

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GRACO CHILDREN'S PRODUCTS INC.,
Petitioner,

v.

KOLCRAFT ENTERPRISES, INC.,
Patent Owner.

Case IPR2016-00816 (Patent D604,970 S)
Case IPR2016-00826 (Patent D616,231 S)¹

Before KEN B. BARRETT, JOSIAH C. COCKS, and JENNIFER S. BISK,
Administrative Patent Judges.

BARRETT, *Administrative Patent Judge.*

FINAL WRITTEN DECISION
35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

¹This Decision addresses the same legal and factual issues raised in IPR2016-00816 and IPR2016-00826. The patents at issue in both cases are related, and the arguments made by Petitioner largely are the same in both cases. Therefore, we issue one Decision to be entered in each case.

I. INTRODUCTION

A. Background and Summary

Graco Children’s Products Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of the sole claim of U.S. Patent No. D604,970 S (Ex. 1001, “the ’970 patent”). IPR2016-00816, Paper 2 (“Pet.”). Petitioner also filed a Petition requesting *inter partes* review of the sole claim of U.S. Patent No. D616,231 S. IPR2106-00826,² Paper 2. Kolcraft Enterprises, Inc. (Patent Owner) did not file a Preliminary Response to the Petitions. The Board instituted a trial for the challenged claims. Paper 8 (“Dec. on Inst.”). Although Petitioner proposed eleven grounds of unpatentability, we instituted trial on only one asserted ground of unpatentability for obviousness. Dec. on Inst. 8, 23–24.

After institution of trial, Patent Owner filed a Patent Owner Response (“PO Resp.”) to the Petition. Paper 10. Petitioner filed a Reply (“Reply”) to Patent Owner’s Response. Paper 21.

Oral hearing was conducted on July 6, 2017. The record contains a transcript of the hearing. Paper 28 (“Tr.”).

The Board has jurisdiction under 35 U.S.C. § 6. This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73. For the reasons discussed herein, we determine Petitioner has shown by a preponderance of the evidence that the claim of the ’970 patent and the

² Substantively similar papers were filed in both the subject cases. For clarity and expediency, we treat IPR2016-00816 as representative of IPR2016-00816 and IPR2016-00826. Unless indicated otherwise, all citations are to IPR2016-00816.

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claim of the '231 patent are unpatentable on the ground upon which we instituted *inter partes* review.

B. Related Proceedings

One or both parties identify, as a matter involving or related to the '970 patent, *Kolcraft Enterprises, Inc. v. Graco Children's Products Inc.*, No. 1:15-cv-07950 (N.D. Ill.), and an *Inter Partes* Review involving the same parties and related patents, IPR2016-00810 (Patent No. D570,621 S). Pet. 2–3; Paper 5.

C. The Instituted Grounds of Unpatentability

We instituted *inter partes* review of the sole design claim of the '970 patent and sole design claim of the '231 patent, both on the ground of obviousness under 35 U.S.C. § 103(a) over Chen '393³.

II. ANALYSIS

Petitioner bears the burden of proving unpatentability of the challenged claims, and that burden never shifts to Patent Owner. *Dynamic Drinkware, LLC v. Nat'l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015). As discussed below, the burden of production, in certain circumstances, shifts to Patent Owner. *Id.* at 1379. To prevail, Petitioner must establish the facts supporting its challenge by a preponderance of the evidence. 35 U.S.C. § 316(e); 37 C.F.R. § 42.1(d). Petitioner relies on the Declarations of Mr. Robert John Anders, dated March 30, 2016 (IPR2016-00816, Ex. 1002) and March 31, 2016 (IPR2016-00826, Ex. 1002) in

³ US Patent No. D494,393 S to Chen, filed Jan. 7, 2004, issued Aug. 17, 2004 (Ex. 1007).

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support of its arguments. Patent Owner relies on the Declaration of Damon Oliver Casati Troutman and Edward B. Bretschger, dated December 29, 2016 (Ex. 2008), in support of its arguments.

A. The Designer of Ordinary Skill

Petitioner’s expert, Mr. Anders, opines:

A designer of ordinary skill in the art relevant to the ’970 Patent would be an industrial designer of ordinary capabilities in the field of consumer product design, including foldable structures. A designer of ordinary skill would also be aware of prior art play yards or play pens, including, but not limited to, working with, designing, or evaluating juvenile products.

Ex. 1002 ¶ 48; *see also* IPR2016-00826, Ex. 1002 ¶ 45 (same for the ’231 patent). Patent Owner does not contest this definition. For purposes of this Decision, we adopt Mr. Anders’s definition of the designer of ordinary skill.

