

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

---

**UNITED STATES COURT OF APPEALS  
FOR THE FEDERAL CIRCUIT**

---

ZAXCOM, INC.,  
*Appellant*

v.

LECTROSONICS, INC.,  
*Cross-Appellant*

KATHERINE K. VIDAL, Under Secretary of Commerce for Intellectual Property  
and Director of the United States Patent and Trademark Office,  
*Intervenor*

---

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

---

*CORRECTED* BRIEF OF *AMICUS CURIAE* US INVENTOR, INC. IN SUPPORT  
OF PETITION FOR REHEARING EN BANC  
BY APPELLANT ZAXCOM, INC.

Jeffer Ali, Minn. Bar No. 247947  
Ariel O. Howe, Ariel O. Howe, Minn. Bar No. 396525  
Nicholas S. Kuhlmann, Minn. Bar No. 33750X  
Patterson Thuent Pedersen, P.A.  
80 South 8th Street, Suite 4800  
Minneapolis, MN 55402  
(612) 349-5740  
*Counsel for Amicus Curiae US Inventor, Inc.*

April 20, 2022

**CERTIFICATE OF INTEREST**

Pursuant to Federal Circuit Rule 47.4 and Fed. R. App. P. 26.1(a), *Amicus Curiae* US Inventor, Inc. states the following:

- (1) The full name of every party represented in the case by Patterson Thuyente Pedersen, P.A. is US Inventor, Inc.
- (2) The name of the real party in interest is US Inventor, Inc.
- (3) US Inventor, Inc. has no parent corporation, and no publicly held corporation owns 10% or more of its stock.
- (4) The names of all law firms and the partners and associates that have appeared for the party in the lower tribunal or this court and who are not already listed on the docket for the current case: Jeffer Ali of the firm of Patterson Thuyente Pedersen, P.A. is making an appearance, in lieu of Mr. David P. Swenson who has passed away.
- (5) The title and number of any case known to counsel to be pending in this or any other court or agency that will directly affect or be directly affected by this court's decision in the pending appeal: none.
- (6) The provisions of Fed. R. App. P. 26.1(b) and (c) do not apply to this matter, as this is not a criminal or bankruptcy case.

Dated: April 20, 2022

/s/ Jeffer Ali

Jeffer Ali

Counsel for *Amicus Curiae*

**TABLE OF CONTENTS**

|   |     |
|---|-----|
| CERTIFICATE OF INTEREST .....                       | i   |
| TABLE OF CONTENTS.....                              | ii  |
| TABLE OF AUTHORITIES .....                          | iii |
| STATEMENT OF AUTHORSHIP and FUNDING .....           | 1   |
| IDENTITY and INTEREST OF <i>AMICUS CURIAE</i> ..... | 1   |
| ARGUMENT .....                                      | 2   |
| CONCLUSION .....                                    | 12  |
| CERTIFICATE OF COMPLIANCE.....                      | 14  |
| PROOF OF SERVICE.....                               | 15  |

## **TABLE OF AUTHORITIES**

### **Cases**

|   |           |
|---|-----------|
| <i>Apple Inc. v. Samsung Elecs. Co.</i> , 839 F.3d 1034, 1053 (Fed. Cir. 2016) .....                    | 10        |
| <i>WBIP, LLC v. Kohler</i> , 829 F.3d 1317, 1328 (Fed. Cir. 2016).....                                  | 10        |
| <i>Crocs, Inc. v. Int’l Trade Com’n</i><br>598 F.3d 1294, 1310 (Fed. Cir. 2010).....                    | 11        |
| <i>Custom Accessories, Inc. v. Jeffrey-Allan Indus.</i><br>807 F.2d 955, 960 (Fed. Cir. 1986).....      | 11        |
| <i>Demaco Corp. v. F. Von Langsdorff Licensing Ltd.</i> , 851 F.2d 1387, 1392–93 (Fed. Cir. 1988) ..... | 12        |
| <i>Fox Factory, Inc. v. SRAM, LLC</i> , 944 F.3d 1366 (Fed. Cir. 2019) .....                            | 2, 11, 12 |
| <i>Nobel Biocare Servs. AG v. Intradent USA, Inc.</i> , 903 F.3d 1365, 1374 (Fed. Cir. 2018).....       | 3         |
| <i>Rambus Inc. v. Rea</i> , 731 F.3d 1248, 1257 (Fed. Cir. 2013). ....                                  | 4         |
| <i>Stratoflex, Inc. v. Aeroquip Corp.</i> , 713 F.3d 1530, 1538 (Fed. Cir. 1983) (emphasis added) ..... | 11        |

This brief is filed with leave of Court pursuant to Fed. R. App. P. 29(b)(2).

