

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

METALL ZUG AG, HAAG-STREIT AG,
AND HAAG-STREIT USA, INC.,

Petitioner,

v.

CARL ZEISS MEDITEC AG,
Patent Owner.

IPR2020-01074
Patent 8,690,330 B2

Before GRACE KARAFFA OBERMANN, BRYAN F. MOORE, and
AMBER L. HAGY, *Administrative Patent Judges*.

OBERMANN, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Petitioner filed a Petition (Paper 3, “Pet.”) requesting institution of an *inter partes* review of claims 1–20, 28, and 29 of U.S. Patent No. 8,690,330 B2 (Ex. 1001, “the ’330 patent”). The Petition is one of five petitions filed by Petitioner against claims of the ’330 patent. Paper 2 at 1 (Petitioner’s identification and ranking of petitions). The Board instituted review based on the first-filed petition more than six months ago. *Metal Zug AG, Haag-Streit AG, and Haag-Streit USA Inc. v. Carl Zeiss Meditec AG*, IPR2020-00300, Paper 15 (PTAB June 29, 2020) (“IPR300”).

We have authority under 35 U.S.C. § 314(a) to determine whether to institute an *inter partes* review. The Board has long recognized that this provision does “not mandate that an *inter partes* review must be instituted under certain conditions. Rather, by stating that the Director—and by extension, the Board—*may not* institute review *unless* certain conditions are met, Congress made institution discretionary.” *Intelligent Bio-Systems, Inc. v. Illumina Cambridge Ltd.*, IPR2013-00324, Paper 19 at 4 (PTAB Nov. 21, 2013) (informative). Our reviewing court has confirmed that institution of an *inter partes* review is discretionary. *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he [Office] is permitted, but never compelled, to institute an IPR proceeding.”).

For reasons that follow, based on the information presented, we exercise our discretion to deny the Petition under Section 314(a).

II. DISCUSSION

A. Background

The claims of the ’330 patent relate to a device for swept-source optical coherence domain reflectometry. Ex. 1001, [54]. The ’330 patent is

the subject of the currently pending IPR300 proceeding, in which the Board instituted review more than six months ago based on Petitioner's first-filed petition. *See* IPR300, Paper 15 (institution decision entered June 29, 2020).

Significantly, in IPR300, Petitioner asserts the same prior art references (namely, Huber¹, Everett², Lexer³, and Drexler⁴) that are asserted in the follow-on Petition at hand. Paper 2 at 1 (Petitioner's comparison chart, indicating the commonality of Huber, Everett, and Lexer in both proceedings); IPR300, Paper 1 at 9–10 (Petitioner, asserting Drexler as a background reference in the first-filed petition).

As an initial matter, in our view, Petitioner's filing of five petitions against the same patent is excessive on its face, in view of express guidance provided in the Office's Consolidated Trial Practice Guide ("TPG").⁵ Under that guidance, "based on prior experience, the Board finds it unlikely that circumstances will arise where three or more petitions by a petitioner with

¹ Huber et al., U.S. Patent No. 7,414,779 B2, issued August 19, 2008 (identified as Exhibit 1008 in both proceedings).

² Everett et al., U.S. Patent No. 7,365,856 B2, issued April 29, 2008 (identified as Exhibit 1009 in both proceedings).

³ F. Lexer, C.K. Hitzengerger, A.F. Fercher, M. Kulhavy, "Wavelength-tuning interferometry of intraocular distances," *Appl. Optics*, vol. 36, pp. 6548–6553 (Sept. 1, 1997) (identified as Exhibit 1006 in both proceedings).

⁴ Drexler/Fujimoto, *Optical Coherence Tomography – Technology and Applications*, ISBN 978-3-540-77549-2, Springer Verlag Berlin Heidelberg 2008 (identified as Exhibit 1010 in both proceedings).

⁵ Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

respect to a particular patent will be appropriate.” TPG 59. Standing alone, the sheer number of petitions (five), taken together with Petitioner’s unexplained and significant delay in filing the four follow-on petitions, supports an exercise of our discretionary denial powers.

