

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

R.J. REYNOLDS VAPOR COMPANY,
Petitioner,

v.

HEALTHIER CHOICES MANAGEMENT CORP.,
Patent Owner.

IPR2024-01458
Patent 9,538,788 B2

Before JO-ANNE M. KOKOSKI, JEFFREY W. ABRAHAM, and
JULIA HEANEY, *Administrative Patent Judges*.

HEANEY, *Administrative Patent Judge*.

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

I. INTRODUCTION

R.J. Reynolds Vapor Company (“Petitioner”) filed a Petition to institute an *inter partes* review of claims 1, 7, 8, and 11 of U.S. Patent No. 9,538,788 B2 (Ex. 1001, “the ’788 patent”). Paper 1 (“Petition” or “Pet.”). Healthier Choices Management Corp. (“Patent Owner”) did not file a Preliminary Response.

Institution of an *inter partes* review is authorized by statute when “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.” 35 U.S.C. § 314(a). Upon consideration of the Petition in view of the record at this stage, we determine that Petitioner has established a reasonable likelihood that it would prevail in showing the unpatentability of at least one claim challenged in the Petition. Accordingly, we grant institution of an *inter partes* review of all claims and all grounds asserted in the Petition.¹

A. *Related Proceedings*

The parties identify the following litigation involving the ’788 patent: *Healthier Choices Management Corp. v. R.J. Reynolds Vapor Company*, Civil Action No. 1:23-cv-00813 (M.D.N.C.), filed Sept. 26, 2023. Pet. 68; Paper 5, 1.

¹ *Guidance on the Impact of SAS on AIA Trial Proceedings* (Apr. 26, 2018), <https://www.uspto.gov/patents-application-process/patent-trial-and-appeal-board/trials/guidance-impact-sas-aia-trial>; *see also SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018).

B. The '788 patent

The '788 patent describes an electronic cigarette that includes a casing having two chambers, a battery and fluid located inside the casing, a sealing element, a tube element, and a fiber element that transfers fluid to a heating assembly. Ex. 1001, codes (54), (57).

The '788 patent explains that some cigarette substitutes contain disadvantages, including an inability to achieve “an effective peak concentration of nicotine . . . in the blood of a smoker” and a failure to “satisfy the habitual smoking actions of a smoker.” Ex. 1001, 1:40–50. The '788 patent describes a need in the art to overcome these limitations of cigarette substitutes. *Id.* at 1:51–58.

Figure 2 of the '788 patent, reproduced below, depicts a cross-sectional view of one embodiment of an electronic cigarette described in the '788 patent. Ex. 1001, 1:65–67.

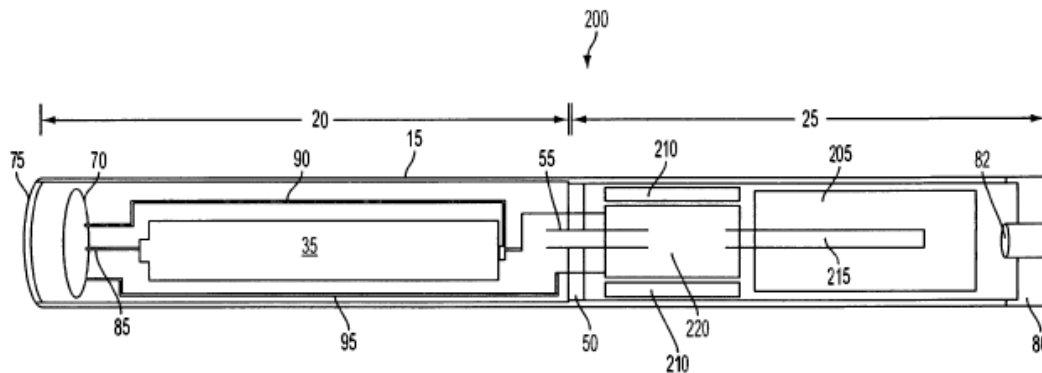


FIG. 2

Figure 2 above illustrates an electronic cigarette 200 comprising a cylindrical casing 15. *Id.* at 4:61–65. The casing 15 contains a first chamber 20 and a second chamber 25. *Id.* at 4:65–67. Within the first chamber is a battery 35, and within the second chamber is a fluid container 205 and heating assembly 220. *Id.* at 5:1–2, 5:12–14. A seal 50 forms a partition

