

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Catalyst OrthoScience Inc.,

Petitioner

v.

Shoulder Innovations, Inc.,

Patent Owner

Case No.: PGR2024-00042

U.S. Patent No. 11,771,561

PATENT OWNER’S SUR-REPLY TO PETITIONER REPLY¹

¹ The Board authorized this sur-reply by e-mail dated October 22, 2024 (Ex. 1021).

TABLE OF AUTHORITIES

Cases	Page(s)
<i>Cisco Sys., Inc. v. C-Cation Techs., LLC</i> , IPR2014-00454, Paper 12 (PTAB Aug. 29, 2014).....	4
<i>Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.</i> , 800 F.3d 1375 (Fed. Cir. 2015)	2, 3
<i>Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.</i> , 821 F.3d 1359 (Fed. Cir. 2016)	1
<i>Intelligent Wellhead Sys., Inc. v. Downing Wellhead Equip., LLC</i> , IPR2024-00256, Paper 11 (PTAB June 5, 2024)	3, 4
<i>Penumbra, Inc. v. RapidPulse, Inc.</i> , IPR2021-01466, Paper 34 (PTAB Mar. 10, 2023)	4, 5
<i>SAS Inst., Inc. v. Iancu</i> , 854 U.S. 357 (2018).....	1
Statutes	
35 U.S.C. § 102(d)	4
35 U.S.C. § 322(a)(3).....	1

TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Description</u>
2001	File History of priority U.S. Provisional Application No. 62/816,708
2002	File History of priority International Application PCT/US2020/022094
2003	File History of priority U.S. Nonprovisional Application No. 17/435,333
2004	U.S. 8,870,962 (“Roche ’962”)
2005	Declaration of Geoffrey B. Higgs, M.D.
2006	<i>Curriculum Vitae</i> of Geoffrey B. Higgs, M.D.
2007	August 30, 2024 Letter from Frost Brown in <i>Shoulder Innovations, Inc. v. Catalyst OrthoScience Inc.</i> , C.A. No. 24-266-JPM (D. Del.) regarding claim construction
2008	89 Fed. Reg. 28693 (proposed April 19, 2024) (Published Document: 2024-08362)
2009	Declaration of Andrew McElligott in Support of Patent Owner’s Motion to Admit <i>Pro Hac Vice</i>
2010	Relevant excerpts from the Transcript of July 18, 2024 Status Conference in <i>Shoulder Innovations, Inc. v. Catalyst OrthoScience Inc.</i> , C.A. No. 24-266-JPM (D. Del.)

I. PETITIONER'S REPLY IS UNTIMELY FOR FRANKLE AND LEFEBVRE

A. The Reply Cannot Revive A Legally-Deficient Petition

The petition “guide[s] the life” and “define[s] the scope” of post-grant proceedings. *SAS Inst., Inc. v. Iancu*, 854 U.S. 357, 366-67 (2018). Petitions must identify “in writing and with particularity . . . the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim.” 35 U.S.C. § 322(a)(3). Petitioners have an “obligation” to make their case “in their petition”—an obligation “of which petitioners are aware.” *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1369-70 (Fed. Cir. 2016). The PTAB's Trial Practice Guide warns petitioners of the consequences of failing to address foreseeable issues in their petitions—they “may not submit new evidence or argument in reply that it could have presented earlier, e.g. to make out a prima facie case of unpatentability.” PTAB Consolidated Trial Practice Guide (Nov. 2019) at 73.

Petitioner does not dispute that the '561 Patent *on its face* identifies “an effective filing date *at least as early as March 11, 2020.*”² (Paper 7 at 5-7;³

² Nor does Petitioner dispute the '561 Patent is entitled to that effective filing date. Petitioner's discussion of Patent Owner's March 2019 provisional is a red herring. The provisional provides an even earlier effective filing date, but no such showing is required to defeat Frankle's/Lefebvre's prior art dates set forth in the Petition.

³ All emphasis is added here unless otherwise indicated.

Ex.1001 at 1; Ex.1021 at 2). And Petitioner concedes that Frankle and Lefebvre identify “*on the[ir] respective faces*” potential priority claims *earlier than March 11, 2020*. (Ex. 1021 at 7). Petitioner could have addressed those priority claims in the Petition, and should have given that Frankle and Lefebvre *do not qualify as prior art based on the prior art dates advanced in the Petition*.

