

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NELSON PRODUCTS, INC.,
Petitioner,

v.

BAL SEAL ENGINEERING, INC.,
Patent Owner.

Case IPR2014-00572
Patent 8,297,662 B2

Before CHRISTOPHER L. CRUMBLEY, KRISTINA M. KALAN, and
CHRISTOPHER M. KAISER, *Administrative Patent Judges*.

KALAN, *Administrative Patent Judge*.

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

I. INTRODUCTION

On September 24, 2015, we entered a Final Written Decision in which we concluded that Nelson Products, Inc. (“Petitioner”) demonstrated, by a preponderance of the evidence, that claims 1–16 and 19 of U.S. Patent No. 8,297,662 B2 (“the ’662 patent”) are unpatentable. Paper 55 (“Dec.”). Bal Seal Engineering, Inc. (“Patent Owner”) filed a request for rehearing of that decision. Paper 56 (“Req.”).

For the reasons that follow, Patent Owner’s request for rehearing is denied.

II. THE REQUEST FOR REHEARING

In pertinent part, 37 C.F.R. § 42.71(d) states:

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.

Thus, a request for rehearing is not an opportunity merely to disagree with the Board’s assessment of the arguments or weighing of the evidence, or to present new arguments or evidence.

Patent Owner sets forth the basis for its reconsideration request as follows:

- (1) the Board deprived Patent Owner of its property without providing due process;
- (2) *In re DeBaun* correctly describes what is “by another” under 35 U.S.C. § 102(e); and
- (3) Guertin does not anticipate any of claims 1–3, 5–11, 13–16, and 19.

Req. 2–15. We have reviewed Patent Owner’s request for rehearing and carefully considered all the arguments presented. For the following reasons, we are not persuaded that the Board misapprehended or overlooked arguments or evidence with respect to the contentions asserted by Patent Owner.

III. DISCUSSION

A. Due Process

Patent Owner argues that we “refused to consider Patent Owner’s argument that Petitioners incorrectly applied the law of *Kimberly-Clark Corp. v. Proctor & Gamble Distrib. Co.*, 973 F.2d 911, 917 (Fed. Cir. 1992)” and, in doing so, denied Patent Owner due process. Req. 2–5. Patent Owner cites to a footnote in the Final Written Decision in support of its argument. *Id.* at 2 (citing Dec. 8 n.2). According to Patent Owner, it timely presented the correct standard in its Motion for Observations on Cross-examination (Paper 41, “Motion for Observation”) (Req. 2–3), and the Board must consider the leading law, and not just Petitioner’s arguments, regarding whether an inventor’s own work qualifies as § 102(e) prior art (*id.* at 4–5).

We disagree with Patent Owner’s contentions regarding the fairness of our procedures. Our footnote, cited by Patent Owner as the basis for its argument, was limited: “At oral hearing, Patent Owner argued that Petitioner applied an incorrect ‘collaboration’ standard to its analysis (citing *In re DeBaun*).” Dec. 8–9 n.2. We stated further that this particular argument – regarding the collaboration standard – was not raised in the Patent Owner Response. *Id.* at 9. Simply because we included a footnote in the Final Written Decision noting that Patent Owner raised a particular

argument relating to collaboration during oral hearing does not mean that we discounted all of Patent Owner's arguments or the relevant case law, i.e., *In re DeBaun*. On the contrary, we stated in the footnote that we are "cognizant of the cited case law," referring back to *In re DeBaun*. *Id.* Patent Owner had the opportunity and the available pages to develop arguments and present case law as to whether Poon is prior art in its Patent Owner Response. Patent Owner, however, presented merely two-and-a-half pages of arguments, citing no case law, in its Patent Owner Response. Paper 17 ("PO Resp.") 11–13. Patent Owner's argument that it raised *In re DeBaun* in its Motion for Observations is unavailing. The Motion for Observations is not a proper vehicle in which to present new arguments. Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012) ("An observation should be a concise statement of the relevance of identified testimony An observation (or response) is not an opportunity to raise new issues, re-argue issues, or pursue objections.").

