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Paper 7
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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

TRACBEAM, LLC,
Patent Owner.

Case IPR2015-01694
Patent 7,298,327 B2

Before KEVIN F. TURNER, DAVID C. MCKONE, and BARBARA A. PARVIS, *Administrative Patent Judges.*

PARVIS, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

A. Background

Petitioner, Apple Inc., filed a Petition (Paper 1, "Pet.") requesting that we institute an *inter partes* review of claims 1–6, 13–19, 24, 25, 28, 31–33, 47, 50, 54, 55, 60–62, 65–67, 69, 72, 74, 76, and 80 ("the challenged claims") of U.S. Patent No. 7,298,327 B2 (Ex. 1001, "the '327 Patent").

Patent Owner, TracBeam, LLC, filed a Preliminary Response (Paper 6, "Prelim. Resp."). We have jurisdiction under 35 U.S.C. § 314, which provides that an *inter partes* review may not be instituted "unless . . . the information presented in the petition . . . 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." 35 U.S.C. § 314(a).

Petitioner asserts that the challenged claims are unpatentable, under 35 U.S.C. § 103(a), as they would have been obvious over the combined teachings of PCT '307[1] and FCC 99-245.[2] Pet. 40–59. Based on our review of the record, we determine that Petitioner has not established a reasonable likelihood that it would prevail with respect to at least one challenged claim of the '327 patent. Accordingly, under the standard of § 314, we deny the Petition and decline to institute an *inter partes* review of the challenged claims of the '327 patent.

B. Related Proceedings

Petitioner and Patent Owner identify, as related proceedings, two lawsuits in which the '327 patent is asserted, pending in the United States District Court for the Eastern District of Texas, captioned *TracBeam, LLC v. Apple Inc.*, Case Number 6:14-cv-680, and *TracBeam, LLC v. T-Mobile US, Inc.*, Case Number. 6:14-cv-678. Pet. 1; Paper 5, 1. Patent Owner identifies additional proceedings that Patent Owner contends could affect, or be affected by, a decision in this proceeding. Paper 5, 1–4.

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[1] PCT Patent Publication No. WO 98/10307, published March 12, 1998 (Ex. 1003) ("PCT '307").

[2] Federal Communications Commission, *Third Report and Order*, 14 FCC Rcd. 17012 (1999) (Ex. 1012) ("FCC 99-245").

C. The ’327 Patent

The ’327 Patent relates to a wireless location system for outputting requested locations of commercially available handsets or mobile stations. Ex. 1001, Abstract.

D. Illustrative Claims

Of the challenged claims, claims 1 and 60 are independent. The other challenged claims depend, directly or indirectly, from either claim 1 or 60. Claim 1 is illustrative and is reproduced below.

> 1. A method for locating communication devices in communication with a communications network having a plurality of geographically dispersed network communication components operably connected together for communicating with the communication devices, comprising:
>
> performing the steps (1) and (2) following for locating each communication device (CD) of various ones of the communication devices, wherein each one of a plurality of location determiners is used for determining corresponding geographic location information for locating each communication device of various ones of the communication devices, and wherein at least a first and a second of the location determiners utilize a different geographic location process from the other, such that (Al) and (A2) following hold:
>
> (Al) for at least one actual geographic location (L) of at least one of the communication devices, a difference between the first location determiner and the second location determiner includes one or more processing steps that result in a geographical location or extent such that (Al-1) and (Al-2) following hold:
>
> (Al-1) an identification of a potential geographic location of L, output by the first location determiner, is substantially

dependent upon an instance of the geographical location or extent resulting from performing the one or more processing steps, and an identification of a potential geographic location of L, output by the second location determiner, is not substantially dependent upon an instance of the geographical location or extent resulting from performing the one or more processing steps, and

(Al -2)) the one or more processing steps are used by the first location determiner for locating communication devices in a plurality of geographically spaced apart locations; and

(A2) for at least one actual geographical location of at least one of the communication devices, each of (A2-1) and (A2-2) following does not substantially affect a determination of the other of (A2-1) and (A2-2):

(A2-1) a first identification of a potential first geographic location or geographic extent output by the first location determiner, and

(A2-2) a second identification of a potential second geographic location or geographic extent output by the second location determiner;

(1) obtaining, from each of one or more of the location determiners, corresponding output geographic location information for locating CD when the one or more location determiners are each provided with a corresponding input of geolocation indicative data from transmissions between the communication device CD and at least one of the network communication components, wherein the corresponding output geographic location information for at least one of the location

determiners includes one or more geographic identifications, each geographic identification representing at least one of: a potential geographic location and a potential geographic extent for an actual location of CD;

