Paper 26 Entered: December 3, 2021

# UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

v.

NEONODE SMARTPHONE LLC, Patent Owner.

> IPR2021-00144 Patent 8,095,879 B2

Before MICHELLE N. ANKENBRAND, KARA L. SZPONDOWSKI, and CHRISTOPHER L. OGDEN, *Administrative Patent Judges*.

ANKENBRAND, Administrative Patent Judge.

DECISION
Granting Petitioner's Request on Rehearing
37 C.F.R. § 42.71(d)
Granting Institution of Inter Partes Review
37 C.F.R. § 314



## I. INTRODUCTION

On November 6, 2020, Samsung Electronics Co. Ltd., Samsung Electronics America, Inc. and Apple Inc. (collectively, "Petitioner") filed a petition requesting an *inter partes* review ("Petition") of claims 1–6 and 12–17 ("challenged claims") of U.S. Patent No. 8,095,879 B2 ("the '879 patent," Ex. 1001).

We issued a Decision Denying Institution of *Inter Partes* Review on June 15, 2021 (Paper 24, "Decision" or "DI"). Specifically, we determined that Petitioner failed to establish a reasonable likelihood of prevailing with respect to at least one of the challenged claims under the following asserted grounds:

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1, 14–17	103(a)	Ren, <sup>1</sup> Tanaka <sup>2</sup>
2–5	103(a)	Ren, Tanaka, Hirayama307 <sup>3</sup>
2	3 103(a)	Ren, Tanaka, Hirayama307,
3		Hirayama878 <sup>4</sup>
6, 13	103(a)	Ren, Tanaka, Allard <sup>5</sup>
12	103(a)	Ren, Tanaka, Henckel <sup>6</sup>
1, 2, 4, 5, 14–17	103(a)	Hirayama307, Ren
3	103(a)	Hirayama307, Ren,
		Hirayama878
6, 13	103(a)	Hirayama307, Ren, Allard
12	103(a)	Hirayama307, Henckel

<sup>&</sup>lt;sup>1</sup> Xiangshi Ren & Shinji Moriya, *Improving Selection Performance on Pen-Based Systems: A Study of Pen-Based Interaction for Selection Tasks*, 7 ACM Transactions on Computer-Human Interaction 384–416 (2000) (Ex. 1004).

<sup>&</sup>lt;sup>6</sup> U.S. Patent No. 5,463,725, issued Oct. 31, 1995 (Ex. 1013).



<sup>&</sup>lt;sup>2</sup> U.S. Patent No. 5,249,296, issued Sept. 28, 1993 (Ex. 1005).

<sup>&</sup>lt;sup>3</sup> U.S. Patent No. 5,406,307, issued Apr. 11, 1995 (Ex. 1006).

<sup>&</sup>lt;sup>4</sup> U.S. Patent No. 6,100,878, issued Aug. 8, 2000 (Ex. 1009).

<sup>&</sup>lt;sup>5</sup> U.S. Patent No. 5,615,384, issued Mar. 25, 1997 (Ex. 1010).

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1, 14, 15	103(a)	Jermyn <sup>7</sup>

DI 2, 7, 27.

On July 15, 2021, Petitioner filed a Request for Rehearing (Paper 25, "Rehearing Request" or "Reh'g Req.") of our Decision regarding the grounds relying on Hirayama307 as the primary reference. Reh'g Req. 1 & n.1. Petitioner contends that we misapprehended Hirayama307's teachings with respect to claim 1's limitation "wherein the representation of the function is not relocated or duplicated during the gliding." *See generally id.*; Ex. 1001, 6:57–59; *see also* DI 6 (reproducing claim 1).

