

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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GUARDANT HEALTH, INC.,  
Petitioner,

v.

FOUNDATION MEDICINE, INC.,  
Patent Owner.

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Case IPR2017-01170  
Patent 9,340,830 B2

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Before SUSAN L.C. MITCHELL, TINA E. HULSE, and  
RICHARD J. SMITH, *Administrative Patent Judges*.

SMITH, *Administrative Patent Judge*.

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

## I. INTRODUCTION

Patent Owner, Foundation Medicine, Inc., requests reconsideration of our decision (Paper 9, “Dec.”) instituting *inter partes* review of claims 65, 66, 72, 73, 75–77, and 80–85 of Patent No. US 9,340,830 B2 (Ex. 1001, “the ’830 patent”). Paper 13 (“Req. Reh’g). For the reasons discussed below, we deny the request for rehearing.

## II. DISCUSSION

When rehearing a decision on petition, the Board reviews the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion occurs when a “decision was 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) (citations omitted). A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed.” 37 C.F.R. § 42.71(d).

We did not overlook or misapprehend Patent Owner’s arguments; we considered them, but were not persuaded by them. We briefly address Patent Owner’s contentions below.

### A. “Baits”

Patent Owner contends that we overlooked its explanation of why primers are not “baits,” as defined by the ’830 patent.<sup>1</sup> Req. Reh’g 1–5. In particular, Patent Owner takes issue with the statement in the Decision that

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<sup>1</sup> Patent Owner argued that the Shah reference (Ex. 1005) refers to “multiple primers, which do not constitute baits even under Petitioner’s proposed construction of that term.” Prelim. Resp. 27.

“Patent Owner argues that ‘primers are wholly distinct from baits,’ but does not explain such alleged distinction in the context of the definition of ‘bait’ that it provides in the ’830 patent.” *Id.* at 1 (citing Dec. 14). According to Patent Owner, that statement “is inaccurate and overlooks Patent Owner’s provided explanation.” *Id.* at 2.

Patent Owner contends that it “explained that a person of ordinary skill in the art would understand that primers are not ‘baits,’ ‘even under Petitioner’s proposed construction of that term.’” *Id.* (citing Prelim. Resp. 27, 13–16, 27–31). Patent Owner further contends that it explained the distinction between baits and primers “in direct response to Petitioner’s (and subsequently the Board’s) view of the definition of ‘baits.’” *Id.* (citing Prelim. Resp. 29).

Patent Owner’s arguments focus on the words “primers” and “baits,” or their general meaning as asserted by Patent Owner, rather than the definition of “bait” as set forth in the ’830 patent. *See, e.g.*, Prelim. Resp. 13–16. For example, Patent Owner argues that primers and baits are distinct entities based on Dr. Quackenbush’s statement that “[n]ucleic acids used for targeted enrichment can include, but are not limited to, primers, probes, and baits.” Req. Reh’g 3 (citing Prelim. Resp. 29 and Ex. 1002, ¶ 28). But that statement by Dr. Quackenbush indicates that both primers and baits are nucleic acids used for targeted enrichment. Patent Owner also argues that “primers work in a fundamentally different way from baits,” and that primers are “usually short sequences” and thus “ill-suited for hybridizing with target nucleic acids for the purpose of capturing them.” *Id.* at 3–5 (citing Prelim. Resp. 30–31). But those general arguments do not explain or otherwise persuasively address why the nucleic acid molecules in Shah

(referred to as primers) do not fall within the definition of “bait” as set forth in the ’830 patent.

According to the ’830 patent, the term “bait” is defined as including “a nucleic acid molecule . . . which can hybridize to (e.g., be complementary to), and thereby allow capture of a target nucleic acid.” Ex. 1001, 28:47–50. Patent Owner acknowledges that “both primers and baits hybridize to a complementary portion of the target nucleic acid.” Req. Reh’g. 3 (citing Prelim. Resp. 30). However, Patent Owner does not explain or otherwise persuasively address why the subject nucleic acids in Shah are not included within that definition of “bait.”

