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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.



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THIRD PARTY REQUESTER'S CORRESPONDENCE ADDRESS

January 3, 2024

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EX PARTE REEXAMINATION COMMUNICATION TRANSMITTAL FORM

REEXAMINATION CONTROL NO. : 90015053
PATENT NO. : 9298905
ART UNIT : 3992

Enclosed is a copy of the latest communication from the United States Patent and Trademark Office in the above-identified ex parte reexamination proceeding (37 CFR 1.550(f)).

Where this copy is supplied after the reply by requester, 37 CFR 1.535, or the time for filing a reply has passed, no submission on behalf of the ex parte reexamination requester will be acknowledged or considered (37 CFR 1.550(g)).



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In re Giobbi
U.S. Patent No.: 9,298,905 B1
Ex Parte Reexamination Proceeding
Control No.: 90/015,053
Filed: June 8, 2022

:
: **DECISION**
: **ON**
: **PETITION**
:

This decision addresses patent owner's September 20, 2022 petition entitled "Petition to the Director Under 1.181(a)(2) to Exercise her Discretion Under 35 U.S.C. § 325(d)", requesting that the Director vacate the order in the 90/015,053 reexamination proceeding pursuant to 35 U.S.C. 325(d). This decision also addresses requester's October 4, 2022 paper entitled "Response to Patent Owner's (Second) Petition Under 1.181(A)(2)."

Patent owner's September 20, 2022 petition, requester's October 4, 2022 paper, and the record as a whole are before the Office of Patent Legal Administration for consideration.

RELEVANT BACKGROUND

- On March 29, 2016, U.S. Patent No. 9,298,905 (the '905 patent) issued to Giobbi with claims 1-18. According to Office records, the '905 patent is currently assigned Proxense LLC (patent owner or Proxense).

District Court Proceeding

- On March 5, 2021, Proxense LLC filed a complaint in the United States District Court for the Western District of Texas (district court) asserting at least claims 1, 4, 5, 7, 9, 10, and 12 of the '905 patent (among other patents) against Samsung Electronics, Co. Ltd. *et al.* (Samsung).¹
- On January 19, 2023, the parties stipulated that they reached a resolution of this matter and requested that the case be dismissed with prejudice.²

Prior *Inter Partes* Review Proceeding – Trial No. IPR2021-01447 (Samsung)

¹ *Proxense LLC. v. Samsung Electronics, Co., Ltd. et al.*, 6:21-cv-00210, Document 1 (W.D. Tex. Mar. 5, 2021).

² *Proxense LLC. v. Samsung Electronics, Co., Ltd. et al.*, 6:21-cv-00210, Document 168 (W.D. Tex. Jan. 19, 2023).

- On August 26, 2021, Samsung filed a petition for *inter partes* review of claims 1-12 of the '905 patent. The *inter partes* review proceeding was assigned trial number IPR2021-01447 (the '1447 IPR). The petition raised the following grounds:³

Grounds	Claims	Basis
1	1, 3-10, 12	Obvious over Scott ⁴ and Lapsley ⁵
2	2, 11	Obvious over Scott, Lapsley, and Robinson ⁶
3	1, 3-7, 9-10, 12	Obvious over Berardi, ⁷ Shreve, ⁸ and Kinoshita ⁹

- On February 28, 2022, the Patent Trial and Appeal Board (PTAB or Board) issued a decision denying institution of the '1447 IPR, concluding that “[p]etitioner has not demonstrated a reasonable likelihood of prevailing with respect to at least one claim of the '905 patent challenged in the [p]etition.”¹⁰

Present Ex Parte Reexamination Proceeding – Reexamination Control No. 90/015,053 (Samsung)

- On June 8, 2022, Samsung filed a request for *ex parte* reexamination of claims 1-18 of the '905 patent. The reexamination proceeding was assigned control number 90/015,053 (present reexamination proceeding or '053 reexamination proceeding). The request raised the following grounds:¹¹

Proposed SNQ	Claims	Basis
1	1, 3-10, 12-18	Obvious over Ludtke ¹² and Okereke ¹³
2	2, 11	Obvious over Ludtke, Okereke, and Robinson
3	1, 3-10, 12-18	Obvious over Ludtke and Scott
4	2, 11	Obvious over Ludtke, Scott, and Robinson

