

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SEABERY NORTH AMERICA INC.,
Petitioner,

v.

LINCOLN GLOBAL, INC.,
Patent Owner.

Case IPR2016-00840
Patent RE45,398 E

Before THOMAS L. GIANNETTI, JENNIFER S. BISK, and
JESSICA C. KAISER, *Administrative Patent Judges*.

GIANNETTI, *Administrative Patent Judge*.

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

INTRODUCTION

Seabery North America Inc. (“Petitioner”) filed a Petition pursuant to 35 U.S.C. §§ 311–319 to institute an *inter partes* review of claims 1–195 (all claims) of U.S. Patent RE45,398 E (Ex. 1001, “the ’398 patent”). Paper 5 (“Petition” or “Pet.”). Lincoln Global, Inc. (“Patent Owner”) filed a preliminary response. Paper 9 (“Prelim. Resp.”). In our Institution Decision (Paper 11, “Dec.”) dated October 6, 2016, we instituted a trial on several grounds, but denied the Petition as to certain claims, which included (among others) claims 32, 51, 70, 105, and their dependent claims 71–79 and 106–111 that we identified with “Patent Owner Contention No. 3.” Dec. 22–23. Petitioner challenged those claims as obvious over the Aiteanu reference alone (Ground 1) or Aiteanu in combination with other references (Grounds 2–3). Pet. 5–7.

Petitioner requests reconsideration of our Decision not to institute trial as to claims 32, 51, 70–79, and 105–111. Paper 13 (“Req. Reh’g”), 3. Petitioner’s grounds for seeking rehearing are that (1) the Board’s conclusion that Aiteanu does not show comparing performance data to known parameters was “clearly erroneous” (*id.* at 4), and (2) it was “legal error” to require the prior art to show an algorithm for the claimed result (*id.* at 10).

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

ANALYSIS

The applicable standard for a request for rehearing whether to institute trial is set forth in 37 C.F.R. § 42.71(c), which provides in relevant part:

“When rehearing a decision on petition, a panel will review the decision for an abuse of discretion.” Section 42.71(c), in turn, references 37 C.F.R. § 42.71(d), which provides in relevant part:

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.

1. Petitioner’s Argument that Aiteanu Shows Comparing Performance Data to Known Parameters

As noted in our Institution Decision, the claims in the grouping identified with “Patent Owner Contention No. 3” each recite “comparing said performance data to known parameters to determine said quality characteristic of a weld.” Dec. 22. Patent Owner contended the Petition should be denied as to these claims because Aiteanu does not meet this “comparing” limitation. Prelim. Resp. 38. In considering this argument, we looked at the analysis of this claim element set forth in the Petition. Dec. 22–23. Specifically, we reviewed Petitioner’s analysis of claim 32, which refers back to its analysis of claim 1, element 5. *Id.* at 22. That analysis relies upon Aiteanu alone to meet the “comparing” element. *Id.* at 22 (citing Pet. 58). In reviewing that analysis, we found in Aiteanu no teaching or suggestion of a comparison to “known parameters” as recited in the claim. *Id.* at 23. Similarly, Petitioner’s analyses of claims 51, 70, and 105 also refer back to element 5 of claim 1. Pet. 29 (claim 51), 30 (claim 70), 31 (claim 105).

In its Rehearing Request, Petitioner challenges this finding as “clearly erroneous.” Req. Reh’g 4–9. Petitioner relies mainly on Fig. 8-36 of Aiteanu. *Id.* at 6. This is a graphic of a user display, to which Petitioner has added its own labels including “optimum and actual torch position.” *Id.* According to Petitioner, “[t]he ‘Optimum’ position described by and shown in the Aiteanu graphics reflect a ‘known good’ set of performance parameters for at least three undisputed performance factors, and the actual position is compared directly to it using two colored cones, one for the actual and one for the ideal position.” *Id.*

We are not persuaded by this argument that anything has been overlooked or misapprehended in our analysis of this claim element in relation to Aiteanu. As noted, the Petition’s analyses of claims 32, 51, 70, and 105 of the ’398 patent refer back to the analysis of element 5 of claim 1. Pet. 29–31, 58. That claim element reads as follows:

means for automatically analyzing in real time or near real time said tracked data to determine a quality characteristic of said real world weld produced by said welding process.

Id. at 19. This element of claim 1 requires determining a quality characteristic of a weld by analyzing real time data, not comparing performance data to known parameters as in claims 32, 51, 70, and 105. In discussing claim 1, the Petition focused on Aiteanu’s seam thickness calculations as the “quality characteristic” to meet this element:

According to Aiteanu, seam thickness, *a quality characteristic*, is calculated from the welder’s performance characteristics, such as torch speed and angle. The calculated metric is displayed as a numeric value (in this case, an estimated seam thickness). All of this is done in real time, with a real, manual

welding torch, and displayed to the welder. *This meets the patent’s definition of a “quality characteristic”* to the extent that this term has any meaning; it is not a term in the art.

Id. at 16 (emphasis added) (citation omitted). The Board found Petitioner’s analysis of this element in relation to Aiteanu insufficient to describe a comparison to known parameters to arrive at this quality characteristic. Dec. 22.

Petitioner’s main argument in its Rehearing Request focuses on a different alleged “quality characteristic” in Aiteanu, namely torch position. Req. Reh’g 5–6. The Petition did not present such an argument, and therefore the Board could not have been overlooked or misapprehended it. Instead, we addressed the argument presented by Petitioner: that calculated weld seam thickness was based on a comparison of known parameters. Pet. 16. For the reasons stated in our Institution Decision and in the Preliminary Response (at pp. 38–39), we concluded that Petitioner did not present sufficient proof that Aiteanu met this condition.

