

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TERREMARK NORTH AMERICA LLC, VERIZON BUSINESS
NETWORK SERVICES INC., VERIZON SERVICES CORP.,
TIME WARNER CABLE INC., ICONROL NETWORKS, INC. and
COXCOM, LLC,
Petitioner,

v.

JOAO CONTROL & MONITORING SYSTEMS, LLC,
Patent Owner.

Case IPR2015-01478
Patent 6,542,076 B1

Before HOWARD B. BLANKENSHIP, STACEY G. WHITE, and
JASON J. CHUNG, *Administrative Patent Judges*.

WHITE, *Administrative Patent Judge*.

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

I. INTRODUCTION

A. Background

Terremark North America LLC (“Terremark”); Verizon Communications, Inc.,¹ Verizon Services Corp., Time Warner Cable Inc. (“Time Warner”), iControl Networks, Inc., and CoxCom, LLC (collectively “Petitioner”) filed a Petition (Paper 1, “Pet.”) seeking to institute an *inter partes* review of claims 31, 40, 48, 143, 177, 183, 185, 188, 206, 216, and 217 of U.S. Patent No. 6,542,076 B1 (Ex. 1001, “the ’076 patent”) pursuant to 35 U.S.C. §§ 311–319. Joao Control & Monitoring Systems, LLC, (“Patent Owner”) filed a Preliminary Response. (Paper 9, “Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted “unless . . . there is a reasonable

¹ The Petition lists Verizon Communications, Inc. as a petitioning party (Pet. 2) and the caption of the Petition does not list Verizon Communications, Inc.; instead it lists Verizon Business Network Services Inc. as a petitioning party. Petitioner identifies “Verizon Communications Inc., Verizon Corporate Resources Group LLC and Verizon Data Services LLC as a real party-in-interest for the IPR requested by this Petition solely to the extent that Patent Owner contends that these separate legal entities should be named a real party-in-interest in the requested IPR.” Pet. 2. It is, however, Petitioner’s obligation to identify all real parties-in-interest. 35 U.S.C. § 312(a). As such, we take Petitioner’s statement as an admission that these entities are real parties-in-interest. Petitioner notes that Verizon Communications Inc. has more than 500 affiliated entities and states that “each of these entities agrees to be estopped under the provisions of 35 U.S.C. §§ 315 and/or 325 as a result of any final written decision in the requested IPR to the same extent that the Petitioners are estopped.” *Id.* On this record, we construe any mismatch between the named Verizon entities to be a typographical error.

likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”

Petitioner contends the challenged claims are unpatentable under 35 U.S.C. §§ 102 and 103 on the following specific grounds (Pet. 20–53):

Reference(s)	Basis	Claim(s) Challenged
Busak ²	§ 102 ³	31, 48, 143, 177, 183, 185, 188, 206, 216, and 217
Busak and French ⁴	§ 103	40

For reasons discussed below, we do not institute *inter partes* review of the ’076 patent.

B. Related Proceedings

Petitioner informs us that the ’076 patent is at issue in twenty-six lawsuits pending in courts around the country. Pet. 3–4. In addition, *ex*

² U.S. Patent No. 5,461,372, issued Oct. 24, 1995, filed Jan. 19, 1993 (“Busak”) (Ex. 1005).

³ Petitioner argues that the claims at issue are entitled to a priority date of no earlier than July 18, 1996. Pet. 16–20. Petitioner then argues Busak would be prior art under 35 U.S.C. § 102(b) and cites a February 4, 1992 issuance date. *Id.* at 20–21. Busak, however, issued October 24, 1995 and thus, on this record would be prior art under 35 U.S.C. § 102(a) if we were to agree with Petitioner’s arguments regarding the priority date of the challenged claims. We, however, decline to decide that issue because, on the current record, it appears that Busak’s January 19, 1993 filing date makes it available as prior art under 35 U.S.C. § 102(e). The other asserted prior art reference, French, qualifies as prior art under 35 U.S.C. § 102(b) under either date.

⁴ U.S. Patent No. 5,061,916, issued Oct. 29, 1991 (“French”) (Ex. 1006).

parte reexamination No. 90/013,302 was filed with respect to the '076 patent and is pending. *Id.* at 3.

