

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

TWILIO INC.,  
Petitioner,

v.

TELESIGN CORPORATION,  
Patent Owner.

---

Case IPR2016-00450  
Patent 8,462,920 B2

---

Before SALLY C. MEDLEY, JUSTIN T. ARBES, and  
KIMBERLY McGRAW, *Administrative Patent Judges*.

McGRAW, *Administrative Patent Judge*.

DECISION  
Petitioner's Request for Rehearing  
*37 C.F.R. § 42.71*

## I. SUMMARY

Petitioner filed a Request for Rehearing (Paper 19, “Req. Reh’g”) of the Board’s decision (Paper 17, “Dec. on Inst.”), which declined to institute *inter partes* review of claims 1–10, 13, and 17–22 of U.S. Patent No. 8,462,920 B2 (Ex. 1001, “the ’920 patent”). In its Request, Petitioner seeks reconsideration of the denial of institution of (1) independent claim 1 and dependent claims 2, 4, and 5 in light of Petitioner’s arguments regarding the unpatentability of dependent claim 4 (Req. Reh’g 6–9), and (2) all challenged claims in light of Petitioner’s argument that Bennett (Ex. 1005) allegedly teaches notifying the user of the occurrence of a notification event during the reverification process (Req. Reh’g 10–12). Pursuant to our authorization (Paper 20), Patent Owner filed an Opposition (Paper 25) opposing Petitioner’s Request for Rehearing and Petitioner filed a Reply (Paper 28).

For the reasons stated below, Petitioner’s Request for Rehearing is *denied*.

## II. STANDARD FOR RECONSIDERATION

When rehearing a decision on petition, the Board will review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may be determined if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors. *Star Fruits S.N.C. v. United States*, 393 F.3d 1277, 1281 (Fed. Cir. 2005). The party requesting rehearing has the burden of showing that the decision should be modified and “[t]he request must specifically identify all matters the party believes the Board misapprehended or

overlooked.” 37 C.F.R. § 42.71(d).

### III. DISCUSSION

The '920 patent states the invention generally relates to on-line website registration and a process for notifying registrants of predetermined events using information obtained during the registration process. Ex. 1001, 1:6–13. Claim 1 of the '920 patent recites three limitations regarding a “notification event,” namely: (1) “establishing a notification event associated with the registrant;” (2) “identifying an occurrence of the established notification event;” and (3) “after identifying the occurrence of the established notification event, re-verifying the registrant electronic contact wherein re-verifying includes” certain steps.

In the Petition, Petitioner argued that the broadest reasonable interpretation of “notification event” is “an event that results in the registrant being contacted either for re-verification or for notification that event occurred.” Paper 1, 9 (“Pet.”). Petitioner repeatedly argued that a notification event does not require notifying the registrant that the notification event occurred and that it is sufficient if the registrant is reverified. *See id.* at 9, 10 (stating “a ‘notification event’ does *not necessarily result in notifying the registrant of the occurrence*” and that a notification event “may result in either re-verification or notification) (italics added, underlining in original), 22 (stating a notification event is an event that results in the registrant being contacted either for re-verification or for notification that event occurred), 30 (stating “[a]s explained above, . . . notification events are identified for the purpose of re-verifying the user”).

Petitioner asserted Bennett discloses the “notification event” limitations of claim 1 because Bennett discloses events, including decision

rules, that can result in the re-verification of the user. *See, e.g., id.* at 22 (“Bennett teaches that all attempts to access an account by the registrant are subjected to re-verification”), 24 (“Bennett expressly teaches establishing rules to determine whether to require subsequent two-factor authentication based on the user logging in from a different device than she had used in the past”), 25 (stating “any rule in Bennett’s decision engine corresponds to the claimed notification event” because the engine decides “whether a return user must be re-verified through two-factor authentication”). Petitioner also argued that if Bennett does not expressly disclose configuring the rules in Bennett’s decision making module to correspond to the claimed notification event associated with a registrant, it would have been obvious to modify Bennett to do so “because the purpose of Bennett’s decision engine is to determine whether to require a subsequent two-factor authentication for a particular user during a particular transaction.” *Id.* at 26.

Patent Owner argued, *inter alia*, the Petitioner’s construction reads “notification” out of “notification event” and that a notification event is “an event that results in the registrant being notified that the event occurred.” Paper 7, 5, 11, 15.

We agreed with Patent Owner’s proposed claim construction and construed a “notification event” as an event that results in the registrant being notified that the event occurred. Dec. on Inst. 7–11. We determined that Petitioner failed to show sufficiently that Bennett teaches a “notification event” as required by claim 1. *Id.* at 12–14. We noted that Petitioner did not argue that Bennett teaches notifying the user that the notification event occurred, but rather, in accordance with its proposed interpretation of “notification event” as allowing for re-verification or notification that the

event occurred, that the notification event in Bennett is an event that results in the subsequent two-factor authentication (reverification) of the user. *Id.* at 12–13. Consequently, we determined the information presented in the Petition did not demonstrate a reasonable likelihood that Petitioner would prevail in its challenge to claim 1 or the claims that depend therefrom. *Id.* at 14.

Petitioner argues in its Request for Rehearing that our Decision “overlooked two arguments in the Petition that show the Board’s only rationale for denying institution was based on an incorrect finding of fact.” Req. Reh’g 5. First, Petitioner asserts that the Board overlooked Petitioner’s arguments, made only in connection with claim 4, that (1) Bennett and (2) Bennett in view of Rolfe (Ex. 1006) render obvious notifying the registrant of the occurrence of the notification event. *Id.* at 6–9. Next, Petitioner asserts the Board overlooked arguments that Bennett discloses notifying the registrant of the occurrence of the notification event as part of the re-verification process. *Id.* at 10–12.

We address these arguments in turn.

1. *Request for Rehearing of Denial of Institution of Inter Partes Review of Claims 1, 2, 4, and 5 in Light of Arguments Regarding Unpatentability of Claim 4*

Petitioner asserts the Board overlooked arguments and evidence (1) that Bennett in view of Rolfe render obvious notifying the user of the occurrence of the notification event and (2) that it would have been obvious to modify Bennett to notify the registrant of the occurrence of the established notification event. Req. Reh’g 6–9 (citing Pet. 44–46).

Petitioner requests the Board rehear its denial of institution of *inter partes*

# 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.