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No More Soup For You – PTAB Rejects Second IPR Petition Under 35 U.S.C. § 325(d)

By Robert H. Resis

May 6, 2015 – The Patent Trial and Appeal Board recently denied an IPR petition under 35 U.S.C. § 325(d) because the petitioner's arguments were substantially similar to those it made in an earlier IPR petition. Both petitions involved U.S. 7,429,827, which describes a solar powered light that produces light of varying color. The earlier IPR and the recent IPR cases are identified below.

Jiawei Technology (HK) Ltd., et al. v. Simon Nicholas Richmond, IPR2014-00938, Paper 20 (PTAB. Dec. 16, 2014) (*Jiawei I*) — held: IPR instituted for certain claims, including claim 30 ("obvious in view of Chliwnyj, Wu, and Lau"); IPR not instituted for all other grounds set forth in the petition, including alleged ground that claims 31-34 are obvious in view of Chliwnyj and Wu.

Jiawei Technology (HK) Ltd., et al. v. Simon Nicholas Richmond, IPR2015-00580, Paper 22 (PTAB. May 1, 2015) (*Jiawei II*) — held: IPR is not instituted on the alleged ground that claims 31-34 are obvious over Chliwnyj, Wu, and Lau.

In *Jiawei I*, the Board held that the petitioner had not shown a reasonable likelihood that claims 31-34 were unpatentable in view of Chliwnyj and Wu, but had shown a reasonable likelihood that claim 30, which depends from independent claim 27, is unpatentable in view of Chliwnyj, Wu, and Lau. The Board denied review of claims 31-34 because those claims included a limitation — "color changing cycle" — that the Board was unpersuaded was shown in Chliwnyj. The Board noted that the petitioner had not provided a claim construction of that limitation.

On January 16, 2015, one month after the Board's decision in *Jiawei I*, the petitioner filed the petition for *Jiawei II* — this time providing proposed claim constructions for the limitation "color changing cycle" and alleging that claims 31-34 are unpatentable over Chliwnyj, Wu, and Lau. In *Jiawei II*, the Board began its analysis by reciting 35 U.S.C. § 325(d):

> In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.

The Board noted that the prior art presented in *Jiawei II* was presented in the earlier proceeding. The only difference was that the petitioner used the specific combination of references to argue in *Jiawei I* that claim 30, not claims 31-34, was unpatentable. There was no question that Chliwnyj, Wu, and Lau were available to the petitioner at the time of filing the earlier petition, and actually presented to the U.S. Patent and Trademark Office as prior art to the '827 patent.

The Board held that the petitioner's arguments in *Jiawei II* were substantially similar to those made in *Jiawei I*, relying on Lau instead of Chliwnyj for the "color changing cycle" limitation but presenting a similar analysis for all other limitations of claims 31-34. The Board was persuaded to exercise its discretion under 35 U.S.C. § 325(d) to deny the petition because the same prior art and substantially the same arguments were presented previously to the Office. The Board further found that the proposed ground directed to claims 31-34 amounted to "a second bite at the apple," noting that the petitioner was offering a claim construction that it could have offered in *Jiawei I*. The Board was unconvinced by the petitioner's argument that the patent owner, in its preliminary response in *Jiawei I*, made statements "inconsistent" with its alleged prior position in district court and that the petitioner "could not have reasonably anticipated" this inconsistency.

First, the Board stated that, in general, a petitioner must propose those claim constructions necessary to support its burden of showing a reasonable likelihood of success (37 C.F.R. § 42.104(b)(3) — petition must state "[h]ow the challenged claim is to be construed"). Second, the Board noted that the claim construction standard in district court is different from the claim construction standard applied to unexpired patents in *inter partes* reviews. Lastly, the Board stated that there is a presumption against construing two different phrases in two claims to mean the same thing, and the petitioner provided no explanation in its petition in *Jiawei I* as to whether the presumption applies or does not apply in the context of claims 31-34. The Board stated that if the petitioner wished the Board to construe "color changing cycle" to mean "varying colour" in *Jiawei I* based on alleged statements or constructions made in another proceeding, then it should have discussed those statements or constructions and proposed a construction in *Jiawei I*. In view of the above, the Board denied the petition in *Jiawei II* under 35 U.S.C. § 325(d).

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