

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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CAPTIONCALL, L.L.C.,  
Petitioner,

v.

ULTRATEC, INC.,  
Patent Owner.

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Case IPR2014-00780  
Patent 6,603,835 B2

Before WILLIAM V. SAINDON, BARBARA A. BENOIT, and  
LYNNE E. PETTIGREW, *Administrative Patent Judges*.

SAINDON, *Administrative Patent Judge*.

DECISION  
Denying Patent Owner's Request for Rehearing  
*37 C.F.R. § 42.71*

## I. INTRODUCTION

In our Final Written Decision, we determined that Petitioner had shown, by a preponderance of the evidence, that claims 6 and 8 of U.S. Patent No. 6,603,835 B2 (Ex. 1001, “the ’835 patent”) were unpatentable in view of Liebermann,<sup>1</sup> Engelke ’405,<sup>2</sup> and Mukherji.<sup>3</sup> Paper 35 (“Final Dec.” or “Final Decision”). Patent Owner requests a rehearing of the Final Decision. Paper 36 (“Req.” or “Request”). Having considered Patent Owner’s Request, we decline to modify our conclusion that Petitioner has shown claims 6 and 8 to be unpatentable.

### *A. Applicable Standard of Review*

In an *inter partes* review, the petitioner has the burden of showing unpatentability by a preponderance of the evidence. 35 U.S.C. § 316(e). The standard of review for rehearing requests is set forth in 37 C.F.R. § 42.71(d), which states:

The burden of showing a decision should be modified lies with the party challenging the decision. The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.

Based on the language of our Rule, it is clear that a request for rehearing is not intended as a vehicle simply to disagree with our outcome or to provide new arguments. Consistent with 37 C.F.R. § 42.71(d), a request

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<sup>1</sup> U.S. Patent No. 5,982,853, issued Nov. 9, 1999 (Ex. 1008).

<sup>2</sup> U.S. Patent No. 5,724,405, issued Mar. 3, 1998 (Ex. 1005).

<sup>3</sup> U.S. Patent No. 7,117,152 B1, filed June 30, 2000, issued Oct. 3, 2006 (Ex. 1009).

for rehearing must *cite* where the argument or evidence allegedly overlooked or misapprehended was *previously discussed* in one of the *parties' papers*.

### *B. Analysis*

Patent Owner alleges that we: disregarded evidence concerning a person of ordinary skill in the art's view of Liebermann (Req. Reh'g 1–6); did not provide a rationale for modifying the references (*id.* at 6–9); and misapplied the law of obviousness by finding prior art elements individually in the prior art (*id.* at 9–11). With regard to evidence of secondary considerations, Patent Owner alleges we: misinterpreted certain data pertaining to “VCO” (*id.* at 11–13); misinterpreted certain data by attributing it to others (*id.* at 13–14); and disregarded the testimony of its declarant (*id.* at 14–15). We address these allegations in turn.

#### *1. Arguments Regarding Evidence of Obviousness*

In our Final Decision, we addressed Patent Owner's argument in its brief “that a person of ordinary skill in the art ‘would never have looked to the Liebermann reference when attempting to design a system like that disclosed in the '835 Patent.’” Final Dec. 29 (addressing Patent Owner's arguments at pages 32–35). We discussed why Patent Owner's argument was unpersuasive, including because it merely disparaged Mr. Liebermann's work and failed to explain why the reference did not teach what Petitioner asserted it taught, and because it did not explain how the Liebermann reference was non-enabled. Final Dec. 29–31. We analyzed Liebermann's disclosure for what it taught to a person of ordinary skill in the art, based on the record before us, and made our decision on that basis. *Id.*

Patent Owner first argues that our citation to *In re Kuhle*, 536 F.2d 553 (CCPA 1975), “does not support disregarding Patent Owner’s evidence” that Lieberman would be “unworkable.” Req. 2–3. Patent Owner’s argument was, essentially, that a feature of Liebermann not relied on by Petitioner in its asserted ground would not work as described in Liebermann’s patent and therefore we must not consider any other features that Liebermann teaches. As we pointed out in our Final Decision, we considered Patent Owner’s argument and evidence and found it lacking. *See* Final Dec. 29–30 (discussing Patent Owner’s arguments from pages 32–35 of its Response). We considered, for example, the testimony of Mr. Ludwick cited by Patent Owner at pages 32–35. Final Dec. 29 (citing to pages 32–35, and discussing that we considered that Patent Owner’s “argument is not compelling” and that it “failed to offer sufficient evidence to establish that an issued patent is non-enabled”). The evidence we referenced in our Final Decision is the testimony of Mr. Ludwick that “Liebermann’s invention was universally perceived to be non-workable” and “was not taken seriously by anyone in the industry.” Ex. 2001 ¶ 75 (cited in PO Resp. 32–35, in turn cited in Final Dec. 29). As we stated in our Final Decision, Patent Owner is simply disparaging Mr. Liebermann’s work and “failed to offer sufficient evidence to establish that an issued patent is non-enabled.” Final Dec. 29. Accordingly, we did not overlook Patent Owner’s evidence.

