

# EXHIBIT 2021

Decision on Institution  
of Inter Partes Review,  
Case No. IPR2012-00218

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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LAROSE INDUSTRIES, LLC  
Petitioner

v.

CHOON'S DESIGN, LLC  
Patent Owner

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Case IPR2014-00218  
Patent 8,485,565 B2

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Before GRACE KARAFFA OBERMANN, JEREMY M. PLENZLER, and  
JON B. TORNQUIST, *Administrative Patent Judges*.

PLENZLER, *Administrative Patent Judge*.

DECISION  
Institution of *Inter Partes* Review  
37 C.F.R. § 42.108

I. INTRODUCTION

A. Background

LaRose, LLC (“Petitioner”) filed a petition to institute an *inter partes* review of claims 1 and 5-14 of U.S. Patent No. 8,485,565 B2 (“the ’565 patent”). Paper 1 (“Pet.”). The patent owner, Choon’s Design, LLC (“Patent Owner”), filed a preliminary response. Paper 8 (“Prelim. Resp.”).<sup>1</sup> The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a), which provides as follows:

THRESHOLD.—The Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.

Petitioner contends that the challenged claims are unpatentable under 35 U.S.C. §§ 102 and 103 on the following grounds (Pet. 25-60):

References	Basis	Claims challenged
MacBain <sup>2</sup>	§ 102	1, 5, 6, 8, and 10-14
MacBain and Pugh, <sup>3</sup> Schaub, <sup>4</sup> Parisi, <sup>5</sup> or Gustin <sup>6</sup>	§ 103	1
MacBain	§ 103	7
MacBain and Meltzer, <sup>7</sup> Darnell, <sup>8</sup> Hunter, <sup>9</sup> or Carruth <sup>10</sup>	§ 103	9

<sup>1</sup> Patent Owner’s response is not indicated as a “preliminary response,” but we treat it as such because it was filed within the appropriate time for a preliminary response and it appears to be a preliminary response in form.

<sup>2</sup> U.S. Patent No. 5,231,742 (Ex. 1010) (“MacBain”).

<sup>3</sup> UK Patent App. No. GB 2147918 A (Ex. 1015) (“Pugh”).

<sup>4</sup> U.S. Patent No. 8,316,894 B2 (Ex. 1016) (“Schaub”).

<sup>5</sup> U.S. Patent No. 2,457,064 (Ex. 1006) (“Parisi”).

<sup>6</sup> U.S. Patent No. 7,506,524 B2 (Ex. 1017) (“Gustin”).

<b>References</b>	<b>Basis</b>	<b>Claims challenged</b>
MacBain and Meltzer or Carruth	§ 103	11
Pugh	§ 102	1 and 5-8
Pugh and Meltzer, Darnell, Hunter, or Carruth	§ 103	9
Pugh and MacBain, Meltzer, or Carruth	§ 103	10 and 11
Schaub	§ 102	1 and 5-8
Schaub and Meltzer, Darnell, Hunter, or Carruth	§ 103	9
Schaub and MacBain, Meltzer, or Carruth	§ 103	10 and 11
Parisi	§ 102	1 and 8
Parisi and Pugh	§ 103	5
Parisi and Meltzer, Darnell, Hunter, or Carruth	§ 103	9
Parisi and MacBain, Meltzer, or Carruth	§ 103	10 and 11
Gustin	§ 102	1 and 8
Gustin and Pugh	§ 103	5
Gustin	§ 103	7
Gustin and Meltzer, Darnell, Hunter, or Carruth	§ 103	9
Gustin and MacBain, Meltzer, or Carruth	§ 103	10 and 11

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<sup>7</sup> U.S. Patent No. 5,426,788 (Ex. 1011) (“Meltzer”).

<sup>8</sup> U.S. Patent No. D592, 537 S (Ex. 1012) (“Darnell”).

<sup>9</sup> U.S. Patent No. 7,040,120 B2 (Ex. 1013) (“Hunter”).

<sup>10</sup> U.S. Patent No. 8,418,434 B1 (Ex. 1014) (“Carruth”).

For the reasons given below, we institute an *inter partes* review of claims 1, 5-8, 10, and 11. We do not institute an *inter partes* review of claims 9 and 12-14.

*B. Real Party-in-Interest*

Petitioner indicates that the real parties-in-interest in the Petition are LaRose Industries, LLC and Toys “R” Us-Delaware, Inc. Pet. 1.

*C. Additional Proceedings*

Petitioner indicates that the ’565 patent is the subject of the following co-pending federal district court case: *Choon’s Design LLC v. LaRose Industries, LLC*, No. 2:13-cv-13569-TGB-MKM (E.D. Mich.). Pet. 1.

*D. The ’565 Patent (Ex. 1001)*

The ’565 patent is titled “Brunnian Link Making Device and Kit” and generally relates to a kit and method for creating a linked item formed from a series of links, such as “Brunnian” links. Ex. 1001, 1:1, 27-34, 2:28-30. A Brunnian link is formed from a closed loop doubled over itself to capture another closed loop to form a chain. *Id.* at 1:27-29. The ’565 patent provides examples of linked items such as bracelets, necklaces and other wearable or decorative items. *Id.* at 2:29-30. The ’565 patent discloses that kits for making uniquely-colored bracelets and necklaces have always been popular, but that there is a need and desire for a kit that simplifies construction to make it easy for people of different skills and artistic levels to create desirable, durable, and wearable items. *Id.* at 1:14-23.

Figures 4, 5A, and 5B of the ’565 patent illustrate the basic components of the kit and are reproduced below.

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