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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MASIMO CORPORATION,
Petitioner,

v.

APPLE INC.,
Patent Owner.

IPR2023-00774
Patent D883,279 S

Before JOSIAH C. COCKS, SCOTT A. DANIELS, and
ROBERT L. KINDER *Administrative Patent Judges.*

COCKS, *Administrative Patent Judge.*

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

I. INTRODUCTION

Petitioner, Masimo Corporation ("Petitioner" or "Masimo"), timely filed a Request for Rehearing (Paper 10, "Req. Reh'g") of our Decision denying institution of *inter partes* review (Paper 9, "Institution Decision" or "Inst. Dec.") with respect to U.S. Patent No. D883,279 S ("the '279 patent," Ex. 1001) based on Petitioner's Petition (Paper 1, "Pet."). We denied institution of *inter partes* review because we determined that Petitioner had not met its burden to show a reasonable likelihood that it would prevail with respect to the claimed design of the '279 patent. *See generally* Inst. Dec.

For the following reasons, we deny Petitioner's Request for Rehearing.

II. ANALYSIS

A. Summary

"Inter partes review shall not be instituted unless the Board decides that information presented in the petition demonstrates that there is a reasonable likelihood that at least one of the claims challenged in the petition is unpatentable." 37 C.F.R. § 42.108(c). When rehearing a decision on a petition, the Board reviews the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). The burdens and requirements of a request for rehearing are stated in 37 C.F.R. § 42.71(d):

> (d) Rehearing. . . . The burden of showing a decision should be modified lies with the party challenging the decision. 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, a reply, or a sur-reply.

Here, it is Petitioner's burden to show that we misapprehended or overlooked any matter in deciding not to institute an *inter partes* review. Petitioner contends that our Institution Decision conflicts with Federal Circuit precedent. *See* Req. Reh'g 1–5. Petitioner also contends that we "misapprehend[ed] the law of design patent functionality in the context of claim construction." *Id*. at 5–7. Lastly, Petitioner requests that we defer deciding the Request for Rehearing until after the issuance of an en banc opinion of the Federal Circuit in *LKQ Corp. v. GM Glob. Tech. Operations LLC*, 71 F.4th 1383 (Fed. Cir. 2023). *Id*. at 7–12.

We address below the matters that Petitioner raises as a part of its Request for Rehearing.

B. Alleged Conflicts and Misapprehensions

Petitioner contends that, in the Institution Decision, we concluded that "functionality of the underlying commercial product (Apple Watch Series 4) cannot be used to show the functionality of aspects of the claimed design." Req. Reh'g 1 (citing Inst. Dec. 13). We, however, did not so conclude. Rather, as set forth in the Institution Decision (*see* Inst. Dec. 13), we simply expressed skepticism that Petitioner's reliance solely on evaluation of components of a commercial product, in particular wireless charging aspects of that product, was particularly meaningful in determining whether most, if not all, of the claimed design of the '279 patent was purely functional. That we were not persuaded in such respect based on Petitioner's evaluation of the Apple Watch Series 4 product does not mean that we made a determination that Petitioner was somehow prohibited from trying to make its case with such evaluation.

More importantly, however, we noted that "the record before us is replete with various design for the back or rear portions of various electronic devices, such as watches." Inst. Dec. 10; *see id*. at 10–14. We observed that such circumstance is "an important—if not dispositive—factor in evaluating the legal functionality of a claimed design." *Id*. at 9 (quoting *Ethicon Endo-Surgery, Inc. v. Covidien, Inc.*, 796 F.3d 1312, 1329–30 (Fed. Cir. 2015)). Neither in the Petition nor now in the Request for Rehearing does Petitioner provide any cogent discussion or explanation as to why those multiple alternative designs should somehow be discounted in assessing whether claimed aspects of the '279 patent are solely functional. That such explanation is absent is significant and does not aid Petitioner's view that we misapprehended or overlooked any matters in determining that the presence of such alternative designs undermined Petitioner's proposed functionality arguments pertaining to the claimed design of the '279 patent.

