
**United States Court of Appeals
for the Federal Circuit**

2019-2000, -2005, -2006

ULTRATEC, INC.,
Appellant,

v.

CAPTIONCALL, LLC,
Appellee,

ANDREI IANCU, Director, U.S. Patent and
Trademark Office,
Intervenor.

*Appeals from the United States Patent and Trademark Office, Patent
Trial and Appeal Board in Nos. IPR2013-00542, IPR2013-00543,
and IPR2013-00550.*

**ULTRATEC, INC.'S COMBINED PETITION FOR
PANEL REHEARING AND REHEARING EN BANC**

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NOVEMBER 30, 2020

CERTIFICATE OF INTEREST

Counsel for Appellant Ultratec, Inc. certifies the following:

- 1. The full name of every party or amicus represented in the case by me is:**

Ultratec, Inc.

- 2. The name of the real party in interest if the party named in the caption is not the real party in interest:**

Ultratec, Inc. and CapTel, Inc.

- 3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the party represented by me are:**

Ultratec, Inc. has no parent corporation, and no publicly held corporation owns 10% or more of its stock.

- 4. The names of all law firms and the partners or associates that have appeared for the party in the lower tribunal or are expected to appear for the party in this court and who are not already listed on the docket for the current case are:**

Michael Jaskolski, Michael J. Curley, Stephen J. Gardner and Nikia L. Gray of Quarles & Brady LLP

- 5. The title and number of any case known to counsel to be pending in this or any other court or agency that will directly affect or be directly affected by this court's decision in the pending appeal.**

U.S Court of Appeals, Federal Circuit- Case Nos. 19-1998, -1999, -2001, -2002; 19-2003, -2004; 17-1209, -1210, -2026; 17-1659
U.S. District Court, Western District of Wisconsin- Case No. 3:13-cv-346

Dated: November 30, 2020.

/s/ Kristin Graham Noel
Kristin Graham Noel

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STATEMENT OF COUNSEL

Based on my professional judgment, I believe the panel decision is contrary to the following decision(s) of the Supreme Court of the United States or the precedent(s) of this Court:

- *In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1276 & n.6 (Fed. Cir. 2015) (BRI does not apply to expired patents, only pending applications and unexpired patents), *aff'd sub nom Cuozzo Speed Techs., LLC v. Lee*, 136 S.Ct. 2131, 2144 (2016);
- *In re CSB-Sys. Int'l, Inc.*, 832 F.3d 1335, 1342 (Fed. Cir. 2016) (“once a patent expires, the PTO should apply the *Phillips* standard for claim construction”);
- *Apple Inc. v. Andrea Elecs. Corp.*, 949 F.3d 697, 707 (Fed. Cir. 2020) (“When this court reviews the claim construction of a patent claim term in an IPR appeal after the patent has expired, such as in this case, we apply the standard established in *Phillips*, not the “broadest reasonable interpretation.”);
- *SEC v. Chenery Corp.*, 318 U.S. 80, 87 (1943) (“The grounds upon which an administrative order must be judged are those upon which the record discloses that its action was based.”);

- *SEC v. Chenery Corp.*, 332 U.S. 194, 196 (1947) (“[A] reviewing court, in dealing with a determination or judgment which an administrative agency alone is authorized to make, must judge the propriety of such action solely by the grounds invoked by the agency.”);
- *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1381 (Fed. Cir. 2016) (the PTAB’s “authority is not so broad that it allows the [PTAB] to raise, address, and decide unpatentability theories never presented by the petitioner and not supported by record evidence”);
- *Dell Inc. v. Acceleron, LLC*, 818 F.3d 1293, 1301 (Fed. Cir. 2016) (APA requires PTAB to provide fair notice and opportunity to respond); and
- *In re NuVasive, Inc.*, 841 F.3d 966, 971 (Fed. Cir. 2016) (the PTAB cannot deprive a patent owner of its patent rights unless the PTAB “actually provides the opportunities required by the APA and due process”).

Dated: November 30, 2020.

