

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

POLYGROUP LIMITED MCO,
Petitioner,

v.

WILLIS ELECTRIC CO., LTD,
Patent Owner.

IPR2016-01781 (Patent 8,974,072 B2)¹

Before WILLIAM V. SAINDON, JEREMY M. PLENZLER, and
BARBARA A. PARVIS, *Administrative Patent Judges*.

SAINDON, *Administrative Patent Judge*.

ORDER

Denying Patent Owner's Request on Rehearing of the January 16, 2020
Conduct of Proceeding on Remand
37 C.F.R. § 42.71

¹ IPR2016-01782 is consolidated into IPR2016-01781.

This case is before us on remand from the Federal Circuit. *Polygroup Limited MCO v. Willis Electric Company, Ltd.*, 780 F. App'x 880 (Fed. Cir. 2019). In that case, the Federal Circuit vacated our Final Written Decision upholding the patentability of the challenged claims, and remanded the case to us to: “reconsider [our] obviousness determination consistent with the proper construction of ‘tree portion,’” consider “whether [the] claims are unpatentable in view of Miller alone,” and to reconsider Petitioner’s obviousness grounds in light of the opinion. *Polygroup*, 780 F. App'x at 882, 885.

On January 16, 2020, we issued a Conduct of the Proceeding on Remand Order setting forth a briefing schedule. Paper 55 (“Briefing Order”). Consistent with our understanding of the Federal Circuit’s instructions on remand, we authorized briefing “limited to addressing the impact of *Polygroup* on the remanded claims and grounds, and to identifying, without further argument, where in the prior briefing the parties addressed the Miller alone ground.” Briefing Order 2. Patent Owner requests rehearing of that order. Paper 56 (“Req. Reh’g”).

Our Rules allow a party to file a request for rehearing within 14 days of entry of a non-final decision.² 37 C.F.R. § 42.71. As stated in our Rule:

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

² Patent Owner’s Request for Rehearing was filed on February 3, 2020, beyond the 14-day window. However, we excused the late filing during a conference call held on January 30, 2020 and extended the deadline to February 3, 2020. *See* Paper 57 at 3.

each matter was previously addressed in a motion,
an opposition, or a reply.

Id. (emphasis added).

Reviewing Patent Owner’s Request for Rehearing of our Briefing Order, it is not clear to us what Patent Owner believes we misapprehended or overlooked in issuing the order. Instead, Patent Owner merely expresses disagreement with the outcome of the order, and requests briefing to provide new arguments and evidence regarding the Miller-alone ground. *See, e.g.*, Req. Reh’g 5–6 (setting out some of the new arguments that it would like to make). In effect, Patent Owner argues that it “had no reason to point to these [arguments]” during the original trial because “no Miller-alone ground was asserted.” *Id.* at 6.

As background to the Miller-alone ground issue, we must turn to a related proceeding between the parties, IPR2016-01610. That proceeding involved highly similar issues to the issues in this proceeding. There, a majority of this panel agreed with Patent Owner that no Miller-alone ground was asserted. *See Polygroup Limited MCO v. Willis Electric Company, Ltd.*, IPR2016-01610, Paper 187 at 6–7, 41 n.31 (PTAB Feb. 26, 2018) (Final Written Decision). However, on appeal the Federal Circuit held that “[Petitioner’s] petitions *explicitly argued* that Miller alone teaches every element of the challenged claims” and that we “failed to consider whether [the] claims are unpatentable in view of . . . Miller . . . alone.” *Polygroup Limited MCO v. Willis Electric Company, Ltd.*, 759 F. App’x 934, 942–43,

944 (Fed. Cir. 2019) (emphasis added).³ Further, the Federal Circuit clarified that our refusal to consider Miller alone was not a partial institution but rather a failure to consider an alternative argument. *Polygroup*, 759 F. App'x at 944 n.3. Thus, on remand, we were not to consider a new ground of unpatentability but rather an alternative argument that was “explicitly argued” in the prior ground during the trial phase before us.

