## UNITED STATES PATENT AND TRADEMARK OFFICE

# BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC, Petitioner, V.

VALTRUS INNOVATIONS LIMITED, Patent Owner.

> IPR2022-01197 Patent 6,816,809 B2

Before JEFFREY W. ABRAHAM, KEVIN C. TROCK, and SHELDON M. McGEE, *Administrative Patent Judges*.

McGEE, Administrative Patent Judge.

# DECISION

Denying Petitioner's Request on Rehearing of Decision on Institution (Grounds 1–5)

Denying Institution of *Inter Partes* Review On Remand (Grounds 6–8)

37 C.F.R. § 42.71(d); 35 U.S.C. § 314

#### I. INTRODUCTION

Petitioner filed a Petition (Paper 2, "Pet.") for institution of an *inter partes* review of claims 1–17 of U.S. Patent No. 6,816,809 B2 (Ex. 1001, "the '809 patent"). Patent Owner filed a Preliminary Response (Paper 6, "Prelim. Resp.").

Petitioner subsequently requested authorization to file a Reply to the Preliminary Response to address, *inter alia*, Patent Owner's § 325(d) arguments pertaining to the Examiner's consideration of the European (EP) counterpart to the Vea<sup>1</sup> reference relied on in Grounds 6–8 of the Petition. Ex. 3001 (item 3). After a conference call was held with the parties on November 8, 2022, we denied that request for failure to demonstrate good cause. Paper 7. On January 3, 2023, we denied institution of *inter partes* review. Paper 9 ("Institution Decision," or "DI"). Our Institution Decision denied Grounds 1–5 on the merits and denied Grounds 6–8 under 35 U.S.C. § 325(d).

On February 2, 2023, Petitioner filed a request for rehearing of our Institution Decision (Paper 10, "Req. Reh'g"), and also filed a request for Precedential Opinion Panel review of our discretionary denial of Grounds 6– 8 under 35 U.S.C. § 325(d) (Ex. 3002, "POP Request").

On March 29, 2023, the Director issued an order dismissing Petitioner's POP Request, but initiated *sua sponte* Director review of Section III.E. of our Institution Decision which discretionarily denied

<sup>&</sup>lt;sup>1</sup> US 4,924,428, issued May 8, 1990 (Ex. 1006).

Grounds 6–8 under § 325(d). Paper 12 ("Director's Order"). The Director's Order vacated Section III.E. of our Institution Decision, "grant[ed] Petitioner's request for a reply solely to address § 325(d)," and granted Patent Owner a sur-reply. Paper 12, 3. Petitioner timely filed its reply (Paper 16), and Patent Owner timely filed its sur-reply (Paper 17).

The Director's Order instructed the Board to "issue a decision that evaluates § 325(d) in light of all pre-institution papers" and to "address Petitioner's arguments in support of Grounds 1–5 as presented in its Request for Rehearing." Paper 12, 3. This decision addresses each of the issues mandated by the Director's Order.

#### II. ANALYSIS

#### A. Petitioner's Request for Rehearing of Ogawa-based Grounds 1–5

#### 1. Legal Standard

When rehearing a decision on petition, a panel will review the decision for an abuse of discretion.

A party dissatisfied with a decision may file a single request for rehearing without prior authorization from the Board. The burden of showing a decision should be modified lies with the party challenging the decision. The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed.

37 C.F.R. § 42.71(c), (d).

#### 2. Petitioner's misapprehension of our reasoning

Relevant to Petitioner's Rehearing Request, we found in our

Institution Decision that Ogawa's device uses a periodic program where

control orders are sent from CPU1 to control order decoder 3, which decodes those control orders into signals which are applied to counter 4 or counter 6. DI, 7–8; *see also id.* at 18 ("[W]e agree with Patent Owner that Ogawa's central processing unit (CPU) 1 sends control orders to control order decoder 3."). As acknowledged by Petitioner (Pet. 18), the content of Ogawa's counter 4 represents "the time CPU1 was in the first (busy) state." *See* Ex. 1005, 326 (LR) (explaining that register 5 stores the content of counter 4, and that "arithmetic circuit 8 calculates the usage rate of the [CPU] 1, which is the content of the first register 5"). Thus, our Institution Decision established that Ogawa runs a program on its CPU, which ultimately results in the CPU's usage rate being obtained. DI, 7–8, 18.

Our Institution Decision also set forth similarities between the Ogawa reference and the Bishop reference (Ex. 1011), which Patent Owner distinguished during prosecution—namely that Bishop also runs a program on a CPU and "calculate[es] CPU utilization by" running that program. DI, 16–18; *see id.* at 17–18 ("Thus, the Examiner allowed issued claims 1–12 over the Bishop reference, which discloses calculating CPU utilization by, *inter alia*, running a program on the CPU."); *id.* at 18 n.11 (noting that Bishop's classes of data processing system tasks are sometimes referred to as "application *programs*" (emphasis in original)). After that analysis, we determined that "similar to Bishop's device, and distinct from claim 1 [of the '809 patent], Ogawa runs a 'program' in order to obtain the CPU's usage rate." *Id.* at 18.

