UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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PNY TECHNOLOGIES, INC.
Petitioner

v.

PHISON ELECTRONICS CORP.
Patent Owner

_____

Case IPR2013-00472
Patent 7,518,879

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Before KEVIN F. TURNER, STEPHEN C. SIU, and
RAMA G. ELLURU, *Administrative Patent Judges.*

TURNER, *Administrative Patent Judge*.

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

I.   INTRODUCTION

PNY Technologies, Inc. ("PNY") filed a Petition ("Pet.," Paper 2) requesting *inter partes* review of claims 1-4, 8-12, and 16 of U.S. Patent No. 7,518,879 ("the '879 Patent"). Patent Owner, Phison Electronics Corp. ("Phison"), filed a Preliminary Response thereto ("Prelim. Resp.," Paper 7). We have jurisdiction under 35 U.S.C. § 314.

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

> 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 are persuaded that the information presented in the Petition and Preliminary Response demonstrates that there is a reasonable likelihood that PNY will prevail in challenging claims 1-4, 8-12, and 16 as unpatentable under 35 U.S.C. §§ 102 and 103. Pursuant to 35 U.S.C. § 314, we hereby authorize an *inter partes* review to be instituted as to claims 1-4, 8-12, and 16 of the '879 Patent.

A.   *Related Matters*

PNY indicates (Pet. 2) that a complaint alleging infringement of the '879 Patent was filed on November 15, 2012, titled *Phison Electronics Corp. v. PNY Technologies, Inc.,* Civil Action No. 1:12-cv-01478-GMS, in the U.S. District Court for the District of Delaware. Another patent, U.S.

Patent No. 8,176,267, also assigned to Phison, is also the subject of that litigation, and is challenged in an *inter partes* review petition (IPR2013-00473) filed by Silicon Motion Technology Corp. Silicon Motion identifies PNY as a real party-in-interest in that *inter partes* review proceeding. In addition, PNY filed a second *inter partes* review petition (IPR2014-00150) on November 14, 2013, challenging additional claims of the '879 Patent.

B. The Invention of the '879 Patent (Ex. 1001)

The invention of the '879 Patent relates to a Universal Serial Bus (USB) memory device. Ex. 1001, Abs. As context for Figures 5 and 6, reproduced below, the indicated portion of the USB connector illustrated would be part of the "male" USB connector that is inserted into a "female" USB socket.
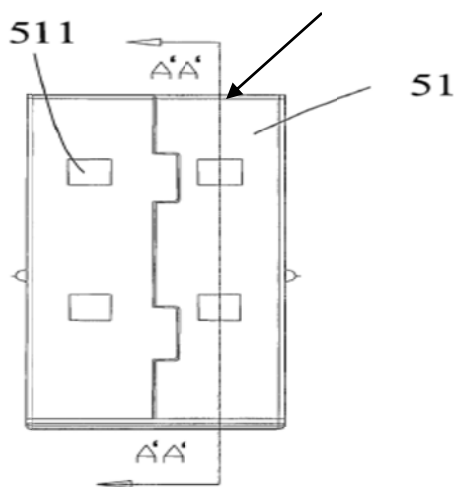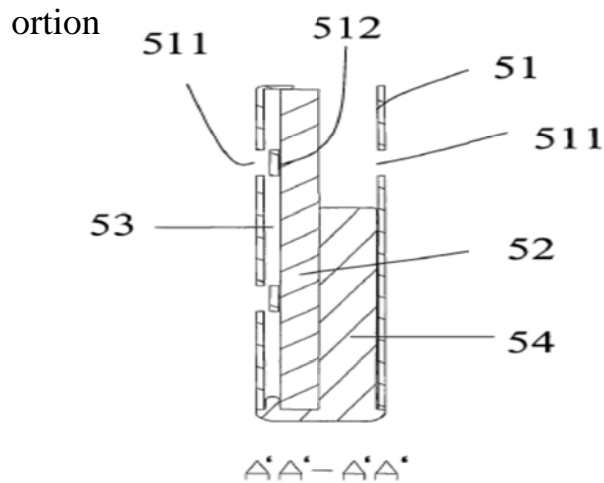

Fig. 5   Fig. 6

Figs. 5 and 6 illustrate a USB memory apparatus.

The USB memory apparatus includes housing 51 having a plurality of orientated indentations 511 and a plurality of concave props 512, wherein the plurality of orientated indentations facilitates the USB memory apparatus to be connected through insertion into the female USB socket. Ex. 1001 at 4:14-27. The apparatus also includes print circuit board assembly (PCBA) 52 disposed in the housing with end base 54, wherein the PCBA is fixed by means of pressing of the plurality of concave props 512 and forms space 53 between the housing and the PCBA. *Id.*

C. Challenged Claims

PNY challenges independent claims 1 and 9, as well as dependent claims 2-4, 8, 10-12, and 16. Claim 1 (with emphasis added) is reproduced below:

> 1. A Universal Serial Bus (USB) memory plug, comprising:
>
> a housing having a plurality of orientated indentations and a *plurality of concave props*, wherein said plurality of orientated indentation facilitates said USB memory plug to be connected while said USB memory plug is inserted into a female USB socket; and a print circuit board assembly (PCBA) disposed in said housing, wherein said *PCBA is fixed by means of pressing of said plurality of concave props*, and a space is formed between said housing and said PCBA.

D. Prior Art

PNY refers to the following prior art references:

Wang   US 2006/0002096 A1   January 5, 2006   Ex. 1004

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Ni	US 7,074,052 B1	July 11, 2006	Ex. 1005
Takahashi	US 2004/0027809 A1	February 12, 2004	Ex. 1006
Minneman	US 7,352,601 B1	April 1, 2008	Ex. 1003

Admitted Art – the Background of the Invention section of the '879 Patent (Ex. 1001, 1:32–52, Fig. 1).

E. Asserted Grounds of Unpatentability

PNY challenges the patentability of claims 1-4, 8-12, and 16 of the '879 Patent based on the following asserted grounds of unpatentability:

Reference(s)	Basis	Claims challenged
Minneman	§ 102	1-4, 8-12, and 16
Minneman and Takahashi	§ 103	1-4, 8-12, and 16
Minneman and Admitted Art	§ 103	1-4 and 8
Wang	§ 102	9, 11, 12, and 16
Wang and Admitted Art	§ 103	1-4, 8, and 10
Ni	§ 103	1-4, 8-12, and 16
Ni and Takahashi	§ 103	1-4, 8-12, and 16

II. ANALYSIS

A. Claim Construction

As a first step in our analysis for determining whether to institute a trial, we determine the meaning of the claims. In an *inter partes* review, claim terms in an unexpired patent are given their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b). Under the broadest reasonable construction standard,

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