

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ROKU, INC.,
Petitioner,

v.

UNIVERSAL ELECTRONICS, INC.,
Patent Owner.

IPR2019-01619
Patent 7,782,309 B2

Before PATRICK M. BOUCHER, MINN CHUNG, and
SHARON FENICK, *Administrative Patent Judges*.

CHUNG, *Administrative Patent Judge*.

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

I. INTRODUCTION

Roku, Inc. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting an *inter partes* review of claim 1 (the “challenged claim”) of U.S. Patent No. 7,782,309 B2 (Ex. 1001, “the ’309 patent”) based on a single ground of obviousness over the combination of Herz (U.S. Patent No. 6,407,779 B1, Ex. 1006) and Zetts (European Patent Application Publication No. 0536554 A1, Ex. 1007). Pet. 10. Universal Electronics, Inc. (“Patent Owner”) filed a Preliminary Response (Paper 6, “Prelim. Resp.”). Subsequently, Petitioner requested additional briefing to further address the Board’s discretion under 35 U.S.C. § 325(d), and we authorized Petitioner’s filing of Petitioner’s Reply to Patent Owner’s Preliminary Response (Paper 8, “Reply”).¹ See Paper 7. We also authorized Patent Owner’s Sur-reply (Paper 9, “Sur-reply”) to respond to Petitioner’s Reply. See Paper 7. Upon consideration of the Petition, the Preliminary Response, the Reply, and the Sur-reply, based on the record presented, we exercised our discretion to deny institution under § 325(d). Paper 11 (“Decision” or “Dec.”), 8–20. Petitioner asks us to reconsider our exercise of discretion under § 325(d) in a Request for Rehearing (Paper 12, “Request” or “Req.”). Petitioner also filed a request for the Precedential Opinion Panel (“POP”) to review the Decision (Paper 13 (Notification of Receipt of POP Request)), which the POP denied (Paper 15 (Order)).

¹ The parties’ § 325(d) arguments focus on the prosecution history of *Inter Partes* Reexamination 95/001,759 (the “Reexamination Proceeding”), which confirmed the patentability of claims 1–8 of the ’309 patent (Ex. 1003, 1:17). See Pet. 46–48; Reply 1–5; Prelim. Resp. 16–32; Sur-reply 1–5.

For the reasons discussed below, Petitioner's Request for Rehearing is *denied*.

II. STANDARD OF REVIEW

A party requesting rehearing bears the burden of showing that the decision should be modified. 37 C.F.R. § 42.71(d). "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." *Id.* Because Petitioner seeks rehearing of our Decision denying the Petition, it must show an abuse of discretion. *See* 37 C.F.R. § 42.71(c) ("When rehearing a decision on petition, a panel will review the decision for an abuse of discretion."). 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).

III. ANALYSIS

A. Legal Background

Institution of *inter partes* review is discretionary. *See Harmonic Inc. v. Avid Tech, Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) ("[T]he PTO is permitted, but never compelled, to institute an IPR proceeding."); 35 U.S.C. § 314(a). Pursuant to § 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." 35 U.S.C. § 325(d).

In determining whether to exercise our discretion under § 325(d), we consider the following non-exclusive factors:

- (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 & Co. v. B. Braun Melsungen AG, IPR2017-01586, Paper 8 at 17–18 (PTAB Dec. 15, 2017) (§ III.C.5, first para., designated precedential Aug. 2, 2019) (“*Becton, Dickinson*”).

Factors (a), (b), and (d) of the *Becton, Dickinson* factors relate to whether the art or arguments presented in the Petition are the same or substantially the same as those previously presented to the Office. *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 10 (PTAB Feb. 13, 2020) (designated precedential Mar. 24, 2020) (“*Advanced Bionics*”). Factors (c), (e), and (f) “relate to whether the petitioner has demonstrated a material error by the Office” in its prior consideration of that art or arguments. *Id.* Under a two-part framework set forth in *Advanced Bionics*, we first determine 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 by considering factors (a), (b), and (d). *Id.* at 8, 10. If “either condition of first part of the framework is satisfied”—that is, if “the same or substantially the same art previously was presented to the Office” or “the same or substantially the same arguments previously were presented to the Office,” we then consider factors (c), (e), and (f) to determine whether Petitioner has demonstrated a material error by the Office. *Id.* at 8, 10.

