

EXHIBIT 1063

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMERICAN NATIONAL MANUFACTURING INC.,
Petitioner,

v.

SLEEP NUMBER CORPORATION
f/k/a SELECT COMFORT CORPORATION,
Patent Owner.

Case No. IPR2019-00497

Patent No. 8,769,747

Case No. IPR2019-00500

Patent No. 9,737,154

**SUPPLEMENTAL DECLARATION OF CRAIG MILLER, JR.
IN SUPPORT OF PETITIONER'S REPLY TO
PATENT OWNER'S RESPONSE**

WA 14285725.1

I, Craig Miller Jr., declare and state as follows:

1. I am the President of Petitioner American National Manufacturing, Inc. (“ANM”). As president of ANM, I am involved in and fully informed of virtually all its activities, including the activities of sales, marketing, finance, production, purchasing, and record keeping. In addition, I am a managing member of Dires, LLC, a retailer of mattress systems manufactured and distributed by ANM. As a managing member of Dires, I am involved in and fully informed of virtually all its activities, including the activities of sales, marketing, finance, production, purchasing and record keeping. I have personal knowledge of the facts stated in this declaration. To the extent this declaration includes my lay opinions, they are based on my perceptions of events that are personally known to me. I am familiar with the allegations that have been put forward by Sleep Number Corporation f/k/a Select Comfort Corporation (“Sleep Number”). I make this declaration in response to the declaration of Carl G. Degen, dated October 23, 2019 (**Exhibit 2030**). My declaration presents facts that perhaps were not known to Mr. Degen and to correct assumptions made in his declaration.

2. Mr. Degen’s declaration includes calculations he made based on unit sales data produced by ANM in these IPR proceedings. The data is referred to by the parties as “raw data”. The raw data is in the form of a spreadsheet with columns

which list each sale of a manifold, software (“source code”) and mattresses sold by ANM to its customers. The products sold are further described under the heading “description”. The further descriptions include pumps and air controllers (“controller”) and mattresses. ANM customers are identified as “Inner Company” and “Third Party”. (The raw data also distinguishes between sale of units for “consumer” and “medical” use.) The spreadsheet listing of units sold was created from ANM invoices to its customers. For exemplary purposes, I have attached **Exhibit 1058** which shows each of the column headings.

3. Within the raw data, manifolds, source code and mattresses are identified as either “accused” or “not accused” based solely on whether Sleep Number alleges that the manifold reads on one of its patents. As to source codes, “accused” means only that the source code is associated with a manifold that Sleep Number accused. ANM purchased controllers that included source code and it resold the controllers. Over time, ANM purchased controllers which, according to the suppliers, included source code of different versions. ANM is without any ability to distinguish between source code versions that it purchased from suppliers and resold. As to mattresses, “accused” means only that the mattress was sold with an accused manifold. I understand Sleep Number to contend that a mattress is accused if it was sold with an accused manifold.

4. My review of Mr. Degen's declaration reveals that he organized ANM's unit sales per the raw data spreadsheet into four time periods. Mr. Degen contends that his time periods 2 and 4 show substantial increases in ANM's unit sales and Mr. Degen attributes those sales to ANM's sale of accused manifolds and source code. In his deposition of January 8, 2020, Mr. Degen says he relied on the raw data which Sleep Number's counsel provided to him, that he did not ask Sleep Number's counsel to provide other information and he did not conduct independent research into any facts relevant to the unit sales stated on the raw data spreadsheet. In the following paragraphs, I state facts regarding the raw data that Mr. Degen may not have understood and facts regarding ANM's business and Sleep Number's anti-competitive conduct that Sleep Number may not have described to Mr. Degen.

5. Regarding his Period 1, Mr. Degen under-counted the number of controllers sold by ANM by [REDACTED]. This under-count occurred in connection with ANM sales of mattresses to Dires, LLC ("Dires"). Dires re-sells ANM mattress systems to consumers and each system includes at least one mattress and a controller. This is necessary because the controller is the device that inflates the mattress. Between August 2012 and early July 2014, ANM invoices to Dires did not list the controllers separately from the mattress. I know this because I examined invoices personally and supervised a colleague who also examined invoices. The raw data

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