

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TANKLOGIX, LLC,
Petitioner,

v.

SITEPRO,
Patent Owner.

IPR2025-00650
Patent 10,488,871 B2

Before BART A. GERSTENBLITH, SHEILA F. McSHANE, and
KARA L. SZPONDOWSKI, *Administrative Patent Judges*.

McSHANE, *Administrative Patent Judge*.

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

I. INTRODUCTION

TankLogix, LLC (“Petitioner”) filed a Petition for *inter partes* review of claims 18–32 and 34 of U.S. Patent No. 10,488,871 B2 (Ex. 1001, “the ’871 patent”), along with a Declaration of Gary R. Wooley, Ph.D. Paper 2 (“Pet.”); Ex. 1002. SitePro, Inc. (“Patent Owner”) filed a Preliminary Response, along with a Declaration of Dr. Robert A. Durham.¹ Paper 9 (“Prelim. Resp.”); Ex. 2009.

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) (2024). Upon consideration of the Petition, the Preliminary Response, and the evidence of record, we determine that Petitioner has not established a reasonable likelihood of prevailing with respect to the unpatentability of at least one claim of the ’871 patent. Accordingly, for the reasons that follow, we decline to institute an *inter partes* review of claims 18–32 and 34 of the ’871 patent.

¹ The parties also filed briefs directed to discretionary denial issues. *See* Papers 7, 8. The Acting Director denied Patent Owner’s request for discretionary denial and referred the Petition to the Board. *See* Paper 10. We do not address discretionary denial issues here. *See* <https://www.uspto.gov/patents/ptab/interim-director-discretionary-processes>, Section I.C, Briefing (“The petitioner and patent owner should not present discretionary considerations in the petition or the Patent Owner Preliminary Response (POPR), respectively.”).

A. Related Matters

Petitioner indicates the '871 patent is the subject of the district court litigations: *SitePro, Inc. v. TankLogix, LLC*, No. 6:24-cv-00642, -643 (W.D. Tex.). Pet. 5.

Patent Owner refers to other district court litigations: *SitePro, Inc. v. WaterBridge Resources, LLC*, 6:23-cv-00115 (W.D. Tex.), and *SitePro, Inc. v. Plow Technologies LLC*, 6:24-cv-00645 (W.D. Tex.). Paper 3 (Patent Owner's Mandatory Notices), 1. Patent Owner refers to the following *inter partes* reviews, which have been settled and terminated: IPR2024-00724; IPR2024-00737; IPR2024-00738; IPR2024-00739; IPR2024-00740; IPR2024-00741; and IPR2024-00742. *Id.* Patent Owner additionally refers to *inter partes* reviews: IPR2025-00647; IPR2025-00648; IPR2025-00649; IPR2025-00650; IPR2025-00651; IPR2025-00652; and IPR2025-00653. *Id.* at 2.

B. The '871 Patent

The '871 patent is titled "Remote Control of Fluid-Handling Devices," and issued on November 26, 2019, from an application filed on January 10, 2018, and claiming priority to a series of continuing applications, with the first application filed on December 7, 2012. Ex. 1001, codes (22), (45), (54), (63).

The Specification of the '871 patent states that it is directed to a system for remotely controlling fluid handling devices of different petroleum facilities. Ex. 1001, 1:66–2:2. The '871 patent describes its system which includes:

an input/output module operable to communicate with a fluid-handling device; a network interface; memory; and one or more

processors communicatively coupled to the input/output module, the network interface, and the memory, wherein the memory stores instructions that when executed by the processors cause the processors to effectuate steps including: receiving, via the network interface, from a remote user device, a command to change a state of the fluid-handling device to a target state; translating the received command into a translated command operative to cause a local controller of the fluid-handling device to drive the fluid-handling equipment to the target state, the local controller being responsive to the command and feedback from the fluid-handling device indicative of whether the fluid-handling device is in the target state; and sending the translated command to the local controller.

Ex. 1001, 2:2–19. Figure 1, reproduced below, illustrates an example of a command-center server and site master-controller of an embodiment. *Id.* at 2:52–54.

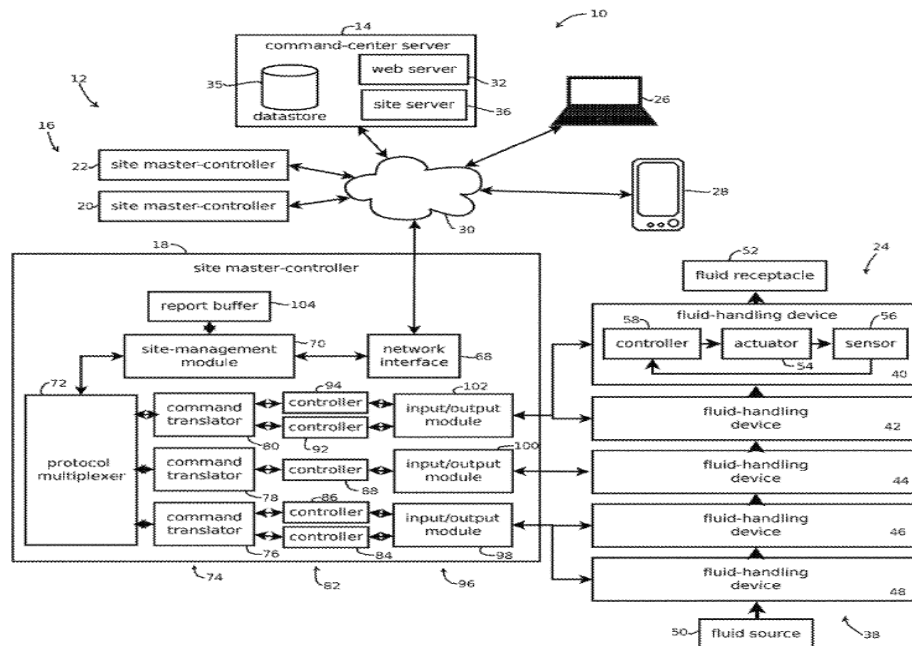


FIG. 1

Figure 1 above shows master control system 12 that includes command-center server 14 and site master-controllers 18, 20, and 22. Ex. 1001, 3:11–17.

