UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner

v.

KOSS CORPORATION,
Patent Owner

Case IPR2021-00600
Patent 10,298,451

PETITIONER'S OPPOSITION TO PATENT OWNER'S MOTION FOR ADDITIONAL DISCOVERY

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I. INTRODUCTION

KOSS's motion for additional discovery ("Motion") seeks leave to use Apple's confidential sales information of HomePods and HomePod Mini smart speakers (collectively, "Apple Products") to purportedly support secondary considerations of non-obviousness. But this request for additional discovery does not serve "the interests of justice" since KOSS fails to establish that something useful will be discovered. 37 C.F.R. § 42.51(b)(2).

KOSS also does not provide sufficient evidence of nexus between the Apple Products and the Challenged Claims. Instead, to support its allegations of nexus, KOSS primarily cites to its preliminary infringement contentions—a litigation filing that, if alone found to be sufficient to warrant additional discovery, would erode the narrowly tailored requirements for additional discovery in IPR proceedings. Further, according to KOSS, the publicly available information cited within the Motion is sufficient for its allegations of purported commercial success, thereby making its request for additional discovery unnecessary. The Motion should therefore be denied.

II. BACKGROUND

Apple and KOSS are involved in several IPR proceedings involving five patents that KOSS asserted against Apple in *KOSS Corporation v. Apple Inc.*, 6:2020cv00665 (W.D.Tex.). The Board has instituted five IPR proceedings

(IPR2021-00255, IPR2021-00305, IPR2021-00381, IPR2021-00592, IPR2021-00600), denied institution of four IPR proceedings (IPR2021-00546, IPR2021-00626, IPR2021-00679, IPR2021-00686), and one IPR proceeding is pending institution (IPR2021-00693).

The Board denied KOSS's requests for authorization to file motions for additional discovery in IPR2021-00255, IPR2021-00305, IPR2021-00381 due to the requests being untimely. *See* IPR2021-00255, Pap. 21 (PTAB Sept. 1, 2021). KOSS then filed motions for additional discovery in six IPR proceedings—IPR2021-00592, IPR2021-00600, IPR2021-00626, IPR2021-00693, IPR2021-00686, IPR2021-00679. KOSS makes essentially the same arguments in each motion and seeks discovery of sales revenue and quantity of units sold, by calendar quarter, for certain Apple products since the commercial introduction of each product. *See, e.g.* KOSS-2014. KOSS states that it requests this additional discovery to "seek[] evidence for proving commercial success of the Challenged Claims, which is relevant to assessing obviousness of the Challenged Claims under 35 U.S.C. § 103." Mot., 6.

III. ADDITIONAL DISCOVERY IS NOT WARRANTED

A. The *Garmin* Factors Support Denial

To assess whether a party seeking additional discovery in an IPR proceeding has sufficiently demonstrated that "such additional discovery is in the interests of

justice[,]" the Board considers five factors provided in *Garmin International, Inc. v. Cuozzo Speed Technologies LLC*, IPR2012-00001 (Mar. 5, 2013) (Pap. 26); 37 C.F.R. § 42.51(b)(2)(i).

1. Factor 1 – KOSS Has Not Presented More Than a "Mere Allegation" That Something Useful Will be Discovered

To satisfy the usefulness prong of *Garmin* Factor 1, KOSS is required to demonstrate that the requested discovery is not "merely 'relevant' or 'admissible,' but rather [is] favorable in substantive value to a contention of the party moving for discovery." IPR2018-01480, Pap. 24, 4-5 (PTAB May 7, 2019) (citation omitted).

KOSS advances four allegations to support its request for additional discovery based on this factor: (1) Koss argues that publicly available evidence shows that Apple allegedly exploited the Challenged Claims through sales of Apple Products, (2) Koss contends that there is a "clear" nexus between the Apple Products and the Challenged Claims, (3) Koss alleges that the Apple Products "need to practice" the Challenged Claims, and (4) Koss contends that the fact that Apple could introduce the Apple Products years after the priority dates of the challenged patents is "strong evidence of nonobviousness." Mot., 9-13. Yet, the sales information that KOSS requests—sales revenue and quantity of units sold of Apple Products—is product-level information that has no substantive value to any of KOSS's four allegations. KOSS' statement that Apple "exploited" the

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