- On July 22, 2022, patent owner filed a petition entitled “Petition Under 1.183 to Suspend and/or Waive Rules 37 C.F.R. § 1.530(a) and (c)”, which sought waiver of 37 CFR 1.530(a) and (c) to permit the Office to consider a future patent owner petition requesting the Office to reject the request in the present reexamination proceeding pursuant to 35 U.S.C. 325(d).
- On August 1, 2022, the Office issued a decision: (i) granting patent owner’s petition under 37 CFR 1.183 to waive 37 CFR 1.530(a) and (c) for entry and consideration of any information regarding § 325(d) issues set forth in the petition itself when determining whether to order reexamination to the extent sufficient time remained, and (ii) finding premature patent owner’s request for waiver of the rules to permit the Office to enter and consider a future petition directed to § 325(d) issues.
- On August 2, 2022, the Office issued an order granting reexamination in the '053 reexamination proceeding, finding that a substantial new question of patentability (SNQ) affecting claims 1-18 of

³ *Samsung Electronics America, Inc. v. Proxense, LLC*, IPR2021-01447, Paper 1 (PTAB Aug. 26, 2021), p. 5.

⁴ International Publication No. WO 99/56429 to Scott *et al.*, published Nov. 4, 1999 (**Scott**).

⁵ U.S. Patent Application Publication No. 2001/0000535 A1 to Lapsley *et al.*, published Apr. 26, 2001 (**Lapsley**).

⁶ U.S. Patent Application Publication No. 2003/0177102 A1 to Robinson, published Sep. 18, 2003 (**Robinson**).

⁷ U.S. Patent No. 7,239,226 B2 to Berardi *et al.*, issued Jul. 3, 2007 (**Berardi**).

⁸ U.S. Patent Application Publication No. 2002/0109580 A1 to Shreve *et al.*, published Aug. 15, 2002 (**Shreve**).

⁹ U.S. Patent Application Publication No. US 2003/0055792 A1 to Kinoshita *et al.*, published Mar. 20, 2003 (**Kinoshita**).

¹⁰ *Samsung Electronics America, Inc. v. Proxense, LLC*, IPR2021-01447, Paper 12 (PTAB Feb. 28, 2022), p. 30.

¹¹ “Request for Ex Parte Reexamination,” Control No. 90/015,053 (Jun. 8, 2022) (request), p. 21.

¹² U.S. Patent No. 7,188,110 B1 to Ludtke *et al.*, issued Mar. 6, 2007 (**Ludtke**).

¹³ U.S. Patent Application Publication No. 2003/0196084 A1 to Okereke *et al.*, published Oct. 16, 2003 (**Okereke**).

the '053 patent is raised by the request.¹⁴ The Central Reexamination Unit (CRU) examiner (examiner) included a discussion in support of the examiner's determination that "a discretionary denial of reexamination pursuant to 35 USC 325(d) is not implicated".¹⁵

- On August 5, 2022, requester filed a paper entitled "Response to Petition Under 1.183 to Suspend and/or Waive Rules 37 C.F.R. § 1.530(a) and (c)", requesting that the CRU "reject Patent Owner's [July 22, 2022] petition and proceed with *ex parte* reexamination."¹⁶ On December 21, 2022, the Office issued a decision stating that requester's August 5, 2022 paper is moot but will remain in the record.
- On September 20, 2022, patent owner filed a petition entitled "Petition to the Director Under 1.181(a)(2) to Exercise Her Discretion Under 35 U.S.C. § 325(d)" (petition).
- On October 4, 2022, requester filed an opposition entitled "Response to Patent Owner's (Second) Petition Under 1.181(A)(2)" (opposition).

STATUS OF THE CLAIMS

The '905 patent issued with claims 1-18. In the present reexamination proceeding, claims 1-18 are subject to reexamination.

DECISION

I. Examiner's analysis under 35 U.S.C. 325(d)

35 U.S.C. 325(d) states, in pertinent part:

In determining whether to . . . order a proceeding under . . . chapter 30, . . . the Director may take into account whether, and reject the . . . request because, the same or substantially the same prior art or arguments previously were presented to the Office.

A predicate to the Office exercising its discretion under 35 U.S.C. 325(d) is that the same or substantially the same prior art or arguments previously were presented to the Office. The present reexamination proceeding is Samsung's second challenge to claims of the '905 patent before the Office. The examiner has determined that the grounds in the request are not the same or substantially the same as the grounds presented in the '1447 IPR, which was denied institution on the merits of the petition.

