

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZTE CORPORATION and ZTE (USA) INC.,
Petitioner,

v.

MAXELL, LTD.,
Patent Owner.

Case IPR2018-00235
Patent 6,748,317 B2

Before LYNNE E. PETTIGREW, MINN CHUNG, and
JOHN A. HUDALLA, *Administrative Patent Judges*.

PETTIGREW, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314(a)

I. INTRODUCTION

ZTE Corporation and ZTE (USA) Inc. (collectively, “Petitioner”) filed a Petition for *inter partes* review of claims 1–3, 6–8, 10, 15–17, and 20 of U.S. Patent No. 6,748,317 B2 (Ex. 1001, “the ’317 patent”). Paper 1 (“Pet.”). Maxell, Ltd. (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”).

We have authority to determine whether to institute an *inter partes* review. 35 U.S.C. § 314(a); 37 C.F.R. § 42.4(a). The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a), which authorizes institution when “the information presented in the petition . . . and any 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 explained below, we decline to institute an *inter partes* review of the challenged claims of the ’317 patent.

A. Related Matters

The parties indicate that the ’317 patent has been asserted against Petitioner in the following district court action, filed on November 18, 2016: *Maxell, Ltd. v. ZTE Corp.*, Case No. 5:16-cv-00179-RWS (E.D. Tex.) (“the district court litigation”). Pet. 1; Paper 5, 1 (Patent Owner’s Mandatory Notices).

B. The ’317 Patent

The ’317 patent describes “a portable terminal provided with the function of walking navigation, which can supply location-related information to the walking user.” Ex. 1001, 1:16–18. According to the ’317 patent, conventional navigation systems at the time of the invention

were unsuitable for walking navigation because they were too large to be carried by a walking user. *Id.* at 1:31–38. At the same time, maps provided by conventional map information services could not be displayed clearly on the small screens of portable telephones. *Id.* at 1:46–52. The invention of the '317 patent purportedly addressed these problems by providing a portable terminal that can “supply location information easier for the user to understand during walking.” *Id.* at 2:53–54. The portable terminal obtains location information and direction information of the terminal (i.e., the direction of the tip of the terminal). *Id.* at Abstract, 2:66–3:4. Based on this terminal information, the portable terminal obtains and displays information such as route guidance for reaching a destination or neighborhood guidance relating to entertainment, businesses, and restaurants. *Id.* at Abstract, 3:5–42. In addition, the portable terminal displays the direction of a destination with an indicating arrow that always points in the direction of the destination. *Id.* at Abstract, Fig. 1.

C. Illustrative Claims

Claims 1, 6, and 10 are independent and illustrative of the claimed subject matter:

1. A portable terminal, comprising:
 - a device for getting location information denoting a [p]resent place of said portable terminal;
 - a device for getting a direction information denoting an orientation of said portable terminal;
 - an input device for inputting a destination; and
 - a display,wherein

said display displays positions of said destination and said present place, and a relation of said direction and a direction from said present place to said destination, and

said display changes according to a change of said direction of said portable terminal orientation for walking navigation.

6. A portable terminal, comprising:

a device for getting location information denoting a present place of said portable terminal;

a device for getting direction information denoting an orientation of said portable terminal;

a device connected to a server; and

a display,

wherein

said device connected to said server outputting said location information and said direction information and receiving retrieved information based on said outputted information at said server, and

said display displays said retrieved information.

10. A portable terminal, comprising:

a device for getting location information denoting a present place of said portable terminal;

a device for getting direction information denoting an orientation of said portable terminal;

a device for getting a location information of another portable terminal from said another terminal via connected network; and

a display,

wherein

said display displays positions of said destination and said present place, and a relation of said direction and a direction from said present place to said destination,

and said display changes according to a change of said direction of said portable terminal orientation for walking navigation.

Ex. 1001, 10:42–57, 11:6–21, 11:34–51 (formatting modified).

D. Asserted Grounds of Unpatentability

Petitioner asserts that claims 1–3, 6–8, 10, 15–17, and 20 are unpatentable on the following grounds of unpatentability (Pet. 9–10):

Reference(s)	Basis	Challenged Claims
Norris ¹	§ 103(a) ²	1–3, 10, 15, and 16
Norris	§ 102(b)	1–3, 10, 15, and 16
Norris and Lauro ³	§ 103(a)	1–3, 10, 15, and 16
Norris and Colley ⁴	§ 103(a)	17 and 20
Norris, Lauro, and Colley	§ 103(a)	17 and 20
Nojima ⁵	§ 103(a)	6–8
Nojima	§ 102(b)	6–8

¹ U.S. Patent No. 5,781,150, issued July 14, 1998 (Ex. 1005, “Norris”).

² The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (“AIA”), amended 35 U.S.C. §§ 102 and 103. Because the ’317 patent has an effective filing date before the effective date of the applicable AIA amendments, we refer to the pre-AIA version of §§ 102 and 103.