B. The ’970 Patent, the ’231 Patent, and the Claims

In an *inter partes* review, claim terms in an unexpired patent are given their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b); *see also* *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–46 (2016). With regard to design patents, it is well-settled that a design is represented better by an illustration than a description. *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665, 679 (Fed. Cir. 2008) (en banc) (citing *Dobson v. Dornan*, 118 U.S. 10, 14 (1886)). Although preferably a design patent claim is not construed by providing a detailed verbal description, it may be “helpful to point out . . . various features of the claimed design as they relate to the . . . prior art.” *Id.* at 679–80; *cf. High Point Design LLC v. Buyers Direct, Inc.*, 730 F.3d 1301, 1314–15 (Fed. Cir. 2013) (remanding to the district court, in part, for a

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“verbal description of the claimed design to evoke a visual image consonant with that design”).

Both the '970 patent and the '231 patent are titled “Exposed Legs for a Play Yard,” and the claim of the '970 patent recites “[t]he ornamental design for exposed legs for a play yard, as shown and described.” Ex. 1001 (57); IPR2016-00826, Ex. 1001 (57) (“The ornamental design for the exposed legs for a play yard, as shown and described.”). The '231 Patent issued from an application that was a continuation of the application that led to the issuance of the '970 Patent. IPR2016-00826, Ex. 1001 (63); IPR2016-00816 (21).

The '970 patent contains seven figures. Figures 1 and 2 of the '970 patent are reproduced below.

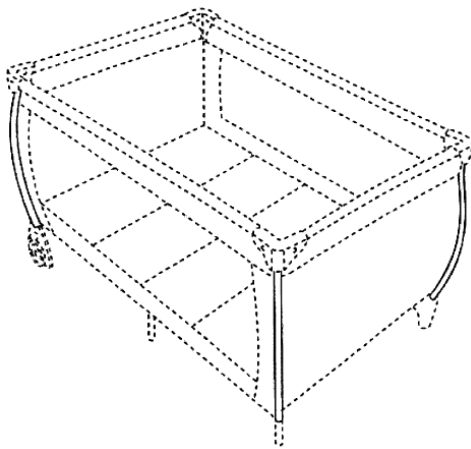


FIG. 1

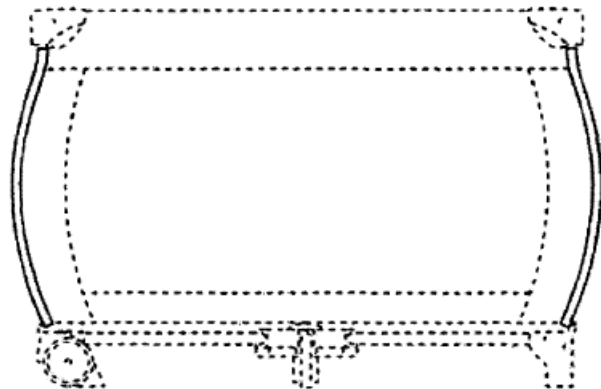


FIG. 2

Figure 1 is “a perspective view of exposed legs for a play yard,” and Figure 2 is “a front view of the design of FIG 1.” IPR2016-00816, Ex. 1001, 1. The description of the '970 patent states “[t]here is no fabric covering the exposed legs shown in any of FIGS. 1–7.” *Id.* Additionally,

“[t]he features shown in broken lines . . . do not form part of the claimed design.” *Id.*

The '231 patent contains five figures. Figures 1 and 2 of the '231 patent are reproduced below.

