

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LG ELECTRONICS, INC. and
LG ELECTRONICS U.S.A., INC.,
Petitioner,

v.

ROSETTA-WIRELESS CORPORATION,
Patent Owner.

Case IPR2016-01516
Patent 7,149,511 B1

Before JUSTIN T. ARBES, PATRICK R. SCANLON, and
JOHN A. HUDALLA, *Administrative Patent Judges*.

HUDALLA, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Request for Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

LG Electronics, Inc. and LG Electronics U.S.A., Inc. (collectively "LG") filed a Petition (Paper 1, "Pet.") requesting an *inter partes* review of claims 1–12 and 58–67 of U.S. Patent No. 7,149,511 B1 (Ex. 1001, "the '511 patent") pursuant to 35 U.S.C. §§ 311–319. Patent Owner, Rosetta-

Wireless Corporation (“Rosetta”), filed a Preliminary Response. Paper 19 (“Prelim. Resp.”).

In our Decision on Institution of February 3, 2017 (Paper 23, “Dec.”), we denied institution on both grounds presented in the Petition. Dec. 13. In particular, we found that LG had failed to make a threshold showing that one reference from each of its two obviousness grounds—namely, Callaghan Book and Microsoft SMB—qualified as prior art under 35 U.S.C. § 102(b). *See id.* at 11, 13. Accordingly, we determined that LG had not established a reasonable likelihood that it would prevail in asserting that claims 1–12 and 58–67 would have been obvious over the cited references. *Id.* LG filed a Request for Rehearing asking that we reconsider our decision not to institute a trial on these obviousness grounds. Paper 24 (“Req. Reh’g”).

We deny LG’s Request for Rehearing.

II. ANALYSIS

When reconsidering a decision on institution, we review the decision for an abuse of discretion. *See* 37 C.F.R. § 42.71(c). An abuse of discretion may be determined if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors. *See Star Fruits S.N.C. v. United States*, 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 of showing the decision should be modified, which includes specifically identifying all matters the party believes we misapprehended or overlooked. *See* 37 C.F.R. § 42.71(d).

A. *LG’s Purported Multiplicity of Obviousness Grounds*

LG contends we “misapprehended and overlooked the other grounds of obviousness in the Petition that do not rely either on the Callaghan Book or on Microsoft SMB.” Req. Reh’g 1. In particular, LG contends we wrongly “re-characteriz[ed] the expressly stated grounds” and thus “misapprehended and overlooked that eight of those grounds do **not** rely on the Callaghan Book or Microsoft SMB.” *Id.* at 3.

On page 7 of its Petition, LG presented the grounds it was asserting in a table, which is reproduced below.

Ground No.	Claim No(s).	Statutory Grounds for Unpatentability
1	1-12, 58-67	Obviousness under 35 U.S.C. § 103(a) in view of Saldanha alone, or in combination with one or more of Ditzik, Callaghan Patent, and Callaghan Book
2	1-12, 58-67	Obviousness under 35 U.S.C. § 103(a) in view of Kato alone, or in combination with and one or more of Ditzik, Microsoft SMB, and Masden

Pet. 7. As can be seen in the table, LG presents a total of two grounds, numbered “Ground No. 1” and “Ground No. 2.” *Id.* We noted in our Decision that the table and other portions of the Petition utilize alternative language, such as “and/or” and “alone, or in combination with one or more of,” when describing the grounds. Dec. 4–5. Despite the alternative language, we noted that “[e]ach ground . . . relies on the secondary references for teaching certain limitations of the challenged independent claims.” *Id.* (citing pages 27 and 55 of the Petition as an example where the secondary reference Ditzik is cited for a claim limitation in Ground 1 and Ground 2). In light of this, we determined that Ground 1 was not based on Saldanha alone and that Ground 2 was not based on Kato alone. *Id.* at 5. As

such, we concluded that, “because LG relies on the cited secondary references throughout its analysis, we consider the asserted grounds to be based on the four-reference obviousness combinations.” *Id.* Indeed, the Petition includes two main sections—one for “GROUND 1” (see Pet. 13–48) and one for “Ground 2” (see *id.* at 48–65)—in which analysis for all four references of each ground is intermingled.

LG contends “the reasonable reading of the Petition is that obviousness is based on alternative combinations of references (e.g., A, or A+B, or A+C, or A+B+C).” Req. Reh’g 4. Under this logic, LG contends we misapprehended and overlooked eight grounds of unpatentability that did not rely on either Callaghan Book or Microsoft SMB. *Id.* at 4–5. Much of the remainder of LG’s Request for Rehearing sets forth the basis for those eight purported grounds. *Id.* at 4–12. LG also proffers “[a] highlighted copy of the Petition color coded by prior art reference” to support its arguments. *Id.* at 5 n.2 (citing Ex. 1037).

