Paper No. __

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TARGET CORPORATION
Petitioner

v.

DESTINATION MATERNITY CORPORATION
Patent Owner

Case IPR2013-00533
Patent No. RE43,531 E

Filed: September 16, 2014

Before JENNIFER S. BISK, MICHAEL J. FITZPATRICK, and MITCHELL G. WEATHERLY, *Administrative Patent Judges*.

PETITIONER'S OPPOSITION TO
PATENT OWNER'S MOTION TO EXCLUDE EVIDENCE

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I. STATEMENT OF RELIEF REQUESTED

Pursuant to 37 C.F.R. § 42.23(a), Petitioner Target Corporation ("Target" or "Petitioner") hereby opposes Patent Owner Destination Maternity Corporation's ("DMC" or "Patent Owner") Motion to Exclude Evidence (Paper 49) ("Motion to Exclude") and requests that the Board ***deny*** DMC's Motion to Exclude in full.

II. MATERIAL FACTS IN DISPUTE

Target disputes some of DMC's "Material Facts," (*see* Paper 49, 2-3):

1. In paragraph 3, Target disputes that "Exhibits 1071, 1072, 1075-1077, 1080-1083, 1086-1090, and 1092" all constitute "communications between Patent Owner and its competitors." Exs. 1071, 1072, 1090 are not communications to or from DMC, and Exs. 1089 and 1092 are *internal* DMC communications.

2. Further, Target does not admit the relevance, truth, or materiality of any fact whose relevance, truth, or materiality may be necessary for DMC to prevail on one or more of the grounds set forth in its Motion to Exclude but which DMC failed to explicitly set forth in its "Statement of Material Facts."

III. ARGUMENT

A. The Thomas Declaration Is Entirely Proper

As DMC acknowledges, and Target does not dispute, "Thomas admits that he is not an attorney, and his job is not to provide legal opinions." (Paper 49, at 4-5.) Thomas does not purport to opine on what the law is, and Target does not offer Thomas as a legal expert. Notably, DMC does not argue that Thomas is

unqualified to offer opinions on the issues of commercial success or nexus; indeed, he is highly qualified to offer such opinions. (Ex. 1111; *see also* Ex. 1110, ¶¶ 1-4.)

Thomas's Declaration, filed as Exs. 1110 and 1116, contains page after page of detailed analysis, based on facts, supporting and explaining his opinions—all of which DMC had the opportunity to explore on cross examination, (*see* Ex. 2099). *See Daubert v. Merrell Dow Pharms., Inc.*, 509 U.S. 579, 595 (1993) ("Vigorous cross-examination, presentation of contrary evidence, and careful instruction on the burden of proof are the traditional and appropriate means of attacking . . . evidence."); *U.S. v. 14.38 Acres of Land Situated in Leflore Cnty., Miss.*, 80 F.3d 1074, 1078 (5th Cir. 1996). Thomas's testimony comports with Rule 702 and should be admitted. *See* FED. R. EVID. 702. Even assuming, *arguendo*, that DMC's objections to Thomas's testimony have merit (which they do not), they go to its weight, not its admissibility.

1. Thomas Properly Offers Testimony that Green's Finding of "Commercial Success" Is Factually Deficient for Failing to Show the Requisite Nexus

Obviousness "is a legal conclusion based on underlying facts." *Galderma Labs., L.P. v. Tolmar, Inc.*, 737 F.3d 731, 736 (Fed. Cir. 2013). Among other "[f]actual considerations that underlie the obviousness inquiry include . . . any relevant secondary considerations," such as, among others, "commercial success." *Id.* Thomas's expert testimony embodies his opinions on the factual issue of

commercial success, and, in particular, [redacted] (the "§ 103-Rejected Claims," (*see* Paper 42, at 5)). (*See generally* Ex. 1110.) Thomas's testimony is proper, and DMC's motion should be denied, for several reasons:

First, the subject matter of Thomas's testimony, which responds to "Green's analysis and opinions," (*see id.* ¶ 7), is well within the province of expert opinion. Similar to the overarching issue of "commercial success," *see Galderma*, 737 F.3d at 736, whether a nexus exists is, in part, a "factual[]" inquiry, *Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 1393 (Fed. Cir. 1988); *see Pro–Mold & Tool Co. v. Great Lakes Plastics, Inc.*, 75 F.3d 1568, 1574 (Fed. Cir. 1996) (finding existence of a nexus to be a "factual dispute[]"); *In re Huang*, 100 F.3d 135, 140 (Fed. Cir. 1996) (requiring "factual evidence" of a nexus).

The Federal Rules of Evidence permit expert testimony to "help the trier of fact to understand the evidence or to *determine a fact in issue*." FED. R. EVID. 702(a) (emphasis added). The existence of a nexus, or lack thereof, between purported "commercial success" and the claims at issue is entirely within the bounds of appropriate subject matter for expert testimony. Indeed, courts have

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