

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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GARMIN INTERNATIONAL, INC., GARMIN USA, INC.,  
GARMIN LTD., AND  
FITBIT, INC.  
Petitioner

v.

KONINKLIJKE PHILIPS N.V.,  
Patent Owner.

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IPR2020-00754  
Patent 7,845,228 B2

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Before STACEY G. WHITE, MICHELLE N. WORMMEESTER, and  
NORMAN H. BEAMER, *Administrative Patent Judges*.

WHITE, *Administrative Patent Judge*.

DECISION  
Denying Institution of *Inter Partes* Review  
37 C.F.R. § 314(a)

## I. INTRODUCTION

Garmin International, Inc., Garmin USA, Inc., Garmin Ltd., and Fitbit Inc. (collectively “Petitioner”) request *inter partes* review of claims 1–11 of U.S. Patent No. 7,845,228 B1 (Ex. 1001, “’228 patent”). Paper 1 (“Pet.”). Koninklijke Philips N.V. (“Patent Owner”) filed a Preliminary Response. Paper 7 (“Prelim. Resp.”). Pursuant to our authorization, Petitioner filed a Reply (Paper 8, “Reply”) and Patent Owner filed a Sur-Reply (Paper 9, “Sur-Reply”).

An *inter partes* review may not be instituted unless the information presented in the petition and the preliminary response shows “there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a) (2018). Moreover, the Supreme Court has held that a decision under § 314 may not institute review on fewer than all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1355–56 (2018); *see also PGS Geophysical AS v. Iancu*, 891 F.3d 1354, 1360 (Fed. Cir. 2018) (interpreting the statute to require “a simple yes-or-no institution choice respecting a petition, embracing all challenges included in the petition”).

For the reasons set forth below, upon considering the Petition, Preliminary Response, Preliminary Reply, Preliminary Sur-Reply, and evidence of record, we exercise our discretion under 35 U.S.C. § 314(a) to deny institution.

## II. BACKGROUND

### *A. Related Proceedings*

Petitioner informs us of a proceeding pending before the International Trade Commission (“ITC”), *Certain Wearable Monitoring Devices, Systems, and Components Thereof*, Inv. No. 337-TA-1190 (U.S.I.T.C.) (“ITC Proceeding”). Pet. 67. According to Petitioner, the ITC Proceeding involves the ’228 patent and U.S. Patent Nos. 9,820,698 (“the ’698 patent”), 9,961,186, and 9,717,464 (“the ’464 patent”). *Id.* Patent Owner informs us that the ITC proceeding is set for trial October 19–23, 2020, and that an Initial Determination is due February 4, 2021. Prelim. Resp. 1.

Petitioner has filed two IPR petitions against the ’698 patent, each of which has been denied, IPR2020-00771, Paper 14 (PTAB Oct. 19, 2020); IPR2020-00772, Paper 14 (PTAB Oct. 19, 2020). *See* Paper 4, 1. Petitioner Fitbit has filed two IPR petitions against the ’464 patent, each of which has been denied, IPR2020-00773, Paper 13 (PTAB Sept. 30, 2020); IPR2020-00774, Paper 13 (PTAB Sept. 30, 2020). *Id.*

Patent Owner informs us that in addition to the ITC Proceeding there is a pending district court case involving the ’228 patent, *Fitbit, Inc. v. Koninklijke Philips NV*, No. 4:20-cv-02246, (N.D. Cal.), which was transferred to the District of Massachusetts, *Fitbit, Inc. v. Koninklijke Philips N.V.*, DMA-1-20-cv-11611 (“Boston Case”). *Id.* In lieu of responding to the complaint, Patent Owner filed a motion to stay the Boston Case pending the ITC Proceeding. Ex. 3001. Petitioner Fitbit filed a response to the motion to stay agreeing to a stay for a few weeks pending decisions that were expected in October 2020 from the ITC and decisions that are expected from the Board on this Petition and the related petitions identified above. Ex. 3002, 1.

