UNITED STATES PATENT AND TRADEMARK OFFICE
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BEFORE THE PATENT TRIAL AND APPEAL BOARD
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EMERSON ELECTRIC CO.,
Petitioner,

v.

SIPCO, LLC,
Patent Owner.

_____

Case IPR2015-01579
Patent 6,914,893 B2

_____

Before LYNNE E. PETTIGREW, STACEY G. WHITE, and
CHRISTA P. ZADO, *Administrative Patent Judges*.

ZADO, *Administrative Patent Judge*.


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

## I. INTRODUCTION

*A. Background*

Emerson Electric Co. ("Petitioner") filed a Petition seeking to institute an *inter partes* review of claims 1, 2, 10, and 37 ("the challenged claims") of U.S. Patent No. 6,914,893 B2 (Ex. 1001, "the '893 patent") pursuant to 35 U.S.C. §§ 311–319. Paper 2 ("Pet."). SIPCO, LLC ("Patent Owner") filed a Preliminary Response. Paper 6 ("Prelim. Resp."). We have statutory authority under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted "unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition."

Upon consideration of the Petition, Patent Owner's Preliminary Response, and the associated evidence, we conclude Petitioner has not established a reasonable likelihood it would prevail in showing the unpatentability of at least one challenged claim. Therefore, we deny the Petition for an *inter partes* review.

*B. Additional Proceedings*

Petitioner informs us that it has previously filed a declaratory judgement action challenging the validity of claim 1 of the '893 patent in *Emerson Electric Co. v. SIPCO, LLC*, No. 1:13-cv-02528 (N.D. Ga.) ("DJ Action"). Pet. 3. Petitioner asserts previous filing of the DJ Action does not bar it from requesting *inter partes* review of the '893 patent because plaintiffs in that case, including Petitioner, dismissed the action without prejudice on January 29, 2015, prior to the filing of the Petition. *Id.* Patent Owner does not assert the Petition is barred under 35 U.S.C. § 315(a)(1) by the previously filed DJ Action. Federal courts treat a civil action that is

dismissed without prejudice as "something that de jure never existed,"
"leav[ing] the parties as though the action had never been brought."
*Holloway v. U.S.*, 60 Fed. Cl. 254, 261 (2004), *aff'd* 143 F. App'x 313 (Fed.
Cir. 2005) (unpublished); *Graves v. Principi*, 294 F.3d 1350, 1356 (Fed. Cir.
2002); *see also Beck v. Caterpillar, Inc.*, 50 F.3d 405, 407 (7th Cir. 1995).
Based on the assertions and evidence before us, therefore, we conclude the
previously filed DJ Action does not bar Petitioner from filing the Petition.

