Nos. 2020-1921, -1922, -1943, -1944

In the
United States Court of Appeals
for the Federal Circuit

ZAXCOM, INC.,

Appellant,

v.

LECTROSONICS, INC.,

Cross-Appellant,

v.

ANDREI IANCU, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office,

Intervenor.

Appeals from the United Patent and Trademark Office,
Patent Trial and Appeal Board in Nos. IPR2018-01129 and IPR2018-01130.

BRIEF OF APPELLANT
ZAXCOM, INC.

RITA C. CHIPPERSON
CHIPPERSON LAW GROUP, P.C.
1250 Broadway
36th Floor
New York, New York 10001
Telephone: (973) 845-9071

ROBERT P. GREENSPOON
FLACHSBART & GREENSPOON, LLC
333 North Michigan Avenue
27th Floor
Chicago, Illinois 60601
(312) 551-9500

Counsel for Appellant
Zaxcom, Inc.

U.S. Patent 7,929,902, Claim 12:

A method of wirelessly recording local audio, said method comprising:

> locally receiving said local audio generated by at least one performer during an audio event;
>
> wirelessly transmitting said local audio to at least one of the group consisting of a recorder, a receiver, and combinations thereof;
>
> locally recording said local audio as local audio data in at least one memory of at least one local audio device; and
>
> remotely recording said transmitted local audio via at least one of the group consisting of a recorder, a receiver, and combinations thereof as remote audio data;

wherein at least a portion of said local audio data is retrieved during or subsequent to said audio event and is combined with said remote audio data;

wherein said local audio data includes at least one identifier selected from the group consisting of track identifiers, local audio device identifiers, performer identifiers, and combinations thereof.

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

CERTIFICATE OF INTEREST

Case Number 2020-1921, 2020-1922, 2020-1943, 2020-1944

Short Case Caption Zaxcom, Inc. v. Lectrosonics, Inc.

Filing Party/Entity Zaxcom, Inc.

Instructions: Complete each section of the form. In answering items 2 and 3, be specific as to which represented entities the answers apply; lack of specificity may result in non-compliance. **Please enter only one item per box; attach additional pages as needed and check the relevant box**. Counsel must immediately file an amended Certificate of Interest if information changes. Fed. Cir. R. 47.4(b).

I certify the following information and any attached sheets are accurate and complete to the best of my knowledge.

Date: 09/14/2020

Signature: /s/ Rita C. Chipperson

Name: Rita C. Chipperson

1. Represented Entities. Fed. Cir. R. 47.4(a)(1).	**2. Real Party in Interest.** Fed. Cir. R. 47.4(a)(2).	**3. Parent Corporations and Stockholders.** Fed. Cir. R. 47.4(a)(3).
Provide the full names of all entities represented by undersigned counsel in this case.	Provide the full names of all real parties in interest for the entities. Do not list the real parties if they are the same as the entities.	Provide the full names of all parent corporations for the entities and all publicly held companies that own 10% or more stock in the entities.
☐ None/Not Applicable	☑ None/Not Applicable	☑ None/Not Applicable
Zaxcom, Inc.		

☐ Additional pages attached

4. Legal Representatives. List all law firms, partners, and associates that (a) appeared for the entities in the originating court or agency or (b) are expected to appear in this court for the entities. Do not include those who have already entered an appearance in this court. Fed. Cir. R. 47.4(a)(4).

☐ None/Not Applicable ☐ Additional pages attached

Flachsbart & Greenspoon, LLC	Robert Greenspoon	

5. Related Cases. Provide the case titles and numbers of any case known to be pending in this court or any other court or agency that will directly affect or be directly affected by this court's decision in the pending appeal. Do not include the originating case number(s) for this case. Fed. Cir. R. 47.4(a)(5). See also Fed. Cir. R. 47.5(b).

☐ None/Not Applicable ☐ Additional pages attached

Zaxcom, Inc. v. Lectrosonics, Inc., 1:19-cv-00109-RB-JKR (D.N.M.)		

6. Organizational Victims and Bankruptcy Cases. Provide any information required under Fed. R. App. P. 26.1(b) (organizational victims in criminal cases) and 26.1(c) (bankruptcy case debtors and trustees). Fed. Cir. R. 47.4(a)(6).

☑ None/Not Applicable ☐ Additional pages attached

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STATEMENT OF RELATED CASES

Under Federal Circuit Rule 47.5, one case might directly affect or be affected by this Court's decision.

- *Zaxcom, Inc. v. Lectrosonics, Inc.,* Civil Action No. 1:19-cv-00109-RB-JKR (D.N.M.).

There is one related patent, involving one other Board proceeding, that is also being appealed to this Court:

- *Lectrosonics, Inc. v. Zaxcom, Inc.*, IPR2018-00972, U.S. Patent 9,336,307, App. No. 20-1350, -1405 (Fed. Cir.).

INTRODUCTORY STATEMENT

The Board held that patent claims covering devices that won both an EMMY and a technical OSCAR were unpatentable. Along the way, the Board misconstrued every patent claim under review.

First, with regard to most claims under review (claim 7 of the '902 Patent and claim 1 of the '814 Patent), the Board wrongly rejected Zaxcom's claim construction that something is "wearable" by a creator of audio only if it is "unobtrusive and easily hidden." The Petitioner's own expert embraced this claim construction, which is sensible since it matches the intrinsic record's disclosure of performer bodypacks. The prior art's large backpacks fail this commonsense criterion. The Board also arrived at its erroneous and prejudicial claim construction by ignoring prosecution

history evidence showing the applicant and examiner ***agreeing*** that something ***less*** bulky than, and at least half the size of, the prior art backpacks (the Nagra V device) was not "wearable," a size difference that contributed to patentability.

Second, with regard to the same claims, the Board erred in making factual findings that a "master timecode generator" (as construed by the Board) existed in the asserted combination of prior art. No substantial evidence supported this factual finding. This is because no prior art (singly or in combination) discloses a purported "master" timecode generator controlling any local timecode generator within a wearable local audio device. The Zaxcom inventors first devised such an architecture.

Third, the claims the Board held both anticipated and obvious (claims 12, 14 and 15 of the '902 Patent) require "local audio data … combined with said remote audio data," and further require that the local audio data and the remote audio data both derive from the same local audio (*i.e.*, the same source). The Board erroneously construed that claim to cover two embodiments (*i.e.*, a Dropout Embodiment and a Multitrack Embodiment), when in fact the claim covers solely a Dropout Embodiment. In doing so, the Board determined erroneously that the local audio data and the remotely recorded audio data do not have to be from the same origin in disregard of the language of the claims.

Finally, relevant to the obviousness conclusions, the Board erred in its application of industry praise law to the facts in the record. The Board inexplicably gave no weight to the EMMY nor the technical OSCAR awarded for the merits of an embodiment of the claimed invention *and* for a product that embodies the claims, sidestepping this Court's *en banc* legal standards that require giving such weight.

JURISDICTIONAL STATEMENT

This is a consolidated appeal from two inter partes review ("IPR") proceedings of the Patent Trial and Appeal Board ("Board"), IPR2018-01129 and -01130. Appellant appeals the decisions in IPR2018-01129 and IPR2018-1130 that: 1) claims 7, 8, and 11 of U.S. Patent No. 7,929,902 (the "'902 Patent") are unpatentable under 35 U.S.C. § 103(a) as obvious over U.S. Patent No. 6,825,875 to Strub ("Strub"), in combination with U.S. Patent Application No. 2002/0159179 to Nagai ("Nagai") or U.S. Patent Application No. 2004/0028241 to Gleissner ("Gleissner"), and further in combination with U.S. Patent No. 5,479,351 to Woo ("Woo"); 2) claims 12, 14, and 15 are unpatentable under 35 U.S.C. § 102(e) as anticipated by Strub and obvious over Strub in view of WIPO Publication WO2004/091219 to Wood ("Wood"); and 3) claims 1-4, 9, 10, 12, 15, 31, 36, 37 and 41-45 of U.S. Patent No. 8,385,814 (the "'814 Patent") are unpatentable under 35 U.S.C. § 103(a) as obvious over Strub, in combination with Nagai or Gleissner,

and further in combination with Woo (the "Decisions") (The '902 and '814 Patents are collectively referred to here as "Patents").

The Board issued its Decisions on January 24, 2020 (Appx1-75, Appx87-151). After rehearing denials on April 9, 2020 (Appx76-86, Appx152-162), Zaxcom, Inc. ("Zaxcom" or "Appellant") timely appealed (Appx912-918, Appx9365-9371). This Court has jurisdiction over this appeal from a final agency action of the United States Patent and Trademark Office ("USPTO") under 35 U.S.C. §§ 141 and 319 and 28 U.S.C. § 1295(a)(4)(A).

STATEMENT OF THE ISSUES

1. Whether the Board erred by rejecting Petitioner's own expert's claim construction of "wearable" in the Patents' context as "unobtrusive and easily hidden" (like performer bodypacks are), and further erred by rejecting a construction that a device is "wearable" only if smaller (not larger) than the device identified by both applicant and examiner during prosecution (Nagra V) as too big to be "wearable."
2. Whether the Board erred by finding the prior art combination disclosed the construed "master timecode generator," in the absence of substantial (or any) evidence that the prior art, singly or in combination, disclosed any purported "master" controlling any local audio device's timecode generator in any way.

3. Whether the Board erred by misconstruing the claims to be broad enough to cover both a Dropout Embodiment and a Multitrack Embodiment, and by misconstruing the claims to be broad enough so that the two types of "audio data" that must be "combined" may come originally from different audio sources.

4. Regardless of the outcome of Issues 1, 2, and 3, whether the Board erred in its application of industry praise law to the facts that exist in the record, leading it to analyze the ultimate question of obviousness without weighing evidence of nonobviousness that this Court's precedents require it to weigh.

STATEMENT OF THE CASE

In its Decisions, the Board made several claim construction and factual errors. These include adopting a claim construction for "wearable" rejected by Petitioner's own expert, rejected by the applicant and examiner during prosecution, and inconsistent with all of the intrinsic record. Errors also include finding in the prior art a particular claimed "master / local" system architecture for timecode generators that is actually absent. Errors also include finding that "local audio data … combined with said remote audio data" covers two of the '902 Patent's embodiments instead of one, and relatedly allowing an overbroad and technologically illogical scope to the claims in which "audio data" from *distinct* sources are "combined" even though

English grammar and usage signifies that only the *same* audio source is involved. Claim construction overbreadth and manifest factual errors led directly to mistaken beliefs that prior art disclosed certain claim limitations when it does not. The Board further erred in its application of industry praise law to the facts of record.

