

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

KISS NAIL PRODUCTS, INC.,
Petitioner,

v.

LASHIFY, INC.,
Patent Owner.

PGR2021-00046
Patent 10,721,984 B2

Before NEIL T. POWELL, ERIC C. JESCHKE, and DAVID COTTA,
Administrative Patent Judges.

COTTA, *Administrative Patent Judge.*

DECISION
Denying Institution of Post Grant Review
35 U.S.C. § 324, 37 C.F.R. § 42.4

I. INTRODUCTION

KISS Nail Products, Inc. (“Petitioner”) filed a Petition requesting *post grant* review of claims 1–29 of U.S. Patent No. 10,721,984 B2 (Ex. 1001, “the ’984 patent”).¹ Paper 2 (“Petition” or “Pet.”). Lashify, Inc. (“Patent Owner”) filed a Preliminary Response to the Petition. Paper 6 (“Prelim Resp.”).² With our authorization (Paper 7), Petitioner filed a Reply specifically addressing the International Trade Commission’s (“ITC”) construction of the claim term “heat fused” (Paper 8, “Reply”), and Patent Owner filed a Sur-reply in response (Paper 9, “Sur-reply”).

Institution of post grant review is authorized by statute only when “the information presented in the petition . . . , if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.” 35 U.S.C. § 324; *see also* 37 C.F.R. § 42.208. Upon consideration of the Petition, the Preliminary Response, the Reply, and the Sur-reply, we exercise our discretion under 35 U.S.C. § 324(a) to deny institution for the reasons stated below.

A. *Related Proceedings*

The parties represent that the ’984 patent is related to U.S. Patent No. 10,660,388 (“the ’388 patent”), which is challenged in PGR2021-00045. Pet. iv, Paper 5, 2. Patent Owner represents that “[t]here are no U.S. patent applications or patents that claim, or may claim, the benefit of the priority of the filing date of the ’984 patent.” Paper 5, 2–3. In addition, both Petitioner and Patent Owner represent that the ’984 patent is asserted in the following

¹ Petitioner identifies itself, KISS Nail Products, Inc., as the real party in interest. Pet. iv.

² Patent Owner identifies itself, Lashify, Inc., as the real party in interest. Paper 5, 2.

proceedings: *Certain Artificial Eyelash Extension Systems, Products, and Components Thereof*, Inv. No. 337-TA-1226 (“ITC Investigation”), *Lashify, Inc. v. Zeng*, No. 5:20-CV-6086 (N.D. Cal.), and *Lashify, Inc. v. KISS Nail Products, Inc.*, No. 1:20-CV-10023 (D.N.J.). Pet. iv; Paper 5, 3.

B. The '984 Patent

The '984 patent issued July 28, 2020, identifying Sahara Lotti as the inventor. Ex. 1001, code (72). The patent relates to “artificial eyelashes and, more specifically, clusters of artificial eyelash extensions that can be applied to the underside of an individual’s natural eyelashes.” *Id.* at 1:16–19.

The '984 patent teaches that “[e]yelash extensions have conventionally been used to enhance the length, thickness, and fullness of natural eyelashes.” *Id.* at 1:24–26. Conventionally, eyelash extensions were “applied to an individual’s natural eyelashes one by one to avoid having the eyelash extensions stick together,” which can take “an experienced cosmetician one to two hours to attach” costing “hundreds of dollars.” *Id.* at 1:26–33. The '984 patent discloses that “[c]lusters of artificial lashes have [also] conventionally been used,” however, they too “must be applied to the individual’s eyelashes individually in order to avoid having the clusters of artificial lashes stick together and to ensure . . . even[] distribut[ion] across the width of the individual’s lash line.” *Id.* at 1:34–40. According to the '984 patent, an alternative to applying individual eyelash extensions or clusters was to apply “strip lashes,” which are “applied directly to an individual’s eyelid.” *Id.* at 1:41–44. “While a strip of false eyelashes can be applied in a single motion,” they are “easily distinguishable from the individual’s natural eyelashes and may be uncomfortable when worn for extended periods of time.” *Id.* at 1:42–46.

