

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GLOBAL TEL*LINK CORPORATION,
Petitioner,

v.

SECURUS TECHNOLOGIES, INC.,
Patent Owner.

Case IPR2014-00785
Patent 6,636,591 B1

Before KEVIN F. TURNER, BARBARA A. BENOIT, and
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

BRADEN, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
35 U.S.C. § 318 and 37 C.F.R. § 42.73

I. INTRODUCTION

We have jurisdiction to hear this *inter partes* review under 35 U.S.C. § 6(c). This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73. For the reasons that follow, we determine that Petitioner has not shown by a preponderance of the evidence that claims 1–10 of U.S. Patent No. 6,636,591 B1 (Ex. 1001, iss. Oct. 21, 2003, “the ’591 patent”) are unpatentable. We also address the Petitioner’s Motion to Exclude and Patent Owner’s Motion for Observation Regarding Cross-Examination Testimony.

A. Procedural History

Global Tel*Link Corporation (“Petitioner”) filed a Corrected Petition (Paper 4, “Pet.”) to institute an *inter partes* review of claims 1–10 of the ’591 patent. Securus Technologies, Inc. (“Patent Owner”) filed a Preliminary Response (Paper 9, “Prelim. Resp.”). Pursuant to 35 U.S.C. § 314, we instituted an *inter partes* review of claims 1–10 under 35 U.S.C. § 103(a) as unpatentable in view of Karacki¹ and Gainsboro ’843². See Paper 10 (“Dec. to Inst.”), 22.

After institution of trial, Patent Owner filed a Patent Owner Response (Paper 15, “PO Resp.”), to which Petitioner filed a Reply (Paper 21, “Reply”). In addition, Petitioner filed a Motion to Exclude. Paper 26 (“Pet. Mot. Exclude”). Patent Owner filed an Opposition to Petitioner’s Motion to

¹ Loren Karacki & Robert B. Levinson, REWARDS IN AN INSTITUTION FOR YOUTHFUL OFFENDERS IN THE HOWARD JOURNAL OF PENOLOGY AND CRIME PREVENTION 20–30 (1970) (Ex. 1012, “Karacki”).

² U.S. Patent No. 7,106,843 B1, issued Sept. 12, 2006 (Ex. 1004, “Gainsboro ’843”).

Exclude (Paper 34, “PO Exclude Opp.”), and Petitioner filed a Reply (Paper 35, “Pet. Exclude Reply”). Patent Owner also filed observations on the cross-examination of Petitioner’s declarant (Paper 29), to which Petitioner filed a response (Paper 33).

An oral argument was held on June 3, 2015. A transcript (“Tr.”) of the oral argument is included in the record.³ Paper 40.

B. Related Proceedings

The parties inform us that there are no matters related to the ’591 patent. Pet. 2; Paper 7, 1; Paper 17, 1.

C. The ’591 Patent

The ’591 patent relates to a method of “affecting inmate conduct through providing discounted telephone rates based on certain criteria.” Ex. 1001, 1:9–11. The method requires a correctional facility to set predetermined criteria for obtaining discounted telephone rates. *Id.* at 2:38–40. The criteria can be based on any type of measurement of behavior and points are awarded or deducted based on inmate behavior. *Id.* at 2:45–47. When an inmate obtains and maintains a predetermined number of points for a predetermined period of time, the inmate is rewarded with the privilege of discounted telephone calls. *Id.* at 1:58–2:18. According to the ’591 patent, “[w]hen an inmate receives a reduced rate for his or her telephone calls

³ The parties each filed Objections to Demonstrative Exhibits. Papers 38, 39. In this Final Written Decision, we rely directly on the arguments presented properly in the parties’ briefs and the evidence of record. The demonstrative exhibits were only considered to the extent they are consistent with those arguments and evidence, therefore, the objections are overruled.

based on good behavior, the inmate will have an incentive to maintain his or her good behavior.” *Id.* at 2:52–55.

Figure 1 of the ’591 patent is reproduced below.

