UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PELOTON INTERACTIVE, INC., Petitioner,

v.

IFIT INC. F/K/A ICON HEALTH & FITNESS, INC., Patent Owner,

> Case IPR2022-00030 Patent 7,166,062 B1

PATENT OWNER'S PRELIMINARY RESPONSE

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2001	U.S. Patent No. 6,447,424.	
2002	Prosecution History of U.S. Patent No. 6,447,424.	
2003	U.S. Patent No. 6,645,124.	
2004	U.S. Patent No. 6,749,537.	
2005	Docket Sheet, <i>iFIT Inc. v. Peloton Interactive, Inc.</i> , No. 1:20-cv-	
	01386-RGA (D. Del.).	
2006	Joint Claim Construction Chart, <i>iFIT Inc. v. Peloton Interactive</i> ,	
	Inc., No. 1:20-cv-01386-RGA (D. Del.).	
2007	Scheduling Order, iFIT Inc. v. Peloton Interactive, Inc., No. 1:20-	
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2008	U.S. Patent No. 5,898,838.	

I. INTRODUCTION

Pursuant to 37 C.F.R. §42.107, Patent Owner, iFIT, Inc., respectfully submits this Preliminary Response to the Petition challenging claims 49, 50, 52, 54, 56, 57, 59, 61, 78–85, 87, 89, 90, and 92–95 (the "Challenged Claims") of U.S. Patent No. 7,166,062 ("the '062 Patent").

Discretionary denial of this Petition is appropriate under a number of avenues available to the Board. To start, this Petition fails under 35 U.S.C. §325(d) because it relies on prior art and grounds that were already considered by the Patent and Trademark Office; Studor (Ground 1), and Clem and Hickman (Ground 2) were all considered by the Examiner during prosecution, and the Examiner found the claims patentable. Petitioner points to no error in the Examiner's determination other than to wrongly state that the Examiner had not considered their subject matter. *See* Section II.B, *infra*. This Petition also asserts the same art that Petitioner asserts in the co-pending district court action. *iFIT Inc. f/k/a ICON Health & Fitness, Inc. v. Peloton Interactive, Inc.,* 1-20-cv-01386 (D. Del.).

Additionally, this Petition is one of three filed by Petitioner against claims of the '062 Patent: the current Petition, the concurrently filed petition in IPR2022-00029 (the "-029 Petition"), and a first-filed petition in IPR2021-00342 (the "First Petition" or "-342 Petition"), which it filed more than a year ago. This is nothing

more than a serial attack on the '062 Patent that runs in direct contravention to this Board's precedential decision in *General Plastic*.

Third, Petitioner waited until the one-year deadline to file this Petition and the concurrently-filed -029 Petition. As such, the district court action is in the midst of fact discovery, and any final written decision would issue before the projected trial date for that case. Moreover, the -342 IPR is set to reach a final written decision ten months before this proceeding, if instituted. Therefore, the Board should deny institution.¹

II. BACKGROUND

A. The '062 Patent

The '062 Patent describes an "exercise device" that is "configured to enable a user to interact with a trainer in real-time." EX1001, cover page. The '062 Patent was filed on August 18, 2000, as a continuation-in-part of U.S. Patent

¹ This Preliminary Response addresses only certain deficiencies in the Petition, which does not mean the Petition is not deficient for other reasons not identified herein. iFIT reserves the right to introduce other arguments against the merits of Petitioner's positions should review be instituted.

No. 6,447,424 ("the '424 Patent"), filed February 2, 2000, which is a continuation in part of U.S. Patent No. 6,312,363, filed July 8, 1999². *Id*.

B. Prosecution History

During prosecution of the parent '424 Patent, the Examiner issued an Office Action on February 22, 2001, rejecting the pending claims based on Studor. EX2002, pp. 114, 116. Applicant submitted comments as to Studor in response to this rejection. *Id.*, pp. 135–137, 165–167. After considering these arguments, the Examiner issued a Notice of Allowance. *Id.*, p. 180.

The same Examiner contemporaneously examined the application that issued as the '062 Patent. After examining the claims initially presented for that application, the Examiner issued a Notice of Allowance on September 20, 2004. EX1002, p. 190. The Notice of Allowance explicitly referenced and discussed U.S. Patent No. 6,645,124 (EX2003 ("Clem '124")). *Id.*, p. 195. Clem '124 is a continuation-in-part of Clem (EX2003, cover page) relied upon by Petitioner, and includes the same subject matter as Clem.

² The Petition fails to identify what Petitioner asserts to be the effective filing date of each of the Challenged Claims, but appears to adopt July 8, 1999 as the earliest priority date. iFIT reserves its right to present evidence establishing an earlier date of invention in this or any other proceeding.

In response to the first Notice of Allowance, Applicant filed a request for continued examination (RCE) and Information Disclosure Statement (IDS) (EX1002, pp. 182–188). After Applicant responded to a restriction requirement (*id.*, p. 176), the Examiner issued a non-final Office Action (*id.*, p. 166). The Office Action included a rejection citing U.S. Patent No. 6,749,537 to Hickman (EX2004, ("Hickman '537")). EX1002, pp. 168, 172. Hickman '537 is a continuation-in-part of U.S. Patent No. 6,193,631, which is a continuation of Hickman (EX2004, cover page). Hickman '537 discloses the same subject matter as Hickman (EX2004).

Applicant submitted extensive comments as to Hickman '537 in response to this rejection. *Id.*, pp. 156–160. After considering these arguments, the Examiner mailed another Notice of Allowance. EX1002, p. 126. Applicant filed another RCE and IDS to ensure that consideration of those references was reflected in the patent. *Id.*, pp. 111–112. After considering these references, the Examiner mailed a third Notice of Allowance. *Id.*, p. 81.

Thus, contrary to Petitioner's mischaracterization of the record, the Examiner substantively considered the subject matter of Studor, Clem and Hickman. Applicant did not "bury" Studor, Clem, or Hickman in an IDS. Related filings to Clem and Hickman—and including the same subject matter thereof were not only of record but were substantively considered by the Examiner.

Meanwhile, Studor was already substantively considered by the same Examiner and discussed in the parent application (that resulted in the '424 Patent) well before showing up in an IDS during prosecution of the '062 Patent. Therefore, the substantive aspects of Studor, Clem, and Hickman cited in the present Petition had already been considered by the Examiner.

C. The First Petition filed December 18, 2020

The -324 Petition challenged claims 29 and 47 on two grounds: Ground 1 relied on U.S. Patent No. 5,645,509 ("Brewer") and International Patent Application Publication No. WO85/03180 ("Baran"). IPR2021-00342, Paper 1, p. 23. Ground 2 relied upon Studor (allegedly without modification). *Id*.

iFIT's Preliminary Response in the -342 IPR identified several weaknesses in the asserted grounds. For example, iFIT pointed out that the -342 Petition failed to identify how Studor disclosed the "control signal" of claim 29. -342 IPR, Paper 9, pp. 23–26. iFIT also argued, among other things, that Brewer and Baran failed to disclose a scaling control that provides a proportional change. *Id.*, p. 20.

The Board instituted trial, stating as a preliminary matter that "Patent Owner's argument may have merit, but on the current record, it is unclear why Studor's terrain characteristic data does not qualify as a control signal." Paper 14, p. 31 (citing Studor at 9:54–56, 12:48–50, 4:6–10, Fig. 5). The Board observed that "[t]his issue would benefit from further development during trial." *Id*. On September 30, 2021, iFIT's filed its Patent Owner Response and the declaration of Chuck Easttom. The Response and Easttom Declaration addressed both grounds in detail. For example, iFIT pointed out that the "terrain data of Studor is unable to control the operating parameters of the exercise device" and that the "the M-S converter 14 must receive the speed data generated locally, and then perform processing on both the terrain data and the speed data to determine the resistance of the exercise device." *Id.*, p. 41 (emphasis omitted).

