

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EMBODY, INC. and ZIMMER BIOMET HOLDINGS, INC.,
Petitioner.

v.

LIFENET HEALTH,
Patent Owner.

IPR2025-00248 (Patent 10,137,223 B2)
IPR2025-00249 (Patent 11,318,227 B2)

Before SHERIDEN K. SNEDDEN, CHRISTOPHER G. PAULRAJ, and
CHRISTOPHER C. KENNEDY, *Administrative Patent Judges*.

PAULRAJ, *Administrative Patent Judge*.

ORDER
Granting-in-Part and Denying-in-Part
Patent Owner's Motion for Additional Discovery
37 C.F.R. § 42.51(b)(2)

I. INTRODUCTION

As authorized in our Order dated August 26, 2025 (Paper 16),¹ LifeNet Health (“Patent Owner”) filed a Motion for additional discovery related to the commercial success of Petitioner’s Tapestry[®], Tapestry[®] RC, and ActivBraid[®] products (“Accused Products”) that are alleged to infringe the challenged patents. Paper 17 (“Mot.”). Also pursuant to our authorization, Embody, Inc. and Zimmer Biomet Holdings, Inc. (collectively, “Petitioner”) filed an Opposition to the Motion. Paper 18 (“Opp.”).

For the reasons explained below, we hereby grant-in-part and deny-in-part Patent Owner’s Motion.

II. REQUESTED DISCOVERY

Patent Owner seeks to propound the following requests for production (RFPs) and interrogatories upon Petitioner:

A. Requests for Production

1. Documents sufficient to show, on an annual basis since January 1, 2019, Petitioner’s relative market share of the U.S. market for implants for tendon or ligament repair based on sales of the Tapestry[®] or the Tapestry[®] RC.
2. Documents sufficient to show, on an annual basis since January 1, 2019, Petitioner’s relative market share of the U.S. market for sutures based on sales of the ActivBraid[®].
3. Documents sufficient to show the reasons why healthcare providers in the United States purchase the Tapestry[®] or the Tapestry[®] RC.
4. Documents sufficient to show the reasons why healthcare providers in the United States purchase the ActivBraid[®].

¹ We cite to papers filed in IPR2025-00248, but similar papers were also filed in IPR2025-00249.

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B. Interrogatories

1. Identify, on a quarterly basis since January 1, 2019, the unit sales and total revenues for the Tapestry®.
2. Identify, on a quarterly basis since January 1, 2019, the unit sales and total revenues for the Tapestry® RC.
3. Identify, on a quarterly basis since January 1, 2019, the unit sales and total revenues for the ActivBraid®.

Ex. 2008.

III. ANALYSIS

In *inter partes* reviews, a party seeking additional discovery must demonstrate that such discovery is “necessary in the interests of justice.” 35 U.S.C. § 316(a)(5)(B); 37 C.F.R. § 42.51(b)(2)(i). To assess whether this standard has been met, we consider the five factors provided in the Board’s precedential decision in *Garmin International, Inc. v. Cuozzo Speed Technologies LLC*, IPR2012-00001 (Mar. 5, 2013) (Paper 26) (“*Garmin*”): (1) whether there exists more than a possibility and mere allegation that something useful will be discovered; (2) whether the requests seek the other party’s litigation positions and the underlying basis for those positions; (3) whether the moving party has the ability to generate equivalent information by other means; (4) whether the moving party has provided easily understandable instructions; and (5) whether the requests are overly burdensome to answer. *Garmin*, at 6–7.

The first *Garmin* factor is intended to prevent “fishing expeditions,” and requires the party seeking additional discovery to demonstrate there exists “a threshold amount of evidence or reasoning tending to show beyond speculation that something useful will be uncovered” from the discovery sought. *Id.* at 7. In this context, “useful” requires a showing that the information sought is “favorable in substantive value to a contention of the

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party moving for discovery.” *Id.* at 7–8. With regard to this factor, Patent Owner argues that the requested information concerning sales volume, revenue, market share, and the reasons why healthcare providers have purchased the Accused Products will be useful to a commercial success argument that Patent Owner intends to raise in response to the obviousness challenges in these proceedings. As the threshold evidence in support of this factor, Patent Owner identifies webpages from Zimmer Biomet providing marketing information about the Accused Products for healthcare providers (Exs. 2009, 2010, 2011), a presentation from Embody’s CEO in 2022 describing the potential market and growth for the Tapestry product (Ex. 2012), as well as a press release describing Zimmer Biomet’s acquisition of Embody in 2023 for an initial \$155 million and up to an additional \$120 million subject to achieving certain future regulatory and commercial milestones (Ex. 2013). Mot. 3–4. Patent Owner further asserts that the requested discovery has a direct nexus to the claimed invention, and in support has submitted claim charts mapping claims of the challenged patents to the Accused Product (Exs. 2006, 2007) to support its infringement allegations in the district court litigation. *Id.* at 5.