/s/ Kristin Graham Noel
Kristin Graham Noel
Counsel for Ultratec, Inc.

INTRODUCTION

On October 14, 2020, the panel in these appeals issued three summary affirmances under Rule 36, endorsing the Final Written Decisions of the Patent Trial and Appeal Board finding all 37 claims in the underlying nine *inter partes* reviews unpatentable. These proceedings implicate eight patents claiming aspects of Ultratec, Inc.’s pioneering captioned telephone technologies—technologies credited with creating a new and “life-changing” form of telecommunications for the deaf and hard-of-hearing. (19-1998, Appx3214).¹

The panel’s affirmances—if uncorrected—will unfairly dispose of not only the underlying IPRs, but a \$44.1 million jury verdict that Ultratec won *over six years ago* against the petitioner, CaptionCall, LLC, and its parent, Sorenson Communication, Inc., for infringement of all eight patents-at-issue. *Ultratec, Inc. v. Sorenson Commc’ns, Inc.*, No. 3:13-cv-00346, Dkt. 682 (W.D. Wis. Oct. 24, 2014). Despite reaching post-trial briefing, the district court stayed this verdict to await resolution of the IPRs. *Id.*, Dkts. 876 & 878 (May 13 & 21, 2015). That stay has been pending for over five years.

¹ The Court consolidated these proceedings into three appeals with lead Case Nos. 19-1998, 19-2000, and 19-2003 and ordered one combined oral argument. Because the bases for rehearing are common across all proceedings, Ultratec files identical requests in each appeal. Appendix cites are denoted by Case No. with redundant cites omitted for economy.

Since then, the parties have intensely litigated the PTAB's decisions. Ultratec first appealed in March 2016, raising problems with the PTAB's unfair operating procedures, flawed and ever-changing claim constructions, faulty invalidity analyses, and erroneous admittance and reliance on CaptionCall's unqualified expert. Case Nos. 16-1706, 16-1708, 16-1713.

On August 28, 2017, the Court vacated the decisions because the PTAB abused its discretion in refusing to admit and consider CaptionCall's expert's trial testimony without explanation. *Ultratec, Inc. v. CaptionCall, LLC*, 872 F.3d 1267, 1275 (Fed. Cir. 2017). The Court remanded and ordered the PTAB to admit and consider the testimony and its potential impact. *Id.*

After the Court issued its opinion, the patents-at-issue expired. On remand, Ultratec informed the PTAB that the patents expired, explained how that changed the claim construction standard, and asked to submit briefing. (19-1998, Appx4335-4336, 15:6-16:20). The PTAB denied that request. (19-1998, Appx16-20, Appx62-65).

On April 10, 2019, the PTAB issued a decision concluding CaptionCall's expert's trial testimony was not inconsistent with his IPR testimony. (19-1998, Appx54). The PTAB did not re-construe any claims and simply re-issued its decisions as modified on remand, even where doing so required reliance on its

original broadest reasonable interpretation constructions. (*Id.*; 19-1998, Appx21-22 n.4; Appx50-51).

Ultratec timely appealed, re-raising those errors left undecided from the first appeal and raising the newly-created issue of the changed claim construction standard. Case Nos. 19-1998, 19-2000, 19-2003. The PTO intervened on the latter issue and constitutionality.

The Court heard argument on October 9, 2020 and summarily affirmed five days later.

POINTS OF LAW OR FACT OVERLOOKED OR MISAPPREHENDED

First, the panel summarily affirmed decisions that unquestionably applied the wrong claim construction standard. Because the patents expired during the pendency of the proceedings, the PTAB was required to re-construe the claims under *Phillips*. The PTAB refused, and argued that this Court should review the decisions using BRI. As such, no opinion construes the patents-at-issue under the correct standard necessary to properly adjudicate them.

Second, the panel summarily affirmed decisions wherein the PTAB impermissibly acted as an advocate, exceeded its authority under the Administrative Procedure Act, and violated due process. Time and again, the PTAB changed its claim constructions, adopted theories entirely of its own

making, and made assumptions unsupported by evidence or even argument by CaptionCall.