### C. The '893 Patent

The '893 patent is titled "System and Method for Monitoring and
Controlling Remote Devices," and generally relates to a system or method
for monitoring and controlling remote devices by transmitting data between
the remote devices and a gateway using a packet message protocol.
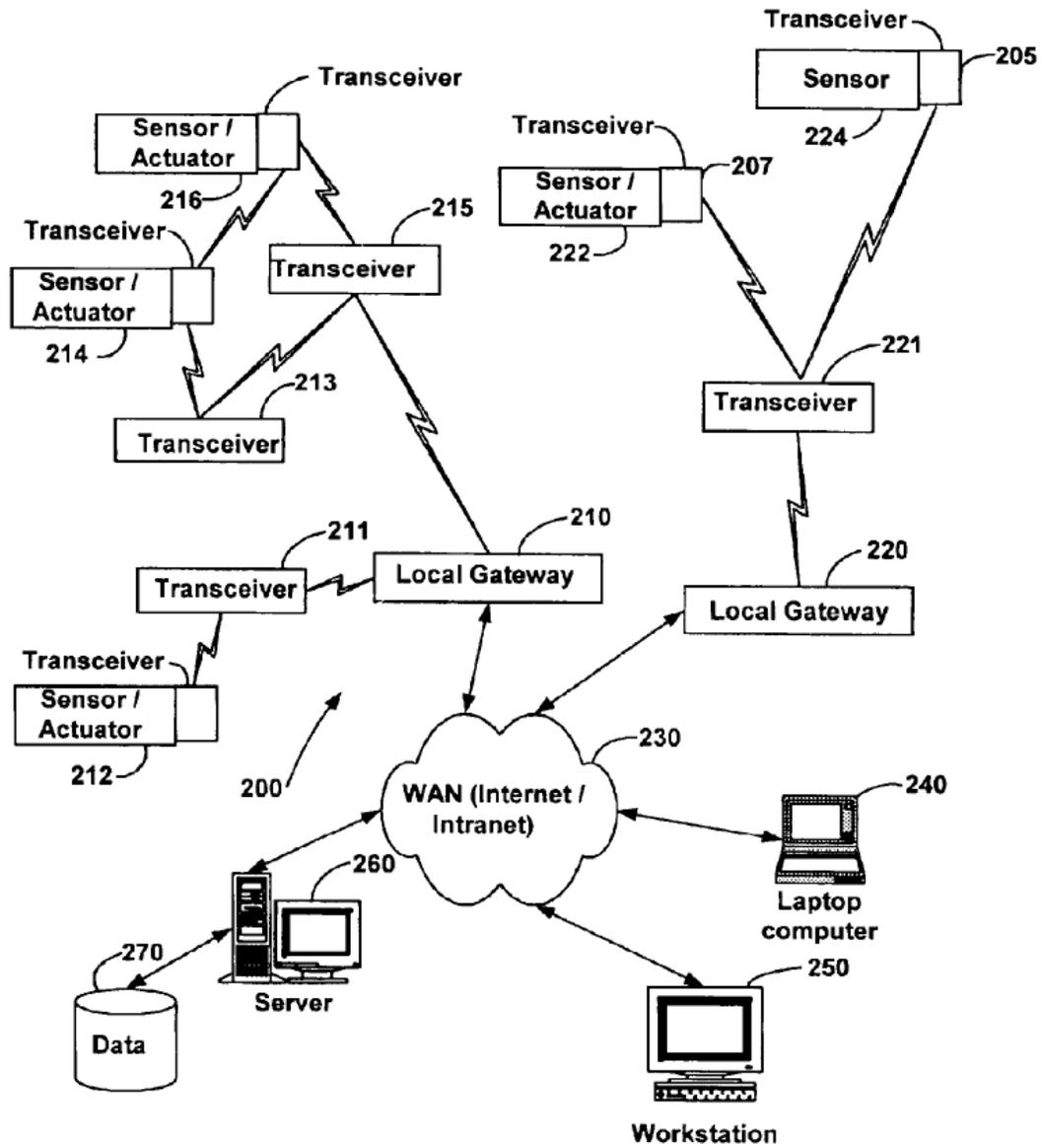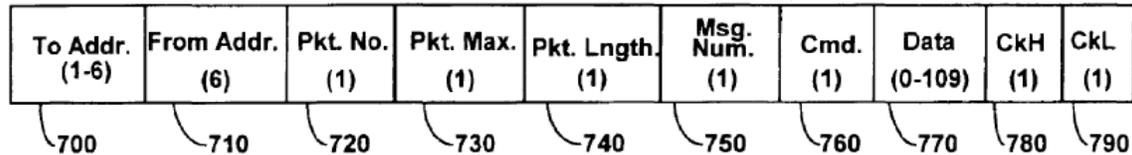Ex. 1001, Abstract. Figure 2 of the patent is reproduced below:

## FIG. 2

Figure 2 depicts control system 200 comprising a plurality of stand-alone transceivers (211, 213, 215, 221), transceivers with integrated sensors and/or actuators (212, 214, 216, 222, 224), and local gateways (210, 220). Ex. 1001, Fig. 2, 3:38–41, 4:23–28. Radio frequency ("RF") transmissions (i.e., "messages") between transceivers, and between local gateways and transceivers, use a standard format so that each device in the system can

understand the message. *Id.* at 10:22–25. Figure 7 of the patent sets forth an exemplary format of a data packet protocol. *Id.*