Patent Owner contends this evidence is more than sufficient to permit the requested discovery. *Id.* at 4 (citing *Merck Sharp & Dohme LLC v. The Johns Hopkins Univ.*, IPR2024-00240, Paper 32 at 2 (PTAB Aug. 29, 2024) (“*Merck*”); *Brunswick Corp. v. Volvo Penta of the Ams., LLC*, IPR2020-01512, Paper 25 at 3–4 (PTAB May 12, 2021) (“*Brunswick*”)). In both the *Merck* and *Brunswick* cases, the Board authorized discovery into sales of petitioners’ products to support a commercial success argument. *Merck*, at 2–3; *Brunswick*, at 3–5. Patent Owner also contends that the other *Garmin* factors support allowing the requested discovery insofar as the information

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sought does not relate to Petitioner's litigation positions, but rather it relates to Petitioner's internal information, which is not publicly available, and because the requests are not ambiguous or overly burdensome. *Id.* at 6–7.

In its Opposition, Petitioner argues that Patent Owner's Motion falls short of the threshold required under the *Garmin* framework because Patent Owner offers no proof of actual sales, let alone significant sales in a defined market, and fails to establish any nexus between the claimed invention and the Accused Products. Opp. 1. Petitioner further argues that the document requests are vague, overly broad, and untethered to the issues in this proceeding. *Id.* With regard to *Garmin* factor 1, Petitioner argues that Patent Owner fails to present evidence of either actual sales or the relevant market, and that unsworn statements regarding potential or future sales as well as the \$155 million acquisition of Embody by Zimmer Biomet is insufficient to support the requested discovery. *Id.* at 3.

Petitioner distinguishes the threshold evidence submitted by Patent Owner in this case from what was found sufficient to allow additional discovery in the *Merck* and *Brunswick* cases, where there was already some evidence showing actual sales of the relevant products that were relied upon for commercial success. Rather, Petitioner compares the insufficiency of Patent Owner's threshold showing in these proceedings to *Schott v. SSW*, IPR2013-00358, Paper 43 (PTAB Feb. 14, 2014) ("*Schott 2013*") and *Schott v. SSW*, IPR2014-00367, Paper 20 (PTAB Aug. 13, 2014) ("*Schott 2014*"). In *Schott 2013*, the Board denied additional discovery into petitioner's sales where patent owner submitted a declaration alleging commercial success but included no sales figures. *Schott 2013*, Paper 43 at 5–7. In *Schott 2014*, a follow-on case involving the same parties, the Board considered \$11.9 million in sales but found that it was still insufficient to allow further

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discovery into petitioner's sales because patent owner failed to provide sufficient evidence that those sales would be considered significant in the relevant market or a nexus between the claimed invention and petitioner's sales. *Schott 2014*, Paper 20 at 5–7.

Petitioner also argues that *Garmin* factors 2–5 weigh against additional discovery. Opp. 6–7. Namely, Petitioner contends that Patent Owner's nexus argument would require an infringement analysis, and would thus depend upon disputed litigation positions. *Id.* at 6. In response to Patent Owner's contention that the requested information is unavailable because it has not been produced in the related litigation (where discovery has not even commenced), Petitioner contends that “without a threshold showing of sales or nexus, the mere fact that the information is non-public does not justify additional discovery.” *Id.* at 6–7. Petitioner contends that the requests are “vague, overly broad, and unduly burdensome” due to the phrase “documents sufficient to show.” *Id.* at 7. According to Petitioner, RFPs 3–4 requesting “documents sufficient to show the reasons why healthcare providers in the United States purchase the” Accused Products “are especially problematic because Petitioner is not a healthcare provider and cannot speak to third-party purchasing decisions.” *Id.*

Having considered the parties' arguments and the supporting evidence submitted with their papers, we find Patent Owner has demonstrated that some, but not all, of the requested discovery is in the interest of justice and should be authorized. In particular, we are persuaded that information submitted by Patent Owner with its Motion tends to show beyond speculation that Petitioner has sold or intends to sell the Accused Products in the United States, and thus the sales and market share data requested in RFPs 1–2 and Interrogatories 1–3 will be useful for a commercial success