In any event, Patent Owner's arguments also are misplaced because the Board did consider *In re DeBaun* and its teachings, along with the teachings of other relevant case law. *See* Dec. 6–7. We note that the parties briefed the issue of whether Poon is prior art in the pre-institution papers, and we discussed it in our Decision on Institution. Paper 10 ("DI") 9–12 (citing *In re DeBaun*). We also reviewed, considered, and cited to *In re DeBaun* and other relevant case law in the Final Written Decision. *Id.* at 6–11. Thus, contrary to Patent Owner's arguments, *In re DeBaun* was applied, and Patent Owner's argument that it was denied due process is not persuasive.

B. In re DeBaun

As to its second contention, Patent Owner argues that *In re DeBaun* correctly describes what is “by another” under 35 U.S.C. § 102(e). Req. 5. Patent Owner further argues: “Joint inventorship of Poon is not the question that needs to be answered. The question that needs to be answered is whether Mr. Balsells’ own work, as depicted in Poon, can be held against him as a §102(e) prior art to the ‘662 reference.” *Id.* Patent Owner presents arguments based on *In re DeBaun*, citing to its Motion for Observation, *inter alia*, for support. *Id.* at 6–11.

We are unpersuaded that we failed to answer the proper question. In our Final Written Decision, after considering the arguments, evidence, and case law, we stated that we were “persuaded that the record as a whole supports Petitioner’s argument that Poon is prior art under 35 U.S.C. § 102(e).” Dec. 11. In doing so, we evaluated the parties’ arguments, including Petitioner’s argument that “Poon and Balsells are joint inventors of the Poon reference, and thus, the Poon reference is presumptively ‘by another.’” Pet. Reply 1 (citing MPEP 2136.04(I)).” *Id.* at 9. Petitioner met its burden of persuasion on this issue, and Patent Owner did not meet its “burden of production on the issue of whether the Poon reference is ‘by another.’” *Id.* at 8. Patent Owner in its Request for Rehearing attempts to frame “joint inventorship” and “by another” as separate issues governed by different case law, but fails to make its case persuasively. As we discussed in our Final Written Decision, we found that the Poon reference is a work of joint inventorship, particularly with respect to the subject matter of Figures 11–20, and therefore is “by another” and available as prior art under 35 U.S.C. § 102(e).

Patent Owner relies on a prefatory sentence in our Final Written Decision stating that “[w]e are not persuaded that the subject matter of Figures 11–20 of the Poon reference are ‘by another’” to argue that we applied an incorrect legal standard. Req. 5–6 (citing Dec. 11). We note that this sentence contains an error, and should have stated that we were not persuaded that the relevant subject matter was not “by another.” That the sentence was intended to contain this second “not” is reflected in the remainder of the analysis in the Final Written Decision, including our conclusion that the Poon reference is “by another” and available as prior art under 35 U.S.C. § 102(e). *See, e.g.*, Dec. 11 (“Patent Owner presented evidence in support of its arguments that Poon and Balsells were *not* joint inventors of the Poon reference. Weighing all the evidence before us, however, we are persuaded that the record as a whole supports Petitioner’s argument that Poon is prior art under 35 U.S.C. § 102(e).”) (emphasis added).

Additionally, in its Request, Patent Owner presents numerous arguments that were not raised in its Patent Owner Response in an effort to persuade us that we should decide in its favor regarding whether Poon is prior art. Req. 6–11. We need not determine whether these arguments would have been persuasive if presented in the Patent Owner Response, because they were not so presented. These arguments are, therefore, not timely in a request for rehearing pursuant to 37 C.F.R. § 42.71(d).

