Filed on behalf of: ResMed Corp. Filed: April 9, 2025

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RESMED CORP.,

Petitioner,

v.

CLEVELAND MEDICAL DEVICES INC.,

Patent Owner.

Case No. IPR2025-00160
U.S. Patent No. 11,786,680

PETITIONER'S REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE

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Although the '680 Patent is subject to EPR on different grounds, Petitioner would not oppose a stay of the EPR in favor of a quicker resolution through IPR as contemplated under § 315(d). Thus, equitable considerations and due process favor institution. Further, the case in N.D. Ohio has already been stayed before any claim construction order has issued. Thus, the *Fintiv* factors also favor institution.

I. FAIRNESS AND DUE PROCESS SUPPORT INSTITUTION

This is the first petition filed for an AIA proceeding on the '680 Patent. Thus, fundamental fairness and equitable considerations support institution. PO argues that equitable considerations and due process instead support denial. POPR, 6-12. But PO's arguments are based on wholly unrelated comments from Congress and a contorted reading of the 2019 CTPG. If anything, it is PO that seeks to deprive Petitioner of its right to challenge the '680 Patent through an AIA proceeding without due process by ignoring the proper rules and facts.

First, PO argues that "it would be inefficient for the Board to institute trial in this case because the pending reexamination proceeding involves three of the four references raised in this Petition: Toge, Kisner, and Kumar." POPR, 11. This is incorrect both factually and legally.

Factually, the instant Petition does not rely on any of the same combinations as the pending EPR. *Cf.* Pet., 2 (Identification of the Challenges) *to* EX1053, 7 (Proposed Grounds of Rejection). Indeed, while PO acknowledges "the fact that

Petitioner cited the same art in multiple proceedings implicates 35 U.S.C. § 325(d)" (POPR, 11), PO tellingly chose not to perform an *Advanced Bionics* analysis. This is because such analysis would plainly confirm denial is inappropriate under § 325(d) because the Office has never considered the combinations and arguments presented in the instant Petition.

Legally, the Board may stay the EPR, eliminating any concerns of inefficiency. The Director may stay a reexamination of a patent that is the subject of the IPR under 35 U.S.C. § 315(d), and the Director has authorized the Board to enter an order effecting a stay of a parallel reexamination of a patent that is subject to an IPR. 37 C.F.R. §§ 42.3(a), 42.122(a). Indeed, stay has become routine in cases with a co-pending IPR and EPR, even with limited overlap. *See Fox Factory, Inc. v. SRAM, LLC,* IPR2017-01440*,* Paper 32, at 3 (June 4, 2018) (setting forth factors for stay of parallel reexamination, including "whether a decision in the IPR would likely simplify issues presented in the reexamination or render it moot"); *Toshiba Memory Corp. v. Anza Tech., Inc.,* IPR2018-01597, Paper 38 (July 10, 2019) (staying reexamination with a single common claim, but overlapping art).

PO complains that a stay "would not provide relief" and "would compound the prejudicial delay in Patent Owner's ability to exercise its rights." POPR, 9. Not so. As a threshold, the district court has already rejected this argument in staying the parallel litigation. *See ResMed Corp. v. Cleveland Medical Devices, Inc.*, No. 1:23-

cv-2221, 2025 WL 744610, at *3-4 (N.D. Ohio March 7, 2025). Specifically, the district court underscored PO's admission that it "does not currently practice the technology" in the Asserted Patent. *Id.* at 4. Thus, any delay could be easily compensated through monetary relief.

Critically, PO provides no factual support for its prejudice argument; instead, PO relies on inapposite Congressional comments. As to the comments on patent term adjustment, they have nothing to do with this analysis. *See generally* EX2014. As to the comments on AIA proceedings, Congress also emphasized "the purpose of the section as providing quick and cost effective alternatives to litigation." H.R. Rep. No. 112-98, pt. 1, at 48 (2011), and a stay would achieve just that.

Second, PO speculates that Petitioner filed the parallel IPR and reexamination challenges "in order to avoid the 2019 CTPG's requirement that petitioners justify the filing of multiple petitions." POPR, 12. This makes no sense. As PO ultimately admits, "the 2019 CTPG facially applies only to parallel IPR and PGR petitions." POPR, 11. Thus, the 2019 CTPG guidance on multiple petitions does not apply here.

