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Filed on behalf of: Groupon Inc.

By: James C. Yoon

Matthew A. Argenti

WILSON SONSINI GOODRICH & ROSATI

650 Page Mill Road

Palo Alto, California 94304

Tel.: 650-493-9300

Fax: 650-493-6811

Email: jyoon@wsgr.com

Email: margenti@wsgr.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Groupon Inc.
Petitioner

v.

Maxim Integrated Products, Inc.
Patent Owner

Patent No. 5,805,702

PETITION FOR COVERED BUSINESS METHOD REVIEW

TABLE OF CONTENTS

I.	PRELIMINARY STATEMENT	1
II.	BACKGROUND OF THE '702 PATENT	4
A.	Financial Transactions in the '702 Patent	4
1.	Conventional Cash Transactions.....	4
2.	Monetary Transactions Using the Module.....	5
B.	The '702 Patent Uses Well Known Financial Transaction Security Protocols.....	6
C.	The Challenged Claims of the '702 Patent	7
D.	Prosecution History of the '702 Patent	9
III.	FOUNDATIONS FOR STANDING.....	10
A.	The Challenged Claims Are Each Directed to a Covered Business Method	10
B.	The Challenged Claims Are Not Directed to a “Technological Invention”	11
1.	The Challenged Claims Do Not Recite a Novel and Unobvious Technological Feature Because They Recite Known Technologies	12
2.	The Challenged Claims Do Not Solve a Technical Problem Using a Technological Solution.....	15
IV.	STATEMENT OF PRECISE RELIEF REQUESTED FOR EACH CLAIM CHALLENGED	16
V.	CLAIM CONSTRUCTION.....	16
VI.	THE CHALLENGED CLAIMS ARE UNPATENTABLE.....	17
A.	Claims 1-2 and 6-8 are Anticipated under 35 U.S.C. § 102 By International Publication No. WO 91/16691 to Jones (“Jones”)	17

B.	Claims 1-2 and 6-8 are Obvious under 35 U.S.C. § 103 Over the Combination of International Publication No. WO 91/16691 to Jones (“Jones”) and U.S. Patent No. 5,396,558 to Ishiguro (“Ishiguro”)	33
C.	Claims 1-2 and 6-8 are Obvious under 35 U.S.C. § 103 Over the Combination of U.S. Patent No. 5,077,792 to Herring (“Herring”) and U.S. Patent No. 4,405,829 to Rivest (“Rivest”)	60
VII.	MANDATORY NOTICES	75
VIII.	CONCLUSION	75
IX.	PAYMENT OF FEES UNDER 37 C.F.R. §§ 42.15(B)	75
	SCHEDULE A.....	76
A.	Real Party-in-Interest	76
B.	Related Matters.....	76
C.	Lead and Back-Up Counsel and Service Information	78
D.	Petitioner has been Sued for Infringement of the ’702 Patent and is Not Estopped.....	78
	APPENDIX - LIST OF EXHIBITS	79

I. PRELIMINARY STATEMENT

Pursuant to the provisions of 35 U.S.C. § 321, Section 18 of the Leahy-Smith America Invents Act (“AIA”), and 37 C.F.R. § 42.300 et seq., the undersigned Petitioner respectfully requests review of United States Patent No. 5,805,702 to Curry et al. (“the ’702 Patent,” attached as Ex. 1001), issued on September 8, 1998 and purportedly now assigned to Maxim Integrated Products, Inc. (“Patent Owner”). Through this Petition, Petitioner demonstrates that the ’702 Patent is subject to Covered Business Method (“CBM”) review and that it is more likely than not that claims 1, 2, and 6-8 of the ’702 Patent are unpatentable under 35 U.S.C. §§ 102 and 103 over prior art.

The ’702 Patent relates to electronic cash transactions. *See* Declaration of Paul C. Clark, DSc. (attached as Ex. 1002), ¶ 29. In exchanging so-called “Digital Cash” pursuant to a financial transaction, the ’702 Patent describes methods of cryptographically securing the transaction in order to ensure that the digital information transferred has real financial value. *See, e.g.*, Ex. 1001 at 7:51-8:7. Such methods, however, were well known in the field long before the priority application for the ’702 application was filed. *See* Ex. 1002, ¶ 28. The use of public and secret key cryptographic systems for securing financial systems was already included in multiple industry standards—such as that of the American Banker’s Association developed in the 1980’s—and by the mid-1990’s numerous

such cryptographic systems had been deployed and were in use. *See id.*, ¶¶ 24, 33.

Accordingly, the claims of the '702 Patent fail to add anything new or inventive from what was already known to individuals of skill in the field prior to the filing of the application for the '702 Patent. *Id.*, ¶ 33.

As further evidence of this lack of novelty, the Challenged Claims would benefit from review in an *inter partes* proceeding under the CBM process because they issued following examination on only a limited subset of prior art. The Applicants, for example, failed to submit an information disclosure statement despite the fact that the object of the Challenged Claims – the electronic transfer of currency – was known in the art long before the '702 Patent was filed. For example, published PCT application WO 91/16691 to Jones (“Jones,” attached as Ex. 1004) teaches a system for “A value transfer system which allows value to be transferred between electronic purses,” while U.S. Patent 5,396,558 to Ishiguro (“Ishiguro,” attached as Ex. 1005) relates to settling financial accounts using encrypted electronic data. These are but two examples of how the Challenged Claims issued into a crowded field of prior art – little of which the USPTO had the opportunity to consider during prosecution.

Moreover, the Challenged Claims perform electronic currency transfer by applying well-known communication, authentication, and encryption techniques used in the computing and cryptography fields. The '702 Patent's embodiments

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