B. Decision Denying Institution

Our Decision Denying Institution evaluated Petitioner’s § 325(d) arguments presented in the Petition and the Reply by considering the *Becton, Dickinson* factors within the two-part framework set forth in *Advanced Bionics*. *See* Dec. 8–20. Addressing the first part of the *Advanced Bionics* framework, we determined that the only ground of unpatentability asserted in the Petition—the alleged obviousness based on the combination of Herz and Zetts—presented the same or substantially the same art previously presented to the Office. *Id.* at 8–17. Regarding Herz, we considered *Becton, Dickinson* factors (a) and (b) and determined that the same art was previously presented to the Office because Herz was previously presented to the Office during the Reexamination Proceeding in an Information Disclosure Statement (“IDS”), which was submitted about two months before the Notice of Intent to Issue a Reexamination Certificate (“NIRC”) mailed. *Id.* at 11. With respect to Zetts, we determined that substantially the same art was previously presented to the Office because Zetts is cumulative to Kim (U.S. Patent No. 7,174,518 B2, Ex. 2002), which was submitted with the third-party requester (Logitech)’s reexamination request. *Id.* at 13–17.

Having determined that the first part of the *Advanced Bionics* framework is satisfied, we then considered *Becton, Dickinson* factors (c), (e), and (f) in the second part of the framework and determined, based on the record presented, Petitioner did not explain sufficiently how the Examiner erred during the Reexamination Proceeding in a manner material to the patentability of the challenged claim, claim 1. *Id.* at 17–20. Weighing the *Becton, Dickinson* factors, we determined that the factors largely weighed against institution and exercised our discretion to deny the Petition under 35 U.S.C. § 325(d). *Id.* at 20.

C. Arguments in the Request Regarding the First Part of Advanced Bionics

In the Request, Petitioner asserts that the Decision misapprehended *Advanced Bionics* because the fact that Herz was previously presented to the Office in an Information Disclosure Statement (IDS) is not sufficient to satisfy the first part of the *Advanced Bionics* framework with respect to Herz. *See* Req. 11–15. According to Petitioner, the first part of the *Advanced Bionics* framework should include an evaluation of whether the prior art was actually considered by the Office, which *Becton, Dickinson* “expressly distinguished [from] the situation ‘where the prior art was simply listed in an IDS during prosecution.’” *Id.* at 14 (alteration added) (quoting *Becton, Dickinson*, 23; citing *Becton, Dickinson*, 17–18).

The passage quoted by Petitioner, however, comes from *Becton, Dickinson*’s discussion of *factor (c)* “the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection.” *See Becton, Dickinson*, 22–23. As discussed above, we consider *Becton, Dickinson* factor (c) in the second part of the *Advanced Bionics* framework, not the first part. *Advanced Bionics*, 8, 10.

In the first part of the framework, as explained in *Advanced Bionics*, “[p]reviously presented art includes art made of record . . . such as on an Information Disclosure Statement (IDS).” *Advanced Bionics*, 7–8. The record shows that Herz was listed on the IDS submitted on June 27, 2014 during the Reexamination Proceeding, and the Examiner signed the IDS with the statement “ALL REFERENCES CONSIDERED EXCEPT WHERE LINED THROUGH.” Ex. 1003, 27. The Examiner did not line through Herz. *Id.* Thus, contrary to Petitioner’s contention, the Decision did not misapprehend *Advanced Bionics* in finding that Herz was previously was presented to the Office during the Reexamination Proceeding. See *Biocon Pharma Ltd. v. Novartis Pharmaceuticals Corp.*, IPR2020-01263, Paper 12 at 9 (PTAB Feb. 16, 2021) (determining that the first part of the *Advanced Bionics* framework is satisfied when certain prior art was listed on an IDS and the Examiner signed the IDS with the statement “all references considered except where lined through”); *Husky Injection Molding Sys. ’s, Ltd. v. Plastipak Packaging, Inc.*, IPR2020-00437, Paper 23 at 12 (PTAB July 29, 2020) (determining that the first part of the *Advanced Bionics* framework is satisfied when prior art was listed on an IDS, the Examiner annotated the IDS with the statement “[a]ll references considered except where lined through,” and the Examiner did not line through the prior art).

To the extent Petitioner’s Request calls for modifying *Advanced Bionics* to evaluate *Becton, Dickinson* factor (c) in the first part of the framework, we decline to consider such an argument because we are bound by the precedential *Advanced Bionics* decision.²

² As noted above, the Precedential Opinion Panel denied Petitioner’s request for a POP review. See Paper 15.

