

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner

v.

1LSS, INC.,
Patent Owner

Case IPR2025-01180
U.S. Patent No. 11,864,641

PETITIONER’S SUR-REPLY IN SUPPORT OF PETITIONER’S OPPOSITION TO PATENT OWNER’S DISCRETIONARY DENIAL BRIEF

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PETITIONER'S EXHIBIT LIST

Exhibit No.	Description
1001	U.S. Patent No. 11,864,641 B2 to Mora et al., issued January 9, 2024 (“the ’641 patent”)
1002	File History of U.S. Patent No. 11,864,641
1003	Declaration of Dr. Joshua Phinney in Support of Petition for <i>Inter Partes</i> Review of U.S. Patent No. 11,864,641
1004	<i>Curriculum Vitae</i> of Dr. Joshua Phinney
1005	U.S. Provisional Application No. 62/736,379 to Mora, filed September 25, 2018 (“Provisional”)
1006	U.S. Patent Application Publication No. 2016/0260532 A1 to Baca, published September 8, 2016 (“Baca”)
1007	Chinese Patent Application Publication No. 108023992 A to Zhu, published May 11, 2018 (“Zhu”)
1008	English Language Translation of Zhu
1009	Japanese Patent Application Publication No. 3200923 U to Kinshi, published November 12, 2015 (“Kinshi”)
1010	English Language Translation of Kinshi
1011	U.S. Patent No. 5,288,942 to Godfrey, issued February 22, 1994 (“Godfrey”)
1012	U.S. Patent No. 4,647,714 to Goto, issued March 3, 1987 (“Goto”)
1013	U.S. Patent Application Publication No. 2017/0354229 A1 to Berkley et al., published December 14, 2017 (“Berkley”)
1014	U.S. Patent No. 10,134,517 B2 to Baca, issued November 20, 2018 (“Baca Patent”)
1015	U.S. Patent No. 9,362,968 B1 to Haymond, issued June 7, 2016 (“Haymond”)

Exhibit No.	Description
1016	U.S. Patent No. 5,080,223 to Mitsuyama, issued January 14, 1992 (“Mitsuyama”)
1017	U.S. Patent Application Publication No. 2016/0072933 A1 to Cox, III, published March 10, 2016 (“Cox”)
1018	U.S. Patent No. 8,138,869 B1 to Lauder et al., issued March 20, 2012 (“Lauder”)
1019	U.S. Patent Application Publication No. 2011/0192857 A1 to Rothbaum et al., published August 11, 2011 (“Rothbaum”)
1020	Ho, A., “Mophie Hold Force Review – Modular iPhone 7 and 7 Plus cases,” MobileReviews Eh!, April 26, 2017, accessible at https://www.mobilereviews-eh.ca/mophie-hold-force-review-modular-iphone-7-and-7-plus-cases/ (last accessed June 18, 2025)
1021	Wayback Machine Archive of Exhibit 1020, archived June 6, 2017, accessible at https://web.archive.org/web/20170606185125/https://www.mobilereviews-eh.ca/mophie-hold-force-review-modular-iphone-7-and-7-plus-cases/ (last accessed July 15, 2025)
1022	U.S. Patent Application Publication No. 2016/0295981 A1 to Lay et al., published October 13, 2016 (“Lay”)
1023	U.S. Patent Application Publication No. 2019/0208878 A1 to Hyncek et al., published July 11, 2019 (“Hyncek”)
1024	“Burkley Magnetic Detachable Wallet Case for iPhone 7+: Handmade Turkish Leather w/ Excellent Magnets!”, Tech Reviewer, May 18, 2017, accessible at https://web.archive.org/web/20170825170230/https://tech-reviewer.com/2017/05/18/burkley-magnetic-detachable-wallet-case-iphone-7-handmade-turkish-leather-w-excellent-magnets/ (last accessed July 15, 2025)

Exhibit No.	Description
1025	“BUDU - A module phone case that adapts to you!”, Indiegogo Campaign, accessible at https://www.indiegogo.com/projects/budu-a-modular-phone-case-that-adapts-to-you#/ (last accessed July 15, 2025)
1026	“Updates” Tab from “BUDU - A module phone case that adapts to you!”, Indiegogo Campaign, accessible at https://www.indiegogo.com/projects/budu-a-modular-phone-case-that-adapts-to-you#/updates/all (last accessed July 15, 2025)
1027	U.S. Patent No. 4,851,610 to LeBlanc et al., issued July 25, 1989 (“LeBlanc”)
1028	U.S. Patent No. 5,941,375 to Kamens et al., issued August 24, 1999 (“Kamens”)
1029	U.S. Patent Application Publication No. 2012/0228168 A1 to Kitchen, issued September 13, 2012 (“Kitchen”)
1030	U.S. Patent Application Publication No. 2012/0326819 A1 to Malanczyj et al., issued December 27, 2012 (“Malanczyj”)
1031	U.S. Patent No. 5,718,329 to Ippolito et al., issued February 17, 1998 (“Ippolito”)
1032	U.S. Patent Application Publication No. 2006/0279098 A1 to Shipley et al., published December 14, 2006 (“Shipley”)
1033	Excerpts from Griffiths, D., <i>Introduction to Electrodynamics</i> , Third Edition (1999)
1034	Declaration of Timothy L. Tang
1035	U.S. Patent Application Publication No. 2012/0168483 A1 to Jambunathan et al., published July 5, 2012 (“Jambunathan”)
1036	Complaint, <i>ILSS Inc. v. Apple Inc.</i> , Case No. 2:24-cv-08769 (CDCA) filed October 11, 2024

