

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VERIZON CONNECT INC.,
Petitioner,

v.

OMEGA PATENTS, LLC
Patent Owner.

Case IPR2023-01162
Patent 8,032,278

**PATENT OWNER'S REQUEST FOR
DIRECTOR REVIEW**

TABLE OF CONTENTS

I.	INTRODUCTION AND REVIEW OF RELIEF REQUESTED	1
II.	ARGUMENT	2
A.	Consistency In the USPTO Is An Important Legal Policy.....	2
i.	The ‘885 Patent Plus GPS Was Repeatedly Considered	2
ii.	The Flick ‘885 Patent and the Flick ‘561 Patent Offer Nothing New To Alter the Outcome.....	6
B.	The PTAB Made Erroneous Findings of Material Fact on Secondary Considerations	8
C.	The PTAB Made Erroneous Conclusions of Law on Secondary Considerations.....	12
III.	CONCLUSION	15

I. INTRODUCTION AND REVIEW OF RELIEF REQUESTED

The patentability of the claims of U.S. Patent No. 8,032,278 (“the ‘278 Patent”) over the same basic combination of prior art at issue in this proceeding was considered during the original prosecution and six times thereafter: when the patent issued; in five *ex parte* reexaminations; and in district court proceedings, including a jury verdict. That same combination of prior art—a vehicle data bus reference plus a reference disclosing GPS—was asserted in this eighth proceeding, and resulted in the Final Written Decision invalidating the claims of the ‘278 Patent. The Board improperly ignored prior decisions and made other significant legal errors. Accordingly, Patent Owner respectfully requests that the Director reconsider and reverse this result.

As set forth in detail below, the Board failed to properly consider the evidence and the past proceedings. Instead the Board found the ‘278 Patent obvious using the inventor’s own art, which is disclosed in the ‘278 Patent specification. The Board also made erroneous findings of fact regarding coextensiveness and misapplied the law regarding secondary considerations. While there was undisputed evidence of coextensiveness, commercial success/customer need and licensing, and an absence of any contrary evidence, the Board improperly discounted Omega’s evidence based on Petitioner’s unsupported attorney argument.

How can any patent owner ever receive finality when the Patent Office is

willing to reconsider the same art multiple times and make decisions without regard to the prior determinations? Patent challengers can file countless proceedings, with cumulative references, until they find a favorable examiner or panel—the equivalent of forum shopping. For the sake of consistency, and as a matter of compelling legal policy, the Director should reverse the decision of the Board in this proceeding and confirm the claims are valid over the cumulative art, consistent with numerous prior proceedings. As alternative grounds, the Director should reverse the Board’s decision for erroneous findings of fact and conclusions of law regarding secondary considerations, which would otherwise overcome Petitioner’s (cumulative) theory of invalidity applied using the inventor’s own prior art.

II. ARGUMENT

A. Consistency In the USPTO Is An Important Legal Policy

i. The Flick ‘885 Patent Plus GPS Was Repeatedly Considered

Ken Flick, the inventor of the ‘278 Patent (Ex-1001), enjoyed considerable success developing technology for his aftermarket vehicle accessory business, and has been awarded over 100 patents for vehicle technologies. One considerable line of patents (developed in the mid-1990s) is primarily classified as vehicle security/remote start data bus patents, such as U.S. Patent No. 6,756,885¹ (Ex-1003) (“the Flick ‘885 Patent). Ex-2001, ¶¶8, 11. A second significant line of patents

¹ The Flick ‘885 Patent is the primary reference relied on by the Board in its decision.

(dating back to the early 2000s) is directed to vehicle tracker technology, including the technology in U.S. Patent No. 6,606,561 (Ex-1004) (“the Flick ‘561 Patent”). These technology lines were developed in two distinct parallel paths. Ex-2001, ¶12. Mr. Flick overcame challenges in developing a combined system for multi-vehicle data bus compatibility and vehicle tracking, and his invention is reflected in the ‘278 Patent. Before Mr. Flick recognized the benefits of the combination of multi-vehicle data bus compatibility with tracker technology, as claimed in the ‘278 Patent, POSAs (including Mr. Flick) treated multi-vehicle compatibility and tracker technology as separate and distinct. Ex-2001, ¶12; Ex-2044, ¶11.

