IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

JOAO CONTROL & MONITORING SYSTEMS, LLC,	)	
Plaintiff,	)	
	)	**No. 14 C 9852**
v.	)	
	)	**Judge Rebecca R. Pallmeyer**
TELULAR CORPORATION,	)	
	)	
Defendant.	)	

MEMORANDUM OPINION AND ORDER

Joao Control & Monitoring Systems, LLC ("Plaintiff" or "Joao Control") owns a number of patents, including the two at issue in this case. Joao Control filed this lawsuit against Defendant Telular Corporation ("Defendant" or "Telular"), alleging infringement of two patents for systems designed to provide security for vehicles and premises through a computer network connected to the Internet. Telular contends that the two patents violate the Patent Act, 35 U.S.C. § 101, because they are based on abstract ideas and do not contain any "inventive concept" sufficient to confer patent eligibility. For the reasons set forth below, the court agrees. Defendant's motion for judgment on the pleadings pursuant to FED. R. CIV. P. 12(c) is granted.

BACKGROUND

Plaintiff Joao Control is a Delaware corporation with its principal place of business in Yonkers, New York. (Compl. [1] ¶ 2.) Defendant Telular Corporation is a Delaware corporation with its principal place of business in Chicago, Illinois. (*Id.* ¶ 3.) The two patents-in-suit—United States Patent No. 6,587,046 (the "`046 patent") and United States Patent No. 7,397,363 (the "`363 patent")—were issued by the U.S. Patent and Trademark Office to Raymond A. Joao, who subsequently assigned all rights, title, and interest to Plaintiff. The `046 patent was issued in July 2003, and the `363 patent was issued in July 2008. (`046 patent at 1, Compl. Ex. A; `363 patent at 1, Compl. Ex. B.) The subject matter of the two patents is similar; they both broadly claim apparatuses and methods for monitoring and controlling property remotely through a

computer network and the Internet. Each patent, moreover, aims to "overcom[e] the disadvantages and drawbacks . . . associated with the known prior art control, monitoring, and/or security systems" by "allowing owners, occupants and/or other authorized individuals to exercise and/or provide control, monitoring and/or security functions over [vehicles and] premises, from a remote location and at any time." (`046 patent, col. 3, ll. 8–11, 15–18; `363 patent, col. 3, ll. 5–9, 13–15.)

A. The `046 Patent

The `046 patent, entitled "Monitoring Apparatus and Method," generally describes a system for monitoring physical property from a remote location through a network of devices connected to "the Internet or World Wide Web." (`046 patent, Abstract.) The patent is 82 pages long and contains a total of 112 claims: 6 independent claims and 106 dependent claims. (*Id.* at col. 109, l. 1 – col. 118, l. 36.) Claims 1 and 30 of the `046 patent are representative and claim the following:

> 1. A monitoring apparatus, comprising:
>
> a processing device, wherein the processing device receives video information recorded by at least one of a video recording device and a camera, wherein the at least one of a video recording device and a camera is located at a vehicle, and wherein the processing device is located at a location remote from the vehicle,
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> wherein the processing device receives a signal transmitted from a communication device, wherein the communication device is located at a location remote from the processing device and remote from the vehicle, wherein the video information is transmitted from the processing device to the communication device in response to the signal, and further wherein the video information is transmitted to the communication device on or over at least one of the Internet and the World Wide Web.
>
> 30. A monitoring apparatus, comprising:
>
> a processing device, wherein the processing device receives video information recorded by at least one of a video recording device and a camera, wherein the at least one of a video recording device and a camera is located at a premises, and wherein the processing device is located at a location remote from the premises,

> wherein the processing device receives a signal transmitted from a communication device, wherein the communication device is located at a location remote from the processing device and remote from the premises, wherein the video information is transmitted from the processing device to the communication device in response to the signal, and further wherein the video information is transmitted to the communication device on or over at least one of the Internet and the World Wide Web.

(*Id.* at col. 109, ll. 1–17; col. 11, ll. 14–31.) As is evident from the claim language, claims 1 and 30 describe the same apparatus, except that the apparatus described in claim 1 applies to the monitoring of a *vehicle*, and the apparatus described in claim 30 applies to the monitoring of a *premises*.

The other claims in the `046 patent contain only slight variations of the monitoring apparatuses described in claims 1 and 30. Dependent claims 6, 17, 35, and 46, for example, describe the same apparatuses as those described in claims 1 and 30, but include a "processing device" with slightly different capabilities. (*Id.* at col. 110, ll. 19–31; col. 111, ll. 46–52; col. 112, ll. 35–47.) Specifically, the processing device described in claims 17 and 46 can "control [the] operation of" the video or camera located at the vehicle or premises, in addition to transmitting signals to the communication device, while the processing device described in claims 6 and 35 can receive and transmit "audio information" from an audio recording device located at the vehicle or premises. (*Id*.) Independent claims 58 and 85 describe apparatuses almost identical to those recited in claims 1 and 30, except that the "video recording device" component sends information to a "transmitter," which transmits the information to the processing device, as opposed to sending the information directly to the processing device. (*Id.* at col. 113, ll. 33–58.) Independent claims 111 and 112 similarly describe a "method" for receiving and transmitting video information from a vehicle or premises to a remote location through the use of a "video recording device and camera," "transmitter," "processing device," and "communication device." (*Id.* at col. 117, l. 34 – col. 118, l. 36.)

