

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SKECHERS USA, INC.,
Petitioner,

v.

ADIDAS AG,
Patent Owner.

Case IPR2017-00320
Patent 9,339,079 B2

Before JOSIAH C. COCKS, PATRICK R. SCANLON, and
MICHAEL L. WOODS, *Administrative Patent Judges*.

COCKS, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 325(d)

I. INTRODUCTION

A. *Summary*

Skechers USA, Inc. (“Petitioner”) filed a Petition (Paper 2, “Pet.”) to institute an *inter partes* review of claims 1–30 of U.S. Patent No. 9,339,079 B2 (Ex. 1001, “the ’079 patent”). Adidas AG (“Patent Owner”) filed a Patent Owner Preliminary Response. Paper 6, “Prelim. Resp.”

Having considered the Petition, Preliminary Response, and the evidence of record, we determine that the Petition presents substantially the same art or arguments as those previously presented to the Office. Accordingly, we exercise our discretion under 35 U.S.C. § 325(d) and deny institution of an *inter partes* review as to claims 1–30 of the ’079 patent based on any of the grounds advanced in the Petition.

B. *Related Matters*

The parties identify Case No. 3:16-cv-01400-AC pending in the District Court for the District of Oregon that involves the ’079 patent. Pet. 1; Paper 3, 2. The ’079 patent is also involved in IPR2017-00127.¹ Related U.S. Patent No. 9,345,285 B2 is the subject of separate petitions for *inter partes* review as a part of IPR2017-00125, IPR2017-00322, and IPR2017-00847.²

C. *The ’079 patent*

The ’079 patent is titled “Shoe and Sole.” Ex. 1001, (54). The ’079

¹ Trial was instituted in IPR2017-00127 on April 26, 2017.

² Trial was instituted in IPR2017-00125 on April 26, 2017. A decision on whether to institute trial in IPR2017-00847 has not yet been made, and a decision in connection with IPR2017-00322 is entered concurrently with this decision.

patent describes the invention as including specific “leaf spring elements” intended to provide cushioning properties that minimize disadvantages associated with the use of foamed materials, which are typically used in shoe construction. *Id.* at 2:15–39. Figure 1 of the '079 patent is reproduced below.

FIG 1

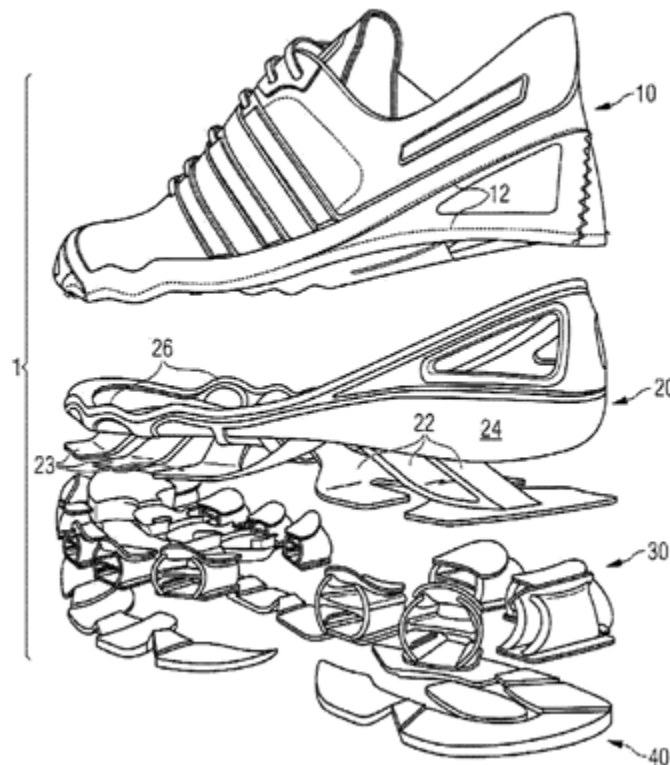
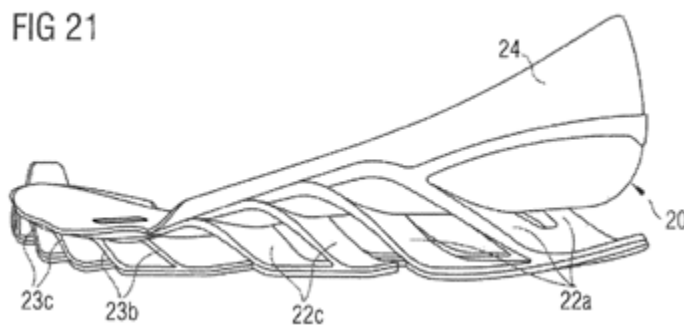


Figure 1 above depicts an exploded view of a shoe according to an embodiment of the invention. *Id.* at 4:33–34. In particular, shoe 1 includes shoe upper 10, sole plate 20, a group of first cushioning elements 30, and outsole layer 40. *Id.* at 5:29–32. Sole plate 20 includes leaf spring elements 22 and 23, as well as heel cup 24. *Id.* at 5:42–47. Each of leaf spring elements 22 and 23 includes ends that are connected to the sole plate and ends that are not connected to the sole plate (each of the latter ends being

characterized as a “free end”). *See id.* at 3:48–57. The ’079 patent describes that the free ends of the leaf springs may also be interconnected. *Id.* at 3:50–52. In Figure 1, the free ends of the two rearmost leaf spring elements 22 closest to heel cup 24 are shown interconnected. *Id.* at 8:28–32. Figure 21 is reproduced below and shows another embodiment of a shoe according to the ’079 patent.



