

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FITBIT, INC.,
Petitioner,

v.

ALIPHCOM, INC. D/B/A JAWBONE,
Patent Owner.

Case IPR2016-00607
Patent 8,529,811

**PATENT OWNER'S PRELIMINARY RESPONSE
UNDER 37 C.F.R. § 42.107**

Table of Contents

	<u>Page</u>
I. STATEMENT OF PRECISE RELIEF REQUESTED	1
II. INTRODUCTION	1
III. PETITIONER FAILS TO ESTABLISH THAT LO ANTICIPATES ANY CLAIM OF THE '811 PATENT (GROUND 1)	4
A. Independent Claim 16 is not anticipated by Lo	5
B. Claims 17–19, 23 and 26 are not anticipated by Lo.....	10
IV. PETITIONER FAILS TO ESTABLISH THAT CLAIMS 20–22 AND 24–25 WERE OBVIOUS OVER LO (GROUNDS 2–4).....	13
A. Dependent claims 20–22 and 24–25 are not obvious over the cited references	14
B. Petitioner failed to provide a sound basis for combining the prior art references	15
1. Ground 2: Lo in view of Huang	16
2. Ground 3: Lo in view of The Handbook	18
3. Ground 4: Lo in view of Toyoda.....	19
V. PETITIONER FAILS TO ESTABLISH THAT CLAIMS 1–15 WERE OBVIOUS OVER ANDERSON (GROUNDS 5–10)	20
A. Independent Claim 1 is Not Obvious over Anderson in view of Downey	21
1. Petitioner Fails to Show that the Prior Art Teaches or Suggests all Limitations Recited in Independent Claim 1.....	22
2. Petitioner Fails to Articulate a Factually Supported and Well-Reasoned Basis for Combining Anderson and Downey	25
B. Petitioner Has Failed To Show That Dependent Claims 2-15 Were Obvious over Anderson	27
1. Dependent claims 2–15 are patentably distinct over the cited references at least on the basis of depending from independent claim 1	28

2.	Petitioner failed to provide a sound basis for combining the prior art references	29
VI.	PETITIONER’S REPRESENTATION OF THE STATE OF THE ART IS UNSUBSTANTIATED AND UNRELIABLE	30
VII.	PETITIONER’S WITNESS TESTIMONY SHOULD BE ACCORDED NO WEIGHT	33
VIII.	CONCLUSION	35

I. STATEMENT OF PRECISE RELIEF REQUESTED

Petitioner, Fitbit, Inc. (“Petitioner”), filed a petition for *inter partes* review (“IPR”) of US 8,529,811 B2 (“’811 patent”, Ex. 1001). Paper 2 (“Pet.”) at 2. In this IPR, Petitioner seeks cancellation of all 26 claims of the ’811 patent, citing 10 grounds for unpatentability. Patent Owner, AliphCom, Inc. d/b/a Jawbone (“Jawbone”), requests that the Board deny institution because Petitioner failed to establish a reasonable likelihood of unpatentability for any ground.

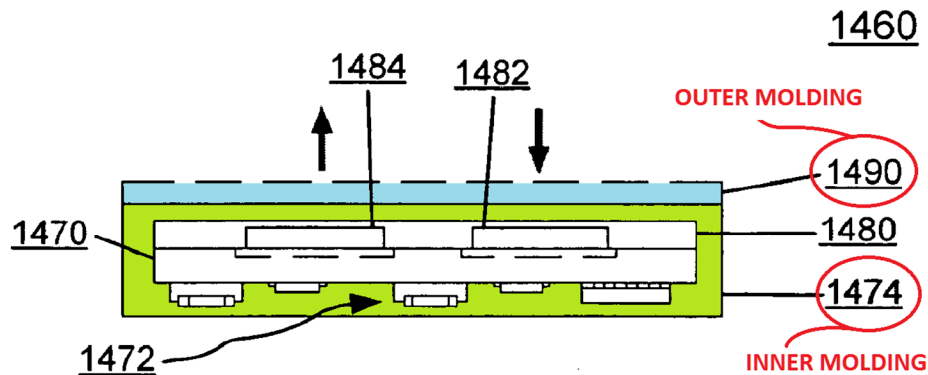
II. INTRODUCTION

The Board should not institute review of the ’811 patent’s claims 1–26. The prior art set forth in the petition is missing several aspects of the ’811 patent claims.

First, Petitioner’s anticipation ground (Ground 1) fails because Petitioner has not shown that Lo¹ anticipates any of the challenged claims of the ’811 patent. For example, Lo does not disclose an “*outer molding [that] covers all or substantially all of the one or more inner moldings*” as required by independent claim 16. Pet. 23-24 (discussion of element “16C”). Lo Fig. 14C is annotated below to illustrate how it is specifically relied upon in the petition. As shown in Fig. 14C, Lo’s

¹ U.S. Pat. Pub. No. 2006/0264756 to Lo *et al.* (“Lo”).

alleged outer molding (1490) only covers at most one side of its alleged inner molding (1474)—*i.e.*, the outer molding (1490) does not cover “all or substantially all” of the inner molding (1474), as recited in claim 16. *See also* Pet. 23–24 (discussing Lo’s alleged outer molding).



Lo Fig. 14C (annotated)

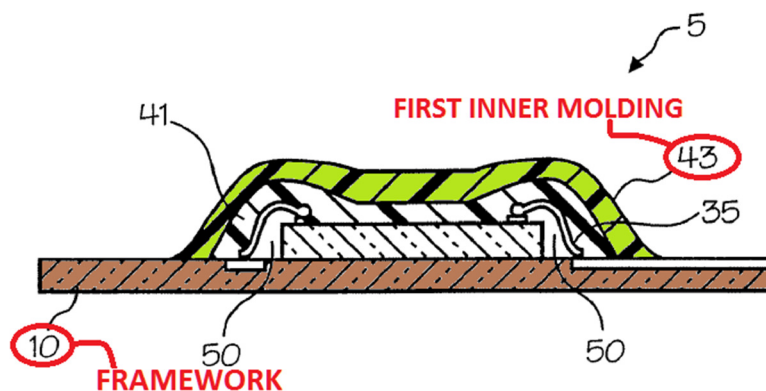
Petitioner has failed to explain this deficiency of Lo, and thus, has not established a reasonable likelihood for succeeding on anticipation for independent claim 16 and its dependent claims.

Second, Petitioner has not established that the alleged prior art renders obvious the '811 patent's other independent claim, claim 1 (Ground 5). Again, Petitioner's cited prior art is simply missing requirements that are expressly recited in the '811 patent claims. For example, Petitioner alleges that Anderson² expressly

² U.S. Pat. Pub. No. 2009/0047797 to Anderson *et al.* (“Anderson”).

discloses “*the first inner molding [] covers all or substantially all of the ... the framework*” as required by claim 1. Pet. 41–42 (discussion of element “1B”).

