

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PANTIES PLUS, INC.,
Petitioner,

v.

BRAGEL INTERNATIONAL, INC.,
Patent Owner.

Case IPR2017-00044
Patent 7,144,296 B2

Before MITCHELL G. WEATHERLY, KEVIN W. CHERRY, and
JAMES A. WORTH, *Administrative Patent Judges*.

WEATHERLY, *Administrative Patent Judge*.

DECISION

Instituting *Inter Partes* Review
35 U.S.C. § 314, 37 C.F.R. §§ 42.4, 42.108

I. INTRODUCTION

A. BACKGROUND

Panties Plus, Inc. (“PPI”) filed a petition (Paper 1, “Pet.”) to institute an *inter partes* review of claims 1, 2, and 5 (the “challenged claims”) of U.S. Patent No. 7,144,296 B2 (Ex. 1001, “the ’296 patent”). 35 U.S.C. § 311. Bragel International, Inc. (“Bragel”) timely filed a Preliminary

Response. Paper 5 (“Prelim. Resp.”). Institution of an *inter partes* review is authorized by statute when “the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a); 37 C.F.R. § 42.108. Based on our review of the record, we conclude that PPI is reasonably likely to prevail with respect to at least one of the challenged claims.

PPI contends that the challenged claims are unpatentable under 35 U.S.C. § 103 based on the following grounds (Pet. 5–61):

References	Basis	Claims challenged
Canadian Patent App. No. 2,101,509 A1 (Ex. 1010, “Luckman”) and U.S. Patent No. 6,645,042 B2 (Ex. 1011, “Davis”)	§ 103	1, 2, and 5
U.S. Patent No. 6,231,424 B1 (Ex. 1012, “Valentin”) and U.S. Patent No. 6,857,932 B2 (Ex. 1014, “Chen”)	§ 103	1, 2, and 5
U.S. Patent No. 5,755,611 (Ex. 1013, “Noble”), U.S. Patent No. 5,922,023 (Ex. 1015, “Mulligan”), and U.S. Patent No. 3,196,878 (Ex. 1016, “Hedu”)	§ 103	1, 2, and 5

Generally, Bragel contends that the Petition should be denied in its entirety. For the reasons described below, we institute an *inter partes* review of claims 1, 2, and 5 on all three grounds asserted above.

B. RELATED PROCEEDINGS

PPI identified as related matters the following district court proceedings in the U.S. District Court for the Central District of California:

Bragel International, Inc. v. Charlotte Russe, Inc. et al., 2:15-cv-08364 (the “CR Litigation”); *Bragel International, Inc. v. Styles For Less, Inc. et al.*, 2:15-cv-01756 (the “SFL Litigation” and collectively with the CR Litigation, the “Related Litigation”); *Bragel International, Inc. v. AGaci LLC*, 2:15-cv-08439; *Bragel International, Inc. v. E-Retail Society d/b/a Bra Society et al.*, 2:15-cv-07148; *Bragel International, Inc. v. Charlotte Russe, Inc.*, 2:14-cv-07691; *Bragel International, Inc. v. Remi Collections, LLC*, 2:14-cv-02946; *Bragel International, Inc. v. Love Culture, Inc.*, 2:11-cv-04336. Pet. 1.

C. THE ’296 PATENT

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 ’296 patent explains that “externally worn articles are designed to replace a female human breast that has been surgically removed.” Ex. 1001, 1:45–47. More generally “[e]xternally worn articles that can be worn for the purpose of either enhancing or replacing human breasts are referred to a breast forms.” *Id.* at 1:47–49. The ’296 patent states that “[i]n addition to the demand for devices and methods for enhancing breast size and shape, there is also a demand for being able to use those devices and methods while wearing a full-range of clothing.” *Id.* at 1:60–63. The subject matter of the ’296 patent addresses these problems. *See id.* at 1:60–2:72. By way of example, Figure 1 of the ’296 patent, reproduced below, depicts one embodiment of the breast form system in a front elevational view, including two breast forms 12 adjoined by a connector 14.

Fig. 1

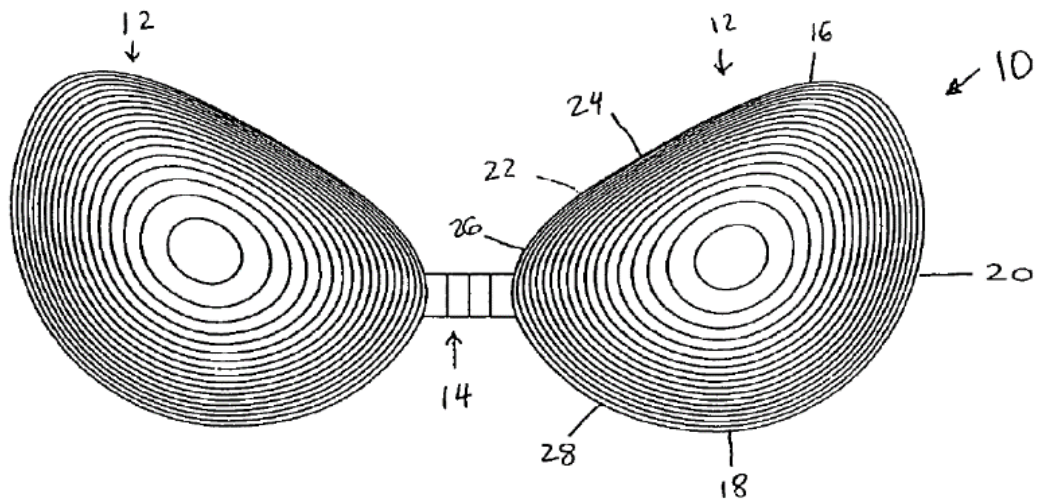


Figure 1 of the '296 patent is a front view of a breast form system having a pair of breast forms adjoined by a connector.

Each breast form 12 comprises a volume of silicone gel encased in a thermoplastic film, helping to provide a natural look and feel. *Id.* at 4:66–5:7. Each breast form also has a concave interior surface with a pressure sensitive adhesive layer so that breast forms 12 can be secured to the user's breasts. *Id.* at 4:13–33. Connector 14 allows two breast forms 12 to be adjoined, allowing the user to create varying degrees of breast cleavage depending on where breast forms 12 are positioned on the user's breasts. *Id.* at 3:42–53.

