

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,  
Petitioner,

v.

PERSONALWEB TECHS., LLC and LEVEL 3 COMMS., LLC,  
Patent Owner.

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Case IPR2013-00596  
Patent 7,802,310 B2

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Before KEVIN F. TURNER, JONI Y. CHANG, and  
MICHAEL R. ZECHER, *Administrative Patent Judges*.

TURNER, *Administrative Patent Judge*.

DECISION  
Request for Rehearing  
*37 C.F.R. §§ 42.71*

## I. INTRODUCTION

Apple Inc. (“Apple”) filed a Request for Rehearing (Paper 11, “Req.”) of the decision on institution (Paper 9, “Dec.”), which instituted *inter partes* review of claims 24, 32, 70, 81, 82, and 86 of U.S. Patent 7,802,310 B2 (“the ’310 Patent”). In its request, Apple essentially contends that the Board abused its discretion by not instituting *inter partes* review on the bases of Woodhill and Farber. Req. 1. The request for rehearing is *denied*.

## II. ANALYSIS

When rehearing a decision on institution, the Board will review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may be determined 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. *Star Fruits S.N.C. v. U.S.*, 393 F.3d 1277, 1281 (Fed. Cir. 2005); *Arnold P’ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004); and *In re Gartside*, 203 F.3d 1305, 1315-16 (Fed. Cir. 2000).

In determining whether to institute an *inter partes* review of a patent, the Board may “deny some or all grounds for unpatentability for some or all of the challenged claims.” 37 C.F.R. § 42.108(b). Rules for *inter partes* review proceedings were promulgated to take into account the “regulation on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings.” 35 U.S.C. § 316(b). In addition, as mandated by 35 U.S.C. § 316(a)(11), 37 C.F.R. § 42.100(c) was

promulgated to require that the final written determination in an *inter partes* review to be issued one year after the date of institution, except that the review may be extended by not more than six months for good cause shown.

In the decision on institution for the instant proceeding, we granted Apple's petition to institute an *inter partes* review of challenged claims 24, 32, 70, 81, 82, and 86 of the '310 Patent —specifically, as unpatentable under 35 U.S.C. § 103(a) over Woodhill and Stefik. Dec. 20. In rendering the decision on institution, we exercised our discretion in denying many other asserted ground as being redundant in light of the ground for which review was instituted. Dec. 18-19. We also indicated that the subject claims were entitled to the benefit of the filing date of the earliest priority application under 35 U.S.C. § 120, such that Faber cannot be applied against the instant claims as prior art. Dec. 11-13.

Apple argues that “[t]he Board provides no rationale indicating that any consideration has been given to the proposed grounds of [unpatentability] on the basis of Woodhill alone.” Req. 2. Based on this, Apple alleges that we overlooked the grounds based on Woodhill alone, under anticipation and obviousness, and our failure to institute on such grounds amounts to an abuse of discretion. *Id.* We disagree.

The grounds that Apple alleges we overlooked are listed as alleged grounds of unpatentability in the decision on institution. Dec. 5. As such, the latter grounds were not overlooked; rather we applied our discretion in not instituting all of the grounds of unpatentability asserted by Apple in its Petition. While the grounds over Woodhill alone are not discussed in a separate section, as the grounds applying Browne and Langer were (Dec. 18-19), we did discuss the specific

teachings of Stefik and agreed with Apple that the “selective access features of Stefik [would have been] used with Woodhill’s content-dependent identifiers feature.” Dec. 16. Therefore, the Decision clearly provided a basis for instituting the ground based on Woodhill and Stefik, and a rationale for not instituting on the basis of Woodhill alone, under anticipation or obviousness. While the selection was implicit, we find that the selection of an obviousness ground over an anticipation ground necessarily provides a judgment on the relative strengths of those grounds. Additionally, given the discussion of the claim limitations “selectively permit” and “selectively allow” (Dec. 10-11), it should have been clear that we did not consider Woodhill alone as disclosing all of the elements of the challenged claims.

Apple also argues that it is prejudiced by the Board’s failure to additionally institute trial on the basis of Woodhill alone. Req. 4. This prejudice is alleged because the combination of Woodhill and Stefik “has a later effective priority than a ground of invalidity based on Woodhill alone.” *Id.* We are not persuaded that Apple is prejudiced.

Apple fails to appreciate fully that the Board is charged with securing the just, speedy, and inexpensive resolution of every proceeding. 37 C.F.R. § 42.1(b). In its Petition, Apple does not explain that any of the denied grounds are any more relevant than the grounds on which the review was instituted. We can find no mention in the Petition of the relative strengths of the different grounds submitted therewith. Apple’s allegations of the benefits of the application of Woodhill alone over the combination of Woodhill and Stefik (Req. 4), being made now, cannot supplement the original Petition or ascribe misapprehension to the Board.

Additionally, Apple also argues that “Apple does not want to assume that the Board would allow an argument that Woodhill teaches every element of the petitioned claims at Trial.” Req. 3. Indeed, the basis for the trial in this proceeding is the ground provided in the decision on institution. *See* 35 U.S.C. § 316(a)(2); 37 C.F.R. § 42.108. Arguments addressed to the teachings of Woodhill alone would be outside the scope of the trial without some change in the scopes of the instituted claims, i.e., the filing of a motion to amend the claims.

Apple also argues that we erred in not instituting based on the Farber prior art reference because we improperly found support for specific claim terms in the priority document, and thus found that Farber could not be applied against the instant claims as prior art. Req. 5-7; Dec. 11-13. The claims recite the use of a “message digest function” or a “hash function,” and Apple argues that, while there is support for a message digest function in the priority document, there is no support for a hash function that is *not* a message digest function. Req. 7-10. Because both are not disclosed explicitly in the priority document, as argued by Apple, “the full scope of the claim is not described in the priority document as required by 35 U.S.C. § 112.” Req. 8. We do not agree.

If a skilled artisan would have understood the inventor to be in possession of the claimed invention at the time of filing, even if every nuance of the claims is not explicitly described in the specification, then the adequate description requirement is met. *See Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1563 (Fed. Cir. 1991). “[T]he description need not be in *ipsis verbis* to be sufficient.” *Martin v. Johnson*, 454 F.2d 746, 751 (CCPA 1972). As we stated in our decision to institute: “we are persuaded that the disclosure of a known hash function, along with the disclosure

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