

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

THE HEIL CO.,
Petitioner,

v.

ADVANCED CUSTOM ENGINEERED
SYSTEMS & EQUIPMENT CO.,
Patent Owner.

Case IPR2018-00139
Patent 8,146,798 B2

Before CHRISTOPHER L. CRUMBLEY, JO-ANNE M. KOKOSKI, and
JEFFREY W. ABRAHAM, *Administrative Patent Judges*.

KOKOSKI, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request for Rehearing
of Final Written Decision
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Advanced Custom Engineered Systems & Equipment Co. (“Patent Owner”) filed a Request for Rehearing (Paper 36, “Request” or “Req.”) of our Final Written Decision (Paper 35, “Final Written Decision,” “Decision,” or “Dec.”) in which we determined that claims 1–8 of U.S. Patent No. 8,146,798 B2 (Ex. 1001, “the ’798 patent”) are unpatentable. Dec. 2. For the reasons that follow, Patent Owner’s Request for Rehearing is denied.

II. ANALYSIS

In pertinent part, 37 C.F.R. § 42.71(d) states:

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

A request for rehearing, therefore, is not an opportunity merely to disagree with the Board’s assessment of the arguments or weighing of the evidence, or to present new arguments or evidence.

In the Request, Patent Owner argues that: (1) the Board overlooked Patent Owner’s arguments that Casella¹ does not disclose all of the limitations of the challenged claims (Req. 4–6); and (2) “the Board misapprehended Patent Owner’s arguments and understanding of the prosecution history of the ’798 Patent regarding the meaning of ‘multi-use’” as recited in claim 1 (*id.* at 6). We have reviewed Patent Owner’s Request and carefully considered the arguments presented. For the following

¹ U.S. Patent App. Pub. No. 2007/0260466 A1, published Nov. 8, 2007 (Ex. 1009).

reasons, we are not persuaded that we overlooked or misapprehended arguments or evidence as Patent Owner asserts.

A. *Argument Regarding Casella*

Patent Owner argues that the Board “overlooked Patent Owner’s prior arguments in both the Patent Owner Response and the Patent Owner Sur-Reply” in determining that Patent Owner waived its argument that Casella does not track the type of waste in the designated receptacles. Req. 4. In that regard, Patent Owner points to its Response where it states that “Scherer^[2] types, if at all, by container types, not waste types. The same is true for Casella.” *Id.* at 5 (quoting PO Resp. 29) (emphasis omitted). Patent Owner also points to its Sur-Reply, which refers back to the Patent Owner Response. *Id.* (citing PO Sur-Reply 14–15). Patent Owner argues that “[b]ecause the Board overlooked Patent Owner’s arguments that neither Scherer nor Casella teach the claim limitation ‘track the type of waste in the designated receptacle’ the Board improperly disregarded Patent Owner’s arguments as waived.” *Id.* at 6.

As an initial matter, we note that “track the type of waste in the designated receptacle” is not a limitation of the challenged claims. Instead, we understand Patent Owner’s argument to be directed to the “making a determination whether use of a multi-use receptacle is in compliance or non-compliance based on the permit type associated with the permit attached thereto” limitation of claim 1. This is because it is within the discussion of this claim limitation in the Final Written Decision that we determined that “Patent Owner argued for the first time at the oral hearing that Casella does

² U.S. Patent App. Pub. No. 2008/0077541 A1, published March 27, 2008 (Ex. 1005).

not track the type of waste in the designated receptacles” and that the “untimely new argument is waived.” Dec. 28 n.8.

Patent Owner’s arguments are premised on its contention that the claimed permit type is based on waste type, and, therefore, determining whether use is in compliance must also be based on waste type. *See e.g.*, PO Resp. 28–29; PO Sur-Reply 13. We determined, however, that the “disclosures in the ’798 patent indicate that the compliance/noncompliance determination encompassed by the claims is not limited to waste type as Patent Owner contends. Indeed, the ’798 patent specification does not discuss making a compliance determination based on the contents of the permitted container.” Dec. 28. We further found that

Scherer discloses the “making a determination whether use of a multi-use receptacle is in compliance or non-compliance based on the permit type associated with the permit attached thereto” limitation of claim 1 because Scherer’s method includes the step of determining whether a customer account is suspended or in good standing.

Id. (citing Ex. 1005 ¶¶ 28–29, 33–36). We did not determine that any of Patent Owner’s arguments with respect to Scherer were waived, and Patent Owner does not identify any arguments specific to Scherer that we overlooked.

With respect to Casella, Patent Owner argued at the oral hearing that Casella is going to pick up whatever is in the recycling container, at least according to what we can read from Casella, and credit whatever is in that container as recycling. I don’t find anywhere that Casella says well wait a minute, let’s check whether what’s in that recycling container is in compliance with what should be in that recycling container. Oh, but it would be inherent. Would it?

Paper 34, 40:12–17 (Mr. Shifley arguing for Patent Owner). Patent Owner points to the following from its Patent Owner Response to show that it previously made this argument in its papers:

Scherer or Casella either disclose the waste-type-permit-type limitation or the waste-type-use-compliance limitation, or not. Neither do. Scherer and Casella are the petition’s only cited places to allegedly find the limitations. *Compare* Pet. 33–36, 68–69 and Pet. *passim*. The limitations are not in Scherer; Scherer types, if at all, by container types, not waste types. The same is true for Casella.

