

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.
Petitioner,

v.

BLACK HILLS MEDIA, LLC
Patent Owner.

Case No. IPR2014-00740
Patent No. 8,045,952

**PETITIONER'S REQUEST FOR REHEARING
UNDER 37 C.F.R. § 42.71(c)**

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I. INTRODUCTION

Petitioner Samsung Electronics Co., Ltd. (“Samsung” or “Petitioner”) respectfully requests rehearing under 37 C.F.R. § 42.71(c) for reconsideration of the Decision, Institution of *Inter Partes* Review of U.S. Patent No. 8,045,952 (“the Decision”) (Paper 7) not to institute trial with respect to claims 4 and 12, denying Grounds III and V because “Petitioner relies on a provisional application [Lau].” Paper 7, p. 23. Petitioner submits that the Board overlooked the portions of the Petition that explained: (i) that the Lau provisional application (60/233,741) was incorporated by reference into U.S. Patent No. 8,281,001 to Busam *et al.* (“Busam”; Ex. 1006); and (ii) how the relevant features disclosed in the Lau provisional application were also disclosed in the Busam patent, which claims priority to the Lau provisional application. Once the fact that the Busam patent incorporates by reference the Lau provisional application is properly taken into account, it is clear that the Lau provisional application is effectively part of the Busam patent as if it were explicitly contained therein. As such, the citations in the Petition to the Lau provisional application are to text that is contained in the Busam patent, a document that qualifies as prior art under 35 U.S.C. § 102(e). Therefore, denying consideration of Grounds III and V on the merits because citations were made to the Lau provisional application would allow form to be elevated over substance, particularly in the situation here where the text of the Lau

provisional application does not appear verbatim in the Busam patent.

Petitioner submits that the present request is timely filed, within 14 days of the decision to institute trial in accordance with 37 C.F.R. § 42.71(d)(1).

II. STATEMENT OF RELIEF REQUESTED

The Decision instituted trial with respect to Grounds I, II, and IV as set forth in the Petition. Paper 7, p. 24. The Board declined to institute trial with respect to Ground III (claims 4, 11, and 12 as obvious under 35 U.S.C. § 103(a) in view of the combination of Berman and Lau) and Ground V (claims 4 and 12 as obvious under 35 U.S.C. § 103(a) in view of the combination of Logan and Lau). *Id.* at p. 23. Petitioner requests that the Board reconsider and reverse its decision not to institute trial on Grounds III and V in light of the explanation presented in the Petition regarding the relationship of the Lau provisional application and the Busam patent -- including the express incorporation by reference of the Lau provisional application into the Busam patent -- and to consider these Grounds on the merits and to institute trial on them.

III. STANDARD OF REVIEW

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 petition, the panel will review the decision for an abuse of discretion.” 37 C.F.R.

§ 42.71(c). An abuse of discretion occurs when a “decision was based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment.” *PPG Indus. Inc. v. Celanese Polymer Specialties Co. Inc.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988) (citations omitted).

IV. ARGUMENT

A. The Board Overlooked the Relationship Between the Lau Provisional Application and the Busam Patent

Pages 23 and 24 of the Petition explain two key points about the relationship between the Lau provisional application¹ and the Busam patent that were overlooked by the Board. *First*, the Busam patent “incorporated Lau by reference.” Pet., p. 23. In particular, page 23 of the Petition explains as follows (emphasis added):

“The benefit of the priority date of Lau was claimed U.S. Patent No. 8,281,001, to Busam, *et al.* (“Busam”), which (i) *incorporated Lau by reference*, (ii) was filed on September 19, 2001, and (iii) issued on October 2, 2012. Ex. 1006, Busam.”

That the Busam patent does indeed incorporate the Lau provisional application (60/233,741) by reference is evidenced by the following passage in the Busam patent (Ex. 1006, 1:3-6) (emphasis added).

¹ Pages 4 and 23 of the Petition identify the Lau provisional application as 60/233,741, Ex. 1005.

This application claims the benefit of U.S. Provisional Application No. 60/233,741, “Personal Device-to-Device Networking,” filed on Sep. 19, 2000, incorporated herein by reference.

Second, the relevant features disclosed in the Lau provisional application are also disclosed in the Busam patent, which claims priority to the Lau provisional application. Pet., pp. 23-24. In particular, the Petition explains that, to a person skilled in the art, both the Busam patent and the Lau provisional application teach that “in the context of a content distribution system and network, determining whether a content-requesting device and a target device from which content is being requested are able to connect directly,” and that “[i]f a direct connection between the requesting device and the target device is not available, then a server may obtain the content from the target device and provide it to the requesting device, which receives it.” *Id.* (citations to Ex. 1005 (Lau) and Ex. 1006 (Busam) omitted). Moreover, with respect to claims 3, 4, 11 and 12 of the ‘952 Patent, the Petition also explains that the Lau application “discloses (i) a server receiving a request for media content from a player device, (ii) the server obtaining the media content from another device, and (iii) providing the media content to the player device.” *Id.* at 24, citing ¶ 51 of the Jeffay Declaration that provides cites not only to Lau (Ex. 1005) but also to the Busam patent (Ex. 1006).