The '984 patent discloses “techniques for creating clusters of artificial lash extensions that can be applied to an individual’s natural eyelashes.” *Id.* at 2:37–39. “Clusters of artificial lashes are initially formed using, for example, a hot melt method in which artificial lashes are heated.” *Id.* at 2:45–47. “Multiple clusters can then be fused together to form a bundle (also referred to as a ‘lash fusion’).” *Id.* at 2:55–56. “The base of the lash fusion (i.e., where multiple clusters are fused together) is intended to be affixed to an individual’s natural lashes.” *Id.* at 3:15–17.

C. Illustrative Claims

Petitioner challenges claims 1–29 of the '984 patent. Claim 1 is representative and is reproduced below.

1. A lash extension comprising:

a plurality of first artificial hairs, each of the first artificial hairs having a first heat fused connection to at least one of the first artificial hairs adjacent thereto in order to form a first cluster of artificial hairs, the first heat fused connection defining a first base of the first cluster of artificial hairs; and

a plurality of second artificial hairs, each of the second artificial hairs having a second heat fused connection to at least one of the second artificial hairs adjacent thereto in order to form a second cluster of artificial hairs, the second heat fused connection defining a second base of the second cluster of artificial hairs, the first base and the second base are included in a common base from which the first cluster of artificial hairs and the second cluster of artificial hairs extend, the first cluster of artificial hairs and the second cluster of artificial hairs are spaced apart from each other along the common base, the common base, first cluster of artificial hairs, and second cluster of artificial hairs collectively forming a lash extension configured to be attached to a user.

Ex. 1001, 9:5–27.

D. Prior Art and Asserted Grounds

Petitioner asserts that claims 1–29 are unpatentable on the following grounds:

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1, 2, 4, 5, 8, 10, 11, 12, 15, 16, 20, 21, 23, 27	103	Quattro Video, ³ Choe ⁴
3, 17, 24	103	Quattro Video, Choe, Ahn ⁵
6, 7, 18, 19, 25, 26	103	Quattro Video, Choe, Nguyen ⁶
9, 13, 14, 22, 28	103	Quattro Video, Choe, Nakamura ⁷
29	103	Quattro Video, Choe, Nguyen, Nakamura
2–8, 10–13	112	Indefiniteness
1–29	112	Written Description
1–29	112	Enablement

Petitioner submits the Declaration of Dr. Robert A. Wanat (Ex. 1003) in support of institution of *post grant* review.

II. ANALYSIS

Patent Owner contends we should exercise our discretion under 35 U.S.C. § 324(a) to deny post-grant review because the '984 patent is involved in parallel district court and ITC proceedings involving the same parties, claims, grounds, arguments, and evidence as presented in the

³ Video entitled “How to apply iENVY Quattro collection eyelashes,” available at <https://www.youtube.com/watch?v=kW-ovlGoCmc>, bearing a posted publication date of August 18, 2015 (Ex. 1006, “Quattro Video”).

⁴ Choe, U.S. Patent No. 4,299,242, issued Nov. 10, 1981 (Ex. 1007, “Choe”).

⁵ Ahn, U.S. Patent No. 10,433,607 B2, issued Oct. 8, 2019 (Ex. 1008, “Ahn”).

⁶ Nguyen, U.S. Patent Publication No. 2010/0170526 A1, published July 8, 2010 (Ex. 1009, “Nguyen”).

⁷ Nakamura et al., U.S. Patent No. 10,791,782 B2, issued Oct. 6, 2020 (Ex. 1010, “Nakamura”).

Petition. Prelim. Resp. 9–25 (citing, *e.g.*, *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”). Petitioner argues that we should not exercise discretion to deny institution. Pet. 77–81. Having reviewed the parties’ arguments, and the evidence before us, we determine that instituting a post-grant review would be an inefficient use of Board resources. We thus exercise our discretion under 35 U.S.C. § 324(a) to deny institution.

A. Applicable Legal Principles

35 U.S.C. § 324(a) states:

The Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.

