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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ADVANCED BIONICS, LLC,
Petitioner,

v.

MED-EL ELEKTROMEDIZINISCHE GERÄTE GMBH,
Patent Owner.

IPR2019-01469
Patent 8,634,909 B2

Before WILLIAM M. FINK, *Vice Chief Administrative Patent Judge*, LINDA E. HORNER and KALYAN K. DESHPANDE, *Administrative Patent Judges.*

DESHPANDE, *Administrative Patent Judge.*

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Advanced Bionics, LLC ("Petitioner") filed a Petition requesting an *inter partes* review of claims 1, 3, 5, 6, 10, 11, 14, 16, and 20 of U.S. Patent No. 8,634,909 (Ex. 1001, "the '909 patent"). Paper 1 ("Pet."). MED-EL Elektromedizinische Geräte GmbH ("Patent Owner") filed a Preliminary Response. Paper 5 ("Prelim. Resp."). We have authority under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted "unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." After considering the Petition, Patent Owner's Preliminary Response, and associated evidence, we exercise our discretion to deny institution of *inter partes* review under 35 U.S.C. § 325(d).

A. Related Matters

Petitioner and Patent Owner indicate that the '909 patent is the subject of *MED-EL Elektromedizinische Geräte Ges.m.b.H et al. v. Advanced Bionics LLC*, Case No. 1:18-cv-01530-MN (D. Del), filed on October 3, 2018. Pet. 89; Paper 4.

B. The '909 Patent

The '909 patent relates to "implantable medical devices, and specifically, to magnetic elements in such devices that allow for magnetic resonance imaging." Ex. 1001, 1:9–11. The '909 patent discloses that a typical cochlear hearing implant system includes an external magnet having a conventional coin shape and a north-south magnetic dipole perpendicular to the skin as well as an internal magnet having a coin shape and a north-south magnetic dipole perpendicular to the skin. *Id.* at 1:14–22, 1:26–29. According to the '909 patent, interactions occur between the implant magnet

and an applied external magnetic field when a patient undergoes Magnetic Resonance Imaging (MRI) examination. *Id.* at 1:38–41. Such interactions may displace the internal magnet or displace the internal implant housing, which may damage adjacent tissue; reduce or remove the magnetization of the internal magnet; or cause imaging artifacts in the MRI image. *Id.* at 1:43–53.

The ’909 patent discloses a magnetic arrangement for an implantable system that includes a planar coil housing containing a signal coil. *Id.* at 2:14–18. The magnetic arrangement further includes a first attachment magnet located within the plane of the coil housing so the first attachment magnet is rotatable therein and has a magnetic dipole parallel to the plane of the coil housing. *Id.* at 2:18–22. A side cross-sectional view of cochlear implant 400 is shown in Figure 4(B):

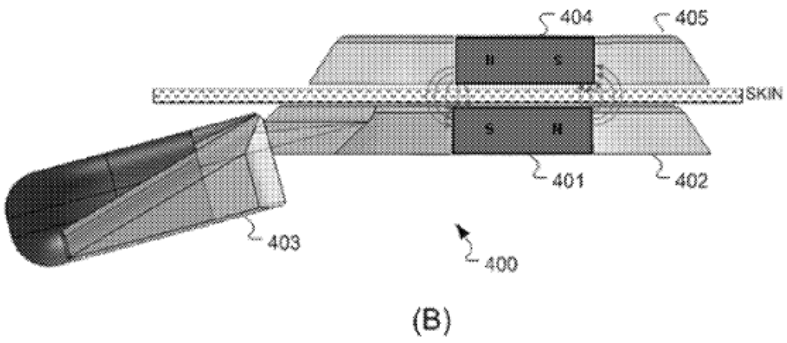

Fig. 4

Figure 4(B) illustrates that cochlear implant 400 has planar coil housing 402 and first attachment magnet 401 located within the plane of coil housing 402 and rotatable therein. *Id.* at 3:65–4:3. First attachment magnet 401 also has a magnetization direction with a magnetic dipole parallel to the plane of coil housing 402. *Id.* at 4:4–5. External transmitter coil housing

405 has second attachment magnet 404 with a similar magnetic dipole parallel to the plane of coil housing 405. *Id.* at 4:5–8. According to the '909 patent, the magnets may be disk shaped but "any shape could be implemented so long as the magnetization is parallel to the coil housing and the skin." *Id.* at 6:3–6. The '909 patent also discloses that disk-shape magnets allow for rotation in only one plane but still can align well with the field of a magnetic resonance scanner without the need to drill a recess into the bone during implantation, which spherical magnets may require. *Id.* at 1:66–2:7, 6:45–50, 6:66–7:2.