Fig. 1

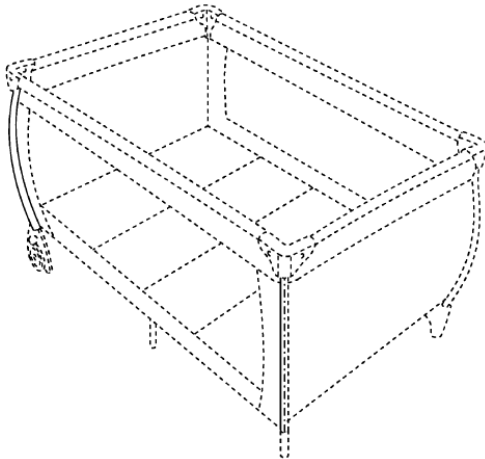


Fig. 2

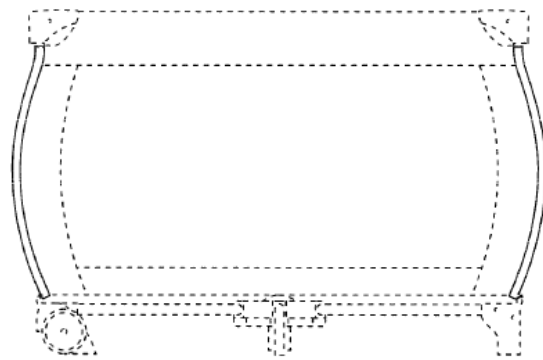


Figure 1 is “a perspective view of a playard with exposed legs,” and Figure 2 is “a front view of the playard of FIG 1.” IPR2016-00826, Ex. 1001, 1. As with the '970 patent, the '231 patent indicates that there is “no fabric covering the exposed legs” and similarly indicates that the features in broken lines in the form of only dashes are not part of the claimed design. *Id.* Additionally, the '231 patent states “[t]he broken line consisting of dashes and dots in FIG. 1 is a boundary line that shows that the claimed design extends to the boundary line.” *Id.*; *see id.*, Fig. 1 (the leg in the foreground with a vertical boundary line on the middle of that leg).

We determine that the following verbal descriptions will be helpful by pointing out “various features of the claimed design as they relate to the . . . prior art.” *Egyptian Goddess*, 543 F.3d at 679–80. In both the '970 patent and the '231 patent, the claimed features, those in solid lines, include curved

legs that bow outward. *See* Pet. 1 (Petitioner arguing “[t]he figures of the ’970 Patent show a play yard with what appear to be curved legs that bow outward. As shown in Figure 1, the curved legs are depicted in solid lines, and thus are the only features claimed.”). In addition to the pronounced outwardly bowing legs, Petitioner notes, and we agree, that there is slight outward flaring at the top of the legs. *See* Pet. 23 (Petitioner arguing “Celestina-Krevh shows the legs flaring outward slightly at the top, as do the play yard legs shown in the ’970 Patent’s claimed design.”); *id.* at 22 (“[B]oth designs [of the reference and of the ’970 patent] show legs that bow slightly outward at the top.”) (citing Ex. 1002 ¶ 119); *cf.* PO Resp. 5–6 (Patent Owner addressing this feature).

The claimed designs lack an outward flaring at the bottom of the legs. Tr. 43:4–13 (Patent Owner acknowledging “in the design patents that are at issue here, the ’231 and the ’970, there is no bottom flare on the legs.”). This lack of bottom flaring is in contrast to the design of the related patent US D570,621 S, which does have the bottom flaring on the leg. *See* Ex. 2007, 3–5, 16 (IPR2016-00810, Paper 8; decision denying institution of *inter partes* review, in part, because of this feature, and discussing the flaring of the bottom leg relative to the overall visual impression of that related design patent).

As mentioned, the ’970 patent and the ’231 patent state that “[t]here is no fabric covering the exposed legs.” Ex. 1001, 1. In our Decision to Institute, we rejected, as unreasonably broad, Petitioner’s proposed construction where “no fabric covering” would encompass “tightly-fitting fabric [covering].” Dec. on Inst. 6 (quoting Pet. 13). We determined that ““no fabric covering the . . . legs’ simply means what it says—that there is

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no fabric covering the legs.” *Id.* We maintain that construction for purposes of this Decision.

C. The Status of Chen ’393 as Prior Art

The threshold issue in this case is whether Chen ’393 is prior art to the challenged claims. *See* PO Resp. 6; Reply 1.

Petitioner challenges the claims based on Chen ’393, which has a filing date of January 7, 2004. Ex. 1007 (22). The application that led to the issuance of the ’970 patent was filed on December 15, 2005.

IPR2016-00816, Ex. 1001 (22). The application that led to the issuance of the ’231 patent was filed on July 8, 2009. IPR2016-00826, Ex. 1001 (22).

Both challenged patents identify on their faces an earliest possible effective filing date of November 5, 2004. IPR2016-00816, Ex. 1001 (62);

IPR2016-00826, Ex. 1001 (63). Thus, the filing date of Chen ’393 is earlier than that of either of the patents at issue.

Because Petitioner offered Chen ’393 into evidence, which qualifies on its face as prior art under § 102(e), Patent Owner bears the burden of producing evidence antedating Chen ’393. *See Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378–80 (Fed. Cir. 2015). “The burden of production may entail ‘producing additional evidence and presenting persuasive argument based on new evidence or evidence already of record.’” *Id.* at 1379 (citation omitted). While the burden of production is a shifting burden, we again note that the burden of persuasion is on Petitioner to ultimately prove “unpatentability by a preponderance of the evidence,” and that this burden never shifts to Patent Owner. *Id.*

“In the United States, the person who first reduces an invention to practice is ‘prima facie the first and true inventor.’” *Mahurkar v. C.R. Bard*,

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Inc., 79 F.3d 1572, 1577 (Fed. Cir. 1996) (citation omitted). The standard of inventorship required for utility patents applies equally to design patents.

