

UNITED STATES INTERNATIONAL TRADE COMMISSION  
WASHINGTON, D.C.

Before The Honorable Clark S. Cheney  
Chief Administrative Law Judge

In the Matter of:

CERTAIN SMART THERMOSTATS, LOAD  
CONTROL SWITCHES, AND  
COMPONENTS THEREOF

Investigation No. 337-TA-1277

**RESPONDENTS' OPPOSITION TO CAUSAM ENTERPRISES, INC.'S  
MOTION TO STRIKE PORTIONS OF RESPONDENTS' REPLY BRIEF  
[MOT. NO. 1277-050]**

Causam's contingent motion is founded on a false equivalence between (1) Respondents' citation in their Post-Hearing Reply Brief to a PTAB Institution Decision<sup>1</sup> to support a legal proposition, and (2) Causam's reference in its Post-Hearing Rebuttal brief to statements allegedly made by ecobee in an IPR petition to support a factual proposition. According to Causam, there is equivalence because both sides are referencing "events that occurred after the hearing in this Investigation" and, therefore, both of the references "[s]hould be [s]tricken for the [s]ame [r]eason." Contingent Motion at 2. But the citations are not equivalent; there is a critical distinction. Respondents appropriately cite the PTAB Institution Decision as persuasive *authority* to support the legal concept that prior art can serve to invalidate a patent under 35 U.S.C. § 103 even if the art was considered by the examiner during prosecution. Causam, on the other hand, cites statements allegedly made by a party (ecobee) as *evidence* that supposedly tends to prove that Causam owns the asserted patents.

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<sup>1</sup> "PTAB Institution Decision" refers to the PTAB's Decision Granting Institution of Inter Partes Review, IPR2022-00404, Paper No. 10 (PTAB July 22, 2022), attached as Exhibit A to Respondents' Post-Hearing Reply Brief.

There is no legitimate basis to strike Respondents' citation to the PTAB's recent Institution Decision. Nothing in the law or the Ground Rules prevents Respondents from doing so, and tellingly, Causam cites no legal authority to support its argument. Causam's Contingent Motion should be denied.

### **I. Causam Ignores the Distinction Between “Authority” and “Evidence”**

Causam's Motion is based on an incorrect depiction of the difference between “authority” and “evidence.” Causam does not argue that Respondents are precluded from citing post-Hearing authority, nor is there any rule or principle that prevents Respondents from doing so. Causam instead mischaracterizes Respondents as citing the PTAB Institution Decision as “evidence” (Contingent Motion at 3) and then argues that if its own citation to outside-the-record evidence is stricken then Respondents' reference to the PTAB Institution Decision must also be stricken.

Authority is “[a] source, such as a statute, case, or treatise, cited in support of a legal argument.” *AUTHORITY*, Black's Law Dictionary (11th ed. 2019); *see also id.* (“A legal writing taken as definitive or decisive; esp., a judicial or administrative decision cited as a precedent ... The term includes not only the decisions of tribunals but also statutes, ordinances, and administrative rulings.”). Specifically, as applicable here, “persuasive authority” is “authority that carries some weight but is not binding on a court, often from a court in a different jurisdiction.” *Id.* The PTAB Institution Decision is precisely that—a non-binding decision of a tribunal, cited in support of Respondents' legal argument.

Evidence, in contrast, is “[s]omething (including testimony, documents, and tangible objects) that tends to prove or disprove the existence of an alleged fact.” *EVIDENCE*, Black's Law Dictionary (11th ed. 2019); *see also id.* (documentary evidence is “[e]vidence supplied by a

writing or other document, which must be authenticated before the evidence is admissible”). Causam’s citation to statements allegedly made by ecobee in its IPR petition falls within this definition for purposes of this analysis. Under Causam’s theory, ecobee’s IPR petition is a document containing statements by ecobee that allegedly concede that Causam owns the ’268 Patent. Causam seeks to use that document to resolve a disputed issue of fact, namely, whether Causam owns the ’268 Patent.

