## UNITED STATES PATENT AND TRADEMARK OFFICE

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## BEFORE THE PATENT TRIAL AND APPEAL BOARD

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TIFFANY AND COMPANY, Petitioner,

v.

LAZARE KAPLAN INTERNATIONAL, INC., Patent Owner.

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Case IPR2015-00024 Patent 6,476,351

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Held: January 21, 2016

BEFORE: MICHAEL P. TIERNEY, MICHELLE R. OSINSKI, JEFFREY W. ABRAHAM, Administrative Patent Judges.

The above-entitled matter came on for hearing on Thursday, January 21, 2016, commencing at 10:00 a.m., at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.



## **APPEARANCES:**

### ON BEHALF OF THE PETITIONER:

WES MUSSELMAN, ESQ. RICARDO BONILLA, ESQ. ADAM R. SHARTZER, ESQ. Fish & Richardson 1717 Main Street, Suite 500 Dallas, Texas 75201

## ON BEHALF OF THE PATENT OWNER:

MEHAN ARJOMAND, ESQ. FAHD H. PATEL, ESQ. Morrison & Foerster, LLP 707 Wilshire Boulevard Los Angeles, California 90017-3543



1	PROCEEDINGS
2	
3	JUDGE ABRAHAM: Good morning. Welcome to
4	the Board. For this morning, we will hear argument in Case
5	Number IPR2015-00024, Tiffany and Company versus Lazare
6	Kaplan International concerning U.S. Patent Number 6,476,351.
7	Before we get to the introductions, I'd just like to
8	remind you that we do have Judge Osinski who is attending the
9	hearing by video and audio link, so I'd ask that you speak into the
10	microphone, including when you're doing initial introductions, so
11	that we can be sure that she can hear everybody. So with that, I'd
12	like to ask the counsels to please introduce yourselves, starting
13	with Petitioner.
14	MR. MUSSELMAN: Good morning, Your Honors.
15	My name is Wes Musselman. I'm with Fish & Richardson,
16	counsel for Petitioner, and with me are Attorneys Ricardo Bonilla
17	and Adam Shartzer. And I'll be splitting my presentation this
18	morning with Mr. Bonilla. We're counsel for Petitioner Tiffany
19	and Company.
20	JUDGE ABRAHAM: Thank you. Welcome.
21	Patent Owner?
22	MR. ARJOMAND: Good morning, Your Honors.
23	My name is Mehran Arjomand of Morrison & Foerster. With me
24	is Fahd Patel of Morrison & Foerster. We're here to represent
25	Patent Owner, LKI.



1	JUDGE ABRAHAM: Welcome. Now, according to
2	the January 4th, 2016 order, each side will have 45 minutes to
3	argue. Petitioner will go first and may reserve time for rebuttal.
4	Patent Owner may not reserve rebuttal time. I'll remind the
5	parties that Petitioner bears the burden of proving any proposition
6	of unpatentability by the preponderance of evidence and also
7	remind the parties that this hearing is open to the public and a full
8	transcript of it will become part of the record.
9	Judge Osinski has a copy of the demonstratives, but
10	please remember to mention each slide number during the
11	presentation so that will be recorded in the record accurately and
12	also to ensure that Judge Osinski can keep track and follow your
13	presentation.
14	With that I'll invite Petitioner to begin.
15	MR. MUSSELMAN: Your Honor, I have a courtesy
16	hard copy of the demonstratives if you're interested in seeing
17	them.
18	JUDGE ABRAHAM: Thank you.
19	MR. MUSSELMAN: Good morning, Your Honors.
20	As I mentioned, my name is Wes Musselman. I'm counsel for
21	Petitioner Tiffany and Company in this proceeding. We'd like to
22	reserve ten minutes or the rest of our allotted time for rebuttal.
23	So I'll just jump right into our presentation. Turning
24	to Slide 2, we've got an outline for our proposed presentation.
25	We're going to begin with the motion to exclude. We'll highlight



1	a few issues there, a summary of the claims at issue. We'll
2	address the claim construction issues, and then Mr. Bonilla will
3	handle the remainder of our presentation, covering a review of the
4	instituted grounds and the prior art and finish with addressing
5	secondary considerations.
6	So switching of Slide 3, we'll address the motion
7	to exclude.
8	And on Slide 4, we'd like to address four categories
9	of documents and information in our exclude. We feel it's
10	important to do because the Patent Owner's demonstratives,
11	approximately one-third of them, rely upon evidence that's been
12	objected to and is the subject of the motion to exclude.
13	The four general categories I've just mentioned the
14	highlights of, the first one is the expert declaration, primarily the
15	declaration of Dr. Bokor. Second will be the deposition transcript
16	of Dr. Christensen and accompanying materials. Third is the
17	declaration of Moryto the CFO of the Patent Owner, LKI. Fourth
18	one are a number of documents relied upon by Mr. Moryto and
19	LKI in an attempt to establish secondary considerations and
20	patentability through commercial success.
21	So moving to Slide 5, as shown on the screen, 37
22	CFR 42.65 governs expert testimony. I'm sure you know it well.
23	But it provides that expert testimony that doesn't disclose the
24	underlying facts or data upon which the opinion is based is
25	entitled to little or no weight.



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