**STATEMENT OF AUTHORSHIP AND FUNDING**

US Inventor, Inc. states that no party or its counsel authored this brief in whole or part; no party or its counsel contributed money intended to fund preparing or submitting the brief; and no person other than *Amicus*, its members or counsel contributed money intended to fund preparing or submitting this brief.

**IDENTITY AND INTEREST OF *AMICUS CURIAE***

US Inventor is an inventor-led and inventor-funded non-profit advocacy organization. We represent more than 10,000 independent inventors along with the small businesses they founded and operate. We seek to educate lawmakers, agencies, and courts on matters that impact our members.

US Inventor is neither lawyers nor lobbyists, but an organization of inventors who have been harmed by unintended consequences of past policies that desire a better environment for the future of our country's innovation, to the benefit of society. Our directors and volunteers would prefer to be tinkering in their garages or launching new products but have come to recognize the importance of their viewpoint to policymakers and courts who can benefit from their experiences in encountering the patent laws.

Appellant Zaxcom, Inc. ("Zaxcom") consents to the filing of this brief, Intervenor Vidal takes no position as to the filing, and Cross-Appellant Lectrosonics, Inc. has not responded to a request for its position.

## **ARGUMENT**

Receiving an Engineering Emmy or Oscar Award is an achievement most ordinary inventors could only dream of, but in this case, even these pinnacles of industry praise were not enough to garner a presumption of nexus between the recording system for which they were awarded and claims of Zaxcom’s ‘902 and ‘814 patents.

The Board’s mistreatment of this evidence was spurred by new “requirements” introduced by *Fox Factory*, which are further demotivating inventors from pursuing rights in the U.S. patent system—ones which once granted are now more susceptible to hindsight obviousness attacks at the Board with safeguards of secondary consideration evidence having been unfairly eroded. The petition for panel rehearing *en banc* by Zaxcom presents an opportunity for the full Court to rectify the over-complication and inequity to inventors inserted in the presumption of nexus analysis by *Fox Factory* and its progeny. On behalf of its 10,000 inventor members, US Inventor, Inc. implores the Court to revisit this important issue and to reinstate the embodiment rule as further set forth herein. Should the Board’s precedential holding on nexus analysis not be reversed in this matter involving accolades of the highest order, it is unlikely that any inventor could rely on industry praise evidence to defend his or her patent, short of claim language being inscribed on the award itself.

**THE BOARD’S UNSOUND READING OF THE INDUSTRY PRAISE  
EVIDENCE AND ITS PERPETUATION OF *FOX FACTORY’S*  
PROCEDURAL MIS-STEP IN THE PRESUMPTION OF NEXUS  
ANALYSIS PREJUDICES INVENTORS AND COMPELS A  
REHEARING *EN BANC* AND REVERSAL**

It is not possible to reconcile the objective evidence of industry praise with the Patent Trial and Appeal Board’s (“Board”) decisions refusing to find a presumption of nexus (or any nexus) to Zaxcom’s claims at issue.

To begin, at the outset, the Board “[found] that a presumption of nexus [was] inappropriate” by accusing Zaxcom of failing to “provide an analysis demonstrating that its products are coextensive (or nearly coextensive) with the challenged claims.” (Appx33.) This finding is flatly contradicted by evidence preserved by Zaxcom in the record: for example, in its Patent Owner’s Response, Zaxcom presented a detailed chart identifying how features of the TRX900 commercial products align with limitations of claim 7 of the ‘902 patent. (Appx541-48.) This egregious misreading alone requires reversal of the Board’s finding for lack of substantial evidence. *See, e.g., Nobel Biocare Servs. AG v. Intradent USA, Inc.*, 903 F.3d 1365, 1374 (Fed. Cir. 2018) (substantial evidence is found only where a reasonable mind might accept the evidence in support of the finding).!

