UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD., and
SAMSUNG ELECTRONICS, AMERICA, INC.,
Petitioners,

v.

FENDGO, LLC,
Patent Owner.

Case IPR2024-00114

Patent 11,265,404

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Pursuant to 37 C.F.R. § 42.120, Patent Owner Fendgo LLC ("Patent Owner") respectfully submits this Preliminary Response to the Petition filed by Petitioners Samsung Electronics Co., Ltd and Samsung Electronics America, Inc. ("Petitioners") regarding U.S. Patent No. 11,265,404 (Ex. 1001, "'404 patent").

I. Introduction

The '404 patent claims a novel and non-obvious system that incorporates safety features in a mobile device in a way that increases personal safety in vulnerable situations. The '404 patent's system uses a transmitting unit to transmit/send emergency information including image data, audio data, location data, and owner identification information to a specified location when a panic button is pressed.

Petitioners challenge independent claim 1 under one ground based on a theory of two-reference obviousness (*DiPerna964* in view of *Strack*). *DiPerna964* is a patent publication dated September 14, 2006 that ultimately issued as U.S. Patent No. 8,472,915 ("'915 patent"), which is a parent of the '404 patent. Petitioners' obviousness theory therefore relies on asserting that the challenged claims of the '404 patent are not entitled to a priority to the '404 patent's parent applications. Petitioners specifically assert that the challenged claims are not entitled to a priority date earlier than January 30, 2019.

However, the challenged claims of the '404 patent are entitled to a priority date earlier than January 30, 2019, because they are supported by the written description of earlier applications. Because the chain of priority is proper, both *DiPerna964* and *Strack* are not considered prior art. Accordingly, this Petition fails to establish a reasonable likelihood that Petitioners would prevail in showing the unpatentability of at least one claim.

In addition to the Petition's failure to establish unpatentability of the '404 patent's independent claim, institution should be denied under 35 U.S.C. § 314 based on the *Fintiv* factors. As explained in detail below, one factor weighs strongly in favor of discretionary denial and three factors weigh in favor of discretionary denial, whereas one factor is neutral and one factor only marginally favors not exercising discretion to deny institution. Importantly, the district court trial is currently set to occur approximately two months before the projected statutory deadline for a final written decision in this IPR, which heavily weighs against institution. Accordingly, Patent Owner respectfully requests that the Board exercise its discretion and deny institution.

II. Claim Construction

A court "'look[s] to the words of the claims themselves … to define the scope of the patented invention.'" *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (en banc) (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582

(Fed. Cir. 1996)). A claim term is generally given its "ordinary and customary meaning," which is "the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention." *Id*. at 1312–13. While courts may deviate from the plain and ordinary meaning in some circumstances, there is a "heavy presumption that a claim term carries its ordinary and customary meaning." *CCS Fitness, Inc. v. Brunwick Corp.*, 288 F.3d 1359, 1366 (Fed. Cir. 2002) (internal quotations omitted). Under this "exacting" standard, any departure from a claim's ordinary meaning must be based on language that is "so unmistakable as to be unambiguous." *Dealertrack Inc. v. Huber*, 674 F.3d 1315, 1322 (Fed. Cir. 2012) (citations omitted).

Here, at this stage in the proceeding, Patent Owner will apply the ordinary and customary meaning to the '404 patent's claim terms.

III. Arguments

Petitioners challenge claims 1–8. Petitioners challenge independent claim 1 with Ground 1. Independent claim 1 is reproduced below.

Claim 1 recites:

[1pre] A mobile device, comprising:

[1a] a camera unit, adapted to obtain at least one of image data and audio data;

[1b] a location unit, adapted to obtain location data;

[1c] a transmitting unit, adapted to transmit the image data, the audio data, and the location data as emergency information to a specified location, along with specific information including owner identification information; and

[1d] a panic button, adapted to, when activated, ready itself to perform the following panic button functions: (1) dialing a public or private network for an emergency purpose and (2) activating the transmitting unit,

[1e] wherein the panic button is activated by a depressing of the panic button together with another button at substantially the same initial time such that no panic button function is activated unless both buttons are depressed.

As demonstrated below, the Petition's only ground fails because the references that Petitioners rely on, *DiPerna964 and Strack*, are not considered prior art. Thus, Petitioners' ground does not support institution because it fails to establish a reasonable likelihood that Petitioners would prevail in showing the unpatentability of the '404 patent's independent claim, and therefore also the claims which depend therefrom. 35 U.S.C. § 314(a). Accordingly, the Board should deny institution.

