### UNITED STATES PATENT AND TRADEMARK OFFICE

### BEFORE THE PATENT TRIAL AND APPEAL BOARD

Skechers U.S.A. Inc., Petitioner,

v.

Nike Inc., Patent Owner.

Case IPR2017-00620 (Patent D723783) Case IPR2017-00621 (Patent D723781)

> Record of Oral Hearing Held: April 12, 2018

Before KEN B. BARRETT, GRACE K. OBERMANN, and SCOTT A. DANIELS, *Administrative Patent Judges*.



### **APPEARANCES:**

### ON BEHALF OF THE PETITIONER:

MICHAEL R. FLEMING, ESQUIRE SAMUEL K. LU, ESQUIRE TALIN GORDNIA, ESQUIRE Irell & Manella LLP 1800 Avenue of the Stars, Suite 900 Los Angeles, California 90067

### ON BEHALF OF THE PATENT OWNER:

ERIK S. MAURER, ESQUIRE CHRISTOPHER J. RENK, ESQUIRE AUDRA C. EIDEM HEINZE, ESQUIRE Banner & Witcoff, Ltd. Ten South Wacker Drive, Suite 3000 Chicago, Illinois 60606

The above-entitled matter came on for hearing on Thursday, April 12, 2018, commencing at 10:00 a.m., at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.



| 1  | PROCEEDINGS   |
|----|---|
| 2  |   |
| 3  | JUDGE OBERMANN: Please be seated. Good morning. This is a                       |
| 4  | little different from what I'm used to; usually the petitioner's over there and |
| 5  | the patent owner's over there, but I will make the adjustments. Welcome to      |
| 6  | the PTAB. This is the final hearing it's a combined final hearing in IPR        |
| 7  | 2017-00620 and IPR 2017-00621.  |
| 8  | I'm Judge Obermann, and to my right is Judge Barrett. Today, we                 |
| 9  | have appearing remotely from New Hampshire, Judge Daniels he's on the           |
| 10 | screen to my left. This means that the counsel who's presenting argument        |
| 11 | has to be very careful to identify exhibits by number, please. I noticed that   |
| 12 | one party and I'm not to call you out by name in their briefs they refer to     |
| 13 | things like the Anders Declaration and the Ball transcript, that's not as       |
| 14 | helpful to us as the number of the exhibit. So, please refer to the numbers of  |
| 15 | the exhibits and the numbers of your demonstratives, especially so that         |
| 16 | Judge Daniels can pull them up on his screen in New Hampshire.                  |
| 17 | Let's start with introductions; I'll start with Petitioner. Who do we           |
| 18 | have for Petitioner, today?   |
| 19 | MR. FLEMING: Yes, Your Honor. Mike Fleming with Irell &                         |
| 20 | Manella, representing Skechers, the Petitioner; and I would like to introduce   |
| 21 | Sam Lu who is the lead counsel and Talin Gordnia.                               |
| 22 | JUDGE OBERMANN: Hello; thank you.   |
| 23 | MR. FLEMING: I also have our slides to hard copy. May I present                 |
| 24 | them?   |



| 1  | JUDGE OBERMANN: Absolutely; thank you. Mr. Fleming, will                     |
|----|--|
| 2  | you be presenting argument or will you be splitting your argument time with  |
| 3  | co-counsel?  |
| 4  | MR. FLEMING: I'm going to allow Mr. Lu to begin, and then Talin.             |
| 5  | JUDGE OBERMANN: Thank you very much. Okay; and who do we                     |
| 6  | have for Patent Owner today?   |
| 7  | MR. MAURER: Good morning, Your Honor. My name is Eric                        |
| 8  | Maurer. I'll be arguing on behalf of Nike. With me is lead counsel, Mr.      |
| 9  | Christopher Renk.  |
| 10 | MR. RENK: Good morning.  |
| 11 | JUDGE OBERMANN: Good morning.  |
| 12 | MR. MAURER: And Audra Eidem Heinze; and also with us today is                |
| 13 | Brian Fogarty. Mr. Fogarty is the Vice President of Global IP Litigation and |
| 14 | Brand Protection for Nike.   |
| 15 | JUDGE OBERMANN: Thank you. I think we have one more person                   |
| 16 | in the room that wasn't identified. Do we want to identify our last person?  |
| 17 | MR. JOHNSON: Jamie Johnson with FTILB, filming the                           |
| 18 | presentation today.  |
| 19 | JUDGE OBERMANN: Thank you.   |
| 20 | MR. JOHNSON: Thank you.  |
| 21 | MR. RENK: May I present hard copies of the demonstratives?                   |
| 22 | JUDGE OBERMANN: Absolutely; thank you. Mr. Maurer, did you                   |
| 23 | already tell me who's going to be presenting argument?                       |
| 24 | MR. MAURER: I will, Your Honor. I don't think I did, but I will.             |
| 25 | JUDGE OBERMANN: Okay. Before we get going, I just wanted to                  |
| 26 | go over a couple of things. I'm in receipt of the paper that was filed       |



- 1 regarding Paper 51, which is the sealed version of the Petitioner's reply brief,
- 2 I believe. Is it my understanding that document can be unsealed in its
- 3 entirety?
- 4 MS. HEINZE: Yes, Your Honor. The issue that was raised via email
- 5 to the Board is no longer an issue, (inaudible) so that Paper 51 (inaudible)
- 6 can be restored to public.
- 7 JUDGE OBERMANN: Great; thank you. And that the information
- 8 was actually owned by Patent Owner, is that correct? And that was
- 9 allegedly confidential?
- MS. HEINZE: It was owned by Petitioner.
- JUDGE OBERMANN: Oh, it was; okay. But you agree, Mr. Maurer,
- that can be opened to the public?
- 13 MR. MAURER: We agree.
- 14 JUDGE OBERMANN: Great. So, I set down some ground rules in
- 15 the hearing order. I want to make sure that we don't blur the evidence
- between the cases. They're very similar, but they are different patents; so, to
- 17 the extent that you can make sure that you let us know how you're dividing
- 18 up your argument -- that would be helpful. I've reviewed with the Panel the
- objections to the demonstrative exhibits, and we're overruling those
- 20 objections. We're going to let both sides refer to whichever demonstratives
- 21 they would like. Those demonstratives are not evidence, they're just visual
- 22 aids for us and we'll take into account your objections, but we are quite
- competent to discern when there's new evidence in a demonstrative; and we
- are also quite skilled at figuring out whether, for example, there's something
- 25 misleading or it exceeds the scope of a proper responsive brief.



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