The '909 patent discloses that the arrangement of Figure 4(B) results in attachment magnets 401, 404 self-orienting when external transmitter coil housing 405 is placed on the skin of a patient. *Id.* at 4:5–12. In addition, when a patient with the arrangement of Figure 4(B) undergoes an MRI, a magnetization component of the internal attachment magnet is perpendicular to the external magnetic field of magnetic resonance scanner. *Id.* at 4:19–25. This causes the attachment magnet to turn around its axis to align with the magnetization direction of the magnetic resonance scanner, which results in no torque on the magnet and its coil housing or weakening of the magnetic force of the attachment magnet. *Id.* at 4:25–28, 4:35–39.

C. Illustrative Claim

Petitioner challenges claims 1, 3, 5, 6, 10, 11, 14, 16, and 20 of the '909 patent. Pet. 25–87. Claims 1 and 10 are the only independent claims challenged. Claim 1 is illustrative of the challenged claims and is reproduced below:

> 1. An implantable system for a recipient patient, the implantable system comprising:

> a coil housing configured to be implanted under the patient's skin, the coil housing having a planar outer surface configured to lie parallel to the patient's skin and containing a signal coil for transcutaneous communication of an implant communication signal; and
>
> a planar disc shaped first attachment magnet within the coil housing, the first attachment magnet adapted to be rotatable therein, having a magnetic dipole moment oriented across a diameter of the first attachment magnet, and configured within the coil housing such that the magnetic dipole moment remains substantially parallel to the planar outer surface of the coil housing when the first attachment magnet rotates for transcutaneous magnetic interaction with a corresponding second attachment magnet.

Ex. 1001, 7:44–60. Independent claim 10 is similar to claim 1 and further recites a transmitter housing containing a second attachment magnet. *Id.* at 8:27–47.

D. The Alleged Grounds of Unpatentability and Evidence of Record

The information presented in the Petition sets forth proposed grounds of unpatentability of claims 1, 3, 5, 6, 10, 11, 14, 16, and 20 of the '909 patent under 35 U.S.C. § 103(a)[1] as follows (*see* Pet. 25–87):[2]

Claim(s) Challenged	**35 U.S.C. §**	**Reference(s)/Basis**
1, 3, 5, 6, 10, 11, 14, 16, 20	103(a)	Zimmerling,[3] Charvin[4]
1, 3, 5, 6, 10, 11, 14, 16, 20	103(a)	Chang,[5] Zimmerling, Schmid[6]

II. ANALYSIS

A. 35 U.S.C. § 325(d)

Petitioner and Patent Owner present arguments about our discretion under 35 U.S.C. § 325(d). Pet. 87–89; Prelim. Resp. 65–72. We address this threshold issue first, and, determine that it is dispositive of our decision of whether to institute *inter partes* review. For the foregoing reasons, we are

[1] The Leahy-Smith America Invents Act ("AIA"), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), amended 35 U.S.C. § 103 effective March 16, 2013. Because the application from which the '909 patent issued was filed before March 16, 2013, we refer to the pre-AIA version of § 103.

[2] Petitioner supports its challenge with the Declaration of Frank G. Shellock, Ph.D. Ex. 1002.

[3] U.S. Pat. No. 6,838,963 B2, issued Jan. 4, 2005 ("Zimmerling," Ex. 1003).

[4] U.S. Pat. No. 7,266,208 B2, issued Sept. 4, 2007 ("Charvin," Ex. 1004).

[5] U.S. Pat. App. Pub. No. US 2009/0005836, published Jan. 1, 2009 ("Chang," Ex. 1005).