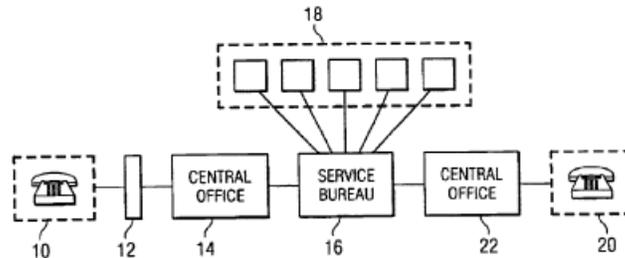


Figure 1 is a schematic of a telephone network connecting originating telephone 10 and destination telephone 20, and connected to one or more databases 18. *Id.* at 3:1–19. The originating telephone 10 is connected to premises-based telecommunications system 12. *Id.* at 3:3–5. An outside call made by originating telephone 10 is received by central office 14 and routed to service bureau 16. *Id.* at 3:10–14. Service bureau 16 is linked to one or more databases 18 and can route the call to destination telephone 20 via central office 22. *Id.* at 3:14–20. According to the ’591 patent, databases 18 contain information that can be used to (i) determine if an inmate qualifies for a discounted telephone rate and apply such rate to any call purchased by the inmate, or (ii) associate a discounted telephone rate with a PIN number or a predetermined destination number and apply such discounted rate to the PIN or destination number. *Id.* at 3:42–56.

D. Illustrative Claims

As noted above, an *inter partes* review was instituted as to claims 1–10 of the ’591 patent, of which claims 1 and 9 are the only independent claims. Claims 1 and 9 are illustrative of the challenged claims and are reproduced below (with paragraphing):

1. A method of affecting inmate behavior within a correctional facility comprising the steps of:
 - providing an identification for each inmate;
 - establishing a discount telephone rate;
 - establishing a measurement of conduct during incarceration for the inmates, wherein said measurement is a predetermined point total;
 - reducing the telephone call charge rate for inmates that meet the measurement of conduct during incarceration for a predetermined period of time;
 - maintaining a record of inmate behavior for each inmate according to said identification;
 - awarding points to each inmate based on particular behavior;
 - and
 - deducting points from each inmate based on particular behavior.

9. A method of affecting inmate behavior within a correction facility comprising the steps of:
 - establishing a discount telephone rate;
 - establishing a measurement of conduct during incarceration for the inmates, wherein said measurement is a predetermined point total;
 - reducing the telephone call charge rate for inmates that meet the measurement of conduct during incarceration for a predetermined period of time;
 - associating the reduced charge rate with at least one predetermined destination number;
 - maintaining records of inmate behavior for each inmate according to an inmate identifier;
 - awarding points to inmates based on particular behavior; and
 - deducting points from inmates based on particular behavior.

Ex. 1001, 4:29–46, 4:65–6:4.

II. DISCUSSION

A. Claim Construction

In an *inter partes* review, claim terms in an unexpired patent are interpreted according to their broadest reasonable construction in light of the

specification of the patent in which they appear. 37 C.F.R. § 42.100(b); *see also In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1275–79 (Fed. Cir. 2015 (“Congress implicitly approved the broadest reasonable interpretation standard in enacting the AIA,” and “the standard was properly adopted by PTO regulation.”), *reh’g en banc denied*, 793 F.3d 1297 (Fed. Cir. 2015). Under that standard, and absent any special definitions, we give claim terms their ordinary and customary meaning, as would be understood by one of ordinary skill in the art at the time of the invention. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007).

Although we construed the terms “reducing the telephone call charge rate” and “establishing a discount telephone rate” in the Decision to Institute (*see* Dec. to Inst. 6–8), we determine that a specific construction of these terms is not necessary for our analysis in this Final Written Decision. Therefore, all claim terms will be given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art at the time of the invention.

