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Paper 39
Date: December 29, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNIFIED PATENTS, LLC,
Petitioner,

v.

VARATEC, LLC,
Patent Owner.

IPR2019-01276
Patent 7,792,256 B1

Before THOMAS L. GIANNETTI, STACEY G. WHITE, and BRENT M. DOUGAL, *Administrative Patent Judges.*

DOUGAL, *Administrative Patent Judge*.

JUDGMENT
Final Written Decision
Determining All Challenged Claims Unpatentable
Granting-In-Part Patent Owner's Corrected Motion to Amend
35 U.S.C. § 318(a)

I. INTRODUCTION

A. Background

Unified Patents Inc. ("Petitioner") filed a Petition to institute an *inter partes* review of claims 1–3, 5, 6, 9–12, 14, 15, 18, and 19 ("challenged claims") of U.S. Patent No. 7,792,256 B1 ("'256 patent"). Paper 1 ("Pet."). Varatec, LLC ("Patent Owner") filed a Preliminary Response. Paper 6 ("Prelim. Resp."). Per our authorization, Petitioner filed a Reply to the Preliminary Response and Patent Owner filed a Sur-reply.[1] Applying the standard set forth in 35 U.S.C. § 314(a), we instituted an *inter partes* review of all challenged claims. Paper 14 ("Institution Decision" or "Dec.").

Patent Owner filed a Corrected Motion to Amend (Paper 23, "Motion" or "Mot."), which includes a response to the Institution Decision. The Motion requests that if any of claims 1–3, 5, 6, 9–12, 14, 15, and 18 be found unpatentable, they should be replaced by substitute claims 42–44, 46, 47, 50–53, 55, 56 and 59 ("proposed substitute claims" or "proposed claims").[2] Mot. 1, Claims App. Petitioner timely filed its Opposition to the Motion. Paper 26 ("Opposition" or "Opp."). The Motion also requested Preliminary Guidance. Mot. 1. We issued our Preliminary Guidance (Paper 28, "PG"), which indicated, based on the record at that time, that Petitioner demonstrated a reasonable likelihood that the proposed substitute claims were unpatentable. *Id.* at 3.

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[1] Petitioner filed both sealed (Paper 9) and redacted (Paper 10) versions of the Reply. Similarly, Patent Owner filed sealed (Paper 12) and redacted (Paper 13) versions of the Sur-reply.

[2] Patent Owner's listing of proposed claims 42–59 and the omission of claim 18 in Patent Owner's statement conditionally amending the claims appear to be typographical errors. Mot. 1; *see id.* at Claim App. 8 ("18. Replaced by Proposed Contingent Substitute Claim 59").

Subsequent to the Preliminary Guidance, Patent Owner filed a Reply (Paper 29, "PO Reply"), and Petitioner filed a Sur-reply (Paper 32, "Pet. Sur-reply"). An oral hearing was held on September 30, 2020, and a transcript of the hearing was entered into the record (Paper 38, "Tr.").

We have jurisdiction under 35 U.S.C. § 6. This Decision is a Final Written Decision under 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73 as to the patentability of the claims on which we instituted trial. As addressed in our analysis below, we determine that Petitioner has shown by a preponderance of the evidence, that claims 1–3, 5, 6, 9–12, 14, 15, 18, and 19 are unpatentable.

Having determined that the challenged claims are unpatentable, our below analysis turns to the proposed substitute claims of Patent Owner's contingent Corrected Motion to Amend. We determine that Petitioner has established by a preponderance of the evidence that proposed substitute claims 42–44, 46, 47, and 50 are unpatentable, but also determine that Petitioner has not established that Patent Owner's proposed substitute claims 51–53, 55, 56 and 59 are unpatentable. We therefore grant-in-part Patent Owner's Corrected Motion to Amend.

B. Related Matters

Petitioner and Patent Owner identify the following litigation involving the '256 patent: 1) *Varatec, LLC v. Comcast Broadband Security, LLC et al*., 1:19-cv-01541 (N.D. Ill.); 2) *Varatec, LLC v. ADT, LLC*, 1:19-cv-01543 (N.D. Ill.); and 3) *Varatec, LLC v. Advanced Technology Video, Inc*., 3:14-cv-01315 (N.D. Tex.). Pet. 1–2; Paper 4.

C. The '256 Patent

The '256 patent is titled "System and Method for Remotely Monitoring, Controlling, and Managing Devices at One or More Premises."

Ex. 1001, code (54). The '256 patent teaches that it can be desirable to monitor the premises of "a convenience store, a fast food restaurant or other suitable facility," such as for security purposes. *Id.* at 1:15–16, 20. It also teaches using cameras, sensors, such as temperature sensors, or recording point-of-sale information, as part of the monitoring system. *Id.* at 1:17–28.

A remote monitoring system 10 is depicted in FIG. 1, reproduced below.

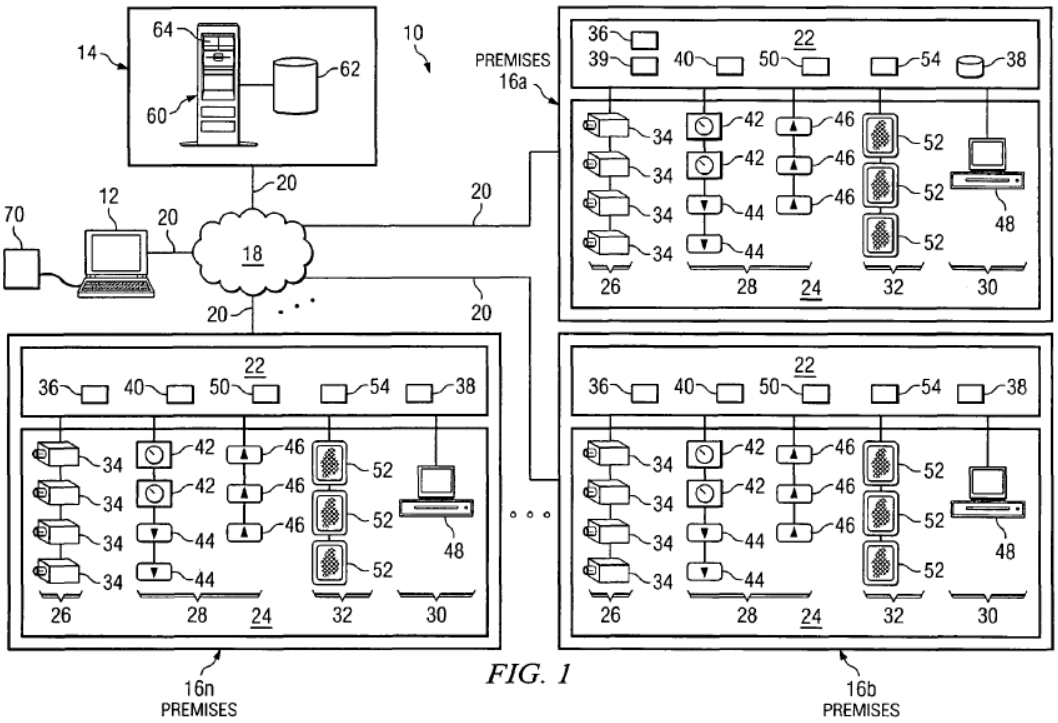


FIG. 1

Figure 1, above, shows a "system for remotely monitoring, controlling, and managing one or more premises and devices at the one or more premises." *Id.* at 2:63–66.

The illustrated system includes client system 12, registrar system 14 (i.e., server system 60 and database system 62), multiple premises 16, and network 18. *Id.* at 3:45–47, 17:17–18. Each of premises 16 has one or more computer systems 22 and one or more devices 24 for monitoring the premises including, inter alia, video devices 26, facility management devices

28, point-of-sale devices 30, and media devices 32. *Id.* at 5:1–5. Each device 24 can generate device data that can be used in the remote monitoring, controlling, and managing of premises 16 and devices at premises 16. *Id.* at 5:10–11; 3:49–52.

D. Illustrative Claim

Of the challenged claims, 1, 10, and 19 are independent. Each of dependent claims 2, 3, 5, 6, 9, 11, 12, 14, 15, and 18 depends directly or indirectly from respective independent claims 1 and 10. Claim 1 illustrates the claimed subject matter and is reproduced below, with additional paragraphing and bracketed lettering added:

> 1. A system for remotely monitoring, controlling, and managing one or more remote premises, comprising:
>
> [a] a server system operable to communicate with one or more remote client systems, the client systems being remote from the one or more premises;
>
> [b] a database system associated with the server system and operable to store configuration information for a plurality of devices located at a remote premises, the plurality of devices comprising one or more camera devices and one or more facility management devices;
>
> [c] the server system operable to:
>
> receive from the one or more premises device data for the one or more facility management devices located at the remote premises;
>
> [d] initiate storage of at least a portion of the received device data in the database system; and
>
> [e] communicate, in response to a request received from a particular one of the one or more remote client systems for device data for at least one facility management device, stored device data for the at least one facility management device responsive to the request to the particular client system.

Ex. 1001, 50:36–51:2.

E. Instituted Grounds and Prior Art

Petitioner contends that the challenged claims would have been unpatentable on the following grounds:[3]

Claim(s) Challenged	35 U.S.C. §[4]	Reference(s)/Basis
1, 2, 5, 6, 9–11, 14, 15, 18	103(a)	Rezvani[5]
1, 2, 5, 6, 9–11, 14, 15, 18	103(a)	Rezvani, Simon[6]
3, 12	103(a)	Rezvani, Crookham[7]
3, 12	103(a)	Rezvani, Simon, Crookham
19	103(a)	Rezvani, Halpern[8], Naidoo[9]

II. PATENTABILITY OF CHALLENGED CLAIMS

A. Legal Standards under 35 U.S.C. § 103(a)

In *Graham v. John Deere Co.*, 383 U.S. 1 (1966), the Supreme Court set out a framework for assessing obviousness under 35 U.S.C. § 103 that requires consideration of four factors: (1) the "level of ordinary skill in the pertinent art," (2) the "scope and content of the prior art," (3) the "differences between the prior art and the claims at issue," and (4) "secondary considerations" of non-obviousness such as "commercial success, long felt but unsolved needs, failure of others, etc." *Id.* at 17–18.

[3] Petitioner supports its challenge with a Declaration of Dr. Paul D. Franzon. ("Franzon Decl.") (Ex. 1003).
[4] The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) ("AIA"), amended 35 U.S.C. § 103. Because the challenged claims of the '256 patent have an effective filing date before the effective date of the applicable AIA amendments, we refer to the pre-AIA version of § 103.
[5] Ex. 1004, Rezvani, U.S. Pat. 6,686,838 B1, iss. Feb. 3, 2004.
[6] Ex. 1005, Simon, U.S. Pat. 7,292,142 B1, iss. Nov. 6, 2007.
[7] Ex. 1006, Crookham, U.S. Pat. 6,681,110 B1, iss. Jan. 20, 2004.
[8] Ex. 1007, Halpern, U.S. Pat. 5,301,122, iss. Apr. 5, 1994.
[9] Ex. 1008, Naidoo, U.S. Pat. Pub. 2003/0062997 A1, pub. Apr. 3, 2003.

Neither party has presented evidence or argument directed to secondary considerations. The other *Graham* factors are addressed below.

B. Level of Ordinary Skill

Petitioner states that a person of ordinary skill in the art (POSA) "would have had a Bachelor of Science degree in Electrical Engineering or an equivalent field, as well as at least 2–3 years of academic or industry experience in control systems, video monitoring systems, and computer and wireless networks." Pet. 7 (citing Franzon Decl. ¶ 53). Petitioner further states that "[l]ess experience is necessary in view of additional education and vice versa." *Id.*

Patent Owner does not address Petitioner's definition of the level of ordinary skill. *See generally* Mot. We are persuaded that Petitioner's proposal is consistent with the problems and solutions in the '256 patent and prior art of record. *See, e.g.*, *In re GPAC Inc.*, 57 F.3d 1573, 1579 (Fed. Cir. 1995) ("In determining this skill level, the court may consider various factors including type of problems encountered in the art; prior art solutions to those problems; rapidity with which innovations are made; sophistication of the technology; and educational level of active workers in the field." (citations and internal quotations omitted)). We therefore adopt Petitioner's definition of the level of ordinary skill in the art.

