

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

JOHNSON HEALTH TECH CO. LTD. and
JOHNSON HEALTH TECH NORTH AMERICA, INC.,
Petitioners,

v.

ICON HEALTH & FITNESS, INC.,
Patent Owner.

Case IPR2013-00463
Patent 6,702,719 B1

Before JOSIAH C. COCKS, BRIAN J. McNAMARA, and
CARL M. DeFRANCO JR., *Administrative Patent Judges*.

DeFRANCO, *Administrative Patent Judge*.

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

I. INTRODUCTION

Johnson Health Tech Co. Ltd. and Johnson Health Tech North America, Inc. (collectively “Johnson”) filed a Petition (“Pet.”) challenging the patentability of claims 1–14 of U.S. Patent No. 6,702,719 B1 (“the ’719 patent”). The Patent Owner, Icon Health & Fitness, Inc. (“Icon”), filed a Preliminary Response. On January 30, 2014, we instituted an *inter partes* review of the ’719 patent after determining that Johnson had demonstrated a reasonable likelihood of showing that claims 1–14 are unpatentable. Dec. to Inst. 20.

After a period of discovery, Icon filed a Patent Owner Response (“PO Resp.”) to the Petition, addressing some but not all of the claims on which we instituted trial. Icon also filed a contingent Motion to Amend (“Mot. Amend”), seeking to substitute proposed new claims 15–24 for original claims 1–4, 6, 7, 9, and 11–13. Johnson, in turn, filed a Reply to Icon’s Response (“Reply”), as well as an Opposition to Icon’s Motion to Amend (“Opp. to Mot. Amend”). Icon then filed a Reply in support of its Motion to Amend (“Reply to Opp. to Mot. Amend”). An oral hearing was held on October 27, 2014. A transcript of the hearing (“Tr.”) has been entered into the record.

Pursuant to our jurisdiction under 35 U.S.C. § 6(c), we conclude that Johnson has proven by a preponderance of the evidence that claims 1–14 of the ’719 patent are unpatentable. Also, because Icon has not provided sufficient analysis as to the patentability of proposed substitute claims 15–24, we deny Icon’s Motion to Amend.

II. BACKGROUND

A. '719 Patent¹

The '719 patent relates to a method for controlling an exercise machine “via control signals received from multiple types of computing devices that are independent of any one exercise machine.” Ex. 1001, 3:32–36. According to the '719 patent, an exerciser utilizes the independent computing device interactively with the exercise machine. *Id.* at 36–37. As “specified by the particular user,” the independent computing device may be a portable computer system, a personal storage device, or a network system. *Id.* at 3:38–43. Exercise-related data for the particular user, such as fitness goals and personal data, is stored in the memory of the independent computing device. *Id.* at 7:33–35, 7:64–8:5. The exercise machine receives the exercise-related data via a communication interface with the independent computing device. *Id.* at 3:36–43. The exercise-related data received from the independent computing device may be used to control the exercise machine. *Id.* at 3:43–48.

B. Claims at Issue

Johnson’s Petition challenges claims 1–14 of the '719 patent, and we instituted trial on all fourteen claims. Claim 1 is the only independent claim. In the patent owner response, however, Icon focuses exclusively on dependent claims 4, 6, 10, and 12. Because these claims depend ultimately from claim 1, we must consider the limitations of claim 1 as well as the dependent limitations. Claim 1 recites:

¹ The '719 patent is the subject of a concurrent district court action, *ICON Health & Fitness, Inc. v. Johnson Health Tech N. Am., Inc.*, No. 1:13-cv-112 (D. Utah Aug. 7, 2013). Pet. 1.

1. A method for controlling an exercise machine, said method comprising the steps of:

receiving exercise-related data for a particular user at an exercise machine via a communication interface s with an independent computing device specified by said particular user; and

specifying control of said exercise machine according to said exercise-related data for said particular user, such that a particular level of control of said exercise machine is specified according to exercise-related data for said particular user from said independent computing device.

Ex. 1001, 13:29–40.

As for the dependent claims addressed in Icon’s Response, claim 4 adds that the step of “receiving exercise-related data” is performed “via a network from a universally accessible server system according to a particular universal identifier associated with said particular user”; claim 6 requires that the exercise-related data received from the computing device include “fitness goals”; claim 10 recites the limitation of using the fitness goals to specify “a time duration and intensity for exercise”; and claim 12 adds the step of “controlling output of indicators of fitness activity” from the exercise machine “according to user output preferences included in said exercise-related data.” Ex. 1001, 13:60–14:64.

C. Prior Art Relied Upon in the Petition

Johnson relies on the following prior art references in support of its grounds for unpatentability of claims 1–14 of the ’719 patent:

References	Patents/Printed Publications	Date	Exhibit
Dyer	US 4,828,257	May 9, 1989	1002
Shea	US 6,050,924	Apr. 18, 2000	1003
Clem	US 6,053,844	Apr. 25, 2000	1004
Abbondanza	US 5,527,239	Jun. 18, 1996	1005
Beal	US 5,782,639	Jul. 21, 1998	1006

D. Instituted Grounds of Unpatentability

We instituted trial of claims 1–14 of the '719 patent on the following specific grounds. Dec. to Inst. 20.

