UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

HEALTH CARE LOGISTICS, INC.,
Petitioner,

v.

KIT CHECK, INC.,
Patent Owner.

Case IPR2019-00394
Patent 9,367,665 B2

Before JAMES A. TARTAL, GEORGE R. HOSKINS, and

TARTAL, Administrative Patent Judge.

DECISION
Denying Institution of Inter Partes Review
35 U.S.C. § 314
I. INTRODUCTION

Health Care Logistics, Inc. ("Petitioner") filed a Petition (Paper 1, "Pet.") requesting an inter partes review of claims 1–3, 5, 7, 8, 24–28, and 30 of U.S. Patent No. 9,367,665 B2 (Ex. 1001, "the ’665 patent"). Pet. 1. Kit Check, Inc. ("Patent Owner") filed a Preliminary Response. Paper 6 ("Prelim. Resp."). We have authority to determine whether to institute an inter partes review. 35 U.S.C. § 314(b); 37 C.F.R. § 42.4(a). An inter partes review may not be instituted “unless . . . the information presented in the petition . . . shows 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).

Applying that standard, and upon consideration of the Petition, the Preliminary Response, and the evidence of record, we conclude the information presented does not show a reasonable likelihood that Petitioner would prevail in showing the unpatentability of any of claims 1–3, 5, 7, 8, 24–28, and 30 of the ’665 patent challenged by Petitioner. In particular, for the reasons provided below, we find Petitioner did not provide sufficient reasoning with some rational underpinning to support the legal conclusion that any of the challenged claims of the ’665 patent would have been obvious over the asserted prior art. Accordingly, we deny the Petition and do not authorize institution of an inter partes review of the ’665 patent.

II. BACKGROUND

A. The ’665 Patent

The ’665 patent, titled “Management of Pharmacy Kits,” issued June 14, 2016, from U.S. Application No. 14/818,113, filed August 4, 2015. Ex. 1001, [21], [22], [45], [54]. The ’665 patent generally relates to a
“system for managing pharmacy kits” using radio frequency identification ("RFID") tags associated with a pharmacy kit, a reading station configured to read tag information, and an information processing system to determine a status of the pharmacy kit. *Id.* at [57].

According to the ’665 patent, hospital pharmacies use pharmacy kits to manage groups of medical items, such as a group of items specified by a template for a specific medical procedure. *Id.* at 1:19–31. The template may also specify “ways in which individual items [in the pharmacy kit] may be satisfied.” *Id.* at 1:31–32. The ’665 patent explains that a kit is typically created by receiving specified items in a pharmacy, manually recording product identifiers and information, and then loading the items into a container, which may later be updated periodically by manually inspecting the kit, modifying the contents, and recording any changes. *Id.* at 1:49–59. The ’665 patent describes the typical procedure for creating a kit as time consuming, error prone, and inefficient. *Id.* at 1:60–2:2.

As a purported improvement of the techniques and technologies for managing pharmacy kits, the ’665 patent describes the following “system for managing pharmacy kits”:

- a reading station configured to read tag information from a plurality of radio frequency identification (RFID) tags associated with a pharmacy kit, and an information processing system operatively connected to the reading station and configured to receive the tag information from the reading station and determine a status of the pharmacy kit based on the tag information, a plurality of stored templates defining contents to be included in each of a plurality of pharmacy kits, and a plurality
of kit records indicating the current contents of a plurality of pharmacy kits. 

*Id.* at 2:9–20. The ’665 patent states that “RFID technology can allow a pharmacy to accurately and efficiently determine whether items in the kit are consumed, missing, expired, or near expiration.” *Id.* at 3:39–42.

