

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VALEO NORTH AMERICA, INC.; VALEO S.A;
VALEO GmbH; VALEO SCHALTER UND SENSOREN GmbH;
and CONNAUGHT ELECTRONICS LTD.,
Petitioner,

v.

MAGNA ELECTRONICS, INC.,
Patent Owner.

Case IPR2015-01415
Patent 8,543,330 B2

Before RICHARD E. RICE, JAMES A. TARTAL, and
BARBARA A. PARVIS, *Administrative Patent Judges*.

TARTAL, *Administrative Patent Judge*.

DECISION

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

Petitioner, Valeo North America, Inc., Valeo S.A., Valeo GmbH, Valeo Schalter und Sensoren GmbH, and Connaught Electronics Ltd., filed a corrected Petition requesting an *inter partes* review of claims 8, 11, 12, 16, 17, 19–21, 28, 31–38, 42, 50, 51, 53, 54, 62, 70, 71, 73, 74, 79, and 84 of U.S. Patent No. 8,543,330 B2 (“the ’330 patent”). Paper 7 (“Pet.”). Patent Owner, Magna Electronics, Inc., filed a Preliminary Response. Paper 9 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314(a), 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.”

Petitioner previously sought institution of an *inter partes* review of claims 1–89 of the ’330 patent. *Valeo North America, Inc., Valeo S.A., Valeo GmbH, Valeo Schalter und Sensoren GmbH, and Connaught Electronics Ltd. v. Magna Electronics, Inc.*, Case IPR2015-00250 (“IPR2015-00250”), Paper 1 (“the 250-Petition”). We instituted trial in IPR2015-00250 on claims 1–7, 9, 10, 13–15, 18, 22–27, 29, 30, 39–41, 43–49, 52, 55–61, 63–69, 72, 75–78, 80–83, and 85–89 of the ’330 patent, but further determined that the information presented by Petitioner failed to demonstrate a reasonable likelihood that Petitioner would prevail in showing the unpatentability of claims 8, 11, 12, 16, 17, 19–21, 28, 31–38, 42, 50, 51, 53, 54, 62, 70, 71, 73, 74, 79, and 84. IPR2015-00250, Paper 7 (“the 250-Decision”). Petitioner did not request rehearing in IPR2015-00250 of our decision to deny institution of trial for claims 8, 11, 12, 16, 17, 19–21, 28, 31–38, 42, 50, 51, 53, 54, 62, 70, 71, 73, 74, 79, and 84 of the ’330 patent.

Petitioner subsequently filed the instant Petition challenging the patentability of each claim that was denied review in IPR2015-00250. For the reasons below, based on the circumstances of this case, we exercise our discretion under 35 U.S.C. § 325(d) to deny the Petition and, therefore, decline to institute *inter partes* review.

I. BACKGROUND

A. *The '330 Patent (Ex. 1001)*

The '330 patent, titled "Driver Assist System for Vehicle," issued September 24, 2013, from U.S. Application No. 13/621,382, filed September 17, 2012. Ex. 1001. Petitioner contends the earliest effective filing date of the '330 patent is January 22, 2002. Pet. 13–16. The '330 patent is directed to a system for a vehicle, including a camera with an exterior field of view and a video display operable to display image data captured by the camera to the driver of the vehicle. Ex. 1001, Abstract. The system is operable to detect objects in the exterior field of view and to provide a visual alert and an audible alert responsive to detection of an object exterior of the vehicle. *Id.*

B. *Illustrative Claim*

Claims 1, 39, 59, and 76 of the '330 patent are independent. Claims 2–38 ultimately depend from claim 1, claims 40–58 ultimately depend from claim 39, claims 60–75 ultimately depend from claim 59, and claims 77–89 ultimately depend from claim 76. Claim 1 of the '330 patent is illustrative of the claims at issue:

1. A driver assist system for a vehicle, said driver assist system comprising:
 - a rearward facing camera disposed at a vehicle equipped with said driver assist system and having a rearward field of view relative to the equipped vehicle;
 - a video display viewable by a driver of the equipped vehicle when normally operating the equipped vehicle, wherein said video display is operable to display image data captured by said rearward facing camera;
 - wherein said driver assist system is operable to detect objects present in said rearward field of view of said rearward facing camera
 - wherein said driver assist system is operable to provide a display intensity of said displayed image data of at least about 200 candelas/sq. meter for viewing by the driver of the equipped vehicle;
 - wherein said driver assist system is operable to provide a visual alert to the driver of the equipped vehicle responsive to detection of an object rearward of the equipped vehicle during a reversing maneuver of the equipped vehicle;
 - wherein said driver assist system is operable to provide an audible alert to the driver of the equipped vehicle responsive to detection of an object rearward of the equipped vehicle during a reversing maneuver of the equipped vehicle; and
 - wherein said visual alert comprises electronically generated indicia that overlay said image data displayed by said video display, and wherein said electronically generated indicia at least one of (i) indicate distance to a detected object rearward of the equipped vehicle and (ii) highlight a detected object rearward of the equipped vehicle.

