

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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CHANEL, INC.,  
Petitioner,

v.

MOLO DESIGN, LTD.,  
Patent Owner.

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IPR2022-00545  
Patent 9,689,161 B2

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Before KEN B. BARRETT, CARL M. DEFRANCO, and  
RICHARD H. MARSCHALL, *Administrative Patent Judges*.

DEFRANCO, *Administrative Patent Judge*.

JUDGMENT  
Final Written Decision  
Determining Some Challenged Claims Unpatentable  
*35 U.S.C. § 318(a)*

Molo Design, Ltd. (“Molo”) is the owner of U.S. Patent No. 9,689,161 B2 (Ex. 1001, “the ’161 patent”). Chanel, Inc. (“Chanel”) filed a Petition requesting *inter partes* review of claims 1–10, 12, 14, 18–25, and 27 of the ’161 patent. Paper 1 (“Pet.”). We instituted *inter partes* review of all the claims as challenged in the Petition. Paper 9 (“Inst. Dec.”). Molo filed a response (Paper 19, “PO Resp.”), Chanel filed a reply (Paper 30, “Pet. Reply”), and Molo followed with a sur-reply (Paper 32, “PO Sur-Reply”). We also permitted Chanel to file a Sur-Sur-Reply (Paper 40) to address new evidence that Molo introduced with its sur-reply. *See* Paper 36 (denying Chanel’s motion to strike but authorizing Chanel to file rebuttal evidence and argument).

We have jurisdiction under 35 U.S.C. § 6. We held an oral hearing on June 8, 2023, a transcript of which is in the record. Paper 45 (“Hrg. Tr.”). This Final Written Decision is entered pursuant to 35 U.S.C. § 318(a). For the reasons below, we determine that Chanel fails to demonstrate that claims 1–10, 12, 14, and 18 of the ’161 patent are unpatentable as anticipated under 35 U.S.C. § 102(b) or obvious under 35 U.S.C. § 103. However, we determine that Chanel does demonstrate that claims 19–25 and 27 are unpatentable as obvious under 35 U.S.C. § 103.

## I. BACKGROUND

### A. Related Matters

Chanel filed concurrent petitions for *inter partes* review of three related patents—U.S. Patent Nos. 7,866,366 B2 (IPR2022-00543), 8,561,666 B2 (IPR2022-00544), and 9,797,134 B2 (IPR2022-00546). Those patents, along with the ’161 patent at issue here, are also the subject of an infringement action filed February 22, 2021 and captioned *Molo Design Ltd.*

*v. Chanel, Inc.*, No. 1:21-cv-01578 (S.D.N.Y). *See* Paper 6 at 2. That action was stayed on May 2, 2022, pending the outcome of our review of Chanel’s Petition in this proceeding and the related proceedings. *See* Ex. 3001 (Stay Order).

*B. The ’161 Patent*

The ’161 patent relates to a “freestanding extensible wall for partitioning an area of a room.” Ex. 1001, Abstract, Fig. 1. The partition has “a core formed from a plurality of laminar panels of a flexible flaccid material.” *Id.* at 2:9–11. Each of the laminar panels “has a pair of oppositely-directed major faces with faces of adjacent panels being interconnected to provide a cellular structure upon movement of the faces away from each other.” *Id.* at 2:11–14, Figs. 2, 3. Figure 1 of the ’161 patent, reproduced below, is a perspective view of the freestanding partition.

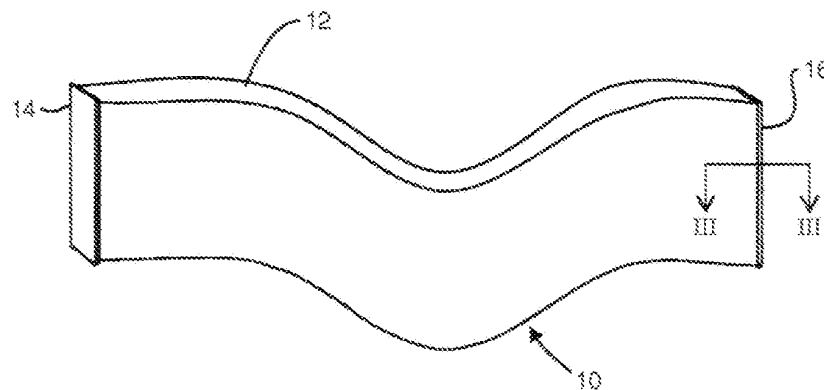


FIG. 1

As shown, the partition comprises “a core 12 and a pair of supports 14, 16 at opposite ends of the core.” *Id.* at 4:15–17. The supports are connected to end panels at opposite ends of the core. Figure 3 of the ’161 patent, reproduced below, is a partial cross-sectional view of the expanded core depicting the end panels of the core with the supports attached thereto.

