

ERICSSON, INC. v. INTELLECTUAL VENTURES LLC, Appeal No. 2016-1671 (Fed. Cir. May 29, 2018). Before Prost, Newman, and Wallach. Appealed from the PTAB.

Background:

Ericsson petitioned for inter partes review of all claims of Intellectual Ventures ("IV")'s '408 patent on two grounds: anticipation and obviousness. The PTAB sustained patentability of the claims and ruled that Ericsson had not demonstrated, by a preponderance of the evidence, that any of the claims are anticipated by the Carney reference.

Claim 1 of the '408 patent recites a method of frequency hopping that includes: "operating said broadband transceiver using a plurality of transceiver RF frequencies, each of which represents one of said physical RF channels;" and "changing from a first of said physical RF channels upon which said mobile subscribers communicate with said basestation to a second of said physical RF channels, while maintaining a same logical channel."

IV argued that the '408 patent and Carney are different because Carney lacks structural components such as a DP RAM FHOP, a comparator, and a control processor. IV's expert argued that without this structure Carney's method cannot remap the incoming data fast enough to support frequency hopping.

Carney discloses that "the particular modulation in use may be any one of a number of different wireless (air interface) standards such as ... frequency hopping standards such as the GSM." IV's expert argued that the above passage of Carney means that a basestation can support GSM, but does not say that it supports the optional frequency hopping. Because GSM's frequency hopping functionality is optional and the modulation functionality does not vary even if frequency hopping functionality is not employed, the PTAB determined that Carney does not anticipate the '408 patent.

Issue/Holding

Did the PTAB error in determining that claim 1 is not anticipated by relying on expert's opinion that contradicts prior art? Yes, reversed.

Discussion

The Federal Circuit found that the '408 patent and Carney share significant disclosure for a wideband digital basestation. Even though Carney does not disclose additional components like DP RAM FHOP, the Federal Court held that those hardware components are not reflected in claim 1 of the '408 patent. The Federal Circuit also found that the scope of the claim 1 of the '408 patent is indistinguishable from the disclosure of Carney.

The PTAB's factual findings are reviewed for support by substantial evidence in the PTAB's record. The Federal Circuit found that IV's expert's opinion is "plainly inconsistent with the record, or based on an incorrect understanding of the claims" because Carney discloses that frequency hopping standards may be used. Thus, the Federal Circuit ruled that the expert's opinion is not substantial evidence to support the PTAB's decision. Accordingly, the Federal Circuit reversed the PTAB's decision.