

UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SOTERA WIRELESS, INC.

Petitioner,

vs.

MASIMO CORPORATION,

Patent Owner.

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IPR2020-01019

Patent RE47,353 E

Before JOSIAH C. COCKS, JENNIFER MEYER  
CHAGNON and ROBERT KENDER, Administrative  
Patent Judges

June 3, 2021

11:30 A.M.

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PROCEEDINGS AT CONFERENCE CALL

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1 A P P E A R A N C E S:

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13 BY: SHEILA SWAROOP, ESQ.

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1 JUDGE KENDER: Normally in a  
2 call like this we would allow the parties  
3 to go first and present their positions,  
4 but we talked amongst ourselves and we  
5 looked at the issues and we just wanted to  
6 give you some overview of where we're  
7 standing to try to focus the call a little  
8 bit. So what we have here I believe is the  
9 Patent Owners looking to file a motion to  
10 strike, and I think you have concerns with  
11 both alleged new argument and I guess also  
12 new evidence that's been presented in the  
13 reply. So generally, and I'm pulling  
14 everything I'm saying essentially from our  
15 trial practice guide. Generally we are  
16 capable of identifying new issues or  
17 belatedly presented evidence when weighing  
18 the evidence at the end of close of trial.  
19 The board is also capable of disregarding  
20 any new issues or belatedly presented  
21 evidence that would exceed the proper scope  
22 of a reply. So looking at where we're

1 standing, striking a portion or the  
2 entirety of a party's brief, we somewhat  
3 view that as an exceptional remedy that  
4 would generally be granted pretty rarely.  
5 Looking at your request just as first  
6 glance, it would seem it would potentially  
7 fall within that area. And one reason for  
8 that is the rule changes that happened  
9 within a few years ago where parties are as  
10 a matter of right allowed a surreply, and  
11 then you also have the motions to exclude  
12 as a potential remedy to exclude certain  
13 evidence or argument that would exceed the  
14 proper scope of a reply. So you have those  
15 two things, and I've looked at your  
16 scheduling order and both of those are  
17 still on calendar. Prior to the change of  
18 our rules, I think we did grant motions to  
19 strike more readily, but since the surreply  
20 is now essentially a matter of right, I  
21 think we look at these a little bit more as  
22 a rarity, as a special circumstance. And

1 I'm pulling this from our trial practice  
2 guide. Those special circumstances would  
3 be, one, if the alleged new evidence that  
4 is presented is just beyond dispute, I  
5 mean, there is no issue, it's really  
6 improper new evidence or even an improper  
7 paper that was filed that shouldn't have  
8 been filed. And the second, which may be  
9 more of the circumstance behind you, and  
10 this is where I would hope you would focus,  
11 to show that your prejudice of waiting  
12 until the close of evidence to determine  
13 whether new issues were belatedly presented  
14 evidence has been presented that may be so  
15 great that the facts may merit considering  
16 the motion to strike early.

17 So that is just kind of an  
18 overview, and I didn't create any of this,  
19 I pulled most of it from our trial practice  
20 guide. And if anything I've said,  
21 Ms. Swaroop, if you disagree with anything  
22 I said, just please correct me or put it on

1 the record why you disagree. But that's  
2 where we're starting from, and that's kind  
3 of what we're looking at as a starting  
4 point, why you can't wait until the motion  
5 to exclude or the surreply.

6 So with that kind of backdrop,  
7 just to let you know what we're thinking, I  
8 will go ahead and let you talk about your  
9 motion and why you need it.

10 MS. SWAROOP: Yes, thank you,  
11 Your Honor. This is Sheila Swaroop,  
12 counsel for Patent Owner. So I understand  
13 Your Honor's guidance and that's very  
14 helpful. I think the issue here is that we  
15 understood the surreply to be an  
16 opportunity for Patent Owner to respond to  
17 the arguments in Petitioner's reply, but  
18 not a situation where we now have to be  
19 responding to new rationales for  
20 obviousness that were not in the petition.  
21 And there are numerous situations like that  
22 in these four replies for the four IPR

1 proceedings, including identification of  
2 additional parts of the prior art  
3 references that were never included in the  
4 Petition. There are new references, again,  
5 an attempt to bolster the original  
6 obviousness case that was in the Petition.  
7 There is obviously a new declaration from a  
8 new expert with new opinions. There is a  
9 change in the obviousness argument. There  
10 are new motivations to combine. But again,  
11 we did not have the opportunity to respond  
12 to in our Patent Owner response, and so now  
13 in addition to responding to the reply for  
14 proper arguments that address issues in our  
15 Patent Owner response, we're now having to  
16 deal with brand new rationale for  
17 obviousness. And so that's where the  
18 prejudice lies, that these are new  
19 arguments and we are limited in terms of  
20 our surreply word count, and so it's a bit  
21 of a struggle for us to try to now do all  
22 of this with the limited pages that we have

