Filed on behalf of Innovative Display Technologies LLC

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## UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VIZIO, Inc., Petitioner,

v.

INNOVATIVE DISPLAY TECHNOLOGIES LLC, Patent Owner.

> Case IPR2016-00914 U.S. Patent No. 7,537,370

## PATENT OWNER'S PRELIMINARY RESPONSE TO PETITION FOR INTER PARTES REVIEW

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### I. <u>INTRODUCTION</u>

Pursuant to 37 C.F.R. § 42.107, Innovative Display Technologies ("IDT" or "Patent Owner") files this Preliminary Response requesting that the Board deny institution of the Petition filed by VIZIO, Inc. ("Petitioner") challenging U.S. Patent No. 7,537,370 (the "370 patent"). This Response is timely under 35 U.S.C. § 313 and 37 C.F.R. § 42.107, as it is filed within three months of the April 20, 2016, date of the Notice of Filing Date Accorded to Petition and Time for Filing Patent Owner Preliminary Response (Paper No. 4). Patent Owner does not intend to waive any arguments by not addressing them in this Preliminary Response.

The Board should deny this petition because of VIZIO's extreme delay in filing it. VIZIO was served with a lawsuit asserting this patent on January 2, 2014. *See* Proof of Service (Ex. 2001); *see also* Complaint in *Delaware Display Group LLC, et al. v. VIZIO, Inc.*, No. 1:13-cv-02112 (filed Dec. 31, 2013) (asserting '370 patent) (Ex. 2002). VIZIO waited over two years and three months to file this petition, and as VIZIO admits that the same art and grounds are being considered in the proceeding that VIZIO seeks to join. Thus, Patent Owner requests that the Board deny this petition using the Director's discretion under 35 U.S.C. § 325(d). In the alternative, Patent Owner requests that the Board deny VIZIO's motion for joinder (Paper 3) for the same reasons, and as a result reject this petition under 35 U.S.C. § 325(a)(1).

The Board should deny this Petition because the grounds of invalidity proposed by Petitioner are insufficient. For example, the alleged deformities identified by Petitioner in Suzuki do not meet the limitation that requires that "at least some of the light extracting deformities on or in **one of the sides vary in a different way or manner** than the light extracting deformities on or in the other side of the panel member." Petitioner identifies a passage from Suzuki for purportedly teaching that embossed patterns having different pitches may be formed on the front and back of a panel, but this does not show varying in a different way or manner between the front and back side of the panel member.

Suzuki and Pristash together fail, for example, because two references are not combinable in manner suggested by Petitioner. The combination suggested by Petitioner fails because the use of the converging lens in Pristash's transition device would **decrease** optical coupling in that proposed combination, causing light loss, which runs against the goals of the '370 patent.

Moreover Suzuki and Pristash together fail because the transition region identified in Pristash is not between the input edge and the pattern of light extracting deformities as claimed.

### A. Grounds in the Petition

The Petition includes two Grounds:

Ground 3: Under § 103(a) over Suzuki (claim 29)

Ground 4: Under § 103(a) over Suzuki and Pristash (claim 47)

## B. The '370 patent

The '370 patent claims priority back to June 15, 1995. The patent generally discloses "light emitting panel assemblies" made from a specific arrangement of components that, when combined, create "very efficient panel assemblies that may be used to produce increased uniformity and higher light output from the panel members with lower power requirements, and allow the panel members to be made thinner and/or longer, and/or of various shapes and sizes." Ex. 1001 at 1:66 through 2:3.

At the time of the priority date of the '370 patent, the claimed inventions introduced novel components and a novel arrangement of those components. For example, the claims of the '370 patent include such things as (1) a panel member with both its front and back sides having a pattern of light extracting deformities that are projections or depressions on or in the sides to cause light to be emitted from the panel member in a predetermined output distribution; (2) the pattern of light extracting deformities varies along at least one of the length and width of the panel member; (3) the light extracting deformities on or in one of the sides are of a different type than the light extracting deformities on or in the other side of the panel member;

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(4) at least one film, sheet or substrate overlying at least a portion of one of the sides of the panel member to change the output distribution of the emitted light such that the light will pass through a liquid crystal display with low loss; (5) the panel member has a transition region between the at least one input edge and the patterns of light extracting deformities to allow the light from the at least one light source to mix and spread; and (6) the transition region contains optical elements for reflecting or refracting light from the at least one light source.

The written description of the '370 patent explains that the panel's deformities are "any change in the shape or geometry of the panel surface and/or coating or surface treatment that causes a portion of the light to be emitted." Ex. 1001 at 4:38-40.

The '370 patent further explains that "a pattern of light extracting deformities or disruptions may be provided on one or <u>both sides</u> of the panel members or on one or more selected areas on one or <u>both sides</u> of the panel members, as desired." *Id.* at 4:31-34 (emphasis added). The '370 also describes the deformities on both sides of the panel by stating that "a pattern of light extracting deformities 21, 23, 24 and/or 25 may be provided on one or both sides of the panel member in order to change the path of the light so that the internal critical angle is exceeded and a portion of the light is emitted from one or both sides of the panel." *Id.* at 6:15-20. The deformities 21, 23, 24, and 25 discussed in that passage are depicted in Figs. 4a-4d:

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