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Paper 15
Entered: October 13, 2022

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PHILIP MORRIS PRODUCTS, S.A.,
Petitioner,

v.

RAI STRATEGIC HOLDINGS, INC.,
Patent Owner.

IPR2020-00919
Patent 9,901,123 B2

Before JO-ANNE M. KOKOSKI, ELIZABETH M. ROESEL, and BRIAN D. RANGE, *Administrative Patent Judges.*

KOKOSKI, *Administrative Patent Judge.*

DECISION
Denying Petitioner's Request on Rehearing of
Decision Denying Institution
37 C.F.R. § 42.71(d)

I. INTRODUCTION

On November 16, 2020, the Board issued a Decision denying institution of an *inter partes* review of claims 27–30 of U.S. Patent No. 9,901,123 B2 ("the '123 patent," Ex. 1001). Paper 9 ("Decision" or "Dec."). In the Decision, we evaluated the factors set out in *Apple, Inc. v. Fintiv Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) ("*Fintiv*") and exercised our discretion under 35 U.S.C. § 314(a) to deny institution in view of a parallel proceeding involving the '123 patent at the U.S. International Trade Commission ("ITC"). Dec. 6–13. On July 21, 2022, Philip Morris Products, S.A. ("Petitioner") filed a Request for Rehearing of that Decision (Paper 12, "Request" or "Req."), and concurrently requested review by the Precedential Opinion Panel (Ex. 3001, "POP Request"). On July 26, 2022, the Precedential Opinion Panel dismissed the POP Request as untimely. Ex. 3002.

For the reasons that follow, Petitioner's Request is denied.

II. DISCUSSION

The applicable standard for a request for rehearing is set forth in 37 C.F.R. § 42.71(d), which provides:

> A party dissatisfied with a decision may file a single request for rehearing without prior authorization from the Board. The burden of showing that 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, a reply, or a sur-reply. A request for rehearing does not toll times for taking action. Any request must be filed:
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> …

> (2) Within 30 days of the entry of a final decision or a decision not to institute a trial.

A request for rehearing in this proceeding was due within 30 days of the November 16, 2020 date of entry of the Decision. Petitioner's Request was not filed within the rehearing period established by Rule 42.71(d) and is untimely.

Petitioner argues that "[a]lthough the standard thirty-day time limit for rehearing requests on decisions denying institution has passed, the Board may waive such requirements without any showing." Req. 4 (citing 37 C.F.R. § 42.5(b)). Petitioner also argues that the Board can excuse a late action upon a showing of good cause, or upon a Board determination that consideration on the merits would be in the interests of justice, and that "both good cause and the interests of justice warrant rehearing." *Id*. at 4–5 (citing 37 C.F.R. § 42.5(c)(3)).

In particular, Petitioner points to a guidance Memorandum[1] issued on June 21, 2022 by the Director of the United States Patent and Trademark Office that Petitioner argues "confirmed that the *Fintiv* factors do not apply, and have never applied, to parallel investigations at the [ITC]." Req. 1 (citing Memorandum, 5–6). Petitioner argues that, because the Memorandum provides that "the 'plain language of the *Fintiv* factors' does not apply to the ITC," and the Board "relied on the existence of a parallel ITC action to justify its denial," the Board would have instituted review but for its misapplication of *Fintiv*. Req. 5–7.

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[1] Available at: https://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf

The Memorandum, however, specifically states that it "applies to all proceedings *pending* before the Office." Memorandum, 9 (emphasis added); *see also OpenSky Indus., LLC v. VLSI Tech. LLC*, IPR2021-01064, Paper 102 at 49 n.19 (PTAB Oct. 4, 2022) (precedential) (Director's decision "should not be treated as an endorsement of retroactive application of [the] Memorandum to institution decisions made before it issued."). This proceeding has not been pending before the Office since at least December 16, 2020, the last day Petitioner could have filed a timely request for rehearing of our Decision. Therefore, the Memorandum does not apply to this proceeding. Because Petitioner's arguments in its Request are premised on the Memorandum, Petitioner does not establish that there is good cause, or that it would be in the interests of justice, to re-open this long-closed proceeding. Accordingly, we decline to waive the filing requirements of Rule 42.71(d)(2), or to excuse the late filing of the Request. *See* 37 C.F.R. §§ 42.5(b), (c)(3).

III. ORDER

In consideration of the foregoing, it is hereby

ORDERED that Petitioner's Request for Rehearing is *denied*.

IPR2020-00919
Patent 9,901,123 B2

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