

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIVERSAL IMAGING INDUSTRIES, LLC,
Petitioner,

v.

LEXMARK INTERNATIONAL, INC.,
Patent Owner.

IPR2019-01383
Patent 8,850,079 B2

Before JUSTIN T. ARBES, DAVID C. McKONE, and
GREGG I. ANDERSON, *Administrative Patent Judges*.

ARBES, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Request on Rehearing of Decision on Institution
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Petitioner filed a Request for Rehearing (Paper 8, "Req. Reh'g") of our Decision (Paper 7, "Dec.") not to institute an *inter partes* review of claims 1–22 of U.S. Patent No. 8,850,079 B2 (Ex. 1001, "the '079 patent"). Petitioner contends that we abused our discretion in denying institution as to

one of Petitioner's asserted grounds of unpatentability. Req. Reh'g 1. For the reasons stated below, Petitioner's Request for Rehearing is *denied*.

II. STANDARD OF REVIEW

When rehearing a decision on petition, the Board will review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c) (2019). "An abuse of discretion occurs if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors." *Arnold P'ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004). The party requesting rehearing bears the burden of showing an abuse of discretion, and "[t]he request must specifically identify all matters the party believes the Board misapprehended or overlooked." 37 C.F.R. § 42.71(d) (2019).

III. ANALYSIS

Petitioner asserted five grounds of unpatentability in its Petition. *See* Paper 1 ("Pet."), 3; Dec. 7. In the Decision, we determined that Petitioner had not established a reasonable likelihood of prevailing as to four of those grounds. Dec. 21–41. As to the fifth asserted ground—alleged obviousness of claims 1–22 of the '079 patent over U.S. Patent Application Publication No. 2010/0306431 A1 (Ex. 1006, "Adkins")—we found that the evidence weighed in favor of exercising our discretion and denying institution of review as to the ground under 35 U.S.C. § 325(d). Dec. 21, 41. Petitioner in its Request for Rehearing does not dispute our determination as to the four asserted grounds for which we found no reasonable likelihood of prevailing, and instead only disputes our conclusion as to the ground based on Adkins. Req. Reh'g 1 & n.1.

Pursuant to 35 U.S.C. § 325(d), in determining whether to institute an *inter partes* review, “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.” The Board evaluates two issues in addressing 35 U.S.C. § 325(d):

- (1) whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office; and
- (2) if either condition of [the] first part of the framework is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.

Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH, IPR2019-01469, Paper 6 at 8 (PTAB Feb. 13, 2020) (precedential) (“*Advanced Bionics*”).¹ With respect to the first issue, previously “presented” art includes, among other things, “art provided to the Office by an applicant, such as on an Information Disclosure Statement (IDS), in the prosecution history of the challenged patent.” *Id.* at 7–8. With respect to the second issue, institution generally will be denied if a “petitioner fails to make a showing of material error,” and “[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability.” *Id.* at 8–9. “[T]his framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown.” *Id.* at 9.

¹ *Advanced Bionics*, along with another decision pertaining to § 325(d), *Oticon Medical AB v. Cochlear Ltd.*, IPR2019-00975, Paper 15 (PTAB Oct. 16, 2019) (precedential as to §§ II.B, II.C), were made precedential after our Decision but before Petitioner’s Request for Rehearing.

The six non-exclusive factors set forth in *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 at 17–18 (PTAB Dec. 15, 2017) (precedential as to § III.C.5, first paragraph) (“*Becton, Dickinson*”), “provide useful insight into how to apply the framework.” *Advanced Bionics*, Paper 6 at 9. Those factors are

(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, Dickinson, Paper 8 at 17–18. “If, after review of factors (a), (b), and (d), it is determined that the same or substantially the same art or arguments previously were presented to the Office, then factors (c), (e), and (f) relate to whether the petitioner has demonstrated a material error by the Office.” *Advanced Bionics*, Paper 6 at 10.

We applied the *Becton, Dickinson* factors in the Decision and determined that, collectively, they warranted exercise of our discretion to deny institution based on § 325(d). Dec. 14–21. Petitioner does not appear to dispute that factor (a) weighs in favor of denying institution. As explained in the Decision, Adkins is the patent application publication of U.S. Patent Application No. 12/474,052 (“the Adkins application”), which issued as U.S. Patent No. 8,225,021 B2 (“the ’021 patent”). Dec. 14–16. The Adkins application is specifically referenced as “related” in the

'079 patent. *See* Ex. 1001, col. 1, ll. 15–18 (“This application is related to U.S. patent application Ser. No. 12/474,052, filed on May 28, 2009, entitled, ‘Dynamic Address Change for Slave Devices on a Shared Bus,’ and assigned to the assignee of the present application.”); Pet. 1 (“The '079 Patent identifies itself as being related to the '021 Patent.”). Further, the '021 patent, which has the same written description as Adkins, was cited in an IDS during prosecution and appears on the face of the '079 patent. *See* Ex. 1001, code (56); Ex. 1011 (IDS dated November 4, 2013, and Examiner signature indicating that “all references [were] considered” dated January 10, 2014). Thus, given that the prior art is the same as what was provided to the Examiner, Petitioner has shown no error in our conclusion that factor (a) and factor (b), which considers whether the art is “cumulative,” weighed in favor of exercising our discretion not to institute.

