UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RPX CORPORATION and PROTECTION ONE, INC., Petitioner,

v.

MD SECURITY SOLUTIONS, LLC, Patent Owner.

Case IPR2016-00285¹ Patent 7,864,983 B2

Before SALLY C. MEDLEY, KARL D. EASTHOM, and WILLIAM M. FINK, *Administrative Patent Judges*.

FINK, Administrative Patent Judge.

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FINAL WRITTEN DECISION *35 U.S.C. § 318(a) and 37 C.F.R. § 42.73*

¹ Protection One, Inc., who filed a Petition in IPR2016-01235, has been joined as a party to the petitioner in this proceeding.

I. INTRODUCTION

On December 4, 2015, RPX Corporation (collectively with Protection One, Inc., "Petitioner") filed a Petition requesting an *inter partes* review of claims 1–20 of U.S. Patent No. 7,864,983 B2 (Ex. 1001, "the '983 patent"). Paper 1 ("Pet."). On March 14, 2016, MD Security Solutions LLC ("Patent Owner"), filed a Preliminary Response. Paper 8 ("Prelim. Resp."). On June 6, 2016, we instituted trial as to claims 1–20 of the '983 patent. Paper 9 ("Decision to Institute" or "Inst. Dec.").

After institution, Patent Owner filed a Request for Rehearing, which we denied. Paper 11; Paper 12 ("Decision on Rehearing" or "Dec. Reh'g"). Patent Owner filed a Patent Owner Response. Paper 13 ("PO Resp."). Petitioner filed a Reply to the Patent Owner Response. Paper 18 ("Pet. Reply"). An oral hearing was held on February 15, 2017. A transcript of the hearing has been entered into the record. Paper 28 ("Tr.").

This Final Written Decision ("Decision") is issued pursuant to 35 U.S.C. § 318(a). For the reasons that follow, we conclude Petitioner has demonstrated, by a preponderance of the evidence, that claims 1–20 of the '983 patent are unpatentable.

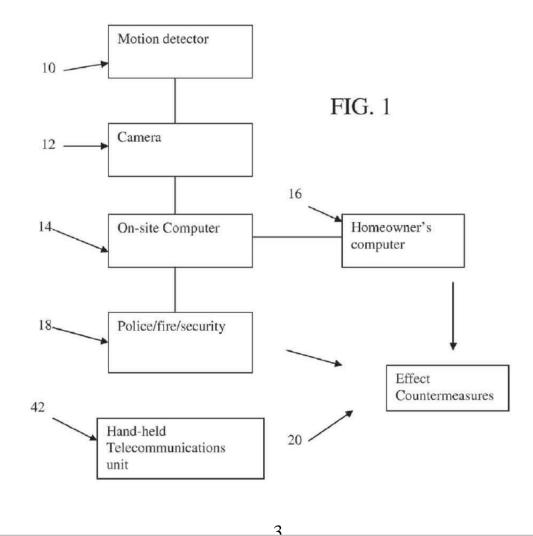
A. Related Matters

Petitioner and Patent Owner identify the following pending judicial matters as relating to the '983 patent: *MD Security Solutions, LLC v. Bright House Networks, LLC,* No. 6:15-cv-00777 (M.D. Fl.), *MD Security Solutions LLC v. CenturyLink, Inc.,* No. 6:15-cv-01967 (M.D. Fl.), and *MD Security Solutions LLC v. Protection 1, Inc.,* No. 6:15-cv-01968 (M.D. Fl.). Pet. 2–3; Paper 7, 1.

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B. The '983 Patent

The '983 patent relates to a "[s]ecurity alarm system for protecting a structure [that] includes motion detectors connected to cameras." Ex. 1001, Abstract. At least one of the motion detectors has an external field of view of the protected structure in order to detect an approaching intruder, and a camera arranged such that the camera has a field of view encompassing at least part of the field of view of the associated motion detector. *Id.* at 2:31–35, 6:66–7:1. The system also includes a handheld telecommunications unit that allows a user to activate, deactivate, and make adjustments to the alarm system. *Id.* at 11:31–34. Figure 1 of the '983 patent is reproduced below:



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Figure 1 illustrates a schematic embodiment of an alarm system in accordance with the invention. *Id.* at 6:36–37. The schematic of Figure 1 includes motion detector 10, camera 12, on-site computer 14, and hand-held telecommunications unit 42. *Id.* at 6:48–53, 11:1–3. "[E]ach camera 12 is triggered to obtain an image only when its associated motion detector 10 detects motion in the field of view of the motion detector 10." *Id.* at 7:37–40. On-site computer 14 will receive these images from these cameras 12. *Id.* at 8:51–58. A processor sends these images via a telecommunications module to hand-held telecommunications unit 42. *Id.* at 2:40–45. Additionally, hand-held telecommunications unit 42 may send a command causing the cameras 12 to obtain and transmit images to the telecommunications unit. *Id.* at 2:46–50.

C. Illustrative Claim

Claims 1 and 11 are independent claims. Claims 2–10 depend directly or indirectly from claim 1, and claims 12–20 depend directly or indirectly from claim 11. Claim 1 is reproduced below:

1. An alarm system for protecting a structure, comprising:

at least one motion detector arranged to have a field of view external of the structure and including an area proximate the structure;

at least one camera associated with and coupled to each of said at least one motion detector, each of said at least one camera being arranged relative to the associated one of said at least one motion detector such that said camera has a field of view encompassing at least part of the field of view of the associated one of said at least one motion detector, each of said at least one camera having a dormant state in which images are not obtained and an active state in which images are obtained and being activated into the active state when the associated one of said at least one motion detector detects motion; a processor coupled to said at least one camera and arranged to control said at least one camera and receive the image obtained by said at least one camera;

a telecommunications module coupled to said processor, said telecommunications module being capable of communications over a telecommunications network; and

a handheld telecommunications unit for transmitting commands for said processor via said telecommunications module to cause said processor to provide images to said telecommunications module to be transmitted to the telecommunications unit.

Ex. 1001, 13:53–14:11.

D. Pending Grounds of Unpatentability

The first pending ground of unpatentability challenges independent claims 1 and 11 and dependent claims 2–8 and 18–20, as directed to obvious subject matter, under 35 U.S.C. § 103(a), over the teachings of Milinusic² and Osann.³ The second pending ground of unpatentability challenges dependent claims 9, 10, and 12–17 as directed to obvious subject matter, under 35 U.S.C. § 103(a), over the teachings of Milinusic, Osann, and Ozer.⁴

II. DISCUSSION

A. Level of Ordinary Skill in the Art

Citing its declarant, Dr. Lavian, Petitioner opines that a person of ordinary skill in the art would "have had at least a B.S. in Electrical Engineering, Computer Engineering or Computer Science or the equivalent, along with 2 years of working experience in image processing and/or

²U.S. Patent No. 7,106,333 B1, issued September 12, 2006 (Ex. 1003) ("Milinusic")

³U.S. Patent No. 7,253,732 B2, issued August 7, 2007 (Ex. 1004) ("Osann") ⁴U.S. Patent Application Publication No. 2004/0120581 A1, published June 24, 2004 (Ex. 1005) ("Ozer")

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