## FIG. 7    Message Structure

| To Addr. (1-6) | From Addr. (6) | Pkt. No. (1) | Pkt. Max. (1) | Pkt. Lngth. (1) | Msg. Num. (1) | Cmd. (1) | Data (0-109) | CkH (1) | CkL (1) |
|---|---|---|---|---|---|---|---|---|---|
| 700 | 710 | 720 | 730 | 740 | 750 | 760 | 770 | 780 | 790 |

As shown in Figure 7, each message using the protocol contains, *inter alia*, "to" address 700 that indicates the intended recipient of a packet, "from" address 710 that indicates either the address of a controller requesting data or a transceiver sending a response, command byte 760 that requests data from the receiving device, data section 770 that may contain data requested by a specific command, and checksum sections 780, 790 used to detect errors in transmission. *Id.* at 10:25–26, 10:31–50, 10:65–66, 11:11–12, 11:22–23.

### D. Challenged Claims of the '893 Patent

Claims 1 and 37 are independent, and claims 2 and 10 depend directly from claim 1. Claims 1 and 2 are reproduced below:

> 1. A system for communicating commands and sensed data between remote devices, the system comprising:
>
> a plurality of transceivers, each transceiver being in communication with at least one other of the plurality of transceivers, wherein each transceiver has a unique address, wherein the unique address identi[f]ies an individual transceiver, wherein each transceiver is geographically remote from the other of the plurality of transceivers, wherein each transceiver communicates with each of the other transceivers via preformatted messages;
>
> a controller, connected to one of the plurality of transceivers, the controller being in communications with each of the plurality of

transceivers via a controller transceiver, the controller communicating via preformatted messages;

wherein the preformatted messages comprises at least one packet, wherein the packet comprises:

a receiver address comprising a scalable address of the at least one of the intended receiving transceivers;

sender address comprising the unique address of the sending transceiver;

a command indicator comprising a command code;

at least one data value comprising a scalable message; and

an error detector comprising a redundancy check error detector; and

wherein the controller sends preformatted command messages via the controller transceiver, and the plurality of transceivers send preformatted response messages.

2. The system of claim 1, wherein the plurality of transceivers further comprise at least one integrated transceiver, wherein the integrated transceiver comprises:

one of the plurality of transceivers; and

a sensor detecting a condition and outputting a sensed data signal to the transceiver.

Ex. 1001, 14:50–15:18.

*E. The Asserted Grounds of Unpatentability*

Petitioner challenges the patentability of claims 1, 2, 10, and 37 of the

'893 patent based on the following grounds:

| Challenged Claims | Basis | References |
|---|---|---|
| 1, 2, 10, 37 | § 102(b) | Kahn[1] |
| 1, 2, 10, 37 | § 102(b) | Kantronics[2] |
| 10 | § 103(a) | Kahn in view of Kantronics and Admitted Prior Art |

## II. ANALYSIS

*A. Claim Construction*

In an *inter partes* review, claim terms in an unexpired patent are

interpreted according to their "broadest reasonable construction in light of

the specification of the patent" in which they appear. 37 C.F.R. § 42.100(b);

*In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1275–79 (Fed. Cir. 2015)

("Congress implicitly approved the broadest reasonable interpretation

standard in enacting the AIA," and "the standard was properly adopted by

PTO regulation."). Applying that standard, we interpret the claim terms

according to their ordinary and customary meaning in the context of the

patent's written description. *In re Translogic Tech., Inc.,* 504 F.3d 1249,

1257 (Fed. Cir. 2007).

Petitioner proposes interpretations for the following claim terms of the

'893 patent: "scalable address" (Pet. 6); "scalable message" (Pet. 7);

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[1] Robert E. Kahn, et al., *Advances in Radio Packet Technology*, PROCEEDINGS OF THE IEEE, 1468 (Nov. 1978) (Ex. 1002) ("Kahn").
[2] KPC-3 PLUS USERS GUIDE: INTRODUCTION, GETTING STARTED, MODES OF OPERATION, COMMAND REFERENCE, AND HARDWARE SPECIFICATIONS (1997) (Ex. 1003) ("Kantronics").

