

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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EMERSON ELECTRIC CO.,  
Petitioner,

v.

SIPCO, LLC,  
Patent Owner.

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Case IPR2017-00216  
Patent 8,013,732 B2

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Before LYNNE E. PETTIGREW, STACEY G. WHITE, and  
CHRISTA P. ZADO, *Administrative Patent Judges*.

WHITE, *Administrative Patent Judge*.

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

## I. INTRODUCTION

### A. Background

Emerson Electric Co. (“Petitioner”) filed a Petition (Paper 2, “Pet.”) seeking to institute an *inter partes* review of claims 1–7 of U.S. Patent No. 8,013,732 B2 (Ex. 1001, “the ’732 patent”) pursuant to 35 U.S.C. §§ 311–319. SIPCO, LLC (“Patent Owner”) filed a Preliminary Response. (Paper 7, “Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314(a), 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.”

Petitioner contends the challenged claims are unpatentable under 35 U.S.C. §103 on the following specific grounds (Pet. 15–69):

References	Claims Challenged
Kahn, <sup>1</sup> APA, <sup>2</sup> Cerf, <sup>3</sup> and Cunningham <sup>4</sup>	1, 2, 6, and 7
Kahn, APA, Cerf, and Ehlers <sup>5</sup>	1–7

Our factual findings and conclusions at this stage of the proceeding are based on the evidentiary record developed thus far (prior to Patent

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<sup>1</sup> Robert E. Kahn, *Advances in Packet Radio Network Protocols*, Proceedings of the IEEE, Vol. 66, No. 11, Nov. 1978 (Ex. 1002) (“Kahn”).

<sup>2</sup> Petitioner relies upon the disclosures found in column 1, lines 54 through 65, column 2, lines 27 through 29, column 5 lines 32 through 44, and Figure 1 of the ’732 patent as Admitted Prior Art (“APA”). *See* Pet. 19–20.

<sup>3</sup> Vinton G. Cerf & Peter T. Kirstein, *Issues in Packet-Network Interconnection*, Proceedings of the IEEE, Vol. 66, No. 11, Nov. 1978 (Ex. 1011) (“Cerf”).

<sup>4</sup> U.S. Patent No. 6,124,806 (Ex. 1014) (“Cunningham”).

<sup>5</sup> U.S. Patent No. 5,924,486 (Ex. 1012) (“Ehlers”).

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 fully developed during trial. For reasons discussed below, we institute *inter partes* review of claims 1–7 of the '732 patent.

*B. Related Proceedings*

We have been informed that *SIPCO, LLC, v. Emerson Electric Co.*, No. 1:15-cv-0319-AT (N.D. Ga) and *SIPCO LLC v. Acuity Brands, Inc.*, No. 1:16-cv-00480 (D. Del.) may be impacted by this proceeding. Paper 5. Also, an *inter partes* review between these same parties involving claims 13, 14, 16–22, and 23–35 of the '732 patent recently was concluded. *SIPCO, LLC, v. Emerson Electric Co.*, IPR2015-01973 (PTAB Mar. 27, 2017) (Paper 25) (finding that Petitioner had not carried its burden to prove the challenged claims unpatentable). In addition, there are several pending patent applications that claim priority to the '732 patent. Pet. 3.

*C. The '732 Patent*

The '732 patent is titled “Systems and Methods for Monitoring and Controlling Remote Devices.” Ex. 1001, at [54]. It describes “a system for monitoring a variety of environmental and/or other conditions within a defined remotely located region.” *Id.* at Abstract. “The system is implemented by using a plurality of wireless transmitters, wherein each wireless transmitter is integrated into a sensor adapted to monitor a particular data input.” *Id.* Figure 2 of the '732 patent is reproduced below.

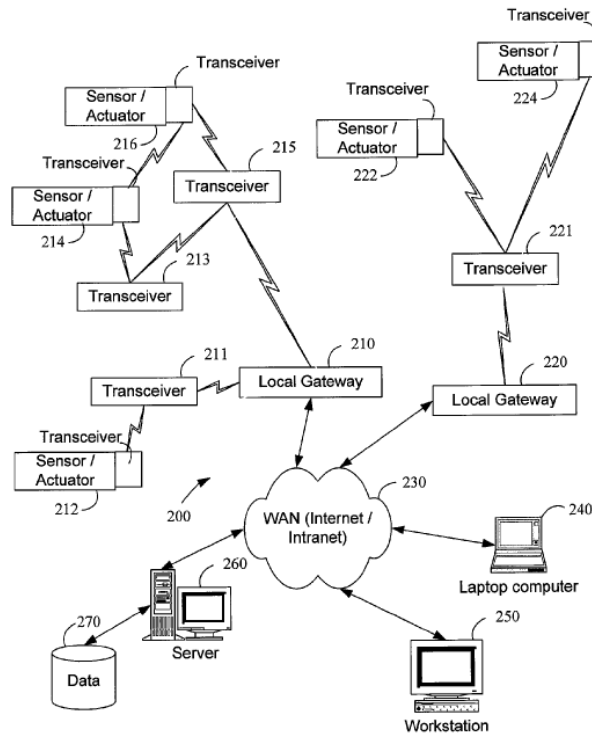


FIG. 2

Figure 2 is a block diagram of the monitoring and control system of a preferred embodiment of the invention. *Id.* at 4:42, 7:33–56. Control system 200 includes one or more sensor/actuators 212, 214, 216, 222, and 224. *Id.* at 5:65–67. Each of these sensor/actuators is integrated with a transceiver. *Id.* Transceivers 212, 214, 216, 222, and 224 may be located within an environment to be monitored such as an automobile, rainfall gauge, or parking lot access gate. *Id.* at 7:34–37. These devices may be used to monitor vehicle diagnostics, total rainfall and sprinkler supplied water, and access gate position. *Id.* The control system also includes a plurality of stand-alone transceivers 211, 213, 215, and 221. *Id.* at 6:15–17. Local gateways 210 and 220 receive transmissions from the transceivers and analyze and convert these transmissions as necessary in order to retransmit the information via a wide area network. *Id.* at 6:37–40.

*D. Illustrative Claim*

As noted above, Petitioner challenges claims 1–7 of the '732 patent, of which claim 1 is independent. Claim 1 and is illustrative of the challenged claims and is reproduced below:

1. A system for remote data collection, assembly, storage, event detection and reporting and control, comprising:
  - a computer configured to execute at least one computer program that formats and stores select information for retrieval upon demand from a remotely located device, said computer integrated with a wide area network (WAN);
  - a plurality of transceivers dispersed geographically at defined locations, each transceiver electrically interfaced with a sensor and configured to receive select information and identification information transmitted from another nearby wireless transceiver electrically interfaced with a sensor in a predetermined signal type and further configured to wirelessly retransmit in the predetermined signal type the select information, the identification information associated with the nearby wireless transceiver, and transceiver identification information associated with the transceiver making retransmission;
  - at least one gateway connected to the wide area network configured to receive and translate the select information, the identification information associated with the nearby wireless transceiver, and transceiver identification information associated with one or more retransmitting transceivers, said gateway further configured to further transmit the translated information to the computer over the WAN and wherein at least one of said plurality of transceivers is also electrically interfaced with an actuator to control an actuated device.

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