C. Statutory Bar

Patent Owner asserts that the Petition must be denied as untimely. Prelim. Resp. 11–19. A statutory time bar regarding the institution of an *inter partes* review is set forth in 35 U.S.C. § 315(b), which provides as follows:

PATENT OWNER’S ACTION.—An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent. The time limitation set forth in the preceding sentence shall not apply to a request for joinder under subsection (c).

On June 23, 2014, two of the petitioning parties, Verizon Communications and Time Warner, were served with complaints alleging infringement of the '076 patent. Prelim. Resp. 12; Ex. 2001 ¶¶ 2, 4. By stipulation of the parties, Terremark, another of the petitioning parties, was substituted in place of Verizon Communications. Ex. 2001 ¶ 3, Ex. 2004. Thus, under the statute, Petitioner must have filed its Petition by June 23, 2015. The filing date accorded to the Petition is June 23, 2015. Notice of Filing Date Accorded (Paper 3).

Patent Owner alleges that this filing date is improper because Petitioner did not effect service until June 24, 2015. Prelim. Resp. 13. In support of this assertion, Patent Owner provides a printout of tracking information that shows acceptance of the package containing the service copy of the Petition by Federal Express on June 24, 2015. Ex. 2007. In

addition, Patent Owner argues that that Petitioner's electronic transmission of the Petition and supporting documents did not constitute proper service. Prelim. Resp. 16–18. According to Patent Owner, Petitioner “[sent an email] to Patent Owner’s litigation counsel at 11:55 pm on June 23, 2015” and this email contained links to an electronic file share site which had links to the Petition and supporting evidence. *Id.* at 16; Ex. 2009. Patent Owner argues that there is no evidence that the Petition and supporting evidence actually were available June 23, 2015. Prelim. Resp. 16–17. Patent Owner also asserts that its litigation counsel was not representing Patent Owner in any matters before the USPTO and that it had not consented to email service. *Id.*

Patent Owner cites 35 U.S.C. § 312(a) that states “[a] petition filed under section 311 may be considered only if— . . . (5) the petitioner provides copies of any of the documents required under paragraphs (2), (3), and (4) to the patent owner or, if applicable, the designated representative of the patent owner.” *See* Prelim. Resp. 15. The statute, however, does not require that the documents be served on the Patent Owner, nor does it specify when the Patent Owner must receive these documents. The statute, instead, requires that the Petitioner “provide[]” copies to the Patent Owner. Patent Owner was provided with, and did receive, copies of the documents in question. We, therefore, decline to deny this Petition for failure to meet the requirements of 35 U.S.C. § 312.

In addition, the facts of this case are similar to *Micron Tech., Inc. v. e.Digital Corp.*, Case IPR2015-00519 (PTAB Mar. 24, 2015) (Paper 14), in which the Board addressed a Motion to Deny a Petition a Filing Date based on Improper Service. The petitioner in *Micron* filed timely the petition, and

paid timely the filing fee. In addition, in *Micron*, the petitioner served a copy of the petition and supporting documents on the patent owner's litigation counsel via email before expiration of the statutory bar date. The petitioner in *Micron* failed to timely serve the patent owner at the correspondence address of record. The Board, however, denied the patent owner's motion because the patent owner, through its litigation counsel, received the petition prior to the one year statutory bar date. *Micron*, slip op. at 4–6.

Patent Owner also relies on 37 C.F.R. § 42.106, which states “[a] petition to institute *inter partes* review will not be accorded a filing date until the petition satisfies [the requirement of] . . . (2) [e]ffect[ing] service of the petition on the correspondence address of record as provided in § 42.105(a).” We agree that mailing via FedEx the day after filing the Petition failed to comply with 37 C.F.R. § 42.105(a). In addition, the purported email service, on this record, also does not appear to have been proper. The error appears harmless, however, because Patent Owner received the Petition no later than the morning of June 25, 2015 when the FedEx package was delivered. In addition, Patent Owner does not assert that it was unable to access the documents submitted via email. Patent Owner timely responded to the Petition and thus, we see no prejudice to Patent Owner from Petitioner's service miscues. In this instance, we, therefore, decline to change the filing date accorded. *See* 37 C.F.R. § 42.5(b). Petitioner, however, must follow the rules on service, such as 37 C.F.R. § 42.6(e), going forward. Thus, we decline to deny the Petition for failure to meet the requirements of 35 U.S.C. § 315(b).

