

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SONY MOBILE COMMUNICATIONS (USA) INC.,  
Petitioner,

v.

E-WATCH, INC.,  
Patent Owner.

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Case IPR2015-00402  
Patent 7,365,871 B2

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Before JAMESON LEE, GREGG I. ANDERSON, and  
MATTHEW R. CLEMENTS, *Administrative Patent Judges*.

CLEMENTS, *Administrative Patent Judge*.

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

## I. INTRODUCTION

Sony Mobile Communications (USA) Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1–8 and 12–15 (“the challenged claims”) of U.S. Patent No. 7,365,871 B2 (Ex. 1001, “the ’871 patent”). Paper 2 (“Pet.”). e-Watch, Inc. and e-Watch Corporation (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314, which provides that an *inter partes* review may be authorized only if “the information presented in the petition . . . and any [preliminary] response . . . 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.” 35 U.S.C. § 314(a). Upon consideration of the Petition, we determine that the information presented by Petitioner establishes that there is a reasonable likelihood that Petitioner would prevail in showing the unpatentability of claims 1–8 and 12–15 of the ’871 patent. Accordingly, pursuant to 35 U.S.C. § 314, we institute an *inter partes* review of claims 1–8 and 12–15 of the ’871 patent.

### A. Related Proceedings

The ’871 patent is involved in eleven co-pending district court cases in the U.S. District Court for the Eastern District of Texas. Pet. 1–2; Paper 4, 2–3. The ’871 patent also is the subject of IPR2014-00439 (terminated), IPR2014-00987, IPR2015-00404, IPR2015-00406, IPR2015-00411, IPR2015-00412, and IPR201-00413. Pet. 2; Paper 4, 3–4. Petitioner also filed a petition in IPR2015-00401 involving related U.S. Patent No. 7,643,168 B2. Pet. 2; Paper 4, 4.

*B. The '871 Patent*

The '871 patent relates generally to “image capture and transmission systems and is specifically directed to an image capture, compression, and transmission system for use in connection with landline and wireless telephone systems.” Ex. 1001, 1:17–20. According to the '871 patent, the system “is particularly well-suited for sending and/or receiving images via a standard Group III facsimile transmission system and permits capture of the image at a remote location using an analog or digital camera.” *Id.* at 5:3–6.

Figure 1 of the '871 patent is reproduced below.

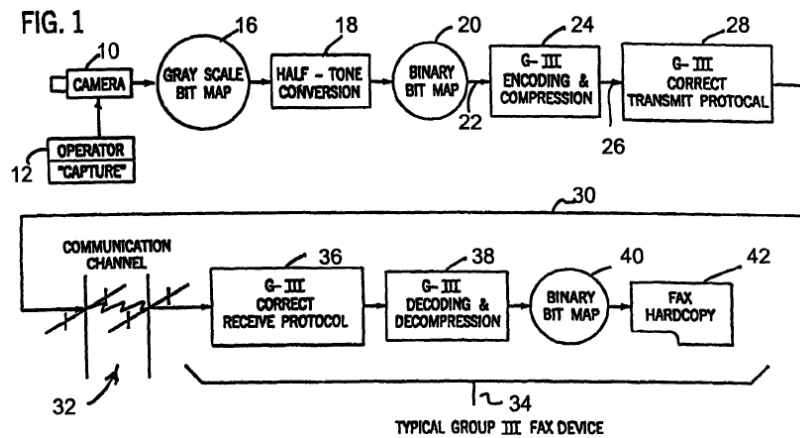


Figure 1 is a block diagram of a basic facsimile camera configuration for capturing an image via a camera and transmitting it via Group III facsimile transmission to a standard hard copy medium. *Id.* at 4:27–30.

Figure 7A of the '871 patent is reproduced below.

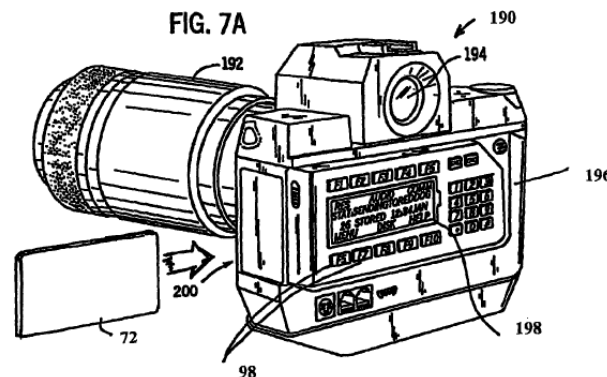


Figure 7A depicts “a hand[-]held device for capturing, storing, and transmitting an image in accordance with the invention.” *Id.* at 4:46–48, 11:3–20.

*C. Illustrative Claim*

Of the challenged claims, claims 1, 6, and 12 are independent. Claim 1 is reproduced below:

1. A handheld self-contained cellular telephone and integrated image processing system for both sending and receiving telephonic audio signals and for capturing a visual image and transmitting it to a compatible remote receiving station of a wireless telephone network, the system comprising:

a manually portable housing;

an integral image capture device comprising an electronic camera contained within the portable housing;

a display for displaying an image framed by the camera, the display being supported by the housing, the display and the electronic camera being commonly movable in the housing when the housing is moved by hand;

a processor in the housing for generating an image data signal representing the image framed by the camera;

a memory associated with the processor for receiving and storing the digitized framed image, accessible for selectively displaying in the display window and accessible for selectively transmitting over the wireless telephone network the digitized framed image;

a user interface for enabling a user to select the image data signal for viewing and transmission;

a telephonic system in the housing for sending and receiving digitized audio signals and for sending the image data signal;

alphanumeric input keys in the housing for permitting manually input digitized alphanumeric signals to be input to the

processor, the telephonic system further used for sending the digitized alphanumeric signals;

a wireless communications device adapted for transmitting any of the digitized signals to the compatible remote receiving station; and

a power supply for powering the system.

Ex. 1001, 14:49–15:13.

#### *D. References Relied Upon*

Petitioner relies upon the following references:

Nagai <sup>1</sup>	JP H09-37129	Feb. 7, 1997	Ex. 1004
Lemelson	US 4,485,400	Nov. 27, 1984	Ex. 1005
Ohnsorge	US 5,485,504	Jan. 16, 1996	Ex. 1006
Sasaki	US 5,018,017	May 21, 1991	Ex. 1007
Nagamine	US 6,564,070 B1	May 13, 2003	Ex. 1008

Pet. 4–5. Petitioner also relies upon the Declaration of Dr. Robert Stevenson (“Stevenson Decl.”) (Ex. 1003).

#### *E. The Asserted Grounds of Unpatentability*

Petitioner argues that the challenged claims are unpatentable as obvious over the following grounds:

<b>References</b>	<b>Basis</b>	<b>Claims challenged</b>
Nagai and Lemelson	§ 103	1–8 and 12–15
Lemelson and Ohnsorge	§ 103	1–3, 5–7, 12, 14, and 15
Lemelson, Ohnsorge, and Sasaki	§ 103	4, 8, and 13
Nagamine	§ 103	1–7 and 12–15
Nagamine and Sasaki	§ 103	4, 8, and 13

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<sup>1</sup> Unless otherwise noted, citations are to the certified English translation of Nagai at pages 10–30 of Exhibit 1004.

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