

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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BLD SERVICES, LLC,  
Petitioner,

v.

LMK TECHNOLOGIES, LLC,  
Patent Owner.

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Case IPR2015-00723  
Patent 8,667,991

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Before GRACE KARAFFA OBERMANN, SHERIDAN K. SNEDDEN,  
and ZHENYU YANG, *Administrative Patent Judges*.

SNEDDEN, *Administrative Patent Judge*.

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

## I. INTRODUCTION

BLD Services, LLC (“Petitioner”) filed a Petition to institute an *inter partes* review of claims 2, 3, and 4 (Paper 2; “Pet.”) of U.S. Patent No. 8,667,991 B2 (Ex. 1101; “the ’991 patent”). LMK Technologies, LLC (“Patent Owner”) filed a Patent Owner Preliminary response. Paper 6 (“Prelim. Resp.”).

We have reviewed the aforementioned papers. For the reasons given below, we do not institute an *inter partes* review.

### A. *Related Matters*

According to the parties, the ’991 patent is involved in the following co-pending case: *LMK Technologies, LLC, v. BLD Services, LLC*, Civil Action No. 1:14-cv-00956 in the Northern District of Illinois. Pet. 2; Paper 5.

Concurrent with the present *inter partes* review, Petitioner also requested review of certain claims in the ’991 patent (IPR 2014-00770), U.S. Patent No. 7,975,726 (IPR 2014-00768 and IPR 2015-00721), and U.S. Patent No. 8,667,992 (IPR 2014-00772). *Id.*

### B. *The ’991 patent (Ex. 1101)*

The ’991 patent discloses devices and methods for repairing the juncture between a main pipeline and a lateral pipeline in underground sewer pipe. Ex. 1101, Abstract, 1:64–2:26. The disclosed devices include liner tube assemblies that fit the juncture between a main pipe line and a lateral pipe line and a hydrophilic gasket or band that seals against entry of ground

water at the juncture between the pipe lines. *Id.* at 2:9–26. Figure 1 of the '991 patent is provided below.

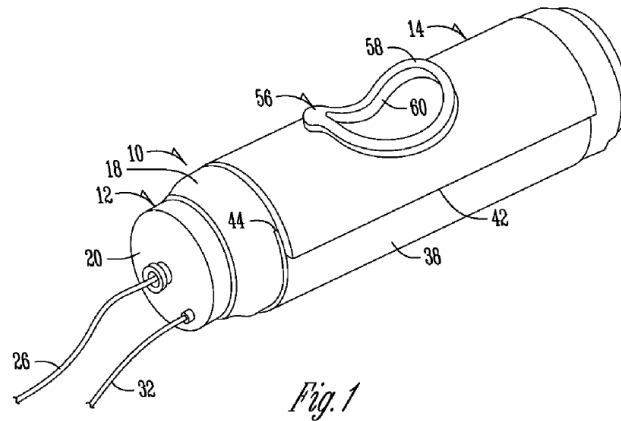
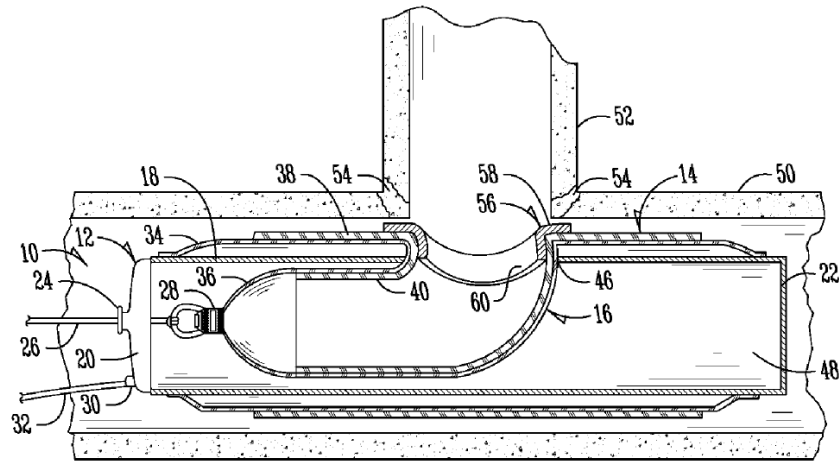


