

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BANK OF THE WEST; SANTANDER BANK, N.A.;
ALLY FINANCIAL, INC.; RAYMOND JAMES & ASSOCIATES, INC.;
TRUSTMARK NATIONAL BANK; NATIONWIDE BANK;
SYNCHRONY BANK; GENERAL ELECTRIC COMPANY;
COMMERCE BANK; and CADENCE BANK, N.A.,

Petitioner,

v.

SECURE AXCESS, LLC,

Patent Owner.

Case CBM2015-00009
Patent 7,631,191 B2

Before BARBARA A. BENOIT, TRENTON A. WARD, and
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

BENOIT, *Administrative Patent Judge*.

DECISION
Motion for Joinder
37 C.F.R. § 42.222(b)

A. Introduction

On October 8, 2014, Bank of the West, Santander Bank, N.A., Ally Financial, Inc., Raymond James & Associates, Inc., Trustmark National Bank, Nationwide Bank, Synchrony Bank, General Electric Company, Commerce Bank, and Cadence Bank, N.A. (collectively, “Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting institution of a covered business method patent review of claims 1–32 of U.S. Patent No. 7,631,191 B2 (Ex. 1001, “the ’191 patent”). The Petition was accompanied by a Motion for Joinder (Paper 13; “Motion”), seeking to join this case with a previously instituted proceeding, also involving the ’191 patent. Patent Owner did not file an opposition to Petitioner’s Motion.

For the reasons that follow, we deny Petitioner’s Motion for Joinder.

B. Related Proceeding

On March 28, 2014, PNC Bank, N.A. and others not named in the present proceeding (collectively, “PNC Bank”) filed a petition seeking a covered business method patent review of the same claims challenged in the instant Petition. On September 9, 2014, in response to PNC Bank’s petition and after considering Patent Owner’s preliminary response, the Board instituted a covered business method patent review in that proceeding—*PNC Bank, N.A. v. Secure Access, LLC*, CBM2014-00100 (PTAB), Paper 10. Petitioner seeks to join the present proceeding to the CBM2014-00100 proceeding.

C. The Joinder Motion

Petitioner contends joinder is appropriate for several reasons. First, Petitioner contends that joinder is appropriate because the Petition in the

CBM2015-00009
Patent 7,631,191 B2

present proceeding involves the same patent, claims, prior art, declaration evidence, and ground as involved in the instituted CBM2014-00100 proceeding. Motion 5. Petitioner further indicates that the claim charts in the Petition for the present proceeding are identical to the claim charts included in PNC Bank's petition instituted in the CBM2014-00100 proceeding. *Id.* Petitioner also represents that it adopts in its Petition the reasoning and rationale of the Board in its Decision to Institute the CBM2014-00100 proceeding and the reasoning and rationale PNC Bank's petition as to the ground instituted in the CBM2014-00100 proceeding. *Id.* at 6.

Thus, according to Petitioner, joinder would present no new issues that would complicate or delay the CBM2014-00100 proceeding, and joinder would not prejudice the parties or have any material impact on the trial schedule for the CBM2014-00100 proceeding. *Id.* at 5–7. Petitioner also represents that it and the petitioners in the CBM2014-00100 proceeding have agreed to procedures to simplify briefing and discovery. *Id.* at 7–8.

Furthermore, Petitioner indicates that it secured a stay of co-pending district court cases¹ involving the same parties and patent by agreeing not to

¹ Petitioner represents that the '191 patent has been asserted against the various parties petitioning in the instant proceeding: *Secure Access, LLC v. Bank of the West*, Case No. 6:13-cv-00779 (E.D. Tex); *Secure Access, LLC v. Santander Bank, N.A.*, Case No. 6:13-cv-00723 (E.D. Tex); *Secure Access, LLC v. Ally Bank*, Case No. 6:13-cv-00718 (E.D. Tex); *Secure Access, LLC v. GE Capital Retail Bank*, Case No. 6:13-cv-00720 (E.D. Tex); *Secure Access, LLC v. Nationwide Bank*, Case No. 6:13-cv-00721 (E.D. Tex); *Secure Access, LLC v. Commerce Bank*, Case No. 6:13-cv-00782

CBM2015-00009
Patent 7,631,191 B2

raise an invalidity challenge involving the ground instituted in the CBM2014-00100 proceeding and in the present proceeding. *Id.* at 6. Thus, according to Petitioner, joinder is appropriate here because “Petitioner[] can no longer raise this invalidity challenge” in the district court proceedings. *Id.*

D. Procedural History

A conference call was held on November 17, 2014 and attended by the above-identified administrative patent judges and respective counsel for the parties. Paper 17. The conference was scheduled to discuss, among other issues, expediting the deadline for Patent Owner’s Preliminary Response. *Id.* Patent Owner stated that it was in the process of formulating new arguments to be included in its preliminary response to be filed in the present proceeding. *Id.*

On January 16, 2015, Patent Owner timely filed a preliminary response, which included around twenty pages of new arguments not included in its preliminary response in the CBM2014-00100 proceeding. *See* Paper 18, 47–71. Patent Owner’s new arguments include, for example, arguments concerning limitations in independent claims not argued in its preliminary response filed in CBM2014-00100 and limitations in dependent claims not argued in its preliminary response filed in CBM2014-00100.