With the benefit of these filings, the present Petition replaces the Brewer/Baran ground with a new ground based on Clem and Hickman (Ground 2). Petitioner also attempted to buttress the Studor ground as to the claimed "control signal." As to this latter issue, Petitioner now cites to text³ from Studor that was not cited in the First Petition. Thus, Petitioner seeks to benefit from its detailed

³ "'In response to the terrain characteristic information, a resistance is calculated and transmitted to the M-S converter 14, which provides appropriate control for the resistance system 22 of the exercise equipment 12.'), 13:26-35 ('[T]he terrain characteristic data representing the actual terrain of the real-world course being viewed is used to automatically further vary settings of the resistance system 22, thereby applying a dynamic difficulty level.')" Pet., p. 19 (emphasis omitted); *see id.*, p. 22.

review of the arguments and evidence submitted by iFIT and the Board's initial analysis in the institution decision. As discussed below, such tactics should not be permitted. *See General Plastic Indus. Co. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19, p. 17 (Sep. 6, 2017) (precedential) ("we are concerned here by the shifts in the prior art asserted and the related arguments in follow-on petitions."); *Butamax Advanced Biofuels LLC v. Gevo, Inc.*, IPR2014-00581, Paper 8, pp. 12–13 (Oct. 14, 2014) ("the four obviousness grounds are 'second bites at the apple,' which use our prior decision as a roadmap to remedy [Petitioner's][] prior, deficient challenge.").

D. Challenged Claims

Claims 50, 52, 54, 56, 57, 59, and 61 of the '062 Patent depend from claim 49. Claims 79–84 of the '062 Patent depend from claim 78. Claims 87, 89, 90, and 92–95 of the '062 Patent depend from claim 85.

While the First Petition only challenged claims 29 and 47, there is substantial overlap between those claims and the Challenged Claims here. There is no valid reason why Petitioner could not have addressed them when it filed the first Petition.

Independent claim 49 includes many claim elements that are substantively similar to claim elements in claim 29. As shown below, the only differences are that claim 49 recites means for reproducing the second signal, that the

communicating mechanism is adapted to enable transmission of the user control signals to a remote communication system, and that the means for controlling the operating parameters of the exercise mechanism is responsive to the synchronized control signals carried by the second signal:

29. An exercise device	49. An exercise device
configured to enable	configured to enable a
interaction of a user, the	user to receive workout-
exercise device	related information,
comprising:	comprising:
(a) an exercise	(a) an exercise
mechanism comprising a	mechanism comprising a
movable element for	movable element for
movement in performance	movement in
of exercise by a user, the	performance of exercise
exercise mechanism	by a user;
having one or more	(b) a user interface
operating parameters;	device communicating
(b) at least one user	with the exercise
interface device,	mechanism and

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communicating with the	configured to gather one
exercise mechanism, the at	or more user control
least one interface device	signals from the user;
gathering a first signal	(c) a
from the user;	communicating
(c) a communicating	mechanism in
mechanism,	communication with the
communicating with the	user interface device and
user interface device, the	adapted to enable
communicating	transmission of the user
mechanism receiving a	control signals to a remote
packetized second signal	communication system,
from a remote source over	the communicating
a network, the packetized	mechanism being further
second signal including	adapted to receive a
one or more packetized	packetized second signal
control signals; and	including synchronized
(d) a controller,	control signals from the
responsive to the	

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packetized second signal,	remote communication
configured to control the	system;
operating parameters of	(d) means for
the exercise mechanism.	reproducing the second
(EX1001, 51:27–43).	signal; and
	(e) means,
	responsive to the
	synchronized control
	signals carried by the
	second signal, for
	controlling the operating
	parameters of the
	exercise mechanism.
	(<i>id.</i> , 52:54–53:3).

III. INSTITUTION SHOULD BE DENIED UNDER 35 U.S.C. §325(D)

The Board should also exercise its discretion to deny institution under 35 U.S.C. §325(d) in view of the Office's prior consideration of Studor, Clem, and Hickman. *See Johnson & Johnson Surgical Vision, Inc. v. Alcon Inc.*, IPR2021-01069, Paper 16, p. 2 (Dec. 10, 2021) (the "Board has discretion to deny a request for institution when the information presented shows a petitioner raises 'the same or substantially the same prior art or arguments previously presented to the Office,' for example, during patent examination"); *id.*, pp. 7–8 ("[u]nder § 325(d), the art and arguments must have been previously presented to the Office during proceedings pertaining to the challenged patent" and "[p]reviously presented art includes art made of record by the Examiner, and art provided to the Office by an applicant, such as on an Information Disclosure Statement (IDS), in the prosecution history of the challenged patent").

In applying §325(d), "the Board uses the following two-part framework: (1) whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office; and (2) if either condition of first part of the framework is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims." *Advanced Bionics, LLC v. Med-El Elektromedizinische Geräte GMBH*, IPR2019-01469, Paper 6, p. 8 (Feb. 13, 2020) (precedential).

A. Prong 1 – whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office

As discussed, Hickman (Hickman '537) and Clem (via Clem '124) were substantively considered during prosecution of the '062 Patent. Indeed, Hickman '537 served as the basis of the only rejection made during prosecution of the '062 Patent, and was discussed extensively by Applicant. *See* Section II.B, *supra*; EX1002, pp. 156–160, 168, 172. Specifically, Applicant stated:

While the Hickman patent [] discloses that scripts and programs are sent from the remote system, the Hickman patent further teaches that it is the local computer that controls the exercise device. The Hickman patent is devoid of any teaching or suggestion that control signals received from the remote source, as claimed. This is particularly so considering the teaching of the Hickman patent that control of the exercise device is effected by a local computer, based on the use of parameters stored on the local computer. Similarly, the Hickman patent fails to disclose that control signals are synchronized. . . . [t]he Hickman patent neither teaches nor suggests that a packetized control signal is received from a remote source, as claimed, or event that any control signal is packetized (i.e. the signal from the local computer to the exercise device).

Id., p. 159 (footnote omitted).

Similarly, Clem '124 was explicitly referenced and discussed in a Notice of Allowance received during prosecution of the '062 Patent. *Id.*, pp. 195, 197. Specifically, the Examiner said that "Clem ['124] discloses an interactive programmable fitness interface system" and that "[t]he prior art however, fails to show or suggest, as detailed in claims 1, 29, 49, 66, and 78, an exercise device configured to enable the interaction of a user, comprising: an exercise mechanism comprising a movable element; interface means, communicating with the exercise mechanism, for gathering a first signal from the user; communicating means, communicating with the interface means, for receiving a packetized second signal; and means responsive to the packetized second signal, for controlling the operating parameters of the exercise mechanism." *Id.*, p. 195.

Studor served as the basis of a rejection made during prosecution of the '424 Patent which issued from the parent application to which the '062 Patent claims priority. EX1001, cover page; EX2002, pp. 114, 116. In response to this rejection during prosecution of the '424 Patent, iFIT argued the patentability of the claims in view of Studor and the Examiner considered these arguments. *Id.*, pp. 137–138, 167–168. While the Examiner was already aware of Studor upon examining the application that lead to the '062 Patent, iFIT elected to cite Studor in an IDS, and the Examiner again acknowledged consideration of Studor. EX1002, p. 92.