between the first and second chambers, and contains a hole or aperture in which a portion of a tube 55 is located. *Id.* at 5:8–12. The tube 55 extends into the heating assembly 220 and allows the passage of air from the first chamber to the second chamber. *Id.* at 5:12–14.

Figure 3 of the '788 patent, reproduced below, depicts a portion of a cross-sectional view of the electronic cigarette illustrated in Figure 2 above. Ex. 1001, 2:1–2.

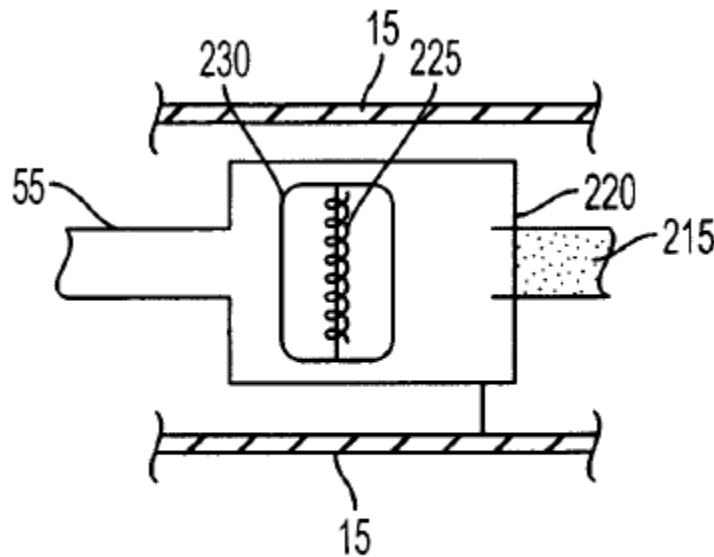


FIG. 3

Figure 3 illustrates a cross-section of an electronic cigarette, including a tube 55 shaped in a “T.” *Id.* at 3:15–17; Fig. 3. One end of tube 55 is a hollow cylinder, while the other end holds or is fixed to a tempered glass bulb 230 in position in the heating assembly 220. *Id.* at 3:17–21. The bulb contains a heating wire 225 that heats the bulb, which then heats a fluid that is introduced into heating assembly 220 through a fiber element 215.

C. The Challenged Claims

Petitioner challenges claims 1, 7, 8, and 11 (“the challenged claims”) of the ’788 patent. Pet. 15. Claim 1, reproduced below with Petitioner’s annotations, is illustrative of the subject matter of the challenged claims:

1. An electronic cigarette, comprising:

- [1a] a casing comprising a first chamber and a second chamber, the two chambers located sequentially within the casing;
- [1b] a battery located in the first chamber;
- [1c] a fluid containing member located in the second chamber;
- [1d] a heating assembly located in the second chamber, the heating assembly comprising a bulb containing a heating wire in communication with the battery;
- [1e] a fluid passageway communicating between the fluid containing member and the heating assembly;
- [1f] a tube element communicating between the first and second chambers, with a first distal end of the tube element located in the first chamber, and a second distal end of the tube element located in the second chamber and affixed to the bulb, the tube element providing an air passage between the first and second chambers;
- [1g] a sealing element forming a partition between the first and second chambers; and
- [1h] an air inlet provided on an external wall of the casing;
- [1i] wherein the heating wire heats the bulb, and wherein the bulb heats fluid introduced to and coming in contact with the bulb through the fluid passageway.

Ex. 1001, 8:59–9:14; Pet. 35–47.

