UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,
Petitioner,

v.

LBT IP I LLC,
Patent Owner.

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IPR2020-01190
Patent 8,542,113 B2

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

HUDALLA, *Administrative Patent Judge*.

JUDGMENT
Final Written Decision
Determining All Claims Unpatentable
Denying Patent Owner's Motion to Amend
35 U.S.C. § 318(a)

Apple Inc. ("Petitioner") filed a Petition (Paper 1, "Pet.") requesting an *inter partes* review of claims 1–20 ("the challenged claims") of U.S. Patent No. 8,542,113 B2 (Ex. 1001, "the '113 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 grounds of unpatentability. Paper 9 ("Dec. on Inst.").

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. Paper 31 ("PO Sur-reply").

In addition, Patent Owner filed a contingent motion to amend (Paper 16, "MTA") proposing to substitute claims 21–40 for claims 1–20, respectively, if we are to determine claims 1–20 unpatentable. Petitioner filed an opposition to the motion to amend. Paper 26 ("MTA Opp."). On September 24, 2021, pursuant to Patent Owner's request (*see* MTA 2), we issued Preliminary Guidance on Patent Owner's motion to amend. Paper 28 ("PG"). Patent Owner then filed a revised motion to amend in which it proposed revised substitute claims 21–40.[1] Paper 30 ("RMTA"). Petitioner opposed Patent Owner's revised motion to amend. Paper 34 ("RMTA Opp."). Patent Owner filed a reply in support of its revised motion to amend (Paper 39 ("RMTA Reply")), to which Petitioner filed a sur-reply (Paper 40 ("RMTA Sur-reply")).

An oral hearing was held on January 7, 2022, and a transcript of the hearing is included in the record. Paper 41 ("Tr.").

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[1] Hereinafter, we refer only to the proposed substitute claims in the revised motion to amend unless otherwise noted.

Petitioner filed Declarations of Scott Andrews with its Petition (Ex. 1003), with its Reply and opposition to the motion to amend (Ex. 1080), and with its opposition to the revised motion to amend (Ex. 1081). Both parties filed a transcript of the deposition of Mr. Andrews. Exs. 1068, 2003.

We have jurisdiction under 35 U.S.C. § 6. This decision is a Final Written Decision under 35 U.S.C. § 318(a) as to the patentability of claims 1–20 of the '113 patent. For the reasons discussed below, Petitioner has demonstrated by a preponderance of the evidence that claims 1–20 of the '113 patent are unpatentable. We also *deny* Patent Owner's revised motion to amend.

I. BACKGROUND

A. *Real Parties-in-Interest*

Petitioner identifies Apple Inc. as the real party-in-interest. Pet. 74. 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 proceeding related to the '113 patent (Pet. 74; 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).

We additionally note that Petitioner has challenged other patents owned by Patent Owner in IPR2020-01189, IPR2020-01191, IPR2020-01192, and IPR2020-01193. We issue final written decisions in

IPR2020-01189, IPR2020-01191, IPR2020-01192, and IPR2020-01193 concurrently with this Decision.

C.   The '113 patent

The '113 patent is directed to location and tracking communication systems. Ex. 1001, 1:33–34. Figure 1 of the '113 patent is reproduced below.
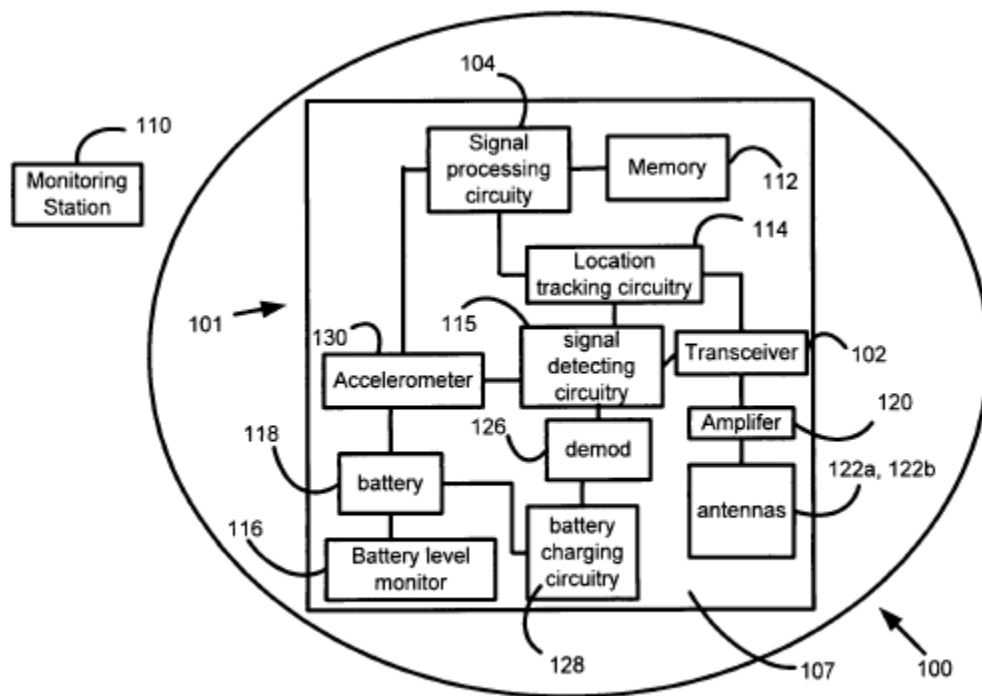

Figure 1

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 4:6–8, 5:53–56. 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 6:16–18. Signal detecting circuitry 115 detects and measures signal power level.

Id. at 6:21–22. Battery level monitor 116 detects a battery level of battery 118. *Id.* at 6:24–26.

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 7:7–10. 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 7:4–8. 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 7:10–16.

Accelerometer 130 may also activate if a power level of the receive communication signal (e.g., GPS signal) is insufficient for processing. *Id.* at 9:48–50. In this case, processing unit 104 computes current location coordinates using acceleration measurements. *Id.* at 9:53–54. When the receive communication signal again becomes sufficient for processing, accelerometer 130 is deactivated and location tracking circuitry 114 is activated. *Id.* at 9:58–67. In this case, processing unit 104 resumes the calculation of location coordinates from the receive communication signal. *Id.*

The '113 patent issued from Application No. 13/356,614 ("the '614 application") filed on January 23, 2012, which is a division of Application No. 11/969,905 ("the '905 application") filed on January 6, 2008. Ex. 1001, codes (22), (62). As discussed below, Petitioner applies the January 6, 2008, filing date of the '905 application (i.e., the earliest possible effective filing date) for qualifying the asserted references as prior art. *See* Pet. 5, 9–12; MTA Opp. 8–9.

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