

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HOPKINS MANUFACTURING CORPORATION and
THE COAST DISTRIBUTION SYSTEM, INC.,
Petitioners,

v.

CEQUENT PERFORMANCE PRODUCTS, INC.,
Patent Owner.

Case IPR2015-00616
Patent 6,068,352

Before WILLIAM V. SAINDON, BARRY L. GROSSMAN, and
JEREMY M. PLENZLER, *Administrative Patent Judges*.

GROSSMAN, *Administrative Patent Judge*.

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

I. INTRODUCTION

Hopkins Manufacturing Corporation and The Coast Distribution System, Inc. (“Petitioners”) filed a Request for Rehearing (Paper 10, cited as “Req. Reh’g”) requesting rehearing of the decision (Paper 9, cited as “Decision”) denying institution of *inter partes* review of claims 1, 7, 8, 10, 11, 19, 20, 64–67, 70–72, and 74–76 of U.S. Patent No. 6,068,352 (“the ’352 patent”). Petitioners also request an expanded panel on rehearing. Req. Reh’g 12.

For the reasons stated below, the requests are denied.

II. DISCUSSION

When rehearing a decision on institution, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may arise if the 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 burdens and requirements of a request for rehearing are stated in 37 C.F.R. § 42.71(d):

(d) Rehearing. . . . 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.

Petitioners assert the Board abused its discretion because (1) the Decision is contrary to, and inconsistent with, application of Board rules in other cases (Req. Reh’g 3–8), and (2) the Decision misapplied the law of obviousness because the

prior art provides a motivation to combine the cited references (*id.* at 8–12).
Petitioners also request an expanded panel on rehearing. *Id.* at 12–14.

A. Expanded Panel

Parties are not permitted to request panel expansion. *AOL Inc. and Cloudera, Inc. v. Coho Licensing LLC*, IPR2014-00771, slip op. at 2, (PTAB Mar. 24, 2015) (Paper 12) (“parties are not permitted to request, and panels do not authorize, panel expansion”). The Board’s Standard Operating Procedures state that the Chief Judge, on behalf of the Director, may act to expand a panel on a “suggestion” from a judge or panel. *Id.*; see also *Apple Inc. v. Rensselaer Polytechnic Instit.*, IPR2014-00319, slip. op. 2 n.1 (PTAB Dec. 12, 2014) (Paper 20) (expanded panel) (per curiam) (“As indicated in the Board’s Standard Operating Procedures, the Chief Judge, on behalf of the Director, may act to expand a panel on a ‘suggestion’ from a judge or panel.”) In this case, the issue of whether to expand the panel to consider Petitioners’ request for rehearing has been considered, and it has been determined that the panel will not be expanded.

B. Consistent Application of Board Rules

Petitioners assert an abuse of discretion in the Decision because the Decision and the analysis on which it is based “is inconsistent with [Board] rules, the content of [the] Petition, and other petitions.” Req. Reh’g 4. According to Petitioners, the applicable rules, 37 C.F.R. §§ 42.22(a), 42.104(b)(1)–(5) “require no particular obedience to a specific, rigid petition format” to meet their requirements. *Id.* The Decision did not deny institution of an *inter partes* review because of a failure to follow a “rigid petition format.” It denied institution because Petitioners’ arguments, analysis, and evidence did not establish a reasonable likelihood that Petitioners would prevail in proving that at least one challenged claim is unpatentable based on the cited references. Decision 2. “The

‘reasonable likelihood’ standard is a somewhat flexible standard that allows the Board room to exercise judgment.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,765 (Aug. 14, 2012).

The Petition was denied on its substance; not on its format. Board rules establish specific substantive requirements for a petition to institute an *inter partes* review. As set forth in detail in the Decision, the Petition was denied because the Petition: (1) did not provide a detailed explanation of the significance of the evidence, as required by 37 C.F.R. § 42.22(a)(2) (Decision 8); (2) did not specify where each element of the claim is found in the prior art patents or printed publications relied upon, as required by 37 C.F.R. § 42.104(b)(4) (*id.*); and (3) did not identify the relevance of the evidence to the § 103 challenge raised, as required by 37 C.F.R. § 42.104(b)(5) (*id.* at 9).