In the embodiment of Figure 21, shown above, certain leaf spring elements, such as those designated 22c and 22a are side-by-side so as to be arranged on each of a “lateral side” of the shoe, and also on a “medial side.” *Id.* at 12:6–60. In that embodiment, the interconnection of leaf spring elements, such as each of 22c and 22a, is between the lateral and medial sides of the shoe.

D. Claims

Of the challenged claims, claims 1, 8, 12, and 20 are independent. Claims 2–7 depend from claim 1, claims 9–11 depend from claim 8, claims 13–19 ultimately depend from claim 12, and claims 21–30 depend from claim 20. Claim 1 is reproduced below:

1. A sole for an article of footwear, the sole comprising:
a sole plate comprising a plurality of leaf springs disposed in a rearfoot area of the sole plate and a plurality of leaf springs disposed in a forefoot area of the sole plate,

wherein each of the plurality of leaf spring elements has a connection end connected to the sole plate and an end not directly connected to the sole plate, and where all ends not directly connected to the sole plate point in substantially the same direction,

wherein two or more leaf springs disposed adjacent to each other on the sole plate in a transverse direction between a lateral side of the sole plate and a medial side of the sole plate are integrally joined to form a single end not directly connected to the sole plate, and wherein the single end not directly connected to the sole plate extends from the lateral side of the sole plate to the medial side of the sole plate.

Id. at 15:29–45.

E. The Prior Art

Petitioner relies on the following prior art references:

Reference	Date	Exhibit No.
U.S. Patent No. 7,549, 236 B2 issued to Dillon et al. (“Dillon”)	Jun. 2009	1005
U.S. Patent No. 7,107,235 B2 issued to Lyden (“Lyden”)	Sep. 2006	1006
International Patent Publication No. WO 2009/064286 to Engelman (“Engelman”)	May 2009	1007

F. Asserted Grounds of Unpatentability

Petitioner challenges claims 1–30 under 35 U.S.C. § 103 as unpatentable on the following grounds:

References	Claim[s]
Dillon and Lyden	1 and 3–7
Dillon, Lyden, and Engelman	2
Dillon and Engelman	8–30

II. ANALYSIS

We have discretion whether to institute any *inter partes* review. *See* 35 U.S.C. § 314(a); 37 C.F.R. § 42.108. In that respect, our discretion is guided by 35 U.S.C. § 325(d), which provides that “the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.” *See* 157 CONG. REC. S1376 (daily ed. Mar. 8, 2011) (statement of Sen. Kyl) (“[T]he second sentence of section 325(d) . . . authorizes the Director to reject any . . . petition . . . on the basis that the same or substantially the same prior art or arguments previously were presented to the Office. This will prevent parties from mounting attacks on patents that raise issues that are substantially the same as issues that were already before the Office with respect to the patent. The Patent Office has indicated that it currently is forced to accept many requests . . . that are cumulative to or substantially overlap with issues previously considered by the Office with respect to the patent.”). We also are mindful that we construe our rules “to

secure the just, speedy, and inexpensive resolution of every proceeding.” 37 C.F.R. § 42.1(b).

A. Prosecution History of the '079 Patent

The '079 patent issued from U.S. Patent Application 14/937,640 (“the '640 application”). Ex. 1001, (21). During the course of prosecution of the '640 application, the Examiner considered the teachings of Dillon alongside those of other prior art teachings concerning design of footwear, such as Nishiwaki³ and Lyden. *See* Ex. 2002, 25–30. Ultimately, the Examiner concluded that certain aspects of the claims of the '640 application (now claims 1–30 of the '079 patent) distinguished those claims from the prior art of record. In particular with respect to the claims, the Examiner made the following determinations:

Dillon does not teach that two or more leaf spring elements come together integrally to form a single end not directly connected to the sole plate . . .

Dillon and Nishiwaki do not teach that two or more leaf springs come together integrally to form a single end not directly connected to the sole plate.

While Nishiwaki does teach attaching a curved surface to tubular and cushioning members, the combination of this surface used with the leaf springs of Dillon would still require that the leaf springs be connected to the sole plate, and thus there would be no free ends that are not directly connected to the sole plate. . .

None of the references disclose, teach, or fairly suggest the combination as claimed and such a combination would only be arrived at using improper hindsight reasoning using information and knowledge gleaned only from Applicant’s disclosure.

Therefore, [claims 1–30 of the '079 patent] have been

³ U.S. Patent Application Publication No. 2008/0034615 A1 to Nishiwaki et al. (“Nishiwaki”) (Ex. 1018)

determined to be allowable over the prior art because the combination as claimed would only be arrived at by improper hindsight reasoning.

