

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DAICEL CORPORATION,
Petitioner,

v.

CELANESE INTERNATIONAL CORPORATION,
Patent Owner.

Case IPR2014-01515
Patent 7,223,886 B2

Before LINDA M. GAUDETTE, CHRISTOPHER L. CRUMBLEY, and
JON B. TORNQUIST, *Administrative Patent Judges*.

TORNQUIST, *Administrative Patent Judge*.

DECISION
Denying Request for Rehearing
37 C.F.R. § 42.71

On April 29, 2015, Daicel Corporation (“Petitioner”) filed a Request for Rehearing (Paper 13, “Req. Reh’g”) of our decision denying *inter partes* review (Paper 11, “Dec.”) of claim 1 of U.S. Patent No. 7,223,886 B2 (Ex. 1001, “the ’886 patent”). In the Decision, we determined that the information presented did not demonstrate a reasonable likelihood that Petitioner would prevail at trial with respect to claim 1 of the ’886 patent. Accordingly, we declined to institute *inter partes* review.

For the reasons that follow, Petitioner’s Request for Rehearing is denied.

I. ANALYSIS

When considering a request for rehearing of a decision on a petition, the Board reviews the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may arise if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if an unreasonable judgment is made in weighing relevant factors. *Star Fruits S.N.C. v. U.S.*, 393 F.3d 1277, 1281 (Fed. Cir. 2005); *Arnold P’ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004); *In re Gartside*, 203 F.3d 1305, 1315-16 (Fed. Cir. 2000). The party requesting rehearing has the burden to show that the decision should be modified, and “[t]he request must specifically identify all matters the party believes the Board misapprehended or overlooked.” 37 C.F.R. § 42.71(d).

Petitioner contends that the Board erred in denying the Petition because: (1) both the Miura Declaration and the ’171 patent show that dimethyl ether (DME) is inherently present in the second overhead; and (2) Akinori shows generation of DME in the process of the ’095 patent. Req. Reh’g 1, 6, 11. We address these arguments in turn.

Miura Declaration

In his experiment, Mr. Miura used operating conditions that differed from those disclosed in the '095 patent examples, but argues these differences were “slight” and would have been “inconsequential” to the reported experimental results. Dec. 12–13. We declined to institute trial, in part, because Mr. Miura’s testimony was unsupported and failed to explain *why* one of ordinary skill in the art would have concluded that the differences in the reaction conditions were “slight” or “inconsequential.” *Id.* at 13–14.

Petitioner asserts that Mr. Miura’s testimony was a “statement of fact by an experienced chemist” and “it was error for the Decision to reach a dispositive technical conclusion [regarding the critical question of whether any DME is formed] at this stage of the proceedings that is directly contrary to the uncontroverted expert testimony from Mr. Miura.” Req. Reh’g 4–5.

We are not persuaded by Petitioner’s argument. We did not reach a technical conclusion that DME is absent from the distillation column of the '095 patent. We determined, instead, that Petitioner had not carried its burden to demonstrate, through credible evidence, that DME is *necessarily* present in the second overhead of the '095 patent. Dec. 13–14. Moreover, even if uncontroverted at the preliminary stage of the proceeding, we are not required to credit Mr. Miura’s unsupported testimony—whether styled as a statement of fact or as a conclusion—that the differences in the reaction products between his experiment and the '095 patent were “slight” or

“inconsequential.”¹ Dec. 11–12 (noting the differences between the reaction products of the ’095 patent Example and the Miura experiment); 37 C.F.R. § 42.108(c) (providing that petitioner bears the burden of establishing a reasonable likelihood of unpatentability of one or more claims); *see also Velander v. Garner*, 348 F.3d 1359, 1371 (Fed. Cir. 2003) (“It is within the discretion of the trier of fact to give each item of evidence such weight as it feels appropriate. . . . In giving more weight to prior publications than to subsequent conclusory statements by experts, the Board acted well within that discretion.”). Accordingly, Petitioner has not convinced us that we overlooked or misapprehended Petitioner’s arguments or otherwise abused our discretion in declining to institute an *inter partes* review of claim 1 based on anticipation by the ’095 patent.

The ’171 Patent

In the Petition, Petitioner asserts that the patentee admitted in a Response to Office Action that the addition of any amount of water in the distillation column will result in the formation of DME in the second overhead. Pet. 33. Petitioner argues that the Board improperly disregarded this alleged admission and credited unsupported attorney argument in the same Response to Office Action that “formation of DME is not favored,” “would be unexpected,” and is “not an inherent feature of the process.” Dec. 16 (citing Ex. 1009, 20–21); Req. Reh’g 10.

