

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TWILIO INC.,
Petitioner,

v.

TELESIGN CORPORATION,
Patent Owner.

Case IPR2016-01688
Patent 9,300,792 B2

Before SALLY C. MEDLEY, MICHAEL W. KIM, and JUSTIN T. ARBES,
Administrative Patent Judges.

ARBES, *Administrative Patent Judge.*

FINAL WRITTEN DECISION
35 U.S.C. § 318(a)

I. BACKGROUND

Petitioner Twilio Inc. filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1–6, 8, 10–15, and 17 of U.S. Patent No. 9,300,792 B2 (Ex. 1001, “the ’792 patent”) pursuant to 35 U.S.C. § 311(a). Patent Owner TeleSign Corporation filed, with its Preliminary Response, evidence that it filed with the Office a statutory disclaimer of claims 3, 5, 7, 12, 14, and 16 of the ’792 patent pursuant to 37 C.F.R. § 1.321(a). *See* Paper 8, 3; Ex. 2003, 380.

On March 8, 2017, we instituted an *inter partes* review of the remaining challenged claims 1, 2, 4, 6, 8, 10, 11, 13, 15, and 17 on a single ground of unpatentability. Paper 10 (“Dec. on Inst.”); *see* 37 C.F.R. § 42.107(e) (“No *inter partes* review will be instituted based on disclaimed claims.”). Patent Owner subsequently filed a Patent Owner Response (Paper 15, “PO Resp.”) and Petitioner filed a Reply (Paper 18, “Reply”). Patent Owner also filed a Motion to Exclude (Paper 20, “Mot.”) certain evidence submitted by Petitioner, to which Petitioner filed an Opposition (Paper 24) and Patent Owner filed a Reply (Paper 25, “PO Reply”). An oral hearing was held on October 25, 2017, and a transcript of the hearing is included in the record (Paper 31, “Tr.”).

We have jurisdiction under 35 U.S.C. § 6. This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a). For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1, 2, 4, 6, 8, 10, 11, 13, 15, and 17 are unpatentable.

A. *The '792 Patent*¹

The '792 patent pertains to “on-line or web-site registration,” and describes processes for (1) “verifying an on-line registration by a telephone connection separate from the on-line connection between the web-site and potential registrant,” and (2) “notifying registrants of predetermined events using information obtained during the registration process.” Ex. 1001, col. 1, ll. 29–36. According to the '792 patent, there was a need in the art for a way to accurately verify an individual’s identity during registration because “potential registrants often register with untraceable or false e-mail addresses and phone numbers.” *Id.* at col. 1, ll. 37–60. Similarly, there was a need to prevent fraud by subsequently notifying the registered individual when certain events occur and potentially seeking the individual’s authorization. *Id.* at col. 1, l. 61–col. 2, l. 25.

The registration process begins with a user filling out “an on-line registration form accessed through a website” (i.e., a “first communication connection”). *Id.* at col. 4, ll. 15–17, 51–54. “For example, the registrant or consumer could be an individual attempting to access a web-site and set up an account with a financial institution.” *Id.* at col. 4, ll. 35–38. The user provides certain information requested in the form, such as his or her telephone number. *Id.* at col. 4, ll. 55–58. The website then sends a Short

¹ The '792 patent also was challenged in Case CBM2016-00099, in which the petition seeking covered business method patent review was denied because Petitioner had not established that the '792 patent is eligible for such review. The '792 patent also is related to U.S. Patent No. 8,462,920 B2, challenged in Case IPR2016-00450, and U.S. Patent No. 8,687,038 B2, challenged in Case IPR2016-00451, in which the petitions seeking *inter partes* review were denied.

Message Service (SMS) message to the user's telephone (i.e., a "second communication connection") containing a verification code. *Id.* at col. 4, ll. 61–63, col. 6, ll. 29–36. The user enters the verification code in the website form and, if there is a match and the information provided shows that the user is who he or she purports to be, the user is verified and may login. *Id.* at col. 2, ll. 57–64, col. 4, ll. 63–67.

"After registration, notification events are established" by the user or business utilizing the system or by a third party. *Id.* at col. 2, l. 65–col. 3, l. 1. A notification event may comprise, for example, "a news event, or a request to access or alter [the] registrant's account." *Id.* at col. 3, ll. 1–3. When a previously established notification event occurs, the user is notified via the telephone number provided during registration. *Id.* at col. 3, ll. 4–10. For example, the system may send an SMS message or voice message to the user's telephone containing a verification code. *Id.* at col. 9, ll. 25–37. The user then enters the verification code into a website form, allowing the user to verify his or her identity, "provide[] confirmation of receipt of the information and, where necessary, authorization for the event to occur, such as access to the account, etc." *Id.* at col. 9, ll. 37–43.

B. Illustrative Claim

Claim 1 of the '792 patent recites:

1. A verification and notification method implemented by a computing system, the method comprising:

receiving, from a user, information via a computing interface presented to the user as a result of an attempt by the user to access a service, the received information including a telephone number associated with the user;

verifying the telephone number by:

establishing a short message service (SMS) connection with the user using the received telephone number;

communicating a verification code to the user through the SMS connection;

receiving, via the computing interface, a submitted verification code that is entered by the user; and

verifying the telephone number if the submitted verification code is the same as the communicated verification code;

completing a registration of the user based on the received information and verified telephone number, wherein the completed registration enables the user to access the service;

maintaining a record of one or more notification events associated with actions that require acknowledgement by the user;

upon receiving an indication of an occurrence of an established notification event, transmitting a message addressed to the verified telephone number indicating the occurrence of the notification event; and

receiving, from the user, an acknowledgement of an action associated with the established notification event.

C. Prior Art

The pending ground of unpatentability in the instant *inter partes* review is based on the following prior art:

U.S. Patent No. 8,781,975 B2, filed May 23, 2005, issued July 15, 2014 (Ex. 1003, “Bennett”); and

U.S. Patent Application Publication No. 2006/0020816 A1, filed July 5, 2005, published Jan. 26, 2006 (Ex. 1004, “Campbell”).

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