This language provides the Director with discretion to deny institution of a petition. *See Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (addressing parallel language in 35 U.S.C. § 314(a) and explaining that “the agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion”); Consolidated Trial Practice Guide November 2019 (“TPG”) at 55.⁸

In exercising the Director’s discretion under 35 U.S.C. §§ 314(a) and 324(a), the Board may consider “events in other proceedings related to the same patent, either at the Office, in district courts, or the ITC.” TPG at 58 (footnote omitted). The Board’s precedential *NHK* decision explains that the Board may consider the advanced state of a related district court proceeding, among other considerations, as a “factor that weighs in favor of denying the

⁸ Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

Petition under § 314(a).” *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 at 20 (PTAB Sept. 12, 2018) (precedential) (“*NHK*”).

In *Fintiv*, the Board articulated a list of factors that we consider in determining whether to exercise discretion to deny institution based on an advanced stage of a parallel proceeding:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

Fintiv, Paper 11 at 5–6. “[I]n evaluating the factors, the Board takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.* at 6.

B. Analysis

1. Fintiv Factor 1: Stay in the Parallel Proceeding

Fintiv Factor 1 recognizes that a stay of litigation pending resolution of the PTAB trial allays concerns about inefficiency and duplication of efforts, which strongly weighs against exercising the authority to deny institution. *Fintiv*, Paper 11 at 6.

Here, the ’984 patent is involved in three parallel proceedings—the ITC Investigation and two district court cases. Petitioner argues that we

should not exercise our discretion to deny institution because the two parallel district court cases have been stayed pending resolution of the ITC Investigation. Pet. 78. Petitioner further argues that although the ITC Investigation has not been stayed, the ITC’s decision is non-binding, and thus a proceeding before the Board would not be duplicative. *Id.* at 78–79 (citing *Wirtgen Am., Inc. v. Caterpillar Paving Prods., Inc.*, IPR2018-01201, Paper 13 at 12 (PTAB Jan. 8, 2019)).

Patent Owner argues that there has been no request for a stay in the ITC Investigation and that, if such a request were made, it would not likely be granted, particularly given the advanced state of the ITC Investigation. Prelim. Resp. 13. Patent Owner further argues that the “non-binding nature of an ITC final invalidity determination” does not support institution “given the Board’s recognition that ‘it is difficult to maintain a district court proceeding on patent claims determined to be invalid at the ITC.’” *Id.* at 14–15 (quoting *Fintiv*).

We agree with Patent Owner that the non-binding nature of an ITC decision does not substantially diminish the weight of an ongoing ITC investigation in a *Fintiv* analysis. Indeed, the *Fintiv* panel itself recognized that an “an earlier ITC trial date may favor exercising authority to deny institution under *NHK* if the ITC is going to decide the same or substantially similar issues to those presented in the petition” notwithstanding its recognition that “ITC final invalidity determinations do not have a preclusive effect.” *Fintiv*, Paper 11 at 8–9. Moreover, several Board decisions have exercised discretion to deny institution in view of pending ITC investigations. *See, e.g., Allergan, Inc. v. BTL Healthcare Techs. A.S.*, PGR2021-00016, Paper 16 (PTAB June 17, 2021); *Garmin Int’l, Inc. v. Koninklijke Philips N.V.*, IPR2020-00754, Paper 11 (PTAB Oct. 27, 2020);

SK Innovation Co., v. LG Chem, Ltd., IPR2020-01240, Paper (PTAB Jan. 12, 2021).

We recognize that the two district court litigations have been stayed. However, Petitioner has not requested a stay of the ITC Investigation and, particularly given the advanced state of the ITC Investigation (discussed in more detail in connection with *Fintiv* factor 3), we agree with Patent Owner that a stay of the ITC Investigation is unlikely. Accordingly, this factor weighs in favor of not instituting trial.

