

Filed on behalf of: Fitbit, Inc.

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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 No. 8,529,811

Petitioner's Request for Rehearing Under 37 C.F.R. § 42.71(d)(1)

I. INTRODUCTION AND PRECISE RELIEF REQUESTED

Petitioner Fitbit, Inc. requests rehearing of the Patent Trial and Appeal Board's August 16, 2016 Decision (the "Decision") declining to institute review of claims 1-15 of U.S. Patent No. 8,529,811 ("the '811 Patent").

Petitioner presented U.S. Patent Publication No. 2010/0178834 A1 (July 15, 2010) ("*Anderson*") as a reference that, in combination with other references, rendered independent claim 1 and its dependent claims 2-15 of the '811 patent obvious. *See* Pet. at 5-6 (Grounds 5-10). With respect to claim 1's recitation of "selectively forming a second inner molding that covers all or substantially all of the first inner molding," Petitioner relied on, *inter alia*, *Anderson*'s disclosure of item 44 in Figures 7g and 7h (reproduced below) and the expert testimony of Dr. Darran Cairns.

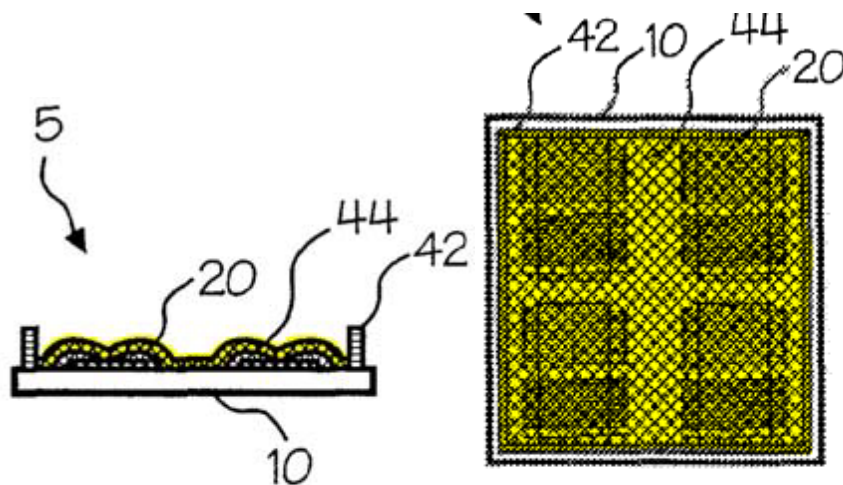


Fig. 7g

Fig. 7h

Patent Owner's Preliminary Response did not challenge *Anderson's* disclosure of this element of claim 1. However, the Decision disagreed with Petitioner and interpreted item 44 in Figure 7g as confined to gaps underlying a previously deposited coating rather than covering all or substantially all of that coating as recited in claim 1. Decision at 23-25. Based on this finding, the Decision declined to institute review of claims 1-15.

Petitioner does not dispute that item 44 fills the gaps as identified in the Decision—indeed, Petitioner noted that it did. But Petitioner respectfully submits that the Decision appears to have overlooked information demonstrating that item 44 *also* “covers all or substantially all” of the underlying coating. This includes *Anderson's* Figure 7h and Dr. Cairns' expert testimony, neither of which were addressed in the Decision's analysis of *Anderson*. Specifically, Petitioner requests rehearing for the following three reasons.

First, the Decision appears to have overlooked the disclosure of *Anderson's* Figure 7h. While the Decision did interpret item 44 in Figure 7g and concluded it was confined to particular spaces, it did not address Figure 7h, an overhead view corresponding to Figure 7g's cross-section. See Pet. at 43. As discussed in the petition and depicted above, Figure 7h indicates that item 44 (marked by cross hatching) covers all or substantially all of the underlying items.

