

By: Daniel W. McDonald (dmcDonald@merchantgould.com)
Merchant & Gould P.C.
3200 IDS Center
80 South 8th Street
Minneapolis, MN 55402
Tel: (612) 332-5300
Fax: (612) 332-9081

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CARDIOCOM, LLC
Petitioner

v.

ROBERT BOSCH HEALTHCARE SYSTEMS, INC.
Patent Owner

Case IPR2013-00468
Patent 7,516,192

**PETITIONER'S REPLY IN SUPPORT OF
MOTION TO EXCLUDE EVIDENCE**

I. Introduction

Patent Owner's Opposition to Petitioner's motion to exclude suffers a fatal flaw in that Patent Owner can not satisfy its burden of making a *prima facie* showing of a nexus between its proposed secondary considerations evidence and the claimed invention. Moreover, the *Demaco* case on which Patent Owner relies so heavily requires that "the *patentee* show[s] both that there is commercial success, **and** that the thing (product or method) that is commercially successful is the invention disclosed and claimed in the patent." Opp. at 5 (emphasis added). Here, Patent Owner and its expert Dr. David fails to show that the Health Buddy practiced the claims of the '192 patent and fails to show that it was successful.

The best Patent Owner can do in its Opposition is cite vague references by Dr. David to "the scripting features that are claimed in the '192 patent." Opp. at 7. But Dr. David never explains how the scripting features work or how they match up to the invention disclosed and **claimed** in the patent. Moreover, Patent Owner's argument on scripting contradicts Dr. David's representations that the simplicity of the four-button design of the Health Buddy is what allegedly made it successful.

Further, Patent Owner talks out of both sides of its mouth when discussing its use of hearsay evidence to argue in favor of secondary considerations. Patent Owner disclaims the use of out-of-court statements from Bosch personnel and the named inventor by stating, "[The challenged] evidence **is not offered for the truth**

of the matter asserted.” Opp. at 12 (emphasis added). Yet, as explained below, that’s exactly how Patent Owner uses them. This is improper under FRE 802, and the Board should exclude such hearsay statements.

II. Argument

A. The Patent Owner Bears The Burden Of Making A *Prima Facie* Case of a Nexus to Commercial Success Under the Proper Legal Analysis.

Even under the most patentee-friendly case law cited by Patent Owner, the legal standard for secondary considerations evidence requires the patentee to first make a *prima facie* case that “there is commercial success, and that the thing (product or method) that is commercially successful is the invention disclosed and claimed in the patent.” Opp. at 5 (quoting *Demaco Corp. v. F. Von Langsdorff Licensing, Ltd.*, 851 F.2d 1387, 1392 (Fed. Cir. 1988)). Moreover, more recent case law not cited by Patent Owner requires that Patent Owner also show that any alleged commercial success is tied to claimed features, and not to features found in the prior art. *Ormco Corp. v. Align Tech., Inc.*, 463 F.3d 1299, 1312-13 (Fed. Cir. 2006).¹

¹ Plaintiff’s explanation of the holding in *Gnosis S.P.A. v. South Alabama Med. Sci. Found.*, IPR2013-00116, Paper 61 (P.T.A.B. Mar. 12, 2014), misstates the legal standard for proving obviousness. The *Gnosis* case stands only for the proposition that Petitioner bears the ultimate burden of proof on obviousness, not the burden of presenting evidence first on secondary considerations.

Patent Owner seeks to side step the legal standard for making its *prima facie* case by improperly arguing that Petitioner requires an “element-by-element” analysis of the secondary considerations evidence against the claimed invention. That is not Petitioner’s position. Rather, the case law requires Patent Owner to demonstrate that its products embody the claimed invention, whether it be through a claim-by-claim analysis or other means of proof.

B. Dr. David Provides No Nexus Between the Alleged Evidence and the Claimed Invention.

The Board should exclude Dr. David’s testimony regarding alleged secondary considerations because he failed to make a *prima facie* case of a nexus. First, Dr. David failed to show that the Health Buddy or T-400 products embody the claimed inventions, as required by *Demaco* and *Ormco*. Dr. David was told, and simply assumed, that the Health Buddy product embodies the claims of the ’192 patent. Ex. 2007 ¶73 (“I understand that the Bosch Health Buddy product practiced each of the challenged claims of the ’192 Patent.”). He provides no further analysis. For example, Dr. David only states that the Health Buddy system uses scripts, but never discusses the content or creation of its alleged script system – key points of contention with regard to the ’192 patent. Similarly, Patent Owner has argued that the cited prior art does not disclose a data merge program as taught in the ’192 patent claims. *See Resp.* at 38-40. But Dr. David offers no testimony or other evidence that the Health Buddy uses a script generator at all, let alone the

data merge program claimed in the '192 patent. *See* Ex. 2007 ¶¶70-110.²

Second, Dr. David was told, and simply assumes, that the Health Buddy was commercially successful. Ex. 2007 ¶76 (“I understand that the Health Buddy product was a commercial success when it was released.”). Dr. David then simply repeats various things he was told or read regarding the Health Buddy’s market introduction and subsequent sales – but without discussing any particulars of sales numbers, profits, or any other commercial factors. Any one of these flaws is fatal.

C. Patent Owner’s Hearsay Should Not be Used to Prove the Truth of the Matter Asserted.

Patent Owner’s Opposition states that the hearsay statements from Bosch personnel and the named inventor relied upon in Paragraphs 79, 82, 88, 91, 95-96, 103, 104, 106, 107, and 109 of Dr. David’s declaration (Ex. 2007) are “not offered for the truth of the matter asserted.” Opp. at 12. Thus, there appears no dispute that the Board should not admit these statements for the truth of the matter asserted³.

² Realizing that its secondary considerations evidence does not meet the *prima facie* case threshold, Patent Owner turns to red herring arguments that Petitioner did not first raise secondary considerations in its initial petition (Opp. at 2-5) and that Dr. Stone’s agreement that a market existed for remote monitoring constituted long-felt-need. These arguments have no bearing on whether Patent Owner’s purported secondary consideration evidence passes muster. Patent Owner’s remaining arguments lack merit.

³ Patent Owner’s footnote 3 argues that certain exhibits are exceptions to hearsay based on publication. Opp. at 13. Petitioner does not concede that these exhibits are exceptions, but objects to Patent Owner’s use of the hearsay-within-hearsay from those exhibits, such as interview statements by the inventor.

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