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1 UNITED STATES PATENT AND TRADEMARK OFFICE
 2 BEFORE THE PATENT TRIAL AND APPEAL BOARD
 3
 4 UNIFIED PATENTS INC.
 5
 6 Petitioner,
 7 v. IPR2018-00067
 8 U.S. Patent No. 8,577,813
 9 UNIVERSAL SECURE REGISTRY
 10 LLC,
 11 Patent Owner.
 12
 13 DEPOSITION OF EXPERT
 14 MARKUS JAKOBSSON, Ph.D.
 15
 16 OCTOBER 24, 2018
 17
 18 50 California Street, 22nd Floor
 19 San Francisco, California
 20
 21
 22
 23 REPORTED BY:
 24 Siew G. Ung
 25 CSR No. 13994, RPR, CSR

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1 INDEX TO EXAMINATIONS
 2
 3 WITNESS: MARKUS JAKOBSSON, Ph.D.
 4 EXAMINATION PAGE
 5 BY MR. MUDD 5
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1 INDEX TO EXHIBITS
 2 EXPERT
 3 MARKUS JAKOBSSON, Ph.D.
 4 WEDNESDAY, OCTOBER 24, 2018
 5 Siew G. Ung CSR No. 13994, RPR
 6
 7 MARKED DESCRIPTION PAGE
 8
 9 Exhibit 1 Petitioner's Notice of 5
 10 Deposition of Markus Jakobsson
 11
 12 Exhibit 2 United States Patent, Bohannon 110
 13 et al.; Patent No.: US 6,901,145
 14 B1; Date of Patent: May 31, 2005
 15
 16 Exhibit 3 United States Patent Application 166
 17 Publication, Jakobsson et al.;
 18 Pub No.: US 2004/0172535 A1; Pub
 19 Date: September 2, 2004
 20
 21
 22
 23
 24
 25

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1 SAN FRANCISCO, CALIFORNIA;
 2 WEDNESDAY, OCTOBER 24, 2018, 9:02 A.M.
 3 ***
 4 (Whereupon, Exhibit 1 was pre-marked
 5 for identification.)
 6 MARKUS JAKOBSSON, Ph.D.,
 7 having been first duly sworn, was examined and
 8 testified as follows:
 9 EXAMINATION BY MR. MUDD
 10 BY MR. MUDD:
 11 **Q. Good morning.**
 12 A. Good morning.
 13 **Q. Can you state your name for the record,**
 14 **please, and spell it?**
 15 A. Bjorn Markus Jakobsson.
 16 **Q. And could you spell that, please, for the**
 17 **court reporter?**
 18 A. B-J-O-R-N, M-A-R-K-U-S, J-A-K-O-B-S-S-O-N.
 19 **Q. Okay. Good morning, Dr. Jakobsson. My**
 20 **name is Jason Mudd. I'm with the law firm of Erise**
 21 **IP and representing the petitioner, Unified Patents,**
 22 **in this proceeding.**
 23 **First, I'm going to hand you what's been**
 24 **marked Exhibit 1, which has a title: "Petitioner's**
 25 **Notice of Deposition of Markus Jakobsson."**

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1 You understand that you are appearing
 2 today to testify pursuant to this deposition notice,
 3 Exhibit 1?
 4 A. Yes.
 5 **Q. You understand this deposition is for the**
 6 **proceeding IPR2018-00067?**
 7 A. Yes.
 8 **Q. And this proceeding relates to U.S. Patent**
 9 **8577813. Do you understand that?**
 10 A. Correct.
 11 **Q. Dr. Jakobsson, about how many times have**
 12 **you been deposed before?**
 13 A. Ten to 15.
 14 **Q. I'll just briefly go through some of the**
 15 **ground rules. You understand that you're under oath**
 16 **today, and it's the same oath that you take as if**
 17 **you were testifying in a court of law?**
 18 A. Yes, I do.
 19 **Q. And do you understand that I need you to**
 20 **give verbal responses today, so yeses and nos rather**
 21 **than uh-huh's or huh-uh's or head shakes or nods.**
 22 **Do you understand that?**
 23 A. Understood.
 24 **Q. And we have a court reporter here today**
 25 **taking everything down in a written record, so I'd**