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B. Prong 2 – whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of Challenged Claims

Prong 2 is typically evaluated by the Board by analyzing the factors set forth

in Becton, Dickinson. Johnson & Johnson, p. 15. As shown below, these factors

weigh in favor of denial.

1. Factor a – the similarities and material differences between the asserted art and the prior art involved during examination.

Studor, Clem, and Hickman were substantively considered during

examination. See Section II.B, supra. Accordingly, this factor weighs in favor of

denying institution.

2. Factor b – the cumulative nature of the asserted art and the prior art evaluated during examination.

Studor, Clem, and Hickman were substantively considered during

examination. See Section II.B, supra. Accordingly, this factor weighs in favor of

denying institution.

3. Factor c – the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection.

As discussed above, Studor, Clem, and Hickman were each made of record during prosecution of the '062 Patent. EX1001, p. 2. In a Notice of Allowance, the Examiner included significant discussion of Clem (via Clem '124). Specifically, the Examiner stated: Clem discloses an interactive programmable fitness interface system.

The prior art however, fails to show or suggest, as detailed in claims 1, 29, 49, 66, and 78, an exercise device configured to enable the interaction of a user, comprising: an exercise mechanism comprising a movable element; interface means, communicating with the exercise mechanism, for gathering a first signal from the user; communicating means, communicating with the interface means, for receiving a packetized second signal; and means responsive to the packetized second signal, for controlling the operating parameters of the exercise mechanism.

EX1002, pp. 195, 197.

Similarly, Hickman was expressly discussed by the Applicant and the Examiner (via Hickman '537) during prosecution of the '062 Patent.⁴ *Id.*, pp. 156–160, 168, 172.

Moreover, Studor was explicitly discussed by the same Examiner during prosecution of the '424 Patent, of which the '062 Patent is a continuation-in-part. EX1001, cover page; EX2001, pp. 114, 116. The Examiner also considered arguments as to Studor during prosecution of the '424 Patent. *Id.*, pp. 137–138, 167–168. Thus, the Examiner was familiar with Studor when examining the '062 Patent. *Volkswagen Group of America, Inc. v. Stratosaudio, Inc.*, IPR2021-00718, Paper 16, p. 23 (Oct. 25, 2021). Therefore, this factor weighs in favor of denying institution.

4. Factor d – the extent of the overlap between the arguments made during examination and the manner in which petitioner relies on the prior art.

Additionally, the Examiner expressly considered the relevant teachings of Clem (via Clem '124) (EX1002, pp. 195, 197) and Hickman (via Hickman '537) (*id.*, pp. 168, 172), and iFIT has presented arguments as to patentability in view of

⁴ Additionally, Hickman was cited in a rejection of U.S. Patent No. 6,312,363, the benefit of which is claimed by the '062 Patent. This Patent was examined by the same Examiner as the '062 Patent.

Hickman (via Hickman '537) (*id.*, pp. 156–160). Petitioner has not demonstrated why the Examiner would not have considered combinations of the two (especially in light of the Office Action discussing Hickman '537 following the Notice of Allowance discussing Clem '124). As such, this factor weighs in favor of denying institution.

5. Factor e – whether petitioner has pointed out sufficiently how the examiner erred in its evaluation of the asserted prior art.

With respect to Studor and Clem, the "material error" allegedly identified by Petitioner is that the "Office did not substantively review Studor and Clem" and therefore "misapprehend[ed] or overlook[ed] specific teachings of [Studor and Clem]." Pet., p. 74 (internal quotations omitted). However, Petitioner did not demonstrate how the Examiner's consideration of Studor or Clem (via Clem '124) is deficient. Instead, Petitioner merely stated that "Studor and Clem each teach the 'packetized control signal [that] is received from a remote source'" *Id*. However, Petitioner has failed to demonstrate that the Examiner "misapprehend[ed] or overlook[ed]" these alleged teachings of Studor and Clem when the Examiner had already considered Studor and Clem (via Clem '124).

In particular, Petitioner has not explained why the Examiner would have to consider Studor when the Examiner had already considered Clem. Put differently, Petitioner has not identified a deficiency of Clem with respect to the alleged

teaching of a "packetized control signal [that] is received from a remote source" that is allegedly cured by Studor. If Studor and Clem each teach the same thing, as alleged by Petitioner ("Studor and Clem each teach the 'packetized control signal [that] is received from a remote source""), there can be no material error if Studor was not considered because Clem was considered.

As to Hickman, Petitioner's allegation that the Examiner failed to consider Hickman and Clem cannot be reconciled with the record. *Id.* As shown above, Studor (via the '424 Patent), Hickman (via Hickman '537), and Clem (via Clem '124) were both expressly considered by the Examiner. Thus, this factor weighs in favor of denying institution.

6. Factor f – the extent to which additional evidence and facts presented in the petition warrant reconsideration of the prior art or arguments.

The Petition raises two Grounds that are based upon references that were considered by the Examiner. *Id.*, p. 2. While the Petition introduces the Declaration of Dr. Houh, this evidence alone is insufficient to warrant reconsideration of the Examiner's determinations with respect to Studor, Clem, and Hickman. Moreover, Petitioner has failed to demonstrate any aspect of Dr. Houh's declaration that warrants such reconsideration. Thus, this factor weighs in favor of denying institution.

IV. INSTITUTION SHOULD BE DENIED UNDER 35 U.S.C. §314(A)

The present Petition (and the concurrently filed -029 Petition) are the second and third petitions in an improper serial attack on the '062 Patent. *See* Consolidated Trial Practice Guide, November 2019 (the "Trail Practice Guide"), p. 59 ("[t]wo or more petitions filed against the same patent at or about the same time (e.g., before the first preliminary response by the patent owner) may place a substantial and unnecessary burden on the Board and the patent owner and could raise fairness, timing, and efficiency concerns."). It is "unlikely that circumstances will arise where three or more petitions by a petitioner with respect to a particular patent will be appropriate." *Id.* Here, no circumstances exist to justify three petitions against the same patent.

A. The Petition is an improper follow-on petition under *General Plastic*

The Board has "recognize[d] the potential for abuse of the review process by repeated attacks on patents" and set forth a "non-exhaustive" list of factors to be considered when determining whether to deny institution of serial petitioners, including:

- Factor 1: whether the same petitioner previously filed a petition directed to the same claims of the same patent;
- Factor 2: whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;

- Factor 3: whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;
- Factor 4: the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petitioner;
- Factor 5: whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
- Factor 6: the finite resources of the Board; and
- Factor 7: the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

General Plastic, pp. 15–16 (precedential) (citing *NVIDIA Corp. v. Samsung Elec. Co.*, IPR2016-00134, Paper 9, pp. 6–7 (May 4, 2016)). In setting forth these factors, the Board noted that *inter partes* review proceedings are "not to be used as tools for harassment or a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent" because "[d]oing so would frustrate the purpose of the section" *General Plastic*, p. 17. As set forth in the analysis of the General Plastic factors below, the Board should deny institution

because Petitioner has improperly used the Petition as a tool to harass iFIT.

1. Factors 1 and 5 support discretionary denial because the same Petitioner filed an earlier petition against some of the same claims and has no justification for the delay in filing this Petition.

Factors 1 and 5 of the *General Plastic* analysis support denial of institution. Peloton is the sole petitioner of all three petitions challenging claims of the '062 Patent. While the First Petition did not challenge claim 49, as discussed above in Section II.D, claims 29 and 49 differ only in claim's 49 recitations of means for reproducing the second signal, that the communicating mechanism is adapted to enable transmission of the user control signals to a remote communication system, and that the means for controlling the operating parameters of the exercise mechanism is responsive to the synchronized control signals carried by the second signal. Therefore, Petitioner could have challenged claim 49 when it challenged claim 29 in the First Petition.