Anderson, however, fails to actually disclose this limitation. Anderson’s Fig. 2B is annotated below to show how it is relied upon in the petition—including Anderson’s alleged first inner molding (43), which plainly does not cover all or substantially all of the alleged framework (10).



Anderson Fig. 2B (annotated)

Petitioner has failed to acknowledge this deficiency of Anderson, and does not attempt to cure the deficiency in any way. Thus, Petitioner has failed to show a reasonable likelihood of success as to the unpatentability of independent claim 1.

The deficiencies in the prior art noted above, and as discussed further below, trace throughout the corresponding grounds. Additionally, where obviousness is alleged, Petitioner’s discussions and evidence regarding motivations to combine the alleged prior art are generically stated, conclusory, and lack objective support. Merely using buzzwords like “design choice” and “predictable results” without

corresponding explanation, as Petitioner and its expert have done here, is insufficient to meet the burden on a petitioner in an *inter partes* review.

Accordingly, as discussed in further detail below, Petitioner has failed to show a reasonable likelihood of success for any ground such that institution of *inter partes* review should be denied.

III. PETITIONER FAILS TO ESTABLISH THAT LO ANTICIPATES ANY CLAIM OF THE '811 PATENT (GROUND 1)

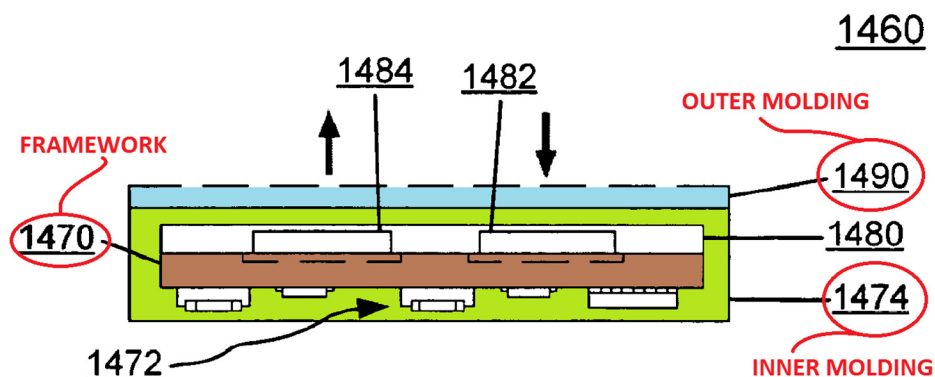
The Board should deny Ground 1 because Petitioner has failed to show that each and every limitation of claims 16–19, 23 or 26 is found in Lo. *See Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir. 1987). The petition must specify where each element of the claim is found in the prior art patent publication. §42.104(b)(4); *see also Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, (Fed. Cir. 1989) (“The identical invention must be shown in as complete detail as is contained in the ... claim.”). All words in a claim must be considered in judging the patentability of that claim against the prior art. *In re Wilson*, 424 F.2d 1382, 1385 (CCPA 1970). Further, “unless a reference discloses within the four corners of the document not only all of the limitations claimed but also all of the limitations arranged or combined in the same way as recited in the claim, it cannot be said to prove prior invention of the thing claimed and, thus, cannot anticipate under 35 U.S.C. § 102.” *Net MoneyIN, Inc. v. VeriSign, Inc.*, 545 F.3d 1359, 1371 (Fed. Cir. 2008). Accordingly, Petitioner’s failure to show that Lo

discloses each and every limitation of claims 16–19, 23 and 26 in the Petition is ultimately fatal to this asserted ground.

A. Independent Claim 16 is not anticipated by Lo

Petitioner has failed to meet its burden to establish a reasonable likelihood that Lo teaches all of claim 16’s limitations. Petitioner at least fails to prove that Lo discloses, explicitly or inherently, “*forming an outer molding ... **that covers all or substantially all of the one or more inner moldings***” See Pet. 23-24 (discussion of element “16C”); *See also Yorkey v. Diab*, 605 F.3d 1297, 1300 (Fed. Cir. 2010) (explaining that a determination of anticipation involves, interpreting the claim language and then comparing the construed claim to a prior art reference).

Lo Fig 14C is discussed below, and annotated with Petitioner’s allegations as to how disclosure of Lo maps specifically to claim 16 of the ’811 patent. See Pet. 20-24.

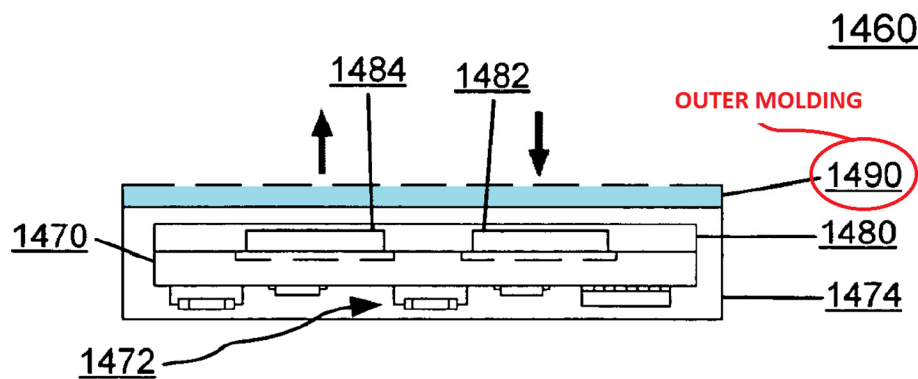


Lo Fig. 14C (annotated)

Petitioner alleges that Lo expressly discloses every limitation of claim 16.

Pet. 20–24. Referring to Lo Fig. 14C, Petitioner states that “*Lo* discloses applying the plastic housing 1474 substantially over the circuit board framework 1470.” Pet. 23; *see also* Lo at ¶ 0125 (“Plastic housing 1474 encapsulates the entire ultrasonic monitor...”). That is, Petitioner equates Lo’s “plastic housing 1474” and “circuit board framework 1470” with claim 16’s “one or more inner molding” and “framework”, respectively—see annotated Lo Fig. 14C.

Petitioner further equates Lo’s “transmission medium 1490” with the claimed “outer molding” (see below): “*Lo* discloses forming a transmission medium (*i.e.*, an outer molding) on the wearable monitor that covers substantially all of the plastic housing (*i.e.*, the inner molding).” Pet. 23. Lo’s alleged outer molding is highlighted below in Lo Fig. 14C (annotated).



Lo Fig. 14C (annotated)

As illustrated, Lo’s alleged outer molding (1490), at best, only covers one side of its alleged inner molding (1474), leaving at least three (and likely five) sides of Lo’s alleged inner molding exposed. *See* Lo at ¶ 0125 (“Plastic housing

1474 encapsulates the entire ultrasonic monitor.... Transmission medium 1490 is in contact with a surface of plastic housing 1474 closest to transducers 1482 and 1484.”). Indeed, Lo teaches that the alleged outer molding is only useful at this one side. *See, e.g.*, Lo at ¶ 0025 (“A heart rate may be monitored by applying a biocompatible oil-based transmission medium between an ultrasonic monitor module and a subject.”).