Each site master-controller may be co-located with a corresponding fluid-handling site 24 and may include logic that implements remotely issued commands. Ex. 1001, 3:17–20. Command-center server 14 may present a command interface and receive commands via a web interface such that fluid-handling devices can be controlled remotely. *Id.* at 3:30–34. To execute commands at the fluid-handling site 24, site master-controller 18 translates the received commands into a protocol for the fluid-handling devices 40, 42, 44, 46, and 48. *Id.* at 5:36–40. The fluid-handling devices may be different types of devices that handle fluids, and the fluid-handling device may include an actuator, such as an electric motor or a hydraulic drive, by which fluid flow are manipulated. *Id.* at 5:53–60. Local controller 58 may modulate the power to actuator 54. *Id.* at 5:61–62.

C. Illustrative Claim

Claim 18 is the only challenged independent claim, and is reproduced below, with Petitioner’s bracketing added to limitations for reference purposes.

18. [18.1] A method, comprising:
 - [18.2] storing, with one or more processors, records comprising:
 - [18.3] a plurality of accounts, each account corresponding to an entity operating one or more geographically distributed fluid-handling facilities, the accounts associating different fluid-handling facilities with different entities; and
 - [18.4] addresses by which industrial monitoring or control equipment at the facilities is accessible via network connections, the monitoring or control equipment including sensors configured to measure fluid handled at respective fluid-handling facilities and

actuators configured to manipulate fluid flow at respective fluid-handling facilities, at least some of the fluid-handling facilities including both a plurality of the sensors and a plurality of the actuators;

[18.5] obtaining, with one or more processors implementing a facility-interface module or modules, data from the sensors at the facilities and send commands to the actuators at the facilities via the network connections; and

[18.6] sending, with one or more processors implementing a user-interface module or modules, respective instructions to present respective control interfaces on respective user-computing devices logged in to respective ones of the accounts and to receive respective commands to control respective actuators from the respective user computing devices;

[18.7] receiving, with the user-interface module or modules, a user command to actuate an actuator entered via a presented control interface;

[18.8] identifying, with one or more processors, in response to the user command, an address in the datastore corresponding to a facility at which the actuator is located; and

[18.9] sending, with one or more processors, instructions with the facility-interface module or modules to the facility to actuate the actuator, wherein:

[18.10] the plurality of accounts include a first account, a second account, a third account, and a fourth account;

[18.11] the first account corresponds to a first group of fluid-handling facilities, one or more users of the first account being authorized to send commands to remotely control fluid handling devices at the first group of fluid-handling facilities;

[18.12] the second account corresponds to a second group of fluid-handling facilities, the first group being different from the second group, one or more users of the second account being authorized to send

commands to remotely control fluid handling devices at the second group of fluid-handling facilities;

[18.13] the third account corresponds to the first group of fluid-handling facilities, one or more users of the of the third account being authorized to view reports of data from fluid handling devices at the first group of fluid-handling facilities; and

[18.14] the fourth account corresponds to the second group of fluid-handling facilities, one or more users of the of the fourth account being authorized to view reports of data from fluid handling devices at the second group of fluid-handling facilities.

Ex. 1001, 19:4–67.

D. Asserted Grounds of Unpatentability

Petitioner asserts that claims 18–32 and 34 are unpatentable based on the following grounds (Pet. 9–10, 34):

Claim(s) Challenged	35 U.S.C §	Reference(s)/Basis
18, 22–31, 34	102(a) ²	Kahn ³
18, 22–31, 34	103(a)	Kahn
18–21, 23 ⁴ , 24, 26–29, 31, 32, 34	103(a)	Kahn, Gutierrez ⁵

² The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (“AIA”), amended 35 U.S.C. §§ 102, 103, and was effective on March 16, 2013. Because the ’871 patent claims priority to an application filed prior to the effective date of the applicable AIA amendments, we refer to the pre-AIA version of 35 U.S.C. §§ 102 and 103.

³ US 7,424,399 B2, issued September 9, 2008. Ex. 1005.

⁴ The Petition lists “Claims 18–21, 24, 26–29, 31–32, and 34” as challenged, however, the Petition presents argument and evidence directed to the patentability of claim 23. Pet. 34, 56–57.

⁵ US 9,709,995 B2, issued July 18, 2017. Ex. 1006.

II. ANALYSIS

A. Level of Ordinary Skill in the Art

Dr. Wooley testifies that a person of ordinary skill in the art at the time of the invention “would have had at least a bachelor’s degree in mechanical, chemical, or electrical engineering, computer science, or a related field and significant experience with remotely controlling fluid-handling devices, like SCADA [supervisory control and data acquisition] systems.” Ex. 1002 ¶ 25.

