

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MOBILE TECH, INC.,
Petitioner,

v.

INVUE SECURITY PRODUCTS INC.,
Patent Owner.

Case IPR2018-00481
Patent 9,576,452 B2

Before JUSTIN T. ARBES, STACEY G. WHITE, and
DANIEL J. GALLIGAN, *Administrative Patent Judges*.

WHITE, *Administrative Patent Judge*.

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

I. INTRODUCTION

We have jurisdiction to hear this *inter partes* review under 35 U.S.C. § 6. This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a). For the reasons discussed herein, we determine that Mobile Tech, Inc. (“Petitioner”) has shown, by a preponderance of the evidence, that claims 1–35 (“the challenged claims”) of U.S. Patent No. 9,576,452 B2 (“the ’452 patent,” Ex. 1001) are unpatentable.

A. Background

Petitioner requested *inter partes* review of the challenged claims. Paper 1 (“Petition”). InVue Security Products Inc. (“Patent Owner”) filed a Patent Owner Preliminary Response. Paper 8. Based on our review of these submissions, we instituted a trial on all of Petitioner’s challenges as described in the Petition. Paper 9 (“Dec. on Inst.”). Petitioner contends the challenged claims are unpatentable under 35 U.S.C. § 103 on the following specific grounds (Pet. 5–6):

References	Claim(s) Challenged
Rothbaum ¹ and Denison ²	1–35
Rothbaum, Denison, and Deguchi ³	1–31
Rothbaum, Denison, and Galant ⁴	20
Rothbaum, Denison, Galant, and Deguchi	20

¹ U.S. Patent No. 5,543,782, issued Aug. 6, 1996 (Ex. 1003, “Rothbaum”).

² U.S. Patent Pub. No. 2004/0201449 A1, pub. Oct. 14, 2004 (Ex. 1002, “Denison”).

³ U.S. Patent Pub. 2004/0003150 A1, pub. Jan. 1, 2004 (Ex. 1004, “Deguchi”).

⁴ U.S. Patent No. 6,308,928 B1, issued Oct. 30, 2001 (Ex. 1005, “Galant”).

References	Claim(s) Challenged
Rothbaum, Denison, and Uchida ⁵	21
Rothbaum, Denison, Uchida, and Deguchi	21

Patent Owner filed a Patent Owner Response (Ex. 2040⁶, “PO Resp.”) and Petitioner filed a Reply (Paper 18, “Reply”).

An oral hearing was held on April 10, 2019, and a transcript of the hearing is included in the record (Paper 24, “Tr.”). After the hearing, the parties met and conferred regarding the potential application of collateral estoppel to certain issues in this proceeding. The parties provided us with a list of their agreements and disagreements as to the application of collateral estoppel. Ex. 3001. We then authorized the parties to provide further briefing “regarding the parties’ stated disagreements regarding the application of collateral estoppel to this proceeding.” Paper 23. Petitioner and Patent Owner each filed opening (Paper 25, “Pet. CE Br.”; Paper 26, “PO CE Br.”) and responsive briefs (Paper 27, “Pet. CE Resp. Br.”; Paper 28, “PO CE Resp. Br.”).

B. Related Proceedings

The parties indicate the ’452 patent originally was asserted in *InVue Security Prods., Inc. v. Mobile Tech, Inc.*, Case No. 3-17-cv-00075 (W.D.N.C.), and that the case was consolidated with others involving patents

⁵ Japanese Patent App. Pub. No. 1997-259368, pub. Oct. 3, 1997 (Ex. 1012); certified translation (Ex. 1013, “Uchida”).

⁶ We granted Patent Owner’s Motion to Seal and by that Motion, we sealed the Patent Owner Response (Paper 13) in this proceeding. Paper 16. Exhibit 2040 is a redacted version of the Patent Owner Response. We cite to the redacted version unless otherwise indicated, and do not refer to any sealed materials herein.