The Decision does not mention the Busam patent or Exhibit 1006 in the

discussions of the combination of Berman and Lau (Ground III) or the combination of Logan and Lau (Ground V). The relationship between the Lau provisional application and the Busam patent as explained in the Petition therefore must have been overlooked. Decision, pp. 22-23. Even though pages 23-24 of the Petition include a detailed explanation of the relationship of the Lau application and the Busam Patent, the Decision denying Grounds III and V never once mentions the Busam patent, nor the fact that the Lau application is incorporated by reference into the Busam patent, nor the fact that one skilled in the art would understand that the relevant features are taught in both the Busam patent and the Lau application.

Petitioner submits that it was error to overlook the explanation of the relationship between the Lau application and the Busam patent on pages 23-24 of the Petition, and an abuse of discretion to deny Grounds III and V because they “rel[y] on a provisional application” (Decision, p. 23), without taking into account the full relationship between the Lau provisional application and the Busam patent. As explained below, once that relationship is properly taken into account, “the disclosure in Lau qualifies as prior art to the ‘952 Patent under 35 U.S.C. § 102(e)” as asserted in the Petition. Pet., p. 23.

B. The Lau Provisional Application, As Incorporated Into the Busam Patent, Is a Proper Basis For Instituting Trial

The only reason provided in the Decision for not instituting trial on Grounds III and V is that the grounds “rel[y] on a provisional application.” Decision, p. 23.

The Decision cites *Ex parte Yamaguchi* and *In re Giacomini* for the principle of law that a patent applied in a rejection under 35 U.S.C. § 102(e)(2) was prior art as of the filing date of the corresponding provisional application for commonly disclosed subject matter. Decision, p. 23. As explained on page 23 of the Petition, the Busam patent incorporates the Lau provisional application by reference, thereby rendering the disclosure in the Lau provisional application prior art to the '952 patent under 35 U.S.C. § 102(e) under the principle articulated in *Yamaguchi* and *Giacomini*.

The Federal Circuit has explained that material not explicitly contained in a prior art document may still be considered for purposes of unpatentability “if that material is incorporated by reference into the document.”² *Advanced Display Systems, Inc. v. Kent State University*, 212 F.3d 1272, 1282 (Fed. Cir. 2000). The Court explained that “[i]ncorporation by reference provides a method for integrating material from various documents into a host document . . . by citing such material in a manner that makes clear that the material is effectively part of the host document as if it were explicitly contained therein.” *Id.* As shown below, the Busam patent makes a clear and unequivocal statement that the Lau provisional application

² The text that is in the Lau provisional application does not appear verbatim in the Busam patent, which is one of the reasons the Petition cited to the Lau application rather than only to the Busam patent itself, and presumably also a reason the application was incorporated by reference in the first instance.

(60/233,741) is “incorporated herein by reference.” Ex. 1006, 1:3-6 (emphasis added); *see also* Pet. at p. 23.

This application claims the benefit of U.S. Provisional Application No. 60/233,741, “Personal Device-to-Device Networking,” filed on Sep. 19, 2000, incorporated herein by reference.

Whether and to what extent material has been incorporated by reference into a host document is a question of law, applying the standard of one reasonably skilled in the art. *Advanced Display*, 212 F.3d at 1283. Although any manner of reference to an earlier application may not be sufficient to incorporate that application into a patent by reference,³ the statement in the Busam patent reproduced above uses the precise language “incorporated herein by reference,” which is more precise and clear than other statements found to satisfy the incorporation-by-reference standard. *See, e.g., Lund*, 376 F.2d at 990 (finding that an abandoned application “referred to” was incorporated by reference in the issued patent). Therefore, the Lau provisional application is “effectively part of the [Busam patent] as if it were explicitly contained therein.” *Advanced Display*, 212 F.3d at 1282.

The Lau provisional application as incorporated by reference into the Busam patent meets the test articulated in *Yamaguchi* and *Giacomini* because the Lau

³ *See, e.g., Application of Lund*, 376 F.2d 982, 990 (C.C.P.A. 1967) where the patent merely stated that it was a “continuation-in-part” of an earlier abandoned application.

provisional application is itself subject matter “commonly disclosed” in the Busam patent by operation of the incorporation by reference.⁴ *Id.* A recent decision of the Patent Trial and Appeal Board on a request for rehearing explains the operation of the *Yamaguchi* principle as follows.

The decision in *Yamaguchi* recognized, therefore, that in a ground of unpatentability under § 102(e), the patent-defeating disclosures in a provisional application must also be found in a document applicable as prior art under § 102(e), that is, either a patent or application for patent published under § 122(b). Accordingly, we are not persuaded that *Yamaguchi* held that a ground of unpatentability under § 102(e) may be predicated on a provisional application, without reference to a corresponding patent or application for patent published under § 122(b).

Sequenom, Inc. v. The Board of Trustees of the Leland Stanford Junior University, IPR2014-00337, Paper 14, Sept. 23, 2014, p. 4.⁵ Here, the patent-defeating

⁴ In addition, pages 23-24 of the Petition explain how the relevant features disclosed in the Lau provisional application are also disclosed in the Busam patent.

