

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EBAY INC. AND
PAYPAL, INC.,
Petitioners,

v.

XPRT VENTURES, LLC
Patent Owner.

CBM2017-Unassigned
U.S. Patent No. 7,610,244
Issued: October 27, 2009

Named Inventors: George Likourezos and Michael A. Scaturro
Title: SYSTEM AND METHOD FOR EFFECTING PAYMENT FOR AN ITEM
OFFERED FOR AN ELECTRONIC AUCTION

**DECLARATION OF CLIFFORD NEUMAN IN SUPPORT OF PETITION
FOR COVERED BUSINESS METHOD REVIEW OF
U.S. PATENT NO. 7,610,244
UNDER 35 U.S.C. § 321 AND 37 C.F.R. § 42.304**

Mail Stop "PATENT BOARD"
Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

TABLE OF CONTENTS

	Page
I. BACKGROUND AND QUALIFICATIONS	2
A. Status as an Independent Expert Witness.....	3
II. MATERIALS CONSIDERED	4
III. The Person of Ordinary Skill in the Relevant Field in the Relevant Timeframe.....	4
IV. THE '244 PATENT	5
V. PRIORITY DATE	8
VI. CLAIM INTERPRETATION	8
VII. THE '244 PATENT IMPLEMENTS WELL-KNOWN BUSINESS PRACTICES USING GENERIC COMPUTER AND NETWORKING COMPONENTS	8
VIII. JURAT	49

DECLARATION OF CLIFFORD NEUMAN

I, Clifford Neuman, make this declaration in connection with the petition for post-grant review submitted by Petitioner for U.S. Patent No. 7,610,244 (“the ’244 patent”). All statements herein made of my own knowledge are true, and all statements herein made based on information and belief are believed to be true. I am over age 21 and otherwise competent to make this declaration. Although I am being compensated for my time in preparing this declaration, the positions articulated herein are my own, and I have no stake in the outcome of this proceeding or any related litigation or administrative proceedings.

I. BACKGROUND AND QUALIFICATIONS

1. Appendix A to this declaration is my *curriculum vitae*. As shown in my *curriculum vitae*, I have devoted my career to the field of distributed computer systems development and research, with a significant portion of my experience in the area of electronic commerce and internet payments. I earned my Bachelor of Science degree in Computer Science and Engineering from the Massachusetts Institute of Technology in 1985. I received a Master of Science degree in Computer Science from the University of Washington in 1988, and my Ph.D. in Computer Science from the University of Washington in 1992.

2. I worked extensively in the field of electronic commerce and online payment transactions in the mid-1990s. As shown in my *curriculum vitae*, I was

one of the principal creators of NetCash, an online currency and transaction framework for realtime electronic payments over the internet. I developed the NetCash framework in conjunction with Gennady Medvinsky, who at the time was one of my Ph.D. students at the University of Southern California. We first published our research relating to NetCash in November 1993. In 2000 and 2001 I was on the advisory board for NetResearch Inc, d/b/a BayBuilder, which was a company developing online auction platforms.

A. Status as an Independent Expert Witness

3. I have been retained in this matter by Weil, Gotshal & Manges L.L.P. (“Weil”) to provide observations regarding the ’244 patent. I am being compensated at the rate of \$600 per hour for my work. My fee is not contingent on the outcome of this matter or on any of the positions I have taken or may take in this matter.

4. I have been advised that Weil represents the Petitioner in this matter. I have no direct financial interest in the Petitioner.

5. I have been advised that XPRT Ventures, LLC (hereinafter referred to as “XPRT”) owns the ’244 patent. I have no financial interest in XPRT or the ’244 patent. I do not believe that I have ever had any contact with XPRT or with George Likourezos and Michael A. Scaturro, the inventors of the ’244 patent.

II. MATERIALS CONSIDERED

6. I have reviewed the '244 patent and its prosecution history. I have also reviewed each of the exhibits attached to the petition for post-grant review submitted by Petitioner.

III. THE PERSON OF ORDINARY SKILL IN THE RELEVANT FIELD IN THE RELEVANT TIMEFRAME

7. The patent states that the “invention relates to a computerized electronic auction payment system and a method for effecting a real-time payment using the computerized electronic auction payment system for an item won on an electronic auction, where users access the computerized electronic auction payment system by remote terminals via an electronic network, such as the Internet.” Ex.1001, 1:20-26. Making and using the alleged inventions of the patent without undue experimentation requires familiarity with electronic commerce systems, including electronic auction systems, electronic payment systems, the World Wide Web and networked system integration. It is my opinion that one of ordinary skill in the art disclosed in the '244 patent would have a bachelor's degree in computer science, or equivalent work experience, and three years' experience in implementing networked electronic commerce systems, including familiarity with electronic auction systems, electronic payment systems, networked system integration, the World Wide Web, and the use of graphical user interfaces.

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.