Petitioner filed a Sur-Reply reiterating its position that the Boston Case should be on hold “for just a few more weeks pending intervening developments.” Ex. 3004, 1. Patent Owner filed a reply to the response, arguing that “the [c]ourt should grant [Patent Owner]’s request to stay this case until the ITC proceedings have fully played out,” given recent events at the ITC. Ex. 3003, 2. These recent events include a summary determination that Fitbit infringes the ’228 patent and summary determination in Patent Owner’s favor regarding domestic industry. *Id.* On October 15, 2020, the Boston Case was stayed “for reasons of judicial efficiency and economy.” Ex. 3005. The stay is set to last “until at least ITC completes its investigation.” *Id.*

*B. The ’228 Patent*

The ’228 patent relates to “[a]n activity monitor ... that reduces the amount of power consumed during a monitoring operation.” Ex. 1001, Abstract. As described in the ’228 patent, known systems for monitoring human activity are composed of three accelerometers that measure accelerations of the human body. *Id.* at 1:18–22. In these systems, a human wears the accelerometers over a certain period and the data from these accelerometers is summed up and stored in memory for later processing by a computer. *Id.* at 1:27–28. “However, the known system has the considerable drawback that continuous monitoring of the accelerometer signals results in relatively high power consumption” and this “means that large and expensive batteries are required.” *Id.* at 1:38–43.

The ’228 patent seeks to reduce this power consumption by monitoring the measurement of the motion sensor’s output in a discontinuous manner

over time. *See id.* at 2:47–48. Figure 3 of the '228 patent is reproduced below.

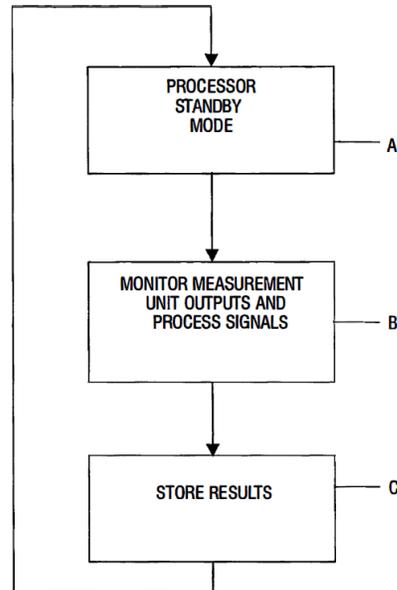


Figure 3, shown above, depicts a flow diagram of the steps of a method of the present invention. *Id.* at 1:60–61. As shown in Figure 3, the processor of the '228 patent's activity monitor remains in a standby mode (step A) for a predefined period then inputs the measurement unit's output and processes that data (step B), storing the results (step C), in memory before returning to standby mode. *Id.* at 2:41–46. According to the '228 patent's specification, “discontinuous monitoring activity can be achieved by programming the processor unit appropriately, so that the processor goes into a standby (or sleep) mode after a few seconds of monitoring.” *Id.* at 2:60–63.

### *C. Illustrative Claim*

Petitioner challenges claims 1–11, with claims 1 and 8 being independent. Challenged independent claim 1 is illustrative of the challenged claims and is reproduced below:

1. An activity monitor comprising:

a measurement unit including a plurality of motion sensors operable to produce respective sensor signals indicative of motion experienced thereby; and

a processor operable to receive the sensor signals from the measurement unit and to process the sensor signals in accordance with a predetermined method,

characterized in that the activity monitor is operable to monitor and process the sensor signals discontinuously in time and the processor is operable to monitor the sensor signals in turn.

Ex. 1001, 3:17–26.

*D. The Asserted Challenges to Patentability and Evidence of Record*

The Petition sets forth challenges to the patentability of claims 1–11 of the '228 patent as follows (*see* Pet. 7):<sup>1</sup>

<b>Challenged Claim(s)</b>	<b>35 U.S.C. §<sup>2</sup></b>	<b>Reference(s)/Basis</b>
1–11	§ 102	Cunningham <sup>3</sup>
1–11	§ 103	Cunningham, Swedlow <sup>4</sup>
1–11	§ 103	Pacesetter '963 <sup>5</sup> , Swedlow

III. DISCRETIONARY DENIAL UNDER 35 U.S.C. § 314(A)

Patent Owner states that the '228 patent is the subject of a pending ITC proceeding. Prelim. Resp. 1–2, 11–14. Patent Owner argues we should

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<sup>1</sup> Petitioner supports its challenges with the Declaration of Joseph A. Paradiso, Ph.D. Ex. 1003.

