

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PANTIES PLUS, INC.,

Petitioner,

v.

BRAGEL INTERNATIONAL, INC.,

Patent Owner

Case No. **IPR2017-00044**

Patent No. **7,144,296**

PATENT OWNER'S PRELIMINARY RESPONSE

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EXHIBIT LIST

Exhibit	Description
2001	Declaration of Frances Harder (“Harder Decl.”)
2002	Declaration of David Chen (“Chen Decl.”)
2003	Complaint in Bragel International, Inc. v. Charlotte Russe, Inc., Case No. 2:14-cv-7691 (“2014 Complaint”), without exhibits
2004	Order in Case No. 2:14-cv-7691 Dismissing 2014 Complaint without prejudice
2005	Complaint in Bragel International, Inc. v. Charlotte Russe, Inc., Case No. 2:15-cv-08364-R-FFM (the “CR litigation”), without exhibits
2006	Proof of Service on Charlotte Russe, Inc. in CR litigation
2007	First Amended Complaint in CR litigation, without exhibits
2008	Proof of Service on Petitioner in CR litigation
2009	Complaint in Bragel International, Inc. v. Styles for Less, Inc., Case No. 8:15-cv-01756-R-FFM (the “SFL litigation”), without exhibits
2010	Proof of Service on Styles for Less, Inc. in SFL litigation
2011	First Amended Complaint in SFL litigation, without exhibits
2012	Proof of Service on Petitioner in SFL litigation
2013	Order Granting Bragel International, Inc.’s Motion for Summary Judgment in CR litigation
2014	Order Granting Bragel International, Inc.’s Motion for Summary Judgment in SFL litigation
2015	Order Granting Bragel International, Inc.’s Motion for Preliminary Injunction in CR litigation
2016	Order Granting Bragel International, Inc.’s Motion for Preliminary Injunction in SFL litigation
2017	Order Vacating Preliminary Injunctions
2018	California Local Rule 7.1-1 Certification in SFL litigation
2019	California Local Rule 7.1-1 Certification in CR litigation
2020	Counterclaim in SFL litigation
2021	Declaration of Gaston Kroub in support of Defendants’ Motion for Summary Judgment in CR litigation
2022	Declaration of Gaston Kroub in support of Defendants’ Motion for Summary Judgment in SFL litigation

2023	U.S. Patent No. 6,852,001 (the “’001 Patent”)
2024	U.S. Patent No. 6,758,720 (the “’720 Patent”)
2025	U.S. Patent Application Serial No. 10/801,901 (the “’901 Application”), as filed, and obtained from the online file wrapper
2026	U.S. Patent Application Serial No. 10/159,251 (the “’251 Application”), as filed, and obtained from the online file wrapper
2027	Prosecution History of the ’251 Application, Office action mailed April 23, 2003
2028	Prosecution History of the ’251 Application, Amendment filed June 6, 2003
2029	Prosecution History of the ’251 Application, Informally submitted claim proposals, submitted November 19, 2003 and November 21, 2003
2030	Prosecution History of the ’251 Application, Interview Summary of in-person interview of February 10, 2004
2031	Prosecution History of the ’901 Application, Office action mailed June 25, 2004
2032	Civil Minutes bifurcating and re-setting trial dates in CR litigation
2033	Civil Minutes bifurcating and re-setting trial dates in SFL litigation
2034	Patent Assignment for U.S. Patent No. 6,857,932 (“Chen”)
2035	Patent Assignment for the ’251 Application
2036	Website printout from Patent Owner’s Nubra.com website

I. INTRODUCTION

Pursuant to 35 U.S.C. § 313 and 37 C.F.R. § 42.107, Patent Owner Bragel International, Inc. (“Bragel” or “Patent Owner”) submits this Preliminary Response to the Petition for *Inter Partes* Review (“IPR”) of claims 1, 2, and 5 of U.S. Patent No. 7,144,296 (the “’296 Patent”) filed by Petitioner Panties Plus, Inc. (“Petitioner” or “PPI”).

Petitioner does not satisfy the threshold for institution of IPR for a variety of reasons. First, Petitioner has omitted real-parties-in-interest from the Petition in violation of 35 U.S.C. § 312 and 37 C.F.R. § 42.8. Second, Petitioner’s grounds are based solely on the same or substantially the same prior art and the same or substantially the same arguments that were previously presented to the United States Patent and Trademark Office (the “Office”), and should be rejected under 35 U.S.C. § 325(d). Third, Petitioner’s second asserted ground is based on a reference which may not properly be considered prior art. Fourth, Petitioner has not shown a reasonable likelihood that any challenged claim is invalid as anticipated or obvious. 37 C.F.R. § 42.104(b)(4). For any one of these reasons, the Board should not institute review.

II. STANDARD FOR INSTITUTION OF *INTER PARTES* REVIEW

A. Petitioner Bears the Burden of Proving Unpatentability

“In an inter partes review . . . , the petitioner shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence.” 35 U.S.C. § 316(e). “[T]he burden of proof is on the petitioner to prove unpatentable

those issued claims that were actually challenged in the petition for review. . . .” *In re Mangum Oil Tools Int’l Ltd.*, 829 F.3d 1364, 1375 (Fed Cir. 2016) (citing *Nike, Inc. v. Adidas AG*, 812 F.3d 1326, 1334 (Fed. Cir. 2016)).

“It is the petitioner that bears the burden of proof in IPRs.” *Magnum*, 829 F.3d at 1380 (citing 35 U.S.C. § 316(e)). As such, “the Board must base its decision on arguments that were advanced by a party, and to which the opposing party was given a chance to respond.” *Id.* at 1381. Further, “[t]o satisfy its burden of proving obviousness, a petitioner cannot employ mere conclusory statements.” *Id.* at 1380. “The petitioner must instead articulate specific reasoning, based on evidence of record, to support the legal conclusion of obviousness.” *Id.*

B. Petitioner Is Required to List All Real Parties-In-Interest

“A petition filed under section 311 may be considered only if . . . the petition identifies all real parties in interest.” 35 U.S.C. § 312(a)(2) (emphasis added). The Office Patent Trial Practice Guide explains this real-party-in-interest requirement at length:

The core functions of the “real party-in-interest” and “privies” requirement [is] to assist members of the Board in identifying potential conflicts, and to assure proper application of the statutory estoppel provisions. The latter, in turn, seeks to protect patent owners from harassment via successive petitions by the same or related parties, to prevent parties from having a “second bite at the apple,” and to protect the integrity of both the USPTO and the Federal Courts by assuring that all issues are promptly raised and vetted. . . .

. . . Courts invoke the terms “real party-in-interest” and “privy” to describe relationships and considerations sufficient to justify

applying conventional principles of estoppel and preclusion. . . .

. . . [A]t a general level, the “real party-in-interest” is the party that desires review of the patent. Thus, the “real party-in-interest” may be the petitioner itself, and/or it may be the party or parties at whose behest the petition has been filed. . . .

. . .

There are multiple factors relevant to the question of whether a non-party may be recognized as a “real party-in-interest” or “privy.” A common consideration is whether the non-party exercised or could have exercised control over a party’s participation in a proceeding. The concept of control generally means that “it should be enough that the nonparty has the actual measure of control or opportunity to control that might reasonably be expected between two formal coparties.”

Additionally, many of the same considerations that apply in the context of “*res judicata*” will likely apply in the “real party-in-interest” or “privy” contexts. . . .

Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, at 48,759-60 (Aug. 12, 2012) (citations omitted) (quoting 18A Charles A. Wright, Arthur R. Miller & Edward H. Cooper, *Federal Practice & Procedure* § 4451, at 373 (2d ed. 2002)).

III. THE PETITION SHOULD BE DENIED FOR FAILING TO IDENTIFY ALL REAL PARTIES-IN-INTEREST

The petition names one real party-in-interest: Panties Plus, Inc. d/b/a PPI Apparel Group. Paper 1 at 1. A petition violates the statute if it fails to identify

any real party in interest. *See* 35 U.S.C. § 312(a)(2) (mandating identification of “all” real parties in interest); 37 C.F.R. § 42.8(b)(1) (requiring identification of “each” real party in interest); *Paramount Home Entmt, Inc. v. Nissim Corp.*, Case IPR2014-00962, Paper No. 11 (Dec. 29, 2014) (denying Petition for failure to identify all real parties-in-interest). The Petition accordingly violates the statute if it omits just one real party in interest.

A. Background of Related Litigation Matters

Petitioner and Patent Owner are involved in two separate litigation matters currently pending in the Central District of California. These litigation matters each involve Petitioner and a retailer that sells products distributed by Petitioner.

On October 3, 2014, Patent Owner filed a lawsuit against retailer Charlotte Russe, Inc. (“CR”) in the Central District of California, alleging infringement of the ’296 Patent by CR’s sales and offers for sale of Petitioner’s products alleged to infringe the ’296 Patent. Ex. 2003. The 2014 Complaint did not list Petitioner as a defendant. *Id.* In February, 2015, at Patent Owner’s request, the case was dismissed without prejudice. Ex. 2004.

Patent Owner filed a second suit against CR, Case No. 2:15-CV-08364-R-FFM, (the “CR litigation”) in the Central District of California on October 25, 2015, alleging infringement of the ’296 Patent by CR’s sales and offers for sale of the same of Petitioner’s products alleged to infringe the ’296 Patent. Ex. 2005. This Complaint listed CR as the only defendant (*Id.*) and was served on CR on January 22, 2016. Ex. 2006. On January 26, 2016, Patent Owner filed a First

Amended Complaint in the CR litigation, listing Petitioner as another defendant. Ex. 2007. On January 29, 2016, Patent Owner served a copy of the First Amended Complaint on Gaston Kroub, counsel for Petitioner and CR in the CR litigation (and counsel for Petitioner in this proceeding). Ex. 2008; Paper 1 at 2.

