Paper 33

Entered: May 29, 2018

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

.....

NIKE INC., Petitioner,

v.

JEZIGN LICENSING, LLC, Patent Owner.

Case IPR2017-00246 Patent 6,837,590 B2

Before KRISTEN L. DROESCH, PHILLIP J. KAUFFMAN, and GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

DROESCH, Administrative Patent Judge.

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



I. INTRODUCTION

We have jurisdiction to hear this *inter partes* review under 35 U.S.C. § 6, and this Final Written Decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73. For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1–3 ("the challenged claims") of U.S. Patent No. 6,837,590 B2 (Ex. 1001, "the '590 Patent") are unpatentable.

A. Procedural History

Nike Inc. ("Petitioner") filed a Petition for *inter partes* review of the challenged claims. Paper 3 ("Pet."). Jezign Licensing, LLC ("Patent Owner") timely filed a Preliminary Response. Paper 11. Pursuant to 35 U.S.C. § 314, we instituted trial on May 30, 2017, as to the challenged claims of the '590 Patent (Paper 12, "Institution Decision" or "Dec.") and on May 2, 2018, we modified the Institution Decision to institute review of all challenged claims on all grounds presented in the Petition (Paper 30, "SAS Order"). Accordingly, this *inter partes* review includes the following challenges: (1) claims 1 and 2 as unpatentable under 35 U.S.C. § 102(a) and (b)¹ in view of Shkalim²; (2) claim 3 as unpatentable under 35 U.S.C. § 103 in view of Shkalim and Powell³; (3) claims 1 and 2 as unpatentable under 35

³ Powell, U.S. 4,130,951, issued Dec. 26, 1978 (Ex. 1006, "Powell").



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¹ The Leahy-Smith America Invents Act ("AIA") included revisions to 35 U.S.C. § 100 *et seq.* effective on March 16, 2013. The '590 patent issued from an application filed before March 16, 2013; therefore, we apply the pre-AIA versions of the statutory bases for unpatentability.

² Shkalim, EP 0 534 560 A1, published Mar. 31, 1993 (Ex. 1003, "Shkalim").

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U.S.C. § 102(a) and (b) in view of Chien⁴; (4) claim 3 as unpatentable under 35 U.S.C. § 103(a) in view of Chien and Powell; (5) claims 1 and 2 as unpatentable under 35 U.S.C. § 102(a) and (b) in view of Chiaramonte⁵; and (6) claim 3 as unpatentable under 35 U.S.C. § 103(a) in view of Chiaramonte and Powell. *See* Dec., 33; *SAS* Order, 2.

After institution of trial, Patent Owner filed a Patent Owner Response (Paper 16, "PO Resp."), to which Petitioner filed a Reply (Paper 24, "Reply"). Petitioner relies on a Declaration of Lance Rake (Ex. 1002) to support its position. Petitioner also filed Objections to Evidence (Paper 17) and a Motion to Exclude Evidence (Paper 25). Patent Owner opposed the Motion to Exclude (Paper 27) and Petitioner submitted a Reply in support of its Motion to Exclude (Paper 29). An oral argument was held on February 28, 2018. A transcript of the oral argument is included in the record. Paper 30 ("Tr.").

B. Related Matters

The parties identify the following district court cases that would affect or be affected by a decision in the instant proceeding: *Jezign Licensing*, *LLC v. Nike Inc.*, Case No. 16-cv-1192-TDC (D. Md.); and *Jezign Licensing*, *LLC v. Bebe Stores*, *Inc.*, Case No. 16-cv-1191-TDC (D. Md.). Pet. 1; Paper 5, 2. Patent Owner additionally identifies the following district court case: *Jezign Licensing*, *LLC v. Skechers U.S.A.*, *Inc.*, Case No. 8:16-cv-1193 (D. Md.). Paper 5, 2.

⁵ Chiaramonte, Jr., U.S. 4,112,601, issued Sept. 12, 1978 (Ex. 1005, "Chiaramonte").



⁴ Chien, U.S. 5,865,523, issued Feb. 2, 1999 (Ex. 1004, "Chien").

C. The '590 Patent (Ex. 1001)

The '590 Patent is directed to "shoes including soles that are switchably illuminated." Ex. 1001, 1:11–14. The '590 Patent describes as background that night safety for outdoor exercisers is an ongoing concern to motorists. *See id.* at 1:17–25. "Some athletic shoes include illuminated portions on the shoe upper," "[o]ther athletic shoes contain illuminated portions in the heel," and "still other athletic shoes contain illuminated regions in the instep portion of the sole." *Id.* at 1:54–58. According to the '590 Patent, "[t]ypically, the light sources for these shoes are activated each time the wearer's foot makes contact with a surface and they remain active for a very limited duration (strobe, blink or flash). Thus, the wearer has extremely limited control over the duration of illumination." *Id.* at 1:58–63.

Figure 3 of the '590 Patent is reproduced below.

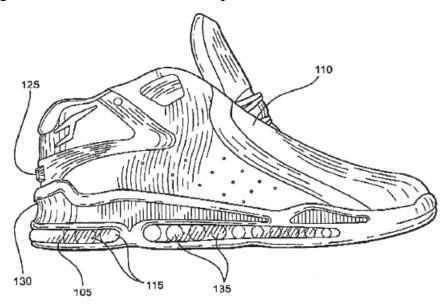


Figure 3 depicts "a side view of a shoe in accordance with the invention." *Id.* at 2:25–26. The shoe of Figure 3 includes sole 105 attached to upper 110. *See id.* at 4:2–3. Sole 105 includes translucent perimeter surface 115. *See id.* at 4:3–4.



Figure 4 of the '590 Patent is reproduced below.

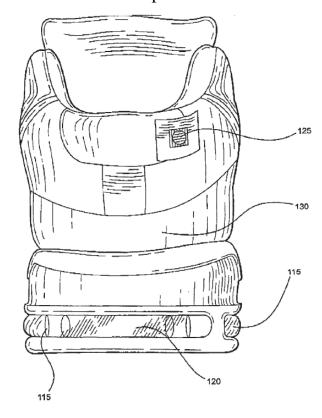


Figure 4 depicts "a rear view of shoe in accordance with the invention." *Id.* at 2:27–28. Translucent perimeter surface 115 has light source 120 disposed therein, and preferably connected to push-button switch 125 disposed on rear quarter 130. *See id.* at 4:3–7. "[L]ight source **120** may comprise a plurality of light emitting devices **135** contiguously positioned so as to appear to form a substantially uniform illustration pattern across perimeter surface **115**." *Id.* at 4:12–16.

The '590 Patent further discloses the shoe employs push-button switch 125 to facilitate continuous illumination of light source 120 when activated. *See* Ex. 1001, 4:17–19. "Continuous illumination provides greater user control of the duration and timing of illumination and provides increased visibility over prior art shoes that employ blinking, strobing,



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