

Nos. 20-1921, -1922, -1943, -1944

---

IN THE  
UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

---

ZAXCOM, INC.,  
*Appellant*

v.

LECTROSONICS, INC.,  
*Cross-Appellant*

v.

ANDREW HIRSHFELD, Performing the Functions and Duties of the 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, IPR2018-01130.

---

**CORRECTED LECTROSONICS, INC.'S COMBINED PETITION FOR  
PANEL REHEARING AND REHEARING EN BANC**

---

CORY C. BELL  
FINNEGAN, HENDERSON, FARABOW,  
GARRETT & DUNNER, LLP  
2 SEAPORT LANE, 6TH FLOOR  
BOSTON, MA 02210-2001  
(617) 646-1600

J. DEREK MCCORQUINDALE  
FINNEGAN, HENDERSON, FARABOW,  
GARRETT & DUNNER, LLP  
1875 Explorer Street, 8th Floor  
Reston, VA 20190-6023

April 6, 2022

*Attorneys for Cross-Appellant*

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

**CERTIFICATE OF INTEREST**

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

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

**Filing Party/Entity** Lectrosonics, 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: April 4, 2022

Signature: /s/ Cory C. Bell

Name: Cory C. Bell

<p align="center"><b>1. Represented Entities.</b> Fed. Cir. R. 47.4(a)(1).</p>	<p align="center"><b>2. Real Party in Interest.</b> Fed. Cir. R. 47.4(a)(2).</p>	<p align="center"><b>3. Parent Corporations and Stockholders.</b> Fed. Cir. R. 47.4(a)(3).</p>
<p>Provide the full names of all entities represented by undersigned counsel in this case.</p>	<p>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.</p>	<p>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.</p>
<p><input type="checkbox"/> None/Not Applicable</p>	<p><input checked="" type="checkbox"/> None/Not Applicable</p>	<p><input checked="" type="checkbox"/> None/Not Applicable</p>
<p>Lectrosonics, Inc.</p>		

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

C. Brandon Rash	Finnegan, Henderson, Farabow, Garrett & Dunner, LLP	No longer with firm
Deborah Peacock	Peacock Law P.C.	
Justin Muehlmeier	Peacock Law P.C.	

**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.	No. 1:17-cv-03408 (E.D.N.Y.)	
Zaxcom, Inc. v. Lectrosonics, Inc.	No. 2:17-cv-02840 (D.N.J.)	
Zaxcom, Inc. v. Lectrosonics, Inc.	No. 2020-1305 (Fed. Cir.)	

**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

## TABLE OF CONTENTS

STATEMENT OF COUNSEL .....	1
POINTS OVERLOOKED OR MISAPPREHENDED BY THE PANEL .....	1
STATEMENT OF THE CASE.....	4
A. Board Proceedings.....	4
B. USPTO on Appeal.....	7
C. Panel Decisions .....	8
ARGUMENT .....	9
I. The Board cannot make its own arguments in order find substitute claims patentable when the material was not presented in the motion to amend and the opposing party was not given a chance to respond.....	9
II. The same evidence of secondary considerations cannot be presumed attributable to three different amended patents in multiple proceedings where there has been no finding that the inventions are identical. ....	13
III. In the long-felt need analysis, the Board cannot find that there has been no showing of a specific date identifying the problem but still hold that this secondary consideration has weight as a matter of law.....	15
CONCLUSION .....	16

**TABLE OF AUTHORITIES**

	<b>Page(s)</b>
<b>Cases</b>	
<i>Apple Inc. v. Samsung Elecs. Co.</i> , 816 F.3d 788 (Fed. Cir.), <i>vacated in part on reh’g en banc</i> , 839 F.3d 1034 (Fed. Cir. 2016) .....	16
<i>Aqua Prods., Inc. v. Matal</i> , 872 F.3d 1290 (Fed. Cir. 2017) (en banc) .....	1, 10, 11
<i>Belden Inc. v. Berk-Tek LLC</i> , 805 F.3d 1064 (Fed. Cir. 2015) .....	12
<i>Bosch Auto. Serv. Sols., LLC v. Matal</i> , 878 F.3d 1027 (Fed. Cir. 2017), <i>as amended on reh’g in part</i> (Mar. 15, 2018) .....	11
<i>Fox Factory, Inc. v. SRAM, LLC</i> , 944 F.3d 1366 (Fed. Cir. 2019) .....	1, 3, 14
<i>Honeywell Int’l Inc. v. Mexichem Amanco Holding S.A. De C.V.</i> , 865 F.3d 1348 (Fed. Cir. 2017) .....	12
<i>Hunting Titan, Inc. v. DynaEnergetics Eur. GmbH</i> , Nos. 2020-2163, -2191, 2022 U.S. App. LEXIS 7755 (Fed. Cir. Mar. 24, 2022).....	11
<i>Lectrosonics, Inc. v. Zaxcom, Inc.</i> , No. IPR2018-00972, Paper 41 (PTAB Nov. 7, 2019).....	9
<i>Lectrosonics, Inc. v. Zaxcom, Inc.</i> , No. IPR2018-01129, Paper 33 (PTAB Jan. 24, 2020) .....	3, 7
<i>Lectrosonics, Inc. v. Zaxcom, Inc.</i> , Nos. IPR2018-01129, -01130, Paper 15 (PTAB Feb. 25, 2019).....	3
<i>In re Magnum Oil Tools Int’l, Ltd.</i> , 829 F.3d 1364 (Fed. Cir. 2016) .....	1, 3, 9, 12

