

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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HUAWEI DEVICE CO., LTD.,  
Petitioner,

v.

MAXELL, LTD.,  
Patent Owner.

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Case IPR2018-00233  
Patent 6,754,440 B2

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Before MINN CHUNG, TERRENCE W. McMILLIN, and  
JOHN A. HUDALLA, *Administrative Patent Judges*.

CHUNG, *Administrative Patent Judge*.

DECISION  
Granting Institution of *Inter Partes* Review  
35 U.S.C. § 314(a)

## I. INTRODUCTION

Huawei Device Co., Ltd. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting an *inter partes* review of claims 1–8 (the “challenged claims”) of U.S. Patent No. 6,754,440 B2 (Ex. 1001, “the ’440 patent”). Maxell, Ltd. (“Patent Owner”) filed a Preliminary Response (Paper 6, “Prelim. Resp.”).

Institution of an *inter partes* review is authorized by statute when “the information presented in the petition . . . and any response . . . 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.” 35 U.S.C. § 314(a); *see* 37 C.F.R. § 42.4. On April 24, 2018, the Supreme Court held that a final written decision under 35 U.S.C. § 318(a) must decide the patentability of all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018). Taking into account the arguments presented in Patent Owner’s Preliminary Response, we determine that the information presented in the Petition establishes that there is a reasonable likelihood that Petitioner would prevail in showing the unpatentability of all challenged claims. Accordingly, we institute an *inter partes* review of all challenged claims (claims 1–8) of the ’440 patent, based on all grounds raised in the Petition.

## II. BACKGROUND

### A. *Real Parties-in-Interest and Related Matters*

Petitioner identifies Huawei Technologies Co., Ltd., Huawei Device USA, Inc., Huawei Investment & Holding Co., Ltd., Huawei Device (Dongguan) Co., Ltd., Huawei Tech. Investment Co., Ltd., and Huawei

Device (Hong Kong) Co., Ltd., as additional real parties-in-interest for  
Petitioner. Pet. 3–4.

The parties indicate that the '440 patent is the subject of the following  
district court litigation: *Maxell, Ltd. v. Huawei Device USA Inc., et al.*, Case  
No. 5:16-cv-00178-RWS (E.D. Tex.). *Id.* at 4; Paper 5, 1.

### B. The '440 Patent

The '440 patent generally relates to recording and reproducing  
moving pictures and still pictures to and from a recording medium.  
Ex. 1001, 1:12–15. The '440 patent describes a digital camera that can  
record in either a moving picture photographing mode or a still picture  
photographing mode depending on a switch setting. *Id.* at 6:29–7:12.

Figure 3 of the '440 patent is reproduced below.