Claim 1 is the only independent claim among the challenged claims and recites:

1. An improved backless, strapless breast form system to be worn in place of a traditional bra, comprising:
 - a pair of breast forms, wherein each breast form comprises:
 - a volume of silicone gel encased between thermoplastic film material;

- 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
- a connector adapted to adjoin the breast forms together, wherein the connector is positioned between inner sides of each of the breast forms.

Id. at 8:48–59.

II. ANALYSIS

PPI seeks *inter partes* review on the grounds that claims 1, 2, and 5 are unpatentable as obvious over three different combinations of prior art. Pet. 37–61. Bragel counters that *inter partes* review should be denied for three high-level reasons, including: PPI fails to identify all real parties in interest, Prelim. Resp. 4–9, the Board should deny the Petition in its discretion under 35 U.S.C. § 325(d), *id.* at 15–28, and the combinations of prior art asserted by PPI fail to render any claims invalid, *id.* at 28–54. For the reasons expressed below, we determine that Bragel's first two arguments are unpersuasive. We also determine that PPI has persuasively demonstrated a reasonable likelihood of establishing that all three asserted grounds of unpatentability render claims 1, 2, and 5 obvious. Accordingly, we institute an *inter partes* review of all challenged claims on all asserted grounds.

A. REAL PARTIES IN INTEREST

PPI identifies itself as a real party in interest in these proceedings and represents that “[n]o other entities or persons other than the Petitioner has authority to direct or control Petitioner's actions or decisions relating to this petition. Petitioner is funding all of the fees and costs of this petition.” Pet. 1. Bragel argues that PPI has failed to name all real parties in interest as required by 35 U.S.C. § 312(a)(2). Prelim. Resp. 3–9. According to Bragel,

Charlotte Russe, Inc. (“CR”) and Styles for Less, Inc. (“SFL,” collectively with CR, “the customer defendants”) are real parties in interest that must be identified in the Petition. Bragel argues that the failure to identify the customer defendants as real parties in interest “violates” § 312(a)(2) and requires that we deny the Petition. *Id.*

Whether an entity is a real party in interest to a proceeding is a highly fact-dependent question. Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759 (Aug. 12, 2012) (citing *Taylor v. Sturgell*, 553 U.S. 880 (2008)). “A common consideration is whether the non-party exercised or could have exercised control over a party’s participation in a proceeding.” 77 Fed. Reg. at 48,759 (citing *Taylor*, 553 U.S. at 895). “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.’” *Id.* (quoting CHARLES WRIGHT, ET AL., 18A FED. PRAC. & PROC. §§ 4449, 4451 (2d ed. 2011)). The Board’s jurisdiction to consider a petition is not contingent upon a “correct” identification of all real parties in interest in the petition. *Lumentum Holdings, Inc. v. Capella Photonics, Inc.*, Case IPR2015-00739, slip op. at 6 (PTAB March 4, 2016) (Paper 38) (precedential). Later PTAB decisions indicate that a petition may be corrected after institution of trial to add a real party in interest if warranted without assigning a new filing date to the petition. *E.g., Axon EP, Inc., et al. v. Derrick Corp.*, Case IPR2016-00642, slip op. at 3 (PTAB November 21, 2016) (Paper 17).

Bragel does not explicitly argue that CR or SFL controls PPI’s participation in these proceedings. Nevertheless, Bragel implies that CR and SFL exert such control because of the degree to which all three entities have

cooperated in the Related Litigation. Prelim. Resp. 6–7. More specifically, Bragel notes that all three entities are represented in the Related Litigation by the same counsel, who also represents PPI here. *Id.* at 7 (citing Ex. 2021 ¶ 1; Ex. 2022 ¶ 1). Bragel also notes that all three entities rely on expert testimony from Ms. Yngvesdotter in the Related Litigation and that PPI submits a declaration from Ms. Yngvesdotter here. *Id.* at 7–8. Bragel further notes that all three entities are listed in Notices of Interested Parties filed in the Related Litigation under C.D. Cal. R 7.1-1. *Id.* at 6 (citing Ex. 2018; Ex. 2019).

Without more definitive direct evidence that CR and/or SFL control PPI’s participation in these proceedings, we find that Bragel’s evidence is unpersuasive. Mere status as a co-defendant is insufficient to establish that the customer defendants had the required control over the filing of the Petition in this proceeding. 77 Fed. Reg. at 48,760. Additionally, PPI expressly states that “[n]o other entities or persons other than the Petitioner has authority to direct or control Petitioner’s actions or decisions relating to this petition. Petitioner is funding all of the fees and costs of this petition.” Pet. 1. The identification of PPI, CR, and SFL on “Notices of Interested Parties” merely reflects the co-defendant status of these entities in the CR Litigation or SFL Litigation. We do not find that the Notices are probative of whether CR or SFL controls PPI’s participation in this proceeding. On the current record, we are not persuaded that CR or SFL exert sufficient control over PPI to warrant a finding that either entity should be named as a real party in interest.

Bragel also argues that a failure to name CR and SFL as real parties in interest would permit them to evade the estoppel provisions reflected in

35 U.S.C. § 315(e)(2) and unfairly “extend that window during with the Petition may be filed” by PPI without running afoul of the time bar under 35 U.S.C. § 315(b). Prelim. Resp. 8–9. The presence or absence of estoppel under § 315(e)(2) does not inform an analysis of whether an entity should be named as a real party in interest. An entity’s status as a real party in interest is merely one of the necessary pre-conditions for justifying application of estoppel after the Board renders a final written decision. Control of a named party by an unnamed entity is the primary basis for determining whether the unnamed entity is a real party in interest.

Bragel’s contention that adding CR or SFL as a real party in interest might “extend” the window for filing a petition by PPI without violating the time bar under § 315(b) is irrelevant. Bragel presents no argument that the Petition is barred or that the addition of CR or SFL would transform the Petition into one that is barred.

In sum, PPI’s cooperation with and status as co-defendants with the customer defendants in the Related Litigation does not demonstrate persuasively that either CR or SFL has control or influence over PPI’s conduct of this proceeding. PPI has averred exactly the opposite in the Petition. Pet. 1. On this record, Bragel does not persuade us that the customer defendants have funded, directed, controlled, or influenced this proceeding in such a manner that they must be identified as real parties in interest or that the Petition should be denied for its failure to identify CR or SFL as a real party in interest.

