UNITED STATES PATENT AND TRADEMARK OFFICE
_____

BEFORE THE PATENT TRIAL AND APPEAL BOARD
_____

KAPSCH TRAFFICCOM IVHS INC. and KAPSCH
TRAFFICCOM HOLDING CORP.,
Petitioner,

v.

NEOLOGY, INC.,
Patent Owner.

_____

Case IPR2015-00818 (Patent 8,237,568 B2)
Case IPR2015-00819 (Patent 8,325,044 B2)

_____

Held: May 10, 2016
_____

BEFORE: JUSTIN T. ARBES, GLENN J. PERRY, and
TREVOR M. JEFFERSON, Administrative Patent Judges.

   The above-entitled matter came on for hearing on Tuesday, May
10, 2016, commencing at 1:01 p.m., at the U.S. Patent and
Trademark Office, 600 Dulany Street, Alexandria, Virginia.

Case IPR2015-00818 (Patent 8,237,568 B2)
Case IPR2015-00819 (Patent 8,325,044 B2)

APPEARANCES:

ON BEHALF OF THE PETITIONER:

      GREGG F. LoCASCIO, ESQUIRE
      DAVID SCHLAIFER, ESQUIRE
      Kirkland & Ellis LLP
      655 Fifteenth Street, N.W.
      Washington, D.C. 20005

ON BEHALF OF PATENT OWNER:

      NOEL C. GILLESPIE, ESQUIRE
      ROBERT H. SLOSS, ESQUIRE
      Procopio, Cory, Hargreaves & Savitch LLP
      525 B Street
      Suite 2200
      San Diego, California 92101

1   P R O C E E D I N G S

2   -   -   -   -   -

3   JUDGE ARBES: This is the combined oral hearing in

4   two cases, Case IPR2015-00818 involving Patent 8,237,568 and

5   Case IPR2015-00819 involving Patent 8,325,044.

6   Can counsel please state your names for the record?

7   MR. LoCASCIO: Sure. Good afternoon, Your Honor.

8   Gregg LoCascio from Kirkland & Ellis on behalf of the Petitioner

9   Kapsch.

10   MR. GILLESPIE: Noel Gillespie on behalf of

11 Respondent Neology.

12   JUDGE ARBES: Thank you.

13   We will follow the same procedures as this morning.

14 Each party will have one hour of total time to present arguments

15 for both cases. The order of presentation will be Petitioner will

16 present its case first regarding the challenged claims in both cases

17 and may reserve time for rebuttal. Patent Owner then will

18 respond. Petitioner may then use any remaining time to respond

19 to Patent Owner's presentation.

20   Please do try to refer to your slides by slide number

21 when you can. We find that helpful in order to keep the record

22 clear. And also if either party believes that something that the

23 other party is arguing is objectionable, we ask you to please raise

24 that in your own presentation rather than interrupting the other

25 side.

1   Any questions from either party?

2   MR. LoCASCIO: No.

3   JUDGE ARBES: Okay. Petitioner, you may proceed.

4   MR. LoCASCIO: Thank you.

5   JUDGE ARBES: Would you like to reserve time for

6   rebuttal?

7   MR. LoCASCIO: I will, Your Honor. I'll reserve 20

8   minutes, please.

9   I've got some copies of the slides, Your Honor. May I

10   approach?

11   JUDGE ARBES: Thank you.

12   MR. LoCASCIO: Thank you.

13   May I proceed, Your Honor?

14   JUDGE ARBES: Yes.

15   MR. LoCASCIO: Thank you.

16   Good afternoon. Gregg LoCascio on behalf of the

17   Petitioners Kapsch. We're here today on two instituted petitions

18   for inter partes review with respect to certain claims of two

19   patents, the '044 patent and the '568 patent.

20   At base, these petitions turn on whether the cited art

21   anticipates or renders obvious a method or a system of doing a

22   very particular thing, and that is communicating between a reader

23   and an RFID tag or a transponder, as it's called, where the reader

24   sends two communications, a first communication and a second

25   communication to that tag. And in response, the tag then

1 validates a security key, and if it does, it provides a piece of

2 information back to the reader.

3   With respect to the '568, that information is slightly

4 narrower, it's vehicle identification as opposed to just generic

5 identifiers and so these challenged claims, as we'll see in a

6 second, we believe are invalid as instituted on the various pieces

7 of prior art.

8   So if we can go to the deck. Let's go to slide 4, please.

9   And so the way we have approached it similar to the

10 last presentation is to walk through, first, any issues around claim

11 construction. The only issue revolves around security key and

12 then the various references, the Hurta reference, the Snodgrass

13 reference. Both of those are anticipation of the '044 only based

14 on the institution and then an obviousness combination of

15 Snodgrass plus Slavin with respect to both the '568 and the '044.

16   So, Dave, move to slide 6.

17   So let's start off talking about what the security key is

18 and how it appears in these claims in the patents. And the

19 security key is validated by the tag to allow access to some

20 identifier from the memory. So what does that mean and the

21 panel has already construed it.

22   Next slide, please, Dave, slide 7.

23   The broadest reasonable interpretation, this was

24 proposed by Petitioners because this is a construction that

25 previously the Patent Owner themselves had put forth.

5

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS
Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS
Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS
Sync your system to PACER to automate legal marketing.

fastcase®
Smarter legal research.