<sup>2</sup> The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (Sept. 16, 2011) (“AIA”), included revisions to 35 U.S.C. §103 (effective March 16, 2013). The '228 patent issued from an application filed before March 16, 2013, and thus, we apply the pre-AIA version of §103.

<sup>3</sup> U.S. Pat. No. 6,077,236, issued Jun. 20, 2000 (Ex. 1005, “Cunningham”).

<sup>4</sup> U.S. Pat. No. 5,924,979, issued Jul. 20, 1999 (Ex. 1006, “Swedlow”).

<sup>5</sup> U.S. Pat. No. 6,002,963, issued Dec. 14, 1999 (Ex. 1007, “Pacesetter '963”).

exercise discretion under 35 U.S.C. § 314(a) and deny institution based on the ITC proceeding because it involves the same parties, overlapping claims, the same prior art, and is at an advanced stage. *Id.* at 22–35; Sur-Reply 1–7. To the contrary, Petitioner argues that evaluation of the *Apple v. Fintiv* factors demonstrates we should *not* exercise discretion to deny institution of *inter partes* review. Reply 1–7.

Institution of an *inter partes* review is discretionary. *See* 35 U.S.C. § 314(a) (2018) (stating “[t]he Director *may not* authorize an inter partes review to be instituted unless the Director determines that 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”) (emphasis added); *Harmonic Inc. v. Avid Tech, Inc.*, 815 F.3d 1356, 1367 (Fed. Cir. 2016) (“[T]he PTO is permitted, but never compelled, to institute an IPR proceeding.”). In determining whether to exercise that discretion on behalf of the Director, we are guided by the Board’s precedential decision in *NHK Spring Co. v. Intri-Plex Techs, Inc.*, IPR2018-00752, Paper 8 (PTAB Sept. 12, 2018).

In *NHK*, the Board found that the “advanced state of the district court proceeding” was a “factor that weighs in favor of denying” the petition under § 314(a). *NHK*, Paper 8 at 20. The Board determined that “[i]nstitution of an *inter partes* review under these circumstances would not be consistent with ‘an objective of the AIA . . . to provide an effective and efficient alternative to district court litigation.’” *Id.* (citing *Gen. Plastic Indus. Co., Ltd. v. Canon Kabushuki Kaisha*, IPR2016-01357, Paper 19, 16–17 (PTAB Sept. 6, 2017) (precedential in relevant part)).

The Board’s precedential decision in *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (*Fintiv*)” sets forth six factors that we consider when determining whether to use our discretion to deny institution due to the advanced state of parallel litigation:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

*Id.* at 6. “These factors relate to whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding.” *Id.* In evaluating these factors, we take “a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.* (citing Patent Trial and Appeal Board Consolidated Trial Practice Guide 58 (November 2019), <https://www.uspto.gov/TrialPracticeGuideConsolidated>). We address the

*Fintiv* factors *in seriatim* and discuss in detail our reasons for exercising discretion to deny institution based on § 314(a).

*A. Whether a Stay Exists or Is Likely to Be Granted if a Proceeding Is Instituted*

A stay of the litigation pending resolution of the PTAB trial allays concerns about inefficiency and duplication of efforts, which fact strongly weighs against exercising the authority to deny institution. *Fintiv*, Paper 11 at 6. The '228 patent is involved in two parallel proceedings—the ITC Proceeding and the Boston Case. Patent Owner argues that Petitioner did not seek a stay of the ITC proceeding, that it is unlikely that the Administrative Law Judge (“ALJ”) would have granted a stay if one was requested, and, given the current stage of that proceeding, it is unlikely that a stay would be granted now. Prelim. Resp. 26; Sur-Reply 1–2. The parties do not substantively<sup>6</sup> discuss the Boston Case, which has been stayed pending the ITC case “for reasons of judicial efficiency and economy.” Ex. 3005.

