

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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C&D ZODIAC, INC.,  
Petitioner,

v.

B/E AEROSPACE, INC.,  
Patent Owner.

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Case IPR2017-01275  
Patent 9,073,641 B2

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Before JENNIFER S. BISK, SCOTT A. DANIELS, and  
RICHARD H. MARSCHALL, *Administrative Patent Judges*.

BISK, *Administrative Patent Judge*.

DECISION

Denying Patent Owner's Request for Rehearing  
*37 C.F.R. § 42.71*

## INTRODUCTION

Patent Owner, listed above, filed a Request for Rehearing (Paper 42, “Reh’g Req.”) of our Final Decision (Paper 41, “Final Dec.”) finding claims 1, 3–10, and 12–17 of US Patent 9,073,641 B2 (“the ’641 patent”) unpatentable. The Request contends that we “misapprehended and/or overlooked the statute defining the scope of IPRs, 35 U.S.C. § 311(b)” and “relevant Federal Circuit precedent and the arguments from Patent Owner’s responses that the Petitioner failed to carry its burden of proving the claims obvious.” Reh’g Req. 2–3. In addition, Patent Owner argues that the 2018 Trial Practice Guide Update “expressly prohibits making an obviousness finding by using expert testimony to replace the disclosures from patent and printed publications that are required by statute.” *Id.* at 3.

“The burden of showing a decision should be modified lies with the party challenging the decision[,]” and that party “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). For the reasons discussed below, Patent Owner’s Request for Rehearing is denied.

## ANALYSIS

### *35 U.S.C. § 311(b) and Arendi*

Patent Owner’s Request is based on a disagreement with our determinations that two references that contain confidential drawings may be considered in the obviousness analysis even though we did not consider them to be prior art under § 311(b), and that Petitioner’s “common sense” argument passes the standard set by *Arendi S.A.R.L. v. Apple Inc.*, 832 F.3d 1355 (Fed. Cir. 2016). In its Request, Patent Owner presents arguments that

“[t]he evidence that the PTAB relies on for the ‘second recess’ limitation—confidential drawings and fact witness declarations about the alleged prior sale and use—is neither a patent nor a printed publication” and, therefore, under 35 U.S.C. § 311(b), may not be used to support a determination of obviousness in an IPR. Reh’g Req. 5 (citing Paper 6 (“Prelim. Resp.”) 34–36; Paper 20 (“PO Resp.”) 10–15). Patent Owner describes Petitioner’s expert testimony as “conclusory” despite reliance on the prior use and sale. *Id.* at 5–7. According to Patent Owner, the Final Decision “contradicts the policy underlying” § 311(b) and “invites Petitioners to circumvent the statute by requesting IPRs based on prior use or on sale evidence . . . by merely having an expert rely on this evidence to conclude that a limitation was well-known and therefore obvious.” *Id.* at 10. Finally, Patent Owner argues that by improperly crediting Petitioner’s evidence, our decision is at odds with Federal Circuit law prohibiting using common sense to supply a missing claim limitation to support a finding of obviousness. *Id.* at 11 (citing *Arendi*).

As Patent Owner acknowledges, all of these arguments were made during the trial and we addressed each of them in the Final Written Decision. Final Dec. 18–26. Nothing in Patent Owner’s request for rehearing persuades us to change our analysis on this issue.

First, Patent Owner mischaracterizes our obviousness analysis by describing it as adding a second recess to the “Admitted Prior Art/Betts combination” merely “because the second recess was in public use or on sale.” Reh’g Req. 5. We did not combine Admitted Prior Art/Betts with the public use/on sale references. Instead, we specifically rejected Patent Owner’s attempt to frame Petitioner’s challenge in that manner. Final Dec.

23–24. Our analysis focused on whether Petitioner established adequately that the second recess would have been obvious as a matter of common sense under the high standard set forth in *Arendi* and *K/S HIMPP v. Hear-Wear Technologies, LLC*, 751 F.3d 1362, 1365 (Fed. Cir. 2014). *Id.* at 20–22. We concluded that Petitioner met that standard based not only on the citation to second recesses in the public use/on sale references, but also on the rationale and related analysis provided by Petitioner’s expert that we credited and found convincing before addressing the public use/on sale references. *See id.* at 20–21 (citing Ex. 1004 ¶¶ 74, 191). We also credited the testimony of Petitioner’s expert that the proposed modification would have been predictable. *Id.* at 23 (citing Ex. 1004 ¶ 191). Accordingly, because our analysis relied on the analysis and reasoning from Petitioner’s expert regarding why it would have been obvious<sup>1</sup> and a matter of common

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<sup>1</sup> We find Petitioner’s obviousness argument and evidence persuasive even if not deemed a “common sense” approach. The common sense moniker was not used in the Petition or supporting expert declaration, and was instead introduced by Patent Owner and then addressed in Petitioner’s Reply. *See* PO Resp. 10–11; Pet. Reply 5, 10, 12. While we found Petitioner’s common sense rationale persuasive, Petitioner’s argument and evidence, including the testimony of Petitioner’s expert, support the conclusion that the challenged claims are obvious under a traditional obviousness approach that does not rely on the “common sense” rationale supported by public use/on sale references. *See* Pet. 36–39 (citing Ex. 1004 ¶¶ 74, 186–192); Reply 5–6, 10–11 (citing Ex. 1004 ¶ 58); Ex. 1004 ¶¶ 58 (Betts teaches that addition of recesses allows for more room to move seats further aft in an aircraft), 74 (when seat supports moved further aft and the seat support impacts the closet or lavatory wall, creating a second recess in wall to accommodate the seat support “is the obvious solution to this known problem”), 191 (“[The] modification is nothing more than the application of known technology for its intended purpose” and “[t]he result of such a modification is predictable, allowing the seat to be position further aft in an aircraft.”); *see also* Final

sense to add a second recess, we did not merely combine the prior art with the public use/on sale references to arrive at the claimed invention. The public use/on sale references were instead used as further evidence in support of the common sense argument.

Our analysis also comports with *Arendi* and *K/S HIMPP*. *Arendi* acknowledges that, even in the context of *inter partes* reviews and 35 U.S.C. § 311(b), petitioners can rely on evidence other than that contained within the four corners of a patent or printed publication, when asserting obviousness. *Arendi*, 832 F.3d at 1363 (“[W]hile common sense can be invoked, even potentially to supply a limitation missing from the prior art, it must still be supported by evidence and a reasoned explanation.”). In fact, when a patent challenger relies on common sense, *Arendi* and *K/S HIMPP* require resort to *some* evidence outside the strict contours of the prior art that forms the basis for the obviousness ground. *See id.*; *K/S HIMPP*, 751 F.3d at 1365 (referring to the need for more than conclusory statements as well as the need for evidence in the record supporting common sense approach to supply a missing limitation). The proper use of common sense to supply a missing limitation presumes that something else in the evidence of record beyond the patents and printed publications at issue supports that common sense approach—if the “missing” limitation were already disclosed in prior art patents or printed publications there would be little need to resort to common sense. Neither *Arendi* nor *K/S HIMPP* limits the form the evidence in support of the common sense approach must take, or suggests that it must come from patent and printed publication art.

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Dec. 21–23 (citing Ex. 1004 ¶¶ 74, 191, finding the testimony credible, and rejecting lack of predictability argument).

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