

Filed on behalf of: BONUTTI SKELETAL INNOVATIONS LLC Paper
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By: Cary Kappel, Lead Counsel
William Gehris, Backup Counsel
Davidson, Davidson & Kappel, LLC
485 Seventh Avenue
New York, NY 10018
Telephone (212) 736-1257
(212) 736-2015
Facsimile (212) 736-2427
E-mail: ckappel@ddkpatent.com
wgehris@ddkpatent.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WRIGHT MEDICAL GROUP, INC.
and WRIGHT MEDICAL TECHNOLOGY, INC.

Petitioner,

v.

BONUTTI SKELETAL INNOVATIONS LLC

Patent Owner

Case: IPR2014-00354

Patent 7,806,896

Pursuant to 35 U.S.C. § 313 and 37 C.F.R. § 42.107, Patent Owner, BONUTTI SKELETAL INNOVATIONS LLC, submits the following Patent Owners Preliminary Response in response to the Petition for *Inter Partes* Review of U.S. Patent No. 7,806,896 (hereinafter the “'896 patent”).

BACKGROUND

The '896 patent is the subject of two previously filed inter partes reviews: IPR 2013-00629, filed by Smith & Nephew, Inc. (“Smith & Nephew”) on September 26, 2013, and IPR 2014-00321 filed by Zimmer, Inc. et al. (“Zimmer”) on January 3, 2014. At the time IPR-2013-00629 and IPR 2014-00321 were filed, Zimmer, Smith & Nephew and Petitioner Wright were defendants in a consolidated litigation pending in District of Delaware, which asserts infringement of the '896 patent, among others. (Exhibit 2001). The action against Smith & Nephew has since been dismissed without prejudice. (Exhibit 2002).

IPR 2013-00629 sought inter partes review of claims 1 and 13 of the '896 patent. On February 28, 2014, the Board instituted review of claim 1, but denied review of claim 13.

IPR 2014-00321 sought review of claims 40-46 of the '896 patent. On March 13, 2014, Patent Owner filed a waiver of preliminary response.

The instant proceeding seeks inter partes review of claims 1, 13, 25, and 40 of the '896 patent.

The grounds recited in the instant petition with regard to claims 1 and 13 are *identical* to the grounds recited with regard to claims 1 and 13 in IPR 2013-00629. The instant petition relies on an unsigned copy of the declaration of Jay Mabrey that was submitted in IPR 2013-00629. The arguments support of the alleged invalidity of claims 1 and 13 are substantively, and in large part textually, identical to the arguments in IPR 2013-00629, except that the Petitioner moved the claim charts copied from IPR2013-00629 into Appendices.

The grounds recited in the instant petition with regard to claim 40 are *identical* to the grounds recited with regard to claim 40 in IPR 2014-00311. The instant petition relies on copy of the declaration of Arthur Erdman that was submitted in IPR 2014-00311. The arguments support of the alleged invalidity of claim 40 are substantively, and in large part textually, identical to the arguments in IPR 2014-00311, except that the Petitioner moved the claim charts copied from IPR2014-00311 into Appendices.

The only ground of unpatentability that is new in the instant IPR is found in Section VIII(C), a 7 seven page discussion of claim 25. However, even in this case, the instant petition uses the same prior art combination and much of the argument

relied upon with regard to claim 1 in Section VIII (A)(1), and that argument was, as noted above, substantively, and in large part textually, identical to the arguments in IPR 2013-00629.

THE BOARD SHOULD DECLINE TO INSTITUTE AN INTER PARTES REVIEW OF CLAIMS 1, 13, AND 40 AS REDUNDANT OF IPR 2013-00629 AND IPR 2014-00311

Pursuant to 37 CFR § 42.122 (a), “[w]here another matter involving the patent is before the Office, the Board may during the pendency of the inter partes review enter any appropriate order regarding the additional matter including providing for the stay, transfer, consolidation, or termination of any such matter.” See also 35 U.S.C. § 315(d). The Board also has authority under 35 U.S.C. § 315(c): “the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter partes review under section 314”.

Indeed, the Board is specifically authorized to reject a request for an inter partes review when the same or substantially the same prior art and/or arguments were previously presented:

In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31 [inter partes review], the Director may take into account whether, and reject the petition or request

because, the same or substantially the same prior art or arguments previously were presented to the Office.

35 U.S.C. § 325 (d).

The Board should exercise its authority under these provisions and decline to institute review of claims 1, 13, and 40. In the instant action, the Petitioner has literally copied the Petitions of two prior petitioners and sought to have a *separate* review of the same claims on the same evidence. Petitioner's filing of the instant petition three months after the IPR 2013-00629 Petition is a naked attempt to obtain a second bite at responding to identical evidence.

The policy implication of allowing this type of gamesmanship is manifest. Patent Owners will be subject to cascading petitions using the same grounds and evidence, and the Board will be obliged to consider cascading responses on identical evidence. For example, Petitioner Wright can effectively observe Patent Owners strategy in the earlier IPRs, and tailor its responses; effectively getting a second bite of the apple.¹ The Board has broad authority to manage related proceedings under 37 CFR § 42.122 (a) and 35 U.S.C. § § 315(c, d) and 325(d) and should use that authority to decline to institute review of claims 1, 13, and 40.

¹ For example, upon reviewing Patent Owner's evidence, Wright could introduce supplemental information under 37 C.F.R. § 42.123.

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