Case IPR2017-00222 Patent 8,243,723 B2

## UNITED STATES PATENT AND TRADEMARK OFFICE

## BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC., Petitioner v. UNILOC LUXEMBOURG S.A., Patent Owner

> Case IPR2017-00222 Patent 8,243,723 B2

PATENT OWNER'S REQUEST FOR REHEARING UNDER 37 C.F.R. § 42.71(D)

DOCKET A L A R M Find authenticated court documents without watermarks at <u>docketalarm.com</u>. In response to the Final Written Decision entered May 23, 2018, (Paper 29, hereinafter "Decision") and pursuant to 37 CFR § 42.71(d), Uniloc Luxembourg S.A. ("Patent Owner") hereby respectfully request a rehearing and reconsideration by the Patent Trial and Appeal Board ("Board") of its Final Decision finding unpatentable Claims 1-2 of the '723 patent. Patent Owner's request for rehearing is based upon the following considerations.

#### I. APPLICABLE STANDARDS

"A party dissatisfied with a decision may file a request for rehearing, without prior authorization from the Board." 37 C.F.R. §42.71(d). "The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply." *Id*. The Board reviews a decision for an abuse of discretion. 37 C.F.R. §42.71(c).

Claim construction is a question of law. *Markman v. Westview Instruments*, 52 F.3d 967, 976 (Fed. Cir. 1995) (en banc), aff'd, 517 U.S. 370 (1996). In an *inter partes* review, claim terms in an unexpired patent are interpreted according to their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b); *Cuozzo Speed Techs., LLC v. Lee*, 136 S.Ct. 2131, 2142 -46 (2016).

#### II. ARGUMENT

## A. The Decision Improperly Introduced a New Argument in Construing the Claim Phrase, "<u>transmitting</u> a signal to a client including <u>a list</u> of the recorded connectivity status for each of the nodes in the sub-set corresponding to the client"

As the Decision correctly recognized, one of the central disputes between the parties was whether the transmitted "list" in the claims should include information concerning "nodes" in the plural (as argued by Patent Owner) or only a single node (as argued by Petitioner). Patent Owner noted that the principal reference, (Ex. 1005 - Vuori), only transmits information concerning one node at a time and therefore could not satisfy the claim feature. After reviewing the record, the Board stated that it was siding with Patent Owner (list requires multiple nodes), but then injected its own argument – its belief that the claim language could refer to multiple transmissions to reach the multiple nodes in alist. Stated more concisely, the Decision concluded its belief that because the '723 specification allegedly lacked detail concerning the manner of transmission, multiple single transmission of single values for nodes could correspond to transmission of "a list."

There are two problems with this new argument. First, Patent Owner has not been provided due process ability to respond to this new argument and point out how this interpretation is incorrect. Second, because this argument was advanced by the Board and not the petitioner, such an argument runs afoul of In *re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364, 1381 (Fed. Cir. 2016) (". . . Board must base its decision on arguments that were advanced by a party, and to which the opposing party was given a chance to respond.").

## B. The Board Improperly Introduced its Own Rebuttal Evidence Concerning the (Ex. 1005 - *Vuori*)'s Teaching as to Transmissions

The Decision also points to new evidence and arguments concerning what the *Vuori* (Ex. 1005) transmits. As explained above, Patent Owner pointed out that *Vuori* only transmits information concerning values for <u>one</u> node at a time and therefore could not satisfy the claim feature concerning lists. The Board *sua sponte* rebutted this argument in the Decision – without identifying any argument or evidence put forth by Petitioner. In particular, the Decision at 32-33 points to what appears to an independent analysis, disagreeing with Patent Owner's expert's, Mr. Easttom's, interpretation of *Vuori*. The counter-interpretation cited by in the Decision cites no evidence presented by Petitioner or Petitioner's expert. This runs afoul of *In re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364, 1381 (Fed. Cir. 2016)(". . . Board must base its decision on arguments that were advanced by a party, and to which the opposing party was given a chance to respond.").

#### **III. CONCLUSION**

In view of the foregoing, Patent Owner respectfully requests that the Board grant a rehearing and reconsider its Final Written Decision finding Claims 1-2 unpatentable.

Date: June 22, 2018

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## Counsel for Patent Owner

# **CERTIFICATE OF SERVICE**

The undersigned certifies that the foregoing was served electronically on June 22, 2018 on the following counsel of record for Petitioner at the below-listed email address:

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