(2) providing resulting geographic location information of the communication device CD, wherein said resulting location information is obtained by accessing, for each of the one or more of the location determiners, its corresponding output geographic location information;

wherein for at least one instance of locating the communications device CD, a corresponding performance of said steps of obtaining and providing includes performing at least two of (B1) through (B4) following:

(B1) for at least two of the geographic identifications (GI, and GI_2) for CD, obtained, in said obtaining step, from different ones of the location determiners, a step of at least one of: (a) combining, or (b) resolving a difference between; (i) GI, (or location data derived therefrom) and (ii) GI_2 (or location data derived therefrom) so that said resulting geographic location information is dependent on each of GI, and GI_2;

(B2) for each of at least two of the geographic identifications (GI_3 and GI_4) for CD, obtained from different corresponding ones of the location determiners, a step of obtaining a corresponding rating value for each of $GI_{[3]}$ (or location data derived therefrom), and GI_4 (or location data derived therefrom), wherein said rating values are indicative of relative expected performances of the different corresponding location determiners in locating the communication devices, and wherein each corresponding

rating value is determined after its corresponding geographic identification is identified by its location determiner;

(B3) for each of at least two of the geographic identifications (GI_5 and GI_6) for CD, obtained from different corresponding ones of the location determiners, a step of selecting one of: GI_5 (or location data derived therefrom), and GI_6 (or location data derived therefrom), for receiving a preference in determining said resulting geographic location information; and

(B4) obtaining information indicative of a reliability of at least one geographic identification (GI_7) of CD from one of the one or more location determiners, wherein the reliability represents a likelihood that CD is within the potential geographic location or the potential geographic extent identified by GI_7, and wherein the reliability is determined after the at least one geographic identification is obtained from its location determiner.

Ex. 1001, 259:2–260:44.

E. Claim Construction

1. Summary of the Petitioner's Contentions

Here, Petitioner contends that the challenged claims "broadly encompass the use of GPS receivers in handsets in making location determinations." Pet. 28. Petitioner further contends that as evident from a recitation of claim 47, which depends directly from claim 1, "it is apparent that the location determiners of claim 1 are intended to be broad enough to encompass GPS handsets." *Id.* at 29 (citing Ex. 1001, 266:13–16). Petitioner also phrases its contention as "the challenged claims . . . broadly encompass, for example, the transmission of GPS data received at the

mobile station and then transmitted from the mobile station to a base station." *Id.* at 29–30. We also note that Petitioner relies on the testimony of Mr. Kevin S. Judge (Pet. 28 (citing Ex. 1002 ¶¶ 25–27)).

2. Analysis

For the purposes of this Decision, we are not persuaded that any of the terms identified by Petitioner requires express construction, because even if we were to adopt Petitioner's proffered positions on claim construction, Petitioner has not met its burden to show that it is reasonably likely to succeed in showing that the challenged claims are unpatentable. *See Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) ("[O]nly those terms need be construed that are in controversy, and only to the extent necessary to resolve the controversy.").

II. ANALYSIS

A. Obviousness of the Challenged Claims

Petitioner asserts that the challenged claims of the '327 Patent are unpatentable, under 35 U.S.C. § 103(a), as they would have been obvious over the combined teachings of PCT '307 and FCC 99-245. Pet. 40–59. More specifically, Petitioner asserts that the challenged claims are not entitled to priority, under 35 U.S.C. § 120, of the parent U.S. Patent Application No. 09/194,367 ("'367 application"), which is the National Stage application corresponding to International Application No. PCT/US97/15892 ("PCT '892"), filed on September 8, 1997. Pet. 2–3. Petitioner asserts, therefore, that the challenged claims are unpatentable over the publication of PCT '892, published as PCT '307 on March 12, 1998, in combination with other art, i.e., FCC 99-245. *Id.* at 3.

1. Whether the '327 Patent is Entitled to the Filing Date of the '367 Application

Petitioner asserts that the challenged claims are not entitled to priority because "they lack written description support." Pet. 31. In particular, Petitioner contends that PCT '892, published as PCT '307, "does not contain any disclosure whatsoever of a GPS handset" (*id.* at 34). Patent Owner points out correctly that the challenged claims do not recite expressly "GPS handset." Prelim. Resp. 8.