(Should this appeal succeed, the Patents on remand would be deemed to have always contained only their original claim sets, since the "condition" for amendment—unpatentability of original claims—would retroactively go away. This would also moot Lectrosonics' cross-appeal, which seeks to reverse the grant of the conditional motion to amend).

A. Overview of the '902 and '814 Patents

The '902 and '814 Patents are entitled, "Virtual Wireless Multitrack Recording System." They claim priority to July 14, 2005. Product embodiments of the Patents won both an EMMY Award and a technical OSCAR ("Academy Award") (Appx4815-4816, Appx4345-4346). Zaxcom (a small American operating company) owns the Patents. Zaxcom's primary owner and managing officer (Glenn Sanders) is a co-inventor with Zaxcom's Director of Engineering (Howy Stark).

Zaxcom, Messrs. Sanders and Stark need the patent system to function correctly. They have relied on these Patents (and others) through the years to protect their line of highly successful commercial products. Such products compete with those of companies having revenues ten times or more than that of Zaxcom. These

revolutionary products help movie studios and production companies streamline the audio production and postproduction process when making videos or films. But with success comes imitators. Unfortunately, through the years, Zaxcom has been forced to defend its proprietary marketplace by asking for the federal courts to get involved to stop an infringer who intentionally entered its marketplace, without a license to Zaxcom's patents.

The inventions of the Patents address the deficiencies of the prior art by assembling a wireless recording system of components including wearable local audio devices 102, a remote control unit 104, a remote receiver 106 and a remote recorder 108, as all shown in FIG. 1 (Appx170, Appx199) and reproduced below:

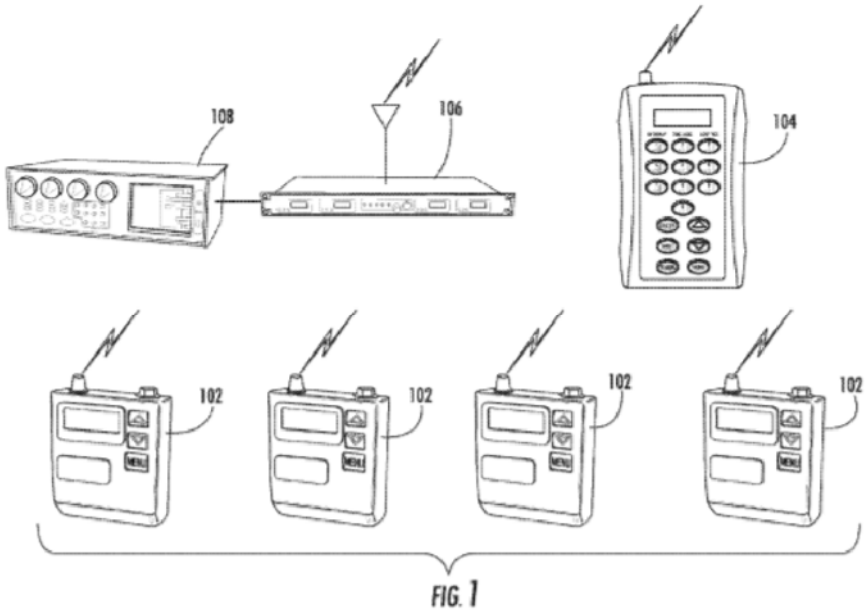


FIG. 1

Though the following discusses the ’902 Patent, the same disclosures exist in the ’814 Patent, which has a common specification. In a typical use of the system, before the recording of an audio event (for example, a performance), “one or more performers may each don a local audio device, such as local audio device 102” (Appx189, 13:47-48). Then, once the recording of the performance begins, each of “the local control unit (of local audio device 102) transmits the audio sample through the local transmitter to the other wireless devices such as RCUs, receivers, audio recorders, and the like. For example, audio from multiple local audio devices may be transmitted to a multi-track recorder for recording of the audio event while each local audio device locally records its performer’s audio” (Appx189, 14:42-48). A multi-track recorder, such as recorder 108, “combines the wireless transmissions received from all body packs to create one multi-track audio file” (Appx183, 1:56-58). The multi-track audio file may be used, for example, as the soundtrack for a movie.

A “master timecode generator” external to the local audio devices plays an important synchronization role, and such a generator may exist within a remote control unit. The “[r]emote control unit transmits a master time code reference to local audio devices” (Appx178, Fig. 6 step 604, Appx190, 16:30-32). Then the “[l]ocal audio devices synchronize their clocks to the master time code reference” (Appx178, Fig. 6, step 606, Appx190, 16: 32-37). Those clocks may then run free to

power the local timecode generators, subject only to occasional local processes that use master timecodes to maintain the right speed (Appx177, Fig. 5, Appx184, 3:53-55, Appx185, 6:11-37, Appx189, 14:9-24).

Importantly, the local audio device generators continue to supply their "own timecode" to keep the system robust (Appx189, 14:11-13). "Local supply of synchronized timecodes ensures proper timing during periods in which the master timecodes cannot be read (*e.g.*, the RCU is temporarily unstable, wireless communication dropouts, *etc.*)" (Appx189, 14:14-17). Such an intricate master / local architecture brings forth beneficial results. "The use of timecodes and synchronization of local and master timecode generators . . . allows multiple local audio devices 102 to replay audio with the exact timing that occurred during the audio event" (Appx188, 11:63-67).

The system just described reflects a significant advance over the prior art. A common problem in the art that preceded the invention of the '902 Patent centered on the unsophisticated use of radio transmission. During the wireless transmission, the system might lose or distort a portion of the audio in the multi-track file created by the remote receiver/recorder. Prior to the invention of the '902 Patent, this loss of audio would require a retake of the movie scene or the like because there was no ability to repair lost data in the remotely recorded multi-track audio file. "Upon the occurrence of interfering signals, audio created during a performance (*e.g.*, a live

performance) may simply be lost due to the inability of the receiver to receive a clean audio signal" (Appx183, 2:3-6).

To remedy this problem, the invention of the '902 Patent incorporated local recording in the local audio devices 102 to create individual backups for use in repair of the remotely recorded multi-track data in order to prevent the need to re-perform and/or re-record the take. "[A]udio from multiple local audio devices may be transmitted to a multi-track recorder for recording of the audio event while each local audio device locally records its performer's audio" (Appx189, 14:45-48, emphasis added). On a deeper technological level, master timecode synchronization of multiple otherwise-free-running local timecode generators added an important ingredient. Because of that feature, all local recordings stand ready after every system use to serve as repair-backups in case of RF "dropouts" during the original use.

1. Intrinsic and extrinsic evidence of the proper construction of "wearable"

The claim limitation "wearable by a creator of said locally generated audio" is recited as a qualifying phrase for a "local audio device" in independent claim 7 of the '902 Patent and independent claim 1 of the '814 Patent (Appx194-195, Appx223). In other words, these claims impose the requirement on a "local audio device" of being "wearable by a creator of said locally generated audio."

An electronic device (*e.g.*, a local audio device) would have been considered "wearable" if it were "suitable and in a condition to be worn" (Appx10). Petitioner's expert, Mr. Tinsman, verified that a wearable electronic device like a bodypack is "[s]omething relatively small and lightweight. Something you could wear" (Appx4426). Mr. Tinsman consistently testified that a device would be considered to be "wearable" for an audio-creator only if it were "something that was straightforward to carry on your person" and "designed to be worn on the body" (*id.*) and (crucially) "***unobtrusive, easily hidden***" (Appx4426, Appx4432, emphasis added).

The Board inexplicably did not adopt the "unobtrusive, easily hidden" construction, even though Petitioner's expert admitted it. The Board misbelieved that Mr. Tinsman had immediately retracted this testimony, supposedly amending his construction to be, more generally, "reasonable to carry around" (Appx12, citing Appx4432). But Mr. Tinsman's actual testimony does not support the Board's arbitrary decision to negate the admission:

> A. I think it would depend on the -- wearability depends on the circumstances. I said what you would stick on a swimmer might be different than a stage performer. Clearly, it can't interfere in the context of -- for example, it can't interfere with the movement of the person, or be an undue burden, ***so not a hiking backpack, as we agreed, certainly***.
>
> * * *
>
> Q. How much could an object weigh and still be considered to be wearable by a creator of audio?

> THE WITNESS: That's sort of -- I mean, I need to know more parameters about the performer, but ***I think as I tried to say before, you know, is it sort of unobtrusive, easily hidden. You know, reasonable to carry around***.

(Appx4432, emphasis added). As is evident from the last quoted line, the criterion "reasonable to carry around" was Mr. Tinsman's characterization ***in addition to*** "unobtrusive, easily hidden," not a replacement for it as the Board misbelieved.

Accordingly, the ordinary meaning of wearable as understood by a person of ordinary skill in the art in the context of the claimed invention of the Patents is "small, lightweight, unobtrusive, easily hidden, not visible, and designed to be worn on the body of a creator of audio (*i.e.*, performer)" (Appx10-11). This correct construction of the claim term "wearable" is also consistent with the specification of the Patents, which repeatedly describes the local audio device as being suitably worn on the body of a creator of audio (*i.e.*, a performer):

> Such wireless transmitters may take the form of body packs that are worn by each performer (Appx183, 1:51-53);
>
> Such audio devices may be manufactured in the form of body-packs, such as those typically worn by news announcers, performers, and the like (Appx186, 8:65-67).

The specification and Mr. Tinsman's admissions alone leave no doubt about the proper claim construction. But if more evidence were needed, the prosecution history conveys an important boundary on what is deemed ***un***wearable. The Board

acknowledged that Zaxcom pointed to this prosecution history (Appx11) but fell strangely silent when its Decisions did not address it at all.

In particular, a parent application in the ancestry of the Patents (No. 11/181,062) received rejections over a prior art device called the Nagra V:

(Appx4781-4814). Its size was certainly "suitable and in a condition to be worn" by a person, particularly when considering the availability of its "soft carrying case" accessory and its size of less than one foot in its longest dimension (11.4" x 8.6" x 4.5"), weighing only 7.6lbs (Appx4811). However, the Examiner found that the Nagra V was too big to be wearable as it is visible and obtrusive and would render the performance of a wearer unsuitable. Accordingly, in response to that rejection, Zaxcom amended the claims to include the same "wearable" term as here, simultaneously arguing that the applied prior art is "not 'wearable by a creator of

said locally generated audio' as it is too large and it is not intended to be worn by a user." (Appx7058-7059, Appx7076-7077). The Examiner agreed, allowing the claims while explicitly finding that Nagra V "fails to teach or suggest . . . the device is 'wearable by a creator of said locally generated audio'" (Appx7028). Notably, the size of the Nagra V is at least a third or a half the size of the Strub backpack apparatus, which extends across the entire area of a wearer's back, around the wearer's waist, and includes electronics on its front straps (*See* Fig. 1, Appx1301).