Second, the Decision emphasizes a statement in paragraph 44 of *Anderson* indicating that item 44 (referred to as “filler material”) “reside[s] in the gaps and/or air pockets” underneath a previously deposited coating. Decision at 22. However, the Decision appears to have overlooked other statements in that same paragraph confirming what is depicted in Figure 7h: that the filler material 44 **also** covers all of the underlying coating. Paragraph 44 describes a later-applied, outer shell coating as “overlying filler material 44” and “result[ing] in a more rigid outer surface than could be achieved with filler material 44 alone.” Ex. 1004 at ¶ 0044. The filler material 44 forms an “outer surface” on which the outer shell coating is “overlaid” because it covers all or substantially all of the underlying coating.

Third, the Decision appears to have overlooked the testimony of Petitioner’s expert, Dr. Darran Cairns. Although the Decision cited to the testimony of Dr. Cairns in connection with other grounds (*see* Decision at 19), it did not address the substance of his testimony concerning *Anderson*. Dr. Cairns has 20 years of relevant experience and Patent Owner’s Preliminary Response did not question his qualifications as an expert in the relevant space or his testimony concerning *Anderson*’s disclosure of the “second inner molding” element of claim 1. Dr. Cairns explained how *Anderson* (including Figures 7g and 7h) teaches that item 44 both fills in gaps and spaces (as the Decision notes) and covers all or substantially all of the underlying layer (as Petitioner contends). Ex. 1002 at ¶¶ 52, 53. At a

minimum, this testimony raises a factual question best resolved during trial on the merits rather than at institution.

For all these reasons, Petitioner requests rehearing and requests that the Board institute trial on claims 1-15.

II. LEGAL STANDARD

“A party dissatisfied with a decision may file a request for rehearing.” 37 C.F.R. § 42.71(d). “The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.” *Id.*

III. STATEMENT OF REASONS FOR RELIEF REQUESTED

A. The Decision Overlooked Figure 7h of *Anderson*

In challenging claims 1-15 of the '811 patent, Petitioner relied on, *inter alia*, Figures 7g and 7h to illustrate that *Anderson*'s filler layer 44 covered all or substantially all of the previously deposited, underlying layers and therefore satisfied element 1C of independent claim 1. Pet. at 42–43. Petitioner presented the following highlighted copies of Figures 7g and 7h in the body of its petition:

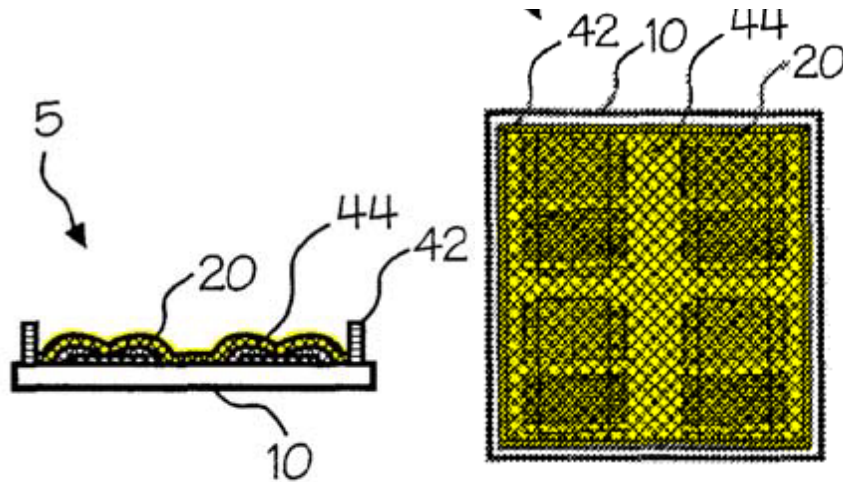


Fig. 7g

Fig. 7h

Based on these and other disclosures in *Anderson*, Petitioner explained that item 44 (referred to as a “filler material” or “inner coating”) disclosed “selectively forming a second inner molding that covers all or substantially all of the first inner molding,” as recited in element 1C of claim 1. *Id.*

On May 17, 2016, the Patent Owner filed a Preliminary Response. While Patent Owner took issue with a different element of claim 1, it did not dispute that the disclosures of *Anderson* identified by Petitioner satisfied element 1C.