While the other claims challenged in the present Petition recite additional limitations, Petitioner also could have addressed those claims when it filed the First Petition, as shown, for example, by Petitioner's reliance on Studor in both petitions. *See Longi Green Energy Tech. Co., Ltd., v. Hanwha Solutions Corp.*, IPR2020-00047, Paper 18, pp. 11–12 (Apr. 27, 2020) (denying institution under *General Plastic* where there was "overlap in the claim limitations and duplication

of analysis" between two petitions, "suggest[ing] that it should have taken Petitioner less time to prepare the present Petition than it otherwise would have if Petitioner had needed to analyze entirely different claims and references in the present Petition."); *Bytedance Ltd. v. Triller, Inc.*, IPR2021-00774, Paper 6, p. 12 (Oct. 12, 2021) (finding that a "fact pattern is troubling [and weighs in favor of denial] because there are significant overlaps in the subject matter recited in the challenged claims and because [] [an asserted reference] is a primary reference in both proceedings."). Indeed, the Board has repeatedly found follow-on petitions to provide improper benefits in violation of the principles set forth in *General Plastic* where there is no overlap in the challenged claims but there is "overlap of references and issues involved." *Fujifilm Corp. v. Sony Corp.*, IPR2018-00060, Paper 8, pp. 7–9 (Apr. 19, 2018).

Regarding Factor 5 of *General Plastic*, Petitioner's attempted justification for its belated filing of the present Petition should also be rejected. Contrary to Petitioner's suggestion that the infringement allegations in the Complaint were limited solely to claims 29 and 47, the Complaint alleged that "Peloton has infringed and continues to infringe <u>one or more claims</u> of the '062 Patent, <u>including</u> claim 47 . . ." (EX1010, p. 16) (emphasis added). Petitioner also fails to acknowledge that iFIT pursued a preliminary injunction shortly after filing the Complaint. Following denial of that motion on February 22, 2021, Petitioner had no reasoned basis to conclude that iFIT would limit the action to claim 47.

By delaying filing of the present Petition until after reviewing iFIT's Preliminary Response and the Board's the Institution Decision in the -342 IPR, Petitioner has gained an unfair tactical advantage of the type that the Board was concerned when it set forth its precedent in *General Plastic*. Indeed, the present Petition was filed almost 2 weeks after Petitioner was able to review iFIT's Response and accompanying expert declaration in the -342 IPR. This delay afforded Petitioner the opportunity to analyze and evaluate iFIT's preliminary arguments, the Board's initial determinations, and iFIT's Response and supporting expert testimony.

For example, as discussed above, the present Petition:

- Attempts to address deficiencies in its reliance on the Brewer/Baran ground by replacing it with a new ground based on Clem. See Section VI, infra.
- Reformulates its reliance on Studor in view of preliminary determinations set forth in the Institution Decision. *See* Section II.C, *supra*.
- Recasts its identification of the applicable level of skill in the art in a transparent (and unsupported) attempt to exclude or impeach

Petitioner's expert. See Section VI.B; compare -342 IPR, Paper 2, pp.

14-15 with Pet., pp. 5-6.

Such tactics raise the same concerns identified in *General Plastic*. *E.g., General Plastic*, p. 17 ("we are concerned here by the shifts in the prior art asserted and the related arguments in follow-on petitions."); *Butamax*, pp. 12–13 ("[T]he four obviousness grounds are 'second bites at the apple,' which use our prior decision as a roadmap to remedy [Petitioner's][] prior, deficient challenge.").

2. Factors 2 and 4 support discretionary denial because of Petitioner's knowledge of Studor, Clem, and Hickman.

Factors 2 and 4 of the *General Plastic* analysis support denial of institution. Petitioner plainly knew of the prior art it now asserts at least as early as when it filed the -342 Petition and then waited ten months to file this Petition. The Board has found that Factor 4 weighs in favor of denial in situations involving delays that are significantly shorter than ten months. *See Bytedance*, p. 13 (finding a five month delay to file a second petition to weigh in favor of denial); *Metall Zug AG*, *v. Carl Zeiss Meditec AG*, IPR2020-01074, Paper 10, p. 9 (Mar. 4, 2021) (finding a six month delay to weigh in favor of denial).

First, the -342 Petition specifically relied on Studor for one of the Grounds of review.

Second, Studor, Clem, and Hickman are each listed on the '062 Patent because they were considered during prosecution. EX1001, p. 2. Further, substantively identical counterparts of Clem and Hickman were expressly addressed by the Examiner during prosecution of the '062 Patent. *See* Section II.B, *supra*. Accordingly, Petitioner should have known of each of these references after review of the prosecution history of the '062 Patent at the time it prepared the -342 Petition.

Moreover, Petitioner knew of Hickman '537 at least as of December 7, 2020, when it filed a brief and supporting expert declaration in the parallel district court action that included extensive discussion of Hickman '537.

> 3. Factor 3 supports discretionary denial because Petitioner had already received the Patent Owner's Preliminary Response and the Board's Institution Decision in the -342 IPR before filing the present Petition.

The present Petition was filed almost 6 months after iFIT's Preliminary Response, 3 months after the Institution Decision in the -342 IPR, and after iFIT had filed its Patent Owner's Response and accompanying expert declaration responding to the First Petition. Thus, this factor weighs in favor of denying institution.

Petitioner attempts to shift blame for its delay based on iFIT's more specific identification of claims in the parallel litigation. However, as discussed above,

Petitioner had no reasonable basis to conclude that iFIT was limiting its infringement claims to claim 47. In any event, Petitioner's pretextual justification is not relevant to this factor.

4. Factors 6 and 7 support discretionary denial because the present Petition does not justify depleting the Board's finite resources.

Factors 6 and 7 of the General Plastic analysis support denial of institution. As set forth above, there is no valid reason why Petitioner could not have filed the present Petition or the -029 Petition prior to the Preliminary Response, Institution Decision, and the Response in the -342 IPR. In addition to using those papers as a roadmap for its follow-on challenges, this delay deprives the Board of its ability to consolidate this potential trial with the -029 IPR or the -342 IPR. Where the Board has been unable to consolidate trial due to a petitioner's delay in filing a follow-on petition, the Board has found this factor favors denial. E.g., Cirrus Design Corporation v. Hoyt Augustus Fleming, IPR2020-00762, Paper 19, p. 15 (Oct. 1, 2020); Longi, p. 12; Bytedance, pp. 13–14; Samsung Electronics Co. v. Rembrandt Wireless Techs., LP, IPR2015-00114, Paper 14, p. 6 (Jan. 28, 2015) ("it is more efficient for the parties and the Board to address a matter once rather than twice"); LG Electronics Inc. v. Core Wireless Licensing S.A.R.L., IPR2016-00986, Paper 12, p. 12 (Aug. 22, 2016) (the "Board's resources would be more fairly expended on first petitions rather than on a follow-on petition like the Petition in this case");

Valve Corp. v. Electronic Scripting Products, Inc., IPR2019-00062, Paper 11, p. 15 (Apr. 2, 2019) (precedential) ("having multiple petitions challenging the same patent, especially when not filed at or around the same time as in this case, is inefficient and tends to waste resources").

5. Other Considerations also demonstrate that the Board should exercise its discretion to deny under 35 U.S.C. §314(a).

As discussed above, there is significant overlap between claim 29, which was specifically challenged in the First Petition, and claim 49, which is challenged in the present Petition. Further, other claims challenged in this proceeding incorporate features addressed in the First Petition. Petitioner's attempted justification for its delay should be rejected.