It is not clear that a person of ordinary skill in the art would consider covering only one of six sides as “cover[ing] all or substantially all” as claim 16 requires, and Petitioner has failed to provide any analysis or expert testimony explaining away this apparent deficiency in Lo’s disclosure.³ *See Net MoneyIN Inc. v. VeriSign Inc.*, 545 F.3d 1359, 1371 (Fed. Cir. 2008) (explaining “the prior art reference had to show the claimed invention arranged or combined in the same way as recited in the claim in order to anticipate”).

Petitioner relies on the embodiment shown in Figure 14C of Lo throughout Ground 1. As shown above, however, it is readily apparent that transmission layer

³ *See also*, Pet. 11 (discussing an “outer molding” covers “all or substantially all” of the inner moldings, and corresponding relevant disclosure in the ’811 patent.)

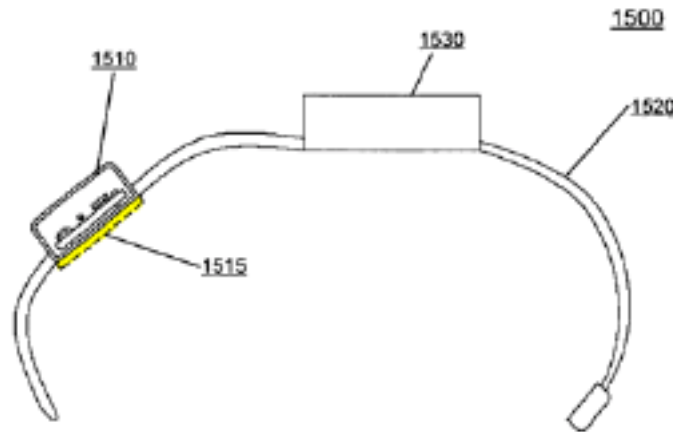
1490 (alleged “outer molding”) is over-molded/covers only a limited portion of plastic housing 1474 (alleged “inner molding”). While it is not Jawbone’s or the Board’s job to divine Petitioner’s arguments, there is no apparent rational basis for considering Lo’s alleged outer molding to cover “all or substantially all” of Lo’s alleged inner molding. *See Brand v. Miller*, 487 F.3d 862, 869 (Fed. Cir. 2007) (“[I]n the context of a contested case, it is impermissible for the Board to base its factual findings on its expertise, rather than on evidence in the record ...”); *see also In re Zurko*, 258 F.3d 1379, 1383 (Fed. Cir. 2001) (“With respect to core factual findings in a determination of patentability, however, the [B]oard cannot simply reach conclusions based on its own understanding or experience ...”). The testimony of Petitioner’s expert in this regard adds no further clarity, but merely parrots the same deficient argument made in the petition. *See* Ex. 1002, pp. 30–31.

Petitioner’s additional citation to the embodiment shown in Fig. 15A of Lo does not cure the deficiencies evident in the Fig. 14C embodiment.⁴ Both

⁴ Citation to a different embodiment of Lo (*i.e.*, Fig. 15A) cannot support Petitioner’s allegation of anticipation under §102 based on Fig. 14C of Lo. *See, e.g., Symantec Corp. v. RPost Comms. Ltd.*, IPR2014-00357, Paper 14 at 20 (PTAB July 15, 2014) (“For anticipation, it is not enough that the prior art

(continued...)

embodiments illustrate the same deficiency vis-à-vis claim 16. The embodiment in Fig. 15A, just like the Fig. 14C embodiment, plainly illustrates transition medium covering only a limited portion of the housing.



Lo Fig. 15A (as annotated in Pet. 24)

Accordingly, Petitioner has at least failed to meet its burden with regard to claim 16's "forming an outer molding ... that covers all or substantially all of the one or more inner moldings" limitation. The petition fails to establish that there is a reasonable likelihood of unpatentability of claim 16 under Ground 1.

(...continued from previous page)

reference discloses multiple, distinct teachings that the ordinary artisan might somehow combine to achieve the claimed invention.") (*citing In re Arkley*, 455 F.2d 586, 587 (C.C.P.A. 1972)).

B. Claims 17–19, 23 and 26 are not anticipated by Lo

Further regarding claims 17–19, 23 and 26, each of these claims depends from independent claim 16. As discussed above, Lo fails to anticipate claim 16. By failing to establish that the independent claim is anticipated by Lo, Petitioner has similarly failed to show that any of claim 16’s dependent claims are anticipated by Lo because each of these dependent claims necessarily includes the distinguishing features found in claim 16. *See, e.g., Mems Tech. Berhad v. ITC*, 2011 U.S. App. LEXIS 11350, at *34 (Fed. Cir. June 3, 2011) (citing *Hartness Int’l, Inc. v. Simplimatic Eng’g Co.*, 819 F.2d 1100, 1108 (Fed. Cir. 1987) (A reference that does not anticipate an independent claim cannot anticipate claims depending therefrom.)).

Furthermore, each of these claims is further distinguished over Lo due to the additional elements they recite. *See, e.g., Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1123 (Fed. Cir. 2004) (“[D]ependent claims are typically narrower and, by so being, are more likely to clearly distinguish the prior art. Generally speaking, this is, in part, their function.”).

For example, claim 23 recites a “protective material ... configured to protect ... elements from damage occurring during the forming of the one or more inner moldings.” Lo however, does not disclose a “protective material” that is configured to protect “during the forming of the one or more inner moldings.” Petitioner relies

on Lo paragraph 0115, which fails to support the allegation that Lo anticipates claim 23.

While Petitioner’s witness does discuss the timing of the formation of the alleged “protective material”—“[Lo’s] protective layer is applied to protect the electronic elements coupled to the circuit board prior to application of the molded plastic housing (*i.e.*, an inner molding)”—and that Lo’s protective layer can prevent damage from the alleged outer molding, nowhere does Dr. Cairns (or even the Petition) expressly explain how Lo teaches “protective material ... configured to protect ... elements from damage occurring during the forming of the one or more inner moldings.” *See* Cairns ¶ 62. At most, Petitioner or Dr. Cairns have shown that Lo discloses a layer (alleged protective material) that is formed before forming a protective housing (alleged inner molding), and that provides a barrier—at some undefined time—from an oil-based transmission medium (alleged outer molding). Such a disclosure cannot anticipate claim 23.

Similarly unsupportive of Petitioner’s allegations, the cited-to paragraph of Lo merely discloses: the placement of the protective layer, the requirement that the protective layer “provide excellent ultrasonic signal transmission and is firmer than a natural oil-based transmission medium”, and that “the firmness of the suitable protective layer *can prevent damage to the due to contact from the oil-based transmission medium or other objects.*” Lo ¶ 0115 (emphasis added). Nothing

recited here anticipates claim 23.