2. The Board's correct claim construction of "master timecode generator" as requiring "control" of a local generator, and system architecture required by the claims placing this "controlled" local timecode generator inside a local audio device

Whereas the Board incorrectly construed "wearable," it correctly construed "master timecode generator" to be "a producer of a plurality of master timecodes controlling other time code generators" (Appx13). However, it failed to follow its own claim construction when analyzing the prior art.

The claims disclose what constitutes the "other," "controlled" time code generator. Claim 7 of the '902 Patent and Claim 1 of the '814 Patent each contain limitations directed to a "local timecode generator" (Appx194-195, Appx223). This "local" generator stamps local audio data and is "electrically coupled" via a controller to the "receiver" that can receive such master timecodes. (*Id.*).

The intrinsic record discussed above confirms the Board's correct construction of "master timecode generator," and the role it plays in "controlling" the "other" local timecode generator resident inside each "local audio device." Again, this intricate master / local architecture for timecodes, within the claimed multiple-device environment, provides significant advantages. Those advantages include centralized timestamping to make dropout repair possible, as well as local free-running generators that can endure outages from the master timecode generator, since local generators keep running to stamp local audio data even when they cannot receive master sync signals (Appx189, 14:14-17).

3. Intrinsic evidence support for "local audio … combined with remote audio data"

Another important feature of the preferred embodiment is, during the performance of a live audio event, "locally recording said local audio as local audio data in at least one memory of at least one local audio device," such that after the live event has been recorded, the "local audio data is retrieved during or subsequent to said audio event and is combined with said remote audio data" (Appx195, Claim 12). In this manner, any local audio that was lost during the wireless transmission from a local audio device to the remote recorder/receiver may be repaired in the remotely recorded multi-track audio file using the local audio. This is only possible because the local audio is an intended-identical copy of the remote recording that needs to be repaired with the inclusion of replacement local audio. The local audio

is directly recorded and is not susceptible to corruption due to wireless transmission. "The locally recorded audio may then be used to repair or replace any audio lost or corrupted during transmission to the master recorder" (Appx169, Abstract).

In embodiments of the invention, timestamps facilitate such a repair or replacement.

> In one aspect of the present invention, *all of the components of recording system 100 are synchronized* to allow each component to accurately stamp its recorded audio with the time at which it occurred such that the timestamps . . . created by each individual component of recording system 100 are *highly accurate as compared to the timestamps created by all other components of recording system 100*.

(Appx184, 4:14-23, emphasis added). As per Fig. 1, "all of the components of recording system 100" include local audio devices 102, RCU 104, receiver 106, and recorder 108 (Appx184, 4:38-40, Appx170, Fig. 1).

The specification describes an embodiment in which the repair or replacement of data in the multi-track audio file is done manually, for example, as shown in process 400 of Figs. 4A and 4B (Appx175-176, Figs. 4A, 4B). Specifically, the '902 Patent states "[t]his accuracy [of timestamps] allows multiple individually recorded audio tracks to be combined into one or more multi-track audio files electronically post-recording" (Appx184, 4:23-25). That is, the accuracy of timestamps in the individually recorded local audio files permits the local data's combination into, or insertion into, one or more multi-track audio files previously created by a remote receiver or recorder. The result is a system that can repair or replace the remotely

recorded audio data, such as places that succumbed to distortion, interference or complete dropout. If this were not the intended result of accurate timestamps, there would be no need to synchronize "all of the components of recording system 100." Perfect synchronization between audio data from the local and remote recordings directly results in quick and easy repairability of dropouts on the remote multitrack recording.

To avoid the same misunderstandings reached by the Board, it is crucial to appreciate that the aforementioned quoted passage from column 4, with its use of the phrase "combined into," does not mean that multiple individually recorded audio tracks are combined *to create* one or more multi-track audio files. When such an interpretation is intended by the '902 Patent, it is clearly stated. For example, "[t]he audio received from each of the local audio devices (*e.g.*, the local audio device of each performer) may be combined *to create* one or more multitrack audio files that are stored with master timestamps generated by the receiver/recorder's internal master timecode generator" (Appx190, 16:50-55, emphasis added). In this sentence, "to create" clearly indicates that multiple local audio files received at the receiver/recorder are in fact combined together *to create* a single remote multi-track audio file. This is in sharp contrast to the use of the words "combine into" at lines 23-25 of column 4, which means to repair or replace the remotely recorded audio

data by combining the original local audio data *into* the preexisting multiple tracks in order to replace or repair any dropouts.

Thereafter, the specification describes an embodiment in which the repair or replacement of data in the multi-track audio file is done automatically, for example, as shown in process 600 of Fig. 6 (Appx178, Fig. 6). Specifically, the '902 Patent states "[f]urthermore, this accuracy allows recording system 100 to *automatically* correct for any audio data lost during an original recording due to wireless transmission problems such as dropout, interference, *etc.* This automatic correction may be performed either electronically or via synchronized playback of the individually recorded audio tracks" (Appx184, 4:26-31, emphasis added).

The '902 Patent further elaborates on the use of local audio to repair a remote multi-track audio file in stating:

> [s]ince the local audio device and recorder timestamps are synchronized, the replayed audio may be inserted in the proper time sequence with respect to the other recorded audio samples based upon the synchronized timestamp data. Synchronization is essential to ensure that each performer's audio is synchronized with all other performers' audio and to ensure that the newly recorded replayed audio is in the correct sequence with respect to the previously recorded live audio. Such synchronization must maintain a high accuracy for each performer's timestamps with respect to all other performers' timestamps to prevent the occurrence of phasing artifacts when the multiple audio recordings are combined to create one single recording.

(Appx185, 5:7-19, emphasis added). That is, replayed *local* audio at a bodypack may be *inserted* or *combined into* the proper time sequence of the remote multi-track audio file.

The claim limitation "said local audio data … combined with said remote audio data" is recited in independent claim 12 of the '902 Patent. This claim limitation along with the limitations relating to the "local audio data" and the "remote audio data" require that: (i) local audio generated by a performer is stored in a wearable local audio device as local audio data; (ii) the same local audio is transmitted to a remote recorder or receiver; (iii) the same local audio is remotely recorded at the recorder or receiver as remote audio data; and (iv) the local audio data is combined with the remote audio data (Appx195, Claim 12).

This claim construction is consistent with the claim language itself.

Claim 12 explicitly recites these limitations. Column 25, line 67, requires "a method of wirelessly recording local audio" (Appx195, 25:66). "Said local audio generated by at least one performer during an audio event" is received locally and recorded locally in a memory of a local audio device "as local audio data" (Appx195, 26:1-2, 6-7, emphasis added). The identical "said local audio" is also wirelessly transmitted to a recorder, a receiver, or combinations thereof, and is remotely recorded "as remote audio data." (Appx195, 26:3-5, 8-10, emphasis added). Then, "at least a portion of said local audio data is retrieved during or subsequent to said

audio event and is combined with said remote audio data." (Appx195, 26:11-13, emphasis added). This cascade of "said" ligatures and connections in the claim language all trace "local" and "remote" audio data to the same original "local audio" named at the top of the claim. Grammar and English usage thus require both the "local audio data" and the "remote audio data" to originate from the same "local audio" "generated by at least one performer."

B. Embodiments of the claimed invention won both of the highest awards in the industry—an EMMY and a technical OSCAR—thus "industry praise" permeates this record

Secondary considerations of non-obviousness include industry praise of the patented invention. The industry praise is indeed the highest level of praise achievable. Messrs. Sanders and Stark received an EMMY Award from the Academy of Television Arts and Sciences for Zaxcom's digital recording wireless products that embody the claimed invention of the '902 and '814 Patents (Appx4344).

(Appx4344).

Zaxcom's expert, Mr. DeFilippis, was a member of the relevant 2016 Engineering Awards committee that awarded the EMMY to Messrs. Sanders and Stark and is thus a percipient occurrence witness to its deliberations (Appx1941-1944). With regard to the patented invention, he testified:

> [t]here is a strong nexus between the objective indicia of non-obviousness and the issued and substitute claims of the '902 patent. The

> Zaxcom technology that satisfied a long felt need and received industry praise and recognition include the features that are recited in the issued and substitute claims of the '902 patent

(Appx4598-4599, ¶ 92).

Indeed, the Zaxcom technology was repeatedly praised for the claimed features. The Television Academy that awarded the Engineering EMMY stated as follows:

> Zaxcom, widely considered the industry leader in digital wireless technology, has significantly contributed to the advancement of television broadcasting. Its innovative products include the first digital wireless transmission system for microphones and a production tool that married wireless transmission with a recording device located within the actor's body pack. Zaxcom will be honored for innovations in digital wireless technology.

(Appx4382, emphasis added). The program for the Engineering EMMYs further recognizes the awarding of the EMMY "[n]ot for a single component but for the system as a whole," including "innovations" of "[d]igital recording of microphone signal in the wireless transmitter to provide backup recording of the original microphone signal," as well as "[d]istribution to each digital wireless body pack of a common time code signal" (Appx4370).

Co-inventors Sanders and Stark also received the Technical Achievement Award from the Academy of Motion Picture Arts and Sciences (the "Academy Award," or OSCAR) for the digital recording wireless products that embody the claimed invention of the Patents (Appx4345-4346). As indicated on the face of the

Academy Award, it was awarded for advancing "the state of wireless microphone technology by creating a fully digital modulation system with a rich feature set, which includes local recording capability within the belt pack and a wireless control scheme providing real-time transmitter control and time code distribution" (Appx4345).

Many motion picture and television sound technicians of ordinary skill in the art at the time of the invention of the Patents, who have decades of experience crafting well-known movies and television shows *(e.g.*, American Gangster, Mr. Robot, Inside Man, Sex and the City, Salt, Sicario, The Last Samurai, Independence Day, and Almost Famous) also lavished industry praise upon the claimed invention. The industry praise also included a recognition of a long felt need for a wireless, wearable, transmitting and recording device that could reliably capture sound data from actors recording a movie or television show.