B. The `363 Patent

The `363 patent, entitled "Control and/or Monitoring Apparatus and Method," describes a system for monitoring and controlling property from a remote location through a network of devices connected to "the Internet and/or World Wide Web." (`363 patent, Abstract.) The patent is 87 pages long and contains a total of 88 claims: 7 independent claims and 81 dependent claims. (*Id.* at col. 104, l. 13 – col. 122, l. 67.) Claims 1 and 21, worded awkwardly, are representative of the patent:

1. An apparatus, comprising:

> a first processing device, wherein the first processing device at least one of generates a first signal and transmits a first signal for at least one of activating, de-activating, disabling, re-enabling, and controlling an operation of, at least one of a premises system, a premises device, a premises equipment, a premises equipment system, a premises component, and a premises appliance, of or located at a premises, wherein the first processing device is associated with a web site, and further wherein the first processing device is located at a location remote from the premises,
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> wherein the first processing device at least one of generates the first signal and transmits the first signal in response to a second signal, wherein the second signal is at least one of generated by a second processing device, wherein the second processing device is located at a location which is remote from the first processing device and remote from the premises, wherein the first processing device determines whether an action or an operation associated with information contained in the second signal, to at least one of activate, de-activate, disable, re-enable, and control an operation of, at least one of a premises system, a premises device, a premises equipment, a premises equipment system, a premises component, and a premises appliance, is an authorized or allowed action or an authorized or allowed operation, and further wherein the first processing device at least one of generates the first signal and transmits the first signal to a third processing device if the action or the operation is determined to be authorized or an allowed operation, wherein the third processing device is located at the premises,
>
> wherein the second signal is transmitted to the first processing device via, on, or over, at least one of the Internet and the World Wide Web, and further wherein the second signal is automatically received by the first processing device, wherein the first signal is transmitted to and automatically received by the third processing device, wherein the third processing device at least one of generates a third signal and transmits a third signal for at least one of activating, de-activating, disabling, re-enabling, and controlling an operation of, the at least one of a premises system, a premises device, a premises

equipment, a premises equipment system, a premises component, and a premises appliance, in response to the first signal.

21. An apparatus, comprising:

a first processing device, wherein the first processing device at least one of generates a first signal and transmits a first signal for at least one of activating, de-activating, disabling, re-enabling, and controlling an operation of, at least one of a vehicle system, a vehicle equipment system, a vehicle component, a vehicle device, a vehicle equipment, and a vehicle appliance, of or located at a vehicle, wherein the first processing device is associated with a web site, and further wherein the first processing device is located at a location remote from the vehicle,

wherein the first processing device at least one of generates the first signal and transmits the first signal in response to a second signal, wherein the second signal is at least one of generated by a second processing device and transmitted from a second processing device, wherein the second processing device is located at a location which is remote from the first processing device and remote from the vehicle, wherein the first processing device determines whether an action or an operation associated with information contained in the second signal, to at least one of activate, de-activate, disable, re-enable, and control an operation of, the at least one of a vehicle system, a vehicle equipment system, vehicle component, a vehicle device, a vehicle equipment, and a vehicle appliance, is an authorized or allowed action or an authorized or an allowed operation, and further wherein the first processing device at least one of generates the first signal and transmits the first signal to a third processing device if the action or the operation is determined to be an authorized or an allowed operation, wherein the third processing device is located at the vehicle,

wherein the second signal is transmitted to the first processing device via, on, or over, at least one of the Internet and the World Wide Web, and further wherein the second signal is automatically received by the first processing device, wherein the first signal is transmitted to and automatically received by the third processing device, wherein the third processing device at least one of generates a third signal and transmits a third signal for at least one of activating, de-activating, disabling, re-enabling, and controlling an operation of, the at least one of a vehicle system, a vehicle equipment system, a vehicle component, a vehicle device, a vehicle equipment, and a vehicle appliance, in response to the first signal.

(`363 patent, col. 104, ll. 13–60; col. 108, ll. 16–62.) Like the `046 patent, claims 1 and 21 of the `363 patent describe the same apparatus, except that the apparatus described in claim 1 applies to the monitoring of a *premises*, and the apparatus described in claim 21 applies to the monitoring of a *vehicle*.

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