

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

J.P. MORGAN CHASE & CO.,
JPMORGAN CHASE BANK, NAT'L ASS'N,
CHASE BANK USA, NAT'L ASS'N,
CHASE PAYMENTECH SOLUTIONS LLC, and PAYMENTECH LLC,
Petitioner,

v.

INTELLECTUAL VENTURES II LLC,
Patent Owner.

Case CBM2014-00157
Patent 6,314,409 B2

Before KRISTEN L. DROESCH, BARBARA A. PARVIS, and
MATTHEW R. CLEMENTS, *Administrative Patent Judges*.

DROESCH, *Administrative Patent Judge*.

DECISION ON REQUEST FOR REHEARING
37 C.F.R. § 42.71(d)

I. INTRODUCTION

J.P. Morgan Chase & Co., JPMorgan Chase Bank, National Association, Chase Bank USA, National Association, Chase Paymentech Solutions LLC, and Paymentech LLC (collectively "Petitioner") filed a

CBM2014-00157
Patent 6,314,409 B2

Petition (Paper 1, “Pet.”) requesting a covered business method patent review of claims 1–21, 23–27, 29, 30, 32, 33, and 36–39 of U.S. Patent No. 6,314,409 B2 (Ex. 1001, “the ’409 Patent”), pursuant to § 18 of the Leahy-Smith America Invents Act (“AIA”).¹ Intellectual Ventures II LLC (“Patent Owner”) timely filed a Preliminary Response (Paper 7, “Prelim. Resp.”) to the Petition. Patent Owner filed a Request for Rehearing (Paper 10, “Req. Reh’g”) of our Decision of January 14, 2015 (Paper 8, “Dec.”) instituting a covered business method (“CBM”) patent review of claims 1–21, 24–27, 29, 30, 32, 33, and 36–39 of the ’409 Patent.

II. STANDARD OF REVIEW

In its request for rehearing, the dissatisfied party must identify, specifically, all matters the party believes the Board misapprehended or overlooked, and the place where each matter was addressed previously. 37 C.F.R. § 42.71(d). Upon a request for rehearing, the decision on a petition will be reviewed for an abuse of discretion. 37 C.F.R. § 42.71(c).

III. DISCUSSION

Patent Owner contends that in our Decision to institute a CBM review of the ’409 Patent, we misapprehended or overlooked the following matters:

- (a) the text of the AIA in finding that claim 12 provides standing for CBM patent review (Req. Reh’g 4, 6–9); and
- (b) Petitioner’s failure to meet their evidentiary burden of demonstrating that the claims of the ’409 Patent do not recite a technological invention (*id.* at 4, 9–12).

¹ Pub. L. No. 112-29, 125 Stat. 284 (2011).

CBM2014-00157
Patent 6,314,409 B2

Patent Owner further contends that we abused our discretion by granting institution based on evidence supplied by the Board, but never raised by Petitioners. *Id.* at 4, 12–14. Patent Owner also requests rehearing by an expanded panel. *Id.* at 5, 14–15.

A. Standing Based on Claim 12

Patent Owner contends that, in rendering our Decision, we abused our discretion by (1) ignoring the statutory language of the AIA limiting CBM review to a financial product or service; (2) relying improperly on the legislative history of the AIA; and (3) misapprehending the words “payment for access to data” recited in dependent claim 12. Req. Reh’g 4, 6–9. Patent Owner further asserts that we should have applied the approach adopted in *Par Pharm., Inc. v. Jazz Pharms., Inc.*, Case CBM2014-00149, slip op. at 12 (PTAB Jan. 13, 2015) (Paper 12). *Id.* at 7.

We considered and found unpersuasive Patent Owner’s substantially similar arguments in the Preliminary Response regarding the legislative history and statutory language of the AIA. Dec. 12–14; *compare* Req. Reh’g 6–7, 9, *with* Prelim. Resp. 21–26. A request for rehearing is not an opportunity to reiterate arguments that were addressed in our Decision, and merely express disagreement. In regard to the argument that “payment for access to data” recited in claim 12 does not render the ’409 Patent a CBM, Patent Owner does not identify where this argument, specifically, was raised previously in the Preliminary Response. *See* Req. Reh’g 6–9; 37 C.F.R. § 42.71(d). Patent Owner also does not identify previous arguments that the approach of *Par Pharm* should be applied. *See* Req. Reh’g 7. We cannot have overlooked or misapprehended arguments that were not raised previously.

B. Technological Invention

Patent Owner argues that we misapprehended the law and abused our discretion by not holding Petitioners to the required evidentiary burden to demonstrate that the claimed product is not a technological invention. Req. Reh’g 9. Specifically, Patent Owner contends that our determination is based improperly on an isolated description of the “access mechanism” and citation to attorney argument regarding what constitutes an “access mechanism,” which lacks evidentiary support. *Id.* at 10. Patent Owner argues that our determination ignores improperly the requirement that the focus of CBM review should be the subject matter claimed as a whole. *Id.* Patent Owner further argues that we ignored prior panel decisions finding that other petitioners who challenged the instituted claims on prior art grounds had not met their evidentiary burden to show that the prior art disclosed, taught, or suggested every limitation of the challenged claims. *Id.* at 10–11 (citing Prelim. Resp. 13; *IBM v. Intellectual Ventures II LLC*, Case IPR2014-00672; *IBM v. Intellectual Ventures II LLC*, Case IPR2014-00673). Related to its previous argument, Patent Owner asserts that because Petitioner did not address the prior panel decisions, Petitioner failed to meet its evidentiary burden. *Id.* at 11.

