

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EVERSTAR MERCHANDISE CO. LTD.,
Petitioner,

v.

WILLIS ELECTRIC CO. LTD.,
Patent Owner.

Case PGR2019-00055
Patent 10,119,664 B2

Before DEBRA K. STEPHENS, STACEY G. WHITE, and
JEFFREY W. ABRAHAM, *Administrative Patent Judges*.

WHITE, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Request on Rehearing of Decision Denying Institution
of Post Grant Review
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Everstar Merchandise Co. Ltd. (“Petitioner”) filed a Request for Rehearing under 37 C.F.R. § 42.71(c) and (d). Paper 9 (“Req. Reh’g”). In the Request, Petitioner seeks reconsideration of our Decision (Paper 8, “Dec.”) denying institution of post grant review of claims 1–10 (the “challenged claims”) of U.S. Patent No. 10,119,664 B2 (Ex. 1101, “the ’664 patent”). Req. Reh’g 1. For the reasons explained below, we deny the Request for Rehearing.

II. DISCUSSION

The party challenging a decision in a request for rehearing bears the burden of showing the decision should be modified. 37 C.F.R. § 42.71(d) (2019). A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed.” *Id.* “When rehearing a decision on petition, a panel will review the decision for an abuse of discretion.” *Id.* § 42.71(c); *see Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”). “An abuse of discretion is found if the decision: (1) is clearly unreasonable, arbitrary, or fanciful; (2) is based on an erroneous conclusion of law; (3) rests on clearly erroneous fact finding; or (4) involves a record that contains no evidence on which the Board could rationally base its decision.” *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1367 (Fed. Cir. 2016).

In our Decision, we determined that none of the grounds put forth in the Petition taught “22AWG reinforced intermediate wires including an

internal reinforcing strand, none of the plurality of 22AWG reinforced intermediate wires having an external reinforcing strand or other reinforcing structure” as recited in claim 1. Dec. 13–20, 23–26. Petitioner asserts that we “misapprehended a critical factual issue, improperly resolved factual disputes in favor of the Patent Owner, and reached a decision inconsistent with [our] decision in a related proceeding (PGR2019-00056).” Req Reh’g 1. We address each of Petitioner’s arguments in turn.

A. Purported Misapprehension of Critical Facts

Petitioner asserts that “Patent Owner presented an unforeseeable and misleadingly narrow interpretation of the UL 2002 Standard.” *Id.* at 2. Specifically, Petitioner argues that “the UL 2002 Standards expressly allow 22 AWG wire to be used for twisted conductor wires, and for single conductor wires that incorporate a twisted ‘non-current carrying polymeric supporting rope.’” *Id.* at 3. Further, Petitioner asserts that a person of ordinary skill in the art would have understood a single conductive “wire” twisted with a supporting rope to be equivalent to “a single conductor twisted with a supporting rope, all contained within a ‘wire,’ as internally reinforced conductive wires were long-known and incorporated in the industry.” *Id.*

In the Decision, we agreed with Patent Owner’s argument that Petitioner “fail[ed] to demonstrate that the asserted art teaches ‘22 AWG reinforced intermediate wires’ that include ‘an internal reinforcing strand, none of the plurality of 22 AWG reinforced intermediate wires having an external reinforcing strand or other reinforcing structure’ as recited in claim 1.” Dec. 13–14 (citing Prelim. Resp. 23–29). In the Decision, we noted Petitioner’s argument that

twisted pairs of wires connect the lamp assemblies throughout the body of Sylvania's net lights. [Pet.] 28. Petitioner points out that Sylvania's net lights include a tag that indicates the lights were manufactured in accordance with Underwriters Laboratory's standards for decorative string lights. *Id.* at 30. Petitioner directs us to UL 2002 Standards which state that "wire employed in a series connected seasonal product shall be a minimum No. 22 AWG (0.32 mm²) Type CXTW twisted conductor." *Id.* (quoting Ex. 1008, 40 §13.2.4). Thus, Petitioner contends that Sylvania's intermediate wires would have been 22 AWG. *Id.* (citing Ex. 1009 ¶ 50). Further, Petitioner argues that "[t]o the extent Sylvania's intermediate wires are not reinforced, reinforced wires having the structure called for by the claimed invention have been known in the art for many years and well-before the time of the alleged invention, as indicated by Gao." *Id.* at 31 (citing Ex. 1009 ¶ 52, Appx. B.). In addition, Petitioner asserts that "the UL standards governing decorative lighting products as far back as 2001 have contemplated the use of reinforced wiring in decorative lighting products."

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In analyzing this argument, we found it lacking for several reasons. First, we determined that there was no evidence as to the wire gauge of Sylvania's net lights. *Id.* at 16. Petitioner does not assert that this is erroneous. Next, we determined that Gao does not address wire gauge. *Id.* Petitioner does not assert that this is erroneous. Thus, we determined that Petitioner must be relying on UL 2002 Standards because the other two references in this ground do not address wire gauge. *Id.*¹; *see also* Pet. 30 (citing UL 2002 Standards' discussion of 22 AWG wires).

¹ We made similar findings as to all three asserted grounds asserted. Specifically, that the only reference before us that made explicit reference to wire gauge was the UL 2002 Standards. *See* Dec. 13–20, 23–26.

In the Decision, we noted that “UL 2002 Standards describe the use of 22 AWG twisted conductors (also known as a twisted pair). The document, however, also states that if a single wire is used it should be a larger 18 AWG wire.” Dec. 16 (citing Ex. 1008, 40) (internal citations omitted). We found that Petitioner failed to explain adequately why one of ordinary skill in the art after reviewing this reference would use a single 22 AWG wire. *Id.* at 16–17. Then we examined whether the disputed limitation would have been met by using Gao’s wire in a twisted pair. *Id.* at 17. We were “persuaded that 2002 UL Standard’s disclosure of using a thinner wire in a twisted pair support[ed] Patent Owner’s argument that the twisting of the wires provides an external reinforcement” and thus, we determined that the twisted pair configuration did not meet the claim limitation. *Id.* at 19.

In its Rehearing Request, Petitioner argues that Patent Owner incorrectly asserted that “UL 2002 Standards *only* allow using a non-current carrying rope that is externally twisted with a wire.” Req. Reh’g 4. Petitioner further asserts that we misapprehended the record because Gao shows a wire with an internal reinforcing support that meets the claim limitation. *Id.* at 5. That, however, was not the basis for our Decision. The question was not whether the UL Standards would allow single 22 AWG wire, but rather the question was whether the cited references disclose or suggest the use of a 22 AWG wire including an internal reinforcing strand, and without any external reinforcing strand or other reinforcing structure. The use of the recited wire very well may have been allowed by the UL 2002 Standards, but Petitioner did not direct us to a teaching demonstrating that one of ordinary skill in the art would have had reason to use a 22 AWG

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