Hoop v. Hoop, 279 F.3d 1004, 1007 (Fed. Cir. 2002). “To antedate (or establish priority) of an invention, a party must show either an earlier reduction to practice, or an earlier conception followed by a diligent reduction to practice.” *Purdue Pharma L.P. v. Boehringer Ingelheim GmbH*, 237 F.3d 1359, 1365 (Fed. Cir. 2001) (citing *Price v. Symsek*, 988 F.2d 1187, 1190 (Fed. Cir. 1993)).

“To have conceived of an invention, an inventor must have formed in his or her mind ‘a definite and permanent idea of the complete and operative invention, as it is hereafter to be applied in practice.’” *Mahurkar*, 79 F.3d at 1577. “[A]n inventor’s testimony, standing alone, is insufficient to prove conception—some form of corroboration must be shown.” *Price*, 988 F.2d at 1194. “A ‘rule of reason’ analysis is applied to determine whether the inventor’s prior conception testimony has been corroborated.” *Id.* at 1195. “Conception ‘must be proven by evidence showing what the inventor has disclosed to others and what that disclosure means to one of ordinary skill in the art.’” *Cordance Corp. v. Amazon.com, Inc.*, 658 F.3d 1330, 1334 (Fed. Cir. 2011) (quoting *In re Jolley*, 308 F.3d 1317, 1321 (Fed. Cir. 2002)).

“[T]he reduction to practice of a three-dimensional design invention requires the production of an article embodying that design.” *Fitzgerald v. Arbib*, 268 F.2d 763, 765 (CCPA 1959) (citation omitted); *Dieterich v. Leaf*, 89 F.2d 226, 229 (CCPA 1937) (“In the case of a three-dimensional article [that is the subject of a design patent application], . . . it seems to us that something more than a mere paper drawing is requisite to constitute actual reduction to practice.”).

In the context of a design patent, it is improper merely to compare select, separate features of a referenced design to a claimed design. *In re Harvey*, 12 F.3d 1061, 1065 (Fed. Cir. 1993); *id.* at 1064 (In an obviousness analysis, it is error to rely upon a prior art reference as “a ‘design concept’ rather than for its specific design characteristics.”). “In determining the patentability of a design, it is the overall appearance, the *visual effect as a whole* of the design, which must be taken into consideration.” *Id.* at 1065 (quoting *In re Rosen*, 673 F.2d 388, 390 (CCPA 1982); *see also In re Blum*, 374 F.2d 904, 907 (CCPA 1967) (“A design is a unitary thing and all of its portions are material in that they contribute to the appearance which constitutes the design.”)).

A party alleging diligence must account for the entire period during which diligence is required, *Gould v. Schawlow*, 363 F.2d 908, 919 (CCPA 1966), and must provide corroboration with evidence that is specific both as to facts and dates, *id.* at 920; *Kendall v. Searles*, 173 F.2d 986, 993 (CCPA 1949). The rule of reason does not dispense with the need for corroboration of diligence that is specific as to dates and facts. *See Gould*, 363 F.2d at 920; *Kendall*, 173 F.2d at 993; *cf. Coleman v. Dines*, 754 F.2d 353, 360 (Fed. Cir. 1985) (referring to the need for independent corroboration to establish conception).

We now turn to Patent Owner’s arguments and associated submissions concerning priority. Patent Owner filed only one substantive brief in these cases—a Patent Owner’s Response. In that brief, Patent

Owner relies on Ex. 2008⁴, identified as “a redacted 37 C.F.R. § 131(a)^[5] declaration signed by inventors Mr. Damon Oliver Casati Troutman and Mr. Edward B. Bretschger.” PO Resp. 2. Attached to that declaration were Exhibits A through H, undated documents showing various sketches and images of playards and portions thereof. Patent Owner did not produce expert testimony.