1 in the surreply and having to now respond  
2 to all of these new obviousness arguments.  
3 And so the prejudice is that if these new  
4 reply arguments and new evidence is not  
5 stricken, we do need to respond to them,  
6 and we are constrained because we don't  
7 have the opportunity for a full briefing,  
8 to submit evidence, to rebut, so that was  
9 the basis for our request for a motion to  
10 strike.

11 JUDGE KENDER: Okay, I think we  
12 understand your position. Do you have  
13 anything else?

14 MS. SWAROOP: Yes, Your Honor.  
15 I guess the other thing I would say is that  
16 if the board is not inclined to entertain  
17 briefing on a motion to strike, we  
18 alternatively requested other forms of  
19 relief, and one would be to allow us  
20 additional briefing for the surreply, again  
21 to be able to address these new arguments  
22 and new rationale for obviousness, new



1 evidence that was not included in the  
2 Petition. And then we do feel we're  
3 somewhat constrained with the  
4 current surreply limitations to be able to  
5 do that.

6 JUDGE KENDER: Can you give me a  
7 specific number, how many more words? I  
8 think the surreply is couched in words,  
9 right, like seven thousand?

10 MS. SWAROOP: I believe that's  
11 right, and I believe it's 56 hundred words  
12 for the surreply.

13 MS. HOEKEL: Yes, Your Honor,  
14 it's my understanding that the surreply is  
15 the same word count as the reply word  
16 count, 56 hundred.

17 JUDGE KENDER: Alright, did you  
18 have a specific number of words  
19 additionally you would need in mind?

20 MS. SWAROOP: Yes, Your Honor,  
21 we would request seven thousand words for  
22 each of the four surreplies.

1 JUDGE KENDER: Alright, is there  
2 anything else you want to add?

3 MS. SWAROOP: Nothing further  
4 from Patent Owner.

5 JUDGE KENDER: Alright, we'll go  
6 ahead and switch to Petitioner. So we'll  
7 get your position on this and also whether  
8 or not you would oppose I think about 14  
9 hundred more words, if my math is correct.

10 MS. HOEKEL: Of course. So it  
11 is Petitioner's position that the reply and  
12 the expert in reply do not add any new  
13 argument or any new evidence. This is a  
14 reply brought in the proper scope of a  
15 reply to do those things, which are allowed  
16 by trial guidelines and the caselaw to be  
17 addressed in a reply. There is no new  
18 grounds in the reply, there is no new  
19 combinations. There are additional prior  
20 art references cited certainly, but those  
21 are to show things like the state of the  
22 art at the time of invention that was, we

1 believe, improperly argued by Patent  
2 Owners, so there were arguments made about  
3 the state of for example blood pressure  
4 monitors at the time in the Patent Owner's  
5 first run that we rebutted in the Reply.  
6 So those are the kinds of prior art  
7 references that are included and those are  
8 proper under both the trial guidelines and  
9 the caselaw. Further, there are no new  
10 embodiments described. I know there is one  
11 example where a figure is referenced, but  
12 it's a figure of the same embodiment, it's  
13 just a more detailed figure of the same  
14 embodiment that was argued in the Petition.  
15 So we don't believe there is any new  
16 evidence that could fit in the motion to  
17 strike category, but rather properly would  
18 be brought up in a motion to exclude. And  
19 so therefore we believe the motion to  
20 strike petition or request should be denied  
21 and that Patent Owner certainly has ample  
22 room in its surreply and its motion to

1     exclude to address all the issues that they  
2     would like to address. So I think we would  
3     oppose the word count extension because we  
4     believe that that could be handled in a  
5     motion to exclude.

6                   JUDGE KENDER:     Okay, so you  
7     do oppose the word count, the additional 14  
8     hundred words per surreply, is that  
9     correct?

10                  MS. HOEKEL:     Yes.

11                  JUDGE KENDER:     Alright, do you  
12     have anything else to add?

13                  MS. HOEKEL:     Not at this time,  
14     Your Honor.

15                  JUDGE KENDER:     Alright, I will  
16     let the Patent Owner Ms. Swaroop respond  
17     and then we'll give you a chance if she  
18     presents anything new, okay?

