

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RUST-OLEUM CORPORATION and
RPM INTERNATIONAL, INC.,
Petitioners,

v.

ALAN STUART, TRUSTEE FOR THE CECIL G. STUART AND
DONNA M. STUART REVOCABLE LIVING TRUST AGREEMENT
and
CDS DEVELOPMENT LLC,
Patent Owners.

Case IPR2017-02158
Patent 6,669,991 B2

Before JO-ANNE M. KOKOSKI, CHRISTOPHER G. PAULRAJ, and
DAVID COTTA, *Administrative Patent Judges*.

PAULRAJ, *Administrative Patent Judge*.

DECISION

Granting Patent Owners' Motion to Accept Patent Owners' Request for
Rehearing as Timely Filed
Denying Patent Owners' Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

On April 8, 2019, we entered our Final Written Decision determining that claims 1–11, 14, and 20–24 of U.S. Patent 6,669,991 B1 are unpatentable. Paper 29. Under 37 C.F.R. § 42.71(d)(2), a request for rehearing of our Final Written Decision was due by May 8, 2019. 37 C.F.R. § 42.71(d)(2). On that date, we received an email automatically generated by the PTAB E2E system indicating that Patent Owners attempted to file a Request for Rehearing, but that no documents were submitted with the request. Ex. 3001. We, thereafter, held a conference call with the parties to inquire about whether Patent Owners intended to file a Request for Rehearing. Following that conference call and pursuant to our authorization (Paper 31), Patent Owners filed a motion to accept their Request for Rehearing as timely filed, and in the alternative, accept the late filing of their Request for Rehearing, along with a copy of the document that was intended to be filed on May 8, 2019. Paper 32; Ex. 2010. Simultaneously, in order to preserve their right to appeal, Patent Owners also filed a Notice of Appeal to United States Court of Appeals for the Federal Circuit pursuant to 37 C.F.R. § 90.2(a). Paper 33. Petitioners filed an opposition to Patent Owners' motion. Paper 34.

Having considered the arguments and supporting evidence submitted with Patent Owners' motion and Petitioners' opposition, we determine it would be in the interests of justice to deem Patent Owners' Request for Rehearing to be timely filed. However, based on our consideration of the merits of the Request for Rehearing, we are not persuaded that we misapprehended or overlooked any issues of fact or law that would necessitate a modification of our Final Written Decision.

II. PATENT OWNERS' MOTION TO ACCEPT THE REQUEST FOR REHEARING AS TIMELY FILED

In their motion, Patent Owners request that the Board (1) accept the filing of Patent Owners' Request for Rehearing as timely filed on May 8, 2019 (Ex. 2010); or, in the alternative, (2) accept the late filing of Patent Owners' Request for Rehearing. Paper 32, 1.

Patent Owners' motion sets forth a statement of facts explaining the circumstances in which their counsel attempted to file their Request for Rehearing on May 8, 2019. In particular, Patent Owners contend that:

On May 8, 2019, at approximately 3:45 P.M. PDT (6:45 P.M. EDT), counsel for Patent Owners received an email from staff indicating the filing of Patent Owners' Request for Rehearing had been completed and attaching a copy of the filed pdf and a printout of the "Rehearings For IPR2017-02158" docket through the E2E system indicating a filing date of "05/08/2019" for IPR2017-02158 filed by Patent Owner.

Id. at 2. Patent Owners further contend that, on the same day, "[a]t approximately 4:06 P.M. PDT (7:06 P.M. EDT), Patent Owners caused a copy of the Request for Rehearing to be served on counsel for Petitioners."

Id. at 3. In support of these facts, Patent Owners include a declaration by their counsel, Marcus A. Barber (Ex. 2011), a printout from the PTAB E2E system (Ex. 2012), and a copy of the service email sent to Petitioners' counsel (Ex. 2013).

In their opposition, Petitioners acknowledge that their counsel was served with a copy of the Request for Rehearing on May 8, 2019, and thus would not be prejudiced with respect to acceptance of a late filing. Paper 34, 1 n.1. Petitioners, however, object to having the Request for Rehearing deemed timely filed insofar as it would cause further delays in the

resolution of this matter, including with respect to the appeal to the Federal Circuit. *Id.* at 3–4. Petitioners further contend that Patent Owners’ filing of a Notice of Appeal divests the Board of jurisdiction to rehearing the issue, and thus gives an alternative basis for denial of Patent Owners’ motion. *Id.* at 1–2.

