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Paper No. 17
Date: September 14, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HP INC., MICROSOFT CORPORATION, DELL INC.,
DELL PRODUCTS LP, LENOVO (UNITED STATES) INC.,
and MOTOROLA MOBILITY LLC,
Petitioner,

v.

NEODRON LTD.,
Patent Owner.

IPR2020-00459
Patent 8,946,574 B2

Before MIRIAM L. QUINN, PATRICK M. BOUCHER, and SCOTT B. HOWARD, *Administrative Patent Judges.*

HOWARD, *Administrative Patent Judge*.

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

INTRODUCTION

A. Background and Summary

HP Inc. ("HP"), Microsoft Corporation ("Microsoft"), Dell Inc. and Dell Products LP (collectively, "Dell"), Lenovo (United States) Inc. ("Lenovo"), and Motorola Mobility LLC. ("Motorola"), (collectively, "Petitioner") filed a Petition to institute an *inter partes* review of claims 1–4, 6–11, and 13–15 of U.S. Patent No. 8,946,574 B2 (Ex. 1001, "the '574 patent"). Paper 3 ("Pet."). Neodron Ltd. ("Patent Owner") filed a Patent Owner Preliminary Response. Paper 10 ("Prelim. Resp."). Pursuant to our authorization (Paper 11), Petitioner filed a Reply to Patent Owner's Preliminary Response (Paper 13, "Pet. Prelim. Reply") and Patent Owner filed a Sur-Reply (Paper 14, "PO Prelim. Sur-reply").

We have authority, acting on the designation of the Director, to determine whether to institute an *inter partes* review under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a). *Inter partes* review may not be instituted unless "the information presented in the petition filed under section 311 and any response filed under section 313 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) (2018). A decision to institute under 35 U.S.C. § 314 may not institute on fewer than all claims challenged in the Petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018).

For the reasons set forth below, upon considering the Petition and the evidence of record, we determine that the information presented in the Petition establishes a reasonable likelihood that Petitioner will prevail with respect to at least one of the challenged claims. Accordingly, we institute

inter partes review on all of the challenged claims based on all of the grounds identified in the Petition.

B. Real Parties in Interest

Petitioner identifies the following real parties in interest: HP Inc., Microsoft Corporation, Dell Inc., Dell Products LP, Lenovo (United States) Inc., and Motorola Mobility LLC. Pet. 2. Additionally, Petitioner identifies Lenovo Group Ltd. "as a real party-in-interest without admitting that Lenovo Group Ltd. is in fact a real party-in-interest." *Id.*

Patent Owner identifies Neodron Ltd. as the real party in interest. Paper 7, 1 (Patent Owner's Mandatory Notices).

C. Related Matters

The parties identify the following proceedings in which the '574 patent has been asserted: *Neodron Ltd. v. HP Inc.*, No. 1:19-cv-00873-ADA (W.D. Tex.); *Neodron Ltd. v. Microsoft Corp.*, No. 1:19-cv-00874-ADA (W.D. Tex.), *Neodron Ltd. v. Dell Technologies, Inc.*, No. 1:19-cv-00819-ADA (W.D. Tex.) (collectively the "WD Texas Actions"), *Neodron Ltd. v. Lenovo Group Ltd.*, No. 6:19-cv-00398 (W.D. Tex.), which was dismissed and refiled as *Neodron Ltd. v. Lenovo Group Ltd.*[1], No. 3:19-cv-05644 (N.D. Cal.) (the "ND Cal. Action). Pet. 2; Paper 7, 2.

D. The '574 Patent

The '574 patent is titled "Two-Layer Sensor Stack." Ex. 1001, code (54).

According to the '574 patent, "[a] position sensor can detect the presence and location of a touch by a finger or by an object, such as a stylus,

[1] This action names Lenovo (United States) Inc. and Motorola Mobility LLC as co-defendants.

within an area of an external interface of the position sensor" and may enable "direct interaction with information displayed on the screen, rather than indirectly via a mouse or touchpad." Ex. 1001, 1:14–20. The '574 patent further states that "[t]here are a number of different types of position sensors" including a capacitive touch screen which "may include an insulator coated with a transparent conductor in a particular pattern." *Id.* at 1:27–32. "When an object . . . touches the surface of the screen there may be a change in capacitance [that] may be sent to a controller for processing to determine where the touch occurred on the touch screen." *Id.* at 1:32–36. The '574 patent further states that such capacitive touch screens may "an array of conductive drive electrodes or lines and conductive sense electrodes or lines can be used to form a touch screen having capacitive nodes." *Id.* at 1:37–40.