B. Principles of Law

To prevail in its challenges to the patentability of the claims, a petitioner must establish facts supporting its challenges by a preponderance of the evidence. 35 U.S.C. § 316(e); 37 C.F.R. § 42.1(d). A claim is unpatentable under 35 U.S.C. § 103(a) if the differences between the subject matter sought to be patented 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. *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). To establish obviousness of a claimed invention, all the claim limitations must be taught

or suggested by the prior art. *See CFMT, Inc. v. Yieldup Int'l Corp.*, 349 F.3d 1333, 1342 (Fed. Cir. 2003); *In re Royka*, 490 F.2d 981, 985 (CCPA 1974). A patent claim composed of several elements, however, is not proved obvious merely by demonstrating that each of its elements was known, independently, in the prior art. *KSR*, 550 U.S. at 418. In that regard, for an obviousness analysis it can be important to identify a reason that would have prompted one of skill in the art to combine prior art elements in the way the claimed invention does. *Id.* A precise teaching directed to the specific subject matter of a challenged claim, however, is not necessary to establish obviousness. *Id.* Rather, obviousness must be gauged in view of common sense and the creativity of an ordinarily skilled artisan. *Id.* 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, i.e., secondary considerations. *See Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

We analyze the instituted grounds of unpatentability in accordance with the above-stated principles.

C. Level of Ordinary Skill in the Art

In determining whether an invention would have been obvious at the time it was made, we consider the level of ordinary skill in the pertinent art at the time of the invention. *Graham v. John Deere*, 383 U.S. at 17. “The importance of resolving the level of ordinary skill in the art lies in the necessity of maintaining objectivity in the obviousness inquiry.” *Ryko Mfg. Co. v. Nu-Star, Inc.*, 950 F.2d 714, 718 (Fed. Cir. 1991).

Petitioner's declarant, Dr. Leonard Forys, opines that a person of ordinary skill in the art relevant to the '591 patent "would have an associate degree in a technical field such as Electrical Engineering, Computer Science, or equivalent experience and a year or two experience in telecommunications technologies in order to be able to understand the nomenclature and architectures of the invention and the prior art." Ex. 1010 ¶ 29. Patent Owner does not disagree with Petitioner's assertions regarding the level of skill in the art, nor does Patent Owner offer any contrary explanation regarding who would qualify as a person of ordinary skill in the art relevant to the '591 patent. PO Resp. 12–13.

Based on our review of the '591 patent, the types of problems and solutions described in the '591 patent and cited prior art, and the testimony of Petitioner's declarant, we conclude that a person of ordinary skill in the art at the time of the claimed invention would have had at least an associate degree in Electrical Engineering, Computer Science, or a similar discipline, and at least one year of work experience in the design and/or development of telecommunications technologies. We further note that the applied prior art reflects the appropriate level of skill at the time of the claimed invention. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001).

D. Alleged Obviousness of Claims 1–10 in view of Karacki and Gainsboro '843

Petitioner alleges that claims 1–10 of the '591 patent are unpatentable under 35 U.S.C. § 103 in view of Karacki and Gainsboro '843. Pet. 14–26. Patent Owner disputes Petitioner's position, arguing that the combined references fail to teach or suggest all the elements required by the challenged

claims and that a person of ordinary skill in the art would have had no reason to combine references. PO Resp. 13–33. We have reviewed the Petition, the Patent Owner Response, and Petitioner’s Reply, as well as the relevant evidence discussed in those papers. For reasons that follow, we determine that Petitioner has not shown by a preponderance of the evidence that claims 1–10 of the ’591 patent are unpatentable in view of Karacki and Gainsboro ’843.

1. Overview of Karacki

Karacki is directed to a behavior modification program in a correctional facility, and specifically discloses a point system for youth offenders. The offenders are awarded points weekly based on their behavior, such as punctuality and productiveness, in various activities including chore detail and school work. Ex. 1012, 23. Karacki further discloses that these points are converted directly to “money” credited to the offender’s accounts, which may be used for a variety of purchases, including telephone calls. *Id.* at 26. According to Karacki, offenders can also be fined points for misconduct. *Id.* at 24.

2. Overview of Gainsboro ’843

Gainsboro ’843 discloses a system “for managing institutional telephone activity utilizing a computer-based telephony management unit.” Ex. 1004, Abstract. The system in Gainsboro ’843 provides for assigning a personal identification number or PIN to inmates so that inmates must enter their PIN before making a call from an institution telephone. *Id.* at 1:54–56. The telephone service provider delivers a telephone bill to the correctional institution that lists the cost of each call and the PIN or name of the inmates who made the call. *Id.* at 1:56–61.

