

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RELOADED GAMES, INC.,
Petitioner,

v.

PARALLEL NETWORKS LLC,
Patent Owner.

Case IPR2014-00136
Patent 7,188,145 B2
Case IPR2014-00139
Patent 7,730,262 B2¹

Before KRISTEN L. DROESCH, BRIAN J. McNAMARA, and
HYUN J. JUNG, *Administrative Patent Judges.*

McNAMARA, *Administrative Patent Judge.*

SUMMARY OF CONFERENCE CONCERNING PROPOSED MOTION TO
AMEND

Conduct of the Proceeding
37C.F.R. § 42.5

¹ This Order addresses issues that are identical in related cases. Therefore, we exercise our discretion to issue one order to be filed in each case. The parties, however, are not authorized to use this style heading in any subsequent papers.

On September 10, 2014 Parallel Networks LLC (“Patent Owner”) requested a conference concerning a possible a motion to amend in these proceedings. On September 17, 2014, the Board conducted a conference with the parties to discuss the requirements for a motion to amend. Darren Collins and Robert Hilton participated in the conference on behalf of Patent Owner, and Eric Buresh participated in the conference on behalf of Reloaded Games, Inc. (“Petitioner”). Judges McNamara, Droesch, and Jung also participated. During the conference, the following matters were discussed.

A motion to amend the patent in an *inter partes* review is not itself an amendment. Unlike an amendment in patent prosecution, amendments proposed by a motion to amend are not entered as a matter of right. In an *inter partes* review a patent owner may cancel a challenged claim or propose a reasonable number of substitute claims. 35 U.S.C. § 316(d), 37 C.F.R. § 42.121(a)(3). There is no provision for amending an existing claim.

The applicable presumption is that only one substitute claim would be needed to replace each challenged claim, although the presumption may be rebutted by a demonstration of need. 37 C.F.R. § 42.121(a)(3). Absent special circumstances, a challenged claim can be replaced by only one claim, and a motion to amend should identify specifically, for each proposed substitute claim, the challenged claim that it is intended to replace. *See ZTE Corp. v. ContentGuard Holdings*, IPR2013-00136, Paper 33 (November 7, 2013). A proposed claim should be traceable to an original, challenged claim as a proposed substitute claim for the challenged claim.

A desire to obtain a new set of claims having a hierarchy of different scope typically would not constitute sufficient special circumstances because an *inter partes* review is an adjudicatory proceeding, rather than an examination. *See*

Abbott Labs v. Cordis Corp., 710 F.3d 1318, 1326 (Fed. Cir. 2013). Replacing a claim with a substitute claim does not change claims which depend from the claim that is the subject of the substitution. For example, if the movant proposes a substitute for claim 1, those claims which depend from claim 1 continue to depend from claim 1 as originally written. They do not incorporate the language of the substitute claim. If Patent Owner desires to remodel its claim structure according to a different strategy, it may consider pursuing another type of proceeding before the Office.

A motion to amend may be denied where (i) the amendment does not respond to a ground of unpatentability involved in the trial or (ii) the amendment seeks to enlarge the scope of the claims of the patent or introduce new subject matter. 37 C.F.R. § 42.121(a)(2). Thus, a substitute claim cannot be broader than the broadest original patent claim and cannot remove a limitation from its corresponding original claim. Such a claim would not be responsive to the grounds of alleged unpatentability. These conditions are evaluated for each substitute claim traceable to a challenged claim that the substitute claim is intended to replace. A proper substitute claim under 37 C.F.R. § 42.121(a)(2) must only narrow the scope of the challenged claim it replaces and may not enlarge the scope of the challenged claim by eliminating any feature or limitation. A proposed substitute claim is not responsive to an alleged ground of patentability if it does not either include or narrow each feature or limitation of the challenged claim being replaced. *See Idle Free Systems, Inc. v. Bergstrom, Inc.*, IPR2012-00027, Paper No. 26 (June 11, 2013), Paper No. 66 (January 7, 2014).

Unlike patent prosecution, in an *inter partes* review a proposed amendment to the claims is not authorized unless the movant has shown that the proposed substitute claims are patentable. In all circumstances, Patent Owner must make a

showing of patentable distinction over the prior art. Patent Owner should identify specifically the feature(s) or limitation(s) added to each substitute claim, as compared to the challenged claim it replaces, and come forward with technical facts and reasoning about those feature(s) or limitation(s), including the construction of new claim terms, sufficient to persuade the Board that the proposed substitute claim is patentable over the prior art of record, and over prior art not of record, but known to Patent Owner. The burden is not on Petitioner to show unpatentability, but on the Patent Owner, as the moving party, to show patentable distinction over the prior art of record and other prior art known to Patent Owner. *See* 37 C.F.R. § 42.20(c). A showing of patentable distinction may rely on the declaration testimony of a technical expert about the level of ordinary skill in the art and about the significance and usefulness of feature(s) or limitation(s) added by the proposed claim. *Idle Free Systems*, Paper No. 26.

A mere conclusory statement by counsel in the motion to amend that one or more added features or limitations are not described in any prior art or would not have been suggested or rendered obvious by the prior art is facially inadequate. *Id.* It also is insufficient for the movant simply to explain why the proposed substitute claims are patentable in consideration of the challenges on which the Board instituted review. Limiting the discussion either to the references already in the proceeding, or to the narrow combination specifically recited in the claim, does not provide a meaningful analysis. *See Corning Gilbert, Inc. v. PPC Broadband, Inc.*, IPR2013-00347, Paper No. 20 (January 2, 2014).

In explaining why it believes the claimed subject matter is patentable, the movant must address issues of nonobviousness, meaningfully. Although the choice of how to approach the discussion of patentability of the substitute claims is one for the movant, a narrative form may be useful. The movant should discuss

the level of ordinary skill in the art, explaining the basic knowledge and skill set already possessed by one of ordinary skill in the art, especially with respect to the particular feature(s) or limitation(s) that the movant has added to the original patent claims. The movant should identify in what context the added feature or limitation, or something close to it, was already known, albeit not in the specific combination recited in the claims at issue. *Id.*; *Idle Free Systems*, Paper No. 66.

Additionally, a motion to amend claims must clearly identify the written description support for the proposed substitute claims. The written description test is whether the original disclosure of the application relied upon reasonably conveys to a person of ordinary skill in the art that the inventor had possession of the claimed subject matter as of the filing date. *Ariad Pharms., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc). Pursuant to 37 C.F.R. § 42.121(b)(1), Patent Owner must set forth the support in the *original disclosure* of the patent for each proposed substitute claim, i.e., Patent Owner must identify clearly the written description support in the disclosure corresponding to the earliest date upon which Patent Owner seeks to rely.

Merely indicating where each claim limitation individually is described in the original disclosure may be insufficient to demonstrate support for the claimed subject matter as a whole. While the proposed substitute claims need not be described verbatim in the original disclosure in order to satisfy the written description requirement, if the claim language does not appear in the same words in the original disclosure, a mere citation to the original disclosure, without any explanation as to why a person of ordinary skill in the art would have recognized that the inventor possessed the claimed subject matter as a whole, may be inadequate. *See Nichia Corporation v. Emcore Corporation*, IPR2012-00005, Paper No. 27 (June 3, 2013).

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