C. Petitioner's Declarant

As noted previously, Petitioner offers the declaration of Dr. Franzon in support of Petitioner's allegations. Ex. 1003. Dr. Franzon also provided a second declaration in support of Petitioner's positions on the substitute claims. Ex. 1016.

Patent Owner calls into question the credibility of Dr. Franzon's testimony as to what a person of ordinary skill would have understood from

the prior art, as well as, why a person of ordinary skill would have been motivated to combine the prior art. PO Reply 1. This is because Dr. Franzon did not recall whether he read all of the cited prior art references in their entirety. Ex. 2033, 101:2–3. Patent Owner's Counsel asked the following questions (Q), with the answers (A) provided by Dr. Franzon:

> Q. And when was the last time you reviewed this patent [Ex. 1018 "Monroe"]?
>
> A. I reviewed the patent, in part, in preparation for this report -- for this deposition. But I did not read the patent in its entirety. It's 102 pages.
>
> Q. You have never read the patent in its entirety or just in preparation for this deposition?
>
> A. In preparation for this deposition. I don't recall what I read and what I didn't read over a year ago when I wrote the original --
>
> Q. Well, Monroe is --
>
> A. Yeah. I don't recall if I read the patent in its entirety in writing the report. Again, I'm relying on specific features of the patent in combination with the disclosures in Rezvani to establish the prior art that goes to the patent in question.
>
> Q. So your answer was you aren't sure whether you read Monroe in its entirety or not?
>
> A. I don't recall if I read it in its entirety or not. I probably did not. I probably focused on specific sections. ….
>
> Q. Are there any patents of the 10 that have been relied on that you are certain you have read in their entirety?
>
> . . .
>
> . . . [A]: I don't recall what I read in entirety and what I didn't. I assume I would have read Rezvani in its entirety because we rely on that so much. I may or may not have read the patents in their entirety.

Id. at 99:24–101:6.

In view of the Dr. Franzon's deposition testimony, Patent Owner argues that the proffered declarations suffer from hindsight bias. PO Reply 1–2. We agree with Patent Owner that Dr. Franzon's declarations are suspect because it is unclear to what extent the cited references have been read. Further, because the proffered deposition testimony describes the analysis performed as being focused on only particular features of the references, there appears to be an admission that at least in some cases the teachings of the references were not considered fully as part of developing the opinions and testimony about what one of skill in the art would have understood.

"The invention must be viewed not with the blueprint drawn by the inventor, but in the state of the art that existed at the time." *Orexo AB v. Actavis Elizabeth LLC*, 903 F.3d 1265, 1271 (Fed. Cir. 2018); *see also* Tr. 45–46 (discussing *Orexo*). As the deposition testimony raises serious doubts as to the extent of review of the prior art, it is unclear whether the opinions and testimony expressed in the declarations are based on "the state of the art that existed at the time" of the invention of the '256 patent, or whether Dr. Franzon relied on helpful disclosures based on the requirements of the challenged claims without properly considering whether the references as a whole support Petitioner's proposed combination. For these reasons, we view the declarations of Dr. Franzon (Exs. 1003, 1016) with skepticism as his comments render his opinion suspect.

However, this is not the end of the inquiry into the question of obviousness. The ultimate determination of obviousness is a legal conclusion based on underlying factual inquiries (i.e., the *Graham* factors): (1) the scope and content of the prior art; (2) the level of ordinary skill in the prior art; (3) the differences between the claimed invention and the prior art;

and (4) objective evidence of nonobviousness. *See Graham*, 383 U.S. at 17–18; *Miles Labs., Inc. v. Shandon Inc.*, 997 F.2d 870, 877 (Fed.Cir.1993).

Expert testimony can be helpful, but is not always necessary for the Board to make a determination of obviousness. For example, the Federal Circuit has indicated that the Board's technical expertise may make it easier to understand the prior art without such evidence:

> No rule requires a Petition to be accompanied by any declaration, let alone one from an expert guiding the Board as to how it should read prior art. What the Board can find without an expert depends on the prior art involved in a particular case. Even in court, we have said, "expert testimony is not required when the references and the invention are easily understandable." And Board members, because of expertise, may more often find it easier to understand and soundly explain the teachings and suggestions of prior art without expert assistance.

Belden, Inc. v. Berk-Tek LLC, 805 F.3d 1064, 1079 (Fed. Cir. 2015) (internal citation omitted).

As will be discussed in greater detail below, though Patent Owner calls into question the declarations of Petitioner's Declarant, by and large Patent Owner does not identify contrary teachings in the prior art. In addition, Patent Owner does not contest most of the reasons to combine the prior art offered by Petitioner. We address the particular limitations and requirements of each original or proposed substitute claim below.

D. Claim Construction

In an *inter partes* review, a claim "shall be construed using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. § 282(b)." 37 C.F.R. § 42.100(b) (2019). Under this standard, claim terms are given their ordinary and customary meaning as would have been understood by a person of ordinary skill in the art at the

time of the invention and in the context of the entire patent disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). If the specification "reveal[s] a special definition given to a claim term by the patentee that differs from the meaning it would otherwise possess[,] . . . the inventor's lexicography governs." *Phillips v. AWH Corp.*, 415 F.3d 1303, 1316 (Fed. Cir. 2005) (en banc) (citing *CCS Fitness, Inc. v. Brunswick Corp*., 288 F.3d 1359, 1366 (Fed. Cir. 2002)).

Petitioner offers a construction for the phrase "configuration information for a plurality of devices" in claim 1. Pet. 9 (emphasis omitted). Patent Owner does not address Petitioner's claim construction nor does it offer any claim constructions of its own. *See generally* Mot.

We decline to provide an express construction for any terms in the challenged claims of '256 patent as no construction is required for the purposes of this Decision. *See, e.g.*, *Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017) ("[W]e need only construe terms 'that are in controversy, and only to the extent necessary to resolve the controversy' . . . ." (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999))).

E. Claims 1, 2, 5, 6, 9–11, 14, 15, 18 – Obviousness over Rezvani

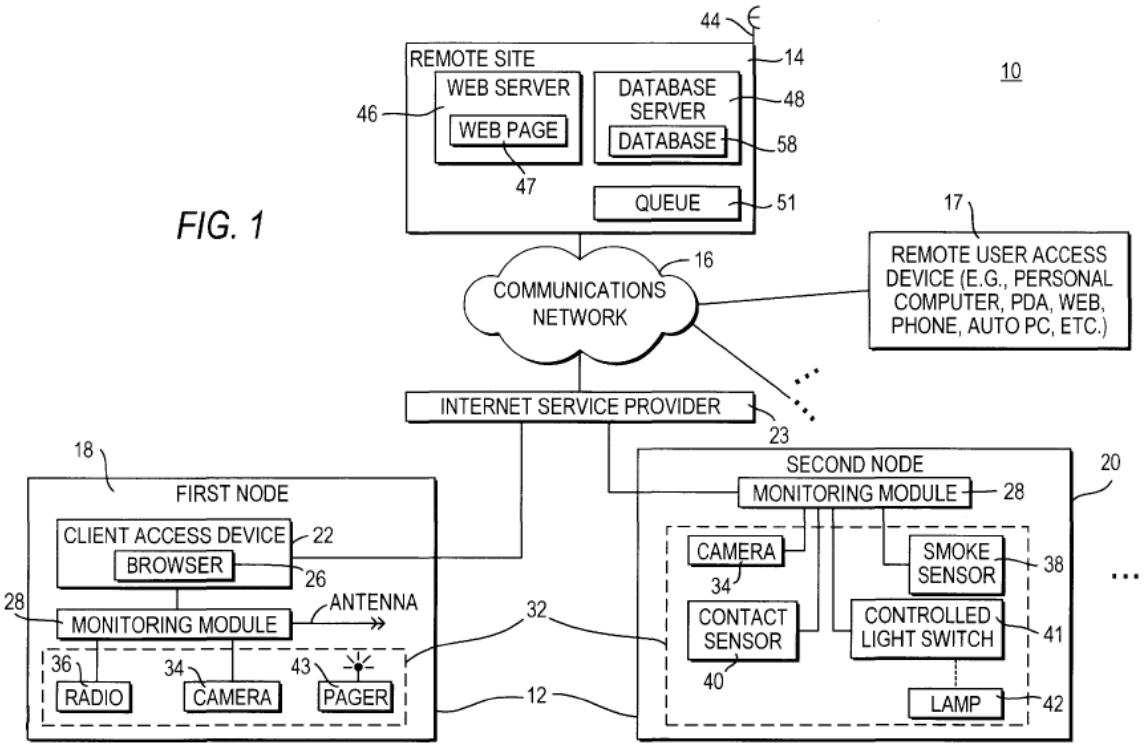
Petitioner asserts that Rezvani renders obvious claims 1, 2, 5, 6, 9–11, 14, 15, and 18. *See* Pet. 10–11, 13–27, 32–50. Patent Owner does not address Petitioner's allegations of unpatentability. *See generally* Mot. For the reasons set forth below, we determine Petitioner has shown that Rezvani suggests the limitations of claims 1, 2, 5, 6, 9–11, 14, 15, and 18. Pet. 10–11, 13–27, 32–50.

1. Rezvani

Rezvani is titled "Systems and Methods for the Automatic Registration of Devices" and is related to registering devices at remote sites. Ex. 1004, code (54), 1:11. The device to be registered can include a number of different electronic devices, such as, video cameras, still cameras, motion sensors, audible detectors, and household appliances. *Id.* at 1:45–47.

In order to more easily register devices, Rezvani's system can be used to register new devices that will be paired with the system. *Id.* at 12:28–47. An example of the system is illustrated in Figure 1, reproduced below.

FIG. 1



Rezvani Figure 1 above, shows automatic registration system 10.

Automatic registration system 10 can include remote site 14 with servers 46, 48 that connect to one or more installations 12 over a communications network. *Id.* at 4:21–23, Fig. 1. Installation 12 can have one or more nodes 18, 20 and the nodes can be at the same or at different locations. *Id.* at 5:26–34. Each node can include a number of features such

as computer 22, monitoring module 28, and devices 32. *Id.* at 5:43, Fig. 1. "Monitoring modules 28 may serve as an interface between remote site 14 and at least one connected device 32." *Id.* at 6:38–39. System 10 allows users to control and monitor devices 32 using access device 22 or remotely via access device 17. *Id.* at 6:28–37, 6:42–47, 7:34–36, 7:61–67.

As one example, Rezvani teaches that devices 32 can include sensors, such as door sensor 40. *Id.* at 8:3–4. When the status of the door changes, that information can be communicated to remote server 48. *Id.* at 8:5–13. The change in door status can then be transmitted to a user by the remote server. *Id.* at 8:14–16.

2. Independent Claims 1 and 10

Petitioner asserts that Rezvani teaches or suggests each limitation of independent claims 1 and 10. *See* Pet. 10–11, 13–27, 50. In general, Petitioner relies on Rezvani's automatic registration system 10, as shown in Figure 1, for the claimed system or method "for remotely monitoring, controlling, and managing one or more remote premises." *See id.* at 13–14. Petitioner addresses each portion of claim 1 (*id.* at 10–27) and then further asserts that claim 10 is obvious over Rezvani "for the same reasons set forth in the analysis of [c]laim 1" (*id.* at 50). As noted previously, Patent Owner does not address Petitioner's allegations of the unpatentability of claims 1 and 10. *See generally* Mot.

Claims 1 and 10 differ in that claim 1 is a system and claim 10 is a method. Ex. 1001, 50:37, 52:17. However, claim 1 essentially recites the method of claim 10 after claiming a "server system operable to." *Compare id.* at 50:47–58, *with id.* at 52:17–33. Thus, we agree with Petitioner that an analysis of claim 1 encompasses the features of claim 10. Pet. 50.

a) Petitioner's Allegations Concerning Claims 1 and 10

Petitioner relies on Rezvani's automatic registration system 10, as shown in Figure 1, for the claimed system or method "for remotely monitoring, controlling, and managing one or more remote premises" as recited in the preamble.[10] *See* Pet. 13–14.