ARGUMENT

I. THE PANEL MISUSED RULE 36 AND VIOLATED §144 BY SUMMARILY AFFIRMING DECISIONS APPLYING THE WRONG CONSTRUCTION STANDARD.

Under Rule 36, the Court may summarily affirm an IPR final decision only when the decision: (a) is “based on findings that are not clearly erroneous”; (b) “warrants affirmance under the standard of review”; or (c) was “entered without an error of law.” Fed. Cir. R. 36(a)(1), (4)-(5).² Because the underlying decisions were predicated on fundamentally flawed constructions, none of Rule 36’s limited circumstances are present and summary affirmance is inappropriate. This is particularly true in light of the statutory requirement that the Court shall issue an “opinion” in all IPR appeals. 35 U.S.C. §144. The Court cannot fulfill this requirement by adopting the PTAB’s erroneous decisions.

The patents-at-issue expired September 8, 2017—shortly before remand from the first appeal. When the patents expired, the PTAB could no longer adjudicate them using its original BRI constructions; rather, the PTAB needed to re-construe the claims applying *Phillips*.³ *In re CSB-Sys. Int’l, Inc.*, 832 F.3d

² Subsections (2)-(3) are inapplicable as specific to trial courts.

³ During argument, Judge Moore characterized this principle as “well-settled.” (10/9/20 Oral Argument, at 44:22-45:27).

1335, 1340-1342 (Fed. Cir. 2016) (“once a patent expires, the PTO should apply the *Phillips* standard”); *In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1276, n.6 (Fed. Cir. 2015) (BRI does not apply to expired patents), *aff’d*, 136 S.Ct. 2131 (2016).

Ultratec raised this issue on remand and asked to submit briefing (19-1998, Appx4335-4336, 15:6-16:20, Appx16590, Appx16592), but the PTAB denied the requests, refused to apply *Phillips*, and re-issued its original decisions relying on its BRI constructions (19-1998, Appx62-65, Appx16-20). Thus, no decision applies the correct standard necessary to properly adjudicate the patents-at-issue. Compare *Black & Decker, Inc v. Positec USA, Inc.*, 646 Fed. App’x 1019, 1024 (Fed. Cir. 2016) (PTAB improperly applied BRI to claims expiring before final decision) with *Microsoft Corp. v. Parallel Networks, Licensing, LLC*, 715 Fed. App’x. 1013, 1020, n.5 (Fed. Cir. 2017) (PTAB properly applied *Phillips* to claims expiring during IPR).

Because of the fundamentally flawed nature of the underlying decisions, none of the circumstances allowing summary affirmance apply. See Fed. Cir. R. 36(a)(1), (4)-(5). The decisions are clearly erroneous, do not warrant affirmance after the required *de novo* review, and flatly contradict this Court’s precedence. Per this Court’s decision in *Apple Inc. v. Andrea Elecs. Corp.*, the Court reviews

claim construction without deference and applies *Phillips* “in an IPR appeal after the patent has expired,” not BRI.⁴ 949 F.3d 697, 707 (Fed. Cir. 2020).

The Court could not have summarily affirmed the PTAB’s judgment without also affirming its flawed constructions. While a summary affirmance may not endorse every ruling contained within the decision on-appeal, it does if the ruling was essential to the judgment. *Phil-Insul Corp. v. Airlite Plastics Co.*, 854 F.3d 1344, 1356-1357 (Fed. Cir. 2017). In that instance, an affirmance “necessarily mean[s] that [the Court] found no error” and collateral estoppel applies.⁵ *Id.*

Here, the PTAB’s BRI constructions are essential to its decisions—it could not have found the claims unpatentable without first construing them. And unlike cases where the decision on-appeal contains alternative rulings that could independently support the judgment, *TecSec, Inc. v. Int’l Bus. Machines Corp.*, 731 F.3d 1336, 1343-1344 (Fed. Cir. 2013), the PTAB refused to re-construe the claims under an alternative standard (19-1998, Appx16-20, Appx54, Appx62-65).