References	Basis	Claims Challenged
Shea	§ 102(e)	1–4, 6–11, and 14
Shea in view of Dyer	§ 103(a)	5
Shea in view of Abbondanza	§ 103(a)	12
Shea in view of Beal	§ 103(a)	13
Clem	§ 102(e)	1, 4, 7–11, and 14
Clem in view of Shea	§ 103(a)	2, 3
Clem in view of Dyer	§ 103(a)	5, 6
Clem in view of Abbondanza	§ 103(a)	12
Clem in view of Beal	§ 103(a)	13

III. ANALYSIS

A. Claim Construction

In an *inter partes* review, claim terms in an unexpired patent are interpreted according to their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b).

Claim terms also generally are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). However, a “claim term will not receive its ordinary meaning if the patentee acted as his own lexicographer and clearly set forth a definition of the disputed claim term in either the specification or prosecution history.” *CCS Fitness, Inc. v. Brunswick Corp.*, 288 F.3d 1359, 1366 (Fed. Cir. 2002).

Here, neither party asserts that the ’719 patent ascribes a special meaning to a claim term. Accordingly, all terms have been given their ordinary and customary meaning in the context of the entire disclosure of the ’719 patent. The parties’ arguments center on the construction of three claim terms, namely “exercise-related data,” “independent computing device,” and “specified by the user.” Accordingly, we make explicit the construction of those claim terms as follows:

1. “*exercise-related data*”

Claim 1 uses the term “exercise-related data” in several places. Johnson asserts that the term “exercise-related data” means “information regarding an exercise program, including personal data, fitness goals, and control programs.” Pet. 5. In support of its interpretation, Johnson points to the Specification and its definitions of the various types of exercise-related data. *Id.* According to the Specification, “personal data” includes user weight, height, age, percentage body fat, bone density, metabolism, health problems, prescriptions, diet, and other health related factors; “fitness goals” include the number of calories that the user wants to burn or the number of repetitions at a particular weight that the user needs to perform on a given

exercise machine; and “control programs” include programs used to control movement of the various parts of the exercise machine. Ex. 1001, 7:52–8:5.

We also note, as described in the Specification, exercise-related data does not necessarily require a control program or a control signal. According to the Specification, the exercise machine “is enabled to receive personal data, fitness goals *and/or* control signals for a particular user.” Ex. 1001, 3:10–12 (emphasis added). The Specification’s use of the conjunctive/disjunctive “and/or” means that any one of the three types of data alone may be utilized to control the machine. Indeed, the Specification describes the three types of data—personal data, fitness goals, and control programs—in terms of “multiple levels of control.” Ex. 1001, 9:41–42. Specifically, the Specification states (emphases added):

At-machine exercise monitor 40 may receive *multiple levels of control* from any of the independent computing devices. For example, at-machine exercise monitor 40 may *only receive personal data* from any of the independent computing devices for a particular user. Thereby, at machine exercise monitor 40 could be initialized for use [by] a particular user, such that [it] . . . may then adjust any selected exercise programs for the particular user *according to the personal data*.

Ex. 1001, 9:41–49.

Additionally, at-machine exercise monitor 40 *may receive personal data and fitness goals* for the user. At-machine exercise monitor 40 is advantageously enabled to determine and specify exercise programs that may be suitable for the user *based on the user's personal data and fitness goals*.

Id. at 10:21–25.

In yet another example, at machine-exercise monitor 40 *may receive a control program* from any of the independent computing devices, wherein at-machine exercise monitor 40

transmits a machine control signal to exercise machine 38
based on the control program.

Id. at 10:48–52.

In the first two examples described above, control of the exercise machine depends on “personal data alone” or “personal data and fitness goals.” Not until the third example is there any mention of a control program or a control signal. Thus, a narrower definition of “exercise-related data” to require a control program and a control signal would be inconsistent with the Specification. Rather, properly construed, the broadest reasonable interpretation in light of the Specification of the term “exercise-related data” is information regarding personal data, fitness goals, and/or control programs.

2. “*independent computing device*”

Claim 1 recites that the exercise-related data is received at the exercise machine from an “independent computing device.” Johnson argues that “independent computing device” means a processor or storage device separate from the exercise machine, such as a portable computer system (e.g., a laptop, a personal digital assistant (PDA), or a mobile telephone), a personal storage device (e.g., a smart card), or a network system (e.g., a remote server system). Pet. 5–6. Icon does not dispute this interpretation, and the Specification supports it. *See* Ex. 1001, 3:40–43; 7:15–32; 8:56–62. Thus, we construe the term “independent computing device” to mean a processor or storage device separate from the exercise machine, such as a portable computer system, a personal storage device, or a network server system.

