

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SHENZHEN CHIC ELECTRICS CO., LTD.,

Petitioner,

v.

PILOT, INC.,

Patent Owner.

IPR2023-00810

Patent No. 11,376,971

**PATENT OWNER PILOT, INC.'S
PRELIMINARY RESPONSE**

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TABLE OF EXHIBITS

Exhibit	Description
2001	Order Granting Joint Stipulation to Stay Case Pending Resolution of <i>Inter Partes</i> Review of the '971 Patent, <i>Shenzhen Carku Technology Co., Ltd. v. Pilot, Inc.</i> , Case No. 2:22-cv-08471-HDV-KS, ECF No. 61 (C.D. Cal. Aug. 30, 2023)

Pilot, Inc. ("Patent Owner") submits this Preliminary Response to the Petition of Shenzhen Chic Electrics Co., Ltd. ("Petitioner") seeking *inter partes* review ("IPR") of claims 1-30 of U.S. Patent No. 11,376,971 ("the '971 Patent").

I. INTRODUCTION

The Board should deny institution because the Petition does not raise new issues not considered by the Examiner during the examination process. The Examiner was provided with and considered references cited by Petitioner and similar, if not the same, analysis of these references by the same expert and others.

To the extent that the Board believes that new issues of patentability are raised by the Petition, these issues would be more efficiently and directly addressed by the petition for reexamination that has been or will shortly be filed by Patent Owner. This request for reexamination will provide the Examiner with all information contained in the Petition, including all Petitioner's identification of elements in the prior art and arguments regarding the state of the art at the time of the invention. It would be more efficient for these issues to be addressed by arguments and amendment in a reexamination.

There is no litigation pending or other time bar to Petitioner refiling the petition after completion of a reexamination. Pilot has open applications in the same family such that final determination of this IPR is unlikely to resolve the dispute in the way that a reexamination can.

Ultimately, the Petition does not raise any new issues that were not already presented to the Examiner. To the extent that it may, these issues would be best resolved through examination in the first instance that may result in amended claims. The Board should deny institution.

II. RELATED MATTERS

The '971 Patent is at issue in a single district court action that is presently stayed. *Shenzhen Carku Technology Co., Ltd. v. Pilot, Inc.*, Case No. 2:22-cv-08471-HDV-KS, ECF No. 61 (C.D. Cal. Aug. 30, 2023), Ex. 2001.

III. ARGUMENT

A. Asserted Prior Art Was Before and Considered by the Examiner During Prosecution of the '971 Patent

The asserted prior art from the Petition—Baxter,¹ Tracey, Zhang, Richardson, Xinfang, and Krieger⁴⁵⁰—were all presented to and considered by the Examiner during the prosecution leading to the '971 Patent. The Examiner was familiar with these references during prosecution of the '971 Patent. Despite the Examiner's review and consideration of all these references, the '971 Patent was given a notice of allowance as the Examiner did not find issue any rejections based on prior art.

¹ For ease of reference, Patent Owner uses the same abbreviations used in the Petition. Pet. at vi-vii.

The Examiner never issued a rejection over these references because the claimed inventions are easily distinguishable from the disclosure of the references and there would have been no motivation to combine the references. There was no material error by the Examiner during prosecution of the '971 Patent.

In the List of References Cited by Applicant and Considered by Examiner ("LORCAC") from the prosecution histories of related patents in the '971 Patent:

- Examiner considered Baxter in the LORCAC entered on December 29, 2021 (Ex. 1002 at 83);
- Examiner considered Tracey in the LORCAC entered on December 29, 2021 (Ex. 1002 at 85);
- Examiner considered Zhang in the LORCAC entered on December 29, 2021 (Ex. 1002 at 84);
- Examiner considered Richardson in the LORCAC entered on December 29, 2021 (Ex. 1002 at 83);
- Examiner considered Xinfang in the LORCAC entered on December 29, 2021 (Ex. 1002 at 82); and
- Examiner considered Krieger⁴⁵⁰ in the LORCAC entered on December 29, 2021 (Ex. 1002 at 81).

B. Testimony of Dr. Wood Presented by Petitioner Was Before and Considered by the Examiner During Prosecution of the '971 Patent

The Examiner likewise considered the arguments presented by Petitioner and non-parties in the other IPRs involving the same patent family. This review and consideration included proceedings using declarations signed by Dr. Wood presenting essentially the same arguments that Petitioner raises here. The Examiner considered the Decision Granting Institution of *Inter Partes* Review in Case No. IPR2021-01232 in the LORCAC entered on July 19, 2021. Ex. 1002 at 7. This Decision extensively discusses Dr. Wood's opinions, the same conclusory opinions that he presents here.