We are not persuaded by Patent Owner’s arguments, which are substantially similar to the arguments raised in the Preliminary Response. *Compare* Req. Reh’g 9–12, *with* Prelim. Resp. 10–13. We considered and were persuaded by Petitioner’s assertions that the “access mechanism” is not a technological feature or improvement over the prior art based on Petitioner’s evidence that Patent Owner stipulated that “access mechanism” should be construed as “hardware and/or software for controlling access to

data.” Dec. 15 (citing Pet. 23; Ex. 1003, 6). Similarly, we considered and were persuaded by Petitioner’s assertion that the “access mechanism” is an amalgamation of conventional, well-known computer components supported by Petitioner’s citations to the ’409 Patent Specification. Dec. 15 (citing Pet. 23–24; Ex. 1001, col. 15, ll. 41–49; Ex. 1017, 223–224).

We are not persuaded by Patent Owner’s argument that we ignored the requirement that a CBM review should focus on the subject matter claimed as a whole. In rendering our Decision, we considered the claimed subject matter as a whole, Petitioner’s arguments, and Patent Owner’s arguments. *See* Dec. 15–16. Specifically, we considered and were not persuaded by Patent Owner’s substantially similar argument that the access mechanism of claim 1 requires more than “hardware and/or software for controlling access to data” based on the outcome of prior panel decisions. *Id.* at 15–16 (citing Prelim. Resp. 10–12). A request for rehearing is not an opportunity to present again the same arguments that were addressed in our Decision, and merely express disagreement.

We also are not persuaded by Patent Owner’s following additional arguments: (1) Petitioner failed to meet their evidentiary burden because Petitioner did not address the prior panel decisions (Req. Reh’g 11); and (2) the Board overlooked its obligation to evaluate the technical invention in view of then existing technology in the context of digital rights management (*id.* at 12 (citing Prelim. Resp. 18; *Experian Mktg. Sol’ns v. RPost Commc’ns*, Case CBM 2014-00064 (PTAB July 31, 2014) (Paper 13))). Patent Owner does not identify, specifically, where these arguments were raised previously. We cannot have overlooked or misapprehended arguments not raised previously.

C. 101 Analysis

Patent Owner argues that we overlooked meaningful limitations in the claims that the Petition ignored. Req. Reh’g 12. Patent Owner contends that Petitioner failed to explain why an “access mechanism” is not a meaningful limitation under the second prong of *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347 (2014). *Id.* at 12–13. Patent Owner further argues that Petitioner never mentions this element, despite that other panels of the Board specifically addressed it with regard to other petitioners’ IPR petitions, and found it to be distinguishable over the prior art. *Id.* at 13.

We are not persuaded by Patent Owner’s arguments, which are substantially similar to the arguments raised in the Preliminary Response. *Compare* Req. Reh’g 12–13, *with* Prelim. Resp. 40–45. In rendering our Decision, we considered and found persuasive Petitioner’s arguments that the claims: (1) do not recite additional features creating an inventive concept, and (2) only require a wholly generic computer implementation. Dec. 24 (citing Pet. 39–40). We also considered and found unpersuasive Patent Owner’s arguments to the contrary. *Id.* at 24–26 (citing Prelim. Reps. 40–45). A request for rehearing is not an opportunity to reiterate arguments that were addressed in our Decision, and merely express disagreement.

Patent Owner also argues that we adopted reasoning that Petitioner never argued when finding Patent Owner’s argument was “not commensurate in scope with the claim limitations.” Req. Reh’g 14 (citing Dec. 25). It was Patent Owner, however, that asserted in the Preliminary Response that claim 1 requires a non-generic hardware and or software component that is *configured* to limit access to unprotected data by always enforcing rules that define access rights. Prelim. Resp. 41. As pointed out

in our Decision (Dec. 25), Patent Owner’s argument is not commensurate in scope with the claim language because claim 1 does not recite a *configuration* for the access mechanism or that the access mechanism is *configured to limit access*.

D. Request for Expanded Panel

Patent Owner requests rehearing by an expanded panel to resolve alleged inconsistencies between panels in interpreting the financial product or service standing requirement. Req. Reh’g 14–15 (citing BPAI SOP 1 § III (Rev. 13, 2009)). Patent Owner asserts that Standard Operating Procedure 1 (SOP1) “still indicates that a *‘patent owner in an appeal . . . may suggest the need for an expanded panel.’*” *Id.* at 14 (citing BPAI SOP 1 § III(C)). Patent Owner suggests the Chief Judge consider an “expanded panel to craft a cohesive interpretation of the phrase ‘financial product or service’ in light of *Par [Pharm., Inc. v. Jazz Pharms., Inc.]*.” *Id.* at 15.

As indicated in SOP1, the Chief Judge, on behalf of the Director, may act to expand a panel on a “suggestion” from a judge or panel, an applicant, a patent owner in an appeal, and a party in an interference. BPAI SOP 1, 1–2. “The members of the Board deciding an institution matter are not authorized to select themselves, or, of their own accord, select other Board members to decide the matter, upon request of a party or otherwise.” *Conopco, Inc. v. Procter & Gamble Co.*, Case IPR2014-00506 (PTAB Dec. 10, 2014) (Paper 25, informative). Accordingly, we decline to grant Petitioner’s request for rehearing by an expanded panel.

III. DECISION ON REHEARING

Petitioner's request for rehearing is *denied* and request for panel expansion is *denied*.

CBM2014-00157
Patent 6,314,409 B2

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