2. *Fintiv Factor 2: Proximity of Trial Date in the Parallel Proceeding*

Fintiv Factor 2 looks to the “proximity of the court’s trial date to the Board’s projected statutory deadline.” *Fintiv*, Paper 11 at 9. “If the court’s trial date is earlier than the projected statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under *NHK*.” *Id.*

Here, according to the current schedule, trial in the ITC Investigation has already occurred. Ex. 2002, 4 (Order No. 8: Setting the Procedural Schedule, setting trial for July 12–16, 2021). The ITC schedule identifies February 28, 2022, approximately six months before our final written decision would be due, as the target date for completion of its investigation. *Id.* These facts weigh against institution of this proceeding.

3. *Fintiv Factor 3: Investment in the Parallel Proceeding*

Fintiv Factor 3 considers the “investment in the parallel proceeding by the court and parties,” including “the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.” *Fintiv*, Paper 11 at 9. For example, if, at the time of institution, the court in the parallel proceeding has issued “substantive

orders related to the patent at issue in the petition” or “claim construction orders,” this favors denial. *Id.* at 9–10.

Petitioner argues that the district court cases were stayed before the court or the parties made any substantial investments in time or resources. Pet. 79. We agree with Petitioner that neither the parties nor the district courts appear to have made any substantial investments in time or resources.

With respect to the ITC Investigation, Petitioner argues that the investigation is “only in fact discovery and the ALJ [Administrative Law Judge] has yet to rule on any substantive issue in the case, nor have any final contention deadlines passed.” *Id.* We do not find this persuasive because the ITC Investigation has advanced substantially since the Petition was filed. According to Patent Owner, by the time the Preliminary Response was filed, fact and expert discovery were already completed and ITC had already issued an order construing the disputed terms of the ’984 patent. Prelim. Resp. 16. This is consistent with the evidence of record. *See* Ex. 2002, 2–3 (ITC Order No. 8: Setting the Procedural Schedule); Ex. 2003 (ITC Order No. 26: Construing the Terms of the Asserted Claims of the Patents at Issue). In addition, Patent Owner asserts that “by the time of the institution decision, the parties will have completed trial in the parallel ITC proceeding and filed initial and reply post-trial briefs.” Prelim. Resp. 16. Again, this is consistent with the ITC’s Order No. 8: Setting the Procedural Schedule. *See* Ex. 2002, 4.

This factor weighs against institution. Although the district court litigations were stayed pending the ITC Investigation, the parties, the ALJ, and the staff in the ITC Investigation have expended considerable time and resources on the investigation. The ALJ in the ITC Investigation has already issued an order construing the disputed claim terms of the ’984 patent (Ex.

2003) and, according to the ITC scheduling order, trial has already occurred (Ex. 2002, 4).

4. *Fintiv Factor 4: Overlap Between Issues Raised in the Petition and in the Parallel Proceeding*

Fintiv Factor 4 considers whether “the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding.” *Fintiv*, Paper 11 at 12. If the issues in the Petition overlap substantially with those raised in the parallel proceeding, “this fact has favored denial.” *Id.* “Conversely, if the petition includes materially different grounds, arguments, and/or evidence . . . this fact has tended to weigh against exercising discretion to deny institution.” *Id.* at 12–13.

Petitioner argues that “there is little overlap between the prior art and invalidity claims in the ITC investigation and this Petition” and thus “the ITC investigation will not resolve all or substantially all of the patentability disputes between the parties.” Pet. 79. Petitioner contends that the Petition challenges claims that are not at issue in the ITC Investigation, and therefore post-grant review would “rule on invalidity issues not reached in the ITC investigation.” *Id.* at 79–80. In addition, Petitioner stipulates that “if the PTAB institutes trial, it will not pursue in the ITC investigation invalidity based on the Quattro Video—the primary reference in the section 103 analysis in this Petition.” *Id.* at 80 (citing *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 18–19 (PTAB Dec. 1, 2020) (precedential) (finding that Petitioner’s stipulation to limit invalidity defenses in the parallel proceeding based on arguments raised in the IPR “weighs strongly in favor of not exercising discretion to deny institution”)).