Patent Owner also refers to several other Rule 131 Declarations filed during the prosecution of design and utility patents in its portfolio. *Id.* at 1–2. Patent Owner asserts that “[t]hroughout the prosecution histories of the patents related to Kolcraft’s Contours line of play yards, . . . [Patent Owner] Kolcraft has repeatedly sworn behind Wonderland’s Chen patents.” *Id.* at 1–2. To the extent that this constitutes an argument for priority of the design patents at issue in these cases, we do not find persuasive the assertion that Patent Owner has long maintained the position that the numerous patents in

⁴ Patent Owner filed two documents identified as Exhibit 2008. The first was filed on January 3, 2017, and contains blank lines instead of dates. That document is the one discussed and relied upon in parties’ briefs. *See, e.g.*, PO Resp. 2 (filed January 3, 2017, and referring to the redacted declaration). A second Exhibit 2008 was filed on July 5, 2017—the day before the oral argument. In that second document, which Patent Owner characterizes as an unredacted version of the first document (Tr. 29–30), the blanks have been replaced with dates. In this Decision, we refer to the first filed Exhibit 2008.

⁵ Rule 131 pertains to a type of declaration filed during patent prosecution. *See* 37 C.F.R. § 1.131(a) (“When any claim of an application or a patent under reexamination is rejected, the applicant or patent owner may submit an appropriate oath or declaration to establish invention of the subject matter of the rejected claim prior to the effective date of the reference or activity on which the rejection is based.”). Nonetheless, in this case, we consider the Declaration (Exhibit 2008) filed in these trial proceedings.

its play yard family, including those not at issue in the current proceedings, are entitled to a priority date earlier than that of the “Chen patents.”

Notwithstanding repeated warnings that no new arguments are allowed at oral argument, Patent Owner, for the first time at oral argument, referred to deposition testimony in support of its priority position. *See* Paper 9, 3 (Scheduling Order stating: “The patent owner is cautioned that any arguments for patentability not raised in the response will be deemed waived.”); Paper 24, 3 (Oral Argument Order stating: “The parties are reminded that, at the oral argument, they ‘may rely upon evidence that has been previously submitted in the proceeding and may only present arguments relied upon in the papers previously submitted.’” (citation omitted)); Tr. 4, 29–31 (again reminding Patent Owner and confirming that Patent Owner did not request additional briefing and did not file observations on cross-examination). In reaching our decision, we consider the arguments in the briefs, the evidence discussed in the briefs, and other timely arguments such as any properly raised arguments made during the oral hearing, for example, proper responsive arguments.

We now turn to Patent Owner’s arguments concerning the declaration evidence. Patent Owner initially acknowledges that “the invention as a whole must be considered in an obviousness analysis,” but then compares individually three features of the claimed designs to the Exhibits of the Declaration (“Declaration Exhibits”). PO Resp. 3–6 (referring to Exhibits A–H of Ex. 2008). Conspicuously absent from Patent Owner’s Response is an explicit argument that any single Exhibit of the Declaration discloses the

visual effect as a whole of either of the claimed designs⁶. *See id.* at 3–6; *see also In re Harvey*, 12 F.3d at 1065 (the proper analysis requires consideration of the visual effect as a whole, not design concepts); *In re Blum*, 374 F.2d at 907 (“A design is a unitary thing and all of its portions are material in that they contribute to the appearance which constitutes the design.”). Also absent from Patent Owner’s case is supporting expert testimony directed to whether any of the Declaration Exhibits discloses the claimed designs to the designer of ordinary skill in the art.

Patent Owner argues that each of three individual features is shown in some of the Exhibits. The three features discussed by Patent Owner are “Curved Legs that Bow Outward,” “No Fabric Covering the Exposed Legs,” and “Outward Flaring at Top of Legs.” *Id.* at 3–6. Patent Owner’s Response does not address the claimed designs’ lack of an outward flaring at the bottom of the legs. Of the three features discussed, Patent Owner does not argue that any one of those features is shown in every Exhibit. For example, Patent Owner argues that “[t]he slight outward flaring at the top of the legs is clearly shown in Exhibits B, C, D, and E” while “[t]he absence of any fabric covering the exposed legs of the play yard is depicted in Exhibits A, E, and F.” PO Resp. 4, 5. For each of those Declaration Exhibits that Patent Owner identifies the presence of less than even these three design features (all Declaration Exhibits except E), Patent Owner has failed to provide the necessary linkage between the claimed designs and the documents. *See Cordance*, 658 F.3d at 1334 (affirming the district court’s

⁶ As Petitioner notes (Reply 9), at least the general concept of a play yard having outwardly bowing legs is found in the prior art. *See, e.g., Ex. 1003.*

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grant of judgment as a matter of law where the patent owner failed to prove what the purported conception disclosure means to one of skill in the art).

