Paper 7

Date: August 24, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

J SQUARED, INC. d/b/a UNIVERSITY LOFT COMPANY, Petitioner,

V.

SAUDER MANUFACTURING COMPANY, Patent Owner.

Case IPR2015-00774 Patent 8,585,136 B2

Before LINDA E. HORNER, JOSIAH C. COCKS, and JAMES A. WORTH, *Administrative Patent Judges*.

HORNER, Administrative Patent Judge.

DECISION
Institution of *Inter Partes* Review
37 C.F.R. § 42.108



I. INTRODUCTION

Petitioner, J Squared, Inc. d/b/a University Loft Company ("Petitioner"), filed a Petition requesting institution of an *inter partes* review of claims 1–14 of U.S. Patent No. 8,585,136 B2 ("the '136 patent," Ex. 1001). Paper 1 ("Pet."). Patent Owner, Sauder Manufacturing Company ("Patent Owner"), filed a Preliminary Response. Paper 6 ("Prelim. Resp."). We have jurisdiction under 35 U.S.C. § 314.

The '136 patent includes 14 claims. Claims 1 and 12 are independent. We have reviewed the Petition, the evidence cited therein, and the Preliminary Response. For the reasons set forth *infra*, we determine that Petitioner has demonstrated a reasonable likelihood of prevailing with respect to challenged claims 1, 2, and 4–14 of the '136 patent on at least one ground of unpatentability. Accordingly, pursuant to 35 U.S.C. § 314, we institute an *inter partes* review of these claims.

A. Related Matters

Patent Owner has sued Petitioner for infringing the '136 patent in Sauder Manufacturing Company v. J Squared, Inc. d/b/a University Loft Company, Case No. 3:14-cv-00962-JZ, pending in the United States District Court for the Northern District of Ohio ("the infringement litigation"). Pet. 2. The district court issued a Markman Order in the infringement litigation on June 9, 2015.

Petitioner also challenges claims 1, 2, and 4–14 of the '136 patent in a petition for *inter partes* review filed on March 27, 2015. *J Squared, Inc. v. Sauder Mfg. Co.*, Case IPR2014-00958 ("the related petition"). The challenges to the claims presented in the related petition are based on different grounds but on some of the same prior art as presented in the



present Petition. We are issuing concurrent decisions in the present petition and the related petition.

U.S. Patent Application No. 14/596,623, filed January 14, 2015, now pending, is a continuation of U.S. Patent Application No. 14/057,781 ('781 application), filed October 18, 2013, now U.S. Patent No. 8,960,787 B2 ('787 patent), which is a continuation of U.S. Patent Application No. 13/277,778, filed October 20, 2011, now the '136 patent, which Petitioner challenges in the present matter.

B. The '136 Patent

The '136 patent is directed to "a chair with a coupling companion stool base." Ex. 1001, 1:49. "The chair portion has a frame that may be supported above a generally horizontal surface by the base, which base releasably couples with the frame." *Id.* at 1:58–60. "When the frame is decoupled from the base, the frame forming the chair portion is adapted for use as casual floor rocker seating, and the base is adapted to provide a companion stool upon which a user may sit or, alternatively a side table which may be positioned adjacent to the chair portion." *Id.* at 2:17–22.



Figure 1 is reproduced below.

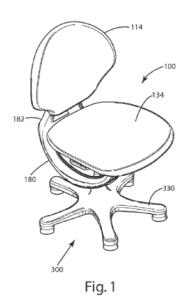


Figure 1 depicts a perspective view of a chair coupled to a companion stool base in a task chair configuration.

Figure 18 is reproduced below.

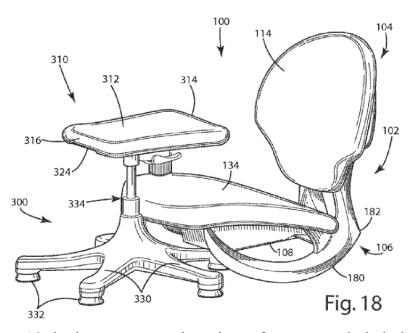


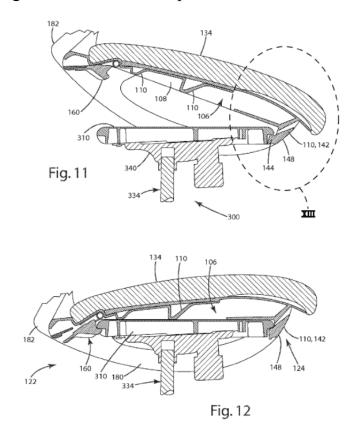
Figure 18 depicts a perspective view of an uncoupled chair and companion stool base in a nested configuration.

Figures 1 and 18 depict chair portion 100 and base portion 300 in coupled and uncoupled configurations, respectively. Ex. 1001, 4:21–23.



Chair portion 100 includes frame 102, which has upper portion 104 and lower portion 106. *Id.* at 4:24–26. Legs 180 extend generally downward from lower portion 106 and are configured as rockers, so as to render the chair portion capable of use as a floor rocker when the chair is set upon a generally horizontal supporting surface. *Id.* at 6:36–39, 45–46. Upper portion 104 provides a back rest and lower portion 106 includes a sitting portion. *Id.* at 4:33, 61–62. Base portion 300 has saddle 310, which is connected via post 334 to five legs 330. *Id.* at 7:20–28.

Figures 11 and 12 depict coupling of chair portion 100 and base portion 300. Figures 11 and 12 are reproduced below.



Figures 11 and 12 depict side elevation views showing coupling and uncoupling of chair portion and companion stool base portion, with a portion chair portion and stool base portion in cross section.



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