Patent Owner Response IPR2020-01602

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PHILIP MORRIS PRODUCTS, S.A., Petitioner

v.

RAI STRATEGIC HOLDINGS, INC., Patent Owner

Patent No. 9,901,123

Case IPR2020-01602

PATENT OWNER RESPONSE

DOCKET A L A R M Find authenticated court documents without watermarks at <u>docketalarm.com</u>.

TABLE OF CONTENTS

TAB	TABLE OF AUTHORITIES iii								
LIST	LIST OF PATENT OWNER EXHIBITSiv								
I.	INTE	INTRODUCTION1							
II.	THE	HE ALLEGED GROUNDS OF UNPATENTABILITY2							
III.	THE	'123 H	'123 PATENT						
	A.	Over	view Of The '123 Patent2						
	В.	The (Challenged Claims6						
IV.	CLA	IM CC	M CONSTRUCTION						
V.	LEV	VEL OF ORDINARY SKILL IN THE ART12							
VI.	OVE	RVIEW OF THE CITED REFERENCES							
	A.	Hon.							
	В.	Broo	ks16						
	C.	Whit	temore						
	D.	Susa.							
	E.	Ray.							
VII.									
		LAIMS 1, 2, 5, 7, 9, 11, 12, 14, 15, 18, 21, AND 23-26 OBVIOUS ROUND 1)							
	(GROUND 1)A. Claims 1 and 15: "the mixture can be wicked into contact								
	A. Claims I and 15: the mixture can be wicked into contact with the electrical resistance heater and volatilized"								
		1.	Hon Does Not Disclose That "the mixture can be						
			wicked into contact with the electrical resistance heater and volatilized"						
			a) Hon Does Not Disclose That Its Liquid Mixture Comes Into Contact With Its Heating Element						
			b) Hon's Liquid Mixture Is Not Transferred To Hon's Heating Element By Wicking27						
		2.	A POSA Would Not Have Combined Hon With Whittemore						

TABLE OF CONTENTS (continued)

Page

			a)	The Board Correctly Determined That Petitioner Has Not Established Why A POSA Would Have Attempted To Modify Hon With Whittemore3	3			
			b)	The Board Should Disregard Mr. Fox's Opinions Regarding The "Ruyan Devices"	7			
	B.	Claims 1 and 15: "a puff-actuated controller within the tubular outer housing and adapted for regulating current flow through the electrical resistance heater during draw"						
		1.	Hon I	Does Not Disclose The Claimed Controller4	4			
		2.		oner Has Not Demonstrated That It Would Have Obvious To Modify Hon With Brooks4	7			
	C.	Petitioner Cannot Show That A Number Of Dependent Claims Would Have Been Obvious For Additional Reasons55						
		1.		as 11 and 23: "wherein the cartridge is electrically active"	5			
		2.		as 14 and 24: "wherein the absorbent fibrous ial is in contact with the electrical resistance heater"5	7			
VIII.	HON, BROOKS, WHITTEMORE, AND SUSA DO NOT RENDER CLAIMS 3, 4, 13, 16, AND 17 OBVIOUS (GROUND 2)58							
IX.	HON, BROOKS, WHITTEMORE, AND RAY DO NOT RENDER CLAIMS 6 AND 19 OBVIOUS (GROUND 3)							
X.	CON	CLUSI	ION		1			

TABLE OF AUTHORITIES

Page

CASES

DOCKET

<i>Henny Penny Corp. v. Frymaster LLC</i> , 938 F.3d 1324 (Fed. Cir. 2019)
Koninklijke Philips N.V. v. Google LLC, 948 F.3d 1330 (Fed. Cir. 2020)60
Lantz Med., Inc. v. Bonutti Research, Inc., IPR 2015-00995, Paper 11 (PTAB Oct. 21, 2015)
<i>Phillips v. AWH Corp.</i> , 415 F.3d 1303 (Fed. Cir. 2005) (en banc)9
R.J. Reynolds Vapor Co. v. Fontem Holdings 1 B.V., IPR2016-01268, Paper 63 (PTAB Dec. 19, 2017)
Salpeter v. ARP Wave, LLC, IPR2019-01384, Paper 12 (PTAB Jan. 27, 2020)
<i>SAS Inst. Inc. v. Iancu</i> , 138 S. Ct. 1348 (2018)60
STATUTES
35 U.S.C. § 103
35 U.S.C. § 311(b)
OTHER AUTHORITIES
37 C.F.R. § 42.23(b)
37 C.F.R. § 42.104(b)(4)
Trial Practice Guide Update (July 2019)

LIST OF PATENT OWNER EXHIBITS

- Ex. 2001 Complaint from ITC Investigation No. 337-TA-1199
- Ex. 2002 ITC Procedural Schedule in *Certain Tobacco Heating Articles and Components Thereof*, ITC Inv. No. 337-TA-1199 (U.S.I.T.C. June 11, 2020)
- Ex. 2003 Excerpt of Respondents' Pre-Hearing Brief in Certain Tobacco Heating Articles and Components Thereof, ITC Inv. No. 337-TA-1199 (U.S.I.T.C. Dec. 11, 2020)
- Ex. 2004 U.S. Patent Application Publication No. 2007/0267031
- Ex. 2005 Excerpts of Respondents' Joint Disclosure of Final Contentions in Response to Individual Interrogatory No. 12 (Final Invalidity Contentions) in *Certain Tobacco Heating Articles and Components Thereof*, ITC Inv. No. 337-TA-1199 (U.S.I.T.C. Sept. 18, 2020)
- Ex. 2006 Order Denying Respondents' Motion for Leave to Amend Their Response to the Complaint in *Certain Tobacco Heating Articles and Components Thereof*, ITC Inv. No. 337-TA-1199 (U.S.I.T.C. Oct. 22, 2020)
- Ex. 2007 Excerpts of Deposition Transcript of Stewart M. Fox in Certain Tobacco Heating Articles and Components Thereof, ITC Inv. No. 337-TA-1199 (U.S.I.T.C. Nov. 6, 2020)
- Ex. 2008 Excerpts of Ruyan Product Internal R&D Assessment (March 2007)
- Ex. 2009 Excerpts of Commission Staff Attorney's Pre-Hearing Brief in Certain Tobacco Heating Articles and Components Thereof, ITC Inv. No. 337-TA-1199 (U.S.I.T.C. Jan. 4, 2021)
- Ex. 2010 Declaration of Charles E. Clemens
- Ex. 2011 Transcript of June 25, 2021 Deposition of Stewart Fox
- Ex. 2012 University of California San Francisco Tobacco Industry Record of Ex. 1023

DOCKET A L A R M



Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.