

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ALLSTEEL INC.,
Petitioner,

v.

DIRTT ENVIRONMENTAL SOLUTIONS LTD.,
Patent Owner.

Case IPR2015-01691
Patent 8,024,901 B2

Before SALLY C. MEDLEY, SCOTT A. DANIELS, and
JACQUELINE T. HARLOW, *Administrative Patent Judges*.

MEDLEY, *Administrative Patent Judge*.

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

I. INTRODUCTION

Petitioner, Allsteel Inc., filed a Petition requesting an *inter partes* review of claims 1, 4–11, 13–23, and 25 of U.S. Patent No. 8,024,901 B2 (Ex. 1001, “the ’901 patent”). Paper 1 (“Pet.”). Patent Owner, DIRTT Environmental Solutions Ltd., filed a Preliminary Response. Paper 9 (“Prelim. Resp.”). Upon consideration of the Petition and Preliminary Response, we instituted an *inter partes* review of claims 1, 4–7, 9, 10, 14–20, and 25, pursuant to 35 U.S.C. § 314. Paper 10 (“Institution Decision”). We did not institute an *inter partes* review with respect to claims 8, 11, 13, and 21–23. *Id.* Subsequent to institution, Petitioner filed a Request for Rehearing with respect to claim 8. Paper 16 (“Req. Reh’g”). We denied Petitioner’s Request for Rehearing. Paper 23 (“Decision Req. Reh’g”).

Patent Owner filed a Patent Owner Response (Paper 24 (“PO Resp.”)) and Petitioner filed a Reply (Paper 30 (“Pet. Reply”)). The parties also filed motions to exclude certain evidence. Papers 34 and 36. An oral hearing was held. Paper 43 (“Tr. 1”). Per a Final Written Decision pursuant to 35 U.S.C. § 318(a), we determined that Petitioner had shown by a preponderance of the evidence that claims 1, 4–7, 9, 10, 14–20, and 25 are unpatentable. Paper 44 (“Final Written Decision”). Patent Owner filed a notice of appeal with the U.S. Court of Appeals for the Federal Circuit (“Federal Circuit”). While the appeal was pending, on April 24, 2018, the Supreme Court held that a decision to institute under 35 U.S.C. § 314 may not institute on fewer than all claims challenged in the petition. *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1354 (2018). Accordingly, the Federal Circuit vacated our Final Written Decision in this proceeding and remanded “to allow the Board to issue a final written decision consistent with *SAS Institute Inc. v. Iancu*, 138 S. Ct.

IPR2015-01691
Patent 8,024,901 B2

1348 (2018).” *DIRTT Env'tl. Sols. Ltd. v. Allsteel Inc.*, 731 F. App'x 980, 981 (Fed. Cir. 2018); Exs. 3001, 3002.

In light of the Federal Circuit’s vacatur and remand, we modified our Institution Decision to institute on all of the challenged claims and all of the grounds presented in the Petition. Paper 46. In particular, we instituted on Petitioner’s assertion that claim 8 is unpatentable under 35 U.S.C. § 103(a) as obvious over Raith and Yu; claims 11 and 13 are unpatentable under 35 U.S.C. § 103(a) as obvious over Raith and EVH; and claims 21–23 are unpatentable under 35 U.S.C. § 103(a) as obvious over Raith and MacGregor. *Id.*

Petitioner requested limited briefing and a limited Dr. Beaman declaration regarding claims 8, 11, 13, and 21–23 pursuant to the Office Patent Trial Practice Guide, August 2018 Update, 83 Fed. Reg. 39989 (Aug. 2018) (providing link to Trial Practice Guide Update: <https://go.usa.gov/xU7GP> (“Trial Practice Guide Update”)). Paper 47 (“Order”). We granted Petitioner’s request and authorized both parties to file supplemental briefs regarding newly instituted claims 8, 11, 13, and 21–23. *Id.* We explained that Petitioner may submit a declaration to present “rebuttal evidence” to the findings and determinations we made in the Institution Decision regarding claims 8, 11, 13, and 21–23. *Id.* at 2–3. We further explained that in view of the Trial Practice Guide Update, “Petitioner may not submit new evidence, issues, or argument that it could have presented earlier, e.g. to make out a prima facie case of unpatentability.” *Id.* at 3. And we explained:

[I]t would not be appropriate for Petitioner to fill in the gaps of the Petition by showing, for the very first time, how the prior art of record describes a claim element that was not accounted

for previously. Rather, Petitioner's supplemental brief is limited to identifying matters that Petitioner believes we misapprehended or overlooked in the Petition, or how we otherwise erred in the Institution Decision for claims 8, 11, 13, and 21–23.

Id.

In response to our Order, Petitioner filed a supplemental brief and supplemental declaration from Dr. Beaman addressing newly instituted claims 8, 11, 13, and 21–23. Paper 48 (Pet. Supp. Br.); Ex. 1038. Patent Owner filed a response to Petitioner's supplemental brief. Paper 52. Petitioner filed a reply to Patent Owner's responsive brief. Paper 53. An oral hearing was held regarding newly instituted claims 8, 11, 13, and 21–23. Paper 60 ("Tr. 2").

In lieu of reproducing our previous Final Written Decision here, we adopt and incorporate by reference, in its entirety, our previous Final Written Decision that Petitioner has shown by a preponderance of the evidence that claims 1, 4–7, 9, 10, 14–20, and 25 of the '901 patent are unpatentable. Final Written Decision. In this Decision, we augment our earlier decision to address a few points raised previously by Patent Owner before the Federal Circuit. In addition, we address newly instituted claims 8, 11, 13, and 21–23. For the reasons provided below, we reiterate that Petitioner has shown by a preponderance of the evidence that claims 1, 4–7, 9, 10, 14–20, and 25 are unpatentable. The Petitioner, however, has not shown by a preponderance of the evidence that claims 8, 11, 13, and 21–23 are unpatentable.

II. ANALYSIS

A. Obviousness of Claim 1 over Raith and EVH, Raith and Yu, and Raith and MacGregor

As explained above, we adopt and incorporate by reference, in its entirety, our previous Final Written Decision that Petitioner has shown by a preponderance of the evidence that claims 1, 4–7, 9, 10, 14–20, and 25 of the '901 patent are unpatentable. Final Written Decision. We augment that decision to address a few points raised previously by Patent Owner before the Federal Circuit with respect to claim 1.

On page 22 of the Final Written Decision, we addressed Patent Owner's argument that, in essence, Dr. Beaman's original declaration (Ex. 1018 ¶ 95) should be given little to no weight (e.g., no substantial weight), because during cross-examination he expressed doubt that he would import EVH's horizontal distance channels into Raith. Final Written Decision 22. We explained that Dr. Beaman's testimony, however, was taken out of context by Patent Owner because the testimony was based on ways to bodily incorporate parts of EVH into Raith. *Id.*

For example, when asked if “[y]ou would want to take this horizontal and *put it right into the vertical frames of Raith,*” Dr. Beaman testified that “I’m not sure I’d take that particular element and *stick it right into Raith.*” Ex. 2003, 106. We did not give this testimony much weight because the line of questioning was with respect to sticking the horizontal stringer right into Raith. In other words, the line of questioning was, to us, with respect to bodily incorporating elements from EVH into Raith. In any event, Dr. Beaman also testified, “you could take this structure [bottom distance channel 11 in EVH] and use it directly into Raith.” Ex. 2003, 105:14–23. At another point, he

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.