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argument. Petitioner seeks to impose a requirement that in order for Patent Owner to obtain discovery into its sales data, Patent Owner must already be in possession of some evidence that Petitioner actually sold the Accused Products, notwithstanding Patent Owner's assertion that such sales information may not be publicly available. However, contrary to Petitioner's characterization of prior Board decisions (*Merck*, *Brunswick*, *Schott 2013*, *Schott 2014*), the threshold for granting additional discovery does not necessarily require *a priori* proof of actual sales. Under *Garmin* Factor 1, the moving party only needs to have "evidence or reasoning tending to show beyond speculation that something useful will be uncovered. *Garmin*, at 7 (emphasis added). Here, Patent Owner has included evidence tending to show that the Accused Products are marketed to healthcare providers, that Embody projected significant growth for its products in the soft tissue and tendon repair market in 2022, and that Zimmer Biomet acquired Embody in 2023 for a significant sum of money with the expectation of a growth in sales. Exs. 2009–2013. All this reasonably leads to the conclusion that Petitioner sold or plans to sell the Accused Products in the United States, and would therefore be expected to maintain sales information in the ordinary course of its business. Patent Owner should be allowed to obtain sales data for those products to see if the sales reflect commercial success that might counter Petitioner's obviousness challenges in these proceedings.

We are also unpersuaded by Petitioner's contention that Patent Owner fails to demonstrate a nexus between the claimed inventions and Petitioner's product sales. Petitioner argues that the claim charts submitted by Patent Owner are insufficient because only claim 1 of the '223 patent is alleged to be infringed by Tapestry, and only claim 1 of the '227 patent is alleged to be infringed by ActivBraid. Opp. 4. Petitioner further argues that establishing

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nexus would require an infringement analysis, and would require revelation of Petitioner's underlying litigation positions about non-infringement. At this stage, however, we need not make a final determination as to whether the Accused Products have a nexus to the claimed invention before authorizing the requested discovery into Petitioner's sales. Without making a determination about the merits of the infringement allegations, the claim charts that Patent Owner submitted are sufficient to at least make a threshold showing of nexus for purposes of satisfying *Garmin* factor 1. Although Petitioner might *choose* to argue against the purported nexus by contending that the Accused Products do not infringe the claims, we are not persuaded that such a potential counterargument converts the discovery sought by Patent Owner into an improper request for Petitioner's underlying litigation positions.

We are also not persuaded that the discovery requests into Petitioner's sales (RFPs 1 and 2) are "vague, overly broad, and unduly burdensome" due to use of the phrase "documents sufficient to show." If anything, the qualifier "documents sufficient to show" would make the requests *less* burdensome because it would prevent the necessity of producing additional, redundant documents so long as Petitioner produces documents that sufficiently demonstrate the relative market share of the Accused Products. To the extent there is any ambiguity about what qualifies as "sufficient," we encourage the parties to negotiate the scope of these requests in good faith and come to an amicable resolution.

Although we find that the *Garmin* factors favor authorizing RFPs 1–2 and Interrogatories 1–3, which relate to Petitioner's market share and sales, we are not so persuaded with regard to RFPs 3–4, which relate to reasons why healthcare providers in the United States purchase the Accused

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Products. As noted by Petitioner, it is not itself a healthcare provider, and Patent Owner has not offered any threshold evidence or reasoning tending to show that Petitioner would be in possession of documents falling within the scope of these requests. To be sure, Petitioner may well have documentation relating to why its customers purchase its products, but under *Garmin* factor 1, Patent Owner must show more than a possibility and mere allegation before we can authorize additional discovery into such documents.

Furthermore, the relevance or utility of these documents to Patent Owner's commercial success argument is not entirely clear. Patent Owner does not assert that the requested documents about purchasing decisions are necessary to establish nexus, and instead has only identified the claim charts discussed above as the threshold evidence of nexus. Moreover, Patent Owner does not explain why it could not obtain documents relating to the reasons why healthcare providers purchase the Accused Products directly from the healthcare providers themselves. Accordingly, we determine that authorizing additional discovery requested in RFPs 3–4 will not be in the interest of justice.

ORDER

It is hereby:

ORDERED that Patent Owner's Motion for Additional Discovery is *granted-in-part* as to Requests for Production 1–2 and Interrogatories 1–3 and *denied-in-part* as to Requests for Production 3–4; and

FURTHER ORDERED that the parties shall negotiate in good faith about the time period and scope of the authorized discovery.

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