

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

XACTWARE SOLUTIONS, INC.,
Petitioner,

v.

EAGLE VIEW TECHNOLOGIES, INC.,
Patent Owner.

Case IPR2016-01775
Patent 8,078,436 B2

Before BRYAN F. MOORE, STACEY G. WHITE, and GARTH D. BAER,
Administrative Patent Judges.

MOORE, *Administrative Patent Judge.*

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 325 (d)

Xactware Solutions, Inc. (“Petitioner”) filed a Petition (Paper 1, “Second Petition” or “Second Pet.”) requesting *inter partes* review of claims 1–5, 7–13, 15–23, 25–31, 33–40, 42, 46–52, and 54–56 of U.S. Patent No. 8,078,436 B2 (Ex. 1001, “the ’436 patent”). Eagle View Technologies, Inc. (“Patent Owner”) filed a Preliminary Response (Paper 16, “Prelim. Resp.”). For the reasons explained below, we exercise our discretion under 35 U.S.C. § 325(d) not to institute *inter partes* review of claims 1–5, 7–13, 15–23, 25–31, 33–40, 42, 46–52, and 54–56 of the ’436 patent.

I. BACKGROUND

A. RELATED MATTERS

The ’436 patent is also the subject of the petition in IPR2016-00582, on which we denied institution, and Xactware Solutions, Inc., is the Petitioner in that proceeding. *See Xactware Solutions, Inc. v. Eagle View Techs., Inc.*, Case IPR2016-00582 (“IPR2016-00582”), Paper 10, 1 (“First Petition” or “First Pet.”). The ’436 patent is also the subject of a petition filed in IPR2017-00021, and Xactware Solutions, Inc., is the Petitioner in that proceeding. *See Xactware Solutions, Inc. v. Eagle View Techs., Inc.*, Case IPR2017-00021 (“IPR2017-00021”), Paper 1, 1 (“Third Petition” or “Third Pet.”).

Patents related to the ’436 patent are involved in IPR2016-00586, IPR2016-00587, IPR2016-00589, IPR2016-00590, IPR2016-00591, IPR2016-00592, IPR2016-00593, IPR2016-00594, IPR2017-00025, IPR2017-00027, IPR2017-00034, and IPR2017-00363. Second Pet. 2–3, Paper 4, 2–3, Paper 13, 2–3. The ’436 patent is involved in the following

district court matter: *Eagle View Technologies, Inc., v. Xactware Solutions, Inc.*, No. 2:15-cv-07025 (D.N.J.). Second Pet. 2; Paper 4, 2.

B. THE CHALLENGED PATENT

The '436 patent generally describes systems and methods for determining roof measurement information based on aerial images of a roof of a building. Ex. 1001, 1:16–20, 3:51–56. Figure 8 of the '436 patent discloses steps for performing a roof estimation for a building. *Id.* at 3:44–45, 13:52–53. According to Figure 8 of the '436 patent, the steps include receiving a first and a second aerial image of a building (each of the aerial images providing a different view of the roof of the building), correlating the first aerial image with the second aerial image, generating (based at least in part on the correlation between the first and the second aerial images) a three-dimensional model of the roof, and preparing and transmitting a roof estimate report that includes one or more annotated, top-down views of the three dimensional model. *Id.* at Fig. 8.

C. ILLUSTRATIVE CLAIM

Of the challenged claims, claims 1, 18, and 36 are the only independent claims. Claim 1 is illustrative of the challenged claims and is reproduced below.

Claim 1, reproduced below, is illustrative.

1. A computing system for generating a roof estimate report, the computing system comprising:

a memory;

a roof estimation module that is stored on the memory and that is configured, when executed, to:

receive a first and a second aerial image of a building having a roof, each of the aerial images providing a different view of the roof of the building;

correlate the first aerial image with the second aerial image; and

generate, based at least in part on the correlation between the first and second aerial images, a three-dimensional model of the roof that includes a plurality of planar roof sections that each have a corresponding slope, area, and edges; and

generate and transmit a roof estimate report that includes one or more top plan views of the three-dimensional model annotated with numerical values that indicate the corresponding slope, area, and length of edges of at least some of the plurality of planar roof sections using at least two different indicia for different types of roof properties.

Ex. 1001, 15:58–16:13.

D. ASSERTED GROUNDS OF UNPATENTABILITY

Petitioner asserts the following grounds of unpatentability:

Reference(s)	Basis	Challenged Claim(s)
Hsieh ¹ and Applicad ²	§ 103(a)	1–5, 7–13, 15–23, 25–31, 33–40, 42, 46–52, and 54–56

Second Pet. 8.

II. ANALYSIS

A. DISCRETIONARY NON-INSTITUTION

1. Petitioner's First Petition in IPR2016-00582

In its First Petition, Petitioner requested *inter partes* review of claims 1–5, 7–13, 15–23, 25–31, 33–40, 42, 46–52, and 54–56 of the '436 patent, which are also challenged in the Second Petition on the same ground:

¹ Yuan Hsieh, *Design and Evaluation of a Semi-Automated Site Modeling System*, Carnegie Mellon, 1–76, Nov. 1995 (Ex. 1004, “Hsieh”).