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1 ask that we not speak over each other.
 2 A. That's fine.
 3 **Q. So I'll wait for you -- so if you'll wait**
 4 **for me to finish asking my question before you begin**
 5 **answering, and I will wait for you to finish your**
 6 **answer before I ask the next question. Is that**
 7 **fair?**
 8 A. That is fair.
 9 MR. HEFAZI: And, Markus, just before we
 10 get going, could you please take a little bit of
 11 time so that I could lodge an objection if I need to
 12 before you respond?
 13 THE WITNESS: Yes, I will.
 14 BY MR. MUDD:
 15 **Q. And that was my next point. Your counsel**
 16 **may object at certain times during the deposition,**
 17 **but you understand that you are to answer the**
 18 **question still unless your counsel specifically**
 19 **instructs you not to answer?**
 20 A. Yes.
 21 **Q. Is there any reason today such as a**
 22 **medication or illness or anything that would prevent**
 23 **you from testifying truthfully and fully today?**
 24 A. No.
 25 **Q. If at any time today I ask you a question**

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1 you don't understand, will you let me know?
 2 A. I sure will.
 3 **Q. And if you answer my question, I'll assume**
 4 **you've understood it. Is that fair?**
 5 A. That is fair.
 6 **Q. What did you do to prepare for today's**
 7 **deposition?**
 8 MR. HEFAZI: And I will caution the
 9 witness not to reveal any kind of attorney-client
 10 privileged information or any discussions with
 11 counsel.
 12 THE WITNESS: So among other things, I met
 13 with Nima and Jordan on -- on the phone here at
 14 these offices yesterday.
 15 BY MR. MUDD:
 16 **Q. So Nima was in person with you yesterday**
 17 **and someone named Jordan was on the phone during**
 18 **your prep yesterday?**
 19 A. For portions of the meeting, yes.
 20 **Q. Okay. Did you meet with anyone else to**
 21 **prepare for your deposition today?**
 22 A. No.
 23 **Q. Did you review documents to prepare for**
 24 **your deposition today?**
 25 MR. HEFAZI: And --

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1 THE WITNESS: Yes, I did.
2 BY MR. MUDD:
3 **Q. And did you review any documents to**
4 **prepare today that were not already an exhibit of**
5 **record in this case?**
6 A. I did not.
7 **Q. So you didn't refer to any outside**
8 **reference materials in preparing -- that were not**
9 **already of record in this case?**
10 A. No.
11 MR. HEFAZI: And, Markus, again, if you
12 could just pause a little bit before you answer so I
13 have an opportunity to object if necessary.
14 THE WITNESS: You bet.
15 BY MR. MUDD:
16 **Q. Okay. Dr. Jakobsson, I'm going to hand**
17 **you what's already been previously marked Exhibit**
18 **2004 in this case, which states: "The declaration**
19 **of Markus Jakobsson in support of patent owner's**
20 **response."**
21 **Is this your declaration you prepared in**
22 **this case?**
23 A. Yes, it is.
24 **Q. And this declaration contains your**
25 **opinions in this proceeding?**

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1 A. It does. I may augment it if I learn new
2 facts.
3 **Q. Do you -- have you prepared any other**
4 **documents containing your opinions in this**
5 **proceeding?**
6 A. I presume you're not referring to
7 documents that I've sent to the attorneys --
8 MR. HEFAZI: Markus, I'll caution you not
9 to kind of reveal any kind of attorney-client
10 communications, anything you've sent to the
11 attorneys or spoken with the attorneys. I don't
12 think you are calling for that, Jason.
13 MR. MUDD: No.
14 THE WITNESS: No, those are not the
15 documents you're referring to?
16 BY MR. MUDD:
17 **Q. No, I'm not referring to those kinds of**
18 **documents.**
19 A. There are no further documents I have
20 prepared in the context of this particular case.
21 **Q. So this is the only declaration or expert**
22 **report you've issued in this proceeding?**
23 A. So far, yes.
24 **Q. And on the very last page, page 63, that's**
25 **your signature?**

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1 A. Yes, it is.
2 **Q. You still stand by the opinions contained**
3 **in Exhibit 2004?**
4 A. Yes, I do.
5 **Q. Are you aware of any errors or corrections**
6 **that you'd like to make in the document?**
7 A. I'm aware of a small number of typos.
8 MR. HEFAZI: And I'll lodge an objection
9 to form.
10 Markus, again, if you can just pause a
11 little bit before you answer.
12 BY MR. MUDD:
13 **Q. Other than the small number of typos you**
14 **just listed, are you aware of any other errors in**
15 **your declaration, Exhibit 2004, that you'd like to**
16 **correct?**
17 MR. HEFAZI: Same objection.
18 THE WITNESS: No.
19 BY MR. MUDD:
20 **Q. About how much time did you spend**
21 **preparing your declaration, Exhibit 2004?**
22 A. I cannot recall. I'm sorry.
23 **Q. Can you give me an approximate amount of**
24 **time that you spent preparing it?**
25 MR. HEFAZI: Objection. Calls for