Petitioner further argues the following:

> The Decision rejects Masimo's functionality arguments for failing to meet a standard inapplicable to the claim construction functionality arguments advanced by Masimo in its Petition. Masimo argued that certain ***aspects*** of the claimed design were functional and such functionality should be considered in evaluating the scope of the claimed design. Pet. 16-31. Masimo did not argue that the ***overall*** claimed design was functional and therefore invalid. Pet. 16-31. But the Decision ignores this distinction and improperly rejects Masimo's arguments for failing to show that the 'overall' or 'entire' claimed design is functional.

Req. Reh'g 5–6 (citing Inst. Dec. 13)

Petitioner's arguments, however, are misplaced. We did not impose any requirement on Petitioner to show that the "overall" claimed design of the '279 patent was functional. Rather, we determined that "Petitioner's

piecemeal assessment of potentially functional aspects of individual elements of the design does not, in our view, adequately account for the requirement to evaluate the 'overall appearance' of the design, i.e., 'the claimed design in its entirety." Inst. Dec. 13 (quoting *Ethicon*, 796 F.3d at 1329). Petitioner's Request for Rehearing does not alleviate the concerns noted in the Institution Decision and does not now somehow demonstrate that the Petition adequately did take into account the overall visual appearance of the '279 patent's claimed design.

Further still, Petitioner contends that, in its Petition, it proposed that some features of the claimed design should be "factored out" and then the design limited to "non-functional (i.e., ornamental) aspects." Req. Reh'g 6. The Petition, however, does not convey what aspects of the claimed design that Petitioner regards as "ornamental." Indeed, as we contemplated in the Institution Decision (*see, e.g.*, Inst. Dec. 7), even casual review of the Petition (*see, e.g.*, Pet. 11–35) suggests that Petitioner regards most claimed elements of the '279 patent as being functional. Moreover, Petitioner's arguments again neglect to address, or even consider, the notable record evidence as to the existence of numerous alternative designs for surfaces and chargers of electronic devices, such as watches.

Lastly, Petitioner's Request for Rehearing does not propose that we misapprehended or overlooked any matter in our assessment that a designer of ordinary skill in the art would have determined that the prior art fails to teach the claimed design of the '279 patent. *See* Inst. Dec. 17–38.

Accordingly, we have considered Petitioner's Request for Rehearing, but conclude that it does not establish that we misapprehended or overlooked any matter in declining to institute *inter partes* review based on the Petition.

C. Request to Defer Decision on Request for Rehearing

Petitioner also requests that we "defer[]" any decision on its Request for Rehearing on the basis that "a substantive change in the law of design patent obviousness" may occur based on an *en banc* decision in *LKQ Corp. v. GM Glob. Tech. Operations LLC*, 71 F.4th 1383 (Fed. Cir. 2023). *See* Req. Reh'g 7–12. Petitioner contends that because some change in the law may occur at some later date, it would be a waste of the Board's resource to decide the Request for Rehearing based on current law, and also Petitioner would be subject to "undue prejudice" and "unfair[ness]" unless any decision is deferred. *See id*. at 11–12.

As noted above, a petitioner has the burden to show that a decision should be modified by identifying matters that the Board misapprehended or overlooked in reaching its original decision. *See supra* § II.A.; 37 C.F.R. § 42.71(d). Petitioner's request for a deferred decision on its Request for Rehearing does not fall within the contours of the rules governing a request for rehearing. Moreover, the Board construes its rules "to secure the just, speedy, and inexpensive resolution of every proceeding." 37 C.F.R. § 42.1(b). It is difficult to discern how those principles are fulfilled based on Petitioner's deferral request. Petitioner prepared and filed its Petition based on current law governing design patents, Patent Owner responded via its Preliminary Response (Paper 8), and we denied institution after considering those filings. The parties, thus, had their say on the matter and this proceeding is now resolved. Furthermore, Petitioner was afforded ample opportunity to make its case, which ultimately was unsuccessful. Petitioner does not explain credibly why any matters of "undue prejudice" or "unfair[ness]" arise simply because Petitioner has a speculative belief that a

potential different outcome might result from some possible future change in the law pertaining to design patent obviousness.

Accordingly, we decline to defer reaching a decision on Petitioner's Request for Rehearing.

III. CONCLUSION

For the reasons set forth above, Petitioner's Request for Rehearing is *denied*.

IV. ORDER

It is

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

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