

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

YOTRIO CORPORATION,
Petitioner,

v.

LAKESOUTH HOLDINGS, LLC,
Patent Owner.

Case IPR2017-00299
Patent 8,794,781 B2

Before MICHAEL W. KIM, KRISTINA M. KALAN, and
JENNIFER MEYER CHAGNON, *Administrative Patent Judges*.

CHAGNON, *Administrative Patent Judge*.

DECISION

Declining to Institute *Inter Partes* Review
35 U.S.C. §§ 314(a), 325(d); 37 C.F.R. § 42.108

I. INTRODUCTION

Yotrio Corporation (“Petitioner”)¹ filed a Petition for *inter partes* review of claims 1, 2, 4, and 5 (“the challenged claims”) of U.S. Patent No. 8,794,781 B2 (Ex. 1201, “the ’781 patent”). Paper 1 (“Pet.”). LakeSouth Holdings, LLC (“Patent Owner”) filed a Preliminary Response to the Petition. Paper 6 (“Prelim. Resp.”). For the reasons explained below, we exercise our discretion under 35 U.S.C. § 325(d) and 37 C.F.R. § 42.108(a), and decline to institute *inter partes* review of the challenged claims.

A. *Related Proceedings*

The parties indicate that the ’781 patent has been asserted in *LakeSouth Holdings, LLC v. Kohl’s Department Stores, Inc.*, No. 3:16-CV-1024 (N.D. Tex.). Pet. 1; Paper 5, 2.

Petitioner also challenges a related patent, U.S. Patent No. 6,612,713 C1 (“the ’713 patent”), in IPR2017-00298. Pet. 1–2; Paper 5, 2.

B. *The ’781 Patent*

The ’781 patent relates to a “lawn or patio umbrella with an integral lighting system.” Ex. 1201, at [57]. Figure 1 of the ’781 patent is reproduced below.

¹ Petitioner identifies Kohl’s Department Stores, Inc., Kohl’s Illinois, Inc., and Home Depot U.S.A., Inc. as additional real parties-in-interest. Pet. 1.

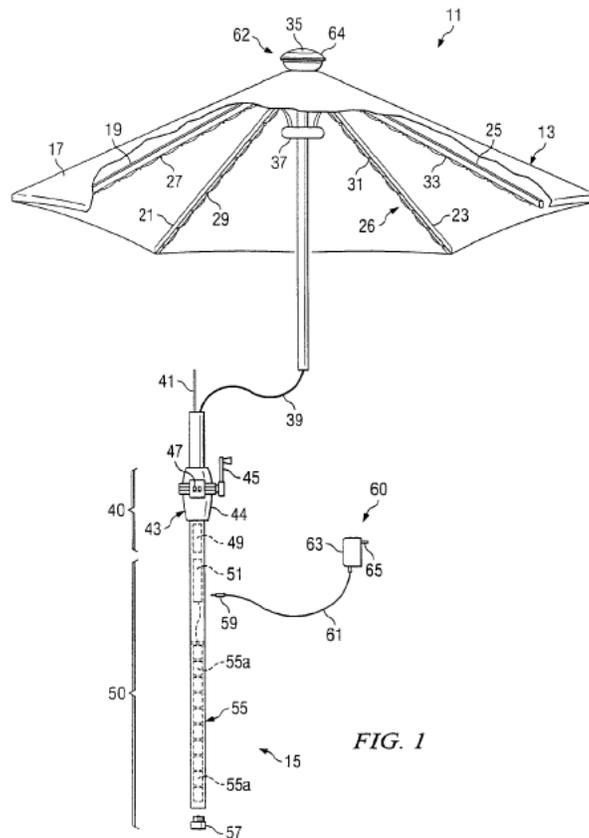


Figure 1 is “a fragmentary and sectional view of the preferred embodiment of the lighted umbrella with motorized opening and closing system,” according to the ’781 patent. *Id.* at 2:29–31. As seen in Figure 1, umbrella apparatus 11 includes umbrella portion 13 and hollow tubular pole portion 15. *Id.* at 3:14–15. Flexible canopy 17 covers umbrella portion 13 and is supported by a plurality of rib members 19, 21, 23, 25, the rib members being hingedly coupled to pole portion 15. *Id.* at 3:21–25. As described in the ’781 patent, “[l]ighting system 26 provides high intensity light to umbrella apparatus 11 and the surrounding area.” *Id.* at 3:25–28. Lighting system 26 includes a plurality of light strands 27, 29, 31, 33 attached to the rib members. *Id.* at 3:47–49.

