

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
Petitioner,

v.

ECOFACOR INC.,
Patent Owner.

IPR2020-00946
Patent 8,131,497 B2

Before WESLEY B. DERRICK, JEFFREY W. ABRAHAM, and
SCOTT B. HOWARD, *Administrative Patent Judges*.

ABRAHAM, *Administrative Patent Judge*.

DECISION

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

I. INTRODUCTION

Google LLC (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1–12 of U.S. Patent No. 8,131,497 B2 (Ex. 1001, “the ’497 patent”). EcoFactor Inc. (“Patent Owner”) filed a Preliminary Response to the Petition (Paper 7, “Prelim. Resp.”). After receiving authorization from the Board (Paper 8), Petitioner filed a Reply to Patent Owner’s Preliminary Response (Paper 9, “Reply”), and Patent Owner filed a Sur-reply (Paper 10, “Sur-reply”). On November 18, 2020, we issued a Decision denying institution of *inter partes* review. Paper 11 (“Decision” or “Dec.”).

Petitioner filed a Request for Rehearing of our Decision. Paper 12 (“Rehearing Request” or “Req.”). For the reasons that follow, Petitioner’s Rehearing Request is *denied*.

II. STANDARD OF REVIEW

The party challenging a decision in a request for rehearing bears the burden of showing the decision should be modified. 37 C.F.R. § 42.71(d) (2019). 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.” 37 C.F.R. § 42.71(d). When rehearing a decision on a petition, the decision will be reviewed for an abuse of discretion. 37 C.F.R. § 42.71(c). “An abuse of discretion occurs where the decision is based on an erroneous interpretation of the law, on factual findings that are not supported by substantial evidence, or represents an unreasonable judgment in weighing relevant factors.” *Star Fruits S.N.C. v. U.S.*, 393 F.3d 1277, 1281 (Fed. Cir. 2005).

III. DISCUSSION

In our Decision, in the exercise of the Director’s discretion under 35 U.S.C. § 314(a), we declined to institute an *inter partes* review in view of parallel proceedings, including an ITC proceeding involving the same parties and the ’497 patent. Dec. 5–16. Petitioner contends that we misapplied the factors set forth in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”), for determining when discretionary denial of institution is warranted. Req. 1. According to Petitioner, “[t]he Board erred in several ways that collectively amount to a misapprehension of the relevant law and facts leading to an abuse of discretion.” Req. 2–3. We disagree.

Instead of specifically identifying matters the Board purportedly misapprehended, Petitioner uses the Rehearing Request as an opportunity to express its disagreement with our Decision and present new arguments. A request for rehearing, however, is not an opportunity merely to disagree with the Board’s assessment of the arguments or weighing of the evidence, or for Petitioner to present new arguments or evidence.

Petitioner first disagrees with our use of the co-pending ITC proceeding as a benchmark for assessing several *Fintiv* factors. Req. 2–11. In particular, Petitioner contends doing so was “improper” and that we failed to adequately consider the differences between an ITC investigation and district court cases. Req. 3–4. Petitioner presented similar arguments in its Reply (*e.g., compare* Req. 5–7, *with* Reply 2–5), which we considered, but determined were not persuasive. Dec. 9–10. Specifically, in our Decision, we noted that *Fintiv* expressly addresses ITC investigations, and the Board has considered ITC investigations in weighing whether or not to exercise its

discretion under 35 U.S.C. § 314. Dec. 9–10 (citing *Fintiv*, Paper 11 at 8 (“[E]ven though the Office and the district court would not be bound by the ITC’s decision, an earlier ITC trial date may favor exercising authority to deny institution under *NHK* if the ITC is going to decide the same or substantially similar issues to those presented in the petition.”); *Garmin Int’l, Inc. v. Koninklijke Philips N.V.*, IPR2020-00754, Paper 11 (PTAB Oct. 27, 2020)¹; *Comcast Cable Commc’ns, LLC v. Rovi Guides, Inc.*, IPR2020-00800, Paper 10 (PTAB Oct. 22, 2020)). Petitioner’s continued disagreement with our treatment of the ITC proceeding for purposes of analyzing *Fintiv*, based largely on arguments already considered unpersuasive, does not warrant granting its Rehearing Request.

