

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EXOCAD GMBH AND EXOCAD AMERICA, INC.,
Petitioner,

v.

3SHAPE A/S,
Patent Owner.

Case IPR2018-00785
Patent 9,336,336 B2

Before SALLY C. MEDLEY, IRVIN E. BRANCH, and
FRANCES L. IPPOLITO, *Administrative Patent Judges*.

BRANCH, *Administrative Patent Judge*.

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

I. INTRODUCTION

On March 13, 2018, exocad GmbH and exocad America, Inc. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) to institute an *inter partes* review of claims 1–30 of U.S. Patent No. 9,336,336 B2 (“the ’336 patent”). On July 8, 2018, 3Shape A/S (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”). In our Decision dated October 3, 2018, (Paper 8, “Decision” or “Dec.”), we declined to institute *inter partes* review because we were not persuaded that “Petitioner has shown that the challenged claims should be reviewed in view of the same or substantially the same prior art or arguments having been previously presented to the Office.” Dec. 21 (citing 35 U.S.C. § 325(d)). On November 2, 2018, Petitioner filed a Request for Rehearing (Paper 9, “Request” or “Req.”). We have considered Petitioner’s Request for Rehearing, and, for the reasons set forth below, Petitioner’s Request is *denied*.

II. STANDARD OF REVIEW

Under 37 C.F.R. § 42.71(c), “[w]hen rehearing a decision on petition, a panel will review the decision for an abuse of discretion.” A request for rehearing is not an opportunity merely to disagree with the panel’s assessment of the arguments or weighing of the evidence, or to present new arguments or evidence. “The burden of showing a decision should be modified lies with the party challenging the decision.” 37 C.F.R. § 42.71(d). Further, “[t]he 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.” *Id.*

III. ANALYSIS

In determining whether to institute *inter partes* review, a petition may be denied unless we determine that the information presented in the petition and any response “shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a). Our discretionary determination of whether to institute review is guided by 35 U.S.C. § 325(d), which states, in relevant part “[i]n determining whether to institute or order a proceeding . . . the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.” 35 U.S.C. § 325(d).

In the Request, Petitioner argues that, “[i]n declining to institute a trial, under 35 U.S.C. § 325(d), the Decision (Paper 8) relies on the premise that the Examiner already considered Applicants’ argument.” Req. 1, 5–7. This is inaccurate. In our Decision, we determined that “the Office already considered Malfliet extensively during the prosecution of the challenged claims.” Dec. 12. Importantly, we determined that “Petitioner has not articulated sufficient reasoning for us to question the Examiner’s previous consideration of Malfliet.”¹ *Id.* We accordingly “decline[d] to consider grounds based upon Malfliet again.” *Id.* Our Decision, therefore, was not premised solely on whether the Examiner had already considered *Applicants’ arguments*, as Petitioner argues, but rather was based on Petitioner’s failure to explain sufficiently on the preliminary record why we

¹ International Publication Number WO 2008/128700 A1 to Malfliet et al., published October 30, 2008 (Ex. 1006, “Malfliet”)

should institute an *inter partes* review when, as Petitioner did not dispute, the Examiner had considered Malfliet during prosecution. *Id.* at 9–10 (citing Ex. 1004, 834–835). Indeed, in the Petition, Petitioner acknowledged that, “[d]uring prosecution, the Examiner rejected all claims based on Malfliet.” Pet. 3 (citing Ex. 1004 at 825–834).

Moreover, in reviewing the prosecution history of the ’336 patent, we considered Petitioner’s arguments that Patent Owner may have misrepresented or mischaracterized Malfliet’s teachings during prosecution. Decision 12; see Req. 7–9. The prosecution history does not indicate that the Examiner relied on Patent Owner’s potentially inaccurate statements in making the findings about the teachings of Malfliet. Ex. 1004 at 825–834.

Petitioner disagrees with our assessment of the prosecution history and asserts that “as a practical matter, even where an Examiner has reviewed a reference in its entirety and made general statements about having done so, it is unrealistic to assume that the Examiner considered every line of a prior art reference with an eye toward every claim limitation.” Req. 6. In this regard, Petitioner seeks to have us disregard the explicit statements made by the Examiner. We decline to do so, especially because Petitioner has not explained persuasively why in the particular circumstances here we must ignore or question the Examiner’s express statements that he has reviewed and considered Malfliet in its entirety.