⁴ Judge Moore characterized this principle as “well-settled” as well, and stated she was “troubled” that the PTO argued the contrary. (10/9/20 Oral Argument, at 44:22-45:27, 46:40-47:26). A limited exception appears to be when the patent owner voluntarily terminates its rights prematurely and requests construction under *Phillips* after appellate briefing is complete, which is inapplicable here. *Immunex Corp. v. Sanofi-Aventis U.S. LLC*, 977 F.3d 1212, 1217 (Fed. Cir. 2020).

⁵ Clarity on the scope of any estoppel from these proceedings is particularly important, given the number of related proceedings.

Nor could the Court have properly summarily affirmed the PTAB's decisions based on the Court's own constructions. Rule 36 allows the Court to affirm the decision on-appeal for the grounds stated therein, not some alternate decision premised on unknown findings of fact and conclusions of law. *SEC v. Chenery Corp.*, 318 U.S. 80, 87 (1943) ("The grounds upon which an administrative order must be judged are those upon which the record discloses that its action was based."); *SEC v. Chenery Corp.*, 332 U.S. 194, 196 (1947) ("[A] reviewing court, in dealing with a determination or judgment which an administrative agency alone is authorized to make, must judge the propriety of such action solely by the grounds invoked by the agency.").

If the Court could summarily affirm judgments based on its own undisclosed decision-making, there would *always* be a question as to the reason for affirmance, and there would *never* be an instance where collateral estoppel applies, but that is not the rule. *Phil-Insul*, 854 F.3d at 1356-1357. Under this Court's jurisprudence, estoppel applies when the Court affirms a ruling necessary to the judgment. *Id.* This would not be possible if the Court could affirm based on alternative rulings never articulated below.

The panel mistakenly affirmed decisions that unquestionably misapplied the law. Accordingly, Ultratec respectfully requests that the panel, or the Court *en banc*, withdraw the affirmances, rehear these appeals, and issue opinions

applying *Phillips*. See *Apple*, 949 F.3d at 707; *Align Tech., Inc. v. ClearCorrect Operating*, 745 Fed. App'x. 361, 368 (Fed. Cir. 2018).

II. THE PANEL MISAPPLIED RULE 36 BY AFFIRMING DECISIONS WHEREIN THE PTAB IMPERMISSIBLY ACTED AS AN ADVOCATE, EXCEEDED ITS AUTHORITY, AND VIOLATED DUE PROCESS.

In an IPR, the PTAB's "authority is not so broad that it allows the [PTAB] to raise, address, and decide unpatentability theories never presented by the petitioner and not supported by record evidence." *In re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364, 1381 (Fed. Cir. 2016). The PTAB may not "adopt arguments on behalf of petitioners that could have been, but were not, raised by the petitioner." *Id.* "Instead, the [PTAB] must base its decision on arguments that were advanced by a party, and to which the opposing party was given a chance to respond." *Id.*

Under the APA and due process, the PTAB:

must "timely inform[]" the patent owner of "the matters of fact and law asserted," 5 U.S.C. §554(b)(3), must provide "all interested parties opportunity for the submission and consideration of facts [and] arguments ... [and] hearing and decision on notice," *id.* §554(c), and must allow "a party ... to submit rebuttal evidence ... as may be required for a full and true disclosure of the facts," *id.* §556(d).

Dell Inc. v. Accelaron, LLC, 818 F.3d 1293, 1301 (Fed. Cir. 2016) (alterations in original). The PTAB cannot deprive a patent owner of its rights unless the PTAB

“actually provides the opportunities required by the APA and due process.” *In re NuVasive, Inc.*, 841 F.3d 966, 971 (Fed. Cir. 2016).

Here, the PTAB impermissibly acted as an advocate, exceeded its authority, and violated due process by raising theories of unpatentability never presented by CaptionCall, changing its stances mid-proceeding, and basing its decisions on assumptions unsupported by evidence.

