UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SAMSUNG ELECTRONICS CO., LTD. and
SAMSUNG ELECTRONICS AMERICA, INC.,
Petitioner,

v.

ANCORA TECHNOLOGIES, INC.,
Patent Owner.

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IPR2020-01184
Patent 6,411,941 B1

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Before THU A. DANG, JONI Y. CHANG, and KEVIN W. CHERRY,
Administrative Patent Judges.

CHANG, *Administrative Patent Judge*.

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

I.   INTRODUCTION

Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively, "Petitioner") filed a Petition requesting an *inter partes* review ("IPR") of claims 1−3 and 6−17 ("the challenged claims") of U.S. Patent No. 6,411,941 B1 (Ex. 1001, "the '941 patent"). Paper 1 ("Pet."), 1. Ancora Technologies, Inc. ("Patent Owner") filed a Preliminary Response (Paper 7, "Prelim. Resp."). Pursuant to our authorization, Petitioner filed a Reply (Paper 8, "Reply"), and Patent Owner filed a Sur-reply (Paper 10, "Sur-reply").

For the reasons stated below, we exercise our discretion under § 314(a) and deny institution of *inter partes* review in the instant proceeding.

A. Related Matter

The parties indicate that the '941 patent is involved in *Ancora Tech., Inc. v. LG Electronics, Inc.*, No. 1-20-cv-00034-ADA (W.D. Tex.), in which Petitioner is a co-defendant. Pet. 1; Paper 4, 2. The '941 patent also was involved in *ex parte* Reexamination No. 90/010,560. Ex. 1001, 8−9 (*Ex Parte* Reexamination Certificate issued on June 1, 2010, confirming the patentability of claims 1−19 and indicating that no amendments have been made to the patent).

B. The '941 patent

The '941 patent discloses a method of restricting software operation within a license limitation that is applicable for a computer having a first non-volatile memory area, a second non-volatile memory area, and a volatile memory area. Ex. 1001, code (57). According to the '941 patent, the

2

method includes the steps of selecting a program residing in the volatile memory, setting up a verification structure in the non-volatile memories, verifying the program using the structure, and acting on the program according to the verification. *Id.*

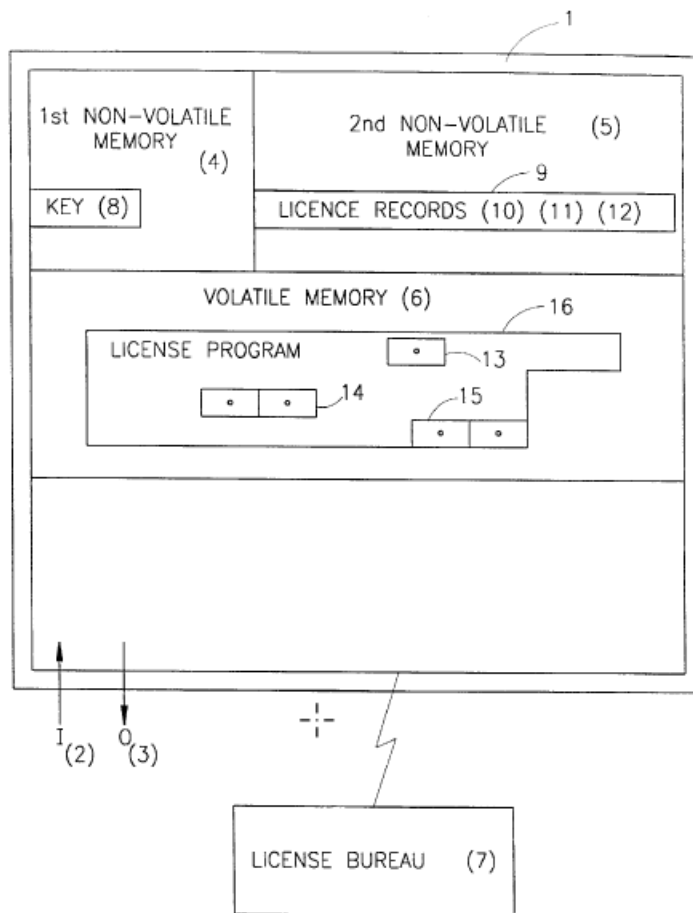Figure 1 of the '941 patent is reproduced below.

Figure 1 above shows a schematic diagram of computer processor 1 and license bureau 7. *Id.* at 5:9−19. Computer processor 1 is associated with input operations 2 and output operations 3. *Id.* Computer processor 1 contains first non-volatile memory area 4 (e.g., the ROM section of the Basic Input / Output System ("BIOS")), second non-volatile memory area 5

3

(e.g., the E^{2}PROM section of the BIOS), and volatile memory area 6 (e.g., the internal RAM memory of the computer). *Id.*

C. Illustrative Claim

Of the challenged claims, claim 1 is independent. Claims 2, 3, and 6−17 directly or indirectly depend from claim 1. Claim 1 is illustrative:

> 1. A method of restricting software operation within a license for use with a computer including an erasable, non-volatile memory area of a BIOS of the computer, and a volatile memory area; the method comprising the steps of:
>
> selecting a program residing in the volatile memory,
>
> using an agent to set up a verification structure in the erasable, non-volatile memory of the BIOS, the verification structure accommodating data that includes at least one license record,
>
> verifying the program using at least the verification structure from the erasable non-volatile memory of the BIOS, and
>
> acting on the program according to the verification.

Ex. 1001, 6:59–7:4.

1. Prior Art Relied Upon

Petitioner relies upon the references listed below (Pet. 3−4):

Reference	Date	Exhibit No.
Schwartz, US 6,153,835	issued Nov. 28, 2000, filed June 7, 1995	1005
Hasebe, US 5,935,243	issued Dec. 22, 1998, filed Mar. 28, 1996	1007
Shipman, US 5,852,736	issued Dec. 22, 1998, filed Mar. 28, 1996	1008

Reference	Date	Exhibit No.
Yee, "Using Secure Coprocessors," Carnegie-Mellon University, CMU-CS-94-149 (1994).	1994	1006

2. Asserted Grounds of Unpatentability

Petitioner asserts the following grounds of unpatentability (Pet. 3):

Claims	Basis	References
1–2, 6–17	§ 103[1]	Schwartz, Yee
1–3, 6–15, 17	§ 103	Hasebe, Shipman

II. ANALYSIS

A. Discretionary Denial Under 35 U.S.C. § 314(a)

Institution of an *inter partes* review is discretionary. Section 314(a) of title 35 of the United States Code provides that "[t]he Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition . . . and any

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[1] The Leahy-Smith America Invents Act ("AIA"), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), amended 35 U.S.C. § 103, effective March 16, 2013. Because the application from which the '941 patent issued was filed before this date, the pre-AIA version of § 103 applies.

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