A. The challenged claims are entitled to a priority date before January 30, 2019

The '404 patent claims priority to U.S. application serial no. 13/897,353 ("'353 application") filed on May 17, 2013, which is a continuation of U.S. application serial no. 11/333,809 filed on January 17, 2006, which claims priority to U.S. provisional application no. 60/643,865 filed on January 14, 2005. '404 patent

at 1:8–15. U.S. application serial no. 11/333,809 was published on September 14, 2006 as US Pub. No. 2006/0201964 (*DiPerna964*).

Petitioners assert that the challenged claims are not entitled to a priority date earlier than January 30, 2019 because limitation [1d] lacks written description support in the '353 application and all other applications in the priority chain. Petition at 8–10. Limitation [1d] is reproduced below:

> [1d] a panic button, adapted to, when activated, ready itself to perform the following panic button functions: (1) dialing a public or private network for an emergency purpose and (2) activating the transmitting unit;

Petitioners specifically assert that the "ready itself" language in limitation [1d] lacks written description support in the '353 application. *Id*. at 8–9. In support of their arguments, Petitioners claim that "the '353 application generally describes that when the panic button is activated (e.g., pressed) the various functions or processes are triggered." *Id*. at 9.

Petitioners incorrectly argue that the '353 application does not disclose readying a panic button. The '353 application discloses readying the panic button and the safety device in general. *See* Ex. 1006 at 23. Petitioners themselves point to a portion of the '353 application that discloses readying the panic button. Petition at 9 (quoting "readies the panic button" disclosure). For example, 'the 353 application discloses that "[t]here can be a separate 'safety' switch which, upon being moved into position, ***readies the panic button*** to contact 911 upon being

pressed." Ex. 1006 at 23 (emphasis added). The ability to ready the safety device with minimal steps, such as by readying or activating a panic button or other component of the safety device, is a key feature repeatedly disclosed by the '353 application. *See id*. at 17 ("A voice activation unit may be provided which ***activates the panic button*** using a codeword") (emphasis added); *id*. at 19 ("the pocket in one embodiment holding the vial of pepper spray in position such that it is ***ready to be used with only minimal steps*** such as the removal of a protective cap or cover.") (emphasis added); *see also id*. at 15, 19-20. The '353 application notes that this feature "is an important factor in the effectiveness of a self-defense device" because it enhances the ease of use and convenience of the device. *Id.* at 21.

Petitioners also argue that a POSITA would not have understood the '353 application to disclose a panic button that readies itself to perform certain functions. Petition at 9. But Petitioners' argument is based on their expert's declaration which merely parrots the Petition's conclusory statements. *See* Ex. 1002 at ¶ 53. Additionally, as discussed above, the '353 application explicitly discloses that a switch can "read[y] the panic button to contact 911 upon being pressed." Ex. 1006 at 23.

Therefore, the challenged claims of the '404 patent are supported by the written description of the '353 application and are entitled to a priority date earlier than January 30, 2019. Because the chain of priority is not broken, the challenged

claims of the ’404 patent are entitled to claim priority to the January 14, 2005 filing date of U.S. provisional application no. 60/643,865.

B. Petitioners’ ground should be denied because *DiPerna964* and *Strack* are not prior art

Petitioners argue that *DiPerna964* in view of *Strack* renders obvious claims 1–8. Petition at 10. As discussed in Section III.A, the challenged claims of the ’404 patent properly claim priority to U.S. provisional application no. 60/643,865, which was filed on January 14, 2005. *See supra* Section III.A. *DiPerna964* was published on September 14, 2006. *See* Ex. 1028 at 1. Therefore, *DiPerna964* is not considered prior art. For the same reason, *Strack*, which was filed on July 26, 2016, is also not considered prior art.

Accordingly, the Petition fails to establish a reasonable likelihood that Petitioners would prevail in showing the unpatentability of independent claim 1.

C. The Board should use its discretion and deny institution under the *Fintiv* factors

Efficiency, fairness, integrity of the system, and the merits support the Board’s exercise of its discretionary denial authority under 35 U.S.C. § 314(a). Seeking to minimize duplication of work, the Board has set forth a set of nonexclusive factors for determining whether to deny a petition in view of parallel litigation (i.e., the “*Fintiv* factors”). *See Apple Inc. v. Fintiv, Inc.*, IPR2020-00019,

Paper No. 11 (P.T.A. B. March 20, 2020) ("*Fintiv I*"). As explained in detail below, the *Fintiv* factors weigh heavily in favor of discretionary denial in this case.