PO further argues that "Petitioner sought and successfully obtained a stay of [the parallel] litigation, using the multiple proceedings before the Office as the basis for such a stay." POPR, 12. Again, this makes no sense. The district court did not rely on the fact that both an IPR and EPR had been filed. To the contrary, the district court suggests that even if just an IPR had been filed, it would have granted the pre-

institution stay as it has consistently done in the past. *ResMed*, 2025 WL 744610, at *3 ("[T]he vast weight of authority from district courts in this circuit find even where an IPR petition is pending review, a stay can be warranted.") (citing to *Horizon Glob. Ams., Inc. v. N. Stamping, Inc.,* No. 20-cv-00310-PAB, 2021 WL 12303268 (N.D. Ohio Dec. 6, 2021) and *Noco Co. v. Shenzhen Lianfa Tong Tech. Co.*, No. 19-cv-1855, 2020 WL 13929894, at *7 (N.D. Ohio Nov. 13, 2020).

Last, PO argues that Petitioner is "exploiting the Office's procedures and processes in a manner that takes the longest amount of time." POPR, 7. Quite the opposite. For the avoidance of doubt, Petitioner will not oppose stay of the EPR. And after the parties' failed mediation on October 21, 2024, Petitioner immediately filed an IPR as it would ensure a quicker resolution than either EPR or litigation.

II. *FINTIV* SUPPORTS INSTITUTION

Here, where the parallel litigation is already stayed and a trial date has never been scheduled, each and every *Fintiv* factor supports institution and will further the Board's objectives to advance "efficiency, fairness, and the merits." *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, at 5-6 (Mar. 20, 2020) (precedential).

Factor 1 (stay) strongly favors institution. "A district court stay of the litigation pending resolution of the PTAB trial allays concern about inefficiency and duplication of efforts." *Fintiv*, at 6. "Accordingly, consideration of the first *Fintiv* factor weighs strongly against exercising discretion to deny institution." *Snap, Inc.*

v. SRK Tech. LLC, IPR2020-00820, Paper 15, at 9 (Oct. 21, 2020) (precedential) ("The granting of a stay pending *inter partes* review has weighed strongly against exercising discretion to deny institution under *NHK*."). The Ohio case is stayed pending the IPR and the PO concedes to this fact (POPR, 15). The district court decision to defer to the expertise of the PTAB is unsurprising given that N.D. Ohio has had only 8 patent trials since 2008 (according to DocketNavigator).

Factor 2 (proximity to trial) strongly favors institution. No trial date has been set in Ohio and the PO concedes to this fact (POPR, 15). *Cf. Motorola Sols., Inc. v. Stellar, LLC*, IPR2024-01205, -01206, -01207, -01208, Paper 19, at 3 (Mar. 28, 2025) (Director Review) (denial where trial scheduled eleven months before projected FWD). To the extent PO argues that the Ohio court could lift the stay and schedule a trial date before the FWD, "this amounts to 'unfounded speculation as to how the court might proceed'" and is entitled to no weight. *Snap*, at 9.

Factor 3 (investment in parallel litigation) favors institution. The Ohio court has not yet held a *Markman* hearing nor issued a claim construction order. *Cf. Stellar*, at 3 (denial where court had already issued claim construction order, and parties conducted depositions and exchanged expert reports). Indeed, the parallel case here is nearly at the exact same stage of litigation as the case in the precedential *Snap* decision. *Snap*, at 10 (finding "the District Court proceeding was in its early stages" where "no claim construction orders have issued").

PO argues that the parties have been litigating for years. POPR, 16-17. But PO points to the Delaware case (also now stayed) where the '680 Patent is not asserted, overlooking the plain text of Factor 3: "investment in the ***parallel proceeding*** by the court and the parties." *Fintiv,* at 6 (emphasis added).