**B. Illustrative Claims**

Challenged claims 1 and 24 are independent. Challenged claims 2, 3, 5, 7, and 8 depend from claim 1, and claims 25–28 and 30 depend from claim 24. Claim 1 is illustrative of the claimed subject matter and is reproduced below:

1. A system, comprising:
   a pharmacy kit container that includes an enclosed space for receiving a pharmacy kit and at least one door, wherein the enclosed space is accessible through the at least one door, and wherein the pharmacy kit container provides electromagnetic shielding; and
   an information processing system communicatively coupled to a radio frequency identification (RFID) reader, the information processing system comprising computer-executable instructions that when executed by one or more processors cause the one or more processors to:
   cause an antenna coupled to the pharmacy kit container to emit a radio signal at least within the enclosed space of the pharmacy kit container when the at least one door is closed;
   receive tag information associated with a plurality of RFID tags located within the enclosed space based at least in part on the antenna emitting the radio signal at least within the enclosed space of the pharmacy kit container, the plurality of RFID tags being coupled to a plurality of pharmacy item containers,
   wherein the plurality of pharmacy item containers are configured to store a plurality of pharmacy items,
   wherein a particular RFID tag of the plurality of RFID tags is coupled to a particular pharmacy item container of
the plurality of pharmacy item containers and the particular pharmacy item container is configured to store a particular pharmacy item of the plurality of pharmacy items, and wherein the particular RFID tag is associated with particular pharmacy item data comprising at least an identifier of the particular pharmacy item; verify the pharmacy kit based at least in part on the received tag information and a pharmacy kit template stored in a non-transitory computer-readable medium, wherein the pharmacy kit template identifies a group of pharmacy items that form at least a portion of the pharmacy kit, and wherein to verify the pharmacy kit, the computer-executable instructions cause the one or more processors to compare pharmacy item data associated with the tag information with the pharmacy kit template, wherein the pharmacy item data associated with the tag information comprises at least the particular pharmacy item data; and cause a display to display results of the verification of the pharmacy kit.


C. Related Proceedings


D. Real Parties in Interest

Petitioner identifies only itself as a real party in interest. Pet. 1. Patent Owner identifies only itself as a real party in interest. Paper 3, 1.
E. Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims 1–3, 5, 7, 8, 24–28, and 30 of the ’665 patent on the following grounds:

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III. ANALYSIS

Each of Petitioner’s grounds of alleged unpatentability asserts that challenged claims of the ’665 patent would have been obvious over various combinations of Andreasson, Sriharto, Tethrake, Lowenstein, Danilewitz, Children’s, Vishik, and Higham. Pet. 15–63. In our analysis below, first we provide a short summary of the applicable principles of law. For each ground, we briefly discuss the scope and content of the asserted prior art and

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then turn to whether Petitioner has explained sufficiently how the prior art teaches the limitations of the challenged claims and why a person of ordinary skill would have combined the asserted prior art as proposed by Petitioner.

A. Principles of Law

A claim is unpatentable as obvious if “the differences between” the claimed subject matter “and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” 35 U.S.C. § 103(a). The question of obviousness is resolved on the basis of underlying factual determinations, including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of skill in the art; and (4) objective evidence of nonobviousness. Graham v. John Deere Co. of Kansas City, 383 U.S. 1, 17–18 (1966).9

Even if prior art references disclose all claim limitations when combined, there must be evidence to explain why a person of ordinary skill in the art would have combined the references to arrive at the claimed invention. Kinetic Concepts, Inc. v. Smith & Nephew, Inc., 688 F.3d 1342, 1366–67 (Fed. Cir. 2012) (citing Innogenetics, N.V. v. Abbott Labs., 512 F.3d 1363, 1374 (Fed. Cir. 2008) (holding that “some kind of motivation must be shown from some source, so that the [trier of fact] can understand

9 Because we determine that Petitioner has not shown a reasonable likelihood of prevailing for other reasons, we do not reach the arguments of the parties with regard to claim construction and the level of ordinary skill in the art. See Pet. 11–14; Prelim. Resp. 7–8.
why a person of ordinary skill would have thought of either combining two
or more references or modifying one to achieve the patented [invention]”).
An invention “composed of several elements is not proved obvious merely
by demonstrating that each of its elements was, independently, known in the
“it can be important to identify a reason that would have prompted a person
of ordinary skill in the relevant field to combine the elements in the way the
claimed new invention does.” Id. An obviousness determination “cannot be
sustained by mere conclusory statements; instead, there must be some
articulated reasoning with some rational underpinning to support the legal
conclusion of obviousness.” Id. (quoting In re Kahn, 441 F.3d 977, 988
(Fed. Cir. 2006)); see In re Magnum Oil Tools Int’l, Ltd., 829 F.3d 1364,
1380 (Fed. Cir. 2016).

