Paper No. 10 Entered: August 3, 2018

### UNITED STATES PATENT AND TRADEMARK OFFICE

### BEFORE THE PATENT TRIAL AND APPEAL BOARD

OLYMPIA TOOLS INTERNATIONAL, INC., Petitioner,

v.

JPW INDUSTRIES, INC., Patent Owner.

Case IPR2018-00388 Patent 9,079,464 B2

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Before JOSIAH C. COCKS, ULRIKE W. JENKS, and MICHAEL L. WOODS, Administrative Patent Judges.

JENKS, Administrative Patent Judge.

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



### I. INTRODUCTION

Olympia Tools International, Inc. ("Petitioner") filed a Petition requesting an *inter partes* review of claims 1, 3, 5–8, 12, and 21–25 of U.S. Patent No. 9,079,464 (Ex. 1001, "the '464 patent"). Paper 1 ("Pet."). JPW Industries, Inc. ("Patent Owner") filed a Preliminary Response to the Petition. Paper 7 ("Prelim. Resp."). Pursuant to 35 U.S.C. § 314, we denied *inter partes* review of all claims. Paper 8 ("Dec." or "Decision").

Pursuant to 37 C.F.R. § 42.71(d), Petitioner filed a Request for Rehearing (Paper 9, "Reh'g Req."), seeking reconsideration of our Decision to deny institution based on the challenge of claim 23 as obvious over Cornes (Ex. 1006), or the combination of Cornes with either Long (Ex. 1007) or Murray (Ex. 1009). For the reasons set forth below, Petitioner's Request for Rehearing is denied.

### II. STANDARD FOR RECONSIDERATION

37 C.F.R. § 42.71(d) provides that

[a] party dissatisfied with a decision may file a single request for rehearing, without prior authorization from the Board. The burden of showing a decision should be modified lies with the party challenging the decision. 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.

(Emphasis added.) When reconsidering a decision on institution, the Board reviews the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). A request for rehearing, however, is not an opportunity merely to disagree with the panel's assessment of the arguments or weighing of the evidence.



### III. DECISION

In our Decision denying institution, we determined that the Petition has not "sufficiently provided an articulated reason with a rational underpinning as to why reversing the spindle and mating threaded tubular member and nut in Cornes would have been obvious to a person of ordinary skill in the art." Dec. 19 (citing KSR Int'l Co. v. Teleflex Inc., 550 U.S. 398, 418 (2007) (citing In re Kahn, 441 F.3d 977, 988 (Fed. Cir. 2006)), see also id. at 22 ("Neither Petitioner nor its declarant, Mr. O'Banion, explains adequately why a skilled artisan would have had reason to redesign Cornes's vise under the general theory of simple "substitution" of one known element for another. . . . [Merely reciting theory is not enough] there [still] needs to be reason why an ordinary artisan would reverse the spindle in the first place.").

Petitioner argues in its Request for Rehearing that we abused our discretion and that our Decision disregards *KSR's* prohibition against rigid rules. Reh'g Req. 4, 7. Petitioner reiterates that "there is no functional difference between a rotating threaded spindle with a corresponding fixed nut and a fixed threaded spindle with a corresponding rotating nut. . . . In either arrangement, each component operates according to its established function." Reh'g Req. 7–8. We do not disagree with Petitioner that a generic nut-spindle arrangement (for example a nut and bolt) allows for either the spindle or the nut to be held stationary while the other component is free to rotate.

We, however, disagree with Petitioner's position that identifying "a simple substitution of one known element for another," here, is the end of the obviousness inquiry. *See* Reh'g Req. 4. As explained in our Decision,



to arrive at the claimed invention an artisan would need to do more than substitute one element for another, it would also necessitate a redesign of Cornes's vise that requires reversing the position of the spindle. *See* Dec. 22. We are mindful that in order to arrive at a conclusion of obviousness it is often necessary to look at interrelated teachings including "background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue." *KSR*, 550 U.S. at 418. Our Decision considered Mr. O'Banion's testimony but we found that it was not sufficiently persuasive to explain why an artisan would have reversed the position of Cornes's spindle in the first place. *See* Dec. 18 (citing *InTouch Techs., Inc. v. VGO Commc'ns, Inc.*, 751 F.3d 1327, 1352, 1354 (Fed. Cir. 2014)), *see id.* 22.

Even though *KSR* analysis does not require precise teachings from the reference and allows for reliance on inferences and creative steps, "[t]o facilitate review, this analysis should be made explicit." *KSR*, 550 U.S. at 418 (citing *Kahn*, 441 F.3d at 988). As explained in *Kahn*, in order to establish that an obviousness conclusion is non-hindsight driven requires some "rationale, articulation, or reasoned basis to explain why the conclusion of obviousness is correct." *Kahn*, 441 F.3d at 988; *see also Perfect Web Techs. Inc. v. InfoUSA Inc.*, 587 F.3d 1324, 1330 (Fed. Cir. 2009) ("[T]o invoke 'common sense' or any other basis for extrapolating from prior art to a conclusion of obviousness, [the factfinder] must articulate its reasoning with sufficient clarity for review."); *see also In re Van Os*, 844 F.3d 1359, 1361 (Fed. Cir. 2017) ("the flexibility afforded by *KSR* did not extinguish the factfinder's obligation to provide reasoned analysis."). As



explained in our Decision, we considered the evidence presented by Petitioner but found it insufficient to support a conclusion of obviousness, because Mr. O'Banion's testimony did not explain adequately why the ordinary artisan would have made such changes. *See* Dec. 18 (citing Ex. 1003 ¶ 189–194); *see* Ex. 1003 ¶ 194 ("a POSITA would find it obvious to modify Cornes . . . as informed by the background knowledge and experience of the POSITA— because the substitution of one known element for another to obtain predictable results is obvious.").

Therefore, we are not persuaded that Petitioner has shown that we misapprehended or overlooked argument or supporting evidence, or both, presented in the Petition with respect to the obviousness challenge based on Cornes alone or in combination with either Long or Murray, such that it amounted to an abuse of discretion.

### IV. ORDER

For the reasons given, it is

ORDERED that Petitioner's Request for Rehearing is *denied*.

### PETITIONER:

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### PATENT OWNER:

Imron T. Aly Jason G. Harp Thomas A. Rammer II



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