Concerning claim 1 elements [a] and [b], Petitioner highlights remote site 14 of Rezvani Figure 1, which includes web server 46 with associated database 58 that connects to one or more installations 12 over a communications network as the claimed server system and database system of claim 1. Pet. 14–17 (citing *e.g.*, Ex. 1004, 5:31–34, 5:40–48, 5:62–64, 6:32–37). Petitioner identifies Rezvani's remote user access device 17 with the claimed remote client system. *Id.* at 14–15 (citing *e.g.*, Ex. 1004, 5:31–34, 5:42–48, 6:32–37). Concerning the claimed "plurality of devices located at a remote premises," Petitioner identifies the camera, and as facility management devices, the contact sensor, smoke sensor, and controlled light switch all shown in Rezvani Figure 1. *Id.* at 17–18 (citing *e.g.*, Ex. 1004, 1:45–46, 7:9–24, 14:40–43).

Petitioner also asserts that the Rezvani's servers and database operate in the same manner as required by claim 1 elements [c] and [d], as well as by aspects of elements [a] and [b]. *Id.* at 14–27. For example, Petitioner asserts that Rezvani's database system stores configuration information for the plurality of devices and that the server system receives and initiates storage of device data from the facility management devices located at the remote

[10] As we determine that Petitioner shows that the recitation in the preamble is satisfied by the prior art, we need not determine whether the preamble is limiting. *Allen Eng'g Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1346 (Fed. Cir. 2002) ("Generally, the preamble does not limit the claims.").

premises. *Id.* at 18–23 (citing *e.g.*, Ex. 1004, 9:31–34, 9:58–67, 10:56–58, 18:5–6, 18:9–14, 19:8–15, Fig. 15).

Claim 1 concludes with element [e], the server system operable to "communicate, in response to a request received from a particular one of the one or more remote client systems for device data for at least one facility management device, stored device data for the at least one facility management device responsive to the request to the particular client system." Ex. 1001, 50:53–58. Petitioner argues that this limitation is taught by, or at least suggested by, Rezvani in two different ways. Pet. 24–26.

First, Petitioner points to Rezvani's teaching of a user's interaction in the client access device 22 with a webpage generated by the web server 46 including information about the light switch. *Id.* at 25 (citing Ex. 1004, 8:25–28, 10:65–11:3). In particular, Rezvani teaches that the remote client system requests and receives device data from the server system and that the "web server 46 in remote site 14 can generate a web page 47 'by extracting the associated record for [device 32] from database server 48 and creating a … user interface representation of that device that the user may access via, for example, Internet browser 26 [in client access device 22].'" *Id.* (quoting Ex. 1004, 10:65–11:3). Petitioner also cites to Rezvani as teaching: "The user may contact web server 46 via, for example, Internet browser 26 of node 18 in order to access a database entry for light switch 41 of node 20." *Id.* (quoting Ex. 1004, 8:25–28).

Second, Petitioner points to Rezvani's teaching of remotely controlling and monitoring devices 32 using remote user access devices 17. *Id.* at 26 (citing Ex. 1004, 6:32–37, 7:34–36, Fig. 1). Petitioner asserts that "Rezvani explains that users can 'remotely control and monitor devices 32 using remote user access devices 17 via communications network 16'" and

"that remote user access device 17 may include 'personal digital assistants, cellular telephones, set-top boxes, personal computers, or any other suitable device a user may use to access remote site 14 via communications network 16.'" *Id.* (quoting Ex. 1004, 7:34–36, 6:32–37).

b) Determination of Obviousness of Claims 1 and 10

Considering all of the evidence of record, including the level of ordinary skill in the art, the scope and content of the prior art, and the differences (if any) between the claimed subject matter and the prior art, we make the following determinations.

We find that Petitioner has persuasively shown that Rezvani teaches or suggests all of the limitations of claims 1 and 10. Pet. 10–11, 13–27, 50. As discussed above, Patent Owner does not dispute Petitioner's proofs demonstrating the unpatentability of these claims. *See generally* Mot. Weighing all of the evidence of record, we determine that Petitioner has proven by a preponderance of the evidence that claims 1 and 10 are unpatentable over Rezvani pursuant to 35 U.S.C. § 103(a).

3. Dependent Claims 2, 5, 6, 9, 11, 14, 15, 18

Petitioner asserts that Rezvani renders obvious claims 2, 5, 6, 9, 11, 14, 15, and 18. *See* Pet. 32–50. Claims 2, 5, 6, and 9 depend from claim 1, and claims 11, 14, 15, and 18 depend from claim 10. We agree with Petitioner that the requirements of claims 11, 14, 15 and 18 are within the requirements of claims 2, 5, 6 and 9, respectively. *Id.* at 50. Patent Owner does not address Petitioner's allegations of the unpatentability of these claims. *See generally* Mot. We are persuaded that the Petition shows by a preponderance of the evidence that claims 2, 5, 6, 9, 11, 14, 15, and 18 would have been taught or suggested by Rezvani. Pet. 32–50. Thus, we are

persuaded that Petitioner has shown that claims 2, 5, 6, 9, 11, 14, 15, and 18 are obvious over Rezvani.

For example, we agree with Petitioner that Rezvani's teachings of remote control of and communication concerning a light switch corresponds with the requirements of claims 2 and 11. *See* Pet. 32–34 (citing *e.g.*, Ex. 1004, 11:20–46). In particular, Rezvani teaches that a user using a remote interface 17 can send a command to turn on or off a light at a particular location. *Id.* at 33 (citing Ex. 1004, 11:20–23). The command is first sent to a server at a remote location, before being transmitted to the lights via a computer system at the particular location. *Id.* at 33–36 (citing *e.g.*, Ex. 1004, 11:20–23, 11:23–37, 8:24–36).

As another example, we agree with Petitioner that Rezvani's light switch 41 corresponds with the facility management device in the form of an output switch of claims 9 and 18. *See id.* at 47–48 (citing *e.g.*, Ex. 1004, 8:39–42).

As an example concerning claims 5 and 14, Petitioner identifies that Rezvani teaches a database system connected to sensors at the remote site, where the sensors have events "specific to a particular device" as required by the claims. *Id.* at 37. "For example, 'FIRE!!!' may be a unique event to a fire alarm device, whereas 'door motion sensor tripped' may be a unique event to a door motion detector device." *Id.* (quoting Ex. 1004, 20:65–21:3). Information about these events is stored in the database, as are actions such as a notification, to be performed when the event occurs, as also required by claims 5 and 14. *Id.* at 37–42 (citing *e.g.*, Ex. 1004, Fig. 15, 11:54–58, 8:11–20). Further, as one option to satisfy the requirements of claims 6 and 15, Rezvani teaches that the notification can be an alert via pager to a specific individual. *Id.* at 43–44. *See also* Mot. 18 (Patent Owner admitting that

"Rezvani notifies users of an 'event notification or alarm triggers' through a 'user's pager, for example via cellular transmitter 44.'") (citing Ex. 1004, 7:25–33, 8:14–16).

F. Claims 3, 12 – Obviousness over Rezvani and Crookham

Petitioner asserts that the combination of Rezvani and Crookham renders obvious claims 3 and 12. *See* Pet. 51–61. Patent Owner does not address Petitioner's allegations of the unpatentability of these claims.[11] *See generally* Mot. For the reasons set forth below, we determine Petitioner has shown that the combination of Rezvani and Crookham renders obvious claims 3 and 12. Pet. 51–61.

1. Crookham

Crookham is titled "Means and apparatus for control of remote electrical devices" and is directed to controlling remote devices, such as remotely located lighting systems 12 for a ball field. Ex. 1006, codes (54), (57), 6:59–67. Crookham explains that Central Control 10 can control the lighting system 12 based on a schedule stored in the database. *Id.* at 7:6–17.

2. Analysis of Claims 3 and 12

Claim 3 depends from claim 1 and further requires:

> the database system is further operable to store a schedule specifying one or more times when a command should be communicated to a computer system at the particular premises, the command specifying an activity to perform with respect to one or more devices located at the particular premises and having been configured by a user of the particular client system; and

[11] Patent Owner does make an argument about the contrasting teachings of Crookham and Halpern (PO Reply 2); however, none of the unpatentability challenges presented by Petitioner rely on a combination involving both Crookham and Halpern (*see* Pet. 5; Opp. 8). Thus, this argument does not address any position taken by Petitioner in the papers.

> the server system is further operable to communicate the command at the one or more times specified in the schedule to the computer system at the particular premises, the computer system operable to execute the command by performing the activity with respect to the one or more devices.

Ex. 1001, 51:4–15. Claim 12 depends from claim 10 and is similar in scope to claim 3. *See* Ex. 1001, 52:44–55.

Similar to the requirements of claim 2 discussed above, Petitioner correctly identifies that Rezvani teaches a database system configured by a user to store and transmit commands to a computer system at a separate location to thereby control the lights of that location. Pet. 52, 59; *see also id.* at 32–36 (analyzing similar requirements of claim 2). However, Petitioner admits that Rezvani does not disclose storage of a schedule in the database for turning the light on and off or communicating the command from the database to the computer to turn the light on or off based on a schedule. *Id.* at 52–53, 60. Petitioner asserts that this would have been obvious in view of Crookham's teachings of controlling a light system according to a schedule. *Id.* at 53–57, 60–61.

In particular, Petitioner argues that Crookham teaches Central Control 10 which stores a schedule to turn on and off lights 12 at another location, such as a baseball field. *Id.* at 53 (citing Ex. 1006, 6:61–67, 7:6–13). The lights are controlled by Remote Equipment Controller 14 at the location which receives the command to turn on or off the lights from Central Control 10 based on the schedule. *Id.*

Petitioner argues that "at the time of the alleged invention, the concept of turning lights on and off based on a schedule defined by the user using, for example, an electromechanical timer was exceedingly well known so as to be widely commercially available." *Id.* at 57–58. Petitioner continues

"[t]he advantages of using a timer to turn on and off the light[s] in a house for purposes of home security were also well known at that time." *Id.* at 58. As evidence in support of these points, Petitioner's declarant identifies the use of a schedule and timed lights for purposes of security in the movie HOME ALONE (20th Century Fox 1990). Ex. 1003 ¶ 234. Crookham's discussion in the "Background of the Invention" also evidences that lighting systems controlled on a schedule by a timer were well known. *See* Ex. 1006, 1:20–21.

We agree that the evidence supports Petitioner's position that the general concept of turning lights on and off based on a schedule, such as with a timer was well known, and that the benefits of a lighting schedule for security were also well known. Though Patent Owner draws into question the reliability of Petitioner's declarant generally (PO Reply 1) (discussed in more detail *supra*), we do not base our opinion solely on Dr. Franzon's statements, but rather on the evidence of record, such as the background discussion in Crookham. Further, we note that Patent Owner does not contest Petitioner's position that lights on a timer were well known, or that the benefits of timed lights for purposes of security were well known.

Petitioner further argues that a POSA

> would have been motivated to modify *Rezvani*'s system in view of *Crookham* because the ability to store in *Rezvani*'s database 58 a schedule of commands requested from remote user access device 17 or client access device 22 would allow users to schedule control of devices 32, such as light switches 41, at a remote premises from any location. For example, this feature would have been convenient for a user to schedule regular activities such that lights at home can be scheduled to be turned on and off at predetermined times depending on typical times when the user stays home or leaves for work. This feature would also have been convenient for a user who is traveling because it

> would allow the user to schedule lights at home to be turned on and off at predetermined times for security purposes while he or she is away.

Id. at 58

Finally, Petitioner persuasively argues a parallel between the relationship of the teachings Crookham and Rezvani and the Supreme Court's guidance in *KSR Int'l Co. v. Teleflex Inc.* (550 U.S. 398 (2007)), "if a technique has been used to improve one device" (e.g., *Crookham*'s system for remotely controlling lighting system 12 in accordance with a schedule stored in a scheduling database 11), "and a person of ordinary skill in the art would recognize that it would improve similar devices" (e.g., database 58 in *Rezvani*'s system for remotely controlling light switch 41) "in the same way, using the technique is obvious unless its actual application is beyond his or her skill." *Id.* (quoting *KSR*, 550 U.S. at 417).

In view of the above, the submissions, and evidence of record, we are persuaded that the Petition shows by a preponderance of the evidence that claims 3 and 12 would have been suggested by Rezvani and Crookham and are therefore obvious over the combination of Rezvani and Crookham.