B. Alleged Obviousness over Andreasson, Sriharto, and Tethrake

Petitioner contends that the subject matter of claims 1–3, 5, 7, 8, 24–
28, and 30 of the ’665 patent would have been obvious over the combination
of Andreasson, Sriharto, and Tethrake. Pet. 15–39. Petitioner provides a
claim chart showing how the three references allegedly teach the limitations
of the challenged claims. Id. at 18–39. Below we briefly summarize
Andreasson, Sriharto, and Tethrake, and then evaluate Petitioner’s
application of the asserted prior art to the challenged claims.

1. Summary of Andreasson

Andreasson, titled “Pharmaceutical Tracking,” describes “systems and
methods for tracking, monitoring and inventorying medical products within
a healthcare facility, such as a hospital.” Ex. 1005, [54], 2:41–43. Each
medical product has an RFID tag uniquely associated with it. Id. at 2:50–51.
Each tag includes data to be tracked within the facility. *Id.* at 2:54. The products are tracked and monitored through the healthcare facility by monitoring the RFID tags by readers within apparatus such as medicine cabinets. *Id.* at 3:2–4. The medical products are tracked using the RFID tag as they are removed and administered to patients. *Id.* at 5:6–7.

Figure 4A of Andreasson is reproduced below:

![Figure 4A](image)

**Figure 4A**

Figure 4A illustrates a medical dispensing unit, including one or more compartments 440 with individual sections 442 that have the capability of storing medicines. One utility drawer space houses single board PC 460, RFID scanner 145, and the associated power circuitry. *Id.* at 11:23–28. The dispensing unit includes one or more antennas 464 that enable reading RFID tagged product. *Id.* at 11:35–38.
Figure 5 illustrates a flowchart “showing a method for verifying that a medication-dispensing unit receives medical products in accordance with” Andreasson. *Id.* at 5:31–33.

2. *Summary of Sriharto*

Sriharto, titled “Intelligent Medical Material Cart,” describes systems and methods for monitoring, control, and containment of a medical product, such as a drug, in a hospital environment. Ex. 1006 ¶ 1. Sriharto describes a medical container/cart, called an intelligent medical material cart (IMMC), that transports medical supplies, and performs intelligence functions such as
monitoring its contents, controlling access to its contents, monitoring the
drug administrations, determining patient-drug interactions, determining
drug-drug interactions, and identifying adverse drug interactions. *Id.* ¶ 17.

Sriharto uses RFID tags to monitor the contents of the IMMC, and track the items and inventory in the IMMC. *Id.* ¶ 21. Sriharto states that the IMMC may include a shielding element to ensure that the magnetic field and the signals emanating from RFID scanning of a medical container of medical products inside the cart do not pass through the medical container. *Id.* ¶¶ 25, 32. Sriharto also teaches that, when a drug is depleted in the IMMC, the IMMC may be used to recommend the use of alternative or substitute drugs available in the medical container that are related closely to the type of the depleted drug, and that are safe and effective alternatives to the depleted drug. *Id.* ¶ 39.

3. *Summary of Tethrake*

Tethrake, titled “Workstation RFID Reader for Surgical Instruments and Surgical Instrument Trays and Methods of Using Same,” describes an apparatus and method for wirelessly inventorying surgical instruments and surgical instrument trays, using RFID technology, in order to facilitate tracking and inventory management of surgical instruments and surgical instrument trays over their useful life cycle. Ex. 1007, [54], 1:10–15, 4:45–53.

