

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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KINGSTON TECHNOLOGY COMPANY, INC.,  
Petitioner,

v.

POLARIS INNOVATIONS LTD.,  
Patent Owner.

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Case IPR2016-01622  
Patent 6,850,414 B2

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Before SALLY C. MEDLEY, JEAN R. HOMERE,  
and KEN B. BARRETT, *Administrative Patent Judges*.

BARRETT, *Administrative Patent Judge*.

ORDER

Granting Petitioner's Request to Excuse the Late  
Filing of a Request for Rehearing<sup>1</sup>  
*37 C.F.R. §§ 42.5 and 42.71(d)*

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<sup>1</sup> Although the pertinent rules refer to a request for *rehearing*, we, like Petitioner, sometimes interchangeably use the phrase "request for reconsideration."

*Procedural Posture*

Kingston Technology Company, Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1–8 of U.S. Patent No. 6,850,414 B2 (“the ’414 patent,” Ex. 1001). Paper 2. Polaris Innovations Ltd. (“Patent Owner”) filed a Preliminary Response to the Petition. Paper 6. The Board instituted *inter partes* review (Paper 7) of claims 1 and 5–8 on the ground of obviousness under 35 U.S.C. § 103(a) over Simpson. The Board did not institute a review as to dependent claims 2–4 and did not institute on all grounds. Specifically, the instituted review did not include Petitioner’s obviousness challenge of claims 1–8 based on the combination of Simpson and the Intel Specification, or Petitioner’s obviousness challenge of claims 1–8 based on the Intel Specification. Petitioner filed a Request for Rehearing of The Board’s Institution Decision on Claim 4 (Paper 11), which was denied (Paper 16).

Petitioner filed another petition seeking *inter partes* review of claim 4 of the ’414 patent in Patent Trial and Appeal Board Case IPR2017-00974 (Paper 2). In that case, the Board exercised its discretion under 35 U.S.C. §§ 314(a) and 325(d) to not institute an *inter partes* review. IPR2017-00974, Paper 8. Petitioner’s request for reconsideration of that decision was denied. IPR2017-00974, Papers 9, 11.

In the present proceeding and subsequent to the institution decision, Patent Owner filed a Motion to Amend seeking to cancel the instituted challenged claims and proposing to substitute a newly-presented claim 9 for dependent claim 8. Paper 18. Patent Owner characterized the proposed substitute claim 9 as “the same as challenged claim 8 in every respect, except that it simply adds the limitations of claim 4 . . . .” *Id.* at 1. Patent

Owner did not file a Response to the Petition. Subsequently, Petitioner filed an Opposition to Patent Owner's Motion to Amend (Paper 20), and Patent Owner filed a Reply to Petitioner's Opposition to Motion to Amend (Paper 23). Petitioner filed a Surreply to Patent Owner's Motion to Amend (Paper 28). Thereafter Patent Owner filed a Brief Addressing Impact of *Aqua Products v. Matal*<sup>2</sup> (Paper 30). An oral hearing was held on November 14, 2017. *See* Paper 34 (Hearing Transcript).

On February 5, 2018, the Board issued a Final Written Decision ("FWD"). Paper 35. In that Decision, we determined that Petitioner had demonstrated by a preponderance of the evidence that claims 1 and 5–8 of the '414 patent are unpatentable under 35 U.S.C. § 103(a) as obvious over Simpson. Additionally, we determined, based on a preponderance of the evidence in the entire trial record, that proposed substitute claim 9 is unpatentable, under 35 U.S.C. § 103(a), as obvious over Simpson and the Intel Specification. Patent Owner filed, on March 7, 2018, a request for rehearing of the Final Written Decision (Paper 36), which was denied on April 12, 2018 (Paper 37).

On April 24, 2018, the Supreme Court held that a decision to institute under 35 U.S.C. § 314 may not institute on less than all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 2018 WL 1914661, at \*10 (U.S. Apr. 24, 2018).

On May 8, 2018, Petitioner sent to the Board and Patent Owner an email stating, in pertinent part: "Pursuant to the guidance provided by the Chief Judge in his recent webinar on SAS, Petitioner requests a conference

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<sup>2</sup> *Aqua Products, Inc. v. Matal*, 872 F.3d 1290 (Fed. Cir. 2017).

call to ask permission to file an out of time request for reconsideration seeking institution and a FWD on non-instituted claim 4 in [this] IPR.” Ex. 3002. Later that same day, Patent Owner replied: “Patent Owner is prepared to explain why Petitioner’s proposed request should not be authorized pursuant to the guidance provided on *SAS*.” *Id.*

*Conference Call*

On May 11, 2018, Judges Barrett and Homere participated in a conference call with the parties to discuss the parties’ positions regarding Petitioner’s request. A transcript of that call has been filed as Exhibit 1026 (“Call Tr.”). The following summary of the conference call is for context and is not intended to be all-encompassing, and should not be interpreted as a determination on any issue discussed during the call unless such a determination is expressly stated in this order.