When it was filed, the ‘278 Patent referenced and described the Flick ‘885 Patent in the Background and it is a cited reference. Ex-1001, 2:30-33. Similarly, the Flick ‘561 Patent was incorporated by reference in the ‘278 Patent (‘278 Patent, 25:50-54) and referenced in the Related U.S. Application Data and the Related Applications sections. Ex-1001, 1:7-14. Thus, the disclosures of both the Flick ‘885 Patent and the Flick ‘561 Patent were before the initial examiner, and every examiner thereafter. Not only were both before the examiner from the outset, while numerous other references expressly disclosing GPS in a vehicle were also cited by the inventor and/or the examiner in the original prosecution, including U.S. Patent No. 5,515,043 to Berard et al., U.S. Patent No. 5,224,844 to Mansell et al., U.S. Patent No. 6,611,755 to Coffee et al., and U.S. Patent No. 6,628,233 to Knockeart et al.

Once issued, the ‘278 Patent was subjected to a litany of challenges, including litigation and five (5) reexaminations. In the first reexamination (No. 90/013,587), U.S. Patent No. 5,732,074 to Spaur et al. was combined with U.S. Patent No. 5,557,254 to Johnson et al., which disclosed the vehicle data bus and GPS.² Ex-2035. After considering the references, the Central Reexamination Unit (CRU) panel of examiners withdrew the rejections and confirmed the claims of the ‘278 Patent over numerous references that disclosed the vehicle data bus and GPS. (*Id.*) In the second reexamination (No. 90/013,851), the CRU panel finally rejected the claims as anticipated by U.S. Patent No. 6,330,499 to Chou (which expressly discloses GPS), along with obviousness rejections combining Chou with Spaur and/or Suman. Ex-2036. Ultimately, the PTAB reversed all invalidity rejections on appeal, and the CRU panel of examiners confirmed the validity of the ‘278 Patent over references that disclosed a vehicle data bus and GPS. (*Id.*) In the third reexamination (No. 90/014,309), the CRU panel of examiners determined there was an SNQ based on (among other references) SAE HS-3000 and U.S. Patent No. 6,430,164 to Jones. Ex-2037. Again, the CRU panel of examiners confirmed the validity of the ‘278 Patent over references disclosing a vehicle data bus and GPS.

² Relied on by the Examiner for a separate rejection was U.S. Patent No. 6,028,537 to Suman et al. (under §102). In the Office Action the Examiner also referenced U.S. Patent Nos. 6,009,363 to Beckert et al., 7,484,008 to Gelvin et al., and U.S. Pub. No. 2001/0033225 to Razavi et al. (each under §103), which each expressly references a vehicle tracking unit with GPS. Ex-1005.

(*Id.*) In the fifth reexamination of the ‘278 Patent (No. 90/014,675), the PTAB again considered references disclosing a vehicle data bus and GPS, U.S. Patent No. 6,611,740 to Lowrey and U.S. Patent No. 6,636,790 to Lightner. *See Ex Parte Omega Patents, LLC*, Appeal 2022-003758 (Ex-1015); Ex-2039. Ultimately, the PTAB reversed the obviousness rejection on appeal. Ex-1015, p. 17.

While not the latest filed, the fourth *ex parte* reexamination (No. 90/014,419) is the most recent reexamination proceeding to conclude with confirmation of the validity of the ‘278 Patent. Ex-2038. In the fourth *ex parte* reexamination, on December 18, 2023, the CRU panel of examiners considered the IDS submitted by Omega that (again) listed the Flick ‘885 Patent and the Flick ‘561 Patent. Ex-2038. On January 2, 2024, the CRU panel entered the search information in the fourth *ex parte* reexamination, wherein the CRU panel specifically confirmed consideration of this proceeding as well as the separate IPR proceeding directed to the ‘278 Patent:

Search Notes 	Application/Control No.	Applicant(s)/Patent Under Reexamination	
	90/014,419	8032278	
	Examiner	Art Unit	
	Luke S Wassum	3992	

~ ~

Patent Data Portal (PDP) for continuity data	12/12/2023	lsw
P-TACTS for AIA proceedings	12/12/2023	lsw
Reviewed IPR2023-00504	12/12/2023	lsw
Reviewed IPR2023-01162	12/12/2023	lsw

