

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

XACTWARE SOLUTIONS, INC.,
Petitioner,

v.

EAGLE VIEW TECHNOLOGIES, INC.,
Patent Owner.

Case IPR2016-00586
Patent 8,170,840 B2

Before HOWARD B. BLANKENSHIP, BRYAN F. MOORE, and
STACEY G. WHITE, *Administrative Patent Judges*.

MOORE, *Administrative Patent Judge*.

DECISION
Petitioner's Request for Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Xactware Solutions, Inc. (“Petitioner”) requests rehearing (Paper 15, “Req. Reh’g”) of our Decision Denying Institution of *Inter Partes* Review (Paper 15, “Decision” or “Dec.”) of U.S. Patent No. 8,170,840 B2 (“the ’840 patent”). Petitioner seeks rehearing, reconsideration, and reversal of our determination not to institute *inter partes* review of the ’840 patent under 35 U.S.C. § 103 over several grounds based upon Verma.¹ In our Decision, we found that Petitioner had not explained sufficiently its arguments that Verma taught the recited pitch determination marker. Dec. 10–13. Petitioner asserts that we erred as to our factual findings regarding Verma and improperly required a motivation to combine teachings found within a single reference. Req. Reh’g 2–15. For the reasons that follow, Petitioner’s request for rehearing is *denied*.

II. BACKGROUND

In the Petition, claims 1, 2, 4, 8–18, 21, and 28 of the ’840 patent were challenged under 35 U.S.C. § 103 on the following grounds:

References	Claims Challenged
Hsieh ² and Verma	1, 2, 4, 8–18, 21, and 28
Hsieh, Verma, and Applicad ³	10, 11, 16, and 18
Verma	1, 2, 4, 8–18, 21, and 28
Verma and Applicad	10, 11, 16, and 18

¹ U.S. Pub. No. 2006/0061566 A1, pub. Mar. 23, 2006 (“Verma”) (Ex. 1005).

² Yuan Hsieh, DESIGN AND EVALUATION OF A SEMI-AUTOMATED SITE MODELING SYSTEM, Carnegie Mellon, Nov. 1995 (“Hsieh”) (Ex. 1006).

³ AppliCad, PRODUCT BULLETIN – NOVEMBER 2002: KEY FEATURES OF OUR ROOFING SOFTWARE, Nov. 2002 (“Applicad”) (Ex. 1007).

Pet. 9–54. All of the asserted grounds relied upon Verma to render obvious the claimed pitch determination marker. Dec. 12–13. We denied institution of all asserted grounds because we were not persuaded by Petitioner’s arguments regarding the teachings of Verma. *Id.*

III. STANDARD OF REVIEW

When rehearing a decision, the Board reviews the decision for an abuse of discretion. *See* 37 C.F.R. § 42.71(c). An abuse of discretion occurs when a “decision [i]s 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.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988). “The burden of showing that a decision should be modified lies with the party challenging the decision.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). In its request for rehearing, the dissatisfied party must (1) “specifically identify all matters the party believes the Board misapprehended or overlooked” and (2) identify the place “where each matter was previously addressed.” 37 C.F.R. § 42.71(d); Office Patent Trial Practice Guide, 77 Fed. Reg. at 48,768. We address Petitioner’s arguments with these principles in mind.

IV. ANALYSIS

Petitioner makes several arguments regarding the teachings of Verma. Verma is a U.S. Patent Publication directed to a method and apparatus for automatically generating a 3D computer model from a point cloud created by a laser radar (“LIDAR”) system. Ex. 1005, Abstract. The point cloud is processed by the system to extract information about the structure of the roof

of a building and that information is further processed to generate a roof model. *Id.* ¶ 10.

Petitioner contends that the Board overlooked Petitioner’s assertion that Verma’s handle tool alone was sufficient to teach the recited pitch determination marker. Req. Reh’g 5. In addition, Petitioner argues that we did not appreciate that the planar rotation and handle tool of Verma “are utilized together to manipulate a model to more accurately match the LIDAR point cloud.” *Id.* at 11. Petitioner further argues that the handle tool and operations are not disparate teachings. *Id.* Finally, Petitioner asserts that it was error to require a motivation to combine teachings found within the same reference. *Id.* at 13. We address each of these arguments in turn.

