

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.

IPR2025-00249
U.S. Patent No. 11,318,227

**PATENT OWNER'S MOTION
FOR ADDITIONAL DISCOVERY
37 C.F.R. § 42.51(b)(2)**

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<i>Merck Sharp & Dohme LLC v. The Johns Hopkins Univ.</i> , IPR2024-00240, Paper 32 (PTAB Aug. 29, 2024)	4
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<i>Wiz, Inc. v. Orca Sec.</i> , IPR2024-00864, Paper 29 (PTAB Mar. 28, 2025)	6

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LIST OF EXHIBITS

Patent Owner’s Exhibits

Exhibit Number	Description
2001	U.S. Patent Application Publication No. 2012/0221025, published Aug. 30, 2012 (“Simpson”)
2002	WO 2012/078472, published June 14, 2012 (“Patel”)
2003	Dorland’s Illustrated Medical Dictionary (29th ed. 2000) – “progenitor”
2004	Dorland’s Illustrated Medical Dictionary (29th ed. 2000) – “stem c[ell]”
2005	First Amended Complaint, <i>LifeNet Health v. Zimmer Biomet Holdings, Inc., et al.</i> (E.D. Va. 2:23-cv-479)
2006	Exhibit N to the First Amended Complaint, <i>LifeNet Health v. Zimmer Biomet Holdings, Inc., et al.</i> (E.D. Va. 2:23-cv-479)
2007	Exhibit O to the First Amended Complaint, <i>LifeNet Health v. Zimmer Biomet Holdings, Inc., et al.</i> (E.D. Va. 2:23-cv-479)
2008	Patent Owner’s Proposed Discovery Requests
2009	Webpage, Tapestry® Biointegrative Implant (https://www.zimmerbiomet.com/en/products-and-solutions/specialties/sports-medicine/tapestry-biointegrative-implant.html#06-related-product)
2010	Webpage, Tapestry® RC Biointegrative Implant System (https://www.zimmerbiomet.com/en/products-and-solutions/specialties/sports-medicine/tapestry-rc-biointegrative-implant-system.html)
2011	Webpage, ActivBraid® Collagen Co-Braid (https://www.zimmerbiomet.com/en/products-and-solutions/specialties/sports-medicine/activbraid.html)
2012	Presentation by Jeff Conroy, CEO, Embody, LSI USA ’22 Emerging Medtech Summit
2013	Press Release dated January 5, 2023, “Zimmer Biomet to Acquire Embody, Inc.”
2014	Webpage, Wayback Machine, Our Technology - Embody (https://web.archive.org/web/20250512015553/https://embody-inc.com/our-technology/)

I. INTRODUCTION

Pursuant to 37 C.F.R. § 42.51(b)(2) and with the Board’s prior authorization, Paper 15, Patent Owner LifeNet Health (“Patent Owner”) respectfully requests that the Board grant this Motion for Additional Discovery and order Embody, Inc. (“Embody”) and Zimmer Biomet Holdings, Inc. (“Zimmer”) (collectively, “Petitioner”) to produce the information below related to objective indicia of non-obviousness, namely, the commercial success of Petitioner’s products that infringe the challenged patents.¹

“Discovery is a tool to develop a fair record” and “is focused on what the parties reasonably need to respond to the grounds raised by an opponent.” Consolidated Trial Practice Guide 22 (Nov. 21, 2019). One “area[] where additional discovery has been sought frequently [is] secondary evidence of non-obviousness.” *Id.* at 28. “Narrowly focused requests for additional discovery on [this] issue[] may, if appropriate, be permitted.” *Id.* This Motion presents precisely the type of narrowly focused request that is in the interest of justice. 37 C.F.R. § 42.51(b)(2).

¹ As ordered by the Board during the August 25, 2025, conference call, a substantively identical Motion is presented in IPR2025-00248 and IPR2025-00249. For the Board’s convenience, identical exhibit numbers are utilized.

II. BACKGROUND

In February 2024, Patent Owner filed a First Amended Complaint against Petitioner in the U.S. District Court for the Eastern District of Virginia, alleging infringement of U.S. Patent Nos. 10,137,223 (“the ’223 patent”) and 11,318,227 (“the ’227 patent”). Ex. 2005. Petitioner’s products infringe at least claim 1 of each of the ’223 and ’227 patent. Exs. 2006, 2007 (infringement claim charts).

