

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WHOLE SPACE INDUSTRIES LTD.,
Petitioner,

v.

ZIPSHADE INDUSTRIAL (B.V.I.) CORP.,
Patent Owner.

Case IPR2015-01632
Patent 8,245,756 B2

Before PHILLIP J. KAUFFMAN, MEREDITH C. PETRAVICK, and
BARRY L. GROSSMAN, *Administrative Patent Judges*.

GROSSMAN, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

Whole Space Industries Ltd. (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1–24 of U.S. Patent No. 8,245,756 B2 (“the ’756 patent”). Paper 4 (“Pet.” or “Second Petition”). Zipshade Industrial (B.V.I.) Corp. (“Patent Owner”) filed a Preliminary Response. Paper 9 (“Prelim. Resp.”). We review the Petition and Preliminary Response under 35 U.S.C. § 314, which provides that an *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”

Upon consideration of the Petition and Preliminary Response, we determine that the same or substantially the same prior art or arguments previously were presented to, and considered by, the Board. Accordingly, we do not institute an *inter partes* review of the ’184 patent. 35 U.S.C. § 325(d).

A. Related Proceedings

Petitioner and Patent Owner agree that the ’756 patent is involved in a pending district court case, *Zipshade Industrial (B.V.I.) v. Lowe’s Home Centers LLC et al.*, Civil Action No. 2:14-cv-05934 (C.D. Cal.). Pet. 1–2; Paper 8, 2.

Petitioner filed an earlier petition for *inter partes* review of claims 1–24 of the ’756 patent. IPR2015-00488, Paper 11 (the “’488 Petition” or “First Petition”); see Pet. 2. The ’488 Petition involved the same patent, same challenged claims, same parties, same expert Declarant, substantially the same prior art, and substantially the same asserted grounds of unpatentability as in the Petition now before us. *Compare* IPR2015-01632,

Paper 4, 12 and IPR2015-00488, Paper 11, 4. We denied institution of an *inter partes* review in the '488 Petition. IPR2015-00488, Paper 14.

B. The '756 Patent

The disclosure in the '756 patent relates generally to a control system and method for raising and lowering window shades. Ex. 1005, col. 1, ll. 9–11. The disclosed device and method are directed particularly to raising and lowering pleated window shades and Venetian blinds without manipulation of a cord or cords hanging downwardly from an upper support or rail member. *Id.* at col. 1, ll. 11–13.

The disclosed device is illustrated generally in Figure 1 of the '756 patent, reproduced below.

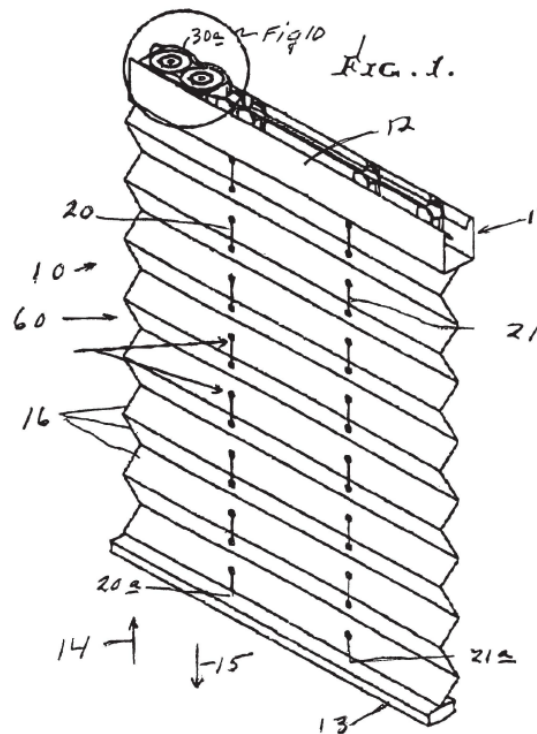


Figure 1 of the '756 patent shows a perspective view of a cordless shade assembly, with the shade in the lowered position. *Id.* at col. 3:31–32.

