

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SK HYNIX INC., SK HYNIX AMERICA INC., and SK HYNIX
MEMORY SOLUTIONS INC.,
Petitioner,

v.

NETLIST, INC.,
Patent Owner.

Case IPR2017-00649
Patent 8,301,833 B1

Before BRYAN F. MOORE, GEORGIANNA W. BRADEN, and
SHEILA F. McSHANE, *Administrative Patent Judges*.

MOORE, *Administrative Patent Judge*.

DECISION

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

INTRODUCTION

Petitioner filed a Request for Rehearing (Paper 8, “Req. Reh’g”) of the Decision Denying Institution (Paper 7, “Inst. Dec.”) (“Decision”) of U.S. Patent No. 8,301,833 B1 (Ex. 1001, “the ’833 patent”). In the Request for Rehearing, Petitioner argues that the Decision overlooked certain matters in denying review of the challenged claims. For the reasons set forth below, the Request for Rehearing is *denied*.

ANALYSIS

When considering a request for rehearing, we review the Decision for an abuse of discretion. 37 C.F.R. § 42.71(c). The party requesting rehearing bears the burden of showing that the Decision should be modified, and “[t]he request must specifically identify all matters the party believes [we] misapprehended or overlooked.” 37 C.F.R. § 42.71(d).

Petitioner argues that we misapprehended

the Petition’s alternative argument that, **if** Bonella does not directly disclose (without modification beyond Mills) “*operating the volatile memory subsystem at a third clock frequency when the memory module is in the second mode of operation, the third clock frequency being less than the first clock frequency,*” **then** it would have been obvious to modify Bonella to use ***Bonella’s own method*** of power reduction (reducing the DRAM operational frequency) in a manner that satisfies that limitation, as suggested by secondary references Ashmore and Long.

Req. Reh’g 2. As explained below, we do not agree that the Decision Denying Institution misapprehended the Petitioner’s alternative argument.

Petitioner argues that the Petition presented two alternative arguments on how prior art references Bonella and Mills rendered obvious the limitation of a “third clock frequency.” *Id.* at 3. According to Petitioner, the

first argument “relied on Bonella’s Power Level 5 as the ‘first mode,’ or full speed operation, and the power flush algorithm executed at some later point in time under Bonella’s Power Level 4 setting as the ‘second mode.’” *Id.* Petitioner argues its second argument is that “it would have been obvious to perform Bonella’s power reduction technique (DRAM operational frequency reduction) during the performance of Bonella’s power loss algorithm (“*second mode*”).” *Id.* at 4. On rehearing, Petitioner argues that the Petition was referring to the DRAM operation frequency reduction in general separate from Power Level 4. Specifically, Petitioner argues “[t]he Petition did not argue that it would have been obvious to apply ‘Power Level 4’ as fully described by Bonella during performance of the power loss algorithm.” *Id.* at 9. Thus, according to Petitioner, “the Board’s present decision in this proceeding unfairly discounted Bonella’s disclosure as being limited to ‘Power Level 4,’ rather than encompassing a specific power reduction technique used in ‘Power Level 4.’” *Id.* at 11 (citing Inst. Dec. 12–13.) We disagree.

Contrary to Petitioner’s assertions, the alternative argument was presented in the Petition “[t]o the extent one might argue the claims requires the “*second mode*” necessitate or cause the “*volatile memory system*” to operate “*at a third clock frequency*,” [to show] such a feature would have been obvious.” Pet. 27. Additionally, the Petitioner specifically references its argument regarding the second mode and Power Level 4 in describing the alleged second alternative. *Id.* (“As explained above, see §V.A.1.b) [contrasting Power Level 5 and Power Level 4 at pages 17–18], Bonella’s power loss algorithm (‘*second mode of operation*’) is triggered by emergency power loss situations.”). In other words, the alternative is

presented to assert that Bonella's power saving mode (associated with Power Level 4) could have been initiated (triggered or necessitated) by an emergency power loss. Petitioner did not state that this alternative involved avoiding the use of Power Level 4, nor did Petitioner explain the effect of using an uninterruptable power supply (UPS) during a power saving mode.

Based on this alternative argument in the Petition, the Decision Denying Institution found that Petitioner failed to explain how the power saving mode described in association with Power Level 4 would have been implemented with a UPS which Bonella uses when a power loss occurs. Inst. Dec. 12–13. The Decision Denying Institution, in discussing the alternative argument, states “Petitioner has not shown, however, how or why Bonella's power reduction modes are applicable during a power loss event, given that during a power loss event power is supplied by the UPS, and not the external Line/battery that supplies power under normal operations.” *Id.* at 13. On rehearing, Petitioner asserts “[t]he Board's reference to the distinction between power sources appears to relate back to its findings on Petitioners' primary argument.” We disagree. The Decision Denying Institution cites to the Petition's discussion of the UPS (or backup power supply) at page 27, which is part of the Petition's description of the alternative argument. *See* Reh'g. Req. 4 (“the Petition advanced an alternative argument [at pages] 26-30.”)