In his declaration, one such sound technician, Mr. Wexler states:

> Soon after introducing digital wireless transmitters, Zaxcom developed a transmitter that had recording capability . . . . I soon realized that this was truly a "game changer" for my work.

(Appx4357, ¶5).

> Each Zaxcom transmitter can digitally record the output of the microphone along with transmitting the signal to the receiver. If there is a drop out of the RF signal, the identical recording in the transmitter can be used by post production.

(Appx4357, ¶ 6).

> I have been in many situations where for a variety of reasons there have been RF dropouts and in some cases the wireless on the talent has moved way out of range . . . when working with moving cars, moving shots or ambitious and unplanned scenes . . . prior to Zaxcom's invention, the audio would be lost forever in these situations.

(Appx4357-4358, ¶ 6).

> [U]sing the digital recording wireless transmitter . . . I could always deliver a track to post production even . . . where there were failures of the RF transmission. Zaxcom was the first and only company to provide this; nothing else even came close. I would never want to be without this function because it has allowed me to deliver audio to post in a manner which no other product provided.

(Appx4358, ¶ 7).

Petitioner's expert Mr. Tinsman agreed that the wireless devices available prior to May 2005 "had a potential for dropouts" (Appx4498). The claimed invention of the Patents received praise for its solution to this problem, because it satisfied this long felt need with a wireless, wearable, transmitter/recorder that combines audio data stored locally in the wearable recorder with the same audio data transmitted and stored at a remote recorder to synchronize multiple local timecode generators and repair dropouts.

Another sound engineer, Mr. Sarokin, also states: "I can say without the slightest qualification that the work of Zaxcom as described and claimed in the [Patents] has revolutionized the sound for picture industry" (Appx4348, ¶ 3). He goes on:

> Mr. Sanders announced his 3rd generation units. I purchased 12 TRX 900 transmitters and these included a mini SD card slot for recording . . . . This capability solved the major limitation of radio mics . . . . radio mics had a very limited range. Depending on what else is on the frequency, the range can be as little as 50 feet. In a big motion picture scene, especially on a film that Ridley Scott is directing, there can be simultaneous action hundreds of feet apart. Prior to Zaxcom's invention of recording radios, the field mixer would capture as much of the dialog as his equipment would allow and the rest would have to be dubbed in post production. I can't emphasize enough the revolution these recording radios brought on. If the actors in a scene went in and out of radio range the SD card on the transmitter would continue to record the audio . . . . Zaxcom also integrated all their equipment so a sound mixer could hit a single button on a Zaxcom recorder and all the radios in use would play back from a certain take or time code start point so the scene could be remixed without any radio drop outs. Zaxcom has been doing this since 2005. 14 years!

(Appx4350-4351, ¶ 6). The claimed invention of the Patents was a "game changer" for the industry and would not have been obvious to a person of ordinary skill in the art.

SUMMARY OF THE ARGUMENT

The Board erred in construing "wearable." The Patents' specifications, Mr. Tinsman's admissions, and the prosecution history understandings between Zaxcom and the Examiner all support that a device in the Patents' multi-recorder performance context is only "wearable" if it is unobtrusive and easily hidden, certainly not a "hiking backpack" or components of such size that they may only be worn if carried within a "hiking backpack." The prior art hiking backpack in Strub that the Board applied as prior art to this "wearable" limitation is far too large and bulky.

Regarding the same claims, the Board lacked substantial evidence for finding that any item or combination of prior art contained the particular "master timecode generator" architecture of the claims. Not only did the prior art lack any disclosure of a local or other timecode generator within an audio device that can be controlled by a master timecode generator, as mandated by the Board's construction of "master timecode generator," but the Board did not even attempt to identify such a thing. Although reference is made to a "jammable" "timecode generator 43" in Woo, this Woo generator does ***not*** exist inside a local or other audio device, and its purpose is to be a standalone device that merely sends timecodes to an external "camera."

The Board erred in construing "local audio data … combined with said remote audio data" to encompass more than the Dropout Embodiment of claims 12, 14 and 15 of the '902 Patent. The Board further erred in finding that the local audio data and the remote audio data do not have to derive from the same source. The Board concluded that this unintended breadth causes certain prior art disclosures to read on the "combined" claim limitation, when in fact they do not. As the Board already found in its decision relating to the substitute claims, the prior art Strub disclosure does not anticipate or render obvious claims limited to the Dropout Replacement embodiment because "Petitioner's proposed combination of the teachings of the references present a weak case of obviousness, whereas the objective indicia of nonobviousness weigh heavily in favor of nonobviousness" (Appx72, Appx148).

Further, the Board erred in its application of industry praise law to the facts of record by overlooking *en banc* legal standards from this Court that require consideration of industry praise as evidencing nonobviousness, whenever it is directed to the claimed invention ***or*** a product that embodies the claimed invention. In this case, the evidence meets both prongs.

ARGUMENT

I. STANDARD OF REVIEW

In an appeal from the Board, this Court employs a substantial evidence standard of review for questions of fact. *Dickinson v. Zurko*, 527 U.S. 150, 162 (1999). When considering whether or not a Board finding meets the substantial evidence standard, the Court considers whether a reasonable fact finder could have arrived at the decision. *Id*. The Court reverses when a Board factual finding about the disclosures of the prior art is not based on substantial evidence. *See Institut Pasteur v. Focarino*, 738 F.3d 1337, 1345 (Fed. Cir. 2013) (reversing *inter partes* reexamination rejection upheld by the Board because the Board lacked substantial evidence to conclude that the prior art disclosed a particular claim limitation).

In general, because the ultimate question of proper claim construction of a patent is a question of law, this court reviews claim construction *de novo*. *Teva Pharms. USA Inc. v. Sandoz Inc.*, 135 S. Ct. 831, 837, 841 (2015). Where, as here, nothing in the case implicates the deference to fact findings contemplated by the

decision in *Teva*, this Court reviews the Board's claim construction *de novo*. *In re Imes*, 778 F.3d 1250, 1252 (Fed. Cir. 2015). Under the BRI framework, this Court reverses when the Board's construction is unreasonable, for example by contradicting the specification or prosecution history. *D'Agostino v. MasterCard Int'l, Inc.*, 844 F.3d 945, 948 (Fed. Cir. 2016); *Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292, 1298 (Fed. Cir. 2015) (in reversing the Board's "unreasonably broad" construction in an IPR, restating principle that a claim construction "cannot be divorced" from the specification and prosecution history record).

II. THE BOARD ISSUED INCORRECT UNPATENTABILITY RULINGS AND ERRED IN ITS APPLICATION OF INDUSTRY PRAISE LAW

A. The Board Erred In Its Claim Construction

The Board's claim construction conclusions that sided with Lectrosonics are wrong. First, the claims that recite a "wearable" limitation require an "unobtrusive, easily hidden" local audio device. Second, the claims that recite "combining" local and remote audio data can only read on a Dropout Embodiment, *i.e.*, one in which the local and remote data derive from the same performer audio that is locally recorded by the local audio device of the performer while simultaneously remotely recorded. These erroneous constructions led the Board to believe that Strub contains the respective limitations, which was incorrect.

1. "Wearable" by a Performer or Creator

The Board failed to appreciate that a "wearable" local audio device in the Patents' context requires it to be unobtrusive and easily hidden. Petitioner's expert (Mr. Tinsman) agreed with Zaxcom's construction. Mr. Tinsman, testifying as a person of ordinary skill in the art, stated under oath that a wearable electronic device like a bodypack is "[s]omething relatively small and lightweight. Something you could wear." (Appx4426). Mr. Tinsman consistently testified that a device would be considered to be "wearable" if it were "something that was straightforward to carry on your person" and "designed to be worn on the body" and "unobtrusive, easily hidden." (Appx4426; Appx4432). *HTC Corp. v. Cellular Communs. Equip., LLC*, 877 F.3d 1361, 1368 (Fed. Cir. 2017) (holding that the Board properly relied upon the expert testimony in construing the claim term "message" to encompass those that last a single frame). Zaxcom's expert, Mr. DeFilippis, who also testified as a person of ordinary skill, explicitly stated that the "wearable" claim limitation means "small, lightweight, ***unobtrusive***, ***easily hidden***, not visible, and designed to be worn on the body of a creator of audio (*i.e.,* performer)" (Appx1960, emphasis added).

In addition, during prosecution, a prior art rejection based upon a portable device that was arguably "suitable and in a condition to be worn," and was not even as large and bulky as the one disclosed in Strub, was overcome via Zaxcom's amendment of the claims to include the term "wearable." Specifically, after the

Examiner stated during an interview that the claims did not restrict the size of the device (Appx7091), Zaxcom amended the claims to include the limitation "wearable by a creator of said locally generated audio" (Appx7058). The Examiner allowed the amended claims and stated as his reasons for allowance that the closest prior art, Nagra V, did not teach the "wearable" limitation even though it was a "portable audio recorder" (Appx7028) and even though it could be moved around within a "soft carrying case" accessory (Appx4811). That is, portable electronic devices that are the size of, or that can be carried in, a soft carrying case such as a backpack like Nagra V and Strub, were considered by the Examiner to be outside the scope of the "wearable" claim limitation (Appx7028).

Moreover, the Specification refers to wearable devices as "those typically worn by news announcers, performers, and the like" (Appx186, 8:65-67), further supporting the construction that was agreed to by both experts. News announcers and performers wore and continue to wear devices that are easily hidden. The construction agreed to by both experts is consistent with the ordinary meaning of "wearable" as understood by a person of ordinary skill in the art in light of the Specification of the Patents and the file history.

2. "Said local audio data … combined with said remote audio data"

The Board also erred in the construction of "said local audio data … combined with said remote audio data." The Board wrongly held that this limitation

"encompasses the multi-track embodiment of the '902 Patent" (Appx9). This error was material and prejudicial. This overly broad construction may read on prior art in which the "combined" data is used for the creation of a multitrack file regardless of whether there is combination of locally recorded data to repair or replace audio in an already existing remotely recorded and created multitrack file, and regardless of whether what is "combined" sources from the same original audio.

Specifically, the Board stated "[a]lthough we agree with Patent Owner that the '902 patent specification describes an embodiment of repairing a dropout (*i.e.*, a loss of audio data during a wireless transmission is remedied through the replacement of data) [the 'Dropout Embodiment'], we are not persuaded that the recited 'combined' limitation is limited to that embodiment, but rather also encompasses the multi-track embodiment of the '902 Patent [the 'Multitrack Embodiment']" (Appx9-10). The Board went on to reject Zaxcom's "same source" construction (Appx10).

