

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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COSTCO WHOLESALE CORP.,  
Petitioner,

v.

ROBERT BOSCH LLC,  
Patent Owner.

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Case IPR2016-00039  
Patent 7,228,588 B2

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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, 12, and 14 of U.S. Patent No. 7,228,588 B2 (Ex. 1001, “the ’588 patent”). Pet. 1. Robert Bosch LLC (“Patent Owner”) filed a Preliminary Response (Paper 18, “Prelim. Resp.”) to the Petition. We instituted *inter partes* review of claims 1, 12, and 14.

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

We held an oral hearing on January 18, 2017. *See* Paper 67 (“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, 12, and 14 the ’588 patent are unpatentable.

### B. RELATED PROCEEDINGS

The parties indicate that the ’588 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 6, 1.

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

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 <sup>1</sup>	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 39, 2. *Robert Bosch LLC v. Pylon Manufacturing Corporation* (D. Del., Case No. 08-542 (SLR)) (“the Pylon litigation”). See Paper 36, 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.

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<sup>1</sup> The ’264 patent (IPR2016-00040) is a division of the application that became the ’588 patent. 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, 12, 14	103(a)	Kotlarski <sup>2</sup> and Prohaska <sup>3</sup>
1, 12, 14	103(a)	Merkel <sup>4</sup> and Prohaska

In the patentability analysis below, we address these grounds as obvious over Prohaska and either Kotlarski or Merkel.

II. PRELIMINARY MATTERS

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

Petitioner's Motion to Strike (Paper 36), Motion to Exclude (Paper 53), and associated papers are quite similar to those submitted in IPR2016-00038. We adopt that analysis here with the distinctions noted below.

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<sup>2</sup> PCT WO 99/02382, published Jan. 21, 1999 (Ex. 1006). The certified English translation begins at page 27.

<sup>3</sup> U.K. Patent Application No. GB 2 106 775 A, published Apr. 20, 1983 (Ex. 1003).

<sup>4</sup> PCT WO 99/12784, published March 18, 1999 (Ex. 1014). The certified English translation begins at page 20. References to "Merkel," mean this prior art, while references to "Mr. Merkel" pertain to that person.

1. *Analysis of Motion to Strike*

Petitioner's Motion to Strike and associated papers<sup>5</sup> do not differ from the Motion to Strike in IPR2016-00038 in any meaningful way, and accordingly, that Motion is *denied*.

2. *Analysis of Motion to Exclude*

For the reasons given below, Petitioner's Motion to Exclude is *granted-in-part* and *denied-in-part*.

a) *Mr. Merkel's former testimony*

In the Pylon litigation, Mr. Merkel's testimony related to the patent at issue in IPR 2016-00038, but here that is not the case (*i.e.*, the '588 patent was not at issue in the Pylon litigation.). We agree with Petitioner that this distinction is significant. *See* Paper 53, 10–11. Patent Owner acknowledges this distinction, and states that it does not preclude admissibility. Paper 61, 6; *see also* 5 (acknowledging the '588 patent was not at issue in the Pylon litigation, and that Mr. Merkel "did not discuss the '588 patent on direct examination").

To demonstrate identity of issues between the Pylon litigation and the case at hand, Patent Owner's asserts that "some of the same prior art" is at issue. Paper 61, 5. As Petitioner correctly points out, Mr. Merkel's testimony does not address any of the prior art at issue in this proceeding, and as a result Pylon could not have cross-examined Mr. Merkel on any of that prior art. Paper 53, 10. Consequently, the only issue that Patent Owner

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<sup>5</sup> *See* Paper 34 (authorizing the Motion), Paper 36 (Petitioner's Motion), Paper 39 (Patent Owner's opposition).

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