

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

MAXELL, LTD.,
Patent Owner.

IPR2020-00597
Patent 8,339,493 B2

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

LANEY, *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, 3–6, 10, and 11 (the “challenged claims”) of U.S. Patent No. 8,339,493 B2 (Ex. 1001, “the ’493 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 7 (“Pet. Reply”); Paper 8 (“PO Sur-reply”); *see* Ex. 1056 (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 '493 patent: *Maxell, Ltd. v. Apple Inc.*, No. 5:19-cv-00036 (E.D. Tex., filed Mar. 15, 2019) (“the underlying litigation”). Pet. 81; Paper 5, 1 (Patent Owner’s Mandatory Notices).

B. Overview of the '493 Patent

The '493 patent, is titled “Electric Camera.” Ex. 1001, code (54). It issued on December 25, 2012, based on an application filed July 28, 2010. *Id.* at code (22), (45). It claims priority as a continuation of a U.S. application filed September 12, 2003, which in turn claims priority as a division of a U.S. application filed March 8, 2000. *Id.* at code (60). Priority is also claimed to a Japanese patent application filed January 11, 2000. *Id.* at code (30), 1:6–14.

The '493 patent relates to “video cameras, camcorders, digital still cameras and others using a solid-state image sensing device, and more particularly to an electric camera using a solid-state image sensing device with a large number of pixels.” *Id.* at 2:57–61. An object of the invention is to provide an electric camera “which uses an image sensing device with a sufficient number of pixels for still images and enables the taking of highly detailed still images and a moving video taking with reduced image quality degradation without increasing circuitry such as field memory.” *Id.* at 3:8–13. “It is also an object of the present invention to provide an electric camera that can also realize the image stabilizing function.” *Id.* at 3:13–15.

C. Illustrative Claim

Challenged claims 1, 5, and 10 are independent. Challenged claims 3 and 4 depend directly from claim 1, challenged claim 6 depends directly from claim 5, and challenged claim 11 depends directly from claim 10. Claims 5 and 6 are illustrative of the claimed subject matter. Claims 5 and 6 recite:

5. An electric camera comprising:
 - an image sensing device with a light receiving sensor having an array of pixels arranged vertically and horizontally in a grid pattern, in an N number of vertically arranged pixel lines;
 - a signal processing unit that generates image signals by processing the output signals of the image sensing device; and
 - a display unit with a display screen, that displays an image corresponding to the image signals;wherein when recording an image in a static image mode, the signal processing unit generates the image signals by using all signal charges accumulated in all N number of vertically arranged pixel lines of the image sensing device, to provide N pixel lines;
 - wherein when monitoring the image in the static image mode, the signal processing unit generates the image signals by using pixel lines that have been mixed or culled from the N number of vertically arranged pixel lines to only include pixel lines separated from one another by intervals of a first distance; and
 - wherein when recording the image in a moving video mode, the signal processing unit generates the image signals by using a portion of, or the entirety of, pixel lines which have been mixed or culled from the N number of vertically arranged pixel lines to only include pixel lines separated from one another by intervals of a second distance, where the second distance is different from the first distance.

6. An electric camera according to the claim 5, further comprising:
 - an image-instability detector which detects an image-instability of the electric camera; and

wherein when recording in the moving video mode, in order to correct the image-instability, the signal processing unit generates the image signals by changing the pixel lines used, and the portion of the pixel lines used, according to an amount of image-instability detected by the instability detector.

Ex. 1001, 16:32–17:3.

D. Prior Art and Declaration Evidence

Petitioner cites the following references in its challenge to patentability:

Casio LCD Digital Camera QV-8000SX User’s Guide (Ex. 1004, “Casio”);

U.S. Patent No. 7,903,162 B2, issued March 8, 2011 (Ex. 1005, “Juen”);

U.S. Patent No. 5,502,483, issued March 26, 1996 (Ex. 1006, “Takase”); and

U.S. Patent No. 5,444,482, issued August 22, 1995 (Ex. 1008, “Misawa”).

Petitioner supports its challenge with a declaration from Dr. Jeffrey J. Rodriguez (Ex. 1003).

E. Asserted Grounds of Unpatentability

Petitioner asserts that the challenged claims are unpatentable based on the following ground (Pet. 4):

Claims Challenged	35 U.S.C. §	References
1, 3, 5, and 10	103(a) ¹	Casio, Juen

¹ The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011), amended 35 U.S.C. §103 effective March 16, 2013. Because the

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