3. “*specified by said particular user*”

Claim 1 recites that the independent computing device is “specified by said particular user.” Johnson argues that this term means “chosen by the user, including *selecting an exercise device* that is known to be connected to an independent computing device.” Pet. 6 (citing Ex. 1001, 3:40–43) (emphasis added). But Johnson’s attempt to equate an exerciser’s mere selection of an exercise device with the selection of an *independent* computing device is unreasonably broad. That a user chooses to exercise on a machine equipped with a computerized monitor does not mean that the user has also specified an independent computing device. The Specification of the ’719 patent consistently describes the independent computing device as being different from the monitor on the exercise machine. *See* Ex. 1001, 8:26–42. Thus, not only is Johnson’s proposed construction inconsistent with the Specification, but it would also read the term “independent” out of the claim such that the user need only specify any computing device, whether or not it was independent of the exercise machine. *See Chef Am., Inc. v. Lamb-Weston, Inc.*, 358 F.3d 1371, 1374 (Fed. Cir. 2004) (the Federal Circuit “repeatedly and consistently has recognized that courts may not redraft claims”) (citations omitted).

More reasonably, in the context of claim 1, the plain meaning of the term “specified by said particular user” requires that the user deliberately choose a computing device other than the computerized monitor on the machine itself for the purpose of “receiving” exercise-related data. The written description of the ’719 patent reinforces that interpretation, describing the computing device in terms of the user’s “personal” exercise monitor with the ability to “customize” the user’s exercise program.

Computer system 10 is advantageously utilized *as a personal exercise monitor* It is important to note that the user is *able to customize* the features available on computer system 10. *Since the user advantageously supplies computer system 10*, the user may select the type and quality of desired output. . . . In addition, it is important to note that computer system 10 may be continuously upgraded without requiring the upgrade of machine monitor 40.

Ex. 1001, 8:26–42 (emphasis added). Thus, we interpret “specified by said particular user” to mean that the user deliberately selects, or interacts with, a computing device that is independent of the computerized monitor on the exercise machine.

B. Claims 1–3, 5, 7–9, 11, 13, and 14

In the Petition, Johnson challenges the patentability of claims 1–14 of the ’719 patent under 35 U.S.C. §§ 102 and 103. Pet. 7–50. After considering the arguments and evidence presented in the Preliminary Proceeding,² we instituted trial against claims 1–14, determining that Johnson was likely to prevail in showing unpatentability of each of the fourteen claims. Dec. to Inst. 20.

Once trial was instituted, and after a specified period for discovery, Icon was afforded the opportunity to file a Patent Owner Response to address “any ground for unpatentability not already denied” by our Decision to Institute. 37 C.F.R. § 42.120. In its Patent Owner Response, Icon does *not* address all of the instituted grounds. Although we instituted trial on no less than two grounds against each of the patent’s fourteen claims, Icon addresses only those grounds instituted against claims 4, 6, 10, and 12, but is

² A “Preliminary Proceeding,” as defined by our rules, “begins with the filing of a petition for instituting a trial and ends with a written decision as to whether a trial will be instituted.” 37 C.F.R. § 42.2.

silent on the grounds instituted against claims 1–3, 5, 7–9, 11, 13, and 14. PO Resp. 7. That is, Icon appears to defend only the patentability of claims 4, 6, 10, and 12.

The Board’s Scheduling Order put Icon on notice that, as the patent owner, it must come forward with arguments for patentability, lest they be waived. Paper 14 at 2–3 (“[t]he patent owner is cautioned that any arguments for patentability not raised and fully briefed in the response will be deemed waived”). Here, Icon’s response does not articulate any reasons for patentability of claims 1–3, 5, 7–9, 11, 13, and 14 over any of the grounds on which we instituted trial. *See* PO Resp. 2. Although Icon argues distinctly in support of patentability for “Claim 4,” “Claims 6 and 10,” and “Claim 12” (PO Resp. 7, 14, 24, respectively), and requests expressly that “the Board not adopt the Petitioner’s proposed rejections of claims 4, 6, 10, or 12” (*id.* at 27), Icon’s response is conspicuously devoid of any discussion of the other ten claims challenged in the Petition and on which we instituted trial.

In the absence of any response addressing patentability of claims 1–3, 5, 7–9, 11, 13, and 14, Icon effectively precluded Johnson from replying any further to the merits of those ten claims. *See* 37 C.F.R. § 42.23(b) (“[a] reply may only respond to arguments raised in the corresponding opposition or patent owner response”). Yet, at oral argument, Icon backtracked on the impression left by its Patent Owner Response (or lack of response), stating that it was neither disclaiming the unaddressed claims nor acknowledging their unpatentability. Tr. 19. Icon’s belated attempt to argue the viability of

the unaddressed claims came five-months after complete and utter silence on the issue, a silence that Johnson relied upon in good-faith.³