A. The PTAB changed its interpretation of “trained to the voice of the call assistant” on a theory of its own making.

Not only did the PTAB wait until its Final Written Decisions to unveil a critical construction for the “trained” limitation after seemingly adopting Ultratec’s interpretation in the institution decisions, but it did so based on a misinterpretation of the specifications not advocated by either party.⁶

⁶ The PTAB repeatedly supplied its own grounds for unpatentability. For example, in rejecting Ultratec’s argument that claim 8 of the ‘835 Patent requires revoicing, the PTAB dismissed the supporting testimony of Ultratec’s expert—not based on any argument by CaptionCall—but based on its own unfounded and incorrect theory that speaker-dependent software used without revoicing would transcribe words faster than speaker-independent software. (19-2003, Appx197).

Similarly, the PTAB relied on an obviousness combination in its Final Written Decisions that was not petitioned by CaptionCall—i.e., the “commercial availability of Dragon Naturally Speaking” in combination with *Yamamoto* and *Wycherley*. (See, e.g., 19-1998, Appx110, Appx112-113, Appx257, Appx259, Appx410). Contrary to the PTAB’s misleading citation, CaptionCall never argued Dragon Naturally Speaking supplied a missing element, or motivated a combination of *Yamamoto* and *Wycherley*.

Twenty-seven of the claims in these appeals require the use of voice recognition software “trained to the voice of the call assistant” to translate the words spoken by the hearing user into text.⁷ Per the specifications, this means software trained to the voice of a specific, individual call assistant:

It is a limitation of currently available speech recognition software that the software must be *trained or adapted to a particular user*, before it can accurately transcribe what words the user speaks. Accordingly, it is envisioned here that the call assistant operates at a computer terminal which contains a copy of a voice recognition software package which is *specifically trained to the voice of that particular call assistant*.

(19-1998, Appx580; *see also* 19-1998, Appx604, Appx573, Appx594; 19-2000, Appx334, Appx345).⁸

The parties and the PTAB operated under this understanding for the majority of the proceedings. In instituting, the PTAB gave the “trained” limitation its ordinary meaning in light of the specification (19-1998, Appx695, Appx4728, Appx8872, Appx13090; 19-2000, Appx463, Appx4078), which it cited in describing Ultratec’s revoicing innovation: “[T]he call assistant re-voices those words into a microphone that transmits the voice of the call assistant to a computer

⁷ Patent 6,233,314 (Claims 1-2), Patent 5,909,482 (Claims 1-15), Patent 8,213,578 (Claims 7-11), Patent 6,594,346 (Claim 1), Patent 7,319,740 (Claims 1-2), and Patent 7,555,104 (Claims 1-2). (19-1998, Appx574, Appx581-582, Appx597, Appx606; 19-2000, Appx337, Appx347).

⁸ Emphasis added unless otherwise stated.

with voice recognition software trained *specifically to the voice of the call assistant.*” (19-1998, Appx8867; *see also* Appx691, Appx4719, Appx13080; 19-2000, Appx458, Appx4074-4075).

CaptionCall accepted this. In comparing the prior art to the challenged claims, it argued “it was well known in the art that speech recognition software was more accurate when *trained to the voice of a particular user.*” (19-1998, Appx661, Appx4661-4662, Appx8821, Appx13028; 19-2000, Appx4025; *see also* 19-2000, Appx420). CaptionCall’s expert did the same. (19-1998, Appx5610, Appx1564-1565, Appx10242-10243, Appx14102; 19-2000, Appx1437-1438).

Ultratec relied on this common interpretation, arguing in its responses that *Ryan*⁹ did not invalidate because it does not disclose software trained to the voice of a particular individual. (19-1998, Appx763-764, Appx4807-4808, Appx8943-8944, Appx13142-13143; 19-2000, Appx525-526). In its replies, CaptionCall responded for the first time that “the claims do not actually require that voice recognition software be trained to the voice of one and only one call assistant.” (19-1998, Appx13189-13190; 19-2000, Appx576, Appx4189). However, CaptionCall never argued that the specifications’ reference to “the voice pattern

⁹ Patent 5,809,112.

of the call assistant” meant anything other than trained to an individual’s unique vocal attributes.

