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Paper 25
Entered: August 10, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMX, LLC and DELL INC.,
Petitioner,

v.

CHRIMAR SYSTEMS, INC.,
Patent Owner.

Case IPR2016-00574
Patent 8,902,760 B2

Before KARL D. EASTHOM, GREGG I. ANDERSON, and ROBERT J. WEINSCHENK, *Administrative Patent Judges*.

WEINSCHENK, *Administrative Patent Judge*.

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

I. INTRODUCTION

AMX, LLC and Dell Inc. (collectively, "Petitioner") filed a Petition (Paper 3, "Pet.") requesting an *inter partes* review of claims 1, 31, 37, 58, 59, 69, 72, 73, 106, 112, 134, 142, and 145 of U.S. Patent No. 8,902,760 B2 (Ex. 1001, "the '760 patent"). Chrimar Systems, Inc. ("Patent Owner") filed a Preliminary Response (Paper 17, "Prelim. Resp.") to the Petition. 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." 35 U.S.C. § 314(a).

For the reasons set forth below, Petitioner demonstrates a reasonable likelihood of prevailing in showing the unpatentability of claims 1, 31, 37, 58, 59, 69, 72, 73, 106, 112, 134, 142, and 145 of the '760 patent. Accordingly, we institute an *inter partes* review as to claims 1, 31, 37, 58, 59, 69, 72, 73, 106, 112, 134, 142, and 145 of the '760 patent on the grounds specified below.

A. *Related Proceedings*

The parties indicate that the '760 patent is the subject of several district court cases. Pet. 1; Paper 6, 2–3; Ex. 1012.

B. *The '760 Patent*

The '760 patent relates to a system for managing, tracking, and identifying remotely located electronic equipment. Ex. 1001, col. 1, ll. 27–30. According to the '760 patent, one of the difficulties in managing a computerized office environment is keeping track of a company's electronic assets. *Id.* at col. 1, ll. 32–57. Previous systems for tracking electronic assets suffered from several deficiencies. *Id.* at col. 1, ll. 62–65. For example, previous systems could not determine the connection status or

physical location of the asset and could only track those assets that were powered-up. *Id.* at col. 1, l. 65–col. 2, l. 2.

To address these deficiencies, the '760 patent describes a system for tracking an electronic asset using existing network wires. *Id.* at col. 2, ll. 3–6, col. 3, ll. 23–27. The system includes a central module and a remote module. *Id.* at col. 3, ll. 27–30. The remote module attaches to the electronic asset and transmits information to the central module by impressing a low frequency signal on the existing network wires. *Id.* A receiver in the central module monitors the information transmitted by the remote module. *Id.* at col. 3, ll. 30–32. The central module can determine if the location of the electronic asset changes, and a database can be updated accordingly. *Id.* at col. 3, ll. 37–40.

C. *Illustrative Claim*

Claims 1 and 73 are independent. Claim 1 is reproduced below.

> 1. A BaseT Ethernet system comprising:
>
> a piece of central BaseT Ethernet equipment;
>
> a piece of BaseT Ethernet terminal equipment;
>
> data signaling pairs of conductors comprising first and second pairs used to carry BaseT Ethernet communication signals between the piece of central BaseT Ethernet equipment and the piece of BaseT Ethernet terminal equipment, the first and second pairs physically connect between the piece of BaseT Ethernet terminal equipment and the piece of central BaseT Ethernet equipment, the piece of central BaseT Ethernet equipment having at least one DC supply, the piece of BaseT Ethernet terminal equipment having at least one path to draw different magnitudes of current flow from the at least one DC supply through a loop formed over at least one of the conductors of the first pair and at least one of the conductors of the second pair, the piece of central BaseT Ethernet equipment to detect at least two different magnitudes of the current flow

through the loop and to control the application of at least one electrical condition to at least two of the conductors.

Ex. 1001, col. 17, ll. 16–36.

D. *Evidence of Record*

Petitioner relies on the following references and declaration (Pet. 11–12):

Reference or Declaration	**Exhibit No.**
Declaration of Rich Seifert ("Seifert Declaration")	Ex. 1009
De Nicolo, U.S. Patent No. 6,115,468 (issued Sept. 5, 2000) ("De Nicolo '468")	Ex. 1019
De Nicolo, U.S. Patent No. 6,134,666 (issued Oct. 17, 2000) ("De Nicolo '666")	Ex. 1020
National Semiconductor, DP83840 10/100 Mb/s Ethernet Physical Layer (1996) ("DP83840 Datasheet")	Ex. 1024
The Institute of Electrical and Electronics Engineers, Inc., IEEE Std 802.3u-1995 (1995) ("IEEE 802.3u-1995")	Ex. 1025
The Institute of Electrical and Electronics Engineers, Inc., IEEE Std 802.3-1993 (1993) ("IEEE 802.3-1993")	Ex. 1026
Patel et al., U.S. Patent No. 5,883,894 (issued Mar. 16, 1999) ("Patel")	Ex. 1034

Patent Owner relies on the Declaration of Dr. Vijay K. Madisetti (Ex. 2015) to support some of the arguments in the Preliminary Response. We note that, for purposes of deciding whether to institute an inter partes review, any genuine issue of material fact created by Dr. Madisetti's testimony will be viewed in the light most favorable to Petitioner. 37 C.F.R. § 42.108(c).

E. *Asserted Grounds of Unpatentability*

Petitioner asserts that the challenged claims are unpatentable on the following grounds (Pet. 11–12):

Claim(s)	Basis	Reference(s)
1, 31, 37, 58, 59, 69, 72, 73, 106, 112, 134, 142, and 145	35 U.S.C. § 103(a)	De Nicolo '468 and De Nicolo '666
1, 31, 37, 58, 59, 69, 72, 73, 106, 112, 134, 142, and 145	35 U.S.C. § 103(a)	Patel, DP83840 Datasheet, IEEE 802.3u-1995, and IEEE 802.3-1993

II. ANALYSIS

A. *Claim Construction*

The claims of an unexpired patent are interpreted using the broadest reasonable interpretation in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–45 (2016). On this record and for purposes of this decision, we determine that no claim terms require express construction.

B. *Asserted Grounds of Unpatentability*

1. *Obviousness of Claims 1, 31, 37, 58, 59, 69, 72, 73, 106, 112, 134, 142, and 145 Over De Nicolo '468 and De Nicolo '666*

Petitioner argues that claims 1, 31, 37, 58, 59, 69, 72, 73, 106, 112, 134, 142, and 145 would have been obvious over De Nicolo '468 and De Nicolo '666. Pet. 11. We have reviewed the parties' assertions and supporting evidence. For the reasons discussed below, Petitioner demonstrates a reasonable likelihood of prevailing in showing that claims 1, 31, 37, 58, 59, 69, 72, 73, 106, 112, 134, 142, and 145 would have been obvious over De Nicolo '468 and De Nicolo '666.

Claim 1 recites "a piece of central BaseT Ethernet equipment" and "a piece of BaseT Ethernet terminal equipment." Ex. 1001, col. 17, ll. 17–18. Petitioner identifies evidence indicating that De Nicolo '468 teaches a piece

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