

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSOFT CORPORATION,
Petitioner,

v.

SMART SKINS LLC,
Patent Owner.

Case IPR2016-00404
Patent 7,079,864 B2

Before STACEY G. WHITE, ROBERT J. WEINSCHENK, and
KAMRAN JIVANI, *Administrative Patent Judges*.

WEINSCHENK, *Administrative Patent Judge*.

DECISION
Denying Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

Microsoft Corporation (“Petitioner”) filed a Request for Rehearing (Paper 29, “Req. Reh’g”) of the Final Written Decision (Paper 27, “Decision” or “Dec.”) determining that Petitioner had shown by a preponderance of the evidence that claims 1, 12, 13, 15, 23, and 24 (“the challenged claims”) of U.S. Patent No. 7,079,864 B2 (Ex. 1001, “the ’864 patent”) are unpatentable as obvious over Lunsford¹ and Canova.² Dec. 37. Specifically, Petitioner requests rehearing of our determination regarding the priority date of the ’864 patent and the asserted ground of unpatentability based on Janik³ and Kehoe.⁴ Req. Reh’g 2–3. For the reasons set forth below, the Request for Rehearing is *denied*.

II. ANALYSIS

When considering a request for rehearing, the Board reviews its decision for an abuse of discretion. 37 C.F.R. § 42.71(c). The party requesting rehearing bears the burden of showing that the decision should be modified, and “[t]he request must specifically identify all matters the party believes the Board misapprehended or overlooked.” 37 C.F.R. § 42.71(d).

¹ Lunsford, U.S. Patent No. 6,356,442 B1 (issued Mar. 12, 2002) (Ex. 1003, “Lunsford”).

² Canova, Jr. et al., U.S. Patent No. 6,535,199 B1 (issued Mar. 18, 2003) (Ex. 1004, “Canova”).

³ Janik et al., U.S. Patent Application Pub. No. 2002/0078248 A1 (published June 20, 2002) (Ex. 1005, “Janik”).

⁴ Kehoe et al., U.S. Patent No. 6,837,435 B2 (issued Jan. 4, 2005) (Ex. 1006, “Kehoe”).

A. *Priority Date of the '864 Patent*

We explained in the Decision that the '864 patent is a continuation-in-part of U.S. Patent Application No. 10/087,098 (Ex. 1014, “the '098 application”), which was filed on March 1, 2002, and that the '864 patent and the '098 application claim priority to U.S. Provisional Patent Application No. 60/306,326 (Ex. 1015, “the '326 provisional”), which was filed on July 17, 2001. Dec. 14–15 (citing Paper 1 (“Pet.”), 10; Paper 14 (“PO Resp.”), 8; Ex. 1001; Ex. 1014, 2). We determined that Smart Skins LLC (“Patent Owner”) had shown sufficiently that the challenged claims of the '864 patent are entitled to a filing date of July 17, 2001, because the disclosures of the '098 application and the '326 provisional (collectively, “the priority applications”) provide written description support for the challenged claims of the '864 patent. Dec. 14–21.

Specifically, claim 1 of the '864 patent recites, *inter alia*, a cover for a mobile device with the cover comprising an electronic component disposed on an interior surface and a peripheral device disposed on an exterior surface. Dec. 16 (citing Ex. 1001, 7:16–27). Claim 1 further recites that the electronic component is “configured to facilitate adding the at least one peripheral device to the mobile device.” Dec. 17 (citing Ex. 1001, 7:28–31). We construed the phrase “configured to facilitate adding the at least one peripheral device to the mobile device” in claim 1 to mean “configured to enable or contribute to enabling the peripheral device and the mobile device to function together.” Dec. 11–12.

We determined that the priority applications disclose a cover for a mobile phone with an electronic component embedded in the cover (*id.* at 16–17 (citing PO Resp. 15; Ex. 1014, 8–9; Ex. 1015, 7–8)), and a peripheral

device in the form of light emitting diodes (“LEDs”) disposed on an exterior surface of the cover (Dec. 16 (citing PO Resp. 15; Ex. 1014, 17; Ex. 1015, 16). We also determined that the priority applications disclose that the electronic component enables the LEDs and the mobile phone to function together. Dec. 17–18 (citing PO Resp. 15–16; Ex. 1014, 8–10, 17, 21; Ex. 1015, 7–9, 16, 20). We explained, for example, that the electronic component includes data for controlling the LEDs so as to personalize the mobile phone by lighting up corresponding to sounds or displaying a message. Dec. 17–18 (citing PO Resp. 15; Ex. 1014, 17; Ex. 1015, 16).

