UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TELEBRANDS CORP., Petitioner,

v.

TINNUS ENTERPRISES, LLC, Patent Owner.

> Case PGR2017-00015 Patent 9,527,612 B2

Before MICHAEL W. KIM, FRANCES L. IPPOLITO and KEVIN W. CHERRY, *Administrative Patent Judges*.

CHERRY, Administrative Patent Judge.

ORDER Denying Patent Owner's Request for Rehearing and Termination 37 C.F.R. §§ 42.71(d), 42.72

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On May 3, 2018, we entered an order modifying our Decision on Institution to institute post-grant review on all claims and all grounds raised in the Petition. Paper 30 ("*SAS* Order"). Our *SAS* Order directed the parties to meet and confer regarding the impact on the schedule, and to provide dates and times for a call with the panel to discuss these issues. We explain the discussions we had with the parties in more detail in our May 31, 2018 Order modifying the Scheduling Order. Paper 36 ("Order"). As we discussed in our Order, Patent Owner's counsel contacted us advising us that "[o]ur client has decided to submit a single letter (attached) as evidence and then move to final written decision on the current record, waiving all further briefing, motions, and oral hearing. Tinnus also waives all participation in future Board calls and continues to believe the record is complete for the Board to move to final written decision." Order, 3. The letter was filed as Exhibit 2035 in this proceeding ("Letter"). In the Letter, Patent Owner also states

By filing of this letter, Tinnus requests a rehearing with an expanded panel and petitions the Chief Administrative Patent Judge and avails itself of any other procedural remedy to vacate the institution decisions and terminate this proceeding, based on the record in this proceeding and in PGR2016-00030 and PGR2016-00031.

Ex. 2035, 1. We will refer to this paragraph of the Letter as Patent Owner's "Request."

As we noted in our Order, "[a]lthough Patent Owner's request for an expanded panel and petitioning the Chief Administrative Patent Judge suffers from a number of procedural flaws, we will refer Patent Owner's request to the Chief Administrative Patent Judge." Order, 4 n.1.

As we stated, Patent Owner's Request suffers from procedural flaws, but, in the interest of justice, we will consider it. *See* 37 C.F.R. 42.5(c)(3). We now turn to Patent Owner's Request on the merits.

A. Expanded Panel Request

Our governing statutes and regulations do not provide for parties to request, or panels to authorize, an expanded panel. *See generally* 35 U.S.C. § 6; 37 C.F.R. §§ 41.1–42.412. The Chief Judge may consider panel expansions upon a "suggestion" from a judge, panel, or party. PTAB SOP 1, 15; *see also Apple Inc. v. Rensselaer Polytechnic Inst.*, Case IPR2014-00319, slip op. at 2 n.1 (PTAB Dec. 12, 2014) (Paper 20) (expanded panel) (per curiam).

The standard operating procedure exemplifies some of the reasons for which the Chief Judge may expand a panel. PTAB SOP 1, 15 (§ III.M) (Rev. 15). For example, an expanded panel may be appropriate "where appropriate, to secure and maintain uniformity of the Board's decisions, e.g., in related cases ordinarily involving different three judge panels." *Id.* (§ III.M.1).

In this case, the acting-Chief Judge has considered Patent Owner's suggestion for an expanded panel, but has determined that an expanded panel is not warranted.

B. Patent Owner's Request to Terminate

As we understand it, Patent Owner requests rehearing of our Decision on Institution and *SAS* Order, and requests that we "vacate the institution decisions and terminate this proceeding, based on the record in this proceeding and in PGR2016-00030 and PGR2016-00031." Ex. 2035, 1. For the following reasons, we *deny* the request.

When rehearing a decision whether to institute post-grant review, we review the decision for an "abuse of discretion." 37 C.F.R. § 42.71(c). "The burden of showing [the] decision should be modified lies with the party challenging the decision." 37 C.F.R. § 42.71(d). The request for rehearing "must specifically

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identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in" the petition. *Id.*

Patent Owner has not shown that we have abused our discretion in this case. We know of no legal basis to vacate our Decision on Institution in this case "based on the record in this proceeding and in PGR2016-00030 and PGR2016-00031." Ex. 2035, 1. As we explained in detail in our order of March 26, 2018, we did not agree with Patent Owner that the statutory estoppel provision applied in this case. *See* Paper 26 ("Estoppel Order"). Patent Owner does not provide any reasons for us to reconsider our Estoppel Order, so we decline to do so. Patent Owner provides no other legal basis for us to rely on the record in those proceedings and terminate.

We recognize the burden created by the Supreme Court's decision in *SAS Institute, Inc. v. Iancu,* 138 S. Ct. 1348 (2018), and our modification of the Decision on Institution "to include review of all challenged claims and all grounds presented in the Petition." Paper 30, 3. In making that modification, we gave effect to Office policy promulgated by the Director that (1) "if the PTAB institutes a trial, the PTAB will institute on all challenges raised in the petition," and (2) "for pending trials in which a panel has instituted only on some of the challenges raised in the petition (as opposed to all challenges raised in the petition), the panel may issue an order supplementing the institution decision to institute on all challenges raised in the petition." Office Guidance on the Impact of SAS on AIA Trial Proceedings ("Office SAS Guidance").¹ In addition, there has been further guidance provided by the Office explaining that in situations such as this, where claims and grounds were initially denied under § 325(d), "the Board does not

¹ Available at <u>https://www.uspto.gov/patents-application-process/patenttrial-and-appeal-board/trials/guidance-impact-sas-aia-trial.</u>

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anticipate vacating prior institution decisions. . . ." *See* USPTOSAS Q&A, C1 (*SAS* Q&A).² Other panels of the Board have followed the Office SAS Guidance and *SAS* Q&A. *See Eset, LLC v. Finjan, Inc.*, Case IPR2017-01738, slip op. 9–10 (PTAB Aug. 10, 2018) (Paper 28) (following Office *SAS* Guidance). We institute trial on behalf of the Director. *See* 37 C.F.R. § 42.4(a). Given the Office's policy guidance, we do not agree with Patent Owner that vacating the Decision on Institution is warranted. Accordingly, we deny Patent Owner's Request.

ORDER

Patent Owner's request that we vacate our Decision on Institution, terminate this proceeding, and for rehearing by an expanded panel is *denied*.

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