

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ALCATEL-LUCENT USA INC., CIENA CORPORATION, CORIANT
(USA) INC., CORIANT NORTH AMERICA, LLC, CORIANT
OPERATIONS, INC., INFINERA CORPORATION, FUJITSU
NETWORK COMMUNICATIONS, INC., HUAWEI TECHNOLOGIES
CO. LTD., AND HUAWEI TECHNOLOGIES USA INC,
Petitioner,

v.

OYSTER OPTICS, LLC,
Patent Owner.

Case IPR2018-00070
Patent 8,913,898 B2

Before JAMESON LEE, RAMA G. ELLURU, and JOHN R. KENNY,
Administrative Patent Judges.

KENNY, *Administrative Patent Judge.*

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71

Patent Owner filed a Request for Panel Rehearing (Paper 16, “Reh’g Req.”) of our Decision instituting an *inter partes* review (Paper 14, “Institution Decision”) of claims 1–25 of U.S. Patent No. 8,913,898 B2. We deny Patent Owner’s Request for Panel Rehearing for the reasons set forth below.

I. STANDARD OF REVIEW

When reconsidering a decision on institution, the Board reviews the decision for an abuse of discretion. *See* 37 C.F.R § 42.71(c). An abuse of discretion occurs 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. *See Star Fruits S.N.C. v. United States*, 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). “The burden of showing a decision should be modified lies with the party challenging the decision.” 37 C.F.R § 42.71(d); *accord* Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). In its request for rehearing, the dissatisfied party must, in relevant part, “specifically identify all matters the party believes the Board misapprehended or overlooked.” 37 C.F.R. § 42.71(d); Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,768. We address Patent Owner’s arguments with these principles in mind.

II. ANALYSIS

Patent Owner argues that, in our Institution Decision, we erred as a matter of law by not addressing every challenged claim and every asserted ground in the Petition (Paper 8, “Pet.”). Reh’g Req. 1–10. Patent Owner asserts that 37 C.F.R. § 42.108(c) requires the Board to analyze every claim challenged in the Petition. *Id.* at 1. Section 42.108(c) recites, in relevant part, “[i]nter partes review shall not be instituted for a ground of unpatentability unless the Board decides that the petition supporting the ground would demonstrate that there is a reasonable likelihood that at least one of the claims challenged in the petition is unpatentable.” For the reasons discussed below, we are not persuaded by Patent Owner’s arguments.

Patent Owner does not explain how, either before or after *SAS Institute v. Iancu*,¹ 37 C.F.R. § 42.108(c) necessitates an analysis that covers every single challenged claim and every single asserted ground in the Petition. Req. Reh’g 1–10. The provision expressly permits the Board to institute a review of any asserted ground of unpatentability in an *inter partes* petition upon a determination that the petition demonstrates that there is a reasonable likelihood that at least one of the claims challenged is unpatentable. 37 C.F.R. § 42.108(c).

Further, *SAS Institute* requires the Board, when instituting, to institute review of all claims in a petition after determining there is a reasonable likelihood that at least one of the claims challenged is unpatentable. In *SAS Institute*, the Supreme Court, interpreting 35 U.S.C. § 314, held that a petitioner “is entitled to a final written decision addressing all of the claims

¹ 138 S. Ct. 1348 (2018).

it has challenged” *Id.*, 138 S. Ct. at 1359–60. Title 35, section 314(a), directs, in relevant part, that “[t]he Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition . . . and any response . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” The Supreme Court determined that “Section 314(a) does not require the Director to evaluate every claim individually. Instead, it simply requires him to decide whether the petitioner is likely to succeed on ‘at least 1’ claim.” *Id.* at 1356. The Court explained: “[o]nce that single claim threshold is satisfied, it doesn’t matter whether the petitioner is likely to prevail on any *additional* claims; the Director need not even consider any other claim before instituting review.” *Id.* (emphasis original). Further, the Court emphasized: “Rather than contemplate claim-by-claim institution . . . the language [of section 314(a)] anticipates a regime where a reasonable prospect of success on a single claim justifies review of all.” *Id.*

The Supreme Court’s interpretation of 35 U.S.C. § 314(a), upon which 37 C.F.R. § 42.108(c) was promulgated, does not require a claim-by-claim and ground-by-ground analysis in order to institute a review of an *inter review* petition, as urged by Patent Owner. And the unambiguous requirement of 37 C.F.R. § 42.108(c), as discussed above, is consistent with the Supreme Court’s directive in *SAS Institute*. Thus, Patent Owner’s reading of 37 C.F.R. § 42.108(c) is not persuasive. Reh’g Req. 1–10. Further, no interpretation by Patent Owner of the Board’s rules or the Office Patent Trial Practice Guide could override the Supreme Court’s

interpretation of the statute upon which those rules are promulgated. *SAS Institute*, 138 S. Ct. at 1355; Reh’g Req. 7, 9.

In any event, Patent Owner argues that, to streamline the trial, we should provide guidance regarding the claims and grounds that were not expressly addressed in our Institution Decision (“other claims,” “other grounds”). Reh’g Req. 7–8. We find that the Decision on Institution has provided Patent Owner sufficient guidance to proceed to trial on all challenged claims. We note that the analysis of claim 14 in the Institution Decision addresses many of the issues the parties raised for other claims and grounds (e.g., the construction of, and Corke and Swanson’s purported teaching or suggestion of, the limitation of “a transmitter having a laser” recited by independent claim 1 (Inst. Dec. 17–18, 31–32)). And other issues that the parties raised for the other claims and grounds appear well defined by the Petition and the Preliminary Response. Based on both papers and the record so far, we determine that resolution of those issues would benefit from the opportunity for additional evidence and briefing at trial.

For instance, for claims 5 and 19, Patent Owner, in the Preliminary Response, relies on attorney argument to assert that the conversion of current to proportional voltage in Corke does not necessarily correlate to linear amplification. Prelim. Resp. 40–41. Petitioner’s expert testifies to the contrary. Ex. 1202 ¶ 167. Similarly, Patent Owner asserts, in the Preliminary Response, that the term “energy detector” in claim 1 would encompass only an individual photodetector 15 in Corke, rather than a combination of photodetectors 15 and control circuitry 10, as Petitioner’s expert testifies. Prelim. Resp. 37; Ex. 1202 ¶ 153. We determine that a trial,

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which will allow for additional evidence and briefing, is the best vehicle to finally resolve such issues.

III. CONCLUSION

For the foregoing reasons, we conclude that Patent Owner has not shown that the Institution Decision constitutes an abuse of discretion.

IV. ORDER

Accordingly, it is

ORDERED that Patent Owner's Request for Panel Rehearing is *denied*.

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