G. Claim 19 – Obviousness over Rezvani, Halpern, and Naidoo

Petitioner asserts that the combination of Rezvani, Halpern, and Naidoo renders obvious claim 19. *See* Pet. 62–80. Patent Owner opposes. Mot. 24. For the reasons set forth below, we determine Petitioner has shown that the combination of Rezvani, Halpern, and Naidoo renders obvious claim 19. Pet. 62–80.

1. Halpern

Halpern is titled "Measuring and monitoring system" and describes a "system for monitoring power usage of various devices at remote facilities"

using "sensors at each facility to sense the on/off condition of the devices." Ex. 1007, codes [54], [57]. Halpern explains that "[t]he output of these sensors are sampled by a processor at a predetermined time interval." *Id.* at 2:56-58.

2. Naidoo

Naidoo is titled "Distributed monitoring for a video security system" and is directed to a "system and method for distributed monitoring and remote verification of conditions surrounding an alarm condition in a security system," which "detects alarm conditions at a premises and records video relating to the alarm condition." Ex. 1008, codes (54), (57).

3. Analysis of Claim 19

Claim 19 is reproduced below, with additional paragraphing and bracketed lettering added:

> 19. A system for monitoring, controlling, and managing a premises, comprising:
>
> [a] a computer system located at the premises and operable to communicate with a remote client computer and a remote server system;
>
> [b] a plurality of devices located at the premises and comprising one or more camera devices and a plurality of facility management devices;
>
> the computer system operable to:
>
> [c] poll one or more of the facility management devices at predetermined times to obtain device data associated with the facility management devices;
>
> [d] communicate at least a portion of the obtained device data to the remote server system;
>
> [e] collect video data corresponding to video images captured by the one or more camera devices;

> [f] store at least a portion of the collected video data in a memory associated with the computer system; and
>
> [g] in response to a request from the remote client system, communicate video data responsive to the request to the remote client system.

Ex. 1001, 53:54–54:7.

The preamble and limitations [a] and [b] of claim 19 are similar to the preamble and limitations [a] and [b] of claim 1 and Petitioner relies on Rezvani for these limitations for similar reasons. *Compare* Pet. 62–65 *with id.* at 13–21. Thus, Petitioner identifies that Rezvani has a similar structure as claim 19 with a remote site having various remote servers 46, 48 and monitoring module 28 (i.e., computer system) at the premises with various devices and sensors 32 (i.e., facility management devices), including a camera. *Id.* at 62–65 (citing *e.g.*, Ex. 1004, 11:16–17, 50–54, 1:45–46, 14:40–43, 7:15–17, Fig. 1). Claim 19 differs from claim 1 in that it then focuses on the computer system located at the same premises as the facility management devices, rather than on the remote server system. We analyze elements 19[c]–[g] dealing with these differences below.

a) *[c] the computer system [located at the premises] operable to: poll one or more of the facility management devices at predetermined times to obtain device data associated with the facility management devices*

   [d] the computer system [located at the premises] operable to: communicate at least a portion of the obtained device data to the remote server system

Concerning element 19[d], Petitioner argues that "Rezvani describes a 'heartbeat process' during which monitoring module 28 provides 'a periodic communication' containing state information for devices 32' to remote site 14" which includes the remote servers. Pet. 70 (quoting Ex. 1004, 11:50–

53). Petitioner argues that this also shows that, as required by element 19[c], Rezvani teaches that monitoring module 28 (i.e. local computer system) obtains device data from devices 32 (i.e. facility management devices). *Id.* at 66 (citing Ex. 1004, 11:50–56).

However, Petitioner states that "Rezvani does not explicitly teach *poll[ing] one or more of the facility management devices at predetermined times*," as required by claim element 19[c]. *Id.* Petitioner argues that a POSA would be motivated to use polling, i.e. having the monitoring module 28 poll the devices 32 for data, as a way to facilitate the "heartbeat process" or in other words, as a way to obtain the device data to pass on to the remote server at the remote site 14 during the heartbeat process. *Id.* at 66–67, 69.

Petitioner argues that Halpern discloses a process similar to Rezvani, where remote computer c1 receives device data from site processor P1 where site processor P1 polls the devices at predetermined times for the device data, as described by Halpern:

> The output of the sensors are connected to a processor at each facility which is under the control of a host computer at a central location. The host computer directs the processor to begin polling the sensor at specified time intervals and to report and transmit the data back to the host processor at a specific time and date.

Id. at 68 (quoting Ex. 1007, 12:53–59); *see also id.* at 67–68 (further discussing the disclosure of Halpern).

Patent Owner argues that "[n]o POSA would look to Halpern to improve Rezvani because Rezvani's disclosed heartbeat process obviates the need for the process disclosed by Halpern." Mot. 24 (citing Ex. 2030 ¶ 21[12]). Patent Owner explains that "Rezvani discloses a heartbeat process where the

[12] Patent Owner's declarant merely repeats Patent Owner's assertion without explanation or analysis.

onsite monitoring module periodically communicates to a remote server updated state information for devices located at a premises." *Id.* (citing Ex. 1004, 11:50–54). Patent Owner further explains that "Rezvani's reporting mechanism would render it unnecessary to seek out further methods for communication between the remote site and the server, as it would adequately convey device information." PO Reply 12.

However, Patent Owner's argument does not address the combination as presented by Petitioner. Petitioner does not rely on Halpern to improve Rezvani's "communication between the remote site and the server," but rather relies on Halpern to teach a method by which the monitoring module 28 at the remote site can poll the devices 32, which are also at the remote site, for data. Pet. 66–67, 69–70; Opp. 25; Pet. Sur-Reply 12. Petitioner argues that in this way, the monitoring module 28 can obtain the data necessary to perform the heartbeat process. Pet. 69.

Patent Owner also argues that Rezvani's heartbeat process "obviates the need for the process disclosed by Halpern" because the "process can occur 'in response to a change in state of a device, 32 . . . a triggered alert event, or in response to any other suitable event,'" and that "the heartbeat process can be set to occur at certain time intervals." Mot. 24 (citing Ex. 1004, 11:55–58, 11:66–12:1).

Again, though Patent Owner accurately describes the teachings of Rezvani, these teachings do not show how Rezvani's monitoring module 28 communicates with devices 32, but rather, how the remote site communicates with and requests information about devices 32 from monitoring module 28.

We agree with Petitioner that a POSA would have been motivated to use the teachings of Halpern as a way to facilitate the "heartbeat process," as

a way for monitoring module 28 to obtain the device data to pass on to the remote server at the remote site 14 during the heartbeat process. Pet. 66–67, 69. We further determine that the combination of Rezvani and Halpern teaches or suggests the limitations of claim element 19[c] as laid out by Petitioner.

> b) *[e] the computer system [located at the premises] operable to: collect video data corresponding to video images captured by the one or more camera devices*
>
> *[f] the computer system [located at the premises] operable to: store at least a portion of the collected video data in a memory associated with the computer system*
>
> *[g] the computer system [located at the premises] operable to: in response to a request from the remote client system, communicate video data responsive to the request to the remote client system*

Claim 19 also requires collecting, storing, and communicating video data. Petitioner relies on the combination of Rezvani and Naidoo in asserting the obviousness of these video data limitations. Pet. 71–80. Patent Owner does not contest Petitioner's positions concerning the teachings of Rezvani or Naidoo, or the reasons to combine their teachings. *See* Mot. 24.

Concerning elements 19[e] and [f], Petitioner cites Rezvani as teaching "in the case where the device is a video camera, a constant video feed may be communicated from the video camera to the monitoring module." *Id.* at 71 (quoting Ex. 1004, 14:40–43). Rezvani also discloses recording video with video cassette recorders. *Id.* at 72 (citing Ex. 1004, 7:22–23).

Petitioner identifies that Rezvani teaches using a camera to monitor a door by "tak[ing] a digital picture whenever the [contact sensor] 40 is tripped," but does not mention taking video of the door. *Id.* (quoting Ex.

1004, 8:6–9). However, Petitioner argues that it would have been obvious to "to use a video camera to monitor the front door and record video data using a VCR." *Id.* In support, Petitioner cites the Background of the '256 patent as acknowledging that "the use of video cameras 'to record activities occurring on the premises' 'to monitor activities of employees and for other security-related purposes' was well known." *Id.* (quoting Ex. 1001, 1:17–20); *see also id.* at 72–73 (further explaining benefits of using a video camera for security).

Petitioner's position is further supported by the teachings of Naidoo, which expressly describe using a video camera to monitor and obtain video of a location based on an alarm condition, such as the tripping of a sensor. *Id.* at 73–75 (citing Ex. 1008 ¶¶ 28, 32, Figs. 1, 6).

Naidoo also teaches that a base station 115 at the premises with the video camera is configured to record and store video for later playback. *Id.* at 74, 77 (citing Ex. 1008 ¶ 82). Petitioner argues that based on the teachings of Naidoo, it would have been obvious to modify Rezvani's monitoring module 28 to record and store the video from the video camera. *Id.* at 75–76, 78.

We agree with Petitioner that the evidence shows that it was known to use video cameras for security-related purposes, such as monitoring a door. We find that this also includes recording video as taught by Naidoo and Rezvani. We further agree with Petitioner that it would have been obvious to use a video camera as Rezvani's camera to record and store video of the front door. Finally, just as Rezvani teaches recording video on a video cassette recorder on the premises, we find that it would have been obvious based on the teachings of Naidoo to modify Rezvani's monitoring module,

which already receives a "constant video feed" from the video camera to record digital video.

Concerning limitation 19[g], Petitioner argues that Naidoo teaches that a remote user can review recordings from the base station 115 over a web-browser-based video client. *Id.* at 78 (citing Ex. 1008 ¶¶ 40, 104). Petitioner argues and we agree that this shows that Naidoo teaches the requirements of 19[g] of a computer system communicating video data responsive to a request from the remote client system. We also agree with Petitioner that it would have been obvious to configure Rezvani's monitoring module to communicate video date to the server and client access device. We find that this is consistent with Rezvani's similar teachings regarding "remotely control[ling] and monitor[ing] devices 32 using remote user access devices 17 via communications network 16." Ex. 1004, 7:34–36.

c) Conclusion

We are persuaded that the Petition has shown how each element of claim 19 would have been suggested by the combination of Rezvani, Halpern, and Naidoo. Pet. 62–80. Thus, we are persuaded that Petitioner has shown that claim 19 would have been obvious over Rezvani, Halpern, and Naidoo.

H. Claims 1–3, 5, 6, 9–12, 14, 15, 18 – Alleged Obviousness in Combination with Simon

Petitioner asserts that the combination of Rezvani and Simon renders obvious claims 1, 2, 5, 6, 9–11, 14, 15, and 18. *See* Pet. 10–50. Petitioner relies on the same teachings of Rezvani as in the related ground, however Petitioner also relies on the teachings of Simon to support obviousness of claim element 1[e]. *Id.* at 27–31. Based on the underlying combination of

Rezvani and Simon for claim 1, Petitioner asserts that the combination of Rezvani, Simon, and Crookham renders obvious claims 3 and 12, again relying on the same teachings of Rezvani and Crookham as in the related ground. *See* Pet. 51–61. Patent Owner does not address any of Petitioner's allegations of unpatentability. *See generally* Mot.

We have already determined that claims 1–3, 5, 6, 9–12, 14, 15, and 18 are unpatentable as obvious over Rezvani or Rezvani and Crookham. Thus, this Decision addresses all claims challenged under multiple grounds. *See* 35 U.S.C. § 318(a) ("If an inter partes review is instituted and not dismissed under this chapter, the Patent Trial and Appeal Board shall issue a final written decision with respect to the patentability of any patent claim challenged by the petitioner and any new claim added under section 316(d)."). Thus, there is no additional dispute to resolve between the parties regarding these claims, and we decline to separately address these additional asserted grounds of unpatentability.

III. CORRECTED MOTION TO AMEND

In its Corrected Motion to Amend, Patent Owner requests that if any of claims 1–3, 5, 6, 9–12, 14, 15, and 18 be found unpatentable, they should be replaced by proposed substitute claims 42–44, 46, 47, 50–53, 55, 56, and 59.[13] Mot. 1, Claims App.