Given that the Miller-alone ground was an argument in an instituted ground set forth in the Petition, Patent Owner in fact had an opportunity to respond to the Miller-alone argument in this proceeding during the original trial.⁴ While Patent Owner (and the majority in our Decision) did not recognize the Miller-alone argument or believe it was properly raised, the *opportunity* to address the argument existed during the proceeding. There was nothing preventing Patent Owner from presenting the new arguments and evidence it now wishes to present as a matter of right during the original

³ The Federal Circuit’s decision in the ’1610 appeal is controlling here because in the decision remanding this case to us, the Federal Circuit held that the issue of Miller alone “has also been resolved against [Patent Owner] as a matter of collateral estoppel”. *Polygroup*, 780 F. App'x at 882 (citing *Polygroup Limited MCO v. Willis Electric Company, Ltd.*, 759 F. App'x 934, 942–43 (Fed. Cir. 2019)).

⁴ Indeed, during oral argument, Patent Owner responded to a question about “alternate theories of unpatentability.” Tr. 23:15–26:2. Although Patent Owner disagreed that any such alternative theory was properly raised, it was on notice that alternate theories may exist. *See also* Ex. 2028, 13:13–14:4 (Patent Owner acknowledging that arguments regarding the structures of Miller were both indirectly and directly raised in the pleadings). In any event, neither the majority nor the dissenting opinions in our prior Final Written Decision (Paper 45) addressed any alternative Miller-alone argument and instead each focused on the three-reference obviousness ground of Miller, Yang, and Patry. *See generally* Paper 45.

trial portion of the proceeding. Accordingly, Patent Owner's assertion on Rehearing that "no Miller-alone ground was asserted" is foreclosed by the holding of *Polygroup*; its argument that there was no *opportunity* to address Miller alone is unpersuasive because the Miller-alone ground was previously before us as an explicit alternative argument.

In summary, we are not persuaded that we misapprehended or overlooked any issue when deciding to allow the parties to direct us on remand to any arguments already made relevant to the Miller-alone issue. *See* Briefing Order 2 (allowing the parties to direct our attention to "arguments addressing these grounds [on remand] specifically (direct argument), or where it raised arguments that we would find useful in rendering a decision on patentability in view of these grounds (indirect argument)"). Thus, Patent Owner's request for rehearing is denied.⁵

Patent Owner also requests that we allow it to file the briefing and evidence as an "Offer of Proof," even if we deny its request for rehearing. Req. Reh'g 6. We see no particular reason or benefit to doing so. Patent Owner relies on *Ultratec, Inc. v. CaptionCall, LLC* to support its position that we should allow it to enter the new arguments and evidence, but *Ultratec* is inapposite. *See id.* (citing *Ultratec, Inc. v. CaptionCall, LLC*, 872 F.3d 1267, 1273 (Fed. Cir. 2017)). In *Ultratec*, the issue was the Board's refusal to enter newly-available, allegedly inconsistent expert testimony in a case where neither the reasons for the Board's refusal nor the testimony were made of record. *Ultratec*, 872 F.3d at 1272–73. As such,

⁵ In any event, nothing in the Briefing Order precludes us from requesting additional briefing from the parties in the event we need to reach an issue the parties have not had an opportunity to brief.

without an order, the testimony, or both, the Federal Circuit had no means to review whether the Board reached an appropriate ruling. *See id.* at 1274. In contrast, Patent Owner here is not seeking merely to enter newly-available, potentially impeaching evidence of an expert. Instead, Patent Owner is seeking to enter completely new arguments and evidence, both of which could have been submitted earlier. Entertaining the new arguments and evidence, of course, would require response from Petitioner and cross-examination. Thus, the circumstances and evidence here are greatly unlike that in *Ultratec*. Further, this Order, if not the similar orders in this and the '1610 IPR, specifically provides discussion of the scope of briefing issue, and Patent Owner's request to enter an "Offer of Proof," for any later review. *See, e.g., Polygroup Limited MCO v. Willis Electric Company, Ltd.*, IPR2016-01610, Paper 196 at 2–3 (PTAB June 10, 2019). Accordingly, Patent Owner's request to file the new arguments and supporting evidence at this time as an "Offer of Proof" is denied.

ORDER

In view of the foregoing, Patent Owner's Request for Rehearing is DENIED and we do not modify any portion of our January 16, 2020 Conduct of the Proceeding on Remand Order.

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