PO further argues that Petitioner improperly delayed filing the instant Petition. POPR, 17-23. Not so. First, the district court already rejected this argument. *ResMed*, 2025 WL 744610, at *3 ("The Court does not find the timing of ResMed's filings suggests it is using delay tactics."). Second, Petitioner had good reason to wait to file the petition—the mediation on October 21, 2024. Specifically, Petitioner waited until after participating in good faith in mediation to determine whether PO would drop its infringement claims, which reasonably conserved Board and party resources. *See also Fintiv*, at 11 ("it is often reasonable for a petitioner to wait to file its petition until it learns which claims are being asserted against it in the parallel proceeding"). Indeed, on September 5, 2024, the Ohio court also stayed the parallel case pending mediation. After mediation failed, Petitioner filed the instant Petition less than two months later on December 6, 2024. *See also Snap,* at 12-13 ("In view of our finding that the parallel District Court proceeding was in an early stage prior to the stay, the timing of the filing of the Petition does not weigh in favor of exercising discretion to deny institution."); *Supercell Oy v. Gree, Inc.*, PGR2020-00038, Paper 14, at 15 (Sept. 3, 2020) (declining denial because only minimal

investments had been made in the parallel proceeding although petition filed late within statutory filing window).

Factor 4 (overlap) strongly favors institution. The Ohio case is stayed, thus there is no danger of overlap. *See Snap*, at 16 ("Based … [in part on] the stay of the parallel District Court proceeding, the considerations of the fourth *Fintiv* factor weigh against exercising discretion to deny institution."). Even if any challenged claims were to survive, Petitioner would be estopped under 35 U.S.C. § 315 from bringing any invalidity challenge that was raised or reasonably could have been raised during the IPR. Moreover, the Ohio court would significantly benefit from the simplification of issues and the findings of the Board.

PO argues that "Toge and Burton were already asserted" in Ohio. POPR, 24. This is irrelevant because the case is stayed. But even if not, as PO admits (POPR, 20), Kumar and Kisner were not included in Petitioner's invalidity contentions, so the instant Petition includes different grounds. *See also Fintiv*, at 12-13.

Finally, PO asserts that Petitioner has not submitted a *Sotera* or similar stipulation. POPR, 24. This argument is nonsensical because Petitioner will be estopped under 35 U.S.C. § 315 after the FWD and the Ohio court lifts the stay.

Factor 5 (same party) favors institution. The Board will issue the FWD before trial in Ohio (if any). *See Huawei Tech. Co. v. WSOU Inv., LLC*, IPR2021-00225, Paper 11, at 14 (June 14, 2021) ("this factor 'favors denial if trial precedes

the Board's Final Written Decision and favors institution if the opposite is true'").

Factor 6 (other considerations) strongly favors institution. First, the Petition presents strong arguments for unpatentability using grounds based on references that have never been considered by the Office. *See Samsung Elecs. Co. Ltd. v. Dynamics Inc.*, IPR2020-00505, Paper 11, at 14 (Aug. 12, 2020) (finding case merits favor institution). Second, PO makes baseless allegations that Petitioner is "derailing its litigation" by filing this Petition (POPR, 27), and such arguments have been rejected by the Board. *See Oticon Medical AB v. Cochlear Limited*, IPR2019-00975, Paper 15. at 23 (October 16, 2019) (precedential) (finding that "Patent Owner's arguments regarding Petitioner's intentions or the effect of a Board proceeding are speculative" and declining to deny institution). Third, Petitioner—ResMed Corp.—is a publicly traded company that manufactures lifesaving medical equipment that is critical to public health and the U.S. economy as a whole. Thus, institution is consistent with the significant public interest against "leaving bad patents enforceable." *Thryv, Inc. v. Click-To-Call Techs., LP,* 590 U.S. 45, 55 (2020). Fourth, this Petition is the sole challenge to the '680 Patent before the Board—a "crucial fact" favoring institution. *Google LLC v. Uniloc 2017 LLC*, IPR2020-00115, Paper 10, at 6 (May 12, 2020). Last, the Board is a more efficient forum to decide invalidity compared to N.D. Ohio, which only sees about two dozen patent cases per year (based on DocketNavigator).

Dated: April 9, 2025

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CERTIFICATE OF SERVICE

I hereby certify that on April 9, 2025, a true and correct copy of the foregoing **PETITIONER'S REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE** is being served by electronic mail on Patent Owner's counsel of record listed below, pursuant to it Mandatory Notices:

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