After considering the lengthy prosecution history and the references presented in the reexamination, and the two IPR petitions, the CRU panel of examiners

confirmed the validity of the ‘278 Patent on January 12, 2024. Ex-2038.

ii. The Flick ‘885 Patent and the Flick ‘561 Patent Offer Nothing New To Alter the Outcome

Consistency amongst proceedings is a goal of PTAB, as reflected by 35 U.S.C. § 315(d) (recognizing co-pending proceedings could be stayed, consolidated or terminated)³, but the Board’s decision here does not reflect consistency. Data bus systems were known. GPS was known. This IPR panel,⁴ five other CRU panels, and the PTAB appeal judges in two separate proceedings had the Flick ‘885 Patent, the Flick ‘561 Patent, and various other GPS references before them. The outcome in the initial prosecution, federal court litigation and every *ex parte* reexamination (two of which included appeals) confirmed validity. The ONLY exception is result from the current panel (which was also the panel in IPR2023-00504), which failed to reconcile its conclusion with all prior proceedings, reaching a contrary result that invalidated the claims based on two of the inventor’s own patents, both already disclosed in the ‘278 specification. This was improper. *See Stone Basket Innovations, LLC v. Cook Med. LLC*, 892 F.3d 1175, 1179-80 (Fed. Cir. 2018) (where a party only relies on prior art considered by an examiner, that party has the burden to “overcome[e] the deference that is due to a qualified government agency

³ *See also*, USPTO Strategic Plan, 2018-2022, noting “The reliability of patent grants also extends to the USPTO’s decision consistency.” (P. 8)

⁴ Another recent IPR, Case No. IPR2023-00504, similarly proposed the combination of the ‘885 Patent with a GPS reference (U.S. Patent No. 6,957,133 to Hunt). Both proceedings were before the same panel, which also invalidated the ‘278 Patent under the same improper rationale as here.

presumed to have properly done its job, which includes one or more examiners who are assumed to have some expertise in interpreting the references and ... whose duty it is to issue only valid patents”); *Emerson Electric Co. v. SIPCO, LLC*, 745 Fed. Appx. 369, 373 (Fed. Cir. 2018) (vacating a decision where “a panel simultaneously issues opinions on the same technical issue between the same parties on the same record, and reaches opposite results without explanation”).

The USPTO has now collected fees seven times to consider cumulative art. As a matter of legal and public policy, additional filings should not result in different results. At some point, the Patent Owner should be able to count on the fact that USPTO has done its job.⁵ It can’t be that third parties can just continue to pay to see if they will draw a different examiner or panel, who might reach a different result. Omega has spent considerable sums, time and again, to fend off patent challengers, and prevailed each time. At some point the USPTO must recognize that nothing further is to be gained from a new panel looking at prior art that has already been fully considered.⁶ Now is that time. The fairness and consistency of USPTO results is a critical legal policy. The Director should reverse the finding of the PTAB and enter findings consistent with all proceedings that the challenged claims are

⁵ *Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 (P.T.A.B. Feb. 13, 2020), 9 (“At bottom, this framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown.”).

⁶ Courts have recognized the inherent unfairness and impropriety of forum shopping since at least *Erie R.R. v. Tompkins*, 304 U.S. 64, 75 (1938).

patentable. Any other resolution would sanction the process as arbitrary.

B. The PTAB Made Erroneous Findings of Material Fact on Secondary Considerations

The second issue for Director review involves the Board’s erroneous findings of fact as to secondary considerations. The ‘278 Patent was found both valid and infringed in litigation between Omega and CalAmp Corp. The Omega-CalAmp litigation yielded a jury determination (subsequently affirmed by the Federal Circuit) that the CalAmp LMU-3000/3030/3050 products infringed claims 1-6, 8, 11, 12-14, 16, 18, 19 and 21 of the ‘278 patent. Ex-2032.