The decisions cited by Petitioner are inapposite. In *Netflix, Inc. v. Avago Techs. Int'l Sales Pte. Ltd.*, the patent owner did not contest the petitioner's arguments supporting its filing of multiple petitions. IPR2021-00431, Paper 8, p. 3 (Jun. 25, 2021). Here, iFIT opposes Petitioner's serial challenges for the reasons discussed above.

In Volkswagen Group of America, Inc. v. Carucel investments, L.P., the Board declined to exercise its discretion to deny institution because Petitioner filed its second petition "a mere three weeks after being served with preliminary infringement contentions asserting these claims . . . and the same day on which

Patent Owner filed its preliminary response in [the earlier proceeding]." IPR2019-01573, Paper 7, p. 5 (Jan. 22, 2020). Unlike *Carucel*, Peloton waited nearly 10 months after filing the first petition, and had the benefit of not only Patent Owner's preliminary response, but also the institution decision, Patent Owner Response, and accompanying expert declaration from the -342 IPR before filing the present petition.

B. Institution Should be Denied Pursuant to *Fintiv* in view of the Advanced Stage of the Parallel District Court Litigation

The Board should also deny institution under the factors set forth in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11, pp. 5–6 (Mar. 20, 2020). Petitioner entirely fails to address this issue, other than to point to the trial date and assert that it would be "impossible" to meaningfully address the *Fintiv* factors. Pet., p. 77. In *Fintiv*, the Board set forth six factors that it considers when determining whether to exercise its discretion under 35 U.S.C. §314(a) when there are parallel or copending proceedings:

- Factor 1: whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
- Factor 2: proximity of the court's trial date to the Board's projected statutory deadline for a final written decision;
- Factor 3: investment in the parallel proceeding by the court and the parties;
- Factor 4: overlap between issues raised in the petition and in the parallel proceeding;
- Factor 5: whether the petitioner and the defendant in the parallel proceeding are the same party; and
- Factor 6: other circumstances that impact the Board's exercise of discretion, including the merits

Id.

As discussed below, all facts relating to the *Fintiv* factors were available to Petitioner, and its failure to address them should be dispositive.

1. Factor 1 supports discretionary denial because Petitioner identifies no evidence that a stay would be granted.

No stay has been granted in the parallel district court action. Petitioner never sought a stay, despite institution of trial in -342 IPR. Petitioner identifies no evidence that a stay would be granted if a proceeding is instituted here, and there is no evidence suggesting that one would be granted if sought by Petitioner. Thus, this factor weighs in favor of denying institution.

2. Factor 2 is neutral.

Trial is scheduled for June 12, 2023, which is approximately six weeks after the projected statutory deadline for a final written decision (April 29, 2023). Thus, this factor is neutral, shifting weight to the remaining factors. *See Fintiv*, p. 9 ("[i]f the court's trial date is at or around the same time as the projected statutory

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deadline or even significantly after the projected statutory deadline, the decision whether to institute will likely implicate other factors discussed herein, such as the resources that have been invested in the parallel proceeding"); *Motorola Mobility LLC v. Ironworks Patents, LLC*, IPR2021-00420, Paper 21, pp. 10–11 (Oct. 7, 2021) (finding a trial date less than 2 weeks after a projected statutory deadline for a Final Written Decision to be "around the same time as the projected statutory deadline"); *Microchip Tech. Inc. v Bell Semiconductor, LLC*, IPR2021-00147, Paper 20, p. 10 (May 14, 2021) (finding a trial date "approximately one month before a Final Written Decision would be due" to be "at or around the same time" as the projected statutory deadline).

3. Factor 3 supports discretionary denial because the Parties have expended significant resources on the district court action and the other PTAB proceedings concerning the '062 Patent.

Under this factor, "[t]he Board . . . consider[s] the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision." *Fintiv*, p. 9. "This investment factor is related to the trial date factor, in that more work completed by the parties and court in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced, a stay may be less likely, and instituting would lead to duplicative costs." *Id.*, p. 10. The parallel district court action has involved a significant investment of resources by the Court and the parties. The Court has ruled on a motion for preliminary injunction (EX2005, Dkt. 103), with substantial briefing on the topic of validity (including the exchange of expert reports) was conducted (*id.*, Dkt. 1, 7, 9, 10, 37, 43, 44, 70, 73, 74, 79, 80, 90, 91, 97). *See Fintiv*, pp. 9–10 ("if, at the time of the institution decision, the district court has issued substantive orders related to the patent at issue in the petition, this fact favors denial"). While the Court denied the Motion, the Court and the parties' investment of time and resources in evaluating the '062 Patent and becoming familiar with its subject matter (as well as that of the prior art) cannot simply be ignored.

Since the denial of iFIT's request for a preliminary injunction, Petitioner served more than 8,800 pages of preliminary invalidity contentions on September 10, 2021, including claim charts based on Studor, Hickman, and Clem. EX2005, Dkt. 134. As discussed above, Petitioner delayed filing the present Petition until after Patent Owner filed its Response in the -342 IPR. *See Fintiv*, pp. 11–12 ("[i]f. ... the evidence shows that the petitioner did not file the petition expeditiously, such as at or around the same time that the patent owner responds to the petitioner's invalidity contentions, or even if the petitioner cannot explain the delay in filing its petition, these facts have favored denial").

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The parties have conferred regarding claim construction and jointly prepared a chart reflecting agreed constructions and terms in dispute. iFIT submitted its opening claim construction brief on January 18, 2022, and Petitioner will submit its answering claim construction brief on February 10, 2022. A joint claim construction brief is due March 15, 2022. It is expected that the Court will issue a claim construction order shortly after its hearing on the matter on April 14, 2022.

Accordingly, the parties have invested substantial resources to date and will continue to invest resources prior to the expected deadline for the Board to determine whether to institute trial. Thus, this factor weighs in favor of denying institution.

4. Factor 4 supports discretionary denial because the issues here overlap with those in the district court action and the other PTAB proceedings concerning the '062 Patent.

This factor weighs heavily in favor of denial. Petitioner asserts the same prior art in support of its invalidity contentions in the parallel district court action (i.e., Studor, Clem, and Hickman) as it has in this proceeding. *Fintiv*, p. 12 ("if the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding, this fact has favored denial"). Further, Petitioner has not stipulated that it would not pursue the same Grounds in the parallel district court action. *Cf., Sotera Wireless, Inc., v. Masimo Corp.*, IPR2020-01019, Paper 12, p. 19 (Dec. 1, 2020). Thus, the issues to be decided in

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the parallel district court action entirely overlap with the issues to be decided in the

Petition, and likely will be addressed by the Court in the context of claim

construction and summary judgment well before any Final Written Decision by the Board.

5. Factor 5 supports discretionary denial because the parties are the same as in the district court action and the other PTAB proceedings concerning the '062 Patent.

Petitioner and iFIT are the same parties involved in the parallel district court action. Thus, this factor weighs in favor of denying institution.

6. Factor 6 supports discretionary denial because of the defects in the present Petition.

The decision whether to exercise discretion to deny institution is based on "a balanced assessment of all relevant circumstances in the case, including the merits." The Trial Practice Guide, p. 58. These include the tactical advantages that Petitioner would unfairly gain from its delay in filing as discussed above. They further include the various defects in the present Petition discussed below. For example, the Petition fails to identify where several claim elements are disclosed in Studor and in the combination of Clem and Hickman. *See* Section VI, below. Thus, this factor weighs in favor of denying institution.