Figure 1 is a perspective view of repair assembly 10 for repairing a lateral pipe line and a main pipe line. *Id.* at 3:6–7. Repair assembly 10 includes launcher device 12 having mounted thereto liner assembly 14. *Id.* at 3:29–61. Main liner tube 38 is comprised of what is initially a flat sheet of material that is wrapped around the outside of the main bladder tube and launcher device 12. *Id.* Main liner tube 38 includes overlapping edges 42, 44. *Id.* In order to prevent seepage of ground water, gasket 56 is positioned about a portion of liner assembly 14. *Id.*

Repair assembly 10 also houses bladder tube assembly 16 (not shown in Figure 1). *Id.* Bladder tube assembly 16 is shown in Figure 2, provided below.

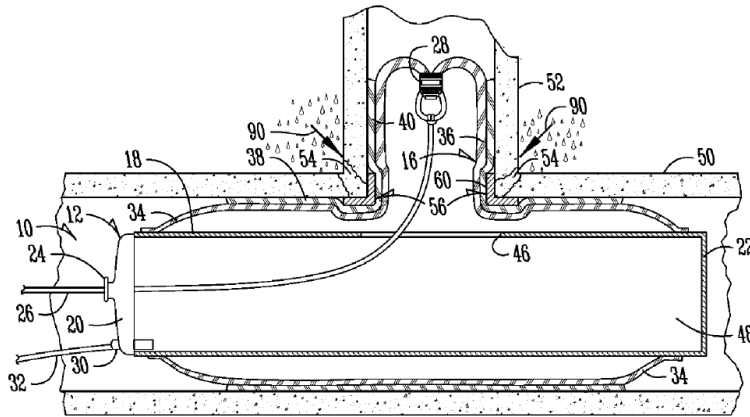


*Fig. 2*

Figure 2 is a sectional view of repair assembly 10 placed at the juncture of main pipe line 50 and lateral pipe line 52 in order to repair damaged portion 54. *Id.* at 3:8–9. Bladder tube assembly 16 includes main bladder tube 34 and lateral bladder tube 36. Bladder tube assembly is fitted on the interior of the liner assembly 14, which includes main liner tube 38 and lateral liner tube 40. Lateral bladder tube 36 and lateral liner tube 40 are contained within launcher device cavity 48. *Id.* at 3:47–62.

Figure 2 also provides a sectional view of gasket 56. Gasket 56 includes tubular portion 60 extending within lateral liner tube 40, and flange portion 58 extending outwardly about the periphery of one end of tubular portion 60. *Id.* at 4:1–54. Flange portion 58 of gasket 56 is attached to main liner tube 38 around the juncture between main liner tube 38 and lateral liner tube 40. *Id.* Gasket 56 may be made of a hydrophilic material capable of swelling in response to being exposed to water or other liquid, thereby creating a seal. *Id.* at 4:49–54.

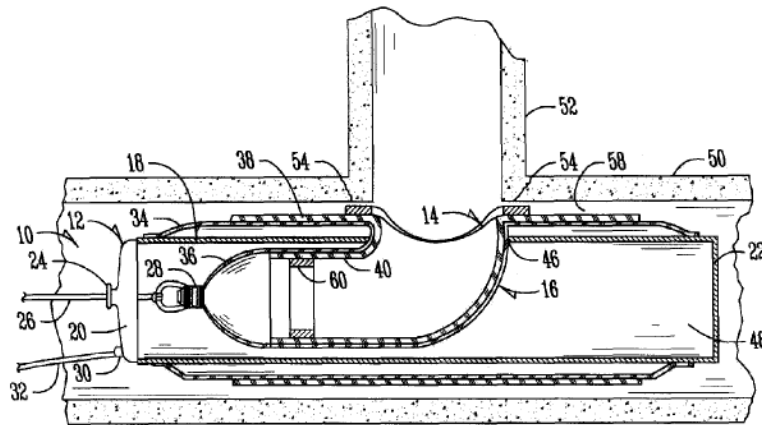
Figure 3 of the '991 patent is provided below.



