IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE PATENT TRIAL AND APPEAL BOARD

In re Covered Business Method Review of:)
U.S. Patent No. 8,118,221) Attorney Decket No.
Issued: February 21, 2012	Attorney Docket No: 01980-00035-22101
Inventors: Patrick Racz and) Petitioner: Google Inc.
Hermen-ard Hulst)
)
Application No. 12/943,872)
Filed: November 10, 2010)
)
For: DATA STORAGE AND)
ACCESS SYSTEMS	

PETITION FOR COVERED BUSINESS METHOD PATENT REVIEW OF UNITED STATES PATENT NO. 8,118,221 PURSUANT TO 35 U.S.C. § 321 AND § 18 OF THE LEAHY-SMITH AMERICA INVENTS ACT

Mail Stop Patent Board

Patent Trial and Appeal Board U.S.P.T.O. P.O. Box 1450 Alexandria, VA 22313-1450



TABLE OF CONTENTS

					<u>Page</u>
INTI	RODU	CTIO	N		1
I.	PET	ITION	ER HA	AS STANDING	2
	A.			PATENT IS A COVERED BUSINESS METHOD	2
		1.		Board Has Repeatedly Found That Claim 32 ifies The '221 Patent As A CBM Patent	3
		2.		lenged Claim 3 Also Qualifies The '221 Patent As A Patent	
			(a)	Claim 3 Covers Subject Matter That Is Financial In Nature	6
			<i>(b)</i>	Claim 3 Does Not Cover A Technological Invention	7
II.	MA	NDAT	ORY N	NOTICES UNDER 37 C.F.R. § 42.8(A)(1)	9
	A.			ER IS A REAL PARTY IN INTEREST SUED FOR RGED WITH INFRINGEMENT	
	B.	REL	ATED	MATTERS UNDER 37 C.F.R. § 42.8(B)(2)	9
	C.			D BACKUP COUNSEL UNDER 37 C.F.R. §	10
III.	PAY	MENT	Γ OF F	TEES	11
IV.	CLA	AIM CO	ONSTI	RUCTION	11
	A.	"DA	TA CA	ARRIER"	13
	B.	"PA"	YMEN	T DATA"	14
	C.	"PA"	YMEN	T VALIDATION SYSTEM"	15
	D.	"PA"	YMEN	IT VALIDATION DATA"	16



	E.	"USE RULE DATA"	17
V.		E CHALLENGED CLAIM IS UNPATENTABLE UNDER 35 .C. § 101	18
	A.	THE CHALLENGED CLAIM IS DIRECTED TO A PATENT-INELIGIBLE ABSTRACT IDEA	
		 The Challenged Claim Is Directed To The Abstract Idea Of Controlling Access To Something Based On Payment 	21
		2. The Abstract Idea Of Controlling Access To Something Based On Payment Is Not Patentable	24
	В.	THE CHALLENGED CLAIM DOES NOT DISCLOSE AN "INVENTIVE CONCEPT" THAT IS "SIGNIFICANTLY MORE" THAN AN ABSTRACT IDEA	25
		1. Field Of Use Limitations Cannot Transform An Abstract Idea Into A Patent Eligible Invention	26
		2. Insignificant Pre- Or Post-Solution Activity Cannot Transform An Abstract Idea Into A Patent Eligible Invention	27
		3. Tangential References To Generic Computer Implementation Cannot Transform An Abstract Idea Into A Patent Eligible Invention	
	C.	PREEMPTION CONCERNS CONFIRM PATENT INELIGIBILITY	31
	D.	THE MACHINE-OR-TRANSFORMATION TEST CONFIRMS PATENT INELIGIBILITY	32
VI.	CON	NCLUSION	33



EXHIBIT LIST

Google Exhibit No.	Description
1001	U.S. Patent No. 8,118,221 to Racz et al. ("the '221 patent")
1002	Declaration of Dr. Justin Douglas Tygar Regarding the '221 Patent
1003	Curriculum Vitae of Dr. Justin Douglas Tygar
1004	PCT Publication No. WO 99/07121 ("Fetik")
1005	U.S. Patent No. 5,790,423 to Lau et al. ("the '423 patent")
1006	SOFTBOOK PRESS—Secure Information Delivery to a Distributed Workforce, CIO Magazine, Aug. 1, 1999
1007	Kevin Maney, <i>Electronic Books to Hit the Shelves</i> , New Straits Times (Computimes), Aug. 24, 1998
1008	Liquid Audio, Music on the Net—A Topographic Tour of the Online Music World (1997)
1009	Liquid Audio Indie 1000 Program, http://www.liquidaudio.com (archived Feb. 11, 1998)
1010	Reserved
1011	Report and Recommendation Regarding Claim Construction, Smartflash LLC v. Samsung Elecs. Co., No. 6:13-cv-448, Dkt. 274 (E.D. Tex. Sept. 24, 2014)
1012	Plaintiffs Smartflash LLC's and Smartflash Technologies Limited's Opening Claim Construction Brief, <i>Smartflash LLC v.</i> <i>Samsung Elecs. Co.</i> , No. 6:13-cv-448, Dkt. 175 (E.D. Tex. June 13, 2014)
1013	Reserved
1014	A.M. Turing, <i>On Computable Numbers, with an Application to the Entscheidungsproblem</i> , Proceedings of the London Mathematical Society, Vol. 42:2, pp. 230-265 (Nov. 12, 1936)



Google Exhibit No.	Description
1015	Plaintiffs' Original Complaint for Patent Infringement, Smartflash LLC v. Apple Inc., No. 6:13-cv-447, Dkt. 1 (E.D. Tex. May 29, 2013)
1016	U.S. Patent No. 8,118,221 Claim Chart—Google (Android), Exhibit 4 to Plaintiffs Smartflash LLC and Smartflash Technologies Limited's P.R. 3-1 and 3-2 Disclosure of Asserted Claims and Infringement Contentions, <i>Smartflash LLC v. Google</i> <i>Inc.</i> , No. 6:14-cv-435 (E.D. Tex. Aug. 22, 2014) (excerpted)
1017	Reserved
1018	U.S. Patent No. 7,942,317 to Racz et al. ("the '317 patent")
1019	U.S. Patent No. 8,033,458 to Hulst et al. ("the '458 patent")
1020	U.S. Patent No. 8,061,598 to Racz et al. ("the '598 patent")
1021	U.S. Patent No. 7,334,720 to Hulst et al. ("the '720 patent")
1022	Roger A. Cunningham et al., The Law of Property (2d ed. 1993) (excerpted)
1023	Michael H. Harris, History of Libraries in the Western World (4th ed. 1999) (excerpted)
1024	David Broderick, The First Toll Roads—Ireland's Turnpike Roads 1729-1858 (2002) (excerpted)



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