Petitioner argues that *Fintiv* does not apply to ITC proceedings. Reply 1–3. According to Petitioner, “the ITC Investigation does not parallel an IPR because the ITC lacks the authority to issue a binding ruling on invalidity.” *Id.* at 1 (citing *Texas Instr. Inc. v. Cypress Semiconductor Corp.*, 90 F.3d 1558, 1569 (Fed. Cir. 1996)) (emphasis omitted). Petitioner further contends that even if ITC proceedings were to be considered in a *Fintiv* analysis, the first factor would be neutral or even favor institution because no motion to stay has been filed and it would be inappropriate for the Board to speculate as to whether the ITC would stay its proceeding. *Id.* at 2–3.

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<sup>6</sup> Patent Owner references the Boston Case, but notes that this proceeding “is limited to non-infringement issues.” Prelim. Resp. 14.

Patent Owner argues that *Fintiv* contemplates considering an ITC investigation. Prelim. Resp. 25–26. As noted in *Fintiv*,

even though the Office and the district court would not be bound by the ITC’s decision, *an earlier ITC trial date may favor exercising authority to deny institution under NHK if the ITC is going to decide the same or substantially similar issues to those presented in the petition. . . .* We recognize that ITC final invalidity determinations do not have preclusive effect, but, as a practical matter, it is difficult to maintain a district court proceeding on patent claims determined to be invalid at the ITC. Accordingly, the parties should also indicate whether the patentability disputes before the ITC will resolve all or substantially all of the patentability disputes between the parties, regardless of the stay.

*Id.* (quoting *Fintiv*, Paper 11 at 8–9) (emphasis added).

We agree with Patent Owner that *Fintiv* applies here. The Board has considered ITC proceedings in weighing if exercising discretion is warranted. *See, e.g., Samsung Elecs. Co. v. Dynamics, Inc.*, IPR2020-00502, Paper 34, 7–14 (PTAB Aug. 12, 2020) (evaluating *Fintiv* factors in light of stayed district court case, with a primary focus on an advanced-stage ITC proceeding); *Comcast Cable Commc ’ns, LLC v. Rovi Guides, Inc.*, IPR2019-00231, Paper 14, 7–12 (PTAB. May 20, 2019) (evaluating *NHK* precedent for related ITC proceeding). Thus, this factor and the remaining *Fintiv* factors are applicable to the parallel proceedings here.

Petitioner has not requested a stay of the ITC proceeding and, we agree with Patent Owner that a stay of the ITC proceeding is unlikely at this stage given the impending hearing date this month, and the ITC’s projected Initial Determination date of February 4, 2021 and the projected conclusion of the ITC Proceeding on June 4, 2021. Ex. 2018, 6. Further, in the Boston Case,

Patent Owner represented that “on October 2, 2020 . . . , the ITC issued a final pre-trial order confirming that the trial will proceed on October 21–23, 2020.” Ex. 3003, 2. A motion for a stay pending the resolution of the ITC Proceeding has been granted in the Boston Case. Ex. 3005. On balance, it is unlikely that the ITC Proceeding will be stayed and we determine that this weighs in favor of not instituting this proceeding.

*B. Proximity of the Court’s Trial Date to the Board’s Projected Statutory Deadline*

A hearing before the ALJ is scheduled for October 21–23, 2020<sup>7</sup>. Prelim. Resp. 26; Ex. 3003, 2. The ALJ’s Initial Determination is due by February 4, 2021, and the ITC investigation is scheduled to conclude by June 4, 2021. Ex. 3003, 2. Patent Owner argues that these dates are all before a final written decision would issue in this *inter partes* review proceeding.

Petitioner argues that “[e]ven if the Board were to consider the ITC Investigation schedule, this factor favors institution because the relevant timeframe between a final ruling and the conclusion of a full trade investigation favors the IPR.” Reply 3. Petitioner points out that the Final Determination may be due in June 2021, but that would not be the end of the proceeding. *Id.* Petitioner states that the Final Determination is followed by a 60-day period of presidential review, and if there is an exclusion order, further litigation could occur at the Intellectual Property Rights Branch (“IPRB”) of U.S. Customs and Border Protection. *Id.* That litigation could

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<sup>7</sup> The parties have not informed us as to any last minute deviation of the ITC’s schedule. We have no reason to believe that the hearing did not occur as scheduled so for the purposes of this Decision we will assume that the hearing took place as scheduled.

be subject to an appeal at the Court of International Trade (“CIT”). *Id.* Thus, Petitioner asserts that “the Board’s projected statutory deadline of October 28, 2021 will only be a mere two months after the ITC determination is final and well before any IPRB and CIT proceedings. *Id.* at 4.

