## 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.

## **JUDGMENT**

Final Written Decision on Remand
Determining No Remaining Challenged Claims Unpatentable
35 U.S.C. §§ 144, 318(a)

### I. INTRODUCTION

This Remand Decision is a final written decision on remand from the United States Court of Appeals for the Federal Circuit, which vacated and remanded certain parts of our original Final Written Decision (Paper 39, "Final Dec.") in this *inter partes* review. *See LBT IP I LLC v. Apple Inc.*,



IPR2020-01189 Patent 8,497,774 B2

No. 2022-1613, 2023 WL 3914920 (Fed. Cir. June 9, 2023). In particular, the Federal Circuit vacated and remanded our obviousness determinations with respect to claims 8, 10, 13, and 15 of U.S. Patent No. 8,497,774 B2 (Ex. 1001, "the '774 patent"). Paper 42, 13.

We have jurisdiction under 35 U.S.C. § 6, and we issue this Final Written Decision on Remand under 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73. For the reasons discussed below, Apple Inc. ("Petitioner") has not demonstrated by a preponderance of the evidence that remaining challenged claims 8, 10, 13, and 15 of the '774 patent are unpatentable.

## A. Background

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 the '774 patent. LBT IP I LLC ("Patent Owner") filed a Preliminary Response. Paper 8. Taking into account the arguments presented in Patent Owner's Preliminary Response, we determined that the information presented in the Petition established that there was a reasonable likelihood that Petitioner would prevail with respect to its unpatentability challenges. Pursuant to 35 U.S.C. § 314, we instituted this proceeding on March 4, 2021, as to all challenged claims and all asserted grounds of unpatentability, which are reproduced below (Paper 9 ("Dec. on Inst.")):

<sup>&</sup>lt;sup>1</sup> A copy of the Federal Circuit's decision has been entered as Paper 42, to which we will refer hereinafter.



Claims Challenged	35 U.S.C. §	References/Basis
1, 4–6, 8, 10, 13, 15	$103(a)^2$	Sakamoto <sup>3</sup>
1, 4–6, 8, 10, 13, 15	103(a)	Sakamoto, AAPA <sup>4</sup>
1, 4–6, 8, 10, 13, 15	103(a)	Sakamoto, Hayasaka <sup>5</sup>

During the course of trial, Patent Owner filed a Patent Owner Response (Paper 17, "PO Resp."), and Petitioner filed a Reply to the Patent Owner Response (Paper 25, "Pet. Reply"). Patent Owner also filed a Sur-reply.<sup>6</sup> Paper 31 ("PO Sur-reply").

Petitioner filed Declarations of Scott Andrews with its Petition (Ex. 1003) and with its Reply (Ex. 1077). Both parties filed a transcript of the deposition of Mr. Andrews. Exs. 1068, 2003.

An oral hearing was held on December 8, 2021, and a transcript of the hearing is included in the record. Paper 38 ("Tr.").

<sup>&</sup>lt;sup>6</sup> The parties also filed papers related to Patent Owner's motion to amend, but the motion to amend is not within the scope of the instant remand.



<sup>&</sup>lt;sup>2</sup> The Leahy-Smith America Invents Act ("AIA"), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), amended 35 U.S.C. §§ 102, 103, and 112. Because the application leading to the '774 patent was filed before March 16, 2013 (the effective date of the relevant amendments), the pre-AIA versions of §§ 102 and 103 apply.

<sup>&</sup>lt;sup>3</sup> Japanese Unexamined Patent Application Publication No. JP 2004-37116A, published Feb. 5, 2004 (Ex. 1004, "Sakamoto"). Sakamoto is a Japanese-language publication (Ex. 1004, 36–49, 58) that was filed with an English-language translation (*id.* at 1–19, 21–34, 52–56) and declarations attesting to the accuracy of the translation (*id.* at 20, 50). Our citations to Sakamoto herein refer to the translation.

<sup>&</sup>lt;sup>4</sup> Applicants' Admitted Prior Art (Ex. 1001, 11:22–30, "AAPA").

<sup>&</sup>lt;sup>5</sup> U.S. Patent No. 5,845,142, filed Aug. 29, 1997, issued Dec. 1, 1998 (Ex. 1011, "Hayasaka").

We issued a Final Written Decision determining, *inter alia*, that Petitioner demonstrated by a preponderance of the evidence that claims 1, 4–6, 8, 10, 13, and 15 of the '774 patent are unpatentable. Final Dec. 68. As part of our analysis for claims 8, 10, 13, and 15, we determined that the term "multitude" in the recited "multitude of threshold values" of claim 8 may include two threshold values. *Id.* at 12–18. We applied this interpretation as part of our determination that claims 8, 10, 13, and 15 would have been obvious over Sakamoto under 35 U.S.C. § 103(a). *Id.* at 37–44.

On June 9, 2023, the Federal Circuit issued an opinion vacating and remanding our obviousness determinations with respect to claims 8, 10, 13, and 15 of the '774 patent.<sup>7</sup> Paper 42, 13. The court's decision was based on its construction of "multitude of threshold values" in the following limitation of claim 8:

wherein the battery power level monitor measures a power level of the charging unit and adjusts a power level applied to location tracking circuitry responsive to one or more signal levels, the power level comprising a *multitude of threshold values* determined by a user or system administrator to intermittently activate or deactivate the location tracking circuitry to conserve power of the charging unit in response to the estimated charge level of the charging unit.

Ex. 1001, 16:53–61 (emphasis added). The court stated that "[t]he plain and ordinary meaning of multitude in the '774 patent does not encompass two threshold values." Paper 42, 11. Further clarifying its construction, the court stated that "[w]e hold only that multitude does not include two but

<sup>&</sup>lt;sup>7</sup> Patent Owner did not appeal our obviousness determinations regarding claims 1 and 4–6 or our denial of Patent Owner's motion to amend. *See* Paper 42, 9.



IPR2020-01189 Patent 8,497,774 B2

must include as few as five threshold values." *Id.* at 13. Thus, the court vacated our determination that Sakamoto's two battery power level thresholds teach the claimed "multitude of threshold values." *Id.* 

The court also noted that we did not address Petitioner's alternative argument that Sakamoto teaches at least four threshold values—two battery level thresholds and two GPS signal level thresholds. Paper 42, 13. Accordingly, the court remanded this case to us to determine "whether multitude encompasses three or four threshold values and whether the two sets of threshold values disclosed in Sakamoto teach a multitude of threshold values." *Id*.

On remand, we asked the parties to brief whether—as a matter of claim construction—the "threshold values" in the recited "multitude of threshold values" of claim 8 are limited to battery power level threshold values or whether they may also include signal level threshold values. Paper 43, 3. Petitioner filed an opening brief (Paper 45, "Pet. Remand Br.") and a responsive brief (Paper 46, "Pet. Remand Resp."). In parallel, Patent Owner also filed an opening brief (Paper 44, "PO Remand Br.") and a responsive brief (Paper 47, "PO Remand Resp.").

# B. 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.



# DOCKET

# Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

# **Real-Time Litigation Alerts**



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## **Advanced Docket Research**



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

# **Analytics At Your Fingertips**



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

### API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

#### **LAW FIRMS**

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

#### **FINANCIAL INSTITUTIONS**

Litigation and bankruptcy checks for companies and debtors.

## **E-DISCOVERY AND LEGAL VENDORS**

Sync your system to PACER to automate legal marketing.

