

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE, INC.,  
VISA INC., and VISA U.S.A. INC.,  
Petitioner,

v.

UNIVERSAL SECURE REGISTRY LLC,  
Patent Owner.

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CBM2018-00024<sup>1</sup>  
Patent 8,577,813 B2

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Before PATRICK R. SCANLON, GEORGIANNA W. BRADEN, and  
JASON W. MELVIN, *Administrative Patent Judges*.

BRADEN, *Administrative Patent Judge*.

TERMINATION

Vacating Institution and Dismissing Proceeding  
35 U.S.C. § 324; 37 C.F.R. §§ 42.72, 42.301(a)

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<sup>1</sup> Visa Inc. and Visa U.S.A. Inc., which filed a petition in CBM2019-00025, have been joined as petitioners in this proceeding.

We terminate this covered business method patent review proceeding under § 18(a)(1)(E) of the Leahy-Smith America Invents Act (“AIA”), pursuant to 35 U.S.C. § 6(c) and 37 C.F.R. §§ 42.72, 42.301(a). For the reasons that follow, we determine Petitioner has failed to show that U.S. Patent No. 8,577,813 B2 (Ex. 1201, “the ’813 patent”) qualifies for covered business method patent review, such that we have no power to determine the unpatentability of the challenged claims. Thus, we vacate our Decision to Institute this proceeding and terminate the covered business method (“CBM”) patent review under 37 C.F.R. § 42.72.

## I. INTRODUCTION

### A. *Procedural History*

Apple Inc. filed a Petition requesting CBM patent review of claims 1, 2, 4–11, 13–20, and 22–26 of the ’813 patent. Paper 3 (“Pet.”), 1, 18. Patent Owner timely filed a Preliminary Response. Paper 9 (“Prelim. Resp.”). Pursuant to 35 U.S.C. § 324(a), a CBM patent review originally was instituted for (1) claims 1, 2, 4, 5, 11, 13, 16–20, and 24 under 35 U.S.C. § 103(a) as unpatentable over Maes<sup>2</sup> and Jakobsson<sup>3</sup>; (2) claims 6–10 under 35 U.S.C. § 103(a) as unpatentable over Maes, Jakobsson, and Maritzen<sup>4</sup>; and (3) claims 14,

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<sup>2</sup> U.S. Patent No. 6,016,476, issued Jan. 18, 2000 (“Maes,” Ex. 1213).

<sup>3</sup> WO Patent Publication No. WO 2004/051585 A2, published June 17, 2004 (“Jakobsson,” Ex. 1214).

<sup>4</sup> U.S. Patent Publication No. US 2004/0236632 A1, published Nov. 25, 2004 (“Maritzen,” Ex. 1215).

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15, 22, 23, 25, and 26 under 35 U.S.C. § 103(a) as unpatentable over Maes, Jakobsson, and Labrou.<sup>5</sup> See Paper 10 (“Dec. to Inst.”), 44.

After institution of trial, Patent Owner filed a Patent Owner Response (Paper 26, “PO Resp.”), to which Petitioner filed a Reply (Paper 31, “Pet. Reply”) and Patent Owner filed a Sur-Reply (Paper 38). Patent Owner also filed Objections to Evidence (Paper 32) and a Motion to Strike (Paper 35). Petitioner opposed Patent Owner’s Motion to Strike (Paper 37), to which Patent Owner replied (Paper 39).

An oral argument was held on August 27, 2019, together with co-pending IPR2018-00812 and CBM2018-00025. A transcript of the oral argument is included in the record. Paper 46 (“Tr.”).

Upon consideration of the entirety of record, as explained in detail below, and in view of recent guidance from the U.S. Court of Appeals for the Federal Circuit, we determine the ’813 patent is directed to a technological invention and does not qualify as a CBM patent for purposes of the AIA. Accordingly, we terminate this CBM patent review. See 37 C.F.R. § 42.72 (2017).

#### *B. Real Parties in Interest*

Petitioner certified that Apple Inc. is the real party in interest.  
Pet. 2.

#### *C. Related Matters and Infringement Suit*

As required by 37 C.F.R. § 42.8(b)(2), each party identifies several judicial or administrative matters that would affect or be

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<sup>5</sup> U.S. Patent Publication No. US 2004/0107170 A1, published June 3, 2004 (“Labrou,” Ex. 1216).

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affected by a decision in this proceeding, including concurrently filed CBM2018-00025 and CBM2018-00026. Pet. 2–4; Paper 4, 2 (Patent Owner’s Mandatory Notices). Petitioner specifically identifies being sued in co-pending district court proceeding *Universal Secure Registry, LLC v. Apple Inc. et al.*, No. 17-585-VAC-MPT (D. Del.). Pet. 9 (citing Ex. 1203). Petitioner, however, does not identify IPR2018-00067, which instituted a trial proceeding with a different petitioner on many of the same claims of the ’813 patent under 35 U.S.C. § 103(a). Prelim. Resp. 12–13; see *Unified Patents Inc. v. Universal Secure Registry LLC*, IPR2018-00067, Paper 14 at 4 (PTAB May 2, 2018).

#### *D. The ’813 Patent*

The ’813 patent is titled “Universal Secure Registry” and is directed to authenticating a user using biometric and secret information provided to a user device, encrypted, and sent to a secure registry for validation. Ex. 1201, code (54), Abstract. The ’813 patent issued November 5, 2013, from an application filed September 20, 2011. *Id.* at codes (45), (22). The ’813 patent includes a number of priority claims, including dates as early as February 21, 2006. *Id.* at codes (63), (60), 1:6–32.

##### *1. Written Description*

The specification describes one aspect of the invention as an “information system that may be used as a universal identification system and/or used to selectively provide information about a person to authorized users.” *Id.* at 3:65–4:1. One method described for controlling access involves “acts of receiving authentication

information from an entity at a secure computer network, communicating the authentication information to the secure registry system, and validating the authentication information at the secure registry system.” *Id.* at 4:43–48. The “universal secure registry” (“USR”) is described as a computer system with a database containing entries related to multiple people, with a variety of possible information about each person, including validation, access, and financial information. *Id.* at 9:35–12:18.

Validation information in the ’813 patent “is information about the user of the database to whom the data pertains and is to be used by the USR software 18 to validate that the person attempting to access the information is the person to whom the data pertains or is otherwise authorized to receive it.” *Id.* at 12:19–23. Such information must “reliably authenticate the identity of the individual” and may include “a secret known by the user (e.g., a pin, a phrase, a password, etc.), a token possessed by the user that is difficult to counterfeit (e.g., a secure discrete microchip), and/or a measurement such as a biometric (e.g., a voiceprint, a fingerprint, DNA, a retinal image, a photograph, etc.)” *Id.* at 12:23–31. The ’813 patent describes using such information in combination with other information “to generate a one-time nonpredictable code which is transmitted to the computer system” and used “to determine if the user is authorized access to the USR database.” *Id.* at 12:50–60; *see id.* at 45:55–46:36. According to the ’813 patent, certain systems may relay communication between a user device and the secure registry through a point-of-sale (“POS”) device. *Id.* at 43:4–44:31.

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