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Paper 52
Entered: May 28, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INTERNATIONAL BUSINESS MACHINES CORPORATION,
Petitioner,

v.

INTELLECTUAL VENTURES II LLC,
Patent Owner.

Case IPR2014-00180
Patent 7,634,666 B2

Before MIRIAM L. QUINN, DAVID C. McKONE,
and JAMES A. TARTAL, *Administrative Patent Judges.*

McKONE, *Administrative Patent Judge*.

DECISION
ON REQUEST FOR REHEARING
37 C.F.R. § 42.71

I. INTRODUCTION

International Business Machines Corp. ("Petitioner") filed a Petition (Paper 1, "Pet.") to institute an *inter partes* review of claims 1–11 of U.S. Patent No. 7,634,666 B2 (Ex. 1005, "the '666 patent"). Intellectual Ventures II LLC ("Patent Owner") filed a Patent Owner Response (Paper 24, "PO Resp.") and Petitioner filed a Reply to the PO Response (Paper 29, "Reply"). We conducted an oral hearing on January 13, 2015 (Paper 49, "Tr."). In a Final Written Decision (Paper 50, "Dec."), we held that Petitioner failed to show, by a preponderance of the evidence, that any challenged claim was unpatentable as obvious over Matsuzaki (Ex. 1008) and Dworkin (Ex. 1012).

In a Request for Rehearing (Paper 51, "Req."), Petitioner contends that (1) we construed the term "feedback" too narrowly; (2) Dworkin teaches "feedback" under the broader construction; and (3) we misapprehended or overlooked Petitioner's evidence of reasons to combine Matsuzaki and Dworkin. As detailed below, we are not persuaded by Petitioner's arguments.

II. ANALYSIS

The burden of showing that the Decision should be modified is on Petitioner, the party challenging the Decision. *See* 37 C.F.R. § 42.71(d). In addition, "[t]he request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply." *Id.*

A. Construction of "feedback"

Claim 1 recites "wherein the outputs of the multiplication unit, the addition unit and the sign inversion unit are feedback to the arithmetic controller." Independent claim 4 includes a similar recitation.

In the Petition, Petitioner proposed construing "feedback" to mean "a result that is directly transmitted back." Pet. 8. Petitioner essentially argued that "feedback" should be limited to an example described in the '666 patent in which each of a multiplication unit, an addition unit, and a sign inversion unit sends its own interim result directly back to a controller without passing through intermediate components. Pet. 8–9 (citing Ex. 1005, 3:30–39).

Patent Owner opposed Petitioner's construction in the Preliminary Response (Paper 9, "Prelim. Resp.") at 3, arguing that Petitioner was reading a limitation into the claims from the Specification. In the Decision to Institute (Paper 10, "Inst. Dec.") at 11, we declined to limit "feedback" to a disclosed embodiment in which results are fed back directly. In its PO Response, Patent Owner agreed with our analysis. PO Resp. 9. Petitioner did not argue the construction of this term further in the Reply.

At the oral hearing, the panel challenged Patent Owner with questions on the issue of whether the claims contemplate either direct or indirect feedback. Tr. 44:12–46:2. Patent Owner conceded that the claims do not require either direct or indirect feedback, and that in the instance of indirect feedback, intermediate components should not change the content of the data being sent back to the controller, for example latches and multiplexers that would delay, but not change, the data sent back to the controller. Tr. 44:12–46:2. Patent Owner conceded that if an intermediate component changed

the data output by an arithmetic device, the feedback would no longer be the output of that device. *Id.* (Patent Owner arguing that Figure 2 of the '666 patent supports its contention that the output that constitutes feedback under the claims does not enter another addition or sign inversion unit before it is provided back). Based on the evidence and arguments presented in the Petition and the PO Response, we construed "wherein the outputs of the multiplication unit, the addition unit and the sign inversion unit are feedback to the arithmetic controller" to mean that the output values of the multiplication unit, the addition unit, and the sign inversion unit are feedback to the arithmetic controller, although those values may pass, unchanged, through intermediate components (e.g., latches and multiplexers). Dec. 9.

In the Request, Petitioner contends that Patent Owner "changed course" and introduced a new claim construction argument at the hearing. Req. 2. We disagree. Patent Owner responded to our questions seeking to focus the dispute between the parties as reflected in the Petition and PO Response. The construction of "feedback" in our Decision was not the acceptance of an improperly raised argument. Rather, our construction was based upon the evidence presented in the Petition and the PO Response.

Petitioner argues that it objected to Patent Owner's purportedly new construction of "feedback." Req. 2–3. We do not agree with Petitioner. At the hearing, Petitioner was instructed to raise its objections during the time it was allotted for its argument. Tr. 4:14–17. Petitioner argued that it disagreed with how Patent Owner interpreted the alleged feedback operation of Dworkin, and referred to its detailed "step-by-step graphics" presented on

rebuttal in Petitioner's Reply. Tr. 10:23–11:9. After its rebuttal time had expired, Petitioner requested (and was granted) additional time to raise an objection "to all of the detailed Dworkin argument that was offered" by Patent Owner, arguing that it was "not anywhere present in [Patent Owner's] opposition." Tr. 61:13–62:7. We are unable to discern how Petitioner's generic objection to Patent Owner's detailed explanation of Dworkin was directed to the purportedly new claim construction argument made by Patent Owner at the hearing. Petitioner has failed to point to any objection to Patent Owner's answer to our question or any discussion of the construction of "feedback" in its main or rebuttal argument. In any event, to the extent Petitioner believes it properly objected to Patent Owner's candid response to the panel's questions regarding the scope of "feedback," that objection is overruled.

In sum, we are not persuaded that we overlooked or misapprehended the evidence and arguments presented regarding the construction of "feedback," and find no reason to modify our construction of "feedback" in the Decision.

B. We did not misapprehend or overlook Dworkin's teaching of feedback

Petitioner argues that our construction of "feedback" was unfair because Petitioner demonstrated in the Petition and the Reply that Dworkin teaches indirect "feedback" consistent with the reasoning in our Decision to Institute. Req. 2. Petitioner argues that our preliminary construction "[does not] require that output values must be feedback to the controller 'unchanged.'" *Id.* at 5. According to Petitioner, it presented evidence that

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