We did not overlook Patent Owner’s explanation of why, in its view, “primers” are not “baits.” Rather, at this stage of the proceeding, we found such explanation unpersuasive as we stated in the Decision. Dec. 13. (stating “we are not persuaded that the definition of the term ‘bait,’ as set forth in the ’830 patent, does not include primers”). Moreover, because we did not overlook Patent Owner’s explanation, we find no basis to reconsider the disclosures of Shah.

B. The “Contacting the Library” Step

Patent Owner contends that we overlooked and/or misapprehended its argument that Petitioner failed to show that Levin and Shah teach or suggest the step of contacting the library with at least two of the recited bait sets. Req. Reh’g 6–8. In particular, Patent Owner contends that we did not address whether Petitioner demonstrated that at least two of the recited bait sets should be “used together,” or that at least two of the recited bait sets should be “used together” to contact a library. *Id.* at 8. According to Patent Owner, “[t]he absence of such holdings indicates that the Board overlooked and/or misapprehended” that claim 65 requires the combination of a library,

at least two bait sets, and that such bait sets are chosen from the recited bait sets in the claim. *Id.*

We did not overlook and/or misapprehend Patent Owner’s argument. We expressly addressed that argument with respect to bait sets (i) and (ii) by stating that “we find that choosing bait sets that select somatic mutations that appear at a frequency of about 5% or less *and* at a frequency of about 10% or higher is taught or suggested by the combined teachings of Levin and Shah.” Dec. 17 (emphasis added); *see also* Dec. 20 (“Having considered the arguments and evidence, we are persuaded at this stage of the proceeding that Petitioner has sufficiently shown that the limitations of claim 65 are taught or suggested by, or would have been obvious in view of, the combined teachings of Levin and Shah.”). Moreover, contrary to Patent Owner’s argument, the fact that the Decision may not recite the words “used together” does not indicate that we overlooked and/or misapprehended Patent Owner’s argument. *See Novartis AG v. Torrent Pharms. Ltd.*, 853 F.3d 1316, 1328 (Fed. Cir. 2017) (stating “this court has said on multiple occasions that failure to explicitly discuss every issue or every piece of evidence does not alone establish that the tribunal did not consider it”) (citing cases).

C. Multiple “Bait Sets”

Patent Owner contends that we overlooked and/or misapprehended its argument that Petitioner failed to meet its burden to show that Levin teaches or suggests multiple “bait sets.” Req. Reh’g 9–11. In particular, Patent Owner asserts that we “never addressed, and therefore overlooked” the argument that

Levin in fact teaches the use of one bait set comprising a plurality of baits, all of which were “designed in precisely the same way,”

which “is very different from the approach taught and claimed in the ’830 patent, which uses **multiple** different bait sets, each reflecting **different baiting strategies, to target different classes of genetic alterations.**”

Req. Reh’g 10 (citing Prelim. Resp. 28 (emphasis added)).

We did not overlook and/or misapprehend Patent Owner’s argument; rather, we considered it and found it unpersuasive. See Dec. 13 (stating “on this record, we find that Levin’s disclosure of multiple baits would include multiple bait sets”). In particular, we found that Levin teaches the use of multiple bait sets, not one bait set as argued by Patent Owner. See *id.* Furthermore, Patent Owner’s argument that all of the baits in Levin were “designed in precisely the same way” was based on Levin’s statement that “[b]aits were designed in a tiling fashion with minimal overlap to span the entire protein-coding region of each transcript.” See Prelim. Resp. 28 (citing Ex. 1010, 2). However, that statement suggests the design of multiple different baits that would include multiple different bait sets.

### III. CONCLUSION

For the foregoing reasons, we did not abuse our discretion when determining that Petitioner demonstrated a reasonable likelihood of prevailing on its assertion that claims 65, 66, 72, 73, 75–77, and 80–85 of the ’830 patent are unpatentable. Accordingly, Patent Owner’s request for rehearing is *denied*.

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