

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ZTE CORPORATION and ZTE (USA) INC.,  
Petitioner,

v.

MAXELL, LTD.,  
Patent Owner.

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Case IPR2018-00235  
Patent 6,748,317 B2

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Before LYNNE E. PETTIGREW, MINN CHUNG, and  
JOHN A. HUDALLA, *Administrative Patent Judges*.

PETTIGREW, *Administrative Patent Judge*.

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

## I. INTRODUCTION

ZTE Corporation and ZTE (USA) Inc. (collectively, “Petitioner”) filed a Petition for *inter partes* review of claims 1–3, 6–8, 10, 15–17, and 20 of U.S. Patent No. 6,748,317 B2 (Ex. 1001, “the ’317 patent”). Paper 1 (“Pet.”). Maxell, Ltd. (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”).

We have authority to determine whether to institute an *inter partes* review. 35 U.S.C. § 314(a); 37 C.F.R. § 42.4(a). The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a), which authorizes institution when “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.”

For the reasons explained below, we decline to institute an *inter partes* review of the challenged claims of the ’317 patent.

### A. Related Matters

The parties indicate that the ’317 patent has been asserted against Petitioner in the following district court action, filed on November 18, 2016: *Maxell, Ltd. v. ZTE Corp.*, Case No. 5:16-cv-00179-RWS (E.D. Tex.) (“the district court litigation”). Pet. 1; Paper 5, 1 (Patent Owner’s Mandatory Notices).

### B. The ’317 Patent

The ’317 patent describes “a portable terminal provided with the function of walking navigation, which can supply location-related information to the walking user.” Ex. 1001, 1:16–18. According to the ’317 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 1:31–38. 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 1:46–52. The invention of the '317 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 2:53–54. The portable terminal obtains location information and direction information of the terminal (i.e., the direction of the tip of the terminal). *Id.* at Abstract, 2:66–3:4. 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 Abstract, 3:5–42. 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 Abstract, Fig. 1.

### *C. Illustrative Claims*

Claims 1, 6, and 10 are independent and illustrative of the claimed subject matter:

1. A portable terminal, comprising:
  - a device for getting location information denoting a [p]resent place of said portable terminal;
  - a device for getting a direction information denoting an orientation of said portable terminal;
  - an input device for inputting a destination; and
  - a display,wherein

said display displays positions of said destination and said present place, and a relation of said direction and a direction from said present place to said destination, and

said display changes according to a change of said direction of said portable terminal orientation for walking navigation.

6. A portable terminal, comprising:

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

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

a device connected to a server; and

a display,

wherein

said device connected to said server outputting said location information and said direction information and receiving retrieved information based on said outputted information at said server, and

said display displays said retrieved information.

10. A portable terminal, comprising:

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

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

a device for getting a location information of another portable terminal from said another terminal via connected network; and

a display,

wherein

said display displays positions of said destination and said present place, and a relation of said direction and a direction from said present place to said destination,

and said display changes according to a change of said direction of said portable terminal orientation for walking navigation.

Ex. 1001, 10:42–57, 11:6–21, 11:34–51 (formatting modified).

*D. Asserted Grounds of Unpatentability*

Petitioner asserts that claims 1–3, 6–8, 10, 15–17, and 20 are unpatentable on the following grounds of unpatentability (Pet. 9–10):

Reference(s)	Basis	Challenged Claims
Norris <sup>1</sup>	§ 103(a) <sup>2</sup>	1–3, 10, 15, and 16
Norris	§ 102(b)	1–3, 10, 15, and 16
Norris and Lauro <sup>3</sup>	§ 103(a)	1–3, 10, 15, and 16
Norris and Colley <sup>4</sup>	§ 103(a)	17 and 20
Norris, Lauro, and Colley	§ 103(a)	17 and 20
Nojima <sup>5</sup>	§ 103(a)	6–8
Nojima	§ 102(b)	6–8

<sup>1</sup> U.S. Patent No. 5,781,150, issued July 14, 1998 (Ex. 1005, “Norris”).

<sup>2</sup> The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (“AIA”), amended 35 U.S.C. §§ 102 and 103. Because the ’317 patent has an effective filing date before the effective date of the applicable AIA amendments, we refer to the pre-AIA version of §§ 102 and 103.

<sup>3</sup> U.S. Patent No. 5,173,709, issued Dec. 22, 1992 (Ex. 1006, “Lauro”).

<sup>4</sup> U.S. Patent No. 5,592,382, issued Jan. 7, 1997 (Ex. 1007, “Colley”).

<sup>5</sup> Japanese Patent Application Publication No. H10-232992, published Sept. 2, 1998 (Ex. 1008, “Nojima”).

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