Petitioners assert “error” in the Decision because, according to Petitioners, the Decision “[treated] the different portions of the petition as if they were not to be read together.” Req. Reh’g 8; *see also id.* at 6 (“By treating with the portions of the Petition separately, rather than reading them together as they were clearly intended to be . . .”). The Decision considered the entirety of the Petition. The Decision stated specifically that it considered the claims charts in conjunction with Petitioners’ arguments. *E.g.*, Decision 12 (“Petitioners’ claim chart for the ‘current sensing circuit’ (Pet. 30) does not clarify the analysis in the Petition.”). Petitioners acknowledge the separate and distinct purposes of claim charts and argument in the Petition. Req. Reh’g 6 (“the Board’s procedures for claim charts do not allow argument within the body of the claim chart”). Recognizing this distinction, the Decision stated that long, generic quotes from the references in the claim charts, with no apparent relevance to the challenged claim, did not compensate for the deficiencies of the argument and analysis in the Petition with respect to the

challenged claims. Decision 9–10. Thus, the entire Petition was considered, including claim charts, argument, and cited evidence, to determine whether Petitioners met their burden of establishing a reasonable likelihood they would prevail in proving that at least one challenged claim is unpatentable.

Petitioners also assert that the Decision “criticizes Petitioners claim charts, which expressly identify on an element-by-element basis where each limitation is found in the prior art, for not including analysis for the combinations.” Req. Reh’g 6. Petitioners misconstrue the Decision. The Decision noted specifically that claim charts may be used to compare a claim to a reference. Decision 10 (“a petitioner may file a claim chart to explain clearly and succinctly what the petitioner believes a claim means in comparison to something else”) (quoting 77 Fed. Reg. at 48,764). The claim charts were not criticized for “not including analysis.” Contrary to Petitioners’ assertion, the Decision determined that Petitioners’ extensive quotes of long passages from the references, which had no apparent or explained relevance to the challenged claims, did not identify specific portions of the evidence that support Petitioners’ challenge, as required by Board rules. *Id.* at 10–11.

The Decision provided two specific examples of where the evidence and argument in the Petition did not meet the requirements of the rules. One example concerned the “power switching circuit” recited in the challenged claims (Decision 8–11), the other example concerned the “current sensing circuit.” (*id.* at 11–12). We discuss these two examples below.

1. Power Switching Circuit

Regarding the “power switching circuit,” the Decision stated:

Petitioners do not provide any explanation of the significance of the cited evidence to the specific power switching circuit limitations in claim 1. Petitioners also do not specify where each element of the

power switching circuit limitations in claim 1 is found in the Eccleston passage quoted above or in the cited portions from Eccleston.

Decision 8. After citing an “extensive, generic passage” from the reference included in the Petition (*id.* at 8–9), the Decision stated:

Petitioners provide no persuasive explanation or analysis in the Petition of what in this extensive, generic passage corresponds to, or suggests, the “power switching circuit” recited in claim 1. It is Petitioners’ responsibility “to explain specific evidence that support its arguments, not the Board’s responsibility to search the record and piece together what may support Petitioner’s arguments.” *Dominion Dealer Solutions, LLC v. Autoalert, Inc.*, Case IPR2013-00225, slip op. at 4 (PTAB Oct. 10, 2013) (Paper 15).

Id. at 9. Consistent with consideration of the entirety of the Petition, the Decision considered the claim charts along with Petitioners’ argument. The Decision stated:

Petitioners’ claim charts do not clarify Petitioners’ analysis and fail to compensate for the deficiencies identified above. Continuing with the example of the power switching circuit limitations in claim 1, the claim chart (Pet. 29–30) merely quotes extensive portions from the Eccleston disclosure without any corresponding discussion or analysis in the text of the Petition of the significance or relevance of the extensive claim chart quotations to the claim limitations.

Id. Petitioners assert that their claim charts provide “pinpoint citation to specific passages of the prior art on an element-by-element basis.” Req. Reh’g 7. We disagree. As explained in the Decision, the claim charts include extensive quotation that have no explained relation or relevance to the “power switching circuit” claim limitation. Decision 10–11.

2. Current Sensing Circuit

Petitioners point specifically to the discussion of the “current sensing circuit” as an example of where the Decision misapprehended or overlooked the evidence and Petitioners’ arguments. Req. Reh’g 7. Regarding the “current

sensing circuit,” the Decision stated that the Petition did not provide a detailed explanation of the significance of the evidence. Decision 11. As stated in the Decision, the claimed “current sensing circuit” requires (1) sensing a level of braking current, (2) with the sensed current being supplied to the brakes of the towed vehicle, (3) with the sensed current being supplied through the power switching circuit, and (4) generating a current level signal representing the sensed level of braking current. *Id.* Petitioners’ explanation of the specific evidence to support its challenge was the following:

Regarding the current sensing circuit of claim 1, Eccleston discloses braking current detection and display and explains how the resistance of the MOSFET in its ON state can be used to detect current. At the time of the claimed invention, this was a well-known technique in power electronics, where the voltage across the device (usually in tens of millivolts) is related to the MOSFET current by Ohm’s law and R_{ds-on} . (Ex. 1010, ¶ 46).