“Whether a product is coextensive with the patented invention, and therefore whether a presumption of nexus is appropriate in a given case, is a question of fact.” *Fox Factory, Inc. v. SRAM, LLC*, 944 F.3d 1366, 1373 (Fed. Cir. 2019). “We presume that such a nexus applies for objective indicia when the patentee shows that the asserted objective evidence is tied to a specific product and that product embodies the claimed features, and is coextensive with them.” *Polaris Indus. v. Arctic Cat, Inc.*, 882 F.3d 1056, 1072 (Fed. Cir. 2018)(cleaned up). In this proceeding, Omega’s expert offered unrebutted expert testimony that all independent claims of the ‘278 Patent recite “a multi-vehicle compatible tracking unit for a vehicle comprising a vehicle data bus extending throughout the vehicle”—just like the infringing products—and therefore are coextensive. Ex-2044, ¶¶25-26. CalAmp’s commercial requirements specifications confirmed the infringing

products were coextensive with the claims: “OBD-II product for a value-added GPS tracking and cellular communication product” Ex-2023, p. 4; *see also* Ex-2024, p. 5. Omega’s expert highlighted a general market need to merge multi-vehicle databus and GPS tracking technologies, citing marketing materials and testimony of CalAmp engineers that “sales-driven requests from customers” led to these technologies in CalAmp’s infringing devices. Ex-2019, ¶¶38-40. A CalAmp engineer explained the infringing products were developed to add value by merging the GPS tracking and databus technologies. EX-2012, p. 94. CalAmp’s engineer also acknowledged there was a “general market need” for the development of the infringing product’s “simple plug-in solution” that merged databus functionality and GPS tracking as described in CalAmp documents. Ex-2012, p. 40-41; Ex-2019, ¶41. Ultimately, the undisputed evidence before the Board established the infringing products merged multiple technologies into a single, coextensive product. Ex-2044, ¶¶24-27.

In contrast, Petitioner offered no evidence of any kind to rebut the testimony presented by Omega, despite a full and fair opportunity to do so. This should have been the end of the inquiry. Patent Owner’s un rebutted evidence should have been determinative of this issue. Petitioner even anticipated that Patent Owner would argue secondary considerations in its Petition, but still offered no evidence, instead advancing only misguided attorney argument based on the Federal Circuit decision in *Omega Patents, LLC v. CalAmp Corp.*, 13 F.4th 1361, 1378 (Fed. Cir. 2021).

Petitioner’s counsel argued that the opinion somehow established that the claims of the ‘278 Patent are not coextensive. (Paper 34, p. 50.) But the Federal Circuit opinion offers no support for the Petitioner’s attorney argument.

In that decision, validity had already been confirmed, the judgment of infringement of the ‘278 Patent was affirmed, but the Federal Circuit reversed and remanded for a new trial on the *amount* of damages. 13 F.4th at 1376. Specifically, the Federal Circuit held that the damages award was not properly apportioned between infringing and noninfringing features, pointing to “additional” features such as a “‘3-axis accelerometer,’ the ability to ‘detect hard braking, cornering[,] or acceleration,’ and an ‘industry leading on-board alert engine.’” *Id.* at 1377. While Omega argued “the multi-vehicle compatibility feature was worth anywhere from almost the entire profit of the product...,” the Federal Circuit found the evidence did not establish multi-vehicle compatibility alone “drove demand for the entire LMU product,” and that there was insufficient evidence that the multi-vehicle capability alone “drove demand for the entire product.” *Id.* at 1378, underlining added.

Importantly, the Federal Circuit’s decision is irrelevant to coextensiveness. Rather, it held multi-vehicle compatibility alone—only one element of the infringed claims in the ‘278 Patent—did not support the damages as quantified by the jury. Petitioner has never cited any legal theory linking a reasonable royalty or damages apportionment to coextensiveness. Here the focus is not solely on the value of a

