

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NXP USA, INC.,
Petitioner,

v.

IMPINJ, INC.,
Patent Owner.

PGR2022-00005
Patent 10,929,734 B1

Before KEN B. BARRETT, ROBERT J. WEINSCHENK, and
KEVIN C. TROCK, *Administrative Patent Judges*.

BARRETT, *Administrative Patent Judge*.

DECISION

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

I. INTRODUCTION

Petitioner NXP USA, Inc. filed a Request for Rehearing under 37 C.F.R. § 42.71(d) (Paper 19 (“Request” or “Req. Reh’g”)), along with Exhibits 1024 and 1025. The Request for Rehearing seeks reconsideration of our decision (Paper 18, “Decision” or “Dec.”) denying institution of post-grant review of claims 1–20 of U.S. Patent No. 10,929,734 B1.

In the Decision, we, based on the record before us at the time, exercised discretion under 35 U.S.C. § 324(a) to deny institution of a post-grant review. Dec. 1. In its Preliminary Response, Patent Owner argued that an analysis of the *Fintiv*¹ factors weighed in favor of denying institution. *See* Prelim. Resp. 41–52. Petitioner did not address *Fintiv* or our discretion to deny institution under 35 U.S.C. § 324(a) in the Petition. *See* Pet. *passim*. Petitioner did not request leave to file a reply brief to address Patent Owner’s *Fintiv* arguments in the Preliminary Response. *See* 37 C.F.R. § 42.208(c) (“A petitioner may seek leave to file a reply to the preliminary response in accordance with §§ 42.23 and 42.24(c).”). After considering the evidence of record and the arguments before us that addressed the six factors set forth in *Fintiv*, we explained in the Decision that the balancing of those factors weighed in favor of discretionarily denying the Petition under 35 U.S.C. § 324(a). Dec. 7–13.

¹ *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential); *see also Supercell Oy v. Gree, Inc.*, PGR2020-00039, Paper 14, 7 (PTAB Sept. 14, 2020) (applying *Fintiv and NHK Spring Co., Ltd. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential) in the context of a post-grant review).

Petitioner argues in the Request for Rehearing that, “in denying institution, the Panel misapprehended *Fintiv* Factor 2, which considers the proximity of the District Court’s trial date to the Final Written Decision deadline.” Req. Reh’g 1. Petitioner relies on the exhibits filed with the Request. *See, e.g., id.* (citing Exs. 1024, 1025).

As we explain below, we have considered the arguments presented by Petitioner in its Request for Rehearing, but we discern no reason to modify our Decision. As a result, we *deny* Petitioner’s Request for Rehearing.

II. LEGAL STANDARDS

A party requesting rehearing bears the burden of showing that the decision should be modified. 37 C.F.R. § 42.71(d). “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, or a reply.” *Id.* When rehearing a decision on a petition, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). “An abuse of discretion may be indicated if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors.” *Huawei Device Co., Ltd., v. Optis Cellular Tech., LLC*, IPR2018-00816, Paper 19, 3 (PTAB Jan. 8, 2019) (precedential) (citations omitted). Further, “[a]bsent a showing of ‘good cause’ . . . , new evidence will not be admitted” in connection with a request for rehearing. Patent Trial and Appeal Board Consolidated Trial Practice Guide 90 (Nov. 2019), <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf> (citing *Huawei Device Co.*, IPR2018-00816, Paper 19 at 4). Thus, a request

for rehearing is not generally an opportunity to present new arguments or evidence.

III. ANALYSIS

A. Petitioner Has Not Established “Good Cause” for Considering Exhibits 1024 and 1025

As mentioned above, Petitioner submitted Exhibits 1024 and 1025² with the Request. “Ideally, a party seeking to admit new evidence with a rehearing request would request a conference call with the Board prior to filing such a request so that it could argue ‘good cause’ exists for admitting the new evidence. Alternatively, a party may argue ‘good cause’ exists in the rehearing request itself.” *Huawei Device Co.*, IPR2018-00816, Paper 19 at 4; *see also* Consolidated Trial Practice Guide at 90 (quoting the same).

Petitioner did not request a conference call prior to filing the Request to argue that good cause exists and does not present arguments in the Request regarding good cause. Accordingly, we find that Petitioner has not met its burden of showing that good cause exists to justify consideration of those exhibits to evaluate whether we erred by overlooking or misapprehending anything in the Decision.

B. We Did Not Misapprehend the Significance of the Facts Pertaining to Fintiv Factor 2

Petitioner argues that, “in denying institution, the Panel misapprehended *Fintiv* Factor 2, which considers the proximity of the District Court’s trial date to the Final Written Decision deadline.” Req.

² According to Petitioner, the subject exhibits are documents in the parallel litigation in which Petitioner is a party and are dated February and March 2022. *See* Req. Reh’g, Exhibit List Appendix at 3. Thus, the new exhibits were available before the issuance of the Decision on May 2, 2022.