Whereas the Board is correct that the '902 Patent Specification teaches a Dropout Embodiment and a Multitrack Embodiment, nothing in the intrinsic evidence (or otherwise) signaled the inventors' intention that these claims cover both. The Board erred in construing that a combination of "local audio data" and "remote audio data," as required by the claims, can be a Multitrack Embodiment. It cannot, as the specification only teaches two possibilities for creation of a multitrack

file: 1) a user combines the "local audio data" of a plurality of local audio devices to create a single, local multi-track file, wherein the local audio data is never transmitted and/or remotely recorded ("Local/Local Multitrack Embodiment"); and 2) the receiver/recorder combines audio received simultaneously and wirelessly, from multiple local audio devices, to create a single, remote multitrack file, wherein this remote multitrack file may later be repaired via the Dropout Embodiment ("Remote Multitrack Creation").

That is, in a Local/Local Multitrack Embodiment, "local audio data" of a first local audio device is combined with the "local audio data" of one or more other local audio devices. Clearly such an embodiment is not envisioned by claims 12, 14, and 15 which each require "wirelessly transmitting said local audio data to at least one of the group consisting of a recorder, a receiver, and combinations thereof," "remotely recording said transmitted local audio via at least one of the group consisting of a recorder, a receiver, and combinations thereof as remote audio data," and "wherein at least a portion of said local audio data is retrieved during or subsequent to said audio event and is combined with said remote audio data" (Appx195, 26:3-13). "Transmission" never happens in this Local/Local type of "combination."

Regarding the Remote Multitrack Creation, this is not a separate embodiment but rather a necessary step or inevitable precursor to the Dropout Embodiment, and,

in either case, it does not (without more) include the combination of "local audio data" and "remote audio data" as required by claims 12, 14, and 15. The intrinsic evidence, *i.e.*, the specification, makes this clear, as one cannot repair something unless and until it is created. In other words, the intrinsic teachings of the Remote Multitrack Creation were never meant to stand alone but rather, are a backdrop to facilitate discussion of the Dropout Embodiment as they discuss accurate timestamping while locally recording audio and simultaneously remotely creating a remote multitrack file such that the remotely created multitrack file may be later repaired using local audio data in accordance with the Dropout Embodiment.

In both scenarios, the claim language "said local audio data … combined with said remote audio data" forces the claims to be limited to the Dropout Embodiment because the '902 Patent specification never teaches, in a vacuum, the combination of local audio data and remote audio data to create a multitrack file. The Local/Local Multitrack Embodiment combines local audio data with local audio data, without the transmission of any data, whereas the Remote Multitrack Creation brings together several tracks of "remote" audio received simultaneously and wirelessly at the remote recorder/receiver to create a single, remote, multitrack file. As such, all specification references to the combination of local audio data into, or being used with, remote audio data are in fact references to the repair of a remote multitrack file, *i.e.*, a Dropout Embodiment.

In reaching its erroneous construction, the Board opined that it was relying on "Mr. DeFilippis's testimony that the 'combined' limitation allows 'multiple individually recorded audio tracks to be combined into one or more multi-track audio files'" (Appx811, Appx3098). The Board erred on three fronts in this reliance. First, Mr. DeFilippis never testified to the words the Board attributed to him (what the "combined" limitation supposedly "allows"). Second, the Board focused on a very small subset of what was actually quoted by Mr. DeFilippis from a specification in the '902 Patent family, thereby overlooking and taking out of context the meaning of the full re-quotation of large sections of the prior patent specification as specifically set forth by Mr. DeFilippis in his claim analysis (Appx3098-3099). Third, the Board misunderstood the idea Mr. DeFilippis sought to convey when he made such bulk quotations.

When Mr. DeFilippis quoted the language cited by the Board in his claim chart, he quoted it in full as it appears in a predecessor application within the same family as the '902 Patent specification: "[t]his accuracy allows multiple individually recorded audio tracks to be combined into one or more multi-track audio files electronically post-recording" (Appx3098). Upon a close reading of the language preceding the cited sentence as it appears in the '902 Patent specification itself, the accuracy referred to in this sentence is the *timestamping* "accuracy of all of the components of the recording system 100," wherein those components include local

audio devices 102, RCU 104, receiver 106, and recorder 108. Put into the context of the specification, it is clear that this language means that the *timestamping* accuracy of all of the components of recording system 100 allows the multiple individually recorded audio tracks to be "*combined into,*" or inserted into, one or more multi-track audio files already created by a remote receiver or recorder post-recording. Contrary to the Board's misbelief, Mr. DeFilippis categorically did *not* give "testimony that the 'combined' limitation allows multiple individually recorded audio tracks to be combined together *to create* one or more multi-track audio files." The true grammatical subject for the verb "allows" is "[timestamping] accuracy," not "the 'combined' limitation."

In addition to citing to Mr. DeFilippis' claim chart to support its construction, the Board cited four sections of the '902 Patent, myopically scrutinizing the mere word "combining" without appreciating exactly what gets combined. The Board stated: "In other words, we construe the 'combining' limitation to encompass the disclosed multitrack embodiment in the '902 patent specification, where separate audio tracks are combined to form a multitrack audio file. *See* Ex. 1001, 4:23-35, 5:18-19, 16:51-55, 19:13-15" (Appx10). The Board erred in its interpretation of each cited specification line range.

With regard to the first of these (Ex. 1001, 4:23-25), this section has been addressed above as it is the same language cited by Mr. DeFilippis in his claim chart.

Its use of terminology "combined into" means that it, in fact, discloses the Dropout Embodiment—clearly linking a form of the word "combine" with the Dropout Embodiment in which locally recorded audio is combined *into* a remote multitrack file for repair thereof.

The Board's second citation to Ex. 1001, 5:18-19 also invokes a Dropout Embodiment, thus cannot signal the inventor's intent to cover a Multitrack Embodiment. The passage cited by the Board at 5:18-19 comes at the tail end of a paragraph starting at 4:62 that discloses recovery and replay of audio in the correct time sequence with respect to other audio samples (Appx184, 4:62-5:19). When read in context, the entire paragraph describes a Dropout Embodiment.

The Board's third citation to Ex. 1001, 16:51-55 invokes mere Remote Multitrack *Creation* and not a combination of "local audio data" with "remotely recorded audio data." Specifically, 16:46-55 states that "[e]ach local audio device also simultaneously transmits its received audio *to recorders or receiver/recorder* such as receivers 106 and recorders 108 in real time … The audio received from each of the local audio devices (e.g., the local audio device of each performer) may be combined to create one or more multitrack audio files" (Appx190, 16:46-55, emphasis added). That is, the receiver/recorder receives audio wirelessly from the local audio devices and combines them together to create a remote multi-track audio file. This citation does not describe a combination of "local audio data" with

"remotely recorded audio data," nor a Multitrack Embodiment separate from the Dropout Embodiment.

Finally, with regard to the Board's fourth citation, 19:13-15, the text of this citation describes a Local/Local Multitrack Embodiment that combines "local audio data" with "local audio data," wherein there is no transmission of any audio data (a requirement elsewhere in claim 12), and in no way combines "local audio data" with "remote audio data" as required by the claims. This activity, again, is irrelevant to the claims. It is not a covered embodiment as, at a minimum, it excludes any form of transmission or remotely recorded audio or remote audio data, and thus should not have tempted the Board to shoehorn its features into the claim construction.

The Board also erred in the construction of "said local audio data … combined with said remote audio data" in wrongly holding that this limitation "does not require that the local and remote audio data originate from the same source" (Appx10). This error was material and prejudicial. This overly broad construction may read on prior art where the "combined" data comes from different audio sources (*e.g.*, a single recording that combines two microphone tracks of distinct instances of sound).

The correct construction is narrower. Under the correct construction, a technology is within the claim scope when that which is combined comes from the same audio source, *i.e.*, the same "performer" who generates audio and whose local

audio device locally records this generated audio. A technology is outside the claim scope when that which is combined comes from different sources. The structure and grammar of the claim itself mandates Zaxcom's "same source" construction, while negating the Board's. The claim language itself provides the context in which a claim term is used. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1314 (Fed. Cir. 2005) (*en banc*); *see also In re Hyatt*, 708 F.2d 712, 714 (Fed. Cir. 1983) ("A claim must be read in accordance with the precepts of English grammar.").

Claim 12 explicitly recites these limitations. Column 25, line 66, requires "a method of wirelessly recording local audio" (Appx195, 25:66). "Said local audio generated by at least one performer during an audio event" is received locally and recorded locally in a memory of a local audio device "as local audio data." (Appx195, 26:1-2, 6-7, emphasis added). The identical "said local audio" is also wirelessly transmitted to a recorder, a receiver, or combinations thereof, and is remotely recorded "as remote audio data." (Appx195, 26:3-5, 8-10, emphasis added). Then, "at least a portion of said local audio data is retrieved during or subsequent to said audio event and is combined with said remote audio data." (Appx195, 26:11-13, emphasis added). This cascade of "said" ligatures and connections in the claim language all trace "local" and "remote" audio data to the same original "local audio" named at the top of the claim. Claim 12 thus requires both the "local audio data" and the "remote audio data" to originate from the same

"local audio" that was "generated by at least one performer" and locally recorded as local audio data.

In short, the Board strained unnecessarily to construe the claims in a way that might cover multiple distinct Zaxcom embodiments, when only one of those embodiments actually fits. Thus, the Board incorrectly bootstrapped its belief that the claims covered an irrelevant embodiment into a rejection of Zaxcom's "same audio" claim construction, for supposedly excluding a claimed embodiment. This backwards analysis made neither legal nor logical sense. "[When] the patent describes multiple embodiments, every claim does not need to cover every embodiment. This is particularly true [when] the plain language of a limitation of the claim does not appear to cover that embodiment." *Pacing Techs., LLC v. Garmin Int'l, Inc.*, 778 F.3d 1021, 1026 (Fed. Cir. 2015). The Board should have started with the claim language, and then interpreted it in light of the specification. It was error to interpret the specification, then force a belief about specification scope onto the claim language.

B. The Prior Art Even When Combined Lacks the Properly Construed Claim Limitations, Precluding Any Proper Obviousness Conclusion

Under the properly construed claims, nothing in the attempted combination of prior art shows either a "wearable" local audio device, a "master timecode generator"

controlling a local timecode generator inside an audio device, or "combining" of local and remote audio data. This is quite easy to show.

Strub discloses a collection of hikers who each wear bulky backpacks to enclose respective sets of A/V recording and broadcasting equipment.