D. Asserted Grounds of Unpatentability

Petitioner asserts the following grounds of unpatentability:

Challenged Claim(s)	35 U.S.C. § ²	Reference(s)/Basis
1, 11	103(a)	Gilbert, ³ Cohen ⁴
7, 8	103(a)	Gilbert, Cohen, Weigensberg ⁵
1, 11	103(a)	Lee, ⁶ Gilbert, Levin ⁷
7, 8	103(a)	Lee, Gilbert, Levin, Weigensberg

Pet. 17. Petitioner relies on the Declaration of Kelly R. Kodama (Ex. 1003).

II. ANALYSIS

A. Claim Construction

We apply the same claim construction standard that would be used to construe the claims in a civil action under 35 U.S.C. § 282(b). 37 C.F.R. § 42.100(b). Under that standard, claim terms “are generally given their ordinary and customary meaning” as understood by a person of ordinary skill in the art at the time of the invention. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312–13 (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*

² The Leahy-Smith America Invents Act (“AIA”) included revisions to 35 U.S.C. § 103 that became effective on March 16, 2013. The ’788 patent claims priority to applications filed before this date. *See* Ex. 1001, code (60). For the purposes of this Decision, pre-AIA statutes apply.

³ US 3,200,819 to Gilbert, issued Apr. 17, 1963 (Ex. 1004).

⁴ US 2011/0036346 A1 to Cohen et al., published Feb. 17, 2011 (Ex. 1007).

⁵ US 9,943,107 B2 to Weigensberg et al., issued Apr. 17, 2018 (Ex. 1006).

⁶ KIPO Pub. No. KR 10-2012-0080287 to Lee, published July 17, 2012 (Ex. 1005), relying on an uncontested certified English translation.

⁷ US 2013/0298905 A1 to Levin et al., published Nov. 14, 2013 (Ex. 1009).

Sofamor Danek, Inc., 469 F.3d 1005, 1014 (Fed. Cir. 2006) (citing *Phillips*, 415 F.3d at 1312–17).

Petitioner argues that it interprets the claims “at least in part based on Patent Owner’s construction of the claims as informed by its allegations of infringement in co-pending litigation, as best Petitioner is able to understand such allegations.” Pet. 18 (citing Exs. 1016–1017). Petitioner does not propose construction of any claim term at this stage of the proceeding.

Upon review of the record, we determine that no claim terms require express construction for purposes of this Decision. *See Realtime Data, LLC v. Iancu*, 912 F.3d 1368, 1375 (Fed. Cir. 2019) (“The Board is required to construe ‘only those terms . . . that are in controversy, and only to the extent necessary to resolve the controversy.’”) (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)).

B. Level of Ordinary Skill in the Art

Factors pertinent to a determination of the level of ordinary skill in the art include “(1) the educational level of the inventor; (2) type of problems encountered in the art; (3) prior art solutions to those problems; (4) rapidity with which innovations are made; (5) sophistication of the technology; and (6) educational level of workers active in the field.” *Envtl. Designs, Ltd. v. Union Oil Co. of Cal.*, 713 F.2d 693, 696–697 (Fed. Cir. 1983) (citing *Orthopedic Equip. Co. v. All Orthopedic Appliances, Inc.*, 707 F.2d 1376, 1381–82 (Fed. Cir. 1983)). Not all such factors may be present in every case, and one or more of these or other factors may predominate in a particular case. *Id.*

Petitioner argues a person of ordinary skill in the art at the time of the invention

would possess at least a Bachelor's degree in mechanical engineering, electrical engineering, industrial design or product design or product design engineering, chemistry, or physics, or a related field, and at least three to four years of industry experience, or a Master's degree in mechanical engineering, electrical engineering, industrial design or product design or product design engineering, chemistry, or physics, or a related field, and at least one to two years of industry experience.

Pet. 15 (citing Ex. 1003 ¶ 18). Petitioner further argues a “POSA would have been familiar with electrically powered cigarettes and their components and underlying technologies or similar components and technologies.” *Id.*

For purposes of this decision, we adopt Petitioner's definition of the level of ordinary skill in the art because it is consistent with the '788 patent and the asserted prior art.