1. *Clarification of the Decision*

In the Request for Rehearing, Petitioner primarily takes issue with our finding that the electronic component includes data for controlling the LEDs so as to *personalize* the mobile phone. Req. Reh’g 4–15. We address Petitioner’s arguments in detail below. As an initial matter, though, we clarify the Decision. We discussed personalization in the Decision because the priority applications expressly relate to personalizing a mobile device. *See, e.g.*, Ex. 1014, 2 (“The invention relates to the field of *personalizing* electronic devices.”) (emphasis added); Ex. 1015, 1 (same). In the context of the disclosure of the priority applications, we understood the LEDs on the cover to be one of the ways to personalize the mobile device. However, our finding that the LEDs personalize the mobile phone was *not* critical to our ultimate determination that the priority applications disclose the subject matter of the challenged claims of the ’864 patent.

The challenged claims do not require that the electronic component enable the peripheral device to *personalize* the mobile device. Rather, based on our claim construction in the Decision, the challenged claims only require

that the electronic component enable (or contribute to enabling) the peripheral device and the mobile device to *function together*. Dec. 11–12. As we explained in the Decision, the portions of the priority applications cited by Patent Owner disclose that the electronic component enables the LEDs and the mobile phone to function together, such as by enabling the LEDs to light up corresponding to sounds or display a message. Dec. 19 (citing PO Resp. 15; Ex. 1014, 17; Ex. 1015, 16).

In the Request for Rehearing, Petitioner argues that the LEDs do not personalize the mobile phone because the LEDs may display only a single, unvarying message (e.g., “low battery”) or a single, unvarying response to sound (e.g., a flashing dot). Req. Reh’g 13. We explain below that, even in Petitioner’s examples, the LEDs still personalize the mobile phone. More importantly, though, Petitioner’s examples confirm that, at a minimum, the electronic component enables the LEDs and the mobile phone to function together, as required by the challenged claims. In Petitioner’s “low battery” example, the electronic component enables the LEDs and the mobile phone to function together by controlling the LEDs to display a message from the mobile phone that its battery is low.⁵ Similarly, in Petitioner’s “flashing dot” example, the electronic component enables the LEDs and the mobile

⁵ Petitioner does not address whether the “low battery” message comes from the mobile phone, but we understand that it does because the mobile phone would determine if its own battery is low. See Ex. 1014, 10 (“The embedded electronic component . . . may receive power from the exposed mobile phone . . . such as, but not limited to, a 3 volt supply voltage.”); Ex. 1015, 9 (same).

phone to function together by controlling the LEDs to display a flashing dot corresponding to sounds played on the mobile phone.⁶

Therefore, even if Petitioner is correct that the LEDs on the cover do not personalize the mobile phone, the portions of the priority applications cited by Patent Owner still disclose the subject matter recited in the challenged claims of the '864 patent.

2. *Inherent Disclosure*

Petitioner contends that we overlooked its argument that Patent Owner “waived any contention that the ancestor applications disclosed the claimed subject matter inherently.” Req. Reh’g 3 (citing Paper 22 (“Pet. Reply”), 1–4). Petitioner’s argument is not persuasive. We determined that Patent Owner had met its burden to come forward with evidence that the challenged claims are entitled to the benefit of the filing date of the priority applications *without* relying on any inherent disclosure of the priority applications. Dec. 16–21. Petitioner even acknowledges in the Request for Rehearing that we did not rely on any inherent disclosure of the priority applications in the Decision. Req. Reh’g 3 (“the FWD does not mention inherent disclosure”). As a result, we did not overlook Petitioner’s argument regarding inherency. We simply did not need to rely on inherency to determine that the priority applications disclose the subject matter recited in the challenged claims of the '864 patent.

⁶ Petitioner does not address whether the mobile phone plays the sounds, but we understand that it does because the only speakers disclosed in the priority applications are part of the mobile phone. Ex. 1014, 8, Fig. 2A; Ex. 1015, 7, Fig. 2A.

