

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AOL INC. and CLOUDERA, INC.,
Petitioner,

v.

COHO LICENSING LLC,
Patent Owner.

Case IPR2014-00771
Patent 8,024,395 B1

Before MIRIAM L. QUINN, LINDA M. GAUDETTE,
WILLIAM A. CAPP, *Administrative Patent Judges*.

QUINN, *Administrative Patent Judge*.

Opinion concurring-in-part and dissenting-in-part filed by CAPP,
Administrative Patent Judge

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

I. BACKGROUND

AOL Inc. and Cloudera, Inc. (“Petitioner”) filed a request for rehearing titled “Petitioner’s Request for Rehearing by an Expanded Panel Pursuant to 37 C.F.R. §§ 42.71(C)-(D).” Paper 11 (“Req. for Reh’g”). In that request, Petitioner asserts that a dissent from the denial of institution strongly favors rehearing, and an expanded panel. Req. for Reh’g 2. Petitioner also argues the panel misapprehended that Spawn’s¹ entire premise is to “provide a solution” for allocation of tasks. *Id.*

Petitioner’s request that an expanded panel be allocated to deciding the merits of the request for rehearing is improper, and we determine that we did not misapprehend the matters alleged in the request for rehearing.

A. *Expanded Panel Request*

The members of the Board deciding an institution matter do not, under the Patent Statute, select themselves, or, of their own accord, select other Board members to decide the matter, upon request of a party or otherwise. The designation of panel members is within the sole authority of the Director, which may be delegated. The Board’s Standard Operating Procedures state that the Chief Judge, on behalf of the Director, may act to expand a panel on a “suggestion” from a judge or panel. Accordingly, parties are not permitted to request, and panels do not authorize, panel expansion. Neither does a Standard Operating Procedure of the Board create any legally enforceable rights. BPAI SOP 1 (Rev. 13) (Feb. 12, 2009) at 1.

¹ Waldspurger et al., *Spawn: A Distributed Computational Economy*, IEEE TRANSACTIONS ON SOFTWARE ENGINEERING, 18(2), 103–117 (1992) (Ex. 1003).

Furthermore, whether to expand the panel in an *inter partes* review matter on a “suggestion” involves consideration of whether the issue is one of conflict with an authoritative decision of our reviewing courts or a precedential decision of the Board, or whether the issue raises a conflict regarding a contrary legal interpretation of a statute or regulation. *See, e.g.,* Decision Granting Petitioner’s Request for Rehearing, *Target Corp. v. Destination Maternity Corp.*, Case IPR2014-00508, slip op. at 5–6 (PTAB Feb. 12, 2015) (Paper 28) (stating that “[t]he inconsistencies in the interpretation of the statute presented by the Decision Denying Joinder in the instant proceeding are a sufficient reason for expanding the panel”); *see also* *Apple Inc., v. Rensselaer Polytechnic Instit., LLC.*, Case IPR2014-00319 (PTAB Dec. 12, 2014) (Paper 20) (per curiam) (expanded panel considering allegations of improper application of 35 U.S.C. § 315(b)). A dissent in the denial of institution based on the sufficiency of the evidence presented in the Petition, by itself, is not a reason to expand the panel. It shows neither an abuse of discretion nor a conflict that weighs in favor of panel expansion. That is, it is unpersuasive for Petitioner to suggest expansion merely because of a disagreement among the judges in the panel concerning the facts or evidence presented.

B. Subject Matter Alleged to have been Misapprehended or Overlooked

In our Decision on Institution (Paper 10 (“Dec. on Inst.”)), the majority concluded that the Petition failed to show how Spawn discloses that the subtasks are transferred or allocated to an allocated computer. Dec. on Inst. 6. In its Request for Rehearing, Petitioner for the first time expands on various disclosures of Spawn not explained in the Petition to show that the

reference discloses the limitation. For example, Petitioner now argues that “spawning subtasks,” as disclosed in pages 10 and 16, show transfer of tasks. Req. for Reh’g 4. But these explanations were not included in the Petition at pages 25–26, where Petitioner purportedly identified how the top-level node in Spawn performs the limitation of transfer to a sub-allocating computer. *See* Pet. 25 (“As shown in Figure 1 of Spawn, the system includes a ‘top-level application’ node that runs the ‘root application manager.’ . . . This meets the ‘allocating computer’ limitation because the top-level node divides a task and allocated the portions to other nodes, or computers.”). The Petition also does not explain how the mere disclosure of “spawning” meets the limitation of transferring to a sub-allocating computer. *See* Req. for Reh’g 4 (pointing to pages 21–22, which generally cite to Spawn, but do not explaining how “spawning” of subtasks is interpreted by a person of ordinary skill in the art such that Spawn discloses the “transfer” recited in the claims).

Petitioner also attempts to explain disclosure in Spawn that was not cited in the Petition to support its contention that Spawn discloses the limitation. For example, the Request for Rehearing expands on how to interpret Spawn’s description of a “leaf” of the tree at page 13 to argue that Spawn discloses recursive subtask allocations. Req. for Reh’g 4. The Petition, however, does not cite to this description as disclosing the limitation, nor does it provide explanation regarding the “leaf” description of Spawn.