However, even assuming that the claims encompass a GPS handset, we are not persuaded, based on the arguments and evidence presented, that PCT '307 fails to disclose a GPS handset. Petitioner asserts that the parent application to which the priority claim is made was published as PCT '307 (Ex. 1003). Pet. 2–3. PCT '307 provides more than 200 pages of textual description and more than 50 pages of drawings. *See generally* Ex. 1003. We note that PCT '307 provides a non-exclusive list of wireless technologies that the mobile stations may use to communicate with any of "infrastructure base stations 122," "mobile base stations(s) 148," and "LBS [location base stations] 152." *Id.* at 26.[3] Furthermore, as Patent Owner points out (Prelim. Resp. 13–14), PCT '307 discloses that the "mobile location unit" in a mobile base station may be similar to that in a mobile unit: "For example . . . the electronics of the mobile location unit may be little more than an onboard MS 140." Ex. 1003, 102. This is consistent with the definitions section, which indicates that the term "mobile station" ("MS") is synonymous with "location unit." *Id.* at 11 (explaining in

[3] Citations are to the page numbers of the PCT '307, not to the page numbering provided in the footer.

definition 3.2 that "in some contexts herein instead or in addition to MS, the following terms are also used . . . 'location unit' (LU). In general these terms may be considered synonymous."). PCT '307 further discloses that a GPS receiver may be incorporated into that "mobile location unit"—which may be "little more than an onboard MS 140." *Id.* ("In an enhanced version of the mobile location unit, a GPS receiver may also be incorporated so that the location of the mobile location unit may be determined."). Therefore, in light of these disclosures and the arguments before us, we determine that even if the claims require a GPS handset as Petitioner asserts, the evidence considered in its entirety supports the conclusion that the inventor had possession of the invention as of the PCT '892 filing date.

Petitioner relies on the Declaration of Mr. Judge (Pet. 36 (citing Ex. 1002 ¶¶ 28–39)), who testifies that "one of ordinary skill in the art would have understood the disclosure of GPS in the '892 application as applying to use of GPS only in base stations, not GPS in mobile stations or handsets." Ex. 1003 ¶ 37. Mr. Judge acknowledges that PCT '307 describes (1) "use of a GPS receiver in a mobile *base station*" and (2) use of "the included GPS" to determine "the mobile station's location." *Id.* ¶ 35. Mr. Judge, however, testifies "if the inventors had contemplated and were in possession of GPS in a mobile station or handset, one of skill in the art would have expected them to have similarly included such disclosure in the application as was included for GPS in the mobile base station." *Id.* ¶ 37.

We are not persuaded by Mr. Judge's testimony, which is conclusory and does not disclose sufficiently the underlying facts or data on which his opinion is based. *See* 37 C.F.R. § 42.65(a). As a result, we give little weight to Mr. Judge's testimony regarding, for example, the expectation of one of

ordinary skill in the art in light of the disclosure of PCT '307 considered in its entirety. As Patent Owner points out, Mr. Judge and the Petition also do not consider sufficiently the "definitions" section of PCT '307, which we are persuaded is highly relevant to understanding what PCT '307 discloses. Prelim. Resp. 15.

Petitioner bears the overall burden of persuasion to prove unpatentability, but the burden of production may, in certain circumstances, shift to Patent Owner. *See Dynamic Drinkware, LLC v. Nat'l Graphics, Inc.*, 800 F.3d 1375, 1378–80 (Fed. Cir. 2015). It is unnecessary, however, to determine whether the burden of production shifted on the issue of written description support for the challenged claims because, even if Patent Owner bore the burden, we determine that it identified sufficient written description support in PCT '307, as discussed above. The proper inquiry is whether PCT '307 "reasonably conveys to those skilled in the art that the inventor had possession of the claimed subject matter as of the filing date." *Ariad Pharms., Inc. v. Eli Lilly and Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc). Furthermore, "[t]he disclosure as originally filed does not . . . have to provide *in haec verba* support for the claimed subject matter at issue," nor must it describe "every conceivable and possible future embodiment of [the] invention." *Cordis Corp. v. Medtronic AVE, Inc.*, 339 F.3d 1352, 1364–65 (Fed. Cir. 2003) (internal quotation marks omitted).

Based on the evidence in the Petition, including Mr. Judge's testimony and the respective portions of the PCT '307 cited by Petitioner and Patent Owner, we determine that the record here indicates there is sufficient written description support for the challenged claims. Petitioner,

therefore, has not persuaded us that PCT ’307 is prior art to the challenged claims.

2. Summary of Analysis

Accordingly, we determine that Petitioner has not demonstrated a reasonable likelihood of prevailing in showing that the challenged claims are unpatentable on the ground that they would have been obvious over the combined teachings of PCT ’307 and FCC 99-245.

III. ORDER

For the foregoing reasons, it is:

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

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