

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIFIED PATENTS INC.
Petitioner,

v.

RUBY SANDS LLC
Patent Owner.

Case IPR2016-00723
Patent 6,891,633 B1

Before TRENTON A. WARD, GEORGIANNA W. BRADEN, and
MONICA S. ULLAGADDI, *Administrative Patent Judges*.

ULLAGADDI, *Administrative Patent Judge*.

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

I. INTRODUCTION

A. Background

Unified Patents Inc. (“Petitioner”) filed a request for rehearing (Paper 9, “Reh’g Req.”) of our Decision Denying Institution (Paper 7, “Dec.”). Petitioner requests that we reconsider our decision to deny institution of *inter partes* review with respect to claims 19 and 20 and our determination that Petitioner had not demonstrated a reasonable likelihood of prevailing in showing that claims 19 and 20 of U.S. Patent No. 6,891,633 B1 (Ex. 1001, “the ’633 patent”) are anticipated by Motoyama. In view of the foregoing discussion, we deny Petitioner’s Request for Rehearing and decline to modify our Decision Denying Institution .

II. STANDARD OF REVIEW

Under 37 C.F.R. § 42.71(c), “[w]hen rehearing a decision on petition, a panel will review the decision for an abuse of discretion.” An abuse of discretion occurs when a “decision was based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment.” *PPG Indus., Inc. v. Celanese Polymer Specialties Co.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988) (citations omitted). The burden 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.

III. ANALYSIS

A. Alleged Anticipation based on Motoyama

Petitioner contends that claims 19 and 20 of the '633 patent are anticipated under 35 U.S.C. § 102(b) by Motoyama. Pet. 55–57. According to Petitioner, we erroneously concluded in the Decision Denying Institution that Motoyama does not anticipate claim 19 because we misapprehended Petitioner's argument regarding the “automatically merging” limitation of claim 19 and applied an overly strict and legally erroneous standard for anticipation. *See generally* Reh'g. Req. (Paper 9).

1. Rehearing Request Arguments

Petitioner contends we misapprehended its argument regarding the “automatically merging” limitation of claim 19 and cites Figure 6 of Motoyama. Reh'g. Req. 2–3 (citing Ex. 1008, 5:13–25, 5:35–38, 5:54–58, 4:35–43, 4:47–57). Petitioner argues “[o]nce the user selects the routing destination and the images to be merged, the processor *automatically executes the merge operation* (block 110).” *Id.* at 3 (emphasis added).

Petitioner cites the description of blocks 102, 104, 106, and 108 and contends “Motoyama[] disclos[es] . . . two alternative ways to initiate the merge operation,” and based on “Motoyama's express disclosure, the ‘merge operation’ can be executed in its entirety by using only operation panel 36 of the scanner 10 (the image transfer device), without any user interaction with the host computer 80.” *Id.* at 4, 6–7 (citing Ex. 1008, 4:37–42, 4:47–50, 4:53–56) (emphasis omitted). Petitioner further notes that

The use of the word “necessarily” in the Board's Decision suggests that it may have considered Petitioner's argument as one based on inherency. To the extent that was the case,

Petitioner respectfully clarifies that its argument was based on the express disclosure of *Motoyama*, as set forth in Section III.A. above.

Id. at 5 n.2.

2. Analysis of Claim 19

We disagree we misapprehended Petitioner’s challenge as one that relies on *inherent* instead of *express* disclosure in *Motoyama*. The burden is on Petitioner to clearly set forth the basis for its challenge in its Petition. *See Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1363 (Fed. Cir. 2016) (citing 35 U.S.C. § 312(a)(3) (requiring *inter partes* review petitions to identify “with particularity . . . the evidence that supports the grounds for the challenge to each claim”)). Petitioner did not meet its burden because it failed to explain, with sufficient clarity and specificity, its position that *Motoyama* provides an express disclosure of the “automatically merging” limitation of claim 19 . Nevertheless, for the reasons discussed below, we address Petitioner’s arguments and we determine *Motoyama* does not disclose expressly the “automatically merging” limitation recited in claim 19.