Additionally, Petitioner raises the *Becton* factors for the first time in the Request and then only discusses factors (d) and (e). Req. 4–5 (citing *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, Case IPR2017-01586, slip op. 17–18 (PTAB Dec. 15, 2017) (Paper 8) (Informative) (“the *Becton*

factors”²); cf. Pet. 67. Petitioner contends “the challenge based on anticipation by Malfliet . . . should not have been rejected based on § 325(d) because at least two of the factors . . . – (d) and (e) – weigh strongly against such a rejection.” In contrast, the whole of Petitioner’s arguments regarding section 325(d) in the Petition are provided below:

The Examiner never considered “substantially the same . . . arguments” under § 325(d), because the Examiner did not consider the portion of Malfliet addressing use of a 2D face image, as discussed above, nor obviousness based on Malfliet combined with any other references. *See, e.g., Chimei Innolux Corp. v. Semiconductor Energy Lab. Co.*, IPR2013-00068, Paper 7, at 8 (Apr. 24, 2013) (instituting IPR was not improper where the Examiner had considered the two prior art references but did not consider substantially the same argument presented in the IPR). The Examiner did not consider Kopelman, even though its parent application was cited during prosecution, and neither Wiedmann nor Sachdeva were disclosed or considered during prosecution.

Pet. 67.

² The *Becton* factors are the following:

(a) the similarities and material differences between the asserted art and the prior art involved during examination; (b) the cumulative nature of the asserted art and the prior art evaluated during examination; (c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection; (d) the extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art; (e) whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art; and (f) the extent to which additional evidence and facts presented in the Petition warrant reconsideration of the prior art or arguments.

Becton at 17–18.

Putting aside Petitioner’s failure to “identify specifically . . . the place where each matter was addressed previously” (37 C.F.R. § 42.71(d)), we are not persuaded that Petitioner’s present assessment of the *Becton* factors establishes an abuse of discretion, even accepting all of Petitioner’s arguments as to factors (d) and (e). Regarding these factors, in addition to arguing that “[t]he Examiner likely missed” relevant portions of Malfiet because Patent Owner may have misrepresented or mischaracterized Malfiet’s teaching during prosecution (Req. 2, 7–9; *see infra*), Petitioner argues Patent Owner’s Preliminary Response “presents a new and different argument to attempt to distinguish Malfiet, which now centers mainly around the word ‘embed.’” Pet. 9; *see* Pet. 3, 9–11. Petitioner argues “[t]he Examiner never considered the meaning of the word ‘embed,’” “the Examiner [was not] asked to do so by the Applicants during the prosecution,” and an *inter partes* review would consider an entirely different argument. *Id.* at 10.

This is not an argument Petitioner raised in the Petition. Pet. 67. Thus we could not have misapprehended or overlooked it. Moreover, Petitioner did not “seek leave to file a reply to the preliminary response” to thereby compare and contrast the Applicants’ argument during prosecution to Patent Owner’s current argument. 37 C.F.R. § 42.108(c). Accordingly, although Petitioner may disagree with our exercise of discretion based on our review of the prosecution history, the parties’ briefing, and the evidence presented, we are not persuaded that our Decision misapprehended or overlooked Petitioner’s argument.

Petitioner's Rehearing Request does not address *Becton* factors (a), (b), and (c). *See generally* Request. These factors weigh fully toward denying the Petition because the identical reference, Malfliet, was involved in examination and is the basis of the Petition. Ex. 1004, 825–834; Pet. 12–17. This fact is undisputed and Malfliet's involvement in the prosecution of the '336 patent is extensively discussed in our Decision. Dec. 9–11; Ex. 1004, 825–834; *see* Decision 9–11. Factor (f) also weighs in favor of denying the Petition because Petitioner introduced no new facts or evidence that would warrant reconsideration of the prior art or arguments. *See* Pet. 67. Accordingly, the four *Becton* factors that Petitioner does not address in the Request weigh in favor of our exercising our discretion to deny the Petition.

Thus, we are not persuaded that we overlooked or misapprehended Petitioner's arguments presented in the Petition. *See* Pet. 67.

In its Rehearing Request, Petitioner further relies on our claim construction of terms at issue in related Case IPR2018-000788 in which we instituted *inter partes* review for the '336 patent. Req. 2, 10–11. Petitioner asserts that the “Examiner did not have this claim construction or argument when the application was allowed.” *Id.* Petitioner could have raised claim construction arguments in the Petition in this case in relation to section 325(d) but instead made only a general statement that the Examiner did not consider the same arguments presented in the Petition. *See* Pet. 67 (quoted *infra*). We considered Petitioner's arguments that the Examiner did not have the same or substantially the same arguments based on Malfliet during prosecution. Dec. 8–12. In consideration of the entire prosecution record

and the submitted arguments and evidence by the parties, we determined that Petitioner did not articulate sufficient reasoning for us to question the Examiner's previous consideration of Malfliet, especially because the Examiner explicitly states that he reviewed the entire reference. *Id.* at 12. Even if Petitioner had included claim construction arguments with respect to 325(d), the fact would remain that the Examiner considered Malfliet in its entirety. Thus, Petitioner's Rehearing Request does not persuade us that we overlooked or misapprehended any arguments regarding Malfliet that were presented in the Petition.