4. *Application of Asserted Prior Art to Challenged Claims*

With regard to Petitioner’s contention that the subject matter of the challenged claims of the ’665 patent would have been obvious over Andreasson, Sriharto, and Tethrake, Petitioner first provides a general overview of the teachings of each reference being relied upon, followed by

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claim charts purportedly showing how each limitation of each challenged claim is taught. Pet. 15–39. In its general overview, Petitioner explains that it relies on Andreasson as follows:

   it is obvious that the dispensing unit 410 of Andreasson, with its RFID reading components and the removable storage compartment(s) 440 containing a number of RFID tagged containers of pharmaceuticals, teaches the “reading station” having a “pharmacy kit container” within which a “pharmacy kit” as recited in the [challenged] claims . . . [and that] the embodiments of Andreasson are configured to consider, among many other possible conditions or characteristics, the expiration dates of the medical products to which the RFID tags are attached . . . , and to display the results of the pharmacy kit verification process.

Pet. 16 (citations omitted). Petitioner next explains, with regard to its reliance on Sriharto, the following:

   Sriharto is offered for its more express teaching that [it] was also known to look for and verify substitute items within an analyzed kit of items – whether a pharmacy kit or otherwise – and for its teaching that a “pharmacy kit container” of a “reading station” may be provided with electromagnetic shielding.

Id. at 17. Petitioner further states, “[w]hile Tethrake teaches some of the same elements of Andreasson and/or Sriharto, Tethrake is offered primarily for its more overt description of a kit and the containing tray, etc.” Id. at 17–18. These general statements are insufficient to show how Petitioner contends the limitations of each challenged claim are taught by the prior art. Petitioner provides claim charts purportedly to show how it contends the combination of Andreasson, Sriharto, and Tethrake teaches each limitation of each challenged claim.
a) **Claim 1**

Petitioner contends that the subject matter of claim 1 would have been obvious in view of Andreasson, Sriharto, and Tethrake, and provides a claim chart that purports to show how the asserted references teach each limitation of the claim. *Id.* at 18–25. Patent Owner argues that by “mapping multiple portions of different references to the same claim element,” Petitioner makes it “virtually impossible” to determine either “which reference . . . is being relied on to meet that claim element” or “what portion of which reference.” Prelim. Resp. 18–19.

We see no issue with Petitioner identifying in a claim chart how more than one reference teaches a particular limitation, so long as Petitioner’s contentions are made clear. For example, Petitioner unambiguously explains how it contends both Andreasson and Sriharto each teach certain limitations of claim 1, such as the recited “pharmacy kit container that includes an enclosed space for receiving a pharmacy kit.” *Id.* at 18–19. In such instances, Petitioner also provides in the claim chart express citations making it easily understood what “portion of which reference” allegedly teaches the limitation at issue.

In other instances, however, Petitioner identifies teachings from two references as corresponding to a limitation of the claim in a manner that does not clearly explain whether Petitioner contends that each reference teaches the limitation, independently, or that only the combination of the two references teaches the limitation. For example, regarding the “verify the pharmacy kit based at least in part on the received tag information and a pharmacy kit template” limitations, Petitioner cites teachings from Andreasson, Tethrake, and Sriharto, but neither adequately shows how each
reference teaches all of the limitations nor explains how the references, in combination, teach all of the limitations. See Pet. 22–25. In such instances, stating in the claim chart what each reference discloses, with no explanation of what is missing from each reference, or how the references would have been combined, is insufficient to satisfy the obligation on Petitioner to “specify where each element of the claim is found” in the references relied upon. 37 C.F.R. § 42.104(b)(4).