First, there is nothing in this disclosure that expressly indicates that Lo's protective layer is configured to protect elements from damage due to one or more inner moldings. All Lo discloses is protection from its "oil-based transmission medium" or undefined "other objects"—neither of which is the alleged inner molding (*i.e.*, Lo's housing 1474). Second, there is no evidence (or even argument) that Lo's "protective layer" is particularly adapted to provide protection *during* formation of an inner molding as the claim requires. Lo merely discloses protection from contact, and does not even mention affording protection during a formation process at all. *See* Lo ¶ 0115. There is no discussion in the Petition or by Dr. Cairns even attempting to explain these gaps between Lo and claim 23.

Finally, to the extent Petitioner is implicitly relying on the doctrine of inherency to overcome the deficiencies in Lo's disclosure, Petitioner's argument still fails. To show inherency, Petitioner would need to prove that Lo's protective layer would *necessarily* protect its transducer elements from damage occurring during the forming of its oil-based transmission medium. *See In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999) (quoting *Continental Can Co. v. Monsanto Co.*, 948 F.2d 1264, 1268 (Fed. Cir. 1991)) ("To establish inherency, the extrinsic evidence 'must make clear that the missing descriptive matter is necessarily present in the thing described in the reference.'") "Inherency . . . may not be established by

probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient.” *In re Oelrich*, 666 F.2d 578, 581 (C.C.P.A. 1981) (citing *Hansgird v. Kemmer*, 102 F.2d 212, 214 (C.C.P.A. 1939)). Being generous, Petitioner has merely insinuated that the protective layer may protect one or more elements from damage occurring during formation of its plastic housing because the protective layer is formed before the plastic housing, but the timing of formation does not necessitate a particular protective feature per the claims. Moreover, Petitioner has not provided expert testimony or even attorney analysis of how Lo’s disclosure necessitates such a conclusion. *See Duncan Parking Techs., Inc. v. IPS Ground Inc.*, IPR2016-00068, Paper 7 at 10 (PTAB March 30, 2016) (There is no requirement that we must credit the inadequately explained testimony of a declarant. (citing *Rohm and Haas Co. v. Brotech Corp.*, 127 F.3d 1089, 1092 (Fed. Cir. 1997))).

* * *

Accordingly, for the reasons above, Jawbone respectfully requests that the Board deny institution of claims 16–19, 23 and 26 under Ground 1.

IV. PETITIONER FAILS TO ESTABLISH THAT CLAIMS 20–22 AND 24–25 WERE OBVIOUS OVER LO (GROUNDS 2–4)

Petitioner has failed to meet its burden to prove that claims 20–22 and 24–25 were obvious over Lo as alleged in Grounds 2–4: **Ground 2:** Claims 20–22 are obvious over Lo in view of U.S. Pat. Pub. No. 2006/0110537 to Huang *et al.*

(“Huang”); **Ground 3:** Claim 24 is obvious over Lo in view of *Handbook of Thermoplastic Elastomers*, by Jiri G. Drobny (2007) (“The Handbook”); and

Ground 4: Claim 25 is obvious over Lo in view of U.S. Pat. Pub. No.

2010/0178834 to Toyoda *et al.* (“Toyoda”). Not only do claims 20–22 and 24–25 include distinguishing features over the prior art, but Petitioner also failed to articulate a well-reasoned and factually supported basis as to why and how a person of ordinary skill in the art would have modified Lo in the manner alleged.

A. Dependent claims 20–22 and 24–25 are not obvious over the cited references

In the ’811 patent, claims 20–22 and 24–25 depend from independent claim 16. As dependent claims, each of claims 20–22 and 24–25 includes all of the claim elements of its parent claim, claim 16. In Grounds 2–4, Petitioner relies on its argument set forth in Ground 1 addressing claim 16 vis-à-vis Lo. As set forth above in Section III, Lo fails to anticipate independent claim 16. Petitioner does not rely on the additional references cited in Grounds 2–4 (*i.e.*, Huang, The Handbook, and Toyoda) to cure the deficiencies of Lo with respect to claim 16. Accordingly, because the petition fails to establish that the prior art renders independent claim 16 unpatentable, dependent claims 20–22 and 24–25 are distinguished at least on the basis of their dependency on patentably distinct independent claim 1. *See, e.g., W.L. Gore & Assocs.*, 721 F.2d at 1555 (“Because

we conclude that the independent claims [] are patentable over the art of record, we need not discuss the dependent claims”); *In re Fine*, 837 F.2d 1071, 1076 (Fed. Cir. 1988) (“Dependent claims are nonobvious under section 103 if the independent claims from which they depend are nonobvious.”).

Furthermore, the dependent claims themselves recite elements which further distinguish them over the prior art. *See e.g., Innova/Pure Water, Inc.*, 381 F.3d at 1123 (“dependent claims are typically narrower and, by so being, are more likely to clearly distinguish the prior art. Generally speaking, this is, in part, their function.”).

B. Petitioner failed to provide a sound basis for combining the prior art references

Independent of the distinguishing limitations the dependent claims recite over the prior art, Petitioner has failed to meet its burden to articulate a *prima facie* case of obviousness as to these claims. Significantly, Petitioner has failed to set forth a rational basis for its proposition that a skilled artisan would have had reason to modify Lo with the teachings of the other cited references to arrive at the claimed inventions and would have had a reasonable expectation of success in doing so. *See Redline Detection, LLC v. Star Envirotech, Inc.*, 811 F.3d 435 (Fed. Cir. Dec. 31, 2015) (affirming IPR nonobviousness decision); *cf.* 35 U.S.C. 316(e) (ultimate burden on unpatentability always on petitioner).

1. Ground 2: Lo in view of Huang

Petitioner acknowledges that Lo does not teach or suggest all of the limitations of claims 20–22. Specifically, Lo does not teach or suggest the claim limitations regarding the “protective property” of the “one or more inner moldings” (*i.e.*, that the “protective property” is “hydrophobic”, “oleophobic”, “anti-bacterial”, as claimed in claims 20–22, respectively). *See* Pet. 28–33. To allegedly cure this deficiency, Petitioner cites to Huang, which purportedly discloses materials with the claimed protective properties respectively required by claims 20–22, and argues that it would have been obvious to a person of ordinary skill in the art to modify Lo’s plastic housing (the alleged inner molding) to use materials disclosed in Huang in order to impart the claimed protective properties. *See id.* Petitioner’s argument, however, fails to articulate a rational basis for its conclusion.