On October 28, 2015, Patent Owner filed a separate suit against retailer Styles for Less, Inc. (“SFL”), Case No. 8:15-CV-01756-R-FFM (the “SFL litigation”), alleging infringement of the ’296 Patent and listing SFL as the only defendant. Ex. 2009. The Complaint was served on SFL on January 22, 2016. Ex. 2010. The SFL Complaint included products distributed by a third party and sold by SFL. Ex. 2009 at 2. On March 2, 2016, Patent Owner filed a First Amended Complaint in the SFL litigation, including products distributed by Petitioner and listing Petitioner and another distributor (who was subsequently dismissed) as additional defendants. Ex. 2011. On March 17, 2016, Mr. Kroub acknowledged service of the First Amended Complaint on behalf of Petitioner. Ex. 2012.

In both the SFL and CR litigations, the Court has granted summary judgment as to infringement in Patent Owner’s favor. Ex. 2013 at 5; Ex. 2014 at 5. Petitioner (and SFL and CR) moved for Summary Judgment of invalidity, but the District Court found that “Defendants’ invalidity arguments have no merit,” denying the motion. *See id.* The Court has also issued preliminary injunctions against CR and SFL in both cases, which were recently remanded back to the Court with instructions to provide a clearer articulation of findings of fact and

conclusions of law relating to Patent Owner's likelihood of success on the merits.
Exs. 2015-2017.

B. Failure to Identify the Retailer Co-Defendants and Counterclaimants As Real Parties-in-Interest Violates 35 U.S.C. § 312(a)(2)

One of “[t]he core functions of the ‘real party-in-interest’ and ‘privies’ requirement [is] to assist members of the Board in identifying potential conflicts.” Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,759. For the same reason, litigants in federal court are also required to disclose all interested parties. In the Central District of California, Local Rule 7.1-1 states: “To enable the Court to evaluate possible disqualification or recusal, counsel for all non-governmental parties shall file with their first appearance a Notice of Interested Parties, which shall list all persons, associations of persons, firms, partnerships, and corporations (including parent corporations, clearly identified as such) that may have a pecuniary interest in the outcome of the case” *Id.*

In the SFL litigation, Petitioner and SFL filed a Rule 7.1-1 notice to “certif[y] that the following listed party (or parties) may have a pecuniary interest in the outcome of this case.” Ex. 2018. The list of parties states: “PPI Apparel Group, Inc., a New York corporation,” and “Styles for Less, Inc., a California corporation.” Similarly, in the CR litigation, the Rule 7.1-1 notice list of parties states: “Charlotte Russe, Inc., a California corporation,” and “PPI Apparel Group, Inc., a New York corporation.” Ex. 2019.

CR and SFL are counterclaimants in the respective actions, and Petitioner is also a counterclaimant in the CR action.¹ Petitioner, CR, and SFL have all challenged the validity of the '296 Patent in the related California actions by both the parties' counterclaims and by filing motions for summary judgment. It is clear that Petitioner and its co-defendants and counterclaimants have been involved in litigation challenging the validity of the same patent, in response to the same infringement charges regarding the same products. The interested-party disclosures filed in the California actions serve the same conflict identification function as the real-party-in-interest requirement before the Board. Petitioner's failure to identify as real parties-in-interest any of the parties they identified in their court filings plainly frustrates the "core function[]" of "assist[ing] members of the Board in identifying potential conflicts" (Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,759), and violates the real-party-in-interest rule.

The relationship between Petitioner and CR and SFL is highlighted by the fact that counsel in the CR and SFL litigations represents both Petitioner, CR, and SFL. *See* Ex. 2021, ¶1; Ex. 2022, ¶1. This is the same counsel that represents Petitioner in this proceeding. *See, e.g., id.* and Paper 2 (all listing Gaston Kroub of Kroub, Silbersher & Kolmykov, PLLC as counsel). Similarly, the opinions of Ms.

¹ Petitioner is *not* a counterclaimant in the SFL litigation. *See* Ex. 2020. However, the papers filed by counterclaimants in both cases are consistently nearly identical, even though there is no common counterclaimant between the two cases. Clearly, all three entities are working together and determining what arguments are presented.

Yngvesdotter were offered by Petitioner in this proceeding and by CR and SFL in the respective litigations.

The procedural history of the CR and SFL litigations further emphasizes the importance of identifying these real parties-in-interest in the Petition and the risks caused by Petitioner's failure to do so. As discussed above, Petitioner, CR, and SFL were each served with complaints alleging infringement of the '296 Patent on different dates. Accordingly, the time bar under 35 U.S.C. § 315(b) would be applied differently for each of Petitioner, CR, and SFL. Indeed, Petitioner was not the first entity to be served with a complaint alleging infringement of the '296 Patent by Petitioner and by CR and SFL. By omitting CR from the Petition, Petitioner seeks to improperly extend the window during which the Petition may be filed while seeking to protect the interests of CR. This plainly violates 35 U.S.C. § 312(a)(2).

Further, 35 U.S.C. § 315(e)(2) supports the conclusion that CR and SFL must be listed as real parties-in-interest, and reinforces that Petitioner's failure to include them is a statutory violation. Under § 315(e)(2), "[t]he petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a), or the real party in interest or privy of the petitioner, may not assert either in a civil action arising in whole or in part under section 1338 of title 28 . . . that the claim is invalid on any ground that the petitioner raised or reasonably could have raised during that inter partes review." Logically, if CR and SFL are not real parties-in-interest, if a final decision is

rendered in this proceeding, then SFL and CR would not be estopped from presenting any arguments that “petitioner raised or reasonably could have raised” during IPR. This cannot be the case. 35 U.S.C. § 315(e)(2) clearly supports the conclusion that CR and SFL must be listed as real parties-in-interest. Petitioner’s failure to do so violates 35 U.S.C. § 312(a)(2).

Further, Petitioner and CR and SFL are not coincidental co-defendants in litigation. The claims of patent infringement against Petitioner and CR and against Petitioner and SFL arise out of the same transactions. This is not a matter where coincidental co-defendants are accused of infringing the same patent by offering different products. Patent Owner sued retailers CR and SFL for selling products that infringe the ’296 Patent. These infringing products are distributed by Petitioner, who has used the same counsel as the retailers in the related litigations and in the petition for IPR. Clearly, the parties are so inextricably intertwined that failure to list either CR or SFL as a real party-in-interest violates 35 U.S.C. § 312(a)(2). *See Irwin v. Mascott*, 370 F.3d 924, 929 (9th Cir. 2004) (“[W]hen two parties are so closely aligned in interest that one is the virtual representative of the other, a claim by or against one will serve to bar the same claim by or against the other.”) (quoting *Nordhorn v. Ladish Co.*, 9 F.3d 1402, 1405 (9th Cir. 1993)).

The failure to identify CR and SFL plainly violates 35 U.S.C. § 312(a)(2). For this reason alone, IPR should not be instituted.

**IV. THE PETITION FAILS TO SHOW A REASONABLE LIKELIHOOD
OF UNPATENTABILITY OF ANY OF CLAIMS 1, 2, OR 5**

A. Legal Standard for Obviousness

To set forth a *prima facie* case of obviousness, the Petitioner must show that a person of ordinary skill in the art (“POSITA”) at the time of the invention would have selected and combined the prior art elements in the normal course of research and development to yield the claimed invention. *See, e.g., KSR Int’l Co. v. Teleflex, Inc.*, 550 U.S. 398, 418 (2007). “Obviousness is a question of law with several underlying factual inquiries: (1) the scope and content of the prior art; (2) the differences between the prior art and the claims at issue; (3) the level of ordinary skill in the field of the invention; and (4) objective considerations such as commercial success, long felt but unsolved need, and the failure of others.” *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Drilling, USA, Inc.*, 699 F.3d 1340, 1347 (Fed. Cir. 2012) (citing *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 17-18 (1966)). The first three *Graham* factors are used to determine whether a challenger to the validity of the patent has established a *prima facie* case of obviousness, which is not a conclusion of obviousness. *Id.* at 1348-49. “A party is also free to introduce evidence relevant to the fourth *Graham* factor, objective evidence of nonobviousness, which may be sufficient to disprove or rebut a *prima facie* case of obviousness.” *Id.* at 1349.

“[E]vidence rising out of the so-called ‘secondary considerations’ must always when present be considered en route to a determination of obviousness.”

Stratoflex, Inc. v. Aeroquip Corp., 713 F.2d 1530, 1538 (Fed. Cir. 1983) (citation omitted). “Objective evidence of nonobviousness is an important component of the obviousness inquiry because ‘evidence of secondary considerations may often be the most probative and cogent evidence in the record. It may often establish that an invention appearing to have been obvious in light of the prior art was not.’” *Transocean*, 699 F.3d at 1349 (quoting *Stratoflex*, 713 F.2d at 1538). Evidence of secondary considerations “is to be considered as part of all the evidence, not just when the decision maker remains in doubt after reviewing the art.” *Demaco Corp. v. F. VonLangsdorff Licensing, Ltd.*, 851 F.3d 1387, 1391 (Fed. Cir. 1988) (citation omitted). “This evidence guards against the use of hindsight because it helps ‘turn back the clock and place the claims in the context that led to their invention.’” *Apple Inc v. Int’l Trade Comm’n*, 725 F.3d 1356, 1366 (Fed. Cir. 2013) (citation omitted).