V. INSTITUTION SHOULD BE DENIED UNDER 35 U.S.C. §§311 AND 312

A. Institution Should be Denied Pursuant to §312(a)(3)

Petitioner relies improperly on Studor, Clem, and/or Hickman in combination with an additional 6 references (EX1006, EX1008, EX1015, EX1019, EX1022, and EX1024) (the "Non-Ground References"), without addressing why a POSITA would combine the Non-Ground References with the references identified in the asserted grounds. In total, the Petition cites to a Non-Ground Reference <u>16</u> times. As explained below, this improper incorporation of additional references in the two asserted Grounds effectively multiplies the actual number of grounds asserted. The Board should exercise its discretion to deny institution for this improper and unsupported reliance on Non-Ground References. *See Adaptics Limited, v. Perfect Co.*, IPR2018-01596, Paper 20, p. 21 (Mar. 6, 2019) (denying institution based on "voluminous and excessive grounds" resulting from petitioner's "reliance on a large number of secondary references.").

For example, in discussing the "user interface device" of claim 49, the Petition points not only to Clem (Ground 2), but also to Brewer and Watterson (EX1022 – a Non-Ground Reference). Pet., pp. 42–43. However, the Petition does not identify Brewer and Watterson with respect to Ground 2. Accordingly, the "extent to which these additional documents may be relied upon to fill gaps in the asserted references with respect to the claimed subject matter increases [] concern that the Petition lacks the required particularity, and, instead, turns the Petition into an empty invitation for the Board and Patent Owner to search the record for evidence that might support the full breadth of Petitioner's contentions." *Adaptics*, pp. 22–23. To be clear, the Petition's reliance upon Non-Ground References extends well beyond the example identified above. *See* Pet., pp. 21, 34, 44, 47, 52– 53, 55, 59, 66, 69.

As was the case in *Adaptics*, the "Petition fails to meet the particularity requirement of 35 U.S.C. § 312(a)(3) and that the lack of particularity results in voluminous and excessive grounds" and "in the interests of efficient administration of the Office and integrity of the patent system and as a matter of procedural fairness to Patent Owner, the entire petition should be denied under 35 USC § 314(a)." Adaptics, p. 24; see also Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd., 821 F.3d 1359, 1369 (Fed. Cir. 2016) ("[i]t is of the utmost importance that petitioners in the IPR proceedings adhere to the requirement that the initial petition identify 'with particularity' the 'evidence that supports the grounds for the challenge to each claim'" (quoting 35 U.S.C. §312(a)(3))). The "statutory requirement for particularity in a petition for IPR takes on heightened importance when considered in conjunction with SAS's 'all-or-nothing' approach" for institution. Adaptics, p. 17. In view of Petitioner failing to meet the particularity

requirement, much less to meet the heightened standard for doing so required at this stage, iFIT respectfully requests that the Board deny institution.

B. Institution Should be Denied for Lack of Specificity

Under the guise of establishing "knowledge of a person of ordinary skill," the Petition improperly relies on the Non-Ground References with respect to specific limitations of the claims, in violation of the requirements of 35 U.S.C. §§311 and 312. *See* Section V.A, *supra*. Petitioner's expansion of Grounds 1 and 2 beyond Studor, Clem, and Hickman violates 35 U.S.C. §311(b), which limits review to only those grounds on which Petitioner has requested review. As explained by the Supreme Court in *SAS*:

> In its very first provision, the statute says that a party may seek inter partes review by filing "a petition to institute an inter partes review." § 311(a). This language doesn't authorize the Director to start proceedings on his own initiative. Nor does it contemplate a petition that asks the Director to initiate whatever kind of inter partes review he might choose. Instead, the statute envisions that a petitioner will seek an inter partes review of a particular kind—one guided by a petition describing..."the grounds

on which the challenge to each claim is based." § 312(a)(3).

SAS, 138 S. Ct. 1355.

While a petitioner may rely upon evidence to show what was well-known in the art or document the knowledge that skilled artisans would bring to bear in reading the prior art identified as producing obviousness, it cannot rely on purported "knowledge of a person of ordinary skill" to supply elements that are not found in the references identified in the asserted grounds. *See Lone Star Silicon Innovations LLC v. Iancu*, 809 F. App'x 773, 777 (Fed. Cir. 2020); *Ariosa Diagnostics v. Verinata Health, Inc.*, 805 F.3d 1359, 1365 (Fed. Cir. 2015); *Roku, Inc. v. Universal Electronics Inc.*, IPR2019-01614, Paper 31, p. 46 (Apr. 13, 2021). In violation of these precepts, the present Petition relies on additional references beyond those used in the two asserted Grounds with respect to limitations of the Challenged Claims.

For example, with respect to "communicating mechanism . . . adapted to receive a packetized second signal including synchronized control signals from the remote communication system," as recited in claim 49, the present Petition cites to Bobick with respect to this limitation. Pet., p. 21. Petitioner, however, fails to address why a POSITA would have had reason to modify Studor in view of Bobick's teachings. Similarly, with respect to the "user interface device

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communicating with the exercise mechanism and configured to gather one or more user control signals from the user," in Ground 2, the Petition improperly relies upon Brewer and Watterson as allegedly disclosing a missing element without any explanation as to why or how a POSITA would have understood that the "user input" allegedly disclosed by Brewer or Watterson would have been understood to be the same as a "user interface device communicating with the exercise mechanism and configured to gather one or more user control signals from the user." Pet., p. 42. This reliance on Brewer and Watterson in the Petition is therefore improper.

Petitioner's assertion of the Non-Ground References essentially expands the asserted Grounds without the specificity required by 37 C.F.R. §42.22(a)(2). It appears that Petitioner short-cut the requisite application of the Non-Ground References to comply with the 14,000 word limit set forth in 37 C.F.R. §42.24(a)(1)(i). However, the word limit of Rule §42.24(a)(1)(i) cannot justify its failure to present its positions with specificity. *See Metall Zug*, IPR2020-01074, Paper 10, p. 9 ("Our process is not designed to afford a petitioner unfettered space to present any number of arguments in as many words as the patent challenger deems necessary" and "rules promulgated for inter partes reviews, including those pertaining to institution, are 'construed to secure the just, speedy, and inexpensive resolution of every proceeding" (quoting 37 C.F.R. §42.1(b))).

C. Institution Should be Denied Because the Petition Fails to Meet the Particularity Requirement

The Petition fails to identify the "the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim" with the requisite particularity. *See Google LLC v. AGIS Software Dev., LLC*, IPR2018-01081, Paper 11, p. 32 (Nov. 20, 2018) (quoting 35 U.S.C. §312(a)(3)); *see also, Intelligent Bio-Sys.*, 821 F.3d, 1369.

Moreover, the Petition consistently utilizes abbreviations "49[a]," "49[b]," "49[c]," "49[d]," "49[e]," "78[a]," "78[b]," "85[a]," "85[b]," "85[c]" without providing the Board with the claim language corresponding to these abbreviations. Pet., pp. 14, 15, 18, 21, 22, 24–26, 29, 31, 32, 40, 44, 45, 47–50, 52, 54–64. For example, in discussing claim 59, the Petition states: "Studor discloses this limitation. Houh ¶¶ 235-237, 260; *see* Limitation 49[d]." *Id.*, p. 24 (emphasis in Original). Indeed, the Petition is replete with references to abbreviations within the substantive discussion of claim elements. *See id.* (with respect to claim 61), *id.*, p. 35 (with respect to claim 93), *id.*, p. 54 (with respect to claim 56), etc.

