UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE PATENT TRIAL AND APPEAL BOARD

CISCO SYSTEMS, INC., CIENA CORPORATION, CORIANT OPERATIONS, INC., CORIANT (USA) INC., AND FUJITSU NETWORK COMMUNICATIONS, INC. Petitioner

v.

CAPELLA PHOTONICS, INC. Patent Owner

Case IPR2014-01276¹ Patent RE42,678

PATENT OWNER'S REQUEST FOR REHEARING OF THE JUDGMENT AND FINAL WRITTEN DECISION

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U.S. Patent and Trademark Office

P.O. Box 1450 Alexandria, VA 22313-1450

¹ Case IPR2015-00894 has been joined with this proceeding.



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I. Statement of Relief Requested

The Board should rehear and reverse its Final Written Decision because the Board overlooked key facts Capella raised in its Patent Owner Response and misinterpreted Capella's arguments on the combinability of U.S. Patent No. 6,498,872 to Bouevitch et al. and U.S. Patent No. 6,798,941 to Smith et al.

In its Patent Owner Response, Capella primarily relied on two reasons why a person having ordinary skill in the art at the time of the invention ("POSA") would not have combined Bouevitch and Smith: (1) Bouevitch teaches away from using misalignment and angular displacement to control power; and (2) combining Bouevitch and a two-axis mirror would change the basic principle under which Bouevitch was designed to operate. For the first reason, the Board erred because it credited Petitioner's arguments, which are factually incorrect. For the second reason, the Board misinterpreted Capella's arguments. Accordingly, Capella requests rehearing under 37 C.F.R. §42.71(d).

II. The Facts Support Only One Conclusion: Bouevitch Teaches Away From Misalignment to Control Power

Capella argued in its Patent Owner Response that a POSA would not have combined Bouevitch and Smith because Bouevitch teaches away from misalignment and angular displacement—the method Smith uses to control power. POR, Paper 15, pp. 27-30. The Board disagreed with Capella's arguments and credited Petitioner with showing that certain embodiments in Bouevitch disclose



misalignment. Final Written Decision, Paper 40, p. 38 (citing Pet. Reply, pp. 3-5; Ex. 1028, ¶ 76). But under the proper legal standard described below, the facts prove that Bouevitch teaches away from misalignment and angular displacement to control power—the power-control method in Smith.

A. Bouevitch Teaches Away from Smith's Power-Control Method

"A reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant." In re Gurley, 27 F.3d 551, 553 (Fed. Cir. 1994) (emphasis added); see also In re Fulton, 391 F.3d 1195, 1200 ("A case on point is In re Gurley"); DePuy Spine, Inc. v. Medtronic Sofamor Danek, 567 F.3d 1314, 1326-29 (Fed. Cir. 2009).²

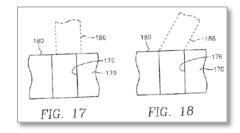
² *In re Fulton*, the case the Board relied on, is distinguishable because the reference in that case did not criticize or discourage use of alternatives; the reference merely chose a preference. *In re Fulton*, 391 F.3d 1195, 1200-01 (Fed. Cir. 2004) (a reference must "criticize, discredit, or otherwise discourage" to teach away); *see also In re Mouttet*, 686 F.3d 1322, 1334 (Fed. Cir. 2012) (a disclosure of an "inferior" alternative is insufficient for a teaching away unless the reference criticizes, discredits, or otherwise discourages such a combination). This case is



As explained below, Bouevitch's disclosure meets this standard. In particular, after reading Boeuvitch, a POSA (1) would have been discouraged from using misalignment to control power; and (2) would have been led down a divergent path.

1. <u>Bouevitch Explicitly Discourages the Power-Control</u> Method Disclosed in Smith

Smith teaches a method to control power in an optical system—misaligning or angularly displacing an output beam to an output port. *See* Smith, Ex. 1004, 17:24-38; *see also id.* at FIGS. 17, 18 (reproduced below); POR, pp. 27-30.



Bouevitch, however, explicitly teaches away from this method. According to Bouevitch, the prior art "is limited in that the add/drop beams of light are angularly displaced relative to the input/output beams of light. *This angular displacement is disadvantageous* with respect to coupling the add/drop and/or input/output beams of light into parallel optical waveguides" Bouevitch, Ex. 1003, 2:1-7. To

distinguishable because Bouevitch includes the explicit criticism and discouragement lacking in *In re Fulton* and *In re Mouttet*. *See infra* Part II.A.1.



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