Ex. 1001, 31:47–32:12.

C. Related Proceedings

Petitioner states that the '330 patent is a subject of the following civil action: *Magna Electronics Inc. v. Valeo, Inc.*, No. 2:14-cv-10540 (E.D. Mich.). Pet. 2.

D. Asserted Grounds of Unpatentability

The table below compares the combinations of references Petitioner asserted against claims 8, 11, 12, 16, 17, 19–21, 28, 31–38, 42, 50, 51, 53, 54, 62, 70, 71, 73, 74, 79, and 84 under 35 U.S.C. § 103(a) in IPR2015-00250, for which institution was denied, to the combinations Petitioner asserts in this proceeding:

Challenged Claim(s)	References Asserted in IPR2015-00250	References Asserted in IPR2015-01415 (New References in Bold)
8, 11, 12, 16, 17, 50, 51, 53, 54, 70, 71, 73, 74, and 84	Lemelson, ¹ Schofield, ² and Tokito ³	Lemelson, Schofield, Tokito, and Okada ⁴

¹ U.S. Patent No. 6,553,130 B1 (“Lemelson,” Ex. 1005), issued April 22, 2003, from an application filed June 28, 1996.

² U.S. Patent No. 5,670,935 (“Schofield,” Ex. 1007), issued September 23, 1997, from an application filed May 22, 1995.

³ U.S. Patent No. 6,259,423 B1 (“Tokito,” Ex. 1006), issued July 10, 2001, from an application filed August 17, 1998. Petitioner misidentifies Tokito as U.S. Patent No. 6,226,061 in the Petition, which we understand to be an inadvertent mistake in light of the content of Exhibit 1006. *See* Pet. 9.

⁴ EP 1 170 173 A2 (“Okada,” Ex. 1014), published January 9, 2002.

Challenged Claim(s)	References Asserted in IPR2015-00250	References Asserted in IPR2015-01415 (New References in Bold)
19	Lemelson, Schofield, Tokito, Kajimoto, ⁵ and (He ⁶ or Liu ⁷)	Lemelson, Schofield, Tokito, Kajimoto, and Millikan ⁸
20	Lemelson, Schofield, Tokito, Kajimoto, and He	Lemelson, Schofield, Tokito, Kajimoto, He, and Millikan
21	Lemelson, Schofield, Tokito, Kajimoto, and Liu	Lemelson, Schofield, Tokito, Kajimoto, Liu, and Millikan
28	Lemelson, Schofield, Tokito, Schaefer, ⁹ and Secor ¹⁰	Lemelson, Schofield, Tokito, Schaefer, Secor, and DeVries ¹¹
31–33	Lemelson, Schofield, Tokito, and Hsu ¹²	Lemelson, Schofield, Tokito, Hsu, and Breed ¹³
34–38	Lemelson, Schofield, and Tokito	Lemelson, Schofield, Tokito, and Turnbull ¹⁴

⁵ U.S. Patent No. 5,920,367 (“Kajimoto,” Ex. 1009), issued July 6, 1999, from an application filed October 10, 1997.

⁶ U.S. Patent No. 6,359,392 B1 (“He,” Ex. 1010), issued March 19, 2002, from an application filed January 4, 2001.

⁷ U.S. Patent No. 6,593,011 B2 (“Liu,” Ex. 1011), issued July 15, 2003, from an application filed July 24, 2001.

⁸ U.S. Patent No. 5,883,684 (“Millikan,” Ex. 1016), issued March 16, 1999.

⁹ U.S. Patent No. 4,731,769 (“Schaefer,” Ex. 1008), issued March 15, 1988, from an application filed April 14, 1986.

¹⁰ U.S. Patent No. 5,289,321 (“Secor,” Ex. 1012), issued February 22, 1994.

¹¹ U.S. Patent No. 6,158,655 (“DeVries,” Ex. 1017), issued December 12, 2000.

¹² U.S. Patent No. 6,100,811 (“Hsu,” Ex. 1013), issued August 8, 2000, from an application filed December 22, 1997.

¹³ U.S. Patent App. No. 2001/0002451 A1 (“Breed,” Ex. 1018) published May 31, 2001.

