

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INTEL CORPORATION,
Petitioner,

v.

VLSI TECHNOLOGY LLC,
Patent Owner.

IPR2020-00526
IPR2020-00527
Patent 6,663,187 C1

Before THU A. DANG, BART A. GERSTENBLITH, and
KIMBERLY McGRAW, *Administrative Patent Judges*.

McGRAW, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Requests on Rehearing of the
Decision Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Intel Corporation (“Petitioner”) filed a Request for Rehearing in IPR2020-00526 (Paper 17, “526-Req. Reh’g”) and in IPR2020-00527 (Paper 19, “527-Req. Reh’g”) (collectively, “Rehearing Requests”) seeking “rehearing and Precedential Opinion Panel review” of our Decision (“Dec. Inst.”) to deny institution (IPR2020-00526, Paper 16; IPR2020-00527, Paper 18¹) of two separate petitions challenging claims of U.S. Patent No. 6,663,187 C1. Petitioner also requested review by the Board’s Precedential Opinion Panel (“POP”) in each proceeding. *See* IPR2020-00526, Paper 18 (Notification of Receipt of POP Request); IPR2020-00527, Paper 20 (Notification of Receipt of POP Request). POP review was denied. IPR2020-00526, Paper 19 (Order); IPR2020-00527, Paper 21 (Order).

For the reasons provided below, Petitioner’s Requests for Rehearing of our Decision to deny institution in IPR2020-00526 and IPR2020-00527 are *denied*.

II. ANALYSIS

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.* When rehearing a decision on a petition, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c).

¹ A single Decision denying institution in both IPR2020-00526 and IPR2020-00527 was entered in each proceeding.

Petitioner's Rehearing Requests raise two primary arguments: (1) that the precedential Board decisions in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential), and *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential), were wrongly decided and should be reviewed by the POP; and (2) that, even under the *Fintiv/NHK Spring* framework, the Board erred by failing to place sufficient weight on (a) the identity and prior conduct of VLSI Technology LLC ("Patent Owner") and (b) Petitioner's argument that only a subset of the claims challenged in the Petition will be presented and resolved in the related district court trial. *See, e.g.*, 526-Req. Reh'g 1–3, 6–15.²

Petitioner's Requests do not persuade us that our Decision to exercise our discretion to deny institution should be modified.

With respect to Petitioner's first argument, that *Fintiv* and *NHK Spring* were wrongly decided and should be reviewed by the POP, the POP has considered and denied Petitioner's requests. *See* IPR2020-00526, Paper 19; IPR2020-00527, Paper 21.

With respect to Petitioner's second argument, we disagree with Petitioner that we incorrectly weighed either the identity and prior conduct of Patent Owner or the potential difference in claims challenged in the Petition and asserted in the related litigation in deciding whether to exercise our discretion to deny institution pursuant to 35 U.S.C. § 314(a).

Our Decision addressed Petitioner's allegations regarding Patent Owner's identity and conduct under *Fintiv* factor 6 (other circumstances that

² For convenience, citations are to the Rehearing Request filed in IPR2020-00526. Similar arguments were made in the Rehearing Request filed in IPR2020-00527. *See* 527-Req. Reh'g.

impact the Board’s exercise of discretion, including the merits), and we noted that, “[e]ven if Petitioner’s contentions are true, Petitioner has not shown these contentions will avoid adjudication of Intel’s invalidity defenses” in the related Western District of Texas litigation. Dec. Inst. 13. In light of the record at the time, we found that Petitioner’s arguments in connection with *Fintiv* factor 6 did not weigh against exercising our discretion to deny institution. *Id.* at 13–15. Accordingly, we maintain our finding that Petitioner’s argument does not weigh against exercising our discretion to deny institution.

We also disagree with Petitioner’s assertions that we placed inadequate weight on Petitioner’s argument that not all of the challenged claims might be asserted at trial. *See, e.g.*, 526-Req. Reh’g 2–3, 9–10, 13–15. We considered this argument in addressing *Fintiv* factor 4 (overlap between issues raised in the petition and in the parallel proceeding) and determined that, based on the record as it existed at that time, Petitioner’s contention that the claims challenged in the present proceedings may not be asserted at trial in the related litigation was not persuasive as it was based on speculation and that Petitioner did not provide sufficient evidentiary support that any of the claims asserted in IPR2020-00526 or IPR2020-00527 would not be adjudicated at trial. Dec. Inst. 12. In its Rehearing Requests, Petitioner contends that after the Board issued its discretionary denial decision, Patent Owner has since narrowed its asserted claims in the parallel proceeding, such that only three of the nine claims challenged in IPR2020-00526 and only two of the five claims challenged in IPR2020-00527 remain at issue in the litigation. 526-Req. Reh’g 14; 527-Req. Reh’g 14. Petitioner asserts “[i]f the Board does not revisit its denial of institution decision” the dropped claims “will be insulated from validity challenges, as [Petitioner]

will be barred from challenging them in future petitions.” 526-Req. Reh’g 14; 527-Req. Reh’g 14.

Petitioner has not shown that this change in circumstance warrants modifying (1) the determination that *Fintiv* factor 4 weighs in favor of exercising discretion to deny institution or (2) the determination, after weighing all factors and taking a holistic view of the relevant circumstances, to exercise discretion to deny institution. Several of the claims challenged in each Petition are still at issue in the parallel proceeding, and the combinations of references asserted by Petitioner in the district court largely overlap with the combinations of references asserted in the Petitions. Petitioner has not identified any differences among the claims that have been dropped and the claims that remain as a reason to modify our Decision. *See Fintiv*, Paper 11 at 13 (“if a petition involves the same prior art challenges but challenges claims in addition to those that are challenged in the district court, it may still be inefficient to proceed because the district court may resolve validity of enough overlapping claims to resolve key issues in the petition”).

Nor are we persuaded by Petitioner’s argument that if “the Board does not revisit its denial of institution decision, the [already dropped claims (and any other claims VLSI may drop before trial)] will be insulated from validity challenges, as Intel will be barred from challenging those claims in future petitions.” 526-Req. Reh’g 14–15 (citing 35 U.S.C. § 315(b)); *see also id.* at 14 (stating that “VLSI can assert those shielded claims against others in future cases”). Although Petitioner may be barred from challenging the dropped claims in future petitions, there is no indication that Petitioner would be precluded from challenging those claims in district court litigation if Patent Owner ultimately decides to pursue them against Petitioner or that a

third party would be precluded from challenging those claims via petition if asserted against that party by Patent Owner.

We also note that on February 4, 2021, the district court issued an Order setting a trial date of April 12, 2021 for the '187 patent. Ex. 3002 (Order Setting Jury Trial). This change in circumstances regarding the trial date does not persuade us to change our decision to exercise our discretion to deny institution. Even if we were to institute an *inter partes* review proceeding, the deadline for issuing a final written decision could be no earlier than February 2022. Thus, at this time, it appears likely that trial will occur many months before any final written decision would likely issue in this proceeding.

Accordingly, having considered Petitioner's Rehearing Requests, Petitioner has not persuaded us, for the reasons discussed, that our Decision denying institution of IPR2020-00526 and IPR2020-00527 should be modified.

III. ORDER

For the foregoing reasons, it is:

ORDERED that Petitioner's Rehearing Request in IPR2020-00526 (Paper 17) is *denied*, and

FURTHER ORDERED that Petitioner's Rehearing Request in IPR2020-00527 (Paper 19) is *denied*.

IPR2020-00526, IPR2020-00527

Patent 6,663,187 C1

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