Paper 1, 15 (“Pet.”). Petitioners do not specify where each of the four limitations of the current sensing circuit discussed above is found in Eccleston. Petitioners also do not provide any explanation of how the quoted passage relates to the limitations of the current sensing circuit in the challenged claims.

Petitioners assert that the Decision overlooked an “express citation to paragraph 46 of Exhibit 1010” explaining how the Eccleston disclosure “is a current sensor.” Req. Reh’g 7. The fact that the Decision does not mention every citation in the Petition does not mean the evidence or argument was overlooked.

Exhibit 1010 is a Declaration by Dr. Mark Horenstein. The first paragraph in Paragraph 46 of Dr. Horenstein’s Declaration is identical to the argument in the Petition quoted above, and thus does not compensate for the noted deficiencies in the Petition.

The second paragraph in paragraph 46 of the Horenstein Declaration is the following quote from Eccleston, without any discussion of the applicability or relevance of the quoted passage to the limitations of the current sensing circuit:

“senses the voltage across output transistors Q2 (and, where used, Q3), and applies the sensed voltage back as a signal to pin 6 of the PWM (i.e., integrated circuit U1). That voltage level is proportional to the current flow through the vehicle ...” (Eccleston; 8:35-52).

Ex. 1010 ¶ 46. This unexplained quote is not linked to the limitations of the current sensing circuit. Merely quoting passages from a reference without any explanation of the applicability or relevance of the passage to the challenged claim is not what our rules require. The fact that the unexplained quote is in a declaration as testimonial evidence, rather than in the Petition, does not give it enhanced persuasiveness.

The third paragraph in paragraph 46 of the Horenstein Declaration is the following quote from Eccleston, again without any discussion of the applicability or relevance of the quoted passage to the limitations of the current sensing circuit:

“...for the first time, the vehicle operator is provided with **direct measure of braking current** and, at the same time, the LED display functions as a circuit-connection indicator since unlike a voltage-responsive indicator, the current-indicative LED display will of course never become illuminated in a situation where brake-energizing line 26 becomes broken, disconnected, etc...” (Eccleston; 9:15-24).

Ex. 1010 ¶ 46. We repeat our analysis above – this unexplained quote, not linked to the limitations of the current sensing circuit, does not compensate for the deficiencies in the Petition.

3. Claim 64

Regarding independent claim 64, Petitioners’ entire argument from the Petition is:

as shown in Grounds 1 and 3, *many of the arguments for claim 1 above also apply* to identical elements recited in this claim which merely eliminates one of the limitations of claim 1.”

Decision 12 (quoting Petition at 24, emphasis added). As the Decision pointed out, “Petitioners do not identify which of the arguments from claim 1 apply, and which do not.” *Id.* This is not the kind of specificity and detailed analysis Board rules require.

4. IPR2015-00609

As an example of the asserted inconsistency with other petitions, Petitioners state that an *inter partes* review was instituted in IPR2015-00609 (“the ’609 IPR”), which “involves the same petition format, style of argument, and expert declarant the Board found deficient here.” Req. Reh’g 13. The ’609 IPR involved a different patent, different references,¹ and different issues.² As stated above, the Petition was *not* denied because of its format, style of argument, or expert declarant.

Based on the analysis above, concerning Petitioners’ assertion that the Decision is contrary to the consistent interpretation and application of our rules, we are not persuaded that the Decision is based on an abuse of discretion, or that the Decision overlooked or misapprehended any matter. Accordingly, on this basis alone, the Decision determined properly that the Petition did not demonstrate a reasonable likelihood that Petitioners would prevail in establishing unpatentability of any challenged claim.

¹ One of the six references in IPR2015-00616 (McGrath, Ex. 1004) also was one of four references cited in the ’609 IPR.

² All the challenged claims in IPR2015-00616 were asserted to be unpatentable under 35 U.S.C. § 103. A substantial number of challenged claims in the ’609 IPR were asserted to be unpatentable under 35 U.S.C. § 102.

C. The Law of Obviousness and Motivation to Combine

Petitioners also assert an abuse of discretion in the application of the law of obviousness by refusing to acknowledge express teachings in the prior art as a motivation to combine references. Req. Reh’g 9–12.

Petitioners recognize that the Decision stated the proper legal standards for determining whether a claimed invention would have been obvious. *Id.* at 9. Petitioners also recognize that the Decision acknowledged Petitioners’ evidence concerning the disclosures of the references. *Id.* Petitioners assert, however, an abuse of discretion in applying the law to the evidence to reach a determination in the Decision. The fact that Petitioners disagree with the determination does not establish an abuse of discretion, or that we misapprehended or overlooked any evidence or argument.