C. Principles of Law

A claim is unpatentable under 35 U.S.C. § 103 if “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” *KSR Int'l Co. v. Teleflex, Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations, including (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of ordinary skill in the art; and (4) when available, evidence such as commercial success, long felt but unsolved needs, and failure of others. *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966); *see KSR*, 550 U.S. at 407 (“While the sequence of these questions might be reordered in any

particular case, the [Graham] factors continue to define the inquiry that controls.”).

The Supreme Court made clear that we apply “an expansive and flexible approach” to the question of obviousness. *KSR*, 550 U.S. at 415. Whether a patent claiming the combination of prior art elements would have been obvious is determined by whether the improvement is more than the predictable use of prior art elements according to their established functions. *Id.* at 417. Reaching this conclusion, however, requires more than merely showing that the prior art includes separate references covering each separate limitation in a challenged claim. *Unigene Labs., Inc. v. Apotex, Inc.*, 655 F.3d 1352, 1360 (Fed. Cir. 2011). Rather, obviousness additionally requires that a person of ordinary skill at the time of the invention “would have selected and combined those prior art elements in the normal course of research and development to yield the claimed invention.” *Id.*

E. Alleged Obviousness Based on Lee, Gilbert, and Levin

Petitioner contends claims 1 and 11 are unpatentable as obvious in view of the combination of Lee, Gilbert, and Levin. Pet. 52–63. In support, Petitioner and Mr. Kodama explain where they believe each limitation of the challenged claims is disclosed in the references, and the reasons a person of ordinary skill would have been motivated to combine the disclosures of the references. *See, e.g., id.* at 52–63; Ex. 1003 ¶¶ 109–131.

1. Overview of Lee (Ex. 1005)⁸

Lee is a Korean patent publication titled “External Air Inlet Structure Applied to an E-Cigarette.” Ex. 1005, code (54). Lee describes an external air inflow structure applied to an e-cigarette capable of inducing external air required for vaporization of a nicotine solution to a heating element. *Id.* at code (57). Lee’s air inlet structure includes a battery assembly and a heating element for vaporizing nicotine solution. *Id.*

Figure 1a of Lee, shown below, illustrates an electronic cigarette. Ex. 1005 ¶ 14.

FIGURE 1a

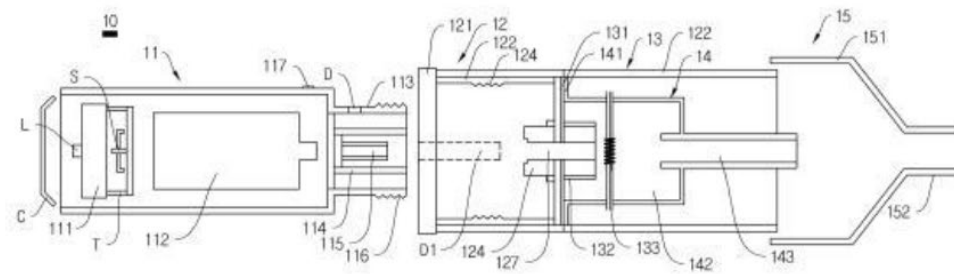


Figure 1a illustrates an e-cigarette 10 that contains a battery assembly 11, guide chamber 12, storage housing 13, vaporization unit 14, and inhalation piece 15. *Id.* ¶¶ 17–19, 33, Fig. 1a. The vaporization unit 14 has a vaporization chamber 142, in which a heating element 133 is installed. *Id.* ¶ 20.

2. Overview of Gilbert (Ex. 1004)

Gilbert is titled “Smokeless Non-Tobacco Cigarette” and describes “replacing burning tobacco and paper with heated, moist, flavored air.”

⁸ In this Decision, citations to Lee refer to its certified English translation, Exhibit 1005.