Petitioner argues that we erred in our analysis of factors (c) and (d). Req. Reh’g 2–9. With respect to factor (c), we concluded that, although the Examiner did not issue any rejection based on Adkins, the Examiner was familiar with the content of the reference because the corresponding Adkins application and issued '021 patent were identified to the Examiner during prosecution and, importantly, because the *same Examiner* examined both the '021 patent and the '079 patent. Dec. 16–17. Petitioner argues that we overlooked that

the challenged claims are all directed to the component circuitry in the slave device itself. Whether or not the master circuit send[s] slave change commands repetitively, or based on some other factor, that purported innovation is not captured by the challenged claims, as the challenge[d] claims deal only with the slave component circuitry that receives the address change commands.

Req. Reh’g 5. According to Petitioner, “[t]he ’079 Patent’s prosecution was far from exhaustive, there was clear error in that there was no consideration of patentability over Adkins, and, to the extent it was considered, Adkins was at best considered cursorily.” *Id.* at 6 (citing *Kayak Software Corp. v. Int’l Bus. Machines Corp.*, CBM2016-00075, Paper 16 at 11 (PTAB Dec. 15, 2016) (informative)). Thus, Petitioner’s position appears to be that although Adkins may have been “considered” (because the Adkins application and ’021 patent were identified during prosecution and the same Examiner examined both patents), it was not “evaluated” sufficiently for purposes of § 325(d) and as provided by factor (c). *See id.* at 5–6.

With respect to factor (d), we explained in the Decision that the Background section of the ’079 patent distinguished the ’079 patent invention from the subject matter of Adkins. Dec. 17–19. Thus, although the applicants did not distinguish Adkins in response to a claim rejection based on Adkins, they presented distinguishing arguments in the Specification itself. *Id.* Petitioner contends, essentially, that we misapprehended that the discussion of Adkins in the Specification does not pertain to the subject matter claimed in the ’079 patent. Req. Reh’g 6–9. Rather, Petitioner contends, the “‘argument’ [in the Specification] is directed to activities performed by the master, not by the slave that is claimed in the challenged claims. The slave device remains unchanged from the teachings of Adkins.” *Id.* at 7.

As explained in the Decision, the ’079 patent identifies shortcomings of Adkins’s technique of slave devices responding to address change requests from a master, and introduces its invention as a solution to those shortcomings. Dec. 18 (citing Ex. 1001, col. 2, ll. 1–37). In the Request, Petitioner appears to be arguing that (1) the ’079 patent’s discussion of

Adkins addresses a technique implemented primarily in a master; (2) the claims of the '079 patent are directed only to slave devices; and (3) we (and presumably the Examiner) overlooked or misapprehended that the slave device described in Adkins is the same as that claimed in the '079 patent. Req. Reh'g 7 (“[T]he Board erred by failing to tie [the argument in the Background of the '079 patent] to any claim language.”), 8 (“*None* of the challenged claims are directed to the master device, where the purported invention of the '079 Patent lies.”), 8–9 (“The challenged claims are directed to the circuitry in the slave device—they are not directed to the purported solution the Board identifies as distinguishing the '079 Patent from Adkins. This is precisely why it was error for the challenged claims to issue in the first instance, and why it was error for the Board to deny institution.”), 11–12 (“Patent Owner’s arguments on patentability, both in the background section of the '079 Patent’s disclosure as well as in Patent Owner’s preliminary response, are all directed to how the master decides to send address change commands to the slave. . . . This logic and decision making [of the master device] is not captured in any of the challenged claims.”).

Petitioner further argues that “[t]hrough its Preliminary Response, Patent Owner expressly conceded the slave device does nothing new.” *Id.* at 7 (citing Paper 6 (“Prelim. Resp.”), 61); *see also id.* at 11 (“As Patent Owner acknowledged through its preliminary response, the component circuitry of the slave device is no different under the '079 Patent than under Adkins.”).²

² Petitioner misrepresents Patent Owner’s argument. In the Preliminary Response, Patent Owner argued that Adkins discloses the address generation protocol that the '079 patent describes and distinguishes in its Background. Prelim. Resp. 60–61. Patent Owner did not admit that Adkins discloses a slave device that would meet the limitations of the '079 patent claims. *Id.*

According to Petitioner, “[i]t was error for the Office to allow claims directed to only the component circuitry [of a slave device] to issue when Patent Owner itself admitted during prosecution (and admits again during this proceeding) that the slave device’s component circuitry is no different than the prior art.” *Id.* at 11.