¹ Patent Owner also argues that the European Patent Office (EPO) previously found that DME would be formed in the second overhead. Req. Reh’g 6. As Petitioner notes, however, this finding is not binding upon the Board. *Id.*

Upon review of Petitioner's arguments, we are not persuaded, however, that we erred in looking to the Response to Office Action *as a whole* to determine whether Patent Owner indeed admitted that any addition of water in the distillation column would necessarily result in DME in the second overhead. Dec. 16.

Petitioner also argues that the Board erred in requiring a "sufficient amount" of water to be added to the distillation column, as *any* amount of DME will satisfy the requirements of claim 1. Req. Reh'g 7. Although we agree that claim 1 does not explicitly require any particular amount of DME in the second overhead, we are not persuaded that we misapprehended or overlooked Petitioner's arguments.

With respect to the '171 patent, the Petition provided two arguments to establish that DME is inherently present in the second overhead of the '171 patent. Pet. 30, 33. First, Petitioner stated: "To the extent that claim 1 of the '886 patent recites the presence of DME in the second overhead stream, the DME is present in the second overhead stream of Figure 1 of the '171 patent inherently, as shown above with respect to Ground 1. (Ex. 1003, ¶ 95)." Pet. 30. As noted previously, however, we are not persuaded that Petitioner's evidence with respect to "Ground 1" demonstrates that DME is necessarily present in the second overhead. In addition, paragraph 95 of Mr. Cooper's declaration, cited by Petitioner in this portion of its argument, discusses Akinori's disclosure of the formation of DME in reaction products in the Monsanto process, but does not establish that DME will necessarily follow through to *the second overhead* of the '171 process. Dec. 17.

Second, in its claim chart, Petitioner asserted: "Applicants stated that DME was formed when water was added to the distillation step. (Ex. 1009,

p. 20). Thus, adding water to the distillation step was the equivalent of increasing DME. (Ex. 1003, ¶¶ 32; 73.)” Pet. 33. For the reasons recited above, we are not persuaded that the statements in the Response to Office Action amounted to an admission that DME is formed when any water is added to the distillation step. Accordingly, we are not persuaded that we overlooked or misapprehended the arguments *made in the Petition*.

Based on the foregoing, Petitioner has not convinced us that we abused our discretion in declining to institute an *inter partes* review of claim 1 in view of the ’171 patent.

Akinori

Petitioner contends Akinori demonstrates that DME is necessarily produced in the reactor of the ’095 patent, and “there can be no doubt” that DME would carry through to the second overhead because, as explained by Mr. Cooper, DME is naturally concentrated in the overhead vapor streams. Req. Reh’g 12–13 (asserting there is no evidence to contradict Mr. Cooper’s testimony). In directing us to where these arguments were previously presented, Petitioner identifies the following discussion:

As set forth on pages 12-13 of the Akinori Translation, the main reaction of the Monsanto method is the carbonylation of methanol with carbon monoxide in the presence of a rhodium catalyst. (Ex. 1013). However, a number of equilibrium side reactions also occur, including the condensation of two methanol molecules to form DME (CH_3OCH_3) and water, as shown in equation 2. (Ex. 1003, ¶¶ 87-88, *citing* Ex. 1013, p. 8). While conversion of the DME to acetic acid eventually occurs, Akinori supports the inherent production of DME in the process described in the ’095 Patent and evidenced by the Miura Decl.

Pet. 36; Req. Reh’g 13.

The above discussion in the Petition does not attempt to show that DME, even if produced in the reactor, will necessarily follow through to the second overhead before it is converted to acetic acid. Likewise, Mr. Cooper's testimony cited in this discussion does not state that DME would be carried through to the second overhead before it is ultimately converted to acetic acid. Ex. 1003 ¶¶ 87–88; Pet. 35–36. Thus, we are not persuaded that we overlooked or misapprehended Petitioner's arguments made in the Petition.

II. CONCLUSION

Based on the foregoing, we are not persuaded that denying *inter partes* review of any challenged claim represents an abuse of discretion. Accordingly, Petitioner's Request for Rehearing is *denied*.

III. ORDER

In light of the foregoing, it is:

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

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