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1 speculation.
2 THE WITNESS: I remember it being a fair
3 amount of work. I don't remember the exact number
4 of hours. If I were to guesstimate it, it's on the
5 order of 20 hours.
6 BY MR. MUDD:
7 **Q. Okay. And what's your hourly rate in this**
8 **case?**
9 A. That is 625 for work-related and half of
10 that for travel-related.
11 **Q. And -- and how much time did you say you**
12 **spent preparing for the deposition yesterday?**
13 A. How much time did I spend yesterday?
14 **Q. Yes.**
15 A. I was here for roughly seven hours and
16 then at night, I reviewed some notes for about an
17 hour.
18 **Q. Other than those eight hours,**
19 **approximately, of prep, was there additional time**
20 **you spent preparing?**
21 A. Yes.
22 **Q. And how much additional time?**
23 A. During the last week or so, I have
24 reviewed the material, including my declaration,
25 maybe a total of ten hours.

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1 **Q. So 10 hours plus 8 would be about 18 hours**
 2 **of preparations for today's deposition; is that**
 3 **fair?**
 4 A. That's a fair estimate.
 5 **Q. So if you add the 18 with the 20 hours**
 6 **preparing the declaration, it would be in the**
 7 **ballpark -- 38 hours you've billed on this matter;**
 8 **is that correct?**
 9 MR. HEFAZI: Objection. Form. Calls for
 10 speculation.
 11 THE WITNESS: I don't remember. And there
 12 was work leading up to the declaration that I have
 13 not taken into consideration when I estimated the
 14 declaration to have taken about 20 hours.
 15 BY MR. MUDD:
 16 **Q. What was that work leading up to the**
 17 **declaration that you did not account for?**
 18 A. For example, to read the '813 patent when
 19 I started working on the case.
 20 **Q. And when did you start working on the**
 21 **case?**
 22 A. I don't remember the exact date. It was
 23 roughly a year and a half ago, but I don't remember
 24 more precise than that.
 25 **Q. And you've been retained by Universal**

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1 **Secure Registry and their lawyers at -- the lawyers**
 2 **at Quinn Emanuel; is that correct?**
 3 A. That is correct.
 4 **Q. And when you refer to one and a half years**
 5 **ago, are you referring to being retained in**
 6 **connection with litigation that Universal Secure**
 7 **Registry filed against Apple?**
 8 A. Yes.
 9 **Q. So --**
 10 MR. HEFAZI: And I'll just -- late
 11 objection. Object to form.
 12 BY MR. MUDD:
 13 **Q. So you've been retained by Universal**
 14 **Secure Registry in connection with the Apple**
 15 **litigation as well as this IPR proceeding; is that**
 16 **right?**
 17 MR. HEFAZI: Same --
 18 THE WITNESS: That is --
 19 MR. HEFAZI: Same objection.
 20 THE WITNESS: That is correct.
 21 BY MR. MUDD:
 22 **Q. Have you had an opportunity to review**
 23 **confidential internal Apple documentation yet in**
 24 **connection with the -- the Universal Secure Registry**
 25 **litigation against Apple?**

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1 MR. HEFAZI: Objection. Form.
 2 THE WITNESS: Yes, I have.
 3 BY MR. MUDD:
 4 **Q. When did you review that documentation?**
 5 A. I don't remember exactly. Rather
 6 recently.
 7 **Q. About how recently?**
 8 A. Within the last month.
 9 **Q. So you hadn't reviewed any confidential**
 10 **internal Apple documentation by the time you**
 11 **executed this declaration, Exhibit 2004, on**
 12 **August 30th; is that right?**
 13 A. That is right.
 14 **Q. Were you familiar with Universal Secure**
 15 **Registry before being retained by them?**
 16 A. I was not.
 17 **Q. Have you previously worked as an expert**
 18 **with the law firm Quinn Emanuel or any of the**
 19 **lawyers at Quinn that you've worked with on this**
 20 **proceeding?**
 21 A. Yes.
 22 **Q. Let's start with -- the lawyers you're**
 23 **working with on this proceeding, have you worked**
 24 **with them as an expert on past cases?**
 25 A. Yes.

