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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MOTOROLA MOBILITY LLC, Petitioner,

v.

INTELLECTUAL VENTURES I LLC, Patent Owner.

> CBM2015-00004 Patent 6,658,464 B2

Before JAMESON LEE, PHILLIP J. KAUFFMAN, and JO-ANNE M. KOKOSKI, *Administrative Patent Judges*.

KAUFFMAN, Administrative Patent Judge.

DOCKET

DECISION ON REHEARING 37 C.F.R. § 42.71(c)

I. INTRODUCTION

Petitioner, Motorola Mobility, LLC, filed a Petition ("Pet.") requesting a review of claims 1, 8, 16, and 17 of U.S. Patent No. 6,658,464 B2 (Ex. 1001, "the '464 patent"). Paper 1. Patent Owner, Intellectual Ventures I, LLC, filed a Preliminary Response ("Prelim. Resp."). Paper 6. The Board instituted a covered business method patent review of claims 1, 8, 16, and 17. Paper 9 ("Decision").

Patent Owner filed a Request for Rehearing asking that the Board reconsider its decision to institute via an expanded panel. Paper 11 ("Req. Reh'g"). For the reasons that follow, we deny Patent Owner's Request for Rehearing and dismiss the request to expand the panel.

II. STANDARD

When rehearing a decision on a petition, the Board will review the decision for an abuse of discretion. *See* 37 C.F.R. § 42.71(c). An abuse of discretion may be determined if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors. *See Arnold Partnership v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004). The party challenging the decision has the burden of showing the decision should be modified, and the request for rehearing must specifically identify all matters the party believes the Board misapprehended or overlooked. 37 C.F.R. § 42.71(d).

III. ANALYSIS

Petitioner previously filed a petition for covered business method patent review of claims 1, 8, 16, and 17 of the '464 patent, and we denied institution because Petitioner did not demonstrate that the '464 patent is a "covered business method patent." *Motorola Mobility, LLC v. Intellectual Ventures I, LLC*, Case CBM2014-00084, slip op. at 2 (PTAB Aug. 6, 2014) (Paper 18) (the "84 Decision to Institute" or the "84 Petition" as appropriate).

Patent Owner presents three arguments in support of the request for the Board to reconsider and reverse its decision instituting trial. Req. Reh'g 1-15.

A. Alleged Abuse of Discretion

Patent Owner argues that the Board abused its discretion by not denying institution based upon 35 U.S.C. § 325(d), in that the Board's exercise of discretion was not based on sound legal principles because it did not prevent a serial attack against the '464 patent. Req. Reh'g 1-4.

Patent Owner's argument suggests that the Board should deny any second petition against a patent and that prevention of serial attacks against a patent owner is the sole or primary factor in an analysis under 35 U.S.C. § 325(d). Section 325(d) does not provide for such a prohibition.

As stated in our Decision, a decision to institute in general, and determinations under 35 U.S.C. § 325(d) in particular, are discretionary decisions. *See* Dec. 20-21 (citing 35 U.S.C. § 325(d); 35 U.S.C. § 314(a); *Intelligent Bio-Systems, Inc. v. Illumina Cambridge Ltd.*, Case IPR2013-00324, slip op. at 4 (PTAB Nov. 21, 2013) (Paper 19)). Under § 325(d), the

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Director "may" take into account whether the same or substantially the same argument was previously presented to the Office. *Id.* Patent Owner's contention that the Board "should have exercised its discretion to deny the Petition" is better described as disagreement with our Decision than as demonstrating an abuse of discretion. *See* Req. Reh'g 3. Disagreement with a decision is not a proper basis for rehearing. As explained in the next section, we have taken into consideration that Petitioner previously filed a covered business method patent petition challenging the same claims of the same patent.

B. Alleged Misapprehended or Overlooked Argument

Patent Owner argues that the Board focused on whether the merits were reached in the 84 Decision to Institute, and, in doing so, overlooked Patent Owner's argument that Petitioner already argued in the 84 Petition whether the '464 patent is a covered business method patent. Req. Reh'g 4-7.

We did not overlook Patent Owner's contention that Petitioner previously argued in the 84 Petition whether the '464 patent is a covered business method patent. The Decision acknowledges that Petitioner previously filed a petition for review of the '464 patent, and that we denied institution because Petitioner did not demonstrate the '464 patent is a covered business method patent. Dec. 2, 20. The Decision acknowledges that Patent Owner argued that the Petition raises substantially the same argument presented in the 84 Decision to Institute, but concludes that trial should be instituted nonetheless based on the totality of the circumstances. CBM2015-00004 Patent 6,658,464 B2

Dec. 20 (citing Prelim. Resp. 11-13). Patent Owner has failed to demonstrate this is an abuse of discretion.

C. Alleged Roadmap for Petitioner

Patent Owner argues that allowing Petitioner to re-litigate the jurisdictional issue of whether the '464 patent is a covered business method patent gave Petitioner a roadmap to correct the first petition. Req. Reh'g 12-15.

Here, Patent Owner does not identify any matter the Board misapprehended or overlooked. As such, this argument does not persuade us that our decision should be modified. *See* 37 C.F.R. § 42.71(d).

D. Conclusion

Patent Owner has not persuaded us that our Decision is based on an abuse of discretion.

IV. EXPANDED PANEL REQUEST

Patent Owner contends that the rehearing request presents a significant question, namely whether a petitioner that has fully litigated the issue of whether a challenged patent is a covered business method patent may be permitted to re-litigate that same issue in a second petition against the same patent. Req. Reh'g 14-15.

We disagree with Patent Owner's characterization of the issue as a significant question, because the Board has previously determined that § 325(d) does not preclude institution of a covered business method review where, as here, the merits of the earlier petition were not reached. *JP*

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