

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Prime Focus Creative Services Canada Inc.,

Petitioner

v.

Legend3D, Inc.,

Patent Owner

IPR2016-01243

U.S. Patent No. 7,907,793

**PETITIONER'S REPLY IN SUPPORT OF
REQUEST FOR REHEARING**

Mail Stop: PATENT BOARD
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A. The Board must provide Petitioner with an opportunity to respond in full, including the submission of new evidence.

Legend argues that Petitioner is improperly attempting to shift the burden of persuasion onto the Patent Owner (Paper 57 at p. 9-10), but that argument mischaracterizes the Request for Rehearing. Petitioner acknowledges that it always carries the burden of persuasion and is actually arguing that, *to the extent that there is any dispute whether Petitioner carried its burden, Petitioner was entitled to notice and an opportunity to respond.*

To begin, the Petition did carry its burden of persuasion regarding the combinability of Sullivan. As set forth in the Request for Rehearing, the Petition discussed at length Sullivan’s teaching of “projecting at least *a portion* of a first 2D image...onto computer-generated geometry,” and it is facially impossible to project only “a portion” of an image without using a data structure to identify the specific group of pixels to project—*i.e.*, without creating a *mask*. See Request, Paper 55 at p. 8-9 (*quoting* Petition, Paper 1 at p. 14 (*quoting* Sullivan, Ex. 1006 at 17:14-15)). Given that Sullivan teaches masks, the Petition, supported by the uncontroverted testimony of Dr. Forsyth, argued that Passmore’s teaching regarding reusing colorization masks was applicable to both Passmore *and Sullivan* since they both use masks. See Request, Paper 56 at p. 11-12 (*citing* Petition at p. 16 (Passmore’s teachings “would have led one of ordinary skill in the art to combine/modify...either Passmore *or Sullivan*”)). In its Patent Owner’s

Response, Legend did not dispute that Sullivan teaches masks nor did it dispute the combinability of Sullivan. By the time of the Final Written Decision, therefore, it was an undisputed fact that Sullivan taught masks and was properly combinable.

But in the Final Written Decision, the Board suddenly found that “Sullivan does not describe masks” (which had never been disputed) and, as a result, that Passmore’s teaching of reusing colorization masks was inapplicable to Sullivan (which had also never been disputed). Paper 54 at p. 43-55. The Final Written Decision did not even cite Sullivan itself in support of these new findings, let alone cite any previous argument by Legend or the Board providing notice of the disputed connection between Sullivan and masks. *See id.* The Final Written Decision instead supported its new findings by citing cross-examination testimony from Dr. Forsyth that was never presented in any paper. Paper 54 at p. 44 (*citing* Ex. 2021 at 31:12-15). Legend is correct that a petitioner failing to meet its burden of persuasion is not a “new theory,” but holding that Sullivan does not teach masks undoubtedly is. The Board therefore did not “merely render[] judgment on the record,” as Legend argues (Paper 57 at p. 1), since the record did not reflect any dispute over the relationship between Sullivan and masks nor did the record reflect any dispute about Sullivan’s combinability.

It was improper for the Board to present its new theory regarding Sullivan’s alleged deficiencies for the first time in the Final Written Decision because

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