

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

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

v.

UNIVERSAL SECURE REGISTRY, LLC,
Patent Owner.

IPR2018-01350¹
Patent 8,856,539 B2

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

MELVIN, *Administrative Patent Judge*.

JUDGMENT
Final Written Decision
Determining No Challenged Claims Unpatentable
35 U.S.C. § 318(a)

¹ Apple Inc., which filed a petition in IPR2019-00727, has been joined as a party to this proceeding.

I. INTRODUCTION

A. BACKGROUND AND SUMMARY

Petitioner, Visa Inc. and Visa U.S.A. Inc., filed a Petition (Paper 2, “Pet.”) requesting *inter partes* review of claims 1–9, 16–31, 37, and 38 of U.S. Patent No. 8,856,539 B2 (Ex. 1001, “the ’539 patent”). Patent Owner, Universal Secure Registry, LLC, filed a disclaimer of claims 5–8, 17–20, and 26–30. Ex. 2003. Thus, claims 1–4, 9, 16, 21–25, 31, 37, and 38 (“the challenged claims”) remain challenged in this proceeding.² Patent Owner timely filed a Preliminary Response. Paper 6. We instituted review. Paper 7 (“Inst.” or “Institution Decision”).

Patent Owner filed a Response (Paper 12 (“PO Resp.”)) and a Conditional Motion to Amend (Paper 13); Petitioner filed a Reply (Paper 16 (“Pet. Reply”)) and an Opposition to Patent Owner’s Conditional Motion to Amend (Paper 17); Patent Owner filed a Sur-Reply (Paper 21 (“PO Sur-Reply”)) and a Reply to Petitioner’s Opposition (Paper 20); and Petitioner filed a Sur-Reply to the Conditional Motion to Amend (Paper 24). We held a hearing on November 21, 2019, and a transcript is included in the record. Paper 34 (“Tr.”).

This is a final written decision as to the patentability of the challenged claims. For the reasons discussed below, we determine that Petitioner has not shown by a preponderance of the evidence that any of the challenged claims is unpatentable.

² 37 C.F.R. § 42.107(e) (“No *inter partes* review will be instituted based on disclaimed claims.”); *Vectra Fitness, Inc. v. TWNK Corp.*, 162 F.3d 1379, 1383–84 (Fed. Cir. 1998) (holding a disclaimer under § 253 removes a claim from the original patent for all purposes).

B. 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. 12–13; Paper 4 (Patent Owner’s Mandatory Notices).

C. THE ’539 PATENT

The ’539 patent is titled “Universal Secure Registry” and describes “a universal identification system . . . used to selectively provide personal, financial or other information about a person to authorized users.” Ex. 1101, code (54), 3:5–9. The ’539 patent discloses that the secure registry system may include “[a] multicharacter public code . . . which the system can map to provide permit delivery of items, complete telephone calls and perform other functions for entities. The system may also be utilized to locate an individual based on limited biological data.” *Id.* at code (57).

The challenged patent describes a secure database called a “Universal Secure Registry” (“USR”), which can be used as “a universal identification system” and/or “to selectively provide . . . information about a person to authorized users.” *Id.* at 3:5–9. The ’539 patent states that the USR database is designed to “take the place of multiple conventional forms of identification.” *Id.* at 3:22–24. According to the ’539 patent, “the USR system may enable the user’s identity to be confirmed or verified without providing any identifying information about the person to the entity requiring identification.” *Id.* at 3:25–27. In one regard, the USR may restrict access to information based on the identity of the party requesting the information. *Id.* at 10:40–57.

The '539 patent describes an embodiment in which a user may use an electronic ID device to generate a code that a merchant passes on to the USR along with purchase information. *Id.* at 12:19–54. If the USR correctly validates the code, it may in turn pass transaction information to a credit-card company to facilitate the transaction. *Id.* at 12:27–46.

