

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

KINGSTON TECHNOLOGY COMPANY, INC.,
Petitioner,

v.

POLARIS INNOVATIONS LTD.,
Patent Owner.

Case IPR2016-01622
Patent 6,850,414 B2

Before SALLY C. MEDLEY, JEAN R. HOMERE,
And KEN B. BARRETT, *Administrative Patent Judges*.

BARRETT, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

On July 11, 2018, Polaris Innovations Ltd. (“Patent Owner”) filed a Request for Rehearing (Paper 44, “Request” or “Req. Reh’g”) of our Order of June 11, 2018 (Paper 42). Concurrent with its Request for Rehearing, Patent Owner filed Exhibits 2016–2020. Those exhibits are papers filed in the United States Court of Appeals for the Federal Circuit and an email exchange regarding Patent Owner’s request to brief the impact on this case of *PGS Geophysical AS v. Iancu*, 891 F.3d 1354 (Fed. Cir. June 7, 2018).

For the reasons provided below, Patent Owner’s Request for Rehearing is *denied*.

II. PROCEDURAL POSTURE

Petitioner filed a Petition requesting *inter partes* review of claims 1–8 of U.S. Patent No. 6,850,414 B2 (“the ’414 patent,” Ex. 1001). Paper 2. Patent Owner filed a Preliminary Response to the Petition. Paper 6. The Board instituted *inter partes* review of claims 1 and 5–8 on the ground of obviousness under 35 U.S.C. § 103(a) over Simpson. Paper 7, 23. The Board did not institute a review as to dependent claims 2–4 and did not institute on all grounds. *Id.* at 6, 23. Petitioner filed a Request for Rehearing of The Board’s Institution Decision on Claim 4 (Paper 11), which was denied (Paper 16).

Subsequent to the institution decision, Patent Owner filed a Motion to Amend (“MTA,” Paper 18) seeking to cancel the instituted challenged claims and proposing to substitute a newly-presented claim 9 for dependent claim 8. Patent Owner characterized the proposed substitute claim 9 as “the same as challenged claim 8 in every respect, except that it simply adds the limitations of claim 4” MTA 1. Patent Owner did not file a

“Response” to the Petition. Subsequently, Petitioner filed an Opposition to Patent Owner’s Motion to Amend (Paper 20), and Patent Owner filed a Reply to Petitioner’s Opposition to Motion to Amend (Paper 23). Petitioner filed a Surreply to Patent Owner’s Motion to Amend (Paper 28). Thereafter Patent Owner filed a Brief Addressing Impact of *Aqua Products v. Matal*¹ (Paper 30). An oral hearing was held on November 14, 2017. *See* Paper 34 (Hearing Transcript).

On February 5, 2018, the Board issued a Final Written Decision. Paper 35. In that Decision, we determined that Petitioner had demonstrated by a preponderance of the evidence that claims 1 and 5–8 of the ’414 patent are unpatentable under 35 U.S.C. § 103(a) as obvious over Simpson. Additionally, we determined, based on a preponderance of the evidence in the entire trial record, that proposed substitute claim 9 is unpatentable, under 35 U.S.C. § 103(a), as obvious over Simpson and the Intel Specification. Patent Owner filed, on March 7, 2018, a request for rehearing of the Final Written Decision (Paper 36), which was denied on April 12, 2018 (Paper 37).

On April 24, 2018, the Supreme Court held that a decision to institute under 35 U.S.C. § 314 may not institute on less than all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S.Ct. 1348, 1352–54 (2018).

On May 8, 2018, Petitioner sent to the Board and Patent Owner an email stating, in pertinent part: “Pursuant to the guidance provided by the Chief Judge in his recent webinar on *SAS*, Petitioner requests a conference call to ask permission to file an out of time request for reconsideration

¹ *Aqua Products, Inc. v. Matal*, 872 F.3d 1290 (Fed. Cir. 2017).

seeking institution and a FWD on non-instituted claim 4 in [this] IPR.” Ex. 3002. Later that same day, Patent Owner replied: “Patent Owner is prepared to explain why Petitioner’s proposed request should not be authorized pursuant to the guidance provided on *SAS*.” *Id.* On May 11, 2018, Judges Barrett and Homere participated in a conference call with the parties to discuss the parties’ positions regarding Petitioner’s request. A transcript of that call has been filed as Exhibit 1026.

On May 21, 2018, we granted Petitioner’s request to excuse the lateness of the filing of a request for rehearing, authorized Petitioner to file a request for rehearing, authorized Patent Owner to file an opposition thereto, and authorized the parties to file a Joint Motion to Limit the Petition by removing specific claims and grounds upon which we did not institute review in the original Decision on Institution. Paper 39, 8.

On May 29, 2018, Petitioner filed a request for reconsideration, arguing that, in light of the *SAS* decision, we must issue a final written decision, before any appeal of this case, addressing the originally non-instituted claims, and particularly claim 4. Paper 40, 1–2. Petitioner further argued that we could proceed immediately to a final written decision regarding claim 4 because Patent Owner voluntarily placed the subject matter of claim 4 at issue via the Motion to Amend and because the parties had full opportunity to brief and argue the patentability of that subject matter. *Id.* at 2.

Patent Owner filed a response to Petitioner’s request for reconsideration. Paper 41. Patent Owner argued, *inter alia*, that the Board had been divested of jurisdiction and therefore could not grant Petitioner’s request and that Petitioner had waived any argument regarding *SAS* by not

raising the issue earlier. *See id.* at 2–3. Patent Owner also argued that, if we were to institute a review of claim 4, we must constrain that review to the arguments made in the Petition and not consider Petitioner’s arguments made in opposition to Patent Owner’s Motion to Amend (which, we note, included the subject matter of claim 4). *Id.* at 5–7.

In our Order of June 11, 2018 (Paper 42)—which is the subject of Patent Owner’s present request for reconsideration—we, *inter alia*, granted Petitioner’s request for reconsideration, modified the institution decision to include all of the claims challenged in the Petition, determined that both parties had fully addressed the subject matter of claim 4, and determined that, for reasons set forth in the Final Written Decision, Petitioner had demonstrated that claim 4 is unpatentable, but had not demonstrated that claims 2 and 3 are unpatentable. *See* Paper 42, 10–14.

III. ANALYSIS

A party requesting rehearing bears the burden of showing that the decision should be modified. 37 C.F.R. § 42.71(d). “The 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.* When rehearing a decision on a petition, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c).

Patent Owner requests reconsideration of our decision to include, in light of the *SAS* decision, a review of dependent claim 4. Req. Reh’g 1. Patent Owner argues that we should have deemed Petitioner to have waived a request for *SAS*-based relief. *Id.* at 1–12. Patent Owner further requests, should we not exclude claim 4 from review, “that the Board reconsider its

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