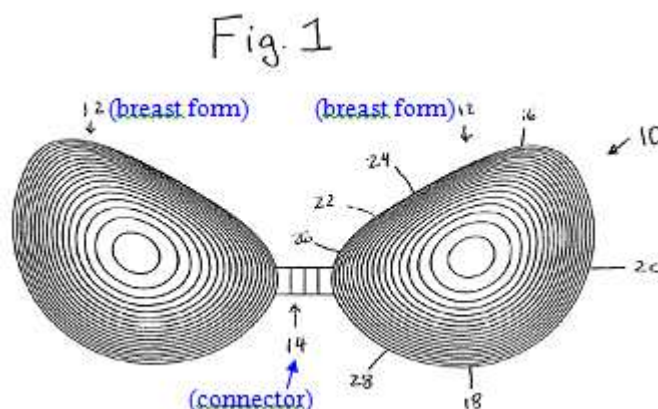
B. The ’296 Patent

1. Background Technology

The ’296 Patent generally relates to backless, strapless breast form systems that are designed to be worn in lieu of a traditional bra. Ex. 1001, Abstract. The inventors of the ’296 Patent recognized an industry need for a backless, strapless bra that not only complemented the user’s breasts with a natural look and/or feel, but also allowed for enhancing a user’s breasts while wearing a full-range of clothing, such as backless dresses or halter tops. Ex. 1001 at 1:60-2:7². The ’296

² Throughout this paper, reference to patent citations is provided in Col.:Lines

Patent addresses these needs through its inventive breast form system. *Id.* at 2:8-16. By way of example, Figure 1 of the '296 Patent, reproduced and annotated below, depicts one embodiment of the '296 Patent, including two breast forms 12 adjoined by a connector 14. Ex. 2001, p. 15.



Each breast form 12 comprises a volume of silicone gel encased in a thermoplastic film, helping to provide a natural look and feel. Ex. 1001 at 4:66-5:7; Ex. 2002, ¶52. Each breast form also has a concave interior surface with a pressure sensitive adhesive layer so that the breast forms 12 can be secured to the user's breasts. Ex. 1001 at 4:13-33; Ex. 2002, ¶52. A connector 14 allows the two breast forms 12 to be adjoined, allowing the user to create varying degrees of breast cleavage depending on where the breast forms 12 are positioned on the user's breasts. Ex. 1001 at 3:42-53; Ex. 2002, ¶¶52, 54. This is one embodiment of the inventive backless, strapless breast form system of the '296 Patent, which is covered by the asserted claims.

Claim 1 of the '296 Patent claims an improved backless, strapless breast
format, where applicable.

form system with a pair of breast forms and a connector. Ex. 1001, Claim 1. Each breast form comprises a volume of silicone gel encased between thermoplastic film material, and has a concave interior surface facing toward a user's breast. *Id.* The interior surface of the breast forms has a pressure sensitive adhesive layer for securing the breast forms to the user's breasts. *Id.* The connector is adapted to adjoin the breast forms together, and is positioned between inner sides of each of the breast forms. *Id.*

2. Effective Filing Date of the '296 Patent

U.S. Patent Application No. 11/053,211 was filed on February 7, 2005, and ultimately issued as the '296 Patent. *See* Ex. 1001, p. 1. The '296 Patent is a continuation of U.S. Patent Application No. 10/801,901 (the "'901 Application"), which was filed on March 15, 2004, and issued as U.S. Patent No. 6,852,001 (the "'001 Patent") on February 8, 2005. *Id.* at 1:7-12; Ex. 2023, p. 1. The '001 Patent is a continuation of U.S. Patent Application No. 10/159,251 (the "'251 Application"), filed on May 31, 2002, which issued as U.S. Patent No. 6,758,720 (the "'720 Patent") on July 6, 2004. Ex. 1001 at 1:7-12; Ex. 2023 at 1:7-12; Ex. 2024, p. 1. As such, the '001 Patent was filed during the pendency of the '251 Application, and the '296 Patent was filed during the pendency of the '901 Application. The claim chart below shows that the challenged claims have an effective filing date of May 31, 2002.

Challenged Claims of the '296 Patent	Support in '901 Application	Support in '251 Application
1a. An improved backless, strapless breast form system to be worn in place of a traditional bra, comprising:	<i>See, e.g.,</i> Ex. 2025 at p. 5, ll. 4-8.	<i>See, e.g.,</i> Ex. 2026 at p. 4, ll. 5-8.
1b. a pair of breast forms, wherein each breast form comprises: a volume of silicone gel encased between thermoplastic film material;	<i>See, e.g.,</i> Ex. 2025 at p. 5, ll. 25-27; p. 6, ll. 22-27.	<i>See, e.g.,</i> Ex. 2026 at p. 4, ll. 21-23; p. 5, ll. 12-14.
1c. a concave interior surface facing towards a user's breast having a pressure sensitive adhesive layer for securing the breast form to the user's breast; and	<i>See, e.g.,</i> Ex. 2025 at p. 7, ll. 5-12; Figs. 1-4.	<i>See, e.g.,</i> Ex. 2026 at p. 5, ll. 23-27; Figs. 1-4.
1d. a connector adapted to adjoin the breast forms together, wherein the connector is positioned between inner sides of each of the breast forms.	<i>See, e.g.,</i> Ex. 2025 at p. 4, ll. 24-26; 31-33.	<i>See, e.g.,</i> Ex. 2026 at p. 8, ll. 26-28.
2a. The breast form system of claim 1 wherein the connector comprises a first portion attached to the inner side of one of the breast forms and a	<i>See, e.g.,</i> Ex. 2025 at p. 10, ll. 23-26.	<i>See, e.g.,</i> Ex. 2026 at p. 8, ll. 11-13.

second portion attached to the inner side of the other breast form,		
2b. and the first portion and the second portion are adapted to cooperatively engage.	<i>See, e.g.,</i> Ex. 2025 at p. 10, ll. 26-32.	<i>See, e.g.,</i> Ex. 2026 at p. 8, ll. 13-17.
5. The breast form system of claim 2 wherein the first portion and the second portion are permanently attached to the breast forms.	<i>See, e.g.,</i> Ex. 2025 at p. 11, ll. 12-13.	<i>See, e.g.,</i> Ex. 2026 at p. 8, ll. 26-27.

Accordingly, the priority date of the '296 Patent is May 31, 2002.

C. The Board Should Exercise its Discretion Under § 325(d) to Deny the Petition

Pursuant to 35 U.S.C. § 325(d), the Board has discretion to deny institution in situations in which a Petitioner files a challenge against a patent based on the same or substantially the same prior art or arguments previously presented to the Office. *Id.* (“In determining whether to institute or order a proceeding under . . . chapter 31, the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.”). As one panel noted, “[t]he statute expressly contemplates denial of review when the art applied in two petitions is different, but the arguments are ‘substantially the same.’” *Conopco, Inc. dba*

Unilever v. The Procter & Gamble Co., IPR2014-00628, Paper 21 at 10 (Oct. 20, 2014) (quoting 35 U.S.C. § 325(d)). This same panel observed that “substantial similarity of *argument*, standing alone, is sufficient reason for denial under § 325(d).” *Conopco*, Paper 21 at 10 (emphasis added).

Another panel has expressly found that prior art or arguments presented during initial prosecution may form a basis for denial under 35 U.S.C. § 325(d). *Prism Pharma Co., Ltd. v. Choongwae Pharma Corp.*, IPR2014-00315, Paper 14 at 13 (July 8, 2014) (denying institution under 35 U.S.C. § 325(d), stating: “[T]he Examiner, together with his supervisor, reviewed the materials [presented during prosecution and forming the basis for the petition for IPR] and determined that the challenged claims were ‘free from prior art.’ Based on these facts, we conclude that the same prior art and substantially the same arguments were presented to the Office previously.”) (internal citation omitted). Accordingly, the Board may deny institution where the same or substantially the same prior art has been previously presented to the Office, or where the same or substantially the same arguments have been previously presented to the Office, including prior art or arguments presented during initial prosecution.

“[T]he Board weighs petitioners’ desires to be heard against the interests of patent owners, who seek to avoid harassment and enjoy quiet title to their rights.” *Neil Ziegman, N.P.Z., Inc. v. Stephens*, IPR2015-01860, Paper 11 at 12-13 (Feb. 24, 2016) (citing H.R. Rep. No. 112-98, pt. 1, at 48 (2011) (AIA proceedings “are not to be used for tools as harassment or a means to prevent market entry through

repeated litigation and administrative attacks on the validity of a patent. Doing so would frustrate the purpose of the section as providing quick and cost effective alternatives to litigation.”)). Further, the rules relating to IPR “shall be construed to secure the just, speedy, and inexpensive resolution of every proceeding.” 35 U.S.C. § 42.1(b).

Here, the Board should use its discretion and deny the instant petition under 35 U.S.C. § 325(d). As discussed further below, Grounds 2 and 3 present “the same . . . prior art” and Ground 1 presents “substantially the same prior art” that has already been thoroughly analyzed by the Office. Further, Grounds 1, 2, and 3 all include the “same or substantially the same . . . arguments” that have previously been considered by the Office during prosecution.

1. All Grounds Present the Same and Substantially the Same Prior Art That Was Already Considered by the Office

a) Grounds 2 and 3 Only Present Prior Art Previously Considered by Examiner Hale

First, Grounds 2 and 3 only present prior art³ that was considered by the Office during Examination. During prosecution of the ’720 Patent, Examiner Hale rejected all independent claims as allegedly anticipated by Valentin and subsequently rejected all independent claims as allegedly anticipated by Noble. In

³ As discussed in Section IV.D.3., supra, Chen should not be considered prior art. However, for the Board’s convenience, Patent Owner refers to the references asserted in the Petition as “prior art,” although Patent Owner does not concede that each reference listed in the petition may properly be considered prior art.

addition, various claims were at one point rejected as allegedly unpatentable over a combination of Noble and Mulligan, and over a combination of Valentin and Mulligan. Patent Owner and Examiner Hale thoroughly addressed these references through written correspondence (*i.e.*, issued Office actions and written Office action responses) and during interviews conducted in person and telephonically. *See* Exs. 2027-2030, 1006-1009, 1022. Each of these references was clearly considered during prosecution of the '720 Patent by Examiner Hale, who ultimately determined that the claims of the '720 Patent were patentable.

Similarly, during prosecution of the '001 Patent, Examiner Hale initially rejected the claims as allegedly unpatentable over Noble in view of U.S. Patent No. 5,792,292 to Wild, but ultimately determined that the claims were patentable. Ex. 2031 at 4.