On rehearing, Petitioner faults that determination and asserts that we "misapprehended or overlooked the Petition's showing that Ogawa is nothing like the Bishop reference distinguished during prosecution – which uses 'a software program to *calculate* CPU activity.'" Req. Reh'g 1 (emphasis added).<sup>2</sup> Specifically, Petitioner asserts that it "explained that Ogawa itself – just like the '809 patent – criticized 'software-based approaches that determine processor utilization by performing *calculations* on the processor,'" and disclosed a "hardware" measuring device that *calculates* CPU usage rate at a hardware level. Req. Reh'g 3–4 (citing Pet. 10–11) (emphases added).

Here, Petitioner acknowledges that Bishop uses software programming in calculating CPU activity—a point on which we agree. *Compare* Req. Reh'g 3 (stating that "the Board correctly characterized [Bishop] as using 'a software program to calculate CPU activity'"), *with* DI, 17–18 ("Thus, the Examiner allowed issued claims 1–12 over the Bishop reference, which discloses calculating CPU utilization by, *inter alia*, running a program on the CPU."). Petitioner asserts, however, that there are differences between Ogawa and Bishop that we misapprehended, and sets forth what it believes those differences are. Req. Reh'g 3–5, 8–11. In particular, Petitioner argues that "it is Ogawa's *hardware* circuit that 'calculate[es]' [sic] the CPU's 'usage rate from the effective processing time and idle time of the" CPU, and asserts that we misapprehended how Ogawa works. Req. Reh'g 5 (emphasis in original).

<sup>&</sup>lt;sup>2</sup> Petitioner acknowledges that we "correctly characterized" Bishop "as using 'a software program to calculate CPU activity." Req. Reh'g 3.

We disagree that we misapprehended how Ogawa's device works. Petitioner's arguments are premised on a misunderstanding of our reasoning set forth in the Institution Decision, i.e., Petitioner mistakenly believes that we determined that Ogawa uses software to carry out its calculation of CPU usage. But our Institution Decision never made such a finding. Compare DI, 17–18 ("Thus, the Examiner allowed issued claims 1–12 over the Bishop reference, which discloses calculating CPU utilization by, inter alia, running a program on the CPU." (emphases added)), with id. at 18 ("Ogawa runs a 'program' in order to obtain the CPU's usage rate." (emphasis added)). In other words, our Institution Decision never stated that Ogawa uses a software program to perform the CPU usage "calculation." Rather, our Decision set forth how both Ogawa and Bishop each have a CPU that runs a program, and how Ogawa's and Bishop's individual CPU usage rates are determined after those programs are run. DI, 7-8, 16-19. We emphasize here that our Institution Decision did not determine that the devices of Ogawa and Bishop operate *identically*. Rather, we pointed out a similarity that each device uses programming. See DI, 18 ("Thus, similar to Bishop's device . . . Ogawa runs a 'program'").

At bottom, this entire line of argument by Petitioner suggests that Petitioner erroneously equated our use of the phrase "in order to obtain" with "calculate." *Id.* To be clear, both Bishop and Ogawa undisputedly use software in their devices. Ex. 1011, 10:51–11:11; Ex. 1005, 325, 326; Pet. 12 (asserting Ogawa's "CPU1 'is a processing unit of a format *in which a periodic program is executed* at a periodic time interval"" (emphasis

added)); Req. Reh'g 3 ("the Board correctly characterized [Bishop] as using 'a software program to calculate CPU activity"").

In sum, our determination that "Ogawa runs a 'program' in order to obtain the CPU's usage rate" (DI, 18) is accurate because unless Ogawa runs its "program," no control orders will be sent from CPU1 to decoder 3 which decodes the signals that trigger either counter 4 or 6, whose values are fed to arithmetic circuit 8 which calculates the CPU usage rate. Ex. 1005, 326 (LL, LR).

In view of this, Petitioner does not persuade us that we misapprehended how Ogawa operates or that we overlooked any matter that is dispositive for purposes of institution. Specifically, nothing in the Rehearing Request changes our determination set forth in the Institution Decision that "Petitioner . . . has not explained how Ogawa's reliance on a software program to obtain CPU usage is distinguishable over Bishop's use of a software program to calculate CPU activity, or demonstrated sufficiently how such reliance on software corresponds to the limitations in claim 1." DI, 19.

# 3. Petitioner's description of Ogawa's teachings regarding its "periodic program" is inaccurate and unsupported

Petitioner asserts on rehearing that "Ogawa's periodic program is a program the CPU runs to perform a useful function, and is akin to the '809 Patent's 'processes that perform useful work for the user." Req. Reh'g4 (citing Pet. 13–14). But there is no evidence that Ogawa's "periodic program" is for a "useful function" or to perform "useful work for the user" as described in the '809 patent. Rather, Ogawa's CPU launches a periodic program at *fixed time intervals*, and sends control orders to a decoder at the start and end of processing the periodic program. Ex. 1005, 326 (LL). The purpose of the decoded control orders is to activate counters which ultimately results in the calculation of the CPU's usage rate. *Id.* at 326 (LL, LR). No other purpose, function, or work for the periodic program is disclosed by Ogawa. *See generally id.* 

The '809 patent, on the other hand, explains that the CPU's "busy state generally mean[s] the CPU is running processes *that perform useful work for the user of the computer system*." Ex. 1001, 3:21–25 (emphasis added); *see also id.* at 4:1–5 ("Using the inputs from the system clock 130 and the idle indicator 120, the counter 140 measures CPU cycles for the CPU 110, *where the CPU 110* is not in an idle state, but instead *is performing a service for the user of the system 100*" (emphasis added)); *id.* at 2:44–57 (discussing "the user's specific need" and "charging the user only for actual utilization of the system [CPUs]" and identifying CPUs that run "single instances (i.e., type or version) of operating systems" such as Windows® where conventional CPU monitoring using software is "acceptable"). The '809 patent then discusses how that conventional approach is problematic when running multiple operating systems. *Id.* at 2:57–3:16.