D. The '076 Patent

The '076 patent discusses a control, monitoring, and/or security apparatus and method for vehicles or premises. Ex. 1001, 1:25–32. The apparatus described in the '076 patent allows an owner, occupant, or other authorized individual to control or to perform various monitoring and security tasks in regards to a premises from a remote location and at any time. *Id.* at 3:5–11.

An embodiment of the apparatus of the '076 patent includes a transmitter system which is “a remote system, which may or may not be physically connected to the remainder of the apparatus. Further, the transmitter system is not located in the [vehicle or premises] . . . , but rather, is located external from, and/or separate and apart from, the vehicle.” *Id.* at 3:50–56. The apparatus also includes a CPU that is connected electrically and/or linked to one or more vehicle equipment systems (e.g., vehicle ignition or anti-theft systems), which are located externally from the apparatus. *Id.* at 4:35–37; 4:61–5:14. The vehicle equipment systems may be activated, de-activated, reset, or controlled by the apparatus. *Id.* at 5:15–18. This activation or control may be achieved by a user entering a code on the transceiver of the transmitter system. *Id.* at 6:30–36. The code is transmitted to the CPU and then the CPU communicates with the appropriate vehicle equipment system. *Id.* at 7:16–21.

E. Illustrative Claim

As noted above, Petitioner challenges claims 31, 40, 48, 143, 177, 183, 185, 188, 206, 216, and 217 of the '076 patent, of which claims 31,

143, and 206 are independent. Claim 31 is illustrative of the challenged claims and is reproduced below:

31. A control apparatus, comprising:

a first control device, wherein the first control device at least one of generates a first signal and transmits a first signal for at least one of activating, de-activating, disabling, and re-enabling, at least one of a premises system, a premises equipment system, a premises component, a premises device, a premises equipment, and a premises appliance, of a premises, wherein the first control device is located at the premises,

wherein the first control device at least one of generates the first signal and transmits the first signal in response to a second signal, wherein the second signal is at least one of generated by a second control device and transmitted from a second control device, wherein the second control device is located at a location which is remote from the premises, wherein the second signal is transmitted from the second control device to the first control device, wherein the second signal is automatically received by the first control device, and further wherein the second control device at least one of generates the second signal and transmits the second signal in response to a third signal, wherein the third signal is at least one of generated by a third control device and transmitted from a third control device,

wherein the third control device is located at a location which is remote from the premises and remote from the second control device, wherein the third signal is transmitted from the third control device to the second control device, and further wherein the third signal is automatically received by the second control device.

II. CLAIM CONSTRUCTION

As acknowledged by the parties, the '076 patent has expired. *See* Pet. 12; Prelim. Resp. 6. We construe expired patent claims according to the

standard applied by the district courts. *See In re Rambus*, 694 F.3d 42, 46 (Fed. Cir. 2012). Specifically, we apply the principles set forth in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). “In determining the meaning of the disputed claim limitation, we look principally to the intrinsic evidence of record, examining the claim language itself, the written description, and the prosecution history, if in evidence.” *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 469 F.3d 1005, 1014 (Fed. Cir. 2006) (citing *Phillips*, 415 F.3d at 1312–17). A patentee may act as a lexicographer by giving a term a particular meaning in the specification with “reasonable clarity, deliberateness, and precision.” *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994).

Petitioner asserts that “[t]he terms of the challenged claims have a well-understood meaning” and such, Petitioner does not seek an explicit construction for any term. Pet. 12. Petitioner does present arguments regarding the construction of several terms in an effort to preempt Patent Owner’s potential arguments regarding these terms. *Id.* at 12–16. Patent Owner provides argument for several of these terms; however, we are not persuaded that express construction of these terms is necessary in order to resolve the disputes currently before us. *See* Prelim. Resp. 26–27. Thus, we discern no need to provide express constructions for these terms at this time. *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (“[O]nly those terms need be construed that are in controversy, and only to the extent necessary to resolve the controversy.”).