Petitioner also presents numerous arguments in support of the premise that "[t]he Examiner also did not consider obviousness based on combining Malfliet with Kopelman.^[3]" Req. 12–14. Petitioner relies on "the same reasons" for the challenges based on the combination of Malfliet and Wiedmann,⁴ and the challenges based on Lehman,⁵ Seeger,⁶ and MacDougald.⁷ *Id.* at 14.

³ U.S. Patent No. 6,845,175 B2 to Kopelman *et al.*, issued January 18, 2005 (Ex. 1008, "Kopelman").

⁴ Wiedmann, Oliver, "According to the Laws of Harmony . . . to find the right tooth shape with the assistance of the computer," Digital Dental News, 2nd Volume, April 2008 (Ex. 1007, "Wiedmann").

⁵ Lehmann, Thomas M., *et al.*, "Survey: Interpolation Methods in Medical Image Processing," IEEE Transactions on Medical Imaging, Vol. 18, No. 11, November 1999 (Ex. 1010, "Lehmann").

⁶ U.S. Patent Publication No. 2002/0075389 A1 to Seeger, published June 20, 2002, (Ex. 1011, "Seeger").

⁷ U.S. Patent No. 6,568,936 B2 to MacDougald, issued May 27, 2003 (Ex. 1009, "MacDougald").

Specifically, Petitioner contends that, during prosecution, both the Examiner and the Applicants treated the Examiner's rejection over Malfliet essentially as an anticipation rejection. *Id.* at 12–13 (citing Ex. 1004, 825–26, 854–56). Petitioner argues that “[t]he Examiner cited only Malfliet for every limitation and failed to cite any other prior art reference, including [Kopelman]” and that the Examiner “did not find that any element was not disclosed by Malfliet or explain any particular standard practice in the art that was not also disclosed by Malfliet.” *Id.* at 12. Petitioner contends that the Applicants “did not argue that the Examiner was incorrect about any particular element being standard practice in the art or that it was incorrect for the Examiner to have found that using such known elements for their intended purpose was obvious.” *Id.* (citing Ex. 1004, 854–56). Petitioner further contends that the Applicants “did not argue that any element was not disclosed in any of the prior art references in the foreign search report,” nor “that there was no reason to combine any of the references.” *Id.* Petitioner also argues that the Examiner never considered Petitioner's argument that “substituting a 2D face image for the 3D face model in [Malfliet]” would have been obvious. *Id.* at 13–14.

These arguments miss the point we made in our Decision. *See* Dec. 13–15 (“Petitioner's challenges based on Malfliet and Kopelman amount to challenges based on substantially the same prior art previously presented to the Office.”). Even if the Examiner had issued only an anticipation rejection over Malfliet, the Examiner nevertheless explicitly stated that he had considered obviousness over Malfliet, “standard practices in the art,” and the subject matter of Kopelman as we explained. Ex. 1004, 825; *see* Decision

13–14. Thus, we disagree with Petitioner that whether the Examiner considered the same art “should not be the relevant inquiry.” Req. 12.

Moreover, Petitioner does not identify—and we do not find—where Petitioner had raised these issues in the preliminary record prior to the Request. *See id.* at 11–14; *see also* Pet. 67 and 37 C.F.R. § 42.71(d). Petitioner also does not address the specific determinations in our Decision that were based on the preliminary record. *See* Req. 12–14; Dec. 11–14. In our Decision, we explained that “Petitioner does not direct us to differences between the content of the reference cited in the foreign search report (i.e., Kopelman’s ‘parent application’) and Kopelman, even though Petitioner acknowledges the relationship.” Dec. 14 (citing Pet. 67).

Accordingly, after considering our original Decision with respect to these challenges and the arguments Petitioner now raises regarding them, we determine that the Request fails to explain sufficiently why on the preliminary record we should have instituted an *inter partes* review. Petitioner’s arguments are being presented for the first time in the Request, and we are not persuaded of anything we misapprehended or overlooked in denying review regarding the challenges over combinations that include Kopelman, Wiedmann, Lehman, Seeger, and MacDougald.

IV. CONCLUSION

For the reasons above, we conclude that Petitioner has not met its burden of showing an abuse of discretion, or that we misapprehended or overlooked any of Petitioner’s arguments, either in our determination that the Petition raises the same or substantially the same prior art or arguments as those previously presented to the Office or in our exercise of discretion

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not to institute *inter partes* review of the '336 patent pursuant to our authority arising under 35 U.S.C. §§ 314 and 325(d).

V. ORDER

Accordingly, it is:

ORDERED that Petitioner's Request for Rehearing is *denied*.

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