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related to the '452 patent and transferred to the United States District Court for the District of Oregon. Pet. 1; Paper 5, 2–4; Paper 15, 3. Petitioner has filed petitions for *inter partes* and post-grant review involving the same parties and related patents in IPR2016-00892, IPR2016-00895, IPR2016-00896, IPR2016-00898, IPR2016-00899, IPR2016-01241, IPR2016-01915, IPR2017-00344, IPR2017-00345, IPR2017-01900, IPR2017-001901, IPR2018-01138, and PGR2018-00004. Paper 15, 3–4. We note that final written decisions have been issued in IPR2016-00892, IPR2016-00895, IPR2016-00896, IPR2016-00898, IPR2016-00899, IPR2016-01241, IPR2016-01915, IPR2017-00344, IPR2017-00345, IPR2017-01900, and IPR2017-01901, some of which have been appealed. The parties also identify certain patents and pending patent applications that may be affected by a decision in this proceeding. Pet. 3; Paper 15, 4.

C. The '452 Patent

The '452 patent describes a security system and method including a programmable key. Ex. 1001, 1:29–34. This security system is depicted in Figure 1, which is reproduced below.

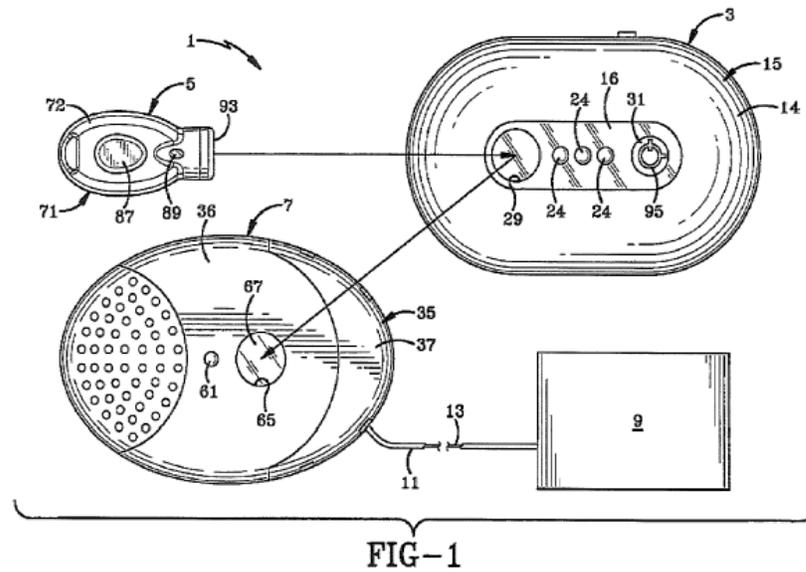


Figure 1 depicts security system 1. *Id.* at 6:13–15. The primary components of security system 1 are programming station 3, programmable key 5, and alarm module 7. *Id.* at 6:15–20. Merchandise 9 is connected to alarm module 7 via cable 11 that preferably contains sense loop 13. *Id.* at 6:15–20. The logic control circuit of programming station 3 randomly generates a unique security code (Security Disarm Code, or “SDC”) that is transmitted to programmable key 5, which in turn stores the SDC in key memory. *Id.* at 9:20–26. Once programmed with an SDC, key 5 is taken to alarm module 7 and the SDC is stored in the alarm module’s memory. *Id.* at 9:40–50. “SDC memory 53 permanently stores the randomly generated SDC in the alarm module 7, preferably for the remaining lifetime of the alarm module.” *Id.* at 9:47–50. The storage of the SDC in the memory of key 5 will actuate timer 82 for a predetermined time period. *Id.* at 9:56–58. “At the end of this time period, controller 80 automatically invalidates use of the SDC in SDC memory 81 by logic control circuit 77 to thereby render the key inoperative for use with alarm module 7.” *Id.* at 9:58–62. In addition, counter 83 of logic control circuit 77 counts each time that the key is activated. *Id.* at

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