UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

v.

UNIVERSAL SECURITY REGISTRY, LLC,
Patent Owner

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IPR2018-01350
Patent 8,856,539 B2

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Record of Oral Hearing
Held on November 21, 2019

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

APPEARANCES

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    ALSO PRESENT: DANIELLE JACKSON, STEPHEN YOUNG,
    ARTHUR
    HAGOPIAN, KENNETH WEISS.

    The above-entitled matter came on for hearing on November 21, 2019, commencing at 1:00 p.m., at the United States Patent and Trademark Office, USPTO Madison Building, 600 Dulany Street, Alexandria, VA 22314.

1   (Proceedings begin at 1:00 p.m.)

2   JUDGE MELVIN: Okay. Good afternoon. We're here

3   for a hearing in IPR2018-01350. Will the parties please make

4   their appearances?

5   MR. ARGENTI: Good afternoon, Your Honor. Matt

6   Argenti from Wilson Sonsini on behalf of Petitioner in the

7   matter, Visa. With me at counsel table is Jamie Otto.

8   JUDGE MELVIN: Thank you.

9   MR. MATHEWS: Good afternoon, Your Honors. Chris

10   Mathews on behalf of Patent Owner, USR. With me today are two

11   of my partners. Lead counsel, James Glass and Tigran

12   Guledjian. Also in attendance from USR, USR CEO Dr. Kenneth

13   Weiss, and USR's president, Arthur Hagopian.

14   JUDGE MELVIN: Thank you.

15   MS. GREWAL: Good afternoon. Monica Grewal on

16   behalf of Petitioner, Apple Inc.

17   JUDGE MELVIN: Okay. So as you all know, you each

18   have 45 minutes and you may reserve time for your rebuttal.

19   As you -- as is inherent, we have remote judges, so please

20   remember to refer to the written materials and to speak into

21   the microphone so that we have a clear record.

22   How much time would Petitioner like to reserve?

23   MR. ARGENTI: I'd like to reserve 20 minutes.

24   JUDGE MELVIN: Okay. And Patent Owner?

25   MR. MATHEWS: Right now, I imagine I'd like to

1   reserve 10 minutes.

2   JUDGE MELVIN: Okay. Okay. Well, I'll set up the

3   timer so that your rebuttal will be when the light goes

4   yellow, okay? I'll trust that you can manage your time.

5   MR. ARGENTI: Before you hit start on the timer, one

6   administrative matter.

7   JUDGE MELVIN: Of course.

8   MR. ARGENTI: Given that we have remote judges

9   participating, my plan is to not use the screen to display our

10   demonstratives. I'll be referring to them in hard copy form.

11   I also have a hard copy I could distribute if it would be

12   helpful, but we did file the demonstratives.

13   JUDGE MELVIN: Yeah, absolutely. I -- we all have

14   copies of the demonstratives. I have no need for them to be

15   on the screen, so I'm happy to just use my copy here.

16   MR. ARGENTI: Great, thanks.

17   JUDGE MELVIN: So whenever you're ready, Mr.

18   Argenti.

19   MR. ARGENTI: Great. Thank you.

20   Good afternoon, Your Honors. Turning to Slide 2 of

21   our demonstratives, we see the instituted grounds in this

22   proceeding. All of the challenged claims of the '539 Patent

23   are obvious in view of the combination of three references,

24   Brener, Desai, and Weiss. And as I will explain in a bit, the

25   Desai reference is not necessary to find the claims obvious

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1   under the proper interpretation of the claims.

2   Turning to Slide 3, the challenged '539 Patent

3   relates to a system used to selectively provide personal

4   information to authorized parties. As we see in Figure 8 on

5   Slide 3, the system can be used to allow a user to purchase

6   goods from a merchant without divulging the user's name,

7   identity, or sensitive information such as a credit card

8   number to the merchant.

9   This is accomplished through use of a secret code

10   that corresponds to the user. The user provides the secret

11   code to the merchant, the merchant passes that on to the

12   secure registry system; at which point the secret code is then

13   used to determine the customer's account number, name,

14   address, other information, and work in conjunction with, for

15   example, a bank or a shipping company.

16   The '539 Patent also explains that the secure

17   registry can be used to maintain the customer's anonymity when

18   shipping the goods. The merchant doesn't need to know the

19   customer's address, a third party shipper receives the address

20   and enables completion of the transaction by shipping the

21   goods.

22   Now, turning to Slide 4, which is representative

23   Claim 1 of the '539 Patent. All of the challenged claims

24   specify that that secret code I just mentioned is a

25   time-varying multicharacter code. Now, that's nothing new.

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