Petitioner bases its next argument on Choquet. Req. Reh’g 6–7. Referring to claims 33, 52, 75, and 112, Petitioner argues that “[t]he Board already found a comparison to ‘other values’ to determine a score in Aiteanu, Choquet, and Da Dalto.” *Id.* (citing Dec. 28–29). Petitioner suggests that the Board recognized, in considering claims 33, 52, 75, and 112, that Choquet’s disclosure of upper, lower, and optimum values of welding parameters is “similar to Aiteanu’s.” *Id.*

We are not persuaded by this argument for several reasons. First, Petitioner does not adequately relate this discussion of claims involving determining a score to the different claim element “comparing . . .

performance data with known parameters to determine a quality characteristic.” Furthermore, we did not institute a review as to claim 75 because it depends from a claim (claim 70) that contains the “comparison” limitation. Dec. 28. The other claims (33, 52, and 112) do not include the “comparison” limitation, but do recite determining a score. Thus, there was no finding by the Board that the “comparison” limitation was met by the cited references.

In addition, there is no suggestion in the Board’s analysis that Aiteanu and Choquet are similar. The Board did not base its decision on a finding that Aiteanu met the “score” limitation. Instead, we relied on Petitioner’s alternative ground of Aiteanu in combination with Choquet and Da Dalto to meet the requirement of determining a score. *Id.* at 29. Thus, Petitioner’s suggestion that this shows Aiteanu and Choquet are somehow “similar” is misplaced, and in fact is contrary to the record.

Petitioner contends “it was legal error to not apply Aiteanu and Choquet against the ‘Patent Owner Contention 3’ claims.” Req. Reh’g 8. We are not persuaded by this contention. This is another instance of an argument that was not presented in the Petition. As noted *supra*, the Petition’s analysis of the “comparison” element in the claims, which the Board found was not sufficient, refers back to its proofs as to element 5 of claim 1 and was based on Aiteanu alone, not Aiteanu and Choquet. Pet. 16, 58.

Finally, Petitioner’s additional analysis of Aiteanu’s seam model at pages 8–9 of the Rehearing Request does not demonstrate error in the Board’s conclusion that Petitioner failed to show that the quality

characteristic of seam weld thickness results from comparing performance data to known parameters. The discussion has only two citations to the Petition (Pet. 17, 54), neither of which discusses how the weld thickness is calculated. Petitioner's attempt to shore up its Petition with citations to large portions of Aiteanu without proper explanation (Req. Reh'g 9) is contrary to the Board's prohibition against incorporation by reference. *See* 37 C.F.R. § 42.6(a)(3) ("Arguments must not be incorporated by reference from one document into another document.").

2. Petitioner's Argument that the Board Erred in Requiring the Prior Art to Show an Algorithm

Petitioner claims that it was "legal error" for the Board to require the prior art to show an algorithm "for the claimed result" when the '398 patent "contained no such algorithm." Req. Reh'g 10–11. Petitioner's argument is that because the '398 patent does not disclose an algorithm showing how to calculate a "quality metric," the algorithm allegedly disclosed in Aiteanu is sufficient. *Id.* at 10. Thus, Petitioner contends: "[n]o restriction should be placed on Aiteanu's method for reaching that judgement when the patent contains no method or algorithm." *Id.* at 9.

In denying institution of claims 32, 51, 71, 105, and their dependent claims, we did not rely on the lack of disclosure of an algorithm in the '398 patent in concluding that Petitioner had failed to carry its burden of demonstrating obviousness. Instead, we considered Petitioner's analysis of Aiteanu and found it insufficient to persuade us that the "comparison" element was met:

The description in that analysis does not teach or suggest a comparison to known parameters. *See* [Pet.] 19–21. Because we conclude that Aiteanu does not teach or suggest such a comparison, we determine that Petitioner has failed to establish a reasonable likelihood of succeeding on its challenge to these claims.

Dec. 22–23. These insufficiencies in the Petition are not cured by attacking the '398 patent's disclosure, nor is Petitioner relieved its burden of proving the claims unpatentable. *In re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364, 1375 (Fed. Cir. 2016) ("In an inter partes review . . . , the petitioner shall have the burden of proving a proposition of unpatentability by a preponderance of the evidence.") (citation omitted).

Petitioner's authorities are not to the contrary. *See* Req. Reh'g 10–11. They do not support Petitioner's proposition that "[g]iven the absence of disclosure in the ['398] patent, it was error to require more of Aiteanu by way of algorithm." *Id.* at 10. *King Pharmaceuticals, Inc. v. Eon Labs, Inc.*, 616 F.3d 1267 (Fed. Cir. 2010), discusses the requirements of a reference under the doctrine of anticipation by inherent disclosure. *Id.* at 1274–76. *In re Antor Media Corp.*, 689 F.3d 1282 (Fed. Cir. 2012), discusses the enablement requirements of an anticipatory reference. *Id.* at 1287–90. In neither case did the Court conclude that the defendant did not need to demonstrate that each of the elements of the claim being challenged was met by the prior art. Thus, we did not overlook or misapprehend the '398 patent's alleged lack of disclosure of an algorithm in our determination not to institute trial for claims 32, 51, 70–79, and 105–111.

CONCLUSION

Petitioner has not carried its burden of demonstrating that our decision denying institution of *inter partes* review of claims 32, 51, 70–79, and 105–111 of the '398 patent misapprehended or overlooked any matters or that the Board abused its discretion. 37 C.F.R. § 42.71(c)–(d).

ORDER

For the foregoing reasons, Petitioner's Request for Rehearing is *denied*.

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