One embodiment in Gainsboro '843 discloses a specific software interface that allows institutional staff to vary the internal rate charged to inmates for collect calls, as well as to control the maximum length of a call an inmate can make and when they are allowed to make telephone calls. *Id.* at 33:57–34:9; Fig. 4C. The system also allows institutional staff to set limitations on which telephone calls will be connected, so that either i) only calls to pre-approved telephone numbers can be made or ii) calls to restricted telephone numbers are prohibited. *Id.* at 6:43–49.

Another embodiment in Gainsboro '843 discloses a system that uses biometric verification or voice recognition features. *Id.* at 7:41–42. The system can digitize a sample of a caller's voice or a called party's voice; then, at a later date, the system can compare the digitized sample with a stored voice print, to verify the identity of the caller. *Id.* at 7:42–45. Such monitoring can also be used to ensure that no unauthorized callers are participating in a call, and to ensure that inmates are not sharing or selling calling privileges associated with a particular PIN or inmate account to other inmates that are subject to more limited calling privileges. *Id.* at 7:45–55.

According to Gainsboro '843, the disclosed system utilizes a database to store PINs as well as to determine the availability and the application of discounts to calls made by specific inmates. *Id.* at 5:50–53; 105:26–28. The database also stores information regarding an inmate's telephone billing account. An inmate may purchase credits for their telephone billing account and the credits are applied to any calls made by the inmates. *Id.* at 9:44–46. Gainsboro '843 teaches that such an account must maintain a positive balance. *Id.*

3. Analysis

Independent claims 1 and 9 require “reducing the telephone call charge rate for inmates that meet the measurement of conduct during incarceration for a predetermined period of time.”

Petitioner argues that Karacki discloses a correctional facility reward system using a predetermined point total as a measurement of conduct for inmates, who can earn points with good behavior. Pet. 18 (citing Ex. 1012, 22); Ex. 1010 ¶ 57. Petitioner then argues that the system described in Karacki allows a direct conversion of points to dollars, specifically, 100 points equals 1 dollar. *Id.* Petitioner contends that these points may be used to pay for telephone calls, creating a 100% discount for the call as a reward for the inmate’s accumulated good behavior. *Id.* (citing Ex. 1012, 26). According to Petitioner, the system in Karacki provides reduced rates for inmates who met a measurement of conduct without having to modify the telephone infrastructure (Ex. 1017 ¶ 6), while Gainsboro’843 discloses an electronic system to dynamically reduce telephone rates for inmates (Ex. 1004, 105:26–28). Reply 3.

Petitioner contends a person of ordinary skill in the art would have been led to combine the teachings of Karacki and Gainsboro’843, because a skilled artisan would have recognized that Gainsboro ’843’s system, using well-known time of day discounts, could be applied to Karacki’s inmate reward system. Pet. 16–17; Reply 4; *see* Ex. 1010 ¶ 49; Ex. 1017 ¶ 12. According to Petitioner, a person of skill in the art would have been motivated to apply the monitoring and control system of Gainsboro ’843 to the inmate reward system of Karacki in order to provide automated control

of account balances for the institution, prevent transfer of points, and enable a greater range of calling options to the inmates. Pet. 17; Ex. 1010 ¶ 49.

Petitioner supports its position with the declaration of Dr. Forys, who testifies that

Karacki describes an incentive-based points system as a manual way to reduce telephone rates for inmates. This allowed Karacki to provide reduced rates for inmates who met the measurement of conduct without having to modify the telephone infrastructure.

Ex. 1017 ¶ 6.

* * * * *

Applying Gainsboro [’843] to Karacki, [a person of ordinary skill in the art] would have understood that Karacki’s manual incentive system of reduced rates for phone calls could be automated through Gainsboro [’843]’s inmate telephone system, and [a person of ordinary skill in the art] would have been motivated to do so for the reasons I enumerated in my first declaration.