Under 37 C.F.R. § 42.5(c)(3), “[a] late action will be excused on a showing of good cause *or* upon a Board decision that consideration on the merits would be in the interests of justice.” 37 C.F.R. § 42.5(c)(3) (emphasis added). Patent Owners have presented evidence tending to show that their counsel believed that the Request for Rehearing was timely filed on May 8, 2019. *See* Exs. 2011–2013. It does not appear, however, that they attached any document with their filing before clicking the submit button on PTAB E2E. In this regard, we note that the email generated by the PTAB E2E system and sent to counsel of record on May 8, 2019 clearly stated “THERE WERE NO DOCUMENTS SUBMITTED WITH THIS REQUEST.” Ex. 3001. Patent Owners have not explained why they did not take immediate action after receiving that email to determine whether the Request for Rehearing was actually filed.¹ Indeed, Patent Owners remained

¹ The manner of filing a petition is governed, in part, by 37 C.F.R. § 42.6(b)(1), which states that “[u]nless otherwise authorized, submissions are to be made to the Board electronically via the Internet according to the parameters established by the Board and published on the [website] of the Office.” 37 C.F.R. § 42.6(b)(1). The Board’s website states the following:

A8. How can I check whether I filed a document properly?

After you upload a document in the proper format (i.e., PDF or MPEG for exhibits and PDF for all other documents) and click “Submit,” you will receive an *acknowledgement on the screen in PRPS and a filing receipt via email if the document is filed*

silent for over three weeks until the Board initiated contact with the parties *sua sponte* to inquire about whether Patent Owners intended to file a Request for Rehearing. Thus, we do not find that Patent Owners have shown good cause to excuse the late filing.

Nonetheless, based on the facts and circumstances presented, including the lack of significant prejudice to Petitioners, we determine that it would be in the interests of justice to deem Patent Owners' Request for Rehearing to be timely filed and consider the merits of the arguments presented in the Request for Rehearing. We caution the parties and counsel that the "interests of justice" consideration under 37 C.F.R. § 42.5(c)(3) will not always excuse such late filings in the future. But in this case, we are of the view that providing our assessment of whether we misapprehended or overlooked any of the issues raised in the Request for Rehearing would create a more complete record that may be beneficial to the parties and the Federal Circuit during any subsequent appeal.²

properly. If you did not receive an acknowledgement on the screen or a filing receipt via email, the document most likely has not been uploaded properly and you should contact the Board at (571) 272-7822. You may also check whether the document is listed in the file contents of the proceeding.

<http://www.uspto.gov/ip/boards/bpai/prps.jsp#heading-5> (emphasis added).

² We are also not persuaded that the filing of a Notice of Appeal (Paper 33) by Patent Owners divested the Board of jurisdiction to decide the merits of the Request for Rehearing. The Federal Circuit's decision in *In re Graves*, 69 F.3d 1147 (Fed. Cir. 1995), is instructive on this point. There, the applicant had filed a notice of appeal to the Federal Circuit after the Board entered its initial decision but before the Board's decision on a request for reconsideration. *Id.* at 1150. Because the notice of appeal was filed too late if based on the initial decision, the court determined that the Board's initial

III. PATENT OWNERS' REQUEST FOR REHEARING

As to the arguments presented in the Request for Rehearing, Patent Owners focus on our denial of Patent Owners' Motion to Amend in our Final Written Decision, and contend that we overlooked and/or misapprehended Patent Owners' evidence and argument showing that Petitioner failed to carry its burden of proving the Proposed Substitute Claims anticipated by Baumgärtel. Ex. 2010, 2. Upon consideration of the merits of the Request for Rehearing, we are not persuaded that we should modify our conclusions in the Final Written Decision.