When Examiner Hale examined the '296 Patent, she was clearly familiar with the history of the '720 and '001 Patents and the Valentin, Noble, and Mulligan references. Indeed, claims 1, 2, and 5 of the '296 Patent were at one point rejected as allegedly unpatentable over a combination of Noble and Mulligan. Ex. 1003 at 3. Further, Hedü appears on the face page of all three patents, indicating that Examiner Hale considered Hedü in determining patentability of the claims for each of the patents. Exs. 1001, 2023, 2024. And Chen appears on the face page of the '296 Patent as a reference cited by the Examiner.⁴ Ex. 1001. As such, all of the references included in Grounds 2 and 3

⁴ And Chen was also examined by Examiner Hale, who undoubtedly was familiar

were “previously presented to the Office.” *See Conopco*, Paper 21 at 10 (observing that references relied upon in petition “are listed on the face of the [challenged patent]; those references, therefore, ‘previously were presented to the Office.’”). Clearly, Grounds 2 and 3 only present prior art that has already been considered by the Office. As such, the Board should use its discretion and deny grounds 2 and 3 under 35 U.S.C. § 325(d).

b) Ground 1 Only Presents Substantially the Same Prior Art

Further, although the references of Ground 1 were not before the Office during prosecution, these references are at least “similar, if not ‘substantially the same’” as the art previously considered by the Office, and presented in this petition. *See Conopco*, Paper 21 at 10.

Petitioner and Petitioner’s expert admit that the references asserted in each of the grounds are “substantially the same” as the references that have already been before the Office. For example, Ms. Yngvesdotter alleges that it would have been obvious “for one of skill in the art to start with known silicone breast forms containing a pressure sensitive adhesive layer, *such as those disclosed in Luckman or Chen*, and then adding known center connectors utilized for backless, strapless bras *as disclosed in numerous references such as Davis or Valentine* [sic] to create a self-adhesive silicon backless strapless bra with a center connector.” Ex. 1002, ¶81. Similarly Yngvesdotter alleges that “[m]any different references such as

with the teachings of Chen when considering the ’296 Patent and its parent applications. *See* Ex. 1014, p.1.

Davis, Valentin, Hedu, Panighini, Johnstone, and Barg describe different types of center connectors designed to achieve holding the breasts together in a desired position . . . ,” which essentially admits that Davis is substantially the same prior art as Valentin and Hedu (which are asserted in the present petition) and Panighini, Johnston, and Barg, each of which were previously considered by the Office during prosecution. *Id.*, ¶82; *see also id.* ¶92 (“Yet, as exemplified by Davis in particular, and other references mentioned above in general (e.g., Valentin, Hedu, Johnstone, Barg, Conde, etc.) . . .”).

Petitioner merely relies on Luckman as allegedly disclosing silicone breast forms with pressure sensitive adhesive, and relies on Davis as allegedly disclosing backless, strapless bras with connectors. *See* Paper 1 at 19-21. Petitioner does not set forth any distinctions between Luckman and Davis and references already considered by the Office, including Valentin, Chen, Mulligan, Hedu, and Noble. Accordingly, ground 1 only presents substantially the same art as that which has previously been before the Office, and the Board should use its discretion and deny ground 1 under 35 U.S.C. § 325(d).

2. All Grounds Present the Same or Substantially the Same Arguments That Were Already Considered by the Office

Further, the Petition only presents the same or substantially the same arguments that were presented during prosecution of the '296 Patent and its parent applications, and therefore were already considered by the Office.

Petitioner's incomplete recitation of the prosecution history for the '296

Patent and its parent application is highly misleading. As discussed below, it is readily apparent that Examiner Hale considered precisely the arguments set forth in the petition.

During prosecution of the '720 Patent, Examiner Hale rejected all claims of the application as-filed as allegedly anticipated by Valentin or obvious over Valentin in combination with one or more of Barg, Panighini, Johnstone, and Huang. Ex. 2027. It is evident that Examiner Hale thoroughly considered Valentin, as each rejection includes a detailed explanation. *See id.*

In response to the rejection, Applicant argued that “Valentin does not disclose the limitations of ‘a pressure sensitive adhesive layer is incorporated within the interior surface for adjoining the breast forms to the user’s skin’” nor “the recited limitation of ‘an interior surface having a pressure sensitive adhesive layer incorporated within the interior surface for adjoining the breast form to a user’s skin,’” which were recited in the pending independent claims. Ex. 2028 at 10.

Prior to the issuance of a new rejection, Patent Owner informally submitted additional proposed claims 30 and 31, which incorporated numerous features recited in claim 1 of the '296 Patent. Ex. 2029. Specifically, the new claims recited “a volume of silicone gel encased between thermoplastic film material” and “an interior surface facing toward a user’s breast, wherein the entire interior surface has a pressure sensitive adhesive layer for adjoining the interior surface to the user’s breast.” *Id.* Patent Owner also presented a brief discussion of Valentin,

arguing that “Valentin teaches against having [pressure sensitive adhesive] covering any portion of the interior surface, but instead teaches that PSA should only be used on the outwardly extending tabs . . .” and that “there is no suggestion in the prior art to modify a breast prosthesis by adding a center connector that allows a pair of breast prostheses to be used as a system that can replace a traditional bra. In fact, breast prostheses are taught for use as a replacement for post-mastectomy patients, or as enhancers for increasing breast size by positioning the prosthesis along a portion of the breast, and then wearing a traditional bra to hold the prosthesis in place.” *Id.*

Examiner Hale issued a final rejection of the formally presented claims, withdrawing the rejection under Valentin but rejecting all of the claims as allegedly anticipated by Noble or obvious over Noble in combination with one or more of Barg, Panighini, Johnstone, and Huang. Ex. 1006. In response to Patent Owner’s informally presented new claims 30 and 31, Examiner Hale stated that she “did not believe that the claims could be amended to overcome the prior art and that any further attempts to amend the claims must be submitted formally,” noting that “the substitution of the Nobel [sic] et al pad structure with the pad structure seen in the Dr. Leonard’s catalog, page 15 . . . would also have been obvious, especially in view of applicant’s statements on pages 4-6 of the specification which indicate that any type of known pad can be used.” *Id.* at 11.

In response, Patent Owner submitted a Declaration of Commercial Success, Long Felt Need, and Copying under 37 C.F.R. § 1.132 by one of the co-inventors,

David Chen, and a response to the final rejection. Exs. 1007, 1008. In the response, Patent Owner deleted all pending claims and presented new claims 30-36. Ex. 1008. Similar to the informal claim 30 presented to the Examiner, claim 30 recited the features of “a volume of silicone gel encased between thermoplastic film material” and “an interior surface, the interior surface facing towards a user’s breast, wherein substantially the entire interior surface comprises a pressure sensitive adhesive layer disposed thereon for adjoining the breast form to the user’s breast.” *Id.* at 2.

Patent Owner also presented arguments discussing the distinctions between the new claims and Noble, specifically arguing that Noble did not disclose, teach, or suggest “a volume of silicone gel encased between thermoplastic film material,” and that:

“Noble et al contains no suggestion or motivation for being altered to having a volume of silicone encased by thermoplastic film material or having a pressure sensitive adhesive layer disposed on substantially the entire interior surface. Similarly, the silicone breast enhancers in the Dr. Leonard’s catalog do not provide support for making a modification to, or combination with, the Noble et al. bra or the Furuno nipple pads. In fact, the Dr. Leonard’s advertisement actually teaches away from Applicant’s claimed structure by stating, ‘No adhesives needed.’ Similarly, there is no suggestion in the prior art to modify a breast prosthesis by adding a center connector that could

allow a pair of breast prostheses to be worn in place of a traditional bra. In fact, breast prostheses are taught for use as a replacement for post-mastectomy patients, or as supplemental enhancers for increasing breast size by positioning the prosthesis along a portion of the breast, and then wearing a traditional bra to hold the prosthesis in place.”

Ex. 1008 at 7-8.

Counsel for Patent Owner, co-inventor David Chen, Examiner Hale, and Examiner Hale’s supervisor subsequently conducted an in person interview, discussing Noble, Furuno, Barg, and Valentin. Ex. 2030. An agreement was reached that the interior surface would be defined as a “concave interior surface,” to distinguish over the art of record. *Id.* A telephonic interview was held shortly thereafter, where an agreement was reached as to allowance, and Examiner Hale requested submission of corresponding declarations from co-inventors Alice Chang and Japser Chang. Ex. 1022.

To summarize, after extensive consideration by Examiner Hale of the Valentin, Noble, Barg, Panighini, Johnstone, Huang, Furuno, and Dr. Leonard’s references, consideration by Examiner Hale and her supervisor of the Noble, Furuno, Barg, and Valentin references, and Patent Owner’s Declarations of Commercial Success, Long Felt Need, and Copying under 37 C.F.R. § 1.132, the ’720 Patent was allowed.⁵ This notice of allowance was issued after numerous

⁵ Petitioner seems to suggest that various arguments, including the evidence of secondary considerations, were not relied on by Examiner Hale because her Notice

arguments were advanced by Examiner Hale and refuted by Patent Owner, including whether it would have been obvious “to modify a breast prosthesis by adding a center connector that could allow a pair of breast prostheses to be worn in place of a traditional bra,” and whether it would have been obvious to modify the cloth bras of Valentin and Noble to include “a volume of silicone gel encased between thermoplastic film material.” After considering these arguments, the ’720 Patent issued. During prosecution of the ’720 Patent, Examiner Hale was also examining the ’001 Patent, and shortly thereafter the ’296 Patent. *See* Ex. 1001, p. 1; Ex. 2023, p. 1.