Inter partes review, by its very nature, is meant to be an interactive process between the petitioner and patent owner. The Leahy-Smith America Invents Act, Pub. L. No. 112-29 (2011), expressly contemplates that the patent owner respond to the petition once trial is instituted. Notably, the statute mandates the promulgation of rules “providing for the filing by the patent owner of a response to the petition” and “requiring that the patent owner file with such response, through affidavits or declarations, any additional factual evidence and expert opinions on which the patent owner relies” in support of patentability. 35 U.S.C. § 316(a)(8). Consistent with the statute, our rules instruct that the patent owner response “is filed as *an opposition*.” 37 C.F.R. § 42.120(a). As such, it “must include a statement identifying material facts in dispute. Any material fact not specifically denied may be considered admitted.” *Id.* at § 42.23(a). Those statutory and regulatory provisions clearly place some onus on the patent owner, once trial is instituted, to address the material facts raised by the petition as jeopardizing patentability of the challenged claims.⁴

By instituting trial, we determined that Johnson presented credible evidence pointing towards unpatentability of claims 1–3, 5, 7–9, 11, 13, and

³ Icon’s response was filed May 14, 2014 and the hearing was held October 27, 2014. In its Reply, Johnson expressed its understanding that Icon’s lack of response “waived any argument that claims 1–3, 5, 7–9, 11, 13, and 14 are patentable.” Reply 1.

⁴ In addition, our trial practice guide expressly states that “[t]he response should *identify all the involved claims that are believed to be patentable* and state the basis for that belief.” *Office Patent Trial Practice Guide*, 77 Fed. Reg. 48756, 48766 (Aug. 14, 2012) (emphasis added).

14. Dec. to Inst. 9–15. But rather than address the credible evidence applied against those challenged claims, Icon remained silent. That is, Icon chose to forego the opportunity, provided by statute, to present rebuttal evidence and/or argument on the issue of patentability of those claims. Absent any rebuttal, we will not scour the record to locate evidence supporting patentability. Perfunctory or undeveloped arguments are waived. Thus, we are left to consider only the evidence of record as presented in the Petition. *See* Pet. 7–50. As discussed below, after considering Johnson’s evidence with respect to claims 1–3, 5, 7–9, 11, 13, and 14, we find that the preponderance weighs in favor of unpatentability.

1. *Claims 1–3, 7–9, 11, and 14 – Anticipation by Shea*

Independent claim 1 begins with the step of “receiving exercise-related data” from “an independent computing device specified by said particular user.” Shea satisfies that limitation by giving the user the option of receiving exercise-related data from either “central computer (server) 102” or “portable memory module 212” (such as “smart cards”). Ex. 1003, 4:64–5:15, 6:43–60.

According to Shea, the user of the exercise machine may choose to receive exercise programs either via “a communications link 106” with central computer 102 *or* via “a port 219” for portable memory module 212. *Id.* at 6:23–60; *see also* Fig. 5 (depicting communications link 106 and portable memory module 212 for receiving exercise-related data). Furthermore, Shea expressly describes the user’s choice of computing devices in terms similar to the “specified by” language of claim 1. For example, Shea discloses that exercise programs and parameters (e.g., total exercise time, difficulty level) may be “selected from” the memory of

portable module 212 or “are also selectable from” the memory of central computer 102. *Id.* at 6:61–7:4. We find that Shea’s disclosure of using either computer server 102 or memory module 212 for receiving exercise-related data satisfies the claim 1 limitation of “an independent computing device specified by said particular user.”

Claim 1 next recites the step of “specifying control of said exercise machine according to exercise-related data for said particular user from said independent computing device.” Shea meets that limitation by disclosing that the exercise-related data retrieved from central computer server 102 or portable memory module 212 is used “for controlling the[] one or more exercise apparatus terminals.” *Id.* at 3:17–21; *see also* 3:44–49 (“exercise data is retrieved and the processor of the exercise apparatus uses the retrieved exercise data to control the exercise apparatus”). As described in Shea, the data used to control the exercise machine may include “an exercise program selection, an exercise time, and/or difficulty level” and is based on criteria such as “the exerciser’s profile data, the exerciser’s fitness goal data, and data regarding the exerciser’s previous workouts.” *Id.* at 3:21–27. Those disclosures by Shea satisfy the claim 1 limitation of using exercise-related data for a particular user to control the exercise machine.

Because Shea discloses giving the user the option of selecting between central computer server 102 or portable memory module 212 for receiving exercise programs and parameters, and then using the received programs and parameters to control the user’s exercise machine, we find that Shea anticipates the “receiving” and “specifying” steps of claim 1. We further find that Shea’s disclosure of “portable memory module 212” (e.g., “smart cards”) for “inputting/outputting data to/from” the exercise apparatus

terminal anticipates the “portable computer system” and “personal storage device” features of dependent claims 2 and 3. *See* Ex. 1003, 6:43–60, 7:36–40.

With respect to dependent claims 7, 8, and 9, Shea discloses a “system control program . . . for controlling these one or more exercise apparatus terminals.” *Id.* at 3:19–27. According to Shea, “exercise data is retrieved [from the central computer] and the processor of the exercise apparatus uses the retrieved exercise data to control the exercise apparatus.” *Id.* at 3:40-49; *see also id.* at 15:60-65 (disclosing that the control program “guide[s] an exerciser through a workout by providing, for example, aural and/or visual prompts which inform the exerciser”). Shea’s “processor 201 and “interface 202” control the transmission of data between the central computer and the exercise apparatus. *Id.* at 6:29–39. Those disclosures, we find, anticipate the “control program” limitations of dependent claims 7, 8, and 9.