Patent Owner notes that the Petition does not describe the level of qualifications for a person of ordinary skill in the art and it is only addressed in Dr. Wooley’s Declaration. Prelim. Resp. 3. Patent Owner asserts that a person of skill “would have had at least a bachelor’s degree in engineering (electrical, chemical, petroleum or mechanical), computer science, or a related field and at least two years of experience designing control systems for remotely controlling fluid-handling devices, like SCADA systems.” *Id.* at 3–4 (citing Ex. 2009 ¶ 46). Patent Owner also states that a person of skill could have alternatively have had “at least six years of experience in designing control systems for remotely controlling fluid-handling devices, such as SCADA systems.” *Id.* at 4.

The respective proposed levels of qualifications for a person of ordinary skill in the art are similar, with Patent Owner proposing two years of experience compared to Petitioner proposing significant experience with remotely controlling fluid-handling devices, like SCADA systems. Patent Owner also proposes more extensive experience in lieu of educational experience. While we find Petitioner’s proposed qualifications to be

acceptable, we adopt Patent Owner’s proposed qualifications for the purposes of this Decision because they offer a wider range of qualifications that nonetheless comport with the level of skill necessary to understand and implement the teachings of the ’871 patent and the asserted prior art. Our analysis and findings herein, however, do not turn on any differences in the qualifications adopted.

B. Claim Construction

In this *inter partes* review, claims are construed using 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) (2024). Under the principles set forth by our reviewing court, the “words of a claim ‘are generally given their ordinary and customary meaning,’” as would be understood by a person of ordinary skill in the art in question at the time of the invention. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (en banc) (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)). “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).

Petitioner submits that “[n]o terms need to be construed to resolve the issues raised in this Petition because the prior art discloses all limitations under the plain meaning as well as under any plausible construction.” Pet. 9.

Patent Owner asserts that “all claim terms should be interpreted in their plain and ordinary meaning.” Prelim. Resp. 4.

We determine that we need not expressly construe any claim terms to resolve the parties’ disputes on the current record. *See Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017) (“[W]e need only construe 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))).

C. Principles of Law

The Federal Circuit addressed the legal standard for anticipation in *Blue Calypso, LLC v. Groupon, Inc.*, 815 F.3d 1331 (Fed. Cir. 2016): “[u]nder 35 U.S.C. § 102(b), a prior art reference will anticipate if it “disclose[s] each and every element of the claimed invention . . . arranged or combined in the same way as in the claim.” 815 F.3d at 1341 (citation and footnote omitted). The Federal Circuit went on to explain: “[h]owever, a reference can anticipate a claim even if it ‘d[oes] not expressly spell out’ all the limitations arranged or combined as in the claim, if a person of skill in the art, reading the reference, would ‘at once envisage’ the claimed arrangement or combination.” *Id.* (quoting *Kennametal, Inc. v. Ingersoll Cutting Tool Co.*, 780 F.3d 1376, 1381 (Fed. Cir. 2015)).

A patent claim is unpatentable under 35 U.S.C. § 103(a) if “the differences between 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.” 35 U.S.C. § 103(a) (2011); *see also 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 in evidence, objective indicia of nonobviousness.⁶

Graham v. John Deere Co., 383 U.S. 1, 17–18 (1966).

D. Asserted Anticipation and/or Obviousness of Claims 18, 22–31, and 34 over Kahn

Petitioner contends that claims 18, 22–31, and 34 are unpatentable under 35 U.S.C. § 102 and 35 U.S.C. § 103(a) as anticipated by or obvious over Kahn. Pet. 9–34. Patent Owner argues that Kahn does not disclose, teach, or suggest all the limitations of the claims and that the Petition fails to meet certain legal requirements. Prelim. Resp. 2–25.

We begin our discussion with a brief summary of Kahn and then address some of the evidence and arguments presented.

1. Kahn (Ex. 1005)

Kahn is titled “Systems and Methods for Fluid Quality Sensing, Data Sharing and Data Visualization.” Ex. 1005, code (54). Kahn is directed to sensor systems and methods for fluid monitoring. *Id.* at 1:28–29. Kahn discloses:

sensor systems and methods for fluid (e.g., water) quality data gathering including on-line fluid quality monitoring by means of sensors with wired or wireless connections to a communications network (e.g., the Internet), for access and visualization of fluid

⁶ No evidence of objective indicia of nonobviousness is presented in Patent Owner’s Preliminary Response. *See generally* Prelim. Resp.

quality data over the Internet via a graphical web-browser interface, and for sharing of such data via the Internet.

Ex. 1005, 1:30–36. Kahn further discloses that service provider can receive fluid test data generated from multiple different entities and the system permits authorized users for the different entities to visualize information associated with that data to via the Internet using graphical computer interfaces at their respective computers. *Id.* at 2:50–54.

Figure 3, reproduced below, is a block diagram of a data collection network for a water monitoring system. Ex. 1005, 18:40–43.