<i>Nike, Inc. v. Adidas AG</i> , 955 F.3d 45 (Fed. Cir. 2020) .....	1, 11, 12
<i>Perfect Web Techs., Inc. v. InfoUSA, Inc.</i> , 587 F.3d 1324 (Fed. Cir. 2009) .....	1, 15, 16
<i>Samsung Elecs. Am., Inc. v. Prisia Eng'g Corp.</i> , 948 F.3d 1342 (Fed. Cir. 2020) .....	10
<i>SAS Inst., Inc. v. ComplementSoft, LLC</i> , 825 F.3d 1341 (Fed. Cir. 2016) .....	12
<i>SAS Inst., Inc. v. Iancu</i> , 138 S. Ct. 1348 (2018).....	10
<b>Statutes</b>	
5 U.S.C. § 554(b)-(c) .....	12
5 U.S.C. § 557(c) .....	12
<b>Other Authorities</b>	
USPTO, Decisions, Precedential and informative decisions, <a href="https://www.uspto.gov/patents/ptab/decisions">https://www.uspto.gov/patents/ptab/decisions</a> (last visited Apr. 1, 2022) .....	7

## STATEMENT OF COUNSEL

Based on my professional judgment, I believe the panel decision is contrary to the following decisions of this Court: *Aqua Prods., Inc. v. Matal*, 872 F.3d 1290, 1325 (Fed. Cir. 2017) (en banc); *Nike, Inc. v. Adidas AG*, 955 F.3d 45, 51 (Fed. Cir. 2020); *Fox Factory, Inc. v. SRAM, LLC*, 944 F.3d 1366 (Fed. Cir. 2019); *In re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364 (Fed. Cir. 2016); *Perfect Web Techs., Inc. v. InfoUSA, Inc.*, 587 F.3d 1324, 1332-33 (Fed. Cir. 2009).

Based on my professional judgment, I believe this appeal requires an answer to this precedent-setting question of exceptional importance:

Whether the Board may make its own arguments based on the entirety of the record in order to find substitute claims patentable and grant a motion to amend, even when the material was not presented in the motion to amend and the opposing party was not given a chance to respond.

/s/ Cory C. Bell  
Cory C. Bell  
*Attorney for Cross-Appellant*

## POINTS OVERLOOKED OR MISAPPREHENDED BY THE PANEL

While *Aqua* and its progeny hold that the Board may rely on the entire record to find proposed amendments *unpatentable*, the opposite occurred in these cases—the USPTO has asserted the ability of the Board to make its own arguments in order to find Zaxcom’s substitute claims *patentable*. D.I. 55 (Intervenor Br. (20-1921)) at



39-40. Lectrosonics signaled this matter of first impression to the Federal Circuit panel, stating:

The USPTO assumes for itself, without explanation, an unwarranted expansion of the Board’s authority post-*Aqua*. This was not a matter of **denying** amendments based on the totality of record evidence, but rather standing in for the patentee and making new arguments to justify patentability and **grant[ing]** amended claims where the Motion to Amend was destitute of such rationale.

D.I. 65 (Lectrosonics Grey Br. (20-1921)) at 20 (citation omitted); *see also* D.I. 50 (Lectrosonics Blue Br. (20-1921)) at 58-59; D.I. 35 (Lectrosonics Blue Br. (20-1350)) at 2-3; D.I. 46 (Lectrosonics Grey Br. (20-1350)) at 2, 11-12.

The Board noted the lack of Zaxcom’s arguments to support “nexus” of secondary considerations in the Motions to Amend. Appx62 (20-1921) (stating that Zaxcom “does not provide any more analysis in its Motion to Amend”); Appx138 (20-1921) (same); Appx52 (20-1350) (same). But rather than deny the facially deficient motions, the Board *sua sponte* fashioned various nexus arguments for Zaxcom based on the “totality of the evidence.” *See* Appx62-72 (20-1921); Appx138-148 (20-1921) (same); Appx52-63 (20-1350) (same).

According to Intervenor, there was nothing improper about the Board making its own arguments from any evidence it deemed “relevant,” even while conceding that “the material was not presented in the motion to amend.” *See* D.I. 55 (Intervenor Br. (20-1921)) at 39-40; D.I. 39 (Intervenor Br. (20-1350)) at 32-33. This, however,

runs afoul the requirement that the Board “base its decision on arguments that were advanced by a party, and to which the opposing party was given a chance to respond.” *Magnum Oil*, 829 F.3d at 1381; *see* D.I. 50 (20-1921) at 58-61; D.I. 46 (20-1350) at 12.