The arguments considered by Examiner Hale are precisely the arguments set forth in PPI’s petition. PPI’s expert, Ms. Yngvesdotter, concedes that the arguments for Grounds 1 and 2 are the same. Ex. 1002, ¶81. She describes this as a first approach, arguing that:

“[T]he challenged claims are invalid as obvious, as described below with reference to Grounds 1 and 2, would be for one of skill in the art to start with known silicone breast forms containing a pressure sensitive adhesive layer, such as those disclosed in Luckman or Chen, and then adding known center connectors utilized for backless, strapless bras as disclosed in numerous references such as Davis or Valentine [sic] to create a self-adhesive silicon [sic] backless strapless

of Allowance does not explicitly reference each argument. However, Examiner Hale clearly relied on the inventors’ declarations, as she required submission of related declarations by all inventors.

bra with a center connector.”

Id.

Confusing grammar aside, Ms. Yngvesdotter admits that she uses the same approach (or argument) for asserting obviousness under Grounds 1 and 2, i.e., by modifying a breast prosthesis by adding a center connector to allow a pair of breast prostheses to be worn in place of a traditional bra, which is precisely the argument advanced by Examiner Hale during prosecution of the '720 Patent that was ultimately rejected. As such, Grounds 1 and 2 present an argument that has already been considered, and rejected, by the Office. *See Conopco*, paper 21 at 9 (“the anticipation grounds presented in the two petitions are based on ‘substantially the same’ argument; namely, that the prior art identifies, with anticipatory specificity, a cationic guar derivative having a molecular weight and charge density that meet the specified ranges”).

Ms. Yngvesdotter identifies a second approach, which she applies to Grounds 2 and 3:

The second approach that one of skill in the art would consider, as described below with reference to Ground 2, would be to combine a known backless, strapless bra containing a connector such as Valentin, with a volume of silicone gel that includes the pressure sensitive adhesive layer as disclosed in Chen. Alternatively, as described below with reference to Ground 3, a person of ordinary skill in the art would combine a backless, strapless bra such as Noble, with

a volume of silicone gel including adhesive of Mulligan and a connector of Hedü.

Ex. 1002, ¶84.

Again, Ms. Yngvesdotter admits that she uses the same approach (or argument) for asserting obviousness under Grounds 2 and 3, *i.e.*, by modifying a backless, strapless bra (with or without a connector) with a breast prosthesis containing silicone gel and having an adhesive (and with a traditional bra having a connector where the backless bra does not have one). And again, this is precisely the argument advanced by Examiner Hale during prosecution of the '720 Patent that was ultimately rejected. As such, Grounds 2 and 3 merely present an argument that has already been considered, and rejected, by the Office.

Accordingly, each of Grounds 1, 2, and 3 only present the same or substantially the same arguments that have previously been considered and ultimately rejected by the Office. The Board should exercise its discretion and deny Grounds 1, 2, and 3 under 35 U.S.C. § 325(d).

3. Granting this Petition Will Not Support the Goal of Securing the Just, Speedy, and Inexpensive Resolution of this Dispute

Related litigation has been moving forward on an accelerated schedule, with a bench trial relating to equitable issues currently set for April 5, 2017 in both cases, and a jury trial relating to invalidity to follow. Exs. 2032, 2033. The Court has already granted summary judgment of infringement in Patent Owner's favor.

Exs. 2013, 2014. Further, Petitioner (and SFL and CR) moved for Summary Judgment of invalidity, but the District Court found that “Defendants’ invalidity arguments have no merit,” denying the motion. *See id.* Now, Petitioner seeks another bite at the apple in a separate forum, presenting the Board with the same prior art in Grounds 2 and 3 that was already rejected by the original Examiner during prosecution and by the District Court in related litigation. It is highly likely that the District Court litigations will be resolved before an appointed panel would render a final decision in this IPR if the petition is granted. Petitioner asks the Board to institute IPR, even though institution clearly contradicts the goals of judicial economy inherent in IPR proceedings. There is no reason to “tie[] up the Board’s limited resources” with a proceeding running concurrent with active litigation, where the same arguments have already been rejected by the Office and the District Court. *See Samsung Elecs. Co., Ltd. v. Rembrandt Wireless Techs., LP*, IPR2015-00114, Paper 14 (Jan. 28, 2015) at 7.

For all of the above reasons, the Board should exercise its discretion under 35 U.S.C. § 325(d) and deny institution of IPR.

D. Petitioner Has Not Shown a Reasonable Likelihood That Any of Claims 1, 2, or 5 are Unpatentable

In addition to the numerous defects identified above, the grounds advanced by petitioner fail to support a finding of invalidity of any of claims 1, 2, or 5 of the ’296 Patent. For this additional reason, IPR should not be instituted.

1. General Obviousness Discussion

As a preliminary matter, as discussed above, Petitioner (along with Petitioner's co-defendants SFL and CR in the related litigation matters) and Ms. Yngvesdotter have consistently argued "two approaches" to obviousness of challenged claims 1, 2, and 5.

According to one approach (applied in Grounds 1 and 2), Ms. Yngvesdotter alleges that it "would be [obvious] for one of skill in the art to start with known silicone breast forms containing a pressure sensitive adhesive layer, such as those disclosed in Luckman or Chen, and then adding known center connectors utilized for backless strapless bras as disclosed in numerous references such as Davis or Valentine [sic] to create a self-adhesive silicon [sic] backless strapless bra with a center connector." Ex. 1002, ¶ 81.

However, a POSITA would not be motivated to add a connector to breast prostheses, as the connector would hinder their ability to function with traditional bras and the breast prostheses used in conjunction with a traditional bra and with a connector would either lose its ability to provide cleavage or would not be positioned properly between the breast and the bra. Ex. 2001, ¶65. Further, the art of breast prostheses was trending toward recreating full breasts in their natural position (e.g., so that an observer would not know the breast prosthesis was a prosthesis). *Id.* As such, the presence of a connector between two prostheses would be at direct odds with this goal. *Id.* Similarly, there was a general trend toward making stock prostheses having standard dimensions (e.g., as discussed in

Luckman). *Id.*, ¶66. Because not all women who have a mastectomy have a double mastectomy, the attachment of a connector between two prostheses, as advanced by Petitioner, would inherently require the use of at least two prostheses and would either eliminate from the potential market women who have had a single mastectomy, or create a new need for specially-sized and individually crafted paired prostheses. *Id.*

Further, a POSITA would recognize that breast prostheses were known and used to serve as a replacement for an absent breast. Ex. 2001, ¶67. Just as natural breasts do not have a center connector attaching them, there would be no motivation to use breast prostheses with a center connector (recognizing that a person's sternum, to the extent it may be construed as a "center connector" would not be removed when both her breasts are removed). *Id.* As such, a POSITA, even with the knowledge that some women may have a need for two breast prostheses, would not have been motivated to use a connector to combine the two prostheses to form a dual breast form system. *Id.*

According to the other approach (Grounds 2 and 3), Petitioner and Ms. Yngvesdotter argue that combining "a backless, strapless bra containing a connector" (citing Valentin and Noble and Hedu), with a volume of silicone gel that includes the pressure sensitive adhesive layer (citing Chen and Mulligan), would have been obvious to a POSITA. Ex. 1002, ¶84.

Under this approach, Ms. Yngvesdotter relies on an alleged motivation to replace fabric cups of a backless, strapless bra with silicone ones. *See* Ex. 1002,

¶84. A POSITA would not have been motivated to make such a combination. Ex. 2001, ¶69. First, fabric cups and silicone breast forms are constructed completely differently. *Id.* One cannot simply attach silicone gel to fabric, as demonstrated by the thermoplastic film used in the '296 Patent to contain the silicone gel. *Id.* Such a modification would require a recreation of fabric cups of any of the references cited by Petitioner to work with a silicone gel and support it. *Id.*

Further, one of the benefits of the connector of the '296 Patent is to provide breast cleavage and push-up enhancement. Ex. 2001, ¶70. As such, the backless, strapless bra of the '296 Patent is subject to multidirectional stressful forces: downward forces created by gravity, along with lateral stressful forces supplied by the wearer's breasts when the connector is connected in a way to create cleavage and push-up enhancement. *Id.* Thus, the use of both silicone gel *and* a connector introduce two significant complications in keeping the backless, strapless bra in place, with added forces being applied in multiple directions. *Id.*

A POSITA would not have been motivated to follow either of the approaches described by Petitioner. Ex. 2001, ¶71. While backless, strapless bras were generally known, the balance of comfort, support, and coverage led to a trend in weight reduction of the backless, strapless bras to alleviate the concern of these bras from becoming unintentionally detached from a wearer without requiring the use of painfully strong adhesive that could irritate the skin of the wearer. *Id.* On the other hand, while silicone breast prostheses were generally known, the desire to create full breasts in their natural position led to a trend in weight *increase* of

silicone breast prostheses that more closely resembled the female breast and that had an increased volume of silicone to make the breast look fuller. *Id.* As such, the fields of backless, strapless bras and of silicone breast prostheses were diverging, as opposed to approaching. The present matter is thus distinguishable from the pedals with sensors found to be unpatentable in *KSR*, where the teachings of the prior art were clearly converging toward the claimed invention. *See KSR*, 127 S. Ct. at 1744-45.

In addition, the inventors of the '296 Patent faced a significant challenge in combining a connector to a breast form film. Ex. 2002, ¶¶5-6. The thermoplastic film that encases the silicone gel of a breast form is thinner than a human hair. *Id.*, ¶6. This is typical, as a thicker thermoplastic film would significantly detract from the desired features of a natural-looking breast form and a comfortable breast form, as a thicker thermoplastic film would alter the manner in which the breast form flexes and conforms to a wearer's breast. *Id.*; Ex. 2001, ¶72. Accordingly, a POSITA would recognize the significant difficulty in attaching a connector to such a breast form, particularly where connection by sewing would not be possible (because the thermoplastic film is too thin to support a sewed connector and sewing would rupture the silicone gel) and connection by other methods would be extremely difficult without ripping the thin thermoplastic film, which would release the encased silicone gel. Ex. 2001, ¶72. A method of attaching a connector to this thin thermoplastic film is not a problem addressed by any of the prior art references on which Ms. Yngvesdotter relies in Grounds 1, 2, and 3. *Id.*

Accordingly, when patentability of claims 1, 2, and 5 is considered under the guidance of *KSR*, the result remains the same.

