

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZTE (USA) INC.,
Petitioner,

v.

PAPST LICENSING GMBH & CO. KG,
Patent Owner.

Case IPR2017-00712
Patent 9,189,437 B2

Before JONI Y. CHANG, JENNIFER S. BISK, and JAMES B. ARPIN,
Administrative Patent Judges.

ARPIN, *Administrative Patent Judge.*

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

I. INTRODUCTION

ZTE (USA) Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1, 12, 15, 16, 18, 30, 43 and 45 (“the challenged claims”) of U.S. Patent No. 9,189,437 B2 (Ex. 1001, “the ’437 patent”). Paper 1 (“Pet.”). Papst Licensing GmbH & Co., KG (“Patent Owner”) filed a Preliminary Response. Paper 8 (“Prelim. Resp.”).

Under 35 U.S.C. § 314(a), 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.” For the reasons set forth below, we determine that, on this record, Petitioner has not established a reasonable likelihood that it would prevail with respect to any of the challenged claims. We hereby decline to institute an *inter partes* review in this proceeding.

A. Related Matters

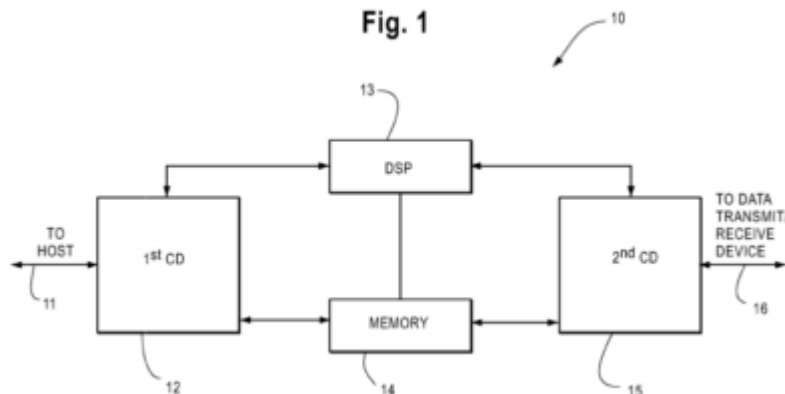
The parties indicate that the ’437 patent is involved in *Papst Licensing GmbH & Co. KG v. ZTE Corp. et al.*, No. 6:15-cv-1100 (E.D. Tex.) and other proceedings. Pet. 2–3, 4 n.1; Paper 4, 2–5.

B. The ’437 Patent

The ’437 patent describes an interface device for communication between a computer host device and a data transmit/receive device (e.g., a multi-meter, transmitting measured data to a computer). Ex. 1001, 1:18–22, 1:54–57. According to the ’437 patent, using a specific driver to match very closely to an individual host system would achieve high data transfer rates across the interface, but the specific driver cannot be used with other host

systems. *Id.* at 2:4–19. Several solutions to this problem were known in the art. *Id.* at 2:20–3:25. For example, IOtech offered an interface device for laptops, using a plug-in card for converting the personal computer memory card association (“PCMCIA”) interface into a known standard interface (i.e., IEEE 1284). *Id.* at 2:20–29. The plug-in card provided a printer interface for enhancing data transfer rates. *Id.* at 2:29–33. In another example, a floppy disk drive interface was used for connecting a host device to a peripheral device. *Id.* at 3:10–14. The interface appeared as floppy disk drive to the host, allowing a floppy disk drive and another peripheral device to be connected to the host device. *Id.* at 3:17–19.

The ’437 patent indicates that the purported “invention is based on the finding that both a high data transfer rate and host device-independent use can be achieved if a driver for an input/output device customary in a host device” is utilized. *Id.* at 3:33–37. Figure 1 of the ’437 patent, reproduced below, illustrates a block diagram of an interface device.



As shown in Figure 1, interface device 10 connects to a host device via host line 11, and to a data transmit/receive device via output line 16. *Id.* at 4:62–5:10. Interface device 10 includes first connecting device 12,

second connecting device 15, digital signal processor 13, and memory means 14. *Id.* Output line 16 connects interface 10 to a data transmit/receive device and implements an analog input, for example, with a sampling rate of 1.25 MHz and quantization of 12 bits, such as by means of the blocks 1505-1535, as depicted in Figure 2. *Id.* at 9:41–44. By means of programmable amplifier 1525, depicted in Figure 2 of the '437 patent, multiple channels can be programmed independently of each other, for example, in voltage ranges up to a maximum of ± 10 V. *Id.* at 9:45–48. In a preferred embodiment, the interface device is attached to a host device via a multi-purpose interface—e.g., a small computer systems interface (“SCSI”) interface—which includes both an interface card and the driver for the interface card. *Id.* at 3:51–57, 8:42–46. According to the '437 patent, SCSI interfaces were known to be present on most host devices or laptops. *Id.* at 8:42–46. By using a standard interface of the host device and by simulating an input/output device to the host device, the interface device “is automatically supported by all known host systems without any additional sophisticated driver software.” *Id.* at 11:38–44.

