

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

THL HOLDING COMPANY, LLC,
Patent Owner.

IPR2024-00399
Patent 11,350,246 B2

Before CHRISTOPHER M. KAISER, SHEILA F. McSHANE, and
ELIZABETH J. REAGAN, *Administrative Patent Judges*.

KAISER, *Administrative Patent Judge*.

DECISION

Denying Patent Owner's Request on Rehearing of
Decision Granting Institution of *Inter Partes* Review
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Apple Inc. (“Petitioner”) filed a Petition (Paper 2, “Pet.”) requesting *inter partes* review of claims 1–19 (“the challenged claims”) of U.S. Patent No 11,350,246 B2 (Ex. 1001, “the ’246 patent”). THL Holding Company, LLC (“Patent Owner”) filed a Preliminary Response (Paper 7, “Prelim. Resp.”). We determined that the information presented in the Petition established a reasonable likelihood that Petitioner would prevail with respect to at least one of the challenged claims, and, accordingly, we instituted an *inter partes* review. Paper 8 (“Dec.”). Following our decision on institution, Patent Owner filed a Request for Rehearing. Paper 10 (“Req. Reh’g”). We have considered Patent Owner’s Request for Rehearing and, for the reasons set forth below, we deny the requested relief.

II. STANDARD OF REVIEW

A party requesting rehearing bears the burden of showing that a decision should be modified. 37 C.F.R. § 42.71(d). The party must identify all matters it believes the Board misapprehended or overlooked, and the place where each matter was addressed previously in a motion, an opposition, or a reply. *Id.* When rehearing a decision on petition, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). 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) (citations omitted).

III. DISCUSSION

Patent Owner requests rehearing of our decision instituting review. Req. Reh’g 1–6. We consider Patent Owner’s arguments below.

A. *The Decision on Institution*

Petitioner challenged claims 1–19 of the ’246 patent on three grounds. Dec. 6. One of those grounds challenged claims 1 and 11–14 as having been obvious over the combination of Kalliola, Turunen, Oswald, Vauclair, and Kalayjian. *Id.* Upon considering this ground, we determined that Petitioner had shown sufficiently that claim 1 would have been obvious but Petitioner had not shown sufficiently that claim 11 would have been obvious; we did not expressly address whether Petitioner had shown a reasonable likelihood of prevailing as to any additional claims. Dec. 14–25.

B. *Patent Owner’s Statutory Disclaimer*

After our decision instituting review, Patent Owner statutorily disclaimed claims 1–10 of the ’246 patent. Ex. 2001. Of the claims challenged in the Petition, only claims 11–19 remain in the patent.

C. *Patent Owner’s Request for Rehearing*

In its Request for Rehearing, Patent Owner argues that we should revisit our decision instituting review because the only claims remaining in the ’246 patent are claims on which Petitioner did not demonstrate a reasonable likelihood of prevailing. Req. Reh’g 3–6. In particular, Patent Owner argues that “[n]o inter partes review will be instituted based on disclaimed claims,” *id.* at 4 (quoting 37 C.F.R. § 42.107(e)), that disclaimed claims “are treated as though they never existed,” *id.* at 3 (citing *Vectra Fitness, Inc. v. TNWK Corp.*, 162 F.3d 1379, 1383 (Fed. Cir. 1998); *Guinn v. Kopf*, 96 F.3d 1419, 1422 (Fed. Cir. 1996)), and that the disclaimed claims include claim 1, the only claim on which we determined that Petitioner demonstrated a reasonable likelihood of prevailing.

D. Analysis

Patent Owner argues that, because claim 1 has ceased to exist and is to be treated as never having existed, and because claim 1 is the only claim on which Petitioner has shown a reasonable likelihood of prevailing, we should overturn our decision instituting review. As noted above, when rehearing a decision on petition, we review the decision for an abuse of discretion, and 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.” 37 C.F.R. § 42.71(c); *PPG Indus. Inc.*, 840 F.2d at 1567. But Patent Owner has not explained how we erred in any way in reaching our decision instituting review. Instead, Patent Owner’s argument is new and was not presented previously, and Patent Owner bases its rehearing argument on circumstances having changed since we issued our decision. Req. Reh’g 4 (stating statutory disclaimer was “filed following, and in view of, the Board’s guidance in the [decision on institution]”). For this reason, the Rehearing Request does not “identify [any] matters [Patent Owner] believes [we] misapprehended or overlooked,” nor does it “identify . . . the place where each matter was previously addressed in a motion, an opposition, a reply, or a sur-reply.” 37 C.F.R. § 42.71(d). For this reason, we deny Patent Owner’s Request for Rehearing.

