

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMAZON.COM, INC.,
Petitioner,

v.

M2M SOLUTIONS LLC,
Patent Owner.

Case IPR2017-01895
Patent 8,577,358 B2

Before KARL D. EASTHOM, DAVID C. McKONE, and
STACY B. MARGOLIES, *Administrative Patent Judges*.

MARGOLIES, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

M2M Solutions LLC (“Patent Owner”) filed a Request for Rehearing (Paper 10, “Rehearing Request” or “Reh’g Req.”) of the Decision granting institution of *inter partes* review dated February 8, 2018 (Paper 8, “Institution Decision” or “Inst. Dec.”). Patent Owner requests reconsideration of the decision to institute *inter partes* review of claims 1–30 of U.S. Patent No. 8,577,358 B2 (Ex. 1002, “the ’358 patent”). For the reasons discussed below, Patent Owner’s request is denied.

II. STANDARD OF REVIEW

The party challenging a decision in a request for rehearing bears the burden of showing the decision should be modified. 37 C.F.R. § 42.71(d). A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed.” *Id.* Upon a request for rehearing, the decision on a petition will be reviewed for an abuse of discretion. 37 C.F.R. § 42.71(c).

III. DISCUSSION

Patent Owner raises three arguments in its Request for Rehearing. First, Patent Owner maintains that we misapprehended or overlooked Patent Owner’s arguments demonstrating that essential structures recited in the preambles of claims 1 and 20 are limiting. Reh’g Req. 1, 3–11. Second, Patent Owner argues that we misapprehended or overlooked the need to provide an explicit construction for the claim terms “operational status information” and “consumer usage information.” *Id.* at 12–14. Third, Patent Owner argues that we misapprehended the Petition in finding that Amazon.com, Inc. (“Petitioner”) asserts that Saylor discloses that a mobile

device communicates indirectly with the central security server. *Id.* at 14–15. We address each argument below.

A. Preambles of claims 1 and 20

Patent Owner argues that we overlooked its arguments that independent claims 1 and 20 recite “detailed structure for the claimed ‘plurality of consumer device assets’ and its ‘stored’ ‘data content for display,’ which then appear in the body of the claims several times, *relying upon and deriving antecedent basis* from the preamble for these essential structures.” Reh’g Req. 3 (bold emphasis omitted). Patent Owner points to its citation of language in the body of claims 1 and 20 directed to “*the* plurality of consumer device assets” and “*the* stored data content files.” *Id.* at 4 (citing Prelim. Resp. 7). Patent Owner argues that it “demonstrated that both the claimed consumer device assets *and* the stored data content files rely on the preamble for *direct antecedent basis*.” *Id.* at 5 (bold emphasis omitted). Patent Owner also argues that it “showed that the remaining limitations of the preamble recite *essential structure* of the consumer device assets and the stored data content files necessary to achieve the claimed limitations,” including the nonvolatile memory and display apparatus. *Id.* (citing Prelim. Resp. 7–8).

Patent Owner has not shown that we overlooked its arguments regarding the preambles of claims 1 and 20. In its Preliminary Response, Patent Owner relied on the recitation of “*the* plurality of consumer device assets” and “*the* stored data content files” in the body of claims 1 and 20 for why the preambles are limiting. Prelim. Resp. 7. Patent Owner quoted the language “monitoring and managing the plurality of consumer device assets” of claim 1 and the language “monitoring and managing the first and second

pluralities of consumer device assets” of claim 20. *Id.* (citing Ex. 1002, 25:27–28, 27:39–41). Patent Owner also cited to multiple instances of the phrase “the plurality of consumer device assets” and to an instance of the phrase “the stored data content files” in the body of claims 1 and 20. *Id.* (citing Ex. 1002, 25:28–33, 25:39, 25:44, 25:47–50, 27:41–46, 27:57–58, 27:63–64, 27:66–28:3). Patent Owner also stated that dependent claims 3–16, 19, and 21–30 “all recite ‘plurality of consumer device assets.’” *Id.*

As we stated in our Institution Decision, Patent Owner did not address the “nonvolatile memory” or “display apparatus” recited in the preamble for why the entire preamble is limiting. *See* Inst. Dec. 17. Patent Owner did not point to any language in the body of claims 1 and 20, or the dependent claims, reciting or relying upon the structure of the nonvolatile memory or the display apparatus. *See* Prelim. Resp. 6–8. Nor did Patent Owner provide any explanation of how the nonvolatile memory and display apparatus recited in the preamble are essential structures. *See id.* In its Rehearing Request, Patent Owner argues that it “showed” that the remaining limitations of the preamble, including the nonvolatile memory and display apparatus, recite essential structure. Reh’g Req. 5 (citing Prelim. Resp. 7–8). Patent Owner made no such showing in its Preliminary Response. Patent Owner did not explain how the nonvolatile memory and display apparatus are essential structures, and merely made a conclusory statement that “the essential structure recited in the preambles of independent claims 1 and 20 (including the plurality of consumer device assets, each having . . . nonvolatile memory for storing files of data content . . . and a display apparatus . . .)” are “limitations on scope of the claimed invention.” Prelim. Resp. 7–8.