The PTAB introduced a new express construction for the “trained” limitation in its Final Written Decisions, positing for the first time that the limitation does not require training to the voice of one individual call assistant, but may encompass software trained to the “voice pattern” of a group. The PTAB based this construction—not on any claim language—but on the single occurrence of the word “pattern” in the specifications and the following independent analysis (which is divorced from any citations CaptionCall made to the specification):

The Specification ... indicates “a speech recognition computer program which has been trained to the voice *pattern* of the call assistant.” Ex. 1001, 2:46-48 [19-1998, Appx578] (emphasis added).

[...]

Thus, we will not limit “trained to the voice of the call assistant” to require training to the voice of only one particular call assistant, because the claim language encompasses the invention as disclosed in the Specification—software trained to a voice *pattern* of a call assistant.

(19-1998, Appx215-217; *see also* 19-1998, Appx74-75, Appx381-382, Appx519-520; 19-2000, Appx76-77, Appx188-189).¹⁰ The PTAB used this new construction to side-step Ultratec’s dispositive argument on *Ryan*.

¹⁰ The specification says: “[A] relay system to facilitate the translation of information and communication between deaf and hearing persons includes a call assistant who re-voices the words of the hearing person which are spoken to the

Neither party argued that the specification’s single use of the phrase “voice pattern of the call assistant” provided insight into the meaning of the claim term “trained to the voice of the call assistant,” nor presented evidence on what a “voice pattern” would have meant to a POSA.

The PTAB thus exceeded its statutory authority by supplying its own rationale, and violated the APA and due process by depriving Ultratec fair notice. *In re Magnum*, 829 F.3d at 1381. The panel’s summary affirmances in the 19-1998 and 19-2000 appeals improperly condoned these violations.

B. The PTAB improperly changed its construction and anticipation theories for the ‘082 Patent.

The PTAB changed its theories of construction and unpatentability of the claimed “captioned telephone device” late in the proceeding—from anticipation to one that more closely resembles obviousness.

Patent 7,003,082 stems from a patent family disclosing a number of inventions, one of which is the use of a “captioned telephone device” to provide “captioned telephone service.” While the specification teaches multiple embodiments of this device, the ‘082 Patent’s single claim is limited to just one. For example, the specification teaches one-line and two-line devices. (19-2000,

call assistant. The words spoken by the call assistant are recognized by a speech recognition computer program which has been trained to the voice pattern of the call assistant, such that the words are promptly translated into a high speed digital communication protocol.” (19-1998, Appx578).

Appx357, 9:7-60). But Claim 1 is undisputedly limited to two-line. (*Id.*, Appx358, 12:28). The specification also teaches coupled and unitary devices. In the former, the device provides the assisted user captions, while a coupled phone provides the voice of the hearing user. (*Id.*, Appx357, 10:17-54). In the latter, the device is a single unit that *itself* provides both the captions and the voice. (*Id.* Appx357-358, 10:66-11:7).

Claim 1 is limited to the unitary device. The claim is directed to “[a] captioned telephone device for providing captioned telephone service” and requires that the “captioned telephone device” have “a microphone,” “a speaker,” a “display,” and a “microprocessor programmed to operate the device to: receive a telephone call....” (19-2000, Appx358, 12:20-43).

The parties and the PTAB all understood that the claimed captioned telephone device was the single, unitary embodiment. In its petition, CaptionCall argued that *McLaughlin*¹¹ anticipated such a device. (19-2000, Appx7607). The PTAB instituted on this lone theory, reasoning CaptionCall demonstrated a reasonable likelihood that it would show “the *McLaughlin* device” anticipated. (19-2000, Appx7646-7647). Ultratec relied on this theory, arguing in its response that *McLaughlin* could not anticipate because it does not disclose any one device

¹¹ Patent 6,181,736.

with all of the claimed elements—e.g., a microphone and a speaker. (19-2000, Appx7683, Appx7688-7689).

