

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GROUPON, INC.,
Petitioner,

v.

INTERNATIONAL BUSINESS MACHINES CORP.,
Patent Owner.

Case IPR2017-01158
Patent 7,631,346 B2

Before DAVID C. MCKONE, BEVERLY M. BUNTING, and
MICHELLE N. WORMMEESTER, *Administrative Patent Judges*.

WORMMEESTER, *Administrative Patent Judge*.

DECISION
Denying Petitioner's Request for Rehearing
37 C.F.R. § 42.71

I. INTRODUCTION

Groupon, Inc. (“Petitioner”) filed a Request for Rehearing (Paper 8, “Req. Reh’g”) of our Decision Denying Institution of *Inter Partes* Review (Paper 7, “Institution Decision” or “Inst. Dec.”) of U.S. Patent No. 7,631,346 B2 (Ex. 1001, “the ’346 patent”). Petitioner seeks rehearing of our determination not to institute *inter partes* review of the ’346 patent over each of the two asserted grounds: obviousness over Sunada¹ and the LA Specifications,^{2,3,4,5} as well as obviousness over Mellmer⁶ and the LA Specifications. Req. Reh’g 1. In our Institution Decision, we determined that Petitioner had not explained sufficiently why a skilled artisan would have considered combining Sunada or Mellmer with the LA Specifications to arrive at the claimed invention, which features a “federated computing environment.” Inst. Dec. 10–12, 15–17. According to Petitioner, we “mistook some arguments and overlooked others” such that our “decision represents an unreasonable judgment of the reasonable-likelihood standard.” Req. Reh’g 3. For the reasons that follow, Petitioner’s request for rehearing is *denied*.

¹ Sunada, Japanese Publ’n No. Tokkai 2004-302907A, published Oct. 28, 2004 (Ex. 1003).

² Liberty Alliance Project, Liberty ID-FF Architecture Overview v.1.2 (2003) (Ex. 1005).

³ Liberty Alliance Project, Liberty ID-FF Protocols and Schema Specification v.1.2 (2003) (Ex. 1006).

⁴ Liberty Alliance Project, Liberty ID-FF Bindings and Profiles Specification v.1.2 (2003) (Ex. 1007).

⁵ Liberty Alliance Project, Privacy and Security Best Practices v.2.0 (Nov. 12, 2003) (Ex. 1008).

⁶ Mellmer, U.S. Patent No. 7,680,819 B1, issued Mar. 16, 2010 (Ex. 1004).

II. BACKGROUND

The Petition (Paper 2, “Pet.”) challenged claims 1–3, 5, 8, 10, 12, and 13 of the ’346 patent on the following two grounds. Pet. 3–5, 21–67.

References	Basis	Claims Challenged
Sunada and the LA Specifications	§ 103	1–3, 5, 8, 10, 12, and 13
Mellmer and the LA Specifications	§ 103	1–3, 5, 8, 10, 12, and 13

For both grounds, Petitioner relied on the LA Specifications as teaching the recited “federated computing environment.” We denied institution of review on those grounds because we were not persuaded that Petitioner had provided adequately articulated reasoning with some rational underpinning to support the legal conclusion of obviousness over Sunada and the LA Specifications as well as over Mellmer and the LA Specifications.

III. STANDARD OF REVIEW

When considering a request for rehearing of a decision, the Board reviews the decision for an abuse of discretion. *See* 37 C.F.R. § 42.71(c). An abuse of discretion occurs when a “decision [i]s based on an erroneous conclusion of law or clearly erroneous factual findings, or . . . a clear error of judgment.” *PPG Indus., Inc. v. Celanese Polymer Specialties Co.*, 840 F.2d 1565, 1567 (Fed. Cir. 1988). “The burden of showing that a decision should be modified lies with the party challenging the decision.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,768 (Aug. 14, 2012). In its request for rehearing, the dissatisfied party must (1) “specifically identify all matters the party believes the Board misapprehended or overlooked,” and

(2) identify the place “where each matter was previously addressed.”
37 C.F.R. § 42.71(d); Office Patent Trial Practice Guide, 77 Fed. Reg. at
48,768. We address Petitioner’s arguments with these principles in mind.