Compounding its errors, in addressing claim 7 of the ‘902 patent (and claim 1 of the ‘814), the Board inexplicably mischaracterized statements accompanying the

Engineering Emmy and Oscar Awards received by Zaxcom, to further deny any nexus between the industry praise evidence and the claimed inventions:

[O]ur analysis requires determining whether a nexus exists between the evidence and the claimed invention. The evidence shows that the Emmy and Technical Achievement Award [Oscar] were awarded for, among other things, the critical feature of eliminating dropouts. Accordingly, we are not persuaded that there is a nexus between the received award and the claimed invention.

(Appx34-35, emphasis added. *See also* Appx117 [same characterization of awards as to claim 1 of ‘814 patent.].)

Contrary to the Board’s findings, as highlighted by the red boxes below, the praise for Zaxcom’s TRX900 recording system products that earned the Emmy and Oscar Awards is plainly “reasonably commensurate with the scope of the claims,” the proper standard applied by this Court:<sup>1</sup>

**U.S. Patent No. 7,929,902**

Inventors: Glenn Sanders, Howard Stark

Assignee: Zaxcom, Inc.

7. A system for recording locally generated audio comprising:
- at least one master timecode generator for generating a plurality of master timecodes and
  - at least one local audio device wearable by a creator of said locally generated audio including:
    - at least one local audio device receiver for receiving at least one of the group consisting of digital commands and said master timecodes;
    - at least one audio input port for receiving locally generated audio from an audio input device;
    - at least one memory;
    - at least one local timecode generator for generating a plurality of local timecodes; and

<sup>1</sup> See, e.g., *Rambus Inc. v. Rea*, 731 F.3d 1248, 1257 (Fed. Cir. 2013).



at least one control unit electrically coupled to said local audio device receiver, said audio input device, said memory, and said local timecode generator for creating stamped local audio data and storing said stamped local audio data in said memory;

wherein said stamped local audio data includes at least one local timestamp to reference at least a portion of said stamped local audio data to at least one of said local timecodes and

wherein said stamped 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.

### **2016 Engineering Emmy**



## Zaxcom, Inc.

Before Zaxcom, all wireless microphones used for production sound capture utilized analog FM transmission systems to get sound from the actors on set to an external recording device. Starting in 2002, Zaxcom developed and produced a digital wireless transmission system for microphones. Recently Zaxcom invented a production tool that married wireless transmission with a recording device located within the actor's body pack. Over the years, Zaxcom's digital wireless technology has been widely accepted within the industry, used by shows ranging from newsmagazine *60 Minutes* to drama series *Scorpion* and this year's Emmy winner for sound mixing for a miniseries or movie, *The People Vs. O.J. Simpson: American Crime Story*.

Not for a single component but for the system as a whole, the Engineering Emmy goes to Zaxcom for its innovations in digital wireless technology. These include:

- Digital recording of microphone signal in the wireless transmitter to provide backup recording of the original microphone signal.
- Unique audio file format (MARF) that includes time code stamps to facilitate synchronization of the recorded audio with video as well as the conversion to Broadcast Wave Format (BWF).
- Record audio file protection in case of power failure or media removal using a unique file directory structure embedded within the recording file.
- Distribution to each digital wireless body pack of a common time code signal as well as digital, low latency IFB (Interrupted fold back) audio return signal.
- Full-range microphone audio capture (126dB) using dual precision A/D converters.
- Low latency digital compression and transmission (3.5ms).
- Efficient, high quality digital compression to increase the number of wireless microphone channels available. (4:1 increase over analog wireless microphones).
- Wireless digital remote control of the wireless microphone transmitter including pre-amp gains.




---



**Recipient: Zaxcom Inc**

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.

The Emmy Award to an individual, a company, or an organization for developments in engineering that are either so extensive an improvement on existing methods or so innovative in nature that they materially affect the transmission, recording or reception of television. Emmy(s) to winner(s). Possibility of one, more than one or no award.

(Appx4344, 4360, 4362, 4369-70, 4382-83.)

## 2017 Oscar Award

ACADEMY OF MOTION PICTURE ARTS AND SCIENCES  
TECHNICAL ACHIEVEMENT AWARD

*Glenn Sanders  
Howard Stark*

for the design and engineering of the Zaxcom Digital  
Wireless Microphone System.

The Zaxcom system has advanced 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.



(Appx4345-46.)