In its Final Written Decision, the PTAB confirmed “the body of the claim recites a *complete device*” (19-2000, Appx299), but mistakenly found *McLaughlin* discloses such “a device” (19-2000, Appx307-315). It found “McLaughlin’s disclosure, when describing *a device* for a hearing user to call an assisted user, is describing *options* for a single system, *not separate embodiments.*” (19-2000, Appx311 (citation omitted)). Ultratec requested rehearing, arguing that *McLaughlin* does not disclose any one device with all required elements as arranged in the claim. (19-2000, Appx7987-7996).

On rehearing, the PTAB changed its ruling, deciding for the first time that claim 1 did not require “a ‘single device,’” and that the claim was anticipated by *McLaughlin*’s “single system.” (19-2000, Appx319-321). This novel anticipation theory, which more closely resembles an obviousness analysis, was never meaningfully litigated.

CaptionCall argued on appeal that the PTAB reached its understanding of “*McLaughlin*’s single system” by relying on CaptionCall’s expert’s “explication.” (19-2000, Resp. 57). But this “explication” is not about a “single system”; it merely concludes that “McLaughlin describes a *single device* that could used [sic] by users having different impairments.” (19-2000, Appx9325-9326). Apart from

citing to different, discrete pieces of equipment, CaptionCall's expert offers no support. Indeed, he concedes the cited equipment would need to be "modified" to make the claimed device. (19-2000, Appx8329).

The PTAB's theory of construction and unpatentability morphed over the course of the proceeding from an anticipation theory into essentially an obviousness analysis. Because the PTAB based its decision on a theory that was not presented in the petition and not fairly litigated, it exceeded its statutory authority and violated the APA and due process. The panel's summary affirmance improperly condoned these violations.

C. The PTAB wrongly dismissed the only evidence of record on commercial success for claims 6 and 8 of the '835 Patent.

Based on its own, incorrect, conclusions, the PTAB wrongly dismissed Ultratec's evidence of commercial success.

To support the non-obviousness of its inventions, Ultratec presented information from the FCC Fund Reports showing minutes of use of captioned telephone service ("CTS") increasing year-over-year, while minutes of use of the prior art service decreased. (*E.g.*, 19-2003, Appx5221-5225). Ultratec also

presented undisputed evidence that CTS embodied the challenged claims.¹²

CaptionCall never identified any limitation missing from the service.¹³

For the first eight proceedings, the PTAB summarily dismissed Ultratec's objective indicia of non-obviousness, claiming Ultratec had not sufficiently briefed the issue. Ultratec disagrees, but focuses here on the ninth proceeding where Ultratec's exposition is not at-issue.¹⁴

In the ninth proceeding, involving claims 6 and 8 of Patent 6,603,835, the PTAB turned to a different theory of its own making to dismiss Ultratec's commercial success. Although all the record evidence supported the contrary,¹⁵

¹² Ultratec's CapTel was the only CTS until it was joined by CaptionCall's copycat service in 2011. (19-2003, Appx5807). Ultratec's expert provided undisputed testimony that CapTel practices every limitation of the challenged claims (19-2003, Appx5227-5233), and CaptionCall's service was found to infringe all of the patents-at-issue, including '835 Patent claim 8 (19-2003, Appx3396).

¹³ For the ninth proceeding, CaptionCall parroted the PTAB, arguing that Ultratec's expert's opinions were "conclusory" (19-2003, Appx4164-4165), but offered no evidence refuting embodiment. Ultratec's expert's opinions, complete with claims charts, remain unrebutted and establish embodiment. *Polaris Indus. v. Arctic Cat, Inc.*, 882 F.3d 1056, 1071-1073 (Fed. Cir. 2018).

¹⁴ CaptionCall acknowledges that any perceived deficiencies in exposition were cured for this proceeding. (10/9/20 Oral Argument, at 29:55-30:13, 32:30-32:55; *see also* Case No. 2003, Dkt. 69 (attaching 19-2003, Appx4124-4137)).

