

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

RESMAN, LLC,
Petitioner,

v.

KARYA PROPERTY MANAGEMENT, LLC,
Patent Owner.

CBM2020-00020
Patent 7,636,687 B2

Before MEREDITH C. PETRAVICK, SUSAN L. C. MITCHELL, and
FRANCES L. IPPOLITO, *Administrative Patent Judges*.

MITCHELL, *Administrative Patent Judge*.

DECISION
Granting Institution of Covered Business Method Patent Review
35 U.S.C. § 324

I. INTRODUCTION

Petitioner Resman, LLC filed a Petition (Paper 1, “Pet.”) requesting covered business method (“CBM”) patent review of claims 1–21¹ of U.S. Patent No. 7,636,687 B2 (Ex. 1001, “the ’687 patent”). Patent Owner Karya Property Management, LLC filed a Preliminary Response (Paper 8, “Prelim. Resp.”).

Under 35 U.S.C. § 324(a),² a covered business method patent review may not be instituted “unless . . . the information presented in the petition . . ., if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.”

After taking into account Patent Owner’s Preliminary Response and evidence of record, we determine that the challenged patent qualifies as a covered business method patent. We further determine that the information presented in the Petition sufficiently demonstrates on the present record that it is more likely than not that at least one of the challenged claims is unpatentable. Accordingly, we institute a covered business method patent review of the challenged claims.

A. *Related Matters*

According to the parties, Patent Owner asserted the ’687 patent in *Karya Property Management, LLC v. ResMan, LLC*, Case No. 2:20-cv-00134-JRG (E.D. Tex.) (“the 134 case”). Pet. 1; Paper 4, 2. The 134 case, however, has since been dismissed without prejudice. *See* Ex. 3001. In the 134 case, the district court stated: “Resman made allegations that Karya

¹ Patent Owner has disclaimed claims 2 and 19. *See* Ex. 2011.

² *See* 37 C.F.R. § 42.300(a).

lacked standing to sue because it had executed a defective assignment to the asserted patent.” *Id.* at 1. The district court also stated that in light of Petitioner’s allegations of defective assignment to the ’687 patent, “Karya executed a Confirmatory Assignment . . . [and] also filed another suit against Resman on August 3, 2020 in Case No. 2:20-cv-248[-JRG (E.D. Tex.)].” *Id.* Neither party has updated their respective mandatory notices to reflect the fact that the 134 case has been dismissed. *See* 37 C.F.R. §§ 42.8(a)(3), 42.8(b)(2). The second case is currently pending with a trial date set for December 6, 2021. *See* Ex. 3002.³

B. The ’687 Patent

The ’687 patent generally relates to completing a lease for property in an on-line computing environment “using a distributed computer network to support communication, negotiation, and transaction tasks conducted by brokers, property owners, tenants, and their advisors.” Ex. 1001, Abst., 1:15–21. In other words, this on-line computing environment “addresses the primary tasks completed in a typical lease transaction, including the identification of a property matching a potential tenant’s requirements, site visit and space calculations, lease term negotiations, and lease execution.” *Id.* at 1:53–58.

³ Patent Owner asks us to exercise our discretion under 35 U.S.C. § 324(a) to deny institution based on the advanced state of the 134 case before it was terminated. *See* Prelim. Resp. 3–11. As the 134 case is now terminated, we decline to exercise such discretion and will not sua sponte consider whether we should exercise such discretion based on the second district court case that is at a much different posture with a much later trial date than the 134 case. *Compare* Ex. 2002, *with* Ex. 3002.

Figure 1 shown below is a block diagram of the primary components of an on-line operating environment for leasing transactions. *Id.* at 2:45–48, 4:37–40.