[6] U.S. Pat. No. 6,761,681 B2, issued July 13, 2004 ("Schmid," Ex. 1006).

persuaded by Patent Owner to exercise our discretion to deny institution of *inter partes* review under 35 U.S.C. § 325(d).

1. Introduction

Section 325(d) provides that the Director may elect not to institute[7] a proceeding if the challenge to the patent is based on matters previously presented to the Office. 35 U.S.C. § 325(d) states, in pertinent part,

> In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.

Thus, 35 U.S.C. § 325(d) identifies two separate issues for the Director to consider in exercising discretion to deny institution of review: whether the petition presents to the Office the same or substantially the same art previously presented to the Office, or whether the petition presents to the Office the same or substantially the same arguments previously presented to the Office. As discussed in detail below, the question of whether proffered art or arguments are "the same or substantially the same" as art or arguments previously presented to the Office is a highly factual inquiry, which may be resolved by reference to the factors set forth in *Becton, Dickinson*.[8]

Under § 325(d), the art and arguments must have been previously presented to the Office during proceedings pertaining to the challenged patent. Previously presented art includes art made of record by the

[7] The Board institutes trial on behalf of the Director. 37 C.F.R. § 42.4(a).

[8] *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (Dec. 15, 2017) (precedential as to § III.C.5, first paragraph) ("*Becton, Dickinson*").

Examiner, and art provided to the Office by an applicant, such as on an Information Disclosure Statement (IDS), in the prosecution history of the challenged patent. The proceedings in which the art was previously presented include, for example: examination of the underlying patent application, reexamination of the challenged patent, a reissue application for the challenged patent, and AIA post-grant proceedings involving the challenged patent.

If the "same or substantially the same prior art or arguments previously were presented to the Office," then the Board's decisions generally have required a showing that the Office erred in evaluating the art or arguments. *See, e.g.*, *Becton*, *Dickinson*, Paper 8 at 24 (considering whether the petitioner has pointed out sufficiently how the examiner erred in its evaluation of the asserted prior art). If the petitioner fails to show that the Office erred, the Director may exercise his discretion not to institute *inter partes* review. *Id.* (exercising discretion where "Petitioner has not pointed to error by the Examiner").

Thus, under § 325(d), the Board uses the following two-part framework: (1) whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office; and (2) if either condition of first part of the framework is satisfied, whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.[9] If a condition in the first part of the

[9] An example of a material error may include misapprehending or overlooking specific teachings of the relevant prior art where those teachings impact patentability of the challenged claims. Another example may include

framework is satisfied and the petitioner fails to make a showing of material error, the Director generally will exercise discretion not to institute *inter partes* review. If reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred in a manner material to patentability. At bottom, this framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown.

2. Becton, Dickinson *Factors*

We recognize that restating the framework in its statutory language does not address challenging factual questions, such as when a ground of unpatentability presents "substantially the same prior art or arguments" previously presented to the Office. In this regard, the *Becton, Dickinson* factors[10] provide useful insight into how to apply the framework under 35 U.S.C. § 325(d). *Becton, Dickinson* specifically addressed the situation in which the petition relied on the same or substantially the same art or

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an error of law, such as misconstruing a claim term, where the construction impacts patentability of the challenged claims.

[10] *Becton, Dickinson* identifies the following non-exclusive factors: (a) the similarities and material differences between the asserted art and the prior art involved during examination; (b) the cumulative nature of the asserted art and the prior art evaluated during examination; (c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection; (d) the extent of the overlap between the arguments made during examination and the manner in which petitioner relies on the prior art; (e) whether petitioner has pointed out sufficiently how the examiner erred in its evaluation of the asserted prior art; and (f) the extent to which additional evidence and facts presented in the petition warrant reconsideration of the prior art or arguments. *See Becton, Dickson*, Paper 8 at 17–18 (§ III.C.5, first paragraph).

arguments previously presented during initial examination of the challenged patent. The factors set forth in *Becton, Dickinson* should be read broadly, however, to apply to any situation in which a petition relies on the same or substantially the same art or arguments previously presented to the Office during a proceeding pertaining to the challenged patent. For example, although *Becton, Dickinson* factors (a) and (b) pertain to art evaluated "during examination," these factors more broadly provide guidance as to whether the art presented in the petition is the "same or substantially the same" as the prior art previously presented to the Office during *any* proceeding, including prior AIA proceedings. Similarly, although *Becton, Dickinson* factor (d) pertains to arguments made "during examination," this factor more broadly provides guidance as to whether the arguments presented in the petition are "the same or substantially the same" as the arguments previously presented to the Office during *any* proceeding.

