

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FREEBIT AS,

Petitioner,

v.

BOSE CORPORATION,

Patent Owner.

Case IPR2017-01309

Patent 9,036,853

**PETITIONER REPLY TO
PATENT OWNER PRELIMINARY RESPONSE**

I. The Documents on Which Inventor Annunziato Relies Lack Corroboration

Corroboration is a requirement seldom considered in IPRs but frequently considered in interferences. *See generally* Gholz and Harrison, *Antedating Prior Art in PTAB Patentability Trials*, 90 PTCJ 2571 (July 10, 2015). Accordingly, Petitioner invites the panel’s attention to *Nickles v. Montgomery*, 78 USPQ2d 1410, 1413 (B.P.A.I. 2005):

The cited pages of Hawthorne’s notebook have not been witnessed by any non-inventor and whatever activity is reflected by the entries lacks independent corroboration. It is well established that an inventor’s own testimony [and documents authored by an inventor] requires independent corroboration. *See e.g., Cooper v. Goldfarb*, 154 F.3d 1321, 1329, 47 USPQ2d 1896, 1903 (Fed. Cir. 1998).

Since the documents on which Mr. Annunziato relies (Exhibits A-G) lack independent corroboration, and Mr. Annunziato has not even been subject to cross-examination, Mr. Annunziato’s declaration, Ex. 2001, is insufficient to establish an actual reduction to practice (“ARP”).

II. Petitioner Has Not Had an Opportunity to Cross-Examine Patent Owner’s Sole Declarant

The panel in *Corning Inc. v. DSM IP Assets B.V.* (IPR2013-00053, paper 66) concluded that Rule 131 practice does not control an antedating effort in an *inter partes* review, at least in part, because “in examination and reexamination (both ex

parte and inter partes), no discovery is allowed.” Due to the lack of discovery in examination and reexamination, the *Corning* panel explained that it was prudent to require testimony from all inventors under Rule 131 practice in order to safeguard against, for example, a single inventor’s inaccurate memory.

Here, prior to institution and the opportunity to conduct discovery, it would be premature to conclude that Patent Owner has met its burden of production. That is, absent a complete record including the safeguards of cross-examination, this panel is unable to determine the sufficiency of Patent Owner’s antedating effort.

III. The Annunziato Declaration Fails to Show a Physical Embodiment Which Responded to All of the Claim Limitations at Issue

The challenged claims are directed to an earphone comprising, among other things, a housing containing an acoustic driver and an ear interface comprising a body and a retaining member. It is well settled that “[t]here cannot be a reduction to practice of the invention . . . without *a physical embodiment* which includes all limitations of the claim.” *UMC Elecs. Co. v. United States*, 816 F.2d 647, 652 (Fed. Cir. 1987) (emphasis added). “It is equally well established that every limitation of the [claim] must exist *in the embodiment* and be shown to have performed as intended.” *Newkirk v. Lulejian*, 825 F.2d 1581, 1582 (Fed. Cir. 1987) (emphasis added). Moreover, an equivalent of a physical embodiment does not satisfy the first requirement of an ARP. *Eaton v. Evans*, 204 F.3d 1094, 1097-98

(Fed. Cir. 2000) (holding that a party cannot obviate the first requirement of constructing a physical embodiment through evidence of testing an equivalent).

Notably, the claim chart attached to Exhibit 2001 substantially relies upon a combination of a “non-working” prototype, CAD drawings, and a “working” prototype in a failed effort to establish that Patent Owner had a physical embodiment that includes all of the challenged claims’ limitations at issue.

IV. If Patent Owner Had an ARP in March 2009, It Forfeited Its Right to Rely On that ARP

If the panel rules that Patent Owner had an ARP as early as March 2009 as asserted on page 18 of the Patent Owner Preliminary Response,¹ then Patent Owner forfeited its right to rely on that ARP by waiting over seventeen months to file its patent application. *See generally Paulik v. Rizkalla*, 760 F.2d 1270, 1275, 226 USPQ 224, 228 (Fed. Cir. 1985) (in banc) (“*Paulik I*”):

We affirm the long-standing rule that too long a delay [in filing a patent application] may bar the first inventor from reliance on an early reduction to practice in a priority contest.

¹ Other passages of the Preliminary Response indicate that the claims of the ‘853 patent were reduced to practice no later than May 26, 2009. See e.g., page 2, line 5.

While *Paulik I* was an interference, it was based the 35 USC § 102(g) language concerning “suppression or concealment” of an invention, which is of course equally applicable to this IPR. Similarly, although *Paulik II*, 796 F.2d 456, 230 USPQ 434 (Fed. Cir. 1986), makes it clear that if, after a party such as Patent Owner temporarily suppresses or conceals the invention, it later resumes work on the invention, it can rely on the work that it did after its resumption of work on the invention, Patent Owner offered no evidence of resumed work on the invention.

Moreover, Mr. Annunziato’s testimony (¶ 6) that his team put in hundreds (if not thousands) of hours trying out and testing different designs for ear interfaces is not credible. As pointed out in the petition (pages 20-21), aside from the earphone having some type of retaining member used for stabilizing the earphone in a user’s outer ear, which was well-known in the art at the time of filing of the ’853 patent, the earphone disclosed in Patent Owner’s prior art reference, Sapiejewski, is nearly identical to that disclosed in the ’853 patent. (*See* Ex. 1005, 1006; Ex. 1003, ¶¶ 63-64, 73).

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Respectfully submitted,

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