3. *Notice of Rationale*

Petitioner argues that we relied on a new theory that Patent Owner did not raise during this proceeding. Req. Reh’g 4–9. Specifically, Petitioner contends that Patent Owner “had *not* argued that the LEDs’ control data personalized the phone or otherwise had the properties of the personalization data associated with the electronic component.” *Id.* at 5. Petitioner’s argument is not persuasive. We explained in the Decision that the portions of the priority applications cited by Patent Owner disclose that the electronic component on the cover includes data for personalizing various aspects of the mobile phone.⁷ Dec. 17 (citing PO Resp. 15–16; Ex. 1014, 8–9, 17, 21; Ex. 1015, 7–8, 16, 20). We also explained that the portions of the priority applications cited by Patent Owner disclose that this included data can be used to light up LEDs on the cover to correspond to sounds or display a message. Dec. 17–18 (citing PO Resp. 15; Ex. 1014, 17; Ex. 1015, 16). Thus, in the Decision, we relied on the specific portions of the priority applications that Patent Owner cited in the Patent Owner Response, not a new theory.

Petitioner contends that our rationale in the Decision is different than the theory advanced by Patent Owner at the oral hearing. Req. Reh’g 5 (citing Paper 26 (“Tr.”), 32:13–19). We disagree. Petitioner argued in the

⁷ Petitioner acknowledges in the Request for Rehearing that the portions of the priority applications cited by Patent Owner disclose that the electronic component on the cover includes data for personalizing the mobile phone. Req. Reh’g 5–6 (“The words ‘personality’ and ‘personalize’ are not in the Oral Argument transcript. Nor are they in Patent Owner’s Response, *outside of quoting the ancestor applications discussing data in the electronic component.*”) (emphasis added).

Reply that the LEDs included data for controlling themselves. Pet. Reply 3–4. At the oral hearing, Patent Owner responded to Petitioner’s argument by explaining that the data for controlling the LEDs is included in the electronic component (not the LEDs themselves) because the priority applications repeatedly refer to the included data as being in the electronic component. Tr. 31:6–32:19. Patent Owner also explained at the oral hearing that LEDs do not control themselves, and, thus, there needs to be something else in the cover that controls the LEDs. *Id.* at 32:20–21. We agreed with Patent Owner’s explanation. Namely, we determined in the Decision that the priority applications *consistently* describe the data on the cover as being in the electronic component. Dec. 17 (“the electronic component exchanges data with the mobile phone”); *id.* at 18 (“the electronic component on the cover includes data for personalizing various aspects of the mobile phone”). As a result, we determined that the data for controlling the LEDs is in the electronic component. *Id.* at 19 (“Thus, the priority applications convey that the electronic component on the cover includes data for controlling the LEDs.”).

Petitioner argues that the priority applications create two categories of data, personalization data and control data. Req. Reh’g 6–9. According to Petitioner, “[t]he first set of data is the personalization data stored in the electronic component and downloaded into the phone to change the behavior of hardware on the phone,” and “[t]he second set of data, discussed separately in the ancestor applications and in only two sentences . . . , is LED’s control data that operates the LEDs on the cover rather than change the behavior of the phone.” *Id.* at 6. We are not persuaded that the priority applications create such a distinction.

We could not find the terms “personalization data” or “control data” anywhere in the priority applications. Further, consistent with our explanation in the Decision, we understand the priority applications as describing different ways of personalizing a mobile phone. *See, e.g.*, Ex. 1014, 2 (“The invention relates to the field of *personalizing* electronic devices.”) (emphasis added); Ex. 1015, 1 (same). In particular, the priority applications disclose that some data included in the electronic component can be downloaded to the mobile phone to provide the mobile phone with a new ringtone or screensaver (Req. Reh’g 6–9; Dec. 17 (citing PO Resp. 15–16; Ex. 1014, 8–9, 21; Ex. 1015, 7–8, 20)), whereas other data included in the electronic component can be used to light up LEDs on the cover to correspond to sounds or display a message (Dec. 17–18 (citing PO Resp. 15; Ex. 1014, 17; Ex. 1015, 16)). In either case, the data included in the electronic component is used to personalize the mobile phone.

In sum, we are not persuaded that Petitioner lacked notice of our rationale that the electronic component includes data for controlling the LEDs on the cover so as to personalize the mobile phone. Although the priority applications do not use the term “personalize” in the paragraph that describes the LEDs (Req. Reh’g 7; Ex. 1014, 17; Ex. 1015, 16), the portions of the priority applications cited by Patent Owner, when read together, demonstrate that the cover, and the LEDs disposed thereon, personalize the mobile phone (Dec. 17–19 (citing PO Resp. 15–16; Ex. 1014, 8–9, 17, 21; Ex. 1015, 7–8, 16, 20)).

Moreover, as discussed above, our finding that the LEDs personalize the mobile phone was *not* critical to our ultimate determination that the priority applications disclose the subject matter of the challenged claims.