B. DISCRETIONARY DISMISSAL UNDER 35 U.S.C. § 325(d)

Bragel argues that we should deny PPI’s request for *inter partes* review in our discretion under 35 U.S.C. § 325(d) because the Office

previously considered the prior art underlying grounds 2 and 3 and considered substantially the same arguments underlying ground 1. Prelim. Resp. 17. Section 325(d) states in pertinent part: “In determining whether to institute or order a proceeding under this chapter, chapter 30, or 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.” 35 U.S.C. § 325(d). We deny Bragel’s request to exercise discretion not to institute based on § 325(d) because we do not consider any of the grounds presented by PPI to be based on “the same or substantially the same prior art or arguments previously presented to the Office.”

1. Challenges Based on Valentin and Chen (Ground 2) and Noble, Mulligan, and Heddu (Ground 3)

PPI’s Grounds 2 and 3 are based on prior art that was before the Office during prosecution of either the ’296 patent or its parent applications. However, the precise combinations of art forming the basis of Grounds 2 and 3 were never applied by the Office against the claims in the ’296 patent, which differ in scope from those that issued in the parent patents. Bragel contends that claims at issue in prosecution of the U.S. Patent No. 6,758,720 B2 (“the ’720 patent”)¹ “incorporated numerous features recited in claim 1 of the ’296 Patent.” Prelim. Resp. 21 (citing Ex. 2029). Bragel states that one of those “features” is “an interior surface facing toward a user’s breast, wherein the entire interior surface has a pressure sensitive

¹ The ’720 patent is listed on the cover page of the ’296 patent as issuing from the first-filed patent application in the chain of priority for the ’296 patent. Ex. 1001, cover page.

adhesive layer for adjoining the interior surface to the user's breast.” *Id.* Bragel's argument is unpersuasive because it depends upon the factually inaccurate implication that the quoted limitation appears in claim 1 of the '296 patent, when, in fact, it appears only in claim 1 of the '720 patent. *Compare* Ex. 1001, 8:54–56 (claim 1 of '296 patent), *with* Ex. 3003, 8:51–55 (claim 1 of '720 patent). We are persuaded by PPI's argument that the quoted portion of claim 1 of the '720 patent, which was added in response to a final rejection, was the basis for its allowance by the Office. Pet. 12–13 (citing Ex. 1009). The narrowed scope of claim 1 of the '720 patent as compared to claim 1 in the '296 patent renders the Office's previous consideration of the prior art in Grounds 2 and 3 to be substantially different from arguments that PPI advances in those grounds. We have reviewed Bragel's other contentions regarding the similarity of the prior art applied by the Office during prosecution of claims in priority applications to the '296 patent and find that none of those contentions warrants a discretionary denial of the Petition.

2. Challenge Based on Luckman and Davis

PPI's Ground 1 is based upon the combination of Luckman and Davis, neither of which was presented to the Office during prosecution of the '296 patent or any of its parent applications. Prelim. Resp. 19. Bragel contends that PPI's expert, Ms. Yngvesdotter, “essentially admits that Davis is substantially the same” as prior art considered by the Office during prosecution. *Id.* at 20. We find Bragel's contentions to be unpersuasive as a mischaracterization of Ms. Yngvesdotter's testimony. We are not persuaded that a discretionary denial of Ground 1 is warranted.

3. *Bragel's Desire for a Just, Speedy, and Inexpensive Resolution
by the District Court*

Bragel, as part of its argument for a denial of the Petition pursuant to § 325(d), argues that because the District Court in the Related Litigation has denied PPI's motion for summary judgment of invalidity as having "no merit," no reason exists to "'tie[] up the Board's limited resources' . . . where the same arguments have already been rejected by . . . the District Court." *Id.* at 27–28 (citing Exs. 2013, 2014, 2032, 2033). We find Bragel's argument unpersuasive for two reasons. First, § 325(d) does not list rulings in a District Court as a basis upon which the Board may exercise discretion to deny a petition. *See* 35 U.S.C. § 325(d) (authorizing Board to consider prior art and argument previously presented to the Office). Bragel has identified no other applicable legal basis for considering parallel district court proceedings as a basis for denying a request for *inter partes* review.²

Second, and more importantly, the Court of Appeals for the Federal Circuit ("CAFC") has vacated the District Court's grant of a preliminary injunction (Exs. 2015, 2016) because the denial of summary judgment of invalidity on which the preliminary injunction was based in part (Exs. 2013, 2014) did not set forth "adequate findings" as required under Fed. R. Civ. P. 52(a)(2). *See Bragel Int'l, Inc. v. Styles for Less, Inc., et al.*, No. 2017-1328, slip op. at 5 (Fed. Cir. Jan. 5, 2017) (vacating grant of preliminary injunction and remanding for findings on PPI's obviousness defense). Ex. 3001, 5.

² Bragel's citation to *Samsung Elecs. Co., Ltd. v. Rembrandt Wireless Technologies, LP*, IPR2015-00114, Paper 14 (Jan. 28, 2015) at 7, is inapposite because the *Samsung* panel was considering whether arguments presented in the petition at issue were substantially similar to those presented in prior *inter partes* review proceedings within the Office.

Bragel failed to inform the Board of the CAFC's Order, which eviscerates the factual basis of Bragel's argument that the District Court has found that PPI's "invalidity arguments have no merit."³ Bragel also fails to inform the Board of the nature of the invalidity defenses asserted by PPI in the District Court, which precludes the Board from determining the degree to which the "same arguments" are before the Board and the District Court. Additionally, differences in the invalidity challenges presented by PPI in the Petition and in the District Court may justify different results before the Board and the District Court. *See Novartis AG, et al. v. Noven Pharm., Inc.*, Case 2016-1678, 2016-1679, slip op. at 5–9 (Fed. Cir. April 4, 2017) (holding that prior rulings in District Court and Federal Circuit on patentability of claims does not preclude PTAB from reaching different result). Ex. 3002, 5–9.

4. Conclusion

For all the reasons described above, Bragel has not persuasively demonstrated why we should exercise discretion and deny the Petition.

³ The Federal Circuit's order vacating the District Court's grant of a preliminary injunction was entered January 5, 2017, eight days before Bragel filed its Preliminary Response on January 13, 2017. Bragel should have notified the Board of the Federal Circuit's ruling under 37 C.F.R. § 42.11(a), which imposes upon Bragel a duty of candor and good faith before the Board. By signing the Preliminary Response, Bragel's counsel certified that the Response complied with the requirements set forth in 37 C.F.R. § 11.18(a), (b)(2). We remind counsel for all parties, but especially counsel for Bragel, that failing to notify the Board of known facts relevant to a party's arguments may subject that party to sanctions under 37 C.F.R. § 42.12. We also remind all counsel that, on its own initiative, the Board may order a party to show cause why sanctions should not be imposed. 37 C.F.R. § 42.11(d)(3).