**U.S. Patent No. 8,385,814**

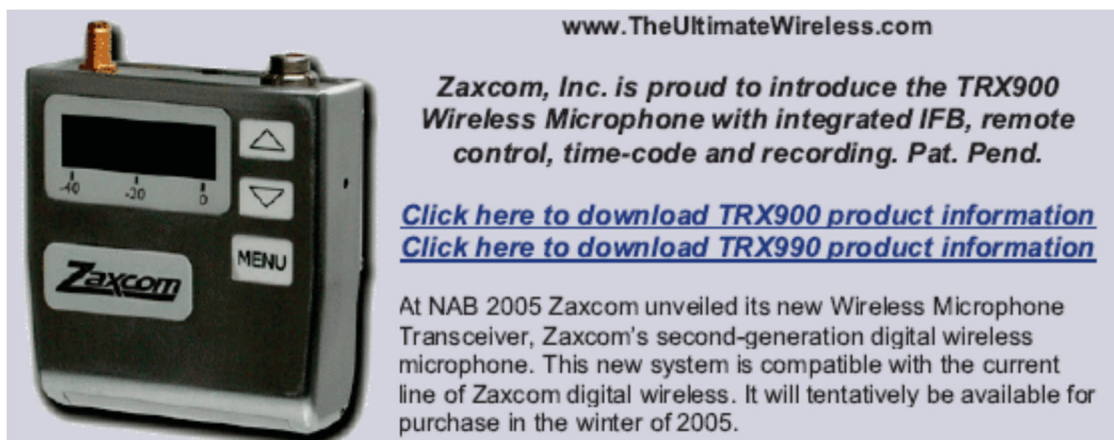
Inventors: Glenn Sanders, Howard Stark

Assignee: Zaxcom, Inc.

1. A system for recording locally generated audio comprising:
  - at least one master timecode generator for generating a plurality of master timecodes; and
  - at least one local audio device wearable by a creator of said locally generated audio including:
    - at least one local audio device receiver for receiving at least one of the group consisting of digital commands, said master timecodes, and non-local audio data;
    - at least one audio input port for receiving said locally generated audio from an audio input device;
    - at least one memory;
    - at least one local timecode generator for generating a plurality of local timecodes; and
    - at least one control unit electrically coupled to said local audio device receiver, said audio input device, said memory, and said local timecode generator for creating stamped local audio data from said locally generated audio and storing said stamped local audio data in said memory;

wherein said stamped local audio data includes at least one local timestamp to reference at least a portion of said stamped local audio data to at least one of said local timecodes.

An example of the wearable “local audio device” of a Zaxcom TRX900 is shown here:



(Appx3162.)

As shown above, the features described by the Emmy and Oscar Awards mirror those of the system claims, and the praise is not limited to “drop outs” as suggested by the Board and Panel—if industry praise evidence of this nature is not deserving of a presumption of nexus, or nexus-in-fact, future small businesses and independent inventors certainly cannot be assured that this safeguard against hindsight bias is ever realistically attainable. Nor can it sincerely be said that strong real-world evidence can outweigh purported *prima facie* showings of obviousness made years later by a hypothetical person of skill in the art, in contradiction of precedent requiring secondary consideration evidence to receive equal treatment as one of the four *Graham* factors. *WBIP, LLC v. Kohler*, 829 F.3d 1317, 1328 (Fed. Cir. 2016). It is noteworthy that “[i]ndustry participants, especially competitors, are not likely to praise an obvious advance over the known art.” *Apple Inc. v. Samsung Elecs. Co.*, 839 F.3d 1034, 1053 (Fed. Cir. 2016) (en banc).

Moreover, this Court has routinely emphasized that “evidence of secondary considerations may often be the most probative and cogent evidence in the record.”<sup>2</sup> This approach “enables the [adjudicator] to avert the trap of hindsight.”<sup>3</sup>

---

<sup>2</sup> *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.3d 1530, 1538 (Fed. Cir. 1983) (emphasis added).

<sup>3</sup> *Crocs, Inc. v. Int’l Trade Com’n*, 598 F.3d 1294, 1310 (Fed. Cir. 2010), quoting *Custom Accessories, Inc. v. Jeffrey-Allan Indus.*, 807 F.2d 955, 960 (Fed. Cir. 1986).

