

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ARRIS GROUP, INC.,
Petitioners,

v.

TQ DELTA, LLC,
Patent Owner.

Case IPR2016-00429
Patent 8,432,956 B2

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

JEFFERSON, *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 10, “Req. Reh’g”) of the Board’s decision (Paper 9, “Dec.”) dated July 1, 2017, which denied institution of *inter partes* review of claims 1–10 of U.S. Patent No. 8,432,956 B2 (Ex. 1001, “the ’956 patent”). 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 2 (*italics omitted*). For the reasons provided 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).

III. DISCUSSION

Our Decision Denying Institution stated:

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. 17. 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.* at 17–18. Petitioner does not point to evidence or make any other argument explaining 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. 33. Accordingly, we agree that 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 Petitioner proposes.

Dec. 13–14.

Petitioner on rehearing argues that we overlooked page 11 of the Petition, which explains that Hughes-Hartogs expressly references Baran, and Frenkel expressly references Hughes-Hartogs. Req. Reh’g 5–7 (citing Ex. 1004, 1:46–51; Ex. 1006, 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 5 (citing Ex. 1004, 1:65–66, 7:40–42). Assuming a familiarity with the prior art by a person of ordinary skill in the art, Petitioner then contends 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 reason to combine the known elements in the fashion claimed by the patent at issue.’” *Id.* at 7 (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. First, 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. 13–14 (stating that “Petitioner does not point to evidence or make any other argument explaining 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.”). At best, the Petition only sets forth that Hughes-Hartogs references Baran, and Frenkel indirectly references Hughes-Hartogs, which alone does not set forth a rationale to combine Hughes-Hartogs, Baran, and Frenkel. *See* Pet. 10–12.

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 7–9. 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 and incorporates Baran by reference (Req. Reh’g 5) is not persuasive 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.” Req. Reh’g 4. We determined:

With respect to claims 1, 3, 5, and 7, at best, Petitioner directs us to pages 34–38 of the Declaration of Mr. Lance McNally. *Id.* at 17–31. Although we decline to incorporate Mr. McNally’s Declaration into the Petition, we note that pages 34–37 of Mr. McNally’s Declaration consist of several paragraphs discussing the application of the cited prior art to independent claim 1 of the ’956 patent. Ex. 1002 ¶¶ 55–65. Only paragraph 61 discusses the combination of Hughes-Hartogs and Baran. *Id.* ¶ 61. Paragraph 61 states “[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.* McNally’s Declaration statement in support of the combination is conclusory, unsupported by a sufficient rationale or reason to combine Hughes-Hartogs and Baran. This statement additionally does not provide a sufficient reason for a person of ordinary skill in the art to combine Frenkel with Hughes-Hartogs and Baran. As such, even if we were to incorporate this passage from Mr. McNally’s Declaration into the Petition, which we do not, this single statement is insufficient to support the legal conclusion of obviousness.

Dec. 14. 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 Declaration “is conclusory, unsupported by sufficient rationale or reason to combine Hughes-Hartogs and Baran” or “to combine Frenkel with Hughes-Hartogs and Baran.” *Id.* 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 4–5.

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