¹⁵ Ultratec's expert's undisputed testimony explained the Reports alternatively used the terms "Interstate CapTel VCO," "Interstate CTS VCO," and "IP CTS" to refer to CTS. (19-2003, Appx5222).

and CaptionCall never advanced the theory,¹⁶ the PTAB dismissed Ultratec's minute data because it misinterpreted accepted industry terms. The PTAB wrongly assumed that terms using "VCO" related to basic voice carry over, instead of CTS, and thus erroneously concluded that Ultratec "seeks to credit VCO technology for its commercial success but [VCO] service is a prior technology." (19-2003, Appx233).

Ultratec requested rehearing and pointed to the evidence belying the PTAB's position. (19-2003, Appx4318-4321). CaptionCall did not even file a response. (19-2003, Appx282). Notwithstanding, the PTAB denied Ultratec's request, faulting Ultratec for not raising the issue earlier, and professing it remained "unconvinced." (19-2003, Appx247). Ultratec could not have anticipated the PTAB's misunderstanding, as it first arose in the Final Written Decision.

Because the PTAB adopted a theory of commercial success that CaptionCall never presented and was unsupported by evidence, it exceeded its statutory authority and violated the APA and due process. The panel's summary affirmance in the 19-2003 appeal improperly condoned these violations.

¹⁶ CaptionCall did not advance this proposition in its reply briefing (19-2003, Appx4164-4167)—undoubtedly because it knew it was wrong.

CONCLUSION

Ultratec respectfully requests that the panel, or the Court *en banc*, withdraw the summary affirmances, rehear these appeals, and issue written opinions reversing the PTAB's erroneous decisions.

Dated: November 30, 2020.

Respectfully submitted,

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ADDENDUM

NOTE: This disposition is nonprecedential.

**United States Court of Appeals
for the Federal Circuit**

ULTRATEC, INC.,
Appellant

v.

CAPTIONCALL, LLC,
Appellee

**ANDREI IANCU, UNDER SECRETARY OF
COMMERCE FOR INTELLECTUAL PROPERTY
AND DIRECTOR OF THE UNITED STATES
PATENT AND TRADEMARK OFFICE,**
Intervenor

2019-2000, 2019-2005, 2019-2006

Appeals from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in Nos. IPR2013-
00542, IPR2013-00543, IPR2013-00550.

JUDGMENT

KRISTIN GRAHAM NOEL, Quarles & Brady, LLP, Madison, WI, argued for appellant. Also represented by MARTHA JAHN SNYDER, ANTHONY ALLEN TOMASELLI.

PRATIK A. SHAH, Akin Gump Strauss Hauer & Feld LLP, Washington, DC, argued for appellee. Also represented by Z.W. JULIUS CHEN, RACHEL J. ELSBY; MICHAEL P. KAHN, CAITLIN ELIZABETH OLWELL, MICHAEL NASSER PETEGORSKY, New York, NY; RUBEN H. MUNOZ, Philadelphia, PA.

FRANCES LYNCH, Office of the Solicitor, United States Patent and Trademark Office, Alexandria, VA, argued for intervenor. Also represented by THOMAS W. KRAUSE, FARHEENA YASMEEN RASHEED, MOLLY R. SILFEN.

THIS CAUSE having been heard and considered, it is

ORDERED and ADJUDGED:

PER CURIAM (PROST, *Chief Judge*, LOURIE and MOORE, *Circuit Judges*).

AFFIRMED. See Fed. Cir. R. 36.

ENTERED BY ORDER OF THE COURT

October 14, 2020
Date

/s/ Peter R. Marksteiner
Peter R. Marksteiner
Clerk of Court

United States Court of Appeals
for the Federal Circuit

Ultratec, Inc.

v.

CaptionCall, LLC

Nos. 2019-2000, -2005, -2006

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Dated: November 30, 2020.

/s/ Kristin Graham Noel
Kristin Graham Noel