UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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LG ELECTRONICS, INC.,
Petitioner,

v.

E-WATCH, INC.,
Patent Owner.

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Case IPR2015-00408
Patent 7,643,168 B2

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

ANDERSON, *Administrative Patent Judge.*

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

I. INTRODUCTION

On December 10, 2014, LG electronics, Inc., ("Petitioner")[1] filed a Petition (Paper 1, "Pet.") pursuant to 35 U.S.C. §§ 311–319 to institute an *inter partes* review of claims 1–31 of U.S. Patent No. 7,643,168 B2 ("the '168 patent"), filed January 12, 1998.[2] On April 2, 2015, e-Watch, Inc. ("Patent Owner") filed a Preliminary Response (Paper 11, "Prelim. Resp."). 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.

Upon consideration of the Petition and the Preliminary Response, and applying the standard set forth in 35 U.S.C. § 314(a), which requires demonstration of a reasonable likelihood that Petitioner would prevail with respect to at least one challenged claim, we institute an *inter partes* review

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[1] In the Petition as originally filed Microsoft Mobil OY was also a Petitioner, but its involvement was terminated in our Decision on Joint Motion to Terminate. *See* Paper 10.

[2] Petitioner alleges the '168 patent claims priority to a continuation application No. 10/336,470 (US Pat. No. 7,365,871)("the'470 application") filed January 13, 2003. Pet. 4. The '470 application is a divisional of an application No. 09/006,073 filed January 12, 1998. *Id.*; Ex. 1001, 1:6 –12. Petitioner alleges that is the earliest date to which Patent Owner could claim priority. *Id.* We use the 1998 date as the priority date for purposes of this Decision. *See* II.B.

of claims 1–31. The Board has not made a final determination of the patentability of any claim.

A. Related proceedings

Patent Owner has asserted the '168 patent and related U.S. Patent No. 7,365,871 ("the '871 Patent") against Petitioner in the following action: *e-Watch, Inc.* v. *LG Electronics, Inc.*, No. 2:13-cv-01064, filed in the Eastern District of Texas on December 10, 2013. Pet. 1–2. Patent Owner has filed several other lawsuits asserting the '168 and '871 patents against other entities. *Id.*; Paper 10, 2–3.

In addition to the present proceeding, petitions for *inter partes* review of the '168 patent have been filed by: HTC Corporation and HTC America, Inc. (collectively "HTC," IPR2014-00989 ("'989 IPR")); Sony Mobil Communications (USA), Inc. ("Sony," IPR2015-00408); Kyocera Communications, Inc. ("Kyocera," IPR2015-00407); and Apple, Inc. ("Apple," IPR2015-00414). *Id.*; Paper 5 at 3–4. Separate petitions for *inter partes* review of the '871 patent have been filed by: Petitioner (IPR2015-00404); HTC (IPR2014-00987); Iron Dome LLC (IPR2014-00439); Sony (IPR2015-00402); Kyocera (IPR2015-00406); and Apple (IPR2014-00411, 412, and 413). *Id.*

B. The '168 patent (Ex. 1001)

The '168 patent describes an image capture, conversion, compression, storage and transmission system. Ex. 1001, Abstract. The system includes a camera and a transmission device; the camera captures an image that is transmitted to another device using, for example, cellular signal, satellite transmission and hard line telephonic. *Id.* at 5:66–6:5. Captured images can

be from a digital or analog camera or a video camera (e.g., a camcorder). *Id.*
at 2:37–39.

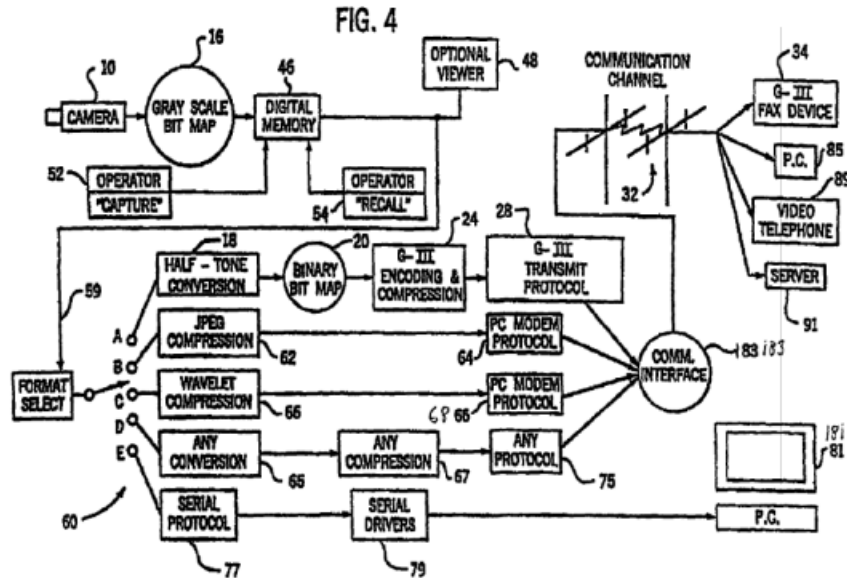Figure 4 of the '168 patent is reproduced below.

FIG. 4

Figure 4 of the '168 Patent illustrates the data path after an image is captured
by camera 10 and conditioned by gray scale bit map 16. *Id.* at 7:65–8:41.
The device includes memory 46, optional viewer 48, and format select
interface switch 60 that permits automated or manual selection of the
transmitting protocol, such as a Group-III facsimile format, a PC modem
protocol, a wavelet compressor or others. *Id.* Depending on the selected
protocol, the signal output is generated and provided to communications
interface module 83 for transmission. *Id.*

C. Illustrative Claim

Of the challenged claims, claims 1, 22, 24, 26, 27, and 29 are
independent. Claim 1 is reproduced below:

> 1. Apparatus comprising:
>   a portable housing, the portable housing being wireless;
>   an image collection device supported by the portable
> housing, the image collection device being operable to provide

visual image data of a field of view;

a display supported by the portable housing, the display being operable to display for viewing by a user a perceptible visual image, the perceptible visual image being generated from the visual image data;

memory supported by the portable housing, the memory being suitable to receive visual image data in digital format, the memory being suitable to retain the visual image data in digital format,

an input device supported by the portable housing, the input device being operable by the user;

operation of the input device by the user enabling the memory to retain the visual image data in digital format, the memory being suitable to provide retained visual image data in digital format;

media supported by the portable housing, the media being suitable to embody at least one compression algorithm;

at least one processing platform supported by the portable housing, the at least one processing platform being operable to execute the at least one compression algorithm, the at least one processing platform being provided the retained visual image data in digital format, execution of the at least one compression algorithm providing compressed visual image data; and

a mobile phone supported by the portable housing, the mobile phone being operable to send to a remote recipient a wireless transmission, the wireless transmission conveying the compressed digital image data; and

movement by the user of the portable housing commonly moving the image collection device,

movement by the user of the portable housing commonly moving the display.

Ex. 1001, 15:14–50.

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