

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RIMFROST AS,
Petitioner,

v.

AKER BIOMARINE AS,
Patent Owner.

IPR2018-00295
Patent 9,320,765 B2

Before TINA E. HULSE, CHRISTOPHER G. PAULRAJ, and
JOHN E. SCHNEIDER, *Administrative Patent Judges*.

SCHNEIDER, *Administrative Patent Judge*.

DECISION

Denying Patent Owner's Request on Rehearing of Final Written Decision
37 C.F.R. § 42.71(d)

I. INTRODUCTION

On June 12, 2019, the Board issued a Final Written Decision in this proceeding, which included a decision on Patent Owner's Motion to Amend. Paper 35 ("Decision" or "Final Dec."). In the Decision, we determined that claims 1–48 of U.S. Patent No. 9,320,765 B2 ("the '765 patent") and proposed substitute claims 49–56 included with the Motion to Amend ("proposed substitute claims") were unpatentable over the prior art of record. *Id.* at 69.

On July 12, 2019, Patent Owner, Aker Biomarine Antarctic AS, filed a timely Request for Rehearing under 37 C.F.R. § 42.71(d). Paper 36 ("Req. Reh'g"). On August 15, 2019, Petitioner, Rimfrost AS, with our authorization, filed a Response to the Request for Rehearing. Paper 37 ("Resp. Req. Reh'g"). Patent Owner, with our authorization, filed a Reply on September 4, 2019. Paper 38 ("Reply Req. Reh'g").

The asserted grounds for rehearing relate to the Board's reliance on the teachings of Randolph¹ concerning levels of esterified astaxanthin as a basis for finding the proposed substitute claims unpatentable.² Req. Reh'g

¹ Randolph et al., US 2005/005728 A1, published March 17, 2005 (Ex. 1011 "Randolph").

² While the concluding paragraph of the Motion to Amend portion of our Decision states that only substitute claim 56 was unpatentable over the combination of Sampalis, Catchpole Fricke, Randolph, and NKO (Final Dec. 68), we nonetheless relied upon the teachings of Randolph for our unpatentability analysis for all the proposed substitute claims. As such, the Decision should have stated that proposed substitute claims 49–52, 55, and 56 are unpatentable over Sampalis, Catchpole Fricke, Randolph, and NKO and that proposed substitute claims 53 and 54 are unpatentable over Sampalis, Catchpole Fricke, Bottino, Randolph, and NKO.

1–2. Patent Owner contends that the Board’s Decision regarding the proposed substitute claims was in error as the Decision relied on a combination of references that included Randolph that was allegedly not advanced by the Petitioner. Req. Reh’g 10–11. Patent Owner also argues that the Board’s Decision violated the Administrative Procedure Act (“APA”) in that Patent Owner was not given notice of the combination of references we applied in our Decision and was not afforded an opportunity to respond to the alleged new grounds of unpatentability based in that combination. Req. Reh’g 9.

On November 22, 2019, the Board issued an order authorizing supplemental briefing. Paper 40 (“Reh’g Order”). Specifically, we explained that the Board “erred in concluding that proposed [substitute] claims 49–56 are unpatentable over Sampalis, Catchpole, Fricke, and Randolph without affording Patent Owner the opportunity to fully address Petitioner’s argument concerning the teachings of Randolph.” *Id.* at 4. The Rehearing Order also pointed out that, although the record contained evidence as to Randolph’s teachings, “Petitioner did not apply Randolph to the proposed [substitute] claims until it filed its Sur-Reply.” *Id.* Thus, the Board determined that it was appropriate to allow further briefing regarding whether the proposed claims were unpatentable over the combined teachings of Sampalis, Catchpole, Fricke, and Randolph. *Id.* at 5.

Pursuant to that Order, Patent Owner filed an authorized Supplemental Brief on December 3, 2019 (Paper 42 (“Supp. Br.”)), Petitioner filed an authorized Response on December 17, 2019 (Paper 43 (“Supp. Resp.”)), and Patent Owner filed an authorized Reply on December 20, 2019 (Paper 44 (“Supp. Reply”)).

On July 6, 2020, the Precedential Opinion Panel (“POP”) issued its decision in *Hunting Titan, Inc. v. Dynaenergetics Europe GmbH*, IPR2018-00600, Paper 67 (PTAB July 6, 2020) (precedential) (“*Hunting Titan*”), which relates to motions to amend and the Board’s authority to consider issues of unpatentability not raised by a petitioner. The POP held that the Board may consider such issues, but only in certain rare circumstances. *Id.* at 4. In an email sent July 16, 2020, the Board requested briefing from the parties addressing what impact, if any, *Hunting Titan* has on the present proceeding. Ex. 3001. On July 24, 2020, Petitioner filed a Supplemental Brief Addressing Potential Impact of *Hunting Titan*. Paper 45 (“Pet. HT Br.”). Patent Owner filed its Supplemental Response Brief Addressing the Impact of *Hunting Titan* on August 3, 2020. Paper 46 (“PO HT Br.”).

II. LEGAL STANDARD

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). The burden of showing a decision should be modified on a request for rehearing lies with the party challenging the decision. *Id.*

III. ANALYSIS

A. *The Board Properly Considered a Ground of Unpatentability Including Randolph*

As part of our analysis of whether to grant Patent Owner’s Request for Rehearing and grant its Motion to Amend, we need to consider the issue of whether the Board properly found the proposed substitute claims unpatentable over a combination of references that includes Randolph. Patent Owner contends that we should not have concluded that the proposed claims were unpatentable as the combination including Randolph was not

properly before the Board and should not have been considered. Req. Reh’g 2–3. Petitioner disagrees. Resp. Req. Reh’g 6–7.

Two recent decisions, one by our reviewing court, *Nike, Inc. v. Adidas AG*, 955 F.3d 45 (Fed. Cir. 2020), and the other by the POP, *Hunting Titan*, guide our analysis. *Nike* addresses whether the Board has the authority to consider a new ground of unpatentability in connection with a motion to amend. *Nike*, 955 F.3d at 51–52. *Hunting Titan* addresses whether, and under what circumstances, the Board *should* exercise any such authority. *Hunting Titan* at 5.

In *Nike*, the Board denied patent owner Nike’s motion to amend, finding the proposed claims unpatentable as obvious. *Nike*, 955 F.3d at 49. The Board based its decision on the entirety of the record including a reference that, while part of the record, was not relied upon by petitioner Adidas to challenge the proposed claims. *See id* at 48–49 (noting Adidas relied on Nishida, Schuessler I and Schuessler II, and the Board added Spencer to its analysis). Nike argued that the Board violated the APA by failing to give notice that it would rely on Spencer to support its obviousness conclusion for the substitute claim. *Id.* at 51. The Federal Circuit agreed. *Id.*

The Federal Circuit began its analysis by holding “that the Board may *sua sponte* identify a patentability issue for a proposed substitute claim based on the prior art of record.”³ *Id.* The court distinguished the earlier holdings in *SAS Institute, Inc. v. ComplementSoft, LLC*, 825 F.3d 1341 (Fed. Cir. 2016) and *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1373 (Fed. Cir. 2016) where the Board was limited to addressing the issues raised

³ The court did not address the issue of whether the Board was permitted to look outside the record to determine the patentability of proposed substitute claims. *Id.* at 51 n.1.

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