As discussed above, we determine that original claims 1–3, 5, 6, 9–12, 14, 15, and 18 have been shown by a preponderance of the evidence to be

[13] In an *inter partes* review, amended claims are not added to a patent as of right, but rather must be proposed as a part of a motion to amend. 35 U.S.C. § 316(d).

unpatentable. *See supra* §§ II.E, F. We, therefore, proceed to address Patent Owner's Corrected Motion to Amend.

A. Proposed Substitute Claims

Patent Owner submits the below proposed substitute claims 42–44, 46, 47, 51–53, 55, and 56 (with brackets indicating deleted text, and underscoring indicating added text). Patent Owner also submits proposed substitute claims 50 and 59, which are not reproduced as they are substantively identical to their respective original dependent claim, changing only in their dependence.

> 42. A system for remotely monitoring, controlling, and managing one or more remote premises, comprising:
>
> a registrar system, comprising a server system and a database system, operable to facilitate storage of media and playing of media at the one or more premises;
>
> the[a] server system operable to communicate with one or more remote client systems, the client systems being remote from the one or more premises;
>
> the[a] database system associated with the server system and operable to store configuration information for a plurality of devices located at a remote premises, the plurality of devices comprising one or more camera devices and one or more facility management devices;
>
> the server system operable to:
>
> receive from the one or more premises device data for the one or more facility management devices located at the remote premises;
>
> initiate storage of at least a portion of the received device data in the database system[;] and the device data is parsed and comprises time stamp data, device ID data, and status data; and
>
> communicate, in response to a request received from a particular one of the one or more remote client systems for device data for at least one facility management device, stored device

data for the at least one facility management device responsive to the request to the particular client system.

43. The system of claim 42, wherein the server system is further operable to:

receive, from the particular client system, a request to issue a command to a particular device at a particular premises, the command specifying an activity to perform with respect to one or more of the devices located at the particular premises including a command to turn on one or more lights in response to an alert; and

communicate [the] a requested command to a computer system at the particular premises, the computer system operable to execute the [command] commands by performing the [activity] activities with respect to the one or more devices.

44. The system of claim 42, wherein:

the database system is further operable to store a schedule specifying one or more times when a command should be communicated to a computer system at the particular premises, the command specifying an activity to perform with respect to one or more devices located at the particular premises, including to turn on one or more lights in response to an alert and having been configured by a user of the particular client system; and

the server system is further operable to communicate [the] a requested command at the one or more times specified in the schedule to the computer system at the particular premises, the computer system operable to execute the [command] commands by performing the [activity] activities with respect to the one or more devices.

46. The system of claim 42, wherein:

the database system is further operable to store configuration information for each of a plurality of alerts, each alert being associated with one or more of the devices located at the particular premises, the configuration information for each alert specifying an action to be performed by the server system in response to receiving a notification from a computer system at the particular premises that the alert has been triggered; [and]

the server system is further operable to, in response to receiving a notification from the computer system at the particular premises that a particular alert has been triggered:

access the database system to determine the action to be performed in response to receiving the notification; and

execute the action to be performed in response to receiving the notification; and

the computer system located at the premises operable to:

poll one or more of the facility management devices at predetermined times to obtain device data associated with the facility management devices; and

communicate an alert file into an alert directory, said alert file comprising the time at which alert activity was detected.

47. The system of claim 46, wherein the action to be performed comprises one or more of:

communicating a notification via text message that the particular alert has been triggered, the configuration information for the particular alert specifying a recipient for the notification; and

communicating a command to a computer system at the particular premises, the command specifying an activity to perform with respect to one or more devices located at the particular premises, the computer system operable to execute the command by performing the activity with respect to the one or more devices.

51. A method for remotely monitoring, controlling, and managing one or more remote premises, comprising:

storing configuration information for a plurality of devices located at a remote premises, the plurality of devices comprising one or more camera devices and one or more facility management devices;

receiving from the one or more premises device data for the one or more facility management devices located at the remote premises;

initiating storage of at least a portion of the received device data in the database system and the device data is parsed and further comprises time stamp data, device ID data, and status data;

communicating media files to the one or more remote premises for playback at scheduled times; and

communicating, in response to a request received from a remote client system for device data for at least one facility management device, stored device data for the at least one facility management device responsive to the request to the client system, the client systems being remote from the one or more premises.

52. The method of claim 51, further comprising:

receiving, from the client system, a request to issue a command to a particular device at a particular premises, the command specifying an activity to perform with respect to one or more of the devices located at the particular premises including turning on one or more lights in response to an alert; and

communicating [the] a requested command to a computer system at the particular premises, the computer system operable to execute the [command] commands by performing the [activity] activities with respect to the one or more devices.

53. The method of claim 51, further comprising:

storing a schedule specifying one or more times when a command should be communicated to a computer system at the particular premises, the command specifying an activity to perform with respect to one or more devices located at the particular premises, including turning a light on in response to an alert and having been configured by a user of the client system; and

communicating [the] a requested command at the one or more times specified in the schedule to the computer system at the particular premises, the computer system operable to execute the [command] commands by performing the [activity] activities with respect to the one or more devices.

55. The method of claim 51, further comprising:

storing configuration information for each of a plurality of alerts, each alert being associated with one or more of the devices located at the particular premises, the configuration information for each alert specifying an action to be performed in response to receiving a notification from a computer system at the particular premises that the alert has been triggered; [and]

in response to receiving a notification from the computer system at the particular premises that a particular alert has been triggered:

determining the action to be performed in response to receiving the notification by accessing the stored configuration information; and

executing the action to be performed in response to receiving the notification; and

the computer system located at the premises operable to poll one or more of the facility management devices at predetermined times to obtain device data associated with the facility management devices and communicate an alert file into an alert directory, said alert file comprising the time at which alert activity was detected.

56. The method of claim 55, wherein the action to be performed comprises one or more of:

communicating a notification via text message that the particular alert has been triggered, the configuration information for the particular alert specifying a recipient for the notification; and

communicating a command to a computer system at the particular premises, the command specifying an activity to perform with respect to one or more devices located at the particular premises, the computer system operable to execute the command by performing the activity with respect to the one or more devices.

Mot. Claim App.

B. Statutory and Regulatory Requirements

"Before considering the patentability of any substitute claims, . . . the Board first must determine whether the motion to amend meets the statutory and regulatory requirements set forth in 35 U.S.C. § 316(d) and 37 C.F.R. § 42.121." *Lectrosonics, Inc. v. Zaxcom, Inc.*, IPR2018-01129, Paper 15 at 4 (PTAB Feb. 25, 2019) (precedential) ("*Lectrosonics*"). In its Opposition, Petitioner does not dispute that these requirements are met.[14] *See generally* Opp. For the reasons set forth below, we determine that Patent Owner has satisfied these statutory and regulatory requirements.

First, the Motion proposes a reasonable number of substitute claims. 35 U.S.C. § 316(d)(1)(B). "There is a rebuttable presumption that a reasonable number of substitute claims per challenged claim is one (1) substitute claim." *Lectrosonics*, Paper 15 at 4–5 (citing 37 C.F.R. § 42.121(a)(3)). The Petition challenges 13 claims. Pet. 5. The Motion proposes no more than one substitute claim for each challenged claim. Mot. 1. We determine that the number of proposed substitute claims is reasonable. Petitioner does not argue otherwise. *See generally* Opp.

Second, the proposed substitute claims respond to a ground of unpatentability involved in this trial. *Lectrosonics*, Paper 15 at 5–6. Patent Owner presents the claim amendments in an attempt to add features to further distinguish the proposed substitute claims as patentable over the references asserted in the instituted grounds. In particular, because Patent

[14] Though Petitioner does not initially dispute that the substitute claims do not enlarge the scope of the claims or introduce new subject matter, Petitioner does argue that Patent Owner's arguments in the Patent Owner Reply attempt to improperly narrow the claim scope in ways that are unsupported. Pet. Sur-Reply 6–9. We address these arguments in sections §§ III.F.1–2.

Owner explicitly addresses the Rezvani and Simon references underlying our Decision on Institution, the Motion responds to at least a ground of unpatentability involved in the trial.[15] Mot. 13–24. Petitioner does not argue otherwise. *See generally* Opp.

Third, "[a] motion to amend may not present substitute claims that enlarge the scope of the claims of the challenged patent or introduce new subject matter." *Lectrosonics*, Paper 15 at 6–8 (citing 35 U.S.C. § 316(d)(3); 37 C.F.R. § 41.121(a)(2)(ii)). We determine that the proposed amendments retain all limitations that were previously recited in the original claims, and add additional limitations to each claim. *See* Mot. 1. Petitioner does not argue otherwise. *See generally* Opp. Further, we determine Patent Owner has set forth sufficient written description support in the originally filed disclosure for the proposed amendments. Mot. 2–11. Petitioner does not argue otherwise. *See generally* Opp.

In addition, the Motion includes a claim listing, as required by 37 C.F.R. § 42.121(b). Mot. Claim App.

We determine that the Motion meets the statutory requirements of 35 U.S.C. § 316(d) and 37 C.F.R. § 42.121.

C. Burdens for Patentability of Proposed Claims

Ordinarily, "the petitioner bears the burden of proving that the proposed amended claims are unpatentable by a preponderance of the evidence." *Bosch Automotive Service Solutions, LLC v. Matal*, 878 F.3d 1027, 1040 (Fed. Cir. 2017) (as amended on rehearing), *reh'g granted*, *Bosch Auto. Serv. Sols., LLC v. Iancu*, No. 2015-1928 (Fed. Cir. Mar. 15,

[15] Patent Owner provides two Declarations of Chuck Arledge in support of patentability. Exs. 2030, 2032.

2018)); *see* Lectrosonics, Paper 15 at 3–4. In determining whether a petitioner has proven unpatentability of the substitute claims, the Board focuses on "arguments and theories raised by the petitioner in its petition or opposition to the motion to amend." *Nike, Inc. v. Adidas AG*, 955 F.3d 45, 51 (Fed. Cir. 2020).

D. Challenges to the Proposed Claims under 35 U.S.C. § 103(a) and Prior Art

Petitioner asserts in its Opposition that the proposed substitute claims are unpatentable on the following grounds:[16]

Claim(s) Challenged	35 U.S.C. §	References
42, 50	103(a)	Rezvani, Glenn[17,18]
43	103(a)	Rezvani, Glenn, Monroe[19]
44	103(a)	Rezvani, Crookham, Glenn, Monroe
46, 47	103(a)	Rezvani, Glenn, Halpern, Corwin[20]
47	103(a)	Rezvani, Glenn, Halpern, Corwin, Blackburn[21]
51, 59	103(a)	Rezvani, Glenn, Hernandez[22]
52	103(a)	Rezvani, Glenn, Hernandez, Monroe
53	103(a)	Rezvani, Crookham, Glenn, Hernandez, Monroe

[16] Petitioner supports its challenge with a Second Declaration of Dr. Paul D. Franzon. ("Second Franzon Decl.") (Ex. 1016).
[17] Ex. 1017, U.S. Pat. 8,665,082 B2 (Mar. 4, 2014) ("Glenn").
[18] We determine that Rezvani alone is sufficient to render claim 1 obvious. *See supra* § II.E.2. For this reason, we do not address Petitioner's alternative ground of Rezvani and Simon. *Id.* Here, we omit and likewise do not address Petitioner's alternative grounds involving Rezvani and Simon for the same reasons.
[19] Ex. 1018, U.S. Pat. 6,970,183 B1 (Nov. 29, 2005) ("Monroe").
[20] Ex. 1019, US Pat. Pub. 2005/0131652 A1 (June 16, 2005) ("Corwin").
[21] Ex. 1020, GB 2 384 604 A (July 30, 2003) ("Blackburn").
[22] Ex. 1021, WO 02/054178 A2, (July 11, 2002) ("Hernandez").

Claim(s) Challenged	35 U.S.C. §	References
55, 56	103(a)	Rezvani, Glenn, Hernandez, Halpern, Corwin
56	103(a)	Rezvani, Glenn, Hernandez, Halpern, Corwin, Blackburn.