In addition, we pointed out that the sign-recognition feature that Patent Owner was alleging was unworkable is not a component of Petitioner’s proposed combination. *Id.* at 30. As we explained in our Final Decision, Patent Owner’s argument presumed bodily incorporation and

failed to address persuasively the relevant teachings of the references. *Id.* at 30. For that reason, we cited Patent Owner to *Kuhle* and *In re Nievelt*, 482 F.2d 965, 968 (CCPA 1973). *Nievelt* stands for the premise that prior art should be considered for what it teaches, and Liebermann teaches a two-line configuration. *Nievelt*, 482 F.2d at 968 (“Combining the *teachings* of references does not involve an ability to combine their specific structures.”). Although Liebermann also teaches a sign recognition feature, that feature is not relevant for the asserted ground; its absence or presence is of no matter because it is a separate idea from the two-line configuration, which is why we cited *Kuhle*. *Kuhle*, 526 F.2d 553 (CCPA 1975) (omission of an unnecessary feature may be obvious if the only result is the removal of that feature). Patent Owner argues that Petitioner should have the burden of establishing that the sign-recognition feature is separable, but Patent Owner never raised this issue in the trial and there is no presumption of bodily incorporation. Instead, as we explained in our Final Decision, Petitioner set forth sufficient evidence and reasoning why *those features it proposes to combine* would have been obvious to combine. *See* Final Dec. 25–40.

Patent Owner next makes similar arguments regarding our citation to *Nievelt*. Req. 3–4. These arguments are unpersuasive for the reasons expressed above; we considered Patent Owner’s argument and evidence regarding the alleged unworkability of Liebermann and found them unpersuasive. *See* Final Dec. 29–31.

Patent Owner then argues that we did not consider the “totality of the prior art” and that we “considered only one isolated aspect of *Liebermann*.” Req. 4–5. Patent Owner argues, along those lines, that the proposed combination “change[d] the principle of operation of Liebermann.” *Id.* at 5–

6. Patent Owner does not cite to where it raised this principle of operation argument; it is new and was waived. Patent Owner does not cite to any evidence in the record that we did not consider that would support its argument, even if it had raised the issue timely. We note that Patent Owner did argue a different principle of operation theory, which we addressed. Final Dec. 32–33 (rejecting Patent Owner’s argument that Liebermann’s system was incompatible with revoicing technology). The remaining argument (Req. 4–5) is a reiteration of the arguments discussed above.

Patent Owner next argues that the claims require a “direct” connection and that the prior art “teaches captioning services intervening,” i.e., does not teach a direct connection. Req. 6–9. Patent Owner’s argument here is just a reiteration of its prior argument that the prior art teaches a party call rather than a direct connection, which we addressed at length in our Final Decision and found unpersuasive. *See* Final Dec. 17–20.

Patent Owner then argues that we found “the three constituent elements of the control limitation . . . individually,” “but not their interrelationship.” Req. 9–11. Patent Owner also re-argues that Liebermann does not disclose two lines. *Id.* at 10. Patent Owner then speculates that other proposed combinations of the art would have been obvious. *Id.* at 11. Patent Owner’s arguments that the prior art does not teach the control limitation, or a reason why it would have been obvious to combine the teachings of the prior art to have a device that includes the control limitation, were addressed in our Final Decision at length. *See, e.g.,* Final Dec. 20–25 (discussing prior art’s disclosure of the control limitation), 31–32 and 37–40 (discussing reasons to combine). Patent Owner’s arguments regarding the two-line feature are addressed above. Patent Owner’s speculation that there

are other obvious combinations of the prior art is irrelevant. What is at issue is whether Petitioner has demonstrated that it would have been obvious to combine the cited references *in the manner Petitioner proposed*; Patent Owner's arguments regarding other potentially obvious combinations of the prior art are beside the issue.

## 2. Arguments Regarding Evidence of Nonobviousness

In our Final Decision, we discussed the evidence of secondary considerations provided by Patent Owner. Final Dec. 40–54. Of the many items we considered, one related to data purporting to compare annual minutes of usage for “CTS” (captioned telephone service, allegedly embodying the claims) versus “Relay” (a technology not alleged to embody the claims). *Id.* at 47–51. We reviewed the evidence and arguments presented but were unconvinced that the “CTS” data presented sufficiently embodied the claims. In particular, Patent Owner failed to provide an explanation as to what constituted “CTS” in the data. *Id.* at 48–49 (“Missing here is a convincing analysis of how the claimed features are tied to this alleged success.”). This alone was sufficient to find against Patent Owner. Nevertheless, we found that the data provided showed that Patent Owner had lumped several different types of technology into its “CTS” designation, including something called “CapTel VCO.” *Id.* We noted, however, that VCO (voice carry over) is an old technology not embodying the invention. *Id.* at 49 (citing to Patent Owner's argument disparaging VCO). Accordingly, we concluded that “the evidence Patent Owner offers is insufficient to establish commercial success, let alone a nexus between the

merits of the claimed invention and any alleged commercial success.” *Id.* at 51.<sup>4</sup>