Petitioner then argues that when using the backup power supply (UPS), in the event of a power loss, the motivation to save power “would have led such an artisan to use the power saving mode of Bonella during the “*second mode*”” Pet. 27. It is in that context Petitioner argues that “it would have been obvious to perform Bonella's power reduction technique

(DRAM operational frequency reduction) during the performance of Bonella's power loss algorithm ("second mode")." *Id.* at 4. Thus, in its rehearing request, Petitioner does not address sufficiently its failure in the Petition to explain how the use of different power sources affects its proposed modification to Bonella; a failure that was specifically cited in the Decision Denying Institution. Inst. Dec. 12–13.

The Decision Denying Institution considered Petitioner's argument regarding combining Bonella's power reduction technique and Bonella's power loss algorithm as it was presented in the Petition. Thus, Petitioner has not established the proposition that the Board overlooked or misapprehended some evidence in the record. A request for rehearing is not an opportunity merely to disagree with the panel's assessment of the arguments or weighing of the evidence. Thus, we are not persuaded by this argument.

Petitioner then argues that its alternative argument was also advanced and accepted in an *inter partes* review petition filed against related U.S. Patent No. 8,874,831. *SK hynix Inc. v. Netlist, Inc.*, Case IPR2017-00692, slip op. at 64-69 (P.T.A.B. Jan. 17, 2017) (Paper 1) ("the '692 IPR"). While the '692 IPR did involve some of the same references and the same claim limitation, Petitioner argued the limitation differently. In the '692 IPR, Petitioner relied on a base reference, Best, combined with Bonella in view of Ashmore and Long, but did not rely on or discuss Power Level 4 and the UPS in the way it did in this *inter partes* review. '692 IPR, Paper 1. We are not persuaded that the outcomes in the two cases are inconsistent.

In the rehearing request, Petitioner further asserts that the Board improperly applied the law of obviousness by discounting the motivation provided by Long and Ashmore and focusing on whether Long and Ashmore

disclosed the specific feature alleged to be obvious. Req. Reh’g 12. We disagree. The Decision Denying Institution found that Long and Ashmore did not *provide motivation* for the specific combination advanced by Petitioner, stating “Petitioner does not point to a motivation to adjust the frequency of the memory banks specifically, simply a general motivation to reduce battery power during power loss.” Inst. Dec. 13. Thus, the Decision Denying Institution stated “we are not persuaded Ashmore [or Long] supports that contention that running at the frequency associated with Power Level 4 during a power loss would have been obvious.” *Id.* 13–14.

“[T]o establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion or teaching of the desirability of *making the specific combination* that was made by the applicant.” *In re Kotzab*, 217 F.3d 1365, 1370 (Fed.Cir.2000) (citation omitted)(emphasis added)). “A determination of obviousness cannot be reached where the record lacks ‘explanation as to *how or why the references would be combined* to produce the claimed invention.’” *Hyundai Motor Co. v. Blitzsafe Texas, LLC*, Case IPR2016-01476, slip op. at 32 (PTAB Jan. 24, 2017) (Paper 12) (quoting *Trivascular, Inc. v. Samuels*, 812 F.3d 1056, 1066 (Fed. Cir. 2016)). The Decision Denying Institution properly followed this precedent in requiring a specific motivation to make the combination alleged by Petitioner to meet the claimed combination.

By contrast, in the ’692 IPR Petitioner argued that it “would have been obvious at the time of the [’]831 Patent’s priority date for two reasons: (1) reducing power during volatile to non-volatile flush operations prompted by a power loss was a well-known technique, and (2) one known way to reduce the power consumption of DRAM devices was to reduce their

frequency of operation” and explained this theory based on Best, Bonella, Ashmore, and Long. ’692 IPR Pet. 64–68. Although, Petitioner argues that ’692 IPR Decision to Institute “correctly framed the inquiry as one based on what the teachings of the references as a whole would have rendered obvious,” (Reh’g. Req. 15), whether or not that is true, the ’692 IPR Decision to Institute considered the arguments made in the ’692 IPR Petition. Petitioner in this proceeding is limited to the arguments it makes in the Petition in this IPR not arguments made in another Petition or interpretations of those arguments (made in another Petition) in the Decision to Institute in another IPR. *See* 37 C.F.R. § 42.6(a)(3).

CONCLUSION

The Request for Rehearing does not demonstrate that we misapprehended or overlooked any matters raised in the Petition declining to institute review of claims 1–30.

ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Request for Rehearing is *denied*.

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