C. CLAIM INTERPRETATION

“A claim in an unexpired patent that will not expire before a final written decision is issued shall be given its broadest reasonable construction in light of the specification of the patent in which it appears.” 37 C.F.R. § 42.100(b); *see also Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–46 (2016) (affirming that USPTO has statutory authority to construe claims according to Rule 42.100(b)). When applying that standard, we interpret the claim language as it would be understood by one of ordinary skill in the art in light of the specification. *In re Suitco Surface, Inc.*, 603 F.3d 1255, 1260 (Fed. Cir. 2010). Thus, we give claim terms their ordinary and customary meaning. *See In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007) (“The ordinary and customary meaning ‘is the meaning that the term would have to a person of ordinary skill in the art in question.’”). Only terms which are in controversy need to be construed, and then only to the extent necessary to resolve the controversy. *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999).

Neither party proposes express interpretations for any term appearing in any of the challenged claims. However, PPI draws our attention to an interpretation by the District Court for the Central District of California of “pressure sensitive adhesive layer” in claim 7 of U.S. Patent No. 6,852,001 B2 (“the ’001 patent”).⁴ Pet. 25–26. Bragel does not express a position on the significance of the District Court’s prior interpretation of “pressure sensitive adhesive layer” as recited in claim 7 of the ’001 patent. Without further briefing on the import of the District Court’s ruling, we decline to

⁴ The ’001 patent issued from a patent application in the priority chain for the ’296 patent. Ex. 1001, cover page.

comment upon it at this stage of the proceeding. Nevertheless, based on our review of the record before us, we determine that briefing during the trial on the express meaning 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” may assist us in resolving the dispute presented by the parties. Our review of the record also reveals that briefing on the express meaning of “adapted to adjoin the breast forms together” may assist us in resolving the dispute presented by the parties. Accordingly, we instruct the parties to address explicitly in their papers at trial the meaning of both phrases. Bragel shall address these issues in its Patent Owner Response, and PPI shall address them in its Reply. Both parties shall also identify any supporting evidence including at least evidence found in other claims, the Specification, and the prosecution history of the ’296 patent.

D. THE CHALLENGES TO THE CLAIMS

PPI challenges the patentability of claims 1, 2, and 5 on the grounds that the claims are obvious in light of various combinations of the following references: Luckman, Davis, Valentin, Chen, Noble, Mulligan, and Hedü. The Supreme Court in *KSR International Co. v. Teleflex Inc.*, 550 U.S. 398 (2007), reaffirmed the framework for determining obviousness as set forth in *Graham v. John Deere Co.*, 383 U.S. 1 (1966). The *KSR* Court summarized the four factual inquiries set forth in *Graham* that we apply in determining whether a claim is reasonably likely to be unpatentable as obvious under 35 U.S.C. § 103(a) as follows: (1) determining the scope and content of the prior art, (2) ascertaining the differences between the prior art and the claims at issue, (3) resolving the level of ordinary skill in the pertinent art, and (4) considering objective evidence indicating obviousness or

nonobviousness. *KSR*, 550 U.S. at 406. With these standards in mind, we address each challenge below.

1. Obviousness in View of Luckman and Davis

a) Luckman

Luckman discloses “an external breast enhancement” acting “as a breast enlargement device, to be attached to the chest, over the natural female breasts.” Ex. 1010, Abstract. Luckman describes its breast enhancement device as having “a flexible silicone rubber material injected into the flexible shell of latex rubber” that results in a “more natural appearance and feel to the woman wearing it.” *Id.* at 3:3–4, 3:14–16. Luckman also describes that its device can “act as a bra.” *Id.* at 5:9. Luckman’s device includes silicone filler 18 within flexible shell 12 that is contoured to fit a single breast. *Id.* at 5:4–7, Figures 1, 2. Shell 12 includes rear peripheral edge 14 that is attached to the wearer’s chest wall using a “suitable adhesive.” *Id.* at 5:4–5.

b) Davis

Davis describes a “strapless, backless bra . . . including two cups and a connector” 16 for detachably connecting the two cups. Ex. 1011, Abstract; 2:49–53, 4:12–14. The cups are attached to the user via double-sided adhesive tape 20 that is disposed on inside peripheral portions 30 of each cup 12, 14. *Id.* at 2:49–53, 4:52–63, Figure 3. Davis’s bra 10 purports to “enhance[] the appearance and provide[] uniform support of the user’s breasts” and is designed “for use with a greater variety of backless or other revealing clothing.” *Id.* at 2:29–34.

c) PPI's Argument

PPI contends that the combination of Luckman and Davis renders claims 1, 2, and 5 obvious. Pet. 26–37. PPI relies upon Luckman as teaching all elements of the challenged claims except for the connector, for which it relies upon Davis. *Id.* PPI also relies upon Luckman and Davis individually as each describing the “concave interior surface . . . having a pressure sensitive layer.” *Id.* at 28–29. PPI identifies in detail the manner in which it contends that every element of claims 1, 2, and 5 are described by the prior art. *Id.* at 26–37 (citing Ex. 1010, Abstract, 3:7–19, 3:22–23, 4:10–11, 4:19–20, 5:5–7, 5:17–19, 5:24–26, 6:9–11; Ex. 1011, Abstract, 2:15–20, 2:29–31, 2:38–41, 2:44–47, 2:49–53, 4:12–16, 4:19–39, 4:50–63, 5:32–35, 6:38–55, Figs. 1–3). PPI also contends that an ordinarily skilled artisan would have recognized that “silicone rubber is an elastomer that may come in a form of gel.” *Id.* at 28 (citing Ex. 1002 ¶ 88). PPI relies upon Ms. Yngvesdotter’s testimony that “considering the well-recognized needs in the prior art, e.g., to provide natural look and feel, together with breast enhancement, cleavage and push-up support, it would have been obvious to a POSITA to modify Luckman’s breast enhancement device to add Davis’s connector.” *Id.* at 34–35 (citing Ex. 1002 ¶¶ 81, 82, 92). PPI also argues, based primarily upon Ms. Yngvesdotter’s testimony, that an ordinarily skilled artisan would have considered the addition of Davis’s connector to Luckman’s breast forms to have been a predictable solution to a known goal of providing uniform support to both breasts. *Id.* at 36–37 (citing Ex. 1002 ¶ 94).