However, the Decision disagreed with Petitioner’s interpretation of *Anderson*’s Figure 7g and concluded that item 44 did not include the portion highlighted by Petitioner, but rather was limited to underlying spaces:

Presumably, Fitbit is arguing that the highlighted layer of Figure 7g is filler material 44, which is shown as

covering all or substantially all of the underlying layers. When Figure 7g is viewed in conjunction with Figure 7c of Anderson, however, we find this interpretation to be incorrect:

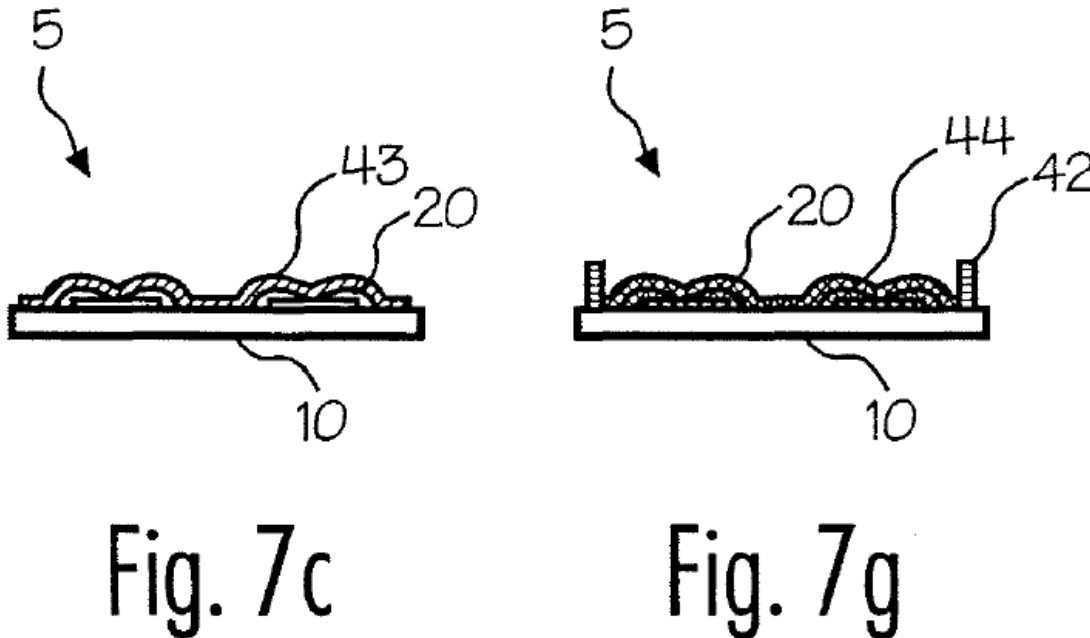


Figure 7c depicts a step prior to that shown in Figure 7g, wherein tamper resistant coating 43 is applied to the substrate. Looking at these two Figures side-by-side, we find that the layer highlighted by Fitbit in the Petition is in fact tamper resistant coating 43, although it is not numbered in Figure 7g. The label 44 is instead applied to the underlying cross-hatched layer added between steps 7c and 7g, the filler layer. We conclude, therefore, that filler layer 44 does not *cover all or substantially all* of the tamper resistant coating, as Fitbit alleges.

Decision at 23-24 (emphasis original).

Petitioner does not dispute that item 44 in Figure 7g fills gaps as indicated in the Decision—Petitioner noted as much in its petition. *See, e.g.*, Pet. at 42 (“This second inner molding can be a ‘low viscosity, low stress epoxy material’ that flows easily and ‘wicks up to fill gaps or spaces.’ Ex. 1004 at ¶ 0041.”). Petitioner also agrees that item 44 is identified by cross-hatching in Figure 7g, as noted in the Decision. Decision at 24. However, the Decision did not address Figure 7h, an overhead view corresponding to the cross-section of Figure 7g, in which item 44 is identified by the same cross-hatching. It appears the Decision overlooked Figure 7h, as it plainly depicts item 44 covering all of the underlying tamper resistant coating, not merely the underlying spaces identified in the Decision.