"sensor" (Pet. 7–8); "actuator" (Pet. 8); and "integrated" (Pet. 9–10). Patent Owner does not set forth any proposed interpretations for claim terms. Prelim. Resp. 14. Claim terms need only be interpreted to the extent necessary to resolve the controversy. *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999). For the purposes of this Decision, it is only necessary to interpret the term "a receiver address comprising a scalable address of the at least one of the intended receiving transceivers" as recited in claim 1, and the similarly recited term in claim 37, "a receiver address comprising a scalable address of the at least one of the intended remote devices." Ex. 1001, 15:1–2, 19:15–16.

Petitioner proposes to construe the term "scalable address" to mean "an address that has a variable size based on the size and complexity of the system." Pet. 6. The '893 Specification supports an interpretation of "scalable" to mean having "a variable size." "The 'to' address 700 indicates the intended recipient," and "can be scalable from one to six bytes based upon the size and complexity of the system." Ex. 1001, 10:31–33. Central to our Decision, however, is not what "scalable" means, but rather what is meant by a "receiver address" comprising a "scalable address."

Claims 1 and 37 recite that the "receiver address" comprises "a scalable address of the at least one of the intended receiving [transceivers/remote devices]." Ex. 1001, 15: 1–2, 19:15–16. The language of claims 1 and 37, however, does not preclude the "receiver address" from including additional data beyond the address of an intended receiving transceiver/remote device. This is consistent with the '893 Specification, which refers to a variable-byte length "to" address that comprises both a "unique transceiver address" that uniquely identifies an intended transceiver

(*id.* at Figs. 7 and 8, 6:38–40, 6:53–55, 10:40–41, 12:11–13), and additional bytes that may comprise, for example, transceiver/device type, identification base, manufacturer/owner identification, devices a message is intended for, or particular codes (*id.* at Figs. 7 and 8, 10:31–44; 12:3–11). The '893 Specification more broadly states that "[i]t would have been obvious to one of ordinary skill in the art that modification of the 'to' address can be made within the scope of this invention based upon individual design constraints." Ex. 1001, 11:66–12:3.

We conclude, therefore, that the claimed "receiver address" is not limited to including only an address identifying the intended receiving transceiver/remote device. The "receiver address" may also include additional data.

As recited in claims 1 and 37, the "address of the at least one of the intended receiving [transceivers/remote devices]" must be "scalable." Ex. 1001, 15:1–2, 19:15–16. The '893 Specification supports this interpretation. The '893 Specification discloses a "unique transceiver identification" or "unique transceiver address" that uniquely identifies an RF transceiver. *Id.* at 6:39–41, 6:53–56. As we discussed above, the '893 Specification provides that the unique transceiver address is part of the "to" address, i.e., the "to" address comprises a unique transceiver address. The '893 Specification further provides that the unique transceiver address is scalable: "[w]hile the unique transceiver address can be varied within the scope of the invention, it preferably can be a six-byte address. The length of the address can be varied as necessary given individual design constraints." *Id.* at 6:53–56.

We conclude, therefore, that the "address of the at least one of the intended receiving [transceivers/remote devices]" must be scalable.

### B. Asserted Anticipation of Claims 1, 2, 10, and 37 Based on Kahn or Based on Kantronics

Petitioner asserts claims 1, 2, 10, and 37 of the '893 patent are anticipated by Kahn, or alternatively, by Kantronics. Central to our Decision is whether Petitioner has made a sufficient showing that either Kahn or Kantronics discloses "a receiver address comprising a scalable address of the at least one of the intended receiving [transceivers/remote devices]," as recited in independent claims 1 and 37, respectively. Based on the current record, we determine Petitioner has not demonstrated a reasonable likelihood that it would prevail with respect to at least one challenged claim of the '893 patent.