Exhibit No.	Description
1037	First Amended Complaint, <i>1LSS Inc. v. Apple Inc.</i> , Case No. 2:24-cv-08769 (CDCA) filed January 10, 2025
1038	Email Thread Between Attorneys for Apple Inc. and 1LSS Inc. Indicating 1LSS Has Not Served Infringement Contentions
1039	Motion to Stay, <i>1LSS Inc. v. Apple Inc.</i> , Case No. 2:24-cv-08769 (CDCA) filed August 19, 2025
1040	USCourts.gov, Median Time-To-Trial Statistics (June 30, 2025) – Accessible at https://www.uscourts.gov/data-news/data-tables/2025/06/30/statistical-tables-federal-judiciary/t-3
1041	Lex Machina, Median Time-To-Trial Statistics, C.D. Cal. (November 12, 2024 to November 12, 2025) – Accessible at https://law.lexmachina.com/
1042	Docket Navigator, Median Time-To-Trial Statistics, C.D. Cal. (November 12, 2024 to November 12, 2025) – Accessible at https://search.docketnavigator.com/patent/analytics (Time to Trial)
1043	U.S. Patent Application Publication No. 2014/0043748 A1 to Sartee <i>et al.</i> , published February 13, 2014 (“Sartee”)

I. INTRODUCTION

Apple’s Petition presents the quintessential invalidity challenge that is appropriate for IPR: (1) the ’641 patent issued less than two years ago and 1LSS has no settled expectations; (2) the co-pending litigation was stayed before any significant investment by the parties and court; (3) this is the patent’s only post-grant challenge; (4) review is necessary to correct material errors in the examiner’s prior art analysis that the Board *itself* identified; (5) Apple’s *Sotera* stipulation reduces overlap and mitigates potential inconsistent results; and (6) the prior art is very strong. Because, as 1LSS points out, “the Board is better suited [than the district court] to decide this issue,” the Director should institute review. Reply, 1 n.1.

II. ARGUMENTS

A. The November 19th stay confirms that *Fintiv* favors institution.

The co-pending litigation was stayed on November 19, 2025. EX2008. The court’s order confirms that *Fintiv*—particularly Factors 1 and 3—favors institution. As to Factor 1, rather than being effectively stayed due to 1LSS’s failure to serve infringement contentions, the case is now stayed in fact. *Id.*; *see also* Pet. Opp., 13-14; EX1038. As to Factor 3, the court confirmed that the parties and court have not made significant investment in the case. EX2008, 1-2 (“the litigation is undoubtedly in its earliest stages”), 3 (the “litigation has not progressed considerably”).

And, despite the opportunity, 1LSS did not explain its failure to serve infringement contentions. This is a glaring omission because 1LSS argues *Fintiv*

Factors 1-4 favor denial. DD Brief, 18-19. They do not. *Fintiv* favors institution.

B. 1LSS's Reply fails to show discretionary denial is appropriate.

1. The examiner materially erred in failing to identify Goto, which is materially different and more relevant than Gluck.

1LSS's Reply does not demonstrate that Goto and Gluck are cumulative. PO Reply, 1-3. Goto's express teaching of using *magnetic* shielding plates on both the front *and* back walls of a compartment is not disclosed in Gluck. Opp., 8-10.

First, Gluck teaches a shield member/plate only on the "front wall" of a card holder. Opp., 8-10; EX2002, ¶¶27, 43. The back side, however, is the side that attaches to a portable device. Acknowledging this deficiency, 1LSS now argues that a POSA would have positioned Gluck's plate between a card compartment and a "device side or back wall." Reply, 2-3. Regardless of whether 1LSS's unsupported attorney argument is true, Gluck does not describe this configuration whereas Goto *explicitly* teaches magnetic shielding on both front and back walls of a card holder. Opp., 8-10. Thus, Goto's structure is not cumulative with Gluck.

And, in its attempt to show Gluck and Goto are cumulative, 1LSS effectively admits it was obvious to position a magnetic shield "between [a] magnetic source and the cards requiring protection." Reply, 3. 1LSS therefore further highlights the Examiner's error in allowing claims based solely on this element.