That result is confirmed by the following analysis of the factors that bear on the Board’s discretionary denial of multiple petitions, as set forth in *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (PTAB Sept. 6, 2017) (precedential) (“*General Plastic*”).

B. The General Plastic Factors

In *General Plastic*, the Board addressed concerns that arise when a petitioner files multiple, staggered petitions challenging the same claims of the same patent. *General Plastic* identifies a non-exclusive list of seven factors to be considered, particularly when the petition at issue appears to be a follow-on petition, in determining whether such a follow-on petition provides a basis for discretionary denial. *General Plastic*, Paper 19 at 15–21. Those factors include the following:

1. whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;
3. whether at the time of filing of the second petition the petitioner already received the patent owner’s preliminary response to the first petition or received the Board’s decision on whether to institute review in the first petition;

4. the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;
5. whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. the finite resources of the Board; and
7. the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

General Plastic, Paper 19 at 15–16.

Factor 1

The first factor is “whether the same petitioner previously filed a petition directed to the same claims of the same patent.” *General Plastic*, Paper 19 at 16. There is no question that Petitioner filed the petition that resulted in the currently pending IPR300. That circumstance support exercising discretion to deny the Petition.

There is overlap (but not exact correspondence) between the claims at issue in IPR300 and those challenged in the instant Petition. Specifically, claims 1 and 2 are challenged in both the first-filed and follow-on petitions. *Compare* Pet. 8 (challenging claims 1–20, 28, and 29), *with* IPR300, Paper 15 at 2 (identifying claims 1, 2, 21–27, 40, and 42 as the challenged claims). Although that relatively minimal degree of overlap, at first blush, may appear to weigh against exercising discretion to deny the Petition, this case presents unique circumstances regarding the overlapping challenges that contribute to our ultimate finding that the relatively minimal degree of

overlap, in fact, weighs only slightly against exercising discretion to deny the Petition, if at all.

Specifically, in IPR300, Petitioner sought permission to file a proposed unabridged petition of extraordinary length (238 pages), which included precisely the same challenges directed to the same claims based on the same prior art asserted in the Petition. IPR300, Paper 3 (including the proposed unabridged petition as an attachment). We denied that request because, among other reasons, it represented “an unprecedented increase of words without a compelling justification.” IPR300, Paper 8 at 5. Petitioner’s request failed to “provide any explanation as to how the relief sought by Petitioner would, in fact, advance the interest of justice.” *Id.* (citing IPR300, Paper 3 at 1). We observed, “Petitioner simply wants the freedom to argue whatever it thinks it needs to, without the constraints or risks of breaking its challenge into multiple petitions.” *Id.*

Stated somewhat differently, we placed Petitioner on express notice that any attempt to break up the challenges stated in the excessively lengthy “unabridged” version of the IPR300 petition (which included challenges against the same patent claims based on the same prior art asserted here) would require adequate justification for a follow-on petition. Against that backdrop, we find significant that Petitioner devotes minimal effort, if any, to explaining how or why any specific attributes of the challenged claim group favor granting review based on the instant follow-on Petition. That failure is especially noteworthy when considered in the light of the preliminary proceedings that occurred in IPR300.

The closest Petitioner comes to providing any justification for the follow-on Petition is in this statement: “[T]he ’330 patent contains 43

claims with multiple dependencies” that cover both an apparatus and a method. Paper 2 at 2, 4. Petitioner’s explanation is inadequate for failure to explain why either circumstance (the number of claims at issue, or the inclusion of both apparatus and method claims) favors a grant of institution of multiple petitions.

On this record, the first *General Plastic* factor weighs only slightly against exercising discretion to deny the Petition, if at all.

Factor 2

The second factor is whether Petitioner was aware of the prior art asserted in the follow-on Petition at the time of filing the petition in IPR300. *General Plastic*, Paper 19 at 16. In that regard, Patent Owner persuasively shows that the Petition asserts the same prior art as the petition in IPR300. Prelim. Resp. 9–10 (comparing the references asserted in the first-filed and follow-on petitions). The same art was asserted, moreover, in the proposed unbridged petition that Petitioner unsuccessfully sought to have entered in IPR300. IPR300, Paper 3 (attachment). Accordingly, there can be no meaningful dispute that Petitioner knew of the prior art at the relevant time.

