying on a disclosure of slipper 90, it is axiomatic that the disclosure of two separate embodiments within the same reference cannot be combined to prove anticipation. *Net MoneyIN*, 545 F.3d at 1371; *see also TF3 Ltd. v. Tre Milano, LLC*, 894 F.3d 1366, 1374 (Fed. Cir. 2018); *SynQor, Inc. v. Artesyn Tech., Inc.*, 709 F.3d 1365, 1375 (Fed. Cir. 2013) (“[E]ven if the Mweene Thesis discloses each discrete element of each claim Defendants assert is anticipated, the thesis does not disclose those elements arranged as required by the claim.”).

Similarly, Petitioner improperly draws from separate teachings in paragraphs [0026]-[0027] and paragraph [0031] of Okamoto to reach Element 1[d]. Petition, 84-88. Okamoto explains that in knitting a three-dimensional article, bottom face 8 is formed first, followed by the four side surfaces, where “[r]eference numerals 26 to

29 represent four side faces of the three-dimensional article,” having “an opened upper face.” Ex.1015, [0026]-[0027], Figs. 1-4. Petitioner then attempts to rely on the separate disclosure in paragraph [0031] that surfaces 8 and 26-29 of Figure 4 may correspond to surfaces 85, 88, 84, 82, and 86 of upper 80 in Figure 8 if surface 85 is knitted first.¹⁷ Petition, 85. Again, Skechers’ incorporation of separate teachings from separate embodiments within Okamoto cannot be used to prove anticipation.

For these reasons, Ground 2A fails as a matter of law. Skechers cannot demonstrate that Okamoto anticipates claim 1. As a result, Skechers also cannot demonstrate that Okamoto anticipates claims 2-4, which depend upon claim 1.

2. Okamoto does not anticipate claims 1-4

Moving on, assuming that Skechers’ anticipation argument is proper, it still fails to demonstrate a reasonable likelihood that Okamoto anticipates claims 1-4.

¹⁷ Okamoto teaches that reference numeral 81 represents a stitch start line and knitting proceeds directionally downwards from stitch start line 81 to bottom face 82. Ex.1015, Fig. 8. Okamoto further states that surface 85 may be knitted as the bottom face, but does not state that it would necessarily be formed first. *Id.*

a) Okamoto does not disclose “an integral knit tongue”

Petitioner asserts that surface 83 or surfaces 83 and 87 together of Okamoto form “an integral knit tongue.” Petition, 82-83. Skechers’ argument again rests on a misrepresentation of Nike’s proposed construction of “integral knit tongue.” Petition, 82. But, as discussed in section VIII.A.1, Nike argued that, as used in the ’562 Patent, “the tongue is ‘integrally knitted’ with the upper, but still has distinctive features of a conventional tongue.” Ex.2014, 1.

Skechers points to no features of surface 83 or surfaces 83 and 87 together that are characteristic of a conventional tongue. Petition, 82-84. For these reasons, Okamoto does not disclose an “an integral knit tongue.”

For at least this reason, Okamoto fails to disclose Elements 1[c] and 1[d]. Therefore, Petitioner has failed to demonstrate that Okamoto anticipates Claim 1.

b) Okamoto does not anticipate claims 2-4

For the reasons discussed above, because Okamoto does not anticipate independent Claim 1, it does not anticipate dependent Claims 2-4.

F. Ground 2B: Petitioner Fails To Show A Reasonable Likelihood That Okamoto in view of Dua-592 Renders Claims 5-23 Obvious

Because Petitioner fails to establish that Okamoto discloses “an integral knit tongue” as recited in Claim 1 (section VIII.E, *supra*), Petitioner also fails to demonstrate that Okamoto in view of Dua-592 renders claims 5-7 obvious. Petition,

95-104. Petitioner does not look to Dua-592 to fill the “integral knit tongue” gap in Okamoto.

Additionally, much like Claim 1, independent Claims 8 and 16 recite an “integral knit tongue.” As discussed in section VIII.E.2.a, *supra*, Okamoto does not teach or suggest “an integral knit tongue” under Nike’s proposed construction. As a result, for at least the reasons discussed above with respect to Ground 2A, Okamoto in view of Dua-592 does not render Claims 8 and 16 obvious. And because Okamoto in view of Dua-592 does not render independent Claims 8 and 16 obvious, it also does not render dependent claims 9-14 and 17-23 obvious.

G. Ground 2C: Petitioner Fails To Show A Reasonable Likelihood That Grounds 2A-2B In View Of Calderone Renders Claims 1-23 Obvious

In its final ground, Petitioner argues that the ’562 Patent is rendered obvious by Grounds 2A-2B in view of Calderone under Skechers’ proposed construction of “integral knit tongue.” Petition, 114-117. Even assuming that Skechers’ proposed construction is correct, Skechers still fails to demonstrate a reasonable likelihood that Claims 1-23 are obvious under Grounds 2A-2B in view of Calderone.

Much like in Petitioner’s Ground 1D, Skechers asserts that Calderone teaches the “raised elements” contained within its proposed construction of “integral knit tongue.” Petition, 114-117; Section VIII.D, *supra*. Petitioner’s argument fails for similar reasons as Ground 1D. *See* Section VIII.D, *supra*.

As discussed, Calderone is directed to a laceless shoe. §VIII.D, *supra*; *see also* Ex.1018, Abstract, 1:15-20, 1:45-50, 2:25-28. Indeed, it is band 92 of Calderone that secures the foot within the shoe without the need for lacing. Ex.1018, 3:41-4:9. Okamoto does not disclose laces or lace openings. *See generally* Ex.1015. Petitioner makes no effort to explain why the POSITA would incorporate elements from a laceless shoe (Calderone) into another shoe that may or may not already contain laces (Okamoto). Petition, 114-117. As Okamoto does not disclose the use of laces, Calderone's raised lace openings render no value to Okamoto. Thus, Petitioner fails to demonstrate a motivation to combine Grounds 2A-2C with Calderone. As a result, Petitioner fails to establish that Claims 1-23 are obvious over Grounds 2A-2C in view of Calderone.

IX. CONCLUSION

For the reasons set forth above, Nike respectfully requests that the Board deny institution of the Petition for all Challenged Claims of the '562 Patent.

Dated: March 21, 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 9,900 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 21, 2025 to the following Counsel for Petitioner via e-mail:

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