Umbrella apparatus 11 further includes power system 50 including power source 55, disposed in the hollow interior of pole portion 15 in the embodiment of Figure 1. *Id.* at 4:19–21. Power source 55 may be comprised of rechargeable batteries 55a. *Id.* at 4:20–23. Power system 50 provides electrical power to lighting system 26, as well as other unclaimed features of the umbrella apparatus, such as opening and closing system 40 illustrated in Figure 1. *Id.* at 4:28–29. Power system 50 may be recharged by external power system charger 51 or alternate power system charger 62. *Id.* at 4:29–31, 4:43–48. Alternate power system charger 62 includes at least one solar cell 35 carried by upper cap portion 64. *Id.* at 4:42–43.

Figure 4A of the '781 patent is reproduced below.

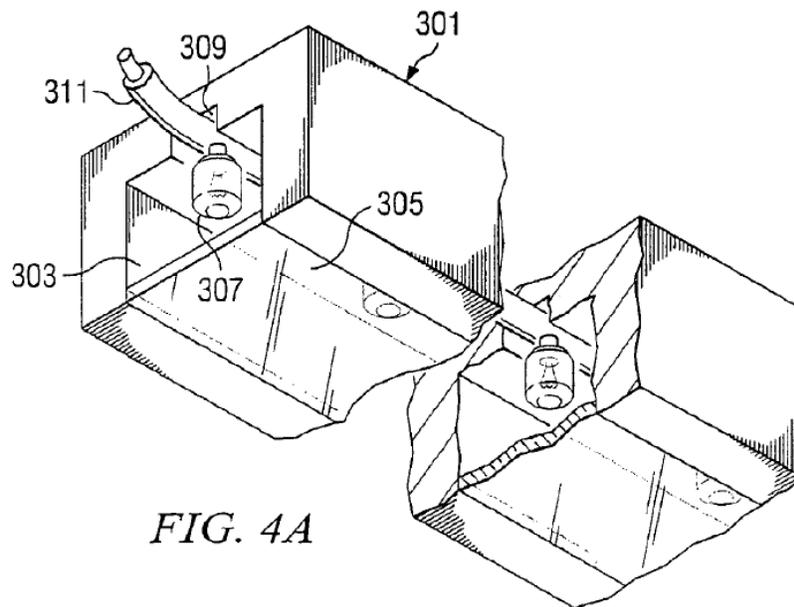


Figure 4A shows an embodiment of lighting system 26, in which the lighting system is recessed in rib member 301 (i.e., rib members 19, 21, 23, 25 of Figure 1). *Id.* at 2:40–42, 9:22–27. As shown in Figure 4A, cavity 303, adapted to receive light bulb 307, is formed within rib 301. *Id.* at 9:28–30. “[T]ranslucent material 305 extends along the entire length of the cavity 303

to protect bulbs 307 from damage and undesirable exposure to weather and other conditions.” *Id.* at 9:30–32. Wire 311 “conductively connects all of the bulbs 307 installed in rib member 301, thereby forming an electrical circuit between bulbs 307 and the rechargeable power source.” *Id.* at 9:40–43. According to the ’781 patent, “recessed lighting, which is carried entirely within rib member 301 and is not otherwise exposed to the elements, is achieved.” *Id.* at 9:43–45.

C. Illustrative Claim

Of the challenged claims, claim 1 is independent, and claims 2, 4, and 5 depend therefrom. Claim 1 of the ’781 patent, reproduced below, is illustrative of the challenged claims:

1. An umbrella apparatus comprising:
 - a pole portion;
 - an umbrella portion hingedly coupled to the pole portion, the umbrella portion having a plurality of radially extending rib members;
 - a rechargeable electrical power system for providing electrical power to the umbrella apparatus;
 - a solar energy system coupled to the pole portion, the solar energy system being adapted to collect solar energy and convert the solar energy into electrical energy, the solar energy system being conductively coupled to the rechargeable electrical power system, such that the solar energy collected and converted into electrical energy recharges the rechargeable electrical power system;
 - a lighting system having a plurality of light emitting diodes conductively coupled to the rechargeable electrical power system, the light emitting diodes being recessed within the rib members; and

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