BEFORE THE PATENT TRIAL AND APPEAL BOARD

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UNIFIED PATENTS INC.
Petitioner

v.

UNIVERSAL SECURE REGISTRY LLC
Patent Owner

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IPR2018-00067
Patent 8,577,813

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PETITIONER'S REPLY TO PATENT OWNER'S RESPONSE

information generated therefrom to a remote secure registry for validation. PO does not dispute that the limitations of the independent claims are taught by the proposed prior art combinations and, instead, only disputes the motivations to combine. PO resorts to mischaracterizing the prior art to suggest that the art teaches away or would have an altered basic principle of operation if combined. But when correctly interpreted, the art renders the claims obvious. And PO's real-party-in-interest (RPI) argument mischaracterizes the holding of *AIT* and the relevant facts. Petitioner's members are not RPIs, as the Board has found numerous times in the past, including in recent, post-*AIT* opinions.

Therefore, for the reasons the Board instituted review, the Board should find that Claims 1-3, 5-9, 11-18, and 20-26 of the '813 Patent are obvious.

II. CLAIMS 1-3, 5-9, 11-18, AND 20-26 ARE OBVIOUS

A. *Maes* in view of *Pare* renders claims 1, 2, 3, 5, 11, 13–17, 20, and 22–26 obvious

Maes teaches a system that allows a user of a PDA device to engage in transactions without having to carry multiple credit cards (e.g., tokens). *Id.* at 12:5-29. For each transaction, a user must locally authenticate herself with the PDA using a

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previously issued digital certificate. *Id.* at 6:47-55, 12:55-13:5.

Pare relates to a system for providing remote authentication of a user by having the user input a biometric and PIN, *inter alia*, into a biometric input apparatus ("BIA") that encrypts the user's input with other information and sends it via a POS device to a remote server that contains a mapping of the user's verification information. *Pare* (EX1004) at 4:25-42, 6:12-17, Figs. 4-9. The server then decrypts the data and verifies whether the transaction is proper. *Id.* at 9:45-57, Fig. 8.

The proposed combination of *Pare* and *Maes* substitutes the authorization number and other information provided by *Maes* to a POS device and instead uses the encrypted transaction message taught in *Pare* in the context of wireless transactions. Paper 12 ("*Petition*") at 21-23. In this way, a user's sensitive data is protected from attack, and security is enhanced. *Id.*

1. Pare *does not teach away from the claimed electronic ID device*

PO argues that *Pare* teaches away from the claimed electronic ID device because *Pare* teaches against the use of "tokens" in financial transactions and PO alleges that "electronic ID devices (like the PDA of *Maes*)" are such "tokens." *POR* at 20-23. This argument fails because it relies on the misconception that *Pare*

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as tokens. *See Pare* (EX1004) at Abstract ("[A] buyer can conduct commercial transactions without having to use any tokens such as portable man-made memory devices **such as smart cards** or swipe cards");[1] *see also id.* at 1:10-2:3, 7:17-21, Claims 1(g), 31(h), 32(g), 33(g), 34(g), and 66(g).

If all "portable man-made memory devices" were "tokens" in *Pare*'s usage, then so too would be the biometric input apparatus ("BIA") of *Pare*, which would lead to the nonsensical conclusion that *Pare* teaches away from itself. *Pare*'s BIA is a portable, man-made memory device because it contains memory for storing certain data for performing a financial transaction, allows a user to access their financial accounts, and can be integrated within a cellular telephone. *See id.* at 9:65-10:1 ("The biometric input device is further equipped with … erasable and non-erasable memory modules."); 4:21-24; 11:22-28 (BIA may be integrated within telephone); 14-19-32 (same); 30:48-50 (BIA integrated with cellular telephone); 10:1-7 (cellular

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[1] Unless otherwise indicated, all emphases have been added by Petitioner.

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