Paper 8

Entered: April 28, 2014

# UNITED STATES PATENT AND TRADEMARK OFFICE

#### BEFORE THE PATENT TRIAL AND APPEAL BOARD

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PNY TECHNOLOGIES, INC.
Petitioner

v.

PHISON ELECTRONICS CORP.
Patent Owner

Case IPR2014-00150 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 1) requesting *inter partes* review of claims 1-21 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 6). Subsequently, the parties filed a joint motion for joinder with Case IPR2013-00472 (Paper 7, "Mot.") on March 19, 2014. 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 1-21 as unpatentable under 35 U.S.C. § 103. Pursuant to 35 U.S.C. § 314, we hereby authorize an *inter partes* review to be instituted as to claims 1-21 of the '879 Patent.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> In a decision being entered concurrently, the joint motion for joinder is granted, and this proceeding is joined with Case IPR2013-00472.



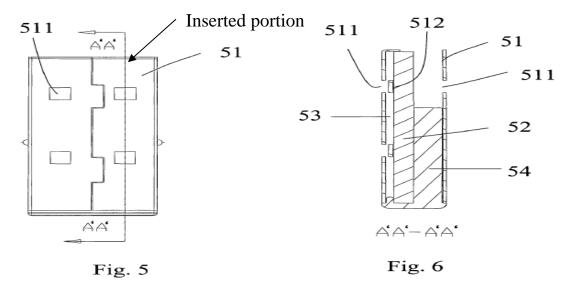
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#### A. Related Matters

PNY indicates (Pet. 2) that a complaint alleging infringement of the '879 Patent was filed on November 15, 2012, in a case 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. The '879 Patent also is the subject of a pending *inter partes* review proceeding, challenging claims 1-4, 8-12, and 16, filed by PNY and instituted on February 4, 2014 (Case IPR2013-00472).

### 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.



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, 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, 9, and 17, as well as dependent claims 2-8, 10-16, and 18-21. 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:



# Case IPR2014-00150 Patent 7,518,879

Elbaz	US 2004/0259423 A1	December 23, 2004	Ex. 1003
Deng	US 6,829,672 B1	December 7, 2004	Ex. 1004

Admitted Art – the Background of the Invention section of the '879 Patent (Ex. 1001, 1:41-52; Fig. 1; 1:10-2:26).

## E. Asserted Grounds of Unpatentability

PNY challenges the patentability of claims 1-21 of the '879 Patent based on the following asserted grounds of unpatentability:

Reference(s)	Basis	Claims challenged
Elbaz	§ 102	1, 8, 9, and 16
Elbaz and Admitted Art	§ 103	1, 2, 8-10, and 16
Elbaz and Deng	§ 103	1, 3-9, and 11-21
Elbaz, Deng and	§ 103	2 and 10
Admitted Art		

#### 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, claims are to be given their broadest reasonable interpretation consistent with the specification, and the claim language should be read in light of the



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