Specifically, Petitioner contends that we misapprehended the claim language by (1) equating Hirayama307's icon 41 with window 43, Reh'g Req. 1, and (2) relying on portions of Hirayama307 that illustrate actions that occur after and not "during the gliding," as recited in claim 1.8 *Id.* 

We have considered Petitioner's arguments and conclude that we misapprehended the teachings of Hirayama307 and that the Petition sets forth sufficient arguments and evidence to establish a reasonable likelihood that Petitioner will prevail on its Hirayama307 related grounds. We, therefore, grant Petitioner's Rehearing Request and institute an *inter partes* review of claims 1–6 and 12–17 of the '879 patent.

<sup>&</sup>lt;sup>8</sup> Petitioner does not present arguments relating to either the grounds relying primarily on Ren or the ground relying on Jermyn. Thus, this decision does not address those grounds.



<sup>&</sup>lt;sup>7</sup> Ian Jermyn et al., *The Design & Analysis of Graphical Passwords*, in Proceedings of the 8th USENIX Security Symposium (1999) (Ex. 1014).

### II. ANALYSIS

# A. Standard of Review

A request for rehearing must identify specifically all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply. 37 C.F.R. § 42.71(d). Petitioner, as the party challenging the Decision, has the burden of showing that we should modify the Decision. *Id.* When rehearing a decision on a petition, we review the decision for an abuse of discretion. *Id.* § 42.71(c). "An abuse of discretion occurs if the decision (1) is clearly unreasonable, arbitrary, or fanciful; (2) is based on an erroneous conclusion of law; (3) rests on clearly erroneous fact findings; or (4) involves a record that contains no evidence on which the Board could rationally base its decision." *Redline Detection, LLC v. Star Envirotech, Inc.*, 811 F.3d 435, 442 (Fed. Cir. 2015).

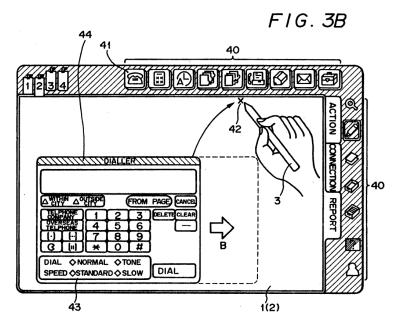
# B. Obviousness over Hirayama 307

In the Decision, we determined that Petitioner failed to show sufficiently that Hirayama307 discloses claim 1's limitation "wherein the representation of the function is not relocated or duplicated during the gliding." DI 18–19. We further determined that Petitioner failed to show a reasonable likelihood of prevailing in its assertions as to claims 2–6 and 12–17 based on our determination as to claim 1. *Id.* at 20–21 (finding that Petitioner failed to meet its burden as to claims 2, 4, and 14–17 because these claims ultimately depend from claim 1, and that Petitioner's additional asserted art for its challenges to claims 3, 6, 12, and 13 does not remedy the deficiencies with respect to claim 1). Below, we first address claim 1 and then turn to claims 2–6 and 12–17.



#### 1. Claim 1

Petitioner's arguments on rehearing are solely directed to our analysis of the limitation "wherein the representation of the function is not relocated or duplicated during the gliding" (the "limitation at issue") as it relates to Hirayama307. In the Decision, we found that Petitioner failed to make a sufficient showing that Hirayama307 discloses the limitation at issue "because Hirayama307 appears to disclose either relocating or duplicating the icon on the screen's display." DI 18. In reaching our determination, we primarily relied upon Hirayama307's Figures 3B, 4A, and 4B, as well as Hirayama307's disclosure regarding icon 41 and large icon or window 43. *Id.* at 18–19 (citing Ex. 1006, 5:3–12, 6:22–31). We reproduce Figure 3B below, as it is relevant to our discussion of Petitioner's arguments on rehearing.



<sup>&</sup>lt;sup>9</sup> Although Petitioner argued in the Petition that the limitation at issue was alternatively obvious over the combination of Hirayama307 and Ren, Petitioner does not challenge our findings regarding that combination in the Rehearing Request, and we do not address that alternative argument in this decision.



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