d) Bragel's Counterarguments

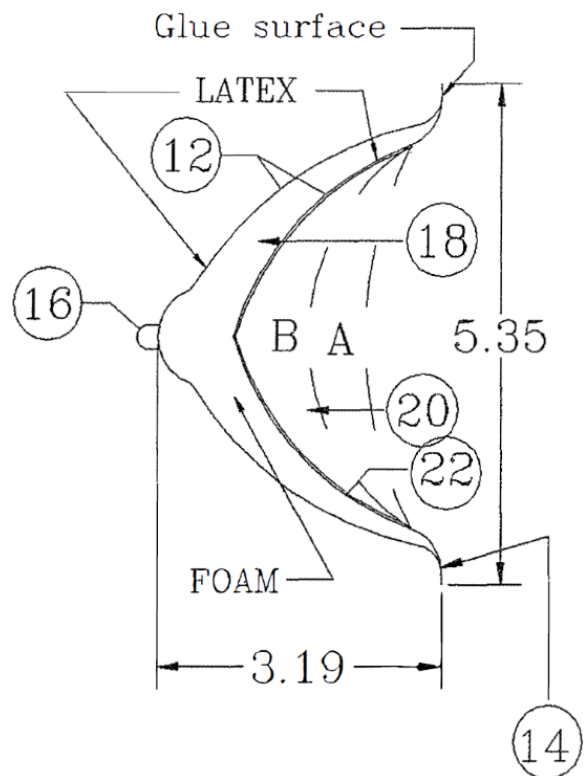
Bragel argues that PPI's challenge to the patentability of claims 1, 2, and 5 fails for two reasons. For the reasons expressed below, neither argument is persuasive at this stage of the proceeding.

(1) *Adhesive Layer*

Bragel argues that neither Luckman nor Davis describes the “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 independent claim 1. Prelim. Resp. 33–34. The dispute turns on the scope of the quoted portion of the claim.

PPI relies in part on an interpretation of “adhesive layer” rendered by a district court in a case involving a patent in the priority chain of the '296 patent in which that court purportedly found that “[t]he amount and type of pressure sensitive adhesive layer can vary, as can the portion of the interior surface to which [it] is attached.”

Pet. 26 (quoting Ex. 1020, 5). PPI contends that Luckman's adhesive on peripheral edge 14 of its surface 12 facing the breast meets the claimed limitation on the adhesive layer. *Id.* at 29 (citing Ex. 1010, 3:16–19, 3:22–23, 4:10–11). Peripheral edge 14 of the interior surface of shell 12 to which Luckman applies adhesive is illustrated in Luckman's Figure 2, which is reproduced at right.



PPI also argues that Davis describes the claimed adhesive layer as double-sided adhesive tape 20 with “breast-side medical grade non-sensitizing adhesive 26” on inside peripheral portions 30 of each cup 12, 14 for attachment of the cups to the user as shown in Figure 3 of Davis, which is reproduced below. *Id.* at 29.

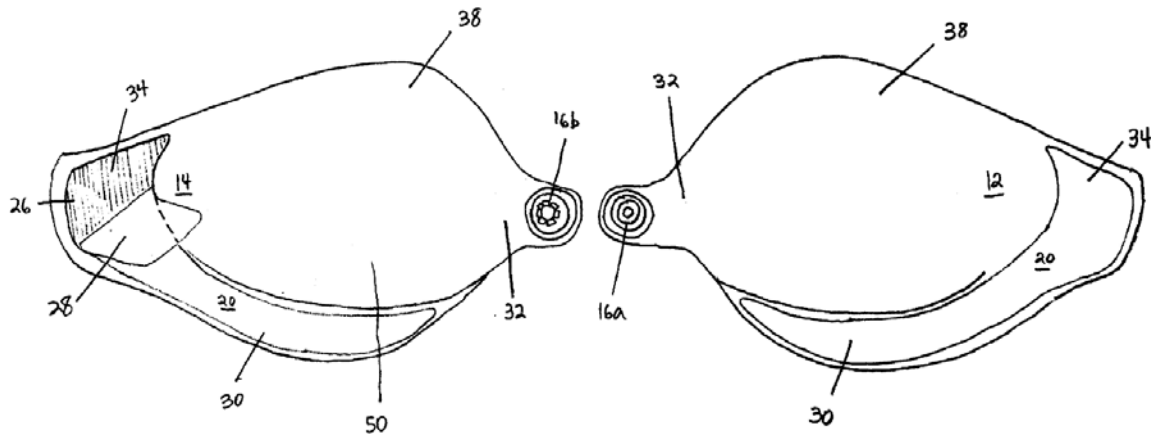


Figure 3 of Davis is a view of the breast-facing side of its bra illustrating adhesive 26 on that breast-facing side.

Bragel argues, without expressly interpreting the “concave interior surface” or the “adhesive layer,” that Luckman fails to describe the “adhesive layer” presumably because Luckman’s “peripheral edge” is not part of the “concave interior surface.” Prelim. Resp. 33–34. Bragel also argues that Davis describes its adhesive layer on the “peripheral portion 30,” which is presumably not part of the “concave interior surface.” *Id.* at 34.

Neither party has offered an express interpretation 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.” Bragel appears to imply that the claim requires that the adhesive layer be applied to a concave portion of the “interior surface facing towards a user’s breast.” Alternatively, Bragel appears to imply that claim requires that the adhesive

be positioned to contact the wearer's breast when the breast form system is worn. PPI appears to imply that claim merely requires that the adhesive be positioned on any portion of the breast-facing surface of the claimed breast form system.

Absent briefing with citations to relevant evidence, we decline to offer an express interpretation of the "adhesive layer." Rather, we determine that PPI's implied interpretation and its argument based on that interpretation demonstrates a reasonable likelihood of establishing that either Luckman or Davis or both describe the adhesive layer. Because resolution of the dispute may require an express interpretation 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," we also direct the parties to address explicitly the meaning of this phrase at trial and cite relevant evidence from among at least other claims, the Specification, and the prosecution history.