We further find that Shea’s disclosure of monitoring “certain physiological parameters such as heart rate and/or blood pressure,” and using the monitored data to “vary the exercise data . . . in the current workout,” anticipates the step of “computing current fitness activity” as recited in claim 11. *See* Ex. 1003, 3:54–61. Similarly, Shea’s disclosure of “pulse monitor 210,” which is “attached to the exerciser” and “plugged into an input jack” on the exercise terminal, anticipates the step of “enabling a removable monitoring system” as recited in claim 14. *Id.* at 7:21–36.

In sum, Johnson has shown by preponderant evidence that claims 1–3, 7–9, 11, and 14 are unpatentable as anticipated by Shea under 35 U.S.C. § 102.

2. *Claims 5 and 13 – Obvious Over Shea, Dyer, and Beal*

Dependent claim 5 recites the step of “receiving personal data” at the exercise machine from the computing device. Both Shea and Dyer teach the transmission of personal data between a central computer and an exercise machine. For example, Shea speaks of transmitting “profile data,” such as “the exerciser’s height, weight, age, and an indication of current fitness level,” from central computer 102 to exercise terminal network 100. Ex. 1003, 12:30-13:3. Dyer describes the transfer of an exerciser’s “personal demographics” from central computer 150. Ex. 1002, 10:32–40. Based on those teachings, we conclude that the combination of Shea and Dyer present preponderant evidence that claim 5 would have been obvious to a skilled artisan seeking to develop personally-designed exercise programs.

Dependent claim 13 adds the step of “enabling a removable output interface . . . to output indicators of fitness activity.” As discussed above, in regard to claims 11 and 14, Shea discloses “portable monitor 210” as an output interface for detecting and processing indicators of fitness activity. Ex. 1003, 3:54–61, 7:5–50. Similarly, Beal teaches the use of “pulse monitor 206,” along with a removable, head-mounted display, as a way to detect and display indicators of fitness activity. Ex. 1006, 14:63–65. A skilled artisan would have viewed Beal’s removable display as an obvious substitute for the less-private display in Shea’s pulse monitoring system because both are output indicators of fitness activity. As such, claim 13 would have been obvious over Shea and Beal.

In sum, we conclude that Johnson has demonstrated by preponderant evidence that claims 5 and 13 are unpatentable under 35 U.S.C. § 103.

C. Claims 4, 6, 10, and 12

1. Shea-Based Grounds

a. Claim 4 – Anticipation by Shea

Dependent claim 4 incorporates the limitations of claim 1. As discussed above, we find that Shea discloses the “receiving” and “specifying” steps of claim 1 as incorporated in claim 4. Specific to claim 4 is the additional step of “receiving exercise-related data” for the user “via a network from a universally accessible server system according to a particular universal identifier.” Johnson argues that Shea anticipates claim 4 by disclosing that a user “enters his/her exerciser identifier” to retrieve exercise-related data from “central computer (server) 102.” *See* Ex. 1003, 3:40–47, 4:65–67.

Icon criticizes Shea for disclosing only a *single* server system. PO Resp. 9–10. In order to satisfy claim 4, according to Icon, the user “must be given options from which to choose that include more than just a single server system.” *Id.* at 10. Thus, Icon surmises that Shea’s single server system precludes the user from making a choice of computing devices, i.e., selecting something other than the server, thereby failing to meet the “specified by” limitation of claim 4. *Id.*

Icon misconstrues claim 4. The “specified by” limitation applies to the “independent computing device” referenced in the initial step of claim 4, not the “server system” recited in the step added by claim 4. Thus, as long as the user has a choice of *independent computing devices*, where at least one option for receiving exercise-related data is a “server,” the claim is met. That claim 4 further defines the type of computing device chosen ultimately by the user does not detract from the initial step of having a choice of

independent computing devices. Indeed, claims 2 and 3, which also depend directly from claim 1, likewise define the type of computing device chosen by the user, for example, “a portable computing system provided by said particular user” (claim 2) and “a personal storage device proffered by said particular user” (claim 3). None of those dependent limitations requires that the user make any further selection. In other words, the act of selecting or specifying something is only performed in conjunction with the broader limitation of “independent computing devices,” not the specific limitations that identify the particular type of computing device chosen, i.e., specified, by the user. Shea satisfies claim 4 by specifying central computer server 102 as one of the options for the user to receive exercise-related data. Ex. 1003, 4:64–5:15.