If, after review of factors (a), (b), and (d), it is determined that the same or substantially the same art or arguments previously were presented to the Office, then factors (c), (e), and (f) relate to whether the petitioner has demonstrated a material error by the Office. Factor (c) focuses on the record developed by the Office in previously reviewing the art or arguments. It informs, therefore, the petitioner's showing under factors (e) and (f), which focus on the petitioner's evidence of previous Office error regardless of the context in which the same or substantially the same art or arguments were previously presented. For example, if the record of the Office's previous consideration of the art is not well developed or silent, then a petitioner may show the Office erred by overlooking something persuasive under factors (e) and (f). On the other hand, if the alleged error is a disagreement with a

specific finding of record by the Office, then ordinarily the petitioner's required showing of material error must overcome persuasively that specific finding of record. That is, although *Becton, Dickinson* factor (c) evaluates "the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection," the focus should be on the record when determining whether the Office erred in evaluating such art or arguments.

3. Application of § 325(d) to the Current Facts

Petitioner argues that we should exercise our discretion to institute *inter partes* review because evaluation of "[t]he *Becton*[,] *Dickinson* factors all weigh in favor of institution under 35 U.S.C. § 325(d)." Pet. 87. Patent Owner contends that we should exercise our discretion to deny institution of *inter partes* review because the "prior art relied on by Petitioner was previously considered and distinguished during prosecution of the '909 Patent and the arguments presented by Petitioner add nothing new from what was already known and considered by the Examiner during prosecution." Prelim. Resp. 65. We apply the framework set forth above to the facts of the current proceeding to determine whether to exercise our discretion to institute or deny institution of *inter partes* review.

a. Prosecution history of the '909 patent

U.S. Patent Application No. 13/091,352 ("the '352 application"), which claims priority to U.S. Provisional Application No. 61/327,158, issued as the '909 patent. Ex. 1001, codes (10), (21), (60); Pet. 17. The '352 application included original independent claim 1, and dependent claims 2–17. Ex. 1007, 17–19. The Examiner rejected original claims 1–3

and 5–17 as anticipated by Zimmerling,[11,12] and rejected original claim 4 as obvious over Zimmerling, relying predominantly on Figures 8A–8C and the description of Figures 8A–8C. *Id.* at 60–62.

The Applicant then amended original independent claim 1 to require that the planar coil housing have "parallel flat planar outer surfaces lying in the plane of the patient's skin," and argued the spherical magnet embodiment of Zimmerling did not meet this limitation because "one side of the implant housing must substantially protrude out from the main body of the implant housing." Ex. 1007, 71, 75. The Examiner rejected amended claim 1 and dependent claims 2, 3, and 5–17 as anticipated by Zimmerling, and dependent claim 4 as obvious over Zimmerling, relying again on Figures 8A–8C and the description of these figures, and further on Figure 9. *Id.* at 82–86. The Examiner found that "an external magnetic field is applied by laying another magnet over [the internal] magnet" and determined that Applicant's argument that Zimmerling would cause a protrusion in the patient's skin is unpersuasive because there is "nothing in the disclosure of Zimmerman [sic] to suggest that a spherical or other configuration of [the] magnet would cause a protrusion to appear in the patient's skin." *Id.* at 82–83.

The Applicant then further amended claim 1 to require the "coil housing configured to be implanted under the patient's skin" that has "a

[11] The Examiner found that Zimmerling is prior art under 35 U.S.C. § 102(b). Ex. 1007, 60.