Ex. 1004, 1:1–11. Gilbert describes an article “resembling a cigarette by which air may be drawn through a porous substance of a cartridge which has been moistened with a chemically harmless flavoring preparation.” *Id.* at 1:14–18. Gilbert further describes that “the moist and flavored air passes through a section of the device heated by a suitable heating element so that warm, moist and flavored air is drawn into the mouth.” *Id.* at 1:19–22.

Figure 2 of Gilbert, shown below, depicts a longitudinal section through a smokeless cigarette as described in Gilbert. Ex. 1004, 1:42–43.

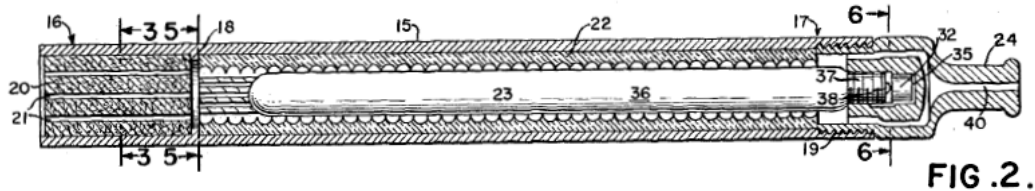


Figure 2 illustrates external tube 15, containing a flavor cartridge 20, heating element 36, and removable battery 32. *Id.* at 1:62–65, 2:3–5, 2:45–47, 3:4–8. Gilbert describes that the flavor cartridge fits snugly into outer end portion 16 of the external tube, so that the cartridge is held in place “by friction or other suitable means.” *Id.* at 2:9–10.

3. Overview of Levin (Ex. 1009)

Levin is titled “Electronic Vaporizing Device and Method for Use,” and published on November 14, 2013. Ex. 1009, codes (54), (43). Levin describes a device for vaporizing active ingredients of a substance for inhalation. *Id.* at code (57). Levin’s device includes a portable power source, a heating portion, and an inhalation sensor. *Id.* In response to an inhalation by a user, the device’s power source “energizes a heating element of the heating portion so as to heat air flow to a desired vaporization temperature.” *Id.*

4. *Analysis of Claim 1*

Petitioner contends Lee discloses all of the limitations of claim 1 except the limitations requiring “the heating assembly comprising a bulb containing a heating wire” (limitation [1d]) and “wherein the heating wire heats the bulb, and wherein the bulb heats fluid introduced to and coming in contact with the bulb through the fluid passageway” (limitation [1i]). Pet. 52. Petitioner contends Gilbert and Levin teach these limitations, and it would have been obvious to a person of ordinary skill to combine the references. *Id.*

a. [pre] “an electronic cigarette”

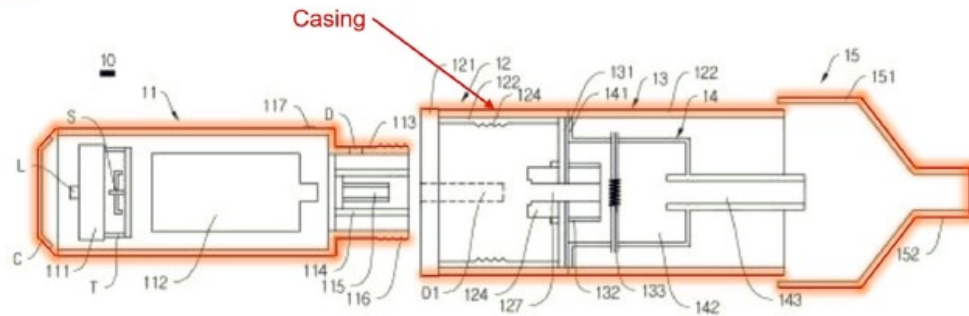
Petitioner contends Lee discloses claim 1’s preamble because Lee discloses an electronic cigarette. Pet. 52–53 (citing Ex. 1005 ¶ 1).