Patent Owner also argues that, “[i]n similar circumstances, the Federal Circuit has routinely found that essential structure recited in a preamble was limiting for claim terms having antecedent basis in the preamble.” Reh’g Req. 5; *see also id.* at 5–9 (discussing cases). Patent Owner will have an opportunity to make these arguments—which it did not make in its Preliminary Response—in its Response. We note that Patent Owner has not pointed to evidence in the specification or prosecution history of the ’358 patent in support of its argument that the entire phrase in the preamble—including the recitation of a nonvolatile memory and a display apparatus—is limiting to the *method* recited in claims 1 and 20. *See Applied Materials, Inc. v. Advanced Semiconductor Materials Am., Inc.*, 98 F.3d 1563, 1572–73 (Fed. Cir. 1996) (stating that whether the preamble constitutes a limitation “is determined on the facts of each case in light of the overall form of the claim, and the invention as described in the specification, and illuminated in the prosecution history”).

B. Construction of “consumer usage information” and “operational status information”

Patent Owner also argues that we overlooked or misapprehended the parties’ claim construction disputes regarding the claim terms “consumer usage information” and “operational status information.” Reh’g Req. 12–14. Patent Owner asserts that an explicit construction of these terms was necessary in applying the asserted art. *Id.* at 12–14.

Patent Owner has not shown that we overlooked or misapprehended either the parties’ claim construction disputes or a purported need to explicitly construe “consumer usage information” and “operational status information.” As Patent Owner acknowledges (*id.* at 13), in the Institution

Decision, we stated that “Patent Owner also does not show persuasively on the current record why the phrase ‘consumer usage information’ is limited to information about the use of the particular consumer device asset that sends the information to the remote computer server platform.” Inst. Dec. 18. We also stated that “Petitioner shows sufficiently for institution purposes that Saylor discloses that use of a motion sensor is communicated from a control panel to the central security server.” *Id.* (citing Paper 2 (“Petition” or “Pet.”), 31–32; Ex. 1010, 5:22–38, 15:43–53). We thus addressed the scope of the claim term necessary for determining whether to institute. We determined that on the preliminary record Petitioner made a sufficient showing of unpatentability and that Patent Owner’s distinction over the prior art—based on a narrow reading of the phrase “consumer usage information”—was not persuasive on the preliminary record. Patent Owner proposed that the phrase means “information identifying the manner in which a consumer has used a consumer device asset.” Prelim. Resp. 14–15. Claims 1 and 20 of the ’358 patent, however, do not recite that the consumer usage information is information identifying the use *of the claimed consumer device asset(s)*. Patent Owner did not show on the preliminary record how the ’358 patent limits the scope of the phrase such that a consumer’s (such as a homeowner’s) use of a motion sensor as disclosed in Saylor does not fall within the claim.

In its Preliminary Response, Patent Owner argued a similar distinction over the prior art for the phrase “operational status information.” Prelim. Resp. 32–36. Patent Owner proposed that the phrase means “information on the operational condition or state of the consumer device assets.” Prelim. Resp. 18. Patent Owner argued that the Petition relies on Saylor’s disclosure

of the operational status of sensor devices, not the operational status of the claimed consumer device asset(s). *Id.* at 32–33. Claims 1 and 20, however, do not recite that the operational status information is information on the operational state *of the claimed consumer device asset(s)*. Petitioner asserts that operational status information includes whether the sensors are on or off or whether an alarm situation has been identified. Pet. 30–32 (citing, e.g., Ex. 1010, 5:26–31, 11:59–61, 12:8–13). The preliminary record did not reveal how the ’358 patent limits the scope of the phrase such that operational status information of sensors as disclosed in Saylor does not fall within the claim. As we stated in our Institution Decision, Petitioner made a sufficient showing that Saylor discloses receiving at the central security server communications containing operational status information. Inst. Dec. 16 (citing Pet. 30–32). In determining that Petitioner made a sufficient showing, we did not overlook or misapprehend Patent Owner’s alleged distinction over the prior art or a need for an explicit construction.

C. Assertion that Saylor Discloses a Mobile Device Communicating Indirectly with the Central Security Server

Patent Owner also argues that we “misapprehend[ed] the Petition” in finding that Petitioner contends that Saylor discloses a mobile phone with a built-in panic button that communicates with a control panel, which in turn communicates with a central security server via packet switched data messages. Reh’g Req. 14–15. We disagree.