Patent Owner contends that there is “substantial overlap between the claims, grounds, arguments, and evidence presented in the Petition and what is being litigated at the ITC.” Prelim. Resp. 17. According to Patent Owner, the fact that the Petition “challenges dependent claims additional to those challenged in the ITC proceeding does not preclude a finding of substantial overlap” because this *Fintiv* factor “does not require a complete identity of claims challenged between the two venues,” instead requiring only an “overlap between issues raised in the petition and in the parallel proceeding.” *Id.* at 21 (citing cases). As to Petitioner’s stipulation, Patent Owner contends that it is “meaningless” because it is too narrow and because by the time we issue our decision, the ITC trial will already have taken place. *Id.* at 22–23.

We begin our analysis by considering the overlap between Petitioner’s obviousness arguments here and in the ITC Investigation, including the impact of Petitioner’s stipulation not to pursue certain obviousness arguments in the ITC Investigation if we institute trial. Next, we consider whether Petitioner’s arguments that certain claims are invalid because they lack proper antecedent basis overlaps with any arguments presented in the ITC investigation. Finally, we consider overlap with respect to Petitioner’s arguments that the ’984 patent uses two claim terms interchangeably.

a) Overlap with respect to obviousness arguments

Petitioner’s obviousness arguments in this proceeding rely on the Quattro Video. Petitioner’s obviousness arguments in the ITC Investigation rely on Quattro Lashes. The degree of overlap between the obviousness arguments presented here and those presented in the ITC Investigation turns on the relationship between Petitioner’s contentions for the Quattro Video and Quattro Lashes.

The Quattro Video is a video entitled “How to apply iEnvy Quattro collection eyelashes.” Ex. 1006. The video includes a demonstration in which eyelash extensions are applied to a woman’s eyelashes. *Id.* Quattro Lashes are the product that is applied in the Quattro Video. Ex. 2008, 1 n.1. Based on the positions Petitioner adopts in the Petition and before the ITC, the Quattro Video and Quattro Lashes are different types of prior art.

The Petition does not expressly identify the category of prior art that Petitioner contends the Quattro Video falls under, however it treats the Quattro Video as a printed publication. *See* Pet. 15 (providing evidence as to how one could locate the Quattro Video by keyword search, a factor in determining whether a printed publication is “publicly available”); Ex. 1041 ¶ 5 (witness testimony supporting that the Quattro Video could be located by keyword search); Ex. 1043 ¶ 38 (same); *In re Lister*, 583 F.3d 1307, 1311 (Fed. Cir. 2009) (“In order to qualify as a printed publication within the meaning of § 102, a reference ‘must have been sufficiently accessible to the public interested in the art.’”). In addition, Petitioner relies on the video itself rather than, for example, the use or sale of the product that is the subject of the video, as invalidating art. *See, e.g.*, Pet. 22 (“The Quattro Video discloses . . .”).

In the ITC Investigation, Petitioner distinguishes between the Quattro Lashes product and the Quattro Video. Ex. 2008, 1 n.1 (“The Quattro iEnvy false eyelash is a product (‘Quattro Lashes’) of Respondent which was publicly disclosed in a YouTube video [the Quattro Video] at least as early as August 18, 2015.”). In the ITC Investigation, Respondent (i.e., the Petitioner here) relies upon the Quattro Lashes product, rather than the Quattro Video, as invalidating art. *See, e.g.*, Ex. 2008, 1 (“The Quattro Lashes disclose . . .”).

Notwithstanding Petitioner’s treatment of the Quattro Video as a different type of prior art than Quattro Lashes, Petitioner’s arguments here as to why the challenged claims would have been obvious over the Quattro Video overlap significantly with its allegation in the ITC Investigation that the claims at issue in that proceeding would have been obvious over Quattro Lashes. More particularly, Petitioner appears to rely on the Quattro Video and Quattro Lashes for the same disclosures and articulates the same reasons for combining them with other prior art references. *Compare, e.g.*, Pet. 22–38 (portion of Petition addressing claim 1), *with* Ex. 2008, 1–20 (portion of ITC claim chart addressing claim 1). Accordingly, we agree with Patent Owner that “while Petitioner may purport to challenge the instant claims under a different reference in the ITC proceeding, that reference is substantively identical to the Quattro Video at issue here.” Prelim. Resp. 20. We also agree with Patent Owner that “Petitioner makes a nearly identical motivation to combine argument” here and in the ITC Investigation. *Id.*