III. THE REQUESTED DISCOVERY

Patent Owner seeks discovery directed to commercial success, an objective indicium of non-obviousness.² Patent Owner seeks to propound interrogatories requesting quarterly unit sales and total revenues since January 1, 2019, for the Tapestry® Biointegrative Implant (“Tapestry®”), the Tapestry® RC Biointegrative Implant System (“Tapestry® RC”),³ and the ActivBraid® Collagen Co-Braid (“ActivBraid®”). Ex. 2008. Patent Owner also seeks documents sufficient to show, on an annual basis since January 1, 2019, Petitioner’s relative market shares and the reasons why healthcare providers in the United States purchase each product. *Id.*

² In IPR2025-00248, this argument pertains to all challenged claims (Grounds 2 and 4) and, in IPR2025-00249, pertains to challenged claims 1–6 (Grounds 2–3).

³ The Tapestry® RC affixes one (1) Tapestry® implant to the repair site. Ex. 2010.

IV. THE *GARMIN* FACTORS SUPPORT ADDITIONAL DISCOVERY

The factors set forth in the precedential *Garmin* decision favor Patent Owner's Motion. *Garmin Int'l, Inc. v. Cuozzo Speed Techs. LLC*, IPR2012-00001, Paper 26 at 6–7 (PTAB Mar. 5, 2013) (precedential) ("*Garmin*").

A. Factor 1 – “More Than A Possibility And Mere Allegation”

Garmin Factor 1 weighs in Patent Owner's favor because at least “a threshold amount of evidence or reasoning tend[s] to show beyond speculation that something useful will be uncovered.” *Garmin* at 6–7 (“‘[U]seful’ means favorable in substantive value to a contention of the party moving for discovery.”). The requested discovery is clearly useful to a commercial success argument information concerning sales volume and revenue, market share, and the factors driving customer purchasing decisions shows that Petitioner's commercial success derives from Patent Owner's non-obvious technology.

There can be no dispute that this information exists and is maintained in the normal course of business. For example, Petitioner markets and sells the Tapestry®, Tapestry® RC, and ActivBraid® products to consumers in the United States. *See, e.g.*, Exs. 2009, 2010, 2011. And Petitioner touts the commercial importance of these products in publicly available materials. For example, in 2022, Embody's CEO claimed that the Tapestry® implant would address approximately 1.4 million shoulder repair procedures in the United States (with a compound annual growth rate

(“CAGR”) of nearly 6%), 400,000 foot and ankle procedures (with roughly 7% CAGR), and another 200,000 hip fixation procedures (with nearly 8% CAGR). Ex. 2012, 2. Embody’s CEO claimed the ActivBraid® suture could address approximately 1.4 million meniscus repairs, 600,000 knee ligament procedures, and 400,000 foot and ankle procedures. *Id.*⁴ Embody’s CEO also claimed that its Tapestry® implant could address 80% of the market for rotator cuff injuries. *Id.* at 11. Less than a year later, Zimmer paid \$155 million to acquire Embody’s “complete portfolio of collagen-based biointegrative solutions . . . including the TAPESTRY® biointegrative implant for tendon healing and TAPESTRY® RC.” Ex. 2013. Zimmer promised another \$120 million, subject to these products achieving future regulatory and commercial milestones over three years. *Id.*

This evidence is more than sufficient to permit the requested discovery. *See, e.g., Merck Sharp & Dohme LLC v. The Johns Hopkins Univ.*, IPR2024-00240, Paper 32 at 2 (PTAB Aug. 29, 2024) (ordering discovery concerning commercial success where Petitioner made public statements about its products’ success); *Brunswick Corp. v. Volvo Penta of the Ams., LLC*, IPR2020-01512, Paper 25 at 3–4 (PTAB May 12, 2021) (ordering discovery concerning commercial success where

⁴ The ActivBraid® suture was originally called MicroBraid®.