Also missing from Petitioner’s analysis is any persuasive evidence to explain why a person skilled in the art would have modified Andreasson based on the teachings of Sriharto and Tethrake to arrive at the system recited by claim 1 of the ’665 patent. In this regard, Patent Owner argues that Petitioner “fails to even allege” that a person of ordinary skill would have had a motivation to combine any of the references, and that the failure of Petitioner to address why a person of ordinary skill would have combined the asserted references is a sufficient reason to deny the Petition. Prelim. Resp. 13. Indeed, Petitioner does not sufficiently address why a person skilled in the art would have modified Andreasson based on the teachings of Tethrake to arrive at a system that, for example, would “verify the pharmacy kit” as required by claim 1. Ex. 1001, 18:4–15. Absent such evidence, Petitioner fails to show a reasonable likelihood of prevailing in showing that claim 1 would have been obvious over Andreasson, Sriharto, and Tethrake. See Kinetic Concepts, 688 F.3d at 1366 (even if prior art references disclose all claim limitations when combined, there must be evidence to explain why a person of ordinary skill in the art would have combined the references to arrive at the claimed invention); see also ActiveVideo Networks, Inc. v. Verizon Commc’ns, Inc., 694 F.3d 1312, 1327 (Fed. Cir. 2012) (challenger
must “explain how specific references could be combined” and “which combination(s) of elements in specific references would yield a predictable result”).

b) Claim 24

Petitioner contends that the subject matter of claim 24 would have been obvious in view of Andreasson, Sriharto, and Tethrake. Pet. 15–18, 29–35. Petitioner’s contentions with respect to claim 24 are insufficient for substantially the same reasons discussed above with regard to claim 1.

For example, claim 24 recites a “non-transitory, computer-readable medium” that causes one or more processors to perform certain actions, including:

- verify a pharmacy kit based at least in part on the received tag information, wherein to verify the pharmacy kit, the computer-executable instructions when executed cause the one or more processors to at least one of:
  - determine that a first RFID tag associated with a first pharmacy item is not located within the pharmacy kit container, and that a third RFID tag associated with a substitute pharmacy item for the first pharmacy item is located within the pharmacy kit container,
  - determine that a second pharmacy item associated with a second RFID tag of the plurality of RFID tags is subject to a recall, or
  - identify the second pharmacy item as an expired pharmacy item based at least in part on a determination that an expiration of the second pharmacy item does not satisfy an expiration threshold.

Ex. 1001, 21:64–22:12. Corresponding to these limitations, Petitioner cites teachings from all three asserted references: Andreasson, Sriharto, and Tethrake, but neither adequately shows how each reference teaches the entire limitation nor explains how the references, in combination, teach the
entire limitation. See Pet. 32–35. Once again, stating in the claim chart what each reference discloses, with no explanation of what is missing from any reference, or how the references would have been combined, is insufficient to satisfy the obligation on Petitioner to “specify where each element of the claim is found” in the references relied upon. 37 C.F.R. § 42.104(b)(4).

Moreover, missing again from Petitioner’s analysis is any persuasive evidence to explain why a person skilled in the art would have modified Andreasson based on the teachings of Sriharto and Tethrake to arrive at the medium recited by claim 24 of the ’665 patent. Petitioner does not sufficiently address why a person skilled in the art would have modified Andreasson based on the teachings of Tethrake to arrive at a system that, for example, would “verify a pharmacy kit,” as required by claim 24. Ex. 1001, 21:64–22:12. Absent such evidence, Petitioner fails to show a reasonable likelihood of prevailing in showing that claim 24 would have been obvious over Andreasson, Sriharto, and Tethrake.

c) Claims 2, 3, 5, 7, 8, 25–28, and 30

Claims 2, 3, 5, 7, and 8 depend from claim 1 and claims 25–28 and 30 depend from claim 24. Petitioner has not shown a reasonable likelihood of prevailing in showing that any of claims 2, 3, 5, 7, 8, 25–28, and 30 would have been obvious over Andreasson, Sriharto, and Tethrake for the same reasons provided above with respect to claims 1 and 24, from which they depend.
C. Alleged Obviousness over Andreasson, Sriharto, Tethrake, and Lowenstein

Petitioner contends that the subject matter of claims 24–28 and 30 also would have been obvious over the combination of Andreasson, Sriharto, Tethrake, and Lowenstein. Pet. 40.

