UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PAYPAL, INC.

Petitioner

v.

MONEYCAT LTD.

Patent Owner

IPR2017-Unassigned
U.S. Patent No. 8,712,918
Issued: April 29, 2014
Named Inventor: Kfir Luzzatto

Title: ELECTRONIC CURRENCY, ELECTRONIC WALLET THEREFOR AND ELECTRONIC PAYMENT SYSTEMS EMPLOYING THEM

PETITION FOR *INTER PARTES* REVIEW OF U.S. PATENT NO. 8,712,918 UNDER 35 U.S.C §§ 311-319 AND 37 C.F.R. §§ 42.1-.80, 42.100-.123

***Mail Stop* "PATENT BOARD"**
Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

DOCKET ALARM
Find authenticated court documents without watermarks at docketalarm.com.

TABLE OF CONTENTS

Page

1. INTRODUCTION 1

2. REQUIREMENTS FOR PETITION FOR *INTER PARTES* REVIEW 3

2.1. Grounds for Standing (37 C.F.R. § 42.104(a)) 3

2.2. Notice of Lead and Backup Counsel and Service Information 3

2.3. Notice of Real-Parties-in-Interest (37 C.F.R. § 42.8(b)(1)) 4

2.4. Notice of Related Matters (37 C.F.R. § 42.8(b)(2)) 5

2.5. Fee for *Inter Partes* Review 5

2.6. Proof of Service 5

3. IDENTIFICATION OF CLAIMS BEING CHALLENGED AND RELIEF REQUESTED (§ 42.104(B)) 6

4. PROSECUTION HISTORY OF THE 918 PATENT 9

5. OVERVIEW OF THE 918 PATENT 10

6. CLAIM CONSTRUCTION 10

6.1. Applicable Law 10

6.2. Construction of Claim Terms 11

6.2.1. "Currency Issuing Authority trusted server" 11

7. PERSON OF ORDINARY SKILL IN THE ART ("POSA") 11

8. DESCRIPTION OF THE PRIOR ART 12

8.1. Canadian Patent No. 2,221,399 to Teramura 12

8.2. Peirce & O'Mahony, "Scalable, Secure Cash Payment for WWW Resources with the PayMe Protocol Set" 13

8.3. WIPO Pub. No. 97/19414 to Haynes 14

DOCKET ALARM

Find authenticated court documents without watermarks at docketalarm.com.

8.4. U.S. Pat. No. 5,715,402 to Popolo 14

9. GROUND #1: CLAIMS 1-3, 7-11, 15-17, AND 19-23 OF THE 918 PATENT ARE UNPATENTABLE AS OBVIOUS OVER TERAMURA IN VIEW OF PEIRCE 15

9.1. It Would Have Been Obvious To Adapt Teramura To Include Peirce's CIAS 15

9.2. Claim 1 is obvious over Teramura in view of Peirce.....20

9.2.1. Claim 1: [1.P] A method for effecting currency transactions between a first user and a second user over a network, the method comprising the following steps: 20

9.2.2. [1.1] A) a Currency Issuing Authority trusted server (CIAS) receives payment instructions from said first user to transfer a first monetary sum to said second user, 20

9.2.3. [1.2] wherein the CIAS is programmed to receive payment instructions from said first user only over a network connection between said first user and a Currency Issuing Authority (CIA);.....22

9.2.4. [1.3] B) the CIAS accesses electronic currency in a first active electronic currency area located in a first data storage area, said electronic currency having been provided by said CIA;.....23

9.2.5. [1.4] C) the CIAS manipulates the electronic currency located in said first active electronic currency area to withdraw a second monetary sum therefrom by (i) deleting electronic currency that equals the second monetary sum and/or (ii) generating a record containing information on the amount withdrawn that equals the second monetary sum and/or (iii) generating a record containing information on the amount of electronic currency remaining in said first active electronic currency area after withdrawing the second monetary sum; and.....28

DOCKET ALARM
Find authenticated court documents without watermarks at docketalarm.com.

9.2.6. [1.5] D) the CIAS creates new electronic currency corresponding to a third monetary sum. 30

9.3. Claim 2 is obvious over Teramura in view of Peirce.....33

9.3.1. Claim 2: [2] The method according to claim 1, further comprising the step of: E) the CIAS transmits the new electronic currency to a second data storage area associated with the second user. 33

9.4. Claim 3 is obvious over Teramura in view of Peirce.....34

9.4.1. Claim 3: [3] The method according to claim 1, wherein the new electronic currency is used to create a record of the third monetary sum to be paid to the second user. 34

9.5. Claim 7 is obvious over Teramura in view of Peirce.....35

9.5.1. Claim 7: [7] The method according to claim 1, wherein the CIA provides the first data storage area. 35

9.6. Claim 8 is obvious over Teramura in view of Peirce.....37

9.6.1. Claim 8: [8] The method according to claim 2, wherein the CIAS transmits the new electronic currency to the second data storage area, wherein the second data storage area is provided by the CIA. 37

9.7. Claim 9 is obvious over Teramura in view of Peirce.....39

9.7.1. Claim 9: [9.P] A system for effecting currency transactions between users over a network, comprising: 39

9.7.2. [9.1] A) a Currency Issuing Authority trusted server (CIAS);.....40

9.7.3. [9.2] B) a first active electronic currency area associated with a first user provided in a first storage medium, said first active electronic currency area having electronic currency and being accessible to the CIAS;40

DOCKET ALARM Find authenticated court documents without watermarks at docketalarm.com.

9.7.4. [9.3] C) a communication line programmed to receive from the first user, only over a network connection between said first user and the CIA, payment instructions to issue a first monetary sum to a second user; 43

9.7.5. [9.4] D) data transfer and manipulation apparatus programmed to: i) access said first user's one or more electronic currency in said first active electronic currency area;.....44

9.7.6. [9.5] ii) withdraw a second monetary sum from said first active electronic currency area by (a) deleting said first user's electronic currency in the first active electronic currency area that equals the second monetary sum and/or (b) generating a record containing information on the amount withdrawn that equals the second monetary sum as spent and/or (c) generating a record containing information on the amount of electronic currency remaining in said first active electronic currency area after withdrawing the second monetary sum; and.....46

9.7.7. [9.6] iii) create new electronic currency corresponding to a third monetary sum. 47

9.8. Claim 10 is obvious over Teramura in view of Peirce.....48

9.8.1. Claim 10: [10] The system according to claim 9, further comprising a second active electronic currency area associated with the second user provided in a second storage medium.....48

9.9. Claim 11 is obvious over Teramura in view of Peirce.....49

9.9.1. Claim 11: [11] The system according to claim 9, wherein the data transfer and manipulation apparatus is programmed to utilize the new electronic currency to create a record of the third monetary sum to be paid to the second user.....49

9.10. Claim 15 is obvious over Teramura in view of Peirce.....49

DOCKET ALARM Find authenticated court documents without watermarks at docketalarm.com.

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.