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Paper 9
Date: March 4, 2021

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

LBT IP I LLC,
Patent Owner.

IPR2020-01189
Patent 8,497,774 B2

Before JOHN A. HUDALLA, SHEILA F. McSHANE, and JULIET MITCHELL DIRBA, *Administrative Patent Judges*.

HUDALLA, *Administrative Patent Judge*.

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

Apple Inc. ("Petitioner") filed a Petition (Paper 1, "Pet.") requesting an *inter partes* review of claims 1, 4–6, 8, 10, 13, and 15 ("the challenged claims") of U.S. Patent No. 8,497,774 B2 (Ex. 1001, "the '774 patent"). Petitioner filed a Declaration of Scott Andrews (Ex. 1003) with its Petition. Patent Owner, LBT IP I LLC ("Patent Owner"), filed a Preliminary Response (Paper 8, "Prelim. Resp.").

We have authority to determine whether to institute an *inter partes* review. *See* 35 U.S.C. § 314 (2018); 37 C.F.R. § 42.4(a) (2019). Under 35 U.S.C. § 314(a), we may not authorize an *inter partes* review unless the information in the petition and the preliminary 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 that follow, we institute an *inter partes* review as to claims 1, 4–6, 8, 10, 13, and 15 of the '774 patent on all grounds of unpatentability presented.

I. BACKGROUND

A. Real Parties-in-Interest

Petitioner identifies Apple Inc. as the real party-in-interest. Pet. 72. Patent Owner identifies LBT IP I LLC as the real party-in-interest. Paper 3, 2; Paper 6, 2.

B. Related Proceedings

The parties identify the following proceedings related to the '774 patent (Pet. 72; Paper 3, 2; Paper 6, 2):

LBT IP I LLC v. Apple Inc., No. 1:19-cv-01245-UNA (D. Del. filed July 1, 2019); and

IPR2020-01190, IPR2020-01191, IPR2020-01192, and IPR2020-01193, in which Petitioner challenges other patents owned by Patent Owner. We institute *inter partes* reviews in IPR2020-01190, IPR2020-01191, IPR2020-01192, and IPR2020-01193 in decisions issued concurrently herewith.

C. The '774 patent

The '774 patent is directed to location and tracking communication systems. Ex. 1001, 1:33–34. Figure 1 of the '774 patent is reproduced below.

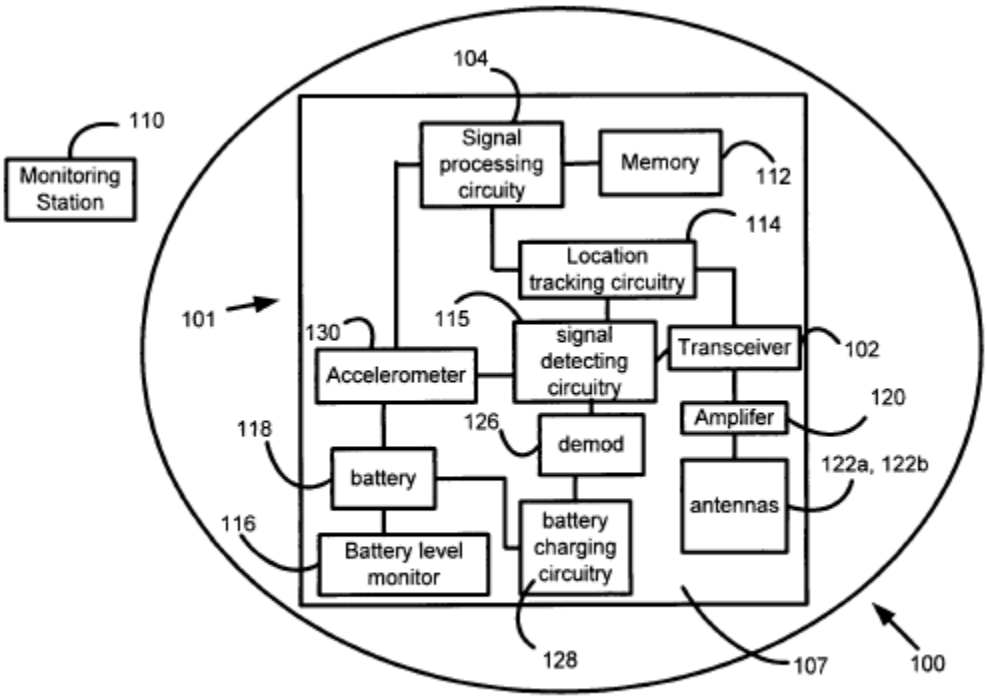

Figure 1

Figure 1 depicts a schematic of tracking device 100, which contains electronic components 101 such as transceiver 102, signal processing circuitry 104 (e.g., a microprocessor or other signal logic circuitry), and accelerometer 130. *Id.* at 4:62–64, 6:54–57. Location tracking circuitry 114 (e.g., global positioning system (GPS) circuitry) calculates location data received and sends the data to signal processing circuitry 104. *Id.* at 7:17–19. Signal detecting circuitry 115 detects and measures signal power level. *Id.* at 7:22–23. Battery level monitor 116 detects a battery level of battery 118. *Id.* at 7:25–28.

