

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

COSTCO WHOLESALE CORP.,
Petitioner,

v.

ROBERT BOSCH LLC,
Patent Owner.

Case IPR2016-00038
Patent 6,292,974 B1

Before PHILLIP J. KAUFFMAN, WILLIAM V. SAINDON, and
BARRY L. GROSSMAN, *Administrative Patent Judges*.

KAUFFMAN, *Administrative Patent Judge*.

FINAL WRITTEN DECISION

35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

I. INTRODUCTION

A. OVERVIEW

Costco Wholesale Corp. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1, 2, and 8 of U.S. Patent No. 6,292,974 B1 (Ex. 1001, “the ’974 patent”). Pet. 1. Robert Bosch LLC (“Patent Owner”) filed a Preliminary Response (Paper 15, “Prelim. Resp.”) to the Petition. We instituted *inter partes* review of claims 1, 2, and 8. Paper 16 (“Dec.”).

We discuss preliminary matters, such as motions, in Section II below.

We held an oral hearing on January 18, 2017. *See* Paper 66 (“Tr.”); *see also* Ex. 1206 (Petitioner’s transcript errata).

We have jurisdiction under 35 U.S.C. § 6. This Decision is a Final Written Decision under 35 U.S.C. § 318(a) as to the patentability of the claims on which we instituted trial.

For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1, 2, and 8 the ’974 patent are unpatentable.

B. RELATED PROCEEDINGS

The parties indicate that the ’974 patent is at issue in: *Robert Bosch LLC v. Alberee Products Inc. et al.*, No. 12-574-LPS (consolidated with No. 14-142-LPS) (D. Del.) (“the related litigation”). Pet. 1; Paper 5, 1.

The parties are currently involved in the following *inter partes* proceedings (“these proceedings”):

IPR2016-00038
Patent 6,292,974 B1

Case #	U.S. Patent #	Abbreviation
IPR2016-00034	6,973,698	“the ’698 patent”
IPR2016-00036	6,944,905	“the ’905 patent”
IPR2016-00038	6,292,974	“the ’974 patent”
IPR2016-00039	7,228,588	“the ’588 patent”
IPR2016-00040 ¹	7,484,264	“the ’264 patent”
IPR2016-00041	8,099,823	“the ’823 patent”

Two of the patents at issue in these proceedings, the ’905 patent and the ’974 patent, were at issue in prior litigation between Patent Owner and Pylon Manufacturing Corporation. Paper 36, 2. *Robert Bosch LLC v. Pylon Manufacturing Corporation* (D. Del., Case No. 08-542 (SLR)) (“the Pylon litigation”). See Paper 35, 1.

In these proceedings, sometimes a party submitted an identical paper or exhibit in all of the proceedings even though that paper or exhibit may not be applicable, or applies in a different manner, to a particular proceeding. At other times, we are able to apply the analysis of one proceeding to another.

¹ The ’264 patent (IPR2016-00040) is a division of the application that became the ’588 patent (IPR2016-00039). IPR2016-00040, Ex. 1001, 1 (62). The remaining patents are not related.

C. EVIDENCE AND ASSERTED GROUNDS OF UNPATENTABILITY

Petitioner asserts that the challenged claims are unpatentable under the following grounds:

Claims Challenged	§	References(s)
1, 2, 8	103(a)	Prohaska ² and Appel ³
1, 2, 8	103(a)	Prohaska and Hoyler ⁴

Pet. 3.

II. PRELIMINARY MATTERS

A. PETITIONER'S MOTION TO STRIKE AND MOTION TO EXCLUDE

These Motions deal with Exhibits 2005 and 2007. Exhibit 2005 is a transcript from the Pylon litigation between Patent Owner and a third party, and a portion of the transcript includes the testimony of Mr. Merkel, a named inventor on the '974 patent.⁵ Paper 35, 1; Ex. 1001, [75]. Exhibit 2007 is the Declaration of Martin Kashnowski, a Robert Bosch LLC employee. Ex. 2007 ¶ 1. Patent Owner filed both Exhibits in conjunction with Patent Owner's Response as evidence relating to secondary considerations. *See* PO Resp. 7–15.

² U.K. Patent Application No. GB 2 106 775 A, published Apr. 20, 1983 (Ex. 1004).

³ U.S. Patent No. 3,192,551, issued July 6, 1965 (Ex. 1005).

⁴ German Patent No. 1,028,896, published June 24, 1954 (Ex. 1006). The certified English translation begins at page 6.

⁵ At times, the questioner mistakenly refers to the '974 patent as the '947 patent. *See, e.g.*, Ex. 2005, 226:3, 234:18.

In the Motion to Strike, Petitioner contends that we should strike Mr. Merkel's trial testimony from the Pylon litigation as a matter of routine discovery because Patent Owner did not make Mr. Merkel available for cross-examination.⁶ Paper 35, 1–5 (citing 37 C.F.R. §§ 42.12, 42.51–53). We deal with the hearsay issue Petitioner raises in the Motion to Strike (Paper 35, 5, n.2) in the analysis of Petitioner's Motion to Exclude.

In the Motion to Exclude, Petitioner seeks to exclude: (1) Mr. Merkel's former trial testimony (Ex. 2005, 210–264), (2) portions of Mr. Kashnowski's testimony (Ex. 2007 ¶ 6, second, third, and fourth sentences), and (3) those portions of Patent Owner's Response that rely on evidence that is excluded. Paper 50, 1–2.

The background section that follows pertains to both Motions. For the reasons that follow, both motions are *denied*.

1. Background

On April 15, 2010, in Wilmington, Delaware, Mr. Merkel testified in the Pylon litigation. Paper 35, 1; Paper 60, 3; Ex. 1106, Tab A, ¶ 4. Mr. Merkel was then living in Germany and was an employee of Robert Bosch GmbH, Patent Owner's parent company. Ex. 2005, 210:4–211:3. English is a second language for Mr. Merkel and he testified with the aid of a translator. *Id.*

⁶ Exhibit 2005 has native page numbers (129–393) one line down from the top right corner, and exhibit page numbers (1–265) in the lower right corner. For example, the first page of the exhibit has native page 129 and exhibit page number 1. For consistency, we reference exhibit page numbers. Where a party cites to native page numbers, we convert to exhibit page numbers.

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