[12] Dr. Martin Zimmerling is the first named inventor of both the '909 patent and the submitted Zimmerling reference. Prelim. Resp. 2. Additionally, both the '909 patent and Zimmerling list MED-EL Elektromedizinische Geräte GmbH as the assignee. *See* Ex. 1001, code (73); Ex. 1003, code (73).

planar outer surface configured to lie parallel to the patient's skin." *Id.* at 95. Claim 1 was also amended to require that the first attachment magnet has a magnetic dipole "moment oriented across a diameter of the first attachment magnet, and configured within the coil housing such that the magnetic dipole moment remains substantially parallel to the planar outer surface." *Id.* The Applicant argued that amended claim 1 requires that "an implantable magnet that remains substantially parallel to an outer planar surface of its housing (and thus also to the patient's skin) when the magnet rotates within the housing," whereas Zimmerling discloses a magnet whose moment "does not remain substantially parallel to the outer surface of the housing when the magnet rotates." *Id.* at 101.

The Examiner then allowed the claims, including independent claims 1 and 10, noting that the claims are "allowable over the prior art for the reasons argued by the Applicant." *Id.* at 117–118.

b. Whether the same or substantially the same art previously was presented to the Office

In Ground 1, Petitioner relies on the combination of Zimmerling and Charvin. Pet. 26. In Ground 2, Petitioner relies on the combination of Chang, Zimmerling, and Schmid. *Id.* As discussed above, the Examiner rejected original claims 1–3 and 5–17 as anticipated by Zimmerling, and original claim 4 as obvious over Zimmerling. *See* Section II.A.3.a. Petitioner and Patent Owner agree that Zimmerling was discussed during prosecution. Pet. 88; Prelim. Resp. 66. Accordingly, it is not disputed that Zimmerling is the same art previously presented to the Office.

Petitioner and Patent Owner agree that Charvin, Chang, and Schmid were not were not of record during prosecution. Pet. 87; Prelim. Resp. 70.

Thus, neither Charvin, nor Chang, nor Schmid is the "same" art previously presented to the Office.

Patent Owner asserts that each of Charvin, Chang, and Schmid is "substantially the same" as Zimmerling. Prelim. Resp. 70. Petitioner argues, however, that the Examiner did not cite Zimmerling for the same purposes as Petitioner relies on Charvin and Schmid. Pet. 87. Petitioner also asserts that both grounds of unpatentability alleged in the Petition combine Zimmerling with references not before the Examiner to create a distinct combination not considered by the Examiner, and both grounds rely, at least in part, on Zimmerling as a secondary reference. *Id.* at 88.

Beginning with Ground 1, Petitioner alleges that Zimmerling discloses all of the limitations of independent claim 1[13] except for the limitations "a planar disc shaped first attachment magnet within the coil housing" and "the magnetic dipole moment remains substantially parallel to the planar outer surface of the coil housing when the first attachment magnet rotates." Pet. 27–61. Petitioner alleges that Charvin alone discloses these two limitations. *Id.* at 44–46, 48–49.[14]

[13] Petitioner alleges Zimmerling discloses all of the limitations of independent claims 1 and 10, and dependent claims 3, 5, 6, 10, and 20. Pet. 25–61. We recognize that Petitioner does not allege that Zimmerling alone discloses the additional limitations of claims 11, 14, and 16. *Id.*

[14] In addition to alleging that Charvin discloses these two limitations, Petitioner often supplements its citations to Zimmerling with additional citations to Charvin, asserting that Charvin also discloses the same limitations of the challenged claims. *See id*. at 37, 39–40, 42–44, 47–48, 50–52, 54–55, 61. We do not understand, however, Petitioner to rely on Charvin as the primary reference, and Petitioner does not propose modifying Charvin with the teachings of Zimmerling.

