

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZHONGSHAN BROAD OCEAN MOTOR CO., LTD.,
BROAD OCEAN MOTOR LLC, and
BROAD OCEAN TECHNOLOGIES, LLC,
Petitioners,

v.

NIDEC MOTOR CORPORATION,
Patent Owner.

Case IPR2014-01121 (Patent 7,626,349 B2)
Case IPR2014-01122 (Patent 7,208,895 B2)
Case IPR2014-01123 (Patent 7,312,970 B2)¹

Before BENJAMIN D. M. WOOD, JAMES A. TARTAL, and
PATRICK M. BOUCHER, *Administrative Patent Judges*.

BOUCHER, *Administrative Patent Judge*.

DECISION
Denying Requests for Rehearing
37 C.F.R. § 42.71

¹ We exercise our discretion to issue a single decision for the three proceedings. The parties are not authorized to use this style of caption.

IPR2014-01121 (Patent 7,626,349 B2)
IPR2014-01122 (Patent 7,208,895 B2)
IPR2014-01123 (Patent 7,312,970 B2)

On January 21, 2015, we instituted *inter partes* review in IPR2014-01121 and IPR2014-01122, and denied institution of *inter partes* review in IPR2014-01123. Paper 20 in each of the proceedings. In all three proceedings, we denied institution on certain grounds advanced by Petitioners because those grounds relied on references that we determined were defective under 37 C.F.R. § 42.63(b). Dec. 7.² Specifically, each of those grounds relied on at least one Japanese reference; Petitioners filed an English translation of the reference, but failed to file an attesting affidavit with the translation as required by the rule.

On February 4, 2015, Petitioners filed a Request for Rehearing in each of the three proceedings that advance arguments involving (1) regulations for making and responding to evidentiary objections under 37 C.F.R. § 42.64(b); (2) regulations for correction of clerical or typographical mistakes under 37 C.F.R. § 42.104(c); and (3) our discretion under 37 C.F.R. §§ 42.5(b) and (c)(3). Req. Reh'g 1.

I. REHEARING STANDARD

When rehearing a decision, the Board reviews the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). “An abuse of discretion occurs where the decision (1) is clearly unreasonable, arbitrary, or fanciful; (2) is

² Petitioners make substantially the same arguments in each proceeding. For convenience, we subsequently provide citations herein to our Institution Decision (Paper 20, “Dec.”) and to Petitioner’s Request for Rehearing (Paper 21, “Req. Reh’g”) in IPR2014-01123.

IPR2014-01121 (Patent 7,626,349 B2)
IPR2014-01122 (Patent 7,208,895 B2)
IPR2014-01123 (Patent 7,312,970 B2)

based on an erroneous conclusion of law; (3) rests on clearly erroneous fact findings; or (4) involves a record that contains no evidence on which the Board could rationally base its decision.” *Stevens v. Tamai*, 366 F.3d 1325, 1330 (Fed. Cir. 2004) (citing *Eli Lilly & Co. v. Bd. of Regents of the Univ. of Wash.*, 334 F.3d 1264, 1266–67 (Fed. Cir. 2003)). The burden of showing that the decision should be modified lies with Petitioners, the parties challenging the decision. *See* 37 C.F.R. § 42.71(d). In addition, “[t]he request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed.” *Id.*

II. REGULATIONS FOR MAKING AND RESPONDING TO EVIDENTIARY OBJECTIONS

Under 37 C.F.R. § 42.64(b), an opportunity is afforded to parties to submit supplemental evidence in response to objections to evidence submitted during a preliminary proceeding. The procedure contemplates service of the objection “within ten business days of the institution of the trial” (37 C.F.R. § 42.64(b)(1)) and service of the supplemental evidence “within ten business days of service of the objection” (37 C.F.R. § 42.64(b)(2)).

Petitioners correctly contend that their defective exhibits, namely the Japanese references with unattested translations, are “evidence submitted during a preliminary proceeding.” Req. Reh’g 5. Petitioners also correctly

IPR2014-01121 (Patent 7,626,349 B2)
IPR2014-01122 (Patent 7,208,895 B2)
IPR2014-01123 (Patent 7,312,970 B2)

contend that “supplemental evidence” includes the attesting affidavits later obtained by Petitioners. *Id.* Thus, we agree with Petitioners that the procedure allows service of its later-obtained attesting affidavits.

Nevertheless, such a procedure ultimately fails to have the curative effect Petitioners desire. Specifically, 37 C.F.R. § 42.63(b) requires that “an affidavit attesting to the accuracy of the translation *must* be filed *with* the document” (emphases added). Consequently, the original Petitions are incomplete with respect to the grounds advanced by Petitioners that rely on the Japanese references. Later submission of the Japanese references with translations and attesting affidavits would require assignment of a new filing date. 37 C.F.R. § 42.106. The patents at issue in each of the proceedings are also the subject of *Nidec Motor Corporation v. Broad Ocean Motor LLC et al.*, Civil Action No. 4:13-CV-01895-JCH (E.D. Mo., Sept. 25, 2013). Dec. 3. Petitioners’ original email message to the Board requesting guidance on filing the later-obtained attesting affidavits is dated October 29, 2014 (Req. Reh’g, Ex. A), more than a year after service of the complaint in that civil action. Thus, following the procedure requested by Petitioners would result in a filing date that bars institution of *inter partes* reviews under 35 U.S.C. § 315(b).