single element (as addressed by the Federal Circuit), but whether the CalAmp products were coextensive with the entire claim. Based on the evidence, there can be no legitimate dispute that the infringing CalAmp product “is the invention disclosed and claimed,” and therefore coextensive. *Demaco Corp. v. F. Von Langsdorff Licensing, Ltd.*, 851 F.2d 1387, 1392 (Fed. Cir. 1988); Ex-2044, ¶¶24-27. While there were other functions available in CalAmp’s infringing products beyond those claimed in the ‘278 Patent, Omega offered un rebutted expert testimony that these features were incidental to the claimed elements, including (for example) a \$1.26 off-the-shelf accelerometer used in the CalAmp infringing product. Ex-2044, ¶¶31-32. Neither the Federal Circuit decision nor any evidence established that any unclaimed features in the infringing products are “significant.” Unclaimed features alone—like those referenced by the Federal Circuit—do not preclude coextensiveness: “we have never held that the existence of one or more unclaimed features, standing alone, means nexus may not be presumed.” *Fox Factory, Inc. v. SRAM, LLC*, 944 F.3d 1366, 1374 (Fed. Cir. 2019). At most, the Federal Circuit’s decision recognized additional evidence on the monetary value of the patented features was required to support the jury’s damages calculation, but this finding did not touch on whether any feature of the infringing products was or was not “significant” in the context of coextensiveness. Where, as here, the only evidence available to the Board shows the CalAmp products are coextensive, the Board’s

finding to the contrary to the evidence and erroneous. A nexus should have been presumed. From that, the claims should be found patentable.

The Board’s conclusion that Omega “has not carried its burden to show a presumption of nexus [between the ‘278 Patent and secondary considerations]” was solely on its acceptance of Petitioner’s faulty argument. (Paper 34, p. 48.) The decision ignores the only evidence in the proceeding directly addressing coextensiveness—testimony from Omega’s expert—and should be reversed.

C. The PTAB Made Erroneous Conclusions of Law on Secondary Considerations

With a nexus presumed, the Petitioner was required—but failed—to offer evidence to rebut the nexus. *See Demaco Corp. v. F. Von Langsdorff Licensing, Ltd.*, 851 F.2d 1387, 1393 (Fed. Cir. 1988). The Federal Circuit has recognized “a patent challenger may rebut the presumption of nexus by presenting evidence to show that the commercial success was due to extraneous factors other than the patented invention such as additional unclaimed features and external factors.” *Polaris Indus. v. Arctic Cat Inc.*, 882 F.3d 1056, 1072 (Fed. Cir. 2018) (cleaned up). The Board, following along with Petitioner, improperly shifted the burden to Omega to establish a nexus, rather than requiring Petitioner to rebut the presumption as required under *Polaris*. This was an error of law. In the face of two expert declarations from Omega, the Petitioner’s expert offered no testimony to address or rebut Omega’s evidence of secondary considerations. *See generally*, Ex-1002, Ex-1033. The only thing

offered by Petitioner was attorney argument contending that the Board should disregard CalAmp’s infringing products because they allegedly included “significant unclaimed features...” *See, e.g.*, Paper 24, pp. 14-15, underlining added. No evidence supported this conclusion.

In the fifth reexam, the PTAB reversed the CRU’s rejection of the claims, finding “(1) the jury's verdict in related litigation that there was a nexus between the evidence of secondary considerations of non-obviousness and the claimed invention, and (2) the Federal Circuit's affirming the district court's upholding the jury's infringement verdict.” Ex-1015, p. 13, citing to *Omega v. CalAmp*, 13 F.4th at 1365.⁷ Here, the same evidence, along with significant additional evidence, supported secondary considerations.

The ‘278 Patent has been litigated successfully and has been licensed numerous times, providing significant evidence of secondary considerations. The first federal jury found the ‘278 Patent (and other asserted patents) not invalid, while highlighting secondary considerations including commercial success, licensing, and copying by others. Ex-2032. A subsequent jury again found CalAmp products infringed the ‘278 Patent. The evidence describing CalAmp’s development of the infringing products (see above) evidenced the long felt need for the product.

⁷ Evidence of nonobviousness was also considered favorably in the second reexamination. Ex-1012, p. 14.