If the premise of LG’s argument is correct, then each of the two numbered grounds in LG’s chart really represents eight distinct challenges, meaning the Petition includes sixteen grounds of unpatentability. Under this logic, eight grounds would remain even if LG failed to establish the prior art status of Callaghan Book in “Ground 1” or Microsoft SMB in “Ground 2.” See Req. Reh’g 4–5. LG’s argument belies its requirement to “[p]rovide a statement of the *precise* relief requested for each claim challenged” in the Petition, including identifying “[t]he *specific* statutory grounds . . . on which the challenge to the claim is based and the patents or printed publications relied upon for each ground.” 37 C.F.R. § 42.104(b) (emphases added); see also 35 U.S.C. § 312(a)(3) (a petition is required to “identif[y], in writing

and with particularity, each claim challenged, the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim”). LG’s failure to identify specifically and clearly its alleged sixteen grounds is further illustrated by its color-coded Exhibit 1037, wherein LG invites us to parse the discussion of “Ground 1” and “Ground 2” in the Petition by color to construct the eight permutations of grouped references that do not include Callaghan Book or Microsoft SMB. We decline to comb through the Petition to determine the strongest arguments or particular combinations of references that might survive LG’s failure to establish the prior art status of certain references.

Instead, we fairly read LG’s “Ground 1” and “Ground 2” to be two grounds. We also stated that each of these two grounds relied on the secondary references throughout the analysis (*see* Dec. 4–5), which is supported by LG’s color-coded Exhibit 1037. Accordingly, we properly interpreted the Petition as including two four-reference obviousness grounds. *Id.* at 5. Under these circumstances, LG’s arguments do not persuade us that we misapprehended or overlooked additional grounds in our Decision on Institution.

B. LG’s Alleged Cumulative Prior Art References

LG also argues that Callaghan Book and Microsoft SMB are cumulative to other references. *See* Req. Reh’g 12–14. As such, LG contends “Callaghan Book and Microsoft SMB [are] unnecessary for institution of an IPR” and that both references “should have been considered at least as additional evidentiary support to Dr. Cohn’s testimony . . . and indicative of the knowledge of [an ordinarily skilled artisan].” *Id.* at 14.

LG's arguments do not persuade us that we misapprehended or overlooked the alleged cumulative nature of certain references. To the extent LG considered the references cumulative and/or unnecessary for institution, it is unclear why LG identified them as part of the asserted "Ground 1" and "Ground 2." See Pet. 7. Furthermore, LG's analysis does not indicate that one reference more closely satisfies a claim limitation than another reference, or that any given citation is unneeded to meet our "reasonable likelihood" standard for instituting trial. Nor does the Petition clearly indicate that Callaghan Book and Microsoft SMB are merely used to indicate the background knowledge of an ordinarily skilled artisan; LG's own annunciation of "Ground 1" and "Ground 2" disproves this argument. See Pet. 7, 13, 48. As above, LG's arguments for reconsideration would require us to cull through LG's Petition and determine which cited teachings are required, at a minimum, for LG's obviousness grounds. But our regulations put the onus on LG to identify precisely the basis of its challenges in the Petition. See 37 C.F.R. 42.104(b). Accordingly, we are not persuaded by LG's arguments.

C. Rosetta's Response to LG's Prior Art

LG also argues that Rosetta has not challenged the prior art status of Callaghan Book and Microsoft SMB, either here in its Preliminary Response or in the underlying district court litigation, so "there was no need for the Board to address that issue *sua sponte* at this sta[g]e of the proceeding." Req. Reh'g 15. Yet the type of responses provided by Rosetta do not relieve us of our responsibility to institute *inter partes* review only when certain

requirements are met.¹ Specifically, we may not institute *inter partes* review unless “the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a) (emphasis added). LG did not meet this threshold requirement in its Petition, because LG merely asserts that Callaghan Book and Microsoft SMB are printed publications under 35 U.S.C. § 102(b) with no supporting analysis whatsoever. *See* Pet. 5. In the absence of *any* showing that these references qualify as printed publications, and based on the relevant dates for Callaghan Book, we found that LG had not met the threshold showing for institution under § 314(a). *See* Dec. 10–13. Thus, we are not persuaded by LG’s arguments.

III. CONCLUSION

For the reasons above, we conclude that LG has not met its burden of showing an abuse of discretion, or that we misapprehended or overlooked any of LG’s arguments, in our determinations (1) that LG put forth two four-reference obviousness grounds, and (2) that LG failed to establish the prior art status of one reference in each of the grounds, namely, Callaghan Book and Microsoft SMB. *See* Dec. 4–5, 10–13. We, therefore, *deny* LG’s request to modify our determinations and institute an *inter partes* review of the challenged claims in the ’511 patent.

¹ In fact, Rosetta was not even required to provide a Preliminary Response. *See* 37 C.F.R. § 42.107(a).

IV. ORDER

Accordingly, it is:

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

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