UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SIPNET EU S.R.O.
Petitioner,

v.

STRAIGHT PATH IP GROUP, INC.
Patent Owner.

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Case IPR2013-00246
Patent 6,108,704

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Before KALYAN K. DESHPANDE, THOMAS L. GIANNETTI, and
TRENTON A. WARD, *Administrative Patent Judges.*

DESHPANDE, *Administrative Patent Judge*.

DECISION
Patent Owner's Request for Rehearing
37 C.F.R. § 42.71

I.   INTRODUCTION

Patent Owner, Straight Path IP Group, Inc., filed a request for rehearing (Paper 13) of the Board's decision, dated October 11, 2013, which instituted *inter partes* review of claims 1-7 and 32-42 of U.S. Patent 6,108,704. Patent Owner contends that the Board should not have instituted review of claims 1-7, 32, and 38-42 as anticipated by NetBIOS, claims 1-7 and 32-42 as anticipated by WINS, and claims 33-37 as obvious over NetBIOS and WINS. Rehearing Req. 2. For the reasons stated below, Patent Owner's request is denied.

II.   STANDARD OF REVIEW

Under 37 C.F.R. § 42.71(c), "[w]hen rehearing a decision on petition, a panel will review the decision for an abuse of discretion." An abuse of discretion occurs when a "decision was based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment." *PPG Indus. Inc. v. Celanese Polymer Specialties Co. Inc.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988) (citations omitted). The request must identify, specifically, all matters the party believes the Board misapprehended or overlooked. 37 C.F.R. § 42.71(d).

III.   DISCUSSION

Patent Owner contends that the Board misapprehended or overlooked the following:

A. Patent Owner's argument that Petitioner's reliance on inherency was improper;

B. Patent Owner's argument that Petitioner failed to conduct a proper analysis of the obviousness of claims 33-37 over NetBIOS and WINS;

C. Patent Owner's argument that NetBIOS and WINS fail to disclose each and every claim limitation exactly as arranged and combined in the claims; and

D. Patent Owner's argument that the Messenger (Exs. 1011-1012) and DNS (Exs. 1006, 1007, 1013) references should be dismissed, and that the alleged grounds, submitted by Petitioner, should not be treated as redundant. Rehearing Req. 1.

A. *Petitioner's reliance on inherency was improper*

Patent Owner first argues that the Board misapprehended or overlooked Patent Owner's argument that Petitioner's reliance on inherency was improper legally because Petitioner failed to provide extrinsic evidence in support of inherency. Rehearing Req. 5-7. Patent Owner specifically argues that Petitioner states "[i]t is inherent, and understood by those of skill in the art, that NetBIOS Name server and the WINS server include a memory for the referenced name database," and Petitioner "provides no extrinsic evidence to support this claim." Rehearing Req. 6 (quoting Pet. 41). Patent Owner's argument, however, that Petitioner failed to provide extrinsic evidence to support this claim was not raised until this request for rehearing. Accordingly, we did not misapprehend or overlook this argument because it was not previously presented. Although 37 C.F.R. § 42.71(d) permits a party to file a request for rehearing, it is not an opportunity to submit new arguments.

We are, in any event, not persuaded that Petitioner's reliance on inherency was "improper." Dec. 9, 13. In fact, NetBIOS and WINS expressly disclose the features that Petitioner has argued are inherent. In one example, Petitioner argued that a "computer medium is inherent, one of skill in the art would understand an application has to be on a medium," and it is, therefore, inherent to have a computer medium from the description of mapping of references to programs, as per claim 1. Pet. 34-35. NetBIOS discloses that NetBIOS can be executed on computers and includes a program interface to the name and session services in

NetBIOS. (Ex. 1003, 359-361). WINS also describes WINS servers that includes name-to-IP address mapping for name resolution. (Ex. 1004, 50).

In another example, Petitioner argued "[i]t is inherent, and understood by those of skill in the art that NetBIOS name server and WINS server include a processor" and "[i]t is inherent, and understood by those of skill in the art, that the NetBIOS Name Server and the WINS server include a memory for the referenced name databases," as per claim 2. Pet. 40-41. NetBIOS explicitly discloses that the NetBIOS service can be implemented in a multi-processor system. (Ex. 1003, 411). WINS also further describes that a WINS server can have more than one processor and memory used for reference mappings. (Ex. 1004, 145, 152).

In sum, we are not persuaded that the Board overlooked or misapprehended Patent Owner's argument because this argument was not presented until this rehearing request, and we further note that the prior art discloses the features that Petitioner argued were inherent.

B. Petitioner failed to conduct a proper analysis for the obviousness of claims 33-37 over NetBIOS and WINS

Patent Owner argues that the Board misapprehended or overlooked Patent Owner's argument that Petitioner's analysis of the obviousness of claims 33-37 over NetBIOS and WINS was improper. Rehearing Req. 7-10. Patent Owner first argues that Petitioner has provided arguments in support of anticipation, but has failed to provide arguments in support of obviousness. Rehearing Req. 8. The Board, however, fully considered this argument but did not find it persuasive. As we noted in our Decision, Petitioner explicitly stated, with respect to its challenge of obviousness over NetBIOS and WINS, that WINS was relied on to describe dynamic addressing. Dec. 15; Pet. 26. Although our construction of the claim term "connected to the computer network," as recited in claim 1, does not require

dynamic addressing, claim 33 explicitly recites "dynamically assigned network protocol addresses." Dec. 5-6, 11-15. We were persuaded by Petitioner's argument and determined that there is a reasonable likelihood that Petitioner will prevail in showing that claims 33-37 would have been obvious over NetBIOS combined with the dynamic addressing disclosed in WINS. *See* Dec. 15-16.

Patent Owner further argues that Petitioner did not provide any "coherent" arguments for obviousness over NetBIOS and WINS in the relevant section in the Petition. Rehearing Req. 8-9. This argument, however, is raised first in this request for rehearing, and accordingly we did not misapprehend or overlook this argument. Although 37 C.F.R. § 42.71(d) permits a party to file a request for rehearing, it is not an opportunity to submit new arguments. Furthermore, we do not agree with Patent Owner that the location of the Petitioner's arguments within its Petition are of any consequence in determining whether there is a reasonable likelihood that Petitioner will prevail in showing the obviousness of claims 33-37. Rehearing Req. 9. Petitioner provided an analysis for combining NetBIOS and WINS, in addition to providing an analysis of combining NetBIOS, WINS, and Messenger. Pet. 21-22. Therefore, we determine that the Petitioner's analysis of obviousness over NetBIOS and WINS is sufficient to demonstrate a reasonable likelihood that Petitioner will prevail.

Patent Owner also argues that the Board misapprehended or overlooked Patent Owner's argument that Petitioner did not provide a proper *Graham* analysis, and the Board erred by "faulting" Patent Owner for failing to rebut Petitioner's conclusion of obviousness. *Id.* at 9-10. We, however, fully considered Patent Owner's arguments but did not find them persuasive. The Board determined there is a reasonable likelihood that Petitioner will prevail in showing claims 33-37 would have been obvious over NetBIOS and WINS. Dec. 16. This determination

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