Samsung's petition in the '1447 IPR presented grounds based on combinations of Scott and Lapsley, alone, or further in view of Robinson, as well as a ground based on the combination of Berardi, Shreve, and Kinoshita. With respect to the previously-asserted grounds, the examiner noted that, in the decision denying institution of the '1447 IPR, the PTAB determined that, with respect to grounds 1 and 2, the petition "[did] not show persuasively that either Scott or Lapsley teaches a 'third-party trusted authority'" and, with respect to ground 3, the PTAB held that "we cannot discern Petitioner's allegations of obviousness based on Berardi, Shreve, and Kinoshita, nor can we say Patent Owner is on

¹⁴ See "Order Granting Request for *Ex Parte* Reexamination," Control No. 90/019,053 (Aug. 2, 2022) (order), pp. 5-11.

¹⁵ Order, p. 12.

¹⁶ "Response to Petition Under 1.183 to Suspend and/or Waive Rules 37 C.F.R. § 1.530(a) and (c)," Control No. 90/019,053 (Aug. 5, 2022), p. 9.

notice of those allegations....”¹⁷ In the request for the present reexamination proceeding, Samsung proposed new grounds of rejection that rely on the newly presented Ludtke reference in combination with the newly presented Okereke reference, alone, or further in view of Robinson, as well as Ludtke in combination with Scott, alone, or further in view of Robinson. In the order granting *ex parte* reexamination, the examiner found that the newly presented Ludtke reference disclosed the “third-party trusted authority” limitation that was deemed missing from the references presented in the prior ’1447 IPR petition.¹⁸ In particular, the examiner stated:

A review of the AIA petition as compared to the instant request for *ex parte* reexamination indicates both the Scott and Robinson prior art references that were presented in the prior AIA petition are also being presented in the instant reexamination request also filed by Samsung (See SNQs #2, #3 and #4). However even though Scott was used in the prior AIA petition, they are now being used as a part of a different grounds of rejection as secondary references with the newly presented Luedtke [sic] as a primary reference (See proposed SNQ #2 #3 and #4). Further, the request specifically presents newly cited Ludtke to address the omission identified as the basis for the Board’s refusal to institute in IPR2021-01447. As pointed out by third party requester, Ludtke specifically discloses a transaction processing [or privacy] clearing house (TCPH) which is a third-party trusted authority, and further discloses that the TPCPH “may access relevant account information to authorize transactions.” See Col. 3:40-45.¹⁹

Thus, the examiner determined that the “teachings cited to in Lutke [sic] and arguments related to Lutke [sic] were not present in the prior AIA petition” and found that “the prior art and arguments provided in the request are not the same or substantially the same as those presented [in the ’1447 IPR petition].”²⁰ As a result, the examiner determined it was not appropriate to exercise discretion pursuant to 35 U.S.C. 325(d) to reject the request in the present reexamination proceeding.

II. Petition to vacate order and terminate the 90/015,053 proceeding pursuant to 35 U.S.C. 325(d)

In patent owner’s “Petition to the Director Under 1.181(a)(2) to Exercise her Discretion Under 35 U.S.C. § 325(d),” filed September 20, 2022, patent owner requests that the Office terminate the present reexamination proceeding as improper under 35 U.S.C. 325(d) in view of Samsung’s denied ’1447 IPR petition.²¹ Patent owner draws a comparison to *In re Vivint*, 14 F.4th 1342, 1351-52 (Fed. Cir. 2021) when arguing that Samsung uses “information gleaned from the PTAB’s decision as a roadmap to bolster challenges it advanced unsuccessfully” and that this “is the same behavior that led to termination of Alarm.com’s *ex parte* reexamination of Vivint’s patents in *In re Vivint*.”²² Patent owner also argues that the order “did not address *In re Vivint*...”²³ Additionally, patent owner asserts that the “law does not tolerate a petitioner like Samsung to use information learned from a previously unsuccessful IPR challenge as a roadmap for a subsequent reexamination request.”²⁴ In particular, patent owner states that the “CRU did not provide an analysis using the factors articulated in *General*

¹⁷ See order, pp. 11-12.

¹⁸ See order, p. 11.

¹⁹ See order, p. 12.

