

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE
FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE
UNITED STATES PATENT AND TRADEMARK OFFICE

NOKIA OF AMERICA CORPORATION,
Petitioner,

v.

ALEXANDER SOTO and WALTER SOTO,
Patent Owner.

IPR2023-00680 (Patent 9,887,795 B2)
IPR2023-00681 (Patent 10,263,723 B2)
IPR2023-00682 (Patent 10,771,181 B2)¹

Before KATHERINE K. VIDAL, *Under Secretary of Commerce for
Intellectual Property and Director of the United States Patent and
Trademark Office.*

DECISION

Vacating the Decision on Institution and Remanding to the
Patent Trial and Appeal Board Panel for Further Proceedings

¹ This decision applies to each of the above-listed proceedings.

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I. INTRODUCTION

On March 15, 2023, Nokia of America Corporation (“Petitioner”) filed petitions seeking *inter partes* review of certain claims in three related patents: U.S. Patent Nos. 9,887,795 B2 (“the ’795 patent”), 10,263,723 B2 (“the ’723 patent”), and 10,771,181 B2 (“the ’181 patent”). Paper 1 (“Pet.”).² Alexander Soto and Walter Soto (collectively, “Patent Owner”) filed a Preliminary Response in each proceeding, arguing that the Board should deny institution under 35 U.S.C. § 325(d) because substantially the same art and arguments were previously presented to the Office. Paper 6 (“Prelim. Resp.”), 39–52. The Board agreed and, in each proceeding, issued a Decision that denied institution of *inter partes* review pursuant to § 325(d). Paper 10 (“Dec.”).

Petitioner requested Director Review and argued that the Board’s § 325(d) analysis improperly “focused on the similarity of the claim limitations covered by the references, rather than on assessing the differing content of the references” or the substance of the arguments. Paper 11 (“Director Review Request” or “DR Req.”), 1. I granted the Director Review Request (Paper 12) and authorized additional briefing (Paper 13). Patent Owner thereafter filed a Response to Petitioner’s Director Review Request (Paper 14, “Director Review Response” or “DR Resp.”), and Petitioner filed a Reply (Paper 16, “DR Reply”).

Having reviewed the record before me, including the parties’ additional briefs, I determine that the Board did not sufficiently explain its

² For simplicity, I cite to papers and exhibits in IPR2023-00680 as representative. IPR2023-00681 and IPR2023-00682 include papers and exhibits that have substantially similar content, unless otherwise noted.

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findings that substantially the same art and substantially the same arguments were previously presented to the Office. As a result, I vacate the Board's Decisions and remand to the Board for further proceedings consistent with this decision.

II. BACKGROUND

35 U.S.C. § 325(d) states that the Director may deny institution of an *inter partes* review if “the same or substantially the same prior art or arguments previously were presented to the Office.” The Board³ uses a two-part framework to evaluate whether to deny institution on this basis, assessing:

- (1) whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office;
- and (2) if either condition of [the] first part of the framework is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.

Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH, IPR2019-01469, Paper 6 at 8 (PTAB Feb. 13, 2020) (precedential). The first part of this framework is “highly factual.” *Id.* at 7. “If a condition in the first part of the framework is satisfied and the petitioner fails to make a showing of material error [under the second part], the Director generally will exercise discretion not to institute *inter partes* review.” *Id.* at 8–9. “At bottom, this framework reflects a commitment to defer to previous Office

³ The Board institutes an *inter partes* review on behalf of the Director. 37 C.F.R. § 42.4(a).

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evaluations of the evidence of record unless material error is shown.” *Id.* at 9.

Here, the issue is whether the Board adequately analyzed the first part of the *Advanced Bionics* framework. In each proceeding, though the first part of the *Advanced Bionics* framework is satisfied if either substantially the same prior art *or* substantially the same arguments were previously presented to the Office, the Board found that both “substantially the same art and substantially the same arguments were previously presented to the Office.”⁴ Dec. 19; *see also id.* at 19–23, 26–28. Petitioner argues that this finding was an abuse of discretion because the Board failed to address the material differences alleged in the Petitions between the art and arguments