It is also unpersuasive for Petitioner to allege that the majority misapprehended disclosures of Spawn cited and explained for other limitations. For example, Petitioner argues that Spawn’s “*remote* initiation

of a subtask is achieved by transferring and allocating the subtask to a computer *other than* the computer processing the parent task.” Req. for Reh’g 4 (emphasis not included). But this remote initiation disclosure was not presented in the Petition for the limitation-at-issue. In fact, the only contention the Petition presents for the “transfer to a sub-allocating computer” is that Spawn’s top-level node running the root application manager is the “allocating computer” that transfers a task portion to a sub-allocating computer. *See* Pet. 25. The remote initiation of tasks was presented in the Petition as disclosing the “sub-allocating computer transferring a subtask portion to an allocated computer.” *See* Pet. 27. This is a different limitation (transfer by a sub-allocating computer), and, therefore, a contention different from the one presented in the Petition for the transfer by the allocating computer.

A request for rehearing is not an opportunity to expand on evidence and arguments not presented, or to mend gaps in the evidence relied on in the Petition. We could not have overlooked or misapprehended an operation of Spawn alleged to anticipate the claim when that operation was not developed sufficiently in the Petition. Arguing for the first time on rehearing that Spawn *necessarily* transfers or allocates tasks to a sub-allocating computer is insufficient to show that the panel misapprehended Spawn, because this argument was not presented in the Petition. Req. for Reh’g 6. We further disagree that Spawn is “very clear” in its disclosure of “the process for” transferring a subtask (*id.*). The lack of clarity of Spawn and the dearth of explanation in the Petition are paramount to the majority’s determination that Petitioner has failed to show a reasonable likelihood of prevailing in its contention that Spawn anticipates claim 1.

Further, Petitioner contends that the majority overlooked the admitted state of the prior art. Req. for Reh’g 10. We could not have overlooked an argument that was not made in the Petition. The ground of anticipation proffered in the Petition does not rely on admitted prior art or on the knowledge of a person of ordinary skill at the time of the invention. It relies solely on Spawn as disclosing all the limitations of the claim. *See* Pet. 23 (“GROUND 1: CLAIMS 1–2, 4–8, 10–20 ARE INVALID UNDER 35 U.S.C. § 102 AS ANTICIPATED BY SPAWN”); Ex. 1005 at 28–68 (Joseph Declaration on anticipation ground not relying on any admitted prior art). The majority did not abuse its discretion, because it could not have considered facts not presented in the Petition. We deemed insufficient the facts and explanations presented for the contention that Spawn discloses the “transfer” limitation. To contend now that admitted prior art and knowledge of a person of ordinary skill support the contention that Spawn discloses the limitation is to do so too late. *See* 37 C.F.R. § 42.104 (b)(4) (“the *petition* must set forth . . . [*h*]ow the construed claim is unpatentable under the statutory ground identified. The petition must specify *where* each element of the claim is found *in the prior art* patents or printed publications relied upon.”) (emphasis added); *id.* § 42.71(d) (“The [rehearing] request must specifically identify . . . the place where each matter was *previously addressed* in the motion, an opposition, or reply.”).

Finally, we note that the Petitioner argues it did not need to show *how* the transfer and allocation of tasks occurs in Spawn because the “claims at issue are not limited to a particular manner for transfer and allocation.” Req. for Reh’g 13. First, this argument is at odds with Petitioner’s contention that Spawn is “very clear” about the process of transferring. Indeed, we disagree

with that contention, as stated above. Further, we are not persuaded that Petitioner meets its burden by asserting that a reference discloses transferring a task when the majority views Spawn as providing very little detail on this aspect of its operation, and when no explanation for how Spawn transfers a task is provided in the Petition. Section 314 of the statute requires that Petitioner demonstrate a reasonable likelihood that it will prevail as to at least one of the challenged claims, and our rules require that the Petition set forth *how* the construed claim is unpatentable as anticipated by Spawn. *See* 37 C.F.R. § 42.104 (a)(4). Petitioner's evidence and argument presented in the Petition simply is insufficient to meet the threshold for institution. None of the arguments presented in the Request for Rehearing persuade us otherwise.

II. ORDER

It is

ORDERED that Petitioner's Request for Rehearing is *denied*.

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CAPP, *Administrative Patent Judge*, concurring-in-part and dissenting-in-part.

I agree with that portion of the decision regarding expanding the panel. The vast majority of our decisions are decided by three judge panels. Those decisions are not always unanimous. The mere fact that a panel of the Board issues a split decision should not be interpreted as an invitation to seek an expanded panel on rehearing in the hopes that there will be a shift in the numbers of the respective majority and minority positions.

Otherwise, I would have instituted a trial in this case for the reasons previously set forth in my dissent in the decision denying institution, which do not require repetition here. Paper 10.

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