As shown in Figure 1, a collapsible window covering or Venetian blind capable of height adjustments without use of external pull cord has upper elongated support 11, which, in a preferred form, includes channel 12. Ex. 1005, col. 3, l. 66–col. 4, l. 4. Extending downwardly from upper elongated support 11 is a collapsible member (e.g., pleats 16). *Id.* at col. 4, ll. 7–10. At the bottom of the window blind is lower elongated member 13. *Id.* at col. 4, ll. 4–7. At least one primary line (Figure 1 shows two primary lines 20, 21) is used to suspend lower member 13. *Id.* at col. 4, ll. 15–18. Primary lines 20, 21 extend through pleats 16 and into channel 12 of upper elongated support 11. *Id.*

Primary rotors or winders are provided at upper support or rail 11, to entrain the primary lines, and guide them toward a common connection or junction 22 (see Figure 7) with at least one secondary line 24. Ex. 1005, col. 4, ll. 22–25. Secondary line 24 leads into a counterbalancing mechanism, shown generally at 30 (see also, structure circled in Figure 1, and Figures 9 and 10). *Id.* at col. 4, ll. 39–46. Counterbalancing mechanism 30 includes rotary members 34 and 35 and spring 32 coupled to one (e.g., rotary member 34) of the two rotary members so as to urge the other rotary member (e.g., rotary member 35) to rotate in a winding direction to wind and store the secondary line 24 onto one of the rotary members. *Id.* at col. 4, ll. 50–62. The window covering is raised or lowered simply by exerting up or down force on lower elongated member 13. Ex. 1005, col. 1, ll. 20–24.

C. Illustrative Claim

Claims 1, 13, 18, and 21 are independent claims. Claim 1 recites a collapsible window covering. Claim 13 recites a method of raising a collapsible window covering without using a manual pull cord. Claim 18

recites a window covering system. Claim 21 recites a cordless window covering system. Claim 1 is illustrative and is reproduced below.

1. A collapsible window covering capable of height adjustments, comprising:
 - an upper elongated support having a longitudinally extending channel;
 - a collapsible member coupled to said upper elongated support;
 - a lower elongated member coupled to said collapsible member;
 - a first primary line coupled to said lower elongated member and extends through a length of said collapsible member;
 - a counterbalancing mechanism having a first and second rotary members, and wherein the counterbalancing mechanism is disposed within said longitudinally extending channel;
 - a first secondary line having a distal end coupled to said first primary line and a proximal end leading into said counterbalancing mechanism;
 - a pulley assembly having a first rotor and a second rotor wherein said first primary line is entrained about said first and second rotors; and
 - wherein said counterbalancing mechanism has a spring coupled to said first rotary member thereby urging said first rotary member to rotate in a winding direction to wind and store said first secondary line onto said first rotary member.

D. References Relied Upon

Petitioner relies upon the following prior art references:

Reference	Date	Exhibit Number IPR2015-01632	Exhibit Number IPR2015-00488¹
Gertzson U.S. Pat. No. 2,594,637	Iss. Apr. 29, 1957	Ex. 1011	Ex. 1012
Debs U.S. Pat. No. 3,703,920	Iss. Nov. 28, 1972	Ex. 1012	Ex. 1013
Kuhar U.S. Pat. No. 5,482,100	Iss. Jan. 9, 1996	Ex. 1013	Ex. 1015
Todd U.S. Pat. No. 6,056,036	Iss. May 2, 2000	Ex. 1014	Ex. 1017
Toti U.S. Pat. No. 6,283,192 B1	Iss. Sept. 4, 2001	Ex. 1015	Ex. 1018

Petitioner also relies on the Declaration testimony of Ren Judkins.
(Ex. 1002).

E. The Asserted Grounds

Petitioner asserts the following separate and distinct grounds of
unpatentability:

¹ We show the exhibit numbers for the references in IPR2015-00488 for ease of comparison in our analysis and determination that the same references were previously presented to, and considered by, the Board.

Claims challenged	Statutory Basis 35 U.S.C.	Reference(s)
1–4, 9, 13, 14, 18, and 20	§ 102 (b) ²	Toti
1–24	§ 103(a)	Gertzson, Kuhar, Toti, and Todd