19                  MS. HOEKEL:     Thank you.

20                  MS. SWAROOP:     Thank you, Your  
21     Honor. So with regard to Petitioner's  
22     assertion that there is no new embodiments,

1 I would point the board to page 18 or 18  
2 through 19 of all four replies, but for  
3 example, if the board were to look at page  
4 18 in the 912 proceeding, this is a  
5 discussion of the Goldberg reference, which  
6 is Exhibit 1005 in all four proceedings.  
7 And Petitioner had originally relied on  
8 Figure 2 of Goldberg for the purported  
9 teaching of a blood pressure cuff sensor,  
10 and now in the reply Petitioner is  
11 referencing other embodiments that  
12 purportedly include separate blood pressure  
13 sensors that they're arguing are not  
14 integrated as a strap for housing. So that  
15 is one example where the Petition relied on  
16 the Figure 2 embodiment and now we're  
17 hearing that there are additional  
18 embodiments of Goldberg that Petitioner is  
19 pointing to. Petitioner also in those  
20 pages of the Reply cite to the Chiani  
21 reference Exhibit 1006 to argue that those  
22 types of additional blood pressure sensors

1     were known, and so this is a situation  
2     where Petitioner is relying on other  
3     embodiments where the blood pressure cuff  
4     is not the strap, which is again different  
5     from the original Petition, and that is  
6     also reflected in the new expert  
7     declaration, and it's Exhibit 1040, and  
8     it's largely paragraph 84 in three of the  
9     IPR proceedings. In proceeding 1054 it's  
10    paragraph 87 of Exhibit 1040. So that's  
11    one example. Another example which is  
12    specific to the 912 proceeding is  
13    Petitioner's new arguments about the Akai  
14    reference, which is Exhibit 1007. The  
15    Petition in that proceeding relied on two  
16    embodiments of Akai. There is now  
17    reference to a third embodiment of Akai and  
18    arguments about motivations to combine all  
19    three of Akai's embodiments, and that's at  
20    page 24 of the Reply. And so those are  
21    just, again, a few examples where we do  
22    think there have been new arguments,

1 references to new embodiments that we do  
2 believe necessitate some relief for us so  
3 that we're not prejudiced being able to  
4 respond.

5 JUDGE KENDER: Okay, I think  
6 we're getting into the merits of the  
7 proposed motion and whether or not we need  
8 to do that on this call; probably not. But  
9 we certainly understand your position on  
10 each of those pieces of evidence, and I'm  
11 very thankful we have a court reporter who  
12 got everything down. So I'm looking at the  
13 schedule order in these cases, and I  
14 honestly only looked at one. Is the  
15 surreply due you June 25th, Ms. Swaroop, is  
16 that correct?

17 MS. SWAROOP: Yes, Your Honor,  
18 we have a staggered set of surreplies, so  
19 in the 912 proceeding our surreply is due  
20 June 25th and then the other ones follow  
21 from there. So June 30th, July 2nd and  
22 July 7th.

1 JUDGE KENDER: Okay, great. So  
2 we are under somewhat of a time constraint  
3 here and we do want to give you guidance  
4 quickly as to what we plan on doing. I  
5 think the panel though wants to confer and  
6 discuss amongst ourselves before we make a  
7 final decision on this. So if you could  
8 timely submit the transcript, within a few  
9 days, that would be great. If we have it  
10 by Monday, we'll try to get an order out by  
11 Wednesday of next week. And I know  
12 sometimes court reporters don't like to be  
13 rushed, or you might have to pay extra for  
14 that, but so we can get you guidance as  
15 quickly as possible, we'll try to review  
16 the transcript and then we'll get that out  
17 within two days after you file the  
18 transcript. Let me confer with my panel  
19 real quick.

20 So Ms. Swaroop, we wanted to  
21 clarify one thing, and I'll try to frame  
22 this as appropriate as possible. But we're



1     trying to understand, in many of our cases  
2     we see contentions of new arguments that  
3     are outside the scope of the initial  
4     papers, and along with that sometimes new  
5     evidence. We certainly understand your  
6     position and it looks like most of what  
7     you're arguing is kind of what would we  
8     would see in the everyday course, like  
9     almost normal for us as far as our ability  
10    to filter out things that are new argument  
11    and making the final decisions. It's  
12    improper, new argument. Is there anything  
13    outside that realm that you want to bring  
14    our attention to that you would think would  
15    just be something so outside the normal  
16    that it would strike us to consider the  
17    motion to strike

