

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

R. J. REYNOLDS VAPOR COMPANY,
Petitioner,

v.

FONTEM HOLDINGS 1 B.V.,
Patent Owner.

Case IPR2018-00626
Patent 8,375,957 B2

Before GRACE KARAFFA OBERMANN, KIMBERLY McGRAW, and
JESSICA C. KAISER, *Administrative Patent Judges*.

McGRAW, *Administrative Patent Judge*.

DECISION
Denial of Institution of *Inter Partes* Review
35 U.S.C. § 314(a)

I. INTRODUCTION

R.J. Reynolds Vapor Company (“Petitioner”), filed a Petition (Paper 2, “Pet.”) requesting an *inter partes* review of claims 1, 9, 10, 17, and 22 of U.S. Patent No. 8,375,957 B2 (Ex. 1001, “the ’957 patent”) pursuant to 35 U.S.C. § 311(a). Fontem Holdings 1 B.V. (“Patent Owner”), filed a Preliminary Response. Paper 6 (“Prelim. Resp.”).

We have jurisdiction under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted “unless . . . the information presented in the petition . . . shows that 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, the Preliminary Response, and the evidence of record, we conclude the information presented fails to show there is a reasonable likelihood that Petitioner would prevail in establishing the unpatentability of claims 1, 9, 10, 17, and 22 of the ’957 patent.

Additionally, we determine that the Petition presents substantially the same art or arguments as those previously presented to the Office. Therefore, we also exercise our discretion under 35 U.S.C. § 325(d) to deny institution of an *inter partes* review as to claims 1, 9, 10, 17, and 22 of the ’957 patent.

A. *Related Proceedings*

Petitioner identifies *Fontem Ventures BV v. R.J. Reynolds Vapor Company*, 1:17-cv-00175 (M.D.N.C), which has been consolidated with lead case *Fontem Ventures B.V. v. R.J. Reynolds Vapor Company*, 1:16-cv-01255 (M.D.N.C.), in which Fontem asserted the ’957 patent and six other patents (collectively, “the Asserted Patents”) as a related matter. Pet. 2. Petitioner

also identifies over twenty district court actions brought by Fontem or its predecessors-in-interest that involve the '957 patent, the Asserted Patents, or other patents related to the Asserted Patents, as related matters, including *Fontem Ventures BV v. Nu Mark LLC*, 2:16-cv-04537 (C.D. Cal.). *Id.* at 2–5.

Petitioner also states it filed two petitions for *inter partes* review of U.S. Patent No. 9,370,205, which is related to the '957 patent (*id.* at 7) (citing IPR2017-01641 and IPR2017-01642), and identifies an additional fourteen *inter partes* review proceedings as related to the present petition (*id.* at 5–7), including three proceedings that involve the '957 patent (*id.* at 6–7) (citing IPR2015–00098, IPR2015-01513, and IPR2016-01037).

B. The '957 Patent

The '957 patent is directed to an electronic cigarette comprising, *inter alia*, a battery assembly, an atomizer assembly, and a cigarette bottle.

Ex. 1001, Abstract. Figures 2A, 3, and 4 of the '957 patent are reproduced below:

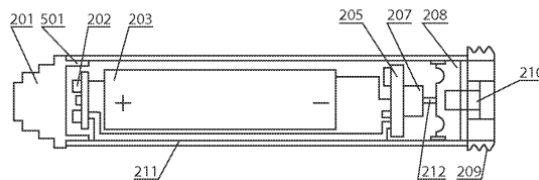


Figure 2A

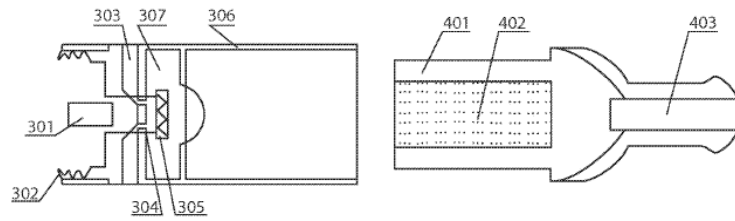


Figure 3

Figure 4

Figure 2A is a diagram of the battery assembly disclosed in the '957 patent, including external screw thread electrode 209. *Id.* at 2:27–28, 2:60–65.

Figure 3 is a diagram of an atomizer assembly disclosed in the '957 patent, including internal screwthread electrode 302. *Id.* at 2:31–32, 2:33–34.

Figure 4 is a diagram of a cigarette bottle assembly. *Id.* at 2:33–34.

Figure 5A, shown below, is a section view of an assembled electronic cigarette described in the '957 patent. *Id.* at 2:35–36, 3:57–61.

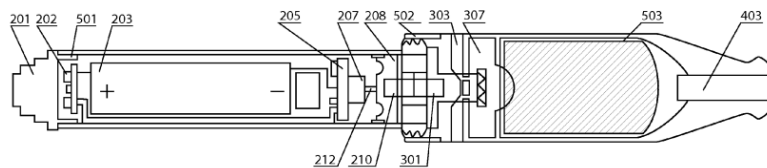


Figure 5A

Figure 5A, shown above, is a diagram of an assembled electronic cigarette that includes the battery assembly of Figure 2A, the atomizer assembly of Figure 3, and the cigarette bottle assembly of Figure 4. *Id.* at 3:57–61. The '957 patent states that the battery assembly is fastened onto the atomizer assembly, which is then inserted into the cigarette bottle assembly. *Id.*

C. Claims

Petitioner challenges claims 1, 9, 10, 17, and 22. Of the challenged claims, claims 1 and 10 are independent. Claim 1 is representative and is reproduced below.

1. An electronic cigarette or cigar comprising:
 - a battery assembly comprising a battery assembly housing having a first end and a second end, with a battery, a micro-controller unit (MCU) and a sensor electrically connected to a circuit board within the battery assembly housing;
 - a primary screwthread electrode located on the first end of the battery assembly housing and having a hole through its center;*
 - an atomizer assembly comprising:
 - an atomizer assembly housing having a first end and a second end;
 - an atomizer, and a solution storage area in the atomizer assembly housing;
 - a secondary screwthread electrode located on the second end of the atomizer assembly housing and having a hole through its center, the battery assembly and the atomizer assembly connected through the primary and secondary screwthread electrodes;* and
 - with the atomizer including a heater coil wound around a porous component.

Id. at 5:52–6:5 (emphasis added).

D. Prior Art Relied Upon

Petitioner applies the following prior art references in the grounds of unpatentability asserted in the Petition:

U.S. Patent No. 2,057,353 (Ex. 1004, “Whittemore”); and
U.S. Patent No. 4,947,874 (Ex. 1003, “Brooks”).

E. Asserted Ground of Unpatentability

Petitioner argues that the challenged claims are unpatentable based upon the following ground:

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