The Decision recognized Petitioners’ argument that “‘given Eccleston’s express suggestion to substitute a microprocessor controller into the disclosed circuit,’ and McGrath’s disclosure of a microprocessor, [i]t is a matter of simple design choice to use the current sensing circuit with the microprocessor of McGrath to display the sensed current.” Decision 13 (quoting Pet. 16); *see also* Pet. 20 (“It is a matter of simple design choice to use the current sensing circuit of Eccleston with the microprocessor of McGrath to display the sensed current.”).

Regarding Eccleston’s disclosure of a microprocessor, Petitioners conceded that “Eccleston does not explicitly disclose details of using the microprocessor control of claim 1.” Pet. 15. Petitioners argued, however, that Eccleston teaches “that various analog components . . . could be replaced with a microcontroller.” *Id.* (citing Ex. 1003, col. 20, ll. 1-7). The cited disclosure in Eccleston (Ex. 1003) states:

it is certainly possible to implement the dual-rate integrator in a variety of different ways, and indeed even the pulse-width modulator and the logic represented by analog switch 22, as well as the lamp-driver U3, could readily be implemented by microprocessor control, with appropriate programming.

Ex. 1003, col. 20, ll. 1–7.

The “microcontroller” recited in the challenged claims is specific and detailed. The microcontroller clause in claim 1 is representative and is reproduced below.

a microcontroller coupled to said input circuit, said display circuit, said current circuit, and to said power switching circuit, said microcontroller generating and supplying a switching control signal to said control input terminal of said power switching circuit thereby causing said power switching circuit to deliver a braking current to the brakes of the towed vehicle that is related to the brake level signal supplied to said microcontroller by said input circuit, said microcontroller illuminating one or more of said indicator lights of said display circuit to indicate a relative level of braking of the towed vehicle brakes and controlling one or more of said indicator lights to indicate that the towed vehicle brakes are or are not properly connected to said power switching circuit.

Ex. 1001, col. 39, ll. 46–60.

The Decision did not comment specifically on Petitioners’ characterization that the detailed “microcontroller” element of the challenged claims would have been obvious based on the cursory disclosure in Eccleston that various analog components could be replaced with a microcontroller. The Decision focused on the conclusory label “design choice” as the asserted rationale to support the § 103 grounds. Decision 13-16. As stated in the Decision, a determination that a claimed invention would have been obvious requires more than a mere showing that the prior art includes separate references covering each separate limitation in a claim under examination. *Id.* at 12 (*citing Unigene Labs., Inc. v. Apotex, Inc.*, 655

F.3d 1352, 1360 (Fed. Cir. 2011). Rather, obviousness requires the additional showing that a person of ordinary skill at the time of the invention would have considered it obvious to select and combine those prior art elements in the normal course of research and development to yield the claimed invention. *Id.* As stated in the Decision, the Petition did not provide a persuasive fact-based analysis as to *why* it would have been a “simple design choice” and *how* the “simple” proposed modification would have met the specific microcontroller limitations of the challenged claims. *Id.* at 13. The Decision acknowledged Petitioners’ argument that the proposed combination of Eccleston and McGrath would have been obvious “because using a microprocessor enhances functionality by permitting the replacement of circuitry with programmed functionality on the microprocessor.” *Id.* at 14 (quoting Pet. 18). We determined that this argument was not supported by persuasive evidence. *Id.* at 14–15, 16, 18.

The Decision also found improper incorporation by reference of large portions of Dr. Horenstein’s Declaration. *Id.* at 13. Petitioners do not assert an abuse of discretion with respect to the determination regarding improper incorporation by reference. The Decision also stated that Dr. Horenstein’s detailed analysis did not address how the proposed modification would meet the specific requirements of the microcontroller recited in claim 1. *E.g.*, Decision 13–14.

We have considered Petitioners’ arguments, but based on the totality of evidence and the analysis concerning obviousness in the Decision, we are not persuaded that the Decision represents an abuse of discretion in applying the applicable law to the evidence. We also are not persuaded that the Decision overlooked or misapprehended any matter regarding whether the challenged claims would have been obvious.

III. CONCLUSION

Petitioners have not persuaded us that the determination not to institute an *inter parte* review of the '352 patent was an abuse of our discretion, or that we misapprehended or overlooked any matter. Accordingly, we deny the request for rehearing.

IV. ORDER

For the reasons given, it is

ORDERED that the request for rehearing is *denied*.

IPR2015-00616
Patent 6,068,352

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