As part of its obviousness case, Petitioner must articulate a well-reasoned and factually supported argument that a person of ordinary skill in the art would have had a reason to modify Lo’s teaching to achieve the claimed invention and would have had a reasonable expectation of success in doing so. *See Senju Pharm. Co. v. Lupin Ltd.*, 780 F.3d 1337, 1341 (Fed. Cir. 2015) (it is the challenger’s burden to show “that a person of ordinary skill in the relevant field had reason to combine the elements in the manner claimed”). Petitioner has not done so.

In Petitioner's view, a person of ordinary skill in the art would have modified Lo's plastic housing with Huang's materials because it would have been a "natural design choice" or an "obvious application of known techniques." *See* Pet. 30–31, 33. Yet, a "design choice" rationale is not applicable here, where the change is not aesthetic or a mere rearrangement of elements. *See In re Seid*, 161 F.2d 229, 231 (C.C.P.A. 1947); *In re Kuhle*, 526 F.2d 553, 555 (C.C.P.A. 1975). Petitioner and its expert repeat buzzwords, such as "design choice," but fail to substantiate why those buzzwords are applicable in the present case.

Petitioner's stated reasons to combine Lo and Huang are not supported by sufficient analysis but are largely generic, conclusory statements detached the art or patent at hand. *See In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006) ("there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness"). The Cairns declaration essentially parrots the same statements made in the petition. *Compare* Pet. 30–31, 33 *with* Cairns ¶¶ 64–66.

Finally, Petitioner's analysis fails to consider whether, after modification, Lo would still be suitable for its intended purpose. *See, e.g., In re Gordon*, 733 F.2d 900, 902 (Fed. Cir. 1984) (If a proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no adequate basis to make the proposed modification).

In this regard, Lo teaches the criticality of the materials used in its ultrasonic

monitor being suitable for transmitting ultrasonic waves. *See, e.g.,* Lo at ¶ 0017 (“ultrasonic signals are prone to diffraction and attenuation at the interface of two media of different densities”); ¶ 0020 (“Efficiency of the transmitting transducer is an important feature in Wrist Worn and other small heart rate monitors”); ¶ 0087 (“Oil-based transmission mediums are generally transparent to ultrasound. Thus, the energy loss during transmission is minimized significantly. This allows the ultrasonic monitor to effectively measure both the blood flow rate and cardiac output accurately. “); ¶ 0115 (“A suitable protective layer material can provide excellent ultrasonic signal transmission”); ¶ 0116 (“A protective layer ... can be substituted with other materials so long as they ... exhibit minimum impedance to ultrasound”); ¶ 0122 (teaching that embodiments with a plastic housing must “retain good ultrasonic transmission properties with a subject”). Nevertheless, despite this critical requirement for Lo’s materials to the operability of its device, neither the Petition nor Cairns ever address whether the materials of Hung would be suitable substitutes for the materials taught by Lo such that they “retain good ultrasonic transmission properties.” Without addressing this critical feature, Petitioner has failed to articulate an adequate basis for a motivation to combine Lo and Huang. Accordingly, Ground 2 should be denied.

2. Ground 3: Lo in view of The Handbook

Petitioner also acknowledges that Lo does not teach or suggest “wherein at

least one of the one or more inner moldings comprises a medical-grade thermoplastic elastomer” as recited in claim 24. *See* Pet. 33. Here, Petitioner argues that a person of ordinary skill in the art would have modified Lo’s plastic housing to be made of a medical-grade thermoplastic elastomer taught in The Handbook. *See id.* at 34. Yet, similar to Ground 2, Petitioner’s argument, fails to articulate a rational basis as to why a person of ordinary skill in the art would have combined Lo and the Handbook and had a reasonable expectation in success in doing so. Again, Petitioner relies on generic, conclusory rationales (*i.e.*, “design choice” or “predictable results”), and fails to address the suitability of the proposed modification for Lo’s intended purpose of providing an ultrasonic monitor. Accordingly, Ground 3, directed to claim 24, should be denied.

3. Ground 4: Lo in view of Toyoda

Petitioner further proposes curing Lo’s failure to teach or suggest “removing and reapplying at least one of the more one or more inner moldings after inspection” (claim 25) by incorporating the teaching of Toyoda, which allegedly discloses removing and reapplying defective resin layers. *See* Pet. 35. The petition only provides conclusory, generic motivations for making such a modification (*i.e.*, obvious to try). *See In re Kahn*, 441 F.3d at 988 (“there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness”).

“[A] patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.” *LG Display, LTD v. Innovative Display Techs.*, IPR2014-01095, Paper 9 at 10 (PTAB Jan. 13, 2015) (citing *Int’l KSR Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007)). “[W]here the prior art, at best gives only general guidance as to the particular form of the claimed invention or how to achieve it, relying on an obvious-to-try theory to support an obviousness finding is impermissible.” *In re Cyclobenzaprine Hydrochloride Extended-Release Capsule Patent Litigation*, 676 F.3d 1063, 1073 (Fed. Cir. 2012). Further, “KSR did not create a presumption that all experimentation in fields where there is already a background of useful knowledge is 'obvious to try,' without considering the nature of the science or technology.” *Abbott Labs. v. Sandoz, Inc.*, 544 F.3d 1341, 1352 (Fed. Cir. 2008).

Here, Petitioner has done nothing more than allege that the limitations of claim 25 were independently known in the prior art and that it would therefore have been obvious to put them together. Accordingly, Ground 4 should be denied.

V. PETITIONER FAILS TO ESTABLISH THAT CLAIMS 1–15 WERE OBVIOUS OVER ANDERSON (GROUNDS 5–10)

The Board should deny Petitioner’s obviousness grounds relying on Anderson (Grounds 5–10) at least because (1) Anderson fails to disclose the aspects of claim 1 for which it is cited; and (2) Petitioner has failed to show that a person of ordinary skill in the art had reason to combine the alleged prior art to

arrive at the claimed inventions as a whole, with a reasonable expectation of success in doing so. *See Redline Detection, LLC*, 811 F.3d 435 (affirming IPR nonobviousness decision); *cf.* 35 U.S.C. 316(e) (ultimate burden on unpatentability always on petitioner).

Accordingly, Petitioner has failed to meet its burden to prove any of:

Ground 5: claims 1, 6 and 15 of the '811 patent are obvious Anderson in view of U.S. Pat. Pub. No. 2009/0295596 to Downey *et al.* (“Downey”); **Ground 6:** Claims 2, 3, and 5 are obvious over Anderson in view of Huang; **Ground 7:** Claim 4 and 7 are obvious over Anderson in view of Downey and The Handbook; **Ground 8:** Claims 8 and 9 are obvious over Anderson in view of Downey and Toyoda; **Ground 9:** Claims 10–12 are obvious over Anderson in view of Downey and U.S. Pat. No. 5,286,330 to Azuma *et al.* (“Azuma”); and **Ground 10:** Claims 13 and 14 are obvious over Anderson in view of Downey and U.S. Pat. No. 5,844,523 to Brennan *et al.* (“Brennan”).