Based on our claim construction in the Decision, the challenged claims only require that the electronic component enable (or contribute to enabling) the peripheral device and the mobile device to *function together*. Dec. 11–12. Even if Petitioner is correct that it lacked sufficient notice of our rationale that the electronic component enables the LEDs to personalize the mobile phone, Petitioner has not argued or demonstrated that it lacked sufficient notice of our rationale that the electronic component enables the LEDs and the mobile phone to function together. *See* Req. Reh’g 4–9.

4. *Disclosure of the Priority Applications*

Petitioner argues that our determination in the Decision regarding the priority date of the challenged claims is incorrect for two reasons. Req. Reh’g 9–13. First, Petitioner contends that the priority applications “did not expressly disclose the electronic component’s personalization data controlling the LEDs.” *Id.* at 9. According to Petitioner, the priority applications “described the personalization data controlling only the phone’s screen and the phone’s speakers,” not the LEDs. *Id.* at 9–10. In other words, Petitioner’s argument is premised on its position that the priority applications disclose two categories of data, personalization data and control data. *Id.* We do not find that premise persuasive for the reasons discussed above.

Second, Petitioner contends that “[a]ll of the personalization data described by the ancestors has two defining features: (1) it is sent to the phone to control the phone’s operation, and (2) it personalizes the phone’s personality.” *Id.* at 12. Petitioner argues that the data for controlling the LEDs does not meet the first criteria because the priority applications do not disclose sending data from the cover to the mobile phone to control the

LEDs on the cover. *Id.* Petitioner also argues that the data for controlling the LEDs does not meet the second criteria because the priority applications do not disclose that the data for controlling the LEDs varies from cover to cover. *Id.* at 13. For example, according to Petitioner, the LEDs could display just a single, unvarying message (e.g., “low battery”) or a single, unvarying response to sound (e.g., a flashing dot). *Id.* Petitioner’s argument is not persuasive.

The portions of the priority applications cited by Petitioner in the Request for Rehearing indicate that the cover can download data, such as a new ringtone or screensaver, to the mobile phone. Req. Reh’g 10–12. Petitioner, however, does not direct us to persuasive evidence indicating that downloading data to the mobile phone is the *only* way of personalizing the mobile phone disclosed in the priority applications. *See id.* Petitioner acknowledges that the cover also can light up LEDs to correspond to sounds or display a message. *Id.* at 13. As we explained in the Decision, lighting up the LEDs is another way to personalize the mobile phone. Dec. 19 (citing PO Resp. 15; Ex. 1014, 17; Ex. 1015, 16).

Petitioner also does not direct us to persuasive evidence indicating that a person of ordinary skill in the art would understand the LEDs as being limited to displaying just a single, unvarying message or a single, unvarying response to sound. *See* Req. Reh’g 13. However, even if the LEDs only display a single, unvarying message or a single, unvarying response to sound, the LEDs still personalize the mobile phone at least when compared to other mobile phones that do not have a cover with LEDs.

Moreover, as discussed above, our finding that the LEDs personalize the mobile phone was *not* critical to our ultimate determination that the

priority applications disclose the subject matter of the challenged claims. Based on our claim construction in the Decision, the challenged claims only require that the electronic component enable (or contribute to enabling) the peripheral device and the mobile device to *function together*. Dec. 11–12. As we explained in the Decision, the portions of the priority applications cited by Patent Owner disclose that the electronic component enables the LEDs and the mobile phone to function together. Dec. 19 (citing PO Resp. 15; Ex. 1014, 17; Ex. 1015, 16). Further, Petitioner appears to acknowledge that the electronic component enables the LEDs and the mobile device to function together. Req. Reh’g 13 (“Nothing in the ancestor applications precluded the LEDs from displaying only a single, unvarying message (e.g., ‘low battery’) and only a single, unvarying response to sound (e.g., a flashing dot).”). Therefore, even if Petitioner is correct that the LEDs on the cover do not personalize the mobile phone, the portions of the priority applications cited by Patent Owner still disclose the subject matter recited in the challenged claims of the ’864 patent.