In addition, we note that statutory disclaimers are “considered as part of the original patent” only after they are “recorded in the Patent and Trademark Office.” 35 U.S.C. § 253(a). Thus, in *General Electric Co. v. United Technologies Corp.*, IPR2017-00491, Paper 9 (PTAB July 6, 2017) (precedential), where a statutory disclaimer was filed on April 12, 2017, before the Board’s decision on institution, which was entered on July 6, 2017, the Board did not institute review based on any disclaimed claim. *Id.*

at 3. Here, however, Patent Owner did not file its statutory disclaimer until August 7, 2024, after our July 25, 2024 decision instituting review.

Ex. 2001. Thus, our not considering the statutory disclaimer in our decision instituting review could not have constituted error.

It is true that the Board has granted rehearing of decisions instituting review in cases where a post-decision statutory disclaimer was filed.

Daiichi Sankyo, Inc. v. Seagen Inc., PGR2021-00030, Paper 31, 7 (PTAB July 15, 2022). Patent Owner notes the *Daiichi Sankyo* decision as support for its rehearing argument. Req. Reh’g 4. But that decision granted rehearing due to a combination of “changed circumstances,” including not only a statutory disclaimer, but also a request for adverse judgment in a related proceeding and significant “investment in [a] parallel proceeding by the district court and the parties, including the completion of a jury trial that resulted in a jury verdict not finding invalidity of the challenged claims.”

PGR2021-00030, Paper 31, 7. The importance of the non-disclaimer changed circumstances in *Daiichi Sankyo* is demonstrated by the fact that, on rehearing of the decision Patent Owner cites, the Board instituted trial once it determined that compelling merits removed the advanced stage of the parallel proceeding as a relevant consideration. *Daiichi Sankyo, Inc. v. Seagen Inc.*, PGR2021-00030, Paper 36, 8–11 (PTAB Feb. 14, 2023). We have been apprised of no similar combination of changed circumstances here, so we consider the present case distinguishable from *Daiichi Sankyo*.

Also distinguishable are the cases Patent Owner cites for the proposition that “[c]laims disclaimed under § 253(a) are treated as though they never existed.” Prelim. Resp. 3 (citing *Vectra Fitness*, 162 F.3d at 1383; *Guinn*, 96 F.3d at 1422). Neither *Guinn* nor *Vectra Fitness* involved a situation in which a determination about the patent, once made,

was required to be unwound in light of a subsequent statutory disclaimer. Instead, *Vectra Fitness* related to a question of how to resolve post-disclaimer proceedings, and *Guinn* dealt with whether to apply a rule treating the disclaimer of all claims involved in an interference proceeding as a request for adverse judgment against the disclaiming party. *Vectra Fitness*, 162 F.3d at 1381 (disclaimer filed Feb. 16, 1990; reissue application at issue filed May 9, 1991; reissue patent issued Mar. 29, 1994; infringement suit filed Dec. 4, 1996); *Guinn*, 96 F.3d at 1420–21. In fact, contrary to the result that Patent Owner urges here of reversing our institution of review, *Guinn* held that it was appropriate to resolve an interference even after all the involved claims had been disclaimed. 96 F.3d at 1422 (“We hold that the Board had the authority and the responsibility pursuant to 35 U.S.C. § 135(a) to resolve the interference and render judgment against Guinn as a result of his disclaimer of claim 9 of the ’812 patent.”).

IV. CONCLUSION

For the foregoing reasons, Patent Owner has not demonstrated that the Board abused its discretion in any respect in instituting an *inter partes* review of claims 1–19 of the ’246 patent.

V. ORDER

It is hereby

ORDERED that the Request for Rehearing is *denied*.

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