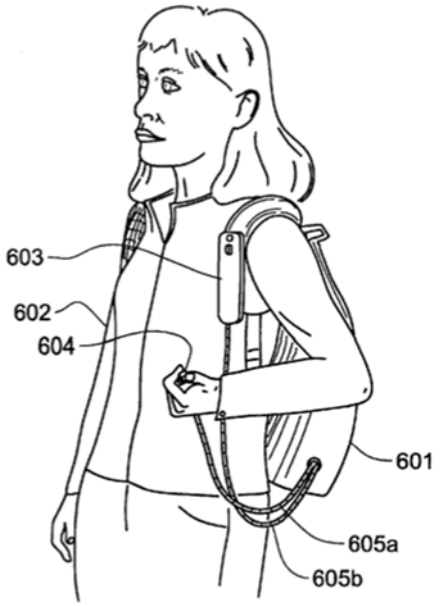


Figure 6

(Appx1304, Fig. 6). The visual data acquisition device 603, the backpack 601 enclosing the recorder, the wires 605a and 605b, etc. are clearly visible. (*See also* Appx1301, Fig. 1; Appx1311, 2:59-60, "A group hike is an example of such an event [of group recording]"; Appx1318, 15:39-42 (hiking); Appx1344, 67:30-44 (discussing "backpack" of Fig. 6); Appx1344, 67:59-61 (hiking)). Under the claim construction agreed among the experts and during prosecution, a "hiking backpack" is not "wearable," nor is something that is so evidently obtrusive, not easily hidden,

and significantly larger than the prior art Nagra V device. Specifically, Petitioner's own expert unequivocably testified that "wearability depends on the circumstances . . . it can't interfere with the movement of a person, or be an undue burden, so not a hiking backpack, as we agreed, certainly" (Appx4432, ll. 1-8).

Additional figures illustrate the recorder as not easily hidden:

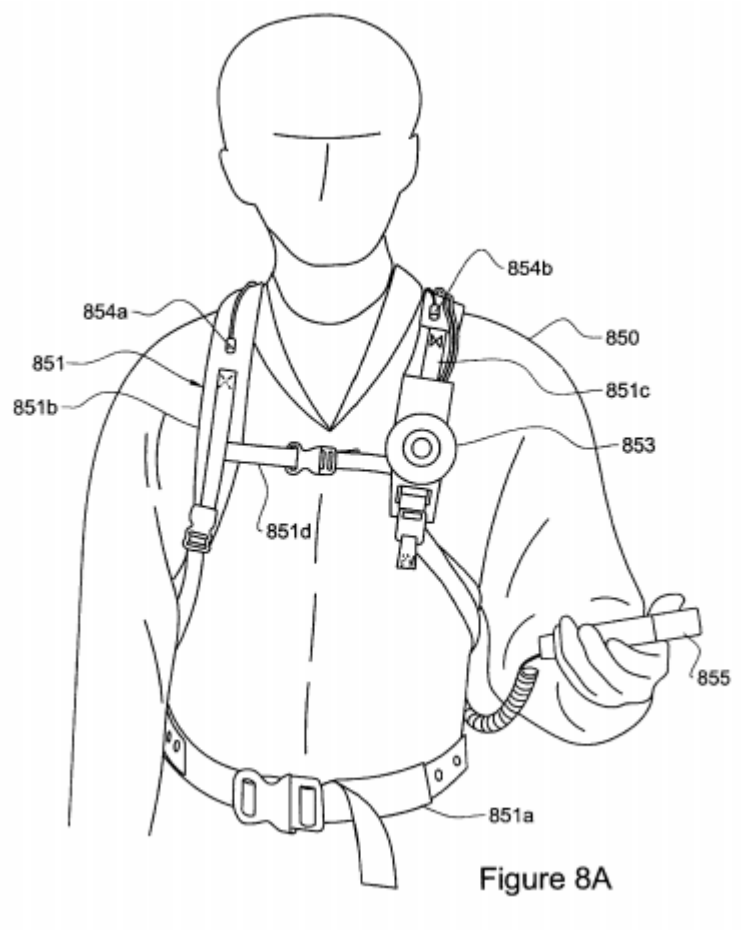
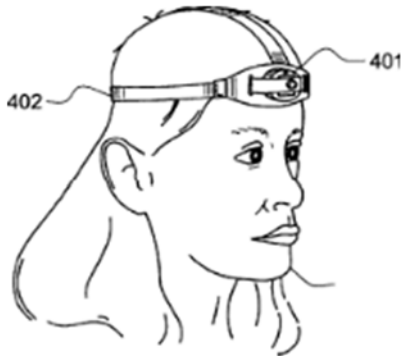


Figure 8A

(Appx1307). The visual acquisition device 853, the harness 851, the waist strap 851a, the two shoulder straps 851b and 851c, the sternum strap 851d, and the audio data acquisition devices 854a and 854b are visible. The Board did not attempt to

show how these components could be arranged to be easily hidden. Strub's head harness is also not easily hidden:



(Appx1304, Fig. 4).

Mr. DeFilippis explained that Strub's recorder is not easily hidden because it "require[s] a computer that could compare content from multiple mpeg sources in real time and multiplex the results to a recording. The hardware and software to do this could not be incorporated into a device that is wearable" (Appx4565-4566, ¶ 52). "Strub could also never fit into a backpack because of the multiple MPEG encoders and decoders required just to implement Strub in the digital domain. A backpack is not suitable in any way shape or form to be utilized as a bodypack transmitter." *Id.* Petitioner's expert Mr. Tinsman did not comment on this testimony from Mr. DeFilippis, let alone rebut it.

Regarding the "master timecode generator," the Board defined this term as "a producer of a plurality of master timecodes controlling other time code generators"

(Appx13). The Board purported to find this producer of a plurality of master timecodes in Woo, at elements 122 124, and 128 (Appx17), yet failed to specifically identify any "other time code generators" controlled by the "producer of a plurality of master timecodes." The Board further construed Woo to disclose "using 'jam synchronization' to synchronize local time clocks with a master time clock" finding that Woo "describes the process of jam synchronization as allowing 'a timecode generator to follow the time code off another source'" (Appx28). Yet again, the Board fails to identify a specific timecode generator taught by Woo that follows the time code off another source.

Assuming the Board understands the "other timecode generators" to be the only timecode generator communicating with the relevant parts, namely "timecode generator 43," the Board still gets it wrong. As described in Woo itself, while this generator 43 can be "jammed" after receipt of SMPTE timecodes from device 18, 22 via I/O port 38, item 43 is not a local timecode generator as claimed for at least a few reasons. First, item 43 is not internal to the local audio device of Woo (purportedly the recorder) as is required by claim 7 of the '902 Patent and claim 1 of the '814 Patent (Appx194-195, Appx223). Second, it is not electrically coupled to "at least one control unit" that creates "stamped local audio data," wherein the "stamped local audio data includes at least one local timestamp to reference … said stamped local audio data to … said local timecodes," all of which is required by

claim 7 of the '902 Patent and claim 1 of the '814 Patent (Appx194-195, Appx223). Rather, item 43 is merely an auxiliary piece that delivers its own timecodes to a remote "camera, etc" (Appx1556). This is certainly not a disclosure of use of "local" timecodes in any sort of local audio device, wherein audio is stamped locally before transmission or saving to a memory.

Simultaneously and side-by-side in Woo's disclosure, there do exist "recorders" 14 and 16 that use timecodes (Appx1555: 5:37-53). However, they get them from equipment external to the recorder (*i.e.* the timecodes are not locally generated). Further, these devices do not, themselves, contain any sort of local timecode generator. They simply rely blindly on the SMPTE timecodes coming out of Woo's item 18 and 22 at ports 20 and 24. (Appx1555: 5:37-53). Thus even combinations of prior art that include Woo would lack the distinct advantages of Zaxcom's particular master / local timecode architecture, including its robustness for allowing accurate post-sync timestamping of audio in multiple local devices at the same time, even when reception of master timecodes might be temporarily hindered or impossible.

It would be wrong to assert that Woo came close to the Zaxcom invention, or that its disclosures are enough for obviousness purposes. Woo's juxtaposition of sub-elements ***without*** assembling them into something closer to the claimed invention supports only nonobviousness under longstanding Supreme Court precedents.

> We cannot better conclude this opinion than by the following extract from the opinion of Mr. Justice Bradley in *Loom Co. v. Higgins,* 105 U.S. 580, 591: "But it is plain from the evidence, and from the very fact that it was not sooner adopted and used, that it did not, for years, occur in this light to even the most skillful persons. It ***may have been under their very eyes, they may almost be said to have stumbled over it; but they certainly failed to see it, to estimate its value, and to bring it into notice***. . . . Now that it has succeeded, it may seem very plain to any one that he could have done it as well. This is often the case with inventions of the greatest merit. It may be laid down as a general rule, though perhaps not an invariable one, that if a new combination and arrangement of known elements produce a new and beneficial result, never attained before, it is evidence of invention."

Carnegie Steel Co. v. Cambria Iron Co., 185 U.S. 403, 446 (1902) (emphasis added).

The lack of either or both of the "wearable" and the "master timecode generator" limitations in the asserted prior art combination also dooms any proper conclusion of obviousness. When a claim limitation is wholly absent from the teachings of the prior art, documentary evidence is required to establish obviousness. *K/S HIMPP v. Hear-Wear Technologies, LLC,* 751 F.3d 1362, 1366 (Fed. Cir. 2014) ("an assessment of basic knowledge and common sense as a replacement for documentary evidence for core factual findings lacks substantial evidence support."). Neither Petitioner nor the Board attempted to present the required documentary evidence to support its position that any claim limitation that is missing from Strub or Woo, and the other prior art, would have been obvious.

Therefore, this Court should reverse all obviousness determinations on the ground that the prior art combination lacked specific claim limitations.

C. Strub Lacks the Properly Construed Limitations of the '902 Patent Claim 12, and Dependent Claims

Strub does not anticipate nor (in combination with Wood) render obvious properly construed claims that are limited to the Dropout Embodiment ('902 Patent claims 12, 14 and 15). This is true because Strub fails to disclose "local audio data … combined with remote audio data" as required by claims 12, 14, and 15 (Appx195). In fact, Strub (a never-commercialized technology) has nothing to do with the type of revolutionary improvement to the field brought about by Messrs. Sanders and Stark. Strub (Appx1299-1357) merely discloses a system where groups of hikers can each broadcast what they see and hear to one another, with an option for an individual to substitute another's broadcast for her own local recording. This has nothing to do with same-source audio data combinations, dropout replacements, the recognition of the problem that dropout replacement solves, or the industry revolutionized by the claimed invention.