Id. ¶ 9 (citing Ex. 1010 ¶¶ 47–50). Dr. Forys testifies in his first declaration that a person of ordinary skill in the art also would have reason to combine Gainsboro ’843 with Karacki, because Gainsboro ’843 provides automated control of the inmates’ account balances and can vary the internal rate charged to inmates for collect telephone calls, thereby saving the correctional facility time and money. Ex. 1010 ¶¶ 48–50. Dr. Forys then concludes that applying Gainsboro ’843 to Karacki would have been a simple combination of known elements easily made by a skilled artisan to achieve predictable results, thereby rendering the challenged claims obvious. *Id.* at ¶¶ 49–50.

Patent Owner disagrees with Petitioner's conclusion that Karacki and Gainsboro '843 teach or suggest "reducing the telephone call charge rate for inmates that meet the measurement of conduct during incarceration." PO Resp. 22. Patent Owner argues Karacki only mentions telephone calls in one passing phrase ("They can buy telephone calls home, or pay for items ordered from a mail order catalogue; they can pay to attend selected events . . .") and does not disclose discounted "telephone rates" for "inmates" with good behavior. *Id.* at 24 (citing Ex. 1012, 26); Ex. 2003 ¶ 68. Patent Owner further argues that Karacki fails to even suggest establishing a discounted telephone rate or reducing the discounted telephone rate. *Id.* at 22–23.

Instead, according to Patent Owner, Karacki merely teaches that youth offenders can build up points that are exchanged for currency, whereby normal market prices are still paid by a youth offender for goods and services. PO Resp. 24–25 (citing Ex. 1012, 24); Ex. 2003 ¶ 69. Patent Owner, thus, argues that Karacki is directed to the use of a "different currency" but has no effect on the telephone rate charged to an inmate for a phone call. PO Resp. 24. Patent Owner also contends Petitioner is prohibited from relying on any disclosure in Gainsboro '843 relating to reducing telephone call charge rates, because Petitioner never mentions Gainsboro '843 as meeting this specific claim element. PO Resp. 25; Tr. 27:6–12. Therefore, Patent Owner concludes that it would not have been obvious to a person of ordinary skill in the art to use "reducing the telephone charge rate" as recited in the challenged claims.

Patent Owner also disputes Petitioner's conclusion that a person of ordinary skill in the art would have had reason to combine the teachings of Karacki and Gainsboro '843 to arrive at the claimed invention. PO

Resp. 13–15. First, Patent Owner contends that the references do not teach all the limitations of the challenged claims, and therefore, a person of ordinary skill in the art would have had no reason to combine Karacki and Gainsboro '843 and would not have had a reasonable expectation of success in combining the references to arrive at the claimed invention. *Id.* at 14. According to Patent Owner, Karacki teaches a system of encouraging work and good behavior by awarding token points for students to spend on commissary items and for other privileges. *Id.* at 15 (citing Ex. 1012, 22–24). Patent Owner argues, however, that Karacki does not teach or suggest offering discounted telephone rates to inmates for achieving a threshold good behavior. *Id.* (citing Ex. 1012, 24); Ex. 2003 ¶ 56. Patent Owner further argues that Gainsboro '843 fails to remedy the deficiencies of Karacki, because Gainsboro '843 only teaches an automated telephone access system. *Id.* (citing Ex. 2003 ¶¶ 51, 56). Patent Owner supports its position with the declaration of Dr. Robert Akl, who testifies that the combined references are missing claim limitations, thus, “[o]ne of ordinary skill would find no reason to modify Karacki to include the automated phone system of Gainsboro because the result would not produce the desired effect of providing discounted telephone rates for the inmates that maintain a behavior above a predetermined point total.” Ex. 2003 ¶ 56.

