

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

APPLE INC.,  
Petitioner,

v.

e-WATCH, INC.,  
Patent Owner.

---

Case IPR2015-00414<sup>1</sup>  
Patent 7,643,168 B2

---

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

ANDERSON, *Administrative Patent Judge*.

FINAL WRITTEN DECISION  
*35 U.S.C. § 318(a) and 37 C.F.R. § 42.73*

---

<sup>1</sup> Case IPR2015-00611 (“’611 IPR”) was joined with this proceeding. Paper 15. Samsung Electronics Ltd. and Samsung Electronics America, Inc. were Petitioners in the ’611 IPR, but have since been terminated from this joint proceeding (Paper 24).

## I. INTRODUCTION

On December 11, 2014, Apple Inc. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting an *inter partes* review of claims 1–31 of U.S. Patent No. 7,643,168 B2 (Ex. 1001, “the ’168 patent”).<sup>2</sup> On April 9, 2015, E-Watch, Inc. (“Patent Owner”), filed a Preliminary Response (Paper 11). On July 1, 2015, we granted the Petition and instituted trial on claims 1–31 of the ’168 patent. Paper 13 (“Institution Decision” or “Dec. Inst.”).

After institution of trial, Patent Owner filed a Patent Owner Response (Paper 19, “PO Resp.”), and Petitioner filed a Reply (Paper 25, “Reply”).

An oral hearing was held on February 24, 2016. The transcript of the hearing has been entered into the record. Paper 33 (“Tr.”).

We have jurisdiction under 35 U.S.C. § 6(c). This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a). We conclude for the reasons that follow that Petitioner has shown by a preponderance of the evidence that claims 1–31 of the ’168 patent are unpatentable.

### A. *Related Proceedings*

Petitioner identifies these related cases involving the ’168 patent: (1) *E-Watch, Inc. and E-Watch Corp. v. Apple Inc.*, No. 2:13-CV-1061 (JRG/RSP) (E.D. Tex.), to which the following case numbers in the same tribunal are consolidated: CV-1062, 1063, 1064, 1069, 1070, 1071, 1072, 1073, 1074, 1075, 1077, and 1078. Pet. 53, Paper 9, 1.

In addition to the present proceeding, petitions for *inter partes* review of the ’168 patent have been filed as follows: IPR2014-00989 (instituted

---

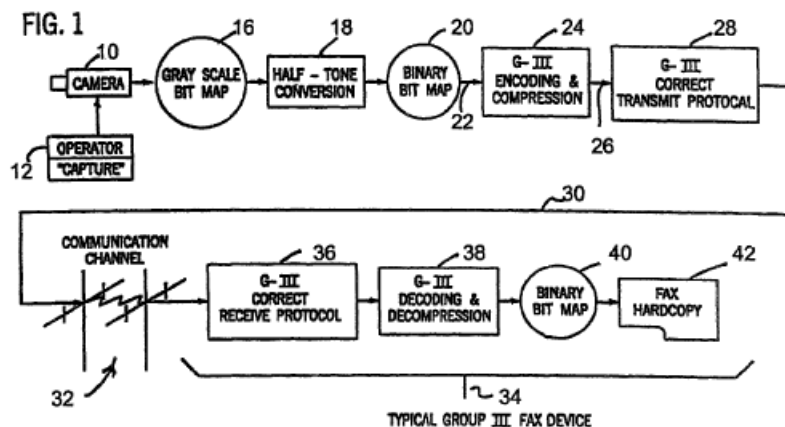
<sup>2</sup> The ’168 patent issued from U.S. Patent Application 11/617,509 (the “’509 application”).

and joined with IPR2015-00543, “the ’989 IPR”); IPR2015-00401; IPR2015-00407; IPR2015-00408; IPR2015-00607; and IPR2015-00611. Pet. 53, Paper 9, 1. Separate petitions for *inter partes* review of related U.S. Patent No. 7,635,871 (“the ’871 patent”)<sup>3</sup> have been filed as follows: IPR2014-00439; IPR2014-00987(instituted and joined with IPR2015-00541); IPR2015-00402; IPR2015-00404; IPR2015-00406; IPR2015-00411; IPR2015-00610; and IPR2015-00612. Pet. 53, Paper 9, 1–2.

*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 1 of the ’168 patent is reproduced below.



<sup>3</sup> The ’168 patent is a continuation of the ’871 patent. Ex. 1001, at [63].

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 5:34–37.

Figure 7A of the '168 patent is reproduced below.

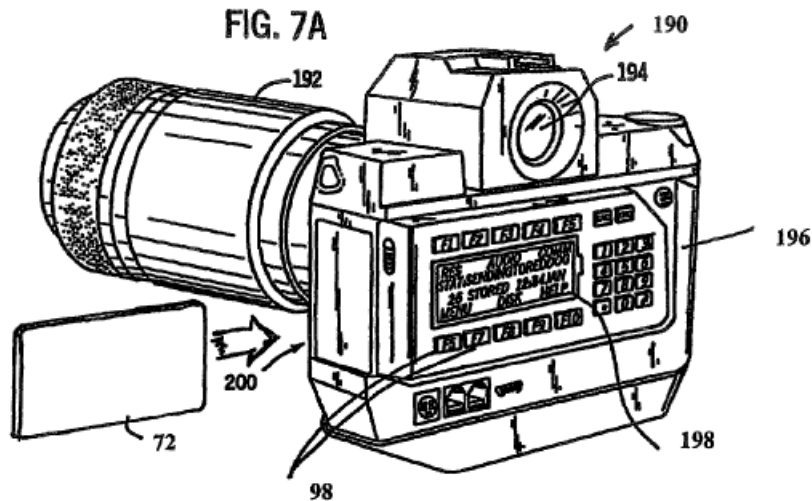


Figure 7A depicts “a hand[-]held device for capturing, storing, and transmitting an image in accordance with the invention.” *Id.* at 5:53–56, 11:57–12:5.

### C. Illustrative Claim

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.

#### *D. Ground Upon Which Trial Was Instituted*

Trial was instituted on the ground that claims 1–31 of the '168 patent are unpatentable under 35 U.S.C. § 102(b) as anticipated by Monroe.<sup>4</sup> Dec. Inst. 13–14.

---

<sup>4</sup> Int. Pub. Pat. App. WO 99/35818 A2, to Monroe, published July 15, 1999 (Ex. 1006, “Monroe”).

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.