UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

D-LINK SYSTEMS, INC., Petitioner,

v.

CHRIMAR SYSTEMS, INC., Patent Owner.

> Case IPR2016-01425 Patent 8,155,012 B2

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

ANDERSON, Administrative Patent Judge.

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

I. INTRODUCTION

D-Link Systems, Inc. ("Petitioner") filed a Petition (Paper 1 ("Pet.")) pursuant to 35 U.S.C. §§ 311–19 to institute an *inter partes* review of claims 31, 34, 35, 36, 40, 43, 44, 52, 56, and 60 ("the challenged claims") of U.S. Patent No. 8,155,012 B2 (Ex. 1001 ("the '012 patent")). Pet. 3.¹ The Petition relies on the Declaration of Dr. Andrew Wolfe. Ex. 1012. ChriMar Systems, Inc. ("Patent Owner") filed a Preliminary Response (Paper 10 ("Prelim. Resp.")).

We have statutory authority under 35 U.S.C. § 314(a), which requires demonstration of a reasonable likelihood that Petitioner would prevail with respect to at least one challenged claim. We institute an *inter partes* review of the challenged claims. The Board has not made a final determination of the patentability of any claim.

A. Related Proceedings

Petitioner contends that "the '012 patent is the subject of 56 civil actions filed in the Eastern District of Michigan, Eastern District of Texas²

 $^{^1}$ Petitioner challenges claim 60 and its dependence from claims 59 / 31, 35, 36, 40, 43, and 52.

² Petitioner cites one case for claim construction. *See* Pet. 12–13 (citing *Chrimar Systems, Inc. v. Adtran, Inc.*, et al., 6:15-cv-618-JRG-JDL, Memorandum Opinion and Order (E.D. Tex. June 17, 2016) ("'618 Lawsuit," Ex. 1004-1)). Cases cited by Patent Owner for claim construction include: *Chrimar Systems, Inc., et al. v. AMX, LLC,* No. 6:13-cv-881-JDL, Memorandum Opinion and Order (E.D. Tex. Oct. 22, 2014), Ex. 2017 ("'881 Lawsuit"); *id.*, Memorandum Opinion and Order (E.D. Tex. Jan. 8, 2015), Ex. 2018; *id.* Memorandum Opinion and Order (E.D. Tex. Jan. 16, 2015), Ex. 2019; *id.*, Memorandum Opinion and order on ALE's motion to construe certain claim terms of the '012 and '760 Patents (E.D. Tex. Sept. 16, 2016), Ex. 2035; *Chrimar Systems, Inc., et al. v. Alcatel-Lucent, et al.*, No. 6:15-cv-163-JDL, Memorandum Opinion and Order (E.D. Tex. Mar. 28,

and the Northern District of California." Pet. 1 (citing Ex. 1003). Patent Owner identifies 17 civil actions as "related matters." Paper 5, 2–3. The parties also identify a number of related requests for *inter partes* review, including Case Nos. IPR2016-00569, IPR2016-00572, IPR2016-00573, IPR2016-00574, IPR2016-00983, IPR2016-01151, IPR2016-01389, IPR2016-01391, IPR2016-01397, IPR2016-01399, and IPR2016-01426. Pet. 2; Paper 5, 3.

B. The '012 Patent (Ex. 1001)

The '012 patent relates generally to a communication system "provided for generating and monitoring data over a pre-existing wiring or cables that connect pieces of networked computer equipment to a network." Ex. 1001, 3:19–22. The '012 patent discloses central module 15 and remote module 16 system for achieving identification of electronic computer equipment associated with computer network 17. *Id.* at 4:44–47. "[C]entral module 15 monitors remote module circuitry 16 that may be permanently attached to remote[] located electronic workstations such as personal computers 3A through 3D." *Id.* at 4:53–56.

2016) ("163 Lawsuit"), Ex. 2020; *id*. Memorandum Opinion and Order (E.D. tex.Mar. 28, 2016), Ex. 1004-2. Prelim. Resp. 20–21.

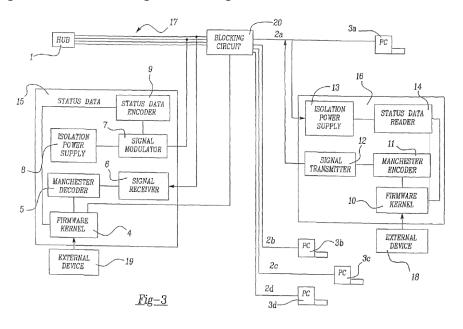


Figure 3 of the '012 patent is reproduced below:

Figure 3 is a block diagram illustrating one embodiment of the invention. Ex. 1001, 3:52–53. As shown in Figure 3 of the '012 patent above, "[r]emotely located personal computers 3A through 3D are each connected to the computer network 17 so as to provide widespread remote user access to the computer network 17." *Id.* at 5:1–3. Data communication links, 2A through 2D, connects each of the respective personal computers 3A through 3D to a hub 1. *Id.* at 5:4–6. Each data communication link, which can be a multi-wire cable, transmits and receives information between the personal computers and other communication devices on the network. *Id.* at 5:6–13. "Each pair of transmit wires and each pair of receive wires thereby form a current loop through one of the personal computers 3A through 3D." *Id.* at 5:28:32.

The central module 15 includes isolation power supply 8 to supply continuous direct current (DC) to each of the current loops 2A through 2D.

Id. at 5:33–35. A signal modulator 7 alters the voltage received from power supply 8 based upon status data received from encoder 9. Ex. 1001, 53–56. The encoder receives its status data from the firmware kernel 4. *Id.* at 5:56–57. Status information and power is provided to the remote module 16 by a signal modulator 7 over either the transmit lines or the receive lines. *Id.* at 5:58–61.

At the remote module 16, "information such as confirmation of the status information or additional data" about an external device 18, such as the computer 3A, is provided to the remote module 16. Ex. 1001, 6:19–24. Firmware kernel 10 provides a preprogrammed unique identification number for the external device "to Manchester encoder 11 in order to reliably traverse the data communication link or cable 2A," and the "Manchester encoder then passes this encoded number to signal transmitter 12 which sends the encoded number across the data communication link 2A by altering the total current draw of the remote module 16." *Id.* at 6:7–13.

The information developed at the remote module 16 about an external device is sent to the signal receiver 6 of "the central module 15, decoded by Manchester decoder 5, and passed on to the firmware kernel 4." Ex. 1001, 6:25–28. In tracking an asset, i.e., the external device, the firmware kernel may now pass this received information on to another computer, i.e., external device 19, which is responsible for asset tracking. *Id.* at 6:28–30.

C. Illustrative Claim

Of the challenged claims, claim 31 is the only independent claim. Claims 34, 35, 36, 40, 43, 44, 52, 56, and 60 depend directly or indirectly from claim 31. Claim 31 follows:

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