1. Glenn

Glenn is titled "Method and apparatus for monitoring conditions" and is directed to remote monitoring to collect data and associated alarms. Ex. 1017, codes (54), (57). Glenn teaches that the data is collected from sensors and can include information such as, "the sensor reading, the unique identifier of the sensor and the device (station) identifier" and the "location of the remote device, date and time of the sensor reading, the number of retries required to obtain confirmation from the server 26, and the status of the telemetry radio 20." *Id.* at 6:56–62.

2. Monroe

Monroe is titled "Multimedia surveillance and monitoring system including network configuration" and is directed to a surveillance system capable of "transmitting event data, video and/or image monitoring information, audio signals and other sensor and detector data over significant distances." Ex. 1018, codes (54), (57). Monroe also teaches that in the event of a breach of security, "an appropriate response system will be activated for securing the immediate area and taking counter measures to protect the security of the area." *Id.* at 6:54–57. This can include "sealing off the area, turning on lights, activating audio devices and/or, where appropriate, transmitting an audible and/or visual alarm." *Id.* at 6:57–61.

3. Corwin

Corwin is titled "Remote monitoring system" and is directed to a system with sensors adapted to detect a parameter, a first processor adapted to receive a signal related to the parameter and a second processor in communication with the first processor. Ex. 1019, codes (54), (57). The system can generate an alarm in response to a sensed parameter. *Id.* ¶ 97. The alarm can be "an electronic transmission, an audible alarm, or a visual readout on a printer or monitor. For example, the alarm may comprise an e-mail alert, an e-mail with attachments, a file transfer protocol (FTP), a text message communicated wirelessly to a device such as a mobile telephone, pager, or the like." *Id.*

4. Blackburn

Blackburn is titled "Remote property monitoring system using mobile phone text messaging" and is directed to "[a] unit allowing remote monitoring of an area via the use of a mobile network SMS system." Ex. 1020, codes (54), (57). Blackburn teaches that "[o]nce triggered [by a sensor] an SMS text message containing the location and the cause of the alarm may be sent to one or more mobile phone numbers." *Id.* at code (57).

5. Hernandez

Hernandez is titled "Method and apparatus for in-store media advertising" and is directed to a local media advertising system coupled to a remote media content server, where "the local media advertising system receives advertising content and an advertising content display schedule from the content server. The local media advertising system displays the advertising content according to the advertising content display schedule." Ex. 1021, codes (54), (57).

E. Level of Ordinary Skill

When analyzing the substitute claims, we apply the same formulation regarding the level of ordinary skill in the art that we applied when analyzing the original claims. *See supra* § II.B.

F. Claim Construction

Patent Owner does not identify any terms that need to be construed in the proposed substitute claims. *See generally* Mot. Petitioner likewise does not offer any constructions of terms in the proposed claims. *See generally* Opp. Patent Owner does argue claim scope in view of Petitioner's Opposition, which we discuss below in the relevant claim discussions.

G. Claims 42, 50 – Obviousness over Rezvani and Glenn

Regarding proposed substitute claim 42, the majority of elements are identical to corresponding elements in original claim 1. *Compare* Mot., Claim App. 18–19, *with* Ex. 1001, 50:36–51:2. Proposed claim 50 is "substantively identical to [its] respective original dependent claim [original claim 9], changing only in [its] dependence." Mot. 1. As discussed above, Petitioner has offered persuasive evidence in support of its contentions that Rezvani teaches or suggests each of these claim limitations, and Patent Owner does not dispute these contentions. *See supra* §§ II.E.2–3; *see also* Mot. 14–15 (not disputing that Rezvani discloses these limitations of substitute claim 42). Thus, we are persuaded that Rezvani teaches or suggests each of these limitations of proposed substitute claims 42 and 50.

Proposed substitute claim 42 also includes newly added limitations related to "a registrar system" and "device data." Mot., Claim App. 18–19. We address each of these limitations below.

1. "registrar system"

Proposed substitute claim 42 adds to the original requirements of claim 1, "a registrar system, comprising a server system and a database system, operable to facilitate storage of media and playing of media at the one or more premises." Mot., Claim App. 18. Patent Owner asserts that Simon "does not disclose a database storing media files and then communicating media files to a premises for playback." *Id.* at 14 (citing Ex. 1005, 4:6–12). Notably, Patent Owner does not address Rezvani. *See id.*

In the Opposition, Petitioner contends that Rezvani teaches this new limitation. Opp. 9–10. In particular, Petitioner asserts that Rezvani's remote site 14 teaches "a registrar system" at a remote premise that includes database server 48 and web server 46. *Id.* at 9 (citing Ex. 1004, 5:62–64, 12:29–37, 13:13–20). Petitioner further asserts that Rezvani's remote site 14 stores images or video at database server 48 which can then be played via web server 46 at premises 18, and so, teaches that the registrar system is operable to facilitate storage of media and playing of media at the one or more premises. *Id.* at 9–10 (citing Ex. 1004, 8:1–23, 10:44–48). In particular, as Petitioner points out, Rezvani teaches "an example of camera 34 taking a picture of the front door at premises 18 and transmitting that picture to database server 48 in remote site 14 for storage via monitoring module 28 and communications network 16 such that a user can later access the picture using web server 46 of remote site 14 via Internet browser 26 at premises 18." Opp. 9–10 (citing Ex. 1004, 8:1–23).

Patent Owner agrees that Petitioner has accurately described the teachings of Rezvani, but argues that Petitioner has misinterpreted the requirement of the claim. PO Reply 5–7. Thus, if Patent Owner's construction of the claim is incorrect, Petitioner has established that Rezvani

teaches or suggests this newly added limitation. However, as discussed below, we determine that Rezvani teaches the new limitation under either claim construction.

Patent Owner argues that "a registrar system . . . operable to facilitate storage of media and playing of media at the one or more premises" "requires that *both* the storage of media *and* the playback of media be facilitated at the *one or more premises*." *Id.* at 5–6. Patent Owner points to the language of the claim for support, but does not otherwise explain or address the construction. *Id.* at 7 ("In contrast, limitation 42a requires 'a registrar system, comprising a server system and a database system, operable to facilitate **storage of media *and* playing of media at the one or more premises**.'").

This argument it is inconsistent with Patent Owner's argument over Simon in the Corrected Motion to Amend, where Patent Owner distinguishes proposed claim 42 by stating that Simon "does not disclose a database storing media files and then communicating media files to a premises for playback." Mot. 14. Thus, before seeing Petitioner's argument, Patent Owner construed proposed claim 42 as requiring "a database storing media files" and not that the media files were stored at the premises.

As written support for this limitation, from the '744 Application (U.S. Pat. App. 11/089,744, Ex. 2027), which became the '256 Patent, Patent Owner provided the following citation:

> *See id.* at 29:1–2 ("Registrar system 14 may comprise a server system 60 and a database system 62"); 36:4–5 ("registrar system 14 is operable to support one or more media functions for facilitating the playback of media at premises 16."); 37: 3–4 ("computer system 22 may contact registrar system 14 and request the media file.").

Mot. 3.[23] Though these quotations do not explicitly state where the media is stored, the last quote implies that the media is stored in the registrar system 14. This understanding is consistent with the further discussion of the embodiment in the '744 Application. In the initial example, describing how the registrar system 14 facilitates the playback of media at premises 16, the '744 Application states that the media files are stored and organized "in a media library on database system 62." Ex. 2027, 36:5–6; *see also id.* at 36:10–11 ("a copy of substantially all media files for premise 16 is stored at registrar system 14").

The '744 Application disclosure does imply that the media files can be stored at the premises, in addition to the registrar system 14: "If the computer system 22 [at the premises] determines that it does not have the appropriate media file [that needs to be played], the computer system 22 may contact registrar system 14 and request the media file." *Id.* at 37:3–4; *see also id.* at 36:11–12 (stating that media files can be communicated to the premises 16 from the registrar system 14).

Petitioner argues that these passages do not teach that the *registrar system* facilitates media storage at the premises as would be required by the proposed claim under Patent Owner's reading. Pet. Sur-Reply. 7. However, when the registrar system provides a copy of a media file to the premises that the premises do not have, we determine that this is an example of the registrar system facilitating storage at the premises, even if only facilitating temporary storage. Ex. 2027, 37:3–4. Thus, we do not agree with Petitioner

[23] Patent Owner cites to the original page numbers of the '744 Application, as opposed to the page numbers added to the exhibit. For consistency, we also cite to the original page numbers of the '744 Application.

that Patent Owner's claim construction is not supported by the Specification of the '744 Application.

However, under that same logic, we also determine that Rezvani teaches a registrar system facilitating storage at the premises. This is because we determine that Rezvani's teaching of playing an image on internet browser 26 at remote premises 18 via web server 46 (Ex. 1004, 8:16–22; *see also* Opp. 10) would result in the image being stored at least temporarily on client access device 22, which includes internet browser 26. *See* Ex. 1004, Fig. 1; *see also id.* at 5:39–46 ("Client device 22 may be any device suitable for communicating with remote site 14 via communications network 16. For example, client device 22 may be a computer, ..."). Just as the Specification of the '744 Application teaches that a copy of a media file is provided from the registrar system to the premises for viewing, Rezvani's teachings similarly require that a copy of an image on web server 46 be provided to the client access device 22 in order for it to be viewed on internet browser 26.

In view of the language of the claim itself, the inconsistent initial and secondary positions taken by Patent Owner in arguing the meaning of the claim, and the disclosure cited for support, as well as the teachings of the Specification, we determine that "a registrar system . . . operable to facilitate storage of media and playing of media at the one or more premises" does not require that the media be stored at the one or more premises. Accordingly, Petitioner has shown that Rezvani teaches or suggests "a registrar system, comprising a server system and a database system, operable to facilitate storage of media and playing of media at the one or more premises."

We also determine, as discussed above, that Rezvani teaches this limitation under Patent Owner's claim construction, which would require that the media be stored at the premises.

2. "device data"

Proposed substitute claim 42 also adds: "device data is parsed and comprises time stamp data, device ID data, and status data." Mot., Claim App. 19. Patent Owner asserts that "Rezvani does not teach a server or database that parses data into narrow data points." *Id.* at 14–15.

In the Opposition, Petitioner contends that the combination of Rezvani and Glenn teaches this amended limitation. Opp. 11–14. In particular, Petitioner asserts that Rezvani teaches storing device descriptors 49 (i.e. device ID data), including a manufacturer identification, product identification, and driver version number, and a record of resources associated with a device (i.e. status data) including status indicators, time fields, and date fields. *Id.* at 11–12 (citing Ex. 1004, 9:15–17, 10:11–12, 23–55, 11:49–61). Patent Owner does not contest Petitioner's arguments concerning the teachings of Rezvani. *See generally* PO Reply 7–8. We determine that Petitioner has correctly mapped the teachings of Rezvani to the requirements of proposed substitute claim 42 as noted above.

Petitioner argues that "while Rezvani describes collecting sensor data from multiple sensors and storing virtual representation of each remote device as a separate record in the database of database server 48, Rezvani does not provide specifics as to what the sensor data is comprised of and how the sensor data from multiple sensors is stored as separate records in the database." Opp. 13. For this reason, Petitioner argues that a POSA would have looked to other references, such as Glenn, to provide the needed specifics.

Petitioner asserts that Glenn collects sensor data (i.e., "device data"), including a time stamp, a unique sensor identifier, and a sensor reading, (i.e., "time stamp data, device ID data, and status data"), which is transmitted to a server that "parses" the sensor data. *Id.* at 12 (citing Ex. 1017, 3:61–63, 4:10–13, 6:50–64, 10:32–34). Petitioner argues that after obtaining the data, "[t]he server 26 then 'parses' the sensor data for 'each sensor based upon a unique identifier assigned to each sensor' and 'stores' it 'based upon each uniquely identified sensor.'" *Id.* (citing Ex. 1017, 10:32–34, 3:61–63, 4:10–13) (emphasis omitted).

