

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

RFCYBER CORP.,
Patent Owner.

IPR2022-01239
Patent 10,600,046 B2

Before JOSIAH C. COCKS, PATRICK R. SCANLON, and
KEVIN W. CHERRY, *Administrative Patent Judges*.

SCANLON, *Administrative Patent Judge*.

JUDGMENT
Final Written Decision
Determining All Challenged Claims Unpatentable
35 U.S.C. § 318(a)

I. INTRODUCTION

Apple Inc. (“Petitioner”) challenges claims 1–5, 12–14, 17, and 18 of U.S. Patent No. 10,600,046 B2 (Ex. 1001, “the ’046 patent”), which is assigned to RFCyber Corp. (“Patent Owner”). We have jurisdiction under 35 U.S.C. § 6, and 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 that Petitioner has shown by a preponderance of the evidence that claims 1–5, 12–14, 17, and 18 of the ’046 patent are unpatentable.

A. Procedural History

Petitioner filed a Petition (Paper 1, “Pet.”) requesting an *inter partes* review of the challenged claims. Patent Owner filed a Preliminary Response (Paper 6, “Prelim. Resp.”).

We instituted a trial as to all challenged claims. Paper 7 (“Decision on Institution” or “Dec. Inst.”).

After institution, Patent Owner filed a Patent Owner Response (Paper 11, “PO Resp.”), Petitioner filed a Reply (Paper 15, “Reply”), and Patent Owner filed a Sur-reply (Paper 16, “Sur-reply”).

Petitioner relies on the Declaration of Gerald W. Smith (Ex. 1003) and the Supplemental Declaration of Gerald W. Smith (Ex. 1028) in support of its contentions. Patent Owner relies on the Declaration of Alfred C. Weaver, Ph.D. (Ex. 2001) in support of its contentions.

An oral hearing was held on October 24, 2023. A transcript of the hearing is included in the record. Paper 22 (“Tr.”).

B. Real Parties in Interest

Petitioner identifies itself as the real parties in interest. Pet. 69. Patent Owner identifies itself as the real party in interest. Paper 5, 1.

C. Related Matters

The parties identify the following proceedings as related matters involving the '046 patent: *RFCyber Corp. v. Apple Inc.*, Case No. 6:21-cv-00916-ADA (W.D. Tex.) (the “District Court Case”); and *RFCyber Corp. v. Visa U.S.A. Inc.*, Case No. 6:22-cv-00697 (W.D. Tex.). Pet. 69; Paper 5, 1. In addition, Petitioner identifies several other matters involving the '046 patent that have been dismissed or terminated. Pet. 69–70.

D. The '046 Patent

The '046 patent, titled “Method and Apparatus for Mobile Payments,” issued March 24, 2020, with claims 1–20, and claims priority to several applications dating to September 24, 2006.¹ Ex. 1001, codes (45), (54), (60), (63), 1:7–9, 25:20–28:31.

The '046 patent relates to electronic commerce and, more particularly, to settling payments “using a mobile device reading electronic bills or invoices off from another mobile device in a near field communication range.” Ex. 1001, 1:16–21. In general, the invention includes a first mobile device that generates an electronic invoice and can be part of a point of sale (“POS”) machine. *Id.* at 1:56–58, 2:1–3. The first mobile device is embedded with a secure element and executes a software module. *Id.* at 1:57–58, 2:55–59. When the first mobile device is brought to a consumer using a second mobile device, the electronic invoice is read wirelessly into the second mobile device. *Id.* at 1:59–63. The second mobile device is a

¹ Nevertheless, Petitioner argues that at least claim 1 has an effective filing date after March 16, 2013. Pet. 3–5 (citing *Google LLC v. RFCyber Corp.*, PGR2021-00029, Paper 10 at 3–14 (PTAB Sept. 23, 2021)). Patent Owner does not dispute this contention. *See generally* Prelim. Resp.; PO Resp. Therefore, for purposes of this proceeding, we agree that at least claim 1 has an effective filing date after March 16, 2013.

near field communication (“NFC”) device “configured to execute an application that communicates with the software module in the first mobile device to read the data off from the first mobile device.” *Id.* at 2:28–30, 2:65–3:1.