On this record, the second *General Plastic* factor favors exercising discretion to deny the Petition.

Factor 3

Under the third factor of *General Plastic*, we consider “whether at the time of filing of the second petition the petitioner already received the patent owner’s preliminary response to the first petition or received the Board’s decision on whether to institute review in the first petition.” *General Plastic*, Paper 19 at 16. Although we expressly placed Petitioner on notice in IPR300 about the prospect of “breaking its challenge into multiple petitions” on

March 6, 2020, Petitioner did not file the instant follow-on Petition until June 29, 2020. In the interim, Patent Owner filed a preliminary response as well as a sur-reply to the petition in IPR300. IPR300, Paper 8 at 5 (filed March 6, 2020); *see* IPR300, Papers 10 and 14 (filed, respectively on April 9, 2020, and May 4, 2020).

We agree with Patent Owner that Petitioner provides no rational reasons for the delay. “Petitioner could have easily filed the four follow-on petitions,” including the instant Petition, “immediately after its” request to file the unabridged petition “was denied” on March 6, 2020, in IPR300. Prelim. Resp. 8. Instead, Petitioner “waited for the” filing of Patent Owner’s preliminary response in IPR300 “before filing the additional four petitions against the same ’330 patent.” *Id.* at 7–8.

Further, Patent Owner directs us to evidence that Petitioner took advantage of the information in Patent Owner’s preliminary response and sur-reply (filed in IPR300) to include in this follow-on Petition certain “critical supplements” to bolster the challenges. *Id.* at 8. On that point, even Petitioner acknowledges that the Petition is tailored to address a dispute about “the motivation to combine and/or the conversion of linewidth disclosed in each primary reference” as asserted by Patent Owner in those papers from IPR300. *Id.* at 8 (quoting Paper 2 at 3 (citing the preliminary response and sur-reply in IPR300 (IPR300, Papers 10 and 13))). Patent Owner provides additional information, including specific examples in the Petition where Petitioner makes use of information gleaned from those papers filed in IPR300. *Id.* at 11–12. Accordingly, based on the information presented, we find that Petitioner, in fact, “took advantage of these documents” to revise “invalidity challenges in the instant Petition.” *Id.*

On this record, the third *General Plastic* factor favors exercising discretion to deny the Petition.

Factors 4 and 5

Under the fourth and fifth factors of *General Plastic*, we consider “the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition,” and “whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent.” *General Plastic*, Paper 19 at 16. Petitioner knew of the asserted prior references at issue before December 16, 2019, when it filed the IPR300 petition asserting each. IPR300, Paper 1 (filed on that date and including each of Huber, Everett, Lexer, and Drexler in the Exhibit List). Petitioner nowhere explains the more than six-month delay in filing the instant follow-on Petition. *See* Pet. (filed June 29, 2020).

On this record, the fourth and fifth *General Plastic* factors favor exercising discretion to deny the Petition.

Factors 6 and 7

Under the sixth and seventh factors of *General Plastic*, we consider “the finite resources of the Board,” and “the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.” *General Plastic*, Paper 19 at 16. Factors six and seven of *General Plastic* invoke efficiency considerations. *Id.* at 16–17; *see also* TPG at 56 (explaining that the Director’s discretion is informed by 35 U.S.C. § 316(b), which requires the Director to consider, among other things, “the efficient administration of the

Office, and the ability of the Office to timely complete proceedings instituted under this chapter”).

For reasons discussed above in connection with the other factors, all but one of the *General Plastic* factors favor a discretionary denial of the Petition. The solitary factor that may weigh slightly in favor of institution falls far short of outweighing the factors that favor denial. Under the particular circumstances presented on this record, we find that institution of review would not be an efficient use of the Board’s finite resources.

On this record, the sixth and seventh *General Plastic* factors favor exercising discretion to deny the Petition.

III. CONCLUSION

For the above reasons, we *deny* the Petition and do not institute an *inter partes* review.

IV. ORDER

It is

ORDERED that the Petition is *denied* and no *inter partes* review is instituted.

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