⁴ Petitioner does not rely on the same references previously presented to the Office. *See* Pet. 66; Prelim. Resp. 40–41. For the independent claims, the Petitions include grounds relying on either U.S. Patent No. 6,879,640 B1 (Ex. 1005, “Agazzi ’640”) or U.S. Patent No. 7,933,341 B2 (Ex. 1009, “Agazzi ’341”) in combination with U.S. Patent No. 6,873,800 B1 (Ex. 1006, “Wei”). *See* Pet. 1–2. During prosecution of the application that issued as the ’795 patent, the examiner rejected the applicants’ independent claim and various dependent claims based on U.S. Patent No. 6,603,822 B2 (“Brede”) and the remaining dependent claims based on Brede in combination with U.S. Patent No. 7,729,617 B2 (“Sheth”) and Brede in combination with U.S. Published Appl. No. US 2007/0031153 A1 (“Aronson”). Ex. 1002, 121–129, 174–178. During prosecution of the application that issued as the ’723 patent, the examiner allowed the application on the first action without rejection. IPR2023-00681, Ex. 1002, 50–53. During prosecution of the application that issued as the ’181 patent, the examiner did not reject the claims over prior art. IPR2023-00682, Ex. 1002, 74–88 (presenting a non-statutory double patenting rejection over the claims of the ’723 patent), 122–131 (presenting a statutory double patenting rejection under 35 U.S.C. § 101 over the claims of the ’723 patent).

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raised in the Petitions and the art and arguments previously presented to the Office. *E.g.*, DR Req. 1; *see id.* at 6–8 (citing Pet. 65–70 and summarizing differences identified by the Petition). Petitioner also argues that the Board improperly “relied on a non-substantive argument throughout its analysis—that the references are cumulative simply because they cover the same limitations.” *Id.* at 1.

Patent Owner responds that the art and arguments are similar in relevant respects to the previously considered art and arguments.⁵ *See* DR Resp. 1–5. Patent Owner also addresses the differences alleged by Petitioner. *See id.* at 6–10, 13–14.

Petitioner replies that Patent Owner fails to “rebut the primary reason for Petitioner’s request—the Board abused its discretion by relying on the claim limitations covered by the references, rather than the references themselves.” DR Reply 1.

III. ANALYSIS

I determine that the Board did not adequately explain its finding that Petitioner presented substantially the same art or its finding that Petitioner presented substantially the same arguments as were previously presented to the Office.

As for the Board’s determination that Petitioner presented substantially the same art, the Board did not adequately address Petitioner’s contentions that there were material differences between the art at issue in

⁵ Several of the arguments in Patent Owner’s Director Review Response allege problems associated with the proposed prior art combinations. *See, e.g.*, DR Resp. 5–6. I do not consider these arguments, which are not relevant to my review of the sufficiency of the Board’s § 325(d) analysis.

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these proceedings as compared to that previously presented to the Office. *See* Pet. 66–69. As I explained in *Wolfspeed*, prior art references are not “substantially the same” when there are differences between them that are material to the Office’s prior consideration of the art. *See Wolfspeed, Inc. v. Trs. of Purdue Univ.*, IPR2022-00761, Paper 13 at 7–8 (Vidal Mar. 30, 2023).

In the Petitions, Petitioner identified a specific difference between its primary references (Agazzi ’341 and Agazzi ’640) and the primary reference used by the examiner (Brede); alleged a difference between its secondary reference (Wei) and the references considered during examination; and argued that both of these differences were material to the Office’s prior consideration of the art. Pet. 66–69; *see* DR Req. 6–7 (summarizing the Petitioner’s contentions). The Board did not sufficiently address these contentions.⁶ *See* Dec. 19–23. For example, the Board neither disagreed with Petitioner’s characterization of the alleged differences in these references, nor found the alleged differences to be immaterial. Addressing the alleged differences is necessary to resolve whether substantially the same art was previously presented. Even beyond these points, as a general matter, the Board did not provide an adequate comparison of the substance of Petitioner’s prior art and the prior art previously considered. Simply discussing one figure in one reference cited in the Petition, and then

⁶ In IPR2023-00680, the Board referenced Petitioner’s contention regarding the primary references and simply stated that it was “unpersuaded” (Dec. 21); however, it neither supported that conclusion with explanation or analysis nor did it address Petitioner’s contention regarding the secondary reference (*see id.* at 21, 23). In IPR2023-00681 and IPR2021-00682, the Board did not address any of these contentions.