None of the above references render obvious the Challenged Claims of the '971 Patent. None of the references disclose all of the elements of any claim and there was no motivation to combine the references at the time of the invention. There was no error by the Examiner, who considered almost all references asserted by Petitioner, the remainder of which are cumulative. Likewise, testimony from Dr. Wood in related cases was presented to the Examiner and considered. The claims of the '971 Patent were found allowable over all of this. Because the Examiner already examined and allowed the claims of the '971 Patent over the main references cited in the Petition, and the Petitioner failed to show in the Petition that there was material error by Examiner during prosecution under the standard in *Advanced Bionics, LLC*

v. Med-El Electromedizinische Geräte GmbH, institution should be denied. IPR2019-01469, Paper 6 at 9 (PTAB Feb. 13, 2020) (finding that if "reasonable minds can disagree regarding the purported treatment of the art or arguments" by the Examiner, then "it cannot be said that the Office erred in a manner material to patentability.").

C. Institution Should Also Be Denied in Favor of Parallel Reexamination That Will Address Any Substantial New Questions of Patentability in The Petition

To the extent that Morse, Krieger⁰⁴⁹, and Ricketts present any substantial new issues of patentability, those issues are most efficiently resolved by reexamination and potential amendment of the claims.

Patent Owner has filed or will shortly file a request for reexamination of the '971 Patent based on all grounds presented in the Petition. In the event that Petitioner has raised any substantial new issues of patentability, reexamination should be instituted to address these issues. *See* 35 U.S.C. § 303(a). Such reexamination may result in amendment of the current claims and further develop the record. *See* 35 U.S.C. § 305. Indeed, the Examiner's potential determination that no substantial new question of patentability would also inform whether the substantial effort of an IPR trial would be appropriate.

The Board should deny institution of the IPR because the Petition involves the claims only in their originally issued form, which may soon no longer exist due

to a parallel request for reexamination. Any effort the Board may expend by instituting on them would be wasted. This would be in contravention to the caution against wasting the Board's finite resources in *General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19 (P.T.A.B. Sept. 6, 2017). And, because controlling law forbids partial institution, the Board cannot institute on only the claims for which no reexamination is declared. The Supreme Court in *SAS Inst., Inc. v. Iancu* held that the petitioner alone "gets to define the contours of the proceeding." *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1355 (2018). Here, Petitioner has defined the contours of the proceeding to include versions of the claims that may no longer exist. As such, any decision regarding such claims, as addressed in the Petition, would necessarily be moot. *See, e.g., Intromedic Co. Ltd. v. Given Imaging Ltd.*, IPR2015-00579, Paper 9, 8-9 (PTAB Aug. 5, 2015); *see also RPX Corp. v. MacroSolve, Inc.*, IPR2014-00140, Paper 13, 2 (PTAB June 20, 2014). In view of this, Patent Owner respectfully submits that the Board should deny institution altogether.

As noted above, there is no pending litigation involving the '971 Patent other than a stayed case that does *not* involve Petitioner. As such there is no time bar to Petitioner filing an IPR after any reexamination and any related amendments are made. There is indeed no urgency whatsoever for Petitioner, who Patent Owner has never accused of infringement. Indeed, there is nothing in the record explaining

Petitioner's interest in the '971 Patent. Petitioner is in the same position, or even a more tenuous position, than entities like Unified Patents that at least purport to have some public interest goal. *See Changes Under Consideration to Discretionary Institution Practices, Petition Word-Count Limits, and Settlement Practices for America Invents Act Trial Proceedings Before the Patent Trial and Appeal Board*, 88 Fed. Reg. 24503, 24505 (Apr. 21, 2023).

IV. CONCLUSION

For the reasons stated above, institution of the IPR should be denied.

Respectfully submitted,

Dated: September 6, 2023

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CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. § 42.24(d), we certify that this Preliminary Response to Petition complies with the type-volume limitation of 37 C.F.R. § 42.24(b) because it contains 1,394 words, as determined by the word-processing program used to prepare the brief, excluding the parts of the brief exempted by 37 C.F.R. § 42.24(a)(1).

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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§ 42.6(e) and 42.105(a) and (b), I certify that on September 6, 2023, a true and accurate copy of this paper, **PATENT OWNER PILOT, INC.'S PRELIMINARY RESPONSE**, was served on the following counsel for Petitioner via email, pursuant to Petitioner's consent to email service:

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