*Fig. 3*

Figure 3 shows repair assembly 10 in the inflated position. *Id.* at 3:10–11. Lateral bladder tube 36 and lateral liner tube 40 are launched outwardly into lateral pipe line 52 by increasing the air pressure in launcher device cavity 48. *Id.* at 4:29–48. Gasket 56 is positioned between main liner tube assembly 14 and the interior walls of main pipe line 50 and between lateral liner tube assembly 16 and the interior walls of lateral pipe line 52. *Id.*

Figure 5 of the '991 patent is provided below.



*Fig. 5*

Figure 5 shows an alternative embodiment of the device disclosed in the '991 patent. Gasket 56 is replaced with a band positioned on main liner tube 38. *Id.* at 5:18–46. The band extends around the juncture between main liner tube 38 and lateral liner tube 40. *Id.* The band may be made of a hydrophilic material and swells in response to being exposed to water or other liquid. *Id.* Upon exposure to liquid, the band expands in a radial direction to effectively seal the area between the liner assembly and the juncture between main pipe line 50 and lateral pipe line 52. *Id.*

### *C. Illustrative Claims*

Claims 1–4 of the '991 patent are reproduced below (emphases added):

1. An apparatus for repairing a main pipe line and a lateral pipe line connected thereto and in communication therewith to form a pipe joint, comprising:
  - a bladder assembly comprising a main bladder tube and a lateral bladder tube extending from the main bladder tube;
  - a liner assembly comprising a main liner member at least partially surrounding the main bladder tube and a lateral liner tube extending from the main liner member;

the lateral liner tube and lateral bladder tube extendable to a position within the lateral pipe line with the lateral liner tube between the lateral pipe line and the lateral bladder tube; and

a gasket comprising a hydrophilic rubber, the gasket positioned at least partially surrounding the main liner member and the lateral liner member between the main liner member and the pipe joint, the gasket capable of swelling in reaction to contact with a liquid.

2. The apparatus of claim 1 wherein the gasket includes a tubular portion having a first end and a second end and *a flange portion extending outwardly from one of the first and second ends of the tubular portion.*

3. The apparatus of claim 2 wherein the tubular portion is positioned between the lateral liner tube and the lateral pipe line at the pipe joint and the flange portion is positioned between the main liner member and the main pipe line at the pipe joint.

4. The apparatus of claim 3 wherein the flange portion of the gasket is attached to the main liner member near the lateral liner tube.

#### *D. The Prior Art and Supporting Evidence*

Petitioner relies on the following prior art:

U.S. Patent No. 6,994,118 B2 to Kiest et al. issued February 7, 2006. Ex. 1102 (“Kiest ’118”).

U.S. Patent No. 5,765,597 to Kiest et al., issued June 16, 1998. Ex. 1103 (“Kiest ’597”).

De Neef, Technical Information Waterstops, SWELLSEAL® WA, (dated March 2006). Ex. 1104 (“De Neef Tech.”).

“Swellseal® Hydrophilic Waterstop Solutions,” De Neef Construction Chemicals, Inc. Ex. 1105 (“De Neef Brochure”).

U.S. Patent No. 6,039,079 to Kiest issued March 21, 2000. Ex. 1106 (“Kiest ’079”).

U.S. Patent No. 7,135,087 B2 to Blackmore et al. issued November 14, 2006. Ex. 1107 (“Blackmore”).

Kempenaers, P., “The pressure resistance of SWELLSEAL Sealant WA,” De Neef Conchem, (dated September 5, 2005). Ex. 1108 (“Kempenaers”).

U.S. Patent No. 5,794,663 to Kiest et al. issued August 18, 1998. Ex. 1109 (“Kiest ’663”).

U.S. Patent No. 5,915,419 to Tweedie et al. issued June 29, 1999. Ex. 1111 (“Tweedie”).