Of the three design features discussed by Patent Owner, only Exhibit E is common to all. At oral argument, Patent Owner, however, conceded that Exhibit E shows a bottom flare and acknowledged that the claimed designs do not have a flare at the bottom of the leg. Tr. 43:4–13, 44:2–9. We agree that Exhibit E depicts an outward flaring at the bottom of the leg, and therefore find that Exhibit E does not depict the overall design of either the '970 patent or the '231 patent.

The Declaration similarly is lacking. The inventors state that *some* of the three design features are shown in certain exhibits but do not state that all three features are shown in all exhibits. Ex. 2008 ¶ 5. The Declaration does not address the claimed designs' lack of an outward flare at the bottom of the leg. The only exhibit common to all three identified design features is Exhibit G, and specifically Step 8. *Id.* We note that the inventors describe Exhibit G, Step 8, as showing that the “outward surface of each of the posts is *substantially* exposed,” *id.* (emphasis added), thus injecting an unexplained qualifier to the challenged patents' requirement that “[t]here is no fabric covering the exposed legs.” IPR2016-00816, Ex. 1001 (the '970 patent), 1; *see also* IPR2016-00826, Ex. 1001 (the '231 patent), 1 (“no fabric covering the exposed legs”); *contra* Ex. 2008, Exhibit G, Step 7 (“Stretch the loose mesh out to meet the legs. Wrap it around until tight as seen in the picture and tape in place with grey tape.”).

Further and as argued by Petitioner (Reply 8–9), the inventors' Declaration is ambiguous in key areas. For example, the two inventors collectively testify that Declaration Exhibits depict “a playard,” “playard rail

images,” “our inventive design,” “a prototype of a playard,” and “the designs.” Ex. 2008 ¶¶ 4, 5. As Patent Owner notes, there are several patents, including those not at issue here, “associated with Kolcraft’s Contours line of play yards.” PO Resp. 1–2. The Declaration fails to indicate what the declarants understood to be the claimed designs leaving it unclear as to whether they are referring to the claimed designs specifically or the overall concept embodied in the Contours playard family. *Cf.* Ex. 1024, 24:20–25:8 (Mr. Bretschger testifying, after counsel’s objection on the basis that the question called for a legal conclusion of claim interpretation, that he was unable to testify as to his contribution to the *claimed* design because he is not an attorney). Rather, the Declarants’ focus on individual design elements and the general concept of a play yard with bowed legs leaves us unable to find that the inventors were referring to the proper frame of reference—the overall visual appearance of the claimed designs of the ’970 and ’231 patents. Additionally and as discussed above, Patent Owner concedes that at least some of the Exhibits lack design features of the claimed design, thereby further calling into question any assertion by the inventors that all the Exhibits evidence a conception or reduction to practice of the claimed designs.

The inventors’ assertions as to conception, diligence, and reduction to practice are conclusory testimony from lay witnesses where there is no clear indication that either declarant understood the meaning of those terms. *Cf.*, *e.g.*, Ex. 1024, 77:21–78:7 (Mr. Bretschger, in response to a question about his understanding as to the date of first reduction to practice, stating: “Just so that I’m clear, as a nonlawyer, first reduction to practice means what?”); *id.* at 72:5–10 (Mr. Bretschger’s response to the question as to whether it is

his belief that Exhibit G reflects conception of the claimed design: “Yeah. I mean, I need our lawyers to confirm that. But yes.”); *id.* at 75:14–21 (“the conception of the invention *started* with Exhibit A.” (emphasis added)). Patent Owner did not provide expert testimony to support its arguments of antedating.

Lastly, the inventors’ testimony is not corroborated by non-inventor testimony or other evidence. For example, Patent Owner at the hearing only identified, as evidence of diligence, the inventors’ declaration and “the testimony of the inventors.”⁷ Tr. 29:16–30:14. The Exhibits accompanying the Declaration are undated and find identification, if at all, only via the conclusory and uncorroborated testimony of the inventors. Thus, the Exhibits do not corroborate any dates as to the alleged conception, diligence, and reduction to practice. *Cf. Gould v. Schawlow*, 363 F.2d 908, 920 (CCPA 1966) (“The notebook is not adequate corroboration of diligence if it establishes, in connection with other testimony, what Gould did but not when he did it.”).

We determine that Patent Owner’s arguments and submissions are insufficient to evidence specific acts at specific times and lack a tie to the

⁷ Patent Owner presumably was referring to the cross-examination of the inventors. Patent Owner referred to the inventors’ deposition transcripts for the first time at oral argument, mentioning, in the context of diligence, “a weekly kind of correspondence,” “[a] computer CAD model . . . [t]hey would send that to [one of the named inventors],” and “regular dialogue going back and forth with those kind of documents: Word documents, JPGs, renderings, that [one of the named inventors] would have drawn up.” Tr. 33:2–3, 34:11–19. Other than what may be contained in the Declaration Exhibits, Patent Owner did not enter any such documents into the record.

overall visual impression of the claimed designs, and thus are inadequate to evidence antedating conception, diligence, and reduction to practice.