The user is then able to verify the amount charged and authorize payment, after which the second mobile device “communicates with a payment gateway or network for payment that is configured to proceed with the payment in accordance with a chosen payment method.” *Id.* at 1:63–67, 2:61–64. That is, the gateway receives the payment request from the second mobile device, verifies the payment request, and sends a payment response to the user of the first mobile device after the payment request is processed. *Id.* at 3:17–31.

Figure 1A of the ’046 patent is reproduced below.

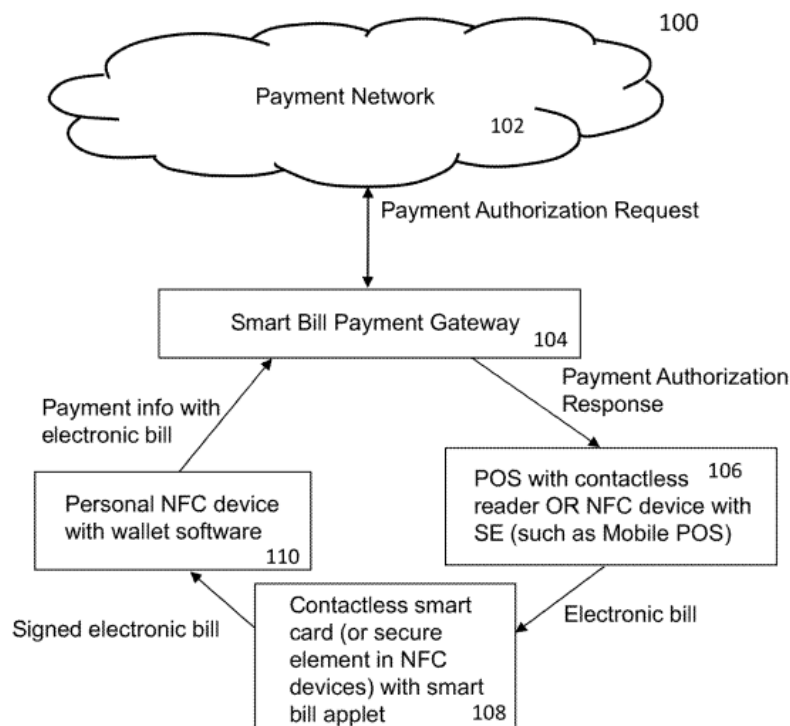


FIG. 1A

Figure 1A shows system configuration 100, which is one embodiment of the invention. Ex. 1001, 5:29–30. System configuration 100 includes network 102, which provides services by a financial institution to electronically transfer money or settle payments. *Id.* at 5:30–34. Payment gateway 104 comprises one or more servers configured to provide an application that may be installed on a user’s mobile device. *Id.* at 5:52–56. The application allows a user to authorize payment of an electronic invoice. *Id.* at 5:60–62.

System configuration 100 also includes POS device 106 at a point of sale. *Id.* at 6:6–7. POS device 106 generates an electronic bill or invoice that is loaded onto portable device 108, such as a contactless card or an NFC device, which contacts a user’s NFC device. *Id.* at 6:10–14. In one embodiment, “the POS device is a single device embedded with a secure element. The single device may be an NFC device that is used to enter information to generate an invoice.” *Id.* at 6:15–18. This device is brought to the customer for authorization and payment. *Id.* at 6:22–23.

Alternatively, “the POS device includes a stationary device corresponding to 106 of FIG. 1A and one or more contactless cards corresponding to 108 of FIG. 1A.” *Id.* at 6:23–26. In this case, “[t]he stationary device is used by the cash[i]er to enter charging information to generate an invoice. A contactless card is loaded with the electronic invoice and brought to the customer for authorization and payment.” *Id.* at 6:26–30.

Device 110 is a personal NFC device with wallet software. *Id.* at Fig. 1A. Specifically, device 110 “is configured to function as an electronic purse or e-purse that may be used to directly settle a charge being displayed on a display screen thereof.” *Id.* at 8:25–28.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.