Moreover, the Board’s erroneous approach in granting these amendments occurred in a Final Written Decision now designated “precedential” by the Board, so its overreach in this case is highly visible and consequential. *See* D.I. 50 (20-1921) at 60 (referring to *Lectrosonics, Inc. v. Zaxcom, Inc.*, No. IPR2018-01129, Paper 33 (PTAB Jan. 24, 2020) (precedential), and *Lectrosonics, Inc. v. Zaxcom, Inc.*, Nos. IPR2018-01129, -01130, Paper 15 (PTAB Feb. 25, 2019) (precedential)). As a Board precedential decision, it is “binding authority” at the USPTO and a model governing future motions to amend. But serious questions were raised by Lectrosonics regarding the procedures applied in this case, and the disposition of the cross-appeal by the panel was limited to a just few sentences with no mention of these issues. *See infra* § I.

The panel decision, in fact, incorporated the entire nexus decision of the related appeal of U.S. Patent No. 9,336,307 into the appeal on U.S. Patent Nos. 7,929,902 and 8,385,814. Yet this further contravenes the teaching of *Fox Factory* and perpetuates the Board’s error. *See* 944 F.3d at 1378 (“The same evidence of

secondary considerations cannot be presumed to be attributable to two different combinations of features.”); *see also infra* § II.

The en banc Court, respectfully, should grant these petitions for rehearing, vacate the panel’s cross-appeal decisions in both matters (20-1921 and 20-1350), and reverse the Board’s grant of all substitute claims in the three underlying IPRs.

### **STATEMENT OF THE CASE**

In its two cross-appeals, Lectrosonics challenged the Board’s determinations that Zaxcom’s *substitute* claims are *not unpatentable*. The Federal Circuit panel affirmed the Board’s handling of the Motions to Amend, issuing just one opinion on nexus for both cases. D.I. 92 (slip op. (20-1921)) at 5 (incorporating in relevant part D.I. 71 (slip op. (20-1350)) at 5-6).<sup>1</sup>

#### **A. Board Proceedings**

In separate IPRs, the Board correctly deemed unpatentable the challenged *original* claims of the ’902 and ’814 patents (appealed by Zaxcom in 20-1921), and the ’307 patent (appealed by Zaxcom in 20-1350). The Board held that there was no nexus with respect to the original claims such that Zaxcom’s alleged secondary considerations of industry praise and long-felt need could not overcome the obviousness combination raised by Lectrosonics. Appx31-32 (20-1921); Appx114

---

<sup>1</sup> Inasmuch as the panel addressed together in one opinion all the nexus issues cross-appealed, the decisions are identical and Lectrosonics has filed the same en banc petition in both matters, changing only the title page and preliminary certifications.

(20-1921); Appx23 (20-1350). The Federal Circuit correctly affirmed the unpatentability of the original claims, in part because nexus could not be shown for secondary considerations. D.I. 71 (20-1350) at 4-5; D.I. 92 (20-1921) at 4-5.

But the nexus showing was even worse in Zaxcom’s Motions to Amend—they contained a single sentence relating to industry praise. Appx466 (20-1921) (“The invention received industry praise and recognition including an Emmy award and a Technical Achievement Award from the Academy of Motion Picture Arts and Sciences.”); Appx440 (20-1350) (same). The same was true for long-felt need, also a conclusory afterthought of just one sentence. Appx466 (20-1921) (“There was a long felt need for a wearable, wireless device that could reliably capture sound data from actors recording a movie or television show and the invention recited in the substitute claims satisfied this need with a wireless, wearable, transmitter/recorder device that could replace audio segments that were not transmitted or received properly.”); Appx440 (20-1350) (same). Zaxcom thus failed to undertake even a basic explanation of its nexus positions in the Motions to Amend. *See generally* Appx429-466 (20-1921); Appx402-440 (20-1350).

For example, Zaxcom never defines the specifics of how these secondary considerations mapped onto the amendments’ language with new limitations. *See generally* Appx429-466 (20-1921); Appx402-440 (20-1350). And while Zaxcom’s expert, Mr. DeFilippis, briefly pays lip service to “nexus” once in discussing the

now-cancelled original claims, he never mentioned “dropout repair”—*the sole element at issue in the amendments*. See, e.g., Appx4598-4600 (20-1921), ¶ 92; Appx61 (20-1921); Appx137 (20-1921). At bottom, there is nothing in the Motions to Amend tying the objective indicia of nonobviousness to the specific features in the narrowed claims.