Patent Owner, however, also argues that the terms “premises,” “remote,” and “located at” are defined expressly in the prosecution history of at least two related applications. Prelim. Resp. 23–24. Petitioner does not

provide explicit arguments regarding these terms. Patent Owner seeks to rely upon statements made in the Preliminary Remarks filed by Applicant on November 26, 2006, during prosecution of the patent application that issued as U.S. Patent No. 7,277,010 (“the ’010 patent”) (Ex. 2011) and in the First Remarks filed on November 23, 2007, during prosecution of the patent application that issued as U.S. Patent No. 7,397,363 (“the ’363 patent”) (Ex. 2012). Prelim. Resp. 23. These statements were made several years after the issuance of the ’076 patent. *See* Ex. 1001 at (45) (April 1, 2003 issuance date). The ’076 patent and the ’010 and ’363 patents all descend from U.S. Patent Application Nos. 08/587,628, 08/622,749, 08/489,238, and 08/073,755. *See* Ex. 1001 at (63)⁵; Prelim. Resp. 23.

As the Federal Circuit has noted, “[a] statement made during prosecution of related patents may be properly considered in construing a term common to those patents, regardless of whether the statement pre- or post-dates the issuance of the particular patent at issue.” *Teva Pharm. USA, Inc. v. Sandoz, Inc.*, 789 F.3d 1335, 1343 (Fed. Cir. 2015) (citing *Microsoft Corp. v. Multi-Tech Sys., Inc.*, 357 F.3d 1340, 1350 (Fed. Cir. 2004)). Explicit definitions for these terms were provided in the related applications. *See* Ex. 2011, 3–5; Ex. 2012, 8, 10. We have reviewed the definitions stated in those related applications and we find them to be reasonable and instructive to understanding the proper scope of these claims terms. *See In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994). Thus, we adopt the following constructions for the purposes of this decision.

⁵ We note that this portion of the ’076 patent has been modified by a Certificate of Correction, which may be found on page 95 of the Exhibit.

Term	Citations	Construction
Remote	Ex. 2011, 3 Ex. 2012, 10	“‘Remote’ means ‘separate and apart from, or external from, or at a distance from or distant from, or not located in.’”
Premises	Ex. 2011, 4 Ex. 2012, 8–9	“‘Premises’ means ‘a building or a structure and the grounds or parcel of land associated with the building or the structure, or a building or structure or a portion, room, or office, of or in the building or structure, or a home, mobile home, mobile building, mobile structure, residence, residential building, office, commercial building, commercial office, structure, equipment, facility, machine, rig, assembly line, or edifice.’”
Located at	Ex. 2011, 5 Ex. 2012, 8	“‘Located at’ means ‘situated at, or situated in, or situated on.’”

III. ANALYSIS

We turn to Petitioner’s asserted grounds of unpatentability to determine whether Petitioner has met the threshold of 35 U.S.C. § 314(a).

A. Asserted Anticipation over Busak (Ex. 1005)

1. Overview of Busak

Busak is a U.S. Patent titled “System and Method for Modifying Security in a Security System.” Ex. 1005 at [54]. Busak describes a security system that can be accessed by a user from within the space to be controlled, or remotely through the use of a telecommunications interface. *Id.* at 1:18–20. An embodiment of Busak is depicted in Figure 1, which is reproduced below.