Crucially, the Board already analyzed what conclusion follows when claims are limited to the Dropout Embodiment: no obviousness. In reference to the substitute claims, the Board found that a combination of Strub and Wood does not render Dropout Embodiment claims obvious. In its analysis, the Board opined as follows:

> Petitioner asserts that Strub recognized the problem of deficient recordings, and a person of ordinary skill in the art would have known that one such deficiency would have been dropouts. Pet. 48 (citing Ex. 1003, 48:18–30, 85:28–41 ("during an event, the recording obtained by a particular recording unit will be deficient in some way"); Ex. 1011 ¶ 103). In order to solve the problem of dropouts, Petitioner asserts a person of ordinary skill in the art would have combined Wood with Strub in order to improve signal quality and produce a program free of dropouts. *Id.* at 49 (citing Ex. 1003, 35:54– 57, 36:10–29, 37:53–38:4, 66:7–15; Ex. 1008, 1:28–30, 3:4–6; Ex. 1011 ¶¶ 105–106).

(Appx57-58). The Board continued:

> Nevertheless, in view of the differences between the asserted prior art references and the subject matter of the proposed substitute claims, Petitioner presents a weak case of obviousness. For instance, although Strub recognizes that recordings may be deficient, Strub does not specifically contemplate deficiencies resulting from dropouts in transmission of local audio to a remote recorder or receiver. *See* Ex. 1003, 48:18–30, 85:28–41. Moreover, even if a person of ordinary skill in the art would have understood that dropouts could be one cause of deficient recordings in Strub, as Petitioner's expert opines, and Wood teaches a method for repairing dropouts, Wood focuses on repairing dropouts in a received TV broadcast signal rather than during post-processing of a recording, as in the '902 patent. Furthermore, the evidence that a person with ordinary skill in the art would have looked to combine a small, wearable device for recording the audio of an event, as taught in Strub, with a method for repairing a TV broadcast signal, as taught in Wood, does not support a strong showing of obviousness.

(Appx59-60).

In this regard, the Board was correct. Petitioner failed to show a strong case of obviousness, or any at all for that matter. Furthermore, the Board held that "the factors of long-felt need and especially industry praise weigh heavily towards nonobviousness" in analyzing the substitute claims, which, again were directed to a

Dropout Embodiment (Appx72). In reaching this determination, with regard to long-felt need, the Board stated:

> Considering the totality of the evidence, we determine that Patent Owner has demonstrated that a long-felt need existed for a "wireless, wearable, transmitting and recording device that could reliably capture sound data from actors recording a movie or television show." As discussed above, we credit the testimony of Mr. Sarokin and Mr. Wexler, who both identify repairing dropouts as a long-felt need. PO Resp. 54–57 (citing Ex. 2103 ¶ 6; Ex. 2104 ¶ 6). . . . We also credit the testimony of Mr. Wexler in explaining how the "replacing" limitation solved the long-felt need of repairing dropouts. PO Resp. 54–57 (citing Ex. 2104 ¶ 6).

(Appx66-67, Appx142-143).

With respect to industry praise, the Board stated as follows: "[a]lso probative is Patent Owner's evidence of the received awards. Patent Owner asserts the Emmy award specifically praises … digital recording of microphone signals in the wireless transmitter 'to provide *backup recording* of the original microphone signal.' PO Resp. 58 (quoting Ex. 2106) (emphasis added in original)" (Appx68, Appx144-145). Further, "the testimonial evidence by Mr. Sarokin and Mr. Wexler praising Patent Owner's dropout correction features … weighs in favor of nonobviousness. Furthermore, the awards evidence that praises Patent Owner's digital recording devices that 'married wireless transmission with a recording device located within the actor's body pack' also strongly weighs in favor of nonobviousness" (Appx70, 146).

Thus, the properly construed claims are not only not anticipated; they are also nonobvious. This Court should reverse as to claims 12, 14 and 15 of the '902 Patent.

D. The Board Erred in its Application of Industry Praise Law

If this Court agrees with Appellant's claim construction on "wearable" or "combined," or Appellant's factual argument about lack of a "master timecode generator" in Woo, Appellant is entitled to reversal as to the claims held invalid for obviousness. The Board made no attempt to locate the presence of claim elements in the prior art combination under a correct understanding of the claim construction or the factual record. But even if the Board's technical obviousness analysis were correct, this Court should still reverse because the Board erred in its treatment of objective indicia of nonobviousness, as they relate to industry praise for both the merits of the claimed invention and products that embody the claims. The Board also misapprehended the law in its treatment of industry praise objective evidence of nonobviousness.

First, the Board found a "presumption of nexus" inappropriate because "Patent Owner does not provide an analysis demonstrating that its products are coextensive (or nearly coextensive) with the challenged claims" (Appx33, Appx115).

It is notable that the *Fox Factory* decision cited by the Board for legal standards governing nexus presumptions issued on December 18, 2019 after all

papers had been filed by Patent Owner and after oral hearing. Before *Fox Factory*, this Court never denied a finding of industry praise nexus (via presumption or otherwise) on grounds that a covered and industry-praised product is not "coextensive" with the patent claims. The original precedent cited there to support a "coextensiveness" legal standard concerned commercial success evidence, not industry praise. *See Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 1392 (Fed. Cir. 1988). The only other decision of this Court even mentioning "coextensiveness" in a decision analyzing industry praise nexus found a presumption of nexus on its facts. *Henry Penny Corp. v. Frymaster LLC*, 938 F.3d 1324, 1332-34 (Fed. Cir. 2019).[1]

The Board misapplied nexus presumption legal standards, including the case cited by the Board itself: *WBIP, LLC v. Kohler Co.*, 829 F.3d 1317 (Fed. Cir. 2016). Indeed under *WBIP*, Patent Owner's "showing – that the specific ***products*** are

[1] Although there would be no reason for Patent Owner to argue coextensiveness pursuant to the not yet issued *Fox Factory* decision, the evidence clearly shows that the industry-praised product is coextensive with the patent claims in that the praised product (*i.e.*, the TRX900) is the claimed invention. The TRX900 incorporates the various features required (*i.e.*, master / local system architecture, local recording, timestamping audio data, and master timecode generator) to achieve the merits of the invention, namely, dropout repair. That is, dropout repairability is the result achieved by both the claimed invention and the praised product, not a "component" thereof, and as such, it is unnecessary to affirmatively claim dropout repair in any system claims before such a result would be understood as the exact "merit" of the claimed invention.

embodiments of the claimed invention and that the proffered objective evidence relates to these ***products*** – ***is sufficient to establish the presumption of nexus*** . . . ." *Id.* at 1330 (emphasis added). Only ***after*** attachment of such a presumption did *WBIP* find it appropriate to analyze connection to "the merits of the claimed invention" to test whether the presumption was ***rebutted***. *Id.* at 1331.

Here, it went undisputed that products embodying the claimed invention (*i.e.*, Zaxcom's wireless audio recording system) received industry praise, as set forth in greater detail below, including a technical Academy Award (an OSCAR) and an EMMY (Appx4360-4382, Appx4815). Yet the Board quixotically failed to find that the claimed invention received any industry praise, because the Board held that the "feature of repairing dropouts by replacing data" was not required by the claims (Appx34, Appx117). Put another way, the Board gave no weight in its obviousness analysis to the fact that products embodying the claimed invention undisputedly received the equivalent of not just one "Nobel Prize" in its field, but two!

It is well settled that the proponent of obviousness must address four factors, including objective evidence of secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18, 86 S. Ct. 684, 694 (1966). "A determination of whether a patent claim is invalid as obvious under § 103 requires a consideration of all four Graham factors, and it is error to reach conclusion of obviousness until all those factors are considered." *Apple, Inc. v. Samsung Elecs. Co.*, 839 F.3d 1034, 1048

(Fed. Cir. 2016) (*en banc*). "[E]vidence of secondary considerations may often be the ***most probative*** and cogent evidence in the record. It may often establish that an invention appearing to have been obvious in light of the prior art was not." *Transocean Offshore Deepwater Drilling, Inc. v. Maersk Drilling USA, Inc.*, 699 F.3d 1340, 1349 (Fed. Cir. 2012) (emphasis added). Secondary considerations can be the most reliable evidence to avoid the trap of hindsight bias.

Any objective evidence of nonobviousness must have nexus to the claimed invention, but that nexus need only be "reasonably commensurate," and the case law cautions against unduly "strict requirements" in evaluating nexus. *Rambus Inc. v. Rea*, 731 F.3d 1248, 1257 (Fed. Cir. 2013).

Industry praise nexus in particular exists in either of two ways. "Evidence that the industry praised [1] ***a claimed invention or*** [2] ***a product that embodies the patent claims*** weighs against an assertion that the same claimed invention would have been obvious" *Apple*, 839 F.3d at 1053 (*en banc*) (emphasis added).

With respect to the first named way in *Apple*, the Board gave no weight to industry praise because it found no nexus to the claimed invention, believing that the evidence submitted by Patent Owner is "directed towards the feature of fixing dropouts … However, the feature of repairing dropouts by replacing data is not required by [the claims], which instead are directed to locally recording and timestamping audio data" (Appx34; Appx117).

In these statements, the Board seems to confuse things. The systems of claim 7 of the '902 Patent and claim 1 of the '814 Patent include the necessary elements (*i.e.*, master / local system architecture, local recording, timestamping audio data, master timecode generator) needed to use the product to repair dropouts. That is, fixing dropouts undisputedly results from the systems of these claims, and it is unnecessary to claim the result / merits of the system when drafting system claims. As such, the claims are, contrary to Board misunderstandings, "directed towards" a system for "repairing dropouts by replacing data."

Further, the Board's decision that the industry praise evidence was only directed towards "fixing dropouts" and not features such as "locally recording and timestamping audio data" in conjunction with the use of a "master timecode generator" lacked substantial evidence. To the contrary, local recording and timestamping audio data are features that received distinct and direct praise as set forth by Patent Owner in its Response (Appx536-548). The Board's inexplicable inability to perceive material facts in the record alone merits reversal.

For example, the EMMY Awards program specifically described its award to Zaxcom was "[n]ot for a single component but for the system as a whole," and then went on to praise several aspects of the system including "[d]igital recording of microphone signal in the wireless transmitter to provide backup recording of the original microphone signal" (*i.e.*, local recording in the local audio device); and

"[d]istribution to each digital wireless body pack of a common time code signal (*i.e.*, transmission of a master timecode to each local audio device) (Appx4370). Crucially, the "wearable," "local recording," "timestamping," and "master timecode generator" features deserved special mention. Mr. Sarokin testified consistently that "time code sync signals" and "remote control commands" constituted an "incredible capability" (Appx4350). And the OSCAR materials likewise mention the dropout repair-enabling time code sync features (Appx4370).