In our Decision Denying Institution, we stated that “[w]e are not persuaded that *Motoyama*’s disclosure of the operation taking place ‘on the fly’ demonstrates that the merge and route operation takes place necessarily without user interaction at a computer.” Dec. 48. Based on our review of the arguments set forth in the Petition and the Rehearing Request, it appears Petitioner relies on the same method steps of *Motoyama*’s Figure 6 to disclose both the “automatically uploading” and “automatically merging” limitations recited in claim 19. Pet. 56–57; Reh’g. Req. 2–7. Assuming,

arguendo, Petitioner relies on different subsets of the steps shown in Figure 6 for disclosing these limitations, we also consider this position.

Irrespective of whether Petitioner relies on the same or different portions of Motoyama's Figure 6 to disclose the "automatically uploading" and "automatically merging" limitations recited in claim 19,

[T]he prior art reference—in order to anticipate under 35 U.S.C. § 102—must not only disclose all elements of the claim within the four corners of the document, but must also disclose those elements 'arranged as in the claim. . . [O]ur precedent informs that the 'arranged as in the claim' requirement . . . refers to the need for an anticipatory reference to show all of the limitations of the claims arranged or combined in the same way as recited in the claims, not merely in a particular order.

See Net MoneyIN v. Verisign, 545 F.3d 1359, 1369 (Fed. Cir. 2008).

Here, claim 19 requires that the "automatically merging" limitation take place after the "automatically uploading" limitation, because the "automatically merging" limitation operates on the claimed "electronic data" that is "automatically uploaded."

Although Motoyama discloses that the merging operation in block 110 takes place after reading inputs in blocks 106 and 108 (*see* Ex. 1008, Figure 6), Petitioner fails to identify express disclosure in Motoyama that the actual merging of image data in block 110, specifically, occurs "without user interaction with the computer." *See generally id.* Rather, the only express disclosure that indicates that a merge and route operation can be carried out via input provided solely to the multi-function machine relates to blocks 102, 104, 106, and 108. *See, e.g.,* Ex. 1008, 4:34–4:67; *see* Reh'g. Req. 4. In terms of the method flow shown in Motoyama's Figure 6, the express disclosure cited by Petitioner with respect to the "automatically merging"

limitation either is a subset of or is the same as the disclosure cited with respect to the earlier “automatically uploading” limitation. *See* Pet. 56 (citing Ex. 1008, 6:65–7:7) (describing blocks 102, 104, 106, 108, 110, and 112 of Figure 6 as teaching the “automatically uploading” limitation of claim 19); *see id.* at 57 (citing Ex. 1008, 5:8–67) (describing merge and route routine 100 of Figure 6 with respect to CPU 42 and storage device 74 as teaching the “automatically merging” limitation of claim 19); *see* Reh’g. Req. 3 (describing blocks 102, 104, 106, and 108 of Figure 6 of Motoyama as showing an example of a merge operation and describing how the processor “automatically executes” the merge operation in block 110); *see id.* at 4 (quoting Ex. 1008, 4:37–42, 4:47–50, 4:53–56) (describing blocks 104, 106, and 108 of Figure 6 as teaching the “automatically merging” limitation of claim 19). Thus, Petitioner does not show Motoyama expressly discloses the “automatically merging” limitation, *subsequent* to the “automatically uploading” limitation, as required by the order recited in claim 19.

For the foregoing reasons, we are not persuaded that Petitioner demonstrates Motoyama discloses each limitation recited in claim 19. Accordingly, Petitioner also does not establish that the limitation recited in claim 20, which depends from claim 19, is disclosed, either expressly or inherently, in Motoyama.

3. Summary

On this record and for purposes of this decision, Petitioner fails to establish a reasonable likelihood it would prevail in showing that claims 19 and 20 are anticipated under 35 U.S.C. § 102 by Motoyama.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Patent Owner's request for rehearing of the Decision to institute *inter partes* review is *denied* as to reconsideration of the record under 37 C.F.R. § 42.108(c); and

FURTHER ORDERED that Patent Owner's request for rehearing is *denied* in all other respects.

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