Patent Owner argues that Glenn's time stamp data is not within the meaning of "device data" in proposed substitute claim 42. Claim 42 requires that the server system "receive from the one or more premises device data for the one or more facility management devices located at the remote premises." It is argued that Glenn's time stamp data is not "device data" because "Glenn actually teaches that 'the date and time stamp can be applied at the server 26 or at the control board 21 level.'" PO Reply 8. (quoting Ex. 1017, 6:50–64) (emphasis omitted). Patent Owner further argues that Glenn's "date and time stamp information *are not* data collected or created and then sent by the device; and [therefore] the prior art device data does not comprise time stamp data." *Id.*

There are two problems with Patent Owner's argument. First, as noted by Petitioner, nothing in the claim requires that the "device" send the device data to the server. Pet. Sur-Reply 8. Rather, the claim merely requires that the server receive the device data "from the one or more premises." Secondly, as highlighted above, Patent Owner admits that "Glen[n] actually teaches 'the date and time stamp can be applied . . . at the control board 21 level,'" (PO Reply 8 (emphasis omitted)) and Glenn teaches that control

board 21 is located at the premises with the sensors. Pet. Sur-Reply 8 n.3. Glenn teaches that:

> The control board 21 is a microprocessor controlled device that is linked to the sensors. The control board 21 is a point to which the data is initially sent to and from the sensor. The control board 21 is also the location where the data is collected and processed for transmission to a remote location 26.

Ex. 1017, 6:18–23. Glenn also teaches that:

> The packet of data is passed to a wireless device such as a telemetry radio 20 from the control board 21. From here, the data is then transmitted 22 to another location or remote location 24 such as a server 26.

Id. at 6:15–18.

Thus, as the control board is located at the premises, receives the device data, applies a time stamp, as admitted by Patent Owner, and transmits the data to a server, Glenn does teach a time stamp data that is "device data" as required by proposed claim 42. Further, we determine that Glenn teaches parsing the data once received by the server, as identified by Petitioner and described above. As such, the combination of Rezvani and Glenn teach parsing device data, which includes time stamp data, device ID data, and status data.

We also determine that Petitioner's rationale for the combination, applying "Glenn's technique of parsing sensor data from multiple sensors" to "Rezvani's known system of monitoring remote sensors" (Opp. 13), is reasonable because the combination would have provided missing details to Rezvani's system. Patent Owner faults Petitioner for relying only on "narrow features" of Glenn and applying them "in the context of Rezvani." PO Reply 1. However, we are not persuaded that this is inappropriate. It is not required that Petitioner bodily incorporate all of the teachings of Glenn

into Rezvani. *MCM Portfolio LLC v. Hewlett-Packard Co.*, 812 F.3d 1284, 1294 (Fed. Cir. 2015). Further, Patent Owner does not identify or even argue that Petitioner's reasons to combine Glenn's teachings with Rezvani's system are inappropriate or that some aspect of Glenn's teachings teach away from such a combination. As we find no such contrary teaching, we determine that Petitioner's reason to combine is supported by the evidence of record.

Accordingly, Petitioner has shown that proposed substitute claim 42 is unpatentable under 35 U.S.C. § 103 as obvious over the combination of Rezvani and Glenn. Proposed substitute claim 50 depends from claim 42 and does not otherwise amend the language of its original claim. Accordingly, Petitioner has shown that proposed substitute claim 50 is unpatentable under 35 U.S.C. § 103 as obvious over the combination of Rezvani and Glenn.

H. Claim 43 – Obviousness over Rezvani, Glenn, and Monroe

Proposed substitute claim 43 depends from proposed substitute claim 42. Claim 43 corresponds to original claim 2 and adds, in relevant part, "a command to turn on one or more lights in response to an alert." Mot., Claim App. 20. As discussed above, Petitioner has offered persuasive evidence in support of its contentions that Rezvani teaches or suggests each of the limitations of original claim 2, and Patent Owner does not dispute these contentions. *See supra* § II.E.3; *see also* Mot. 15–16 (not disputing that Rezvani discloses these limitations of proposed claim 43). Thus, we are persuaded that Rezvani teaches or suggests each of these limitations incorporated into proposed substitute claim 43.

Patent Owner asserts that Rezvani does not teach the added limitation of proposed claim 43 and further asserts that "Rezvani teaches away from this limitation because Rezvani requires a user to manually turn the light

[on] with a command through the web server . . . instead of in response to an alert." Mot. 14–16.

In the Opposition, Petitioner contends that the combination of Rezvani and Monroe teaches the amended limitation of claim 43. Opp. 14–16. In particular, Petitioner argues that Rezvani describes "a command to turn on a lamp at remote premises 20 communicated via web server 46." *Id.* at 14 (citing Ex. 1004, 8:28–42, 11:20–23). Petitioner further argues that Monroe describes a signal, which causes "an appropriate response system [to] be activated," such as "turning on lights," and, so, teaches "a command to turn on one or more lights in response to an alert." *Id.* at 14–15 (citing Ex. 1018, 6:48–59, 28:39–45).

We are persuaded by Petitioner's arguments that the combination of Rezvani and Monroe teaches this amended limitation. We are persuaded that Rezvani describes that, via web server 46, a "user [can] change the state of lamp 42 from being 'off' to being 'on' by, for example, manipulating the virtual light switch from web server 46." Ex. 1004, 8:28–36. Further, Monroe describes that, in the case of a security breach, corresponding "signals will be immediately transmitted to the base station" and "an appropriate response system will be activated," e.g., "turning on lights." Ex. 1018, 6:48–59. Monroe also describes a "visual light/strobe light 563 can be turned on by locally detected events, by remote control signal, or by other system elements such as detection by a companion sensor unit signaling over the network." *Id.* at 28:39–45. As such, the combination of Rezvani and Monroe teaches the amended limitation.

Although Patent Owner argues Rezvani "teaches away" from turning on lights in response to an alert because Rezvani describes "manually" turning on lights (Mot. 15–16), we are not persuaded that Rezvani criticizes,

discredits, or otherwise discourages turning on lights in response to an alert. *See In re Fulton*, 391 F.3d 1195, 1201 (Fed. Cir. 2004) ("The prior art's mere disclosure of more than one alternative does not constitute a teaching away from any of these alternatives because such disclosure does not criticize, discredit, or otherwise discourage the solution claimed."). Rather, the evidence shows that Rezvani has merely described a different manner of turning on lights, i.e., manually, which does not persuade us that Rezvani teaches away from a command to turn on lights in response to an alert.

Furthermore, Petitioner's rationale for the combination, improving Rezvani's monitoring system to "set[] one or more lights to turn on in response to an alert" is reasonable because turning on lights in the event of a security breach would have provided benefits such as "scaring away intruders, attracting attention of security personnel, and helping to get a better picture."[24] Opp. 15–16.

Accordingly, Petitioner has shown that proposed substitute claim 43 is unpatentable under 35 U.S.C. § 103 as obvious over the combination of Rezvani, Glenn,[25] and Monroe.

I. Claim 44 – Obviousness over Rezvani, Glenn, Crookham, Monroe

Proposed substitute claim 44 depends from proposed substitute claim 42. Claim 44 corresponds to original claim 3 and adds similar amendments

[24] Though Dr. Franzon admits to "probably" not having read all of Monroe (Ex. 2033, 100, ll. 17–20), we do not rely on the declarant's testimony on this point, nor is it necessary for us to rely on such testimony to determine the benefits of turning on lights in the event of a security breach.
[25] As discussed previously, Glenn is relied on for teaching features of proposed claim 42, from which proposed claim 43 depends. Notably, the added limitations of claim 43 do not depend on the features for which Glenn is relied upon.

as proposed substitute claim 43 discussed above. Mot., Claim App. 20. As discussed above, Petitioner has offered persuasive evidence in support of its contentions that the combination of Rezvani and Crookham suggests each of the limitations of original claim 3, and Patent Owner does not dispute these contentions. *See supra* § II.F.2; *see also* Mot. 22–23 (not disputing that Rezvani discloses these limitations of proposed claim 44). As also discussed above, Petitioner has offered persuasive evidence in support of its contentions that the combination of Rezvani and Monroe suggests the added limitations of proposed substitute claim 43 which are substantially similar to those added here.

Accordingly, Petitioner has shown that proposed substitute claim 44 is unpatentable under 35 U.S.C. § 103 as obvious over the combination of Rezvani, Glenn, Crookham, and Monroe.

J. Claim 46 – Obviousness over Rezvani, Glenn, Halpern and Corwin

Proposed substitute claim 46 depends from claim 42 and amends original claim 5 to require that the server "poll one or more of the facility management devices at predetermined times to obtain device data associated with the facility management devices" ("polling") and "communicate an alert file into an alert directory, said alert file comprising the time at which alert activity was detected" ("alert file"). Mot., Claim App. 21–22. Notably, the polling amendment reiterates claim limitations recited in original claim 19. *See* Ex. 1001, 53:62–65.

As discussed above, Petitioner has offered persuasive evidence in support of its contentions that Rezvani teaches or suggests each of the limitations of original claim 5, and Patent Owner does not dispute these contentions. *See supra* § II.E.3; *see also* Mot. 16 (not disputing that Rezvani discloses these limitations of proposed claim 46). As also discussed above,

Petitioner has offered persuasive evidence in support of its contentions that the combination of Rezvani and Halpern suggests the polling limitations of claim 19, which are substantially similar to the polling limitations added here. *See supra* § II.G.3.

We now address the newly added "alert file" limitation. Proposed substitute claim 46 amends claim 5 to additionally require that the server "communicate an alert file into an alert directory, said alert file comprising the time at which alert activity was detected." Mot., Claim App. 22.

Patent Owner asserts that "[a]lthough Rezvani allows for 'the real-time states of devices 32 to be stored,' Rezvani 11:6–7, there is no indication Rezvani stores alert information in an alert directory comprising the times at which alert activity was detected." *Id.* at 17.

Petitioner argues that Corwin describes an Alarm file, including a time the Alarm file was created and entered into an iMon System Log, and so teaches "communicat[ing] an alert file into an alert directory, said alert file comprising the time at which alert activity was detected." Opp. 17–18 (citing Ex. 1019 ¶¶ 171, 173, 185, 188, 198–201, Fig. 11). In particular, Petitioner argues that Corwin describes a "browser-based monitoring software . . . iMon" which monitors sensor data, and, if sensor "data fall[s] outside the predetermined boundaries, . . . an alarm condition may be raised." *Id.* (citing Ex. 1019 ¶¶ 171, 173, 188). Alarms are "entered into the iMon System Log" as an "Alarm file," which includes a time the Alarm file was created. *Id.* at 18 (citing Ex. 1019 ¶¶ 198, 199–201). Corwin also states that "[d]ata fields in the [Alarm] file" include a "Date_Time" field. Ex. 1019 ¶¶ 200, 205.

Petitioner argues that the Alarm file is "created upon detecting the alarm condition," and so the Alarm file creation time provides "the time at which alert activity was detected." Opp. 18–19.

Petitioner argues that "while Rezvani teaches that its monitoring module 28 'allow[s] the real-time states of devices 32 to be stored,' . . . Rezvani does not provide specifics as to how an alert condition of a device is stored in the monitoring module 28." *Id.* at 19 (quoting Ex. 1004, 11:4–7). Thus, Petitioner argues that in order to carry out the process disclosed in Rezvani, a POSA would have looked to Corwin, which provides the missing disclosure "of creating an Alarm file when an alarm condition is raised, including in its file name the time the file is created, and stor[ing] it in the selected directory." *Id.*

Petitioner further argues that a POSA:

> would have also recognized the benefits of combining Rezvani and Corwin since Corwin's simple file structure allows Rezvani's real-time monitoring of devices 32 to efficiently and accurately create and store data relating to alert conditions of the monitored devices. Here, Corwin's technique of storing alarm files in a directory is combined with and applied to Rezvani's known system of real-time monitoring of devices ready for improvement in storage of alert activity data to yield predictable results (e.g., monitoring module storing a file comprising real-time alert information of a device in a directory).

Id. at 19–20 (citing Ex. 1016 ¶¶ 60, 61).

Patent Owner argues that that Petitioner's argument fails because "Corwin, like Rezvani, teaches storage in a database remote from the premises," where the claim requires that the alert directory be in the computer system on the premises (i.e., not remote). PO Reply 8–9. "However, Petitioner relies on Rezvani's monitoring module 28 at the premises, not Corwin, for the claimed computer system located at the

premises." Pet. Sur-Reply 10 (citing Opp. 17, 19–20). Patent Owner's argument is not directed at the position set forth by Petitioner for this claim limitation.