Accordingly, Patent Owner has not satisfied its burden of production.

Even assuming Patent Owner met its burden of production so as to shift the burden of persuasion back to Petitioner, we determine Petitioner has satisfied that burden. In reply to Patent Owner's Response and associated evidence, Petitioner argues that "[Patent Owner's] terse, conclusory attempt to swear behind Chen is wholly inadequate." Reply 1. Petitioner further argues "[t]he declaration and its exhibits do not establish that the inventors conceived of the actual ornamental design claimed in the patent, rather than the general concepts mentioned in the declaration and the select features discussed in Kolcraft's Patent Owner Response." *Id.* at 2–3. Petitioner's Reply persuasively addresses and counters Patent Owner's arguments and evidence. *See* Reply 7–24. For the reasons discussed above and upon weighing all the evidence directed to antedating the reference, we determine Petitioner has demonstrated persuasively that the challenged patents are not entitled to a priority date earlier than the filing date of Chen '393.

Therefore, Chen '393 is prior art to the '970 patent and the '231 patent.

D. The Alleged Obviousness of the Claimed Designs over Chen '393

As mentioned, Petitioner asserts that the claims of the '970 patent and the '231 patent would have been obvious over Chen '393 (Ex. 1007).

Pet. 37–39; Reply 1 (reiterating its obviousness challenge and arguing that Patent Owner has waived any argument for patentability other than that directed to the status of Chen '393 as prior art). Patent Owner relies solely on its argument that Chen '393 is not prior art, and does not otherwise dispute Petitioner's contentions that the claims would have been obvious.

See PO Resp. *passim*. As such, Patent Owner has waived any argument that—if Chen ’393 is prior art—the claim of the ’970 patent and the claim of the ’231 patent would have been obvious. *See, e.g.*, Paper 9, 3 (Scheduling Order stating: “The patent owner is cautioned that any arguments for patentability not raised in the response will be deemed waived.”).

Nonetheless, we review anew Petitioner’s arguments and the evidence concerning the obviousness challenge.

Chen ’393 is a design patent titled “Top Rail of a Playpen.” Ex. 1007, 1. Figure 1 of Chen ’393 is shown below.

