

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UNITED SERVICES AUTOMOBILE ASSOCIATION,
Petitioner,

v.

NADER ASGHARI-KAMRANI and KAMRAN ASGHARI-KAMRANI,
Patent Owner.

Cases CBM2016-00063 and CBM2016-00064¹
Patent 8,266,432 B2

Before JONI Y. CHANG, JUSTIN T. ARBES, and
FRANCES L. IPPOLITO, *Administrative Patent Judges*.

CHANG, *Administrative Patent Judge*.

ORDER
Conduct of the Proceedings
37 C.F.R. § 42.5

On March 22, 2017, a conference call was held between counsel for both parties, and Judges Chang, Arbes, and Ippolito. Patent Owner initiated the conference call to request authorization to file additional briefing.

¹ We exercise our discretion to issue one Order to be entered in both cases.

CBM2016-00063 and CBM2016-00064
Patent 8,266,432 B2

Petitioner opposed, arguing that Patent Owner had sufficient opportunities to submit arguments. Upon consideration of the parties' contentions presented during the conference call and the totality of the facts before us, we grant Patent Owner's request. Specifically, pursuant to 37 C.F.R. § 42.20(d), we authorize both parties to file additional briefing to address the issue of whether U.S. Patent No. 8,266,432 B2 ("the '432 patent") is eligible for covered business method patent (CBM) review, in light of the decision issued by the U.S. Court of Appeals for the Federal Circuit in *Secure Access, LLC v. PNC Bank Nat'l Ass'n*, 848 F.3d 1370 (Fed. Cir. 2017).

On September 21, 2016, we instituted a trial in each of the instant proceedings. Subsequent to institution, the Federal Circuit issued a decision in *Unwired Planet, LLC v. Google Inc.*, 841 F.3d 1376 (Fed. Cir. 2016), and a decision in *Secure Access*. In *Unwired Planet*, the Court held that the Board's reliance on whether the patent claims activities "incidental" to" or "complementary to" a financial activity as the legal standard to determine whether a patent is a CBM patent was not in accordance with law. *Id.* at 1382. In *Secure Access*, the Court held that "the statutory definition of a CBM patent requires that the patent have a claim that contains, however phrased, a financial activity element." 848 F.3d at 1381.

At this late juncture, Patent Owner already filed a Response (Paper 22²), and Petitioner filed a Reply (Paper 26), in both instant proceedings. Both parties submitted, in their briefs, arguments concerning

² All citations are to CBM2016-00063, unless otherwise noted.

CBM2016-00063 and CBM2016-00064
Patent 8,266,432 B2

the issue of CBM eligibility in view of *Unwired Planet*, but not *Secure Access*, as their briefs were filed prior to the issuance of the Federal Circuit decision in *Secure Access*. Paper 22, 28–29; Paper 26, 35.

We also noted that the parties’ arguments in their briefs are directed solely to the “financial product or service” prong of the CBM eligibility inquiry—namely, whether the ’432 patent is a patent that “claims a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service”—not the “technological invention” exception under § 18(d) of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284, 329 (2011) (“AIA”). Paper 22, 28–29; Paper 26, 35.

Upon inquiry, Patent Owner indicated that its request for additional briefing is limited to the “financial product or service” prong of the CBM eligibility inquiry in light of *Secure Access*, and that it was not seeking authorization to submit expert testimonial evidence or other evidence. Although Petitioner opposed Patent Owner’s request, Petitioner also requested additional briefing in the event that Patent Owner’s request is granted. Patent Owner does not oppose Petitioner’s request.

In view of the particular facts presented in the instant proceedings, we determine additional briefing from both parties is warranted.

It is hereby:

ORDERED that, within five business days from the entry of this Order, Patent Owner is authorized to file a paper in each above-identified CBM proceeding, no more than 5 pages in length; the paper is limited to

CBM2016-00063 and CBM2016-00064
Patent 8,266,432 B2

arguments concerning the “financial product or service” prong of the CBM eligibility inquiry in light of *Secure Access*; no other new argument and no expert testimonial evidence or other evidence are permitted;

FURTHER ORDERED that, within five business days from the filing of Patent Owner’s submission; Petitioner is authorized to file a paper in each above-identified CBM proceeding, no more than 5 pages in length, to respond to Patent Owner’s submission; no other new argument and no expert testimonial evidence or other evidence are permitted; and

FURTHER ORDERED that no reply is authorized at this time.

CBM2016-00063 and CBM2016-00064
Patent 8,266,432 B2

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