³ U.S. Patent No. 5,173,709, issued Dec. 22, 1992 (Ex. 1006, “Lauro”).

⁴ U.S. Patent No. 5,592,382, issued Jan. 7, 1997 (Ex. 1007, “Colley”).

⁵ Japanese Patent Application Publication No. H10-232992, published Sept. 2, 1998 (Ex. 1008, “Nojima”).

Behr ⁶ and Bertrand ⁷	§ 103(a)	6–8
Ohmura ⁸ and Colley	§ 103(a)	1–3, 15–17, and 20

II. DISCUSSION

In an *inter partes* review, we construe claim terms in an unexpired patent according to their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–46 (2016) (upholding the use of the broadest reasonable interpretation standard). Consistent with the broadest reasonable construction, claim terms are presumed to have their ordinary and customary meaning as understood by a person of ordinary skill in the art in the context of the entire patent disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). A claim term that invokes § 112, sixth paragraph is “construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.” 35 U.S.C. § 112, ¶ 6.⁹ Construction under § 112, sixth paragraph involves two steps: (1) identifying the claimed function, and (2) determining what structure, if any, disclosed in the

⁶ U.S. Patent No. 5,543,789, issued Aug. 6, 1996 (Ex. 1009, “Behr”).

⁷ U.S. Patent No. 5,552,989, issued Sept. 3, 1996 (Ex. 1010, “Bertrand”).

⁸ U.S. Patent No. 6,125,326, filed Sept. 19, 1997, issued Sept. 26, 2000 (Ex. 1011, “Ohmura”).

⁹ The AIA re-designated 35 U.S.C. § 112, sixth paragraph, as 35 U.S.C. § 112(f). Because the ’317 patent has an effective filing date before the effective date of the applicable AIA amendment, we refer to § 112, sixth paragraph in this decision.

specification corresponds to the claimed function. *IPCom GmbH & Co. v. HTC Corp.*, 861 F.3d 1362, 1370 (Fed. Cir. 2017).

A petition for *inter partes* review must identify how the challenged claims are to be construed. 37 C.F.R. § 42.104(b)(3). For claims with limitations that invoke § 112, sixth paragraph, our rules require the following specific construction: “Where the claim to be construed contains a means-plus-function or step-plus-function limitation as permitted under 35 U.S.C. 112(f), the construction of the claim must identify the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function.” *Id.*

Petitioner proposes constructions for several claim terms and phrases, including “portable terminal” (claims 1, 6, and 10), “inputting a destination” (claim 1), “said display changes according to a change of said direction of said portable terminal orientation for walking navigation” (claims 1 and 10), and “connected to a server” (claim 6). Pet. 10–13. Petitioner’s other proposed constructions involve clarifying the antecedent basis for certain claim language. *Id.* at 13–14. For any terms not specifically construed, Petitioner asserts “they do not require specific construction and should be interpreted according to their ordinary and customary meaning, as would have been understood by a [person having ordinary skill in the art] at the time of the invention.” *Id.* at 10.

Patent Owner faults Petitioner for failing to provide a construction for “said device connected to said server outputting said location information and said direction information and receiving retrieved information based on said outputted information at said server,” recited in independent claim 6. Prelim. Resp. 11–12. As Patent Owner explains, the parties disputed the

construction of this limitation in the district court litigation. *Id.* at 11 (citing Ex. 2005, 36 (Defendants’ Claim Construction Brief)); *see also* Ex. 2002, 10 (claim chart of disputed claim terms in the district court litigation). In that case, Petitioner argued the limitation was a means-plus-function limitation governed by 35 U.S.C. § 112, sixth paragraph. Ex. 2002, 10; Ex. 2005, 36; *see* Prelim. Resp. 11. Petitioner further argued claim 6 was invalid for indefiniteness under 35 U.S.C. § 112, second paragraph, because the written description of the ’317 patent did not disclose sufficient structure corresponding to the claimed functions. Ex. 2002, 10; Ex. 2005, 36.¹⁰ Although Patent Owner initially proposed construing the limitation according to its plain and ordinary meaning in the district court litigation, Patent Owner agreed to a means-plus-function interpretation at the *Markman* hearing. Ex. 2004, 71 & n.6 (Claim Construction Memorandum and Order). The district court construed the limitation under § 112, sixth paragraph, but rejected Petitioner’s contention that the ’317 patent did not disclose sufficient corresponding structure. *Id.* at 71–74; *see* Prelim. Resp. 12.