This is consistent with the portion of Figure 7g highlighted in the petition, which the Decision observed “is shown as covering all or substantially all of the underlying layers.” Decision at 23. Indeed, the portion of Figure 7g highlighted by Petitioner is also cross-hatched, distinguishing it from the previously deposited tamper resistant coating 43 of Figure 7c.¹

¹ Figure 7d of *Anderson* is an overhead view corresponding to the cross-section of Figure 7c. A comparison of Figures 7d and 7h highlights that the cross-hatched layer labeled as item 44 is added in Figure 7h and covers all of the previously deposited tamper resistant coating 43 in Figure 7d. Figure 7d likewise illustrates

Thus, Figure 7h, which was overlooked in the Decision’s analysis, confirms Petitioner’s contention that item 44 of *Anderson* not only fills the gaps identified in the Decision, but also comprises a “second inner molding that covers all or substantially all of the first inner molding.”² This is consistent with the cross-hatched portion of Figure 7g highlighted by Petitioner.

This overlooked disclosure in Figure 7h also illustrates and is consistent with *Anderson*’s description of item 44 as an “inner coating” and an “encapsulant layer,” as noted in the petition. *See, e.g.*, Pet. at 42 (citing *Anderson* ¶ 0039). Figure 7h likewise illustrates and is consistent with *Anderson*’s description of how item 44 is deposited. As noted in the petition and depicted in Figure 7h, while item 44 is formed from a low viscosity material that “flows easily and ‘wicks up to fill gaps or spaces,’” it is applied within a “barrier or mold” that surrounds the underlying coating. Pet. at 42–43. This barrier is filled with enough filler material that, contrary to Patent Owner’s assertion, tamper resistant coating 43 covers all or substantially all of the underlying electronic elements and framework.

² Petitioner highlighted only the top of the cross-hatched section of Figure 7g because it was the portion of item 44 relevant to claim element 1C. This was not intended to suggest that item 44 did not *also* fill the underlying gaps identified in the Decision. Indeed, as explained above, Petitioner expressly noted that item 44 did so. *See, e.g.*, Pet. at 42 (quoting *Anderson* ¶ 0041).

44 to “saturat[e] and fill[] spaces around [tamper resistant coating] 43.” *Id.* As depicted in Figure 7h, this results in filler material 44 covering all or substantially all of the tamper resistant coating *in addition to* filling the spaces underlying that coating.

Thus, Figure 7h alone demonstrates that *Anderson*’s inner coating 44 “covers all or substantially all” of the underlying tamper resistant coating. Moreover, it illuminates how other disclosures in *Anderson* cited by the Petitioner likewise support this conclusion. But the Decision’s analysis overlooked Figure 7h and reached a conclusion that cannot be squared with what Figure 7h shows.

B. The Decision Emphasized Language from Paragraph 44 of *Anderson* But Overlooked Other Language from that Paragraph Confirming the Disclosure of Figure 7h

In reaching its conclusion concerning item 44 of *Anderson* and element 1c of claim 1, the Decision emphasized a sentence from *Anderson*’s paragraph 44. Specifically, the Decision provided: “The filler material is said to ‘*reside in the gaps and/or air pockets previously located in [tamper resistant coating] 43 coated circuit.*’ *Id.* ¶ 44 (emphasis added).” Decision at 22. However, in reaching this conclusion, the Decision appears to have overlooked language from this same paragraph indicating that (consistent with the disclosure of Figure 7h) the filler material coating *also* covers all or substantially all of the surface of the tamper resistant coating.

As noted above, Petitioner does not dispute that the filler material 44 in *Anderson* “reside[s] in” and fills gaps as the Decision indicates. However, paragraph 44 of *Anderson*, which discusses application of an outer “shell coating” following application of filler material, confirms that the filler material also covers the underlying tamper resistant coating. Specifically, paragraph 44 provides that: (1) “Method 200 continues by applying shell coating 45a to coat circuit 5 ***overlying filler material 44***”; and (2) “the shell coating material is an epoxy encapsulant having a higher viscosity than filler material 44 to result in ***a more rigid outer surface than could be achieved with filler material 44 alone.***” Ex. 1004 at ¶ 44 (emphasis added). This language, which was not addressed in the Decision, confirms the disclosure of Figure 7h in two ways.