**FIG. 3**

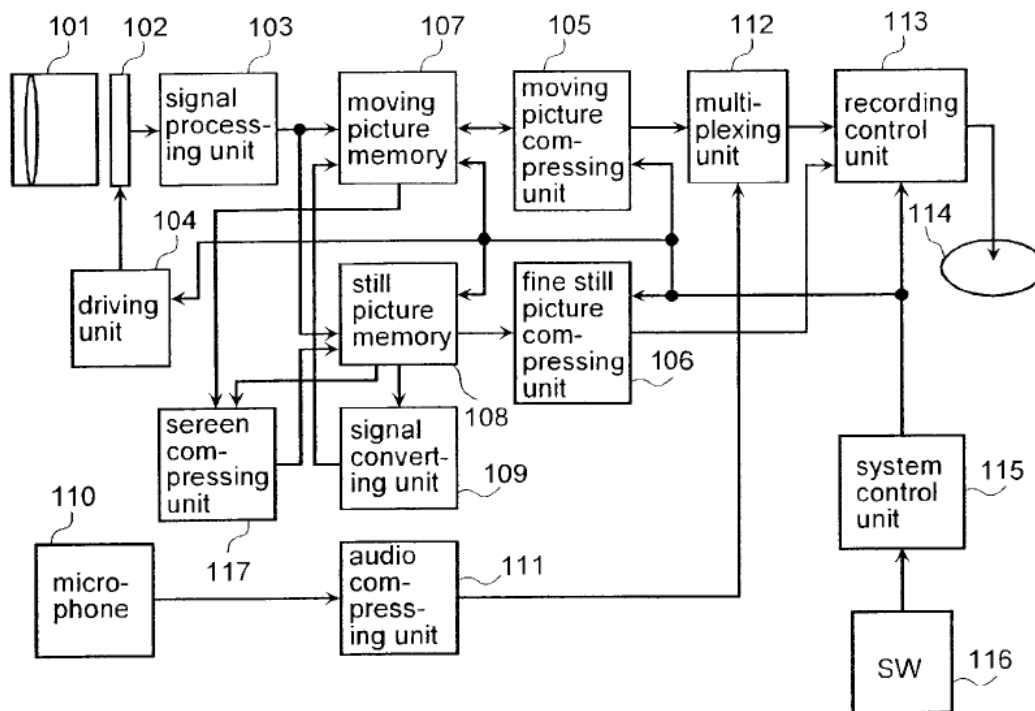


Figure 3 is a system block diagram of an exemplary video recording camera of the '440 patent. *Id.* at 8:34–36. As shown in Figure 3 above, the camera includes switch 116, which indicates the user selection of the recording mode between moving picture photographing and still picture photographing. *Id.* at 9:8–10.

When the moving picture photographing mode is selected (as indicated by switch 116), compressed moving streams are generated in moving picture compressing unit 105 and recorded on recording medium 114. *Id.* at 9:16–21. At the same time, pictures of a frame representing the moving picture being recorded (e.g., the picture of the start frame) are read from moving picture memory 107 and compressed by screen compressing unit 117 to produce thumbnail-sized (e.g., 160 pixels by 120 pixels) pictures. *Id.* at 9:21–29. When the recording of the moving picture is ended, fine still picture compressing unit 106 compresses the thumbnail pictures and records them as thumbnail file data on recording medium 114. *Id.* at 9:29–33.

When the still picture photographing mode is selected, still picture file data are generated in fine still picture compressing unit 106 and recorded on recording medium 114. *Id.* at 9:36–39. In addition, a thumbnail picture of the still picture is generated by screen compressing unit 117 and recorded on recording medium 114 as thumbnail file data. *Id.* at 9:43–53.

Moving pictures are compressed using a moving picture encoding standard, such as the MPEG (Moving Picture Expert Group) standard, whereas still pictures are typically compressed using the JPEG (Joint Photographic coding Experts Group) standard. *Id.* at 1:27–61, 8:45–51.

In the review mode (i.e., when reproducing the pictures from the recording medium), a list of thumbnail pictures on the recording medium is

displayed on a display device. *Id.* at 12:10–21. The user selects the desired picture for playback by selecting the corresponding thumbnail on the display screen, and the selected picture is displayed. *Id.* at 12: 21–50.

*C. Illustrative Claim*

All of the claims of the '440 patent are directed to a “video reproducing” method or apparatus. Claims 1, 3, 5, and 7 are the independent claims. Claim 1 is illustrative of the challenged claims and is reproduced below with added paragraph breaks and indentations for readability:

1. A video reproducing method, comprising:

reproducing, from a recording medium, at least moving pictures encoded by a first encoding method and first pictures having a smaller number of pixels than the moving pictures,

wherein the moving pictures, the first pictures, as well as still pictures encoded by a second encoding method, and second pictures corresponding to the still pictures and having a smaller number of pixels than the still pictures are recorded on the recording medium;

outputting a plurality of reproduced ones of the first pictures; and  
outputting a moving picture corresponding to any selected first picture.

Ex. 1001, 14:47–61.

*D. Asserted Prior Art and Grounds of Unpatentability*

Petitioner cites the following references in its challenges to patentability.

Reference and Relevant Date(s)	Designation	Exhibit No.
U.S. Patent No. 6,683,649 B1 (filed Dec. 31, 1998; issued Jan. 27, 2004)	Anderson I	Ex. 1003

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