Icon also faults Shea’s computer server 102 for not being “universally accessible,” as required by claim 4. PO Resp. 10. “To be ‘universally accessible,’” Icon argues, “a server system must be generally available to the public.” *Id.* at 11. “Server systems that are only available to a limited number of individuals are not universally accessible,” according to Icon’s definition of the term. *Id.* at 12. But Icon ignores that claim 4 includes subsequent language that further defines the term “universally accessible.” As claimed, the “server” is not accessible by the general public, as Icon contends, but rather is accessible only to those users possessing “a particular universal identifier associated with said particular user.” Ex. 1001, 14:1–2. Thus, “universally accessible” as used in the context of claim 4 speaks to a limited universe of users. The Specification bears this out, describing “remote server system 48” in terms of transmitting “exercise-related data associated with the user of the universal identifier” and as being “connected

to multiple exercise machines [that receive] user identifier for the user and transmit verification requests to health club server 80.” *Id.* at 8:63–9:4, 11:64–12:1. As such, we are not persuaded by Icon’s attempt to read out of claim 4 the very language that defines the accessibility of the server.

In satisfaction of the claimed “universally accessible server,” Shea discloses that server 102 is connected to an array of exercise machines over a local area network (LAN) or wide-area network (WAN) by means of network connection 106 that includes any “conventional communications link,” including a “wireless communications link” or an “e-mail link.” Ex. 1003, 4:64–5:14, 28:36–29:4. The ’719 patent similarly describes that the computer system “may be a stand-alone system or part of a network such as a local-area network (LAN) or a wide-area network (WAN).” Ex. 1001, 4:29–34. Thus, we find that a skilled artisan would have understood Shea’s disclosure of a computer “server” and a “wide area network connection” to be the same as the “universally accessible server” and “network” interface for the exercise machine recited by claim 4.

To the extent Icon argues that Shea’s server is not “universally accessible” because it lacks an “internet” connection, we find that Shea inherently discloses an internet connection between Shea’s computer server 102 and exercise terminals 104. Icon’s declarant, Dr. David C. Paulus, acknowledges that by the filing date for the ’719 patent, the internet was a well-known means for connecting to a server system. Ex. 3004 ¶ 14 (“By 1995 ‘Internet’ had been defined by the Federal Networking Counsel . . . and was used prolifically in the United States by 2000”). Indeed, Dr. Paulus equates a wide area network (WAN) with the use of the internet. *Id.* ¶ 24. And predictably, Johnson’s declarant, Dr. Timothy C. Mickelson, agrees.

Ex. 1009 ¶ 31. Crediting that mutual testimony, we find that Shea’s disclosure of a “wide-area network” link, as well as an “e-mail link,” necessarily infers the use of an internet connection. Ex. 1003, 5:4–14 (“wide area network (WAN)”), 28:36–29:4 (“e-mail link”). As such, even under Icon’s interpretation of “universally accessible server,” Johnson has demonstrated by a preponderance of the evidence that Shea anticipates claim 4.

b. Claims 6 and 10 – Anticipation by Shea

Johnson also challenges claims 6 and 10 as being anticipated by Shea. Claims 6 and 10 are similar in that both speak of receiving “fitness goals” from the independent computing device. *See* PO Resp. 14. The Specification of the ’719 patent defines “fitness goals” as “the *number of calories* that the user wants to burn or the *number of repetitions* at a particular weight that the user needs to perform.” Ex. 1001, 8:2–5 (emphasis added).

Icon argues that, although fitness goals may be sent to Shea’s central computer, Shea fails to disclose receiving fitness goals “*from* central computer 102 to any exercise terminal.” PO Resp. 16–17. A preponderance of the evidence indicates otherwise. Shea is replete with references to transmission of “fitness goals,” not only to the central computer, as Icon contends, but also *from* the central computer to the user at the exercise machine. Ex. 1003, 3:19–27, 13:50–55, 24:55–67. For example, consistent with the ’719 patent’s definition of fitness goal in terms of “calories” and “repetitions,” Shea discloses a “second implementation” in which the central computer can “dynamically . . . modify a pre-selected workout for an exerciser” (*id.* at 15:66–16:13) and “visually and/or aurally prompt[s]” the

user as to “total calories burned during the workout, and the like” (*id.* at 18:7–20). Shea further explains that “exercise data such as a number of repetitions and an exercise time *is retrieved* and the processor communicates the exercise data to the exerciser via a speaker and/or a display.” *Id.* at 3:50–54 (emphasis added). Because Shea expressly discloses that the central computer keeps the user informed of calories burned and repetitions completed, we find that Shea meets the claim 6 limitation of “receiving fitness goals” at the exercise machine from the computing device.

Claim 10 adds the limitation of using the fitness goals received from the computing device to specify a “time duration and intensity” on the exercise machine. *See* PO Resp. 15. Shea discloses this limitation in a number of places. For example, Shea discloses that the exercise-related data stored on the central computer may be used by “a system control program . . . to determine workouts for each exerciser that will best help the exerciser achieve the fitness goals which he/she has set.” Ex. 1003, 3:12–16. According to Shea, the exercise-related data “may include . . . an exercise time, and/or a difficulty level(s) and *is selected based [on]* . . . but is not limited to, one or more of the exerciser’s profile data, *the exerciser’s fitness goal data . . .*” *Id.* at 3:21–27 (emphasis added). In another place, Shea discloses that the exercise-related data received from the independent computing device may include “program parameters (e.g., total exercise time, difficulty level)” for use by the processor to control the exercise machine. *Id.* at 6:45–52. We find that Shea’s express disclosure of using exercise time and difficulty level to control the exercise machine anticipates claim 10.

