UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

KOSS CORPORATION,
Patent Owner.

Case IPR2021-00255
Patent 10,298,451

PETITIONER'S REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE

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In its Preliminary Response (Paper 6), Koss argues that factor 4 of the *Fintiv* framework "weighs in favor of denying institution" based on an alleged "potential" overlap of issues because "Petitioner challenges the validity of all of the claims in the '451 Patent in both the Petition and the Texas Litigation." Paper 6, 14, 16. However, *Fintiv* explains that Factor 4 addresses whether "the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding." IPR2020-00019, Paper 11 at 12. Each of these elements either differs between the concurrent proceedings or any overlap is unascertainable until well after institution, as follows.

First, there is no overlap of grounds. Apple has stipulated that, unless the Board denies or later vacates institution of this petition, Petitioner will not seek resolution in the district court trial of invalidity based on any ground "that utilizes, as a primary reference, [Brown], which is the primary reference in the grounds asserted in" this IPR. KOSS-2009, 2. As grounds will differ, necessarily will arguments and evidence. Second, the parties will not decide on the claims that will be at issue in the district court trial until January, 2022. Paper 6, 14. Thus, as Koss acknowledges, "the extent of duplicative effort required by the Board will not be clear until well into the one-year period that is statutorily afforded the Board to issue its final written decision." *Id.* Thus, factor 4 supports institution.

Koss challenges the stipulation as not broad enough to preclude overlap.

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Paper 6, 15-16. But, as described above, this is simply not true. While the stipulation may not necessarily include "all permutations of the asserted prior art," the stipulation sufficiently "reduces the risks posed by the overlap between the proceedings," such that factor 4 of *Fintiv* "weighs against the exercise of discretion to deny review." IPR2020-01113, Paper 12, 15-19. For at least similar reasons, Apple's stipulation weighs against the exercise of discretionary denial.

Koss makes the argument that because a petitioner in a different IPR proceeding issued a broader stipulation, Apple should do so here. That is not what the Board has required. Indeed, such a one-size-fits-all rule is counter to *Fintiv*'s guidance. When evaluating the *Fintiv* factors, "the Board takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review," and, "[i]n many cases, weighing the degree of overlap is highly fact dependent" IPR2020-00019, Paper 11, 6, 13. There are numerous cases where the Board has rightly found that stipulations of equal or narrower breadth weigh against discretionary denial. *See, e.g.*, IPR2019-01393, Paper 24, 11-12; IPR2020-01113, Paper 12, 15-19; IPR2020-01208, Paper 13, 18; IPR2020-01428, Paper 10, 12. And where the Board has held otherwise, there were often other mitigating facts, such as a much sooner and more certain trial date. *See, e.g.*, IPR2020-00870, Paper 16, 9-18; IPR2020-01317, Paper 15, 11-24. A similarly holistic analysis of the present facts weighs against discretionary denial.

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Respectfully submitted,

Date: March 26, 2021

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CERTIFICATE OF SERVICE

Pursuant to 37 CFR § 42.6(e), the undersigned certifies that on March 26, 2021, a complete and entire copy of this Petitioner's Reply to Patent Owner's Preliminary Response was provided via email, to the Patent Owner by serving the correspondence addresses of record as follows:

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