In particular, Patent Owners argue that we did not address, and therefore overlooked, their evidence and arguments demonstrating that Baumgärtel requires the use of pigments to restore color unless the surface

decision was not an "appealable decision," and thus the Board had jurisdiction to enter its reconsideration decision. *Id.* Here, unlike in *Graves*, Patent Owners' Notice of Appeal was filed within the sixty-three (63) day deadline prescribed under 37 C.F.R. § 90.3(a)(1) and would be considered timely, if timeliness was based on our April 8, 2019 Final Written Decision. However, 37 C.F.R. § 90.3(b)(1) further provides that "[a] timely request for rehearing will reset the time for appeal or civil action to no later than sixty-three (63) days after action on the request." 37 C.F.R. § 90.3(b)(1). Given that we hereby deem Patent Owners' Request for Rehearing to be timely filed, we likewise determine that the time period for an appeal is hereby reset, and that Patent Owners' Notice of Appeal from our Final Written Decision was premature and did not divest our jurisdiction to decide the Request for Rehearing. *Cf. Laboratoire Francais v. Novo Nordisk Healthcare AG*, No. 2019-1054 (Fed. Cir. Dec. 27, 2018) (non-precedential) (order dismissing appeal as premature where Board had not completed its decision as to rehearing grounds). We further note that Patent Owners have indicated "[s]hould the Board deem Patent Owners' Request for Rehearing as timely filed, Patent Owners are willing to withdraw or stay their Notice of Appeal pending the outcome of the Request for Rehearing." Paper 32, 1–2.

layer is being removed (i.e., Example 1). *Id.* at 2–3. We are not persuaded that we misapprehended or overlooked the evidence of record regarding whether Baumgärtel requires the use of pigments for rejuvenation. As we noted in our Final Written Decision, Example 1 of Baumgärtel does not mention the use of any pigments yet discusses the removal of the yellowed/damaged surface layer of white siding using a composition containing 99% dichloromethane. Paper 29, 42. Although the amendment in the Proposed Substitute Claims required *both* color and luster to be restored, it did not otherwise modify our construction of “rejuvenating,” which encompasses either “remov[ing] or transform[ing] the chalky surface that develops on vinyl siding that is exposed to sunlight and other environmental conditions.” *Id.* at 15 (emphasis added). The teaching in Baumgärtel’s Example 1 of removing the surface layer using a 99% dichloromethane solution satisfies our construction of “rejuvenating.” We, therefore, did not misapprehend or overlook Patent Owners’ evidence and arguments in determining that Example 1 of Baumgärtel anticipates the Proposed Substitute Claims.

Patent Owners further argue that we overlooked and/or misapprehended evidence and arguments showing that Dr. Storey’s experiment was not based on Example 1 of Baumgärtel, and thus insufficient for Petitioners to meet their burden of showing inherent anticipation. Ex. 2010, 4–6. But, as set forth in our Final Written Decision, we fully considered the evidence of record and determined that the experiments conducted by Dr. Storey further support a finding of inherent anticipation by Baumgärtel. Paper 29, 43 (citing Ex. 1022 ¶¶ 12–36). We recognized that the 99.5% pure dichloromethane used by Dr. Storey for his experiments did

not include the 1% of additional ingredients identified in Example 1, but took into account Dr. Storey's un rebutted testimony that those additional ingredients in such small proportions would not have materially affected the rejuvenation characteristics of dichloromethane. *Id.* at 43–44 (citing Ex. 1005 ¶¶ 81–82). As we noted, Patent Owners did not cross-examine Dr. Storey as to his declaration testimony in this proceeding; nor did Patent Owners' expert Dr. Grulke address these points in his own declaration. *Id.* at 44. Thus, we are not persuaded that we misapprehended or overlooked the cited testimony of Dr. Storey regarding inherent anticipation.

IV. CONCLUSION

For the reasons set forth above, we determine it would be in the interests of justice to deem Patent Owners' Request for Rehearing to be timely filed. However, we are not persuaded based on our consideration of the merits of the Request for Rehearing that we misapprehended or overlooked any issues of fact or law that would necessitate a modification of our Final Written Decision.

V. ORDER

According, in consideration of the foregoing, it is hereby

ORDERED that Patent Owners' motion to accept the filing of Patent Owners' Request for Rehearing as timely filed on May 8, 2019 is *granted*; and

FURTHER ORDERED that Patent Owners' Request for Rehearing is *denied*.

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