Trials@uspto.gov
571-272-7822

Paper 16
Entered: January 24, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

YMAX CORPORATION,
Petitioner,

v.

FOCAL IP, LLC,
Patent Owner.

Case IPR2016-01258
Patent 7,764,777 B2

Before SALLY C. MEDLEY, JONI Y. CHANG, and BARBARA A. PARVIS, *Administrative Patent Judges*.

MEDLEY, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71

INTRODUCTION

Focal IP, LLC ("Patent Owner") filed a Request for Rehearing of the Decision to Institute (Paper 13, "Dec.") an *inter partes* review as to claims 18, 21, 23, 25, 26, 28–31, 37, 38, 41, and 45 of U.S. Patent 7,764,777 B2 (Ex. 1001, "the '777 patent"). Paper 15, "Req. Reh'g." For the reasons that follow, the Request for Rehearing is *denied*.

STANDARD OF REVIEW

A party requesting rehearing bears the burden of showing that the decision should be modified. 37 C.F.R. § 42.71(d). The party must identify specifically all matters we misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply. *Id*. When reconsidering a decision on institution, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may be determined if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors. *Star Fruits S.N.C. v. U.S.*, 393 F.3d 1277, 1281 (Fed. Cir. 2005); *Arnold P'ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004); *In re Gartside*, 203 F.3d 1305, 1315-16 (Fed. Cir. 2000).

ANALYSIS

Patent Owner contends that we misapprehended or overlooked Patent Owner's arguments in connection with the claim language regarding the term "switching facility" recited in claim 18. Req. Reh'g 1–5. Patent Owner also contends that we misapprehended or overlooked Patent Owner's arguments regarding the teachings of the invention and disclaimers disclosed in the Specification as to the claim construction of the terms "switching

facility," "coupled to," and "in communication with." *Id*. at 5–14.

We are not persuaded by Patent Owner's contentions that we misapprehended or overlooked its arguments in connection with the claim language regarding "switching facility." *Id*. at 1–5. In its Preliminary Response (Paper 7, "Prelim. Resp."), apart from the reproduction of a portion of claim 18, Patent Owner merely provides a single conclusory statement without any explanation—"[t]he Challenged Claims explicitly recite the functionality the 'switching facility' and 'edge switch' must have, and expressly distinguish that a 'switching facility' is not an 'edge switch.'" *Id*. at 34. Patent Owner for the first time in its Request for Rehearing presents additional arguments regarding the claim language. Req. Reh'g 4–5. A request for rehearing is not an opportunity to submit new arguments. *See* 37 C.F.R. § 42.71(d). We could not have misapprehended or overlooked arguments that were not made previously in Patent Owner's Preliminary Response.

Furthermore, the portion of the claim language reproduced by Patent Owner in the Preliminary Response misleadingly emphasizes a subset of the recitation—"[t]he preamble states that 'edge switches' are 'for ***routing calls to subscribers*** within a local geographic area,' and 'switching facilities' are 'for routing calls to ***edge switches, or other switching facilities*** local or in other geographic areas.'" Prelim. Resp. 34 (citing Ex. 1001, 15:14–17) (emphasis added by Patent Owner). The claim language, in contrast, recites that "switching facilities" are for routing calls "to edge switches" or "other switching facilities *local* or in other geographic areas." Ex. 1001, 15:2–4 (emphases added). In its Preliminary Response, Patent Owner proffers no explanation as to the recitation in its entirety, and Patent Owner's argument

ignores certain words in the claim language to support its allegation that the term "switching facilities" excludes "edge switches" and "edge devices." Prelim. Resp. 35.

Moreover, Patent Owner admits that Applicants introduced "switching facility"—a term that was not used in the original Specification—into the claims by Amendment to indicate that "switching facility" has *broader* scope than "tandem switch," but nevertheless attempts to import a negative limitation from the preferred embodiment into the claims. *Id*. at 36; Ex. 2005, 62, 82. As we indicated in our Decision on Institution, we have considered all of Patent Owner's arguments presented in the Preliminary Response regarding the claim term "switching facility," and determine that the broadest reasonable interpretation of the term is "any switch in the communication network," consistent with Applicants' remarks filed with that Amendment. Dec. 7–8; Ex. 2005, 82.

We also are not persuaded that we misapprehended or overlooked Patent Owner's arguments regarding the teachings of the invention and disclaimers disclosed in the Specification. Req. Reh'g 5–14. In its Request for Rehearing, Patent Owner mainly repeats the same arguments as those in the Preliminary Response. *Compare* Req. Reh'g 5–14 *with* Prelim. Resp. 12–42. A request for rehearing is not an opportunity to express disagreement with a decision. During trial, Patent Owner has an opportunity to resubmit those arguments, along with any new arguments, explanations, and supporting evidence, in its Response. As noted in the Scheduling Order, any arguments for patentability not raised in the Response will be deemed waived. Paper 14, 3.

For the foregoing reasons, Patent Owner has not demonstrated that we abused our discretion in construing the terms of claims 18, 21, 23, 25, 26, 28–31, 37, 38, 41, and 45 for purposes of the Decision on Institution and, consequently, Patent Owner's Request for Rehearing is *denied*.

FOR PETITIONER:

Mark Passler
Brice Dumais
AKERMAN LLP
ip@akerman.com
brice.dumais@akerman.com

FOR PATENT OWNER:

Brent Bumgardner
John Murphy
NELSON BUMGARDNER, P.C.
bbumgardner@nbclaw.net
murphy@nelbum.com