Trial@uspto.gov
571-272-7822

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

LIBERTY MUTUAL INSURANCE COMPANY
Petitioner,

v.

PROGRESSIVE CASUALTY INSURANCE COMPANY
Patent Owner,

Case CBM-2012-00003 (JL)
Patent 8,140,358

Before JAMES DONALD SMITH, *Chief Administrative Patent Judge*, JAMES T. MOORE, *Vice Chief Administrative Patent Judge*, MICHAEL P. TIERNEY, *Lead Administrative Patent Judge*,[1] and JAMESON LEE, SALLY G. LANE, SALLY C. MEDLEY, JONI Y. CHANG, MICHAEL R. ZECHER, and BRIAN J. McNAMARA, *Administrative Patent Judges*.

LEE, *Administrative Patent Judge*.

ORDER
(REDUNDANT GROUNDS)

Introduction

This petition for covered business method patent review of Patent 8,140,358 ('358 patent) was filed on September 16, 2012. Against all 20 claims of the '358

[1] Judge Tierney serves as Lead Judge of the Board's Trial Section.

patent, Petitioner asserts four hundred and twenty two (**422**) grounds of unpatentability over prior art on a unit claim basis thus averaging more than 21 grounds per claim. They include the four hundred and twenty grounds in Petitioner's chart on pages 17-22 of the petition, an alleged anticipation of claim 19 on page 70 of the petition, and an alleged anticipation of claim 20 on page 76 of the petition. We note that numerous redundant grounds would place a significant burden on the Patent Owner and the Board, and would cause unnecessary delays.

Part 42 of Title 37, Code of Federal Regulations, governs proceedings before the Board and 37 C.F.R. § 42.1(b) provides that "[t]his part shall be construed to secure the just, speedy, and inexpensive resolution of every proceeding." When promulgating the regulations, the Board considered "the effect of the regulations on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings" as mandated by 35 U.S.C. § 326(b). Conducting a proceeding contrary to those statutory considerations would frustrate Congressional intent.

We take this opportunity to note that multiple grounds, which are presented in a redundant manner by a petitioner who makes no meaningful distinction between them, are contrary to the regulatory and statutory mandates, and therefore are not all entitled to consideration. In the present situation, the multiplicity of grounds requires so much of the petition that the Petitioner has failed to expressly identify the differences between any claim and the prior art in the Petitioner's assertions of obviousness.

A petitioner has the burden of proof to establish that it is entitled to the requested relief. 37 C.F.R. § 42.20(c). Differences between the claimed invention

and the prior art are a critically important underlying factual inquiry for any obviousness analysis. *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 17 (1966). A petitioner who does not state the differences between a challenged claim and the prior art, and relies instead on the Patent Owner and the Board to determine those differences based on the rest of the submission in the petition risks having the corresponding ground of obviousness not included for trial for failing to adequately state a claim for relief.

Here, we discuss only redundancy. Two types of redundancy are common in the instant petition. The first involves a plurality of prior art references applied not in combination to complement each other but as distinct and separate alternatives. All of the myriad references relied on provide essentially the same teaching to meet the same claim limitation, and the associated arguments do not explain why one reference more closely satisfies the claim limitation at issue in some respects than another reference, **and** vice versa. Because the references are not identical, each reference has to be better in some respect or else the references are collectively horizontally redundant.

The second type of redundancy involves a plurality of prior art applied both in partial combination and in full combination. In the former case, fewer references than the entire combination are sufficient to render a claim obvious, and in the latter case the entire combination is relied on to render the same claim obvious. There must be an explanation of why the reliance in part may be the stronger assertion as applied in certain instances **and** why the reliance in whole may also be the stronger assertion in other instances. Without a bi-directional explanation, the assertions are vertically redundant.

Horizontal Redundancy

A. Scapinakis, Eisenmann, or Stanifer

Claim 1 is the only independent claim. Petitioner first asserts obviousness of claim 1 over Kosaka, over Herrod, over Kosaka and Bouchard, and also over Herrod and Bouchard. Then, for each of those four grounds of obviousness, Petitioner adds either Scapinakis, Eisenmann, or Stanifer. The three references Scapinakis, Eisenmann, and Stanifer are each applied to account for the same feature of claim 1 that pertains to a wireless transmitter, and Petitioner's description of how each of the three is pertinent to that feature is substantively essentially the same.

With regard to **Scapinakis** (Ex. 1016), Petitioner states (Pet. 37:29 to 38:9):

> Scapinakis – which is directed to vehicle telematics and was not previously cited to the PTO – discusses wirelessly transmitting recorded vehicle data (*e.g.*, road speed) from "on-board recorder[s]" to a distributed network (*e.g.*, radio, cellular, or satellite network) and a server (*e.g.*, remote central computer) in real-time. Ex. 1016 at 26-27.
>
> A POSITA would have been motivated to combine the teachings of each of (1) Kosaka, (2) Herrod, (3) Kosaka in view of Bouchard, or (4) Herrod in view of Bouchard, with Scapinakis, given their similar purpose of using vehicle telematics to evaluate driving characteristics. For example a POSITA would have recognized that Kosaka's or Herrod's teachings of evaluating driving characteristics using monitored vehicle operation data would be enhanced by incorporating the similar but more sophisticated wireless telematics system discussed in Scapinakis in order to provide different types of data more efficiently to better determine driver performance.

With regard to **Eisenmann** (Ex. 1006), Petitioner states (Pet. 39:23 to 40:8):

> Eisenmann – which is directed to vehicle telematics and was not previously cited to the PTO in connection with the '358 Patent – discusses the use of a wireless transmitter (*e.g.*, cellular mobile transceiver) configured to transfer vehicle data retained within the memory (*e.g.*, smart card) to a distributed network (*e.g.*, cellular telephone network, public switched telephone network) and a server (*e.g.*, insurance company computer and database) in real-time. Ex. 1006 at 2:36-49; 7:33-44; 22:29-26; 23:1-12; 23:13-27; Fig. 12.
>
> A POSITA would have been motivated to combine the teachings of each of (1) Kosaka, (2) Herrod, (3) Kosaka in view of Bouchard, or (4) Herrod in view of Bouchard, with Eisenmann, given their similar purpose of using vehicle telematics to evaluate driving characteristics, such as for insurance purposes. For example a POSITA would have recognized that Kosaka's or Herrod's teachings of evaluating driving characteristics from monitored data would be enhanced by incorporating Eisenmann's more sophisticated wireless telematics system to convey different types of data more efficiently to better determine driver performance.

With regard to **Stanifer** (Ex. 1007), Petitioner states (Pet. 42:7 to 43:5):

> Stanifer – which is directed to vehicle telematics and was not previously cited to the PTO – discusses a wireless transmitter (*e.g.*, "terminal node controller" and "radio transceiver") configured to transfer selected vehicle data (*e.g.*, geographic location) retained within memory (*e.g.*, "computer memory") to a distributed network (*e.g.*, "packet radio link") and a server (*e.g.*, base station). Ex. 1007 at 2:35-50; 4:4-17; 11:41-44; 12:18-22.
>
> A POSITA would have been motivated to combine the teachings of (1) Kosaka, (2) Herrod, (3) Kosaka in view of Bouchard, or (4) Herrod in view of Bouchard, with [Stanifer], given their similar purpose of using vehicle telematics to evaluate driving characteristics,

DOCKET ALARM

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.