Id. at 26–27.

Thus, the Examiner determined that the teachings of Dillon taken with other prior art, including Lyden and Nishiwaki, did not account for certain claim features, and that combining the teachings of the prior art of record was an exercise involving “improper hindsight.” In the Petition before us here, Petitioner relies specifically on the teachings of Dillon and Lyden—prior art already considered by the Examiner—in urging the unpatentability of the claims at hand. Petitioner also does not explain why Engleman, which is also directed to the design of footwear and is relied upon in the Petition, describes content that is not cumulative of prior art which the Examiner previously considered, for instance, the teachings of Nishiwaki.

Petitioner does attempt to address the considerations noted above. In that regard, Petitioner generally contends that the Examiner only relied on content of Dillon that is different than that on which the Petitioner relies. Pet. 27–28. Yet, the basis for that contention is conclusory and not well supported. We find more persuasive Patent Owner’s characterization of the content of Dillon that the Examiner evaluated when considering whether the claims were obvious in light of Dillon’s teachings. *See* Prelim. Resp. 13–25. We further are not persuaded by Petitioner’s general implication that the Examiner did not consider substantively the teachings of Lyden in conjunction with Dillon simply because the Examiner only cited Lyden on the face of the ’079 patent. Pet. 27–28.

Here, the underlying circumstances of the prosecution of the ’640 application favor denial of an *inter partes* review based on 35 U.S.C.

§ 325(d). In particular, the record before us conveys that substantially the same art and arguments were presented to the Office, via the Examiner charged with examining the '640 application that became the '079 patent.

B. Other Considerations

That we have determined that the same or substantially the same arguments or art have been presented to the Office is reason enough for us to exercise our discretion and deny institution of an *inter partes* review. Nevertheless, we observe that prior Board decisions provide useful guidance as to other considerations that touch on the exercise of such discretion. In particular, the panel in IPR2016-00134 laid out several instructive factors that may be considered. *See Nvidia Corp. v. Samsung Elec. Co., Ltd.*, Case IPR2016-00134, slip op. at 6–7 (PTAB May 4, 2016) (Paper 9)); *see also Medtronic Xomed, Inc., v. Neurovision Medical Products, Inc.*, IPR2017-00456, slip op. at 8–9 (PTAB May 5, 2017) (Paper 10). Such factors include, in no particular order:

- (1) the finite resources of the Board;
- (2) the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review;
- (3) whether the same petitioner already previously filed a petition directed to the same claims of the same patent;
- (4) whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known about it;
- (5) whether at the time of filing of the second petition the petitioner already received patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;
- (6) the length of time that elapsed between the time petitioner learned of the prior art asserted in the second petition and filing of the second petition; and

(7) whether petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent.

Nvidia, IPR2016-00134, slip op. at 6–7 (Paper 9)

In considering those factors, we note the following. The same Petitioner as that involved in the present proceeding sought *inter partes* review of the same claims 1–30 of the '079 patent in a Petition filed nearly a month before the Petition at hand. *See* IPR2017-00127, Paper 2. The same panel considering the present Petition instituted trial in IPR2017-00127 based on a ground of unpatentability proposed for all of claims 1–30. Thus, an *inter partes* review is already underway in connection with those claims. To that end, factor (3) clearly favors a discretionary denial of institution here.

Petitioner also unquestionably knew of the prior art applied in the second Petition (IPR2017-00320) at the time of the filing the first Petition (IPR2017-00127), as the first Petition presents each of Dillon, Lyden, and Engleman as exhibits (IPR2017-00127, Exhibits 1008, 1009, and 1012). Factor (4), thus, also supports a discretionary denial of institution.

Furthermore, other of the above-noted factors also are not in Petitioner's favor. Petitioner does not explain why it waited nearly a month to file another Petition. That delay does not aid Petitioner in its pursuit of another *inter partes* review involving the claims of the '079 patent. Also, multiple parallel proceedings on the same claims of a patent would not lend itself to conservation of resources by either the parties or the Board. And, given the proceedings presently are at different stages, consolidation of the proceedings potentially would impact the Board's ability to comply with the statutory temporal requirements for completion of a final written

determination arising under 35 U.S.C. § 316(a)(11).

All of the above considerations provide additional reasons why the exercise of discretion under 35 U.S.C. § 325(d) to deny institution is appropriate.

III. CONCLUSION

For the foregoing reasons, we exercise our discretion under 35 U.S.C. § 325(d) and deny institution of a trial in connection with this proceeding.

IV. ORDER

It is ORDERED that no trial or *inter partes* review is instituted based on the Petition filed in this proceeding.

For PETITIONER:

Brian Berliner
bberliner@omm.com
John Murray
Kmurray2@omm.com
Cameron Westin
cwestin@omm.com
Sina Aria saria@omm.com

For PATENT OWNER:

Mitchell Stockwell
mstockwell@kilpatricktownsend.com
Matias Ferrario
mferrario@kilpatricktownsend.com
Michael Morlock
mmorlock@kilpatricktownsend.com
Courtney Dabbieri
cdabbieri@kilpatricktownsend.com