Petitioner relies on Saylor’s disclosure of a mobile phone with a built-in panic button as an example of a claimed “consumer device asset.” Pet. 27 (citing Ex. 1010, 5:8–13). Petitioner also asserts that Saylor discloses that alarm situations include a user pressing a panic button on a mobile phone

and that “the server may be monitoring both the user’s home security control panel *and mobile phone when the control panel sends ‘alarm information’ to the server.*” *Id.* (citing Ex. 1010, 5:8–16, 6:35–40, 9:13–16) (emphasis added). Petitioner thus contends that Saylor discloses *a control panel* sending alarm information based on a user pressing a panic button on a mobile phone.

Petitioner also relies on Saylor’s disclosure of communications from the central security server to a control panel associated with a mobile phone. Petitioner relies on the following annotated version of Figure 1 of Saylor:

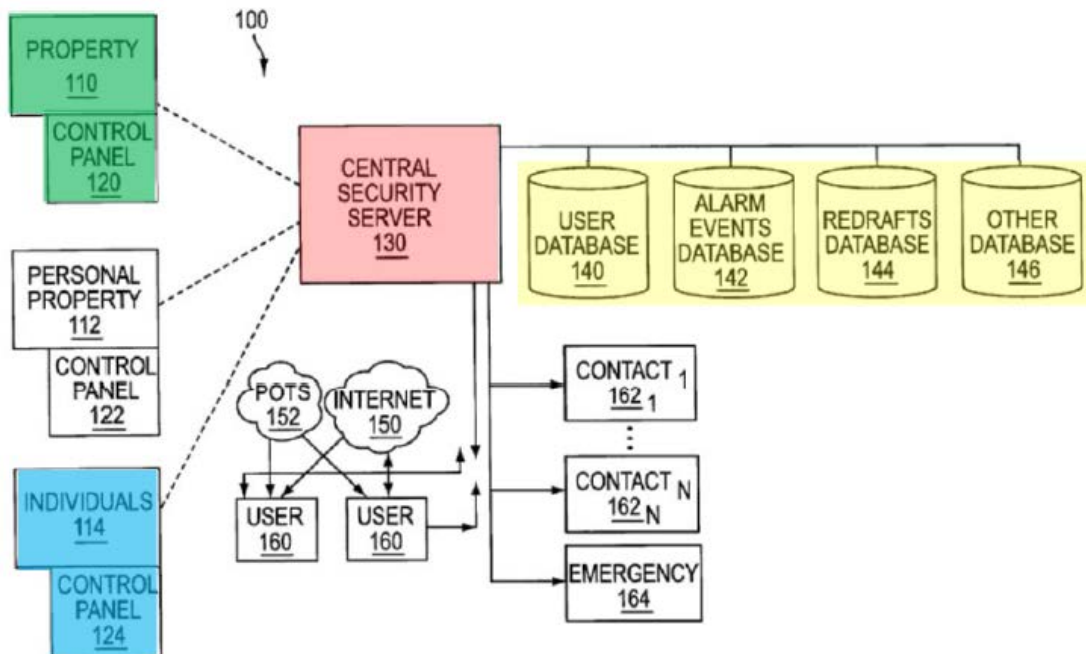


FIG. 1

Pet. 37. Petitioner’s annotated Figure 1 above shows central security server 130 highlighted in red, control panel 120 and associated property security device(s) 110 highlighted in green, and control panel 124 and associated individual security device(s) 114 highlighted in blue. *Id.*; Ex. 1010, 4:18–29. Petitioner relies on a scenario in which control panel 120 communicates

an alarm situation to the central security server and the central security server sends a message back to control panel 124, which communicates with a mobile phone with a panic button (one example of individual security device 114). Pet. 36–38 (citing, e.g., Ex. 1010, 5:39–49, 15:43–56).

Petitioner thus relies on disclosures in Saylor in which a control panel is an intermediary between a mobile phone and a central security server. *See, e.g.*, Ex. 1010, 5:34–38 (disclosing that control panels may serve as a link between an alarm system and a central security network); Pet. 24–25 (citing, e.g., Ex. 1010, 5:32–49). We therefore did not misapprehend Petitioner’s contentions regarding Saylor’s disclosures of a mobile phone communicating with a control panel, which in turn communicates with a central security server.

IV. CONCLUSION

Because Patent Owner fails to show that we misapprehended or overlooked a matter, or abused our discretion, we conclude that Patent Owner is not entitled to the relief it seeks.

V. ORDER

Accordingly, it is ORDERED that Patent Owner’s request for rehearing is *denied*.

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