Petitioner chose *not* to address Frankle's and Lefebvre's priority claims in the Petition, and therefore failed to make out a *prima facie* case.⁴ (Paper 7 at 5-7).

Petitioner identifies no support for the proposition that it can fix its legally-deficient Petition with reply evidence and arguments it knowingly withheld. Petitioner's reliance on *Dynamic Drinkware, LLC v. Nat'l Graphics, Inc.*, 800 F.3d 1375 (Fed. Cir. 2015) is misplaced. (Ex.1021 at 4; Paper 12 at 1). *Dynamic Drinkware* confirms that Petitioner bears the initial burden of production by making a *prima facie* case of unpatentability in the Petition. *See Dynamic Drinkware*, 800 F.3d at 1378-80. Here, Petitioner clearly flouted that burden by failing to address in the Petition Frankle's and Lefebvre's priority claims—a foreseeable issue based on the faces of the '561 Patent, Frankle, and Lefebvre. In contrast, the patent owner in *Dynamic Drinkware* submitted evidence after the petition was filed allegedly showing an earlier *actual reduction to practice*—an

⁴ The Preliminary Response identifies additional legal deficiencies warranting denial of the Petition. (See Paper 7 at 15-71).

issue that was **not** foreseeable when the petition was filed. *Id.* at 1381.

The issue presented here was addressed in *Intelligent Wellhead Sys., Inc. v. Downing Wellhead Equip., LLC*, IPR2024-00256. There (like here), the petition failed to address an alleged prior art reference's priority claim where the need to do so was "a foreseeable issue from the outset." *Id.*, Paper 10 at 4. The Board found that the petitioner was stuck with its positions in the petition, refused to consider new evidence and arguments offered to change those positions in a reply,⁵ and denied institution based on petitioner's failure to satisfy its burden in the petition. *Id.*, Paper 10 at 4-5; *id.*, Paper 11 at 10-12 (PTAB June 5, 2024). Likewise here, Petitioner should be stuck with the positions it chose to advance in the Petition, as well as the entirely foreseeable consequences of those decisions.

B. Petitioner's Conclusory Arguments Cannot Save The Day

Even if it was proper to permit Petitioner an opportunity to fix its legally-deficient Petition with a reply (it is not), Petitioner's Reply still fails. Petitioner's burden in the Petition was anything but "ministerial." (Paper 10 at 2 (citing *Penumbra, Inc. v. RapidPulse, Inc.*, IPR2021-01466, Paper 34 at 32 (PTAB Mar.

⁵ Unlike here, the panel in *Intelligent Wellhead* refused to permit the petitioner to submit a reply to try to correct petitioner's failure to make a *prima facie* case in the petition. This is a distinction without a difference, however, because the law and rules required Petitioner to make its *prima facie* case in the petition, and no amount of reply evidence or argument can make up for its failure to do so.

10, 2023) (“*Penumbra*”))). To demonstrate earlier prior art dates, the patent statute requires Petitioner to show earlier-filed applications “describe[] the subject matter” of Frankle and Lefebvre that Petitioner relies on. 35 U.S.C. § 102(d); *see also Penumbra* at 32. The Board cannot presume or be expected to dig through the record for such a finding; the burden “falls squarely on Petitioner” to make a detailed showing. *Intelligent Wellhead*, Paper 11 at 11-12 (citing *Dynamic Drinkware*, 800 F.3d at 1380).

Petitioner's Reply provides **no** analysis of how Frankle's/Lefebvre's earlier-filed applications allegedly “describe[] the subject matter” relied on in the Petition. Petitioner simply concludes the applications “describe[] the subject matter,” and provides summary tables with parallel citations for the Board and Patent Owner to “play archeologist with the record” and do the work Petitioner and (and its expert) failed to do.⁶ (Paper 10 at 2-4); *Penumbra* at 34 (internal quotes and citation omitted). Petitioner's conclusory Reply fails to satisfy its burden.⁷ *See, e.g., Cisco*

⁶ For example, Petitioner fails to explain how parallel citations allegedly describe the same subject matter when they state different things. (*Compare, e.g.,* Ex.1009 at 16 (7:27-28 (describing segment “slidably and tightly mounted inside” an orifice)) *with* Ex.1023 at 9 (8:14-15 (describing segment “slidably mounted and adjusted inside” an orifice))).