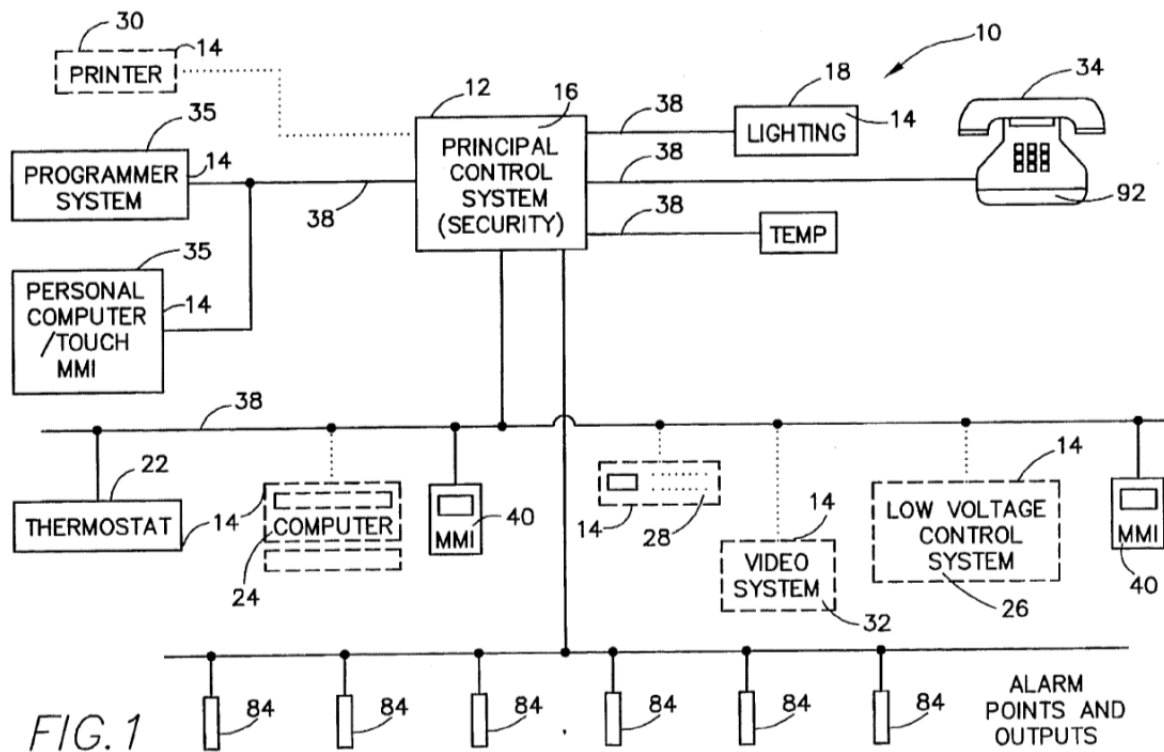


Figure 1, reproduced above, depicts an embodiment of Busak’s automation system. *Id.* at 2:54–59. As described in Busak’s specification, “automation system 10 would be particularly suitable for automatically controlling a building, such as a small commercial building, a home, or a similar building.” *Id.* at 3:19–21. Automation system 10 includes principal control system 12, which is security system 16. *Id.* at 3:21–26. The principal control system is “electrically connected to a plurality of control systems 14, including lighting system 18.” *Id.* at 3:26–27. Lighting system 18 is a commercially available system that may be used to control lights or other electrical devices and it may be connected to the security system. *Id.* at 5:29–40. The automation system also includes telecommunications device 34, which may be a touch tone telephone. *Id.* at 5:52–53.

2. Analysis of Asserted Ground of Anticipation by Busak

Petitioner asserts that claims 31, 48, 143, 177, 183, 185, 188, 206, 216, and 217 of the '076 Patent are unpatentable under 35 U.S.C. § 102 as anticipated by Busak. Pet. 20–46. Petitioner relies on claim charts showing how this reference allegedly discloses the claimed subject matter. *Id.*

Petitioner further relies on a declaration from Richard Bennett. Ex. 1002.

Each of the challenged independent claims (31, 143, and 206) recites a first, second, and third control device. In claims 31 and 143, the “first control device is located at the premises.” *Id.* at 114:1–2; 132:45–46. Similarly, in claim 206, the “third control device is located at the premises.” *Id.* at 141:60–61. All three independent claims recite that “the second control device is located at a location which is remote from the premises.” *Id.* at 114:7–9; 132:51–53; 141:62–63. In addition, claims 31 and 143 recite that “the third control device is located at a location which is remote from the premises and remote from the second control device.” *Id.* at 114:18–20; 132:61–64. Similarly, claim 206 recites that the “first control device is located at a location remote from the second control device and remote from a premises.” *Id.* at 141:48–50. Thus, all of the independent claims require three control devices, one of which is located on the premises and two other control devices that are located at two other places that are remote from the premises.

Petitioner argues that Busak discloses these control devices⁶ through its discussion and depiction of lighting system 18 with a control system 14

⁶ Petitioner argues that the first control device of claim 206 correlates to the third control device of claim 31; that the second control device of claim 206 correlates to the second control device of claim 31; and that the third control

therein and control points 84 (first control devices), principal control system 16 (second control device), and telecommunications device 34 (third control device). Pet. 24. Petitioner asserts that Busak discloses that the “second control device is located remote from the premises” (*id.* at 26) because Busak’s specification states that “control system 14 could be remote from security system 16. . .” and that control points 84 are on the premises and may be connected to security system 16 via hardwire 88 or RF connections 86. *Id.* at 27 (citing Ex. 1005, 3:35–39, Fig. 2, Ex. 1002 ¶¶ 30–31).

