

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMAZON.COM, INC., AMAZON DIGITAL SERVICES, INC., AMAZON
FULFILLMENT SERVICES, INC., HULU, LLC, and NETFLIX, INC.,
Petitioners

v.

UNILOC LUXEMBOURG S. A.¹
Patent Owner

IPR2017-00948
PATENT 8,566,960

**PATENT OWNER'S REQUEST FOR
REHEARING UNDER 37 C.F.R. § 42.71(D)**

In response to the Final Written Decision entered August 1, 2018, (Paper 31, hereinafter “Decision”) and pursuant to 37 CFR § 42.71(d), Uniloc 2017 LLC (“Patent Owner”) hereby respectfully requests a rehearing and reconsideration by the Patent Trial and Appeal Board (“Board”) of its Final Decision. Patent Owner’s request for rehearing is based upon the following considerations.

I. APPLICABLE STANDARDS

“A party dissatisfied with a decision may file a request for rehearing, without prior authorization from the Board.” 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.* The Board reviews a decision for an abuse of discretion. 37 C.F.R. §42.71(c).

II. ARGUMENT

The Board misapprehended the law in concluding it is permissible in an IPR proceeding for the Board to consider a § 101 challenge, against claims that have been entered into the IPR by *narrowed* amendments that meet the requirements of 35 U.S.C. § 316(d) and 37 C.F.R. § 42.121. As the Federal Circuit recently explained, “Congress carefully set out limits on the inter partes review (‘IPR’) program for review of patents after issuance. Persons sued for infringement ... were restricted to presenting only certain §§ 102 and 103 grounds of unpatentability, *thus excluding grounds based on, for example, § 101*”

Secure Access, LLC v. PNC Bank Nat'l Ass'n, 848 F.3d 1370, 1379 (Fed. Cir. 2017) (emphasis added); *see also* 35 U.S.C. § 311(b).

The Board, nevertheless, found Patent Owner's amended claims ineligible under § 101, citing *Ariosa Diagnostics v. Isis Innovation Limited*, Case IPR2012-00022 (PTAB Sept. 2, 2014) and *Western Digital Corp. v. SPEX Techs., Inc.*, Case IPR2018-00082 (PTAB Apr. 25, 2018) as authority for the conclusion that it was proper to engage in a § 101 analysis. In doing so, the Board misapprehended: (1) the impact of *Aqua Products, Inc. v. Matal*, 872 F.3d 1290 (Fed. Cir. 2017) on the erroneous holding of *Ariosa Diagnostics*; and (2) the rule stated in *Western Digital Corporation*.

1. The Board misapprehended the impact of *Aqua Products* on the rule articulated by *Ariosa Diagnostics*.

Ariosa Diagnostics held that amended claims in an IPR are subject to § 101 eligibility challenges *because* a patent owner has the burden of persuasion in a motion to amend, stating:

Although . . . an inter partes review cannot be instituted using 35 U.S.C. § 101 as the basis for a challenge brought by a petitioner, in a motion to amend, the patent owner has the burden of demonstrating the patentability of the claims.

Ariosa Diagnostics, IPR2012-00022, Paper 166 at 50-53 (PTAB Sept. 2, 2014) (emphasis added) (internal cites omitted). By overruling the PTO's erroneous practice of placing the burden on the patentee in amended claims, *Aqua Products* overruled the very basis for *Ariosa Diagnostic's* holding that a motion to amend

must address patent eligibility under § 101.

2. The Board overlooked the difference between this case and *Western Digital*.

Western Digital, unlike *Ariosa Diagnostics*, did not hold that a motion to amend *must* address § 101 eligibility. It does not even hold that it is permissible for a Board to consider § 101 eligibility. It is merely an order giving general “information and guidance on motions to amend . . . in the event Patent Owner elects to file a motion to amend.” *See Western Digital Corp.*, Case IPR2018-00082 (PTAB Apr. 25, 2018) (Paper 13). Included in its list of general instructions is a section designed to clarify that § 42.121(a)(2)(i) “does not require . . . that every word added to or removed from a claim in a motion to amend be solely for the purpose of overcoming an instituted ground.” *Id.* It explains that “once a proposed claim includes amendments to address a prior art ground in the trial, a patent owner also may include additional limitations to address potential § 101 or § 112 issues, if necessary.” *Id.* The purpose of this is not to broaden the scope of an IPR challenge. Rather, “[a]llowing an amended claim to address such issues, when a given claim is being amended already in view of a 35 U.S.C. § 102 or § 103 ground, serves the public interest by helping to ensure the patentability of amended claims.” *Id.*

That a patent owner may seek narrowing amendments to make the claims more robust against a potential § 101 challenge outside an IPR proceeding does

not mean that the Board may consider such a § 101 challenge in the IPR in which those amendments are entered. *Western Digital* does not provide even persuasive authority supporting the ineligibility conclusion of the Board here.

Further, even if it were permissible for the Board to consider a § 101 challenge in an IPR (and it is not), the record evidence here confirms the claims are both *patentable* and patent *eligible*. The Board expressly found the amended claims each respond to a ground of unpatentability involved in the trial, do not enlarge claim scope, and do not introduce new matter (i.e., the amendments satisfy the requirements of 35 U.S.C. § 316(d) and 37 C.F.R. § 42.121). Paper 31 at 63-68. It further found the amended claims (1) are not indefinite and (2) are not obvious over the art of record. *Id.* Given that the Board found the original claims were rendered obvious by the art of record but that the amended claims were patentable over such art, there can be no question that the claim amendments are *narrowed* in scope with respect to the original claims. Because the original claims could not, by statute, be challenged in the IPR proceeding under § 101, it follows it was error to reject the claims *narrowed by amendment* based solely on a finding that they are ineligible under the § 101 abstract-idea analysis set forth in *Mayo* and *Alice*.

III. CONCLUSION

Following *Aqua Products*, the PTO issued a memorandum on November 21, 2017 titled “Guidance on Motions to Amend in view of *Aqua Products*”

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