¹⁴ WO 01/080353 A1 (“Turnbull,” Ex. 1015), published October 25, 2001.

Challenged Claim(s)	References Asserted in IPR2015-00250	References Asserted in IPR2015-01415 (New References in Bold)
42, 62, 79	Lemelson, Schofield, and Tokito	Lemelson, Schofield, Tokito, Okada , and Shimizu ¹⁵

II. ANALYSIS

In determining whether to institute *inter partes* review, we may “deny some or all grounds for unpatentability for some or all of the challenged claims.” 37 C.F.R. § 42.108(b); *see* 35 U.S.C. § 314(a). Our discretionary determination of whether to institute review is guided by 35 U.S.C. § 325(d), which states, in relevant part, that “[i]n determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, the Director may take into account whether, and reject the petition or request because, the same or *substantially the same* prior art or arguments previously were presented to the Office (emphasis added).”¹⁶

As shown in the table above, Petitioner’s second attempt to challenge claims 8, 11, 12, 16, 17, 19–21, 28, 31–38, 42, 50, 51, 53, 54, 62, 70, 71, 73, 74, 79, and 84 of the ’330 patent as obvious relies on the identical references Petitioner asserted in the 250-Petition, with the addition of a single new reference for each of the prior challenges other than for claim 19 (for which Millikan is added in place of He or Liu), and claims 42, 62, and 79 (for which two new references are added). In the 250-Petition, Petitioner

¹⁵ EP 1 065 642 A2 (“Shimizu,” Ex. 1026), published January 3, 2001.

¹⁶ Chapter 31 of the Patent Act covers *inter partes* review proceedings. Thus, although § 325(d) appears in Chapter 32, which is directed to post-grant reviews, it is applicable to *inter partes* reviews.

asserted that “[b]ut for the fact that the Challenged Claims recite a few essentially trivial matters of design choice that were well known by January 2002, and/or features already known as being desirably incorporated into automobiles, they would all be anticipated by Lemelson, which disclosed virtually the entirety of the claimed inventions years earlier.” 250-Petition, 20–21.

According to Petitioner, Okada has been added with respect to audible alerts Petitioner previously argued in IPR2015-00250 were disclosed by Lemelson, because Okada is “more robust in certain important respects.” Pet. 5. Petitioner does not identify what important respects are being referred to, or otherwise explain why Okada is more robust. Petitioner also relies on Millikan “to demonstrate that the number of LEDs used to backlight an LCD panel was a routine matter of design choice at the time of the invention of the ’330 patent, and that it was known that a plurality of LEDs may be used when the other components of the LCD display so require, in order to avoid ‘undesirable dark spots.’” *Id.* Petitioner also states that it relies on Breed as disclosing a weight or “biometric characteristic,” Shimizu as disclosing displaying distances from the rear end of a vehicle, DeVries as disclosing a rearview mirror incorporating a “video display” and a “touch sensitive input,” and Turnbull as disclosing state of the art systems circa 2000. *Id.* at 5–7. Petitioner also asserts that a majority of the newly cited references were not considered during prosecution of the ’330 patent. *Id.* at 7.

Rather than identify new arguments based on additional references, Petitioner instead makes the identical argument presented in the 250-

Petition, asserting once again that “[b]ut for the fact that the Challenged Claims recite a few essentially trivial matters of design choice that were well known by January 2002, and/or features already known as being desirably incorporated into automobiles, they would all be anticipated by Lemelson, which disclosed virtually the entirety of the claimed inventions years earlier.” Pet. 22. It is not apparent from the Petition that the additional references provided by Petitioner are necessary to Petitioner’s grounds. For example, with respect to claims 42, 62, and 79, Petitioner states that “[t]o the extent a more explicit disclosure could possibly be required, Shimizu describes a vehicle drive assist system that displays ‘distance lines’ to provide easy recognition of distances between the rear end of the vehicle and obstructive objects when traveling backwards in a vehicle.” *Id.* at 39. Similarly, Petitioner argues with respect to claims 19, 20, and 21, that “if using one LED is clear from Kajimoto, and it is, then using more than one LED to backlight a device would be obvious and is nothing more than an engineering choice based on a specific application.” *Id.* at 51. Nevertheless, Petitioner introduces a new reference, Millikan, as disclosing this feature even though Petitioner asserts it would have been obvious from Kajimoto, the reference relied upon by Petitioner in IPR2015-00250. *Id.* Typically an obviousness ground based on the addition of superfluous or redundant references to previously asserted references raises substantially the same prior art and arguments previously asserted.

