

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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WESTERN DIGITAL CORPORATION,  
Petitioner,

v.

SPEX TECHNOLOGIES, INC.,  
Patent Owner.

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Case IPR2018-00082  
Patent 6,088,802

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Before LYNNE E. PETTIGREW, DANIEL N. FISHMAN, and  
CHARLES J. BOUDREAU, *Administrative Patent Judges*.

FISHMAN, *Administrative Patent Judge*.

DECISION

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

I. INTRODUCTION

SPEX Technologies, Inc. ("Patent Owner") requests rehearing (Paper 15, "Request" or "Req. Reh'g.") of our Decision on Institution (Paper 11, "Decision") granting *inter partes* review of claims 1, 2, 6, 7, 11, 12, 23–25, 38, and 39 (the "challenged claims") of U.S. Patent No. 6,088,802 (Ex.

Board should have exercised its discretion to deny institution.”

Req. Reh’g. 2. For the reasons below, the request is denied.

## II. LEGAL STANDARD

When rehearing a decision whether to institute *inter partes* review, we review the decision for an “abuse of discretion.” 37 C.F.R. § 42.71(c). An abuse of discretion occurs when a “decision [i]s based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment.” *PPG Indus. Inc. v. Celanese Polymer Specialties Co.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988). In accordance with our rules, in a request for rehearing, “[t]he burden of showing a decision should be modified lies with the party challenging the decision,” 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 the record. 37 C.F.R. § 42.71(d).

## III. DISCUSSION

As a preliminary matter, we note that Patent Owner has failed to specifically identify in its Request any matter Patent Owner believes to have been misapprehended or overlooked in our Decision. On that basis alone, we could deny the Request. *See* 37 C.F.R. § 42.71(d). Regardless, we consider Patent Owner’s argument that our Decision *not* to exercise our discretion to deny the Petition in its entirety constitutes an abuse of discretion under 37 C.F.R. § 42.71(c). *See* Req. Reh’g. 1. For at least the following reasons, we disagree.

Patent Owner apparently argues that we abused our discretion when we granted *inter partes* review on all of the challenged claims despite finding a reasonable likelihood of success for only claims 38 and 39. Req. Reh’g. 1–2. In accordance with 35 U.S.C. § 314(a), we may institute a review only if we are persuaded the Petition has shown a reasonable likelihood of prevailing with respect to at least one challenged claim—a finding made in our Decision regarding both claims 38 and 39. Decision 38. Our Decision also notes our compliance with the Supreme Court’s decision in *SAS Institute, Inc. v. Iancu*, 138 S. Ct. 1348 (2018), as requiring us to grant the Petition as to all of the challenged claims or deny the Petition as to all challenged claims. *See* Decision 42. In accordance with our discretion, we instituted as to all claims and all grounds. *Id.* at 42–43. Thus, we are not persuaded that our Decision was based on an erroneous factual finding or an erroneous conclusion of law.

Failing to demonstrate any erroneous findings of fact or erroneous conclusion of law, the Patent Owner can prevail here only by showing that our Decision was based on a “clear error of judgment.” *See PPG*, 840 F.2d at 1567. To that end, Patent Owner argues “this IPR [is] a waste of time and judicial resources,” contending “[i]t is clear that Petitioner would not have challenged claims 38 and 39 if it filed its petition today” because “Patent Owner no longer asserts claims 38 and 39 in the district court case.” Req. Reh’g. 2. Even if we accept as true Patent Owner’s speculation as to Petitioner’s desires and motivations, Petitioner has made no motion or statement or suggestion to us consistent with Patent Owner’s argument. If Patent Owner correctly represents the state of mind of Petitioner, the parties

may request authorization to file an individual or joint request to terminate or for judgment under 37 C.F.R. §§ 42.72–42.74.

Lastly, Patent Owner argues, based on advice in a *Chat with the Chief on SAS* webinar, “the Board could revisit an institution decision and exercise its discretion to deny institution where the Petitioner failed to meet its burden of showing a reasonable likelihood on a majority of claims.” Req. Reh’g. 3 (emphasis added). Patent Owner is correct that the Board could (may or may not) exercise its discretion to deny a petition in its entirety even when one or more challenges present a reasonable likelihood of prevailing. Here, we chose not to exercise that discretion.

We are not persuaded our Decision represents any abuse of our discretion but, instead, merely represents a discretionary decision to institute a trial with which Patent Owner disagrees.

#### IV. CONCLUSION

Having considered Patent Owner’s Request for Rehearing in its entirety, for the reasons discussed above, we are not persuaded that our Decision misunderstood or overlooked Patent Owner’s arguments presented in Patent Owner’s Preliminary Response or that our Decision to institute on all claims and grounds amounted to an abuse of discretion.

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V. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner's Request for Rehearing is denied.

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