(2) Motivation to Combine Luckman and Davis

Bragel argues that an ordinarily skilled artisan would not have added the connector of Davis to the breast enhancement devices of Luckman because Luckman's "devices cannot be worn as a replacement for traditional bras and are not intended to be used without a bra for support." Prelim. Resp. 35. Bragel relies heavily on testimony by Ms. Harder in which she draws the same conclusion about Luckman. *Id.* at 35–37 (citing Ex. 2001 ¶¶ 66, 80–82). However, Luckman directly contradicts Bragel's argument when it describes that its devices can "act as a bra." Ex. 1010, 5:9. Ms. Harder's testimony also relies upon the same implied scope of the claimed "adhesive layer" that is already described above. Most of the cited

testimony by Ms. Harder is unsupported by citations to other evidence, which reduces its probative value. *See* Ex. 2001 ¶¶ 80–82 (citing no evidence in support of testimony other than Luckman’s device including a nipple). Additionally, to the extent that Ms. Harder’s testimony materially contradicts Ms. Yngvesdotter’s on this issue, we must resolve any such material contradictions in PPI’s favor at this stage of the proceeding. *See* 37 C.F.R. § 42.108(c). For all these reasons, we find Bragel’s argument to be unpersuasive at this stage.

e) Conclusion

Upon considering the record currently before us according to the Rules governing these proceedings, we determine that PPI has persuasively demonstrated a reasonable likelihood of establishing that the combination of Luckman and Davis renders claims 1, 2, and 5 unpatentable as obvious.

2. *Obviousness in View of Valentin and Chen*

a) Valentin

Valentin describes a strapless and backless bra, consisting of two cups 12, 14 attached to each other with connector 16 and side tabs 28, 30 that are secured to the wearer with two-sided tape 60 for “providing uniform lift and support and enhanced appearance of the breasts of a user.” Ex. 1012, 1:5–9, 3:63–4:19, Fig. 2.

b) Chen

David E. Chen is the sole inventor of the technology described in Chen, Ex. 1014, cover page, which describes a breast form filled with silicone gel that is “encased by fabric laminated thermoplastic film,” *id.* at 1:5–9. Chen’s breast form includes “a permanently grown, re-usable pressure-sensitive adhesive (PSA) backing on an interior surface of the

breast form” for attaching to the user’s breasts, thus preventing the breast form moving from its desired position. *Id.* at 2:19–32. Chen describes that its breast form “looks like a natural human breast when worn and feels natural to the user.” *Id.* at 1:35–40. However, Chen does not describe the claimed connector.

PPI contends that Chen is prior art under § 102(e). Pet. 21–22. Bragel contends that under 35 U.S.C. § 103(c)(1),⁵ PPI may not rely upon Chen as prior art under § 102(e). Prelim. Resp. 37–39. Section 103(c)(1) states:

Subject 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.*

35 U.S.C. § 103(c)(1) (2000) (emphasis added). For purposes of § 103(c)(1), a “person” may be a corporation. 1 U.S.C. § 1; *see also, e.g., Netgear, Inc. v. Ruckus Wireless, Inc.*, 5 F. Supp.3d 592 (D. Del. 2013).

⁵ Sections 3(c), (n)(1) of the Leahy-Smith America Invents Act (“AIA”) specifies that the current version of 35 U.S.C. § 103 is effective against patent applications with an effective filing date of March 16, 2013, or later. Leahy–Smith America Invents Act, PL 112-29, September 16, 2011, 125 Stat 284. The pre-AIA version of § 103 on which Bragel relies is effective against patent applications filed on or after November 29, 1999. American Inventors Protection Act of 1999, Pub. L. 106-113, § 4807(b), 113 Stat 1501A (Nov. 29, 1999). On the basis of the current record, the effective filing date of claims in the ’296 patent is May 31, 2002, which is after November 29, 1999, and before March 16, 2013. Accordingly, the last-enacted, pre-AIA version of 35 U.S.C. § 103 applies to the claims of the ’296 patent.

Bragel contends that 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.” Prelim. Resp. 38 (citing Ex. 2002 ¶ 8). In the portion of Mr. Chen’s testimony relied upon by Bragel, Mr. Chen testifies that:

As an employee of Bragel, any inventions I created, including the “Breast Form Encased with Fabric Laminated Thermoplastic Film” described in [Chen]; the “Attachable Breast Form Enhancement System” described in U.S. Patent Nos. 6,758,720 and 6,852,001; and the ’296 Patent, were under an obligation of assignment to Bragel. This same obligation of assignment extended to Alice and Jasper.

Ex. 2002 ¶ 8. Bragel also adduces evidence that, consistent with the obligation of Messrs. Chen and Chang and Ms. Chang, to assign their inventions to Bragel, both the subject matter of Chen and subject matter of the ’296 patent were eventually assigned to Bragel. Prelim. Resp. 38 (citing Ex. 2034 (assignment of Chen on March 27, 2002) and Ex. 2035 (assignment of earliest priority application for ’296 patent on January 30, 2003)).

For Chen to be disqualified from consideration as § 102(e) prior art to the ’296 patent under § 103(c)(1), Bragel must establish that as of the time of invention of the subject matter of claims 1, 2, and 5 in the ’296 patent, that subject matter and the subject matter described in Chen were either commonly owned or subject to an obligation to be assigned to Bragel. On the record before us, Bragel has failed to do so. First, Bragel’s proffered evidence does not establish the date of invention for the subject matter of claims 1, 2, and 5. Without evidence of the date of invention, we cannot determine whether the evidence of record establishes that § 103(c)(1) disqualifies Chen as prior art.

Second, even if we were to accept Mr. Chen's testimony regarding his and his co-inventors' obligations of assignment, that testimony posits that Messrs. Chen and Chang and Ms. Chang were obligated to assign their patent rights to Bragel because they were Bragel's employees. Ex. 2002 ¶ 8. However, status as an employee at the relevant time, by itself, does not establish that the standards set forth in § 103(c)(1) were met to eliminate Chen as prior art. Inventors, even those employed at the time of invention, presumptively own the rights to their inventions. *Teets v. Chromalloy Gas Turbine Corp.*, 83 F.3d 403, 407 (Fed. Cir. 1996). A party may establish ownership of an employee's patent rights either by providing a written assignment⁶ or establishing that the "employer specifically hires or directs the employee to exercise inventive faculties." *Id.* (citing *United States v. Dubilier Condenser Corp.*, 289 U.S. 178, 187 (1933)). An employer may also establish that an employee has an obligation to assign rights to inventions via a written agreement in which the employee assigns rights in future inventions to her employer. *Id.* Bragel has not adduced any evidence of a written agreement to assign inventions in the subject matter of either Chen or the '296 patent as of the date on which the subject matter of claims 1, 2, and 5 was invented. Based on the record before us, the date of invention of the subject matter of claims 1, 2, and 5 may be as early as "late 2001." Ex. 2002 ¶ 5. Accordingly, for the purposes of this Decision, we consider Chen to be prior art to the '296 patent under § 102(e).