A. Obviousness Based on only Verma’s Handles

First, we address Petitioner’s contention that Verma’s handles alone would have taught the recited pitch determination marker. *Id.* at 5. Verma states that “[a] user interface is provided in the form of handles on the parametric shapes that can be dragged to alter the shape.” Ex. 1005 ¶ 62. This is the sole mention of handles in the specification and none of the Figures depict handles. Petitioner does not cite paragraph 62 alone, but rather cites to also to paragraph 63 which describes the use of “operations.” Pet. 20 (citing Ex. 1005 ¶ 63)⁴. In the Decision, we noted that “Petitioner cites both Verma’s handles and operations without explaining sufficiently

⁴ Petitioner’s discussion of claims 8 and 12 (Req. Reh’g 9–11) is moot (except for its admission that operations are tied to changing slope or pitch (*id.* at 10)) because we have not reversed the Decision as to independent claim 1.

how these elements would interact.” Dec. 11–12 (citing Pet. 20, 24, 28).
We are not persuaded that this determination was in error.

B. Whether Verma’s Handles and Planar Rotation Are Disparate Teachings

Second, we address Petitioner’s contention that Verma’s handle tool and planar rotation functionality are not disparate teachings that require a motivation to combine. Req. Reh’g 11–13. Petitioner argues that handles and planar rotation are “utilized together in order to manipulate a model.” *Id.* at 11. In paragraphs 37 and 38, Verma describes two techniques for defining roof structures. Ex. 1005 ¶¶ 37, 38. “In a first technique, the roof can be defined by one or more independent planes that are manipulated into alignment.” *Id.* ¶ 37. “In another technique, the roof structures are modeled as parametric shapes (e.g., prismatic shapes) that are fit directly to the point cloud.” *Id.* ¶ 38. Petitioner contends that we misapprehended the sentence describing the relationship between these two techniques. Req. Reh’g 11–13. Verma states that “[u]sing [the second] technique simplifies the rooftop modeling process and **mitigates the processing used** to align the abutting edges of the roof region planes that was (sic) used in the foregoing technique.” Ex. 1005 ¶ 38 (emphasis added). According to Petitioner, the word mitigates as used here means that the need to use planar rotation is lessened when parametric shapes are utilized. Req. Reh’g. 12–13. We disagree with this interpretation. The thing being mitigated is the amount of processing used. This passage is comparing the processing used by the two techniques and notes that the second technique mitigates or lessens the processing as compared to the first technique. Both techniques are directed to defining roof structures and we are not persuaded that the two techniques

are to be used together. Thus, Petitioner's argument that these techniques are not disparate techniques is not persuasive.

C. Whether Verma's Handles and Operations are Disparate Teachings

Third, we address Petitioner's contention that Verma's handle tool and operations are not disparate teachings. Req. Reh'g 2–11. In the Decision, we note, as Patent Owner stated, that Verma describes the use of both handles and operations to manipulate parametric shapes." Dec. 10–11. Verma's second roof defining technique describes the use of parametric shapes to model a roof. Ex. 1005 ¶ 38. As part of this technique, an algorithm is used to group the points found in the point cloud. *Id.* ¶ 42. These groupings are used to determine the shapes that make up the roof. *Id.* ¶ 43. "Once the roof shapes are estimated, they can be manipulated to better fit the LIDAR data if needed." *Id.* ¶ 62. Verma states that "[a] user interface is provided in the form of handles on the parametric shapes that can be dragged to alter the shape." *Id.* Then, in paragraph 63, Verma explains that parametric shapes can be edited in cases where the automatic algorithm is not successful. *Id.* ¶ 63. In this paragraph, Verma notes that "[a]nother advantage to representing buildings as parametric shapes rather than groups of polygons is that the parametric shapes can be edited intuitively by operations such as push a wall, change the height, change the slope of the gable roof, and the like." *Id.*

In its Rehearing Request, Petitioner argues "Paragraph 63 of Verma is cited by the Petition in connection with the 'pitch determination marker' element for what it suggests to a POSITA, i.e., that the slope of a parametric shape can be edited, and to simply reinforce what occurs when a model is edited." The method of editing described in paragraph 63 is operations.