Having determined that there is substantial overlap in Petitioner’s obviousness argument here and in the ITC Investigation, we next consider whether Petitioner’s stipulation diminishes that overlap. Petitioner stipulates that “if the PTAB institutes trial, it will not pursue in the ITC investigation invalidity based on the Quattro Video.” Pet. 80. Importantly, however, Petitioner’s stipulation is limited to invalidity based on the Quattro Video. *Id.* As discussed above, although Petitioner relies upon Quattro Lashes and the Quattro Video for substantially similar substantive disclosures, they are different types of prior art—one is a product, the other is a printed publication. Petitioner’s stipulation would prevent Petitioner from pursuing arguments based on the Quattro Video before the ITC, but Petitioner could still pursue substantively similar arguments based on Quattro Lashes.

Accordingly, we find that Petitioner’s stipulation does little to minimize the overlap between Petitioner’s obviousness arguments here and Petitioner’s obviousness arguments in the ITC Investigation.⁹

We recognize that the ITC will not reach the obviousness of every claim challenged here. In the ITC Investigation, claims 1, 9, 13, 23, 27, and 28 are at issue. Paper 11, 1; Paper 12, 1.¹⁰ This proceeding includes challenges to claims 1–29. Pet. 5–6. The existence of non-overlapping claims supports institution. On the other hand, the ITC will reach the invalidity of six of the claims challenged here, including three of the four independent claims. For these claims, the overlap of issues is substantial, with the ITC addressing substantially the same obviousness issues as are presented here. The substantial overlap with respect to these claims supports denying institution.

Thus, the key question with respect to weighing the overlap in obviousness arguments is the relative weight we should give to those claims whose invalidity the ITC will decide as compared to those whose invalidity is not at issue before the ITC. *Fintiv* speaks directly to this issue, explaining that “if a petition involves the same prior art challenges but challenges claims in addition to those that are challenged in the district court, it may still be inefficient to proceed because the district court may resolve validity

⁹ As discussed above, according to the ITC Order Setting the Procedural Schedule (Ex. 2002), trial before the ITC has already occurred. It is not clear what impact a stipulation not to “pursue” a defense has where that defense has already been raised at trial. Because we find that the weight of Petitioner’s stipulation is diminished by its narrow scope, we need not determine how the fact that trial has already occurred in the ITC Investigation impacts Petitioner’s stipulation.

¹⁰ Claims 13 and 28 are at issue in the ITC Investigation, but are not asserted against Petitioner. Paper 11, 1.

of enough overlapping claims to resolve key issues in the petition.” *Fintiv*, Paper 11 at 13. *Fintiv* instructs that in such situations, whether the “non-overlapping claim challenges will weigh for or against exercising discretion . . . depend[s] on the similarity of the claims challenged in the petition to those at issue in the [parallel proceeding].” *Id.* Here, Petitioner does not identify any material differences with respect to the non-overlapping claims that would result in the Petition including “materially different grounds, arguments, and/or evidence than those presented in” the ITC investigation. *Id.* at 12–13; Pet. 79–80. Accordingly, we give greater weight to the overlapping claims than to the non-overlapping claims in determining whether to exercise discretion to deny institution. Thus, the overlap in obviousness arguments weighs against institution.

b) Overlap with respect to antecedent basis arguments

In the present proceeding, Petitioner asserts that claims 2–7, 8, and 10–13 are indefinite, lack written description, and are not enabled because certain terms in those claims do not have proper antecedent basis. Pet. 71–77. Petitioner initially challenged the validity of at least some of these claims on the same basis in the ITC Investigation. Ex. 2004, 51. However, only claim 13 remains at issue in the ITC Investigation, and that claim is not asserted against Petitioner in the ITC Investigation. Paper 10, 1; Paper 11, 1. As the parties do not direct us to evidence reflecting the invalidity challenges of other ITC Respondents, it is not clear whether the ITC will reach the issue of whether claim 13 lacks proper antecedent basis. Regardless, most, if not all, of the antecedent basis challenges raised in the Petition do not apply in the ITC Investigation. The absence of overlap in Petitioner’s antecedent basis arguments thus, weighs against the exercise of discretionary denial.