In sum, we determine that Johnson has demonstrated by a preponderance of the evidence that claims 6 and 10 are anticipated by Shea.

c. Claim 12 – Obvious Over Shea and Abbondanza

Claim 12 adds the step of “controlling output of indicators of fitness activity” from the exercise machine “according to user output preferences included in said exercise-related data.” Ex. 1001, 14:60–64. Johnson challenges claim 12 as obvious over Shea and Abbondanza. Pet. 43–44.

Icon counters that Shea “do[es] not disclose receiving any user output preference *from* an independent computing device.” PO Resp. 25–26. We do not find Icon’s argument persuasive for at least two reasons. First, claim 12 does not speak to the output of exercise data (or user preferences) *from the computing device*. Rather, claim 12 recites the output of data as being “*from said exercise machine* to an output interface” with the computing device. As claimed, exercise data is output from the exercise machine, not the computing device. Because Icon premises its argument against Shea on an incorrect construction of claim 12, we do not find Icon’s argument persuasive.

In any event, we find that Shea discloses an output interface in the manner called for by claim 12. For example, Shea expressly discloses “an interface 402” that “controls the transfer of [exerciser] data *to/from* input device 400 over the network.” Ex. 1003, 11:55–56 (emphasis added). That disclosure indicates that transfer of exercise-related data is bidirectional between central computer 102 and exercise terminal 104. Indeed, Shea discloses a “modem” as a possible interface. *Id.* at 11:56–57. Those disclosures indicate that Shea’s interface 402 operates as a transceiver

capable of transmitting data *to* the computing device and receiving data *from* the computing device.

Similar teachings of transmitting exercise-related data to/from the computing device are also found in Abbondanza. Ex. 1005, 6:55–7:26 (disclosing that “[c]ontrol center 140 has a transmitter and two receivers”), 8:4–21 (teaching “conventional input/output means for gathering and displaying information related to a user’s work-out regimen”). And Abbondanza further teaches a user interface that allows the user to select output preferences “from a series of menu choices” related to the user’s “work-out regimen.” *Id.* at 8:4–21. We are persuaded that a skilled artisan would have found it obvious to modify Shea’s output interface to utilize user preferences as taught by Abbondanza so as to save the user from selecting the preferences every time a machine is used. *See* Ex. 1009 ¶ 39. As such, we hold that Johnson has proven by a preponderance of the evidence that claim 12 would have been obvious over Shea and Abbondanza under 35 U.S.C. § 103.

2. *Clem-Based Grounds*

We also conclude that Johnson has proven by a preponderance of the evidence that claims 4 and 10 are unpatentable under 35 U.S.C. § 102 as anticipated by Clem, and that claims 6 and 12 are unpatentable under 35 U.S.C. § 103 as obvious over Clem and Dyer and Clem and Abbondanza, respectively.

a. *Claims 4 and 10 – Anticipation by Clem*

As acknowledged by Icon’s declarant, Dr. Paulus, “Clem discloses a programmable fitness device 32 that communicates with a remote computer that hosts a website 12 via an internet system 19.” Ex. 3004 ¶ 28 (citing Ex.

2:34–65). According to Clem, website 12 “can operate as a server device” for transmitting exercise-related information (video and audio) between “a computer located at the website 12” and fitness device 32. Ex. 1004, 2:47–65. In addition to website 12, Clem discloses that exercise-related information “can also be interactively communicated to and from third party applications 14.” *Id.* at 3:57–62, Fig. 1. We find that Clem satisfies claim 4 by giving the user the option of receiving exercise-related information from either website 12 or third-party applications 14. And because Clem discloses that the exercise-related information may be transmitted via the internet connection according to a “user password,” we further find that Clem meets the “universal identifier” limitation required by claim 4. Ex. 1004, 3:39–45; Ex. 1007 ¶ 10(d). Given these findings, a preponderance of the evidence shows that Clem anticipates claim 4.

With respect to claim 10, Clem discloses that the website accumulates a “digest” of personal information for each user and selects a control program “according to the digest.” Ex. 1004, 3:1-14. In turn, the user can engage in “two way communication” with the website and obtain information “regarding *matters relating to fitness*, including matters such as exercise routines and exercise equipment.” *Id.* at 2:53–57 (emphasis added). As examples of fitness-related information that the user may receive from the website, Clem discloses “calorie information” or information for controlling “speed,” “resistance level,” or “periods of time.” *Id.* at 3:48–57, 4:8–33. We credit the testimony of Johnson’s declarant, Dr. Mickelson, that a skilled artisan would have understood these categories of information to encompass fitness goals, including time duration and intensity. *See* Ex.