Petitioners direct our attention to the Board’s grant of authorization to file supplemental evidence in *Toyota Motor Corp. v. American Vehicular Sciences LLC*, Case No. IPR2013-00415 (PTAB Dec. 5, 2013) (Paper 14). Req. Reh’g 6–8. We disagree with Petitioners’ assertion that the

IPR2014-01121 (Patent 7,626,349 B2)
IPR2014-01122 (Patent 7,208,895 B2)
IPR2014-01123 (Patent 7,312,970 B2)

circumstances presented in that proceeding are “closely analogous” to those in these proceedings. *See id.* at 6. In *Toyota*, a Japanese reference was filed with an English translation and a certification of the translation that included certain defects. *Id.* The distinction between correction of an already filed, but defective, attesting affidavit and an attempt to file a new later-obtained attesting affidavit is fundamental. The rule, 37 C.F.R. § 42.63(b), is unequivocal and requires in this case that a certification of the translation “must be filed with” the Petition. A certification acquired for the first time after the Petition is filed does not comply with the requirements of 37 C.F.R. § 42.63(b).

III. REGULATIONS FOR CORRECTION OF CLERICAL OR TYPOGRAPHICAL MISTAKES

As Petitioners note, during the conference call held on November 3, 2014, we guided the parties to the provisions of 37 C.F.R. § 42.104(c), which allow correction of “a clerical or typographical mistake in the petition” without changing the filing date of the Petition, and authorized briefing by the parties. Req. Reh’g 3. After consideration of the parties’ respective positions, we determined that Petitioners had not established that the facts supported a finding that the failure to include attesting affidavits resulted from a “clerical mistake.” Dec. 3–7.

Petitioners now contend that the curative provisions of § 42.104(c) should extend to a “mistake of fact,” and that the facts support a finding that

IPR2014-01121 (Patent 7,626,349 B2)
IPR2014-01122 (Patent 7,208,895 B2)
IPR2014-01123 (Patent 7,312,970 B2)

the failure to include attesting affidavits resulted from a “mistake of fact.” Req. Reh’g 11–12. Petitioners argue that our reliance on the analysis in *Ford Motor Co. v. U.S.*, 157 F.3d 849 (Fed. Cir. 1998), was misplaced because the statute at issue in that case recited “clerical error” and “mistake of fact” as alternatives. *Id.* 10–11. Petitioners reason that, because the interpretation of “clerical error” by the Federal Circuit considered a distinction between the recited alternatives, our interpretation of “clerical mistake” is too narrow by excluding mistakes of fact. *Id.* 11–12.

We are not persuaded by this reasoning, which implicitly assumes that the factual bases supporting the curative provisions of our rules are meant to be coextensive with those supporting the curative provisions of the statute at issue in *Ford*. Petitioners provide no support for this assumption. We decline to extend the basis for curing mistakes beyond what 37 C.F.R. § 42.104(c) explicitly authorizes.

IV. DISCRETION

Petitioners correctly observe that the Board has discretion, under 37 C.F.R. § 42.5(b), to waive any requirement of 37 C.F.R. Part 42, which includes the requirement in § 42.63(b) to include attesting affidavits with translations of foreign-language documents. Req. Reh’g 13. Petitioners additionally observe that 37 C.F.R. § 42.5(c)(3) provides that “[a] late action will be excused on a showing of good cause or upon a Board decision that consideration on the merits would be in the interests of justice.” *Id.* at 14.

IPR2014-01121 (Patent 7,626,349 B2)
IPR2014-01122 (Patent 7,208,895 B2)
IPR2014-01123 (Patent 7,312,970 B2)

Petitioners' reliance on § 42.5(c)(3) is tenuous because the excuse of a "late action" is addressed in terms of "times." The defect with Petitioners' Japanese documents is not that the filing of the references and translations were untimely, but that, in the absence of supporting affidavits, the translations were incomplete when filed. Although Petitioner may be permitted to file the attesting affidavits late, that does not entitle Petitioner to retain the filing date associated with the original incomplete references. Thus, in this case, it is not the inability to file attesting affidavits late that precludes Petitioner, but the fact that complete translations with attesting affidavits were not obtained and filed prior to the date on which institution of *inter partes* review was barred under 35 U.S.C. § 315(b).

We are mindful of the impact of our decision. Nevertheless, we are not persuaded that waiving the requirement of § 42.63(b) would be a prudent exercise of our discretion under these facts.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Petitioners' Requests for Rehearing are *denied*.

IPR2014-01121 (Patent 7,626,349 B2)
IPR2014-01122 (Patent 7,208,895 B2)
IPR2014-01123 (Patent 7,312,970 B2)

PETITIONER

Steven Meyer
ptopatentcommunication@lockelord.com

Charles Baker
cbaker@lockelord.com

PATENT OWNER

Scott Brown
jcrawford@hoveywilliams.com

Matthew Walters
mwalters@hoveywilliams.com