### UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

ALLSTEEL, INC., Petitioner,

v.

DIRTT ENVIRONMENTAL SOLUTIONS, LTD., Patent Owner.

Case IPR2015-01691 Patent 8,024,901 B2

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Held: October 13, 2016

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BEFORE: SALLY C. MEDLEY, SCOTT A. DANIELS, and JACQUELINE T. HARLOW, Administrative Patent Judges.

The above-entitled matter came on for hearing on Thursday, October 13, 2016, commencing at 1:00 p.m., at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.



### **APPEARANCES:**

### ON BEHALF OF THE PETITIONER:

TREVOR CARTER, ESQUIRE TIMOTHY M. SULLIVAN, ESQUIRE VICTOR JONAS, ESQUIRE Faegre Baker Daniels, LLP 2200 Wells Fargo Center 90 South Seventh Street Minneapolis, Minnesota 55402-3901

### ON BEHALF OF PATENT OWNER:

CHAD E. NYDEGGER, ESQUIRE DAVID R. TODD, ESQUIRE MICHAEL FRODSHAM, ESQUIRE Workman Nydegger 60 East South Temple Suite 1000 Salt Lake City, Utah 84111



1	PROCEEDINGS
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3	JUDGE MEDLEY: Good afternoon. This is the
4	hearing for IPR2015-01691 between petitioner, Allsteel, and
5	patent owner, DIRTT Environmental Solutions, involving claims
6	1, 4 through 7, 9, 10, 14 through 20 and 25 of U.S. patent
7	8,024,901.
8	Per the September 16th order, each party will have
9	60 minutes of total time to present arguments. Petitioner, you
10	will proceed first to present your case with respect to the
11	challenged claims and grounds for which the Board instituted
12	trial. Thereafter, patent owner, you will have time to respond to
13	petitioner's presentation. And then petitioner, you may reserve
14	rebuttal time. At this time we would like the parties to please
15	introduce themselves, beginning with petitioner.
16	MR. CARTER: Hi, on behalf of petitioner, Trevor
17	Carter from Faegre Baker Daniels, and with me from Faegre
18	Baker Daniels is Tim Sullivan and lead counsel, Victor Jonas.
19	And from the client, Allsteel, is general counsel, Steven Bradford
20	and in-house intellectual property counsel Allison O'Brien.
21	JUDGE MEDLEY: Mr. Carter you will be presenting
22	today?
23	MD CAPTED. Vas Vour Honor



1	MR. NYDEGGER: Good afternoon. My name is Chad
2	Nydegger from Workman Nydegger, representing the patent
3	owner, DIRTT Environmental Solutions, Limited. With me I
4	have my partner, David Todd, my partner, Michael Frodsham,
5	and we have with us a client representative today, Dale Sawyer.
6	JUDGE MEDLEY: Mr. Nydegger, you will be
7	presenting?
8	MR. NYDEGGER: I will.
9	JUDGE MEDLEY: So Mr. Carter, would you like to
10	reserve rebuttal time?
11	MR. CARTER: Yes. I would like to reserve
12	approximately 30 minutes with the understanding that my
13	primary role here is to answer whatever questions you have
14	today. So if we need to go beyond that to answer your questions,
15	that's fine with me.
16	JUDGE MEDLEY: Unfortunately, we don't have a
17	display of the time remaining like we do in some of the other
18	hearing rooms. So I'll just alert to you when you get close to that
19	30 minutes.
20	MR. CARTER: Thank you very much.
21	JUDGE MEDLEY: You may begin.
22	MR. CARTER: Thank you. So as a starting point, we
23	are here to talk about the instituted grounds. There are several
24	grounds all involving the Raith reference in combination with



1	what we refer to as the EVH reference, the Yu reference, the
2	MacGregor reference and MacGregor and Rozier.
3	Since the institution decision, the only claims that have
4	been at issue during the trial phase have been the only
5	independent claim, claim 1, and one dependent claim, claim 5.
6	So where we are today, we think that, as we set out in our reply
7	paper, that the dispute between the parties now is very narrow.
8	There is no dispute that the prior art is analogous. There's no
9	dispute that all of the elements in the prior that the prior art
10	teaches all of the elements in the claims. And there is no dispute
11	that a person of ordinary skill in the art would combine the
12	references. The issue is down to what combinations would a
13	person of ordinary skill in the art come to looking at the overall
14	teachings of the references.
15	So first, looking at whether the prior art is analogous,
16	this is in our reply paper at 3. I'm on slide 5, testimony from
17	Dr. Dix where he is agreeing to the underlying elements that
18	indeed Raith, EVH, Yu and MacGregor are analogous art.
19	Second, undisputed that for the elements at issue here,
20	the prior art teaches all of them. And it was not disputed by the
21	patent owner at any time during the trial phase. And as this panel



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set out in the institution decision, the patent owner was cautioned

that any arguments for patentability not raised in the response

will be deemed waived, as we have here in slide 7.

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