As discussed above, under *Advanced Bionics*, if either one of the conditions—“the same or substantially the same art previously was presented to the Office” or “the same or substantially the same arguments previously were presented to the Office”—is met, then the first part of the *Advanced Bionics* framework is satisfied. *Advanced Bionics*, 8. In the Decision, we explained that, because “with respect to Petitioner’s reliance on Herz, the same prior art was previously presented to the Office,” we need not reach the question of “whether the same or substantially the same *arguments* previously were presented to the Office.” Dec. 12.

The question we declined to reach relates to the Examiner’s statement in the NIRC that “the information submitted in the June 2014 IDS has been considered only to the extent that the submitting party has ‘explained the content and relevance’” (“NIRC statement”). Ex. 1003, 8. In the Reply and Sur-reply, the parties disputed the significance of the NIRC statement. *See* Reply 2–3; Sur-reply 1–4. Petitioner argued that the NIRC statement means that Herz was not considered substantively by the Office during the Reexamination Proceeding (Reply 2–3 (citing Ex. 1003, 8)), whereas Patent Owner argued “[t]he Examiner . . . explicitly noted that ‘ALL REFERENCES CONSIDERED EXCEPT WHERE LINED THROUGH,’” which “shows Herz was considered and evaluated” (Sur-reply 1 (citing Ex. 1003, 8, 27)). Although we acknowledge an internal inconsistency in the record as to the extent the Examiner considered Herz, there is no question that Herz was presented to the Office during the Reexamination Proceeding.

As discussed above, to the extent this dispute relates to *Becton, Dickinson* factor (c) “the extent to which the asserted art was evaluated

during examination, including whether the prior art was the basis for rejection,” we consider the issue in the second part of the *Advanced Bionics* framework. In the Decision, we explained that, in the context of the first part of the *Advanced Bionics* framework, this dispute relates to *Becton, Dickinson* factor (d)—“the extent of the overlap between the arguments made during examination and the manner in which petitioner relies on the prior art” and the question of “whether the same or substantially the same *arguments* previously were presented to the Office.” Dec. 12. As discussed above, it was not necessary to reach the “the same or substantially the same arguments” question with respect to Herz because Herz was previously presented to the Office. *Id.* In the Request, although Petitioner acknowledges this analysis in the Decision, Petitioner does not contend this analysis misapprehended *Advanced Bionics*. See Req. 11–12 & n.8 (citing Dec. 12).

Addressing next Petitioner’s reliance on Zetts in the Petition, Petitioner argued in the Reply that Zetts is not cumulative to Kim. Reply 4–5. Patent Owner disagreed and argued that Zetts is cumulative to Kim and that Kim was considered during the Reexamination Proceeding. Prelim. Resp. 23–24; Sur-reply 4–5. In the Decision, based on the record presented, we determined that Zetts is cumulative to Kim and, therefore, Petitioner’s reliance on Zetts in the Petition presented substantially the same art previously presented to the Office. Dec. 16–17. The Decision also explained that, in the context of the first part of the *Advanced Bionics* framework, we need not address the parties’ dispute whether Kim was substantively considered during the Reexamination Proceeding because, for the reasons similar to those discussed with respect to Herz, it was not

necessary to reach the question of “whether the same or substantially the same arguments previously were presented to the Office” with respect to Zetts. *Id.* at 17. In the Request, Petitioner does not dispute the Decision’s determination that Zetts is cumulative to Kim. *See* Req. 9–11.

In sum, the Decision did not misapprehend *Advanced Bionics* or *Becton, Dickinson* in determining that the Petition presented the same or substantially the same art previously presented to the Office in Petitioner’s only asserted ground of unpatentability based on Herz and Zetts.

*D. Arguments in the Request Regarding the Second Part of
Advanced Bionics*

Turning next to the second part of the *Advanced Bionics* framework, as discussed in the Decision, although Petitioner argued in the Petition and the Reply that the Examiner did not consider or apply Herz or Kim in any office action during the Reexamination Proceeding, Petitioner did not discuss the *Becton, Dickinson* factors in detail. *See* Dec. 18 (citing Pet. 46–48; Reply 1–5). In particular, the Decision noted that Petitioner did not discuss factor (e)—i.e., “whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art”—except for a single conclusory sentence at the end of the Reply stating “[f]inally, and in light of the above, *Becton, Dickinson* factors (d), (e), and (f) either weigh in favor of, or are at most neutral to, institution.” *Id.* (citing Pet. 46–48; Reply 1–5). Thus, the Decision found that Petitioner did not explain adequately in the Petition and the Reply how the Examiner erred in a manner material to the patentability of claim 1 by allegedly not considering Herz before confirming the patentability of claim 1. Dec. 19 (citing Pet. 47–48; Reply 1–3). Regarding Kim, the Decision found that Petitioner did not

discuss Kim in much detail and did not explain adequately why the Examiner's treatment of Kim during the Reexamination Proceeding was an error material to the patentability of claim 1. *Id.* (citing Reply 3–5).

