UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HTC CORPORATION AND HTC AMERICA, INC.,

Petitioners,

v.

U.S. PHILIPS CORPORATION,

Patent Owner.

Case IPR2017-00856
Patent No. 5,910,797

Paper 8

PETITIONER'S REQUEST FOR REHEARING UNDER 37 C.F.R. § 42.71(d)

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I. INTRODUCTION

The Board issued its Institution Decision on August 18, 2017 (Paper 7, "Decision") that denies review of any ground requested in Petitioner's Petition filed on February 10, 2017 (Paper 2, "Petition"). Petitioner hereby timely requests rehearing under 37 C.F.R. § 42.71(d)(2) to request the Board to reconsider and to institute a trial on challenged claims 1, 6, 8-9, and 11 for being obvious under 35 U.S.C. § 103(a) in view of Tsukamoto (Ground 1), claims 1, 6, 8-9, and 11 for being obvious under 35 U.S.C. § 103(a) in view of Tsukamoto in view of LaBiche (Ground 2), and claims 1, 4, 6-7, and 11 for being obvious under 35 U.S.C. § 103(a) in view of Onozawa (Ground 3).

The Board declined to institute any grounds because "we are unable to determine the scope and meaning of 'said data processing means have programmed calculating means for under control of a screen motion sensed by said sensing means imparting an acceleration based motion pattern to a predetermined selection among said objects,' as recited in claim 1, and recited similarly in claim 11." Decision at pp. 13-14. Specifically, the Board found "[t]he cited '797 Patent disclosures do not describe an algorithm, expressed as a mathematical formula, in prose, or as a flow chart, or in any other manner that provides sufficient structure for 'imparting an acceleration based motion pattern to a predetermined selection among said objects.'" *Id.* at p. 9.

As explained below, the Board has overlooked the evidence presented in the proceeding and thus the Petitioner respectfully requests that the Board reconsider its decision, and initiate *inter partes* review for claims 1, 4, 6-9, and 11 in Grounds 1 through 3. Reconsideration is particularly important because a recently issued *Markman* order in the related litigation reached the opposite conclusion of the Board, finding sufficient structure in the specification for this limitation.

II. LEGAL STANDARD

When rehearing a decision on a petition to institute an *inter partes* review, the party requesting rehearing has the burden of showing the decision should be modified, and "[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." 37 C.F.R. § 42.71(d).

In a decision on a petition to institute an *inter partes* review, the Board must consider, under 35 U.S.C. § 314(a), "the information presented in the petition filed under section 311 and any response filed under section 313" in determining whether there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition. Rule 37 C.F.R. § 42.108(c) further states that "[t]he Board's decision will take into account a patent owner preliminary response where such a response is filed, including any

testimonial evidence, but a genuine issue of material fact created by such testimonial evidence will be viewed in the light most favorable to the petitioner solely for purposes of deciding whether to institute an *inter partes* review."

The Board "will review the decision for an abuse of discretion." 37 C.F.R. § 42.71(c). "An abuse of discretion occurs when a 'decision was based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment.'" *Veeam Software Corp. v. Symantec Corp.*, IPR2013-00142, Paper 17 (Sept. 30, 2013) at 2 (quoting *PPG Indus. Inc. v. Celanese Polymer Specialties Co. Inc.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988)).

III. ARGUMENT

A. The Board Overlooks Patent Owner's Position on Construction of Portions of the "Programmed Calculating Means" Term

The Decision stated that "Patent Owner does not dispute Petitioner's claim constructions for "data processing means" and "programmed calculating means." *See* Prelim. Resp. 12–14." Decision at p. 10. Petitioner respectfully disagrees.

While the Decision notes that "'Patent Owner, however, provides an explicit claim construction for "an acceleration based motion pattern" as "a pattern of motion which reflects acceleration.' *Id*. at 13 (citing Ex. 1001, 3:63–4:14; Ex. 2001, 11); *see id*. at 18," the Decision overlooks that the term "an acceleration based motion pattern" is a portion of the limitation "programmed calculating means for under control of a screen motion sensed by said sensing means

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