D. ILLUSTRATIVE CLAIMS

Challenged claims 1, 22, 37, and 38 are independent. Claim 1 is illustrative of the claimed subject matter and is reproduced below:

1. A secure registry system for providing information to a provider to enable transactions between the provider and entities with secure data stored in the secure registry system, the secure registry system comprising:
 - [1.1] a database including secure data for each entity, wherein each entity is associated with a time-varying multicharacter code for each entity having secure data in the secure registry system, respectively, each time-varying multicharacter code representing an identity of one of the respective entities; and
 - a processor configured
 - [1.2] to receive a transaction request including at least the time-varying multicharacter code for the entity on whose behalf a transaction is to be performed and an indication of the provider requesting the transaction,
 - [1.3] to map the time-varying multicharacter code to the identity of the entity using the time-varying multicharacter code,
 - [1.4] to execute a restriction mechanism to determine compliance with any access restrictions for the provider to secure data of the entity for completing the transaction based at least in part on the indication of the provider and the time-varying multicharacter code of the transaction request, and

[1.5] to allow or not allow access to the secure data associated with the entity including information required to enable the transaction based on the determined compliance with any access restrictions for the provider, the information including account identifying information,

[1.6] wherein the account identifying information is not provided to the provider and the account identifying information is provided to a third party to enable or deny the transaction with the provider without providing the account identifying information to the provider.

Ex. 1001, 18:29–60.³

E. PRIOR ART AND ASSERTED GROUND

Petitioner asserts that all challenged claims are unpatentable under 35 U.S.C. § 103 as obvious over a combination of Brener,⁴ Weiss,⁵ and Desai.⁶ Pet. 13–14. Petitioner also relies on the Declaration of Dr. Douglas Tygar (Ex. 1002). *See* Pet. 7.

II. ANALYSIS

A. LEVEL OF ORDINARY SKILL IN THE ART

Petitioner submits that a person of skill in the art at the time of invention for the '539 patent would possess

³ We add formatting and square-bracketed annotations to separate claim limitations as identified by the parties. *See* Pet. 26–39. Our formatting and annotations imply no functional or structural aspect of the claim beyond identifying limitations for discussion.

⁴ PCT Pub. App. WO 00/14648 (pub. Mar. 16, 2000) (Ex. 1005).

⁵ U.S. Pat. No. 4,885,778 (iss. Dec. 5, 1989) (Ex. 1006).

⁶ U.S. Pat. No. 6,820,204 B1 (iss. Nov. 16, 2004) (Ex. 1007).

the equivalent of a bachelor's degree in computer science or computer engineering or a related field and at least an additional two years of work in the computer science field including, for example, network security systems, database management, and secure transaction systems.

Pet. 12 (citing Ex. 1002 ¶¶ 44–46). Patent Owner submits that the level of skill would involve

a Bachelor of Science degree in electrical engineering and/or computer science, and three years of work or research experience in the fields of secure transactions and encryption, or a Master's degree in electrical engineering and/or computer science and two years of work or research experience in related fields.

PO Resp. 11–12 (citing Ex. 2004 ¶ 16). Patent Owner agrees that its “description of the level of ordinary skill in the art is essentially the same as that of the Petitioner, except that Petitioner's description requires two years of work in the computer science field.” *Id.* at 12. We do not understand any of the parties' disputes to turn on a precise definition of the level of skill in the art and apply the level of skill as defined by the parties.

B. CLAIM CONSTRUCTION

In a Board proceeding based on a petition filed before November 13, 2018, as here, claims in an unexpired patent are interpreted according to their broadest-reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b) (2018); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–46 (2016).⁷ Under that standard,

⁷ A recent amendment to this rule does not apply here because the Petition was filed before November 13, 2018. *See* Changes to the Claim Construction Standard for Interpreting Claims in Trial Proceedings Before the Patent Trial and Appeal Board, 83 Fed. Reg. 51,340 (Oct. 11, 2018)

we generally give a claim term its “ordinary and customary meaning,” which is “the meaning that the term would have to a person of ordinary skill in the art in question” at the time of the invention. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). The specification may impose a specialized meaning, departing from the ordinary and customary meaning, by defining a term with reasonable clarity, deliberateness, and precision. *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994).

Petitioner proposes constructions for two terms in the ’539 patent: “entity” and “based at least in part on the indication of the provider and the time-varying multicharacter code of the transaction request.” Pet. 14–17. Patent Owner asserts that “entity” requires no construction, that we should adopt our construction of Petitioner’s “based at least in part on” phrase from the Institution Decision (*see* Inst. 7–9), and that we should construe “third party” and “the provider requesting the transaction.” PO Resp. 12–21.

In light of our conclusion below that Petitioner fails to show claim element [1.6] was taught by the prior art (*see infra* at 9–15), we need not address the constructions for any of the proposed terms, as none would change our conclusion.⁸ *See Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017); *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999).

(amending 37 C.F.R. § 42.100(b), effective Nov. 13, 2018) (codified at 37 C.F.R. § 42.100(b) (2019)).

