

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
U.S. Patent No. 9,527,612

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

KIM, *Administrative Patent Judge*.

DECISION ON PATENT OWNER'S APPLICATION FOR ATTORNEY'S
FEES PURSUANT TO THE EQUAL ACCESS TO JUSTICE ACT,
5 U.S.C. § 504
Conduct of the Proceeding
37 C.F.R. § 42.5(a)

I. INTRODUCTION

On March 22, 2017, Telebrands Corp. (“Petitioner”) filed a Petition for Post-Grant Review Pursuant to 35 U.S.C. §§ 321–328 and 37 C.F.R. § 42.200 et seq. on U.S. Patent No. 9,527,612. Paper 1. The Petition challenged the following claims on the following grounds:

Reference(s)	Basis	Claims Challenged
	§ 112(a) for lack of written description	3
	§ 112(b) for indefiniteness	3
Saggio and Donaldson	§ 103	1–4
Saggio and Lee	§ 103	1–4
Saggio, Cooper or Weir, and Lee or Donaldson	§ 103	3

On July 12, 2017, Patent Owner filed a Patent Owner Preliminary Response. Paper 13. On October 11, 2017, pursuant to 35 U.S.C. § 324(a), based on the arguments and evidence in the record at that time, and also under the standards and rules applicable at that time, the Board instituted a trial limited to one dependent claim, on only one ground, as follows:

For the foregoing reasons, we determine that Petitioner has established that it is more likely than not of prevailing on its challenge, under 35 U.S.C. § 112(b), that claim 3 is unpatentable for indefiniteness. The Board has not made a final determination concerning patentability of any of the challenged claims.

Paper 16, 24; “Inst. Dec.”

On January 11, 2018, Patent Owner filed a Response (Paper 23) including two new Declarations (Exs. 2031–2033), the transcript from one deposition (Ex. 2030), and two other Exhibits (Exs. 2028, 2029). On April

11, 2018, Petitioner filed a Reply (Paper 28) including one new Exhibit (Ex. 1033). On April 24, 2018, the Supreme Court held that a decision to institute under 35 U.S.C. § 314, the statute governing the related type of post-grant proceedings known as *inter partes* reviews, may not institute on less than all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1369–70 (2018). On May 3, 2018, we determined that *SAS* governed post-grant reviews as well, and issued an order instituting on all of claims and all of the grounds of the Petition as suggested by *SAS*. Paper 30 (“*SAS Order*”).

On May 31, 2018, we issued a revised schedule. Paper 36 (“*Order*”). As we explained in our *Order*, Patent Owner had informed us that it would not participate any further in these proceedings. *Order* 3–4. We allowed Patent Owner to rely on its arguments submitted in its Preliminary Response regarding the previously un-instituted grounds and claims. *Order* 4. We further allowed Petitioner to submit a Supplemental Reply (Paper 37). An oral hearing was held on August 31, 2018. Paper 45.

On October 10, 2018, after considering all arguments and evidence submitted both before and after institution of trial, and under the preponderance of evidence standard, the Board issued a Final Written Decision indicating the following:

For the foregoing reasons, we determine that Petitioner has failed to establish by a preponderance of the evidence that claims 1–4 is unpatentable as obvious over Saggio and Donaldson or Saggio and Lee. Petitioner has further failed to establish by a preponderance of the evidence that claim 3 is indefinite under 35 U.S.C. § 112(b), lacks written description support under 35 U.S.C. § 112(a), or is unpatentable as obvious under 35 U.S.C.

§ 103 over the combinations of Saggio, Donaldson or Lee, and Cooper or Weir.

Paper 47 at 46–47 (“Final Dec.”).

On January 11, 2019, Patent Owner emailed, to trials@uspto.gov, a paper entitled Patent Owner’s Application for Attorney’s Fees Pursuant to the Equal Access to Justice Act, 5 U.S.C. § 504, which the Board has entered in to the record as Exhibit 3001 (hereinafter “Application” or “App.”).¹

II. ANALYSIS

Patent Owner’s Application is based on the Equal Access to Justice Act (“EAJA”), which reads, in relevant part, as follows:

An agency that conducts an adversary adjudication shall award, to a prevailing party other than the United States, fees and other expenses . . . unless the adjudicative officer of the agency finds that the position of the agency was substantially justified or that special circumstances make an award unjust.

5 U.S.C. § 504(a)(1).² EAJA expressly defines “adversary adjudication” to include, among other things, “an adjudication under section 554 of this title in which the position of the United States is represented by counsel or otherwise.” 5 U.S.C. § 504(b)(1)(C).

¹ Patent Owner filed a previous application in PGR2016-00030 and PGR2016-00031. *See e.g.*, Ex. 3002 in PGR2016-00030 (same exhibit number in PGR2016-00031). The application was denied. *See e.g.*, *Telebrand Corp. v. Tinnus Enterprises, LLC*, PGR2016-00030 (PTAB Aug. 31, 2018) (Paper 110) (“EAJA Decision”) (also addressed same application in PGR2016-00031).

² The Office has determined that this panel is the appropriate “adjudicative officer[s] of the agency” to decide this Application.

A. *Preliminary Analysis*

Before delving into the merits of the Application, we opine that, based on the express terms of the aforementioned portions of the statute alone, denial of the Application is proper, in that this proceeding is an adversarial proceeding between two private entities, Telebrands, Inc. and Tinnus Enterprises, LLC. *See PPC Broadband, Inc. v. Corning Optical Commc'ns RF, LLC*, 815 F.3d 734, 741 (Fed. Cir. 2016) (noting for related *inter partes* review proceedings that “[o]ne hallmark of these proceedings is their adversarial nature” (citing H.R. Rep. No. 112–98, at 46–47)). The positions adverse to Patent Owner, in this proceeding, were advanced by Telebrands alone, and, thus, did not constitute “the position of the United States.”³

The only role played by the United States in this proceeding, to the extent there is any, was by the Board as employees of a federal agency in an adjudicative role. The function of the Board, in that adjudicative role, is to

³ As the Supreme Court explained in *SAS*, 138 S. Ct. at 1355, with respect to *inter partes* review proceedings:

From the outset, we see that Congress chose to structure a process in which it’s the petitioner, not the Director, who gets to define the contours of the proceeding . . . It’s telling, too, to compare this structure with what came before. In the *ex parte* reexamination statute, Congress embraced an inquisitorial approach, authorizing the Director to investigate a question of patentability “[o]n his own initiative, and at any time.” [35 U.S.C.] § 303(a). If Congress had wanted to give the Director similar authority over the institution of *inter partes* review, it knew exactly how to do so—it could have simply borrowed from the statute next door. But rather than create (another) agency-led, inquisitorial process for reconsidering patents, Congress opted for a party-directed, adversarial process.

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