2. Ground 1 Should Not Be Instituted

a) Luckman

Luckman describes an “external breast enhancement” for attachment to a “user’s chest wall, over the natural breasts, with medical adhesive.” Ex. 1010, Abstract; Ex. 1010, p. 3, ll. 7-8; Ex. 2001, ¶73. As such, Luckman does not disclose “a pressure sensitive adhesive layer on a concave interior surface facing toward a user’s breasts.” Ex. 2001, ¶73. Instead, the “concave rear wall portion” of Luckman provides “suction” with the user’s skin (Ex. 1010, p. 3, ll. 16-18) and an external adhesive is applied to a “peripheral edge” of the prosthesis for attachment to the user’s chest wall” (*Id.*, p. 4, ll. 11-13). Ex. 2001, ¶73. Even further, Luckman discloses: “This thin flexible margin is important. The thin flexible edge allows one prosthesis to fit any chest wall so that this prosthesis can be mass produced and sold as stock item. For example, all women who normally wear a size ‘A’ or ‘B’ cup bra can wear the prosthesis no matter how small their breasts may be.” Ex. 1010, p. 5, ll. 12-15. As such, a POSITA would recognize that Luckman actually teaches away from using “a pressure sensitive adhesive layer on a concave interior surface facing toward a user’s breasts,” as recited in claim 1 of the ’296 Patent, as the same prosthesis could not then be used on variously sized breasts because the concave interior surface would not even contact smaller breasts. Ex. 2001, ¶73.

In addition, Luckman fails to disclose “a connector adapted to adjoin the breast forms together, wherein the connector is positioned between inner sides of each of the breast forms.” *See* Ex. 2001, ¶74.

b) Davis

Davis describes a “backless closed-cell foam bra with a swivel snap system.” Ex. 1011, 1:6-8; Ex. 2001, ¶76. As such, Valentin does not disclose or suggest the limitation of each breast form comprising “*a volume of silicone gel encased between thermoplastic film material*” as recited in the ’296 Patent. Ex. 2001, ¶76.

Further, Davis does not disclose “*a pressure sensitive adhesive layer on a concave interior surface facing toward a user’s breasts,*” as recited in claim of the ’269 Patent. Ex. 2001, ¶77. Instead, Davis discloses a “peripheral portion 30” that is “relatively flat for comfortable placement proximate to the underside and outer sides of the user’s breast” (Ex. 1011, 3:53-55) and that “double-sided adhesive tape 20 may be disposed on the inside surface 50 of each cup, *within the peripheral portion 30 thereof*” (*Id.*, 4:53-55). Ex. 2001, ¶77.

c) There is No Motivation to Combine Luckman and Davis to arrive at any of claims 1, 2, or 5 of the ’296 Patent

A POSITA would not have been motivated to modify Luckman and Davis to arrive at the claimed invention. Ex. 2001, ¶79. First, neither Luckman nor Davis discloses “a pressure sensitive adhesive layer on a concave interior surface facing

toward a user's breasts," as recited in claim 1 of the '269 Patent, and Petitioner has not set forth any purported motivation to modify Luckman and Davis to include this feature. *Id.* As such, even if a POSITA were motivated to combine these references as Petitioner argues, they would not yield the claimed invention; an element of the claims would be completely missing. *Id.* For this reason, the only "new" combination asserted by Petitioner (which is still based on an argument already rejected by the Office), would not even be capable of invalidating the '296 Patent. Further, as discussed above, a POSITA would recognize that Luckman actually teaches away from placing "a pressure sensitive adhesive layer on a concave interior surface facing toward a user's breasts," as this would not allow "one prosthesis to fit any chest wall so that this prosthesis can be mass produced and sold as [a] stock item." *Id.*

In addition, the prosthetic devices of Luckman are designed to be worn to provide the illusion of larger breasts. Ex. 2001, ¶80. They include a nipple (Ex. 1010, p. 5, ln. 5; FIGS. 1 and 2) and are designed to be worn in conjunction with a traditional bra. Ex. 2001, ¶80. Further, the devices do not include adhesive, but are intended to be suctioned to a user's breast, with the option to apply adhesive to an outer peripheral edge to adhere the prosthetic to the user's chest wall. *Id.* The devices cannot be worn as a replacement for traditional bras and are not intended to be used without a bra for support. *Id.* Further, they do not contain a connector adapted to adjoin them together. *Id.* A POSITA would not be motivated to add a connector to such devices, as the connector would hinder their ability to function

with traditional bras, and the breast prosthesis used in conjunction with a traditional bra and with a connector would either lose its ability to provide cleavage or would not be positioned properly between the breast and the bra. *Id.* Further, as the art of breast prostheses was trending toward recreating more full breasts in their natural position (*e.g.*, so that an observer would not know the breast prosthesis was a prosthesis), the presence of a connector between two prostheses would be at direct odds with this goal. *Id.* Moreover, as noted above, the presence of a connector would frustrate Luckman's goal of having a prosthesis that can be mass produced and sold as a stock item. Ex. 2001, ¶66.

Even further, fabric cups and silicone prostheses are constructed completely differently. Ex. 2001, ¶81. One cannot simply attach silicone gel to fabric, as demonstrated by how the invention of the '296 Patent uses a thermoplastic film to contain the silicone gel. *Id.* Davis would require different construction techniques to use silicone gel-based cups. *Id.* In addition, to adhere the bra to the wearer, Davis applies double-sided tape only to the flat peripheral portion 30. *Id.* But cups made of silicone gel would be much heavier than fabric cups. *Id.* A POSITA would understand that the added weight of silicone gel cups would be at direct odds with the goal of a lightweight backless, strapless bra, as the added weight would increase the likelihood of inadvertent removal or repositioning of the strapless, backless bra. *Id.* As such, Davis teaches away from using heavier materials for the cups, such as silicone gel prostheses. *Id.*

Accordingly, a POSITA would not have been motivated to combine

Luckman and Davis to arrive at the recited embodiment of any of claims 1, 2, and 5 of the '296 Patent, and such a combination would not meet each and every limitation of any of claims 1, 2, and 5 of the '296 Patent. Ex. 2001, ¶82. As such, Luckman and Davis do not render any of the challenged claims unpatentable as obvious and IPR should not be instituted based on Ground 1.

3. Ground 2 Should Not Be Instituted

As a preliminary matter, Ground 2 should not be instituted because Chen is not prior art to the '296 Patent. As discussed above, the priority date of the '296 Patent is May 31, 2002, and the '296 Patent issued on December 5, 2006. Chen was filed on February 14, 2002, and issued on February 22, 2005. Ex. 1014, p.1. Accordingly, Chen does not qualify as prior art under pre-AIA 35 U.S.C. §§ 102(a) or (b), but, as Petitioner asserts, may qualify as prior art only under 35 U.S.C. § 102(e). *See* 35 U.S.C. § 102 (pre-AIA); Paper 1 at 21-22.

Pre-AIA 35 U.S.C. § 103(c)(1) states that “[s]ubject matter developed by another person, which qualifies as prior art only under one or more of subsections (e), (f), and (g) of section 102, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the claimed invention was made, owned by the same person or subject to an obligation of assignment to the same person.” Here, the '296 Patent and Chen were, at the time the invention of the '296 Patent was made, owned by (and subject to an obligation of assignment to) the same person: Bragel International, Inc. Ex. 2002, ¶2. Accordingly, Chen cannot be used to support a rejection of any of the claims of the

'296 Patent under 35 U.S.C. § 103(a). *See* Manual of Patent Examining Procedure 706.02(1)(2)(II).

At the time the invention of the '296 Patent was made, co-inventors Alice and Jasper Chang were owners of Bragel, and co-inventor David Chen was an employee of Bragel. Ex. 2002, ¶2. The three co-inventors of the '296 Patent had an obligation to assign the rights of the '296 Patent to Bragel at the time the invention was made. *Id.*, ¶8. As an employee of Bragel and as fiduciaries of Bragel, inventions attributable to David Chen, Alice Chang, and Jasper Chang were owned by Bragel. *Id.*

Further, as can be seen on the face page of Chen, Chen is assigned to Bragel. Ex. 1014, p. 1. This assignment was executed on March 27, 2002. Ex. 2034. The '296 Patent is also subject to an assignment to Bragel. Co-inventors David Chen, Alice Chang, and Jasper Chang executed an assignment of the '251 Application, wherein the co-inventors assigned, *inter alia*, “the entire right, title and interest in and to said improvements, and said application *and all divisions and continuations thereof, and all United States Letters Patents* which may be granted thereon . . .” to Bragel. Ex. 2035. The Assignment of the '251 Application was formally executed on January 30, 2003. *Id.* As noted above, the execution of the assignment agreement merely formalized the assignment of the invention to Bragel, an obligation which was in effect at the time of invention. Ex. 2009, ¶9. Because the '296 Patent is a continuation of the '251 Application, the Assignment for the '251 Application also formally assigned the '296 Patent to Bragel.

Thus, 35 U.S.C. § 103(c) prohibits Chen from being considered prior art and Ground 2 cannot form a basis of unpatentability and should be denied.⁶ However, for the sake of completeness, Patent Owner addresses Ground 2 on the merits, below.

a) Valentin

Valentin discloses a bra that is “preferably constructed from a soft woven or knitted fabric, such as cotton and/or lace.” Ex. 1012 at 3:3-6. As such, Valentin does not disclose or suggest the limitation of each breast form comprising “a volume of silicone gel encased between thermoplastic film material” as recited in the ’296 Patent. Ex. 2001, ¶83.