1. Summary of Lowenstein

Lowenstein, titled “Intelligent Refrigerator for Storing Pharmaceutical Product Containers,” describes a system that uses RFID tags and readers to identify containers as they are added to or removed from a cold storage compartment and to automatically retrieve information about the containers and their contents from a database. Ex. 1008, [54], [57]. Lowenstein teaches a system that may produce a warning message when items are removed from the cold storage compartment based on details stored in a database, such as a warning that “one or more of the pharmaceutical product containers in the removed tray should be destroyed or returned because it has expired or been recalled by the manufacturer.” Id. ¶ 42.

2. Application of Asserted Prior Art to Challenged Claims

Petitioner explains that its contentions are the same as the ground asserting obviousness over Andreasson, Sriharto, and Tethrake, but with Lowenstein added to the asserted combination because “the recall limitation” of claim 24 “could potentially be perceived as missing from” Andreasson, Sriharto, and Tethrake. Pet. 40. Petitioner does not rely on Lowenstein to overcome the deficiencies addressed above in regards to the combination of Andreasson, Sriharto, and Tethrake. Further, Petitioner provides no persuasive evidence to explain how or why a person skilled in the art would have modified the combination of Andreasson, Sriharto, and Tethrake based on the teachings of Lowenstein to arrive at the “non-
transitory, computer-readable medium” recited by any of challenged claims 24–28 and 30 of the ’665 patent. Absent such evidence, Petitioner fails to show a reasonable likelihood of prevailing in showing that any challenged claim would have been obvious over Andreasson, Sriharto, Tethrake, and Lowenstein.10

D. Alleged Obviousness Over Danilewitz, Children’s, and Vishik

Petitioner contends that the subject matter of claims 1–3, 5, 7, 8, 24–28, and 30 would have been obvious over the combination of Danilewitz, Children’s, and Vishik. Pet. 41–62. Petitioner provides a claim chart showing how the three references allegedly teach the limitations of the challenged claims. Id. at 42–62. Below we briefly summarize Danilewitz, Children’s, and Vishik, and then evaluate Petitioner’s application of the asserted prior art to the challenged claims.

1. Summary of Danilewitz

Danilewitz, titled “System and Method for Pharmaceutical Management and Tracking,” describes a product inventory management system for “managing pharmaceutical inventories” in cabinets that may be located at various locations in a hospital. Ex. 1009, [54], ¶¶ 16, 43. The system of Danilewitz includes cabinet 100 housing data processing system 150, reader 120, and refrigerated chassis 110 housing product

10 Additionally, Petitioner appears to misapprehend the scope of claim 24, because the “recall limitation” is but one of three alternatives that, if shown to have been taught by the asserted references, would satisfy the “verify a pharmacy kit” limitation. See Ex. 1001, 21:64–22:12. If the asserted references taught either of the other two alternatives that satisfy the “verify a pharmacy kit” limitation, there would be no need for Petitioner to show that the asserted references, or additional prior art, taught the “recall limitation.”
units 200. *Id.* at Figs. 1, 2. The cabinet contains an inventory of product units having RFID tags. *Id.* at [57]. The cabinet has a reader to “wirelessly and automatically detect and identify the contents of the cabinet” through RFID technology. *Id.* ¶ 19. The reader periodically scans and verifies contents against an inventory list, and identifies when products are missing. *Id.* ¶ 24. Danilewitz also teaches an inventory management system that may be used to control inventory in multiple cabinets. *Id.* ¶ 52. The information management system includes a server system 310 monitoring inventory of the cabinet, generating billing invoices, issuing orders to replace consumed inventory, and the like. *Id.*

2. Summary of Children’s

Children’s, an article titled “Children’s Hospital Boston Joins Others Using RFID to Track Implantables,” describes a system for managing a collection of implant kits requested in surgery orders (such as hip, knee, shoulder, elbow, spinal, and trauma implant kits). Ex. 1009, p. 2 ¶¶ 2, 8. Multiple implant kits bearing individual RFID tags are placed into totes and compared against an order, such as a surgery requirements list. *Id.* at p. 2 ¶¶ 5, 8. The totes also have RFID tags on them, which are scanned to determine if the contents of the tote, as dictated by the order, are present or not. *Id.* at p. 2 ¶ 7.

