UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

KOSS CORPORATION,
Patent Owner.

CASE: IPR2021-00381
U.S. PATENT NO. 10,491,982

PATENT OWNER'S SUR-REPLY IN SUPPORT OF PRELIMINARY RESPONSE

DOCKET ALARM
Find authenticated court documents without watermarks at docketalarm.com.

Petitioner's stipulation states that it "will not seek resolution within the litigation of any ground of invalidity that utilizes, as a primary reference, Rosener …." KOSS-2028, 1. Despite the stipulation, *Fintiv* factor 4 weighs in favor of denying institution. At a minimum, factor 4 only "marginally" favors Petitioner.

Petitioner asserts "there is no overlap of grounds" because of its stipulation. Paper 11, 1. The stipulation, however, is illusory because it applies only when Petitioner uses Rosener as a "primary reference" in the district court. "[C]haracterization . . . of prior art as 'primary' and 'secondary' is merely a matter of presentation with no legal significance." *In re Mouttet*, 686 F.3d 1322, 1333 (Fed. Cir. 2012).

According to Petitioner, its stipulation makes it "clear [that] Rosener may not be used in the same way as used in the underlying IPR petition." Paper 11, 2. That is, however, significantly different from what the stipulation actually states. *See* KOSS-2022, 1. The stipulation, in actuality, offers no such clarity, as evidenced by Petitioner's additional argument that: "[a]s endorsed by the Board in *Tide*, the district court is fully capable of interpreting and enforcing the stipulation, as the meaning of 'primary reference' is case-specific …." Paper 11, 2 (citing *Tide International (USA), Inc. v. UPL NA Inc.*, IPR2020-01113, Paper 12 (PTAB Jan. 22, 2021)). The Board made no such endorsement in *Tide*. Instead, the Board recognized that the petitioner in *Tide* "sought to carve out from its stipulation

DOCKET ALARM
Find authenticated court documents without watermarks at docketalarm.com.

[certain] arguments in its contentions … so that … it can assert the same reference in both proceedings," admonishing that "[d]oing so poses a risk of duplicated efforts and potentially conflicting decisions." *Id*. at 19. Far from endorsing Petitioner's narrow stipulation, the Board in *Tide* highlighted shortcomings of stipulations like Petitioner's.

Moreover, Petitioner expressly acknowledges that its stipulation foists on the district court the additional duty of "interpreting and enforcing the stipulation," including "the meaning of 'primary reference.'" Paper 11 at 2. Such inevitable side litigation could have been avoided had Petitioner adopted a broad stipulation, as advised by the Board in the precedential *Sotera Wireless Inc. v. Massimo Corp.* decision. IPR2020-01019, Paper 12, 18 (PTAB Dec. 1, 2020) (precedential).

Even if the Board credits Petitioner's stipulation, the stipulation should weigh only marginally against discretionary denial because it is not as encompassing as the stipulation in *Sotera*. *See Cisco Sys., Inc. v. Monarch Networking Sols. LLC*, Paper 11, 15 (Mar. 4, 2021); *see also Verizon Bus. Network Svs., LLC v. Huawei Tech. Co.*, IPR2020-01278, Paper 12, 13 (PTAB Jan. 26, 2021) ("weighs somewhat against" denying institution). As shown in the Preliminary Response, the other *Fintiv* factors weigh in favor of denying institution and, thus, outweigh the marginal weight applied to the fourth *Fintiv* factor.

DOCKET ALARM Find authenticated court documents without watermarks at docketalarm.com.

Dated: May 17, 2021

Respectfully submitted,

By: /Mark G. Knedeisen/

Mark G. Knedeisen (Reg. No. 42,747)
K&L Gates Center, 210 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Tel.: (412) 355-6342

mark.knedeisen@klgates.com

Counsel for Patent Owner

DOCKET ALARM

Find authenticated court documents without watermarks at docketalarm.com.

Certification of Service Under 37 C.F.R. § 42.6(e)(4)

I hereby certify that on May 17, 2021, I caused a true and correct copy of the foregoing to be served on the following counsel for Petitioner by electronic mail to the following email address:

W. Karl Renner (Reg. No. 41,265)
Roberto Devoto (Reg. No. 55,108)
Fish & Richardson P.C.
3200 RBC Plaza
60 South Sixth Street
Minneapolis, MN 55402
Email: IPR50095-0019IP1@fr.com
Email: PTABInbound@fr.com
Email: axf-ptad@fr.com
Email: devoto@fr.com

By: /Mark G. Knedeisen/

Mark G. Knedeisen (Reg. No. 42,747)
K&L Gates Center, 210 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Tel.: (412) 355-6342

mark.knedeisen@klgates.com

Counsel for Patent Owner

DOCKET ALARM Find authenticated court documents without watermarks at docketalarm.com.