Figure 1 of the '574 patent is reproduced below.

FIG. 1

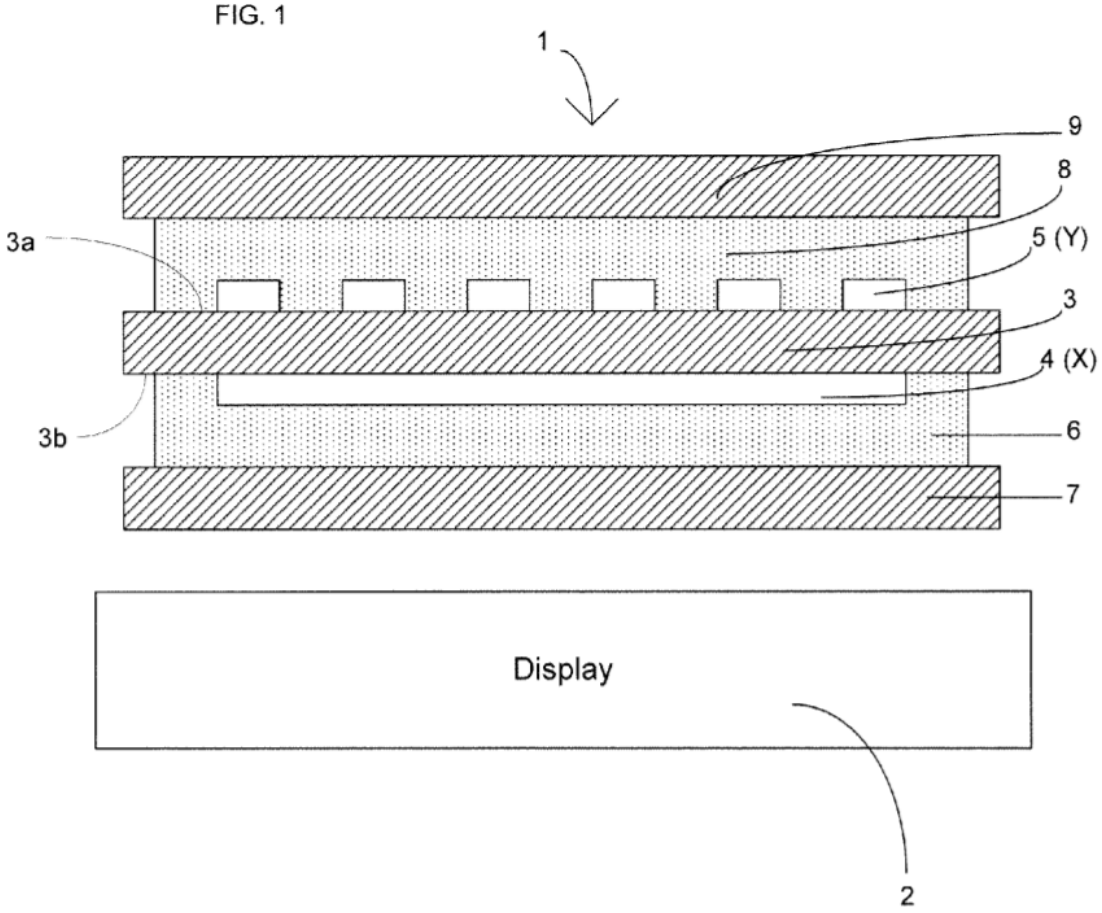

Figure 1 "is a cross-sectional view of an exemplary touch sensitive panel [(1)] and a display [(2)]." Ex. 1001, 2:3–4; *see also id.* at 2:52–53. The panel includes an insulating substrate 3 having two opposing faces, 3a and 3b. *Id.* at 2:53–61. Electrodes 4 (X) and 5 (Y), which may be arranged in different directions, are provided on faces 3b and 3a, respectively. *Id.* at 2:59–64.

The '574 patent goes on to describe the layers shown in Figure 1:

> The substrate 3 may be provided adjacent to the display 2 such that electrodes 4 (X) are arranged between the display 2 and the substrate 3. An adhesive layer 6 of an optically clear adhesive may be between the electrodes 4 (X) and a transparent covering sheet 7. Another adhesive layer 8 of an optically clear adhesive may be between the electrodes 5 (Y) and a transparent covering

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