UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BOSE CORPORATION,
Petitioner,

v.

KOSS CORPORATION,
Patent Owner.

CASE: IPR2021-00680
U.S. PATENT NO. 10,469,934

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

Because the trial in the related "Apple Litigation" (*Koss Corp. v. Apple Inc.*, Case No. 6:20-cv-00665-ADA W.D. Tex.) will take place ***six months*** before the projected final decision date in this IPR if the trial is instituted, Petitioner's Reply (Paper 11) downplays the impact of Apple Litigation on Board's assessment of whether it would be efficient for the Board to institute the IPR. In fact, that case is critically important and Petitioner's arguments, because they avoid that critical fact, should not be found persuasive.

The Board has denied discretionarily institution of post-grant proceedings under similar circumstances. In *TCO AS v. NCS Multistage Inc.*, PGR2020-0077, Paper 16 (PTAB Feb. 18, 2021), the patent-at-issue was involved in several litigations, including the "Nine Litigation" and the "TCO Litigation." The petitioner was a party to the TCO Litigation, which was "at a nascent stage" and would not have a trial before the projected final written decision date. *TCO*, Paper 16 at 17. Petitioner, however, was not a party to the Nine Litigation, in which the trial was scheduled to take place four months before the projected final decision date. *Id.* at 11. Under these circumstances, including the overlap between the asserted grounds in the petition and the validity grounds litigated in the Nine Litigation, the Board

denied institution. *Id.* as 23.[1]

The present case is remarkably similar to the *TCO* case and institution should be denied for analogous reasons. Although the trials in the *Bose*, *Skullcandy* and *Plantronics* matters are unlikely to occur prior to the projected final decision date if the IPR is instituted (like the TCO Litigation in the *TCO* case), the trial in the Apple Litigation is scheduled to take in place in April 2022, which is six months before the projected final decision date (like the Nine Litigation in the *TCO* case). In fact, there is more certainty now about the likelihood of the April 2022 trial in the Apple Litigation given that on August 4, 2021, the Federal Circuit denied Apple's mandamus petition to transfer the Apple Litigation from the Western District of Texas to the Northern District of California. KOSS-2033. Thus, the Apple Litigation will be not be transferred.

Also like the *TCO* case, there is substantial overlap between the validity issues

[1] *See also Cisco Sys., Inc. v. Estech Sys., Inc.*, IPR2021-00332, Paper 11 (PTAB July 7, 2021) and *Cisco Sys., Inc. v. Estech Sys., Inc.*, IPR2021-00333, Paper 12 (PTAB July 7, 2021) (institution denied in related IPRs under *Fintiv* where petitioner was not a party to related litigations, although there was "overlap" between the defendants in the related litigations and real parties in interest in the IPRs).

raised in the Apple Litigation and asserted grounds in the Petition. While Petitioner challenges seventeen claims that are not presently asserted in the Apple Litigation (Paper 11 at 4), there are ***thirty claims*** that overlap between the two proceedings (claims 1-8, 11-13, 15-22, 36-41 and 58-62), including both independent claims (claims 1 and 58) of the '934 Patent. *See* KOSS-2023 at 2 (listing asserted claims of '934 Patent in Apple Litigation).

Petitioner accuses Patent Owner of "speculating" that Apple will rely on Rezvani-875 (BOSE-1016) in the Apple Litigation because it is one of more than 200 references cited in Apple's invalidity contentions. Paper 11 at 5 (citing KOSS-2030). However, Apple's invalidity contentions covered five patents (including the '934 Patent). KOSS-2030 at 2. Also, Rezvani-875 was one (and the first) of only four references for which Apple provided charts for the '934 Patent. KOSS-2030 at 25 (Exhibit C1-C4 to Apple's invalidity contentions are Apple's charts for the '934 Patent); KOSS-2022 at 1 (Exhibit C1 for Apple's contentions was a chart for Rezvani-875). Because of the significant overlap between the validity issues raised in the two matters, and because the Apple Litigation's jury verdict is highly likely to be six months prior to the expected final decision date if the IPR is instituted, institution of the IPR would demand an untimely and inefficient proceeding that would effectively "second guess" the result of a jury trial in concurrent litigation.

See NHK Spring Co. v. Intri-Plex Techs., Inc., IPR2018-00752, Paper 8 at 11–21 (PTAB Sept. 12, 2018) (Precedential); *Apple Inc. v. Fintiv, Inc*., IPR2020-00019, Paper 11 at 2–3 (PTAB March 20, 2020) (Precedential).

Petitioner's other arguments are similarly unpersuasive.

Factor 1: Petitioner accuses Patent Owner of offering no specific evidence that the Apple Litigation will not be stayed. The specific evidence includes (i) that Apple still has not sought a stay, despite the fact that Board instituted IPRs for three of the five patents involved in the Apple Litigation (Paper 10 at 10) and (ii) the Apple Litigation does not satisfy the conditions under which the presiding judge in the Apple Litigation will stay a case pending an IPR. KOSS-2019.

Factors 2 and 5: Petitioner asserts that *Google LLC v. Uniloc 2017 LLC*, IPR2020-00441, Paper 13 (July 17, 2020) supports that the lack of a trial date in the *Bose, Skullcandy* and *Plantronics* cases "weighs significantly against" the Board exercising its discretion to deny institution. Paper 11, 2. The *Google* case is irrelevant, however, because there was no other litigation involving the patent that was going to trial prior to the projected final written decision date. *Google*, Paper 13, 35 (only litigation involved petitioner). That is not the case here because the Apple Litigation is going to trial six months before the projected final written decision date.

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