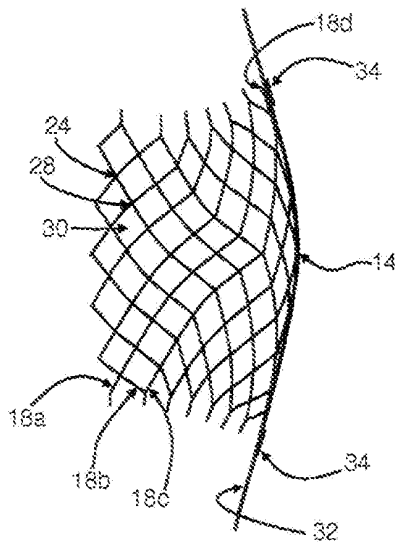


FIG. 3

As shown, the expanded core includes interconnecting panels 18a, 18b, 18c forming voids 30 within the core, and end panels 18d at opposite ends of the core. *Id.* at 4:30–51. “The supports 14 and 16 extend laterally beyond the core as indicated at 32 and are adhered to respective ones of the end panels 18d.” *Id.* at 4:59–61. As described, the supports 14 and 16 “are made from a self-supporting material, typically a non woven felt material, which has a degree of flexibility but also has sufficient rigidity to resist collapse of the core.” *Id.* at 4:51–55.

With the core expanded, “the supports 14 and 16 may be folded along a vertical axis to provide enhanced rigidity at each end of the partition 12.” *Id.* at 5:12–14, Fig. 5. The supports include Velcro fasteners that permit opposite edges of the supports to be “brought together” and “engage one another” to “hold the support in a folded tubular configuration.” *Id.* at 5:15–19, Fig. 5. “Further support[s] may be provided along the length of the partition” by using dowels inserted into the voids of the core and supported by bases. *Id.* at 14:14–26, Fig. 48.

*C. The Asserted Challenges*

<b>Claims Challenged</b>	<b>35 U.S.C. §</b>	<b>Basis</b>
2, 6, 7, 8, 10, 12, 14	102	SoftHousing I <sup>1</sup>
1–10, 12, 14, 18	103	SoftHousing I, SoftHousing II, <sup>2</sup> SoftHousing III, <sup>3</sup> Arens, <sup>4</sup> <i>and/or</i> Okuno <sup>5</sup>
2, 6, 8, 10, 12, 14	102	SoftWall <sup>6</sup>
1–10, 12, 14, 18	103	SoftWall, SoftHousing I–III, Arens, <i>and/or</i> Okuno
19–25, 27	103	MacAllen, <sup>7</sup> Stratton, <sup>8</sup> Fischer, <sup>9</sup> Reisen-thel, <sup>10</sup> Tolna, <sup>11</sup> <i>and/or</i> EnduroFence <sup>12</sup>

In further support of these challenges, Chanel submits the declaration of Lance Rake. *See* Ex. 1003. Molo, in turn, submits the declaration of Alan Ball. *See* Ex. 2010. Molo also submits declarations from each of the

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<sup>1</sup> DBEW International Design Competition 2004, *Golden Prize*, HANSSEM Co., LTD., May 9, 2004 (Ex. 1005, “SoftHousing I”).

<sup>2</sup> *Design Beyond East & West—Collection of Winning Works of DBEW International Design Contest* (Interior Architecture of China Magazine ed.) TIANJIN UNIVERSITY PRESS, March 2004 (Ex. 1006, “SoftHousing II”).

<sup>3</sup> *First Step Soft Housing*, Common Ground, Nov. 6, 2003 (Ex. 1007, “SoftHousing III”).

<sup>4</sup> US 4,493,174, issued Jan. 15, 1985 (Ex. 1013, “Arens”).

<sup>5</sup> JP S49-87173 A, published Aug. 21, 1974 (Ex. 1011, “Okuno”).

<sup>6</sup> *Flexible textile walls expand and compress to create rooms-within-a-room*, ARCHITECTURAL RECORD, VOL. 192, No. 9, P. 205, Sept. 2004 (Ex. 1028, “SoftWall”).

<sup>7</sup> US 2008/0023156 A1, published Jan. 31, 2008 (Ex. 1037, “MacAllen”).

<sup>8</sup> US 7,217,061 B2, issued May 15, 2007 (Ex. 1038, “Stratton”).

<sup>9</sup> US Des. 353,946, issued Jan. 3, 1995 (Ex. 1039, “Fischer”).

<sup>10</sup> US 2005/0076552 A1, published Apr. 14, 2005 (Ex. 1040, “Tolna”).

<sup>11</sup> DM 057 813, published Dec. 28, 2005 (Ex. 1041, “Reisen-thel”).

<sup>12</sup> *Enduro Fence Package-150’*, MARKERS, INC., Aug. 27, 2008 (Ex. 1042, “EnduroFence”).

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