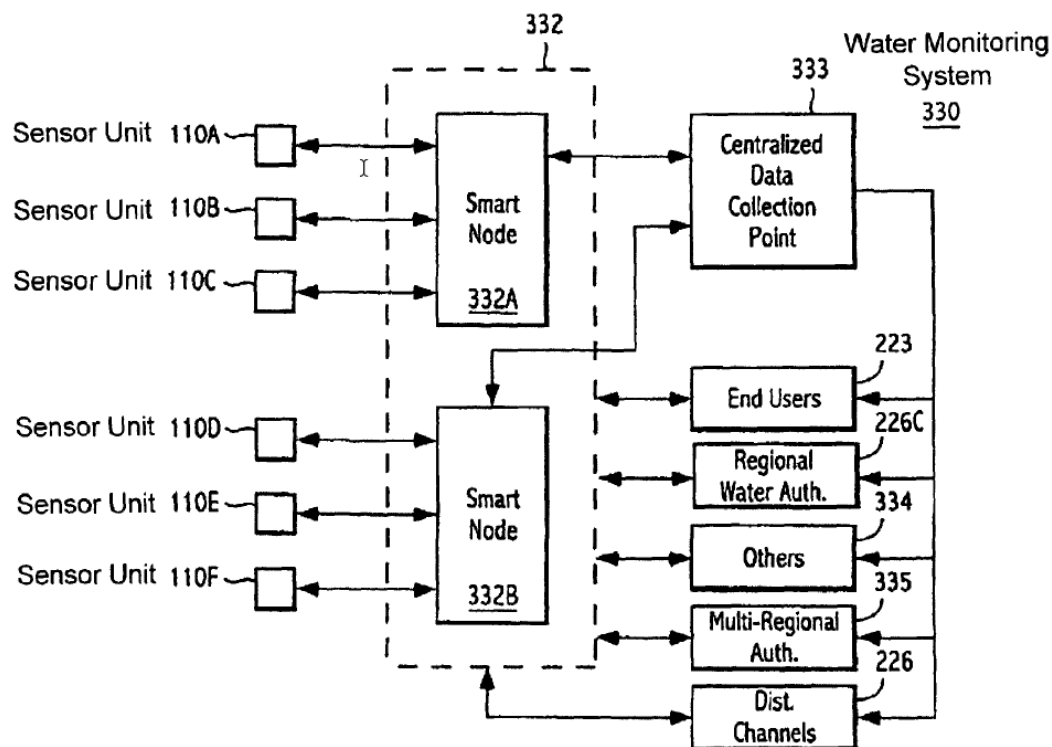


FIG. 3

Figure 3, above, depicts sensor units 110A–110F located at different sites that are connected to water quality monitoring system 330 by communication links. Ex. 1005, 18:44–47. The sensor units may be connected to respective smart nodes 332A, B where the smart nodes may

have a relationship to the region or water authority 226C, for example. *Id.* at 18:53–62.

Figure 8A, reproduced below, depicts a display for an authorized user. Ex. 1005, 28:30–35.

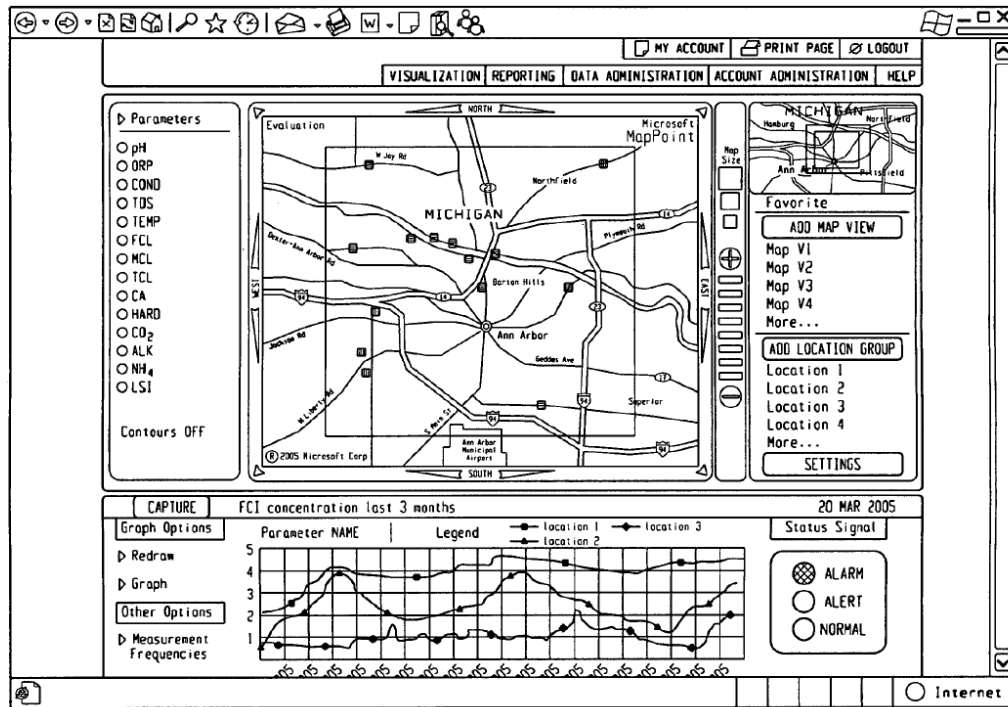


Fig. 8A

Figure 8A, above, depicts information provided to a user that is information associated with fluid test data from sensors in a geographic area that have been acquired over some time frame. Ex. 1005, 28:30–35. Figure 8A includes main page tabs, such as “VISUALIZATION, REPORTING, DATA ADMINISTRATION, ACCOUNT ADMINISTRATION, and HELP.” *Id.* at 28:39–41. The map over a certain geographic area has squares associated with certain fluid test measurements, and, for instance, certain locations can be selected by clicking on them on the map and certain fluid test parameters

in the left area of Figure 8A can also be selected for display. *See id.* at 28:43–54.

The sensors in Kahn can include sensing elements for determining different water quality parameters. Ex. 1005, 4:56–5:3. Kahn also discloses that sensors can be installed in water systems in different configurations. *See, e.g., id.* at 5:62–7:32. Figures 1I, 1K, and 1L, reproduced below, depict sensors in different configurations. *Id.* at 14:18–60, 15:50–16:5.

