Paper 35

Date: June 27, 2016

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 IPR2015-00958 Patent 8,585,136 B2

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

HORNER, Administrative Patent Judge.

FINAL WRITTEN DECISION 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73



I. INTRODUCTION

A. Background

Petitioner, J Squared, Inc. d/b/a University Loft Company ("J Squared"), filed a Petition (Paper 1, "Pet.") requesting institution of an *inter partes* review of claims 1, 2, and 4–14 of U.S. Patent No. 8,585,136 B2 ("the '136 patent," Ex. 1001). Patent Owner, Sauder Manufacturing Company ("Sauder"), filed a Preliminary Response. Paper 6 ("Prelim. Resp.").

We instituted an *inter partes* review based on the grounds that claims 1, 2, 4, 5, 8, 9, and 11 are unpatentable under 35 U.S.C. § 103(a) as unpatentable over Yu¹ and Clark² and claims 6, 7, 10, and 12–14 are unpatentable under 35 U.S.C. § 103 as obvious over and Yu, Clark, and Kassai³. Paper 7 ("Decision" or "Dec."). Sauder subsequently filed a Patent Owner Response (Paper 13, "PO Resp."), to which J Squared replied (Paper 21, "Pet. Reply"). An oral hearing was conducted on April 21, 2016, and a transcript of that hearing has been entered into the record (Paper 34, "Tr.").

For the reasons explained below, and on the record now before us, we determine the following: (1) J Squared has shown by a preponderance of the evidence that claims 1, 2, 8, 9, and 11 are unpatentable as obvious of Yu and Clark; (2) J Squared has not shown by a preponderance of the evidence that claims 4 and 5 are unpatentable as obvious of Yu and Clark; (3) J Squared has not shown by a preponderance of the evidence that claims 6, 7, 10, and 12–14 are unpatentable as obvious over Yu, Clark, and Kassai.

³ U.S. Patent No. 4,723,813 issued to Kassai (Feb. 9, 1988) (Ex. 1005).



1

¹ U.S. Patent No. 6,554,353 B1 issued to Yu (Apr. 29, 2003) (Ex. 1002).

² U.S. Patent No. 4,285,543 issued to Clark (Aug. 25, 1981) (Ex. 1004).

B. Related Matters

Sauder has sued J Squared 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. Ex. 2001.

J Squared also challenged claims 1–14 of the '136 patent in a petition for *inter partes* review filed on February 19, 2015. *J Squared, Inc. v. Sauder Mfg. Co.*, Case IPR2015-00774 ("the related petition"). We instituted *inter partes* review of claims 1, 2, and 4–14 in the related petition and consolidated the proceedings solely for the purpose of conducting an oral hearing. We issue concurrently with this decision a separate Final Written Decision in the related proceeding.

U.S. Patent Application No. 14/596,623, filed January 14, 2015, now U.S. Patent No. 9,370,249, issued June 21, 2016, 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. J Squared also challenged claims 1–21 of the '787 patent in a petition for *inter partes* review filed on December 29, 2015. *J Squared, Inc. v. Sauder Mfg. Co.*, Case IPR2016-00413 ("the '413 IPR"). Sauder filed a Patent Owner Preliminary Response, and the Board issued a decision in the '413 IPR denying institution on June 9, 2016.



C. 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. The '136 describes:

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.

Figures 1 and 18 depict chair portion 100 and base portion 300 in coupled and uncoupled configurations, respectively. *Id.* at 4:21–23. Figures 1 and 18 are reproduced below.

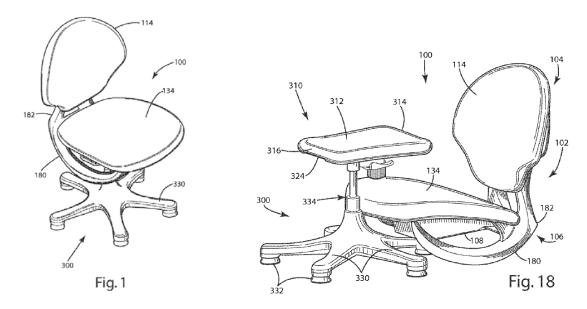
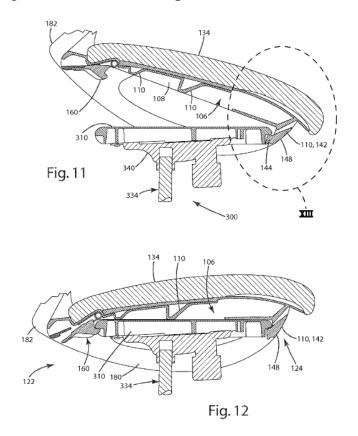


Figure 1 depicts a perspective view of a chair coupled to a companion stool base in a task chair configuration. Figure 18 depicts a perspective view of an uncoupled chair and companion stool base in a nested configuration.



As depicted in Figures 1 and 18, 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, 6:45–46. Upper portion 104 provides a back rest and lower portion 106 includes a sitting portion. *Id.* at 4:33, 4:61–62. 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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