²⁰ See order, p. 12.

²¹ See petition, pp. 1 and 3.

²² See petition, pp. 3-4 (emphasis omitted).

²³ See petition, p. 5.

²⁴ Petition, p. 6.

Plastic[]”²⁵ and asserts that patent owner’s own analysis of the factors “compels termination” of the present reexamination proceeding.²⁶ Finally, patent owner asserts that “[t]here can be a public interest in reexamination that goes beyond the proprietary behavior of a particular challenger,” but “Samsung’s Request fails to advance or argue any such public interest.”²⁷

III. Response to arguments

Patent owner’s reliance on *Vivint* as requiring termination of the present reexamination proceeding is not persuasive. *Vivint* held that it was arbitrary and capricious for the Office to subsequently order reexamination on a patent after it had denied institution of a prior IPR on the same patent in a decision that focused on the petitioner’s abusive filing practices as “a case of undesirable, incremental petitioning” and relied on § 325(d) considerations “for its core analysis.”²⁸ Patent owner’s arguments suggest that *Vivint* supports finding a subsequent challenge employing “roadmapping” to be a sufficient basis for terminating the subsequent proceeding under § 325(d), even without a history of abusive filing practices against the challenged patent. However, patent owner’s expansive interpretation of *Vivint* is contrary to the Federal Circuit’s own characterization of its ruling in *Vivint* as “narrow” and “limited.”²⁹ Unlike *Vivint*, there are no prior proceedings involving the ’905 patent that were denied on the basis of undesirable, incremental or abusive petitioning under § 325(d). The present reexamination proceeding is Samsung’s second attempt at challenging claims of the ’905 patent and, unlike the fact pattern in *Vivint*, Samsung’s previous challenge to the ’905 patent in the ’01447 IPR was denied institution on the merits, because Samsung had not demonstrated a reasonable likelihood of establishing the unpatentability of the claims of the ’905 patent. Accordingly, patent owner’s reliance on *Vivint* as supporting termination of the present reexamination proceeding is inapt.

Further, given these facts and circumstances, there was no reason for the order granting *ex parte* reexamination to discuss *Vivint*, because as explained above, the fact pattern in the instant reexamination differs significantly from *Vivint*. In this instance, and pursuant to standard practice, the Office evaluated whether there were implications for exercising § 325(d) in the present reexamination proceeding and determined that an exercise of the Office’s discretion under the permissive language of § 325(d) was not warranted under the present facts and circumstances. As set forth in section I of this decision, the examiner presented a thorough and reasoned § 325(d) analysis in the order and consequently ordered reexamination.³⁰

Assuming, *arguendo*, that requester attempted to use the patent owner’s response and the PTAB’s decision in the ’1447 IPR as a roadmap for the request as patent owner asserts, the language of 35 U.S.C. 325(d) does not prohibit a requester from addressing, in a subsequent reexamination request, deficiencies that were identified with respect to a prior IPR petition. Concerns regarding curing deficiencies in a previously filed IPR petition are more prominent in the PTAB’s analysis under 35 U.S.C. 314(a) for discretionary denials of serial IPR petitions to ensure the efficient administration of

²⁵ See, petition, p. 7, citing *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper No. 19, Section II.B.4.i (PTAB Sept. 6, 2017) (precedential).

²⁶ See petition, pp. 7-15; see also petition, FN 20 (stating that although *General Plastic* addressed the institution of an IPR under 35 U.S.C. 314, the factors are directed to impermissible roadmapping that the Federal Circuit in *Vivint* found to be “at the heart” of the 35 U.S.C. 325(d) analysis in both IPR petitions and requests for *ex parte* reexamination).

²⁷ See petition, p. 15.

²⁸ *Vivint*, 14 F.4th at 1353.

²⁹ *Vivint*, 14 F.4th at 1354 (stating, “Our holding today is narrow. Section 325(d) applies to both IPR petitions and requests for *ex parte* reexamination. Thus, the Patent Office, when applying § 325(d), cannot deny institution of IPR based on abusive filing practices then grant a nearly identical reexamination request that is even more abusive.”).