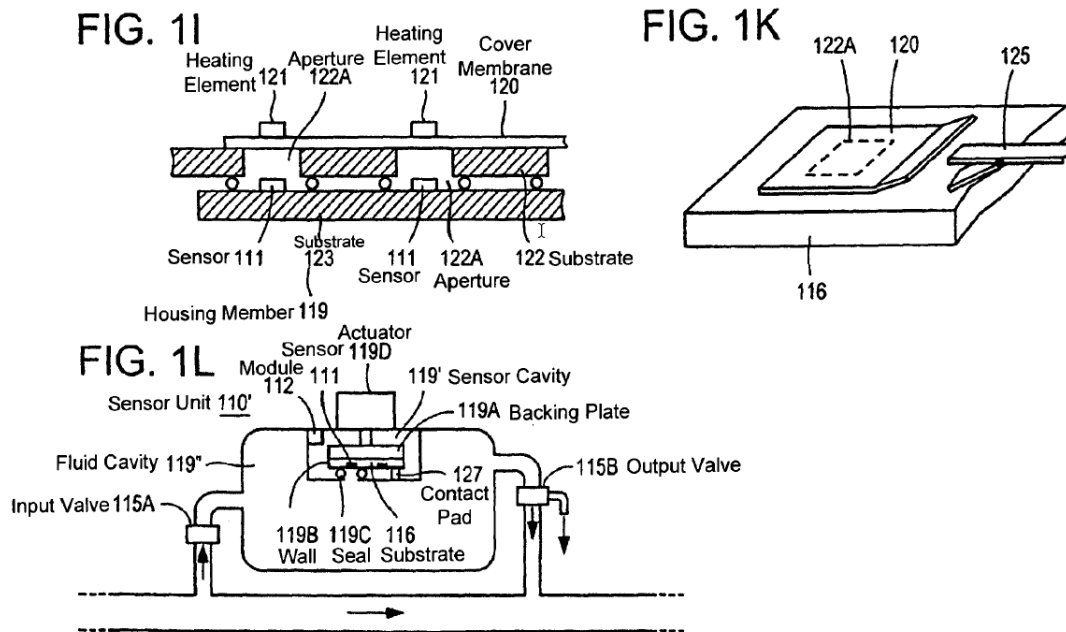


Figure 1I, above, depicts heating elements 121 attached to membrane 120 of sensor 111. Ex. 1005, 14:42–44. The heating elements 121 are operable to generate an opening in membrane 120 to allow sensor 111 to be exposed to fluid. *Id.* at 14:44–48. Figure 1K, above, depicts mechanical means for selectively removing membrane 120 by gripper or scraper 125 to expose aperture 122A for sensor in recess 116. *See id.* at 14:35–65. Figure 1L, above, depicts a configuration for selectively exposing sensor 111, where actuator 119D moves backing plate 119A and substrate 116 to selectively

locate individual sensor 111 to a region of the aperture such that the particular sensor 111 is exposed to fluid. *Id.* at 15:54–65.

2. Discussion

In view of our determination below, we only address issues related to claim 18, the only independent claim. We determine that Petitioner has failed to meet its burden to show a reasonable likelihood of prevailing in demonstrating that Kahn anticipates claim 18 or would have rendered claim 18 obvious. This determination is based on the evidence and argument presented for claim 18, which we discuss below.

Claim 18 has several limitations that relate to actuators and the remote control of fluid handling devices, including the receipt of “a user command to actuate an actuator via a presented control interface.” *See, supra*, limitation [18.7]; *see also* limitation [18.4] (“actuators configured to manipulate fluid flow at respective fluid-handling facilities”), limitation [18.5] (“send commands to the actuators at the facilities via the network connections”), limitation [18.6] (“receive respective commands to control respective actuators from the respective user computing devices”), limitation [18.9] (“sending . . . instructions with the facility-interface module . . . to the facility to actuate the actuator”), limitation [18.11] (“users of the first account being authorized to send commands to remotely control fluid handling devices”), limitation [18.12] (“account authorized to send commands to remotely control fluid handling devices”).

For the disclosure and teaching of limitation [18.11], Petitioner asserts that “Kahn discloses a variety of users and entities having different levels of authorized access,” and its “sensor unit includes communication equipment

with actuators configured to manipulate fluid flow at respective fluid-handling facilities.” Pet. 17 (citing Ex. 1005, 10:62–67; 14:35–15:2, 15:62–16:32, 25:48–26:67, 2:50–60, 19:58–65, 21:50–22:44, 22:62–23:50, 24:44–25:2, 25:5–12, 27:39–28:7). Petitioner contends that a person of ordinary skill in the art would recognize that, given Kahn’s disclosure of accounts with access to designated systems, the first group, which is authorized account A, would have access to control fluid handling facilities. *Id.* (citing Ex. 1002 ¶ 63).

For the disclosure and teaching of limitation [18.7], the user command to actuate an actuator via a control interface, Petitioner asserts that Kahn discloses “that sensor 110 includes communication equipment with actuators configured to manipulate fluid flow at respective fluid-handling facilities, to facilitate the measurement of data requested through the graphical user interface.” Pet. 14 (citing Ex. 1005, 10:62–67, 14:35–15:2, 15:62–16:32). Petitioner contends that a person of ordinary skill in the art “would recognize from the disclosure of Kahn that a user activates the actuator to achieve the disclosed action.” *Id.* (citing Ex. 1002 ¶ 56). In support, Dr. Wooley testifies that a person of skill “would recognize from the disclosure of Kahn that a user activates the actuator to achieve the disclosed action.” Ex. 1002 ¶ 56 (citing Ex. 1005, Abstract, 1:28–36, 2:50–3:2, 25:5–25, 25:48–26:19, 28:8–25, 29:5–37). Dr. Wooley further testifies that a person of skill “would recognize that Kahn discloses receiving with the user interface module a user command to actuate an actuator of the fluid handling system.” *Id.* (citing Ex. 1005, 10:62–67, 14:35–15:2, 15:62–16:32). For limitations [18.4]–[18.6] and [18.9]–[18.12], Petitioner relies upon similar evidence for the showing of control equipment including an actuator that is

“configured to manipulate fluid flow.” *Id.* at 11–18 (citing Ex. 1005, 10:62–67, 14:35–15:2, 15:62–16:32).