Valentin also discloses that adhesion of the bra to the user is accomplished by two sided tape 60 which is connected to each of the tabs 28 and 30 on the outer sides of the cups. Ex. 1012 at 3:46-4:10. Valentin states that the process to attach the bra is as follows: “the tape attached to tab 28 is placed in contact with the outer side of a user’s body proximate the armpit, and then the bra is pulled and/or stretched across the user’s body until the tape attached to tab 30 is proximate the other armpit and adhered to the user.” *Id.* Valentin reiterates that the tabs “adhere

⁶ Petitioner seems to implicitly recognize that Chen is defective as prior art, and with brief hand-waving argues that Mulligan may be substituted for Chen. Petitioner has not set forth any substantive argument relating to this alleged combination of Mulligan and Valentin. Accordingly, their fleeting request that the Board substitute Mulligan for Chen should be ignored. *See Magnum*, 829 F.3d at 1381 (“the Board must base its decision on arguments that were advanced by a party”).

only to the outer side of the user's breasts." *Id.* at 4:20-21. As such, Valentin does not disclose or suggest the limitation of "a concave interior surface facing towards a user's breast having a pressure sensitive adhesive layer for securing the breast form to the user's breast" recited in claim 1. Ex. 2001, ¶84.

In addition, Valentin disparages various prior art references, stating that "[w]ith bras having two separate cups, however, a number of problems become apparent." Ex. 1012, 1:37-39; Ex. 2001, ¶85. As such, a POSITA would understand that Valentin actually teaches away from a "connector compris[ing] a first portion attached to the inner side of one of the breast forms and a second portion attached to the inner side of the other breast form, and the first portion and the second portion are adapted to cooperatively engage," as recited in claim 2 of the '269 Patent. Ex. 2001, ¶85.

b) Chen

Chen discloses a breast form suitable for "women wishing to enhance their physical appearance in a non-permanent and health-risk free manner." Ex. 1014, 1:23-24. Chen does not disclose "a connector adapted to adjoin the breast forms together, wherein the connector is positioned between inner sides of each of the breast forms," as recited in claim 1 of the '296 Patent. Ex. 2001, ¶87.

c) **There is No Motivation to Combine Valentin and Chen to arrive at any of claims 1, 2, or 5 of the '296 Patent**

A POSITA would not have been motivated to modify Valentin in view of Chen to arrive at the claimed invention. Ex. 2001, ¶90. Fabric cups and silicone cups are constructed completely differently. *Id.*, ¶91. One cannot simply attach silicone gel to fabric, as demonstrated by how the invention of the '296 Patent uses a thermoplastic film to contain the silicone gel. *Id.* It would require different construction techniques to use silicone gel-based breast forms, as evidenced by the significant challenges actually faced by Mr. Chen in combining a connector to a breast form. *Id.*; *see* Ex. 2002, ¶6. Neither Valentin nor Chen teaches a solution to this problem of attaching a connector to a silicone gel breast form. Ex. 2001, ¶91.

In addition, to adhere the bra to the wearer, Valentin applies double-sided tape only to the outer tabs 28 and 30. Ex. 2001, ¶92. But cups made of silicone gel would be much heavier than fabric cups. *Id.* A POSITA would understand that the added weight of silicone gel cups would be at direct odds with the goal of a lightweight backless, strapless bra as the added weight would increase the likelihood of inadvertent removal or repositioning of the strapless, backless bra. *Id.* As such, Valentin teaches away from using heavier materials for the cups, such as silicone gel cups, and even if Chen were considered proper prior art, a POSITA

would not have been motivated to modify Valentin to incorporate the breast forms of Chen. *Id.*

Further, as discussed above, Valentin teaches away from the use of separable breast forms. Ex. 2001, ¶93. As such, a POSITA would not have been motivated to modify Valentin to include a “connector compris[ing] a first portion attached to the inner side of one of the breast forms and a second portion attached to the inner side of the other breast form, and the first portion and the second portion are adapted to cooperatively engage,” as recited in claim 2 of the ’269 Patent, as this would require separation of the breast forms. *Id.*

Accordingly, a POSITA would not have been motivated to combine Valentin and Chen to arrive at the recited embodiment of any of claims 1, 2, and 5 of the ’296 Patent. Ex. 2001, ¶94. As such, Valentin in view of Chen does not render any of the challenged claims unpatentable as obvious. Ground 2 should not be instituted.

4. Ground 3 Should Not Be Instituted

a) Noble

Noble describes a “breast cup portion 22 (as shown in FIGS. 9-21) and the flattened peripheral flange 24 (as shown in FIGS. 9-17) comprise a soft foam quality LD (low density) #24, supplied by Plasmar Limited of England.” Ex. 1013, 4:7-10. As such, Noble does not disclose or suggest the limitation of each breast

form comprising “a volume of silicone gel encased between thermoplastic film material” as recited in claim 1 of the '296 Patent. Ex. 2001, ¶95.

In addition, a POSITA would understand that the “decorative lace band 50” is not a “connector adapted to adjoin the breast forms together,” where the breast forms comprise a volume of silicone gel as recited in claim 1. Ex. 2001, ¶96. The decorative lace band is made of “decorative lace material” which is not adapted to adjoin silicone gel breast forms together. *Id.* The decorative lace is not adapted to support heavier silicone gel cups, but rather performs an aesthetic function to “look like a normal strapless brassiere.” *Id.*; Ex. 1013 at 6:10-11.

b) Mulligan

Mulligan discloses a breast prosthesis, which a POSITA would recognize is designed to be worn inside of a bra, not as a replacement for a bra. Ex. 2001, ¶98. Thus, Mulligan does not disclose or suggest “An improved backless, strapless breast form system to be worn in place of a traditional bra.” *Id.*

Further, as breast prostheses, Mulligan does not disclose or suggest “a connector adapted to adjoin the breast forms together, wherein the connector is positioned between inner sides of each of the breast forms” of claim 1. Ex. 2001, ¶99.

c) Hedu

The bra shown in Hedu is a traditional bra with a back and straps. Ex. 2001,

¶101; Ex. 1016, 2:14-19; *see also* Ex. 1016, 1:19-23 (“[T]he torso encircling band is an integral elasticized strap and the detachable connection is placed between the breast cups, adjacent to the wearer’s sternum. This invention is especially suited to brassiere construction of this latter type.”). Hedü does not disclose “breast forms,” nor does it disclose a volume of silicone gel encased between thermoplastic film material. Ex. 2001, ¶101. Instead, Hedü discloses the use of “usual breast cups” (Ex. 1016, 2:15) and that stay members 10 and 12 “may be held in pockets in the brassiere” (*Id.*, 2:20-22) both of which suggest a fabric construction. Ex. 2001, ¶101. Further, this construction does not add volume and does not teach how to connect breast forms of silicone gel encased between thermoplastic film material. *Id.* Even further, Hedü does not disclose a pressure sensitive adhesive layer for securing the breast form to the user’s breast; instead, Hedü discloses straps and a back. *Id.*

d) **There is No Motivation to Combine Noble, Mulligan, and Hedü to arrive at any of claims 1, 2, or 5 of the ’296 Patent**

A POSITA would not have been motivated to modify Noble, Mulligan, and Hedü to arrive at the claimed invention. Ex. 2001, ¶103. As described above, silicone prostheses are constructed completely differently. *Id.* One cannot simply attach silicone gel to fabric, as demonstrated by how the invention of the ’296

Patent uses a thermoplastic film to contain the silicone gel. *Id.* It would require different construction techniques to use silicone gel-based cups. *Id.* In addition, as described above, one of the benefits of the connector of the '296 Patent is to provide breast cleavage and push-up enhancement. *Id.* The decorative lace band in Noble is not intended to create cleavage, but rather is intended for women whose breasts are close together already ("have a close separation"). *Id.*; Ex. 1013 at 6:5. The decorative lace band would not be sufficient to create the benefit of cleavage, particularly if the cups were made of heavier silicone gel. Ex. 2001, ¶103. Modifying the decorative lace to provide cleavage would hinder the intended purpose of the decorative lace (to "look[] like a normal strapless brassiere"). *Id.*; Ex. 1003, 6:10-11.

Further, one of the objects of Hedü is to allow for vertical adjustment of a connection between traditional bra cups. *See* Ex. 1016, 1:24-32, 1:41-44; Ex. 2011, ¶104. These objects of Hedü "are achieved by providing a brassiere with elongated stay members along the inner edges of the cups and a joining member attached to both stays and slideable therealong, and providing resilient means for locking the ends of the joining member within depressions in the stay member." Ex. 1016, 1:44-49. These elongated stays are made of a "resilient plastic material." *Id.*, 2:34. Accordingly, a POSITA would understand that the connector of Hedü

would add even more weight and stress to a strapless, backless bra, further diverging from the goal of reducing the weight of strapless, backless bras. Ex. 2001, ¶104. A POSITA would thus be even less likely to combine both the stays and connectors of Hedü with a heavy silicone gel breast prosthesis, as this would add additional weight and stress issues that could result in inadvertent removal of the strapless, backless bra. *Id.*

Similarly, Hedü discloses that “any force tending to pull the clasp members apart will instead force them into further locking engagement.” Ex. 1016, 3:56-57. As such, the connector of Hedü is designed to apply additional lateral forces to the bra, which would be understood by a POSITA as teaching away from their use in a backless, strapless bra (and particularly one with heavy silicone gel) because this would increase the likelihood that the backless strapless bra would become inadvertently removed at its outer edges. Ex. 2001, ¶104. And even further, the elongated stays of Hedü would detract from the natural look and feel of the bra with which they are used, and there is no teaching or suggestion as to how to attach these elongated stays and connector to a volume of silicone gel encased between thermoplastic film material. *Id.*

Further, one of ordinary skill in the art would not have been motivated to use the prosthetic devices of Mulligan as the recited breast forms of claims 1, 2, and 5.