c) Overlap with respect to inconsistent use of claim terms

In the present proceeding, Petitioner asserts that claims 1–29 lack enablement and written description because “the claim terms ‘*lash extension*’ and ‘*lash fusion*’ are used inconsistently and confusingly throughout the ’984 specification and claims.” Pet. 76 (asserting that claims 1 and 8–29 are invalid on this basis); *id.* at 74 (asserting that claims 2–7 “lack the requisite enablement and written description because the ’984 patent creates confusion as it describes interchangeably the terms ‘*lash fusion*’ and ‘*lash extension*,’ which are distinctly different terms with different meaning”). In the ITC Investigation, Petitioner argues that “each claim that uses the terms ‘lash fusion(s)’ and ‘lash extension(s)’ are invalid for at least being indefinite and lacking enablement” because “[i]t appears the terms ‘lash fusion’ and ‘lash extension’ are used inconsistently, both in the specification and the claims.” Ex. 2004, 52. There is some difference in the underlying legal theories upon which Petitioner relies for its “lash fusion”/“lash extension” arguments. In this proceeding, Petitioner relies on enablement and lack of written description, whereas in the ITC Investigation, Petitioner relies on enablement and indefiniteness. However, Petitioner incorporated the arguments it raised in this proceeding in the ITC investigation, suggesting that the difference in legal theories may be moot. *Id.* at 54. More importantly, the underlying factual determination required to support Petitioner’s arguments—i.e., whether the term “lash fusion” and “lash extension” are used inconsistently in the ’984 patent—is identical in both proceedings.

We recognize that Petitioner’s “lash fusion”/“lash extension” argument applies to claims in this proceeding that are not at issue in the ITC Investigation. However, as with its obviousness arguments, Petitioner does

not identify any material differences with respect to the non-overlapping claims that would result in the Petition including “materially different grounds, arguments, and/or evidence than those presented in” the ITC investigation. *Fintiv*, Paper 11 at 12–13; Pet. 79–80. Moreover, given that Petitioner’s “lash fusion”/“lash extension” arguments in both proceedings are likely to turn on the underlying factual issue of whether the terms “lash fusion” and “lash extension” are used inconsistently in the ’984 patent, we do not expect there to be any material differences with respect to non-overlapping claims. Accordingly, we give greater weight to the overlapping claims than to the non-overlapping claims in determining whether to exercise discretion to deny institution. Thus, the overlap in “lash fusion”/“lash extension” arguments weighs against institution.

d) Summary of Fintiv Factor 4

The multiple grounds presented in the Petition can be grouped into three categories: grounds relying on obviousness, grounds relying on the alleged lack of proper antecedent basis, and grounds relying on the ’984 patent’s alleged inconsistent use of claim terms. For the reasons discussed above, the overlap with respect to Petitioner’s obviousness arguments and Petitioner’s argument regarding the inconsistent use of claim terms weigh against institution and the absence of overlap with respect to Petitioner’s antecedent basis arguments weighs in favor of the exercise of discretionary denial.

Overall, we find that this factor weighs slightly against institution.

5. Fintiv Factor 5: Whether Petitioner and the Defendant in the Parallel Proceeding are the Same Party

Fintiv Factor 5 looks to “whether the petitioner and the defendant in the parallel proceeding are the same party.” *Fintiv*, Paper 11 at 14. “If a

petitioner is unrelated to a defendant in an earlier court proceeding, the Board has weighed this fact against exercising discretion to deny institution.” *Id.* at 13.

Petitioner is a defendant in one of the two stayed district court proceedings. Pet. 80. Petitioner is also a Respondent in the ITC Investigation. *Id.* These facts weigh in favor of the Board exercising its discretion to deny institution under § 324(a).

6. *Fintiv* Factor 6: *Other Circumstances that Impact the Board’s Exercise of Discretion, Including the Merits*

Fintiv factor 6 looks to whether “other circumstances” exist that might “impact the Board’s exercise of discretion, including the merits.” *Fintiv*, Paper 11 at 14.