Omega’s expert Mr. Tregillis explained that the market initially reflected vehicle tracking devices (Ex-1031, p. 49), but once multi-vehicle compatibility was introduced market, the marketplace acceptability changed because the merger of GPS tracking and multi-vehicle data bus compatibility as used in the ‘278 Patent was a “game changer” (*Id.*, p. 55). Similarly, a CalAmp engineer testified in 2015 that the market for the infringing products was a “developing” marketplace and that CalAmp had made “very good progress and inroads in penetrating...” Ex-2012, p. 69. Indeed, the second jury found 917,222 CalAmp products were infringing, double the products from three years earlier, showing commercial success specifically tied to the ‘278 patent. Ex-2032, Ex-2033. Given the market was essentially developed by the launch of CalAmp’s product (Ex-2012, p. 69), such a sales increase is more notable. The evidence also established no design around was identified, while CalAmp acknowledged claim 13 of the ‘278 patent as “harder to avoid” infringement, further supporting this as evidence of secondary considerations. Ex-2019, ¶¶43, 44, citing Ex-2011, 44:23-45:19, and Ex-2020. Yet the Board took its cue from Petitioner’s argument, deeming the evidence “weak.” Paper 34, p. 61.

There were also at least six licenses and/or settlement agreements that included the ‘278 Patent. Ex-2019, p. 10. Omega’s expert noted in deposition that the ‘278 Patent was the last patent standing and continued to collect royalties—even when others in the portfolio licenses expired—indicative of the value the ‘278 Patent

continued to have. Ex-1031, p. 29. Petitioner's expert never considered Omega's compelling evidence of secondary considerations, much less offered any rebuttal. Ex-1002, Ex-1033. The finding of validity and infringement, numerous licenses, and evidence of copying, commercial success and market demand, all provided evidence of nonobviousness, but the Board succumbed to Petitioner's argument, finding the evidence of "little weight" and "not persuasive." Paper 34, p. 63, 64. In contradicting two prior PTAB decisions, the Board's decision erroneously applied the law of validity and secondary considerations, giving weight to attorney argument of Petitioners, while shifting the burden to Omega and improperly denigrating the evidence submitted by Omega. The Board's decision in this proceeding was legally erroneous and should be reversed.

III. CONCLUSION

The '278 Patent has been examined and reexamined time and again in view of references directed toward the vehicle data bus and GPS. Litigation and one USPTO proceeding after another have confirmed validity. The Petitioners' financial resources secured yet another review of redundant references and the hope for a favorable panel and/or one that misapplied the law. Here Petitioners got both. For the important legal policy reasons of finality and consistency, and to correct erroneous legal rulings, the Director should reverse the PTAB's decision.

Dated: February 26, 2025

Respectfully submitted,

/s/Ryan T. Santurri

Lead Counsel

Ryan T. Santurri, Reg No. 61,894

rsanturri@allendyer.com

Allen, Dyer, Doppelt + Gilchrist, P.A.

255 South Orange Avenue, Suite 1401

Post Office Box 3791

Orlando, Florida 32801-3791

Telephone: 407-841-2330

Facsimile: 407-841-2343

Back up Counsel

Christopher F. Regan, Reg No. 34,906

cregan@allendyer.com

David S. Carus, Reg No. 59,291

dcarus@allendyer.com

Allen, Dyer, Doppelt + Gilchrist, P.A.

1135 E. State Road 434, Suite 3001

Winter Springs, FL 32709

Telephone: 407-796-5051

Facsimile: 407-796-5065

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing is being served on February 26, 2025, by electronic mail at the following email addresses of record for the Petitioners:

Asheesh (Ashe) P. Puri, Esq. Nixon Peabody LLP 300 South Grand Avenue, Suite 4100 Los Angeles, CA 90071-3151 apuri@nixonpeabody.com	Sasha G. Rao, Esq. Nixon Peabody LLP One Embarcadero Center, 32nd Floor San Francisco, CA 94111 srao@nixonpeabody.com
---	--

Dated: February 26, 2025

Respectfully submitted,

/s/Ryan T. Santurri

Lead Counsel

Ryan T. Santurri, Reg No. 61,894

rsanturri@allendyer.com

Allen, Dyer, Doppelt + Gilchrist, P.A.

255 South Orange Avenue, Suite 1401

Post Office Box 3791

Orlando, Florida 32801-3791

Telephone: 407-841-2330

Facsimile: 407-841-2343

Back up Counsel

Christopher F. Regan, Reg No. 34,906

cregan@allendyer.com

David S. Carus, Reg No. 59,291

dcarus@allendyer.com

Allen, Dyer, Doppelt + Gilchrist, P.A.

1135 E. State Road 434, Suite 3001

Winter Springs, FL 32709

Telephone: 407-796-5051

Facsimile: 407-796-5065