The Board expressly noted this lack of analysis in Zaxcom’s Motions to Amend. See Appx138 (20-1921) (“Patent Owner does not provide any more analysis in its Motion to Amend . . . .”); Appx62 (20-1921) (same); Appx52 (20-1350) (same). Rather than deny the motion due to movant’s failure—as is typical in motions practice—the Board explained that *it* would cobble together a nexus argument *for Zaxcom* based on statements elsewhere in the record under the “totality of the evidence.” See Appx62 (20-1921); Appx138 (20-1921); Appx52 (20-1350). Notably, in the ten pages of the Board’s nexus arguments, no citation in support is taken from the sequence of briefs associated with the Motions to Amend. Appx62-72 (20-1921); Appx138-148 (20-1921); Appx52-62 (20-1350).

Using a process that sidestepped the Motions to Amend, *all* substitute claims were eventually granted by the Board, avoiding the same fate as the unpatentable original claims for lack of nexus. Appx72-73 (20-1921); Appx148-149 (20-1921); Appx63-64 (20-1350). What is more, the erroneous procedure has now been deemed

“precedent” by the Board, purportedly providing guidance on submitting and securing amendments. *Lectrosonics*, No. IPR2018-01129, Paper 33.<sup>2</sup>

### **B. USPTO on Appeal**

In the face of the Board finding that Zaxcom “does not provide any more analysis in its Motion to Amend,” Appx62 (20-1921); Appx138 (20-1921); Appx52 (20-1350), the USPTO never denies that the Board made its own nexus arguments. *See generally* D.I. 55 (20-1921) at 39-40; D.I. 39 (20-1350) at 32-33. In the end, the USPTO invokes *Aqua* and embraces the power to *grant* amendments using the entire record:

[Lectrosonics’s] complaint is that the material was not presented in the motion to amend. There is nothing improper about considering record arguments and evidence relevant to the proposed substitute claims. Lectrosonics acknowledges *Aqua Products* but suggests that it applies only to “the unique context of vetting and challenging amendments as unpatentable.” There was no error in the Board’s procedure here, where the Board considered properly presented record arguments and evidence on objective indicia of nonobviousness relevant to proposed substitute claims.

---

<sup>2</sup> Once designated “precedential,” the USPTO considers it “binding authority concerning major policy or procedural issues, or other issues of exceptional importance, including constitutional questions, important issues regarding statutes, rules, and regulations, important issues regarding case law, or issues of broad applicability to the Board.” *See* USPTO, Decisions, Precedential and informative decisions, <https://www.uspto.gov/patents/ptab/decisions> (last visited Apr. 1, 2022).

D.I. 55 (20-1921) at 39-40 (quoting D.I. 50 (20-1921) at 59). This statement recognizes that the “material was not presented in the motion to amend,” but condones the Board making its own arguments from evidence it finds “*relevant* to the proposed substitute claims” *See id.* (emphasis added).

### C. Panel Decisions

On appeal, the panel ignored the secondary considerations issues raised by Lectrosonics and quickly disposed of the cross-appeal on the '902 and '314 patents: “Lectrosonics’s arguments in its cross-appeal are materially the same as the cross-appeal arguments we have rejected in the '307 *Decision*. We see no need for a separate discussion of the cross-appeal here.” D.I. 92 (20-1921) at 5 (referring to D.I. 71 (20-1350) at 5-6). The nexus discussion in the appeal of the '307 patent for the substitute claims again does not address the *Aqua* procedural issues raised. *See* D.I. 71 (20-1350) at 6.

Moreover, by conflating the nexus decisions in this way, the panel decision perpetuated a further problem raised by Lectrosonics:

In related but different IPRs, the Board held that another patent elicited the same praise and long-felt need credited to the amended claims in this case. That is to say, across *different* IPRs, Zaxcom has convinced the *same* factfinders that three *different* patents, claiming *different* inventions directed to solving the *same* problem, were each independently responsible for the *same* praise and long-felt need of the *same* products. This result cannot be defended.

D.I. 50 (20-1921) at 52 (citing *Lectrosonics, Inc. v. Zaxcom, Inc.*, No. IPR2018-00972, Paper 41 (PTAB Nov. 7, 2019) (on appeal at Nos. 2020-1350, -1405)).<sup>3</sup>

## ARGUMENT

**I. The Board cannot make its own arguments in order find substitute claims patentable when the material was not presented in the motion to amend and the opposing party was not given a chance to respond.**

The Board found that Zaxcom lacked sufficient analysis in its Motions to Amend. Appx62 (20-1921) (“Patent Owner does not provide any more analysis in its Motion to Amend . . . .”); Appx138 (20-1921); Appx52 (20-1350). That should have ended the amendment inquiry. The Board, however, proceeded to draw on “the totality of the record” and formulate its own nexus arguments in favor of granting the substitute claims. *See supra* § A.

