

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

FINTIV, INC.,
Patent Owner.

IPR2020-00019
Patent 8,843,125 B2

Before WILLIAM M. FINK, *Vice Chief Administrative Patent Judge*, and
LINDA E. HORNER and LYNNE E. PETTIGREW, *Administrative Patent
Judges*.

PETTIGREW, *Administrative Patent Judge*.

DECISION

Denying Patent Owner's Request on Rehearing of Order Authorizing
Petitioner's Supplemental Brief on Claim Construction and Increasing Word
Limit for Patent Owner's Preliminary Response
37 C.F.R. § 42.71(d)(1)

I. INTRODUCTION

Petitioner, Apple Inc., filed a Petition in this case on October 28, 2019, challenging certain claims of U.S. Patent No. 8,843,125 B2 (Ex. 1001, “the ’125 patent”) owned by Patent Owner, Fintiv, Inc. Paper 1. On November 27, 2019, in a parallel district court proceeding, the court issued a *Markman* order construing seven disputed claim terms in the ’125 patent. Ex. 1027 (Claim Construction Order in *Fintiv, Inc. v. Apple Inc.*, Case No. 6:18-CV-372-ADA (W.D. Tex.), Dkt. 86).

Following a conference call with counsel for both parties on December 5, 2019, we granted Petitioner’s request for leave to file the district court’s *Markman* order and a supplemental brief (no longer than 1,000 words) with accompanying exhibits to address how Petitioner contends the prior art satisfies one claim term, “OTA proxy,” for which the district court provided its own construction instead of adopting either Petitioner’s or Patent Owner’s proposed construction. Paper 6 (PTAB Dec. 6, 2019) (“Order”). We increased the word limit for Patent Owner’s preliminary response by 1,000 to 15,000 words, but we left unchanged the filing deadline for the preliminary response—three months after the entry of the Notice of Filing Date Accorded to the Petition (Paper 3 (PTAB Nov. 15, 2019)). Order 4. On December 9, 2019, Petitioner filed its supplemental brief along with the district court’s *Markman* order (Ex. 1027) and five exhibits alleged by Petitioner to show the knowledge of a person having ordinary skill in the art—four industry standard documents (Exs. 1029–32) and a published U.S. patent application (Ex. 1028). Paper 7 (“Pet. Supp. Br.).

On December 20, 2019, Patent Owner timely filed a Request for Rehearing of our Order. Paper 8 (“Reh’g Req.”); *see* 37 C.F.R. §§ 42.71(b),

(d)(1). Patent Owner contends the Board abused its discretion in granting Petitioner's request because Petitioner did not file a motion to submit supplemental information pursuant to 37 C.F.R. § 42.123(c). Reh'g Req. 1. Patent Owner also argues that because we did not require Petitioner to submit a motion pursuant to § 42.123(c), Patent Owner was deprived of a meaningful opportunity to be heard as required by the Administrative Procedure Act and due process. *Id.* Finally, Patent Owner contends that the Board abused its discretion in not granting Patent Owner's alternative request for additional time to file its preliminary response. *Id.*

For the reasons given below, we deny Patent Owner's Request for Rehearing of the Board's Order.

II. DISCUSSION

A. Standard for Rehearing

The party challenging a decision in a request for rehearing bears the burden of showing the decision should be modified. 37 C.F.R. § 42.71(d). 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." *Id.* Although Patent Owner contends that the Order should be reviewed for abuse of discretion, *see* Reh'g Req. 4, that standard applies only to a request for rehearing of an interlocutory non-panel decision, 37 C.F.R. § 42.71(b), and to a request for rehearing of a decision by the Board on whether to institute a trial based on a petition, 37 C.F.R. § 42.71(c). The Order in this instance was an interlocutory panel decision.

B. Analysis

Patent Owner first contends that we overlooked 37 C.F.R. § 42.123(c) when we held a telephonic hearing and granted Petitioner's request to submit the district court's claim construction order and a supplemental brief without

requiring Petitioner to file a motion to submit supplemental information under § 42.123(c). Reh’g Req. 4. According to Patent Owner, § 42.123(c) required Petitioner first to request authorization to file a motion to submit the information and then, if authorized, file a motion showing why the supplemental information reasonably could not have been obtained earlier and that consideration of the information would be in the interests of justice. Reh’g Req. 4–5 (citing 37 C.F.R. § 42.123(c)).

We disagree with Patent Owner that § 42.123(c) applies in the present situation. In both the Consolidated Trial Practice Guide (November 2019) and the Trial Practice Guide Update (July 2019), the Board has provided guidance on the procedure in an AIA proceeding for submitting a prior claim construction determination by a federal court. Patent Trial and Appeal Board Consolidated Trial Practice Guide 45–46 (Nov. 2019), <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf> (“Cons. TPG”); Trial Practice Guide Update 16–17 (July 2019), <https://www.uspto.gov/sites/default/files/documents/trial-practice-guide-update3.pdf> (“TPG Update”). The guidance emphasizes that a district court’s claim construction determination should be submitted “as soon as that determination becomes available.” Cons. TPG 47; TPG Update 16; *see also* Cons. TPG 48 (“Again, parties should submit a prior claim construction as soon as the decision is available.”); TPG Update 17 (same). The guidance also provides that a party seeking to submit a district court’s claim construction must file a motion for supplemental information only if a trial already has been instituted. Cons. TPG 47–48 (“*After a trial is instituted*, the Board’s rules on supplemental information govern the timing and procedures for submitting claim construction decisions.” (emphasis added) (citing 37 C.F.R. §§ 42.123, 42.223)); TPG Update 16 (same). That

guidance is consistent with the Board’s rule for filing supplemental information, which applies after a trial has been instituted. *See* 37 C.F.R. § 42.123(a) (“*Once a trial has been instituted*, a party may file a motion to submit supplemental information . . . within one month of the date the trial is instituted [when] the supplemental information [is] relevant to a claim for which *the trial has been instituted*.” (emphases added)); *id.* § 42.123(b) (providing additional requirements when “[a] party seek[s] to submit supplemental information more than one month *after the date the trial is instituted*” (emphasis added)); *id.* § 42.123(c) (providing additional requirements when “[a] party seek[s] to submit supplemental information not relevant to a claim for which the *trial has been instituted*” (emphasis added)).

Because a trial has not been instituted, Petitioner was not required to request authorization to file a motion to submit the district court’s claim construction order as supplemental information under 37 C.F.R. § 42.123(c). Rather, Petitioner followed the proper procedure according to our rules and Trial Practice Guide when it requested leave to file the *Markman* order and an explanation of how the district court’s construction of “OTA proxy” applies to its asserted grounds of unpatentability. Although the Trial Practice Guide states that a district court claim construction preferably should be submitted with a paper such as a petition or preliminary response, we determined that the particular circumstances of this case warranted Petitioner’s prompt submission of the *Markman* order and a supplemental brief so that the district court’s claim construction and Petitioner’s arguments would be made of record as early as possible in the proceeding. Order 3 (citing Cons. TPG 47); *see also* TPG Update 16 (containing same guidance as Cons. TPG).

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