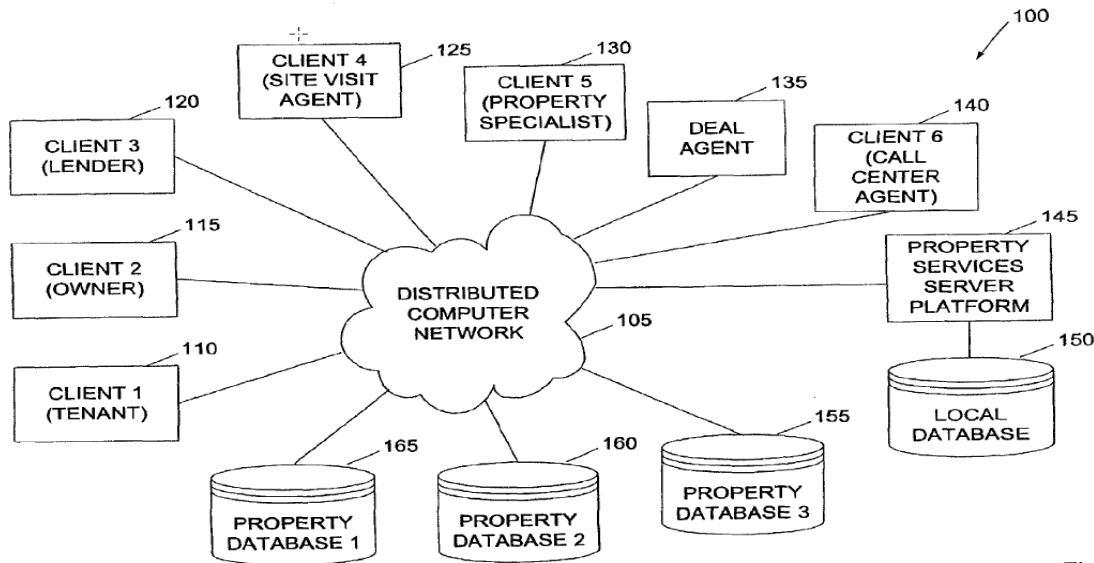


Fig. 1

Figure 1 is described as follows.

An on-line property management environment 100 comprises a distributed computer network 105, such as the global Internet, coupled to numerous clients 110–140, a property services server platform 145 connected to a local database 150, and numerous property information databases 155–165. For the client-server computing environment shown in FIG. 1, the client computers 110 and 115 represent typical users of property services hosted by the property services server platform 145. The client computers 120–140 represent service providers for servicing the activities of users in the property management field. For example, typical consumers of the property services accessible at the property services server platform 145 via the distributor computer network 105 include property tenants and property owners, as shown in the client computers 110 and 115. Representative service providers in the property management field include lenders, site visit agents, engineering, appraisal and environmental specialists, deal

agents, and call center agents, as shown in connection with client computers 120–140.

Id. at 4:40–58.

Property services server platform 145 is further described as providing a central forum for a user to retrieve real estate-related information from a variety of on-line sources such as from local database 150 or property databases 1–3 (165, 160, 155, respectively). *Id.* at 7:10–13. Figure 2 shown below depicts the main components of property services server platform 145. *Id.* at 2:49–52.

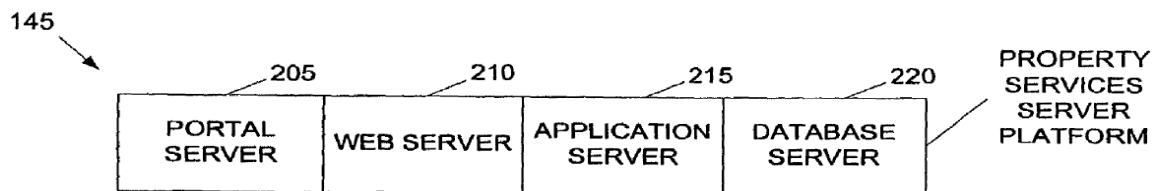


Fig. 2

Property services server platform 145 as shown in Figure 2 above is described as operating “as a Portal by providing a central Web site for a consumer’s real estate-related operations.” *Id.* at 7:64–66. For these Portal operations:

The property services server platform 145 aggregates a variety of real estate-related tools and services at a single Web site accessible by consumers, service providers and agents via client computers. For example, the property services server platform 145 can offer consumers the opportunity to use a single Web site to conveniently complete due diligence activities for a real estate transaction, to analyze market aspects of transaction, to finance the transaction and to access service providers in support of the transaction. A consumer operating a browser at a client site, such as the client 110 or 115, can create a “personalizable” workspace for her real estate-related

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