⁵ In sharp contrast to the present case, the petition in *Sequenom* did **not** explain the relationship between the “Lo I” provisional application and any issued patent or published application. The *Sequenom* petition made no mention of the fact that the

disclosures of the Lau provisional application are incorporated by reference into the Busam patent, and, therefore, are found in a document - the Busam patent - applicable as prior art under § 102(e). Contrary to the case in *Sequenom*, given the explanation on pages 23-24 of the Petition, and the express reference to the corresponding Busam patent, the present case is *not* one where unpatentability is predicated on a provisional application *without reference to a corresponding patent*. Rather, the Petition explicitly explains the relationship between the Lau provisional application and the Busam patent, and makes clear: (i) that the Lau provisional application was incorporated by reference into the Busam patent; and (ii) how the relevant features disclosed in the Lau provisional application were also disclosed in the Busam patent, which claims priority to the Lau provisional application. Petition, pp. 23-24. Accordingly, the Petition satisfies the requirements set forth in both *Yamaguchi* and *Sequenom*.

The fact that Lau is a provisional application is not alone a sufficient basis for

Lo I provisional application was incorporated by reference into the published “Lo II” application, nor did it provide any explanation about commonly disclosed subject matter. Although the request for rehearing in *Sequenom* mentioned in the Background that the Lo I application was incorporated by reference into the Lo II published application, that fact simply was not addressed by the Board in its decision denying the rehearing request (Paper 14 quoted above).

denying Grounds III and V when the Petition makes clear that the Busam patent incorporates by reference the Lau provisional application. Citations to the Lau provisional application are citations to the Busam patent, which includes the Lau provisional application “as if it were explicitly contained therein.” *Advanced Display*, 212 F.3d at 1282. Because the Busam patent is a document applicable as prior art under § 102(e), it provides a proper basis for instituting trial on Grounds III and V.

The arguments made in the Patent Owner Preliminary Response do not mandate a different result. Contrary to the assertions on pages 45-46 of the Patent Owner Preliminary Response (Paper 6), the Petition did not argue that the Lau provisional application, disembodied from the Busam patent, was prior art. Rather, as discussed in detail above, the Petition made clear that the Lau provisional application was incorporated by reference into the Busam patent, and, as such, the patent-defeating disclosures in the Lau provisional application are found in a document applicable as prior art under § 102(e) - the Busam patent. *Sequenom*, Paper 14 at 4. The fact that the Petition provided citations to the Lau provisional application (Ex. 1005), and included the Lau provisional application in the headers in the Petition, also does not mandate a different result. Indeed, citations to the Lau provisional application were done to facilitate review by the Board given that the text that is in the Lau provisional application does not appear verbatim in the Busam

patent, but rather is included in the Busam patent as a matter of law by virtue of the incorporation by reference. *Advanced Display*, 212 F.3d at 1282. The citations in the Petition to the Lau provisional application are to text that is contained in the Busam patent, a document that qualifies as prior art under 35 U.S.C. § 102(e).

Contrary to the assertion by the Patent Owner (Paper 6, p. 45), it would indeed “elevate form over substance” to deny consideration of Grounds III and V on the merits because citations were made to the Lau provisional application, given that the Petition explains that the Lau provisional application is incorporated by reference into the Busam patent, and the text of the Lau provisional application does not appear verbatim in the Busam patent. Because the Lau provisional application is incorporated by reference into the Busam patent, there is no need to provide any showing of § 112 support for “corresponding” passages in the Busam patent as alleged by Patent Owner (Paper 6, p. 47). Rather, the Lau provisional application itself is effectively part of the Busam patent “as if it were explicitly contained therein.” *Advanced Display*, 212 F.3d at 1282.

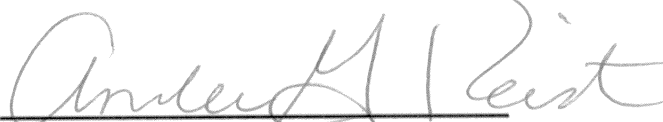
V. CONCLUSION

When the Petition is read as a whole, it is clear that the disclosure of the Lau provisional application relied on in the Petition is present in the Busam patent, a document that unquestionably qualifies as prior art under § 102(e). Citations to the Lau provisional application were done to facilitate review by the Board given that the

text that is in the Lau provisional application does not appear verbatim in the Busam patent, but rather is included in the Busam patent as a matter of law by virtue of the incorporation by reference. *Advanced Display*, 212 F.3d at 1282. Accordingly, Petitioner requests the Board to reconsider its decision not to institute trial on Grounds III and V because Lau is a provisional application, and to consider these Grounds on the merits and to institute trial on them.

Date: November 18, 2014

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6 and 42.105, I hereby certify that on this 18th day of November 2014, the foregoing Petitioner's Request for Rehearing Under 37 C.F.R. § 42.71(c), was served via email by agreement of the parties on the following counsel of record for patent owner:

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