Thus, the '809 patent ties the concept of "perform[ing] useful work for the user of the computer system" to the work performed on the underlying operating system running on the CPU, e.g., editing a document, browsing the internet, or performing another task using, for example, a Windows® operating system that "perform[s] a service for the user of the

system." Ex. 1001, 4:4. This appears quite different from Ogawa's periodic program that is launched at fixed time intervals, i.e., irrespective of what other tasks may be running on the CPU.

# 4. Petitioner's lack of sufficient explanation regarding the claimed "indication"

The broader point that we found lacking in the Petition was a sufficient explanation regarding "how Ogawa's 'clear 0 control order' amounts to an 'indication' that Ogawa's CPU is in a busy state." DI, 15. Indeed, we found that "Petitioner merely asserts" that Ogawa's clear 0 control order is an "indication." *Id.* at 19.

Petitioner faults those findings on rehearing, arguing that it provided a "detailed explanation." Req. Reh'g 7. We disagree. In discussing the limitation at issue here,<sup>3</sup> the Petition mapped Ogawa's "decoder 3" to the claimed "idle indicator." Pet. 15. Petitioner stated that Ogawa's CPU1 sends two control order types—a "clear 0 control order" when the CPU begins processing the periodic program, and a "clear 1 control order" when the CPU ends all processing of that periodic program. *Id.* at 16. Then, Petitioner made a *one sentence assertion* equating Ogawa's control order ("clear 0") to the claimed "indication." *See id.* ("Thus, Ogawa's decoder 3 receives an *indication* (*'clear 0''*) that CPU 1 is in a 'busy state'." (emphasis added)). The Petition lacks an *explanation* as to how a "control order" sent

<sup>&</sup>lt;sup>3</sup> The Petition refers to this limitation as "[1A]: 'an idle indicator coupled to a processor, wherein the idle indicator receives an indication when the processor is in a first state;'." Pet. 15.

by Ogawa's CPU can constitute the claimed "indication," which is described in the '809 patent as a binary "value." DI, 15; Ex. 1001, 4:43.

On rehearing, Petitioner fails to persuade us that we misapprehended or overlooked anything pertaining to this issue. Petitioner does attempt, however, to backfill its Petition by making a new argument on rehearing.<sup>4</sup> Specifically, Petitioner asserts that the Petition "explained . . . [that] Ogawa's 'control orders' are simply signals the CPU sends to indicate when the CPU is busy and when it is idle." Req. Reh'g 9 (citing Pet. 15–17). A careful review of the Petition contradicts that assertion. Petitioner never argued that-much less persuasively explained how-Ogawa's control orders constitute "signals" when discussing this limitation of claim 1. See Pet. 15-17; see also Req. Reh'g 10 (asserting for the first time<sup>5</sup> that "Claim 1 imposes no restriction on *how* the processor provides that 'indication'" and "[n]othing in claim 1 precludes the processor from running software responsible for providing that indication."). In any event, Petitioner's argument that we overlooked its "explanation" that Ogawa's "control orders" are "signals" is unpersuasive because we cannot have misapprehended or overlooked something that was not in the Petition.

<sup>&</sup>lt;sup>4</sup> Patent Owner refers to the "indication" in one embodiment as a "signal value asserted at the pin." Prelim. Resp. 2–3. Petitioner's new argument here appears to be directly responsive to that statement.

<sup>&</sup>lt;sup>5</sup> See Pet. 15–17 which discusses this limitation.

### 5. Conclusion

We are not persuaded of any matter that we misapprehended or overlooked in our disposition of the Petition's challenges based on Ogawa, i.e., Grounds 1–5. We, therefore, deny Petitioner's request for rehearing as to these Grounds.

# *B. Evaluation of 35 U.S.C. § 325(d) (Grounds 6–8)*

Our Institution Decision determined that Petitioner failed to demonstrate material error in the Office's previous consideration of a reference (EP0320329 (Ex. 1014, 26–34); "EP '329")) that is substantially the same art (US 4,924,428 (Ex. 1006); "Vea") as that relied on in Grounds 6–8. We, therefore, exercised discretion under § 325(d) to deny institution in assessing Grounds 6–8. DI, 22–23.

The Director's Order vacated that section of our Institution Decision, i.e., Section III.E., "remand[ed] to the Board for further proceedings," and authorized Petitioner and Patent Owner to file a reply and sur-reply, respectively, "solely to address § 325(d)." Paper 12, 3, 6–7. The Director's Order reasoned that because "nothing on the face of the reference before the Office during prosecution, EP0320329, pointed to the Vea reference asserted by Petitioner, . . . it was not reasonably foreseeable for Petitioner to have anticipated" how EP '329 and Vea were connected. *Id.* at 6. Petitioner timely filed its reply (Paper 16), and Patent Owner timely filed its sur-reply (Paper 17).