Ex. 2001, ¶105. The prosthetic devices of Mulligan are typically designed to be worn as a replacement for breasts that have been partially or completely removed during mastectomy procedures. *Id.* They are designed to be worn in conjunction with a traditional bra. *Id.* While such devices contain a small amount of adhesive or tape to attach to the breast, the connection is too weak so as to provide marginal support just enough holding force so that the prostheses do not jostle. *Id.* The devices cannot be worn as a replacement for traditional bras and are not intended to be used without a bra for support. *Id.* Further, they do not contain a connector adapted to adjoin them together. *Id.* A POSITA would not be motivated to add a connector to such devices, as the connector would hinder their ability to function with traditional bras. *Id.* Further, as these prostheses are typically used as a replacement for breasts that have been surgically removed, the addition of a connector would serve no function because cleavage cannot be created if at least one of the user's breasts has been removed. *Id.*

Accordingly, a POSITA would not have been motivated to combine Noble, Mulligan, and Hedu to arrive at the recited embodiment of any of claims 1, 2, and 5 of the '296 Patent. Ex. 2001, ¶106. As such, Noble, Mulligan, and Hedu do not render any of the challenged claims unpatentable as obvious, and Ground 3 should not be instituted.

E. Secondary Considerations

As set forth above, none of the offered combinations suggest that any of claims 1, 2, or 5 are unpatentable. To the extent the Board may disagree with Patent Owner and determine that one or more of the Grounds sets forth a *prima facie* case of obviousness, this is emphatically rebutted by the strong evidence of secondary considerations, which must be considered in determining patentability. *See Stratoflex*, 713 F.2d at 1538. As discussed below, a POSITA would understand that the product was a commercial success, fulfilled a long-felt unmet need, was praised by others, was met with initial industry skepticism, and was copied by others, all rebutting any argument of obviousness. Ex. 2001, ¶116.

1. Commercial Success

Bragel first introduced breast form systems covered by the '296 Patent commercially in November, 2002 under the trademark “NuBra.” *See* Ex. 1007, ¶¶2-4. In the year leading up to introduction of NuBra (2002), Bragel had total sales of \$2,800,000. Ex. 1007, ¶¶ 2-4; Ex. 2002, ¶14. During this time, Bragel sold breast enhancers and prostheses, similar to those described in U.S. Patent No. 6,857,932 and in other Bragel patents, including U.S. Patent No. 5693164, filed in 1996. Ex. 2002, ¶14. In the year after NuBra was released (2003), total sales (domestic and international) rose to \$18,400,000 with over \$16,000,000 coming from sales of the NuBra product. Ex. 2002, ¶15. Within 15 months of launching the NuBra product, sales of NuBra alone were over \$17,000,000. *Id.*; *see also* Ex. 1007, Exhibit C (*e.g.*, “Nubra has been selling out almost as quickly as it arrives.”).

A POSITA would understand such a dramatic increase in sales to be evidence of great success of the product. Ex. 2001, ¶118. In the fashion industry, a drastic and immediate rise in sales following the launch of a new product is evidence of the product's success. *Id.* This is particularly true where the company had been in existence for many years prior to launch of the new product, and where the sales of the newly launched product represented the majority of the company's overall sales. *Id.*

A POSITA would understand that there was a nexus between the claimed invention and the commercial success. Ex. 2001, ¶119. The Nubra product is a backless, strapless breast form system to be worn in place of a traditional bra, as claimed in the asserted claims, and it meets all the limitations of the asserted claims. *Id.* Further, the NuBra product embodies the three benefits of the claimed invention described above. *Id.* The NuBra product is designed to enhance the size and shape of the wearer's bustline, is designed to be natural looking and natural feeling to the wearer, and eliminates the need for using a traditional bra such that NuBra can be worn with a full range of women's clothing. *Id.* A picture of the Nubra product is shown below:

Bragel's Nubra Product



Patent Owner's websites even tout the above benefits of the Nubra products in its sales offering and product descriptions, including statements such as “(“Center clasp for adjustable cleavage enhancement” and “Silicone bra cups provide a natural look and feel, while enhancing bustline. Center clasp closure allows for cleavage enhancement while maintaining a completely strapless, backless design.” *See* Ex. 2036; Ex. 2001, ¶120. Prior Nubra advertisements likewise touted these features: saying that the Nubra “is backless, strapless and invisible under clothing,” suggesting a natural look and that it eliminates the need for a traditional bra, and that it “[c]reates cleavage with a unique front closure.” *See* Ex. 1007, Exhibit B; Ex. 2001, ¶120.

Further, Bragel was selling breast enhancers and prostheses prior to the launch of Nubra, but seeing significantly lower overall sales numbers. *See* Ex. 2002, ¶14. Indeed, prior to the launch of the Nubra, Bragel had sold breast enhancer products, such as those described in Chen, which Petitioner relies on in Ground 2. *See id.* Clearly, there is a strong nexus between the patented features of the '296 Patent (*i.e.*, a strapless, backless bra comprising a pair of breast forms made of silicone gel encased in thermoplastic film with a connector), as the commercial embodiment of the breast forms described in Chen saw significantly lower sales numbers than the Nubra.

2. Praise of the Invention

The Declaration of Commercial Success submitted during prosecution of the '720 Patent provides many examples of industry praise specifically praising the

benefits and advantages of the NuBra. *See* Ex. 1007; Ex. 2001, ¶¶121-122. The features that were praised were the three specific advantages of the patented invention discussed above.

For example, one advertisement for the NuBra product praised the NuBra product as a “revolution in comfort,” which is “soft and fleshy, sort of like the real thing,” that it “sticks[s] on and stay[s] put,” and concluded the NuBra is “one of the greatest innovations in undergarment engineering since the introduction of the WonderBra. Actually, it’s better than that. . .” *See* Ex. 1007, Exhibit C. Another advertisement touted it as providing “fabulous cleavage” to answer the “I-have-a-backless-dress-but-still-need-support problem.” Ex. 1007, Exhibit C. A further article stated that “you’ll be as curvy as cleavage ideal Selma Hayek.” Ex. 1007, Exhibit C. A further article exclaimed “Enter the greatest thing since the Wonder Bra: the Nubra. ‘This is the hottest strapless bra around,’” and “[e]ven better, it can be adjusted to create the desired amount of cleavage.” Ex. 1007, Exhibit C. Another article stated that “the bra-style latch that links the twins even gives me a bit of cleavage, and the look and feel is much softer, swingier and more naturally jiggly than a standard molded-cup bra.” Ex. 1007, Exhibit C; *see also* Ex. 1007 (“Nubra will free you from the tyranny of bra straps.”). Thus, a POSITA would understand this praise in the industry to be evidence of non-obviousness. Ex. 2001, ¶122.

3. Initial Industry Skepticism

In the related litigation matters, Petitioner has contended that there were few

sales in the U.S. following launch of the product and most of the sales occurred internationally. and that U.S. retailers and distributors were not initially interested in the product and thought it had a displeasing look. Ex. 2001, ¶123.

Such results are consistent with Patent Owner's expert, Ms. Frances Harder's, experience in the fashion industry. Ex. 2001, ¶124. Often, the U.S. market lags behind other countries in the latest fashion trends. *Id.* Further, there can be initial resistance to products that launch entirely new categories. *Id.* Industry articles on the Nubra product pointed out that "[b]outique owners were leery at first" and that "[a]t first glance, the jiggly, sticky, breast-shaped cups raise doubts - and eyebrows. But don't knock 'em til you've tried 'em." *See* Ex. 1007, Exhibit C. A POSITA would understand these to be examples of initial industry skepticism. Ex. 2001, ¶124.

4. Copying

There has been widespread copying of the '296 Patent. *See, e.g.,* Ex. 1007, Exhibit D. Ms. Harder searched the market and located several products which infringe on the patented claims. Ex. 2001, ¶125. In addition, Bragel has enforced its patent rights in over 20 cases since the initial parent application to the '296 Patent issued, and that in each of these cases the alleged infringers stopped selling the accused products. Ex. 2001, ¶125; Ex. 2002, ¶12. There has been widespread copying both in the U.S. and abroad. *Id.*; *see also* Ex. 1007, Exhibit E. This copying by others in the industry would be recognized as evidence of non-obviousness. Ex. 2001, ¶125.

Further, the NuBra product and the products Petitioner distributes that are accused of infringement in the related litigation case employ nearly identical construction techniques. *See* Ex. 2001, ¶126; Ex. 2002, ¶8. In particular, an additional patch of material to which the connector is attached has nearly identical dimensions between the two products. *Id.* This also strongly supports an inference of copying by Petitioner, which is further evidence of non-obviousness. Ex. 2001, ¶126.

5. Long-Felt Need

A POSITA would understand that the dramatic sales of the NuBra product demonstrate there was a long-felt need for the patented invention which provides the advantages described above. Ex. 2001, ¶127. Nubra also touted the invention as a “revolutionary invention” that “answers many women’s prayers.” *See id.*; Ex. 1007, Exhibit C. Another advertisement touted the Nubra product as an answer to the “I-have-a-backless-dress-but-still-need-support problem.” *Id.* Another article describes how Nubra provided the technology for the author to finally wear the backless halters remaining unworn in her closet. *Id.* Further, prior to the Nubra product, in the industry, fashionistas would use double-sided tape as a temporary, crude means to create a flattering look. Ex. 2001, ¶127. There was a need to hold the breasts in place, but with the additional ability to enhance the size and cleavage of the wearer, unlike the previously used double-sided tape. *Id.* This long-felt unmet need is evidence of non-obviousness. *Id.*

6. Conclusion

Thus, even if Petitioner has set forth a *prima facie* case of obviousness as to any of the Grounds, this is firmly rebutted by the strong secondary considerations of nonobviousness discussed above.

V. CONCLUSION

For at least the above reasons, IPR should not be instituted as to any of claims 1, 2, or 5 of the '296 Patent.

DATED: January 13, 2017

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CERTIFICATION UNDER 37 CFR 42.24(d)

Pursuant to 37 CFR § 42.24(d), the undersigned hereby certifies that the word count for the foregoing Patent Owner Preliminary Response totals 13,543, as indicated by the word-processing system used to prepare this paper.

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CERTIFICATE OF SERVICE

I hereby certify that on January 13, 2017, a copy of the foregoing **PATENT OWNER'S PRELIMINARY RESPONSE AND EXHIBITS 2001-2036** were served via email to the following:

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