IV. ANALYSIS

Petitioner contends that we abused our discretion because: (1) we misapprehended Petitioner’s arguments regarding its rationale for combining Sunada or Mellmer with the LA Specifications, and (2) we overlooked Petitioner’s arguments regarding the challenged dependent claims. Req. Reh’g 3. We address these contentions in turn.

A. Rationale for Combining

In our Institution Decision, we found that Petitioner did not explain sufficiently why a skilled artisan would have combined Sunada or Mellmer with the LA Specifications to provide the recited “federated computing environment.” Inst. Dec. 10–12, 16–17.

Petitioner now contends that it “argued that a skilled artisan would be highly motivated to refer to an implementation standard for single-sign-on functionality, which the Board misapprehended as an argument that the cited references merely came from the same field of endeavor.” Req. Reh’g 3. According to Petitioner, we “treated as central to [its] argument the observation that Sunada and Mellmer are in the same field of endeavor as the LA Specifications,” which Petitioner acknowledges “is insufficient to show a motivation to combine references.” *Id.* at 4. Petitioner submits that it “did not stop at noting that Sunada, Mellmer, and the LA Specifications are all in the same field of endeavor,” and that it instead “treated that point

the same way the Board did: as ‘the jumping-off point in reaching the determination [that the claims of the ’346 patent are] obvious.’” *Id.* (citing Inst. Dec. 10). Petitioner’s contention is unpersuasive.

We recognized in our Institution Decision that Petitioner presented more than one argument in support of its theory of obviousness, and we addressed those arguments separately. Inst. Dec. 10–12. For example, Petitioner argued:

A POSITA would find it obvious to combine the teachings of Sunada or Mellmer with those of the LASpecs *because each relates to the same subject matter*—single-sign-on functionality on the Internet. Sunada describes a single-sign-on system. Mellmer describes a single-sign-on system. And the LASpecs describe standards to be used in the implementation of single-sign-on systems. Thus, *a POSITA would be motivated to combine the teachings of these references just for this reason alone.* Ex. 1009 ¶ 71.

Pet. 21 (emphases added); *see also id.* at 26 (“It would have been obvious for a POSITA to deploy the method and system of Sunada in the Liberty Alliance federated environment *because both sets of references directly relate to single-sign-on functionality* and Sunada explains its system can be used with the Internet with its vast number of entities and resources and the LASpecs describe Web-based single-sign-on functionality with various federated entities in its circle of trust.”) (emphasis added); *id.* at 46 (“It would have been obvious for a POSITA to deploy the method and system of Mellmer in the Liberty Alliance federated environment *because both sets of references directly relate to single-sign-on functionality*, the system described by Mellmer is intended for use on the open internet, and the LASpecs describe Web-based single sign-on functionality with various federated entities in its circle of trust.”) (emphasis added). In effect,

Petitioner argued that a skilled artisan would have been motivated to combine the teachings of the asserted references solely because they relate to the same subject matter. It was with respect to this particular argument that we stated, “The mere fact that both Sunada and the LA Specifications are in the same field of endeavor falls short of an adequate rationale.” Inst. Dec. 10; *see also id.* at 16 (discussing Mellmer and the LA Specifications).