We agree with Petitioner that Rezvani teaches that the monitoring module 28 stores the real-time states of devices 32, which can include alert states. We also agree Rezvani does not provide specifics as to how an alert condition of a device is stored in the monitoring module 28, and thus a POSA would be motivated to look to Corwin to supply this additional insight. Finally, we also agree that Corwin teaches an alert file comprising the time at which alert activity was detected, and that it would have been obvious to include this in the alert file stored by the monitoring module 28 in view of the teachings of Corwin.

Accordingly, Petitioner has shown that proposed substitute claim 46 is unpatentable under 35 U.S.C. § 103 as obvious over the combination of Rezvani, Glenn, Halpern, and Corwin.

K. Claim 47 – Obviousness over Rezvani, Glenn, Halpern, Corwin, and optionally Blackburn

Proposed substitute claim 47 depends from claim 46, corresponds to original claim 6 and adds "communicating a notification via text message that the particular alert has been triggered." Mot., Claim App. 22.

As discussed above, Petitioner has offered persuasive evidence in support of its contentions that Rezvani teaches or suggests each of the limitations of original claim 6, and Patent Owner does not dispute these contentions. *See supra* § II.E.3; *see also* Mot. 18–19 (not disputing that Rezvani discloses these limitations of proposed claim 47).

Patent Owner argues that Rezvani does not teach "communicating a notification via text message." Mot. 18. At the same time, Patent Owner

admits that "Rezvani notifies users of an 'event notification or alarm triggers' through a 'user's pager, for example via cellular transmitter 44.'" *Id.* (citing Ex. 1004, 7:25–33, 8:14–16).

Petitioner contends that both Corwin and Blackburn communicate a notification of an alarm via text to a user. Opp. 20–22. Specifically, Petitioner states "Corwin teaches that [an] alarm signal may comprise 'a text message communicated wirelessly to a device such as a mobile telephone, pager, or the like.'" *Id.* at 20–21 (citing Ex. 1019 ¶¶ 97, 111). Petitioner also states "Blackburn teaches that when an alarm is triggered, 'an SMS text message containing the location and the cause of the alarm may be sent to one or more mobile phone numbers.'" *Id.* at 21 (citing Ex. 1020, code (57) (emphasis omitted)). In view of the above, we are persuaded by Petitioner's argument that both Corwin and Blackburn teach this amended limitation.

Petitioner argues and we agree that as "Rezvani already teaches various alert notification devices," a POSA "would have recognized that the combination would have involved a simple addition or substitution of another well-known and related notification technique (e.g., SMS text messaging) to obtain predictable results (e.g., communicating an alert notification via text message)." *Id.* We further agree that a POSA "would have also recognized the benefit of the combination since text messaging allows users to conveniently and frequently check for alert messages." *Id.*

Accordingly, Petitioner has shown that proposed substitute claim 47 is unpatentable under 35 U.S.C. § 103 as obvious over the combination of Rezvani, Glenn, Halpern, and Corwin; and over the combination of Rezvani, Glenn, Halpern, Corwin, and Blackburn.

L. Claims 51, 59 – Obviousness over Rezvani, Glenn, and Hernandez

Proposed substitute independent claim 51 amends claim 10 to add, *inter alia*: "communicating media files to the one or more remote premises for playback at scheduled times." Mot., Claim App. 23–24. Proposed substitute claim 59 depends from proposed substitute claim 51, but does not otherwise amend the language of its original claim. *Id.* at Claim App. 27.

In the Opposition, Petitioner contends that the combination of Rezvani and Hernandez teach this amended limitation. Opp. 22–24. In particular, Petitioner argues that Rezvani describes "playing image(s) or video on Internet browser 26 at remote premises 18 via web server 46," but does not disclose the "playing back of media files at the remote premises at scheduled times." *Id.* at 22. Petitioner argues that Hernandez's "networked system for displaying advertising media content at remote stores at scheduled times" teaches "communicating media files to the one or more remote premises for playback at scheduled times." *Id.* at 22–23 (citing *e.g.*, Ex. 1021, code (57)).

More particularly, Petitioner argues that the media contents would be Rezvani's "recorded images of the front door" and that "Hernandez's technique of displaying media contents at scheduled times is combined with Rezvani's known system of monitoring the front door of a remote premises ready for improvement in home security to yield predictable results (e.g., playing back the recorded images of the front door at scheduled times)." *Id.* at 23–24. Petitioner argues that a POSA would make such a modification in order to "enable tailoring of the timing to the intended audience and increase the likelihood that the media contents are viewed by the targeted audience." *Id.* at 23 (citing Ex. 1016 ¶¶ 79–83).

Hernandez is directed to displaying advertising, and tailoring the timing of displaying media to increase the likelihood that the media contents

are viewed by the targeted audience, which is clearly beneficial in an advertising context. However, it is not clear that this advertising benefit is equally applicable in a security setting. Further, it is unclear how displaying recorded images of the front door at scheduled times is an "improvement in home security" as stated by Petitioner. Petitioner's only support for these statements is the Second Declaration of Dr. Franzon, which merely repeats these assertions without further explanation. *See* Ex. 1016 ¶¶ 81–82.

Accordingly, we determine that Petitioner has not shown that proposed substitute claim 51 is unpatentable under 35 U.S.C. § 103 as obvious over the combination of Rezvani, Glenn, and Hernandez. In particular, Petitioner has not provided a reason to combine the teachings of Rezvani and Hernandz with rational underpinnings. *See KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007) (quoting *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006)) ("[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.").

Proposed substitute claim 59 depends from claim 51, but does not otherwise amend the language of its original claim. Accordingly, we also determine that Petitioner has not shown that proposed substitute claim 59 is unpatentable under 35 U.S.C. § 103 as obvious over the combination of Rezvani, Glenn, and Hernandez.

M. Claims 52, 53, 55, 56

Proposed substitute claims 52, 53, 55, and 56 depend from proposed claim 51. Petitioner argues that these claims are unpatentable over various combinations of Rezvani, Glenn, Hernandez, Monroe, Crookham, Halpern, Corwin, and Blackburn. Opp. 24. However, Petitioner does not address the

shortcoming identified above for proposed claim 51 with any of these combinations. *See id.* Thus, we determine that Petitioner has not shown that proposed substitute claims 52, 53, 55, and 56 are unpatentable under 35 U.S.C. § 103 as obvious at least because of their dependence from proposed substitute claim 51.

N. Patentability of Proposed Substitute Claims under 35 U.S.C. § 101

Petitioner contends that the proposed substitute claims are patent-ineligible. Opp. 3. In our Preliminary Guidance we determined that "Petitioner has not shown a reasonable likelihood that the proposed substitute claims are drawn to ineligible subject matter." PG 18. Though Petitioner's Sur-Reply discusses some of the points made by Patent Owner in the Patent Owner Reply on patent eligibility, Petitioner does not address any of the shortcomings that were identified in the Preliminary Guidance. Thus, we adopt our preliminary findings and determinations that Petitioner has not demonstrated that the proposed substitute claims are drawn to ineligible subject matter. We summarize those findings and determinations below.

Petitioner contends that the proposed substitute claims are patent-ineligible, arguing that the claims are "focused on receiving, storing, and communicating device data for the purpose of remote monitoring," which amounts to an abstract idea. Opp. 3. Petitioner then argues that the claims do not add anything to the abstract idea beyond "desirable information-based results achieved with generic computing components." *Id.* at 5. We are not persuaded by Petitioner's arguments.

Under Step 2A, Prong One of the 2019 Revised Patent Subject Matter Eligibility Guidance, we must first evaluate whether a claim recites a judicial exception. 84 Fed. Reg. 50, 54 (Jan. 7, 2019) (hereinafter

"Guidance"). If we identify a judicial exception recited in the claim, we then proceed to Step 2A, Prong Two of the Guidance, where we "evaluate whether the claim as a whole integrates the recited judicial exception into a practical application of the exception." *Id.* at 54. If we determine that the claim is directed to a judicial exception, we then proceed to Step 2B of the Guidance and evaluate whether the claim provides an inventive concept. *Id.* at 56.

Petitioner's analysis is insufficient. Petitioner highlights the claimed "storing," "receiving," and "communicating" of data to assert that proposed substitute claim 51 recites a judicial exception, namely, an abstract idea; Petitioner then argues that claim terms such as "client system" and "database system" are "generic computing components" such that the claims do not add anything beyond the abstract idea. Opp. 3, 5. However, Petitioner's analysis ignores the remaining limitations forming the majority of the claim and instead relies on generic and conclusory statements without sufficiently analyzing the actual claim language. *See* Opp. 3–5. For example, the claim also recites a "plurality of devices comprising one or more camera devices and one or more facility management devices," "device data is parsed," "media files to the one or more remote premises for playback at scheduled times," "a request received from a remote client system," and "stored device data for the at least one facility management device responsive to the request." Petitioner does not address those features, and in particular, does not address their functionality in the context of the claim as a whole or explain why those limitations have been ignored in its analysis. *See id.* at 2–7. By failing to discuss the majority of the claim in any portion of its argument, Petitioner does not present persuasive argument or evidence that the claim is drawn to ineligible subject matter. Due to these shortcomings,

Petitioner has not shown that proposed substitute claim 51 is patent-ineligible. Petitioner relies on the same arguments in regards to proposed substitute claim 42. *Id.* at 6. Accordingly, Petitioner has not shown that the proposed substitute claims are drawn to ineligible subject matter.

IV. CONCLUSION[26]

For the reasons discussed above, we determine Petitioner has proven, by a preponderance of the evidence, that all of the challenged claims are unpatentable, as summarized in the below table. We also grant-in-part Patent Owner's Corrected Motion to Amend.

In summary, regarding the challenged claims:

Claims	35 U.S.C. §	Reference(s) /Basis	Claims Shown Unpatentable	Claims Not shown Unpatentable
1, 2, 5, 6, 9–11, 14, 15, 18	103(a)	Rezvani	1, 2, 5, 6, 9–11, 14, 15, 18	
1, 2, 5, 6, 9–11, 14, 15, 18	103(a)[27]	Rezvani, Simon		
3, 12	103(a)	Rezvani, Crookham	3, 12	

[26] Should Patent Owner wish to pursue amendment of the challenged claims in a reissue or reexamination proceeding subsequent to the issuance of this decision, we draw Patent Owner's attention to the April 2019 *Notice Regarding Options for Amendments by Patent Owner Through Reissue or Reexamination During a Pending AIA Trial Proceeding. See* 84 Fed. Reg. 16,654 (Apr. 22, 2019). If Patent Owner chooses to file a reissue application or a request for reexamination of the challenged patent, we remind Patent Owner of its continuing obligation to notify the Board of any such related matters in updated mandatory notices. See 37 C.F.R. § 42.8(a)(3), (b)(2).
[27] As explained above, because we determine that the challenged claims are unpatentable in light of Rezvani, we decline to address this ground.

Claims	35 U.S.C. §	Reference(s) /Basis	Claims Shown Unpatentable	Claims Not shown Unpatentable
3, 12	103(a) [28]	Rezvani, Simon, Crookham		
19	103(a)	Rezvani, Halpern, Naidoo	19	
Overall Outcome			1–3, 5, 6, 9–12, 14, 15, 18, 19	

In summary, regarding the proposed substitute claims:

Motion to Amend Outcome	Claims
Original Claims Proposed to be Replaced	1–3, 5, 6, 9–12, 14, 15, 18
Substitute Claims Proposed in the Amendment	42–44, 46, 47, 50–53, 55, 56, 59
Substitute Claims: Motion to Amend Granted	51–53, 55, 56, 59
Substitute Claims: Motion to Amend Denied	42–44, 46, 47, 50
Substitute Claims: Not Reached	None

[28] As explained above, because we determine that the challenged claims are unpatentable in light of Rezvani and Crookham, we decline to address this ground.

V. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that claims 1–3, 5, 6, 9–12, 14, 15, 18 and 19 of U.S. Patent No. 7,792,256 B1 have been shown to be unpatentable;

FURTHER ORDERED that Patent Owner's Corrected Motion to Amend is denied with respect to substitute claims 42–44, 46, 47, and 50;

FURTHER ORDERED that Patent Owner's Corrected Motion to Amend is granted with respect to substitute claims 51–53, 55, 56, 59; and

FURTHERED ORDERED that, because this is a Final Written Decision, parties to the proceeding seeking judicial review of the Decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

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