For these two limitations, we review whether Petitioner relies on Charvin in substantially the same manner as the Examiner cited Zimmerling during prosecution such that Charvin discloses substantially the same information as Zimmerling in relevant part. As to the first limitation, Petitioner relies on Charvin for disclosure of "a planar disc shaped first attachment magnet within the coil housing," arguing that Charvin discloses flat, circular magnets housed within separate casings. Pet. 44–46 (citing Ex. 1004, 4:66–5:1, 6:34–39, 6:58–6:61, Figs. 4, 6, 9). During prosecution, the Examiner found that Zimmerling discloses this limitation. *See* Ex. 1007, 84 ("Zimmerling discloses (Figures 8-9) . . . a planar disc shaped (col. 9, lines 34-47) first attachment magnet (805/901) within the plane of the coil housing"); *see* Prelim. Resp. 68–69. As such, both Charvin and Zimmerling disclose substantially the same magnet shape and configuration, thereby disclosing substantially the same information already considered by the Office. Thus, as to this first limitation, Charvin is substantially the same art as Zimmerling.

As to the second limitation, Petitioner relies on Zimmerling for disclosure of "a freely turnable first attachment magnet" and relies on Charvin for disclosure of "a first attachment magnet oriented such that the magnetic dipole moment is substantially parallel to the outer surface of the coil housing and the skin when it is in transcutaneous magnetic interaction with a corresponding second attachment magnet." Pet. 48–49 (citing Ex. 1002 ¶¶ 147–149; Ex. 1004, 2:47–55, 6:33–44, Fig. 4).[15] During

[15] Petitioner does not allege that Charvin discloses a first attachment magnet that rotates. Pet. 48. Rather, Petitioner argues that Zimmerling discloses a

prosecution, the Examiner found that magnetized part 802 of Zimmerling's embodiment shown in Figures 8A and 8B met the limitation for a magnetic dipole parallel to the plane of the coil housing. Ex. 1007, 84 ("The low-reluctance part 802 is thus magnetized along its axis, generating a magnetic dipole parallel to the symmetry axis 815." (quoting Ex. 1004, 8:15–54)); Prelim. Resp. 69. The Examiner allowed the claims only after they had been amended to specifically require that the first attachment magnet have a magnetic dipole moment "oriented across a diameter of the first attachment magnet, and configured within the coil housing such that the magnetic dipole moment remains substantially parallel to the planar outer surface of the coil housing when the first attachment magnet rotates for transcutaneous magnetic interaction with a corresponding second attachment magnet." Ex. 1007, 95, 118–119; Prelim. Resp. 69. Petitioner does not rely on Charvin to disclose a magnet with a magnetic dipole moment that remains substantially parallel to the planar outer surface of the coil housing when the magnet rotates. Specifically, Petitioner does not rely on Charvin to disclose a magnet that rotates. Pet. 48. Thus, Petitioner relies on Charvin in the same manner as the Examiner relied on Zimmerling during prosecution. Therefore, as to this second limitation, Charvin is substantially the same art as Zimmerling.

Accordingly, we are not persuaded by Petitioner that, because Charvin was not of record during prosecution of the '909 patent, there are "significant and material differences between the prior art asserted in this Petition and the prior art evaluated during prosecution." Pet. 87. Rather,

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first attachment magnet that rotates, and relies on the combination of Zimmerling and Charvin to meet the entire limitation. *Id.* at 48–49.

because Ground 1 relies on at least Zimmerling to disclose almost all of the limitations of the claims, and relies on Charvin solely to disclose limitations that the Examiner previously found disclosed in Zimmerling in the same manner that the Examiner relied on Zimmerling, based on the totality of the evidence presented, we agree with Patent Owner that Ground 1 includes only "the same or substantially the same prior art that was previously presented to the Office." *See* Prelim. Resp. 66–70.

Turning to Ground 2, Petitioner alleges that Chang and/or Schmid discloses the limitations of several of the challenged claims, and further alleges that Zimmerling discloses all of the limitations of the challenged claims except for the limitations "a planar disc shaped first attachment magnet within the coil housing" and "the magnetic dipole moment remains substantially parallel to the planar outer surface of the coil housing when the first attachment magnet rotates." Pet. 61–87. Petitioner alleges that Chang and Schmid disclose these limitations, respectively. *Id.* at 70–71, 73–75. Although Petitioner asserts that a person having ordinary skill in the art would have found it obvious to modify Chang with the teachings of Zimmerling and Schmid, Petitioner also admits that "Chang, Zimmerling, and Schmid all disclose a similar system in which external and internal components are magnetically attracted to each other to maintain alignment when transmitting signals through the skin." *Id.* at 61–62.