1009 ¶¶ 33–37. Thus, Johnson has shown by a preponderance of the evidence that Clem anticipates claim 10.

b. Claim 6 – Obvious Over Clem and Dyer

Like Clem, Dyer teaches transmitting a desired exercise program from a central computer to individual exercise stations. Ex. 1002, 10:32–50, Fig. 5. Dyer further teaches that the transmitted exercise program depends upon the particular “goal” of the user. *Id.* at 11:15–32, 21:1–38, 37:20–29, 46:36–43. For example, because “change in a user’s weight is often a goal in exercise programs,” Dyer provides a scale at the exercise station so that “weight information . . . can be reported to the user . . . along with evaluation comments or instructions relating to the weight information.” *Id.* at 11:21–32. Accounting for Dyer’s teachings, we conclude that a skilled artisan would have understood the combination of Clem and Dyer as conveying the limitation of claim 6 that “fitness goals” be received at the exercise machine from the computing device. As such, Johnson has proven by a preponderance of the evidence that claim 6 is unpatentable as obvious over Clem and Dyer.

c. Claim 12 – Obvious Over Clem and Abbondanza

Clem discloses various output indicators of fitness activity, such as pulse and heart rate, which are monitored by website 12 via input/output interfaces. Ex. 1004, 5:16-58. Abbondanza teaches “conventional input/output means for gathering and displaying information related to a user’s work-out regimen” and further teaches a user interface for selecting output preferences “from a series of menu choices” related to the user’s “work-out regimen.” Ex. 1005, 8:4–21. We are persuaded that a skilled artisan would have found it obvious to modify Clem’s output interface to

utilize user preferences as taught by Abbondanza so as to save the user from selecting the preferences every time a machine is used. *See* Ex. 1009 ¶ 40. Thus, we hold that Johnson has proven by a preponderance of the evidence that claim 12 would have been obvious over Clem and Abbondanza under 35 U.S.C. § 103.

D. Motion to Amend

Icon filed a Motion to Amend the claims of the '719 patent, requesting to substitute new claims 15–24 for original claims 1–4, 6, 7, 9, and 11–13. Mot. Amend 1. The Motion was contingent on the panel's determination that claims 1–4, 6, 7, 9, and 11–13 are unpatentable. *Id.* As discussed above, the panel has determined that those claims are unpatentable based on the information presented in Johnson's Petition. Thus, the contingency has manifested.

As the movant, the patent owner bears the burden of proof in demonstrating patentability of the proposed substitute claims over the prior art in general. *See* 37 C.F.R. § 42.20(c). A mere conclusory statement that the features proposed by the substitute claims are not described in the prior art, or would not have been obvious over the prior art, is facially inadequate.

Icon's argument for patentability of the substitute claims consists of (1) coded notations to a master list of explanations, and (2) bare citations to paragraphs of the declaration of its expert, Dr. Paulus. For example, in arguing that proposed claim 15 is patentably distinct over the prior art, Icon relies on the following analysis:

Patent Owner submits the following technical facts and reasoning from the following paragraphs of the Paulus Declaration for the Board's consideration: the NLs (¶ 23), the PC (¶ 24), the SU (¶ 25), the GSA-NO (¶ 26), the PDs-S (¶ 27),

the PDs-C (¶ 28), the PDs-D (¶ 29), the PDs-A (¶ 30), and the PDs-B (¶ 31).⁵

Mot. Amend 10.

Icon's presentation of its patentability arguments in such an obtuse fashion does not amount to meaningful analysis. Icon's contention that its abbreviated approach is necessary "in the interest of keeping to the page limit of 15 pages" (Mot. Amend 8) does not justify side-stepping its burden of persuasion. We will not undertake to decipher short-hand code as the first step to understanding a party's arguments and proofs on the issue of patentability.

Our rules clearly articulate that a party's initial brief, be it a petition or a motion, must include "[a] full statement of the reasons for the relief requested, including a detailed explanation of the significance of the evidence including material facts and the governing law, rules, and precedent." 37 C.F.R. § 42.22(a)(2). More so, "[a]rguments must not be incorporated by reference from one document into another document." 37 C.F.R. § 42.6(a)(3). Icon's Motion to Amend fails on both counts. Aside from listing the proposed substitute claims, Icon's Motion provides little more than a morass of cryptic notations that fall well short of any meaningful discussion of the prior art, the level of skill in the art, and the significance of the added features. Mot. Amend 7–15.

Because Icon's Motion to Amend lacks meaningful analysis, we are not persuaded that it demonstrates sufficiently the patentability of the proposed substitute claims. Accordingly, Icon's Motion is denied.

⁵ Icon's argument is equally deficient for the other proposed substitute claims, using the same cryptic notations and bald citations to discuss the prior art. *See, e.g.*, Mot. Amend 11–15.

IV. CONCLUSION

Johnson has proven by a preponderance of the evidence that claims 1–14 of the '719 patent are unpatentable under 35 U.S.C. §§ 102 and 103. This is a Final Written Decision of the Board under 35 U.S.C. § 318(a). Parties to the proceeding seeking judicial review of this Decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

V. ORDER

Accordingly, it is hereby:

ORDERED that, claims 1–14 of the '719 patent have been proven to be unpatentable by a preponderance of the evidence;

FURTHER ORDERED that Icon's Motion to Amend is *denied*; and

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

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