First, if filler material 44 in *Anderson* were only located in spaces under tamper resistant coating as the Decision concludes, the subsequently applied shell coating 45a would not be applied “overlying filler material 44.” *See id.* However, this description is consistent with Petitioner’s assertion and the disclosure in Figure 7h that the filler material 44 *also* covers all of the underlying coating. Thus, when the outer shell is applied, it is overlaid on the filler material 44, not tamper resistant coating 43.

Second, paragraph 44’s noting that the outer shell 45a produces a more rigid “***outer surface*** than could be achieved with filler material 44 alone” reinforces the

disclosure of Figure 7h. *See id.* (emphasis added). As depicted in Figure 7h, prior to the application of outer shell 45a in Figures 7i and 7j, filler material 44 is the “outer surface” of the device. This is because it not only fills spaces underlying tamper resistant coating 43 but also covers all or substantially all of that coating. If it were merely under that coating, as the Decision concludes, it would not form an “outer surface” prior to the application of the outer shell 45a.

The Decision appears to have overlooked these statements in *Anderson*, which are consistent with and reinforce the disclosure of Figure 7h.³

C. The Decision Overlooked the Expert Testimony of Dr. Darran Cairns

Petitioner’s assertion that *Anderson* discloses element 1c of claim 1 of the ’811 patent was supported by the sworn expert testimony of Dr. Darran Cairns. Dr. Cairns has over two decades of relevant industry and academic experience, including a tenured professorship and work as an engineer and now as a CEO. *See* Ex. 1002 at 1–4. Patent Owner’s Preliminary Response did not challenge Dr. Cairns’ qualifications to opine on the claims of the ’811 patent.

³ In addition to being emphasized in the Decision, paragraph 44 of *Anderson* was cited and quoted by Petitioner and Dr. Cairns in connection with *Anderson*’s discussion of outer shell layer 45a. *See* Pet. at 45; Ex. 1002 at 20 (within ¶ 45) and 54 (within claim chart).

Although the Decision cited to Dr. Cairns' testimony as support for institution on other grounds (*see* Decision at 19) and acknowledged that Dr. Cairns offered testimony concerning *Anderson* (*see id.*), its analysis of element 1c of claim 1 appears to have overlooked the substance of Dr. Cairns' testimony on that element. In his testimony, Dr. Cairns addresses the various disclosures concerning the "filler material" or "inner coating" 44 of *Anderson*, including Figure 7h. Ex. 1002 at 19, 20, 52-54. Based on these disclosures, Dr. Cairns offered his expert opinion that these teachings of *Anderson* satisfy element 1c of claim 1 of the '811 patent. *Id.* at 52-54. Dr. Cairns expressly addressed and excerpted Figure 7h of *Anderson* and opined that it and other disclosures demonstrate that "the coating 44 covers substantially all of the tamper-resistant coating (*i.e.*, the first inner molding)." *Id.* at 53.

Dr. Cairns' testimony supports the conclusion that *Anderson* discloses element 1c and the Patent Owner's Preliminary Response did not challenge the substance of his opinion on this element or his qualifications to offer it. At a minimum, Dr. Cairns' opinion raises a factual dispute that is best resolved on the merits during trial rather than at the institution stage.

IV. CONCLUSION

The Decision's conclusion that *Anderson* did not disclose element 1c of claim 1 appears to have overlooked figure 7h of *Anderson*, related discussion in

Anderson, and qualified expert testimony as to this element. Figure 7h alone shows that *Anderson* discloses element 1c and reinforces and clarifies how other portions of *Anderson* disclose the same. Because this element was the basis for denying institution as to claims 1-15, Petitioner requests rehearing and requests that the Board institute trial with respect to claims 1-15.

Respectfully Submitted,

Dated: August 30, 2016

By: /Naveen Modi/
Naveen Modi (Reg. No. 46,224)

Counsel for Petitioner

CERTIFICATE OF SERVICE

I hereby certify that on August 30, 2016, a copy of the foregoing Petitioner's Request for Rehearing Under 37 C.F.R. § 42.71(d)(1) was served by e-mail on the following counsel of record for Aliphcom, Inc. D/B/A/ Jawbone:

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Dated: August 30, 2016

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