Generally, a preamble does not limit a claim. *Allen Eng’g Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1346 (Fed. Cir. 2002). We need not decide whether claim 1’s preamble limits the claim because Petitioner establishes sufficiently for purposes of institution that Lee discloses claim 1’s preamble.

b. [1a] “a casing comprising a first chamber and a second chamber, the two chambers located sequentially within the casing”

Petitioner contends Lee discloses limitation [1a] because Lee’s battery assembly 11 and guide chamber 12, which are connected through connection chamber 113, together form a “first chamber” (Pet 53, citing Ex. 1005 ¶ 19), and the interior of Lee’s storage housing 13 is a “second chamber.” *Id.* (citing Ex. 1005 ¶ 28). Petitioner provides an annotated version of Figure 1a of Lee, reproduced below, to support its contention that Lee discloses a casing.

FIGURE 1a



Petitioner's annotated version of Figure 1a of Lee shows a longitudinal section through Lee's components including the battery assembly, connection chamber, storage housing and inhalation filter 15, and a colored line labeled "casing" that traces the outside of those components. *Id.*

In view of the foregoing, we determine Petitioner has demonstrated sufficiently for purposes of institution that Lee discloses or suggests limitation [1a].

c. [1b] "a battery located in the first chamber"

Petitioner contends Lee discloses limitation [1b] because Figure 1a shows a battery 112 within battery assembly 111. Pet. 54 (citing Ex. 1005 ¶ 22, Fig. 1a). In view of the foregoing, we determine Petitioner has demonstrated sufficiently for purposes of institution that Lee discloses or suggests limitation [1b].

d. [1c] "a fluid containing member located in the second chamber"

Petitioner contends Lee discloses limitation [1c] because Lee's storage housing stores a nicotine solution, which is delivered via fiber aggregate (F) to heating element 133. Pet. 54–55 (citing Ex. 1005 ¶¶ 20, 29). In view of the foregoing, we determine Petitioner has demonstrated

sufficiently for purposes of institution that Lee discloses or suggests limitation [1c].

e. [1d] “a heating assembly located in the second chamber, the heating assembly comprising a bulb containing a heating wire in communication with the battery”

Petitioner contends Lee discloses a heating assembly located in the second chamber. Pet 55 (citing Ex. 1005 ¶ 20, Fig. 1a). Petitioner concedes Lee does not disclose a bulb containing a heating wire, but contends this would have been obvious at least in view of Gilbert. *Id.* at 56 (referring to Pet. 41–42, citing Ex. 1004, 2:45–46, 2:50, 2:71–3:2, Fig. 2). Petitioner contends a person of ordinary skill in the art would have been motivated to explore other types of heating elements than the nichrome wire described in Lee due to issues with e-cigarettes at the time, such as metallic taste or inhalation risks associated with the use of a metal wire heating element. *Id.* at 57 (citing Ex. 1003 ¶ 117). Petitioner contends it was known to use bulb heaters for vaporizing fluids for almost 100 years (*id.* ¶¶ 117–118), and therefore a person of ordinary skill would have been motivated to implement a heating element within a glass bulb in Lee’s device to address the metal taste and inhalation risk issues. Pet. 57. Petitioner further contends a person of ordinary skill in the art would have been motivated to implement a heating element within a glass bulb to increase the life of the heating element and prevent failure of the device, because Levin teaches that directly contacting the heating element was known to reduce the life of the heating element, and discloses a heater bulb for vaporizing an active ingredient for inhalation by the user. *Id.* at 58–59 (citing Ex. 1009 ¶¶ 4, 49, 56).

In view of the foregoing, we determine Petitioner has demonstrated sufficiently for purposes of institution that the combination of Lee, Gilbert, and Levin teaches or suggests limitation [1d], and that a person of ordinary skill in the art would have had reason to use Gilbert's or Levin's bulb heater in Lee's electronic cigarette, with a reasonable expectation of success.

f. [1e] "a fluid passageway communicating between the fluid containing member and the heating assembly"

Petitioner contends Lee discloses limitation [1e] because fiber assembly (F), which supplies nicotine solution to heating element 133, passes through a through-hole (supply passage 143) in the surface of vaporization chamber 142, and the nicotine solution stored inside the storage housing and outside the vaporization unit may be supplied to the heating element through the supply passage. Pet. 59–60 (citing Ex. 1005 ¶ 32, Fig. 1c).