Further, regarding the second way to prove industry praise nexus named in *Apple*, 839 F.3d at 1053, for such evidence to receive weight, it is not necessary for industry praise to be directed solely to a claimed invention. It is sufficient for the praise to be directed to "a product that embodies the patent claims." *Id.* The Board's "no nexus" conclusion contradicts this second prong. This is because it was not disputed that the EMMY and OSCAR were for sold embodiments of the claimed invention.

Here, Appellant presented substantial and undisputed evidence that its second generation wireless transmitter (*i.e.*, the first digital wireless transmitter with internal recording having model nos. TRX900, TRX901, TRX910, and TRX990 and also referred to in the record as "transmitters") and all later generations of this product, embody the patent claims (Appx2188, Appx2214, Appx2460-2461, Appx2733,

Appx3051-3052, Appx3054, Appx3162-3167, Appx4349-4352, ¶¶5-7, Appx4357-4358, ¶¶5-7).

The Board also ignored admissible percipient testimony from an occurrence witness, which left no doubt that the industry praise was for products embodying the claimed invention and thus deserved full credit in the obviousness inquiry (Appx4598-4600, ¶92). Mr. DeFilippis, in particular, was a member of the relevant EMMY Awards Committee, thus a percipient witness to its deliberations (Appx1941-1944). He confirmed that the inventors "received the Technical Achievement Award from the Academy of Motion Picture Arts and Sciences for the digital recording wireless ***products that embody the claimed invention of the [Patents]"*** and that Mr. Sanders "received the EMMY Award from the Academy of Television Arts and Sciences for the Zaxcom, Inc. digital recording wireless ***products that embody the claimed invention of the [Patents]***" (Appx4597-4598, ¶ 90, emphasis added, internal citations omitted). He testified that there was a "strong nexus" between the "issued [] claims" and such objective indicia, noting with citation to the record that the "recognition include[d] the features that are recited in the issued [] claims" (Appx4598-4599, ¶ 92). Notably, in this aspect with respect to the EMMY, Mr. DeFilippis did not merely testify as an expert witness whose testimony might be brushed aside if found "conclusory." Rather, his testimony was

percipient testimony of an occurrence witness, which no legal doctrine permitted the Board to ignore.

Additionally, Mr. Wexler praised "the merit" of "the products embodying the claimed invention" in his own words: "With Zaxcom's brilliant invention, I had the fool-proof solution that I could only have imagined: using ***the digital recording wireless transmitter*** I had the assurance and confidence that I could always deliver a track to post production even in those situations where there were failures of the RF transmission . . . which no other ***product*** provided" (Appx4358, ¶ 7, emphasis added).

To rebut such a strong nexus showing would require proof that the objective indicia arose for reasons other than the merits of the claimed invention. *WBIP*, 829 F.3d at 1331. "Merit" means the advantages or results that the claim as a whole permits, not isolated limitations. *Id.* at 1325, 1331 (finding "merits of the claimed invention" to be "low-carbon monoxide emission marine gen-set," which was not itself a claim limitation). On the facts here, the record contained praise for the "merits of the claimed invention," and the product as a whole, *i.e.*, rendering impossible any nexus rebuttal by Lectrosonics.

Strong objective evidence, such as the evidence here, can overcome even a strong *prima facie* case of obviousness. *WBIP*, 829 F.3d at 1328, 1337. If EMMY and OSCAR awards cannot inoculate a claimed invention against hindsight

conclusions of obviousness, then industry praise effectively gets written out of the law as potential objective indicia of nonobviousness. Since the Board had no authority to rewrite the patent law in this way, this Court should reverse.

E. *Fox Factory* Does Not Justify Withholding a Nexus Finding

Finally, in its Decisions on Rehearing, the Board revealed its belief that it could ignore all of Zaxcom's probative evidence of industry praise (and nexus) and deny Zaxcom a presumption of nexus because of this Court's ruling in *Fox Factory, Inc. v. SRAM, LLC*, 944 F.3d 1366 (Fed. Cir. 2019) (Appx82-83, Appx158-159). The Board misrelied on *Fox Factory* and analyzed it incorrectly.

First, *Fox Factory* was a mere panel decision. The Board could not properly construe it to have overruled the *en banc* legal standards for industry praise nexus stated by this Court in *Apple v. Samsung* just three years before. This Court applied that very standard in *WBIP*, "showing – that the specific ***products*** are embodiments of the claimed invention and that the proffered objective evidence relates to these ***products*** – ***is sufficient to establish the presumption of nexus*** . . ." *WBIP*, 829 F.3d at 1330 (emphasis added). The *Fox Factory* decision does not show awareness of this *en banc* standard (nor even cite to *Apple* or to *WBIP*, except in one unrelated reference), and thus *Fox Factory's* relevance to this case is extremely limited.

Second, the holding in *Fox Factory* addressed legal standards for finding secondary considerations "coextensive" with a patent claim, so that a *presumption*

of nexus might attach. Here, Zaxcom has no need for a *presumption* of nexus (though it is certainly entitled to it). A "patent owner is still afforded an opportunity to prove nexus by showing that the evidence of secondary considerations is the direct result of the unique characteristics of the claimed invention." *Fox Factory*, 944 F.3d at 1373-74 (citation omitted). The EMMY and OSCAR evidence, and testimony of DeFilippis, Sarokin and Wexler, abound in praise for the "unique characteristics of the claimed invention," including its wearability, its "master timecode generator" supporting timecode control over bodypack recorder/transmitters having local timecode generators (resulting in dropout repairability), and its dropout repair itself.

Third, under Federal Circuit law, a later panel of this Court cannot overrule a holding from an earlier panel precedential decision; that can only be done through *en banc* review. *Preminger v. Sec'y of Veterans Affairs*, 517 F.3d 1299, 1309 (Fed. Cir. 2008). Here, *Fox Factory* denies a patentee a presumption of nexus under a view that a patent claim is not "coextensive" with a product that includes a "critical" unclaimed feature that is claimed by a different patent and that materially impacts the product's functionality. *Fox Factory*, 944 F.3d at 1375. If interpreted to apply beyond the commercial success context, this *Fox Factory* statement of the

"coextensiveness" standard violates the earlier-panel rule. This is especially clear in view of the earlier precedential *WBIP* decision.[2]

Under *WBIP*, "coextensiveness" or "commensurateness" analysis for determining if industry praise nexus is presumed does not turn on the *Fox Factory* analysis of whether "features" of a product were "critical" or "material," yet unclaimed. Rather, "showing – that the specific ***products*** are embodiments of the claimed invention and that the proffered objective evidence relates to these ***products*** – ***is sufficient to establish the presumption of nexus*** . . ." *WBIP*, 829 F.3d at 1330 (emphasis added). The only "limited exception" is when "the patented invention is only a *component* of the product to which the asserted objective considerations are tied." *WBIP*, 829 F.3d at 1329 n.3 (emphasis added). This exception denies a presumption only when the claim covers a mere "component" of a whole system that has received praise, and the component is not mentioned. Where *Fox Factory* departs from *WBIP* is the emphasis on "feature" versus "component." A presumption should still exist under *WBIP* (and the "limited exception" should be found inapplicable) even when unclaimed "features" of that praised system happen to contribute to its utility, as long as the claim covers the whole system.

[2] As already mentioned, before *Fox Factory*, this Court never denied a finding of industry praise nexus (via presumption or otherwise) on grounds that a covered and industry-praised product is not "coextensive" with the patent claims.

WBIP applied this principle. The *WBIP* panel found that a nexus presumption *exists* in a way that *Fox Factory* standards might find a nexus presumption *prohibited*. In *WBIP*, the claims recited (and the praise was for a product embodying) a "marine engine" or a "method for controlling emissions from an internal combustion engine configured for marine application." *Id.* This praise was in the form of several industry awards, without the award materials expressly calling out intricate features of the products in question that were novel over the prior art. *Id.* at 1335.[3] By contrast, *Fox Factory* narrates a hypothetical about "praise of the automobiles" where a claim is for the "automobile," but only the "brake pads" within the claim are novel—declaiming that it would "turn the inquiry into one of form over substance" if the automobile claims received a nexus presumption without the praise evidence expressly calling out the intricate internal novel features. *Fox Factory*, 944 F.3d at 1376. This direct conflict between *WBIP* and *Fox Factory* is excellent reason to confine *Fox Factory* to its particular "commercial success" facts.[4]

[3] This *WBIP* award evidence was less probative than the EMMY and OSCAR award evidence of this case, which specifically calls out combinations of novel claim features. Yet even the relatively slim *WBIP* award evidence weighed significantly against obviousness.

[4] As this conflict in precedent otherwise appears irreconcilable, the Practice Note to Federal Circuit Rule 35 indicates that the "court may sua sponte order that an appeal be initially heard or be reheard en banc," via a request from a judge on the panel or the panel itself.

CONCLUSION

Only a relatively small subset of inventions can lay claim to being a "game changer" in the marketplace and winning the accolades of *both* an EMMY and a technical OSCAR. This is particularly remarkable when achieved by the "little guy" as he encounters a multitude of Goliaths including Sony, Shure, Lectrosonics, and many other competitors with revenues in the tens to hundreds of millions per year.

For the reasons discussed above, this Court should reverse the decision of the Board. Zaxcom specifically requests reversal, whether or not this Court upholds the claim construction. In the alternative, if the claim construction is affirmed, the Court should at least remand for correct consideration of industry praise under *en banc* legal standards that mandate that industry praise weighs against obviousness when it is directed to the claimed invention or a product that embodies the claimed invention.

Respectfully Submitted,

/s/ Rita C. Chipperson

Rita C. Chipperson
CHIPPERSON LAW GROUP, P.C.
1250 Broadway, 36TH Floor
New York, New York 10001
Telephone: (973) 845-9071
Facsimile: (973) 845-6176
Email: rcc@chippersonlaw.com

/s/ Robert Greenspoon

Robert P. Greenspoon
FLACHSBART & GREENSPOON, LLC
333 North Michigan Avenue
27th Floor
Chicago, Illinois 60601
Telephone: (312) 551-9500
Facsimile: (312) 551-9501
Email: rpg@fg-law.com