We turn to the two additional limitations for which the Petitioner does not cite to Zimmerling, and evaluate whether Petitioner relies on Chang or Schmid in substantially the same manner as the Examiner cited Zimmerling during prosecution. As to the first limitation, the Examiner found that Zimmerling discloses the same limitation for which Petitioner relies on

Chang. *See id.* at 70–71; Ex. 1007, 84. As such, both Chang and Zimmerling disclose substantially the same magnet shape and configuration, thereby disclosing substantially the same information already considered by the Office. Thus, as to this first limitation, Chang is substantially the same art as Zimmerling.

As to the second limitation, Petitioner relies on Zimmerling for disclosure of "a freely turnable first attachment magnet" and relies on Schmid for disclosure of "a first attachment magnet oriented such that the magnetic dipole moment is substantially parallel to the outer surface of the coil housing and the skin when it is in transcutaneous magnetic interaction with a corresponding second attachment magnet." Pet. 73–75 (citing Ex. 1002 ¶¶ 230–232; Ex. 1006, 1:65–2:2, Figs. 2A, 3).[16] During prosecution, the Examiner found that magnetized part 802 of Zimmerling's embodiment shown in Figures 8A and 8B met the limitation for a magnetic dipole parallel to the plane of the coil housing. Ex. 1007, 84 ("The low-reluctance part 802 is thus magnetized along its axis, generating a magnetic dipole parallel to the symmetry axis 815." (quoting Ex. 1004, 8:15–54)); Prelim. Resp. 69. The Examiner allowed the claims only after they had been amended to specifically require that the first attachment magnet have a magnetic dipole moment "oriented across a diameter of the first attachment magnet, and configured within the coil housing such that the magnetic dipole moment remains substantially parallel to the planar outer

[16] Petitioner does not allege that Schmid discloses a first attachment magnet that rotates. Pet. 73. Rather, Petitioner argues that Zimmerling discloses a first attachment magnet that rotates, and relies on the combination of Chang, Zimmerling, and Schmid to meet the entire limitation. *Id.* at 73–75.

surface of the coil housing when the first attachment magnet rotates for transcutaneous magnetic interaction with a corresponding second attachment magnet." Ex. 1007, 95, 118–119; Prelim. Resp. 69. Petitioner does not rely on Schmid to disclose a magnet with a magnetic dipole moment that remains substantially parallel to the planar outer surface of the coil housing when the magnet rotates. Specifically, Petitioner does not rely on Schmid to disclose a magnet that rotates. Pet. 73. Thus, Petitioner relies on Schmid in the same manner as the Examiner relied on Zimmerling during prosecution. That is, as far as the patentability of the '909 patent, Schmid is not materially different from Zimmerling. Therefore, as to this second limitation, Schmid is substantially the same art as Zimmerling.

Accordingly, we are not persuaded by Petitioner that because Chang and Schmid were not of record during prosecution of the '909 patent, there are "significant and material differences between the prior art asserted in this Petition and the prior art evaluated during prosecution." Pet. 87. Rather, Petitioner presents Zimmerling in the same manner in Ground 2 as it did in Ground 1. As such, based on the totality of the evidence presented, we agree with Patent Owner that Ground 2 includes only the "same or substantially the same prior art that was previously presented to the Office." *See* Prelim. Resp. 66–70.

Therefore, because it is undisputed that Zimmerling was evaluated during prosecution of the '909 patent, Petitioner extensively relies on Zimmerling in both of the asserted grounds of unpatentability, and Charvin, Chang, and Schmid disclose information already considered by the Office, we determine that the Petition presents "the same or substantially the same prior art that was previously presented to the Office."

c. Whether the same or substantially the same arguments previously were presented to the Office

As discussed above, we determine that the "same or substantially the same prior art" previously was presented to the Office. Accordingly, the first condition of the first part of the framework is satisfied, and we need not reach whether the "same or substantially the same arguments" previously were presented to the Office. *See* Section II.A.1.

d. Whether Petitioner sufficiently demonstrates that the Office erred

Having determined that the "same or substantially the same prior art" previously were presented to the Office, we evaluate whether Petitioner sufficiently demonstrates that the Office erred. *See* Section II.A.1.