On the call, Petitioner acknowledged that the deadline to file a request for reconsideration has passed. Call Tr. 4:13–15, 22:15–23:3. Petitioner argued that we should allow it to file a late request for reconsideration in light of the recent Supreme Court ruling in *SAS*, that it has not waived any *SAS* issue, and that the most efficient path forward is to address any impact of *SAS* on this case prior to an appeal to the Federal Circuit. *Id.* at 4:3–2, 21:18–22:7

Petitioner indicated that it only would seek reconsideration regarding the grounds that apply to dependent claim 4, notwithstanding that claims 2 and 3 also were the subject of the petition but not included in the original institution decision. *Id.* at 6:5–8; *but see id.* (stating that Petitioner would not oppose expanding the case further if that is viewed as necessary to avoid any barrier to the application of *SAS*). Petitioner argued that the Board, in

addressing the patentability of Patent Owner’s proposed substitute claim 9, “has essentially rendered a decision on Claim 4.” *Id.* at 5:5–13. Thus, Petitioner also indicated that it would not be seeking to file additional briefing or evidence regarding the patentability of claim 4, and argued that Patent Owner has had a full and fair opportunity to address the merits through the motion to amend briefing and oral argument. *Id.* at 5:5–22, 27:17–28:6. Petitioner argued that it was Patent Owner’s actions associated with the motion to amend that resulted in the record being further developed, that the record demonstrates that the subject matter of claim 4 is unpatentable, and that it would not be the proper outcome for the Board to ignore the record developed after the institution decision. *Id.* at 20:5–19, 32:13–33:18.

Patent Owner asserted that there already is in this case an appealable final written decision and that no order adding claim 4 to the trial has been entered, and thus there is no pending trial. *Id.* at 6:22–9:8; *see also id.* at 13:8–15:14 (Patent Owner discussing whether the Board has jurisdiction over the case after the expiration of the time to request reconsideration and before the filing of a notice of appeal). Patent Owner argued that Petitioner failed to preserve the *SAS* issue and therefore has waived any challenge to a partial institution. *Id.* at 10:20–11:14. Patent Owner further argued that, should we go forward on claim 4, we should limit our consideration to Petitioner’s pre-institution arguments and evidence, which, according to Patent Owner, “the Board has already considered and rejected many times.” *Id.* at 15:16–19:17; *see id.* at 29:8–12; *id.* at 28:17–20 (“the proper procedure would be to hold petitioner to what it filed in its petition and to expunge all post-petition filings”). Patent Owner also asserted that it has not had an

adequate opportunity to respond to the merits of claim 4, contending that there is no basis for imparting its arguments regarding the motion to amend to claim 4, *id.* at 30:11–16, and argued that the record is one sided because Patent Owner submitted only two pages of argument following institution, *id.* at 35:2–14; *see also id.* at 25:3–8 (“we filed only two pages of evidence-free argument on these issues”). Patent Owner argued that it should have an opportunity to file at least a patent owner response. *Id.* at 40:4–15.

The parties requested that, should we authorize the filing of a request for reconsideration, they each be allowed ten pages of briefing and a week to file the respective brief. *Id.* at 5–14.

#### *Discussion*

Typically, a request for rehearing must be filed within thirty days of a final written decision. 37 C.F.R. § 42.71(d). This, however, is not a typical case. The Supreme Court’s decision in *SAS* was issued after the close of the thirty-day window for filing a request for rehearing but before the expiration of the time to file an appeal. *See* 37 C.F.R. § 90.3(a), (b) (a decision on a timely request for rehearing resets the time for appeal to no later than sixty-three days after that decision). We treat Petitioner’s email of May 9, 2018, and the parties’ conference call of May 11, 2018, as Petitioner’s request to excuse the lateness of filing a request for rehearing. Having heard from both parties on the matter, we determine that, on the facts of this case and in light of the timing of *SAS*, the lateness of Petitioner’s request should be excused. *See* 37 C.F.R. § 42.5 (“A late action will be excused on a showing of good cause or upon a Board decision that consideration on the merits would be in the interests of justice.”). Accordingly, we authorize

Petitioner to file a request for rehearing. We also authorize Patent Owner to file an opposition. Petitioner's brief must address how SAS impacts this proceeding.

We note that Petitioner primarily is requesting the institution of and a final written decision regarding originally non-instituted claim 4. As noted, that claim is not the only non-instituted claim. Each party's brief should indicate clearly its position with regard to claims 2 and 3 and all grounds presented in the Petition. The parties may wish to consider, for example, filing a request for partial adverse judgment concerning some of the originally non-instituted claims and grounds or filing a Joint Motion to Limit the Petition by removing specific claims and grounds upon which we did not institute review in the original Decision on Institution.

Additionally, the parties' briefs should address whether there is any reason, such as due process concerns, why, after receiving the parties' submissions regarding Petitioner's request for rehearing, the Board should not proceed immediately to final written decision on the remaining claims and grounds without further briefing.

Lastly, Petitioner requested, if we allow briefing, we "put a note in that order, since we are reopening the record, so at least the clock would reset and there wouldn't be an argument that we somehow waived a notice of appeal window." *Id.* at 47:19–48:4. We are not, at this time, reopening the record. To the extent either party is concerned with waiver, it should carefully review the pertinent statutes, regulations, and caselaw, and take whatever action it deems appropriate. *See, e.g.*, 37 C.F.R. § 90.3.

For the foregoing reasons, it is

ORDERED that Petitioner's request to excuse the lateness of the filing of a request for rehearing is *granted*;

FURTHER ORDERED that Petitioner is authorized to file a request for rehearing within seven (7) days of this Order, with the request being no longer than ten (10) pages;

FURTHER ORDERED that Patent Owner is authorized to file an opposition to Petitioner's request for rehearing no later than seven (7) days after the filing of Petitioner's request, with the opposition being no longer than ten (10) pages; and

FURTHER ORDERED that the parties are authorized to file, within seven (7) days of this Order, a Joint Motion to Limit the Petition by removing specific claims and grounds upon which we did not institute review in the original Decision on Institution; and

FURTHER ORDERED that no further briefing is authorized at this time.



IPR2016-01622  
Patent 6,850,414 B2

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