1. Fintiv Factor 1: The district courts have not granted a stay

Patent Owner agrees with Petitioners that this factor is neutral because no motion to stay has been granted, so the Board should not infer the outcome of such a motion. *Sand Revolution II LLC v. Continental Intermodal Group – Trucking LLC*, IPR2019-01393, Paper No. 24 at 7 (P.T.A.B. June 16, 2020) (informative).

2. Fintiv Factor 2: The Samsung trial is expected to take place approximately two months before the projected statutory deadline for a final written decision

Fintiv factor 2 weighs heavily against institution because trial is set to occur approximately 2 months before the projected statutory deadline for a final written decision. The projected statutory deadline for a final written decision in this IPR is around May 2025. Jury selection for the Samsung trial is currently scheduled for March 3, 2025. Thus, the district court trial is set to occur approximately 2 months before the projected statutory deadline for a final written decision. This weighs heavily against institution. *See Fintiv I*, IPR2020-00019, Paper No. 11 at 9 ("If the court's trial date is earlier than the projected statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under NHK.").

Petitioners assert that this factor should be neutral or weigh at most minimally in favor of denial because the time between the currently scheduled trial date and expected deadline for a final written decision is approximately two months. Petition at 68–69. However, Petitioners fail to acknowledge that the Board has denied institution on account of similar, or even smaller, gaps between the final written decision and trial. *See, e.g.*, *EClinicalWorks, LLC v. Decapolis LLC*, IPR2022-00229, Paper No. 10 at 9 (P.T.A.B. Apr. 13, 2022) (finding this factor weighed in favor of discretionary denial and denying institution where "the beginning of the jury trial in the WDTX Cases is roughly ***one or two months*** before any final decision would have been due had *inter partes review* been instituted") (emphasis added); *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper No. 15 at 13 (P.T.A.B. May 13, 2020) (informative) (finding this factor weighed in favor of discretionary denial and denying institution where the district court trial was scheduled to occur ***two months*** before the deadline for the Board to reach a final written decision) (emphasis added).

3. Fintiv Factor 3: The parties will have invested significant resources in at least the Samsung trial

Fintiv factor 3, which considers the resources invested in the parallel district court proceeding, weighs in favor of the Board's exercising its discretionary denial authority. Petitioners wrongly limit their analysis of the parties' investment in the district court proceedings to the stage of those proceedings at the time the petition was filed. Petition at 69. However, *Fintiv* dictates that the proper timeframe for this

factor is the investment in the parallel proceeding at the time of the institution decision. *Fintiv I*, IPR2020-00019, Paper No. 11 at 9–10. The institution decision in this proceeding is expected by May 22, 2024.

By May 22, 2024, the parties will have expended significant resources. The parties have exchanged infringement and invalidity contentions for the '404 patent. Fact discovery has already begun under the district court's schedule and will conclude October 1, 2024, approximately four months after the institution decision is projected to be issued in this case. Furthermore, the parties will have to begin the claim construction process and exchange preliminary claim constructions by May 2024.

Accordingly, because the parties will have expended significant resources by the time the Board issues an institution decision in this case, this factor weighs against institution.

4. Fintiv Factor 4: The issues in the petition and district court proceeding significantly overlap

Fintiv factor 4 at best marginally favors not exercising discretion to deny institution because the issues in the Petition and the parallel district court proceeding overlap and while Petitioners have provided a stipulation regarding the estoppel effects of this proceeding in the district court proceeding, Petitioners have not provided a *Sotera*-style stipulation.

Fintiv Factor 4 considers the overlap between issues raised in the petition and in the parallel proceeding. *Fintiv I*, IPR2020-00019, Paper No. 11 at 6. The prior art Petitioners assert in its petition is identical to prior art being litigated to trial in the Samsung case. In an attempt to address the redundancy of this proceeding, Petitioners provide only a limited stipulation, rather than a *Sotera*-style stipulation, stating they will not rely on the same prior art in the district court. Petition at 69–70. The PTAB has previously held that, at most, narrower stipulations weigh only "marginally in favor of not exercising discretion to deny institution." *Sand Revolution II*, IPR2019-01393, Paper No. 24 at 9–10. Accordingly, based on Petitioners' *Sand Revolution*-style stipulation, this factor only marginally favors not exercising discretion to deny institution.

5. Fintiv Factor 5: Petitioners are defendants in the district court proceeding

Fintiv factor 5 favors denial of institution because Petitioners are defendants in the parallel district court proceedings. *Fintiv* factor 5 considers whether the petitioners and the defendants in the parallel proceeding are the same party. *Fintiv I*, IPR2020-00019, Paper No. 11 at 6. Petitioners are defendants in the case in which Patent Owner asserts infringement of the '404 patent. Thus, Factor 5 weighs in favor of denial.