In considering a situation where the "arguments in the Petition rely extensively on abbreviations for the limitations of the . . . patent's claims, such as [1pre], [11e2], and [20f]," the Board found that "[t]he Petition is drafted in such a way as to make it effectively impossible to follow unless we ignore our rule against incorporation by reference" because "[t]here is no way to understand many of Petitioner's arguments without an understanding of the meaning of these abbreviations." *Lenovo (United States) Inc., v. Litl LLC*, IPR2021-00800, Paper 7, p. 10 (Nov. 2, 2021). However, unlike in *Lenovo* where the Petition provided a separate exhibit with the abbreviations (which the Board found to be insufficient), Petitioner has failed to even do that. *Id.* As stated by the Board, "[i]n the absence of . . . clarity [as to the meaning of each abbreviation], we are left to speculate, in violation of Rules 42.22(a) and 42.104(b), exactly what claim language makes up each of the limitations Petitioner argues the prior art teaches or suggests." *Id.*, pp. 10–11. The issues arising from Petitioner's repeated use of undefined abbreviations permeates the Petition and "prevents Petitioner from carrying its burden" with respect to all of the Challenged Claims, for the same reasons as in *Lenovo*.

Institution should be denied for this additional reason.

VI. PETITIONER FAILS TO SHOW A REASONABLE LIKELIHOOD OF PREVAILING

A. Claim Construction

A claim is construed in an IPR proceeding using the standard set forth in *Phillips v. AWH Corp.*, 415 F.3d 1303, 1316-1317 (Fed. Cir. 2005) (*en banc*). *See* 37 C.F.R. §42.100(b). Petitioner and iFIT have disputed the construction of certain terms, as shown in the Joint Claim Construction Chart (EX2006), in the parallel district court action. For purposes of this Preliminary Response, iFIT submits that the Board need not specially construe any terms of the Challenged Claims because they are not shown to be obvious regardless of construction. *Toyota Motor Corp. v. Cellport Sys., Inc.*, IPR2015-00633, Paper 11, p. 16 (Aug. 14, 2015). iFIT reserves all rights to rebut claim construction and related challenges under 35 U.S.C. §112 in other proceedings.

B. Level of Ordinary Skill in the Art

The present Petition modifies the asserted level of ordinary skill set forth in the -342 Petition. Petitioner's revision to its position reflects a litigation tactic designed to provide a basis to attack or limit potential testimony by iFIT's expert in the -342 IPR. Petitioner's revised description of the level of skill is not supported by relevant evidence and is inconsistent with its prior positions in the -342 Petition and the parallel district court action.

Specifically, Petitioner alleges that for "[c]ertain challenged claims relate[d] to exercise training," a POSITA "would have had at least a Bachelor's degree in the exercise field (e.g., Exercise Physiology or similar) or at least two years' experience in the exercise field (as, e.g., personal trainer, coach, fitness instructor, etc.)." *Id.*, pp. 5–6. While the Petition does not explicitly identify which claims it contends to "relate to exercise training," the Petition cites to the declaration of Dr. Rutberg, with respect to claims 49, 52, 54, 59, 90, 92, and 95. Pet., pp. 24, 34, 37, 48, 52, 54, 55, 69, 70, 73. By bifurcating the claims between those that require a

POSITA to have experience in the "exercise field" and those that do not, Petitioner is improperly attempting to inject an unnecessary qualification. *Centricut, LLC v. ESAB Grp., Inc.*, 390 F.3d 1361, 1369 (Fed. Cir. 2004) ("In many patent cases expert testimony will not be necessary because the technology will be 'easily understandable without the need for expert explanatory testimony" quoting *Union Carbide Corp. v. Am. Can Co.*, 724 F.2d 1567, 1573 (Fed. Cir. 1984)); *see also, Belden Inc. v. Berk-Tek LLC*, 805 F.3d 1064, 1079 (Fed. Cir. 2015).

Notably, the First Petition set forth a different level of skill, stating that a "Person of Ordinary Skill in The Art ('POSITA') in July of 1999 would have had a working knowledge of the remotely controlled exercise devices that are pertinent to the '062 Patent" and "[t]hat person would have a four-year degree from an accredited institution (a Bachelor of Science degree and denoted 'B.S.') in computer science, computer engineering, electrical engineering, or the equivalent and experience with, or exposure to, computer software and computer networks." - 342 IPR, Paper 1, pp. 14–15 (emphasis added). Petitioner fails to establish why such knowledge and experience would be sufficient as "to the '062 Patent" as set forth in the -342 Petition, but additional "exercise" experience would be pertinent to other claims.

Dr. Houh similarly failed to see the need for experience in the "exercise field" in the First Petition. As noted by Dr. Houh's Declaration in the -342 IPR, a

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"POSITA in the field of the '062 Patent, as of its earliest claimed priority date of July 8, 1999, would have been someone knowledgeable of and familiar with remotely controlled devices that are pertinent to the '062 Patent" and a "POSITA would have had a four-year degree from an accredited institution (a Bachelor of Science degree and denoted 'B.S.') in computer science, computer engineering, electrical engineering, or the equivalent and experience with, or exposure to, computer software and computer networks." -342 IPR, EX1003, p. 13 (emphasis added). Rather than limiting this standard to only certain claims, this statement applies "in the field of the '062 Patent," according to Dr. Houh.

In his declaration accompanying the present Petition, Dr. Houh now asserts that "the 'art' is a hybrid of (1) engineering and (2) exercise training" and that a "POSITA would also have had some skill regarding exercise training." EX1003, pp. 12–13. Notably, Dr. Houh fails to provide any explanation or citation to objective evidence for his rearticulation of the relevant level of skill.

Moreover, Petitioner's expert in the parallel district court action, Dr. Kevin C. Almeroth, did not include experience in the "exercise field" as a requirement for the ordinary level of skill. Dr. Almeroth said: "[w]ith respect to the '062 Patent, it is my opinion that a person of ordinary skill in the art around 2000 would have the equivalent of a four-year degree from an accredited institution (a Bachelor of Science degree and denoted 'B.S.') in computer science, computer engineering,

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electrical engineering, or the equivalent and experience with, or exposure to, computer software and computer networks." EX2005, Dkt. 64, pp. 13–14 (emphasis added).

The Board recently rejected a similar argument raised by Petitioner as to the level of skill in other IPRs. IPR2020-01186, Paper 52, pp. 17–18; IPR2020-01187, Paper 51, pp. 17–18. Thus, the Board should find here, as in those IPRs, that Petitioner's additional requirement related to the "exercise field" is improper.

Petitioner submits that no specific articulation of the level of skill is required for purposes of determining whether to institute trial. To the extent that the Board finds otherwise, Petitioner submits that the level of ordinary skill is as follows:

> A POSITA would have had a working knowledge of the remotely controlled exercise devices that are pertinent to the '062 Patent. That person would have a four-year degree from an accredited institution (a Bachelor of Science degree and denoted "B.S.") in computer science, computer engineering, electrical engineering, or the equivalent and experience with, or exposure to, computer software and computer networks. Additional graduate education could substitute for professional experience, while significant experience in the field might substitute

for formal education.

This is the same articulation of the level of skill set forth by Petitioner in the -342

Petition. Paper 1, p. 19.

C. The Petition Fails to Demonstrate Obviousness in View of Studor (Ground 1)

1. Studor fails to disclose a "user interface device communicating with the exercise mechanism and configured to gather one or more user control signals from the user" (claim 49).

Petitioner's reliance on the "user interface" of the "computer system 16" of

Studor as to this limitation is misplaced. Studor states that the "computer system

16 [is used] to control the resistance system 22 of the exercise equipment 12."

EX1005, 5:4–9. As shown in Figure 1, reproduced below, Studor describes the

computer system 16 as being separate from, and not included as part of, the

exercise equipment 12.