## II. Respondents Appropriately Cited the PTAB Institution Decision as Authority

Respondents cited the PTAB Institution Decision as persuasive legal authority—i.e., a decision that carries some weight but is not binding on the ALJ, cited in support of Respondents’ legal argument that prior art can be invalidating even if the art was previously considered by an examiner. As Respondents explained in their Post-Hearing Reply Brief, the “Ehlers” reference was considered during prosecution but can still serve as invalidating prior art:

Ehlers. Causam fails to properly develop any other arguments with respect to the obviousness combinations presented by Respondents. **For example, Causam argues that Ehlers was considered by the PTO (along with hundreds of other cited references) in prosecution of the ’268 and ’592 Patents. However, that does not mean that Ehlers cannot render the patents obvious, as the PTO confirmed by recently instituting an Inter Partes Review of the ’592 Patent based on an Ehlers ground (as well as a ground involving Chen). (See Attachment A (Decision Granting Institution of Inter Partes Review, IPR2022-00404, Paper No. 10 (PTAB July 22, 2022)).)** In instituting review, the PTAB specifically relied on paragraphs 16 and 79 of Ehlers as disclosing “actual value of power reduction[] is confirmed by measurement and verification” and paragraphs 79, 97, 175, and 178 of Ehlers as disclosing “the actual value of power to be reduced is a power supply value (PSV); wherein the PSV is generated at a control center, a meter, a submeter, a building control system, or any device or controller that measures power within the standard as supplied by regulatory bodies that govern regulation of the electric power grid.” *Id.* at 16–18, 23. Causam then ignores all of the relevant teachings of Ehlers—detailed in Respondents’ Post-Hearing Brief (at pp. 190–210)—when arguing that neither Ehlers nor its secondary references disclose generating M&V data. In truth, as noted above, both Ehlers and Framework describe generating M&V data in detail.

Respondents’ Post-Hearing Reply Brief at 85 (emphasis added).

Causam asserts that “decisions from the PTAB to institute an IPR are not ‘legal authority’” (Contingent Motion at 4)—but cites nothing to support its assertion. While the PTAB Institution Decision is not binding on the ALJ, there is no support for Causam’s argument that the decision does not qualify as persuasive legal authority.

Finally, Causam argues (Contingent Motion at 3) that Respondents improperly included the PTAB Institution Decision as Attachment A to their Post-Hearing Reply Brief. But Respondents were simply complying with Ground Rule 5(n), which *requires* parties to append to their briefs any cited unpublished decisions. There is no support for Causam’s argument that appended legal authority counts toward a party’s page limit.

### **III. Causam’s Attempt to Draw an Equivalency to Its Own Citation of Outside-the-Record Evidence Is Meritless**

Causam also argues that if it is prevented from citing statements in ecobee’s IPR petition then Respondents must be prevented from citing the PTAB Institution Decision. But, as explained above, Causam is citing ecobee’s alleged statements as *evidence*. Those statements are not legal authority. As explained in ecobee’s pending motion to strike, this distinction is notable because the *evidentiary* record in this case closed on July 1, 2022, and the alleged statements by ecobee are not in the record.<sup>2</sup> Causam did not seek (and the Contingent Motion does not seek) leave to supplement the evidentiary record to include ecobee’s IPR petition.

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<sup>2</sup> Notably, in its opposition to ecobee’s motion to strike (at 2), Causam argues that it is permitted to introduce the alleged statements from ecobee’s IPR petition because the Ground Rules do not limit a party from addressing in its reply brief *contentions* that could not have been raised in the pre-hearing brief. This is a strawman argument that misses the point. Causam’s Post-Hearing Rebuttal Brief does not contain a new *contention* that it owns the ’268 patent. The problem is that it cites new *evidence* (i.e., ecobee’s alleged statements in the IPR petition) that allegedly supports that existing contention. Nothing in the Ground Rules permits a party to cite in a post-hearing brief new *evidence* that is not in the record.

Rather, Causam simply tried to inject the new alleged evidence into its Post-Hearing Rebuttal Brief without leave to do so.

There was a robust and complete evidentiary record developed during discovery and presented at the Hearing, and the record establishes that Causam does not own all rights in any of the asserted patents. Unable to make a convincing ownership argument based on the evidentiary record, Causam argued in its Post-Hearing Rebuttal Brief that it must own the '268 patent because ecobee recently served Causam with an IPR petition for the patent and in doing so allegedly “admitted” ownership. That Causam is closing its case by trying to inject this type of “evidence” confirms what the evidentiary record establishes: Causam does not own the '268 patent.

Respondents respectfully request that the Chief ALJ deny Causam’s Contingent Motion in its entirety.

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*/s/ Kirk T. Bradley*

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