Patent Owner asserts that “Kahn does not disclose, teach, or suggest remote control of fluid handling devices or the ability to send commands to such devices,” and instead is directed to “accessing, analyzing, and visualizing fluid sensing data from remote sensors.” Prelim. Resp. 6 (citing Ex. 2009 ¶¶ 83, 90, 91, 97, 99; Ex. 1005, codes (54), (57), 25:3–26:67). According to Patent Owner, the claimed accounts in Kahn are associated with fluid test data and not commands to control devices, which is contrary to Petitioner’s contentions for limitations [18.10]–[18.12]. *Id.* at 6–7 (citing Ex. 1005, 15:48–26:67). Patent Owner argues that there is no showing that Kahn’s accounts disclose or teach that they are “authorized to send commands to remotely control fluid handling devices,” as Kahn only teaches that its accounts provide users the ability to visualize data or to grant authorization to others for sharing and providing service fees or contracts. *Id.* at 7 (citing Ex. 1005, 26:3–61).

Patent Owner also argues, for instance, that limitation [18.7] requires that a “user interface module” be involved with user commands presented on the control interface for actuating the actuators, which Kahn does not disclose or teach.⁷ Prelim. Resp. 13. Patent Owner contends that Petitioner relies on Kahn’s graphical user interface (“GUI”), which displays data from sensors, but none of the references to Kahn teach the receipt of a user command for actuating an actuator “because Kahn does not teach user

⁷ Patent Owner also argues that Gutierrez also does not disclose or teach this limitation. *See* Prelim. Resp. 13. We address Gutierrez separately below.

command-based control of the fluid monitoring equipment in Kahn’s system.” *Id.* at 14 (citing Ex. 2009 ¶ 95). Dr. Durham testifies that Dr. Wooley’s testimony that there is remote control where commands are sent to actuators is incorrect, and nothing in Kahn teaches or suggests this function. *See* Ex. 2009 ¶¶ 83–85, 95. Dr. Durham refers to Dr. Wooley’s reliance on Kahn’s disclosure wherein “on-site alerts such as optical (indicator lights), audible alerts (e.g. alarm sounds), tactile (e.g., vibration of the unit) or can be interfaced to an appropriate control valve for simply shutting off the supply of fluid upon the detection of emergency events, for instance” and asserts that this passage does not teach or suggest “send[ing] commands to the actuators.” *Id.* ¶ 84 (citing Ex. 1005, 10:62–67). Dr. Durham testifies that this statement in Kahn “merely points to *local* indicators (i.e., ‘on-site alerts’) and, at most, ‘interfacing’ these alerts with a local control valve.” *Id.* Dr. Durham testifies that local control could be implemented by, for example, a solenoid valve interfaced with the local sensor’s communication unit. *Id.* Dr. Durham further testifies that a person of skill would not have understood Kahn’s statement to mean that a remote user would control the control valve for emergency shut-off. *Id.*

As discussed above, claim 18 has several limitations that relate to actuators and the remote control of fluid handling devices, including the receipt with the user-interface module of “a user command to actuate an actuator via a presented control interface” (limitation [18.7]) and “account authorized to send commands to remotely control fluid handling devices” (limitation [18.11]). We agree with Patent Owner that the Petition fails to demonstrate that Kahn discloses or teaches these limitations because the evidence does not provide support that there is remote control of fluid

handling devices or the use of a user command on a control interface to send a command to a fluid handling device, for instance.

Kahn is directed to providing access to fluid sensing data and analyzing and providing visual information on that data, but we do not discern that it teaches or discloses the capability to remotely control fluid handling devices. *See, e.g.*, Ex. 1005, code (54), 1:27–36, 2:50–3:2. More specifically, the Kahn disclosures that Petitioner repeatedly relies upon for allegedly teaching this control are deficient. *See* Ex. 1005, 10:62–67, 14:35–15:2, 15:62–16:32; *see also* Pet. 12–14, 16–18. Kahn discloses that “the communication unit 112B can include on-site alerts such as optical (indicator lights), audible alerts (e.g., alarm sounds), tactile (e.g., vibration of the unit) or can be interfaced to an appropriate control valve for simply shutting off the supply of fluid upon the detection of emergency events, for instance.” Ex. 1005, 10:62–67. Communication unit 112B is part of the local “sensor unit,” wherein the detection conditions determined by the sensor are communicated to remote devices by communication unit 112B. *See id.* at 3:31–33, 5:62–6:2, 6:27–35, 7:33–37, 13:7–12, Figs. 1A–1C. Kahn discloses that the sensor units, which include communication units 112B, can be located near shut-off valves and can communicate with distant locations. *See id.* at 11:1–13. There are no disclosures, however, in the above passages that there is remote control of fluid handling devices, that there is a user command on a control interface that actuates an actuator, or that there is a command sent to the facility actuators via a network connection, as required in limitations [18.5]–[18.7] and [18.9]–[18.12], respectively. Rather, the disclosure indicates that the communication unit

112B includes on-site alerts and that the local (non-remote) communication unit 112B can be interfaced with the control valve.

