

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

UNIVERSAL SECURE REGISTRY, LLC,
Patent Owner.

Case IPR2018-00813
Patent 9,100,826 B2

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

SCANLON, *Administrative Patent Judge*.

DECISION
Granting Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Apple, Inc. (“Petitioner”) 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. 1101, “the ’826 patent”). Universal Secure Registry, LLC (“Patent Owner”) did not file a Preliminary Response. We have authority under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a).

To institute an *inter partes* review, we must determine that the information presented in the Petition shows “a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a). On April 24, 2018, the Supreme Court held that a decision to institute under 35 U.S.C. § 314 may not institute on less than all claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018). Upon consideration of the Petition and for the reasons set forth below, we conclude that the information presented in the Petition establishes a reasonable likelihood that Petitioner would prevail in challenging at least one claim of the ’826 patent. Accordingly, an *inter partes* review of all of the claims and all of the grounds presented in the Petition is hereby instituted.

Our factual findings and conclusions at this stage of the proceeding are based on the evidentiary record developed thus far. This is not a final decision as to the patentability of claims for which *inter partes* review is instituted. Our final decision will be based on the record as fully developed during trial.

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. 1101, (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 “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 a PIN code) and biometric information (such as a fingerprint), 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:
 - 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,

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.

D. The Prior Art

Petitioner’s asserted grounds of unpatentability for the challenged claims rely on the following references:

Jakobsson	WO 2004/051585 A2	June 17, 2004	Ex. 1104
Maritzen	US 2004/0236632 A1	Nov. 25, 2004	Ex. 1105
Gullman	US 5,280,527	Jan. 18, 1994	Ex. 1106
Verbauwhede	WO 2005/001751 A1	Jan. 6, 2005	Ex. 1107

Petitioner also relies on the Declaration of Dr. Victor Shoup (Ex. 1102).

E. Asserted Grounds of Unpatentability

Petitioner challenges claims 1, 2, 7, 8, 10, 11, 14, 15, 21, 22, 24, 26, 27, 30, 31, and 34 of the ’826 patent on the following grounds:

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