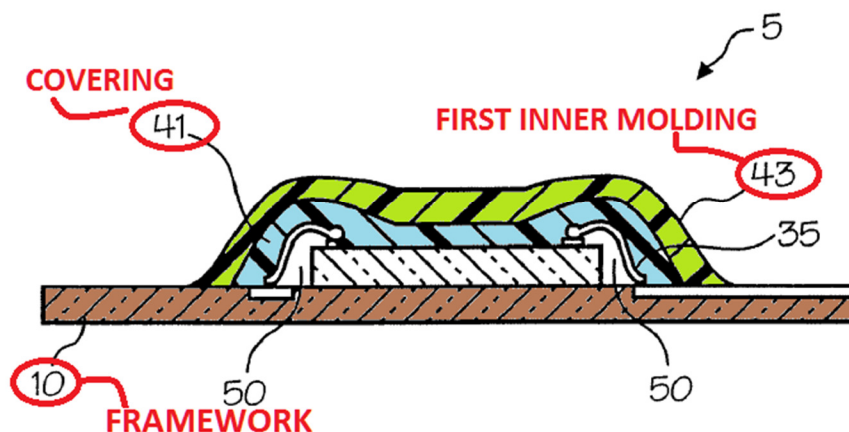
A. Independent Claim 1 is Not Obvious over Anderson in view of Downey

Petitioner fails to demonstrate that the proposed combination of Anderson and Downey would arrive at claim 1’s invention.

1. Petitioner Fails to Show that the Prior Art Teaches or Suggests all Limitations Recited in Independent Claim 1

A *prima facie* case of obviousness requires addressing *all elements* of a claim. See *CFMT, Inc. v. Yieldup Intern. Corp.*, 349 F.3d 1333, 1342 (Fed. Cir. 2003), citing *In re Royka*, 490 F.2d 981, 985 (CCPA 1974); see also 37 C.F.R. §42.22(a)(2) (requiring a “detailed explanation”). Petitioner’s alleged combination, however, fails to address all limitations recited in claim 1.

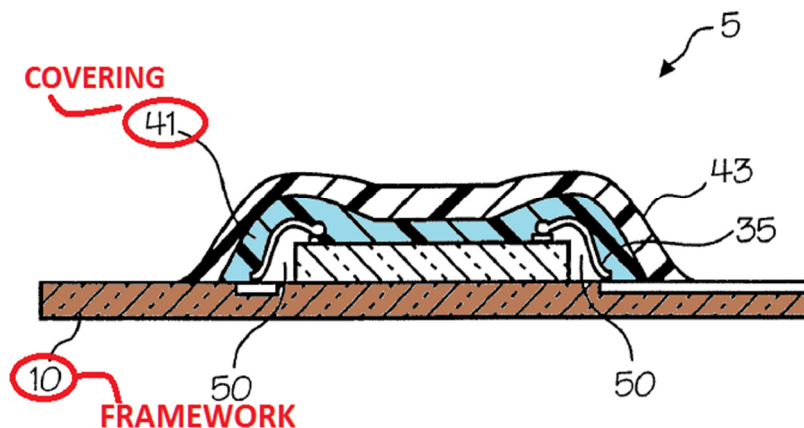
Independent claim 1, for example, requires “the first inner molding [] covers all or substantially all of the ... the framework.” See Pet. 41-42 (discussion of element “1B”). Anderson’s alleged first inner molding, however, does not cover “all or substantially all” of the framework. See *Anderson Fig. 2B* (annotated below based on Petitioner’s allegations and showing Anderson’s “first inner molding” 43 covering substantially *less* than all of “framework” 10).



Anderson Fig. 2B (annotated)

This aspect of claim 1 of the '811 patent—"element 1B"—is addressed at pages 41–42 in the petition, where Petitioner relies entirely on Anderson. Petitioner alleges that Anderson's "tamper-resistant coating 43" ("TRC") is the claimed "first inner molding": "*Anderson* discloses selectively forming a tamper-resistant coating (*i.e.*, a first inner molding) that covers substantially all of the primer coating, the circuit elements, and/or the printed circuit board (*i.e.*, the at least one covering, plurality of elements, and framework)." Pet. 41–42. Anderson's alleged "first inner molding" (43) is highlighted above/below in Anderson Fig. 2B (annotated).

Petitioner alleges that Anderson's intermediate primer coating 41 is the claimed "at least one covering." Petitioner further alleges that Anderson's "substrate 10" is the claimed "framework": "*Anderson* describes . . . one or more microelectronic components coupled to a substrate [10] (*i.e.*, elements coupled to a framework)." Pet. 39; *see also* Anderson Fig. 2b (annotated below).



Anderson Fig. 2B (annotated)

At page 42, the petition concludes “[a]s shown in Fig. 2B below, this coating [TRC 43] covers substantially all of the intermediate primer coating 41 (*i.e.*, the covering).” This disclosure, however, fails to address all the relevant language of the claim—*i.e.*, “***selectively forming a first inner molding that covers all or substantially all of the at least one covering, the plurality of elements, and the framework.*” Ex. 1001, claim 1. Petitioner’s argument ignores, for example, “the framework” as recited in claim 1.**

Anderson at best only discloses covering one portion on only one side of the framework, which is not “all or substantially all” as the claims requires. Anderson Fig 2B embodiment—which was entirely relied upon by Petitioner for showing the claimed “first inner molding”—shows that the TRC 43 is only on one portion of one side of the “framework”/substrate 10.

This is significantly less than “all or substantially all” recited in claim 1. Petitioner provides no argument in Petition or via Dr. Cairns’ declaration overcoming this deficiency of Anderson. Moreover, Petitioner never relies on Downey for element 1B or otherwise alleges that Downey would cure the above-highlighted deficiencies vis-a-vis claim 1. *See also Liberty Mut. Ins. Co. v. Progressive Casual Ins. Co.*, CBM2012-00003, Paper 8 at 10 (PTAB Oct. 25, 2012) (citing 37 C.F.R. §42.20(c)) (The Board will “resolve all vagueness and ambiguity in Petitioner’s arguments against the Petitioner”).

By ignoring this limitation in its analysis, Petitioner’s challenge to this claim fails. *See Senju Pharm. Co. v. Lupin Ltd.*, 780 F.3d 1337, 1341 (Fed. Cir. 2015) (it is the challenger’s burden to show “that a person of ordinary skill in the relevant field had reason to *combine the elements in the manner claimed*”) (emphasis added); *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 1537 (Fed. Cir. 1983) (“the ultimate determination [is] whether the claimed invention *as a whole* would have been obvious”).