Petitioner additionally argued in its Petition:

Further, Sunada expressly teaches transferring attributes from the SSO server (identity provider) to the Web Application (service provider). Similarly, Mellmer describes that a partner site could request user information from the DigitalMe (identity) server. The LASpecs provide implementation details for these types of exchanges in a variety of well-known protocols, such as HTTP, SOAP and SAML, including the specific sequence of requests and responses for transferring attributes from an identity provider to a service provider. Thus, *a POSITA would have been motivated to combine the references to use the methods for transferring attributes described in the LASpecs in the exchanges specifically described in Sunada and Mellmer*, including in exchanges for on-the-fly creation of new accounts (as user attributes, held by the identity provider and transferred to the service provider, used in account creations taught by Sunada and Mellmer, occur after the triggering of the single-sign-on functions but before user gain access to a protected resource at the service provider). *And using the protocols identified in the LASpecs in exchanges described in Sunada and Mellmer would allow a POSITA to obtain predictable results (the transfer of information described in Sunada and Mellmer)*. Further, as described below, *it would have been also obvious to use Liberty Alliance’s methods for transferring attributes* because, for some aspects of such transfer (e.g., front channel vs. back channel), there are a finite number of identified solutions.

Pet. 21–23 (internal citations omitted) (emphases added). We separately addressed these arguments regarding *transferring attributes*. In particular,

we noted that the only claim element that Petitioner mentions as missing in Sunada and Mellmer is a “federated computing environment.” Inst. Dec. 11, 16. We found that Petitioner’s proffered rationale for combining Sunada or Mellmer with the LA Specifications *to arrive at the claimed invention* was inadequate because Petitioner did not address how modifying Sunada or Mellmer to implement Liberty Alliance’s method of exchanging attributes would provide a *federated computing environment* (i.e., the missing claim element). *Id.* at 11, 16.

In its Request for Rehearing, Petitioner tries to clarify its arguments regarding transferring attributes. In particular, Petitioner explains that “both Sunada and Mellmer describe certain operations—such as transferring user attribute information—at a high level, but do not describe the programmatic details of implementing those operations in practice,” and that “[t]he LA Specifications fill in the details.” Req. Reh’g 4; *see also id.* at 7 (“Sunada and Mellmer describe single[-]sign-on at a conceptual level—such as ‘transferring attributes from the SSO server . . . to the Web Application’—while the LA specifications ‘provide implementation details for these types of exchanges’”). This explanation still does not address sufficiently how implementing Liberty Alliance’s method of exchanging attributes in Sunada’s system or Mellmer’s system would provide a *federated computing environment* (i.e., the missing claim element). Accordingly, we remain unpersuaded by Petitioner’s argument in this regard.

Petitioner further contends in its Request for Rehearing that, “[m]ore importantly, the LA Specifications are *standards* in a field that requires *interoperability*,” and that a skilled artisan would have been “particularly motivated to refer to and incorporate a standard, not only to avoid de novo

implementation, but also to leverage pre-existing circles of trust that communicate using the standard.” *Id.* at 5. As support, Petitioner directs us to where its Petition cites the LA Specifications as providing a standard for federated entities that may securely share user information and provide single-sign-on functionality. *Id.* at 5–6. Petitioner also points to our construction of “federated computing environment,” which requires, in part, “an environment having a loosely coupled affiliation of entities that adhere to certain *standards of interoperability*.” *See id.* at 6. Petitioner explains that “the very standardization and interoperability supplied by the LA Specifications would permit a compliant implementation of Sunada or Mellmer to operate in a federated computing environment.” *Id.* at 7. Petitioner adds, “By the same token, standardization and interoperability are why using the LA Specifications would ‘enhance Sunada’ to enable ‘more Internet entities to use and provide single-sign-on functionality to users.’” *Id.*; *contra* Inst. Dec. 12 (“As Patent Owner points out, ‘nowhere does [Petitioner] explain **how** combining Sunada with the Liberty Alliance specifications would purportedly “enhance” Sunada, nor **how** that enhancement would purportedly enable [“]more []Internet entities” to “use and provide single-sign-on functionality to users.””). According to Petitioner, we “misapprehended this enhanced-motivation-for-standards argument as an argument merely that the three references were in the same field of endeavor.” Req. Reh’g 6. We disagree.

As discussed above, Petitioner presented an argument regarding the asserted references being in the same field of endeavor, and we separately addressed that argument.

