

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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CHI MEI INNOLUX CORP.  
Petitioner

v.

SEMICONDUCTOR ENERGY LABORATORY CO., LTD.  
Patent Owner

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Case IPR2013-00028  
Patent 6,404,480 B2

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Before SALLY C. MEDLEY, KARL D. EASTHOM, and  
KEVIN F. TURNER, *Administrative Patent Judges*.

TURNER, *Administrative Patent Judge*.

**DECISION**  
**Institution of *Inter Partes* Review**  
**37 C.F.R. § 42.108**

## I. BACKGROUND

Petitioner Chi Mei Innolux Corp. (“CMI”) requests *inter partes* review of claims 1, 2, 5-7, 10-12, and 15 of U.S. Patent No. 6,404,480 B2 (the '480 Patent). (Paper No. 2; “Pet.”). The Patent Owner, Semiconductor Energy Laboratory Co., Ltd. (“SEL”), submitted a preliminary response under 37 C.F.R. § 42.107(b) on January 25, 2013. (Paper No. 11; “Prelim. Resp.”). We have jurisdiction under 35 U.S.C. §§ 6(b) and 314.

The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a) which provides as follows:

**THRESHOLD** -- The Director may not authorize an *inter partes* review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.

We determine that the petition demonstrates that there is a reasonable likelihood that CMI would prevail with respect to at least one challenged claim. Therefore, we authorize an *inter partes* review to be instituted as to claims 1, 2, 5-7, 10-12, and 15 of the '480 Patent.

### A. The '480 Patent (EX 1001)

The '480 patent is in general related to contact structures used in electrooptical devices, such as liquid crystal displays (LCDs) (col. 1, ll. 10-15). In particular, the '480 Patent is directed to configurations of the conducting lines on the substrates which form the LCD such that the cell gap between the substrates depends only on the size of conductive spacers used to maintain the cell gap (Abs). The '480 Patent asserts that this alleviates problems of non-uniformity of spacing between opposing substrates in the prior art (col. 2, l. 60 – col. 3, l. 6).

Figure 6 is a cross-sectional view of portions of an LCD according to an embodiment of the '480 Patent:

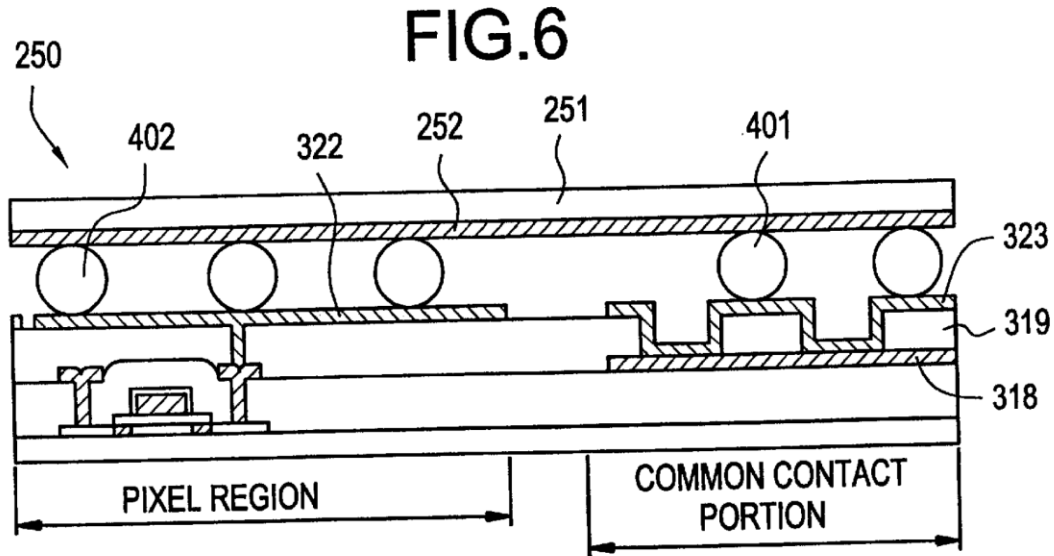


Fig. 6 shows cross-sectional view of portions of an LCD in accordance with Example 1 of the claimed invention.