Now that the supplemental briefing regarding \$ 325(d) is completed, we reconsider the \$ 325(d) issue anew pursuant to the Director's Order, and base our analysis "in light of all pre-institution<sup>[6]</sup> papers." Paper 12, 6. Specifically, our § 325(d) analysis is based on the Petition, Patent Owner's Preliminary Response, Petitioner's Request for Rehearing, the Director's Order, Petitioner's Reply to Patent Owner's Preliminary Response, and Patent Owner's Sur-Reply to Petitioner's Reply. Papers 1, 6, 10, 12, 16, 17.

#### 1. The Legal Standard

In evaluating matters under § 325(d), the Board uses the two-part framework set forth under *Advanced Bionics*, *LLC v. Med-El Electromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 7 (PTAB Feb. 13, 2020) (precedential) ("*Advanced Bionics*"). Under the first prong of that framework, we must determine whether the same or substantially the same art or arguments previously were presented to the Office. If so, we turn to the second prong which focuses on whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of the challenged claims. *Id.* at 8.

To the extent necessary, we consider several non-exclusive factors as set forth in *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (Dec. 15, 2017) (precedential as to § III.C.5, first paragraph) ("*Becton, Dickinson*"), which can "provide useful insight into how to apply

<sup>&</sup>lt;sup>6</sup> Because Section III.E. of our Institution Decision was vacated, an institution decision for Grounds 6–8 is not yet of record. Thus, we treat the Director's phrase "all pre-institution papers" for Grounds 6–8 as including those papers filed after our Institution Decision pertaining to Grounds 1–5, i.e., Papers 10, 12, 16, and 17.

the framework" under § 325(d). *Advanced Bionics*, 9. Those non-exclusive factors include:

(a) the similarities and material differences between the asserted art and the prior art involved during examination;

(b) the cumulative nature of the asserted art and the prior art evaluated during examination;

(c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection;

(d) the extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art;

(e) whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art; and

(f) the extent to which additional evidence and facts presented in the Petition warrant reconsideration of the prior art or arguments.

Becton, Dickinson, 17–18 (formatting added). "If, after review of

factors (a), (b), and (d), it is determined that the same or substantially the same art or arguments previously were presented to the Office, then

factors (c), (e), and (f) relate to whether the petitioner has demonstrated a

material error by the Office." Advanced Bionics, 10.

2. Advanced Bionics Prong One: whether "the same or substantially the same art or arguments previously were presented to the Office"

a. Factual Findings – Becton, Dickinson factor (a)

The art asserted by Petitioner is US 4,924,428 (Ex. 1006, "Vea"), and the art previously presented to the Office is EP0320329, i.e., "EP '329." *See* Ex. 1002, 67–68 (citing this document in an Information Disclosure Statement); *see also* Ex. 1014, 26–34 (a copy of EP '329 contained in the file history of US 10/892,231 ("the '231 application"), which is a continuation application of US 10/200,175 that ultimately issued as the '809 patent.).

EP '329 claims direct priority to the US application that issued as Vea. *Compare* Ex. 1006, at code (21), *with* Ex. 1014, 26 at code (30). In particular, EP '329 lists its "Priority" application as "US 130153" and a date associated with that priority application as "08.12.87" or December 8, 1987.<sup>7</sup> Vea has the identical application number and filing date. Ex. 1006, codes (21), (22). Each of EP '329 and Vea also identifies: 1) the same inventor name, city, and state (Matthew J.J. Vea from Rowlett, Texas), and 2) the same company name and location (Northern Telecom Limited from Montreal Canada). *Compare* Ex. 1006, codes (75), (73), *with* Ex. 1014, codes (72), (71), respectively. Thus, although EP '329 does not directly reference Vea itself (i.e., the issued patent document US 4,924,428, Ex. 1006), EP '329 directly references and claims priority to Vea's underlying application.

Petitioner does not contest—but rather acknowledges—that EP '329 is "Vea's European counterpart" or "Vea's identical counterpart." Req. Reh'g 12; Paper 16, 1–2. Petitioner does not affirmatively assert that there are any material differences between Vea and EP '329. Req. Reh'g 12–15; Paper 16, 1–3; *see also* Paper 17, 1 (asserting the "EP '329 is substantively identical to Vea, a fact that Petitioner does not dispute").

<sup>&</sup>lt;sup>7</sup> European patent publications provide dates in the European format of "day/month/year." *See* <u>https://www.epo.org/law-practice/legal-</u> texts/html/guidelines/e/g\_iv\_7\_5\_6.htm, last accessed June 12, 2023.

We have reviewed Vea and EP '329 and find that both references contain the same drawings, and that the specifications of these documents are substantially identical. *Compare* Ex. 1006, *with* Ex. 1014, 26–34.

Thus, we find that there are no material differences between Vea and EP '329 pursuant to *Becton, Dickinson* factor (a).

