

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARRIS GROUP, INC.,
Petitioner,

v.

TQ DELTA LLC,
Patent Owner.

Case IPR2016-00428
Patent 7,835,430 B2

Before SALLY C. MEDLEY, KALYAN K. DESHPANDE, and TREVOR M. JEFFERSON, *Administrative Patent Judges*.

MEDLEY, *Administrative Patent Judge*.

DECISION
Petitioner's Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

Arris Group, Inc. (“Petitioner”) filed a request for rehearing (Paper 9, “Req. Reh’g”) of the Board’s decision (Paper 8, “Dec.”), which denied institution of *inter partes* review of claims 1–6 of U.S. Patent No. 7,835,430 B2 (Ex. 1001, “the ‘430 patent”). Petitioner requests rehearing with respect to our decision not to institute review of claims 1–6 on the ground that claims 1–6 of the ‘430 patent are unpatentable under 35 U.S.C. § 103(a) as obvious over Hughes-Hartogs,¹ Baran,² and Frenkel.³ Req. Reh’g 1. Petitioner contends that the Board “overlooked or misapprehended important points presented in the Petition regarding why a person of ordinary skill in the art at the time of the alleged invention would have been motivated to combine the teachings of Hughes-Hartogs with those of Baran and Frenkel.” Req. Reh’g 1 (italics omitted). For the reasons stated below, Petitioner’s request is denied.

II. STANDARD OF REVIEW

Under 37 C.F.R. § 42.71(c), “[w]hen rehearing a decision on petition, a panel will review the decision for an abuse of discretion.” An abuse of discretion occurs when a “decision was based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment.” *PPG Indus., Inc. v. Celanese Polymer Specialties Co.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988). The request must identify, specifically, all matters the party believes the Board misapprehended or overlooked. 37 C.F.R. § 42.71(d).

¹ U.S. Patent No. 4,679,227; issued July 7, 1987 (Ex. 1008) (“Hughes-Hartogs”).

² U.S. Patent No. 4,438,511; issued Mar. 20, 1984 (Ex. 1010) (“Baran”).

³ U.S. Patent No. 5,838,268; issued Nov. 17, 1998 (Ex. 1011) (“Frenkel”).

III. DISCUSSION

We determined in our Decision Denying Institution that

Petitioner generally states the subject matter of the claims was described by Hughes-Hartogs, Baran, and Frenkel “in a manner that would have led a person of ordinary skill in the art to the claimed subject matter through the exercise of only routine skill.” Pet. 45. Petitioner further states that “the modification of ‘227 Patent [Hughes-Hartogs] to include the teachings of ‘511 Patent [Baran] and ‘268 Patent [Frenkel] is demonstrative of the application of a known technique to a known device to yield predictable results under 35 U.S.C. §103.” *Id.* However, Petitioner does not point to evidence or explain why a person with ordinary skill in the art would have combined Hughes-Hartogs, Baran, and Frenkel, why such a combination would have required only “routine skill,” or even why the results of such a combination would have been predictable. *See* Prelim. Resp. 48–51. Accordingly, Petitioner has not provided any *reason* that would have prompted a person with ordinary skill in the art to combine Hughes-Hartogs, Baran, and Frenkel in the manner proposed by Petitioner.

Dec. 14.

Petitioner argues that we overlooked pages 42–44 of the Petition, which explains that Hughes-Hartogs expressly references Baran, and Frenkel expressly references Hughes-Hartogs.⁴ Req. Reh’g 4–6 (citing Ex. 1008, 1:46–51; Ex. 1011, 1:50–54, 2:8–10). Petitioner further argues that we overlooked that Hughes-Hartogs discloses that it is a continuation in the efforts previously initiated by Baran and incorporates Baran by reference. *Id.* at 4 (citing Ex. 1004, 1:65–66, 7:40–42). Petitioner concludes that “the only question, then, is whether a person of ordinary skill in the art at the time of the invention would have had ‘an apparent

⁴ Petitioner explains that Frenkel discloses an express reference to U.S. Patent No. 4,833,706, which is a grandchild of Hughes-Hartogs.

reason to combine the known elements in the fashion claimed by the patent at issue.” *Id.* at 6 (quoting *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007)).