In view of the foregoing, we determine Petitioner has demonstrated sufficiently for purposes of institution that Lee discloses or suggests limitation [1e].

g. [1f] "a tube element communicating between the first and second chambers, with a first distal end of the tube element located in the first chamber, and a second distal end of the tube element located in the second chamber and affixed to the bulb, the tube element providing an air passage between the first and second chambers"

Petitioner contends Lee discloses limitation [1f] because air inlet path 127 communicates between guide chamber 12 and storage housing 13 so that air introduced into the storage housing can be supplied to Lee's heating element. Pet. 60–61 (citing Ex. 1005 ¶¶ 25–29). Petitioner further contends

a person of ordinary skill in the art would understand that using a bulb heater configuration, as Petitioner proposes in its modification of Lee for limitation [1d], would result in the tube element being affixed to the bulb on its first distal end, with the airflow path moving around the bulb. *Id.* at 61–62 (citing Ex 1003 ¶ 127).

In view of the foregoing, we determine Petitioner has demonstrated sufficiently for purposes of institution that Lee discloses or suggests limitation [1f].

h. [1g] “a sealing element forming a partition between the first and second chambers”

Petitioner contends Lee discloses limitation [1g] because Lee’s separating plate 131 physically separates guide chamber 12 and storage housing 13. Pet. 62 (citing Ex. 1005 ¶ 28). In view of the foregoing, we determine Petitioner has demonstrated sufficiently for purposes of institution that Lee discloses or suggests limitation [1g].

i. [1h] “an air inlet provided on an external wall of the casing”

Petitioner contends Lee discloses limitation [1h] because inlet hole (D) in a wall of connection chamber 113 provides external airflow to the inside of the connection chamber and guide chamber 12. Pet. 63 (citing Ex. 1005 ¶ 24, Fig. 2a). In view of the foregoing, we determine Petitioner has demonstrated sufficiently for purposes of institution that Lee discloses or suggests limitation [1h].

j. [1i] “wherein the heating wire heats the bulb, and wherein the bulb heats fluid introduced to and coming in contact with the bulb through the fluid passageway.”

Petitioner contends the combination of Lee, Gilbert, and Levin teaches or suggests limitation [1i] for the reasons discussed above for limitation [1d]. Pet. 63. In view of the foregoing, we determine Petitioner has demonstrated sufficiently for purposes of institution that the combination of Lee, Gilbert, and Levin teaches or suggests limitation [1i], and that a person of ordinary skill in the art would have had reason to use Gilbert’s or Levin’s bulb heater in Lee’s electronic cigarette, with a reasonable expectation of success.

k. Conclusion as to claim 1

For all of the foregoing reasons, we determine Petitioner has demonstrated a reasonable likelihood that claim 1 would have been obvious in view of the combined teachings of Lee, Gilbert, and Levin.

5. Claim 11

Claim 11 depends from claim 1. Ex. 1001, 10:1–5. Petitioner directs us to portions of Lee that disclose the additional limitation of claim 11. Pet. 63–64 (citing Ex. 1005 ¶¶ 3, 17). After reviewing the evidence and arguments Petitioner presents, we are persuaded Petitioner has demonstrated a reasonable likelihood of prevailing on its obviousness challenge with respect to claim 11.

6. Conclusion

Because Petitioner has demonstrated a reasonable likelihood that at least one challenged claim of the ’788 patent is unpatentable over the prior art of record, we institute an *inter partes* review. Because we find some

grounds sufficient for institution, we institute on all grounds in the Petition. *See SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1353 (2018) (“The agency cannot curate the claims at issue but must decide them all.”); *see also PGS Geophysical AS v. Iancu*, 891 F.3d 1354, 1360 (Fed. Cir. 2018) (interpreting the statute as requiring “a simple yes-or-no institution choice respecting a petition, embracing all challenges included in the petition”). Nevertheless, in order to further guide the parties after institution, we provide the following observations.