### *B. Illustrative Claim*

Claim 1 of the '480 Patent illustrates the claimed subject matter:

1. An active matrix display device comprising:
  - a first substrate;
  - a first interlayer insulating film provided over said first substrate;
  - a first conductive film provided on said first interlayer insulating film;
  - a second interlayer insulating film provided on said first conductive film, said second interlayer insulating film having at least two openings;
  - a second conductive film provided on said second interlayer insulating film and in said openings;
  - a second substrate opposed to said first substrate;
  - a third conductive film provided on said second substrate; and

a plurality of conductive spacers held between said first substrate and said second substrate;

wherein said first conductive film is connected with said second conductive film in said openings;

wherein at least one of said conductive spacers is held over said second interlayer insulating film and in contact with both said second conductive film and said third conductive film.

### *C. Prior Proceedings*

1. On November 3, 2004, SEL filed an action for infringement of the '480 patent against Chi Mei Optoelectronics Corp., International Display Technology Co., Ltd., International Display Technology USA, Inc., Westinghouse Digital Electronics, LLC., and CTX Technology Corp., in the Northern District of California. *Semiconductor Energy Laboratory Co., Ltd. v. Chi Mei Optoelectronics Corp., et al.*, Case No. C-04-04675-MHP (N.D. Cal) (EX 2002) (“CMO case”). In July 2007, SEL settled this lawsuit with the defendants (EX 2007, p.5).

2. CMI notes (Pet. 11-12) that the '480 Patent was previously the subject of a request for *ex parte* reexamination, filed March 24, 2006 (EX 1003), the Patent being reexamined as Ex Parte Reexamination Control Number 90/007,985 (*id.*). SEL acknowledges the same (Prelim. Resp. 1). On December 30, 2008, the USPTO issued an Ex Parte Reexamination Certificate confirming the patentability of claims 1-30 of the '480 Patent.

3. On January 5, 2012, SEL filed an action for infringement of the '480 Patent against CMI, Chi Mei Optoelectronics USA, Inc., Acer America Corp., Viewsonic Corp., VIZIO, Inc., and Westinghouse Digital, LLC., in the Central

District of California. *Semiconductor Energy Laboratory Co., Ltd. v. Chimei Innolux Corp., et al.*, Case No. 12-0021-JST (C.D. Cal)(EX 2001)(“CMI case”). Defendants in that case filed a motion on October 22, 2012 to stay that litigation pending the outcome of this instant proceeding (EX 2011), where that request for a stay was granted on December 19, 2012.

*D. Prior Art Relied Upon*

CMI relies upon the following prior art references:

Ohno	U.S. Patent 4,600,273	Jul. 15, 1986	(EX 1005)
Moriyama	JP Patent Pub. 05-243333	Sep. 21, 1993	(EX 1004)
Kitawada	JP Patent Pub. 06-289415	Oct. 18, 1994	(EX 1006)

Admitted Art – the Background of the Invention section of the '480 Patent (*e.g.*, col. 1, l. 48 - col. 3, l. 18; Figs. 12-14) (EX 1001).

*E. The Asserted Grounds*

CMI challenges the patentability of claims 1, 2, 5-7, 10-12, and 15 of the '480 Patent on the following grounds (Pet. 7):

1. Claims 1, 5, 6, 10, 11, and 15 are unpatentable under 35 U.S.C. § 103(a) over the Admitted Art in view of Moriyama;
2. Claims 2, 7, and 12 are unpatentable under 35 U.S.C. § 103(a) over the Admitted Art in view of Moriyama and Ohno;
3. Claims 1, 5, 6, 10, 11, and 15 are unpatentable under 35 U.S.C. § 103(a) over Kitawada in view of Moriyama;
4. Claims 2, 7, and 12 are unpatentable under 35 U.S.C. § 103(a) over Kitawada in view of Moriyama and Ohno;

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