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Paper 16
Date: October 2, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BENTLEY MOTORS LIMITED AND BENTLEY MOTORS, INC.,
Petitioner,

v.

JAGUAR LAND ROVER LIMITED,
Patent Owner.

IPR2019-01539
Patent RE46,828 E

Before BARRY L. GROSSMAN, KEVIN W. CHERRY, and BRENT M. DOUGAL, *Administrative Patent Judges.*

GROSSMAN, *Administrative Patent Judge*.

DECISION
Denying Petitioner's Request for Rehearing of
Decision Denying Institution of *Inter Partes Review*
37 C.F.R. § 42.71(d)

Bentley Motors Limited and Bentley Motors, Inc. ("Petitioner") filed a petition (Paper 1, "Pet.") to institute an *inter partes* review of claims 21, 24, 30, 32–34, 37, 39, 41–43, 45, and 46 (collectively the "challenged claims") of U.S. Patent No. RE46,828 E (Ex. 1001, "the '828 patent"). Jaguar Land Rover Limited ("Patent Owner") timely filed a Preliminary Response. Paper 7 ("Prelim. Resp."). In its Preliminary Response, Patent Owner requested that the Board apply its discretion under 35 U.S.C. § 314(a) to deny institution of the requested proceeding due to the advanced state of a parallel district court litigation[1] in which the same issues have been presented. Prelim. Resp. 49–52 (citing *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential, designated May 7, 2019)).

The Board denied institution pursuant to 35 U.S.C. § 314(a). Paper 9 (Mar. 10, 2020) (Decision Denying Institution or "DDI"). When the Decision Denying Institution was entered, a jury trial was scheduled for October 13, 2020. DDI, 14. The trial date was five months before a PTAB Final Decision would have issued if we had instituted trial. *Id.* In our Decision Denying Institution, we found that the factors weighing most in favor of discretionary denial were (1) substantial overlap in patent claims challenged in the Virginia District Court litigation; (2) overlap in the obviousness theories and references that Petitioner is pursuing here and in the Virginia District Court litigation; (3) the advanced stage of the Virginia

[1] *Jaguar Land Rover Limited v. Bentley Motors Limited and Bentley Motors, Inc.*, Civ. No. 2:18-cv-320 (E.D. Va.) ("the Virginia District Court litigation").

District Court litigation; and (4) the significant investment by the Court and parties into the Virginia District Court litigation. *Id.* at 15.

Petitioner filed a Request for Rehearing of the Denial Decision. Paper 10 ("Req. Reh'g" or "Request for Rehearing"). Concurrently therewith, Petitioner requested that the Board's Precedential Opinion Panel ("POP") reconsider the Denial Decision. Paper 11; Ex. 3002 ("POP Request"). The issue submitted for POP review was "whether under 35 U.S.C. Section 314(a) and *NHK Spring*, the state of a parallel district court action involving a common invalidity dispute can be the sole or primary basis for denying institution." Ex. 3002, 2.

On June 16, 2020, the POP declined to review Petitioner's POP Request. Paper 12. We now consider Petitioner's Request for Rehearing.

By an e-mail dated June 19, 2020 (*see* Ex. 3003), Petitioner contacted the Board to "call to the Board's attention" a June 16, 2020 decision in *Sand Revolution II, LLC v. Continental Intermodal Group – Trucking LLC*, IPR2019-01393, Paper 24 (PTAB, June 16, 2020), wherein the parties were provided an opportunity to address the factors relevant to a discretionary denial discussed in *Apple Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020 (designated Precedential May 5, 2020). Our Decision Denying Institution in the proceeding before us was mailed on March 10, 2020, which was *before* the *Apple v. Fintiv* proceeding was decided or designated precedential.

Petitioner's e-mail (Ex. 3003) also informed us that the status of the related Virginia District Court litigation] "has changed since the Board's original decision," stating only that "the October 13, 2020 trial date has now been rescheduled for February 23, 2021." Ex. 3003. The trial date was

changed based on a Joint Motion to Extend Deadlines filed by the parties seeking "to extend the currently pending deadlines set in the September 25, 2019 Scheduling Order (ECF No. 55, 'Scheduling Order'), and other currently pending deadlines, by sixty (60) to ninety (90) days . . . in light of complications related to the coronavirus disease (COVID-19) outbreak." Ex. 1064. The Court granted the Joint Motion and issued an "Agreed Order" revising the Scheduling Order due dates, with a new trial date "TBD." Ex. 3004. On May 5, 2020, the Court issued an Order stating the new trial date is February 23, 2021. Ex. 3005.

We determined that supplemental briefing of the Request for Rehearing was warranted on the application of *Apple v. Fintiv* to the facts of this case. Paper 13. The parties filed supplemental rehearing briefs. Paper 14 (Petitioner's Supplemental Rehearing Brief) ("Pet. Suppl. Reh'g. Br."); Paper 15 (Patent Owner's Supplemental Rehearing Response) ("PO Suppl. Reh'g. Resp.")).

We now consider Petitioner's Request for Rehearing of our Decision Denying Institution.

I. ANALYSIS

A. Request for Rehearing

When rehearing a decision on institution, the Board reviews the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may arise if the decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if an unreasonable judgment is made 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).

The burdens and requirements of a request for rehearing are stated in 37 C.F.R. § 42.71(d):

> (d) Rehearing. . . . The burden of showing a decision should be modified lies with the party challenging the decision. 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.

Petitioner asserts that "under *NHK Spring*, the Board here abused its § 314(a) discretion because it lacked an independent reason for denying review beyond the existence of a related district court action." Req. Reh'g 3. According to Petitioner, "*NHK Spring* does not give the Board authority to deny institution solely or primarily because a related district court action could potentially resolve the overlapping invalidity disputes before a final decision by the Board." *Id*. We disagree. Petitioner has provided no persuasive authority supporting its interpretation of *NHK Spring*. Binding precedent, discussed below, is contrary to Petitioner's argued interpretation.

The Board determines whether to institute a trial on behalf of the Director. 37 C.F.R. § 42.4(a). The Director "possesses broad discretion in deciding whether to institute review." *Saint Regis Mohawk Tribe v. Mylan Pharm. Inc.*, 896 F.3d 1322, 1327 (Fed. Cir. 2018), *cert. denied*, 139 S. Ct. 1547 (2019) (citing *Oil States Energy Services v. Greene's Energy Group, LLC*, 138 S. Ct. 1365, 1371 (2018)); *see also Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) ("[T]he agency's decision to deny a petition is a matter committed to the Patent Office's discretion."). "If the

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