Intervenor does not deny that the Board found a presumption of nexus for Zaxcom without it ever being “advanced by a party,” *Magnum Oil*, 829 F.3d at 1381, and it also added other nexus arguments from various parts of the record. *See* D.I. 46 (20-1350) at 12-13 (citing D.I. 39 (20-1350) at 31-33); D.I. 55 (20-1921) at 39-40. Intervenor doubles-down, acknowledging that this “material was not presented

---

<sup>3</sup> In regard to the '902 and '814 patents, Lectrosonics further noted that “Zaxcom specifically identified certain patents on its self-promoting application for the EMMY, *but none of the patents-at-issue in this appeal [20-1921] are even listed.* This further demonstrates just how far Zaxcom is stretching . . . to have it cover dozens and dozens of original and amended claims from at least three different patents.” D.I. 50 (20-1921) at 52 n.13 (emphasis added) (citing Appx4384 (20-1921)).



in the motion to amend,” but suggesting “[t]here is nothing improper about considering record arguments and evidence *relevant* to the proposed substitute claims.” D.I. 55 (20-1921) at 39-40 (emphasis added) (citing *Aqua*, 872 F.3d at 1325). This would be an expansive new power—the ability of the Board to make arguments from the record on behalf of movant, entirely bypassing the Motion to Amend if other evidence is deemed “relevant.” *See id.* The USPTO’s approach would decouple the amendment analysis from the Motion to Amend itself, leaving the Board free to advance whatever theory it sees fit. But “rather than create (another) agency-led, inquisitorial process,” “Congress chose to structure a process in which it’s the petitioner . . . who gets to define the contours of the proceeding,” “all the way from institution through to conclusion.” *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1355, 1357 (2018).

This case is also unique in that the Board’s arguments were used to *grant* Zaxcom’s substitute claims. The USPTO now goes farther than *Aqua* and subsequent authorities ever have. Those cases are clear in only referring to propositions of *unpatentability* when allowing the Board to develop its own arguments from the totality of the record. *See Aqua*, 872 F.3d at 1311 (O’Malley, J.) (“*it is the Board* that must justify any finding of *unpatentability* by reference to the evidence of record” (second alteration added)); *Samsung Elecs. Am., Inc. v. Prisia Eng’g Corp.*, 948 F.3d 1342, 1352 (Fed. Cir 2020) (“[T]he Board’s authority with respect to new

and amended claims” “necessarily extends to other possible grounds of *unpatentability* . . . .” (emphasis added)); *Bosch Auto. Serv. Sols., LLC v. Matal*, 878 F.3d 1027, 1040 (Fed. Cir. 2017), *as amended on reh’g in part* (Mar. 15, 2018) (same); *Nike*, 955 F.3d at 51-52 (“the Board must determine whether the patent owner’s newly-presented, narrower claims are ‘supported by the patent’s written description’ and ‘*unpatentable* in the face of the prior art cited in the IPR’” (emphases added) (quoting *Aqua*, 872 F.3d at 1314)); *cf. Hunting Titan, Inc. v. DynaEnergetics Eur. GmbH*, Nos. 2020-2163, -2191, 2022 U.S. App. LEXIS 7755, at \*24-25 (Fed. Cir. Mar. 24, 2022) (affirming where “the [PTAB] Panel identified circumstances in which the Board should advance ‘a ground of *unpatentability* that a petitioner did not advance, or insufficiently developed, against substitute claims in a motion to amend’” (emphasis added) (citation omitted)).

Intervenor dismisses out of hand the logical restraint identified by Lectrosonics for Board-made arguments, i.e., “the unique context of vetting and challenging amendments as unpatentable.” *See* D.I. 55 (20-1921) at 40 (quoting D.I. 50 (20-1921) at 59). This distinction makes sense, however. When an opposing party quits the litigation, only the Board is left to assess the proposed amendment; if there have been unpatentability issues detected in the evidence of record, the Board may independently develop those grounds to deny the substitute claim. *See Nike*, 955 F.3d at 51 (“Otherwise, were a petitioner not to oppose a motion to amend, the Patent

Office would be left with no ability to examine the new claims.”). The opposite is not true—the USPTO cites no case or compelling reason for allowing the Board to develop arguments in aid of *granting* amendments. *See* D.I. 55 (20-1921) at 39-40.

Aggravating the error, Lectrosonics did even not have a chance to respond to the Board-manufactured rationale, seeing it for the first time in the Final Written Decisions. *See* D.I. 46 (20-1350) at 13 (“The presumption raised for the first time in the Final Written Decision blindsided Lectrosonics, without a fair chance to respond.”). The Board must “base its decision on arguments that were advanced by a party, and to which the opposing party was given a chance to respond.” *Magnum Oil*, 829 F.3d at 1381; *Nike*, 955 F.3d at 52 (citing 5 U.S.C. §§ 554(b)-(c), 557(c)); *Honeywell Int’l Inc. v. Mexichem Amanco Holding S.A. De C.V.*, 865 F.3d 1348, 1358-59 (Fed. Cir. 2017) (party “was not on notice that it needed to respond to that argument”); *SAS Inst., Inc. v. ComplementSoft, LLC*, 825 F.3d 1341, 1350-51 (Fed. Cir. 2016) (“[A]n agency may not change theories in midstream without giving respondents reasonable notice of the change’ and ‘the opportunity to present argument under the new theory.’” (quoting *Belden Inc. v. Berk-Tek LLC*, 805 F.3d 1064, 1080 (Fed. Cir. 2015))).