We disagree with Petitioner that we overlooked these points in the Petition. Petitioner mischaracterizes our Decision. We did not determine that there was not a reason to combine Hughes-Hartogs, Baran, and Frenkel, but rather we determined that Petitioner failed to set forth sufficient evidence and rationale explaining why a person with ordinary skill in the art would have combined Hughes-Hartogs, Baran, and Frenkel. *See* Dec. 13–15. At best, the Petition only sets forth that Hughes-Hartogs references Baran, and Frenkel indirectly references Hughes-Hartogs. *See* Pet. 10–12. The Petition does not set forth any rationale to combine Hughes-Hartogs, Baran, and Frenkel, but rather only states the prior art references each other. *See id.* Petitioner now argues that a “person of ordinary skill in the art, having ordinary curiosity and creativity, could then connect the dots,” and now provides an explanation as to why a person of ordinary skill in the art would have combined Hughes-Hartogs, Baran, and Frenkel. *See* Req. Reh’g 6–9. However, we did not overlook or misapprehend these now asserted reasons to combine the prior art because this rationale was not presented in the Petition. Similarly, Petitioner’s argument that we overlooked or misapprehended that Hughes-Hartogs discloses that it is a continuation in the efforts previously initiated by Baran is not persuasive. We did not overlook that statement at pages 42–43 of the Petition. Petitioner, however, did not explain that statement in the context of the legal conclusion of obviousness. In essence, Petitioner did not make its case and it is not the Board’s place to make a case for a Petitioner all to the detriment of a Patent Owner. Lastly, we are not persuaded by Petitioner’s arguments that we overlooked or misapprehended that Hughes-Hartogs incorporates Baran by reference because Petitioner did not present this argument in the Petition.

Petitioner further mischaracterizes our Decision in their argument that “the Board stated that Petitioner’s argument was based on the testimony of its expert.”

Id. at 3. We determined:

At best, Petitioner directs us to pages 66–69 of the Declaration of Mr. Lance McNally. *Id.* at 47–51. Although we decline to incorporate Mr. McNally’s Declaration into the Petition, we note that pages 66–69 of Mr. McNally’s Declaration consist of several paragraphs discussing the application of the cited prior art to independent claim 1 of the ’430 patent. Ex. 1002 ¶¶ 125–136. Only paragraphs 132 and 134 discuss the combination of Hughes-Hartogs and Baran and Hughes-Hartogs with Frenkel. *Id.* ¶ 132, 134. For example, McNally declared that “[a] POSA would combine the ‘227 [Hughes-Hartogs] and ‘511 [Baran] patents to show a test mode with messages comprising one or more data variables that represent the test information.” *Id.* ¶ 132. McNally further declared that “[a] POSA would combine the ‘268 [Frenkel] and ‘227 [Hughes-Hartogs] patents as obvious to meet the claim element of a DMT symbol, using QAM and more than 1 bit per subchannel.” *Id.* ¶ 134. However, such statements are conclusory, unsupported by a sufficient rationale or reason to combine Hughes-Hartogs with Baran or Frenkel. As such, even if we were to incorporate these passages from Mr. McNally’s Declaration into the Petition, which we do not, these passages are insufficient to support a conclusion of obviousness.

Dec. 14–15. As such, we declined to incorporate Mr. McNally’s declaration into the Petition, and determined that the Petition could not incorporate portions of the Declaration without a discussion of these portions in the Petition. We further determined that Mr. McNally’s Declaration is insufficient to establish a rationale to combine Hughes-Hartogs, Baran, and Frenkel because the statements in the Declaration “are conclusory, unsupported by sufficient rationale or reason to combine Hughes-Hartogs with Baran or Frenkel.” *Id.* at 15. Therefore, we did not determine that there is a “corollary requirement that the ‘rational underpinning’ be further supported by an expert,” as argued by Petitioner. Req. Reh’g 3.

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