C. Illustrative Claim

Of the challenged claims, claims 1 and 43 are independent. Claims 12, 15, 16, 18, and 30 depend directly from claim 1; and claim 45 depends directly from claim 43. Claim 1 is illustrative and is reproduced below:

1. An analog data generating and processing device (ADGPD), comprising:
 - an input/output (i/o) port;
 - a program memory;
 - a data storage memory;

a processor operatively interfaced with the i/o port, the program memory and the data storage memory;

wherein the processor is adapted to implement a data generation process by which analog data is acquired from each respective analog acquisition channel of a plurality of independent analog acquisition channels, the analog data from each respective channel is digitized, coupled into the processor, and is processed by the processor, and the processed and digitized analog data is stored in the data storage memory as at least one file of digitized analog data;

wherein the processor also is adapted to be involved in an automatic recognition process of a host computer in which, when the i/o port is operatively interfaced with a multipurpose interface of the host computer, the processor executes at least one instruction set stored in the program memory and thereby causes at least one parameter identifying the analog data generating and processing device, independent of analog data source, as a digital storage device instead of as an analog data generating and processing device to be automatically sent through the i/o port and to the multi-purpose interface of the computer (a) without requiring any end user to load any software onto the computer at any time and (b) without requiring any end user to interact with the computer to set up a file system in the ADGPD at any time, wherein the at least one parameter is consistent with the ADGPD being responsive to commands issued from a customary device driver;

wherein the at least one parameter provides information to the computer about file transfer characteristics of the ADGPD; and

wherein the processor is further adapted to be involved in an automatic file transfer process in which, when the i/o port is operatively interfaced with the multi-purpose interface of the computer, and after the at least one parameter has been sent from the i/o port to the multi-purpose interface of the computer, the processor executes at least one other instruction set stored in the program memory to thereby cause the at least one file of digitized analog data acquired from at least one of the plurality of analog

acquisition channels to be transferred to the computer using the customary device driver for the digital storage device while causing the analog data generating and processing device to appear to the computer as if it were the digital storage device without requiring any user-loaded file transfer enabling software to be loaded on or installed in the computer at any time.

Ex. 1001, 11:57–12:42.

D. Asserted Ground of Unpatentability

Petitioner asserts the single ground that the challenged claims are unpatentable, as anticipated under 35 U.S.C. 102(b)¹ by Patent Cooperation Treaty (“PCT”) Application Publication No. WO 98/39710 (“the PCT Publication,” Ex. 1008).²

II. DISCUSSION

A. Claim Construction

In an *inter partes* review, claim terms in an unexpired patent are given their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b). Under the broadest reasonable interpretation standard, claim terms generally are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *See In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). We note that only those claim terms that are in controversy need to be construed, and only to the

¹ Because the claims at issue have a filing date prior to March 16, 2013, the effective date of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (“AIA”), we apply the pre-AIA version of 35 U.S.C. § 102(b) in this Decision. *See* Pet. 4.

² Citations to the PCT Publication are to its English translation (Ex. 1004).

extent necessary to resolve the controversy. *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999). For purposes of this Decision, we do not find it necessary to construe any claim term.

B. Whether Tasler's PCT Publication is Prior Art

On its face, the '437 patent claims under 35 U.S.C. §§ 120 and 365(c), through a series of continuation applications, the benefit of at least the filing date—March 3, 1998—of International Application No. PCT/EP98/01187 (“the PCT '187 application”) that entered the national stage on June 14, 1999, U.S. Patent Application No. 09/331,002 (“the '002 application”), after compliance with 35 U.S.C. § 371. Ex. 1001, [30], [60]; *see* Ex. 3001, [21], [22], [86]. The PCT '187 application was published on September 11, 1998, as International Patent Publication No. WO 98/39710 (Ex. 1004), which is the PCT Publication upon which Petitioner relies in its single asserted ground of unpatentability (Pet. 1, 5). The '437 patent lists the following benefit claims:

Continuation of *application No. 11/078,778*, filed on Mar. 11, 2005, now abandoned, which is a continuation of application No. 10/219,105, filed on Aug. 15, 2002, now Pat. No. 6,895,449, which is a division of *application No. 09/331,002*, [which is the national stage of PCT/EP98/01187, filed on *Mar. 3, 1998*,] filed on Jun. 14, 1999, now Pat. No. 6,470,399.

Ex. 1001, [60] (emphases added); *see* Ex. 3001, [21], [22], [86].