### 1. Kahn

Kahn discloses wireless packet-switched communications between geographically distributed packet radios. Ex. 1002, 1477, 1479. Kahn further discloses the operation of a packet radio in which a transmitted packet has the structure shown in Figure 8:
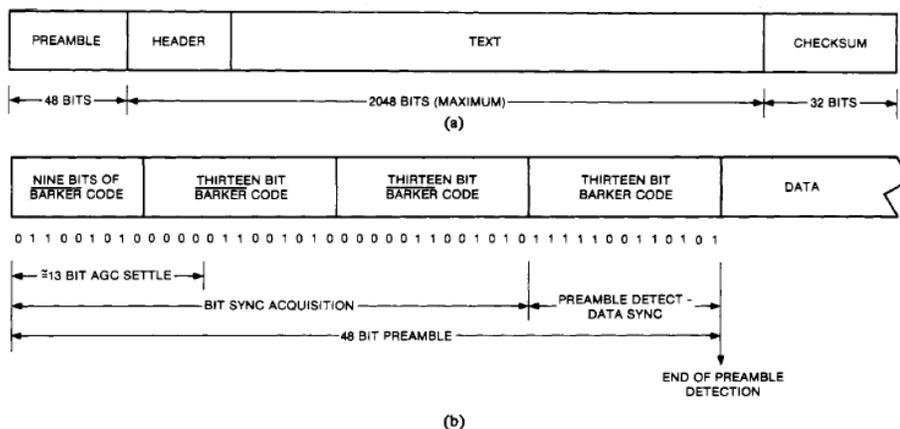


Fig. 8. Structure of a transmitted packet. (a) EPR packet format. (b) EPR packet preamble detail.

*Id.* at 1478–79. Figure 8 depicts a packet comprising, in pertinent part, a variable length header. The variable length header in Kahn includes a destination identifier (also referred to as a "selector") that identifies the final destination of a packet, and also may include selectors identifying repeaters in the route between sender and destination. *Id.* at 1479.

Petitioner reads the portion of Kahn's packet header that includes selectors for both the packet's final destination and the intermediate repeaters on the claimed "scalable address." Pet. 20. Petitioner asserts this "address" is scalable because the number of intermediate repeaters in the route can vary. *Id.* Patent Owner argues this portion of the packet header is not the claimed address of a receiving transceiver, but rather is a "point-to-point route" composed of multiple addresses, namely a source transceiver address, a destination transceiver address, and the address of each repeater in between. Prelim. Resp. 23 (citing Ex. 1002, 1497).

Applying our above claim interpretation, the "receiver address" may include data in addition to the address of the destination transceiver. As we discussed above, however, "scalable address" in claims 1 and 37 refers to the address of "at least one of the intended receiving [transceivers/remote devices]." Accordingly, claims 1 and 37 require the address of the destination transceiver to be scalable. Petitioner neither asserts nor shows the address of the destination transceiver is scalable. Pet. 20. Petitioner instead argues the combination of the destination transceiver address and intermediate repeater addresses is scalable. *Id.*

Therefore, on the record before us, we are not persuaded Petitioner has demonstrated a reasonable likelihood that it will prevail in showing

independent claims 1 and 37 of the '893 patent are anticipated by Kahn, and that claims 2 and 10, which depend from claim 1, are anticipated by Kahn.