² APPLICAD PRODUCT BULLETIN, KEY FEATURES OF OUR ROOFING SOFTWARE” (Nov. 2002) (Ex. 1005, “Applicad”).

Reference(s)	Basis	Challenged Claim(s)
Hsieh and Applicad	§ 103(a)	1–5, 7–13, 15–23, 25– 31, 33–40, 42, 46–52, and 54–56

See IPR2016-00582, slip op. at 4 (PTAB Aug. 16, 2016) (Paper 15) (“IPR2016-00582 Inst. Dec.”). Based on the First Petition, we denied institution on the asserted ground because we found Petitioner had not made a sufficient showing that Hsieh is a printed publication. *Id.* at 4–7.

2. The Board’s Discretion to Deny Institution

Institution of an *inter partes* review is discretionary. See 35 U.S.C. § 314(a) (authorizing institution of an *inter partes* review under particular circumstances, but not requiring institution under any circumstances); 37 C.F.R. § 42.108(a) (“the Board *may* authorize the review to proceed”) (emphasis added); *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (explaining that under § 314(a), “the PTO is permitted, but never compelled, to institute an IPR proceeding”).

Additionally, “[i]n determining whether to institute or order a proceeding under . . . 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).

3. Discussion

Petitioner asserts that we should not deny the Petition under 35 U.S.C. § 325(d) because although the asserted prior art in its Second Petition is the same as that in the First Petition, the Board did not reach the merits of the First Petition. Second Pet. 5–6. Patent Owner argues that we should decline to institute under § 325(d) because Petitioner’s challenge is “substantively identical” to the challenge in the First Petition and is basically

an attempt at a “do-over.” Prelim. Resp. 1–2. Specifically, Patent Owner argues that we should decline to institute under § 325(d) because (1) Petitioner’s repetitive challenges have already greatly taxed the resources of the Board, (2) Petitioner previously filed a petition directed to the same claims of the same patent, (3) the Second Petition raises the same art and the same arguments that already were submitted by the same petitioner in its First Petition, (4) Petitioner knew of the references it asserts in the Petition when it filed the First Petition, (5) Petitioner waited nearly the maximum amount of time possible between filing its First and Second petitions; and, (6) Petitioner already received Patent Owner’s Preliminary Response to the First Petition and received the Board’s Decision on whether to institute review in the First Petition. PO Prelim. Resp. 7–24. As explained below, we agree with Patent Owner that the circumstances here do not favor institution of an *inter partes* review.

Petitioner argues that because we did not reach the merits of the First Petition, Petitioner should be allowed to present more specific evidence regarding public accessibility in the Second Petition to allow the Board to reach the merits of Petitioner’s challenge. Second Pet. 5–6. Absent a good reason, a subsequently filed petition that only corrects defects identified by a Board decision in a prior petition typically is not granted. *See, e.g., Butamax Advanced Biofuels LLC v. Gevo, Inc.*, Case IPR2014-00581, slip op. at 12–13 (PTAB Oct. 14, 2014) (Paper 8); *NetApp Inc. v. Crossroads Sys., Inc.*, IPR2015-00776, slip op. at 8 (PTAB Sept. 8, 2015) (Paper 13).

Allowing similar, 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.

Additionally, harassment of Patent Owner is not the only basis for denying institution under § 325(d). Our discretion under § 325(d) is guided by a balancing of the interests of the parties, the public, and the Board. See *id.*; *Samsung Elec. Co. v. Rembrandt Wireless Techs., LP*, Case IPR2015-00114, slip op. at 6 (PTAB Jan. 28, 2015) (Paper 14) (“[I]t is more efficient for the parties and the Board to address a matter once rather than twice.”). Thus, in construing our authority to institute *inter partes* review under 37 C.F.R. § 42.108, we are mindful of the guidance provided in § 42.1(b): “[37 C.F.R. § 42] shall be construed to secure the just, speedy, and inexpensive resolution of every proceeding.” *Id.*; see also *ZTE Corp. v. ContentGuard Holdings, Inc.*, Case IPR2013-00454, slip op. at 5–6 (PTAB Sept. 25, 2013) (Paper 12) (“The Board is concerned about encouraging, unnecessarily, the filing of petitions which are partially inadequate.”).

For these reasons, we conclude that the instant Petition advances “the same or substantially the same prior art or arguments [that] previously were presented to the Office” in the First Petition, and, therefore, we have discretion under § 325(d) to deny institution of the obviousness ground based on Hsieh and Applicad. We, therefore, deny Petitioner’s request to institute *inter partes* review here.

III. CONCLUSION

For all of the reasons discussed above, we exercise our discretion under 35 U.S.C. § 325 (d) not to institute review in this proceeding with respect to claims 1–5, 7–13, 15–23, 25–31, 33–40, 42, 46–52, and 54–56.

IV. ORDER

It is:

ORDERED that the Petition is denied as to claims 1–5, 7–13, 15–23, 25–31, 33–40, 42, 46–52, and 54–56 of the '152 patent; and

FURTHER ORDERED that no *inter partes* review is instituted.

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