

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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TOYOTA MOTOR COMPANY,  
Petitioner,

v.

ADAPTIVE HEADLAMP TECHNOLOGIES, INC.,  
Patent Owner.

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Case IPR2016-01740  
Patent 7,241,034 C1

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Before MICHAEL P. TIERNEY, *Vice Chief Administrative Patent Judge*,  
RAMA G. ELLURU and SCOTT C. MOORE, *Administrative Patent  
Judges*.

MOORE, *Administrative Patent Judge*.

DECISION

Denying Institution of *Inter Partes* Review  
35 U.S.C. §§ 314(a), 325(d); 37 C.F.R. § 42.108

## I. INTRODUCTION

Toyota Motor Company (“Petitioner”) filed a Petition (Paper 2; “Pet.”) to institute an *inter partes* review of claims 7, 14–16, and 31 of U.S. Patent No. 7,241,034 C1 (Exs. 1001–1002; “the ’034 patent”). Adaptive Headlamp Technologies, Inc. (“Patent Owner”) filed a Preliminary Response (Paper 6; “Prelim. Resp.”).

The Petition is before us pursuant to 35 U.S.C. § 314(a), which provides that an *inter partes* review may not “be instituted unless the Director<sup>[1]</sup> determines that the information presented in the petition [] 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 Preliminary Response, we deny institution of an *inter partes* review.

## II. BACKGROUND

### A. *Related Proceedings in the USPTO*

The ’034 patent was the subject of an *ex parte* reexamination filed by the Patent Owner (Serial No. 90/011,011, filed July 10, 2010) (*see* Exs. 1002, 1004), and an *inter partes* reexamination request filed by Volkswagen Group of America, Inc. (Serial No. 95/001,621) (*see* Exs. 1002, 1005). These reexamination proceedings were subsequently merged, and a reexamination certificate issued on June 14, 2013. Ex. 1002.

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<sup>1</sup> “The Board institutes the trial on behalf of the Director.” 37 C.F.R. § 42.4(a).

The '034 patent has also been the subject of five other *inter partes* review petitions, three of which remain pending and have already proceeded to oral argument:

(a) *Koito Manufacturing Co., Ltd. v. Adaptive Headlamp Technologies, Inc.*, Case IPR2016-00079 (the “Koito IPR”) (filed Oct. 23, 2015; instituted May 5, 2016; oral hearing held Jan. 11, 2017)<sup>2</sup>;

(b) *SL Corp. v. Adaptive Headlamp Technologies, Inc.*, Case IPR2016-00193 (the “first SL Corp. IPR”) (filed Nov. 13, 2015; instituted June 6, 2016; oral hearing held Feb. 23, 2017)<sup>3</sup>;

(c) *BMW of North America, LLC v. Adaptive Headlamp Technologies, Inc.*, Case IPR2016-00196 (filed Nov. 16, 2015; terminated Apr. 19, 2016)<sup>4</sup>;

(d) *Mercedes-Benz USA, LLC v. Adaptive Headlamp Technologies, Inc.*, Case No. IPR2016-00501 (filed Nov. Jan. 26, 2016; terminated April 19, 2016)<sup>5</sup>; and

(e) *SL Corp. v. Adaptive Headlamp Technologies, Inc.*, Case No. IPR2016-01368 (the “second SL Corp. IPR”) (filed July 6, 2016; merged with IPR2016-00079 on Nov. 16, 2016; oral hearing held Feb. 23, 2017).<sup>6</sup>

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<sup>2</sup> See IPR2016-00079 Papers 2, 11, 23.

<sup>3</sup> See IPR2016-00193 Papers 2, 10, 24.

<sup>4</sup> See IPR2016-00196 Papers 2, 11.

<sup>5</sup> See IPR2016-00501 Papers 1, 10.

<sup>6</sup> See IPR2016-01368 Papers 2, 9; IPR2016-00079 Paper 19.

*B. Related Proceedings in District Court*

The '034 patent is asserted by Patent Owner in several pending litigations in the U.S. District Court for the District of Delaware. Pet. 1–2; Paper 5, 2–3.

One of the Delaware litigations is *Adaptive Headlamp Technologies, Inc. v. Toyota Motor Sales, U.S.A., Inc.*, Civil Action No. 1:15cv00779 (D. Del.), which was filed on September 4, 2015. See CM/ECF Docket of Case No. 1:15-cv-00779-GMS (D. Del.), D.I. 1. On May 13, 2016, the Court granted a request by Defendant Toyota Motor Sales, U.S.A., Inc. (“Toyota Motor Sales”) for a stay of the Delaware litigation in view of our May 5, 2016 decision in IPR2016-00079 instituting an IPR of the '034 patent, and the second *inter partes* review petition in IPR2016-00193 regarding the '034 patent. See *id.*, D.I. 31, 1–2, 6. Toyota Motor Sales is a real party in interest in this proceeding. Pet. 1.

The petitioners in the five earlier-filed *inter partes* review requests described above all are parties to pending or terminated litigations in the District of Delaware. See Pet. 1–2; Paper 5, 2–3.

*C. References Relied Upon*

Petitioner relies on the following references in support of the asserted grounds of unpatentability:

<b>References and Materials</b>	<b>Exhibit No.</b>
Japan Patent Application Publication H10-324191 (pub. Dec. 8, 1998) (“Kato”)	1007
UK Published Patent Application GB 2 309 774 A (pub. Aug. 6, 1997) (“Takahashi”)	1008

References and Materials	Exhibit No.
U.S. Patent No. 5,868,488 (iss. Feb. 9, 1999) ("Speak")	1009
Japan Patent Application Publication H01-223042 (pub. Sept. 6, 1989) ("Uguchi")	1011

Pet. 5.

*D. Asserted Grounds of Unpatentability*

Asserted Ground <sup>7</sup>	Challenged Claim(s)	Statutory Basis	References
1	7, 14–16, and 31	35 U.S.C. § 103(a)	Kato and Takahashi
2	7, 14–16, and 31	35 U.S.C. § 103(a)	Speak, Takahashi, and Uguchi

Pet. 5, 16.<sup>8</sup>

III. ANALYSIS

“Congress did not mandate that an *inter partes* review must be instituted under certain conditions. Rather, by stating that the Director—and by extension, the Board—*may not* institute review *unless* certain conditions are met, Congress made institution discretionary.” *Intelligent Bio-Systems, Inc. v. Illumina Cambridge Ltd.*, Case IPR2013-00324, slip op. 4 (PTAB Nov. 21, 2013) (Paper 19).

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<sup>7</sup> We refer to the asserted grounds by these numbers in our analysis.

<sup>8</sup> Page 5 of the Petition erroneously refers to claim 1, which was cancelled during the *inter partes* reexamination proceeding. See Ex. 1002, 1:17. Page 16 of the Petition makes clear that Petitioner intended to refer to claim 7.

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