18               MS. SWAROOP:    Well, Your Honor,  
19    I think the issue is that there are just so  
20    many new arguments and new evidence, so we  
21    thought the proper way to handle this would  
22    be to strike it so that we didn't have to

1     respond in our limited surreply. And so I  
2     think it's really just the number of  
3     different new arguments and the new  
4     evidence that we need to address here, and  
5     so we're just -- we're trying to figure out  
6     the way to deal with this in a way that  
7     doesn't prejudice Patent Owner. And so  
8     whether it's a motion to strike that so we  
9     don't have to address it, or additional  
10    space in our surreply so we can properly  
11    respond and explain why these arguments are  
12    improper and really shift the prima facie  
13    case of obviousness that was in the  
14    Petition. Those are the two avenues we  
15    thought could address the prejudice that we  
16    have here.

17                JUSTER KENDER:    Yeah, I  
18    understand, and obviously if what you're  
19    arguing, the information or arguments  
20    should be stricken, then we have that  
21    ability at the final as I mentioned earlier  
22    to weigh that or to not even give it any

1 weight at final. But I think what you're  
2 worried about with the word count is that  
3 instead of saying it's improper, don't  
4 consider it, you're concerned about  
5 actually responding to it on the merits, is  
6 that correct?

7 MS. SWAROOP: Yes, Your Honor,  
8 that's correct, because we won't know until  
9 the final written decision if the board  
10 will be considering it or not, so we feel  
11 like given that situation, if it's not  
12 stricken before we need to file our  
13 surreplies, then we need to address it, and  
14 so not only responding to the proper reply  
15 arguments, and we're not indicating that  
16 everything in the reply is totally  
17 improper. Some are proper responsive  
18 arguments. But there is a lot of new  
19 arguments and new evidence that we feel  
20 we'll be prejudiced if we don't address it  
21 in a surreply, if it's still in the record.

22 JUDGE KENDER: So just to

1 clarify, it sounds like a substantial  
2 portion of the reply would be stricken.

3 MS. SWAROOP: I think that's  
4 right, and then I can certainly go through  
5 the pages that we've identified, but I  
6 think there are large portions of the reply  
7 that are presenting new argument that we  
8 would move to either have removed or we  
9 need to address.

10 JUDGE KENDER: I think we  
11 understand your position, and Ms. Hoekel,  
12 if you for Petitioner want to respond, you  
13 may.

14 MS. HOEKEL: Yes, Your Honor, I  
15 would just say I don't believe that it  
16 would be large portions of the reply, we  
17 certainly don't believe any portions of the  
18 reply are beyond the proper scope of a  
19 reply. And without getting into the  
20 merits, I think looking at those arguments,  
21 that they are properly within the reply and  
22 they don't -- they're not anything that is

1     necessary, for example, to establish the  
2     prima facie case. They are proper  
3     arguments in reply to arguments either  
4     raised by the Patent Owner's response or in  
5     some instances questions that the board had  
6     raised with the decision-granting  
7     institution.

8                 JUDGE KENDER:     Alright, thank  
9     you. Give me one quick minute to confer  
10    with the panel, and then I think we will  
11    adjourn for the day.

12                Alright, I want to thank everyone  
13    for your patience today. And like I said,  
14    the panel will take this under advisement  
15    and try to get an order out within just a  
16    couple of days of filing of the transcript  
17    for this call. So if you can get that on  
18    file quickly; if there is going to be a  
19    delay in filing that, please email us and  
20    let us know. On behalf of the board we  
21    thank you, and this call is adjourned.

22    \* \*   E N D     O F     T R A N S C R I P T   \* \*

## 1 C E R T I F I C A T E

2 STATE OF NEW YORK )  
 ) ss.:

3 COUNTY OF NEW YORK )

4 I, DAVID HENRY, a Notary Public within  
and for the State of New York, do hereby  
5 certify:

6 That the foregoing is a true and  
accurate transcript of the proceedings  
7 herein, allowing for the limitations of  
remotely held electronic audio-mediated  
8 proceedings.

9 I further certify that I am not  
related to any of the parties to this  
10 action by blood or marriage; and that I am  
in no way interested in the outcome of this  
11 matter.

12 IN WITNESS WHEREOF, I have hereunto  
set my hand this 3rd day of June, 2021.

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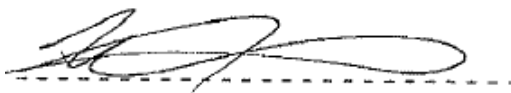
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DAVID HENRY