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comparing it to a figure in a prior reference,⁷ as was done by the Board (*see id.* at 22), is insufficient here.

As for the Board’s determination that substantially the same arguments were previously presented to the Office, Petitioner submits that material differences between the references would have dramatically altered the proposed combination and, moreover, that Wei provides additional motivation for the proposed combination. Pet. 66–69; *see* DR Req. 6–7 (summarizing the Petition’s arguments). The Board did not address these arguments. Again, the Board neither disagreed with Petitioner’s characterization of the alleged differences in these arguments, nor found the alleged differences to be immaterial. Addressing these alleged differences is necessary to resolve whether substantially the same arguments were previously presented.

In addition, rather than identify material, substantive overlap between the arguments presented in the Petitions and those previously presented to the Office, the Board’s analysis relied on its discussion of high-level similarities but lacked detailed reasoning. *See* Dec. 20–23. In particular, the Board found that the Petitions raise “the exact type of grounds” previously considered: “a first reference cited for electrical signal processing components combined with a second reference cited for pluggable form factors.” *Id.* at 20–21 (quoting Prelim. Resp. 38); *see id.* at 27. However, this analysis improperly focuses on the similarity of the claim limitations

⁷ Petitioner argues that this prior reference was not previously presented to the Office during prosecution of the challenged patent. DR Req. 12–13. I leave it to the Board to address this argument, if necessary and appropriate, on remand.

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mapped to the references without also addressing whether the arguments raised in the Petition were substantially similar to the specific arguments previously presented to the Office.

Similarly, the Board improperly relied on a vague similarity between Patent Owner’s argument and an argument presented by the applicants during prosecution. Dec. 21–22. Specifically, the Board found a similarity between: (1) Patent Owner’s argument that “the Petition fails to make a *prima facie* obviousness argument because ‘the Petition fails to articulate a specific modification of the primary references,’” and (2) the applicants’ argument that the examiner’s rejections “have not stated a proper *prima facie* case for obviousness.” *Id.* (quoting Prelim. Resp. 9; Ex. 1002, 73). Based on the record before me, I disagree with the Board’s determination that these arguments are substantially the same, especially without more analysis. The Board did not, for example, find that Petitioner and the examiner relied upon the same rationale to combine references.⁸

IV. CONCLUSION

In its Decisions, the Board did not sufficiently explain either of its findings, under the first part of the *Advanced Bionics* framework, that substantially the same art and substantially the same arguments were

⁸ See DR Req. 9 (arguing that Patent Owner did not argue that the motivation to combine was the same); *also compare* Dec. 16 (summarizing the examiner’s motivation to combine), *with id.* at 21 (summarizing Petitioner’s motivation to combine).

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previously presented to the Office.^{9,10} As a result, I vacate Board's Decisions denying institution of these proceedings under § 325(d). I remand to the Board for further proceedings consistent with this decision, which may include a decision on institution that reassesses whether discretionary denial under § 325(d) is appropriate. In so doing, the Board may consider the parties' Director Review briefing on § 325(d) issues to the extent deemed necessary and appropriate.

V. ORDER

Accordingly, based on the foregoing, it is hereby:

ORDERED that the Decision Denying Institution (Paper 10) in each of the above-referenced proceedings is *vacated*; and

FURTHER ORDERED that these proceedings are remanded to the Board for further proceedings consistent with this decision.

⁹ Prong 1 of the *Advanced Bionics* framework requires only a determination that *either* the same or substantially the same art *or* the same or substantially the same arguments previously were presented. *Advanced Bionics*, Paper 6 at 8. Although the Board here found that both substantially the same art *and* arguments were presented, a finding on either is enough to satisfy this prong.

¹⁰ Petitioner's Director Review Request argues that the Board committed legal error "[t]o the extent the Board relied on the prior IPR—which was denied under § 325(d)—to deny institution here." DR Req. 15. While the Board discussed the institution decision discretionarily denying review in IPR2021-01358 (*see* Dec. 22–23), I do not read the Board to have relied on that decision as a basis for applying § 325(d) here. Thus, I do not reach Petitioner's argument.

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