II. ANALYSIS

In the '488 Petition, Petitioner asserted that all the claims in the '756 patent, claims 1–24, are anticipated by Toti. Specifically, Petitioner asserted that independent claims 1, 13, 18, and 21 are anticipated by Toti. IPR2015-00488, Paper 11, 14 (“Independent Claims 1, 13, 18 And 21 Are Anticipated By Bixler Alone or Toti Alone”). Petitioner also asserted that Toti anticipates dependent claims 2–12, 14–17, 19, 20, 22–24. IPR2015-00488, Paper 11, 32–39, 42–44, 49, 50, 54–56 (claim charts asserting for each claim “[a]nticipation by U.S. Pat. No. 6,283,192 [Toti]”). Additionally, the '488 Petition asserted that claims 1–24³ would have been obvious based on Gertzson, Kuhar, Toti, Debs, and Todd. *Id.* at 30, 32–34 (“Obviousness [based On] U.S. Pat. No. 6,283,192 [Toti] Alone *And/or In Combination With* U.S. Pat. Nos. 2,594,637 [Gertzson], 3,703,920 [Debs], 5,482,100 [Kuhar] *And/or* 6,056,036 [Todd]”) (emphasis added). Thus the § 102 asserted prior art and substantive arguments in the '488 Petition are the same

² The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284, 296–07 (2011), took effect on September 16, 2012. Because the application for the patent at issue in this proceeding has an effective filing date before that date, we refer to the pre-AIA versions of §§ 102 and 103.

³ The asserted ground of obviousness with respect to claims 6–12, 14–16, and 18–24 also included U.S. Patent No. 5,170, 830 (Coslett) as an additional reference in the list of “and/or” combinations.

as the § 102 asserted prior art and substantive arguments in the in the Petition now before us. The § 103 asserted prior art and substantive arguments in the '488 Petition are substantially the same as the § 103 asserted prior art and substantive arguments in the in the Petition now before us.

Petitioner relies on the declaration of Ren Judkins (Ex. 1002) in both the '488 Petition and in this Second Petition. The two declarations have the same exhibit number in each proceeding and are identical. The only substantive difference between the two declarations is one new paragraph, paragraph 74, in the Declaration in this Second Petition. The new paragraph states “[t]his declaration contains the *same information* as my declaration dated that was submitted in connection with a petition for inter partes review of U.S. Patent No. 8,245,756. I am informed that that proceeding was assigned No. IPR2015-00488.” Ex. 1002 ¶ 74 (emphasis added). Thus, there is no new testimonial evidence in this Second Petition.

As set forth in 35 U.S.C. § 325(d), the Director, and by extension the Board, has broad discretion to deny a petition that raises substantially the same prior art or arguments previously presented to the Office. That statutory provision provides as follows:

In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, *the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.*

35 U.S.C. § 325(d) (emphasis added). As discussed above, the prior art and arguments in the Petition before us are the same or substantially the same as previously were presented to the Office in the '488 Petition. The Petition

before us challenges each claim that was denied *inter partes* review in the '488 Petition. While there may be nuanced differences in stating how the same references from the First Petition are applied in the Second Petition, we determine such differences are insubstantial. The statute expressly establishes our discretion to consider whether the prior art and arguments are “substantially the same” in a first and second petition, and confers authority to reject a second petition on that basis. We considered all of the papers filed in both proceedings in exercising that discretion. We found that the prior art and arguments in the First and Second Petitions are “substantially the same” within the meaning of 35 U.S.C. § 325(d).

In *ZTE Corp. v. ContentGuard Holdings, Inc.*, Case IPR2013-00454, slip op. at 6 (PTAB Sept. 25, 2013) (Paper 12), the Board stated a first Board decision “should not act as an entry ticket, and a how-to guide, for the same Petitioner . . . for filing a second petition to challenge those claims which it unsuccessfully challenged in the first petition.” The Board also considers “the burden and inequity on the Patent Owner if it is forced to defend the same claims twice from attack by the same Petitioner.” *Id.*, slip op. at 7.

The Petition before us uses our First Decision as a roadmap to attempt to remedy Petitioner’s prior, deficient challenge. Allowing serial challenges to the same patent, by the same petitioner, risks harassment of patent owners and frustration of Congress’s intent in enacting the Leahy-Smith America Invents Act. See H.R. Rep. No. 112-98, pt.1, at 48 (2011) (“While this amendment is intended to remove current disincentives to current administrative processes, the changes made by it are not to be used as tools for harassment or a means to prevent market entry through repeated litigation and administrative attacks on the validity of a patent. Doing so

would frustrate the purpose of the section as providing quick and cost effective alternatives to litigation.”).

III. CONCLUSION

On the record before us, we exercise our discretion and “reject the petition” because “the same or substantially the same prior art” previously was “presented to the Office” in the ’488 Petition. 35 U.S.C. § 325(d).

IV. ORDER

In consideration of the foregoing, it is hereby

ORDERED that the Petition challenging the patentability of claims 1–24 of U.S. Patent No. 8,245,756 B2 is denied.

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