3. Summary of Vishik

Vishik, titled “Intelligent RFID Information Management System,” is directed to a system including a repository configured to store classification component information derived from RFID tags attached to various items. Ex. 1011, [54], [57]. Vishik states that its system is useful in pharmacies and to collect and store data related to drugs. *Id.* ¶¶ 38, 41. Vishik also
discloses that the stored information from the RFID tag data may “include transactional data comprising substitute information.” *Id.* ¶ 13; p. 6 (claim 9 stating “the substitute information identifies one or more substitute items that can be substituted for the at least one item”).

4. **Application of Asserted Prior Art to Challenged Claims**

With regard to Petitioner’s contention that challenged claims of the ’665 patent would have been obvious over Danilewitz, Children’s, and Vishik, Petitioner first provides a general overview of the teachings of each reference being relied upon, followed by claim charts purportedly showing how each limitation of each challenged claim is taught. Pet. 41–62. In its general overview, Petitioner explains that “Danilewitz describes systems for ‘managing pharmaceutical inventories’ in cabinets,” that the “cabinet includes a reader to ‘wirelessly and automatically detect and identify the contents of the cabinet’ through RFID technology,” and that “RFID-tagged inventory . . . is tracked, and products are uniquely identified,” such that missing or expiring products may be identified. *Id.* at 41 (citations omitted).

According to Petitioner, Children’s “discloses a system for managing a collection of implant kits requested in surgery orders,” in which “[m]ultiple implant kits bearing individual RFID tags are placed into [RFID tagged] totes” such that the contents of the kits and totes may be monitored. *Id.* at 41–42 (citations omitted). Petitioner further states “Vishik is offered . . . primarily to further enforce that it was known in the art that RFID tag data may ‘include transactional data comprising substitute information.’” *Id.* at 42 (citations omitted).

These general statements are insufficient to show how Petitioner contends the limitations of each challenged claim are taught by the prior art.
For that, Petitioner provides claim charts purportedly to show how it contends the combination of Danilewitz, Children’s, and Vishik teach each limitation of each challenged claim.

a) Claim 1

Petitioner contends that the subject matter of claim 1 would have been obvious in view of Danilewitz, Children’s, and Vishik, and provides a claim chart that purports to show how the asserted references teach each limitation of the claim. Id. at 42–49. As an initial matter, the claim chart provided by Petitioner in support of the alleged obviousness of claim 1 over Danilewitz, Children’s, and Vishik does not even cite Vishik. See id. With regard to the “verify the pharmacy kit” limitation of claim 1, Petitioner cites teachings from both Danilewitz and Children’s, but neither adequately shows how each reference teaches the entire limitation nor explains how the references, in combination, teach the entire limitation. Id. at 47–49. As explained above, stating in the claim chart what each reference discloses, with no explanation of what is missing from any reference, or how the references would have been combined, is insufficient to satisfy the obligation on Petitioner to “specify where each element of the claim is found” in the references relied upon. 37 C.F.R. § 42.104(b)(4).