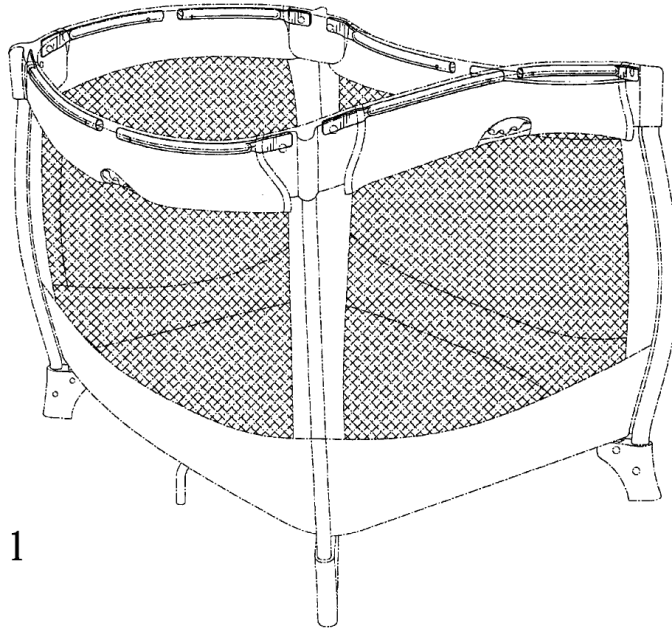


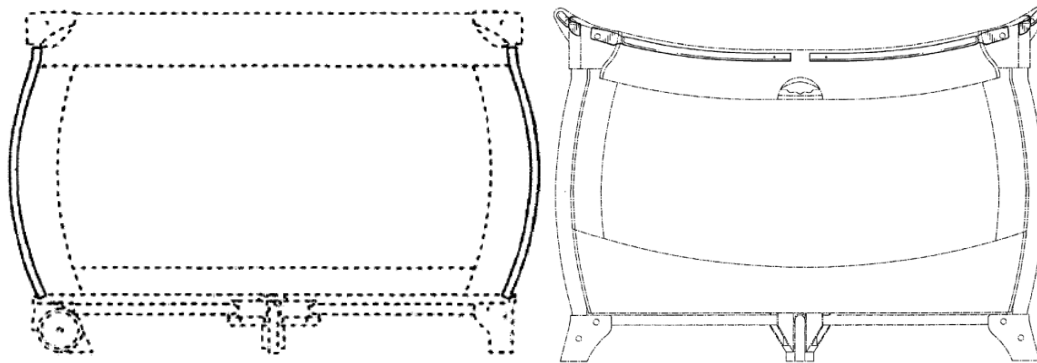
FIG. 1

Figure 1 is a perspective view of an embodiment of Chen ’393. *Id.*

Petitioner argues that Chen ’393 discloses the same overall visual impression and, to the extent there are any differences between Chen ’393 and the claimed design of the ’970 patent, the differences are *de minimus*, and asserts that Chen ’393 “readily suggests minor alterations to one of ordinary skill in the art to arrive at a hypothetical reference [the same as the claimed design].” Pet. 37, 39. Petitioner provides side-by-side comparisons

of Chen '393 and the claimed design (*id.* at 38) and relies on the testimony of Mr. Anders (*id.* at 38–39; Ex. 1002 ¶¶ 166–172).

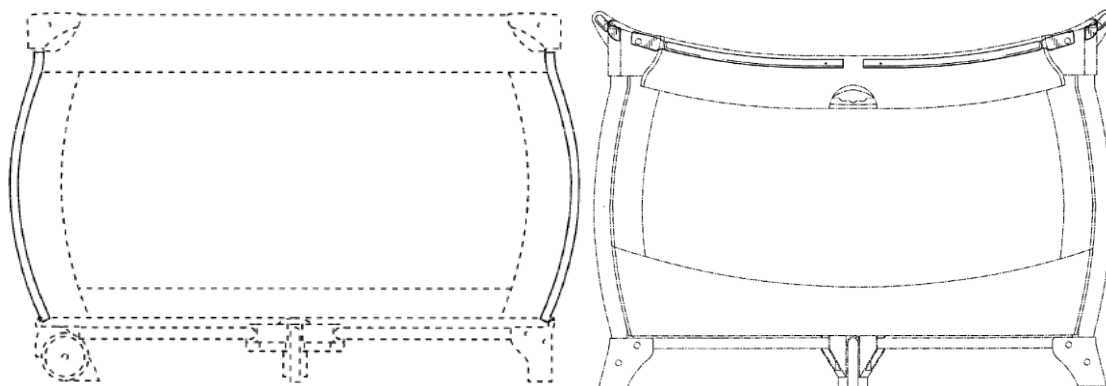
Below is a side-by-side comparison of illustrative views of the design of the '970 patent and of Chen '393:



The figure above, on the left, is Figure 2 of the '970 patent and is a front view of the claimed design. Ex. 1001, 1. The figure above, on the right, is Figure 2 of Chen '393 showing a front elevational view. Ex. 1007, 1.

For the '231 patent, Petitioner offers arguments similar to those made for the '970 patent and relies on the testimony of Mr. Anders.

IPR2016-00826, Pet. 39–42; Ex. 1002 ¶¶ 162–168. Below is a side-by-side comparison of illustrative views of the design of the '231 patent and of Chen '393:



IPR2016-00816 (Patent D604,970 S)

IPR2016-00826 (Patent D616,231 S)

The figure above, on the left, is Figure 2 of the '231 patent and is a front view of the claimed design. IPR2016-00826, Ex. 1001, 1. The figure above, on the right, is Figure 2 of Chen '393 showing a front elevational view. Ex. 1007, 1.

We have reviewed Petitioner's arguments and evidence and, on the complete trial record, are persuaded that Petitioner has shown by a preponderance of the evidence that the claimed designs of the '970 patent and of the '231 patent would have been obvious over Chen '393.

III. CONCLUSION

We are persuaded that Petitioner has demonstrated by a preponderance of the evidence that the claim of the '970 patent and the claim of the '231 patent both are unpatentable under 35 U.S.C. § 103(a) as obvious over Chen '393.

IV. ORDER

Accordingly, it is

ORDERED that the claim of the '970 patent is held unpatentable;

FURTHER ORDERED that the claim of the '231 patent is held unpatentable; and

FURTHER ORDERED that, because this is a Final Written Decision, parties to the proceeding seeking judicial review of the decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

IPR2016-00816 (Patent D604,970 S)

IPR2016-00826 (Patent D616,231 S)

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