We decline to speculate as to the outcome of the ITC Proceeding and as to the probability of post-ITC activities regarding the President of the United States, IPRB, and CIT. The current ITC schedule has an evidentiary hearing scheduled to occur October 21–23, 2020, with an Initial Determination scheduled for February 4, 2021, and a final ITC determination set to pre-date the Board’s final written decision by four months. Ex. 3003, 2; Ex. 2018, 6. These facts weigh against institution of this proceeding.

*C. Investment in the Parallel Proceeding by the Court and Parties*

Patent Owner argues that “[t]he parties and the ALJ have already performed, and will continue to perform, a considerable amount of work in the ITC Investigation.” Prelim. Resp. 28. “[T]he ALJ has issued a claim construction order and an order addressing Petitioners’ motion for summary determination of indefiniteness as to the ’228 patent. Petitioners have submitted two separate expert reports asserting invalidity based on indefiniteness and prior art, including the prior art asserted in the Petition.” Sur-Reply 5. Further, Patent Owner contends that Petitioner has served over 10,000 pages of invalidity contentions (including claim charts regarding the prior art at issue in this proceeding), the parties have conducted more than 50 depositions, answered hundreds of interrogatories, and produced more than 500,000 pages of discovery. Prelim. Resp. 28.

Petitioner argues that this factor favors institution because “[t]he pace of ITC investigations requires rapid investment in resources of which [Patent

Owner] was aware when it chose the ITC.” Reply 4. Petitioner also notes that the Board has refused to exercise discretionary denial in other cases where the institution decision would pre-date the Initial Determination. *Id.* (citing *3Shape A/S & 3Shape Inc., v. Align Tech., Inc.*, IPR2020-00223, Paper 12, \*34 n.15 (PTAB May 26, 2020) (“*3Shape*”); *Wirtgen Am., Inc. v. Caterpillar Paving Prods.*, IPR2018-01202, Paper 10, \*11–12 (PTAB Jan. 8, 2019); *Feit Elec. Co. v. Philips Lighting Holding B.V.*, IPR2018-00921, Paper 9 at 8–9, 34–35 (Oct. 22, 2018)).

Patent Owner replies Petitioner’s arguments regarding the speed of the ITC Proceeding are similar to arguments rejected in *Fintiv*. Sur-Reply 5. The Board in *Fintiv* was unpersuaded by an argument regarding the speed of certain forums noting that “it always has been the case that some district courts move faster than others, and patent owners seeking to enforce patents may be inclined to file suit in a district that moves relatively quickly.” *Id.* (quoting *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15, 11 (May 13, 2020) (informative) (“*Fintiv IP*”)). We note that two of the three cases cited by Petitioner predate our precedential decision in *Fintiv* and our informative decision in *Fintiv II*. As to the third case, the Board in *3Shape* did not conclude that this factor weighed against institution, but rather the Board indicated that other factors outweighed the fact that the projected statutory deadline for the IPR was after the conclusion of the ITC investigation. *See 3Shape*, Paper 12 at 34.

We weigh this factor somewhat against institution. The parties and the ALJ and staff of the ITC have expended considerable resources to date on the ITC Proceeding. Extensive discovery has been exchanged, the period of fact discovery has concluded, and the ALJ has issued a summary determination

and a claim construction ruling. *See* Prelim. Resp. 27–28; Sur-Reply 5–6; Exs. 2018, 3003. The hearing is set for October 21–23. *See* Ex. 2018. Petitioner does not dispute these facts. We credit, however, Petitioner’s diligence in filing this Petition within a short time (less than three months) after the ITC proceeding was instituted, thus, mitigating somewhat the investments made in the ITC proceeding. *See* Ex. 3006.