5. *Explanation in the Decision*

Petitioner argues that we did not explain our rationale sufficiently in the Decision because we did “not explain why a skilled artisan in 2001-02 would understand the LEDs’ control data to be part of the electronic component’s phone personalization data.” Req. Reh’g 14. Petitioner’s argument is not persuasive. We specifically explained in the Decision how the priority applications disclose the limitations of the challenged claims of the ’864 patent. Dec. 16–21. As set forth in the Decision, we determined that the portions of the priority applications cited by Patent Owner disclose that the electronic component on the cover includes data for personalizing

various aspects of the mobile phone. *Id.* at 17 (citing PO Resp. 15–16; Ex. 1014, 8–9, 21; Ex. 1016, 7–8, 20). We also determined that the portions of the priority applications cited by Patent Owner disclose that this included data can be used to light up LEDs on the cover to correspond to sounds or display a message. Dec. 17–18 (citing PO Resp. 15; Ex. 1014, 17; Ex. 1015, 16). To the extent further explanation or clarification is required, though, we have provided it above. *See supra* Sections II.A.1–II.A.4. In particular, we have addressed herein all the arguments that Petitioner raised in the Request for Rehearing. *See id.*

Petitioner also argues that we did not explain our determination “as a matter of grammar” because the priority applications “imply that the control data is included *in the LEDs*.” Req. Reh’g 14–15. According to Petitioner “[n]o record evidence shows that LEDs were incapable of including their own control data in their own control circuitry.” *Id.* at 15. Petitioner’s argument is not persuasive. As discussed above, Patent Owner explained at the oral hearing that the data for controlling the LEDs is in the electronic component (not the LEDs themselves) because the priority applications repeatedly refer to the included data as being in the electronic component. Tr. 31:6–32:19. Patent Owner also explained at the oral hearing that LEDs do not control themselves, and, thus, there needs to be something else in the cover that controls the LEDs. *Id.* at 32:20–21. We agreed with Patent Owner’s explanation. Namely, we determined in the Decision that the priority applications *consistently* describe the data on the cover as being in the electronic component. Dec. 17 (“the electronic component exchanges data with the mobile phone”); *id.* at 18 (“the electronic component on the cover includes data for personalizing various aspects of the mobile phone”).

As a result, we determined that the data for controlling the LEDs is in the electronic component. *Id.* at 19 (“Thus, the priority applications convey that the electronic component on the cover includes data for controlling the LEDs.”).

In addition, we are not aware of an LED that stores data and controls itself, and Petitioner does not identify any persuasive evidence indicating that such an LED existed at the time of the priority applications. *See* Pet. Reply 1–4; Req. Reh’g 14–15. Petitioner’s argument that “[n]o record evidence shows that LEDs were incapable” of storing data and controlling themselves (Req. Reh’g 15) does not meet Petitioner’s burden to come forward with its own evidence (Dec. 18 (“the burden of production returns to Petitioner”)).

6. *Summary*

After considering Petitioner’s arguments in the Request for Rehearing, we are not persuaded that we erred in determining that the challenged claims of the ’864 patent are entitled to the benefit of the filing date of the priority applications, i.e., July 17, 2001.

B. *Obviousness of Claims 1, 12, 13, 15, 23, and 24 over Janik and Kehoe*

We explained in the Decision that the earliest date of invention established by Patent Owner for the challenged claims (July 17, 2001) predates the earliest filing dates of Janik and Kehoe established by Petitioner (September 4, 2001, and October 24, 2001, respectively). Dec. 22. We determined that, as a result, Petitioner had not shown sufficiently that either Janik or Kehoe qualifies as prior art to the challenged claims under 35 U.S.C. § 102(e). Dec. 22. Therefore, we concluded that Petitioner had not

shown by a preponderance of the evidence that claims 1, 12, 13, 15, 23, and 24 would have been obvious over Janik and Kehoe. *Id.* at 23.

Petitioner argues that, because we erred in determining that the challenged claims of the '864 patent are entitled to the benefit of the filing date of the priority applications, we should reconsider our determination that Janik and Kehoe are not prior art. Req. Reh'g 15. For the reasons discussed above, we maintain our determination that the challenged claims are entitled to the benefit of the filing date of the priority applications. Thus, we also maintain our determination that Petitioner had not shown sufficiently that either Janik or Kehoe qualifies as prior art to the challenged claims under 35 U.S.C. § 102(e).

Petitioner requests that we address the asserted ground of unpatentability based on Janik and Kehoe “conditionally,” even if we do not change our determination regarding the priority date of the challenged claims. Req. Reh'g 15. We are not persuaded, though, that it would be an efficient use of resources to address all of the parties' arguments and evidence regarding the asserted ground of unpatentability based on Janik and Kehoe when Petitioner has not met its burden to show that Janik and Kehoe are prior art to the challenged claims. Therefore, we decline to “conditionally” address any remaining issues regarding the asserted ground of unpatentability based on Janik and Kehoe.

III. CONCLUSION

We are not persuaded that the Request for Rehearing demonstrates that we misapprehended or overlooked any matters in the Decision.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Request for Rehearing is *denied*.

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