Second, Patent Owner contends that a skilled artisan would not have reason to combine Karacki or Gainsboro '843, because the disclosure of Karacki teaches away from the claimed invention. PO Resp. 16–17. Patent Owner specifically argues that Karacki teaches away from claim limitation “reducing the telephone call charge rate” because Karacki identifies a problem with its reward system “not[ing] that some students have

accumulated enough points that they refuse to perform the desired behaviors” and “[a]s points accumulate in their spending accounts over the weeks, some [students] feel they can afford to loaf.” *Id.* at 16 (citing Ex. 1012, 28). According to Patent Owner, “[i]f telephone call charge rates are ‘reduced,’ loafing and refusal to perform desired behaviors will only increase because the students of Karacki can afford even more calls.” *Id.* (citing Ex. 2003 ¶ 57). Patent Owner argues that Petitioner never addresses whether the combination of Karacki and Gainsboro ’843 would ensure that “good things are being earned and not given away in an unrealistically generous environment.” *Id.* at 16–17 (citing Ex. 2003 ¶ 57). Patent Owner then concludes that Karacki teaches away from the inventions of independent claims 1 and 9, which both require “reducing the telephone charge rate.” *Id.*

Lastly, Patent Owner contends a skilled artisan would not have combined Karacki and Gainsboro ’843, because the references lack structural or functional similarity, and thus, could not be combined. *Id.* at 19–20. According to Patent Owner, Karacki fails to disclose any structure or function related to telephone call system, and only mentions telephone call in one phrase. *Id.* at 20 (citing Ex. 1012, 26). Patent Owner argues that Petitioner has failed to show that Karacki or Gainsboro ’843 are structurally or functionally similar enough to be combined. *Id.* at 19 (citing Ex. 2003 ¶ 60). Therefore, Patent Owner concludes Karacki and Gainsboro ’843 are not “properly combinable” for an obviousness challenge. *Id.*

A patent claim composed of several elements is not proved obvious merely by demonstrating that each of its elements was known, independently, in the prior art. *KSR Int’l Co.*, 550 U.S. at 419. In that

regard, for an obviousness analysis it can be important to identify a reason that would have prompted one of skill in the art to combine prior art elements in the way the claimed invention does. *Id.* On the record developed at trial, we are not persuaded that Petitioner has shown by a preponderance of the evidence that a person of ordinary skill in the art would have had a reason to combine the references to arrive at the challenged claims. Karacki does not disclose reducing the rate of telephone calls as reward to an inmate for good behavior, neither does Gainsboro '843. Petitioner has not explained persuasively *why* a person of ordinary skill in the art would have applied the behavior modification program in Karacki to the automated calling system in Gainsboro '843 so as to change the telephone call rate *based on behavior*, which is required by the claim limitation “reducing the telephone call charge rate for inmates that meet the measurement of conduct during incarceration for a predetermined period of time,” recited in each independent claim. Additionally, we are not persuaded that one of ordinary skill in the art would have viewed the creation of a 100% discount for the call as a reward to teach or suggest a change or reduction in the rate for telephone calls.

Petitioner's declarant, Dr. Forys, testifies that “Karacki describes an incentive-based points system as a manual way to reduce telephone rates for inmates.” Ex. 1017 ¶ 6. We disagree with Dr. Forys' characterization of Karacki. Karacki discloses a behavior modification program in a correctional facility, where youth offenders are awarded points weekly based on good behavior. Ex. 1012, 23. Karacki further discloses that these points are converted directly to “money” credited to the offender's accounts, which may be used for a variety of purchases, including telephone calls. *Id.* at 26.

There is no evidence of record indicating that Karacki describes an incentive-based points system as a manual way to reduce telephone rates for inmates.

Dr. Forys then testifies that “[a person of ordinary skill in the art] would have understood that Karacki’s manual incentive system of reduced rates for phone calls could be automated through Gainsboro [’843]’s inmate telephone system.” *Id.* ¶ 9. Yet, Gainsboro ’843 only discloses that its system changes telephone call rates based on call type and time of day; it fails to disclose call rate discounts based on inmate behavior. *See Ex. 1004, 33:63–34:7, 105:26–28.* There is no evidence of record indicating why a person of ordinary skill in the art would change or reduce the telephone rate in Gainsboro ’843 based on the behavior of the inmates. Therefore, we are not satisfied that a skilled artisan would have found it obvious to “reduc[e] the standard telephone charge rate” as a way of applying the rewards system of Karacki to the telecommunication system in Gainsboro ’843.

