

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AVX CORPORATION,
Petitioner,

v.

SAMSUNG ELECTRO-MECHANICS CO., LTD.,
Patent Owner.

Case PGR2017-00010
Patent 9,326,381 B2

Before SALLY C. MEDLEY, JONI Y. CHANG, and
TRENTON A. WARD, *Administrative Patent Judges*.

MEDLEY, *Administrative Patent Judge*.

DECISION
Request for Rehearing
37 C.F.R. § 42.71

INTRODUCTION

AVX Corporation (“Petitioner”) filed a Request for Rehearing (Paper 13, “Req. Reh’g”) of the Decision on Institution (Paper 11, “Dec.”), which instituted a post grant review of claims 1–4, 6–11, and 13–19, but not claims 5 and 12, of U.S. Patent No. 9,326,381 B2 (Ex. 1001, “the ’381 patent”).

Petitioner argues that the Board overlooked Petitioner's identification of the claimed "dielectric grains" in Jeong. Req. Reh'g 1–6. Petitioner additionally argues that we misapprehended and overlooked aspects of Petitioner's argument and evidence regarding the Group 39 capacitors and also misapplied the Board's rules and applicable law on authentication. *Id.* at 6–15. For the reasons that follow, the Request for Rehearing is *denied*.

STANDARD OF REVIEW

A party requesting rehearing bears the burden of showing that the decision should be modified. 37 C.F.R. § 42.71(d). The party must identify specifically all matters we misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply. *Id.* When reconsidering a decision on institution, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may be determined if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment 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).

ANALYSIS

Petitioner contends that we misapprehended or overlooked Petitioner's arguments in connection with the application of Jeong with respect to the "dielectric grains" element recited in claim 1. Req. Reh'g 1–6. In particular, Petitioner argues that we misapprehended that the "ceramic particles" of Jeong that it relied on to meet the claimed "dielectric grains" were with respect to the completed manufactured product, as opposed to

what was used during manufacturing. *Id.* at 1–3. Contrary to Petitioner’s contentions, we expressly addressed both the pre- and post- manufacturing descriptions in Jeong, and concluded that Petitioner had not shown sufficiently why Jeong’s ceramic particles should be treated as equivalents to the claimed “dielectric grains.” Dec. 15–16. As pointed out in the Decision on Institution (*id.* at 15), the Jeong product (ceramic capacitor) is made by ceramic particles *and additional elements* resulting in a dielectric layer of the ceramic capacitor.

Petitioner argues that *sintered* “ceramic particles” are synonymous with “dielectric grains.” Req. Reh’g 3–4. This is a new argument. We could not have overlooked or misapprehended an argument that was never presented by Petitioner in the first place. A request for rehearing is not an opportunity to submit new arguments. *See* 37 C.F.R. § 42.71(d).¹ Petitioner’s rehearing request in this regard is telling, because it never directs us to places in the Petition that we overlooked, but rather takes various disjunctive statements from Patent Owner’s Preliminary Response and Patent Owner’s evidence to contend that we overlooked Patent Owner’s alleged admission of this issue. Req. Reh’g 3–4. The request for rehearing is misplaced because the burden to show the claims are unpatentable is on Petitioner, not Patent Owner. 37 C.F.R. § 42.20(c). Petitioner must put forth its case in its Petition.

¹ Petitioner argues that it requested leave to respond to Patent Owner’s arguments made in Patent Owner’s Preliminary Response in a sur-reply, but that we denied that request. Req. Reh’g 3; Paper 9. Petitioner’s implicit due process argument is misplaced. It is incumbent upon Petitioner to make its case *in its Petition*. Petitioner cannot rely on a sur-reply to fix what should have been in the Petition.

Petitioner argues that Jeong necessarily discloses an average number of dielectric grains in a thickness direction of 2 or greater. Req. Reh’g 4–6. The argument is premised on the assumption that Jeong’s “ceramic particles” are the same as the claimed “dielectric grains.” We explained in our Decision that Petitioner had not shown sufficiently that Jeong’s “ceramic particles” are the same as the claimed “dielectric grains.” Dec. 15–17. Nothing in Petitioner’s request for rehearing persuades us that we abused our discretion in that regard. Accordingly, Petitioner’s arguments regarding Jeong’s description of the size and number of *ceramic particles* is not persuasive.

Petitioner argues that we erred in requiring that the Group 39 capacitors be proven to be prior art. Req. Reh’g 7–9. Rather, Petitioner argues, “it was not necessary to prove that the Group 39 capacitors themselves were prior art, only that they faithfully represent products made, offered for sale, and/or sold before the priority date.” *Id.* at 7. Petitioner’s argument is misplaced because we considered the Group 39 capacitors and representations made by Petitioner with respect to the Group 39 capacitors. Indeed, it was Petitioner that asserted in its Petition that “the Group 39 capacitors that were in on sale, sold, and in public use before the effective filing date of the ’381 patent.” Pet. 65. Thus, we did not err in addressing Petitioner’s own argument when we explained that Petitioner had failed to show that the Group 39 capacitors, purchased four years after the effective filing date of the ’381 patent, was prior art. Dec. 28–30.

Petitioner argues that the Decision fails to identify any reasons to doubt the evidence “that the Group 39 capacitors are representative of the 0612YC105KAT2A product sold in 2012.” Req. Reh’g 8. Petitioner’s

argument is misplaced because Petitioner failed to meet its burden in the first instance to show that the Group 39 capacitors are representative of any alleged product sold in 2012. We explained why Petitioner failed in that regard to show that it was more likely than not that a product was actually sold prior to the effective filing date of the '381 patent. Dec. 28–30. Thus, we did provide reasons and explanation.

Petitioner argues that we overlooked Petitioner's evidence showing that the Group 39 capacitors are the same as what was sold prior to the effective filing date. Req. Reh'g 9–12. Petitioner fails to identify where these arguments were previously made but simply makes arguments and provides explanations that were not presented in the Petition. *Id.* We could not have overlooked or misapprehended the newly presented arguments and explanation, and, therefore, the rehearing request is denied on that basis alone. Moreover, Petitioner's argument that we overlooked evidence authenticating the Group 39 capacitors is also not persuasive, because we considered the evidence to which we were directed in support of the argument made in the Petition. Petitioner cannot now direct us to evidence (along with new arguments explaining that evidence and case law) that it did not rely on in the Petition explaining the prior art status of the Group 39 capacitors. *See, e.g.*, Req. Reh'g 10 (citing Ex. 1003 ¶¶ 74, 84). The Petition was inadequate in both explanation and evidence to which we were directed. A rehearing request is not an opportunity for a petitioner to fix that which is deficient in its petition.

Lastly, Petitioner argues that we implicitly ruled on authenticity in rendering our decision regarding the status of the Group 39 capacitors as prior art, and, therefore, bypassed the proper procedure for allowing

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