*D. Overlap Between Issues Raised in the Petition and in the Parallel Proceeding*

Patent Owner argues that “there is substantial overlap” between the grounds in this proceeding and at the ITC. Prelim. Resp. 28. Patent Owner argues that Petitioner relies on Cunningham, Swedlow, and Pacesetter ’963 in its invalidity contentions as part of the ITC Proceeding. *Id.* “Indeed, on July 22, 2020, Petitioners served an expert report of Dr. Paradiso in the ITC Investigation that addressed, *inter alia*, anticipation theories based on Cunningham and Pacesetter, as well as obviousness theories that purport to combine those two references with Swedlow.” *Id.* at 29 (footnote omitted). Thus, all of the prior art and prior art combinations at issue in this proceeding also are at issue in the ITC Proceeding.

Petitioner argues that “[t]he Board has repeatedly held that ITC investigations do ‘not render [an IPR] proceeding duplicative or amount to a waste of the Board’s resources.’” Reply 2 (citing *Samsung Elecs. Co. v. BitMicro, LLC*, IPR2018-01410, Paper 14, \*18 (PTAB Jan. 23, 2019); *3Shape*, Paper 12, \*34; *Wirtgen Am.*, Paper 10, \*7–10). Petitioner points out that the ITC uses a different evidentiary standard and burden. *Id.* at 5. In addition, this proceeding challenges claim 1–11, but the ITC Proceeding only involves claims 1–3. *Id.*

Patent Owner asserts that the inclusion of claims 4–11 in this proceeding should not weigh in favor of institution because independent claim 8 is highly similar to challenged claim 1. Prelim. Resp. 29. Patent Owner contends that Petitioner relies on the same analysis in this proceeding for its challenges to claims 1 and 8. *Id.*; *see also* Pet. 37–38 (citing, without further substantive elaboration, analysis from claim 1 for every element of claim 8). Further, claims 1–3 are the only claims asserted by Patent Owner in any of its pending cases and as such, the ITC validity determination would resolve any validity issues regarding any asserted claim. Prelim. Resp. at 29–30.

The ITC proceeding involves only claims 1–3 of the '228 Patent whereas Petitioner's challenges here involve claims 1–11 of the '228 Patent. Therefore, resolution of the ITC proceeding would not resolve the parties' dispute concerning patentability of claims 4–11 of the '228 Patent. Looking at the challenges before us, dependent claims 4–7 and 9–11 of the '228 Patent addresses limitations not present in the ITC proceeding. In particular, the claims are directed to monitoring and/or standby modes. *See* Ex. 1001, 4:1–14, 4:23–31; *see* Prelim. Resp. 29. These limitations are at issue in Petitioner's challenges before the Board, but are not at issue in the ITC proceeding. We note, however, that Petitioner's assertions regarding both independent claims appears to be squarely in front of the ALJ. Claim 1 is explicitly a part of the ITC proceeding and is challenged over the same art as in this proceeding and Petitioner's arguments regarding claim 8 are substantially identical to those for claim 1. Thus, despite the fact that claim 8 is not a part of the ITC Proceeding, Petitioner's assertions regarding claim 8 are substantially in front of the ALJ.

Although there is significant overlap between the prior art challenges asserted before the Board and the ITC proceeding, the challenge in the Petition is directed to some substantively different claims than those before the ITC, on balance, weighs slightly in favor of institution.

*E. Whether the Petitioner and the Defendant in the Parallel Proceeding Are the Same Party*

The parties in the ITC proceeding and this proceeding are the same. Prelim. Resp. 30. Petitioner does not dispute this fact. Reply 5. Petitioner argues, however, that the application of this factor is “questionable” because a party’s status as a defendant in another forum should not be sufficient to weigh against institution. *Id.* at 5–6. Petitioner has not provided sufficient explanation as to why this factor should not be weighed against it. On its face, *Fintiv* indicates that this is a factor that should be considered as part of this analysis. *See Fintiv*, Paper 11 at 6. Thus, this factor weighs against institution.

