Paper 39 Date: March 2, 2022

UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE PATENT TRIAL AND APPEAL BOARD APPLE INC., Petitioner, V. LBT IP I LLC, Patent Owner. IPR2020-01192 Patent 8,421,618 B2

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

McSHANE, Administrative Patent Judge.

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



I. INTRODUCTION

We have jurisdiction to hear this *inter partes* review under 35 U.S.C. § 6. This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a). For the reasons discussed herein, we determine that Petitioner has shown by a preponderance of the evidence that challenged claims 1–24 of U.S. Patent No. 8,421,618 B2 (Ex. 1001, "the '618 patent") are unpatentable.

Patent Owner filed a contingent Motion to Amend to cancel original claims 1–24 and replace them with proposed substitute claims 25–48. For the reasons discussed herein, we deny this motion because Petitioner has established by a preponderance of the evidence that the proposed substitute claims are unpatentable in view of the prior art.

A. Procedural Background

Apple Inc. ("Petitioner") filed a Petition requesting *inter partes* review of claims 1–24 of the '618 patent, along with the supporting Declaration of Scott Andrews. Paper 1 ("Pet."); Ex. 1003. LBT IP I LLC ("Patent Owner") filed a Preliminary Response to the Petition. Paper 8. On March 4, 2021, pursuant to 35 U.S.C. § 314(a), we instituted *inter partes* review based on the following grounds:



Claim(s) Challenged	35 U.S.C. § ¹	References/Basis
1, 3, 9–11, 14–16, 19–21, 24	103(a)	Sakamoto ² , Levi ³
4–6	103(a)	Sakamoto, Levi, Vaganov ⁴
7, 12, 13, 17, 22, 23	103(a)	Sakamoto, Levi, Cervinka ⁵
2	103(a)	Sakamoto, Levi, Krasner ⁶
8, 18	103(a)	Sakamoto, Levi, Cervinka, Krasner

Pet. 8; Paper 9 ("Inst. Dec."), 6–7.

Patent Owner filed a Patent Owner Response ("PO Resp."). Paper 17. Petitioner filed a Reply ("Pet. Reply") to the Patent Owner Response, as well as the Supplemental Declaration of Scott Andrews. Paper 25; Ex. 1080. Patent Owner filed a Sur-reply ("PO Sur-reply"). Paper 31.

In addition, Patent Owner filed a contingent Motion to Amend (Paper 16, "Mot."), which was opposed by Petitioner (Paper 26, "Pet. Mot.

⁶ U.S. Patent No. 6,799,050 B1, filed June 4, 2001, issued September 28, 2004. Ex. 1010.



¹ 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 effective March 16, 2013. Because the '618 patent was filed before this date, the pre-AIA versions of §§ 102, 103, and 112 apply.

² Japanese Unexamined Patent Application Publication No. 2004-37116 (published February 5, 2004). Ex. 1004. We refer to the English translation (Ex. 1004) of the original reference herein. Petitioner provides declarations attesting to the accuracy of the translation. *Id.* at 20, 50.

³ U.S. Patent No. 5,583,776, filed March 16, 1995, issued December 10, 1996. Ex. 1006.

⁴ U.S. Patent Application No. 2006/027413 A1, published December 7, 2006. Ex. 1008.

⁵ U.S. Patent No. 7,053,823 B2, filed July 3, 2003, issued May 30, 2006. Ex. 1009.

Opp."). We issued Preliminary Guidance on Patent Owner's Motion to Amend. Paper 28. Patent Owner submitted a Reply in Support of its Motion to Amend (Paper 30, "PO Mot. Reply"), and Petitioner filed a Surreply supporting its Opposition (Paper 36, "Pet. Mot. Sur-reply").

An oral hearing, consolidated with Cases IPR2020-01189 and IPR2020-01191, was conducted on December 9, 2021. A transcript of the hearing is included in the record. Paper 38 ("Tr.").

B. Related Matters

The parties identify *LBT IP I LLC v. Apple Inc.*, Civil Action No. 1:19-cv-01245-UNA (D. Del.), filed on July 1, 2019 as a related matter. Pet. 70; Paper 3, 2. Petitioner also identifies several petitions filed challenging other patents related to the '618 patent: IPR2020-01189, IPR2020-01190, IPR2020-01191, and IPR2020-01193. Pet. 70.

C. The '618 Patent

The '618 patent is titled "Apparatus And Method For Determining Location And Tracking Coordinates Of A Tracking Device" and issued on April 16, 2013, from an application filed on January 23, 2012. Ex. 1001, codes (22), (45), (54).

The '618 patent is directed to an apparatus to monitor location coordinates of an electronic tracking device. Ex. 1001, code (57). The electronic tracking device apparatus includes electronic components such as a transceiver, signal processing circuitry, and an accelerometer. *Id.* at 5:50–53. Figure 1, reproduced below, depicts a schematic of the electronic tracking device.



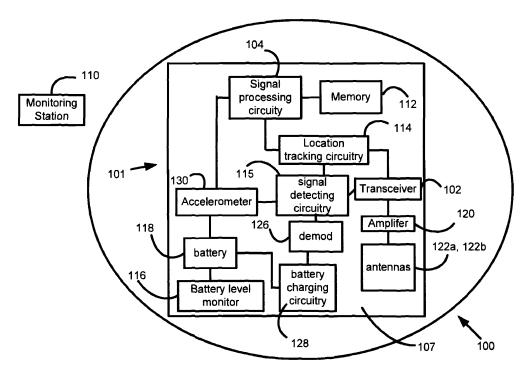


Figure 1

As depicted in the schematic of Figure 1, reproduced above, tracking device 100 contains electronic components 101 such as transceiver 102, signal processing circuitry 104 (e.g., a microprocessor or other signal logic circuitry), and accelerometer 130. Ex. 1001, 5:50–53. Signal processing circuitry 104 may store a first identification code, produce a second identification code, determine location coordinates, and generate a positioning signal that contains location data. *Id.* at 5:62–66. Location tracking circuitry 114 calculates location data received and sends the data to signal processing circuitry 104. *Id.* at 6:12–14. Memory 112 stores operating software and data communicated to and from signal processing circuit 104 and/or location tracking circuitry 114, which, for example, is global positioning system (GPS) logic circuitry. *Id.* at 6:14–17. Signal power levels are detected and measured, and the battery level is detected.



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