In the Request, Petitioner contends that the Decision overlooked an argument by Petitioner that “the detailed mapping in the Petition” demonstrated material error by the Examiner by showing that Herz discloses various limitations of claim 1, including “limitations [1.0]–[1.3], and [1.5].” Req. 5–6. But Petitioner did not present such an argument in the Petition or the Reply. *See* Pet. 46–48; Reply 1–5. In addition, Petitioner did not explain how its mapping of Herz to disclose certain limitations of claim 1 demonstrates material error by the Examiner. *See Advanced Bionics*, 9 (“If 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.”). That is, Petitioner did not meaningfully connect its obviousness mapping to a demonstration of Examiner error during the Reexamination Proceeding. *See* Pet. 15–48; Reply 1–5. We could not have misapprehended or overlooked arguments or evidence that were not presented or developed in the Petition or the Reply.

Regarding Kim, the Request argues that “the Petition identified a material error by the Office in confirming the patentability of the challenged claim” because the Petition demonstrated that “the combination of Herz and *Zetts* renders limitations [1.4] and [1.6] obvious.” Req. 10 (emphasis added). Again, Petitioner did not present this argument in the Petition or the Reply. *See* Pet. 46–48; Reply 1–5. In addition, Petitioner does not explain adequately how Petitioner's alleged demonstration of obviousness over Herz and *Zetts* shows that the Examiner's treatment of *Kim* during the

Reexamination of Proceeding was an error material to the patentability of claim 1.

Next, the Request argues that we should not have denied the Petition “merely because the word ‘error’ was not invoked”³ because Petitioner did not “have the benefit of the *Advanced Bionics* precedent” when preparing the Petition or the Reply. *See* Req. 9. But *Becton, Dickinson* setting forth factor (e)—“whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art”—was designated precedential on August 2, 2019, which was about a month before the filing date of the Petition (September 18, 2019) and approximately six months before Petitioner’s filing of the Reply (February 20, 2020).

As discussed in the Decision, the Petition and the Reply did not discuss *any* *Becton, Dickinson* factors in detail, other than possibly addressing factor (c) in substance by arguing that Herz was not substantively considered by the Examiner. *See* Dec. 17–19. As noted above, Petitioner requested and was granted additional briefing in the form of Petitioner’s Reply to further address discretion under § 325(d). *See* Paper 7. Nonetheless, Petitioner did not meaningfully discuss the *Becton, Dickinson* factors in its Reply and, in particular, did not address factor (e), which requires an evaluation of “whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art.” *See* Reply 1–5. Thus, the deficiencies in the Petition and the Reply we identified in the Decision was not a mere omission of the word “error” but, rather,

³ In making this argument, the Request appears to concede that neither the Petition nor the Reply discussed material error by the Office.

Petitioner's failure to address the analysis specified in *Becton, Dickinson* in a meaningful way.

As discussed above, institution of *inter partes* review is discretionary. *See Harmonic*, 815 F.3d at 1367. Under the specific facts and circumstances of this case, where Petitioner had sufficient notice of the *Becton, Dickinson* precedent and had ample opportunities in the Petition and the Reply to address the *Becton, Dickinson* factors but did not adequately address the analysis specified in *Becton, Dickinson*, it was not an abuse of discretion to deny institution of *inter partes* review under § 325(d).

The record shows that, rather than overlooking or misapprehending any argument or evidence in the Petition or the Reply, the Decision simply considered the arguments and explanations of the evidence Petitioner presented within the four corners of the Petition and the Reply, and properly determined that exercise of discretion under 35 U.S.C. § 325(d) was appropriate under the specific facts and circumstances of this case.

IV. CONCLUSION

For the foregoing reasons, Petitioner has not demonstrated that we abused our discretion or that we misapprehended or overlooked any matter in our Decision Denying Institution of *inter partes* review. Petitioner, therefore, has not carried its burden of demonstrating that the Decision Denying Institution should be modified. *See* 37 C.F.R. § 42.71(d).

V. ORDER

Accordingly, it is ORDERED that Petitioner's Request for Rehearing is DENIED.

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