

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE
FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE
UNITED STATES PATENT AND TRADEMARK OFFICE

KOHLER CO.,
Petitioner,

v.

DELTA FAUCET CO.,
Patent Owner.

IPR2024-00700
Patent 10,393,363 B2

Before JOHN A. SQUIRES, *Under Secretary of Commerce for Intellectual
Property and Director of the United States Patent and Trademark Office.*

ORDER

Granting Director Review, Vacating-in-Part the Final Written Decision, and
Remanding to the Board for Further Proceedings

Kohler Co. (“Petitioner”) filed a request for Director Review of the Final Written Decision (“Decision,” Paper 32) in the above-captioned case, and Delta Faucet Co. (“Patent Owner”) filed an authorized response. *See* Paper 33 (“DR Request”); Paper 34. Petitioner argues that the Decision should be reversed as to claims 10 and 19 because the Board failed to consider admissions from Patent Owner and arrived at conclusions facially inconsistent with the teachings of the prior art. DR Request 1. First, Petitioner contends that, as to claim 10, the Board incorrectly found that Tseng’s¹ spray head light conductor emits light only downwards and not to the sides even though Patent Owner’s expert admitted during cross-examination that some light does, in fact, emit to the sides. *Id.* at 4–13 (citing Ex. 1015, 37:3–15). Second, Petitioner contends that, as to claim 19, the Board incorrectly decided that Tse’s² showerhead does not teach the claimed “translucent” material even though Patent Owner admitted that it does. *Id.* at 14–15 (citing Paper 29, 55:23–56:6).

Patent Owner responds that the Board’s patentability findings as to claims 10 and 19 are well-supported and should stand. Paper 34, 1. Patent Owner argues that the Board correctly understood that these disputed issues related to optical systems and credited Patent Owner’s expert, Dr. Klopp, for providing an independent analysis based on his extensive experience in optics. *Id.* at 1–2.

As to the first issue, the Board found that Tseng fails to teach “a translucent light pipe including an outer illumination surface extending

¹ US 2015/0354186 A1, published Dec. 10, 2015 (Ex. 1004).

² WO 2009/000109 A1, published Dec. 31, 2008 (Ex. 1005).

perpendicular to the longitudinal axis of the housing,” (“the disputed limitation”) as claim 10 requires. Decision 31–40 (citing Ex. 1004 ¶¶ 97–98, Fig. 32); *see* Ex. 1001, 7:56–59. In particular, the Board credited Dr. Klopp’s testimony and found that Tseng does not teach that light is emitted in the direction perpendicular to the longitudinal axis of the housing, as set forth in the disputed limitation. *Id.* at 34; *see* Ex. 2003 ¶ 101 (Dr. Klopp’s testimony). Dr. Klopp, however, admitted during cross-examination that some light would, in fact, be emitted in such a direction (Ex. 1015, 37:3–15), and the Board erred by failing to address this testimony.

Further, although the Board did not expressly construe the disputed limitation (*see id.* at 9), it appears that the Board implicitly determined that the claim requires a “meaningful” amount of light to be emitted in the required direction and applied that implicit construction in finding that Tseng fails to teach the limitation. *See* Decision 33 (citing Ex. 1015, 37:25–38:1 (“no *meaningful* light would reach 383”) (emphasis added)); *see* Paper 34, 5. That construction was erroneous. Neither the claim language nor the challenged patent’s specification indicate how much light is necessary to satisfy the disputed limitation. *See* Ex. 1001, 7:54–61; DR Request 13 (arguing that nothing in the challenged patent justifies interpreting the claims in the way the Board does). The disputed limitation, therefore, is satisfied by *any* amount of light emitted from the side surface. On remand, the Board needs to determine whether Tseng teaches the claim limitation as construed in this decision and whether Petitioner has established by a preponderance of the evidence that claim 10 is unpatentable.

As to the second issue, the Board found that Petitioner had not shown that Tse’s “semi-transparent” cover was “translucent,” as claim 19 requires. Decision 60. The Board’s determination was based on its understanding that it needed to resolve a dispute between the parties as to this issue. *Id.* (stating that “Patent Owner does not concede that Tse’s semi-transparent cover is translucent”). Patent Owner’s counsel, however, admitted at the hearing that “[i]t’s not in dispute that Tse describes a semi-transparent material” that “would—as Petitioner alleges, refer to a translucent material.” Paper 29, 55:19–56:6. The Board did not address this admission, and instead, credited an argument that Patent Owner did not make. Decision 59–60. This was error. Petitioner’s undisputed contention that Tse’s semi-transparent material is translucent is, by definition, persuasive as unrebutted, and the Board should have found so. *See* Pet. 58–59 (citing Ex. 1005, 6:23–29); *see* Ex. 1003 ¶¶ 355–56. On remand, the Board needs to determine whether Petitioner has shown by a preponderance of the evidence that claim 19 is unpatentable, including whether the prior art teaches the remaining limitations of the claim.

In view of the foregoing, Director Review is granted, the Decision is vacated-in-part, and this case is remanded to the Board to address claims 10 and 19 consistent with this decision. On remand, the Board needs to also address any remaining issues, including unaddressed dependent claims challenged in the Tseng grounds and the Tse grounds.

Absent good cause, the Board shall issue its decision within 30 days of this Order.

Accordingly, it is:

ORDERED that Director Review is granted;

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FURTHER ORDERED that the Final Written Decision (Paper 32) is vacated-in-part; and

FURTHER ORDERED that the case is remanded to the Board for further proceedings consistent with this Order.

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