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1 **Q. Specifically which lawyers?**
 2 A. I have worked with Jordan in the past.
 3 His last name is Kaericher. K-A-E-R-I-C-H-E-R, I
 4 believe it is.
 5 **Q. Okay. Have you worked with any other**
 6 **lawyers at Quinn previously as an expert?**
 7 A. Yes.
 8 **Q. Who else?**
 9 A. I cannot recall their names now.
 10 **Q. About how many matters total have you**
 11 **worked on with Quinn in the past?**
 12 A. I think it is three.
 13 **Q. About how many IPR proceedings have you**
 14 **served as an expert in?**
 15 A. In the context of the work with Quinn or
 16 in general?
 17 **Q. In general.**
 18 A. I don't remember exactly. Between 5 and
 19 10 IPRs, I would say.
 20 **Q. About how many district court litigation**
 21 **matters have you served as an expert in?**
 22 A. Between 10 and 15 is my estimate.
 23 Probably a little bit more.
 24 MR. HEFAZI: And I'll put a belated
 25 objection in. Objection. Form. Calls for

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1 speculation.
 2 BY MR. MUDD:
 3 **Q. I'm going to hand you what's previously**
 4 **been marked Exhibit 1001 in this case, U.S. Patent**
 5 **No. 8577813.**
 6 **Are you familiar with this exhibit,**
 7 **Dr. Jakobsson?**
 8 A. Yes, I am.
 9 **Q. You understand this to be the patent being**
 10 **challenged in this IPR proceeding?**
 11 A. Yes, I do.
 12 **Q. Is it okay if we refer to it as the '813**
 13 **patent?**
 14 A. Sounds good.
 15 **Q. Were you familiar with the '813 patent**
 16 **prior to being retained by Universal Secure**
 17 **Registry?**
 18 A. I was not.
 19 **Q. Do you know the named inventor**
 20 **Kenneth P. Weiss?**
 21 A. No.
 22 **Q. Have you ever met him?**
 23 A. No.
 24 **Q. Were you familiar with any work by**
 25 **Dr. Weiss prior to being retained by Universal**

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1 **Secure Registry?**
 2 A. Yes.
 3 **Q. What work were you familiar with?**
 4 A. He is the inventor of the secure ID token
 5 that was, and still is, sold by RSA, now Dell, I
 6 presume, due to acquisitions.
 7 THE REPORTER: Now Dell, I presume?
 8 THE WITNESS: Due to acquisitions.
 9 BY MR. MUDD:
 10 **Q. So did Kenneth Weiss use to work for RSA?**
 11 MR. HEFAZI: Objection. Form.
 12 THE WITNESS: That I do not know.
 13 BY MR. MUDD:
 14 **Q. Did you use to work for RSA?**
 15 A. Yes, I did.
 16 **Q. When was that?**
 17 A. Approximately between 2000 and 2004.
 18 **Q. And Kenneth Weiss wasn't working for RSA**
 19 **when you worked there?**
 20 A. Not that I know of.
 21 **Q. You've read the '813 patent?**
 22 A. Yes, I have.
 23 **Q. In its entirety?**
 24 A. Yes.
 25 **Q. Have you read it multiple times?**

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1 A. I have read portions of it multiple times.
 2 **Q. And you've studied the claims of the '813**
 3 **patent as well?**
 4 A. Some of them.
 5 **Q. What's your general understanding of the**
 6 **purported invention of the '813 patent?**
 7 MR. HEFAZI: Objection. Form.
 8 THE WITNESS: It deals with problems
 9 people were facing related to online and in-store
 10 commerce, among other things.
 11 BY MR. MUDD:
 12 **Q. What do you find to be novel about the**
 13 **'813 patent?**
 14 MR. HEFAZI: Objection. Form.
 15 THE WITNESS: It uses a set of
 16 technologies to address an important problem --
 17 scratch that. Multiple important related problems.
 18 BY MR. MUDD:
 19 **Q. What kinds of problems?**
 20 A. One problem it addresses is the problem
 21 related to people potentially losing their credit
 22 card or other financial card, whether dropping it,
 23 for example, or having it stolen, and, as a result,
 24 risking that somebody else would use their financial
 25 assets.

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1 **Q. What other problems?**
 2 A. Another problem is that people who were to
 3 use a credit card using prior art technology would
 4 also have to be concerned that a merchant might use
 5 their card information for other purposes than was
 6 intended by the card owner. One such attack is
 7 referred to as skimming. Another related abuse is
 8 to charge the wrong amount.
 9 **Q. What other problems are you aware of?**
 10 MR. HEFAZI: Objection. Form.
 11 BY MR. MUDD:
 12 **Q. And specifically, what other problems are**
 13 **addressed by the '813 patent in your opinion?**
 14 MR. HEFAZI: Same objection.
 15 THE WITNESS: So one problem it addresses
 16 is the convenience aspect of not having to carry
 17 multiple cards around. A person who has multiple
 18 credit cards would typically carry them around, and
 19 that could be an inconvenience.
 20 BY MR. MUDD:
 21 **Q. Do you believe the '813 patent is directed**
 22 **to novel encryption techniques?**
 23 MR. HEFAZI: Objection to form.
 24 THE WITNESS: It uses encryption to
 25 address these problems I've described in a way that

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