Given the testimony of Dr. Forys, we find that Petitioner’s argument is fraught with hindsight bias. *See KSR, 550 U.S. at 418* (“A patent composed of several elements is not proved obvious by merely demonstrating that each of its elements was, independently, known in the prior art.”); *Kinetic Concepts, Inc. v. Smith & Nephew, Inc.*, 688 F.3d 1342, 1368–69 (Fed. Cir. 2012) (“[Smith & Nephew] never offered evidence articulating why a person having ordinary skill in the art would combine the primary references to obtain the disclosed inventions.”); *Innogenetics, N.V. v. Abbott Labs.*, 512 F.3d 1363, 1373–74 (Fed. Cir. 2008) (“We must still be careful not to allow hindsight reconstruction of references to reach the claimed invention without any explanation as to how or why the references

would be combined to produce the claimed invention.”). In the absence of Karacki teaching telephone call rate reductions or Gainsboro ’843 teaching telephone call rate incentives based on inmate behavior, Petitioner needed to explain what would have led a person of ordinary skill in the art at the time of the invention to consider tying telephone call rate discounts to inmate behavior. Petitioner failed to provide such an explanation.

Petitioner must demonstrate obviousness by a preponderance of the evidence. 35 U.S.C. § 316(e). After considering the parties’ arguments and evidence, however, we are not persuaded that Petitioner has made a sufficient showing that a person of ordinary skill would have combined the teachings in the manner contended by Petitioner. Accordingly, we hold that Petitioner has not shown by a preponderance of the evidence that independent claims 1 and 9 are unpatentable under 35 U.S.C. § 103(a) for obviousness in view of Karacki and Gainsboro ’843. For the same reasons, we are hold Petitioner has failed to establish the unpatentability of dependent claims 2–8 and 10 by a preponderance of the evidence.

III. MOTIONS TO EXCLUDE EVIDENCE AND MOTION FOR OBSERVATIONS REGARDING DEPOSITION TESTIMONY

A. *Petitioner’s Motion to Exclude Evidence*

Petitioner filed a Motion to Exclude Evidence seeking to exclude “Forys Exhibit 1,” which was introduced during the deposition of Petitioner’s Declarant, Dr. Forys. Paper 26 (“Mot.”). The party moving to exclude evidence bears the burden of proving that it is entitled to the relief requested—namely, that the material sought to be excluded is inadmissible under the Federal Rules of Evidence. *See* 37 C.F.R. §§ 42.20(c), 42.62(a). Petitioner’s arguments on these items go to the weight to be accorded to the

evidence. The Board is capable of determining and assigning the appropriate weight to the evidence.

For these reasons, we *deny* Petitioner's motion.

B. Patent Owner's Motion for Observation Regarding Cross-Examination Testimony

Patent Owner's observations are directed to the cross-examination testimony of Dr. Forys. Paper 29 ("Obs."). Dr. Forys was deposed twice; once after Patent Owner filed its Preliminary Response and again after Petitioner filed its Reply. *See* Exs. 2002, 2004. We have considered Patent Owner's observations and Petitioner's responses (Paper 33, "Obs. Resp.") in rendering our decision, and have accorded the testimony the appropriate weight. *See* Obs. 1–19; Obs. Resp. 1–19.

IV. CONCLUSION

We conclude Petitioner has not shown by a preponderance of the evidence that claims 1–10 of the '591 patent are unpatentable under 35 U.S.C. § 103(a) for obviousness over Karacki in view of Gainsboro '843.

Petitioner's Motion to Exclude Forys Exhibit 1 is denied.

V. ORDER

For the reasons given, it is

ORDERED that claims 1–10 of the '591 patent have not been found unpatentable;

FURTHER ORDERED that Petitioner's Motion to Exclude Forys Exhibit 1 is denied;

FURTHER ORDERED that because this is a Final Written Decision, parties to the proceeding seeking judicial review of the decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

IPR2014-00785
Patent 6,636,591 B1

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