UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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PARROT S.A. and PARROT, INC.,
Petitioner,

v.

DRONE TECHNOLOGIES, INC.,
Patent Owner.

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Case IPR2014-00730
Patent 7,584,071 B2

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Before HOWARD B. BLANKENSHIP, MATTHEW R. CLEMENTS, and
CHRISTOPHER M. KAISER, *Administrative Patent Judges.*

BLANKENSHIP, *Administrative Patent Judge.*

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

I. BACKGROUND

Parrot S.A. and Parrot, Inc. (collectively, "Petitioner") filed a petition

requesting an *inter partes* review of claims 1–15 of U.S. Patent No.

7,584,071 B2 (Ex. 1001, "the '071 patent") under 35 U.S.C. §§ 311–319.

Paper 1 ("Petition" or "Pet."). Patent Owner, Drone Technologies, Inc.,

filed a preliminary response as permitted by 37 C.F.R. § 42.107. Paper 7 ("Prelim. Resp."). We have jurisdiction under 35 U.S.C. § 314. Section 314 provides that 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 that follow, we institute an *inter partes* review of claims 1–15 of the '071 patent.

A. Related Proceedings

According to Petitioner, the '071 patent is involved in the following lawsuit: *Drone Technologies, Inc. v. Parrot S.A.*, No. 2:05-mc-02025 (W.D. Pa.). Pet. 4.

B. The '071 Patent

The '071 patent relates to a remote control system in which a remote control apparatus transmits a target motion signal to a remote-controlled motion apparatus. Ex. 1001, Abstract.

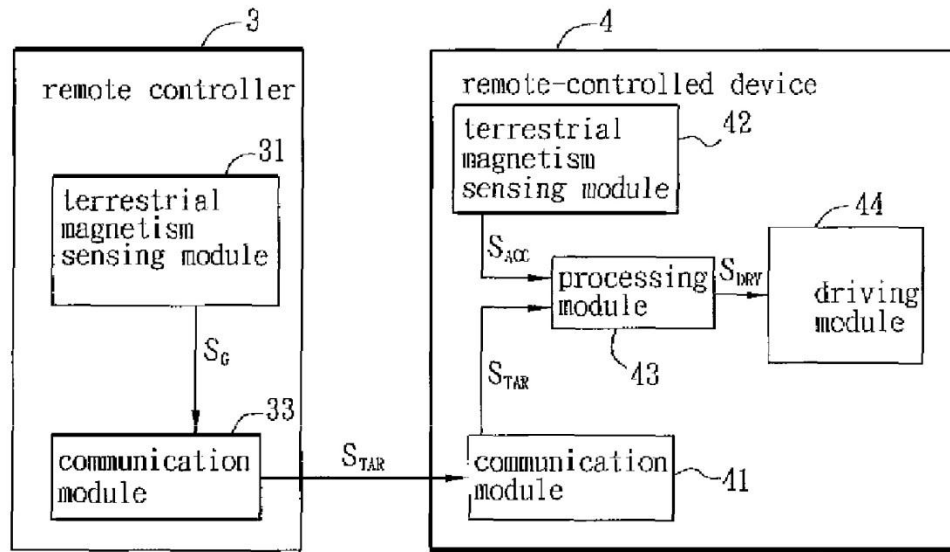Figure 2 of the '071 patent is reproduced below.

FIG. 2

Figure 2 is a system diagram of a remote control system. Ex. 1001, col. 3, ll. 13–14. Remote-controlled device 4 consists of communication module 41, terrestrial magnetism sensing module 42, processing module 43, and driving module 44. Communication module 41 receives target motion signal S_{TAR} from remote controller 3. *Id.* at col. 3, ll. 28–35. Remote controller 3 consists of terrestrial magnetism sensing module 31 and communication module 33. The terrestrial magnetism module detects the terrestrial magnetism of the remote controller and outputs terrestrial magnetism sensing signal S_G. Communication module 33 connects to terrestrial magnetism module 31 and transmits target motion signal S_{TAR} according to the terrestrial magnetism sensing signal. Target motion signal S_{TAR} is used to control remote-controlled device 4 to keep its detected terrestrial magnetism aligned with the target motion signal. *Id.* at col. 3, ll. 47–58.

C. Illustrative Claim

Claim 1, the sole independent claim, is illustrative and reproduced below.

1. A remote control system, comprising:

a remote controller, comprising:

a motion detecting module, which detects the remote controller's motion and outputs a motion detecting signal; and

a first communication module, which connects to the motion detecting module and receives the motion detecting signal, and transmits a target motion signal according to the motion detecting signal; and

a remote-controlled device, which is controlled by the remote controller, comprising:

a second communication module, which receives the target motion signal from the remote controller;

a terrestrial magnetism sensing module, which detects the remote-controlled device's terrestrial magnetism and outputs a terrestrial magnetism sensing signal;

a processing module, which has a first input connected to the terrestrial magnetism sensing module and receives the terrestrial magnetism sensing signal, and a second input connected to the second communication module and receives the target motion signal, and processes the terrestrial magnetism sensing signal and the target motion signal to output a driving control signal; and

a driving module, which connects to the processing module and receives the driving control signal, and adjusts the remote-controlled device's motion according to the driving control signal.

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D. Prior Art

Smith, III et al. ("Smith") (Ex. 1002)	US 5,043,646	Aug. 27, 1991
Potiron et al. ("Potiron") (Ex. 1004)[1]	FR 2 789 765 A1	Aug. 18, 2000
Barr (Ex. 1005)	US 7,219,861 B1	May 22, 2007
Fouche (Ex. 1006)	US 6,751,529 B1	June 15, 2004
Spirov et al. ("Spirov") (Ex. 1007)	US 2006/0144994 A1	July 6, 2006
Bathiche et al. ("Bathiche") (Ex. 1008)	US 7,145,551 B1	Dec. 5, 2006
Shkolnikov (Ex. 1009)	US 2004/0263479 A1	Dec. 30, 2004

E. Asserted Grounds of Unpatentability

Petitioner asserts the following grounds of unpatentability against claims 1–15:

Reference(s)	Basis (35 U.S.C.)	Claim(s)
Smith	§ 102(b)	1–5 and 10–14
Smith	§ 103(a)	2, 4, and 10
Smith and Barr	§ 103(a)	6 and 7

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[1] Exhibit 1004 is a certified translation of the French published patent application (Ex. 1003).

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