⁶ Assignments of patent rights must be in writing. 35 U.S.C. § 261.

c) PPI's Argument

PPI argues that Valentin describes every element of claims 1, 2, and 5 except for the thermoplastic film filled with silicone gel and the location of the adhesive layer, both of which PPI contends to be described by Chen. Pet. 37–42. PPI identifies in detail the manner in which the combination of Valentin and Chen describe every element of claims 1, 2, and 5. *Id.* (citing Ex. 1012, 1:5–8, 2:1–6, 2:15–17, 2:59–66, 3:20–35, 3:47–53, 3:63–4:2, 4:11–19, 4:62–5:10, Figs. 1–3, 7; Ex. 1014, 1:35–37, 1:50–56, 2:27–32, 2:40–65, 4:35–37). PPI also relies upon Chen and the testimony of Ms. Yngvesdotter to establish that claims 1, 2, and 5 would have been obvious to an ordinarily skilled artisan at the time of invention. *Id.* at 42–46 (citing Ex. 1014, 1:26–28, 1:37–50; Ex. 1002 ¶¶ 100, 101–05). PPI contends that using Chen's plastic-encased, adhesive-backed, silicone gel in Valentin's cups would have been obvious in view of Chen's express suggestion to replace breast forms having foam or water-filled pads with silicone gel. *Id.* at 44. Based upon Ms. Yngvesdotter's testimony, PPI contends that the substitution of Chen's silicone breast forms with adhesive for Valentin's cups would have been merely substituting known structures in predictable ways to function in a predictable and intended manner. *Id.* (citing Ex. 1003 ¶ 103). PPI also contends that it also would have been obvious to add Valentin's connector to Chen to improve Chen by adding an ability to add cleavage and support to a pair of Chen's devices. *Id.* at 45 (citing Ex. 1002 ¶¶ 104–05).

d) Bragel's Counterarguments

Bragel criticizes Valentin as failing to describe silicone-filled breast forms or adhesive on a concave interior surface. Prelim. Resp. 39–40.

Bragel also criticizes Chen as failing to describe a center connector. *Id.* at 40. Bragel's criticisms are unpersuasive because they are not directed to the combination of Valentin and Chen as proposed by PPI. *See In re Merck & Co. Inc.*, 800 F.2d 1091, 1097, (Fed. Cir. 1986) (attacking references individually when challenge to validity is predicated upon combination of prior art disclosures is unpersuasive).

Bragel also contends that an ordinarily skilled artisan would not have been motivated to alter Valentin or Chen by incorporating elements from the other and that neither Valentin nor Chen describe how to attach a connector to a silicone breast form. Prelim. Resp. 41. Bragel also contends that Valentin's bra is incompatible with silicone gel because silicone gel is too heavy to function with Valentin's adhesive. *Id.* at 41–42. Bragel relies heavily upon testimony from Ms. Harder in support of its arguments against combining Valentin and Chen. *Id.* at 41–42 (citing Ex. 2001 ¶¶ 90–94). Ms. Harder's testimony is unsupported by evidence, which reduces its probative value. *See* Ex. 2001 ¶¶ 90–94 (citing no evidence in support of testimony). Additionally, to the extent that Ms. Harder's testimony materially contradicts Ms. Yngvesdotter's on this issue, we must resolve any such material contradictions in PPI's favor at this stage of the proceeding. 37 C.F.R. § 42.108(c). Doing so renders Bragel's argument unpersuasive at this stage of the proceeding.

e) Conclusion

Upon considering the record currently before us according to the Rules governing these proceedings, we determine that PPI has persuasively demonstrated a reasonable likelihood of establishing that the combination of Valentin and Chen renders claims 1, 2, and 5 unpatentable as obvious.

3. *Obviousness in View of Noble, Mulligan, and Hedu*

a) Noble

Noble describes a backless, strapless bra comprising two “self-supporting” soft breast cups, which can be “pressed against the body,” and thereby adhered to the body without the need for hooks and straps. Ex. 1013, 2:6–15, 2:53. In Noble, the adhesive bra cups contain a renewer adhesive on the inside surface which allows the cups to be worn several times. *Id.* at Abstract; 3:58–64, 5:59–6:5. Noble’s pair of breast forms are covered with a material comprising “[t]ricot or poly material” that provides “a natural skin-like texture.” *Id.* at 5:61–64). Noble’s breast cup portion includes “a soft foam quality LD (low density)” material. *Id.* at 4:9. The soft foam and covering material are laminated “by pressing under heat . . . a laminated sheet . . . comprising thin foamed plastics such as polyurethane sheet material.” *Id.* at 4:15–24. Noble’s breast forms are held to the wearer’s breasts via double-sided tape strips 46, 48, which are positioned within breast cups 22. *Id.* at 4:52–58; 5:8–14, 5:54–59; 6:13–17. Breast cups 22 may be joined together by a centrally located pair of bands 50 that are tied together. *Id.* at 5:51–6:12, Fig. 18.

b) Mulligan

Mulligan describes two silicone “shell-like bodies” in the form of a breast prosthesis, wherein the cup is enclosed “between synthetic resin films” and has an adhesive layer covering a portion of the inside of the cup, which attaches to the skin and can be used repeatedly. Ex. 1015, Abstract, 1:34–38, 1:50–52, 1:58–59, 2:65–67.

c) Hedu

Hedu describes a bra with two cups, a band attached to the sides of the cups that extends around the wearer's back, and an adjustable connector in the form of a clasp assembly that joins the two cups. Ex. 1016, 1:7–13, Fig. 1.

d) PPI's Argument

PPI contends that Noble describes all elements of claims 1 and 2 except for silicone gel encased in a thermoplastic film, for which PPI relies upon Mulligan. Pet. 46–51. PPI also relies upon Hedu to bolster its argument that center connectors were a generally well-known feature used in bras and to describe the type of connector introduced in dependent claim 5. *Id.* at 49–51. PPI identifies in detail the manner in which it contends that the combination of Noble, Mulligan, and Hedu describes all elements of claims 1, 2, and 5. *Id.* at 46–51 (citing Ex. 1013, 1:5–8, 2:6–15, 2:21–30, 2:36–41, 4:9, 4:15–24, 4:33–35, 4:52–58, 5:8–14, 5:51–64, 6:1–5, 6:13–17, 9:3–10:3, Fig. 18; Ex. 1015, Abstract, 1:49–50, 2:35–45, 2:47–52, 3:12–22, 3:19–22, 3:24–26, 3:36–38; Ex. 1016, 1:9–18, 1:24–29, 1:33–36, 1:41–43, 1:52–55, 2:20–27, 2:39–41, Figs. 1, 5–9). PPI also contends that an ordinarily skilled artisan, just like the Examiner did during prosecution of the '720 patent, would have found it obvious to modify Noble's foam-filled breast cups by substituting silicone gel encased within thermoplastic film for the foam. *Id.* at 52. PPI contends that Mulligan describes such silicone gel. *Id.* at 47 (citing Ex. 1015, Abstract, 2:35–45).