Reh’g 1. Notably, Petitioner does not assert that we misapprehended Petitioner’s arguments regarding *Fintiv* Factor 2, which is appropriate because Petitioner made no arguments regarding *Fintiv* in the Petition or otherwise prior to our Decision denying institution. Petitioner also does not assert that we misapplied the law or misapprehended any facts. *See, e.g., id.* at 6 (Petitioner noting that Patent Owner acknowledged and the Decision refers to the facts underlying Petitioner’s arguments in the Request). Rather, Petitioner asserts that the Decision “misapprehended the significance of these facts [in] concluding that ‘[b]ecause the currently scheduled trial in the parallel proceeding is scheduled to begin over two months before our deadline to reach a final decision, this factor weighs somewhat in favor of discretionary denial.’” *Id.* Thus, Petitioner simply disagrees with how we evaluated the facts of Factor 2 and with our ultimate determination after weighing all the factors. However, a rehearing request is not an opportunity for the requesting party to reargue its case (or, as here, argue its case for the first time).

As noted in the Decision, Patent Owner acknowledged that the District Court indicated that there would be three trials to address the patents at issue in that parallel litigation, with all discovery and other case events for all patents to be completed prior to the first trial. Dec. 8–9 (quoting Prelim. Resp. 47–48); *see also* Prelim. Resp. 44–45 (Patent Owner informing us of the status in the District Court). Patent Owner asserted that the first trial in the series is scheduled to begin in February 2023 and argued that “[r]egardless of the precise trial date of the ’734 Patent, the parties will very likely have completed everything up to trial before the projected statutory deadline.” Prelim. Resp. 46–48; *see* Dec. 8–9. at 9. As noted in Petitioner’s

argument, we stated that, “[b]ecause the currently scheduled trial in the parallel proceeding is scheduled to begin over two months before our deadline to reach a final decision, this factor weighs somewhat in favor of discretionary denial.” Dec. 9. After discussing all of the *Fintiv* factors and after “consider[ing] ‘a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review,’” we exercised discretion to deny institution of a post-grant review. *Id.* at 12–13 (quoting *Fintiv*, Paper 11 at 6).

We again note that Petitioner made no arguments regarding *Fintiv* prior to the denial of institution. Petitioner, in the Request, now argues that multiple *Fintiv* factors weigh in its favor, with those arguments being based on several assumptions for which Petitioner fails to articulate sufficient bases. *See, e.g.*, Req. Reh’g 7–8 (Petitioner reweighing the factors). For example, a key assumption regarding Factor 2 is that “[t]here is . . . a 66% chance . . . that the ’734 patent will be included in the second or third [District Court] trial, both of which will occur after the May 2023 Final Written Decision deadline.” *Id.* at 7. But Petitioner offers no specific explanation why the second and third trial will not occur until after the due date for the final written decision. *Cf. id.* at 6 (“[W]hether or not the ’734 patent is included in the first trial is entirely under [Patent Owner] Impinj’s control.”); *compare id.* at 5 (Petitioner arguing that, “[i]n fact, there is only a one-out-of-three chance that the ’734 patent will be included in the first and only trial that could pre-date a Final Written Decision.”), *with id.* at 5–6 n.2 (Petitioner citing, as support for its definitive statement, its own less-certain assertion that it “seems unlikely” that all the trials will occur prior to May

2023). From this and other assumptions, Petitioner contends that “Factor 2 now weighs in favor of institution.” *Id.* at 7.³

Building on these assumptions, and particularly the assumption that there is a high probability that the Board will issue a Final Written Decision prior to a District Court trial on the challenged patent, Petitioner argues that “Factor 4 (overlap of issues) also favors institution because, if the PGR is completed before trial (as is likely), then the statutory estoppel resulting from the Board’s Final Written Decision will preclude [Petitioner] NXP from raising any ground that it ‘raised or reasonably could have raised during [this PGR]’ in Court.” Req. Reh’g 7–8 (alteration in original) (quoting 35 U.S.C. § 325(e)(2)). We decline to simply assume, as Petitioner impliedly urges, that a post-grant review in this case will conclude prior to a trial in the District Court. More importantly, Petitioner’s argument for a prospective end of overlapping effort at some future date does not obviate the duplicative efforts that will occur during the twelve-month duration of a post-grant review. Petitioner similarly argues, based on the contention that a post-grant review likely will conclude prior to the Court’s trial, that the fact that the parties are the same in both forums (Factor 5) “now favors institution.” Req. Reh’g 8. Petitioner does not address the other factors.

³ The Office’s recently issued guidance regarding discretionary denials in proceedings with parallel litigation explains that parties may present evidence regarding median time-to-trial statistics, and “[w]here the parties rely on time-to-trial statistics, the PTAB will also consider additional supporting factors.” Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation (June 21, 2022) 8–9, *available at* https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf. The parties here do not rely on such statistics.

See id. Petitioner concludes by arguing that, under its own reweighing of the factors, discretionary denial is inappropriate. *Id.*

Petitioner, at most, is making the case that there is some uncertainty as to the District Court’s trial date, not that the factor weighs heavily against exercising discretion, as Petitioner implies. *See* Req. Reh’g 4–5 (Petitioner asserting “one reason for this uncertainty”). Further, the ultimate decision was based on a holistic weighing of all factors, and the existence of some uncertainty as to the trial date—the factor for which we, in the Decision, said only “weighs somewhat in favor of discretionary denial”—does not change the ultimate decision.

IV. CONCLUSION

For the foregoing reasons, Petitioner has not demonstrated that we abused our discretion in not instituting an *inter partes* review of the challenged claims of the ’734 patent.

V. ORDER

Accordingly, it is

ORDERED that Petition’s Request for Rehearing is *denied*.

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