Second, 1LSS argues that Gluck teaches magnetic shielding. Reply, 2. But nowhere does Gluck explicitly describe using plate 30 as a magnetic shielding

plate—another critical difference from Goto. Gluck’s plate provides “RF and/or RFID shielding and *facilitates attachment to an external mount or magnetic surface*.” EX2002, Abstract (emphasis added); Reply, 2 (citing Gluck, ¶49). By contrast, Goto explicitly discloses “magnetic shielding plates.” Opp., 8-10. Thus, Goto’s disclosure of the function of the plates is not cumulative with Gluck.

2. Each of Zhu and Kinshi is materially different than Schmidt.

Zhu and Kinshi are not cumulative with Schmidt. Opp., 11-12. 1LSS now argues that Apple mischaracterizes its interpretation of the “different orientation or different geometric pattern” limitation because “it is the geometric shape of the magnetic arrangement that matters.” Reply, 3. 1LSS’s argument is not commensurate with the scope of the claims, which recite “different orientation” and “different geometric pattern” as alternatives. The Petition demonstrates at least the former, and 1LSS sheds no additional light on what “different orientation” means.

What is clear, however, is that Zhu and Kinshi unambiguously disclose magnetic arrangements that have different orientations and are different from Schmidt’s circular arrangement. Opp., 11-12, 19-20. Zhu expressly discloses a first magnet group “arranged horizontally” and a second magnet group “arranged vertically”—i.e., “different orientations.” Pet., 72-73; EX1008, ¶29, FIG. 4. And Kinshi teaches a top magnetic arrangement (north-to-south direction points right) and a bottom arrangement (north-to-south direction points left). Pet., 86-87; EX1010,

¶26, FIG. 4. During prosecution, 1LSS characterized such a change in direction as a different orientation. POPR, 37 (citing EX1002, 343-44 (“changing the direction of the triangle points changes the orientation”)).

3. The Office materially erred in evaluating Berkley-Baca.

1LSS alleges that Apple primarily focused on errors related to claim 11 with respect to Berkley-Baca. Reply, 4. But the Opposition also explains the errors related to the shielding elements of claims 1 and 5. Opp., 6-10. And 1LSS’s attempt to marginalize the claim 11 error is misplaced because *claim 11 is the only asserted claim* in the litigation. 1LSS never provided infringement contentions, so whether other claims will be asserted remains unknown. The claim 11 error is thus highly relevant to the parties’ dispute.

And the substance of 1LSS’s arguments also demonstrates that institution is warranted. 1LSS does not refute that the Office committed clear error with respect to “specific orientation” element. Opp., 4-5. This alone warrants institution for correction. 1LSS instead pivots to the “different orientation” limitation and argues that “claim 11 would still have been allowed because Baca fails to disclose ... element 11.D.” Reply, 4. But this is objectively baseless. As explained in the Petition, Baca teaches both horizontal and vertical arrangements—i.e., different orientations or geometric patterns. Pet., 42-45; EX1006, FIGs. 2A-2D, 3A, 4A-4I, ¶84.

1LSS also argues that Baca discloses only a single magnet array. Reply, 4-5.

But the Board already rejected 1LSS's argument during prosecution. EX1002, 448-449 ("adding a second set of device side attachments is an obvious duplication of parts"). 1LSS is foreclosed from making this argument here again. Institution is warranted to apply *Baca* consistently across all claims. Opp., 4-5.

4. A POSA would have combined Zhu and Kinshi with Goto.

The Petition explains two configurations motivating a POSA to combine Goto with Zhu and Kinshi: front-side shielding (when a closed folio cover exposes cards to magnets) and back-side shielding (when the folio cover is folded back). Pet., 56-58, 88-90. 1LSS fails to address front-side shielding at all, which alone sufficiently provides a motivation to combine Goto with Zhu and Kinshi. Reply, 5.

Regarding back-side shielding, 1LSS concedes that Apple provided evidence—patent publications and videos—that folio-style wallets were folded backward, but now argues that this was not a “common practice.” Reply, 5. How common a given practice was is legally irrelevant. The law simply requires demonstrating that a POSA would have known of this practice, which the Petition shows. Regardless, Apple demonstrated that folding back folio covers was indeed common based on the extensive evidence submitted in the Petition and Dr. Phinney's declaration. Opp., 19 (citing Pet., 56-58, 88-90; EX1003, ¶¶48-52). It's on YouTube.

III. CONCLUSION

The Director should institute review and cancel the claims.

Respectfully submitted,

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CERTIFICATE OF SERVICE (37 C.F.R. §§ 42.6(e))

I certify that the above-captioned **PETITIONER’S SUR-REPLY IN SUPPORT OF PETITIONER’S OPPOSITION TO PATENT OWNER’S DISCRETIONARY DENIAL BRIEF** was served in its entirety on December 1, 2025 upon the following parties via electronic mail:

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