

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SONY CORP.,
Petitioner,

v.

FUJIFILM CORP.,
Patent Owner.

Case IPR2017-00625
Patent 6,641,891 B2

Before JO-ANNE M. KOKOSKI, JEFFREY W. ABRAHAM, and
MICHELLE N. ANKENBRAND, *Administrative Patent Judges*.

ABRAHAM, *Administrative Patent Judge*.

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

I. INTRODUCTION

Sony Corporation (“Petitioner”) filed a Request for Rehearing of our Decision (Paper 8, “Dec.”) denying institution of an *inter partes* review of claims 1, 4–9, 11, and 14 of U.S. Patent No. 6,641,891 B2 (Ex. 1001, “the ’891 patent”). Paper 9 (“Req. Reh’g”). In our Decision, we determined that Petitioner did not establish a reasonable likelihood of prevailing with respect to any of the challenged claims of the ’891 patent. *See* 35 U.S.C. § 314(a).

For the reasons that follow, Petitioner’s Request for Rehearing is *denied*.

II. STANDARD OF REVIEW

The party challenging a decision in a request for rehearing bears the burden of showing the decision should be modified. 37 C.F.R. § 42.71(d). A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed.” *Id.* Upon a request for rehearing, the decision on a petition will be reviewed for an abuse of discretion. 37 C.F.R. § 42.71(c).

III. DISCUSSION

Petitioner contends that it demonstrated in the Petition that Yamazaki¹ expressly discloses all of the limitations of claims 1, 4–7, 11, and 14 except for the limitation that requires “an average size of magnetic cluster at DC erase is equal to or higher than 0.5×10^4 nm² and less than 5.5×10^4 nm²” (referred to as “the average cluster size limitation”). Req. Reh’g 1–2.

¹ Yamazaki et al., U.S. Patent No. 6,017,605, issued Jan. 25, 2000 (Ex. 1002, “Yamazaki”).

Petitioner further contends the Petition includes two separate and independent reasons why Yamazaki inherently discloses media satisfying the average cluster size limitation: the “identical powder rationale” and the “performance data rationale.” *Id.* at 2–3. Petitioner acknowledges that the Board rejected the identical powder rationale, but argues that the Board misapprehended or overlooked the performance data rationale. *Id.* at 3–4. Petitioner also contends that we “misapprehended or overlooked that [Patent Owner’s Preliminary Response] not only fails to refute that the performance data rationale establishes that each of Yamazaki’s D1, D2, T1 and T2 necessarily meets the claimed average cluster size, but that the [Preliminary Response’s] arguments constitute an *admission by [Patent Owner] that this is true.*” *Id.* at 4.

For its performance data rationale, Petitioner contends that the ’891 patent characterizes a magnetic media as “good” based on its noise characteristics, specifically a signal-to-noise (S/N) ratio equal to or greater than 20 dB for magnetic discs, and a carrier-to-noise (C/N) ratio equal to or greater than 0.0 dB for magnetic tapes. *Id.* at 9; Ex. 1001, 29:6–18. Petitioner asserts that Yamazaki expressly discloses that certain embodiments, namely magnetic tapes T1 and T2 and magnetic disks D1 and D2, have all of the characteristics recited in claim 1 except for average cluster size, and have performance characteristics meeting the ’891 patent’s criteria for a “good” medium. Req. Reh’g 9 (citing Pet. 16–20). According to Petitioner, a person of ordinary skill in the art would have known that T1, T2, D1, and D2 could not have their respective C/N and S/N ratios if the average cluster size of each did not fall within the range recited in claim 1. *Id.* at 10.

Petitioner directs us to pages 38–40 and 45–46 of the Petition as evidence that it presented the performance data rationale in the Petition. *Id.* There, Petitioner presents similar arguments regarding the performance data rationale for each of T1, T2, D1, and D2. For example, with regard to T1, Petitioner argues:

That T1 inherently discloses an average cluster size within the range recited in claim 1 is further established by its C/N ratio, which a POSA would have understood is indicative of T1’s average cluster size. EX-1006 ¶100; see e.g., EX-1003 at Abstract and Conclusion. T1 has a C/N ratio of 0.0 dB that meets the threshold the ‘891 Patent established for a “good” tape. EX-1001 at 29:13-18; EX-1006 ¶100. A POSA would have understood that T1 could not have a C/N ratio of 0.0 dB if its average cluster size did not fall within claim 1’s range. EX-1006 ¶100.

Pet. 39; *see also id.* at 40 (presenting similar arguments for T2), 45–47 (presenting similar arguments for D1 and D2).

Petitioner notes that it uses the phrase “further established by” when discussing the performance data rationale, and argues that this language indicates the performance data rationale is an alternative rationale, separate and apart from the identical powder rationale. Req. Reh’g 2–3, 10. Petitioner also contends Patent Owner’s statement that the claimed average cluster size range is critical to achieving good sound characteristics constitutes an admission that Yamazaki’s T1, T2, D1, and D2 must have an average cluster size within the range recited in claim 1. *Id.* at 7, 13–14. According to Petitioner, a finding that “Yamazaki’s D1, D2, T1, and T2 embodiments somehow did *not* have a cluster size in the claimed range, . . . would be irreconcilably *inconsistent* with [Patent Owner’s] position.” *Id.* at

13; *see also id.* at 7 (arguing that Patent Owner “should be held to the representations it has made to this Board”).

As Petitioner points out, we did consider Petitioner’s performance data rationale in the Decision. Req. Reh’g 10; Dec. 14. Petitioner is correct, however, that we did not consider it separate and apart from Petitioner’s identical powder rationale. Rather, based on certain statements in the Petition and the Declaration of Mr. Saliba (Ex. 1006), we considered these rationales to be integrated components of Petitioner’s inherency argument. For example, Petitioner stated that “[t]he example media in Yamazaki discussed below, *produced using the identical materials* and processing steps used in the ‘891 Patent other than milling time, could not have their disclosed good noise characteristics if their average magnetic cluster sizes were not within the range claimed in the ‘891 Patent.” Pet. 14–15 (emphasis added); Ex. 1006 ¶ 52 (“The noise characteristics of Yamazaki’s media *confirm* that their average cluster sizes necessarily fall within the claimed range.”) (emphasis added); *see also* Pet. 3 (indicating that Yamazaki inherently discloses the average magnetic cluster size limitation in view of “Yamazaki’s use of the identical materials and identical processing steps . . . and the fact that Yamazaki meets the noise characteristics the ‘891 Patent states are indicative of a ‘good’ recording medium”).

In view of this language, we are not persuaded by Petitioner’s argument that it presented the identical powder rationale and the performance data rationale as separate and independent rationales in the Petition. Therefore, we disagree that we overlooked or misapprehended Petitioner’s independent performance data rationale. In any case, we have

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