Petitioner also relies on Kahn's disclosures directed to actuators associated with the sensors, which we also find deficient. *See* Ex. 1005, 14:35–15:2, 15:62–16:32. These disclosures are directed to the use of actuator mechanisms to selectively expose sensors. *See id.* For instance, Kahn discloses that an actuation mechanism may be used to position a mechanical perforator, gripper, or scraper to different positions or to move a backing plate and substrate to locate a sensor in a certain position. *See id.* at 14:58–65, 15:62–65. Again, there is no disclosure in the cited portions of Kahn that there is remote control of fluid handling devices, that there is a user command on a control interface that actuates an actuator, or that there is a command sent to the facility actuators via a network connection. More specifically, we agree with Patent Owner that these disclosures are not directed to actuators that manipulate fluid flow, but rather are directed to positioning sensors. *See* Prelim. Resp. 15. Accordingly, we do not find that the cited Kahn disclosures support Petitioner's anticipation or obviousness challenges to claim 18 because the disclosures fail to disclose or teach limitations [18.5]–[18.7] and [18.9]–[18.12], respectively, of claim 18.

Dr. Wooley's testimony concerning why a person of ordinary skill in the art would find that Kahn discloses the certain limitations of claim 18 is also deficient. *See* Ex. 1002 ¶¶ 50, 52, 54, 56, 59, 63, 64. Dr. Wooley repeatedly refers to the Kahn's disclosures discussed above (Ex. 1005, 10:62–67, 14:35–15:2, 15:62–16:32), but fails to explain why these disclosures teach the respective limitations ([18.5]–[18.7] and [18.9]–

[18.12])). *See* Ex. 1002 ¶¶ 50, 52, 54, 56, 59, 63, 64. Instead, Dr. Wooley makes statements such as:

54. . . . Kahn further discloses that sensor unit 110 includes communication equipment with actuators configured to manipulate fluid flow at respective fluid-handling facilities, and to facilitate the measurement of data requested through the graphical user interface. *See, e.g.*, Ex. 1005, 10:62–67; *see also* Ex. 1005, 14:35–15:2, 15:62–16:32.

56. . . . Thus, a POSITA [person of ordinary skill in the art] would recognize that Kahn discloses receiving with the user interface module a user command to actuate an actuator of the fluid handling system, as recited in the '871 Patent. *See, e.g.*, Ex. 1005, 10:62–67; *see also* Ex. 1005, 14:35–15:2, 15:62–16:32.

59. . . . A POSITA would recognize that Kahn discloses sending instructions to the facility interface module to actuate the fluid handling system's actuator, as recited in the '871 Patent. *See, e.g.*, Ex. 1005, 10:62–67; *see also* Ex. 1005, 14:35–15:2, 15:62–16:32.

Ex. 1002 ¶¶ 54, 56, 59. As discussed above, we do not find that the cited portions of Kahn as written disclose the claimed limitations, and Dr. Wooley's testimony does not provide further illumination or explanation of why the cited passages teach the limitations. Instead, the testimony is conclusory. *See* 37 C.F.R. § 42.65(a) ("Expert testimony that does not disclose the underlying facts or data on which the opinion is based is entitled to little or no weight"). Accordingly, we find that the evidence presented is insufficient to demonstrate that, in the view of one of ordinary skill in the art, Kahn teaches limitations [18.5]–[18.7] and [18.9]–[18.12] of claim 18.

The other claims challenged under these grounds, claims 22–31 and 34, depend, directly or indirectly, from claim 18. The evidence and

arguments presented for these dependent claims fail to cure the deficiencies in the showing as to claim 18. Pet. 19–34. Thus, the challenges to claims 22–31 and 34 fail for the same reasons.

Accordingly, on the present record, Petitioner has not demonstrated a reasonable likelihood that it would prevail in showing that claims 18, 22–31, and 34 are anticipated by or would have been rendered obvious over Kahn.

E. Asserted Obviousness of Claims 18–21, 23, 24, 26–29, 31, 32, and 34 over Kahn and Gutierrez

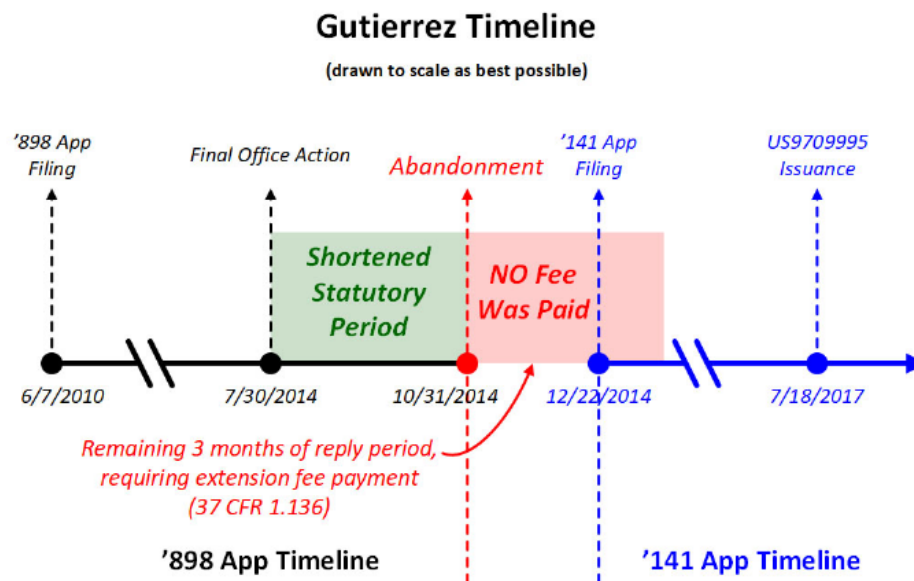
Petitioner contends that claims 18–21, 23, 24, 26–29, 31, 32, and 34 are unpatentable under 35 U.S.C. § 103(a) as obvious over the combination of Kahn and Gutierrez. Pet. 34–65. Patent Owner argues, in part, that Gutierrez is not prior art under Sections 102(a) and 102(e) because its priority date is after the priority date of the ’871 patent. Prelim. Resp. 26–29.

