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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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**LIBERTY MUTUAL INSURANCE COMPANY**  
Petitioner,

v.

**PROGRESSIVE CASUALTY INSURANCE COMPANY**  
Patent Owner,

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

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Before JAMES DONALD SMITH, *Chief Administrative Patent Judge*, JAMES T. MOORE, *Vice Chief Administrative Patent Judge*, MICHAEL P. TIERNEY, *Lead Administrative Patent Judge*,<sup>1</sup> 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

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2  
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4  
5 This petition for covered business method patent review of Patent 8,140,358  
6 ('358 patent) was filed on September 16, 2012. Against all 20 claims of the '358

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<sup>1</sup> Judge Tierney serves as Lead Judge of the Board's Trial Section.

1 patent, Petitioner asserts four hundred and twenty two (**422**) grounds of  
2 unpatentability over prior art on a unit claim basis thus averaging more than 21  
3 grounds per claim. They include the four hundred and twenty grounds in  
4 Petitioner’s chart on pages 17-22 of the petition, an alleged anticipation of claim  
5 19 on page 70 of the petition, and an alleged anticipation of claim 20 on page 76 of  
6 the petition. We note that numerous redundant grounds would place a significant  
7 burden on the Patent Owner and the Board, and would cause unnecessary delays.

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

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

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

1 and the prior art are a critically important underlying factual inquiry for any  
2 obviousness analysis. *Graham v. John Deere Co. of Kansas City*,  
3 383 U.S. 1, 17 (1966). A petitioner who does not state the differences between a  
4 challenged claim and the prior art, and relies instead on the Patent Owner and the  
5 Board to determine those differences based on the rest of the submission in the  
6 petition risks having the corresponding ground of obviousness not included for trial  
7 for failing to adequately state a claim for relief.

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

17         The second type of redundancy involves a plurality of prior art applied both  
18 in partial combination and in full combination. In the former case, fewer  
19 references than the entire combination are sufficient to render a claim obvious, and  
20 in the latter case the entire combination is relied on to render the same claim  
21 obvious. There must be an explanation of why the reliance in part may be the  
22 stronger assertion as applied in certain instances **and** why the reliance in whole  
23 may also be the stronger assertion in other instances. Without a bi-directional  
24 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.

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

2 Eisenmann – which is directed to vehicle telematics and was not  
3 previously cited to the PTO in connection with the ‘358 Patent –  
4 discusses the use of a wireless transmitter (*e.g.*, cellular mobile  
5 transceiver) configured to transfer vehicle data retained within the  
6 memory (*e.g.*, smart card) to a distributed network (*e.g.*, cellular  
7 telephone network, public switched telephone network) and a server  
8 (*e.g.*, insurance company computer and database) in real-time. Ex.  
9 1006 at 2:36-49; 7:33-44; 22:29-26; 23:1-12; 23:13-27; Fig. 12.

10  
11 A POSITA would have been motivated to combine the  
12 teachings of each of (1) Kosaka, (2) Herrod, (3) Kosaka in view of  
13 Bouchard, or (4) Herrod in view of Bouchard, with Eisenmann, given  
14 their similar purpose of using vehicle telematics to evaluate driving  
15 characteristics, such as for insurance purposes. For example a  
16 POSITA would have recognized that Kosaka’s or Herrod’s teachings  
17 of evaluating driving characteristics from monitored data would be  
18 enhanced by incorporating Eisenmann’s more sophisticated wireless  
19 telematics system to convey different types of data more efficiently to  
20 better determine driver performance.

21  
22 With regard to **Stanifer** (Ex. 1007), Petitioner states (Pet. 42:7 to 43:5):

23 Stanifer – which is directed to vehicle telematics and was not  
24 previously cited to the PTO – discusses a wireless transmitter (*e.g.*,  
25 “terminal node controller” and “radio transceiver”) configured to  
26 transfer selected vehicle data (*e.g.*, geographic location) retained  
27 within memory (*e.g.*, “computer memory”) to a distributed network  
28 (*e.g.*, “packet radio link”) and a server (*e.g.*, base station). Ex. 1007 at  
29 2:35-50; 4:4-17; 11:41-44; 12:18-22.

30  
31 A POSITA would have been motivated to combine the  
32 teachings of (1) Kosaka, (2) Herrod, (3) Kosaka in view of Bouchard,  
33 or (4) Herrod in view of Bouchard, with [Stanifer], given their similar  
34 purpose of using vehicle telematics to evaluate driving characteristics,

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