The panel should not have refused to address the Board’s overreach, effectively endorsing the procedure used in this “precedential” USPTO decision on

amendment practice. The Court should correct this important issue and grant en banc rehearing to clarify the process for the public, practitioners, and future PTAB panels.

**II. The same evidence of secondary considerations cannot be presumed attributable to three different amended patents in multiple proceedings where there has been no finding that the inventions are identical.**

In the '307 patent case, the Board held that the amended claims elicited the same praise and long-felt need that is credited with saving the amended claims of the '902 and '314 patents. *Compare* D.I. 92 (20-1921) at 5, *with* D.I. 71 (20-1350) at 5-6. According to the panel: “We see no need for a separate discussion of the cross-appeal here.” D.I. 92 (20-1921) at 5 (referring to D.I. 71 (20-1350) at 5-6)). This disposition on appeal underscores the error made by the Board in granting nexus based on the same secondary considerations raised in the separate actions.

Lectrosonics highlighted that across several IPRs, Zaxcom was claiming that at least three *different* patents of *different* inventive scope each benefited under its nexus theory from the *same* praise and long-felt need identified. D.I. 50 (20-1921) at 52 & n.13; D.I. 35 (20-1350) at 27-28; D.I. 46 (20-1350) at 14 n.4. This was rejected in *Fox Factory*:

Between these two proceedings, the Board presumed nexus between the independent claims of both patents and the secondary considerations evidence submitted by SRAM, even though (a) SRAM relies on essentially the same evidence of secondary considerations in both proceedings; and (b) the '027 and '250 patent claims cover different inventions. *The same evidence of secondary*

*considerations cannot be presumed to be attributable to two different combinations of features.*

944 F.3d at 1377-78 (emphasis added) (citations omitted).

The panel here held in both appeals that “the Board determined that Zaxcom’s evidence of industry praise and long-felt need was entitled to a presumption of nexus, noting that these indicia were commensurate in scope with the claims as now narrowed, a determination that comports with the legal standards for a presumption.” D.I. 71 (20-1350) at 6 (citations omitted) (citing *Fox Factory*, 944 F.3d at 1373). Yet the claims in this case are not identical to those claims at issue in the other matter. Significantly, the addition of further limitations related to what Zaxcom highlights as “timecode management” in the claims-at-issue in the 20-1921 proceeding, which it argues was the subject of the industry praise. *See* D.I. 59 (20-1921) at 26 (“On Zaxcom’s direct evidence pointing (*e.g.*) to EMMY materials and testimony highlighting the significance of praise for the products’ timecode management features (undisputedly embodied in the claimed master timecode generator architecture of claim 7 of the ’902 Patent and claim 1 of the ’814 Patent) . . .”). The “timecode management” elements were not at issue in the ’307 patent or in amended claim 24 of the ’902 patent. *Compare* D.I. 65 (20-1921) at i-iv, *with* D.I. 46 (20-1350) at i-ii.

The purported secondary considerations that Zaxcom relies on across the various proceedings is indisputably the same, but the Board permitted this would-be

objective evidence of nonobviousness to cover amended claims from three different patents. There has been no Board factfinding indicating that the amended claims in the '307 patent constitute the same invention claimed as substitutes in the '902 and '814 patents. *Fox Factory* thus prohibits the result arrived at here, and the issuance of a one-size-fits-all opinion for both cases further demonstrates why this issue should be reheard en banc.

**III. In the long-felt need analysis, the Board cannot find that there has been no showing of a specific date identifying the problem but still hold that this secondary consideration has weight as a matter of law.**

Lastly, the Board found insufficient evidence of “the date when the problem to be solved was identified and efforts were made to solve the problem.” *See* Appx67 (20-1921) (citation omitted); Appx143 (20-1921) (same); Appx58 (20-1350) (same). The Board held that, “[a]lthough Mr. Sarokin generally asserts that there was a long-felt need as of 2005, Patent Owner’s lack of further evidence regarding a specific date of the identified problem and efforts to solve the problem does not provide additional weight in favor of Patent Owner.” *See* Appx67 (20-1921) (citation omitted); Appx143 (20-1921) (same); Appx58 (20-1350) (same). Intervenor, too, recognized that “the Board disagreed that Zaxcom had shown a precise date for when the long-felt need began.” *See, e.g.*, D.I. 39 (20-1350) at 30.