As outlined in the briefing in support of panel rehearing *en banc* filed by Zaxcom and *Amicus* Circuit Judge Michel, in *Fox Factory, Inc. v. SRAM, LLC*, 944 F.3d 1366 (Fed. Cir. 2019), the Panel flipped the burden of production for establishing the significance of unclaimed features by placing it on the patentee, along with inserting several ambiguous standards in to the presumption of nexus analysis, namely:

- “[patentee] will bear the burden of proving that the evidence of secondary considerations is attributable to the claimed combination..., as opposed to,...unclaimed features.” *Id.* at 1379;
- “if the unclaimed features amount to nothing more than additional insignificant features, presuming nexus may nevertheless be appropriate.” *Id.* at 1374;
- “the degree of correspondence between a product and a patent claim falls along a spectrum,” *id.* at 1374;
- “what we do require is that the patentee demonstrate that the product is essentially the claimed invention,” *id.* at 1374; and
- “[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...” *id.* at 1375 (emphases added).

US Inventor believes reversal is warranted via reinforcement of the “embodiment rule” in presumption of nexus analysis for industry praise, as espoused by *Demaco*, whereby:

A prima facie case of nexus is generally made out when the patentee shows both that there is commercial success [or industry praise], and that the thing (product or method) that is commercially successful is the invention disclosed and claimed in the patent... When the patentee has presented a prima facie case of nexus, the burden of coming forward with evidence in rebuttal shifts to the challenger, as in any civil litigation.



*Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 1392–93 (Fed. Cir. 1988) (emphasis added).

Following *Fox Factory*’s new requirements of assessment of the significance of “unclaimed features” and that a commercialized product “essentially [be]” the scope of the claims, the Board relied on a mischaracterization of the record and industry praise to find neither a presumption of nexus between the Emmy and Oscar Award evidence and the claimed inventions, nor any nexus-in-fact therebetween.

The only plausible reading of the Emmy and Oscar Awards for the Zaxcom TRX900 products is that they are directed at embodiments of the claimed systems. The Board’s mischaracterization of this evidence as being directed only to the feature of fixing dropouts (functionality which is in fact supported by the original claims), following the new requirements of *Fox Factory*, is not supported by substantial evidence.

### **CONCLUSION**

The Board decisions in these appeals with respect to industry praise evidence, if not revisited and reversed by the full Court, threaten to narrow further the hole in the needle that patentholders must thread to preserve the validity of their claims through an expensive administrative process that is widely viewed as already unfavorable to inventors. *Amicus* US Inventor, Inc. and its member



inventors urge the Court to revisit the praise for Zaxcom's claimed invention and conclude that, at the very least, it rises to the level of triggering a rebuttable presumption of nexus. Reversal of the Panel decision is thus warranted and Zaxcom's petition for panel rehearing should be granted.

Respectfully submitted,

April 20, 2022

/s/ Jeffer Ali

---

Jeffer Ali, MN Bar No. 247947  
Ariel O. Howe, MN Bar No. 396525  
Nicholas S. Kuhlmann, Minn. Bar No.  
33750X  
Patterson Thuent Pedersen, P.A.  
80 South 8th Street, Suite 4800  
Minneapolis, MN 55402  
Email: ali@ptslaw.com  
howe@ptslaw.com  
kuhlmann@ptslaw.com  
Phone: 612-349-5740

*Counsel for Amicus Curiae US Inventor,  
Inc.*

**CERTIFICATE OF COMPLIANCE**

This brief complies with the word count limitation of Fed. App. R. 29(b)(4), and contains 2,598 words, exclusive of the portions exempted by Fed. R. App. P. 32(f) and Fed. Cir. R. 32(b).

This brief complies with the typeface requirements of Fed. R. App. P. 32(a)(5) and the type style requirements of Fed R. App. P. 32(a)(6) because this brief has been prepared in a proportionally-spaced typeface using Microsoft Office 365 in 14-point Times New Roman type.

April 20, 2022

/s/ Jeffer Ali

Jeffer Ali

Patterson Thuent Pedersen, P.A.

80 South 8th Street, Suite 4800

Minneapolis, MN 55402

Email: ali@ptslaw.com

Phone: 612-349-5740

*Counsel for Amicus Curiae*

**PROOF OF SERVICE**

I hereby certify that on April 20, 2022, I caused the foregoing Brief of *Amicus Curiae* US Inventor, Inc. in Support of Petition for Rehearing En Bank by Appellant Zaxcom, Inc. to be served by electronic means via the Court's CM/ECF system on all counsel registered to receive electronic notices.

April 20, 2022

/s/ Jeffer Ali

Jeffer Ali