#### b. Petitioner's argument pertaining to Prong One

Petitioner argues that prong one of the *Advanced Bionics* framework has not been satisfied. Req. Reh'g 12; Paper 16, 2. Specifically, Petitioner asserts that EP '329 was not "involved during examination" pursuant to *Becton, Dickinson* factor (a) or "evaluated during examination" pursuant to *Becton, Dickinson* factor (b) because it was not substantively discussed by the Examiner during prosecution of the '809 patent. Paper 16, 2–3. Petitioner asserts that the same Examiner found that Vea anticipated claims in a family member application that were purportedly "patentably indistinct from [the] '809 Patent claim 1," which Petitioner asserts "confirms that Vea's 'substance' was not involved or evaluated during the '809 Patent prosecution." *Id.* at 2.

We disagree with this line of argument. EP '329 was provided to the Office in an Information Disclosure Statement ("IDS") during prosecution of the '809 patent. Ex. 1002, 67–68. The PTO-1449 form filed with the IDS was initialed by the Examiner, indicating that it was "considered" (*id.* at 75), and thus appears on the face of the '809 patent (Ex. 1001, code (56)).

Our precedent holds that providing a document to the Office in an Information Disclosure Statement is sufficient to satisfy prong one of the *Advanced Bionics* analysis as long as that "previously presented" art is "the

same or substantially the same" as that presented in the Petition. *See Advanced Bionics*, 7–8 (holding that "[p]reviously presented art includes . . . art provided to the Office by an applicant, such as on an Information Disclosure Statement (IDS), in the prosecution history of the challenged patent"). As we have already found (§ II.B.2.a), there are no material differences between EP '329 that was "presented to the Office" during prosecution of the '809 patent and the Vea reference relied on here in the Petition.

Moreover, Petitioner provides no authority that requires us to interpret "involved" or "evaluated" during examination as "substantively discussed during examination" when evaluating Becton, Dickinson factors (a) and (b), and we are aware of none. In fact, Petitioner's argument here is not only at odds with Board precedent (Advanced Bionics, 7-8), but also with how Board panels have interpreted "involved during examination" and "evaluated during examination" when assessing the Becton, Dickinson factors relevant to prong one of the Advanced Bionics analysis. See, e.g., Microsoft Corp. v. IPA Techs, Inc., IPR2019-00840, Paper 9 at 15-17 (PTAB Nov. 12, 2019) (finding that a document entitled "FIPA97" appearing on the face of the challenged patent, but not relied on in a rejection, was both "involved" and "evaluated" during examination); AgaMatrix, Inc. v. Dexcom, Inc., IPR2018-01715, Paper 10, 10, 13-14 (PTAB Feb. 19, 2019) (finding that a reference to Schulman cited in an Information Disclosure Statement "among over 1,200 prior art references," but not applied in a rejection or otherwise substantively discussed by the Examiner, was "involved during examination"); Medtronic CoreValve LLC

v. Speyside Medical, LLC, IPR2021-00241, Paper 9, 23 (PTAB July 23, 2021) (finding that a reference to Bailey and "counterparts to Seguin containing the identical disclosure were included on IDSs" were "involved during examination" even though they were not "expressly included in a rejection by the examiner," and finding that *Becton, Dickinson* factor (a) "is not so limited" to such instances).

And Petitioner's assertion that the Examiner was inconsistent in the treatment of purportedly patentably indistinct claims across family member applications—as well as Petitioner's speculative conclusion drawn therefrom<sup>8</sup> (Paper 16, 1–2)—simply is not relevant to our determination of whether prong one of *Advanced Bionics* has been satisfied.

#### c. Conclusion regarding Prong One

We find that the Vea reference relied on by Petitioner is the same or substantially the same art as EP '329 previously presented to the Office during prosecution of the '809 patent. *Advanced Bionics*, 8.

Vea's underlying application is the priority document to EP '329, and Petitioner acknowledges that EP '329 is "Vea's identical counterpart." *Compare* Ex. 1006, at code (21), *with* Ex. 1014, 26 at code (30); Paper 16, 2. The Examiner need not have substantively discussed EP '329 in a rejection

<sup>&</sup>lt;sup>8</sup> Petitioner asserts that if the "substance" of EP '329 was "involved or evaluated during the '809 Patent prosecution," the Examiner "would have rejected at least claim 1 as anticipated by Vea's counterpart just like he rejected patentably indistinct '231 application claims over Vea." Paper 16, 2.

for prong one of *Advanced Bionics* to be satisfied. *Advanced Bionics*, 7–8 (stating that previously presented art includes art cited in an IDS).

Moreover, a full analysis of *Becton, Dickinson* factors (b) and (d) are unnecessary to resolve prong one of the *Advanced Bionics* analysis. Specifically, we need not determine the "cumulative nature" (factor (b)) of EP '329 and Vea because there are no material differences between these references. And because there were no arguments made during examination regarding EP '329, we determine that there can be no overlap between any such arguments and the manner in which Petitioner now relies on Vea (factor (d)).

In sum, because the first prong of the *Advanced Bionics* analysis has been satisfied, we move on to the second prong.