C. Guertin

With regard to its third contention, Patent Owner argues that Guertin does not anticipate any of claims 1–3, 5–11, 13–16, and 19. Req. 11. Patent

Owner argues that the Board overlooked evidence from Petitioner's experts. *Id.* Specifically, Patent Owner argues (a) that Figure 1 of Guertin depicts the coupling commercially sold by Catlow, (b) that Figure 1 depicts a desirable, preloaded configuration, and (c) that Figures 1 and 6 show different embodiments. *Id.* at 11–14. Patent Owner concludes (d) that a correct interpretation of Guertin requires a finding of no anticipation. *Id.* at 15.

Contrary to Patent Owner's arguments, however, we considered and evaluated the evidence of record, including the evidence from both parties' experts, in determining that Guertin anticipates claims 1–3, 5–11, 13–16, and 19. We noted Petitioner's discussion of expert testimony from its own experts and those of Patent Owner, and cited evidence presented by Mr. Imler in determining how to interpret Figures 1 and 6, taking into account the proper weight to be given to the submitted evidence and testimony concerning commercial couplings. Dec. 20–23 (citing *In re Baxter Travenol Labs.*, 952 F.2d 388, 390 (Fed. Cir. 1991), for the proposition that “extrinsic evidence may be considered when it is used to explain, but not expand, the meaning of a reference”).

As our Final Written Decision makes clear, we did not rely solely on any single piece of evidence with respect to the disclosure of Figures 1 and 6. Dec. 16–23. Indeed, we considered Patent Owner's arguments concerning the Figure 1 and Figure 6 embodiments in view of the drawings and the specification, but we were not persuaded that “the pin grooves of Figure 1 and Figure 6 are separate and unrelated embodiments.” *Id.* at 22. We noted, instead, that the specification of Guertin states that “coupling 150 in Figure 6 is ‘constructed substantially the same as the coupling 10 [in Figure 1] except with a shorter length. Accordingly, the same reference

numbers are used to identify the same corresponding parts or components.”” *Id.* at 20 (citing Ex. 1002, 5:12–15). This passage clearly conveys that with respect to the disclosures in Figures 1 and 6, the embodiments are intended to be the same but for the length. In other words, Patent Owner’s arguments regarding the teachings of Figures 1 and 6 are unpersuasive because they attempt to reason around the description of Figure 1 and Figure 6 as substantially the same. We determined that this attempt was unsuccessful.

Thus, our consideration of the arguments and evidence presented by each party concerning the scope and content of Figures 1 and 6 included consideration of Petitioner’s expert’s testimony along with the balance of the record. Dec. 16–23. Our Final Written Decision need not “address every argument raised by a party or explain every possible reason supporting its conclusion,” so long as it “provide[s] an administrative record showing the evidence on which the findings are based, accompanied by the agency’s reasoning in reaching its conclusions.” *See Synopsys, Inc. v. Mentor Graphics Corp.*, 2016 WL 520236 at *10 (Fed. Cir. 2016) (citing *Human Dev. Ass’n v. NLRB*, 937 F.2d 657, 669 (D.C. Cir. 1991); *In re Sang Su Lee*, 277 F.3d 1338, 1342 (Fed. Cir. 2002)). Our Final Written Decision in this case does so. As such, we did not overlook the evidence we are alleged to have overlooked; instead, we considered the arguments and evidence presented by each party as a whole in determining that Petitioner had met its burden of persuasion. Mere disagreement with our conclusion is not a proper basis for rehearing.

IV. CONCLUSION

We have reviewed and considered the arguments in Patent Owner’s request for rehearing and conclude that Patent Owner has not carried its

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burden of demonstrating that the Board misapprehended or overlooked any matters in rendering the Final Written Decision. 37 C.F.R. § 42.71(d). The request for rehearing is *denied*.

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FOR PETITIONER:

John van loben Sels
Joseph Andelin
Mei Tsang
FISH & TSANG LLP

jvanlobensels@fishiplaw.com
jandelin@fishiplaw.com
mtsang@fishiplaw.com

FOR PATENT OWNER:

Tom H. Dao
Glen L. Nuttall
KLEIN, O'NEILL & SINGH, LLP

tdao@koslaw.com
gnuttall@koslaw.com
mle@koslaw.com