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FIG. 1

The Petition does not explain how the computer system 16, which Studor teaches as being separate from the exercise equipment, is part of an "exercise device." In fact, the Petition and Petitioner's expert do not even recognize this deficiency, much less attempt to address it. Thus, even if the computer system 16 of Studor were found to disclose the claimed "interface means," such teaching would fail to disclose the features of claim 49, which requires that the "interface means" be part of an "exercise device."

The Petition also points to the keypad and LCD display 72 shown in Figure 2 of Studor. Pet., p. 15. However, claim 49 also recites that the "user interface device" is "configured to gather one or more user control signals from the user." In addressing this aspect of claim 49, the Petition exclusively looks to the computer

system 16 (and its software 18) of Studor. *Id.*, pp. 17–18. As discussed above, this deficiency is a critical fault that propagates throughout the entirety of this claim element.

2. Studor fails to disclose a "communicating mechanism in communication with the user interface device and adapted to enable transmission of the user control signals to a remote communication system, the communicating mechanism being further adapted to receive a packetized second signal including synchronized control signals from the remote communication system"/ a "control means, communicating with the exercise mechanism, for receiving one or more packetized control signals from the remote communication link for communicating packetized data between the local computer and the remote system, such that the local system may receive remote system data from the remote system" (claims 49, 78, and 85).

The Petition states that "Studor teaches a 'communicating mechanism' because the exercise system can receive media 20 over a network like the Internet." *Id.*, p. 18 (emphasis omitted). However, Studor states that the computer system 16 uses the media 20 to operate the exercise system 10. EX1005, 4:28–37.

Moreover, the Petition does not demonstrate what Petitioner regards in Studor as disclosing the claimed "remote communication system"/"remote system." With respect to claim 49, the Petition only includes a single, unexplained reference to the media 20 of Studor in this regard. Pet., p. 20. With respect to claims 78 and 85, the Petition appears to allege that the computer system 16 (not the media 20 as alleged with respect to claim 49) is a "remote communication system"/"remote system." *Id.*, pp. 25–26, 32–33. Petitioner's position on these claim limitations is inconsistent and unexplained.

Without demonstrating where these aspects of claims 49, 78, and 85 are taught in Studor, the Petition's analysis is deficient. The Board "should not be placed in the position to speculate as to the identity of the devices in [the prior art] [] that map to the [claim language] . . . , or how these unidentified devices relate to [the prior art's devices]" *Google*, p. 33.

Additionally, the Petition has failed to demonstrate that Studor discloses a "packetized second signal including synchronized control signals"/"one or more packetized control signals"/"packetized data." The Petition states that "because the media 20, which includes terrain data ('control signals'), is delivered via the Internet (packet-based networking system), the local network computer in computer system 16 would be receiving 'packetized' control signals from the media 20 located on the server." Pet., p. 20 (emphasis omitted). However, Studor's "terrain data" does not disclose "packetized control signals."

As a preliminary matter, iFIT notes that this issue has long been disputed throughout the -342 IPR. Petitioner's attempt to take a second bite at this issue should be rejected for the reasons discussed above in Section IV.A.

As explained in detail in the Dr. Easttom's declaration in the -342 Petition, "terrain data cannot control operation of the exercise device of itself and so cannot

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be a control signal." -342 IPR, EX2015, p. 43; *see id.*, pp. 44–50. Studor states that "[i]n response to the terrain characteristic information, a resistance is calculated and transmitted to the M-S converter 14, which provides appropriate control for the resistance system 22 of the exercise equipment 12." EX1005, 13:18–21. While Petitioner appears to rely upon this resistance calculation as to this claim limitation, the Petition merely includes large portions of apparent text from Studor without any explanation as to how that text is relevant to the claim limitations. Pet., pp. 19–21. This is yet another failure of the particularity requirement, and is particularly concerning because Petitioner should have known from the First Petition that this claim limitation would be in dispute.

As explained by Dr. Easttom:

Studor makes clear that the M-S converter 14 generates control data based on <u>both</u> the speed data as detected at the local device <u>and</u> terrain data. There is no teaching or suggestion in *Studor* . . . of how the terrain data itself (for example, the series of slopes shown in Figure 7) could possibly control the exercise device. Such data cannot control the exercise device and is **not** an operating parameter of the exercise machine. Instead, it is data, that is necessarily combined with the locally generated speed data, to determine the control data that is **then** able to control the exercise device.

-342 IPR, EX2015, pp. 45–46 (emphasis in original). Rather than attempting to address Dr. Easttom's well-reasoned and extensively developed criticisms of their arguments from the First Petition, Petitioner elected to merely copy and paste apparent text from Studor into the Petition without doing anything to clarify its position to the Board. In view of the foregoing, the Board should find that Petitioner has failed to demonstrate that Studor discloses the claimed "packetized second signal including synchronized control signals"/"one or more packetized control signals"/"packetized data." These deficiencies are more than sufficient to warrant denial of institution.

D. The Petition fails to Demonstrate Obviousness In View of Clem and Hickman (Ground 2)

1. Clem and Hickman fail to disclose a "user interface device communicating with the exercise mechanism and configured to gather one or more user control signals from the user" (claim 49).

The Petition states: "Clem teaches a console with an interactive interface ("user interface device") where the user can input commands ("gather one or more user control signals from the user"). Clem, Fig. 3 (user input), cl. 23 ("an interactive interface connected to the user's location, wherein commands related to the database can be entered at the user location.")" Pet., pp. 40–41 (emphasis omitted). Thus, the Petition's analysis is premised upon the "user input 96" of

Clem being a "user interface device" of an "exercise device" and that is "configured to gather one or more user control signals from the user." However, there is no discussion of the "user input 96" in Clem. Indeed, neither "user input" nor "96" appear anywhere in Clem except in Figure 3.



In an attempt to address this shortcoming of Clem, Dr. Houh references "commands related to the database" allegedly described in Clem. EX1003, ¶389 (emphasis omitted).

The term "database" only appears twice in Clem (both times in the claims). Neither the Petition nor Dr. Houh explain why "commands related to the database [that] can be entered at the user location" are akin to a "one or more user control signals from the user." For example, the Petition and Dr. Houh do not explain that "commands related to the database" are disclosed in Clem as being "from the user." Additionally, the Petition and Dr. Houh do not explain why "commands related to the database" would not have been understood by a POSITA to be "database commands," such as Structured Query Language (SQL) commands (SELECT, SELECT FIELD, etc.). EX2008, 12:50–13:10; *see id.*, Figure 3. With broad sweeping conclusions, Petitioner has failed to satisfy the particularity requirement with respect to this claim limitation.

VII. CONCLUSION

As demonstrated above, the Petition should be denied under at least §§311, 312, 314(a), and 325(d). Additionally, Petitioner fails to show a reasonable likelihood of prevailing on the asserted Grounds, and Petitioner is unable to meet its burden to prove unpatentability during trial. Thus, for at least the reasons discussed above, iFIT respectfully requests that the Board deny the Petition for inter partes review.

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Respectfully submitted,

Dated: <u>January 31, 2022</u>

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Certificate Under 37 C.F.R. §42.24(d)

The undersigned certifies that the foregoing Patent Owner's Preliminary Response, excluding any table of contents, certificates of service or word count, or appendix of exhibits, contains 10,717 words according to the word-processing program used to prepare this document (Microsoft Word), which is less than the 14,000 allowed under 37 C.F.R. §§42.24(a)(1)(i) and 42.24(b)(1)(i).

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Patent

Owner's Preliminary Response was served on January 31, 2022 by email to

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