³⁰ See order, pp. 11-12.

the PTAB³¹ as opposed to under § 325(d) (second sentence).³² For example, the factors in *General Plastic* include relevant considerations that permit the Board to assess the potential impacts of serial petitions on the efficient use of the *inter partes* review process and the PTAB's resources.³³ The 35 U.S.C. 314(a) provisions applicable to the *inter partes* review process were not made applicable to *ex parte* reexamination in the America Invents Act (AIA), while 35 U.S.C. 325(d) was expressly made applicable to reexamination. By making 35 U.S.C. 314(a) applicable only in *inter partes* review, Congress made the determination that aspects of the statutory authority to require the efficient use of the *inter partes* review process are not applicable in *ex parte* reexamination. Thus, it was reasonable the examiner did not analyze the PTAB's *General Plastic* factors in the order granting *ex parte* reexamination.

Patent owner's assertion that the request fails to advance a public interest in maintaining the reexamination proceeding is inapt. Neither 35 U.S.C. 302 or 37 CFR 1.510 requires that a request for *ex parte* reexamination set forth a public interest. A purpose of *ex parte* reexamination is to permit the Office to reexamine a patent on the basis of prior art which was not previously considered, or was not fully considered, with respect to the specific claims of the patent during an earlier examination or review of the patent. There is a strong public interest that all of the prior art be considered.³⁴ Thus, the Office may decline to exercise its discretion under § 325(d) where the Office did not fully evaluate, and come to a final decision on, prior art or arguments that previously were presented in a prior AIA proceeding. As addressed in section I above, the examiner determined that the totality of the request is not based on substantially the same prior art or arguments as those presented in the prior '1447 IPR, at least given the determination that the new Ludtke primary reference discloses teachings deemed missing from the grounds presented in the '1447 IPR. Under the particular facts and circumstances in this instance, the public interest in having all of the prior art fully considered weighs in favor of moving forward with the present reexamination proceeding. Accordingly, the Office has determined that an exercise of the Office's discretion under the permissive language of § 325(d) was not warranted under the facts and circumstances of this case.

CONCLUSION

In the present reexamination proceeding, the Office reviewed the record and declined to exercise its discretion and reject the request under 35 U.S.C. 325(d). As a result, the Office ordered reexamination on August 2, 2022, before the patent owner filed its second § 325(d) petition on September 20, 2022. The preceding review of the patent owner's arguments concerning § 325(d) and of the particular facts and circumstances of the present reexamination proceeding demonstrates that there was no abuse of discretion when the Office declined to exercise its discretion to reject the request in the present reexamination proceeding pursuant to § 325(d). Accordingly, the patent owner's September 20, 2022

³¹ See, e.g., *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper No. 19, Section II.B.4.i (PTAB Sept. 6, 2017) (precedential), p. 17 (In discussing *General Plastic* "factor 3" (i.e., whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition) the PTAB states, "The absence of any restrictions on follow-on petitions would allow petitioners the opportunity to strategically stage their prior art and arguments in multiple petitions, using our decisions as a roadmap, until a ground is found that results in the grant of review.").

³² See, e.g., *Becton, Dickinson and Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper No. 8 (PTAB Dec. 15, 2017) and *Advanced Bionics, LLC v. Med-El Elektronmedizinische Geräte GMBH*, IPR2019-01469, Paper No. 6 (PTAB Feb. 13, 2020).

³³ See *General Plastic* at 15-16, and 18.

³⁴ See *In re Etter*, 756 F.2d 852, 856 (Fed. Cir. 1985) (When discussing whether the § 282 presumption of validity has application in reexamination proceedings, the Federal Circuit stated that "[r]eexamination is thus neutral, the patentee and the public having an equal interest in the issuance and maintenance of valid patents.").

petition, requesting the Office to exercise its discretion to terminate the present reexamination proceeding pursuant to § 325(d), is **dismissed**.

1. Patent owner's September 20, 2022 petition under 37 CFR 1.181 requesting the Office vacate the August 2, 2022 order and terminate the present reexamination proceeding pursuant to 35 U.S.C. 325(d) is **dismissed**.
2. Requester's October 4, 2022 opposition has been entered and considered.
3. The present reexamination proceeding is being forwarded to the Central Reexamination Unit to continue prosecution.
4. Inquiries concerning this decision should be directed to Andrea S. Grossman, Legal Advisor, Office of Patent Legal Administration, at (571) 270-3314, or the undersigned at (571) 272-7717.

/Nicole D. Haines/

Nicole D. Haines
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January 2, 2024