Petitioner touted its product as one of the drivers of a business segment’s growth).⁵

Furthermore, Patent Owner maintains that the requested discovery has a direct nexus to the claims. *Fox Factory, Inc. v. SRAM, LLC*, 944 F.3d 1366, 1373 (Fed. Cir. 2019) (presuming nexus when the objective evidence “is tied to a specific product” that embodies and is coextensive with the claimed features). The claim charts submitted in district court, Exs. 2006–2007, demonstrate that Petitioner’s products embody the features of claim 1 of the ’223 and ’227 patents, presenting more than “a threshold amount of evidence or reasoning” to establish nexus.

Moreover, upon information and belief, Petitioner’s products “do not embody significant or desirable features” unrelated to the challenged claims. *Garmin* at 9. For example, in marketing Tapestry®, Petitioner praises feature of the challenged

⁵ During the conference call, Petitioner cited *Schott Gemtron Corp. v. SSW Holding Co., Inc.*, IPR2013-00358, Paper 43 (PTAB Feb. 14, 2014). But *Schott* is not pertinent because the only evidence SSW provided for its requested discovery of Schott’s sales data were statements about SSW’s own sales, which SSW failed to quantify or tie to Schott’s sales. *Id.* at 5 (“Patent Owner does not tie sufficiently Petitioner’s alleged level of sales to its own.”). Here, the identified evidence concerns Petitioner’s own sales.

claims including its collagen scaffold, electrospun fibers, and “highly aligned and organized structure.” Ex. 2009; Ex. 2014 (explaining that “hybrid electrospun/pneumatospun technology” is used in Tapestry®).

During the conference call, the Board inquired whether resolving nexus effectively amounts to an infringement determination. As an initial matter, nexus need not be fully developed or resolved for the Board to grant the requested discovery where Patent Owner has shown at least “a threshold amount of evidence or reasoning.” *See Wiz, Inc. v. Orca Sec.*, IPR2024-00864, Paper 29 at 4 (PTAB Mar. 28, 2025) (ordering additional discovery and noting a “more fulsome analysis” of nexus should be presented in Patent Owner’s Response). Second, even if nexus and infringement may involve similar factual findings, the analysis of one is not a substitute for the other.

B. Factor 2 – “Litigation Positions And Underlying Basis”

Garmin Factor 2 clearly weighs in Patent Owner’s favor. The requested information does not relate to Petitioner’s litigation positions.

C. Factor 3 – “Ability To Generate Equivalent Information”

Garmin Factor 3 also weighs in Patent Owner’s favor. The requested information concerns Petitioner’s internal information, which is not publicly available. Furthermore, fact discovery has not begun in the district court litigation. Patent Owner cannot generate the information without the requested discovery.

D. Factor 4 – “Easily Understandable Instructions”

Garmin Factor 4 supports the requested discovery, which is targeted and clear, requiring Petitioner to simply provide sales and revenue data for three products on a quarterly basis since January 1, 2019, and to provide documents sufficient to show market share and purchasing decisions related to those products. Ex. 2008. There is no ambiguity in these requests, which are specifically drawn to the identified topics.

E. Factor 5 – “Requests Not Overly Burdensome To Answer”

Garmin Factor 5 also weighs in Patent Owner’s favor. Patent Owner seeks narrowly tailored discovery that avoids undue burden. This information is the type maintained in the ordinary course of business and easily found. The requests are limited to the period following issuance of the ’223 patent (the ’227 patent is a continuation therefrom) and Patent Owner does not request “all” such documents, in an effort to minimize burden on Petitioner.

Patent Owner provided the discovery requests to Petitioner on August 15, 2025, giving Petitioner more than adequate time to respond. Ex. 3103. Should the Board order discovery, Patent Owner requests that Petitioner respond within 15 days to avoid impacts on the Scheduling Order.

For the foregoing reasons, Patent Owner respectfully requests that the Motion be granted, and prompt discovery ordered.

Dated: September 2, 2025

Respectfully submitted,

Electronic signature: /George B. Davis/

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Certification of Service

Pursuant to 37 C.F.R. § 42.6, the undersigned certifies that on September 2, 2025, a copy of the foregoing document and attached exhibits were served by electronic mail upon the following counsel of record for Petitioner:

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