(E.D. Tex); *Secure Access, LLC v. Raymond James & Associates, Inc.*, Case No. 6:13-cv-00785 (E.D. Tex); *Secure Access, LLC v. Trustmark National Bank*, Case No. 6:13-cv-00788 (E.D. Tex); and *Secure Access, LLC v. Cadence Bank, N.A.*, Case No. 6:13-cv-00780 (E.D. Tex). Paper 1, 2-3; *see also* Paper 15 (Patent Owner’s Mandatory Notice).

CBM2015-00009
Patent 7,631,191 B2

Compare Paper 18, 51–71 with CBM2014-00100, Paper 7, 36–45. Many of those arguments substantially are similar to arguments presented in Patent Owner’s Response (Paper 21) filed on December 22, 2014 in the CBM2014-00100 proceeding. *Compare* Paper 18, 51–71 with CBM2014-00100, Paper 21, 51-67.

E. Discussion

A decision whether to institute a covered business method patent review is a necessary precursor to joining the review to another review. *See* 35 U.S.C. § 325(c) (indicating that, if the Director determines two petitions warrant the institution of a post-grant review, the Director may consolidate the two reviews into a single post-grant review). Institution of a covered business method review requires consideration of a preliminary response filed by Patent Owner. *See* 35 U.S.C. § 324(a), (c)(1).

Here, the Patent Owner chose to file its Preliminary Response in this case over four months after the CBM2014-00100 trial was instituted and more than three months after the Petition and Motion for Joinder were filed in this proceeding. Patent Owner’s action undermines Petitioner’s contention that joinder would not have any material impact on the trial schedule for the CBM2014-00100 proceeding, a factor favoring joinder.

Moreover, Patent Owner also chose to include arguments presented for the first time in its Response filed on December 22, 2014 in the CBM2014-00100 proceeding. Patent Owner’s action also undermines Petitioner’s position that joinder would not prejudice the parties or have any material impact on the trial schedule for the CBM2014-00100 proceeding. A decision whether or not to institute this proceeding requires us to consider

CBM2015-00009
Patent 7,631,191 B2

the new arguments—at least to the extent as to whether the new arguments rebut information in the Petition demonstrating that it is more likely than not at least one of the claims challenged is unpatentable. *See* 35 U.S.C. §§ 324(a) (threshold of institution of post-grant review).

Thus, a decision whether to institute this proceeding provides at least some indication of our view of the arguments presented both in Patent Owner Preliminary Response in this proceeding and in Patent Owner’s Response in CBM2014-00100. We recognize that the arguments in the Preliminary Response lack the evidentiary support present in the CBM2014-00100 proceeding and the “more likely than not” threshold for institution is not a finding of unpatentability. Thus, a decision whether to institute merely reflects imperfectly our views of the arguments with regard to the CBM2014-00100 proceeding. Even so, a decision whether to institute this proceeding, under the present circumstances, would appear to provide some advantage to at least one of the parties in the CBM2014-00100 proceeding. To minimize such an effect, we have delayed our decision whether to institute this proceeding to close to the statutory deadline required by 35 U.S.C. § 324(c).

We are mindful of 35 U.S.C. § 323, which gives Patent Owner the right to file a preliminary response to a petition within the requirements set forth in 35 U.S.C. § 325(c) and 37 C.F.R. 42.222(b), none of which are at issue here. We do not attempt to limit in any way that right of Patent Owner. Patent Owner, however, made particular choices regarding when to file its preliminary response and what arguments to be included in its response. Thus, in the particular circumstances of this case, Patent Owner’s

CBM2015-00009
Patent 7,631,191 B2

choices effectively undermine factors favoring joinder and so deprive Patent Owner of efficiencies that joinder would have provided it.

We also are mindful of Petitioner’s representation that it secured a stay of co-pending district court cases on a basis that precludes raising, in those proceedings, an invalidity challenge involving the ground instituted in the CBM2014-00100 proceeding. We agree with Petitioner that this factor weighs toward granting joinder. Joining the instant proceeding to CBM2014-00100, however, is not the only way that Petitioner can raise this invalidity challenge in this forum. Our concurrently entered decision to institute the instant Petition also provides such an opportunity to Petitioner.

Accordingly, under 35 U.S.C. § 325(c), we exercise our discretion to deny joinder. *See* 35 U.S.C. § 325(c) (“the Director *may* consolidate such reviews into a single post-grant review”) (emphasis added).

ORDER

Accordingly, it is

ORDERED that Petitioner’s motion for joinder is DENIED.

CBM2015-00009
Patent 7,631,191 B2

For PETITIONER:

Anthony H. Son
Sean Wooden
ANDREWS KURTH LLP
anthonyson@andrewskurth.com
seanwooden@andrewskurth.com

Jason Jackson
KUTAK ROCK LLP
Jason.jackson@kutarock.com

Marc Vander Tuig
SENNIGER POWERS LLP
MVanderTuig@senniger.com.

Reginald J. Hill
JENNER & BLOCK LLP
rhill@jenner.com

Garret Leach
KIRKLAND & ELLIS LLP
Garret.Leach@kirkland.com

For PATENT OWNER:

Gregory Gonsalves
gonsalves@gonsalveslawfirm.com