    2. *Kantronics*

Kantronics is a user's guide for KPC-3 Plus packet radio stations (Ex. 1003, 11), and discloses techniques for sending messages between packet radio stations using packets that are formatted according to a standard protocol known as AX.25 (*id.* at 27).[3] The figure on page 27 of Kantronics depicts an AX.25 packet:
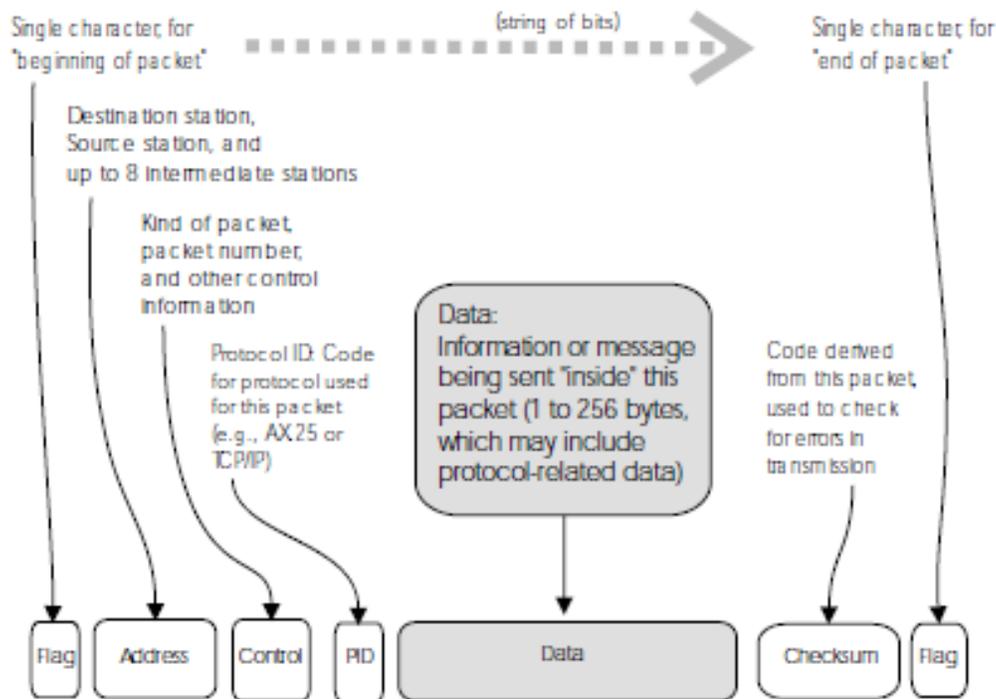


Ex. 1003, 27. As shown in the figure above, an AX.25 packet includes, in pertinent part, an "address" field comprising the address of the destination station, source station, and up to eight intermediate stations.

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[3] We refer to page numbers of the Kantronics user's guide, rather than the exhibit page numbers added by Petitioner.

Similar to its arguments with respect to Kahn, Petitioner asserts the "address" field in Kantronics's AX.25 packet is "scalable" because it can list up to eight intermediate stations. Pet. 44. Petitioner explains:

> If the network only has four stations, there only can be a maximum of two intermediate stations. Whereas, if the network has 10 stations, there could be a maximum of eight intermediate stations. Thus, the aforementioned scalable address varies depending on the size and complexity of the network.

*Id.* For reasons we discussed above, however, claims 1 and 37 require the address of the destination station to be scalable. Petitioner neither asserts nor shows the address of the destination station is scalable. *Id.* Petitioner instead asserts the address section comprising the destination station and up to eight intermediate stations is scalable. *Id.*

Therefore, on the record before us, we are not persuaded Petitioner has demonstrated a reasonable likelihood that it will prevail in showing independent claims 1 and 37 of the '893 patent are anticipated by Kantronics, and that claims 2 and 10, which depend from claim 1, are anticipated by Kantronics.

### C. Asserted Obviousness of Claim 10

Petitioner asserts claim 10 of the '893 patent would have been obvious over Kahn in view of Kantronics and the admitted prior art. Pet. 36. For reasons similar to those we discussed above, we are not persuaded Petitioner has demonstrated a reasonable likelihood that either Kahn or Kantronics teaches "scalable address" as recited in independent claim 1, from which claim 10 depends, and Petitioner does not show how combining Kahn with Kantronics and the admitted prior art overcomes this deficiency. *Id.* at 36–38.

Therefore, on the record before us, we are not persuaded Petitioner has demonstrated a reasonable likelihood it will prevail in showing that claim 10 of the '893 patent would have been obvious over Kahn in view of Kantronics and the admitted prior art.

## III. CONCLUSION

For the foregoing reasons, the information presented in the Petition and accompanying evidence does not establish that there is a reasonable likelihood Petitioner would prevail in showing the unpatentability of any one of the challenged claims, 1, 2, 10, and 37, of the '893 patent.

## IV. ORDER

Accordingly, it is

ORDERED that Petitioner's request for an *inter partes* review of claims 1, 2, 10, and 37 of the '893 patent is *denied*.


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