We are not persuaded that these disclosures are sufficient to anticipate the challenged claims. “[U]nless a reference discloses within the four corners of the document not only all of the limitations claimed but also all of the limitations arranged or combined in the same way as recited in the claim, it cannot be said to prove prior invention of the thing claimed and, thus, cannot anticipate under 35 U.S.C. § 102.” *Net MoneyIn, Inc. v. VeriSign, Inc.*, 545 F.3d 1359, 1371 (Fed. Cir. 2008). Busak describes a preferred embodiment in which a control system 14 could be at a location remote from that of security system/principal control system 16. Ex. 1005, 3:35–37.

device of claim 206 correlates to the first control device of claim 31. Pet. 40 n.7. Petitioner relies on the same disclosures in Busak for each of the corresponding devices in claims 31 and 206. *Compare* Pet. 22–23 and Pet. 40–42. This is also true for Petitioner’s arguments regarding claim 143, which recites a first, second, and third control device in language similar to that used in claim 31. *See id.* at 32–34 (providing citations to Busak nearly identical to those cited in support of its arguments regarding claim 31). Thus, our analysis of Busak’s disclosures applies to each of the independent claims. For convenience, unless otherwise indicated, we shall use the terms first, second, and third control device to refer to the control devices as described in claim 31.

Busak, however, also discloses that there may be “[a] plurality of control systems 14” and that these systems “as well as any number of other systems . . . might be located in or near the building, and including systems which could be remote from the building.” *Id.* at 3:26–35. We are not persuaded that Busak’s principal control system is “separate and apart from, or external from, or at a distance from or distant from, or not located in” (i.e., remote from) (*see* § II (claim construction)) the premises because the cited portions of the reference do not describe the principal control system as being apart from the premises. Also, we are not persuaded that the ability to connect control systems 14 and principal control system 16 via an RF connection discloses that principal control system 16 is remote from the premises because an RF connection could be used to connect devices that are located in the same premises. Busak, instead, merely describes that “system 14 could be remote from security system 16. . .” and that control points 84 are on the premises and may be connected to security system 16 via hardwire 88 or RF connections 86. Ex. 1005, 3:35–39, Fig. 2. Thus, we are not persuaded that Busak discloses that control system 16 “is located remote from the premises.”

Based on the foregoing, we determine that as to claims 31, 143, and 206, Petitioner has not met the threshold of 35 U.S.C § 314(a). Petitioner has not provided sufficient evidence to show that Busak discloses that the claimed “second control device is located remote from the premises.” For similar reasons, we also determine that Petitioner has not met the threshold of 35 U.S.C § 314(a) for dependent claims 48, 177, 183, 185, 188, 216, and 217.

B. Analysis of Asserted Ground of Obviousness over Busak and French

Petitioner asserts that claim 40 of the '076 patent is unpatentable under 35 U.S.C. § 103 as obvious over Busak and French. Pet. 46–52. Petitioner relies on claim charts showing how this reference allegedly discloses the claimed subject matter. *Id.* Petitioner further relies on a declaration from Richard Bennett. Ex. 1002. Claim 40 depends from claim 31. Petitioner does not assert that French cures the above-noted deficiency found in claim 31. Nor does Petitioner provide additional argument that the limitations of claim 31 would have been obvious over the disclosures of Busak. Thus, for reasons described above we are not persuaded that Petitioner has met the threshold of 35 U.S.C. § 314(a) and we deny institution of review of claim 40 over Busak and French.

IV. CONCLUSION

For the foregoing reasons, we determine Petitioner has not demonstrated there is a reasonable likelihood it would prevail in establishing the unpatentability of claims 31, 40, 48, 143, 177, 183, 185, 188, 206, 216, and 217 of the '076 patent.

V. ORDER

For the reasons given, it is

ORDERED that the Petition is denied as to all challenged claims and no trial is instituted.

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