

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MULTI PACKAGING SOLUTIONS, INC.,
Petitioner,

v.

CPI CARD GROUP – MINNESOTA, INC.,
Patent Owner.

Case IPR2017-01650
Patent 8,419,889 B2

Before GRACE KARAFFA OBERMANN, CHRISTOPHER M. KAISER,
and JEFFREY W. ABRAHAM, *Administrative Patent Judges*.

OBERMANN, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
Determining That Claims 1–30 Are Unpatentable
35 U.S.C. § 318(a)

I. INTRODUCTION

This is an *inter partes* review of claims 1–30 of U.S. Patent No. 8,419,889 B2 (Ex. 1001, “the ’889 patent”). In our Institution Decision (Paper 11, “Dec.”), we instituted review based on the grounds set forth in the Petition (Paper 2, “Pet.”). Petitioner bears the burden of proving unpatentability by a preponderance of the evidence, a burden that never shifts to Patent Owner. 35 U.S.C. § 316(e); 37 C.F.R. § 42.1(d); *Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015). We have jurisdiction under 35 U.S.C. § 6. We issue this Final Written Decision pursuant to 35 U.S.C. § 318(a).

Patent Owner filed a Response (Paper 19, “Resp.”), Petitioner filed a Reply (Paper 29, “Reply”), and Patent Owner filed a Sur-Reply (Paper 31, “Sur-Reply”). We held a final oral hearing on October 3, 2018. *See* Paper 35 (“Tr.”). Except as otherwise noted, we cite to public versions of papers and exhibits filed in this proceeding.

A. Related Proceedings

According to the parties, Patent Owner asserts claims 1–5, 7, 11, 16–18, 22–27 and 30 against Petitioner in a co-pending district court action. *See* Pet. 3 and Paper 5 (both parties, identifying as a related proceeding the district court action in *CPI Card Group Inc. v. Multi Packaging Solutions, Inc.*, No. 1:16-CV-02536 (D. Colo.) (filed Oct. 11, 2016)).

B. The ’889 Patent (Ex. 1001)

The ’889 patent is titled “Ultrasecure Card Package.” Ex. 1001, 1:1. The invention “relates generally to secure point-of-sale activated cards,” including, for example, “debit cards, gift cards, credit cards, telephone cards

and the like,” and, specifically, to a method of packaging cards for “enhanced security.” *Id.* at 1:12–13, 16–17, 44.

The ’889 patent describes a method of retaining a card between two panels secured together by an adhesive. *Id.*, Abstract. The panels may be constructed of paper stock that is clay coated on both sides. “[A] heat activated adhesive” may be “applied directly to the clay coated inner surfaces” of the paper stock panels. Polyurethane is a suitable heat-activatable adhesive for use in the claimed method. “The adhesive is applied using known printing techniques” that may involve a “printing roller” or “a Gravure press.” *Id.* at 8:20–36.

“The heat activated adhesives” may be applied “in the normal printing process and allowed to dry to be activated later.” *Id.* at 8:45–47. “The heat activated adhesive can be applied to the entire surface of the panel, and only activated selectively by heating only the portions of the panels that are to be bonded.” *Id.* at 8:50–53. The specification describes “embodiments that include” an “aperture.” *Id.* at 7:10–11. The card may have “a data field on it” that “is viewable through the aperture.” *Id.* at 3:56–57.

C. Illustrative Claims

Claims 1 and 18 are the only independent claims. Claim 1 is illustrative and reproduced below:

1. A method for producing a secure card package containing a point-of-sale activatable card, comprising:

providing a first panel and a second panel each comprising paper stock and having a non-polymeric coated inner surface;

printing a heat-activatable adhesive directly upon the non-polymeric coated inner surface of the first panel;

allowing the heat-activatable adhesive to dry upon the non-polymeric coated inner surface of the first panel;

locating a point-of-sale activatable card between the inner surface of the first panel and an inner surface of the second panel, after the step of allowing the heat-activatable adhesive to dry upon the non-polymeric coated inner surface of the first panel; and,

activating the heat-activatable adhesive, after the locating step, by ***applying heat and pressure only in a region substantially surrounding and offset from the point-of-sale activatable card to enclose the point-of-sale activatable card in a secure space between the first and second panels.***

Ex. 1001, 8:66–9:19 (emphasis added).

Claim 18 (the only other independent claim) similarly includes the above-emphasized limitation. Claim 18 further specifies that the surfaces of the panels are clay coated and the heat-activatable adhesive comprises polyurethane. *Id.* at 10:7–28.

D. Evidence Relied Upon

The Petition identifies the following references as prior art in the grounds of unpatentability:

- (1) US Pat. Pub. No. 2006/0151348 A1, patent application to Rick L. Willard, published July 13, 2006 (Ex. 1010, “Willard”);
- (2) US Pat. Pub. No. 2007/0160833 A1, patent application to Kevin D. Maak, et al., published July 12, 2007 (Ex. 1011, “Maak”);
- (3) US Pat. Pub. No. 2007/0034543 A1, patent application to Marty Jones, published February 15, 2007 (Ex. 1012, “Jones”);
- (4) J. Dormish, *Tack Measurement of Heat-Activated Polyurethane Adhesives*, Adhesives & Sealants Industry Vol. 12, No. 11 (November 2005) (Ex. 1013, “ASI”);

(5) US Pat. Pub. No. 2007/0051652 A1, patent application to Christopher R. Tilton, published March 8, 2007 (Ex. 10014, “Tilton”);

(6) US Pat. No. 6,099,682, issued to Stephen E. Krampe, et al., on August 8, 2000 (Ex. 1045, “Krampe”);

(7) US Pat. No. 5,605,230, issued to Michael A. Marino, Jr. on February 25, 1997 (Ex. 1044, “Marino”);

(8) US Pat. No. 5,760,381, issued to Rebecca Stich, et al., on June 2, 1998 (Ex. 1020, “Stich”).

Petitioner relies on the Declaration of Paul Singh, Ph. D. Ex. 1002. Patent Owner relies on the corrected Declaration of Robert Kimmel, Sc. D. Ex. 2012. As an initial matter, based on the information reflected in their curricula vitae, we determine that both Dr. Singh and Dr. Kimmel are qualified to opine from the perspective of a person of ordinary skill in the art at the time of the invention. *See* Ex. 1002, Appendix A (Dr. Singh’s curriculum vitae); Ex. 2012, Appendix A (Dr. Kimmel’s curriculum vitae).

E. The Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims 1–30 of the ’889 patent on the following grounds (*see* Pet. 5 (grounds chart)):

Claim(s)	Basis	References
1–3, 7, 9, 10, 12, 14, 16, 22–27, 30	§ 103	Willard, Maak, Jones
4, 5, 18	§ 103	Willard, Maak, Jones, ASI
6, 8, 11, 17	§ 103	Willard, Maak, Jones, Tilton
13	§ 103	Willard, Maak, Jones, Krampe

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.