On the record before us, and for purposes of this decision, we agree that “said device connected to said server outputting said location information and said direction information and receiving retrieved information based on said outputted information at said server,” recited in claim 6, should be construed under § 112, sixth paragraph. The generic term “device” is a “nonce word” that can operate as a substitute for “means” in

¹⁰ Dr. Scott Andrews, who is Petitioner’s declarant in this proceeding, also provided a declaration supporting Petitioner’s arguments in the district court litigation. Ex. 2003 ¶¶ 44–52 (Declaration of Scott Andrews in Support of Defendants’ Responsive Claim Construction Brief); *see* Prelim. Resp. 12.

the context of § 112, sixth paragraph. *Williamson v. Citrix Online, LLC*, 792 F.3d 1339, 1350 (Fed. Cir. 2015) (en banc in relevant part) (“Generic terms such as . . . ‘device’ . . . that reflect nothing more than verbal constructs may be used in a claim in a manner that is tantamount to using the word ‘means’ because they ‘typically do not connote sufficiently definite structure’ and therefore may invoke § 112, para. 6.” (citations omitted)). Although there is a rebuttable presumption that a claim term lacking the word “means” does not invoke § 112, sixth paragraph, the presumption may be overcome if “the claim term fails to ‘recite sufficiently definite structure’ or else recites ‘function without reciting sufficient structure for performing that function.’” *Id.* at 1349 (quoting *Watts v. XL Sys., Inc.*, 232 F.3d 877, 880 (Fed. Cir. 2000)).

In this case, we have not been directed to any evidence that a person of ordinary skill in the art would understand “device” as used in the limitation at issue to have a sufficiently definite meaning as the name for a structure. *See id.* Thus, on the present record, we determine that the presumption is overcome, and “said device connected to said server outputting said location information and said direction information and receiving retrieved information based on said outputted information at said server” invokes § 112, sixth paragraph. Moreover, because Petitioner does not provide a construction for this limitation, much less one that identifies specific portions of the specification that describe the structure corresponding to the claimed functions, we agree with Patent Owner that the Petition fails to satisfy the specific claim construction requirement in 37 C.F.R. § 42.104(b)(3) for limitations subject to § 112, sixth paragraph. Petitioner’s violation of § 42.104(b)(3) is particularly evident given that

Petitioner sought § 112, sixth paragraph, treatment for the very same limitation in the district court litigation. *See* Ex. 2002, 10; Ex. 2005, 36.

Although Patent Owner’s argument focuses on a particular limitation in claim 6, all of the independent claims contain other “device” limitations that appear to invoke § 112, sixth paragraph. For example, claim 1 recites “a device for getting location information denoting a [p]resent place of said portable terminal” and “a device for getting a direction information denoting an orientation of said portable terminal.” Ex. 1001, 10:45–48. Claims 6 and 10 recite virtually identical limitations. *Id.* at 11:7–10, 11:36–39. The district court did not construe these limitations. *See generally* Ex. 2004. Nevertheless, based on the present record, we determine for purposes of this decision that these two limitations should be construed under § 112, sixth paragraph, for reasons similar to those discussed above.

The Petition does not provide a construction for either of these limitations. Because these limitations are recited in every independent claim of the ’317 patent, Petitioner has failed to meet the specific claim construction requirement set forth in 37 C.F.R. § 42.104(b)(3) for every claim challenged in the Petition. We note that although the Petition does not propose constructions for these “device” limitations, the declaration of Dr. Andrews submitted in support of the Petition contemplates the possibility that these limitations are governed by § 112, sixth paragraph. *See, e.g.*, Ex. 1002 ¶¶ 166 (“In the event that the Board determines this limitation is governed by 35 U.S.C. § 112(6), Norris discloses the function of getting a location information of the portable terminal”), 170 (“In the event that the Board determines this limitation is governed by 35 U.S.C. § 112(6), Norris discloses the function of getting a direction or orientation

information of the portable terminal . . .”). Dr. Andrews, however, does not identify specific portions of the ’317 patent disclosing structures corresponding to the recited functions; rather, he specifies structures in the asserted prior art that perform the recited functions. *See, e.g., id.* Thus, even if we were to consider Dr. Andrews’s references to § 112, sixth paragraph, notwithstanding the rule prohibiting incorporating arguments by reference from one document (i.e., Dr. Andrews’s declaration) into another (i.e., the Petition), *see* 37 C.F.R. § 42.6(a)(3), Petitioner still fails to provide the requisite claim construction analysis under 37 C.F.R. § 42.104(b)(3).

For these reasons, Petitioner has not satisfied the claim construction requirement set forth in 37 C.F.R. § 42.104(b)(3) with respect to certain limitations in independent claims 1, 6, and 10. Based on this deficiency in the Petition, which affects all of the challenged claims, we deny institution of *inter partes* review.

III. CONCLUSION

After considering the evidence and arguments presented in the Petition and Preliminary Response, we determine the information presented does not demonstrate a reasonable likelihood that Petitioner would prevail in showing that at least one challenged claim of the ’317 patent is unpatentable.

IV. ORDER

Accordingly, it is:

ORDERED that the Petition is denied, and no *inter partes* review is instituted.

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