Petitioner's argument regarding what is taught to a POSITA, however, was not explained sufficiently in the Petition and was not tied to any explanation of how and if handles and operations work together. In the Decision, we noted that "Petitioner cites both Verma's handles and operations without explaining sufficiently how these elements would interact." Dec. 11 (citing Pet. 13, 19–20). We are not persuaded that this determination was in error.

In its Rehearing Request, Petitioner states that the teachings of Verma's paragraph 62 (handles) and 63 (operations) "are inextricably linked as disclosing editing of parametric shapes" and that "a POSITA would reasonably conclude that such handles would also be used with the functionality disclosed in paragraph 63." Req. Reh'g 3. This argument, however, does not appear in the Petition so we could not have overlooked or misapprehended it. A request for rehearing is not an opportunity to revisit the flaws in a petition and present new arguments to correct those flaws.

Petitioner also asserts that we improperly required Petitioner to bodily incorporate Verma's handles and operations. Req. Reh'g 4. This argument, however, misstates our analysis. In the Decision, we stated that it was "not sufficient for Petitioner to point out different teachings that were available in the prior art; instead, Petitioner must sufficiently articulate a rationale for the combination." Dec. 11 (citing *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007)). The interaction or integration of these various teachings does not require that the disparate elements of Verma be integrated physically. We, instead, were looking for a discussion of how one of ordinary skill in the art would view these teachings and what one of ordinary skill would learn from the combination. Petitioner has not supplied us with a sufficient explanation as to how one of ordinary skill would combine the knowledge

gleaned from these passages and, as such, we were not persuaded that Petitioner had put forth a sufficient showing.

D. Whether a Motivation to Combine Is Required for Disparate Teachings in a Single Reference

Finally, Petitioner argues that we erred by requiring a motivation to combine teachings found in a single reference. Req. Reh’g 13–15. Petitioner argues that “[b]y restricting the teachings of Verma to individual embodiments, the Board failed to evaluate Verma in its entirety and as a whole for all that it teaches and suggests to a POSITA.” *Id.* at 14 (citing *Panduit Corp. v. Dennison Mfg. Co.*, 774 F.2d 1082, 1093–94 (Fed. Cir. 1985)). *Panduit*, however, does not support Petitioner’s proposition. In that case, the Federal Circuit spoke to the dangers of “disregard[ing] the decisional parameters governing the proper evaluation of prior art.” *Panduit*, 774 F.2d at 1094. As described in that case, the first “fundamental error[.]” is the “picking and choosing of [elements] either absent from the prior art references or there disclosed in entirely distinct form, characteristics, and relationships” without considering the portions of the art that would argue against obviousness. *Id.* Thus, *Panduit*, does not support the blurring together of various embodiments and techniques disclosed in a reference in order to support a claim of obviousness. It instead cautions against the dangers of overlooking important differences between the cited art and the challenged claims.

The Federal Circuit has long cautioned that “[o]ne cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention.” *SIBIA Neurosciences, Inc. v. Cadus Pharm. Corp.*, 225 F.3d 1349, 1360 (Fed. Cir. 2000) (quoting *In re*

Fine, 837 F.2d 1071, 1075, 5 USPQ2d 1596, 1600 (Fed. Cir. 1988)). The Supreme Court has noted that “in most, if not all, instances [inventions] rely upon building blocks long since uncovered.” *KSR*, 550 U.S. at 418. Thus, “it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does.” *Id.* Thus, the Supreme Court and Federal Circuit precedents instruct us to avoid hindsight reasoning by seeking articulated reasoning with rational underpinnings to explain why the cited teachings should be combined. *See id.* at 418–19. Petitioner’s papers, however, lacked an explanation as to how and why the various teachings of Verma would come together to teach one of ordinary skill in the art the recited pitch determination marker. Thus, for all of the foregoing reasons, we are not persuaded of error in the Decision.

V. CONCLUSION

For the foregoing reasons, Petitioner has not demonstrated that we abused our discretion by not instituting *inter partes* review of the challenged claims of the ’840 patent on grounds that were based in whole or in part on Verma.

VI. ORDER

Accordingly, it is ORDERED that Petitioner’s request for rehearing is *denied*.

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