Moreover, missing again from Petitioner’s analysis is any persuasive evidence to explain why a person skilled in the art would have modified Danilewitz based on the teachings of Children’s and Vishik to arrive at the system recited by claim 1 of the ’665 patent. Petitioner does not sufficiently address why a person skilled in the art would have modified Danilewitz based on the teachings of Children’s or Vishik to arrive at a system that, for example, would “verify a pharmacy kit,” as required by claim 1. Absent
such evidence, Petitioner fails to show a reasonable likelihood of prevailing in showing that claim 1 would have been obvious over Danilewitz, Children’s, and Vishik.

b) Claim 24

Petitioner contends that the subject matter of claim 24 would have been obvious in view of Danilewitz, Children’s, and Vishik. Pet. 41–42, 52–57. Petitioner’s contentions with respect to claim 24 are insufficient for substantially the same reasons discussed above with regard to claim 1. For example, claim 24 recites a “non-transitory, computer-readable medium” that causes one or more processors to perform certain actions, including “verify a pharmacy kit.” Ex. 1001, 21:64–22:12. Corresponding to these limitations, Petitioner cites teachings from all three asserted references Danilewitz, Children’s, and Vishik, but neither adequately shows how each reference teaches the entire limitation nor explains how the references, in combination, teach the entire limitation. See Pet. 55–57. Absent further explanation of what is missing from any reference, or how the references would have been combined, Petitioner fails to satisfy the obligation to “specify where each element of the claim is found” in the references relied upon. 37 C.F.R. § 42.104(b)(4).

Moreover, missing again from Petitioner’s analysis is any persuasive evidence to explain why a person skilled in the art would have modified Danilewitz based on the teachings of Children’s and Vishik to arrive at the medium that would, for example, “verify a pharmacy kit,” as required claim 24 of the ’665 patent. For the foregoing reasons, Petitioner fails to
show a reasonable likelihood of prevailing in showing that claim 24 would have been obvious over Danilewitz, Children’s, and Vishik.

c) **Claims 2, 3, 5, 7, 8, 25–28, and 30**

Claims 2, 3, 5, 7, and 8 depend from claim 1 and claims 25–28 and 30 depend from claim 24. Petitioner has not shown a reasonable likelihood of prevailing in showing that any of claims 2, 3, 5, 7, 8, 25–28, and 30 would have been obvious over Danilewitz, Children’s, and Vishik for the same reasons provided above with respect to claims 1 and 24, from which they depend.

E. **Obviousness in View of Danilewitz, Children’s, Vishik, and Higham**

Petitioner further asserts that claims 1–3, 5, 7, 8, 24–28, and 30 also would have been obvious over the combination of Danilewitz, Children’s, Vishik, and Higham. Pet. 62–63. Petitioner explains that its contentions are the same as the ground asserting obviousness over Danilewitz, Children’s, and Vishik, but with Higham added to address “any perceived absence” of a disclosure of the “electromagnetic shielding” limitation of claims 1 and 24 from the combination of Danilewitz, Children’s, and Vishik. *Id.* at 62.

1. **Summary of Higham**

Higham, titled “RFID Cabinet,” describes a cabinet for monitoring items having RFID tags. Ex. 1012, [57]. According to Petitioner, Higham discloses the use of a wire mesh as a shield to contain the RFID field within a cabinet. Pet. 63 (quoting Ex. 1012, 3:56–58).

2. **Application of Asserted Prior Art to Challenged Claims**

Petitioner does not rely on Higham to overcome the deficiencies addressed above in regards to the combination of Danilewitz, Children’s, and Vishik. Further, Petitioner provides no persuasive evidence to explain
how or why a person skilled in the art would have modified the combination of Danilewitz, Children’s, and Vishik based on the teachings of Higham to arrive at a system recited by any claim of the ’665 patent. Absent such evidence, Petitioner fails to show a reasonable likelihood of prevailing in showing that any challenged claim would have been obvious over Danilewitz, Children’s, Vishik, and Higham.

IV. CONCLUSION

Petitioner has not presented information sufficient to establish a reasonable likelihood of prevailing in showing how or why a person skilled in the art would have modified the asserted combinations of prior art to arrive at a system recited by any challenged claim of the ’665 patent. Accordingly, for the foregoing reasons, Petitioner does not establish a reasonable likelihood of prevailing in showing the unpatentability of any challenged claim of the ’665 patent.

V. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is denied as to all challenged claims of the ’665 patent; and

FURTHER ORDERED that no inter partes review is instituted.
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Patent 9,367,665 B2

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