

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ONESUBSEA IP UK LIMITED,
ONESUBSEA UK LIMITED, AND ONESUBSEA LLC,
Petitioner,

v.

FMC TECHNOLOGIES, INC.,
Patent Owner.

Case IPR2016-01601
Patent 6,715,554 B1

Before JOSIAH C. COCKS, CARL M. DEFRANCO, and
MICHELLE N. WORMMEESTER, *Administrative Patent Judges*.

WORMMEESTER, *Administrative Patent Judge*.

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

I. INTRODUCTION

OneSubsea IP UK Limited, OneSubsea UK Limited, and OneSubsea LLC (collectively, “Petitioner”) filed a Request for Rehearing (Paper 8, “Req. Reh’g”) of our Decision Denying Institution of *Inter Partes* Review (Paper 7, “Institution Decision” or “Inst. Dec.”) of U.S. Patent No. 6,715,554 B1 (Ex. 1001, “the ’554 patent”). Petitioner seeks rehearing of our determination not to institute *inter partes* review of the ’554 patent over the five asserted grounds, each based on Lilley.¹ Req. Reh’g 1–2. In our Institution Decision, we determined that Petitioner had not explained sufficiently its arguments that Lilley teaches the recited “tubing spool” or the recited “xmas tree” (or “Xmas tree”). Inst. Dec. 7–10. According to Petitioner, our Institution Decision “is based on an improper obviousness analysis.” Req. Reh’g 3. In particular, Petitioner asserts that we “overlooked the arguments and evidence presented in [its] Petition and [its] expert’s Declaration construing two disputed claim limitations – ‘tubing spool’ and ‘xmas tree’ – and then explaining how Lilley’s ‘tree body’ and ‘tree cap’ render obvious these limitations.” *Id.* at 1. Petitioner also asserts that we erred by not resolving the parties’ disputes as to the recited tubing spool and xmas tree in favor of Petitioner. *Id.* at 12–13. For the reasons that follow, Petitioner’s request for rehearing is *denied*.

II. BACKGROUND

The Petition challenged claims 1–3, 6–9, 11–14, 30, 31, 33, 34, 37, and 38 of the ’554 patent on the following grounds. Pet. 10, 22–84.

¹ Lilley, U.S. Patent No. 5,971,077, issued Oct. 26, 1999 (Ex. 1004).

Reference(s)	Basis	Claims Challenged
Lilley	§ 103	1, 3, 8, and 38
Lilley and API Spec ²	§ 103	2, 6, 7, 9, 14, 30, 31, 33, and 34
Lilley and Edwards ³	§103	1, 3, 8, and 38
Lilley, Edwards, and API Spec	§ 103	2, 6, 7, 9, 14, 30, 31, 33, and 34
Lilley, Edwards, and the admitted prior art (“APA”)	§ 103	11–13 and 37

Petitioner relied on Lilley for both of the disputed limitations: “tubing spool” and “xmas tree.” We denied institution of review on all asserted grounds because we were not persuaded by Petitioner’s arguments regarding the teachings of Lilley.

III. STANDARD OF REVIEW

When considering a request for rehearing of a decision, the Board reviews the decision for an abuse of discretion. *See* 37 C.F.R. § 42.71(c). An abuse of discretion occurs when a “decision [i]s 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). “The burden of showing that a decision should be modified lies with the party challenging the decision.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). In its request for rehearing, the dissatisfied party must (1) “specifically identify all matters the party believes the Board misapprehended or overlooked,” and (2) identify the place “where each matter was previously addressed.”

² *Specification for Wellhead and Christmas Tree Equipment*, 1989 AM. PETROLEUM INST. (16th ed.) [hereinafter “API Spec”] (Ex. 1007).

³ Edwards, U.S. Patent No. 5,884,706, issued Mar. 23, 1999 (Ex. 1006).

37 C.F.R. § 42.71(d); Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,768. We address Petitioner’s arguments with these principles in mind.

IV. ANALYSIS

In our Institution Decision, we agreed with Patent Owner that a tubing spool is different than a tree. Inst. Dec. 7–9. We also agreed with Patent Owner that a tree cap is different than a tree. *Id.* at 9–10. Accordingly, we were unpersuaded by Petitioner’s arguments that Lilley’s tree body 31 teaches the recited tubing spool and that Lilley’s tree cap assembly 41 teaches the recited xmas tree. *Id.* at 7–10.

Petitioner now contends that we overlooked its arguments construing “tubing spool” and “xmas tree.” Req. Reh’g 1; *id.* at 6 (“the Board ignored [Petitioner’s] express constructions of both terms”). According to Petitioner, our analysis was “improper” because we “chose to simply word match, comparing the recited claim terms to Lilley’s disclosures without any substantive analysis of the proper construction for either [disputed claim] term.” *Id.* at 3–4. Petitioner further characterized our analysis as “amount[ing] to an *ipsissimis verbis* test, which is improper under an anticipation analysis, let alone an obviousness analysis.” *Id.* at 4.

