

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.
Petitioner,

v.

VALENCELL, INC.
Patent Owner.

IPR2017-00316
Patent 8,989,830 B2

Before BRIAN J. McNAMARA, JAMES B. ARPIN, and
SHEILA F. McSHANE, *Administrative Patent Judges*.

McSHANE, *Administrative Patent Judge*.

DECISION
Denying Petitioner's Request for Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Apple Inc., (hereafter “Petitioner”) filed a Request for Rehearing (Paper 8, “Req. Reh’g”) of the Decision entered in this case (Paper 7, “Dec.”), in which we denied the Petition for *inter partes* review of claims 1–6, 8–16, and 18–20 of U.S. Patent No. 8,989,830 B2 (“the ’830 patent,” Ex. 1001). In its Request for Rehearing, Petitioner contends that (1) we overlooked statements and supporting evidence related to the “substantially parallel” limitation of the claims; (2) we misapprehended the “orthogonal” example and overlooked that the claims at issue require only “substantially parallel” directions; and (3) we misapplied rules related to finding for petitioners in disputes of material fact. Req. Reh’g 1–13. For the reasons set forth below, Petitioner’s Request for Rehearing is *denied*.

II. DISCUSSION

A party requesting rehearing has the burden to show a decision should be modified by specifically identifying all matters the party believes were misapprehended or overlooked, and the place where each matter was addressed previously in a motion, opposition, or a reply. 37 C.F.R. § 42.71(d). When rehearing 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 arise 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).

We address the Petitioner’s contentions outlined above in turn.

1. Alleged Failure to Consider Statements and Supporting Evidence Related to the “Substantially Parallel” Claim Limitations

As to Petitioner’s assertion that we overlooked Petitioner’s statements and supporting evidence cited in the Petition and provided by Dr. Anthony regarding the limitation of claims 1 and 11 that “the first and second directions [of light] are substantially parallel”; we did not. *See* Req. Reh’g 2–8. Specifically, Petitioner argues that we overlooked the opinions of Dr. Anthony concerning his understanding of the ordinary manner in which non-invasive optical biosensors, and more particularly, concerning how the asserted prior art, i.e., the Haahr electronic patch, operate. *Id.* at 3–4. Petitioner refers to three references cited by Dr. Anthony (Ex. 1003 ¶¶ 75, 88 (citing Ex. 1013, 7–8; Ex. 1014, 405; Ex. 1015, 912), that are alleged to have formed the basis of his opinion. *Id.* at 4. Petitioner also contends that the Decision overlooks affirmative statements made by Petitioner and Dr. Anthony concerning how the emitted and detected light travels in Haahr’s device, and that Patent Owner mischaracterized Petitioner’s positions. *Id.* at 6–8.

As we discuss in the Decision, however, the Petition fails to demonstrate a reasonable likelihood of prevailing on its assertion that the challenged claims are obvious because it failed to sufficiently demonstrate that Haahr teaches the limitation of “substantially parallel.” Dec. 10–14. In the Decision, we considered the understanding of the prior art relating to this claim term from the point of view of one of ordinary skill in the art, as represented by Dr. Anthony. *See id.* at 10–11. For the alleged general understanding of the “ordinary manner” of operation, which we considered, or the more specific representations made in the Petition concerning teachings of “substantially parallel,” we found that Dr. Anthony failed to provide evidence or persuasive explanation in support of his views on the disputed claim limitation. *See id.* at 12. Testimony that is not supported by

sufficient underlying facts fails to persuade. *See* 37 C.F.R. § 42.65(a) (“Expert testimony that does not disclose the underlying facts or data on which the opinion is based is entitled to little or no weight.”); *see also Rohm and Haas Co. v. Brotech Corp.*, 127 F.3d 1089, 1092 (Fed. Cir. 1997). Here, Petitioner points to Exhibits 1013, 1014, and 1015, as evidence that was overlooked that serves to support Dr. Anthony’s testimony. We considered those references (*see* Dec. 10–11), and agree that they disclose LED and photosensor locations on the body surface, which is similar to Haahr’s configuration, and detection of backscattered light detection on that plane. However, these references fail to explain or provide evidence supporting the contention that the light delivered and collected are in directions that are “substantially parallel” to each other, which is the operative claim limitation at issue. As such, we did not credit Dr. Anthony’s opinions on this issue. *See Perreira v. Dep’t of Health and Human Serv.*, 33 F.3d 1375, 1377 n.6 (Fed. Cir. 1994) (“An expert opinion is no better than the soundness of the reasons supporting it.”).

2. Alleged Misapprehension of Petitioner’s “Orthogonal” Example and That the Claims Require Only That “Substantially Parallel” Limitations Be Taught

Petitioner also argues that we misapprehended the “orthogonal” discussion in the Petition, and it is used as an example “to highlight that a POSA would have understood that the directions of emitted and received light are thus *at least* ‘substantially parallel.’” Req. Reh’g 8–9. Petitioner asserts that it was not trying to, nor did it need to, prove that the light in Haahr is emitted and received in orthogonal directions. *Id.* at 9. Petitioner contends that we overlooked the statements in the Petition concerning light emitted at angles that are “nearly orthogonal.” *Id.* at 9–10. Petitioner also asserts that the claims recite only that the light directions be “*substantially* parallel,” and Dr. Anthony’s assertion that some

light is emitted and received in directions that are “*nearly* orthogonal” (i.e., substantially orthogonal) are, thus, “substantially parallel,” and our focus on the “orthogonal” example is misplaced. *Id.* at 10. We disagree with Petitioner’s arguments.

Here, the fundamental issue is that institution was denied based upon failure to provide *sufficient* evidence to support that Haahr teaches the “substantially parallel” claim limitation, including a lack of evidence or persuasive explanations for Dr. Anthony’s opinions. Dec. 12. The evidence considered in the Decision was not based solely upon the proofs provided for “orthogonal,” but upon the totality of the evidence. *See id.* Support for the alleged Haahr teachings in the Petition and in the Dr. Anthony’s declaration rely, however, in large part, on arguments relating to light transmitted in “orthogonal” or “nearly orthogonal” directions. Pet. 29–30 (citing Ex. 1003 ¶ 77); Dec. 10. We determined that Dr. Anthony’s testimony on the orthogonal issue, that is, that light is received in an orthogonal direction, was conclusory. *See* Dec. 12. Thus, the orthogonal example failed to provide sufficient support for Dr. Anthony’s view of Haahr’s teachings. Moreover, Petitioner and Dr. Anthony then go on to state that a “POSA would have understood that some light emitted from the LEDs is emitted at an angle that is nearly orthogonal to the sensor” and “some light received at the photodiode is received in the opposite direction at an angle that is also nearly orthogonal to the sensor.” Ex. 1003 ¶ 77. Although Dr. Anthony refers to the emitted light being reflected and refracted and changing direction within a patient’s body, there is no factual support provided as to why the directions would be “nearly orthogonal” in the view of one of ordinary skill in the art—except perhaps by bootstrapping the “nearly orthogonal” opinion onto the conclusory opinion of “orthogonal” example. *See id.* Absent facts in support of why the directions of the light would be “nearly

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