IN THE UNITED STATES PATENT TRIAL AND APPEAL BOARD

In re CBM Review of:)
U.S. Patent 7,904,326) U.S. Class: 705/10; 705/44
Issued: March 8, 2011) Group Art Unit: 3687
Inventor: Shari Gharavy) Confirmation No. 5432
Application No. 09/896,144) Petition filed: August 28, 2013
Filed: June 29, 2001 For: METHOD AND APPARATUS FOR PERFORMING COLLECTIVE VALIDATION OF CREDENTIAL INFORMATION)))) FILED ELECTRONICALLY) PER 37 C.F.R. § 42.6(B)(1)))
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PETITION FOR COVERED BUSINESS METHOD PATENT REVIEW UNDER 35 U.S.C. § 321 AND §18 OF THE LEAHY-SMITH AMERICA INVENTS ACT

Pursuant to 35 U.S.C. § 321 and § 18 of the Leahy-Smith America Invents Act ("AIA") and pursuant to 37 C.F.R. § 42.300 *et seq.*, the undersigned hereby requests covered business method ("CBM") patent review of claims 1-22 of



Alexandria, VA 22313-1450

U.S. Patent 7,904,326 ("the '326 patent," attached as Petition Exhibit 1001), which issued to Shari Gharavy on March 8, 2011.

An electronic payment in the amount of \$34,350.00 for the covered business method review fee specified by 37 C.F.R. § 42.15(b)(1) is being paid at the time of filing this petition, charged to deposit account No. 041073.



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	BAt Least One Challenged Claim is Unpatentable	.4
	CThe '326 Patent is a CBM Patent	.4
	1 Claims 1-22 are Directed to Financial Products or Services	.5
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	AInventions Covering Abstract Ideas are Not Eligible for Patent Protection, Regardless of their Form	20
	B Claim 1 of the '326 Patent is Directed to an Abstract Idea))



	Programming are Used to Implement the Claimed Method	27
	2 Calculating Compensation By Validating Transactions and Validating Distributors Can be Accomplished by Hand	30
	3 Claim 1 Fails the Machine-or-Transformation Test	34
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