This failure of evidence on a critical element of the long-felt need showing should have defeated Zaxcom’s argument. *Perfect Web*, 587 F.3d at 1332-33

(finding evidence insufficient because patent owner “provided no evidence to explain how long this need was felt, or when the problem first arose”); *cf. Apple Inc. v. Samsung Elecs. Co.*, 816 F.3d 788, 804-05 (Fed. Cir.) (“[T]o demonstrate long felt need, the patentee *must* point to . . . [‘]evidence of efforts to solve that problem’ which were, before the invention, unsuccessful.” (emphasis added) (citation omitted)), *vacated in part on reh’g en banc*, 839 F.3d 1034 (Fed. Cir. 2016). With this necessary element missing, long-felt need was not established as a matter of law. *See Perfect Web*, 587 F.3d at 1332-33; *Apple*, 816 F.3d at 804-05. The Board should not have credited Zaxcom’s long-felt need argument at all. *But see* Appx67-68 (20-1921) (“We determine that the evidence of long-felt need weighs in favor of nonobviousness.”); Appx58 (20-1350) (same). The panel did not address this issue, despite Lectrosonics raising it throughout its cross-appeals. D.I. 35 (20-1350) at 51-55; D.I. 50 (20-1921) at 55-56.

## CONCLUSION

For the reasons expressed, the Court en banc should grant the petitions, vacate the panel decisions in the cross-appeals, and reverse the Board’s grant of all substitute claims in both cross-appeals.

Date: April 4, 2022

Respectfully submitted,

/s/ Cory C. Bell

Cory C. Bell  
FINNEGAN, HENDERSON, FARABOW,  
GARRETT & DUNNER, LLP  
2 Seaport Lane, 6th Floor  
Boston, MA 02210-2001  
(617) 646-1600

J. Derek McCorquindale  
FINNEGAN, HENDERSON, FARABOW,  
GARRETT & DUNNER, LLP  
1875 Explorer Street, 8th Floor  
Reston, VA 20190  
(571) 203-2700

*Attorneys for Cross-Appellant*



# **ADDENDUM**

NOTE: This disposition is nonprecedential.

**United States Court of Appeals  
for the Federal Circuit**

---

**ZAXCOM, INC.,**  
*Appellant*

v.

**LECTROSONICS, INC.,**  
*Cross-Appellant*

v.

**ANDREW HIRSHFELD, PERFORMING THE  
FUNCTIONS AND DUTIES OF THE UNDER  
SECRETARY OF COMMERCE FOR  
INTELLECTUAL PROPERTY AND DIRECTOR OF  
THE UNITED STATES PATENT AND TRADEMARK  
OFFICE**  
*Intervenor*

---

2020-1921, 2020-1922, 2020-1943, 2020-1944

---

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

---

Decided: February 18, 2022

---

ROBERT GREENSPOON, Dunlap Bennett & Ludwig PLLC, Chicago, IL, argued for appellant. Also represented by GREGORY J. GONSALVES, Vienna, VA; RITA CHIPPERSON, Chipperson Law Group, P.C., New York, NY.

CORY C. BELL, Finnegan, Henderson, Farabow, Garrett & Dunner, LLP, Boston, MA, argued for cross-appellant. Also represented by J. DEREK MCCORQUINDALE, Reston, VA.

MOLLY R. SILFEN, Office of the Solicitor, United States Patent and Trademark Office, Alexandria, VA, argued for intervenor. Also represented by THOMAS W. KRAUSE, ROBERT MCBRIDE, ROBERT J. MCMANUS, FARHEENA YASMEEN RASHEED.

DAVID P. SWENSON, Patterson Thunte Pedersen, PA, Minneapolis, MN, for amicus curiae US Inventor, Inc.

MATTHEW JAMES DOWD, Dowd Scheffel PLLC, Washington, DC, for amicus curiae Paul R. Michel.

---

Before LOURIE, SCHALL, and TARANTO, *Circuit Judges*.

TARANTO, *Circuit Judge*.

Lectrosonics, Inc. petitioned the Patent and Trademark Office to institute two inter partes reviews, under 35 U.S.C. §§ 311–19, of claims of two patents owned by Zaxcom, Inc.—claims 7, 8, 11, 12, 14, and 15 of U.S. Patent No. 7,929,902, and claims 1–4, 9, 10, 12, 15, 31, 36, 37, and 41–45 of U.S. Patent No. 8,385,814. After institution of the requested reviews, Zaxcom filed, in each proceeding, a motion to replace the challenged original claims with corresponding substitute claims if the Patent Trial and Appeal Board held the challenged original claims unpatentable. The Board issued two final written decisions holding all challenged claims unpatentable, and it therefore addressed

Zaxcom’s proposed substitute claims, which it allowed to be added to the patents because Lectrosonics had not proved them unpatentable. *Lectrosonics, Inc. v. Zaxcom, Inc.*, No. IPR2018-01129, 2020 WL 407145, at \*31 (P.T.A.B. Jan. 24, 2020); *Lectrosonics, Inc. v. Zaxcom, Inc.*, No. IPR2018-01130, 2020 WL 407146, at \*27–28 (P.T.A.B. Jan. 24, 2020). Zaxcom appeals the Board’s rejection of the original claims, and Lectrosonics appeals the Board’s upholding of the substitute claims. We affirm the determinations in both IPRs.