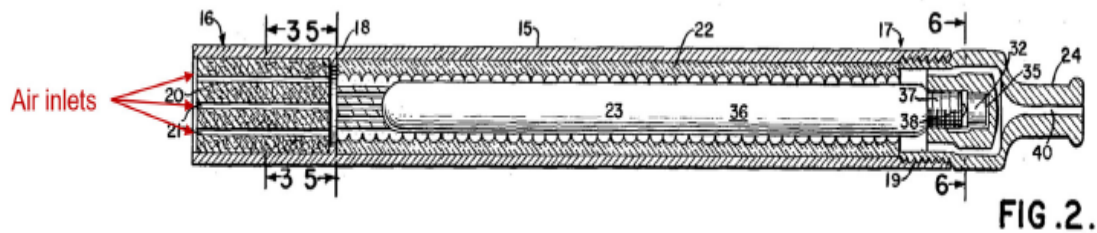
F. Alleged Obviousness Based on Gilbert and Cohen

Petitioner contends claims 1 and 11 are unpatentable as obvious in view of the combination of Gilbert and Cohen. Pet. 35–48.

1. Analysis of Claim 1

As discussed above, claim 1 recites “a casing comprising a first chamber and a second chamber” (limitation [1a]). For this challenge, Petitioner contends Gilbert’s outer end portion 16 and inner end portion 17 comprise external tube 15, which together with mouthpiece 24, disclose the casing recited in limitation [1a]. Pet. 38–39 (citing Ex. 1004, 1:62–65, 1:72–2:2, 2:16–17, Figs. 1–2).

With regard to limitation [1h], “an air inlet provided on an external wall of the casing,” Petitioner contends Figure 2 of Gilbert depicts passages 21 in cartridge 20, which disclose the air inlet recited in limitation [1h]. Pet. 46–47 (citing Ex. 1004, 3:9–18, Fig. 2). Petitioner provides an annotated version of Figure 2 of Gilbert, reproduced below, to support its argument.



Petitioner's annotated version of Figure 2 of Gilbert shows a longitudinal section through a smokeless cigarette, and includes a label identifying passages 21 as "air inlets" at one end of the cigarette. Pet. 47.

We have concerns with Petitioner's contention as to limitation [1h]. Gilbert discloses that flavor cartridge 20 including spaced passages 21 is "detachably fitted" into outer end portion 16 of external tube 15, and that the flavor cartridge fits snugly into the outer end portion of the tube, so that the cartridge is held in place "by friction or other suitable means." Ex. 1004, 2:3–10. Gilbert further discloses that in assembly, the flavor cartridge "can be introduced and removed without regard to the other units of the device." *Id.* at 2:55–57. Petitioner does not address these disclosures in Gilbert. In view of Gilbert's disclosure that its flavor cartridge is a separate unit of the cigarette and not part of the outer end portion of its external tube, the airflow passages in the flavor cartridge are not provided on the end portion of Gilbert's external tube. Therefore, because Petitioner contends Gilbert's external tube corresponds to the casing recited in limitations [1a] and [1h], we do not agree with Petitioner that Gilbert discloses an air inlet on an external wall of the casing as required in limitation [1h].

To the extent Petitioner maintains this challenge, the parties should continue to address these issues during the trial.

III. CONCLUSION

For the foregoing reasons, we determine that there is a reasonable likelihood that Petitioner would prevail with respect to at least one of the claims challenged in the Petition. Accordingly, we institute an *inter partes* review of all challenged claims based on the grounds asserted in the Petition.

IV. ORDER

In consideration of the foregoing, it is hereby

ORDERED that an *inter partes* review of all challenged claims of the '788 patent is instituted with respect to all grounds set forth in the Petition; and

FURTHER ORDERED that pursuant to 35 U.S.C. § 314(a), *inter partes* review of the '788 patent is hereby instituted commencing on the entry date of this Decision, and pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial.

IPR2024-01458
Patent 9,538,788 B2

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