3. Advanced Bionics Prong Two: whether "Petitioner has demonstrated that the Office materially erred in a manner material to the patentability of challenged claims"

In addressing the second prong of the *Advanced Bionics* analysis, we consider *Becton*, *Dickinson* factors (c), (e), and (f). *Advanced Bionics*, 10.

a. Becton, Dickinson factor (c)

With respect to this factor, the record indicates that EP '329 was cited in an IDS and "considered" during prosecution of the '809 patent. Ex. 1002, 68, 75. EP '329 was not the basis for a rejection of the '809 patent claims.

Petitioner asserts that "the extent of the Examiner's 'evaluation' of Vea's counterpart... was an initialed IDS" and that "the prosecution history is silent on how the Examiner viewed Vea's teachings relative to the '809 Patent claims." Paper 16, 4. We disagree with Petitioner's attempts to minimize the Examiner's consideration of this reference. Even though the Examiner did not discuss EP '329 in detail, e.g., in a rejection, the Examiner indicated that EP '329 was "considered" on April 1, 2004. Ex. 1002, 75. Thus, EP '329 appears on the face of the '809 patent along with five other references. Ex. 1001, code (56).

Because EP '329, was "considered" by the Examiner during prosecution, we find that the asserted art in this proceeding [Vea] was evaluated to some extent. Thus, factor (c) weighs slightly in favor of us exercising discretion to deny institution under § 325(d).

#### b. Becton, Dickinson factor (e)

In its Petition, Petitioner provides no analysis whatsoever of the Office's previous consideration of EP '329, i.e., the same or substantially the same art as Vea applied in the Petition. In fact, the Petition does not even assert that the Office erred with respect to its consideration of EP '329 or any other reference, much less to a material degree. *See* Pet. 72 (providing a mere two sentence assertion that "[n]one of the Ground's references were before the Office during the '809 Patent's prosecution. Discretionary denial is not warranted under § 325(d)"). Petitioner's silence on the issue of previous material error is noteworthy under the facts of this particular case

because of the direct relationship<sup>9</sup> of EP '329 appearing on the face of the challenged patent to the Vea reference asserted in the Petition.

Petitioner argues that "Ground 6 shows '*how* the Examiner erred in its evaluation of the asserted [Vea] prior art' under BD factor (e) by demonstrating that Vea meets the idle indicator limitation and renders the claims challenged in Ground 6 unpatentable." Paper 16, 3 (citing Pet. 41–66). Here, however, we agree with Patent Owner that "Petitioner voiced no more than a disagreement with Examiner Vo's decision to allow the '809 claims over . . . EP '329," and "does not argue that the Office misapprehended or overlooked" any specific "teaching of . . . EP '329 or misconstrued a term." Paper 17, 4. We find that Petitioner's invitation to review the entirety of Ground 6, without more, does not "point[] out sufficiently how the examiner erred" pursuant to factor (e).

Petitioner also identifies four non-binding Board decisions that, according to Petitioner, reflect "similar circumstances [where] the Board has found that a Petitioner can show error via a Ground demonstrating unpatentability over an IDS-cited reference." Paper 16, 4–5; Req. Reh'g, 13. Specifically, Petitioner asserts that these decisions "find[] that determining whether a Petition demonstrates how the Office erred in evaluating a reference cited in an IDS, but not discussed during examination, *requires* evaluating the Petition's showing of how the reference renders the

<sup>&</sup>lt;sup>9</sup> The EP '329 patent publication claims direct priority to the US application that issued as Vea. *Compare* Ex. 1006, at code (21), *with* Ex. 1014, 26 at code (30).

claims unpatentable." Paper 16, 4 (emphasis added); Req. Reh'g, 13; *see also id.* at 12–13 (asserting that "the Board misapprehended that the *only* way Petitioner could have demonstrated 'how the Examiner erred in its evaluation of the asserted prior art' (DI, 21 *citing BD* factor (e)) was by demonstrating that Vea renders the challenged claims unpatentable").

We disagree. These non-precedential decisions do not establish any requirement that a Board panel must independently review and assess the merits of a petition's ground to conclude whether and how any material error occurred when a petitioner makes no attempt to explain what the alleged material error is. Moreover, various Board panels have declined to adopt Petitioner's apparent interpretation of the requirements set forth in Advanced Bionics when exercising discretion to deny institution under § 325(d). See, e.g., Roku, Inc. v. Universal Elecs., Inc., IPR2019-01619, Paper 11, 11, 19 (PTAB April 2, 2020) (noting that a reference to "Herz was previously presented to the Office . . . in an Information Disclosure Statement," and not considering the merits of the challenge when Petitioner did not "explain adequately how the Examiner erred in a manner material to the patentability of claim 1 by allegedly not considering Herz"); id. at Paper 17, 12–13 (PTAB May 25, 2021) (denying Petitioner's rehearing request and finding that "the deficiencies in the Petition and the Reply we identified in the [Institution] Decision was not a mere omission of the word 'error'<sup>[10]</sup> but, rather, Petitioner's failure to address the analysis specified in Becton,

<sup>&</sup>lt;sup>10</sup> Petitioner makes a similar unpersuasive assertion here. Req. Reh'g 13– 14.

