

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

MAXELL, LTD.,
Patent Owner.

IPR2020-00408
Patent 6,430,498 B1

Before MINN CHUNG, JASON W. MELVIN, and
FREDERICK C. LANEY, *Administrative Patent Judges*.

CHUNG, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Petitioner, Apple Inc., filed a Petition for *inter partes* review of claims 1, 3–5, 7–11, and 13 (the “challenged claims”) of U.S. Patent No. 6,430,498 B1 (Ex. 1001, “the ’498 patent”). Paper 1 (“Pet.”). Patent Owner, Maxell, Ltd., filed a Preliminary Response. Paper 6 (“Prelim. Resp.”). Pursuant to our authorization for supplemental briefing, Petitioner filed a Reply to Patent Owner’s Preliminary Response, and Patent Owner filed a Sur-reply. Paper 8 (“Pet. Reply”); Paper 11 (“PO Sur-reply”); *see* Paper 7, 4 (authorizing reply and sur-reply).

Under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a), we have authority to institute an *inter partes* review if “the information presented in the petition . . . and any response . . . 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.” 35 U.S.C. § 314(a). The Board, however, has discretion to deny a petition even when a petitioner meets that threshold. *Id.*; *see, e.g., Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”); *NHK Spring Co. v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018) (precedential, designated May 7, 2019) (“*NHK*”).

Having considered the parties’ submissions, and for the reasons explained below, we exercise our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review.

II. BACKGROUND

A. Related Matters

The parties identify the following pending district court proceeding related to the '498 patent: *Maxell, Ltd. v. Apple Inc.*, No. 5:19-cv-00036 (E.D. Tex., filed Mar. 15, 2019) (“the underlying litigation”). Pet. 7; Paper 4, 1 (Patent Owner’s Mandatory Notices).

Petitioner also has filed petitions in IPR2020-00409 and IPR2020-00407 respectively challenging claims of U.S. Patent No. 6,580,999 B2 (“the '999 patent”), which is a continuation of the '498 patent, and U.S. Patent No. 6,748,317 B2 (“the '317 patent”), which is a continuation of the '999 patent. *See* '317 patent, code (63).

B. Overview of the '498 Patent

The '498 patent describes “a portable terminal provided with the function of walking navigation, which can supply location-related information to the walking user.” Ex. 1001, 1:10–13. According to the '498 patent, conventional navigation systems at the time of the invention were unsuitable for walking navigation because they were too large to be carried by a walking user. *Id.* at 1:25–29. At the same time, maps provided by conventional map information services could not be displayed clearly on the small screens of portable telephones. *Id.* at 1:39–45. The invention of the '498 patent purportedly addressed these problems by providing a portable terminal that can “supply location information easier for the user to understand during walking.” *Id.* at 2:44–47.

The portable terminal described in the '498 patent obtains location information and direction information of the terminal (i.e., the direction of the tip of the terminal). *Id.* at code (57), 2:59–64. Based on this terminal

information, the portable terminal obtains and displays information such as route guidance for reaching a destination or neighborhood guidance relating to entertainment, businesses, and restaurants. *Id.* at code (57), 2:65–3:35. In addition, the portable terminal displays the direction of a destination with an indicating arrow that always points in the direction of the destination. *Id.* at code (57), Fig. 1.

C. Illustrative Claim

Challenged claims 1, 5, and 10 are independent. Challenged claims 3 and 4 depend directly from claim 1, challenged claims 7–9 depend directly from claim 5, and challenged claims 11 and 13 depend directly from claim 10. Claims 1 and 10 are illustrative of the claimed subject matter:

1. A portable terminal with the function of walking navigation, comprising:

a device for getting location information denoting a present place of said portable terminal; and

a device for getting direction information denoting an orientation of said portable terminal,

wherein a direction and a distance of a destination from said present place are denoted with an orientation and a length of a line that is distinguished between starting and ending points to supply route guidance information as said walking navigation information.

10. A portable terminal with the function of walking navigation, comprising:

a device for getting location information denoting a present place of said portable terminal; and

a device for getting direction information denoting an orientation of said portable terminal,

wherein location of a user is of said portable terminal is determined according to said location information and said direction information,

wherein location of a partner of the user is determined according to a location information from the partner's portable terminal, and

wherein a full route from said starting point to said destination is shown with a bent line that is distinguished between starting and ending points and said present place is shown with a symbol on said line to supply said route guidance information as said walking navigation information.

Ex. 1001, 10:30–41, 11:28–12:14.

D. Prior Art and Declaration Evidence

Petitioner cites the following references in its challenge to patentability:

U.S. Patent No. 6,067,502, issued May 23, 2000 (Ex. 1004, “Hayashida”);

Gregory D. Abowd et al., *Cyberguide: A mobile context-aware tour guide*, *Wireless Networks* 3 (1997) 421–433 (Ex. 1005, “Abowd”); and

Japanese Unexamined Patent Application Publication No. H9-311625, published December 2, 1997 (Ex. 1007, “Ikeda”).¹

Petitioner supports its challenge with a declaration from Dr. Michael D. Kotzin (Ex. 1003).

¹ Ikeda is a Japanese-language publication (Ex. 1006) that was filed with an English-language translation (Ex. 1007) and an affidavit attesting to the accuracy of the translation, as required by 37 C.F.R. § 42.63(b) (*id.* at 1). Patent Owner does not dispute the accuracy of the English translation in Exhibit 1007 at this time. Our citations to Ikeda are to the certified English translation.

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