2. Petitioner Fails to Articulate a Factually Supported and Well-Reasoned Basis for Combining Anderson and Downey

In addition to the deficiencies discussed above, Petitioner also has not met its burden to articulate a *prima facie* case of obviousness as to claim 1 because it has not articulated a rational basis why a person of ordinary skill in the art would have modified Anderson’s teachings with Downey as proposed, or whether there would have been any reasonable expectation of success in doing so. *See Redline Detection, LLC*, 811 F.3d 435 (affirming IPR nonobviousness decision); *cf.* 35 U.S.C. 316(e) (ultimate burden on unpatentability always on petitioner). Instead, Petitioner merely puts forward a generic motivation to combine that does not take into account the particular disclosures of the prior art or the elements recited in the claims.

When discussing some (but not all) of Anderson’s deficiencies with regard to claim 1, Petitioner repeats statements that the deficiencies can be cured with

predictable applications of known solutions over-and-over again.⁵ The allegations, however, lack any real explanation or analysis as to why each of the modifications to Anderson would have been “predictable”, or why a person of ordinary skill in the art would have even made the particular modification. *See Int’l KSR Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007) (“[A] patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art”). The shortcomings of these generic statements become even more apparent when examining the proffered rationale in light of the language of the claims.

Take as illustrative, the analysis of the claim limitation labeled [1A]: “A method, comprising: selectively applying at least one covering substantially over one or more of a plurality of elements coupled with a framework for a wearable device configured to be worn by a user, the plurality of elements including at least a sensor.” Here, Petitioner alleges that Anderson’s discloses the claimed “covering,

⁵ As explained in Section V.A.I., above, the petition relies entirely on Anderson as allegedly teaching “element 1B” of claim 1. As such, there are some deficiencies in Anderson, vis-à-vis the challenged claims, where Petitioner offers no explanation regarding those deficiencies.

“elements” and “framework.” Pet. 39. And while Petitioner admits that Anderson does not disclose that its alleged framework is “for a wearable device” (as claimed), it alleges Downey cures this deficiency on the basis that “apply[ing] Anderson’s method to protect the internal components of Downey’s watch, which is subjected to moisture, vibration, shocks, and environmental hazards *during exercise or swimming*[,]” is to “provide added protection to Downey’s expensive and sensitive circuitry. Pet. 40–41 (emphasis added). However, this motivation has no relation to the actual modifications being made. In this section, Petitioner is arguing to apply Anderson’s method, namely the use of an “intermediate layer (primer coating)”, to provide added protection *after* manufacturing (*i.e.*, “during exercise or swimming”), but Anderson’s “intermediate layer (primer coating)” is only alleged to “promote adhesion of subsequent layers” and “protect circuit [] components [] from being damaged during the application of subsequent layers.” Pet. 40 (internal quotation omitted).

Thus, petitioner’s arguments are detached from the teachings of the references themselves, rather than based on any rational underpinning. *See KSR Int’l Co.*, 550 U.S. at 418.

**B. Petitioner Has Failed To Show That Dependent Claims 2-15
Were Obvious over Anderson**

Petitioner has failed to show that dependent claims 2–15 were obvious over

Anderson's in view of one or more of Huang, The Handbook, Azuma, Brennan, Downey or Toyoda.

1. Dependent claims 2–15 are patentably distinct over the cited references at least on the basis of depending from independent claim 1

In the '811 patent, claims 2–15 depend from independent claim 1. As dependent claims, each of claims 2–15 includes all of the claim elements of its parent claim, claim 1. For claims 2–15, Petitioner relies on its argument set forth in Ground 5 addressing claim 1 vis-à-vis Anderson in view of Downey. As set forth above in Section V.A., the combination of Anderson and Downey fails to render obvious independent claim 1. Petitioner does not rely on the additional references cited in Grounds 6–10 (*i.e.*, Huang, The Handbook, Azuma, Brennan and Toyoda) to cure the deficiencies of Anderson and Downey with respect to claim 1.

Accordingly, because independent claim 1 is patentably distinct over the prior art, so too are its dependent claims 2–15. *See, e.g., W.L. Gore & Assocs.*, 721 F.2d at 1555 (“Because we conclude that the independent claims [] are patentable over the art of record, we need not discuss the dependent claims”); *In re Fine*, 837 F.2d at 1076 (“Dependent claims are nonobvious under section 103 if the independent claims from which they depend are nonobvious.”). Furthermore, the dependent claims themselves recite elements which further distinguish them over the prior art. *See, e.g., Innova/Pure Water, Inc.*, 381 F.3d at 1123 (“[D]ependent claims are

typically narrower and, by so being, are more likely to clearly distinguish the prior art. Generally speaking, this is, in part, their function.”).

2. Petitioner failed to provide a sound basis for combining the prior art references

Independent of the distinguishing limitations the dependent claims recite over the prior art, Petitioner has failed to meet its burden to articulate a *prima facie* case of obviousness as to these claims. Significantly, Petitioner has failed to meet its burden to articulate a *prima facie* case of obviousness as to claims 2–15 because it has not articulated a rational basis why a person of ordinary skill in the art would have modified Anderson’s teachings with one or more of Huang, The Handbook, Azuma, Brennan, Downey or Toyoda to arrive at the claimed inventions and would have had a reasonable expectation of success in doing so. *See Redline Detection, LLC*, 811 F.3d 435 (affirming IPR nonobviousness decision); *cf.* 35 U.S.C. 316(e) (ultimate burden on unpatentability always on petitioner).

Petitioner provides little, if anything, beyond conclusory, generic motivations for modifying Anderson to arrive at dependent claims 2–15. As with all its grounds based on obviousness, Petitioner appears to be relying on improper hindsight analysis with unsubstantiated arguments about what would have been obvious-to-try, yielded predictable results, or a natural design choice. Pet. 46–60. These arguments fall apart when they are examined for factual bases and analyses that go beyond generic proclamations. *See KSR Int’l Co.*, 550 U.S. at 418 (a

conclusion of obviousness requires some “articulated reasoning with some rational underpinning”); *see also Leo Pharm. Prods. v. Rea*, 726 F.3d 1346, 1356-57 (Fed. Cir. 2013) (finding general guidance in the prior art that was not focused on the claimed invention insufficient to support a conclusion of obviousness). This is improper, and thus the Board should deny institution on claims 2–15.

* * *

For the reasons stated above, Petitioner has failed to meet its burden to prove a reasonable likelihood of success as to the unpatentability of claims 1–15. Accordingly, the Board should deny institution on Grounds 5–10.

VI. PETITIONER’S REPRESENTATION OF THE STATE OF THE ART IS UNSUBSTANTIATED AND UNRELIABLE

A petitioner in an *inter partes* review proceeding may urge unpatentability “only on the basis of prior art consisting of patents or printed publications.” 35 U.S.C. § 311(b). Petitioner, however, relies on references that it is either unwilling or unable to qualify as prior art patents or printed publications. Discussion of these unqualified references pervades Petitioner’s arguments regarding the “knowledge in the relevant field” (Pet. 1–3, 7–9), the proffered arguments alleging obviousness, and the testimony of Dr. Cairns (Ex. 1002). Those arguments, at a minimum, should be ignored as they are unsubstantiated and represent an improper attempt to circumvent the restrictions set forth in 35 U.S.C. § 311(b).