Dickinson in a meaningful way"); Google LLC v. Kewazinga Corp., IPR2021-00527, Paper 16, 18–19 (PTAB Aug. 24, 2021) (not considering the merits of multiple grounds asserted by Google LLC based on references that were of record, but not applied in a rejection, because "Petitioner does not identify any specific teaching in any reference that the Examiner misapprehended or overlooked," and "does not point out how the Examiner erred in evaluating the same or substantially the same prior art that previously was presented to the Office, such as by identifying what specific teaching the Examiner misapprehended or overlooked"); Microsoft Corp. v. IPA Techs, Inc., IPR2019-00840, Paper 9 at 17 (PTAB Nov. 12, 2019) ("Petitioner... does not explain how or why the examiner erred in evaluating" the FIPA97 reference which was cited in an IDS and finding "this factor weighs strongly in favor" of discretionary denial); Ivantis, Inc. v. Sight Sciences, Inc., IPR2022-01540, Paper 14, 13–14 (PTAB Mar. 22, 2023) (where Petitioner made no attempt to establish Examiner error in evaluating the art previously presented to the Office, but instead contended "that none of the asserted prior art was applied or discussed during [] prosecution," the Board held that "Petitioner bears the burden to 'demonstrate[] that the Office erred in a manner material to the patentability of challenged claims" per the Advanced Bionics precedent).

Thus, we reject Petitioner's position that this Board panel should mine the Petition's grounds, the '809 patent's prosecution history, and Vea to determine *on our own* how the Office allegedly materially erred in its previous consideration of Vea's EP counterpart, in the absence of any explanation from Petitioner as to what that material error is. That approach not only places Petitioner's burden improperly on the shoulders of the Board, it cuts against the express language of our § 325(d) precedent requiring that Petitioner make a "showing of material error" and "point[] out sufficiently how" the Examiner erred. *See Advanced Bionics*, 8–9 (explaining that

[i]f the "same or substantially the same prior art or arguments previously were presented to the Office," then the Board's decisions generally have *required a showing* that the Office erred in evaluating the art or arguments. *See Becton, Dickinson*, Paper 8 at 24 (considering *whether the petitioner has pointed out sufficiently how* the examiner erred in its evaluation of the asserted prior art). If the petitioner *fails to show* that the Office erred, the Director may exercise . . . discretion not to institute *inter partes* review. *Id.* (exercising discretion where "Petitioner *has not pointed to error* by the Examiner").

... If a condition in the first part of the framework is satisfied and the petitioner *fails to make a showing* of material error, the Director generally will exercise discretion not to institute *inter partes* review. If reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability. At bottom, this framework reflects a commitment to defer to previous Office evaluations of the evidence of record *unless material error is shown*.

(emphases added); *see also Becton, Dickinson*, 17–18 (requiring us to assess, *inter alia*, "whether Petitioner has *pointed out sufficiently how* the Examiner erred in its evaluation of the asserted prior art"). In other words, the express language of *Advanced Bionics* suggests that a petitioner should explain with specificity what it believes the previous error is and also show why that error is material to the patentability of the challenged claims. *Advanced Bionics*, 8–9.

In sum, because Petitioner in this case has failed to "point[] out sufficiently how the examiner erred in its evaluation of the asserted prior art," this factor weighs heavily in favor of us exercising discretion to deny institution.

# c. Becton, Dickinson factor (f)

Petitioner argues that *Becton, Dickinson* factor (f) weighs against exercising our discretion to deny institution because "Examiner's Vo's findings that '231 application claim 1 was patentably indistinguishable from '809 Patent claim 1 and anticipated by Vea provide compelling 'additional evidence and facts' favoring institution." Paper 16, 5.

We disagree with Petitioner's argument that the Examiner's treatment of Vea in the '231 continuation application "favor[s] institution" on the current record because the argument is premised on an unsupported assertion that the Examiner's findings during examination of the '231 application were themselves correct. Specifically, instead of first explaining how the Examiner's finding that the '231 application's claim 1 was patentably indistinguishable from the '809 patent's claim 1 was correct, <sup>11</sup> Petitioner invites us to blindly accept that finding as such, and then conclude that there must have been some material error in the Examiner's consideration of the same art during prosecution of the '809 patent. We decline that invitation.

<sup>&</sup>lt;sup>11</sup> Patent Owner points out a difference in scope between the challenged claims and the '231 continuation application claims subject to the rejection over Vea. Paper 17, 1–2.

Petitioner asserts that Patent Owner "never challenged the Vea anticipation finding during prosecution of the '231 application, and instead only gained allowance there by limiting the '231 application claims." Paper 16, 1. To the extent Petitioner is asking us to infer that the Vea rejection in the '231 application was so strong that Patent Owner was forced to make an amendment to overcome it, we will not join in Petitioner's speculation. There are a multitude of reasons that may drive a patent applicant to amend claims instead of presenting arguments against a particular rejection, and presenting claim amendments is not a concession by an applicant that the Examiner's underlying findings are correct. In any event, Petitioner's lack of explanation here only further highlights our finding under factor (e) that Petitioner did not point out sufficiently how the Examiner erred in allowing the '809 patent claims over Vea's counterpart EP '329.