⁷ Petitioner's reliance on *Penumbra* is misplaced. *Penumbra* makes clear that Petitioner has the burden “**from the onset**” (*i.e.*, in the petition) to show “**with particularity**” why a claim is unpatentable. *Penumbra* at 8. The petitioner in *Penumbra* properly detailed **in the petition** how prior applications “describe[] the subject matter” relied on, and supported its petition arguments with an expert

Sys., Inc. v. C-Cation Techs., LLC, IPR2014-00454, Paper 12 at 8-10 (PTAB Aug. 29, 2014) (refusing to consider arguments requiring judges “to play archeologist with the record” (internal quotes and citation omitted)).

II. TRIAL DATE IN PARALLEL DISTRICT COURT LITIGATION

Petitioner's arguments about Exhibit 1027 are overblown. The district court did not “***vacate***” the schedule post-*Markman*,” (Paper 12 at 5), but instead “amended” pre-*Markman* deadlines while reserving entry of post-*Markman* deadlines until “after entry of the Court's claim construction order.” (Ex.1027). If anything, Petitioner's Reply demonstrates that Petitioner and Patent Owner have different interpretations of Exhibit 1027. In any event, the judge's comments at the July 18, 2024 Scheduling Conference confirm Patent Owner's statement in its Preliminary Response that the court “has expressed interest in compressing the current schedule and moving the trial date earlier.” (See Ex.2010 at 5 (judge expressing “concern” regarding “very late” March 9, 2026 trial date and asking the parties for assistance “mov[ing] it up maybe quite substantially”); Paper 7 at 14 n.7).

III. CONCLUSION

Patent Owner respectfully requests denial of the Petition.

declaration containing “specific citations to the supporting disclosure from the provisional applications.” *Id.* at 33-34. None of that occurred here.

Patent Owner's Sur-Reply To Petitioner Reply
Case No.: PGR2024-00042

Dated: November 6, 2024

Respectfully submitted,

/Ryan Fitzgerald/

Jon W. Gurka (Reg. No. 44,139)

CROWELL & MORING LLP

3 Park Plaza, Suite 20

Irvine, CA 92614

Tel: (949) 798-1331

Andrew McElligott (*pro hac vice*)

Ryan Fitzgerald (Reg. No. 79,303)

Jason W. Schigelone (Reg. No. 56,243)

CROWELL & MORING LLP

455 North Cityfront Plaza Dr.

Chicago, IL 60611

Tel: (312) 321-4200

*Counsel for Patent Owner Shoulder
Innovations, Inc.*

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing PATENT OWNER’S SUR-REPLY TO PETITIONER REPLY has been served in its entirety on November 6, 2024 to the following counsel for Petitioner via e-mail:

Paul M. Ulrich (Reg. No. 46,404) FROST BROWN TODD LLP 301 East Fourth Street, Suite 3300 Cincinnati, Ohio 45202 Tel: (513) 651-6432 Fax: (513) 651-6981 Email: pulrich@fbtlaw.com <i>Lead Counsel of Record for Petitioner</i>	Paul J. Linden (Reg. No. 74,058) FROST BROWN TODD LLP 301 East Fourth Street, Suite 3300 Cincinnati, Ohio 45202 Tel: (513) 651-6135 Fax: (513) 651-6981 Email: plinden@fbtlaw.com Todd A. Spears (Reg. No. 76,887) FROST BROWN TODD LLP 301 East Fourth Street, Suite 3300 Cincinnati, Ohio 45202 Tel: (513) 651-6411 Fax: (513) 651-6981 Email: tspears@fbtlaw.com <i>Back-Up Counsel of Record for Petitioner</i>
--	--

/Ryan Fitzgerald/
Ryan Fitzgerald (Reg. No. 79,303)
455 North Cityfront Plaza Drive
Chicago, IL 60611
Tel: (312) 321-4200

*Counsel for Patent Owner Shoulder
Innovations, Inc.*