Petitioner relies also on the Declaration of David Fletcher in support of the proposed grounds of unpatentability. Ex. 1112 (“Fletcher Declaration” or “Fletcher Decl.”).

*E. The Asserted Ground*

Petitioner challenges claims 2, 3, and 4 of the ’991 patent on the following ground. Pet. 8–53.

<b>Reference[s]</b>	<b>Basis</b>	<b>Claims challenged</b>
Kiest ’118, Kiest ’597, De Neef Tech., De Neef Brochure, Kempenaers, Blackmore, Tweedie, Kiest’079, Kiest ’663	§ 103(a)	2, 3, 4



## II. ANALYSIS

The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a), which provides as follows:

**THRESHOLD** -- The Director may not authorize an *inter partes* review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.

Notably, Congress did not mandate that an *inter partes* review must be instituted under certain conditions. Rather, by stating that the Director—and by extension, the Board—*may not* institute review *unless* certain conditions are met, Congress made institution discretionary.

Our discretion is further guided by 35 U.S.C. § 325(d), which provides: “[i]n determining whether to institute or order a proceeding . . . , the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.” 35 U.S.C. § 325(d).

The instant Petition challenges each claim that was denied review in IPR2014-00770 (“770 proceeding”). Specifically, in the 770 proceeding, we instituted an *inter partes* review as to claims 1 and 5–37 of the ’991 patent, but denied the Petition as to claims 2, 3, and 4. IPR2014-00770, Paper 13, 2. Patent Owner urges us to exercise our discretion, under 35 U.S.C. § 325(d), to decline to institute the Petition because the “same or substantially the same prior art or arguments” were presented in the 770 proceeding. Prelim. Resp. 9–25.

After careful review of the Petition, we are persuaded that arguments

raised in the Petition are “substantially the same” as those previously presented to the Office in the 770 proceeding. *Id.* In the 770 proceeding, Petitioner asserted that claims 2, 3, and 4 of the ’991 patent were unpatentable over the combination of Kiest ’118, Kiest ’597, De Neef Instructions, De Neef Brochure, and Kiest ’663. IPR2014-00770, Paper 2, 36. Our treatment of claim 2 is illustrative. We did not institute an *inter partes* review of claim 2 based on this ground in the 770 proceeding because:

BLD does not explain adequately why a person of ordinary skill in the art would have fashioned the donut shape gasket of Kiest ’663 into a gasket having the flange portions recited in claim 2.

IPR2014-00770, Paper 13, 23. Accordingly, we denied institution with respect to claim 2 because Petitioner did not provide a sufficient reason to combine the teachings Kiest ’118, Kiest ’597, De Neef Instructions, De Neef Brochure, and Kiest ’663. *Id.* Petitioner now repeats the same arguments as to Kiest ’118, Kiest ’663, De Neef Instructions, De Neef Brochure and further raises additional pieces of new prior art (Kempenaers, Blackmore, Tweedie, and Kiest’079) for a disclosure of flange elements. Pet. 16–23. In both petitions, Petitioner advances “substantially the same” argument—namely, that claim 2 would have been obvious over Kiest ’118 in view of other prior art disclosing a gasket having a donut shaped ring as disclosed in Kiest ’597 or Kiest ’663. *Id.* Petitioner further attempts to bolster Kiest ’597 or Kiest ’663 with the teachings of Blackmore, Tweedie, and Kiest ’079.

We do not reach the merits of Petitioner’s additional reasoning, crafted with the benefit of our institution decision in the 770 proceeding.

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*See ZTE Corp. v. ContentGuard Holdings Inc.*, Case IPR2013-00454, slip op. at 6 (PTAB Sept. 25, 2013) (Paper 12) (informative) (“[a] decision to institute review on some claims should not act as an entry ticket, and a how-to guide, for the same Petitioner”). Instead, we exercise our discretion under 35 U.S.C. § 325(d) to deny institution of *inter partes* review because it presents “the same or substantially the same prior art or arguments” presented to us in the 770 proceeding.

### III. ORDER

Accordingly, it is

ORDERED that the petition is *denied* as to all challenged claims of the '991 patent.

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