

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SMITH & NEPHEW, INC.,
Petitioner,

v.

COMFORMIS, INC.,
Patent Owner.

Case IPR2017-00373 (Patent 8,551,169 B2)

Case IPR2017-00510 (Patent 7,981,158 B2)

Case IPR2017-00511 (Patent 7,981,158 B2)

Record of Oral Hearing
Held: March 13, 2018

Before PATRICK R. SCANLON, BEVERLY M. BUNTING, JAMES A. WORTH, and AMANDA F. WIEKER, *Administrative Patent Judges*.

Case IPR2017-00373 (Patent 8,551,169 B2)
Case IPR2017-00510 (Patent 7,981,158 B2)
Case IPR2017-00511 (Patent 7,981,158 B2)

APPEARANCES:

ON BEHALF OF THE PETITIONER:

CHRISTY G. LEA, PARTNER
Knobbe, Martens
2040 Main Street
14th Floor
Irvine, California 92614
(949) 760-0404

ON BEHALF OF THE PATENT OWNER:

SANYA SUKDUANG, PARTNER
Finnegan, Henderson, Farabow,
Garrett & Dunner, LLP
901 New York Avenue Northwest
Washington, D.C. 20001
(202) 408-4377

The above-entitled matter came on for hearing on Tuesday, March 13, 2018, commencing at 10:00 a.m., at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.

Case IPR2017-00373 (Patent 8,551,169 B2)
Case IPR2017-00510 (Patent 7,981,158 B2)
Case IPR2017-00511 (Patent 7,981,158 B2)

1 PROCEEDINGS

2 - - - - -

3 JUDGE WIEKER: Good afternoon, everyone. This is a consolidated
4 oral hearing for case numbers IPR2017-00373, IPR2017-00510,
5 IPR2017-00511, between Petitioner Smith and Nephew, Inc. and Patent
6 Owner, Conformis, Inc. The '373 proceeding concerns U.S. Patent Number
7 8,551,169 and the '510 and '511 proceedings concern U.S. Patent Number
8 7,981,158. I'm Judge Wieker. I'm accompanied by Judge Worth and Judge
9 Bunting for the '373 proceeding, and with respect to the '510 and '511
10 proceedings, I'm accompanied by Judge Worth and Judge Scanlon. Judge
11 Bunting and Judge Scanlon are appearing remotely. Counsel for the parties,
12 please introduce yourselves for the record starting with Petitioner.

13 MS. LEA: Good morning, Your Honor. This is Christy Lea from
14 Knobbe Martins for Petitioner Smith and Nephew. With me are my partners
15 Ben Anger and Colin Heideman. I also have two partners observing today.

16 JUDGE WIEKER: Thank you. Patent Owner.

17 MR. SUKDUANG: Good morning, Your Honor. Sanya Sukduang
18 from Finnegan and Henderson on behalf of the Patent Owner Conformis. I
19 have with me my colleague Tim McAnulty, Kassandra Officer, Sydney
20 Kaetle, Dan Klodowski, and from Conformis, Patricia Davis.

21 JUDGE WIEKER: As we stated in our amended hearing order from
22 February 28th, each party will have a total of 40 minutes to present
23 arguments for all three proceedings. Petitioner will proceed first and may
24 reserve rebuttal time. Patent Owner will respond to Petitioner's case and
25 may not reserve rebuttal time. Petitioner will then use any reserved rebuttal

Case IPR2017-00373 (Patent 8,551,169 B2)

Case IPR2017-00510 (Patent 7,981,158 B2)

Case IPR2017-00511 (Patent 7,981,158 B2)

1 time to share their response to Patent Owner's case. I'd like to remind the
2 parties that Petitioner bears the burden of proving any proposition of
3 unpatentability by a preponderance of the evidence. Also, this is a reminder
4 the hearing is open to the public and a full transcript of the hearing will
5 become part of the record. Finally, please bear in mind that Judge Bunting
6 and Judge Scanlon are attending this hearing by video. Please identify
7 clearly and specifically each demonstrative exhibit, for example, by slide or
8 screen number, to ensure the clarity of the transcript and to ensure that our
9 remote Judges can follow your presentation. With that, Ms. Lea, you may
10 begin. Would you like to reserve any rebuttal time?

11 MS. LEA: I would, I'd like to reserve 10 minutes.

12 JUDGE WIEKER: Okay.

13 MS. LEA: And may I hand up my slides?

14 JUDGE WIEKER: Of course. Whenever you're ready, please
15 proceed.

16 MS. LEA: Certainly. We can start with slide 2. Slide 2 gives an
17 outline. Today I'm going to talk about the challenged patents, the prior art,
18 as well as the motivation to combine the prior art and finally I will address
19 Conformis's co-registration arguments. We'll move on to slide 3. Slide 3
20 shows Claim 1 from the '158 patent and I know it looks like a long claim but
21 it's actually really simple when you boil it down. All of the challenged
22 claims are method claims. Method of making a patient-specific instrument,
23 just like Claim 1 here, and the claims require obtaining first image data and
24 obtaining second image data. And the first image data is used to make the

Case IPR2017-00373 (Patent 8,551,169 B2)

Case IPR2017-00510 (Patent 7,981,158 B2)

Case IPR2017-00511 (Patent 7,981,158 B2)

1 patient-specific surface of the instrument, and the second image data is used
2 to orient the guide that aligns the cuts on the instrument.

3 JUDGE WORTH: Can I ask you, counselor, why would you
4 underline and bold “surface of the joint”?

5 MS. LEA: I'm glad you asked. So, the patient-specific surface
6 matches the surface of the joint, and the surface of the joint in the '158 IPR
7 is a construed term and I believe we have that claim construction on the next
8 slide, slide 4. So, if you recall from the past two hearings those arguments
9 were about whether the claims require matching cartilage and whether the
10 prior art disclosed matching cartilage. Some of the claims in those past two
11 cases require matching articular surface and the Board construed that surface
12 just like it had in the '158 IPR, to mean the surface of an articulating bone
13 that included cartilage and/or exposed subchondral bone. So, in this case the
14 claims can match cartilage or bone or both. And Conformis is not disputing
15 that the prior art discloses matching bone, so there's no dispute about
16 cartilage in this hearing.

17 JUDGE WORTH: Do you think that the construction of (inaudible)
18 the '373 case?

19 MS. LEA: In the '169 patent, yes, it does. In that case you're
20 matching the joint which would include the bone or cartilage or both.

21 JUDGE WORTH: Can you walk us through how it applies to the
22 CAOS and Swaelens references in terms of matching the surface of the
23 joint?

24 MS. LEA: Sure. So, those references disclose a patient-specific
25 instrument that matches the surface of the joint. CAOS, for example, uses

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.