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Paper 12
Date: April 19, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMAZON.COM, INC., AMAZON.COM LLC, AMAZON WEB SERVICES, INC., A2Z DEVELOPMENT CENTER, INC. D/B/A LAB126, RAWLES LLC, AMZN MOBILE LLC, AMZN MOBILE 2 LLC, AMAZON.COM SERVICES, INC. F/K/A AMAZON FULFILLMENT SERVICES, INC., and AMAZON.COM SERVICES LLC (FORMERLY AMAZON DIGITAL SERVICES LLC),
Petitioner,

v.

VB ASSETS, LLC,
Patent Owner.

IPR2020-01374
Patent 8,886,536 B2

Before ROBERT L. KINDER, SCOTT C. MOORE, and SEAN P. O'HANLON, *Administrative Patent Judges*.

O'HANLON, *Administrative Patent Judge*.

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

I. INTRODUCTION

Amazon.com, Inc., Amazon.com LLC, Amazon Web Services, Inc., A2Z Development Center, Inc. d/b/a Lab126, Rawles LLC, AMZN Mobile LLC, AMZN Mobile 2 LLC, Amazon.com Services, Inc. f/k/a Amazon Fulfillment Services, Inc., and Amazon.com Services LLC (formerly Amazon Digital Services LLC) (collectively, "Petitioner") filed a Petition for *inter partes* review of claims 1, 3–6, 13–16, 24–40, 43–46, 49, 50, and 53–55 ("the challenged claims") of U.S. Patent No. 8,886,536 B2 (Ex. 1001, "the '536 patent"). Paper 1. VB Assets, LLC ("Patent Owner") filed a Preliminary Response. Paper 6. Upon considering the parties' briefs and the evidence of record, we concluded that Petitioner failed to demonstrate a likelihood of prevailing with respect to 31 of the 35 challenged claims. Paper 10 ("Institution Decision"), 15–36. We exercised our discretion under 35 U.S.C. § 314 to deny institution. *Id.* at 36.

Petitioner filed a Request for Rehearing of our Institution Decision. Paper 11 ("Request" or "Req. Reh'g"). For the reasons set forth 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) (2019). The party must identify specifically all matters we misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply. *Id.* When reconsidering a decision on institution, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may be determined 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. *Star Fruits S.N.C. v. United States*, 393 F.3d 1277, 1281 (Fed. Cir. 2005); *Arnold P'ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004).

III. ANALYSIS

Petitioner argues that "the Board 'misapprehended or overlooked' matters addressed by the Petition—namely, Petitioner's forthcoming motion to limit the challenged claims in the Petition to only those the Board has already deemed likely unpatentable." Req. Reh'g 1. "Subject to the Board's permission, Petitioner will file a Motion to Limit the Petition to claims 33–36 of the '536 Patent. . . . Petitioner's contemplated Motion to Limit the Petition represents a fact that the Board misapprehended and overlooked, and justifies granting th[e] Request for Rehearing . . . ." *Id.* at 3–4 (citing *Sand Revolution II, LLC v. Cont'l Intermodal Grp.-Trucking LLC*, IPR2019-01393, Paper 24 (PTAB June 16, 2020) (designated informative)).

We cannot have misapprehended or overlooked a motion that had not yet been filed—and that Petitioner had not sought authorization to file—prior to issuance of the Institution Decision. Contrary to Petitioner's implausible assertion, such an unfiled motion cannot have been addressed in the Petition.

Petitioner's reliance on *Sand Revolution* and other Board decisions does not avail its Request. *See* Req. Reh'g 4–6. In *Sand Revolution*, the Board granted the petitioner's request for rehearing based on the holistic

evaluation of the facts of a parallel proceeding, including an asserted misapprehension of a district court's schedule for a trial regarding the challenged patent and consideration of the Board's intervening precedential decision in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 1 (PTAB Mar. 20, 2020) (designated precedential). *Sand Revolution*, Paper 24 at 4–6. However, the circumstances of *Sand Revolution* are not similar to the circumstances of this proceeding, where Petitioner has not identified any matter misapprehended or overlooked in the Institution Decision and has not identified any intervening case law that may affect the findings and conclusions made in the Institution Decision.

Nor do the other Board decisions cited by Petitioner avail its Request. On pages 4–5 of its Request, Petitioner cites four Board decisions to support its assertion that "[t]he Board has long recognized that a petitioner may limit the claims challenged in a petition." Req. Reh'g 4–5. According to Petitioner, "[t]his case is no different." *Id.* at 5. We disagree.

In each of the cases cited by Petitioner, the Board allowed the petitioner to limit its petition *before* issuance of the institution decision. *E.g.*, *Netflix, Inc. v. Copy Prot. LLC*, IPR2015-00921, Paper 14 at 2 (PTAB June 5, 2015) ("[T]his proceeding is still in its preliminary stages, and a decision has not been made yet whether to institute trial."); *ABB, Inc. v. ROY-G-BIV Corp.*, IPR2013-00282, Paper 6 at 2 (PTAB May 30, 2013) ("[T]he Administrative Patent Judges will give Petitioner an opportunity to limit the petitions to certain claims and grounds to reduce Patent Owner's burden in responding."). In this proceeding, however, the Institution Decision has already been issued. Thus, the cases cited by Petitioner are distinct from the circumstances here.

Similarly, on pages 5–6 of its Request, Petitioner cites three Board decisions to support its assertions that "the Board sometimes required a petitioner to reduce the scope of the petition on the basis of judicial economy" and "[w]here partial institution had been granted prior to the Supreme Court's decision [in *SAS Institute Inc. v. Iancu*, 138 S. Ct. 1348 (2018)], the Board allowed the parties to remove non-instituted grounds or claims from trial." Req. Reh'g 5–6. Again, each of the cases cited by Petitioner involved proceedings that were still pending before the Board. As the Institution Decision that issued in this case denied institution of *inter partes* review, the cases cited by Petitioner are distinguishable.

Petitioner also argues that allowing it to limit the Petition "will serve the Board's interests," "would be an efficient use of the Board's time and resources," and will "further the Board's interest in the integrity of the patent system." Req. Reh'g 6–12. Petitioner's arguments are not convincing because they are conditioned on belated narrowing of the Petition after the Board denied institution. As a matter of fairness and efficiency, we do not permit Petitioner to narrow its petition for the first time on rehearing based on the information provided in our decision denying institution of *inter partes* review. These arguments do not persuade us that we abused discretion in denying institution of *inter partes* review.

IV. CONCLUSION

We deny Petitioner's Request for Rehearing because we determine that Petitioner has not met its burden to show that, in the Institution Decision, the panel misapprehended or overlooked any matter or abused its discretion to deny institution.

V. ORDER

In consideration of the foregoing, it is hereby ordered that Petitioner's Request for Rehearing is *denied*.

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