Patent Owner argues that we substituted our own assumptions for the opinion of its declarant, Mr. Ludwick. Req. 12. Mr. Ludwick testified that “Interstate CTS VCO,” “IP CTS,” “Interstate CapTel VCO,” and “All IP CTS” are “captioned telephone service.” Ex. 2004 ¶¶ 47–48. We acknowledged this testimony in our Final Decision (Final Dec. 48, citing to these paragraphs), but found it unpersuasive. Notably, as we stated then, Mr. Ludwick provides no evidence to support his statements. When a declarant fails to provide sufficient explanation or evidence, we have discretion to afford such testimony little or no weight. 37 C.F.R. § 42.65(a). Patent Owner argues that we should credit his testimony anyway, because he is an expert (Req. 12), but our Rules specifically permit us to require evidence, even from experts. 37 C.F.R. § 42.65(a) (“*Expert testimony that does not disclose the underlying facts or data on which the opinion is based is entitled to little or no weight.*”) (emphasis added).

Patent Owner then argues that evidence supporting its position purportedly exists in the record, but fails to show where arguments regarding such evidence were previously addressed in Patent Owner’s papers. Req. 12–13; 37 C.F.R. § 42.71(d). We could not have misapprehended or overlooked arguments not made. Further, even if this information would have been before us, would have stood for the proposition Patent Owner alleges, and would have been persuasive, our discussion of the secondary

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<sup>4</sup> In addition, we note that we found insufficient evidence to find that “CTS” embodied the invention; we did not find affirmatively that “CTS,” or any of the underlying items grouped as “CTS,” did not embody the invention.



considerations, and of obviousness, is based on a host of facts, none of which are dispositive. Final Dec. 54 (“In our analysis, we have considered many factors, none of which are necessarily dispositive, necessary, or sufficient; it is the totality of the evidence that is considered.”).

In our Final Decision, when reviewing the evidence of secondary considerations, we found that certain evidence pertaining to service usage were “an amalgamation of data from several providers” and thus it was not clear how to attribute this information to the claimed invention. Final Dec. 48–49. Patent Owner argues that we incorrectly assumed that the data presented represented multiple services, and that we should have understood that other companies license its technology and that it was “the only major” provider prior to 2011. Req. 13–14. Although Patent Owner points to various evidence in its request for rehearing, Patent Owner fails to identify where it made these arguments previously in its Patent Owner Response or other papers. Patent Owner cites to page 51 of its Patent Owner Response, but we do not see this argument in the cited portion, nor does Patent Owner explain in its request for rehearing that we missed such an argument.

We could not have misapprehended or overlooked arguments not made. Our decision was based on the facts before us; there is no reason to believe that, even if these other providers were licensees, that they used the exact same features as claimed. Further, even if this information would have been before us, would have stood for the proposition Patent Owner alleges, and would have been persuasive, our discussion of the secondary considerations, and of obviousness, is based on a host of facts, none of which are dispositive. Final Dec. 54 (“In our analysis, we have considered

many factors, none of which are necessarily dispositive, necessary, or sufficient; it is the totality of the evidence that is considered.”).

In our Final Decision, we considered the testimony of Patent Owner’s declarant, Mr. Ludwick, in conjunction with Patent Owner’s argument that the CapTel commercial service embodied the limitations of claims 6 and 8. Final Dec. 44–47. We analyzed his testimony in detail and made our findings and conclusions on the basis of many different factors. *See id.* Patent Owner argues that we should have found his testimony persuasive. Req. 14–15. Patent Owner does not cite to an argument it made that we overlooked or misapprehended. Patent Owner does not cite to testimony of Mr. Ludwick that it cited in its brief that we overlooked or misapprehended. Instead, Patent Owner simply disagrees with our Decision. We could not have misapprehended or overlooked arguments not made.

### 3. *Request for Expanded Panel*

Patent Owner suggests an expanded panel is warranted to decide the Request. Req. 1. The Board’s procedures provide examples of reasons for expanding a panel, none of which apply here. PTAB SOP 1 at 3 (§ III.A). For example, an expanded panel may be appropriate when “serious questions have been raised about the continuing viability of an apparently applicable precedential decision of the Board, or a panel of the Board renders a decision that conflicts with a precedential decision of the Board or an authoritative decision of the Board’s reviewing courts.” *Id.* Patent Owner’s Request does not show a conflict or other reason that weighs in favor of panel expansion. Even so, the panel informed the Chief Judge, who has authority to expand a panel, of Patent Owner’s request, and the Chief Judge declined to expand the panel. *See* PTAB SOP 1 at 4 (§ III.C). (“The

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Chief Judge will determine when an expanded panel is to be designated.”); *see also Apple Inc. v. Rensselaer Polytechnic Inst.*, Case IPR2014-00319, slip op. at 2 n.1 (PTAB Dec. 12, 2014) (Paper 20) (indicating only the Chief Judge, acting on behalf of the Director, may act to expand a panel and panels do not authorize panel expansion).

### *C. Conclusion*

Having reviewed Patent Owner’s Request, we are not persuaded we misapprehended or overlooked any argument previously presented. Thus, we decline to modify our Decision.

## II. ORDER

It is hereby ORDERED that Patent Owner’s Request for Rehearing is *denied*.

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