UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC., Petitioner,

v.

SAINT LAWRENCE COMMUNICATIONS LLC, Patent Owner.

> Case IPR2017-01244 Patent 6,807,524 B1

PETITIONER'S REQUEST FOR REHEARING OF INSTITUTION DECISION UNDER 37 CFR § 42.71(d)

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I. INTRODUCTION

Petitioner Apple Inc. ("Apple") respectfully requests rehearing under 37 C.F.R. § 42.71(d) of the Board's October 25, 2017 Decision denying institution of inter partes review of U.S. Patent No. 6,807,524 ("the '524 Patent"). Specifically, Petitioner requests that the Board reconsider its determination that the Petition failed to establish that the prior art, Salami (Ex-1008), discloses the particular filter arrangement recited in the independent claims. Rehearing is warranted because the Board overlooked 37 C.F.R. § 42.108(c), which requires evidence to be viewed in the light most favorable to Petitioner when there is a genuine issue of material fact. Here, Patent Owner filed expert testimony with its Preliminary Response that directly conflicted with the testimony of Petitioner's expert that Salami teaches the claimed filter arrangement. The Board erred when it credited Patent Owner's expert evidence ("we agree with Patent Owner that Salami does not disclose [the claimed filter arrangement]," Inst. Dec. 17) instead of resolving the factual dispute in favor of Petitioner.

To the extent the Board relied upon its own understanding of Salami instead of the understanding of a person of ordinary skill in the art, Petitioner respectfully submits that doing so constitutes error in the context of this proceeding. Federal Circuit case law establishes that "in the context of a contested case, it is

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impermissible for the Board to base its factual findings on its expertise, rather than on evidence in the record." *Brand v. Miller*, 487 F.3d 862, 869 (Fed. Cir. 2007).

When the conflicting testimonial evidence in this proceeding is viewed in the light most favorable to Petitioner, as required by§ 42.108(c), the record establishes that Salami discloses the claimed filter arrangement. Petitioner respectfully requests that the Board institute trial in order to resolve this factual dispute with the benefit of a fully developed record.

II. LEGAL STANDARD

The Board's decision on institution is reviewed for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion occurs when a "decision was based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment." *PPG Indus., Inc. v. Celanese Polymer Specialties Co.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988). Further, a request for rehearing "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." 37 C.F.R. § 42.71(d).

III. RATIONALE FOR REHEARING

A. The Board overlooked the requirement of 37 C.F.R. § 42.108(c) and failed to view testimonial evidence in the light most favorable to Petitioner

When a patent owner introduces testimonial evidence with its preliminary

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