Petitioner also asserts that factor (f) "weighs against denial" of institution because of the "expert testimony and other evidence cited in Ground 6." Paper 16, 5 (citing Pet. 41–66). We find this contention unpersuasive because it, too, lacks specificity. Petitioner points generically to 26 pages of its Petition and does not identify any specific evidence in support of its argument, and furthermore fails to explain how the expert testimony of record in this case serves to show, if at all, that the Examiner erred.

In sum, we find that Petitioner does not identify "additional evidence and facts presented in the petition [that] warrant reconsideration of the prior

art or arguments" pursuant to factor (f). Thus, we find that this factor weighs in favor of exercising discretion to deny institution.

# *d.* Additional Observations Relevant to Prong Two Independent of our analysis of the relevant enumerated *Becton*, *Dickinson* factors related to prong two, the *Advanced Bionics* precedent also provides that "[i]f reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability." *Advanced Bionics*, 9. Such is the case here.

Petitioner argues repeatedly that the Examiner failed to evaluate the substance of EP '329. *See* Paper 16, 2–3 (asserting that "Vea's 'substance' was not involved or evaluated during the '809 Patent prosecution" and that "[t]he *substance* of the Office's prior consideration, not procedural formalism, guides the Director's discretion"); *id.* at 2 (speculating about a rejection that the Examiner would have made if EP '329's substance was evaluated); *id.* at 3 (asserting "[t]o the extent the Examiner considered Vea's substance"); *id.* at 4 (arguing that "the extent of the Examiner's 'evaluation' of Vea's counterpart... was an initialed IDS"); Req. Reh'g, 12 (making a similar argument).

On the other hand, Patent Owner argues that EP '329 "is one of three references disclosed on the IDS, and not one of 'a relatively long list of documents' as in" a case with similarly situated facts. Paper 17, 3. Patent Owner points out that the Examiner allowed the challenged claims within five days of considering EP '329. *Id.* at 1. And Patent Owner asserts that the Examiner's consideration of EP '329 "occurred within three months of

the interview summary where Examiner Vo stated his intention to update a search with '[p]articular attention about idle indicator of CPU in busy state'' such that "all evidence points in the direction that Examiner Vo substantively considered . . . EP '329 and concluded that it did not disclose an idle indicator in a hardware-based meter utilizing device." *Id.* at 3–4.

As we have already explained, *supra*, the record supports that the Examiner "considered" EP '329. Ex. 1002, 75. But because the Examiner did not expressly articulate a specific view regarding EP '329 vis-à-vis the challenged claims prior to issuance, we cannot know with certainty why the challenged claims were deemed allowable over this reference. Petitioner concludes that the Examiner must have not considered the substance of EP '329 because of how the US counterpart Vea was applied against the '231 continuation application claims. Paper 16, 1–3. Patent Owner, however, notes a difference in scope between the challenged claims and the '231 continuation application claims subject to a rejection over Vea. Paper 17, 1–2. Patent Owner also sets forth the timing and circumstances surrounding the Examiner interview, the submission of EP '329, and the subsequent allowance of the challenged claims over this reference. *Id.* at 2–4.

Thus, based on these circumstances, we find that reasonable minds can disagree about the Examiner's treatment of EP '329 during prosecution of the '809 patent. According to our precedent, this situation compels a conclusion that "it cannot be said that the Office erred in a manner material to patentability." *Advanced Bionics*, 9.

# e. Conclusion regarding Prong Two

*Becton, Dickinson* factor (c) weighs slightly in favor of exercising discretion to deny institution, *Becton, Dickinson* factor (f) weighs in favor of exercising discretion to deny institution, and *Becton, Dickinson* factor (e) weighs heavily in favor of exercising that discretion. Our analysis of these factors is sufficient on its own to determine that Petitioner has not demonstrated that the Office erred in a manner material to the patentability of the challenged claims.

Even further, we find that reasonable minds can disagree regarding the Examiner's treatment of EP '329 which provides an additional, independent reason to conclude that the Office did not err in a manner material to patentability.

#### 4. Conclusion regarding 35 U.S.C. § 325(d)

We find that the same or substantially the same art relied on in the Petition previously was presented to the Office, and that Petitioner has not demonstrated that the Office erred in a manner material to the patentability of challenged claims. We, therefore, exercise discretion to deny institution of *inter partes* review of Grounds 6–8. *See Advanced Bionics*, 8–9 ("If a condition in the first part of the framework is satisfied and the petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute *inter partes* review.").

#### III. CONCLUSION

The Director's Order provides that "[i]f, after the Board reconsiders Petitioner's and Patent Owner's § 325(d) arguments, the Board determines

that § 325(d) should apply to Grounds 6–8, and does not otherwise find Petitioner's rehearing arguments on Grounds 1–5 persuasive of error, the Board should deny institution." Paper 12, 7.

As outlined *supra* in Section II.A., Petitioner's rehearing arguments regarding Grounds 1–5 are unpersuasive of error. Furthermore, as set forth in Section II.B., we determine that discretionary denial under § 325(d) should apply to Grounds 6–8. We, therefore, deny institution.

#### IV. ORDER

For the reasons given, it is hereby

ORDERED that Petitioner's request for rehearing of Grounds 1–5 is *denied*; and

ORDERED that the Petition for *inter partes* review for Grounds 6–8 is *denied*.

#### For PETITIONER:

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