

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NJOY, INC., CB DISTRIBUTORS, INC., DR DISTRIBUTORS, LLC,
FIN BRANDING GROUP, LLC, ELECTRONIC CIGARETTES
INTERNATIONAL GROUP, LTD. F/K/A VICTORY ELECTRONIC
CIGARETTES CORPORATION, AND
LOGIC TECHNOLOGY DEVELOPMENT LLC,
Petitioners,

v.

FONTEM HOLDINGS 1 B.V.,
Patent Owner.

Case IPR2015-01299
Patent 8,910,641 B2

Before JOSIAH C. COCKS, DONNA M. PRAISS, and
JO-ANNE M. KOKOSKI, *Administrative Patent Judges*.

KOKOSKI, *Administrative Patent Judge*.

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

I. INTRODUCTION

NJOY, Inc., CB Distributors, Inc., DR Distributors, LLC, FIN Branding Group, LLC, Electronic Cigarettes International Group, Ltd. f/k/a Victory Electronic Cigarettes Corporation, and Logic Technology Development LLC (collectively, “Petitioner”) filed a Petition (“Pet.”) to institute an *inter partes* review of claims 1–11, 17, 19, and 20 of U.S. Patent No. 8,910,641 B2 (“the ’641 patent,” Ex. 1001). Paper 1. Fontem Holdings 1 B.V. (“Patent Owner”) filed a Preliminary Response (“Prelim. Resp.”). Paper 6. We have jurisdiction under 35 U.S.C. § 314.

Upon consideration of the Petition, Preliminary Response, and the evidence of record, we determine that Petitioner has not established a reasonable likelihood of prevailing with respect to the unpatentability of claims 1–11, 17, 19, and 20 of the ’641 patent. Accordingly, we deny the Petition and do not institute an *inter partes* review.

A. *Related Proceedings*

Petitioner identifies multiple cases pending in the Central District of California that could be affected by this proceeding. Pet. 2–3. Petitioner also identifies ten related *inter partes* review proceedings. *Id.* at 3. Patent Owner additionally identifies four petitions for *inter partes* review “filed by JT International S.A. prior to Logic Technology Development LLC’s acquisition.” Paper 5, 1.

B. *The ’641 Patent*

The ’641 patent, titled “Electronic Cigarette,” is directed to an electronic cigarette that includes a shell, a cell, a control circuit, a nicotine solution, and an electro-thermal vaporization nozzle installed at the air suction end of the shell. Ex. 1001, Abs. According to the ’641 patent, the

control circuit provides starting current to an electric heater arranged within the electro-thermal vaporization nozzle, and the cell that provides the power to the control circuit can be a disposable or rechargeable battery. *Id.* at 1:65–2:5. The high temperature in the electro-vaporization nozzle causes nicotine liquid to rapidly vaporize to form a puff of smoke. *Id.* at 2:2–4.

Figure 1 of the '641 patent is reproduced below:

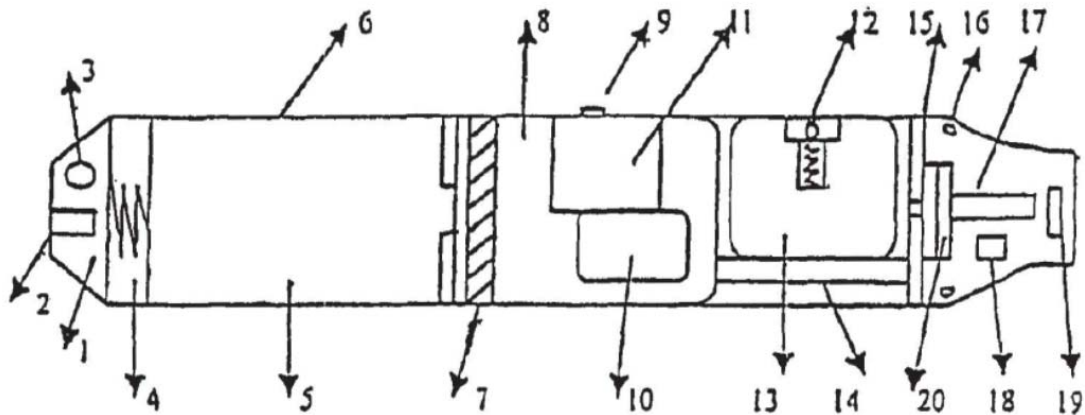


Figure 1 is a schematic diagram of an electronic cigarette. *Id.* at 2:13–14. Resistance sensor 19 activates control circuit board 8 when a smoker puts the cigarette holder in his/her mouth, causing circuit board 8 to output two driving voltages, one to supply power to the electric heating element of electro-thermal vaporization nozzle 17, and the other to activate micro pump 11. *Id.* at 3:48–53. Nicotine solution is then pumped to electro-thermal vaporization nozzle 17 by nicotine storage container 13, vaporized into high temperature vapor on the heating element of electro-thermal vaporization nozzle 17, and ejected from the opening end. *Id.* at 3:53–58. In the air, the ejected vapor is expanded and condensed into micro aerosol droplets. *Id.* at 3:58–59. The electronic cigarette also comprises charger 1, charging jack 2,

spring 4, shell 6, threads 7, switch 9, passage tube 14, and baffle plate 15.
Id. at 4:26–28.

The Specification states that the electro-thermal vaporization nozzle is a small tube with an internal diameter of 0.05–2 mm that can be straight or spiral. *Id.* at 3:1–2, 3:9–11. The electric heating element within the electro-thermal vaporization nozzle can be made of wires, and can be in the shape of a straight line, single spiral, double spiral, cluster, or spiral cluster. *Id.* at 3:14–19.

C. Illustrative Claims

Petitioner challenges claims 1–11, 17, 19, and 20 of the '641 patent. Claims 1 and 17 are independent, and read as follows:

1. An electronic cigarette, comprising:
 - a housing having an inlet and an outlet;
 - a battery and an atomizer in the housing, with the atomizer including a tube having a metal wire heater coil within the tube electrically linked to the battery;
 - a liquid source in the housing and outside of the tube;
 - with liquid in the liquid source capable of moving from the liquid source into the tube and contacting the wire heater coil to create vapor.

Ex. 1001, 6:36–44.

17. An electronic cigarette comprising:
 - a housing, an air inlet leading into the housing, and an air outlet leading out of the housing;
 - a battery, a control circuit, a sensor, and a vaporization nozzle in the housing, with the control circuit electrically connected to the battery and to the sensor;
 - the vaporization nozzle including a coil heating element within a tube and with the coil heating element electrically connected to the control circuit; and

a solution storage in the housing outside of the tube, wherein solution in the solution storage is capable of moving from the solution storage into the tube.

Id. at 8:1–12.

D. The Prior Art

Petitioner relies on the following prior art references:

Reference	Description	Date	Exhibit No.
Gilbert	US 3,200,819	Aug. 17, 1965	1005
Haglund	US 4,207,457	June 10, 1980	1007
Ingebrethsen	US 5,388,574	Feb. 14, 1995	1006
Higgins	US 5,666,977	Sep. 16, 1997	1004
Takeuchi	US 6,155,268	Dec. 5, 2000	1003
Susa	EP 0 845 220 A1	June 3, 1998	1010

E. The Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims 1–11, 17, 19, and 20 of the '641 patent on the following grounds:

References	Basis	Claims Challenged
Higgins, Ingebrethsen, and Haglund	§ 103	1–3, 6, 7, 9, 10, 17, 20
Higgins, Ingebrethsen, Haglund, and Gilbert	§ 103	4, 5
Higgins, Ingebrethsen, Haglund, and Susa	§ 103	8, 9, 11, 19
Takeuchi and Haglund	§ 103	1–3, 6–10, 17, 19, 20
Takeuchi, Haglund, and Gilbert	§ 103	4, 5
Takeuchi, Haglund, and Susa	§ 103	9, 11

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