In its Petition, Petitioner argues that “the patentee failed to perfect its claim of priority [through] all of the intervening applications.” Pet. 7. In particular, Petitioner contends that, in U.S. Patent Application No. 11/078,778 (“the '778 application”), Applicant “failed to claim priority to the earlier-filed U.S. Patent Application No. 09/331,002” because Applicant did not submit a specific reference to the earlier-filed application in the

Patent Application Utility Transmittal, the first sentence of the specification following the title, or an Application Data Sheet, during the course of prosecution of the '778 application, as required by 35 U.S.C. § 120. *Id.* at 7 (citing Ex. 1003, 1). Although Petitioner confirms that, on November 10, 2016, Patent Owner filed a Petition under 37 C.F.R. §§ 1.55 and 1.78 (Ex. 1005) to accept an unintentionally delayed benefit claim; Petitioner argues that the earliest effective filing date of the '437 patent is August 15, 2002, the filing date of U.S. Patent Application No. 10/219,105, because, by its omission, Patentee expressly abandoned the '778 application. *Id.* at 9–15. According to Petitioner, the PCT Publication published on September 11, 1998, is prior art under 35 U.S.C. § 102(b) with respect to the claims of the '437 patent. *Id.* at 15.

Patent Owner counters that Petitioner has not shown that the PCT Publication, to which the '437 patent claims priority, is prior art. Prelim. Resp. 8–16. Patent Owner notes that, on February 9, 2017, the Office issued a Decision (Ex. 2001) granting Patent Owner's Petition (Ex. 1005) to accept the unintentionally delayed benefit claim. Prelim. Resp. 12–13. In Patent Owner's view, the '437 patent now contains a proper benefit claim to the '002 application, which is the national stage of the PCT '187 application filed on March 3, 1998. *Id.* at 13–14. We agree with Patent Owner.

Notably, 37 C.F.R. § 1.78(e) sets forth the following requirements for submitting an unintentionally delayed benefit claim under 35 U.S.C. §§ 120 and 365(c):

(e) Delayed claims under 35 U.S.C. 120, 121, 365(c), or 386(c) for the benefit of a prior-filed nonprovisional application, international application, or international design application.

If the reference required by 35 U.S.C. 120 and paragraph (d)(2) of this section is presented after the time period provided by paragraph (d)(3) of this section, the claim under 35 U.S.C. 120, 121, 365(c), or 386(c) for the benefit of a prior-filed copending nonprovisional application, international application designating the United States, or international design application designating the United States may be accepted if the reference required by paragraph(d)(2) of this section was unintentionally delayed.

A petition to accept an unintentionally delayed claim under 35 U.S.C. 120, 121, 365(c), or 386(c) for the benefit of a prior-filed application must be accompanied by:

- (1) The reference required by 35 U.S.C. 120 and paragraph (d)(2) of this section to the prior-filed application, unless previously submitted;
- (2) The petition fee as set forth in § 1.17(m); and
- (3) A statement that the entire delay between the date the benefit claim was due under paragraph (d)(3) of this section and the date the benefit claim was filed was unintentional. *The Director may require additional information where there is a question whether the delay was unintentional.*³

(Emphases added.)

The Decision (Ex. 2001) granting Patent Owner's Petition (Ex. 1005) to accept an unintentionally delayed claim for the benefit of the '002 application clearly states that these requirements set forth in 37 C.F.R. § 1.78(e) have been satisfied, including "a proper reference to the prior-filed application(s) has been included in an application data sheet (or in an amendment to the first sentence of the specification) as required by 37 CFR 1.78(d)(2)." Ex. 2001, 2. Therefore, we decline to revisit the Office's Decision (Ex. 2001) on Patent Owner's Petition (Ex. 1005), and we find that the record before us does not support Petitioner's argument that Patent

³ We note that, here, the Director required no such additional information.

Owner failed to submit a proper specific reference under 35 U.S.C. § 120 to the '002 application in the '778 application or that Patent Owner *expressly* abandoned the '778 application. As a result, Petitioner does not establish a reasonable likelihood of showing that the PCT Publication is prior art under 35 U.S.C. § 102(b) against the challenged claims of the '437 patent.

For the foregoing reasons, we determine that Petitioner fails to establish sufficiently that the challenged claims are not entitled to the benefit of the '002 application's filing date. Consequently, Petitioner fails to make a threshold demonstration that the PCT Publication, to which the '437 patent claims priority, is prior art against the challenged claims of the '437 patent in this proceeding. 35 U.S.C. § 311(b); 37 C.F.R. § 42.104(b)(2).

Accordingly, we conclude that Petitioner has not established a reasonable likelihood of prevailing on its assertion that claims 1, 12, 15, 16, 18, 30, 43 and 45 of the '437 patent are unpatentable, as anticipated by the PCT Publication.

III. CONCLUSION

For the foregoing reasons, we determine that Petitioner has not establish a reasonable likelihood of prevailing on its assertion that any of claims 1, 12, 15, 16, 18, 30, 43 and 45 of the '437 patent are unpatentable.

IV. ORDER

For the foregoing reasons, it is
ORDERED that the Petition is *denied*, and no trial is instituted.

IPR2017-00712
Patent 9,189,437 B2

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