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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
VISA INC., and VISA U.S.A. INC.,
Petitioner,

v.

UNIVERSAL SECURE REGISTRY, LLC,
Patent Owner.

Case IPR2018-00810[1]
Patent 9,100,826 B2

Before PATRICK R. SCANLON, GEORGIANNA W. BRADEN, and JASON W. MELVIN, *Administrative Patent Judges.*

SCANLON, *Administrative Patent Judge.*

JUDGMENT
Final Written Decision
Determining No Claims Unpatentable
Dismissing Patent Owner's Motion to Amend
35 U.S.C. § 318(a)

[1] Visa Inc. and Visa U.S.A. Inc., which filed a petition in IPR2019-00175, have been joined as parties to this proceeding.

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I. INTRODUCTION

Apple Inc. filed a Petition (Paper 3, "Pet.") requesting an *inter partes* review of claims 1, 2, 7, 8, 10, 11, 14, 15, 21, 22, 24, 26, 27, 30, 31, and 34 of U.S. Patent No. 9,100,826 B2 (Ex. 1001, "the '826 patent"). Universal Secure Registry, LLC ("Patent Owner") did not file a Preliminary Response. The Board instituted a trial as to the challenged claims. Paper 8 ("Dec.").

After institution of trial, Visa Inc. and Visa U.S.A. Inc. filed a petition and a Motion for Joinder to this proceeding. Case IPR2019-00175, Papers 2, 3. We granted the Motion for Joinder, and IPR2019-00175 was joined with this proceeding and dismissed. Paper 32, 5. Consequently, Apple Inc., Visa Inc., and Visa U.S.A. Inc. (collectively, "Petitioner") are joined in this proceeding.

Patent Owner filed a Patent Owner Response ("PO Resp.") to the Petition. Paper 18. Petitioner filed a Reply ("Reply") to the Patent Owner Response. Paper 24. Patent Owner filed a Sur-Reply ("Sur-Reply"). Paper 29. In addition, Patent Owner filed a Conditional Motion to Amend (Paper 19, "Mot. Amend"), Petitioner filed an Opposition to Patent Owner's Conditional Motion to Amend (Paper 25), Patent Owner filed a Reply to Petitioner's Opposition (Paper 30), and Petitioner filed a Sur-Reply to Patent Owner's Reply (Paper 35).

Petitioner relies on the Declaration of Dr. Victor Shoup in Support of Petition for *Inter Partes* Review (Ex. 1002), the Declaration of Dr. Victor Shoup in Support of Petitioner's Reply to Patent Owner's Response (Ex. 1018), the Declaration of Dr. Victor Shoup in Support of Petitioner's Opposition to Patent Owner's Conditional Motion to Amend (Ex. 1019), and the Declaration of Dr. James L. Mullins (Ex. 1022) in support of its

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contentions. Patent Owner relies on the Declaration of Markus Jakobsson in Support of Patent Owner's Response (Ex. 2003), the Declaration of Markus Jakobsson in Support of Patent Owner's Conditional Motion to Amend (Ex. 2013), and the Declaration of Markus Jakobsson in Support of Patent Owner's Reply to Opposition of Conditional Motion to Amend (Ex. 2015) in support of its contentions.

An oral hearing was held on July 16, 2019, and the record contains a transcript of this hearing. Paper 41 ("Tr.").

We have jurisdiction under 35 U.S.C. § 6. This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73. For the reasons that follow, we determine Petitioner has not shown by a preponderance of the evidence that claims 1, 2, 7, 8, 10, 11, 14, 15, 21, 22, 24, 26, 27, 30, 31, and 34 of the '826 patent are unpatentable. We dismiss Patent Owner's Conditional Motion to Amend as moot.

II. BACKGROUND

A. Related Matters

As required by 37 C.F.R. § 42.8(b)(2), each party identifies various judicial or administrative matters that would affect or be affected by a decision in this proceeding. Pet. 2–4; Paper 7, 2 (Patent Owner's Updated Mandatory Notices).

B. The '826 Patent

The '826 patent, titled "METHOD AND APPARATUS FOR SECURE ACCESS PAYMENT AND IDENTIFICATION," issued August 4, 2015, with claims 1–35. Ex. 1001, codes (54), (45), 44:24–48:34. The '826 patent is directed to a secure database called a "Universal Secure Registry," which can be used as "a universal identification system" and/or

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"to selectively provide information about a person to authorized users." *Id.* at 3:63–67. The '826 patent states that the USR database is designed to "take the place of multiple conventional forms of identification." *Id.* at 4:10–12. The '826 patent further states that various forms of information can be stored in the database to verify a user's identity and prevent fraud: (1) algorithmically generated codes, such as a time-varying multi-character code or an "uncounterfeitable token," (2) "secret information" like a PIN or password, and/or (3) a user's "biometric information," such as fingerprints, voice prints, an iris or facial scan, DNA analysis, or even a photograph. *See id.* at 13:52–58, 14:5–23, 43:52–59, Fig. 3.

The patent discloses a variety of embodiments including those in which a user is authenticated on a device using secret information (such as a PIN code) and biometric information (such as a fingerprint), and then the first device transmits information to a second device for further authentication. *See id.* at 28:52–29:7. The second device may verify the user's information and return an enablement signal to the first device. *Id.* at 32:43–56. Accordingly, the '826 patent discloses that the system can be used to selectively provide authorized users with access to perform transactions involving various types of confidential information stored in a secure database. *See, e.g.*, *id.* at 3:63–4:3.

C. Challenged Claims

As noted above, Petitioner challenges claims 1, 2, 7, 8, 10, 11, 14, 15, 21, 22, 24, 26, 27, 30, 31, and 34 of the '826 patent. Claims 1, 10, 21, and 30 are independent. Independent claim 1 is illustrative of the claimed subject matter and is reproduced below:

> 1. A system for authenticating identities of a plurality of users, the system comprising:

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> a first handheld device including:
>
> a first processor, the processor programmed to authenticate a user of the first handheld device based on authentication information and to retrieve or receive first biometric information of the user of the first handheld device; and
>
> a first wireless transceiver coupled to the first processor and programmed to transmit via a network a first wireless signal including first authentication information of the user of the first handheld device; and
>
> a second device including:
>
> a second processor;
>
> a second wireless transceiver coupled to the second processor, and
>
> a second memory coupled to the second processor, and
>
> wherein the second device is configured to retrieve or receive respective second authentication information for a first plurality of users, wherein the first plurality of users includes the user of the first handheld device;
>
> wherein the first processor is programmed to determine the first authentication information derived from the first biometric information and to transmit the first authentication information of the user of the first handheld device to the second device via the network,
>
> wherein the second processor is configured to:
>
> receive the first authentication information of the user of the first handheld device;
>
> retrieve or receive the second authentication information of the user of the first handheld device; and
>
> use the first authentication information and the second authentication information to authenticate an identity of the user of the first handheld device with the second device.

Id. at 44:24–58.

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