Petitioner argues that the Examiner erred in evaluating the prior art because art, such as Charvin and Schmid, "disclosing a dipole parallel to the skin was not in front of the examiner during prosecution." Pet. 88. Specifically, Petitioner argues that the Examiner erred by not reviewing prior art that discloses "internal planar disk shaped magnets, in the context of implanted cochlear/hearing implants, with this supposedly 'changed' alignment of the magnetic dipole moment." *Id.* at 3.

Patent Owner argues that the Examiner did not err because the Examiner determined that Figures 8A and 8B of Zimmerling "met the claimed requirement for a magnetic dipole parallel to the plane of the coil housing," and the claims were amended to distinguish over Zimmerling by requiring the first attachment magnet to "have a magnetic dipole moment oriented across its diameter" and the "magnetic dipole moment remains substantially parallel to the planar outer surface of the coil hosing *when the first attachment magnet rotates* for transcutaneous magnetic interaction with

a corresponding second attachment magnet." Prelim. Resp. 69–71 (emphasis added) (citing Ex. 1007, 95, 118–19). Accordingly, Patent Owner argues that "Zimmerling [] was evaluated and distinguished during prosecution of the '909 Patent." *Id.* at 71.

We agree with Patent Owner. As discussed above, the Examiner relied on Zimmerling for disclosure of a first attachment magnet "having a magnetic dipole parallel to the plane of the coil housing." Ex. 1007, 84 (citing Ex. 1003, 8:15–54); *see* Prelim. Resp. 70. Petitioner must demonstrate that the Examiner erred in the evaluation of the prior art, for example, by showing that the Examiner misapprehended or overlooked specific teachings in the relevant prior art such that the error by the Office was material to the patentability of the challenged claims. Petitioner argues that Charvin[17] and Schmid[18] disclose a first attachment magnet with dipole moments that remain parallel to the coil housing, and, therefore, the patient's skin, when the first attachment magnet is in transcutaneous magnetic interaction with a corresponding second attachment magnet. Pet. 3 (citing Ex. 1004, 6:39–44; Ex. 1006, 1:65–2:2). Petitioner has not persuaded us that the Examiner erred by failing to consider Charvin and Schmid. The Examiner allowed the claims over the teachings of Zimmerling in light of

[17] Petitioner does not allege that Charvin discloses a first attachment magnet that rotates. Pet. 48. Rather, Petitioner argues that Zimmerling discloses a first attachment magnet that rotates, and relies on the combination of Zimmerling and Charvin to meet the entire limitation. *Id.* at 48–49.

[18] Petitioner does not allege that Schmid discloses a first attachment magnet that rotates. Pet. 73. Rather, Petitioner argues that Zimmerling discloses a first attachment magnet that rotates, and relies on the combination of Chang, Zimmerling, and Schmid to meet the entire limitation. *Id.* at 73–75.

Applicant's arguments that Zimmerling does not disclose an implantable magnet having a dipole moment that remains parallel to the coil housing and the patient's skin *as the magnet rotates*. *Id.* at 118–119. Petitioner does not argue that Charvin or Schmid cure this deficiency in Zimmerling. The fact that Petitioner presented additional references that, similar to Zimmerling, also disclose an implantable magnet having a magnetic dipole parallel to the plane of the coil housing does not persuade us that the Examiner materially erred in determining the patentability of the challenged claims.

Accordingly, we determine that the "same or substantially the same art previously were presented to the Office" and Petitioner has not demonstrated that the Examiner erred when considering the prior art or arguments.

B. Conclusion

For the foregoing reasons, we exercise our discretion to deny institution of *inter partes* review under 35 U.S.C. § 325(d).

III. ORDER

After due consideration of the record before us, and for the foregoing reasons, it is:

ORDERED that the Petition is *denied* as to all challenged claims, and no trial is instituted.

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