PO Resp. 29. The passage in the Sur-Reply³ Patent Owner identifies does not add anything further: “POR 23 proves Casella lacks the ‘permit-type-waste-type’ limitation (see the heading at POR 16 for the subject of POR 16–27 of which POR 23 is a part). POR 29 proves Casella lacks both limitations that are the POR focus.” PO Sur-Reply 14–15.

First, we question whether such a cursory statement in the Patent Owner Response—that “[t]he same is true for Casella”—followed by a statement in the Sur-Reply that adds nothing substantive is sufficient to avoid waiver of a more detailed argument explaining *why* Casella does not disclose the disputed limitation. In addition, in the Response and Sur-Reply Patent Owner did nothing more than disagree with Petitioner that Casella discloses the claim limitations, whereas Patent Owner’s argument at the oral hearing was that Casella does not disclose checking the contents of the containers themselves. These are different arguments, and we are not persuaded that Patent Owner’s argument at the oral hearing was previously made in Patent Owner’s briefing.

³ Throughout its Sur-Reply, Patent Owner uses the abbreviation “POR” to refer to pages in its Patent Owner Response.

Furthermore, despite our waiver determination in the Final Written Decision, we did address Patent Owner’s argument (from the Patent Owner Response and Sur-Reply (*e.g.*, Req. 5–6)) that Casella does not teach making a compliance determination based on waste type. In particular, we reviewed the disclosures in Casella and the evidence of record and found as follows:

Casella describes designating separate containers as those for waste, recycling, compost, and the like with a container ID mechanism such as an RFID tag (Ex. 1009 ¶ 38), scanning the RFID tag to determine whether it contains waste or recyclables, and measuring the quantity of waste and the quantity of recyclables (*id.* ¶¶ 55–56). The ratio of the weight of recyclables received as compared to the sum of the combined weight of the waste and recyclables (the diversion rate) is calculated (*id.* ¶ 57), which is used to determine compliance with specified standards (*id.* ¶¶ 72–74). If the diversion rate is in compliance, the user is certified as meeting the standards; if it is not, the user is provided guidance to improve its environmental practices in order to gain compliance certification. *Id.* ¶ 74. Casella, therefore, discloses a compliance determination based on the type of waste in the permitted containers, which is also within the scope of “making a determination whether use of multi-use receptacle is in compliance or non-compliance based on the permit associated with the permit attached thereto” as recited in claim 1.

Dec. 28–29. Thus, we considered whether Casella discloses making a compliance determination based on waste type, and found that it does. We are not persuaded that we overlooked or misapprehended any of the evidence and arguments that Patent Owner provided.

B. Argument Regarding the Meaning of “Multi-Use”

Patent Owner argues that “the Board misapprehended the Patent Owner’s arguments and understanding of the prosecution history of the ’798 Patent regarding the meaning of ‘multi-use’ related to the claim 1

limitations” of “requiring a permit for use of a multi-use waste receptacle,” “establishing a permit type associated with a type of waste to be deposited in the multi-use receptacle,” and “associating the permit type with the permit.” Req. 6. In particular, Patent Owner argues that “[t]o support Patent Owner’s understanding of the claim limitation and prosecution history, Patent Owner cited to the specific arguments made by the Applicant to distinguish the claim limitations in the prosecution history,” and, despite this explanation, “the Board misapprehended Patent Owner’s proposed claim construction.” *Id.* at 8–9. In essence, Patent Owner disagrees with our decision on this issue. A request for rehearing, however, is not an opportunity to merely disagree with the Board’s assessment of the arguments or weighing of the evidence.

Moreover, in the Final Written Decision, we directly addressed Patent Owner’s argument that the prosecution history supports Patent Owner’s contention that the claimed “multi-use receptacle” must be useable for multiple types of waste, but did not find it to be persuasive. Dec. 20–22. We examined the prosecution history, including the specific arguments therein on which Patent Owner relies, and determined that Patent Owner “mischaracterize[d] the statements made during the prosecution of the ’798 patent.” *Id.* at 21. We explained that the applicant’s remarks: (1) repeatedly described the claimed “multi-use receptacle” as being “of a type filled and emptied on multiple occasions” without further elaboration (*id.* at 21–22); (2) indicated that one way that multi-use waste receptacles can be misused is by depositing non-allowable items in them (*id.* at 22); and (3) distinguished prior art by arguing that the prior art did not describe using a permit in the form of an RFID tag attached to a multi-use waste receptacle

to identify the waste stream in the multi-use receptacle over multiple discreet loading and emptying cycles (*id.*). We also explained that

[w]hether claim 1 requires that the multi-use waste receptacle be usable for multiple types of waste is a moot point, however, because, in its Sur-Reply, Patent Owner concedes that it did not argue in the Patent Owner Response “that the petition-asserted combinations lacked ‘multi-use’ containers,” or “that interpretation to mean ‘usable for different types of waste’ was in and of itself a reason to find the claims patentable.” PO Sur-Reply 6. *There is no dispute, therefore, that the claimed multi-use receptacles were known in the prior art, even if the claimed multi-use receptacles must be usable for different types of waste as Patent Owner contends.*

Dec. 22–23 (emphasis added). Accordingly, we did not misapprehend the prosecution history or Patent Owner’s reliance on it, but rather evaluated the prosecution history and determined that it does not support Patent Owner’s contention that “multi-use receptacle” must be usable for multiple types of waste.

III. CONCLUSION

We have reviewed and considered the arguments in Patent Owner’s Request and conclude that Patent Owner has not carried its burden of demonstrating that the Board misapprehended or overlooked any matters in rendering the Final Written Decision. 37 C.F.R. 42.71(d).

Patent Owner’s Request for Rehearing is *denied*.

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