Tracking device 100 periodically checks availability of a GPS signal by performing a GPS signal acquisition to determine if a receive communication signal is above a first signal level. *Id.* at 8:7–10. Location tracking circuitry 114 or transceiver 102 may be placed in a sleep or standby mode to conserve a battery level of battery 118. *Id.* at 8:4–8. Electronic tracking device 100 may resume GPS signal acquisition using GPS satellites when the acquired receive communication signal level is above the first signal level. *Id.* at 8:10–16.

Accelerometer 130 may also activate if a power level of the receive communication signal (e.g., GPS signal) is insufficient for processing. *Id.* at 10:47–49. In this case, processing unit 104 computes current location coordinates using acceleration measurements. *Id.* at 10:53–54. When the receive communication signal again becomes sufficient for processing, accelerometer 130 is deactivated and location tracking circuitry 114 is activated. *Id.* at 10:58–67. In this case, processing unit 104 resumes the calculation of location coordinates from the receive communication signal. *Id.*

Figure 4 of the '774 patent is reproduced below.

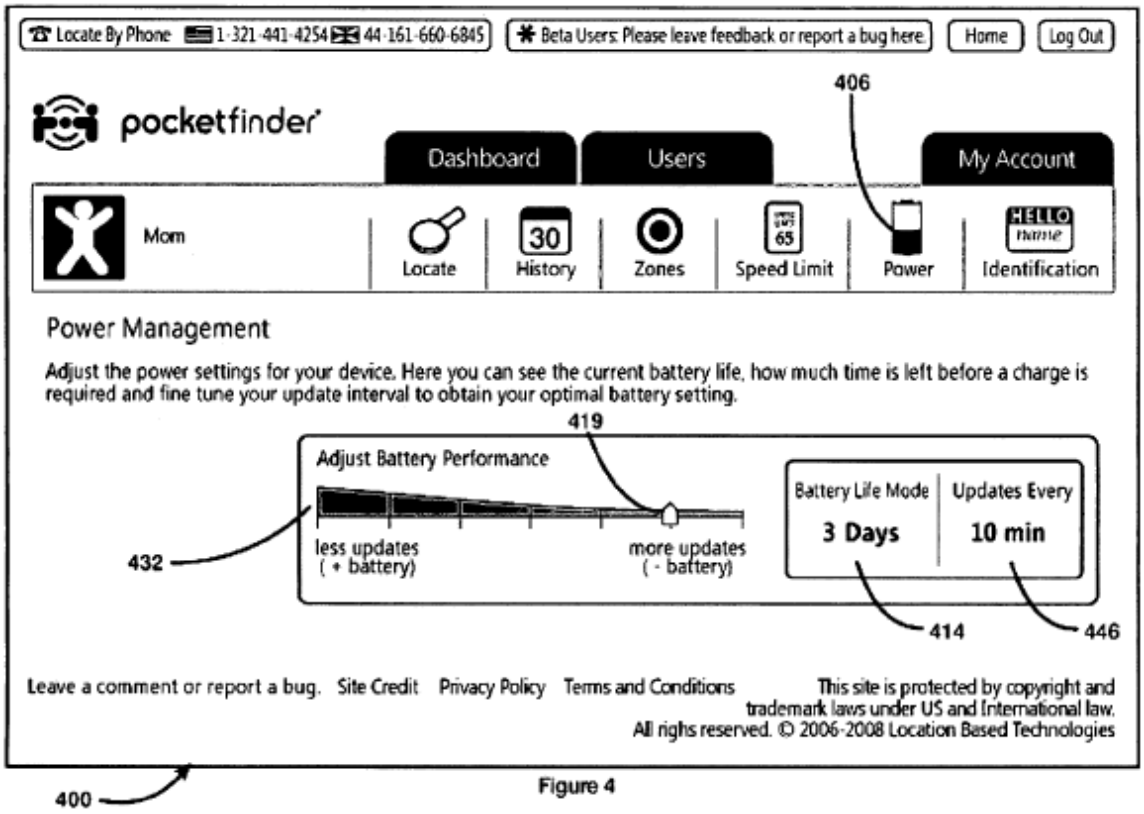

Figure 4

Figure 4 depicts screen display 400 of a personal communication device including a user definable adjustable power level monitor for an electronic tracking device. *Id.* at 5:5–7, 11:2–4, 11:12–17. Battery level monitor 116 measures in real-time battery charge level 406 of battery 118 and predicts estimated remaining battery charge life 414 in response to battery charge level 406. *Id.* at 11:22–25, 13:52–58. Battery level monitor 116 also adjusts the power level applied to location tracking circuitry 114 or transceiver 102 responsive to one or more signal levels. *Id.* at 13:52–58.

A local battery power adjustment mechanism generates in substantially real-time an updated set of network communication signaling protocols including, for example, update rate 446 (e.g., refresh rate) of location coordinate packets. *Id.* at 11:31–36. Update rate 446 consists of a

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