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Paper 15
Entered: July 20, 2017

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,
Petitioner,

v.

VALENCELL, INC.,
Patent Owner.

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Case IPR2017-00319
Patent 8,923,941 B2

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

ARPIN, *Administrative Patent Judge*.

DECISION
Denying Petitioner's Request for Rehearing
*37 C.F.R. § 42.71*

## A. INTRODUCTION

Apple Inc. ("Petitioner") filed a Request for Rehearing (Paper 13, "Req.") of our June 6, 2017, Decision (Paper 10, "Dec."), which granted institution of *inter partes* review of claims 1, 2, and 6–13 of U.S. Patent No. 8,923,941 B2 (Ex. 1001, "the '941 patent"), but denied institution of *inter partes* review of claims 3–5 of the '941 patent. In particular, Petitioner requests rehearing of our decision denying institution of *inter partes* review of claim 3. Req. 1.

Petitioner argues that (1) we overlooked Petitioner's previously-submitted arguments and material facts showing the applied art teaches or suggests an "application specific interface (API)" under *our* construction of that term, (2) we misapplied the relevant law in construing "application-specific interface (API)," and (3) we misapplied our own rules regarding finding disputes of fact in favor of the Petitioner at institution by improperly crediting Patent Owner's unsupported attorney argument over Petitioner's evidence of what a person of ordinary skill in the art would have understood regarding the meaning of "application-specific interface (API)." *Id.* at 1, 4, 9. We have considered Petitioner's Request for Rehearing, and, for the reasons set forth below, Petitioner's Request is *denied*.

## B. 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 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."

*Arnold P'ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004) (citing *In re Gartside*, 203 F.3d 1305, 1315–16 (Fed. Cir. 2000)). The request must identify, with specificity, all matters that the requesting party believes the Board misapprehended or overlooked. 37 C.F.R. § 42.71(d).

Nevertheless,

> [a] request for rehearing is not an opportunity merely to disagree with the panel's assessment of the arguments or weighing of the evidence, or to present new arguments or evidence. It is not an abuse of discretion to have performed an analysis or reached a conclusion with which Petitioner disagrees, and mere disagreement with the Board's analysis or conclusion is not a proper basis for rehearing.

*Sophos, Inc. v. Finjan, Inc.*, Case IPR2015-01022, slip op. at 3–4 (PTAB Jan. 28, 2016) (Paper 9).

C. DISCUSSION

*1. Failure to Find that Applied References Teach the Disputed Limitation*

Petitioner argues that, although we disagreed with its proposed construction for the term "application specific interface (API)," "Petitioner provided ample support in the Petition for finding claim 3 unpatentable even under the Board's construction." Req. 1–2. In particular, Petitioner argues that:

> The Petition stated that the referenced data dictionary of Craw "acts as an API." Petition, p. 27. But the Petition also stated that "Craw teaches that a device receiving such a serial output string would have been able to extract the parameters from the serial data string (e.g., for appropriate display of the health information)." *Id.* Here, the Petition cites to Craw, ¶0048, which states, "[a]cting on the received information may ***depend on the goal of the application***." The Petition also cites to Craw, ¶0202, which states, "[t]he dictionary table may be used to ***recognize what to extract by specifying the data segments*** that encompass

> the structure of any wire line message received by the computer platform."

Req. 2.

We are not persuaded that we overlooked Petitioner's arguments or evidence. Petitioner is correct that we were not persuaded by its proposed construction for the term "application-specific interface (API)." Dec. 11–12. Specifically, relying on a known definition of an "API," Petitioner argued that "APIs are thus characterized by their broad applicability to different applications—*and not "application specific" as such.*" Pet. 14 (emphasis added; citing Ex. 1003 ¶ 62).[1] As we explained in our Decision on Institution, however, we are unable to accept Petitioner's proposed construction of this term as the broadest reasonable interpretation for at least three reasons. *Id.* at 9. First, because the term appears in the identical form, namely, "application-specific interface (API)," in both claim 3 and in the Specification, Petitioner has not provided persuasive evidence to support its argument that this term contains a typographical error. *Id.* at 9–10. Second, despite established standards for claim construction, Petitioner "would have us assume a particular typographical error in the term 'application-specific interface (API)' and then turn directly to extrinsic evidence to construe the term as rewritten by Petitioner." *Id.* at 10–11. Third, we rejected Petitioner's proposed construction for the term "application-specific interface (API)" "because we find that construction is inconsistent with the

[1] Patent Owner disputed Petitioner's proposed construction, but chose not to offer one of its own. Prelim. Resp. 13. Instead, Patent Owner reserved the right to offer claim constructions if we instituted review, but argued "that claim construction is not necessary to deny the Petition." *Id.*

explanation of the meaning of the term in the Specification of the '941 patent." *Id.* at 11–12.[2]

As Petitioner acknowledges, "the Board did not provide an actual definition for 'application-specific interface (API)' in the Institution Decision." *Id.* (citing Dec. 11–12). Nevertheless, Petitioner argues that the statements in Craw, as cited in the quoted portion of Petitioner's Request,

> indicate that, when implemented, the data dictionary is directed to a particular application. . . . For these reasons, the proposed ground as described in the Petition describes how, in implementation, Luo in view of Craw describes an application-specific interface 'directed to a particular application' *according to the Board's construction*.

*Id.* at 2–4 (emphasis added). However, Petitioner misunderstands our reason for denying institution on claim 3.

Here, we were not persuaded by Petitioner's proposed construction; and, because Petitioner's arguments with respect to the unpatentability of claim 3 are based on that construction, we were not persuaded that Petitioner had shown a reasonable likelihood of prevailing in showing the unpatentability of claim 3 on the grounds asserted. Dec. 12 ("Because Petitioner's assertions challenging claim 3 are based on its construction of this term, we do not consider further Petitioner's challenges to claim 3 as rendered obvious over Luo and Craw or over Mault, Al-Ali, and Lee;[3] and

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[2] Petitioner appears to ignore our first two reasons for rejecting its proposed construction of the disputed claim term and to focus in this Request exclusively on the third reason. *See* Req. 2.

[3] Petitioner does not seek rehearing of our determination that Petitioner fails to demonstrate a reasonable likelihood of prevailing in showing that the

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