Filed on behalf of Intellectual Ventures II LLC

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ERICSSON INC. AND TELEFONAKTIEBOLAGET LM ERICSSON, Petitioners

v.

INTELLECTUAL VENTURES II LLC Patent Owner

> Case IPR2014-01195 Patent No. 7,787,431

PATENT OWNER'S OPPOSITION TO REQUEST FOR REHEARING

Patent Owner's Opposition to Request for Rehearing IPR2014-01195

The Board did not abuse its discretion in declining to institute *inter partes* review of claims 8-12 and 18-22 of U.S. Patent No. 7,787,431 ("the '431 patent"). Contrary to Petitioner's argument, the Board did not "overlook" pages 9-12 of the Petition. Petitioner *simply failed to argue* until its Request for Rehearing that Yamaura allegedly teaches a core-band that is not greater than the smallest operating channel bandwidth among all the possible spectral bands with which the receiver is designed to operate. Indeed, nothing in pages 9-12 of the Petition specifies where the disclosure of the missing claim element can be found in Yamaura. Moreover, nothing in the cited prior art teaches or suggests the inventions of the challenged claims. Petitioner's Request for Rehearing should therefore be denied.

A. The Abuse of Discretion Standard

Under 37 CFR §42.71(c), the Board will review an institution decision under an abuse of discretion standard. 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." *TD Ameritrade v. Trading Techs. Int'l, Inc.*, CBM2014-00137, Decision Denying Rehearing (Paper 34 at 3, February 2, 2015). None of these factors is present here.

B. The Petition is Silent as to the "Smallest Operating Bandwidth"

In accordance with 37 CFR §42.104(b)(4), a Petition "must specify where each element of the claim is found in the prior art patents or printed publications relied upon." Here, the Petition included (1) an overview of the '431 patent, the prosecution history, and the prior art (Petition, pp. 2-15); (2) a claim construction analysis (Id. at 15-19); and (3) an explanation of how each claim limitation is met by the combined references (Id. at 20-60). Pages 20-60 purport to "specify where each element of the claim is found in the prior art patents," and page 20 confirms that "[t]he *following* analysis explains how each claim limitations is met by the combined references." That is an acknowledgement that the earlier discussions do not. The Board recognizes that "it is improper to omit arguments from where they are expected, based on explicit caption in the petition...." Microstrategy, Inc. v. Zillow, Inc., IPR2013-00034, Decision Denying Request for Rehearing (Paper 23) at 3, April 22, 2013).

C. Petitioner's Request for Rehearing Improperly Introduces New Arguments Regarding "Smallest Operating Channel Bandwidth"

As to challenged claims 8-12 and 18-22, Petitioner does not dispute that its claim analysis did not specify where "a core-band that is not greater than the smallest operating channel bandwidth among all the possible spectral bands with which the receiver is designed to operate" is found in Yamaura. Request at 1, 4, 8; *see also* Petition at 21-24, 36. Petitioner instead argues that the Board (and Patent

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Owner) "overlooked" pages 9-12 of the Petition, which purport to describe "the general operation of the Yamaura reference at a 20 MHz transmission band" Request at 1.

As a threshold matter, pages 9-12 of the Petition do not explain how the quotations, citations, and figures from Yamaura relate to the claims, as required under 37 CFR §42.104(b)(4). Instead, pages 9-12 provide a general description of Yamaura *without reference to any claim language*.

More importantly, the Request is the first time Petitioner has argued that (1) Yamaura only teaches a 20MHz operating channel, and (2) 20MHz is "the smallest operating channel bandwidth among all the possible spectral bands with which the receiver is designed to operate" in Yamaura. Only from these new arguments can Petitioner now conclude that Yamaura discloses a core-band having a frequency segment that is "not greater" than 20MHz, the only operating channel.

Pages 9-12 do not, moreover, specify where Yamaura discloses any "smallest operating channel bandwidth," let alone a core-band having "a frequency segment that is not greater than the smallest operating channel bandwidth among all the possible spectral bands with which the receiver is designed to operate." And nowhere in pages 9-12 does Petitioner allege that 20MHz is "the smallest operating channel bandwidth among all the possible spectral bands with which the receiver is designed to operate."

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MHz" on page 10 is plainly not a substitute for a specific argument that 20 MHz is Yamaura's smallest operating channel. The Board could not have overlooked an argument regarding "smallest operating channel bandwidth" that was never made. *See Sony Corp. of Am. v. Network-1 Security Solutions, Inc.*, IPR2013-00092, Decision Denying Request for Rehearing (Paper 24 at 4, July 2, 2013).

Further, any alleged failure of Yamaura to expressly identify bandwidths other than 20 MHz does not mean either that 20MHz is the smallest operating channel bandwidth or that 20 MHz is Yamaura's only possible spectral band. It is just as likely that 20 MHz is the *largest* possible operating channel bandwidth, or that 20 MHz is simply one operating channel bandwidth of the Yamaura receiver. There is therefore no reason to presume that 20MHz is the smallest operating channel bandwidth possible in Yamaura, and there is no evidence in the record to support such a novel proposition.

D. Petitioner's New Argument Contradicts Its Analysis of Claim 1

Importantly, Petitioner's new argument as to claims 8-12 and 18-22 that Yamaura discloses a core-band "that is not greater than the smallest operating channel bandwidth among all the possible spectral bands with which the receiver is designed to operate" is belied by other arguments in its Petition. For example, each of challenged claims 1 and 2 has the *express* limitation "wherein the coreband is substantially not wider than a smallest possible operating channel

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