Under the sixth *Fintiv* factor, Petitioner contends that we should take into account that “the merits of the grounds in this Petition are strong.” Pet. 80. We have considered Petitioner’s arguments and do not find that the merits of Petitioner’s arguments outweigh the other *Fintiv* factors favoring exercising our discretion to deny institution.

Petitioner also argues we should consider under the sixth *Fintiv* factor that this proceeding is a PGR rather than an IPR, and thus “Petitioner is subject to a broader estoppel than if Petitioner had invoked the IPR program.” Pet. 80. Petitioner further argues that because PGRs are filed “within the first 9 months of issuance” there is a “heightened public interest in having the Office . . . review the patentability.” *Id.* at 80–81. Several Board decisions have already rejected policy-based arguments, like those advanced by Petitioner, that *Fintiv* should not apply to PGRs. *See, e.g., Apple Inc. v. Pinn, Inc.*, PGR2020-00073, Paper 15 at 9–10 (PTAB Dec. 8, 2020) (“[T]he pertinent statutory language is the same in both section 314(a)

and section 324(a). Moreover, the overall policy justifications associated with the exercise of discretion—inefficiency, duplication of effort, and the risk of inconsistent results—apply to post-grant review proceedings under 35 U.S.C. § 324(a.)”); *TCO AS v. NCS Multistage Inc.*, PGR2020-00077, Paper 16 at 9–10 (PTAB Feb. 18, 2021). Petitioner does not provide persuasive reasoning why we should reach a different decision than was reached in these cases.

Finally, Petitioner argues that the weight of *Fintiv* factors 1–3 should be reduced because these factors are unfairly prejudicial as applied to ITC investigations where respondents have “no control over venue choice, the fast docket, or the lack of stays that are granted.” Pet. 81. We do not find this persuasive because *Fintiv* itself contemplates application of the enumerated factors to ITC proceedings, as reflected in the following discussion:

One particular situation in which stays arise frequently is during a parallel district court *and* ITC investigation involving the challenged patent. In such cases, the district court litigation is often stayed under 28 U.S.C. § 1659 pending the resolution of the ITC investigation. Regardless, even though the Office and the district court would not be bound by the ITC’s decision, an earlier ITC trial date may favor exercising authority to deny institution under *NHK* if the ITC is going to decide the same or substantially similar issues to those presented in the petition. The parties should indicate whether there is a parallel district court case that is ongoing or stayed under 28 U.S.C. § 1659 pending the resolution of the ITC investigation. We recognize that ITC final invalidity determinations do not have preclusive effect, but, as a practical matter, it is difficult to maintain a district court proceeding on patent claims determined to be invalid at the ITC. Accordingly, the parties should also indicate whether the patentability disputes before the ITC will resolve all or substantially all of the patentability disputes between the parties, regardless of the stay.

Fintiv, Paper 11 at 8–9 (footnotes omitted). Moreover, as discussed above, the Board has considered ITC proceedings in weighing whether exercising discretion is warranted. *See, e.g., Samsung Elecs. Co. v. Dynamics, Inc.*, IPR2020-00502, Paper 34, 7–14 (PTAB Aug. 12, 2020) (evaluating *Fintiv* factors in light of stayed district court case, with a primary focus on an advanced-stage ITC proceeding); *Comcast Cable Commc'ns, LLC v. Rovi Guides, Inc.*, IPR2019-00231, Paper 14 at 7–12 (PTAB May 20, 2019) (evaluating *NHK* precedent for related ITC proceeding).

We determine that this factor does not weigh for or against denying institution in this case.

7. Conclusion

Based on the particular circumstances of this case, we determine that instituting a post-grant review would be an inefficient use of Board resources.

On balance, after a holistic consideration of the relevant facts and the particular circumstances of this case, we conclude that efficiency and integrity of the system are best served by denying institution. Thus, we exercise our discretion under § 324(a) to deny institution.

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is denied, and that we do not institute *post grant* review of any claim of the '984 patent.

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