**UNITED STATES PATENT AND TRADEMARK OFFICE**

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**BEFORE THE PATENT TRIAL AND APPEAL BOARD**

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**Twilio Inc.**
Petitioner

**v.**

**TeleSign Corporation**
Patent Owner

Patent No. 8,462,920

Patent Filing Date: October 5, 2006

Title: REGISTRATION, VERIFICATION AND NOTIFICATION SYSTEM

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*Inter Partes* Review No.: IPR2016-00450

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# PATENT OWNER'S OPPOSITION TO PETITIONER'S REQUEST FOR REHEARING

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Table of Contents

I. INTRODUCTION .......... 1
II. STANDARD OF REVIEW .......... 1
III. ARGUMENT .......... 2
A. Petitioner does not point to any erroneous conclusion of law or any actual clearly erroneous factual findings. .......... 2
B. Petitioner's purportedly overlooked evidence does not contradict the Board's findings. .......... 3
C. The Board did not overlook Petitioner's arguments. .......... 4
1. The Board correctly stated that a deficiency as to claim 1 applies to the dependent claims. .......... 4
2. The allegedly overlooked arguments regarding claims 4 and 5 do not cure the deficiencies as to claim 1 and are not relevant. .......... 6
3. The Institution Decision expressly addressed all of Petitioner's grounds. .......... 8
D. Additionally, the Rehearing Request should be denied because it relies on unclear implications and attempts to revise the Petition. .......... 9
1. The Board is not obligated to consider alleged implications of the cited art that were not raised in the Petition. .......... 9
2. The Request for Rehearing improperly revises arguments from the Petition. .......... 11
E. The Board did not overlook the "completion code" argument. .......... 11
IV. CONCLUSION .......... 12

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# I. INTRODUCTION

In its denial decision (Paper 17, "Dec."), the Board determined: "Petitioner has not shown sufficiently that Bennett teaches all of the limitations of independent claim 1." Dec. 14. Petitioner's Rehearing Request (Paper No. 19, "Req. Reh'g") should be denied because:

- Petitioner does not point to any erroneous conclusion of law nor to any true factual finding that is clearly erroneous;
- Petitioner does not point to anything that "directly contradict[s]" (Req. Reh'g 1) the Board's actual deficiency finding;
- the Board did not overlook the *Petition's* actual arguments; and
- those arguments are not relevant to claim 1 and would not have cured the deficiencies the Board correctly found to be dispositive.

# 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) (emphasis added) (citations omitted). The party requesting rehearing bears the burden of showing the decision should be modified. 37 C.F.R. § 42.71(d). The request must

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identify, specifically, all matters the party believes the Board misapprehended or overlooked. 37 C.F.R. § 42.71(d).

## III. ARGUMENT

Based on a claim construction that Petitioner does not challenge in its Request for Rehearing, the Board found that "Petitioner has not shown sufficiently that Bennett teaches all of the limitations of independent claim 1." Dec. 14. Because the Petitioner did not carry its burden as to an independent claim, it cannot have carried its burden as to a dependent claim unless, perhaps, it independently and sufficiently analyzed anew all of the collective limitations from the corresponding base claims. Petitioner did not do that. Instead, the Petition's analysis of dependent claims **builds on** insufficient argument and evidence from claim 1. Thus, the Board's finding as to claim 1 was dispositive. And as a matter of law, the Board could not have overlooked any argument or evidence that was directed to the additional limitations of the dependent claims.

### A. Petitioner does not point to any erroneous conclusion of law or any actual clearly erroneous factual findings.

The Rehearing Request does not allege any proper basis for rehearing. It disagrees with the Board's conclusions, but cites no erroneous conclusion *of law*. An erroneous factual finding justifying rehearing would need to be a true factual error (and relevant), something akin to the Board mistaking an energy amount by three orders of magnitude. *Boston Scientific Corp. v. UAB Research Found.*,

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IPR2015-00918, Paper 14 at 4-5 (March 7, 2016) (granting rehearing after correcting an erroneous energy identification of 0.025 Joules to the correct value of 0.000025 Joules). Another example of a true factual issue is whether a party supplied a translation of a PCT application, as in the *Stevens* case cited at Req. Reh'g 5. (Though even in *Stevens*, the Federal Circuit affirmed the Board and rejected three arguments in favor of deferring to the Board.) Unlike in those cases, however, Petitioner does not point to an actual erroneous factual finding—let alone one "clearly erroneous." What Petitioner describes as an incorrect finding of fact is actually its disagreement with the Board. Req. Reh'g 4, 5. Petitioner's rationale is that the Board *in fact* overlooked that Petitioner made certain arguments. If that rationale were adopted, then parties could simply recast their disagreements with the Board's analysis as incorrect factual findings. Missing from the Rehearing Request is the Board's actual determination: that "Petitioner has **not shown sufficiently** that Bennett teaches all of the limitations of independent claim 1." Dec. 14 (emphasis added). That determination was within the Board's discretion. Petitioner has not shown how that discretion was abused. It cites to no erroneous conclusions **of law** nor any clearly erroneous "factual" findings.

### B. Petitioner's purportedly overlooked evidence does not contradict the Board's findings.

The Rehearing Request includes three bullet points that allegedly contradict the Board's findings. Req. Reh'g 1-2. They do not because they all relate to the

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