Petitioners argue that even if the same parties are involved in the parallel litigation, this factor should be neutral when the expected deadline for a final written

decision is estimated to be close in time to the district court trial date. Petition at 70. Petitioners' argument is contrary to numerous Board decisions. For example, in *Nokia*, the Board unequivocally held that "Petitioner is the defendant in the parallel proceeding. Thus, this factor weighs in favor of exercising our discretion to deny the Petition." *Nokia of America Corporation et al. v. Godo Kaisha IP Bridge 1*, IPR2022-00755, Paper No. 9 at 13.

Furthermore, Petitioners' argument that this factor should be neutral despite having the same parties in the parallel district court proceeding fails a simple logic test. If Petitioners' argument were true, then this factor could *never* favor denial. Factors by their very nature lie along a scale of: weighing in favor, being neutral, or weighing against. Petitioners would have this Board remove this factor's ability to weigh in favor of patent owners entirely and only provide benefits to petitioners. Such a determination is contrary to the very nature of factors, is bad public policy, and likely only a power available to the Director.

For all the reasons above, *Fintiv* factor 5 favors denial of institution.

6. Fintiv Factor 6: Petitioners' grounds do not rise to the level of "compelling evidence of unpatentability"

Factor 6 weighs against institution because, as shown above, the merits of the petition are weak and include numerous deficiencies, which cannot meet the high compelling merits standard needed to overcome *Fintiv* factors 1–5 strongly favoring denial of institution.

To meet the standard for a compelling unpatentability challenge, the Petition must present challenges "in which the evidence, if unrebutted in trial, would plainly lead to a conclusion that one or more claims are unpatentable by a preponderance of the evidence." *Commscope Techs. LLC v. Dali Wireless, Inc.*, IPR2022-01242, Paper No. 23 at 3 (P.T.A.B. Feb. 27, 2023) (citing Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation at 4. (June 21, 2022) ("Guidance Memo").) "[T]he compelling merits standard is a higher standard than the standard for institution set by statute." *Commscope Techs.*, IPR2022-01242, Paper No. 23 at 3 (citing Guidance Memo at 4–5). Under the compelling merits standard, "[a] challenge can only 'plainly lead to a conclusion that one or more claims are unpatentable' if it is ***highly likely*** that the petitioner would prevail with respect to at least one challenged claim." *Id*. at 3–4 (quoting *OpenSky Indus., LLC v. VLSI Tech. LLC*, IPR2021-01064, Paper No. 102 at 49–50 (P.T.A.B. Oct. 4, 2022) (precedential)) (emphasis added).

The compelling merits determination does not replace a *Fintiv* analysis; rather, "PTAB panels … only consider compelling merits if they first determine[] that *Fintiv* factors 1–5 favor[] a discretionary denial." *Commscope Techs, LLC*, IPR2022-01242, Paper No. 23 at 4 (P.T.A.B. Feb. 27, 2023). Where the Board finds compelling merits, it "must provide reasoning to explain and support its determination as to compelling merits sufficient to allow the parties to challenge that

finding and sufficient to allow for review of that decision." *Id*. at 5–6. Here, *Fintiv* Factors 1–5 plainly favor discretionary denial thus requiring Petitioners to show compelling merits, which they cannot do.

As discussed above, Petitioners' prior art grounds contain critical deficiencies and do not demonstrate a reasonable likelihood of—let alone plainly lead to—a conclusion that at least one claim is unpatentable. *See supra* Sections III.A–B.

In sum, one factor (2) weighs strongly in favor of discretionary denial and three factors (3, 5, and 6) weigh in favor of discretionary denial, whereas one factor (1) is neutral and one factor (4) only marginally favors not exercising discretion to deny institution. Accordingly, Patent Owner respectfully requests that the Board exercise its discretion and deny institution.

IV. Conclusion

As discussed above, Petitioners have failed to establish a reasonable likelihood they will prevail in showing the unpatentability of the challenged claims. Accordingly, the Board should deny institution.

Respectfully submitted,

Date: February 22, 2024

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CERTIFICATION UNDER 37 C.F.R. § 42.24

Under the provisions of 37 C.F.R. § 42.24, the undersigned hereby certifies that the foregoing document contains 3,180 words, and thus complies with the word-count limits of 37 C.F.R. § 42.24.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing PATENT OWNER'S PRELIMINARY RESPONSE was served on February 22, 2024 by filing this document through the P-TACTS platform as well as by delivering a copy via the delivery method indicated to the attorneys of record for the Petitioners as follows:

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