In addition, this “enhanced-motivation-for-standards argument” is a new argument that Petitioner presents in order to offer more explanation, which does not address what we overlooked or misapprehended in our Institution Decision. In its Petition, Petitioner proposed combining the references by “us[ing] the methods for transferring attributes described in the LASpecs in the exchanges specifically described in Sunada and Mellmer.” Pet. 21–23. Petitioner explained that such combination “would allow a POSITA to obtain predictable results,” which Petitioner identified explicitly as “the transfer of information described in Sunada and Mellmer” (*id.* at 23), not as “a compliant implementation of Sunada or Mellmer to operate in a federated computing environment” (Req. Reh’g 7). At this stage, it is too late for Petitioner to add further explanation in a request for rehearing. *See* 37 C.F.R. § 42.71(d).

Petitioner also explained in its Petition that such combination would enhance the systems of Sunada and Mellmer “so that more Internet entities can use and provide *single-sign-on* functionality to users.” Pet. 26 (emphasis added); *accord id.* at 46–47. This explanation does not address how the combination provides the recited “federated computing environment” (i.e., the missing claim element), which is distinct from the recited “single-sign-on operation.” *See* Inst. Dec. 12 (“Petitioner does not explain sufficiently why a skilled artisan would have modified Sunada’s system to include the single-sign-on functionality of the LA Specifications when Sunada’s system already includes single-sign-on functionality.”); *id.* at 17 (discussing Mellmer and the LA Specifications). In its Request for Rehearing, Petitioner further explains that, “contrary to the Board’s suggestion, combining Sunada or Mellmer with the LA specifications would

not have been redundant; instead, it would have yielded a particularized, standardized implementation of the systems described by Sunada or Mellmer.” Req. Reh’g 7–8. According to Petitioner, “using a standard permits [the systems of Sunada and Mellmer] to operate in a federated environment.” *Id.* at 8. Again, Petitioner’s additional explanation here comes too late at this stage of the proceeding. *See* 37 C.F.R. § 42.71(d).

B. Dependent Claims

In our Institution Decision, we determined that Petitioner had not demonstrated a reasonable likelihood of prevailing on its assertions that claim 1 would have been obvious over Sunada and the LA Specifications as well as over Mellmer and the LA Specifications. Inst. Dec. 12–13, 17. As such, we also determined that Petitioner had not demonstrated a reasonable likelihood of prevailing on its assertions that dependent claims 2, 3, 5, 8, 10, 12, and 13 would have been obvious over Sunada and the LA Specifications as well as over Mellmer and the LA Specifications. *Id.*

Petitioner now contends that, “in IPR2016-00608 and IPR2016-00609, the Board invalidated claim 1 and several other claims[] as *anticipated* by Sunada, Mellmer, or both,” and, as a result, “[Petitioner’s] arguments as to the dependent claims [in this case] merit individualized attention.” Req. Reh’g. 9; *see also id.* at 14 (“Because [claim 1] is invalid as anticipated by Sunada and Mellmer, the Board should grant rehearing to consider [Petitioner’s] arguments specific to the dependent claims of the ’346 patent.”). We disagree.

As discussed above, Petitioner’s rehearing request must identify “the place where each matter was previously addressed.” *See* 37 C.F.R.

§ 42.71(d). We noted in our Institution Decision that “Petitioner does not argue anticipation in the present proceeding.” Inst. Dec. 6 n.7. Petitioner does not argue otherwise in its Request for Rehearing. We could not have overlooked arguments that were not presented, namely arguments based on the anticipation of claim 1.

V. CONCLUSION

For the foregoing reasons, Petitioner has not demonstrated that we abused our discretion by not instituting *inter partes* review of the challenged claims of the ’346 patent on any of the asserted grounds.

VI. ORDER

Accordingly, it is ORDERED that Petitioner’s request for rehearing is *denied*.

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