

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LIBERTY MUTUAL INSURANCE CO.
Petitioner

v.

PROGRESSIVE CASUALTY INSURANCE CO.
Patent Owner

Case CBM2012-00003 (JL)
Patent 8,140,358

Before JAMESON LEE, JONI Y. CHANG, and MICHAEL R. ZECHER,
Administrative Patent Judges.

LEE, *Administrative Patent Judge*

DECISION
Institution of Covered Business Method Review
37 C.F.R. § 42.208

Progressive Exhibit 2009
Liberty Mutual v. Progressive
CBM2013-00009

BACKGROUND

On September 16, 2012, Liberty Mutual Insurance Company (“Liberty”) filed a petition requesting a review under the transitional program for covered business method patents of U.S. Patent 8,140,358 (“the ’358 patent”)(Ex. 1001). The patent owner, Progressive Casualty Insurance Company (“Progressive”), filed a preliminary response (“Prelim. Resp.”) on December 24, 2012. (Paper No. 13.) We have jurisdiction under 35 U.S.C. § 324. *See* section 18(a) of the Leahy-Smith America Invents Act, Pub. L. 112-29, 125 Stat. 284, 329 (2011) (“AIA”).

The standard for instituting a covered business method review is set forth in 35 U.S.C. § 324(a), which provides as follows:

THRESHOLD --The Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.

Some of the grounds of unpatentability alleged by Liberty were denied by the Board on October 25, 2012. (Paper 8). Additional grounds alleged by Liberty were denied by the Board on November 26, 2012. (Paper 12). The remaining grounds for consideration rely on the following references:

U.S. Pub. App. 2002/0128882 (Nakagawa)	Sept. 12, 2002	Exhibit 1005
UK Patent App. GB 2286369 (Herrod)	Aug. 16, 1995	Exhibit 1004

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US Patent 5,243,530 (Stanifer)	Sep. 7, 1993	Exhibit 1007
US Patent 5,446,757 (Chang)	Aug. 29, 1995	Exhibit 1008
US Patent 5,210,854 (Beaverton)	May 11, 1993	Exhibit 1009

US Patent 7,228,211 B1 (Lowrey)	June 5, 2007	Exhibit 1011
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US Patent 5,465,079 (Bouchard)	Nov. 7, 1995	Exhibit 1014
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Japanese Pub. App. H4-182868 (Kosaka)	June 30, 1992	Exhibit 1003
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“Communications And Positioning Systems In The Motor Carrier Industry,”
by Dimitris A. Scapinakis and William L. Garrison, January 1, 1992
(**Scapinakis**) Exhibit 1006

“Application of GSM in High Speed Trains: Measurements and
Simulations” by Manfred Goller, May 16, 1995
(**Goller**) Exhibit 1017

“QUALCOMM’s MSM6500 Multimedia Single-Chip Solution Enables
High-Performance Multimode Handsets Supporting CDMA2000 1X, 1xEV-
DO and GSM/GPRS,” PR Newswire, November 12, 2002
(**Qualcomm MSM6500**) Exhibit 1019

Specifically, the grounds for consideration are:

1. Claims 1, 19, and 20 as anticipated by Nakagawa.
2. Claim 1 as obvious over Herrod.
3. Claim 2 as obvious over Nakagawa and Chang.
4. Claim 2 as obvious over Herrod and Chang.

5. Claims 3, 6, and 7 as obvious over Nakagawa and Stanifer.
6. Claims 3, 6, and 7 as obvious over Herrod and Stanifer.
7. Claim 4 as obvious over Nakagawa and Beaverton.
8. Claim 4 as obvious over Herrod and Beaverton.
9. Claims 5 and 8 as obvious over Nakagawa and Scapinakis.
10. Claim 5 as obvious over Herrod, Scapinakis, and Goller.
11. Claim 8 as obvious over Herrod and Scapinakis.
12. Claim 9 as obvious over Nakagawa and Hunt.
13. Claim 9 as obvious over Herrod and Hunt.
14. Claims 10, 11, and 13-15 as obvious over Nakagawa and Lowrey.
15. Claims 10, 11, and 13-15 as obvious over Herrod and Lowrey.
16. Claim 12 as obvious over Nakagawa, Lowrey, and Qualcomm MSM6500.
17. Claim 12 as obvious over Herrod, Lowrey, and Qualcomm MSM6500.
18. Claims 16-18 as obvious over Nakagawa and Bouchard.
19. Claims 16-18 as obvious over Herrod and Bouchard.
20. Claims 19 and 20 as obvious over Nakagawa and Kosaka.
21. Claims 19 and 20 as obvious over Herrod and Kosaka.

The above-stated grounds can be divided into two groups: (1) those relying at least in part on Nakagawa, and (2) those relying in part on Herrod.

Taking into account Progressive's preliminary response, we determine that the information presented in the petition demonstrates that:

(1) It is more likely than not that the challenged claims based at least in part on Nakagawa are unpatentable as alleged by Liberty.

(2) It is not more likely than not that the challenged claims based at least in part on Herrod are unpatentable.

Liberty certifies that the '358 patent was asserted against it in Case No. 1:10-cv-01370, *Progressive Cas. Ins. Co. v. Safeco Ins. Co. of Ill. et al.*, pending in the U.S. District Court for the Northern District of Ohio. (Pet. 7.) Progressive does not dispute that certification.

Pursuant to 35 U.S.C. §§ 324 and 18(a) of the AIA, we authorize a covered business method review of claims 1-20 of the '358 patent. For reasons discussed below, we reject Progressive's argument that the '358 patent is not a covered business method patent, but is directed to a technological invention for which covered business method review is unavailable.

DISCUSSION

A. Claim Construction

In a covered business method patent review, claim terms are given their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.300(b). Also, that broadest reasonable construction is as it would be understood by one of ordinary skill



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