Petitioner also presents several policy-based arguments, including the assertion that the Decision “undermines the IPR statutory regime.” Req. 4; *see also* Req. 7–8 (discussing the reason Congress made ITC rulings on patent issues non-binding, and contending that “it would contravene Congressional design for the Board to defer to an agency that had no role in the original issuance of the challenged patents”); Req. 9 (arguing that denying an IPR petition because of an ITC action where there is also a pending district court case undercuts the one-year safe harbor provision in 35 U.S.C. § 315). Petitioner’s policy-based arguments are not only new, but are not directed at anything specific we misapprehended or overlooked in the Petition, Petitioner’s Reply, or Petitioner’s evidence. Moreover, parties have

¹ Petitioner notes that the petitioners in IPR2020-00754 requested review of the Board’s decision by the Precedential Opinion Panel (“POP”), and “such a review could have a direct effect on the outcome of this proceeding.” Req. 6–7 (emphasis omitted). The request for POP review, however, was denied on June 25, 2021. IPR2020-00754, Paper 16.

made similar policy arguments in POP requests in other proceedings, which have been denied. *See* IPR2020-01097, Papers 11, 13; IPR2020-00754, Papers 12, 16.

Additionally, Petitioner disagrees with our assessment that *Fintiv's* fourth factor weighs “slightly in favor of institution,” arguing that we “gave insufficient weight to [this] factor, which looks to the overlap between the issues.” Req. 3–4, 11–12; Dec. 12–14. Contrary to Petitioner’s assertion, we did consider sufficiently all of the evidence regarding whether the ITC proceeding would resolve all or substantially all of the patentability disputes between the parties. *See* Req. 11–12. Specifically, in our Decision we expressly stated that “[b]ecause the ITC proceeding involves only claims 1, 2, and 5 of the ’497 patent, whereas Petitioner’s challenges in this proceeding involve claims 1–12, resolution of the ITC proceeding will not directly resolve the parties’ dispute concerning patentability of claims 3, 4, and 6–12 of the ’497 patent.” Dec. 13. Moreover, consistent with Petitioner’s arguments, we determined “[t]his weighs in favor of institution.” Dec. 13.

Petitioner would have us end our evaluation of *Fintiv's* fourth factor there, but doing so would require that we overlook additional information in the record relevant to the overlap of issues in the ITC and in this proceeding. This additional information includes Patent Owner’s undisputed assertions and evidence demonstrating some overlapping claims, prior art, and invalidity theories in the ITC investigation and the Petition. Dec. 12; Prelim. Resp. 12; Sur-reply 6 (noting “there is substantial overlap in *issues* between the Petition and the ITC case when looking at the overlap of claims”). As

explained in the Decision, the overlap between the prior art challenges asserted before the Board and the ITC weighs against institution. Dec. 13.

Therefore, after considering *all* relevant evidence, we determined that “[o]n balance, based on the fact that the Petition is directed to some substantively different claims than those before the ITC, we determine [*Fintiv’s* fourth] factor weighs slightly in favor of institution.” Dec. 14. Our consideration of all relevant facts regarding the the overlap of issues presented to the Board and the ITC undermines Petitioner’s assertion that we erred in the application of *Fintiv’s* fourth factor. Furthermore, with regard to Petitioner’s argument that we failed to give a single *Fintiv* factor sufficient weight, we note that our *Fintiv* analysis is fact driven and no single factor is determinative of whether we exercise our discretion to deny institution under § 314(a).

For the foregoing reasons, we are not persuaded by Petitioner’s assertions that we “erred in several ways” in our Decision. As this assertion forms the basis for Petitioner’s Rehearing Request, we determine Petitioner has not satisfied its burden of demonstrating that the Decision should be modified.

IV. ORDER

In consideration of the foregoing, it is hereby
ORDERED that Petitioner’s Rehearing Request is *denied*.

IPR2020-00946
Patent 8,131,497 B2

FOR PETITIONER:

Matthew Smith
smith@smithbaluch.com

Elizabeth Laughton
laughton@smithbaluch.com

FOR PATENT OWNER:

Philip Wang
pwang@raklaw.com

C. Jay Chung
jchung@raklaw.com

Kent Shum
kshum@raklaw.com

Kristopher Davis
kdavis@raklaw.com