Petitioner does not identify where it made these arguments in the Petition. In the Petition, Petitioner argued that Adkins teaches a slave device that responds to a master that generates address change requests in the same manner claimed in the ’079 patent. Pet. 47–48 (“Adkins discloses substantially immediately following a predetermined event and in a continual series of a plurality of address change requests received, generating a new address using the dynamic address generator.”). Petitioner now argues that we misunderstood the scope and meaning of the claims, that “the master circuit sending slave change commands repetitively, or based on some other factor, . . . is not captured by the challenged claims, as the challenge[d] claims deal only with the slave component circuitry that receives the address change commands,” and that “[i]f the invention of the ’079 Patent is directed to how often the master device sends commands to its slaves, then the claims *must* be directed to the master device.” Req. Reh’g 5, 12. Yet, Petitioner proposed no claim terms for interpretation in the Petition. Pet. 13 (“Petitioner does not believe any term requires construction.”). We could not have misapprehended or overlooked these arguments because Petitioner did not make them.

As presented in the Petition, it was Petitioner’s position that the claims recite specific interactions between a master and a slave device (not simply a slave device capable of doing whatever is asked by a master) and that Adkins describes those same interactions. *See, e.g., id.* at 47–49. The

Background of the '079 patent addresses that position. *See* Dec. 17–19 (citing Ex. 1001, col. 2, ll. 1–37). Moreover, contrary to Petitioner’s current position, the challenged claims do not pertain solely to a slave device (to the exclusion of anything having to do with a master). *See* Req. Reh’g 7–8. Claim 7, for example, recites component circuitry comprising an interface for coupling to a “master” and receiving specific information at particular times, namely, “substantially immediately following a predetermined event and in a continual series of a plurality of address change requests.” Thus, we are not persuaded by Petitioner’s arguments regarding alleged error in our analysis of factors (c) and (d).

With respect to factors (e) and (f), Petitioner contends that we overlooked its argument in the Petition regarding claim 1 that the slave device “implements [the] address change functionality upon instruction from the master, no matter how many times the master sends the instruction. With each address change request, the slave will change its address.” *Id.* at 9 (quoting Pet. 43; citing Ex. 1002, App. 1002-C, 7 (similar testimony from Petitioner’s declarant, Harry Direen, Ph.D., P.E.)). Petitioner, however, does not explain why we should have understood that vague statement to be the detailed arguments it now makes in the Request for Rehearing. Even if the vague statement was sufficient for claim 1, Petitioner states that “[t]he same argument was presented in connection with each of the challenged claims,” but fails to explain how it would apply to claims that further specify the timing and nature of interaction with the master, such as the “substantially immediately following a predetermined event” and “continual series of a plurality of address change requests” limitations in independent claim 7 (which are recited similarly in independent claims 12 and 17). *See id.* Indeed, Petitioner in its Petition cited only a single paragraph of Adkins as

allegedly teaching the limitations, without further explanation, and failed to identify in the Petition any “predetermined event” in Adkins. Dec. 19–20. As to Dr. Direen’s similar testimony, we found that it was “entitled to little weight because it consists primarily of quotations from Adkins, many of which are not cited in the Petition.” *Id.* at 20 (citing 37 C.F.R. §§ 42.6(a)(3), 42.65(a)). We see no reason to conclude otherwise now.

Finally, Petitioner argues that we improperly discounted Dr. Direen’s testimony because we mistakenly found it to rely on unsupported inherency theories. Req. Reh’g 9–10. According to Petitioner, “Dr. Direen’s Declaration does not rely on any inherency theories.” *Id.* As pointed out in the Decision, however, Dr. Direen, in multiple instances, clearly bases his testimony on alleged “inherent device operation,” rather than express disclosure in Adkins. *See* Dec. 20; Ex. 1002, App. 1002-C, 8–18, 23, 26–27, 32, 36. We did not misapprehend his testimony. We maintain our conclusions that Petitioner did not show Examiner error and that Dr. Direen’s testimony did not warrant reconsideration of the prior art or arguments presented during prosecution. *See* Dec. 19–20. Thus, we are not persuaded by Petitioner’s arguments regarding factors (e) and (f).

Petitioner has not shown that we abused our discretion in weighing the *Becton*, *Dickinson* factors and denying institution as to the asserted ground based on Adkins under § 325(d). Our evaluation of the *Becton*, *Dickinson* factors in the Decision demonstrates that our denial of institution of this ground was warranted under the two-part framework of *Advanced Bionics*, which was recently designated precedential, because the same art (Adkins) previously was presented to the Office and Petitioner has not demonstrated that the Office erred in a manner material to the patentability of the challenged claims.

IV. CONCLUSION

Based on the foregoing discussion, we determine that Petitioner has not demonstrated that we misapprehended or overlooked any matters in the Decision as required by 37 C.F.R. § 42.71(d).

V. ORDER

In consideration of the foregoing, it is hereby:

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

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