*F. Other Circumstances that Impact the Board’s Exercise of Discretion, Including the Merits*

We are persuaded that the merits of Petitioner’s asserted ground are strong and as such, this factor weighs in favor of Petitioner on the evidence presented thus far. For example, Petitioner notes that “the ’228 Patent’s foreign counterparts were invalidated in both [European Patent Office] and Japan using the same art presented here.” Reply 7 (citing Ex. 1016 (EPO with Pacesetter) and Ex. 1025 (Japan with Cunningham and Pacesetter)). We note that claims 1–11 rejected by the European Patent Office are substantively identical to claims 1–11 of the ’228 patent. *Compare* Ex. 1016, 44–45 *with* Ex. 1001, 3:16–4:31. According to Petitioner, Pacesetter ’963, which is before us and the ITC, is “nearly identically includes all of the

disclosure[s] of Ex. 1017<sup>8</sup>, including the disclosures cited by the [European Patent Office] as teaching the limitations of the [European] Application claims.” Pet. 42. Thus, Petitioner presents argument regarding claims 4–7 and 9–11 that are not at issue in the ITC proceeding and are substantially similar to arguments that were found to be meritorious by the European Patent Office. Pet. 34–38; Ex. 1016.

Patent Owner, however, disputes the strength of Petitioner’s case and asserts that Petitioner’s “lack of candor” and gamesmanship regarding its purportedly “inconsistent” claim construction positions should guide us to denying institution. Prelim. Resp. 30–31. Patent Owner points out that Petitioner asserted certain claims to be indefinite during the ITC Proceeding, but does not refer to those assertions in this proceeding. *Id.*

We are not persuaded that advocating different claim construction positions in the manner asserted here rises to the level of gamesmanship. In the ITC Proceeding, Petitioner was asserting that certain limitations were indefinite and such arguments are not permissible as part of this proceeding. The Federal Circuit has held “that the Board may not cancel claims for indefiniteness in an IPR proceeding.” *Samsung Elecs. Am., Inc. v. Prisia Eng'g Corp.*, 948 F.3d 1342, 1350 (Fed. Cir. 2020). Further, it is improper for petitioners in an *inter partes* review to seek indefiniteness rulings from this body. *Id.* In other contexts, the Board has been ordered to analyze the patentability of a claim even if that claim is indefinite. *Id.* at 1355. There may well be situations where a difference in claim construction positions

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<sup>8</sup> Exhibit 1017 is the Pacesetter reference, which is a European Patent Publication that claims priority to Pacesetter ’963.

risers to the level of gamesmanship, but we are not persuaded that this is the situation that is before us in this proceeding.

Accordingly, we find this factor weighs in favor of institution.

*G. Balancing the Fintiv Factors*

We have considered the circumstances and facts before us in view of the *Apple v. Fintiv* factors. Our analysis is fact driven and no single factor is determinative of whether we exercise our discretion to deny institution under § 314(a). Here, Factors 1, 2, and 5 weigh against institution and Factor 3 weighs somewhat against institution. In short, the ITC will evaluate Petitioner's assertions regarding the art cited in the Petition and the ITC will complete its proceeding before this matter will reach a Final Written Decision. The parties and the ITC have made significant investment in the ITC Proceeding with a half-million pages of discovery, 50 depositions, and 10,000 pages of invalidity contentions along with the ITC's claim construction and summary determinations. Factor 6 weighs in favor of institution, however, we are persuaded that in this case the benefits that may be gained from analyzing Petitioner's grounds in this forum are largely (but not completely) available to the public and Petitioner from the ITC's analysis of the cited art. Factor 4 weighs somewhat in favor of institution because the overlap between the asserted claims is not complete. However, all of the claims that have been asserted by Patent Owner in its patent infringement cases are part of the ITC proceeding so much (but not all) of the analysis and evaluation of the challenged claims may be gained from the analysis and evaluation done by the ITC. Thus, evaluating the *Apple v. Fintiv* factors with a holistic view of whether the efficiency and integrity of the system are best served by denying or instituting review, we determine that the specific facts

of this case weigh in favor of exercising discretion under § 314(a) to deny institution of *inter partes* review.

#### IV. CONCLUSION

After considering all the evidence and arguments presently before us, we determine that exercising our discretion under 35 U.S.C. § 314(a) to not institute trial is warranted. Accordingly, we do not institute an *inter partes* review.

#### VI. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that, pursuant to 35 U.S.C. § 314(a), the Petition is *denied*.

IPR2020-00754  
Patent 7,845,228 B1

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