## I

The ’814 and ’902 patents share a specification, and the audio recording technology described and claimed is similar to that in U.S. Patent No. 9,336,307, discussed in the opinion we issue today in *Zaxcom, Inc. v. Lectrosonics, Inc.*, Nos. 20-1350, -1405 (“*307 Decision*”). The specification also discloses a “master timecode generator” that transmits time code references to local audio devices, which synchronize their local timecode generators with the master. ’902 patent, col. 16, lines 30–37. The ’902 patent had two challenged original independent claims: a system claim (claim 7) and a method claim (claim 12). *See id.*, col. 24, line 51, through col. 25, line 10; *id.*, col. 25, line 66, through col. 26, line 17. The ’814 patent had one challenged original independent system claim (claim 1). *See* ’814 patent, col. 23, lines 18–41.

Original independent claim 12 of the ’902 patent and its dependent claims are relevantly similar to claim 12 of the ’307 patent and its dependent claims. The broadest reasonable interpretation of original claim 12 of the ’902 patent encompasses both multitrack creation and dropout repair. We affirm the Board’s determination as to claim 12 of the ’902 patent and its dependents for the same reasons that, in the *307 Decision*, we have affirmed the Board’s determinations as to the original claims at issue there. We

limit our discussion here to claim 7 of the '902 patent and claim 1 of the '814 patent.<sup>1</sup>

First, we agree with the Board that the broadest reasonable construction of “wearable,” found in both independent claims, is “suitable and in a condition to be worn,” consistent with its dictionary definition. *Lectrosonics*, 2020 WL 407145, at \*4. Zaxcom argues for a narrower meaning, requiring that the wearable item be “small, lightweight, unobtrusive, easily hidden, not visible, and designed to be worn on the body of a creator of audio (*i.e.*, performer).” *Id.* We see no persuasive basis, including in the prosecution history cited by Zaxcom, for disagreeing with the Board’s conclusion that the broadest reasonable interpretation is not limited by the set of restrictions proposed by Zaxcom, but extends, even in the context of these patents, to the dictionary-based construction adopted by the Board. And under that construction, there is no dispute that Strub (U.S. Patent No. 6,825,875), discloses a “wearable” device as required by the patent claims at issue here. Strub, col. 4, lines 29–31.

Second, we hold that the Board had before it substantial evidence to support its finding that Strub and Woo (U.S. Patent No. 5,479,351) disclosed a “master timecode generator,” a term for which there is no claim construction dispute in this appeal. The Board’s finding is supported by Woo’s disclosure of a master clock for synchronizing recordings “from a plurality of independent recording devices at a shared performance,” Woo, col. 4, lines 62–66, col. 7, lines 49–50, and of jam synchronization to allow “a time code generator to follow the time code off another source,” *id.*,

---

<sup>1</sup> The Board’s discussion of claim 7 of the '902 patent in IPR2018-01129 is representative of its discussion of the similar claim 1 of the '814 patent in IPR2018-01130, and thus this opinion cites only the IPR2018-01129 Board decision.

col. 3, lines 37–39, along with Strub’s disclosure of time-stamping and synchronizing recordings, Strub, col. 79, line 54, through col. 80, line 7.

Finally, the Board had substantial evidence to support its determination that Zaxcom’s evidence of industry praise and long-felt need lacked a nexus to the claims. *Lectrosonics*, 2020 WL 407145, at \*14. The two independent claims at issue claim systems for time-stamping data from local audio devices, while the evidence of industry praise was directed primarily to the dropout repair capability of Zaxcom’s systems, as the Board made clear in the decision we have affirmed in the *'307 Decision*. Thus, the Board properly held all original claims unpatentable.

## II

Lectrosonics, in its cross-appeal, challenges the Board’s determination that the substitute claims are not unpatentable. Lectrosonics’s arguments in its cross-appeal are materially the same as the cross-appeal arguments we have rejected in the *'307 Decision*. We see no need for a separate discussion of the cross-appeal here. We conclude that the Board properly held all substitute claims not unpatentable.

## III

For the foregoing reasons, we affirm the final written decisions of the Patent Trial and Appeal Board in IPR2018-01129 and IPR2018-01130.

The parties shall bear their own costs.

**AFFIRMED**

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

**CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITATIONS**

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

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

**Instructions:** When computing a word, line, or page count, you may exclude any items listed as exempted under Fed. R. App. P. 5(c), Fed. R. App. P. 21(d), Fed. R. App. P. 27(d)(2), Fed. R. App. P. 32(f), or Fed. Cir. R. 32(b)(2).

The foregoing filing complies with the relevant type-volume limitation of the Federal Rules of Appellate Procedure and Federal Circuit Rules because it meets one of the following:

- the filing has been prepared using a proportionally-spaced typeface and includes 3,640 words.
- the filing has been prepared using a monospaced typeface and includes \_\_\_\_\_ lines of text.
- the filing contains \_\_\_\_\_ pages / \_\_\_\_\_ words / \_\_\_\_\_ lines of text, which does not exceed the maximum authorized by this court's order (ECF No. \_\_\_\_\_).

Date: 04/04/2022

Signature: /s/ Cory C. Bell

Name: Cory C. Bell