To qualify as a printed publication within the meaning of § 102, a reference “must have been sufficiently accessible to the public interested in the art” before the critical date. *In re Cronyn*, 890 F.2d 1158, 1160 (Fed. Cir. 1989). A reference is considered publicly accessible if it was disseminated or otherwise made available to the extent that persons interested and ordinarily skilled in the subject matter or art, exercising reasonable diligence, can locate it. *In re Lister*, 583 F.3d 1307, 1311 (Fed. Cir. 2009).

Among the exhibits relied upon by Petitioner and Dr. Cairns are four “Marketing Materials.” Ex. 1014–15, 1026–27. These references are not patents, and there is no submitted evidence that they qualify as a prior art printed publications. There is no indication on the face of any of these four Marketing Materials that proves that they were sufficiently accessible to the public interested in the art prior to the critical date,⁶ and Petitioner does not offer any evidence to

⁶ While a few of the Marketing Materials include an indication of a copyright registration, a copyright notice alone is not sufficient to prove public dissemination as of the indicated date. *See In re Lister*, 583 F.3d 1307, 1317 (Fed. Cir. 2009); *Alarm.com Inc. v. Vivint, Inc.*, IPR2016-00155, Paper 14 at 14 (PTAB Apr. 28, 2016).

prove prior publication.

Nevertheless, Petitioner sets forth an analysis of the knowledge of a person of ordinary skill in the art that relies on these four Marketing Materials. *See* Pet. 8–9; Cairns 10–15. Petitioner then cites to this unsubstantiated and unreliable “knowledge” to inform its obviousness grounds (Grounds 2–10). *See, e.g.*, Pet. 50 (“an obvious design choice within the basic knowledge of skilled artisans”); *see Int’l KSR Co.*, 550 U.S. at 418 (“Often, it will be necessary for a court to look to . . . the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue.”). *See also, e.g.*, Pet. 29 (“Those skilled in the art understood that a number of common moldings were inherently hydrophobic and commercially available from a variety of vendors. . . . Ex. 1014 at 1 (marketing products for ‘rendering [surfaces] to be hydrophobic, hydrophilic, oleophobic or oleophilic by design’”), 31 (citing Ex. 1014); Cairns ¶¶ 64–65 (citing Ex. 1014).

The Board has had many occasions to deny institution for reliance on references not properly qualified as prior art. *See, e.g., Samsung Elects. Co. et al. v. Rembrandt Wireless Techs., LP*, IPR2014-00514, Paper 18, pp. 9–10 (PTAB Sept. 9, 2014) (denying institution as to all challenged claims where petitioner did not make sufficient showing that a document relied upon for all grounds was a printed

publication and, thus, prior art). In this case, Petitioner provides no evidence of public dissemination or publication date for these Marketing Materials (*i.e.*, Exhibits 1014–15 and 1026–1027). Petitioner should not be excused from making an effort to meet its evidentiary burden by populating petition discussion with unqualified references, but not expressly naming those references in its grounds - and presumably hoping neither Jawbone nor the Board would notice the qualification issue.

The use of these unqualified Marketing Materials in the petition and expert declaration is so intertwined with corresponding discussion of obviousness that it cannot be easily sorted out by the Board. As such, these unqualified references have incurably infected all of Petitioner's obviousness grounds (Grounds 2–10), and thus these grounds can be denied institution on this basis alone. At a minimum, Exhibits 1014–15 and 1026–1027 and any corresponding discussion should be disregarded.

VII. PETITIONER'S WITNESS TESTIMONY SHOULD BE ACCORDED NO WEIGHT

As discussed in the Section VI, Dr. Cairns testimony is infected by reliance on references the petition fails to qualify as prior art available to provide a basis for *inter partes* review under 35 U.S.C. § 311(b). Additionally, Dr. Cairns's testimony largely parrots Petitioner's arguments while relying upon unsupported conclusory statements concerning the scope of the prior art, the applicability of the prior art to

the challenged claims, and the mind-set of a person of ordinary skill in the art. As examples, Dr. Cairns repeatedly asserts that a particular reference discloses a claim limitation while never examining or explaining away the facial differences between the reference and the claims—*see, e.g.*, Cairns 29–30 (failing to explain any rational basis why a POSA would consider covering one portion of one side of framework equivalent to covering all or substantially all of molding framework). When discussing obviousness, Dr. Cairns states that the asserted prior art combinations are nothing more than “design choices” and repeats legal conclusions (*e.g.*, *KSR* verbiage) regarding predictable application of a known solution. Dr. Cairns does this without discussing design parameters at the time or explaining his basis as to why it the proposed modification would in fact be a logical modification in each instance—*see* Cairns 67 (“It would have been a beneficial design choice to configure the outer coating to protect against degradation from such radiation.”); *see also* Sections IX.B–I (recycling the same motivation to combine without regard to the actual modification being made).

Conclusory testimony, even of an expert, is accorded no weight. *Regents of the Univ. of Minn. v. AGA Med. Corp.*, 717 F.3d 929, 941 (Fed. Cir. 2013).

Nothing in the Federal Rules of Evidence, which are applicable to IPRs (37 C.F.R. § 42.62(a)), or Federal Circuit jurisprudence, requires a fact finder to credit unsupported assertions of an expert witness. *Rohm and Haas Co. v. Brotech Corp.*,

127 F.3d 1089, 1092 (Fed. Cir. 1997); *see also Ashland Oil, Inc. v. Delta Resins and Refractories, Inc.*, 776 F.2d 281, 294 (Fed Cir. 1985) (lack of factual support for expert opinion may render the testimony of little probative value in a validity determination).

Accordingly, Jawbone respectfully submits that any unexplained or conclusory testimony should be accorded little, if any, weight in assessing whether the Petitioner met its burden of providing sufficient factual basis for its challenges.

VIII. CONCLUSION

Petitioner has comprehensively failed in its obligations as a petitioner because it has not demonstrated unpatentability over the alleged prior art. Accordingly, Jawbone respectfully requests that Board deny institution on all 10 grounds for all 26 claims of the '811 patent.

Respectfully submitted,

Dated: May 17, 2016

/ Michael T. Rosato /
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CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. § 42.24(d), the undersigned certifies that this paper contains no more than 14,000 words, not including the portions of the paper exempted by 37 CFR § 42.24(a). According to the word-processing system used to prepare this paper, the paper contains 7,505 words.

Dated: May 17, 2016

/ Michael T. Rosato /

Michael T. Rosato, Lead Counsel
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CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing Patent Owner's Preliminary Response under 37 C.F.R. § 42.107 was served on May 17, 2016, on the Petitioner at the correspondence address of the Petitioner as follows:

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