UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RF CONTROLS, LLC, Petitioner,

v.

A-1 PACKAGING SOLUTIONS, INC., Patent Owner.

> Case IPR2015-00119 Patent 8,690,057 B2

Before HOWARD B. BLANKENSHIP, BRYAN F. MOORE, and GREGG I. ANDERSON, *Administrative Patent Judges*.

MOORE, Administrative Patent Judge.

DOCKET

DECISION Institution of *Inter Partes* Review 37 C.F.R. § 42.108

I. INTRODUCTION

RF Controls, LLC ("Petitioner") filed a Petition (Paper 1, Petition ("Pet.")) to institute an *inter partes* review of claims 17–30 (the "challenged claims") of U.S. Patent No. 8,001,057 B1 (Ex. 1001, "the '057 patent"). *See* 35 U.S.C. §§ 311–319. A-1 Packaging Solutions, Inc. ("Patent Owner") filed a Preliminary Response (Paper 6, "Prelim. Resp."). We have jurisdiction under 35 U.S.C. § 314, which provides that an *inter partes* review may not be instituted "unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." Upon consideration of the Petition and Patent Owner's Preliminary Response, we determine Petitioner has established a reasonable likelihood that it would prevail in showing the unpatentability of at least one of the challenged claims. We therefore institute an *inter partes* review as to claims 17 and 27. We decline to institute an *inter partes* review as to claims 18–26 and 28–30.

Our factual findings and conclusions at this stage of the proceeding are based on the evidentiary record developed thus far (prior to Patent Owner's Response). This is not a final decision as to patentability of claims for which *inter partes* review is instituted. Our final decision will be based on the record as developed fully during trial.

II. BACKGROUND

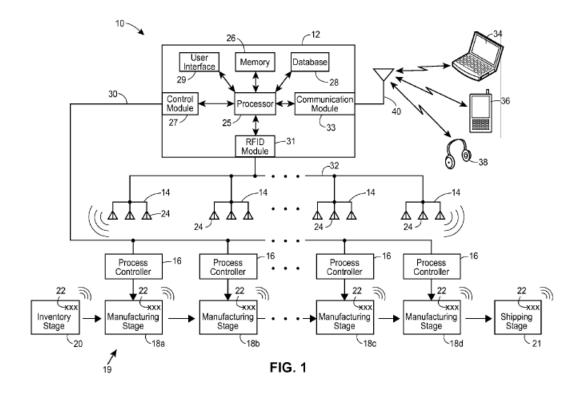
A. Related Matters

Prior to the instant Petition, Petitioner also filed a first petition for *inter partes* review of the '057 patent: *RF Controls, LLC v. A-1 Packaging Solutions, Inc.*, Case IPR2014-01536 (PTAB).1

B. The '057 Patent (Ex. 1001)

The '057 patent relates to a process management system that uses a radio frequency identification (RFID) detection system in the form of, for example, a phased array antenna based RFID detection system to track and manage material storage and flow in a manufacturing process or plant. Ex. 1001, Abstract. A block diagram of an exemplary process management system is shown in Figure 3 of the '057 patent, reproduced below.

 $^{1\ {\}rm Case}\ {\rm IPR2014-01536}\ {\rm has}\ {\rm been}\ {\rm consolidated}\ {\rm with}\ {\rm the}\ {\rm instant}\ {\rm proceeding}.$



As illustrated in Figure 3, above:

[I]nventory and process management or tracking system 10 include[s] a command system 12 connected to an RFID detection and tracking system that includes a network of antenna systems 14 (which may be for example, one or more electronically steerable phased array antenna systems each having multiple antenna elements 24) connected to a processor (not shown) that directs or operates the antennas or elements 24 ... and performs RFID detection and tracking.

Id. at 13:66–14:7. "During operation, material inputs and material outputs at each stage or region of the manufacturing process 19 are tagged with RFID tags 22 for identification and tracking." *Id.* at 14:25–28. "The antenna systems 14 . . . are used to detect and track the location and movement of the RFID tagged material inputs and material outputs and use this tracking

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information to manage the manufacturing process 19 using, for example, the controllers 16." *Id.* at 14:28–36.

C. Illustrative Claim

Of the challenged claims, claims 17 and 27 are independent. Claim

17, reproduced below, is illustrative of the claimed subject matter:

- 17. A method of tracking inventory within an inventory region, comprising:
- periodically scanning the inventory region with one or more radio frequency antennas using a beam steering scanning technique, wherein one of the one or more radio frequency antennas scans a portion of the inventory region to detect one or more radio frequency tags disposed in a scanned portion of the inventory region, each of the one or more radio frequency tags being associated with an inventory item;
- determining a current physical location for the one or more detected radio frequency tags in the scanned portion within the inventory region based on the detection of the one or more radio frequency tags within a scan, wherein the current physical location corresponds to a position defined by two coordinate units in a multi-dimensional coordinate system and the value of each of the two coordinate units is determined by the one of the one or more radio frequency antennas, and wherein the current physical location for the one or more detected radio frequency tags is resolved to a region less than the coverage area of any of the radio frequency antennas;
- storing, in a computer readable memory, for each of the one or more detected radio frequency tags, inventory item information, wherein the inventory item information for a radio frequency tag includes an inventory item radio frequency tag identifier, inventory item identification information defining the identity of the inventory item, and current physical location information for the inventory item;

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