Petitioner also makes several broad assertions to differentiate its new allegations from its prior petition, including that the Petition “presents for the first time new arguments, additional prior art references, and

combinations [which] could not have been presented previously, based on the results of prior art searches previously performed and/or interpretations of those references then-available to Petitioner.” Pet. 4–5. Petitioner, however, offers no evidence in support of its contention that the arguments raised in this proceeding “could not have been presented previously.” To the contrary, as noted above, Petitioner makes the same argument in both cases that Lemelson discloses “virtually the entirety of the claimed inventions years earlier.”

On multiple occasions the Board has recognized that an allegation of obviousness in a second petition may be based upon “substantially the same” prior art and arguments previously presented to the Office in an earlier petition, within the meaning of 35 U.S.C. § 325(d), even if the second petition includes prior art not asserted in the prior petition. *See Customplay, LLC, v. Clearplay, Inc.*, IPR2014-00783, slip op. at 11–13 (PTAB Nov. 7, 2014) (Paper 9) (exercising § 325(d) discretion to decline to institute trial when ground presented in second petition presents substantially same prior art and arguments as prior petition despite addition of prior art); *Unilever, Inc. v. The Proctor & Gamble Co.*, IPR2014-00506 (PTAB July 7, 2014) (Paper 17) (same); *Medtronic, Inc. v. Robert Bosh Healthcare Sys., Inc.*, IPR2014-00436, slip op. at 11–12 (PTAB June 19, 2014) (Paper 17) (same). In this case, as explained above, Petitioner contends the additional references do no more than support Petitioner’s prior contention that certain features of the challenged claims are a matter of design choice or were already known as being desirably incorporated into automobiles. Thus, despite Petitioner’s addition of Okada, Millikan, DeVries, Breed, Turnbull,

and Shimizu to the obviousness grounds previously asserted in IPR2015-00250, Petitioner's grounds in this proceeding present substantially the same art, and substantially the same arguments, as previously asserted by Petitioner in IPR2015-00250.

Finally, we take into consideration the fact that the Petition was filed after our decision denying institution of review of the same challenged claims was entered in IPR2015-00250, and that it seeks to correct deficiencies with the prior petition identified in our denial of those prior grounds. Such a consideration is a factor which weighs against institution of a second petition. *See ZTE Corp. v. ContentGuard Holdings Inc.*, IPR2013-00454, slip op. at 5–6 (PTAB. Sept. 25, 2013) (Paper 12) (“A decision to institute review on some claims should not act as an entry ticket, and a how-to guide, for the same Petitioner . . . for filing a second petition to challenge those claims which it unsuccessfully challenged in the first petition.”); *Butamax Advanced Biofuels LLC v. Gevo, Inc.*, Case IPR2014-00581, slip op. 12–13 (PTAB Oct. 14, 2014) (Paper 8) (“Allowing similar, serial challenges to the same patent, by the same petitioner, risks harassment of patent owners and frustration of Congress’s intent in enacting the Leahy-Smith America Invents Act.”); *see also* 37 C.F.R. § 42.1(b) (patent rules promulgated for AIA post-grant proceedings, including those pertaining to institution, are “construed to secure the just, speedy, and inexpensive resolution of every proceeding.”); 35 U.S.C. § 316(b) (regulations for AIA post-grant proceedings take into account “the efficient administration of the Office” and “the ability of the Office to timely complete [instituted] proceedings”).

Accordingly, we exercise our discretion under 35 U.S.C. § 325(d) to deny institution of review.

III. CONCLUSION

For the foregoing reasons, based on the circumstances of this case, we exercise our discretion under 35 U.S.C. § 325(d), and deny the Petition requesting institution of *inter partes* review of claims 8, 11, 12, 16, 17, 19–21, 28, 31–38, 42, 50, 51, 53, 54, 62, 70, 71, 73, 74, 79, and 84 of the '330 patent.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is denied as to claims 8, 11, 12, 16, 17, 19–21, 28, 31–38, 42, 50, 51, 53, 54, 62, 70, 71, 73, 74, 79, and 84 of the '330 patent.

IPR2015-01415
Patent 8,543,330 B2

PETITIONER:
Tammy J. Terry
terry@oshaliang.com

Seema Mehta
mehta@oshaliang.com

Peter C. Schechter
schechter@oshaliang.com

PATENT OWNER:
David K.S. Cornwell
davidc-PTAB@skgf.com

Salvador M. Bezos
sbezos-PTAB@skgf.com

Timothy A. Flory
Flory@glbf.com

Terence J. Linn
linn@glbf.com