We disagree with Petitioner’s contention. Although we considered the entirety of the record, we are not obligated to respond in writing to every unpersuasive argument made before us. For example, with respect to the recited tubing spool, Petitioner argued in its Petition that “tubing spool” means “mechanical structure.” Pet. 21; *see also* Req. Reh’g 7. Under this construction, Petitioner further argued that Lilley’s tree body 31 teaches the recited tubing spool. Pet. 29–32; *see also* Req. Reh’g 7–9. As we noted in

our Institution Decision, however, “claim terms generally are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure.” Inst. Dec. 5.

Consistent with this guidance, we determined that, “[i]n the context of the ’554 patent, a tubing spool is different than a tree body (or tree).” *Id.* at 7. To support this determination, we relied on teachings in the specification of the ’554 patent. *Id.* at 7–8. We also relied on teachings in an American Petroleum Institute specification, noting that Petitioner’s expert, Mr. Boyadjieff, provided declaration testimony that he “consider[s] the API specifications to be a good source for determining the ordinary meaning of various terms.” *Id.* at 8 (citing Ex. 1003 ¶ 43). In addition, we relied on Petitioner’s own words implying that a tubing spool is different than a tree body: “A tubing spool is simply a cylindrical metal structure that acts as an interface between the xmas tree and the wellhead.” *Id.* at 9; Pet. 12. In light of the record before us, Petitioner did not explain persuasively why we should have adopted its proposed construction of “tubing spool.” Moreover, based on that record, we concluded there was no need to expressly construe “tubing spool” to resolve a controversy in this proceeding. *See* Inst. Dec. 5.

With respect to the recited xmas tree, Petitioner argued in its Petition that “xmas tree” means “[a]n assembly of valves and fittings attached to the uppermost connection of the tubing head, used to control well production.” Pet. 21; *see also* Req. Reh’g 10. Based on that construction, Petitioner further argued that Lilley’s tree cap assembly 41 teaches the recited xmas tree. Pet. 55–56; *see also* Req. Reh’g 10–12. As explained in our Institution Decision, however, we determined that “a tree cap assembly (or tree cap) is different than a tree in the context of the ’554 patent.” Inst. Dec. 9. To

support this determination, we relied on teachings in the specification of the '554 patent as well as in Petitioner's asserted references, particularly Lilley and Edwards. *Id.* at 9–10. Given these teachings, Petitioner did not explain persuasively why we should have adopted its proposed construction of “xmas tree.” Nor did we conclude there was a need to expressly construe “xmas tree” to resolve a controversy in this proceeding. *See id.* at 5.

Petitioner further contends that we “ignored . . . [Petitioner's] explanation of how, despite using different terminology, a person of ordinary skill in the art would have understood that Lilley's ‘tree body 31’ is a ‘tubing spool’ and Lilley's ‘tree cap assembly 41’ is a ‘xmas tree.’” Req. Reh'g 6. We disagree with Petitioner's contention. In our Institution Decision, we considered Petitioner's arguments that Lilley's tree body 31 and tree cap assembly 41 teach the recited tubing spool and xmas tree, respectively. Inst. Dec. 7 (“Petitioner argues that Lilley's tree body 31 teaches a ‘tubing spool.’”); *id.* at 9 (“Petitioner argues that Lilley's tree cap assembly 41 teaches a ‘xmas tree.’”). As discussed above, however, we also determined in our Institution Decision that the record established that tubing spools as well as tree caps are different than trees. *See also id.* at 7–10. Accordingly, we were unpersuaded by Petitioner's arguments that Lilley's tree body 31 and tree cap assembly 41 teach the recited tubing spool and xmas tree, respectively. *Id.* at 9–10.

Lastly, Petitioner contends that “if the Board thought that [Patent Owner's] Preliminary Response created a genuine issue of material fact about whether Lilley discloses a ‘tubing spool’ and ‘xmas tree,’ the Board erred by not resolving the dispute in favor of [Petitioner].” *Id.* at 12–13. We disagree with Petitioner's contention. As Petitioner points out, “if a patent

owner preliminary response includes testimonial evidence that creates a genuine issue of material fact, ‘such testimonial evidence will be viewed in the light most favorable to the petitioner solely for [] purposes of deciding whether to institute an *inter partes* review.’” Req. Reh’g 13 (emphasis omitted) (citing 37 C.F.R. § 42.108(c)). Here, Patent Owner did not proffer testimonial evidence in support of the arguments in its Preliminary Response.⁴ Accordingly, there was no “such testimonial evidence” for us to consider, let alone view in the light most favorable to Petitioner. Even if there had been such testimonial evidence, however, we note that “[i]*nter partes* review shall not be instituted for a ground of unpatentability unless the Board decides that the petition supporting the ground would demonstrate that there is a reasonable likelihood that at least one of the claims challenged in the petition is unpatentable.” 37 C.F.R. § 42.108(c). As discussed above, based on non-testimonial evidence before us, we were unpersuaded by Petitioner’s arguments that Lilley teaches the recited tubing spool and xmas tree.

V. CONCLUSION

For the foregoing reasons, Petitioner has not demonstrated that we abused our discretion by not instituting *inter partes* review of the challenged claims of the ’554 patent on any of the asserted grounds.

⁴ The Declaration of Ms. Paula Volk (Ex. 2007) was offered simply to validate a document in the record as a true and correct copy that was maintained at the Linda Hall Library.

VI. ORDER

Accordingly, it is ORDERED that Petitioner's request for rehearing is *denied*.

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