e) Bragel's Counterarguments

Bragel argues that PPI's reliance on Noble is flawed for two reasons. First, Bragel contends that Noble fails to describe plastic-encased, silicone

gel padding in its bra. Prelim. Resp. 42–43. Bragel’s argument is unpersuasive because Bragel fails to address the challenge as framed by PPI, which relies upon Mulligan in combination with Noble as describing this aspect of the claims. Second, Bragel contends that an ordinarily skilled artisan would not consider Noble’s “decorative” connector suitable for adjoining silicone breast forms, which are heavier than the foam padding in Noble’s cups. *Id.* at 43. Bragel’s argument is unpersuasive. As PPI points out, Noble expressly describes its cups as being “joined (e.g., tied) together” by lace bands 50 and claim 1 requires only that the connector be “adapted to adjoin the breast forms together.” Pet. 48–49 (citing Ex. 1013, 6:1–5, 9:3–10:3, Fig. 18). Bragel implies that the connector of claim 1 must be “adapted to support” the silicone breast forms. Prelim. Resp. 43. Bragel cites no evidence to justify interpreting “adapted to adjoin” as meaning “adapted to support.” PPI implicitly interprets “adapted to adjoin the breast forms together” as merely requiring that the connector join the breast forms. Pet. 48–49. We are persuaded at this stage that PPI’s implied interpretation is reasonable and that PPI demonstrates a reasonable likelihood that PPI will establish that Noble alone or as modified by teachings in Heddu describes the claimed connector. Additionally, Bragel contends, without persuasive evidentiary support, that Noble’s connector would not support silicone cups because they are heavier than Noble’s foam-filled cups. Bragel relies solely upon Ms. Harder’s testimony, Prelim. Resp. 43 (citing Ex. 2001 ¶ 96), which is not supported by any scientific evidence, *see* Ex. 2001 ¶ 96 (citing no evidence in support of testimony).⁷

⁷ Ms. Harder cites Noble in her testimony at paragraph 96 of her declaration. Ex. 2001 ¶ 96 (citing Ex. 1013, 6:10–11). However, the portion of Noble

Bragel also argues that an ordinarily skilled artisan “would not have been motivated to modify Noble, Mulligan, and Hedu to arrive at the claimed invention.” Prelim. Resp. 44. Bragel’s arguments are largely supported by Ms. Harder’s testimony. *Id.* at 44–47 (citing Ex. 2001 ¶¶ 103–06). The cited testimony contains a number of statements without evidentiary support regarding inferences that an ordinarily skilled artisan might draw from portions of Noble, Mulligan, and Hedu. Ex. 2001 ¶¶ 103–06. To the extent that Ms. Harder’s testimony materially contradicts Ms. Yngvesdotter’s on these factual issues, we must resolve any such material contradictions in PPI’s favor at this stage of the proceeding. 37 C.F.R. § 42.108(c). Doing so renders Bragel’s argument unpersuasive at this stage of the proceeding.

f) Conclusion

Upon considering the record currently before us according to the Rules governing these proceedings, we determine that PPI has persuasively demonstrated a reasonable likelihood of establishing that the combination of Noble, Mulligan, and Hedu renders claims 1, 2, and 5 unpatentable as obvious.

4. *Objective Indicia of Non-obviousness*

Bragel argues that we should deny the Petition because objective indicia of non-obviousness demonstrate that the claimed breast form system is patentable. Prelim. Resp. 48–54. PPI addresses the objective indicia of

cited by Ms. Harder is not probative of how much weight Noble’s lace bands 50 would support. Rather, the cited portion of Noble merely states that lace bands 50 cause Noble’s bra to “look like a normal strapless brassiere.” Ex. 1013, 6:10–11. Noble’s description of lace bands 50 does not address whether they would or would not support silicone gel cups.

non-obviousness that Bragel submitted during prosecution of the '296 patent by arguing that the evidence does not establish non-obviousness. Pet. 55–61. PPI has not, however, had an opportunity to respond to the evidence adduced by Bragel with its Preliminary Response. The evidence and argument presented so far does not resolve the issues presented. At this stage of the proceeding, before PPI has an opportunity to cross examine Bragel's witnesses and respond fully to Bragel's evidence, we consider it premature to address objective indicia of non-obviousness because all the relevant evidence is not yet before us. We will address objective indicia of non-obviousness in our Final Written Decision to the extent justified by the parties' argument and evidence at trial.

III. CONCLUSION

For the reasons expressed above, we determine that PPI has demonstrated a reasonable likelihood of showing that the challenged claims are unpatentable on all alleged grounds of unpatentability. This Decision does not reflect a final determination on the patentability of any claim.

IV. ORDER

For the reasons given, it is:

ORDERED that *inter partes* review is instituted of claims 1, 2, and 5 with respect to the following grounds of unpatentability:

- (1) the combination of Luckman and Davis renders claims 1, 2, and 5 of the '296 patent unpatentable under 35 U.S.C. § 103;
- (2) the combination of Valentin and Chen renders claims 1, 2, and 5 of the '296 patent unpatentable under 35 U.S.C. § 103;
- (3) the combination of Noble, Mulligan, and Hedu renders claims 1, 2, and 5 of the '296 patent unpatentable under 35 U.S.C. § 103;

FURTHER ORDERED that *inter partes* review is not instituted with respect to any other grounds of unpatentability alleged in the Petition; and

FURTHER ORDERED that pursuant to 35 U.S.C. § 314(a), *inter partes* review of the '296 patent is instituted commencing on the entry date of this Order, and pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is given of the institution of a trial;

FURTHER ORDERED that both parties shall (a) expressly address in their papers filed at trial the meaning of the following terms recited in claim 1:

- (1) “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
- (2) “adapted to adjoin the breast forms together”; and

FURTHER ORDERED that Bragel shall address the meaning of these claim terms in its Patent Owner Response, and PPI shall address those terms in its Reply.

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