On its face, Gutierrez notes that its application is a “[c]ontinuation of application no. 12/794,898 (“’898 application”), filed on Jun[e] 7, 2010, *now abandoned*.” Ex. 1006, code (63) (emphasis added). During prosecution of the ’898 application, an Office Action was mailed on July 30, 2014, which set a shortened statutory period of three months for a reply. Ex. 2006, 198–99.⁸ The record does not contain any documentary evidence that a reply was

⁸ Patent Owner provided the file history of the ’898 application as Exhibit 2006. Patent Owner also provided the website citation to the USPTO’s Patent Center for the ’898 application as well as screen captures of the Documents & transactions history from the USPTO website (Ex. 2008). Prelim. Resp. 29 n.13. Neither Patent Owner nor Petitioner informed us of any issues with the completeness of this file history.

ever filed in response to the Office Action. *See generally id.* Nor does the record contain any documentation that a petition for an extension of time to reply was filed. *Id.* A Notice of Abandonment, noting that the '898 application was abandoned because applicant failed to file a timely reply, was mailed on February 4, 2015. *Id.* at 230–31.⁹

The application that issued as Gutierrez was filed on December 22, 2014. Ex. 1006, code (22). Patent Owner argues that Gutierrez is only entitled to priority as of its filing date because the '898 application was abandoned, which broke the chain of priority. Prelim. Resp. 26–28. Patent Owner presents its view of the timeline of Gutierrez's priority, reproduced below.



⁹ The Notice of Abandonment incorrectly identifies the last office action as mailed on “7-30-15,” which is a typographical error because the office action was mailed on July 30, 2014. *Compare* Ex. 2006, 231, *with id.* at 198.

Patent Owner's depiction of the timeline of Gutierrez's priority, above, includes some of the events from the '898 application prosecution history, as well as events from the prosecution history of Application No. 14/579,141 ("the '141 application"), which issued as Gutierrez. Prelim. Resp. 28. Patent Owner asserts that the date of abandonment of the '898 application was October 31, 2014, because no reply was timely filed, and the applicant did not pay an extension fee between the time the shortened statutory period expired (October 31, 2014) and the filing date of the '141 application (December 22, 2014). *Id.* at 27–28. Thus, Patent Owner contends the '141 application is not entitled to an earlier priority date because it fails the copendency requirement of 35 U.S.C. § 120.

We have reviewed the record and determine that Patent Owner has correctly represented the facts concerning the '898 and '141 applications and their prosecution histories. We agree with Patent Owner that, because the applicant failed to reply within the shortened time period and did not pay for an extension of time, the '898 application was abandoned as of October 31, 2014. *See* 37 C.F.R. §§ 1.134–1.136; *see also* MPEP § 711.04(a) ("If the application is abandoned, the date of the abandonment is after midnight of the date on which the set shortened statutory period, including any extensions under 37 CFR 1.136, expired. This is normally the end of the 3-month shortened statutory period."). Further, because the applicant did not file a request for an extension of time to respond to the office action in the '898 application by the time the '141 application was filed, the

applications were not copending.¹⁰ Gutierrez, therefore, is not entitled to the earlier filing date of the '898 application. 35 U.S.C. § 120 (not entitled to the benefit of the previously filed application because it had been abandoned). Thus, on the present record, we determine that the priority date of Gutierrez is December 22, 2014. Gutierrez, therefore, cannot serve as prior art to the '871 patent under pre-AIA Sections 102(a) and 102(e) because the '871 patent has an earlier priority date of December 7, 2012.

Petitioner relies on Gutierrez solely for teaching some of the limitations of claim 18. *See* Pet. 36–44 (limitations [18.1]–[18.9]). Because Gutierrez is not prior art to the '871 patent, it cannot be considered in the obviousness assessment. Therefore, the Petition fails to provide evidence that the combination teaches several limitations of claim 18. The other claims challenged under these grounds, claims 19–21, 23, 24, 26–29, 31, 32, and 34 depend, directly or indirectly, from claim 18. The evidence and arguments presented for the dependent claims fail to cure the deficiencies in Petitioner's showing as to claim 18. Pet. 49–64. Thus, the challenges to claims 19–21, 23, 24, 26–29, 31, 32, and 34 fail for the same reasons as claim 18.

Accordingly, on the present record, Petitioner has not demonstrated a reasonable likelihood that it would prevail in showing that claims 18–21, 23, 24, 26–29, 31, 32, and 34 would have been rendered obvious by the combination of Kahn and Gutierrez.

¹⁰ For completeness, we note that no extension of time was filed in the '898 application file history even after the '141 application was filed.

IV. CONCLUSION

For the foregoing reasons, we conclude that the information presented in the Petition fails to establish a reasonable likelihood that Petitioner would prevail in showing that at least one claim of the '871 patent is unpatentable. Accordingly, we do not institute *inter partes* review.

V. ORDER

Accordingly, it is:

ORDERED that, pursuant to 35 U.S.C. § 314(s), *inter partes* review is *denied*.

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