

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Apex Tool Group LLC,
Petitioner,

v.

Milwaukee Electric Tool Corporation,
Patent Owner.

Case No. PGR2020-00056
Patent 10,422,617

**PETITIONER'S REPLY TO PATENT OWNER'S
PRELIMINARY RESPONSE PURSUANT TO PAPER 11**

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509 F.2d 566, 571 (CCPA 1975)1

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Reading & Bates Constr. Co. v. Baker Energy Res. Corp.,
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BMW v. Carrum, IPR2019-00903,
Paper 9 (PTAB Oct. 21, 2019)5

Three of the grounds for invalidity in the Petition rely on a tape measure design the '617 patent identifies as "Prior Art 2". (Paper 1 at 30-31.) In addition to labeling the design as "Prior Art", the '617 patent described it as a "conventional tape measure design." (Ex. 1001 at 15:43-45.) Prior Art 2 meets all the limitations in independent claim 1 of the '617 patent except that it discloses a blade with a flat width of 32 mm, while the claim required the flat width be "less than 32 mm".

The Petition cites case law holding that examples in the specification labeled "prior art" should be considered prior art regardless of whether they were shown to be statutory prior art. (Paper 1 at 30-31 (citing *e.g. In re Nomiya*, 509 F.2d 566, 571 (CCPA 1975) and *Apple Inc. v. Qualcomm Inc.*, IPR2018-01315, Paper 26 at 22 (PTAB Jan. 3, 2020).) Patent Owner ("PO") argues this law does not apply because of an alleged legal exception related to the admission being an admission of the patent owner's own work. (Paper 9 at 28-32.)

PO's argument should be rejected for three reasons. **First**, as this board has previously held, the Federal Circuit decisions PO cites do not allow a patent owner to negate its admissions by introducing evidence that the admitted prior art was its own work. Those cases were decided on specific facts that do not exist here. **Second**, even if the PO's exception exists, it only applies if the prior art was the work of the "same inventive entity". PO does not establish that Prior Art 2 is the work of the two inventors of the '617 patent. **Third**, the Petition made a sufficient

showing to carry its burden for the purposes of this institution decision.

I. The Federal Circuit Decisions Do Not Allow Patent Owner to Negate Its Admissions

PO argues that the Federal Circuit’s decisions in *Reading* and *Riverwood* hold that prior art admissions are not binding when the admissions relate to the patent owner’s own work. (Paper 9 at 28-29.) This board has previously rejected this exact argument in a case with indistinguishable facts. *See Intri-Plex Technologies, Inc. v. Saint-Gobain Performance Plastics Rencol Ltd.*, IPR2014-00309, Paper 83, 2014 Pat. App. LEXIS 9069, at *32 (PTAB Mar. 23, 2014).

In *Intri-Plex*, the patent specification labeled a figure as “Prior Art” and described the figure as “known”. *Id.*, at *27-28. The patent owner attempted to rebut these admissions by citing *Riverwood* and *Reading* and submitting inventor testimony establishing the figure represented their own work. *Id.*, at *31-32.

The board rejected this argument, holding that *Riverwood* and *Reading* were narrow decisions decided on their specific facts. *Id.* at *32-34 (“We conclude that the rationale expressed in *Riverwood* relating to the inventor’s own work is limited to the references cited in an IDS and statements made by the applicant in connection with the filing of an IDS.”), *32 (*Reading* “relates to the narrow issue of whether the preamble of a claim written in Jepsen format should be treated as admitted prior art.”). Further, the board observed that ignoring the patent owner’s

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