⁸ Although claim element [1.6] uses the terms “account identifying information” and “third party,” Patent Owner does not dispute Petitioner’s identification of account identifying information or a third party in each of its alternative mappings. Instead, Patent Owner disputes other aspects of Petitioner’s showing for element [1.6]. *See* PO Resp. 22–25.

C. OBVIOUSNESS OVER BRENER, WEISS, AND DESAI

For its contentions, Petitioner relies on Brener as modified by both Weiss and Desai. *See* Pet. 17–24.

Brener discloses “a method and system of conducting electronic commerce which allows a customer to anonymously visit vendor web sites, anonymously purchase goods and anonymously receive goods without disclosing the customer’s identification and home address information to the web site vendor.” Ex. 1005, 1:6–9. Brener’s system uses linking information to associate a customer’s personal information with a customer object. *Id.* at 2:24–25, 3:12–14. By storing the linking information and personal information on a secure computer, Brener permits the customer to interact with vendors using just the customer object. *Id.* at 2:27–29. When a vendor desires to complete a purchase by a customer, it may send the customer object to a bank, which then interacts with the secure computer to obtain the required personal information for completing the purchase. *Id.* at 9:16–29. Brener further discloses a method for a vendor to ship a package without obtaining the customer’s personal information, in which the third-party shipper uses the customer object to obtain delivery information. *Id.* at 10:3–20.

Weiss discloses:

an apparatus and method for the electronic generation of variable, non-predictable codes and the validation and comparison of such codes for the purpose of positively identifying an authorized individual or user of an apparatus or system and thereafter giving clearance to carry out a privileged transaction or access to a protected system or facility.

Ex. 1006, 1:15–21. Weiss summarizes that its “predetermined algorithm constantly generates new unique and verifiable non-predictable codes, which are derived from the fixed data and at least one dynamic variable, such as the time of day.” *Id.* at 1:63–67.

Desai discloses “a system and method for information exchange that provides control over the content of stored information, as well as control over the access to the stored information.” Ex. 1007, 3:34–37. To that end, Desai discloses an “information exchange system” that stores profile data for users. *Id.* at 3:42–45. Using the system, a user “can securely control access to its stored profile data on an element-by-element and user-by-user basis.” *Id.* at 9:4–6. Desai’s system uses a “universal ID for each data element” to control access on an element-by-element basis. *Id.* at 14:5–8. Thus, using Desai’s system, a “registered user 12 has control over which vendors 24 have access to its profile data, and which subsets of the profile data are provided to those vendors 24.” *Id.* at 9:55–57.

1. Claim 1

Claim element [1.6] recites

wherein the account identifying information is not provided to the provider and the account identifying information is provided to a third party to enable or deny the transaction with the provider without providing the account identifying information to the provider.

Ex. 1001, 18:55–60. Petitioner asserts Brener teaches this limitation through two separate disclosures. Pet. 39–40.

a. Brener’s shipping carrier

First, Petitioner asserts that Brener discloses providing information “to a third party shipping carrier to complete the purchase transaction by

shipping the purchased goods.” *Id.* (citing Ex. 1005, 14:28–15:10; Ex. 1002 ¶ 96). Patent Owner contests Petitioner’s claim mapping, arguing that Brener’s shipping carrier cannot be the “third party” because the carrier is not involved until a transaction is approved. PO Resp. 22–23. We agree with Patent Owner, based on Brener’s disclosures. Ex. 1005, 10:3–4 (“Once a purchase by the customer has been approved, the vendor arranges for the package to be picked up by a third party carrier.”), 14:20–22 (“Upon approval of the transaction, the vendor readies the goods for anonymous shipment as explained below.”).

Petitioner takes the position that “to enable transactions” has a meaning broader than just the financial part of a transaction, and includes shipping goods. Pet. Reply 6–7. Petitioner argues also that, even if a financial institution approves a transaction, a shipper may nonetheless also enable the transaction. *Id.* at 7. To that end, Petitioner points to the Specification’s statements that, for example, the invention “enables” receiving packages without the sender having access to the recipient’s address. *Id.* at 7–8 (citing Ex. 1001, 3:31–41, 3:44–50, 4:61–65, 13:28–14:3, 14:4–58). None of those examples, however, states that the shipper enables or denies the transaction at issue. Instead, they use “enable” in a more general sense, and we decline to contort the claim based on that general usage in the Specification.

Additionally, the claim language recites that the third party may “enable or deny the transaction with the provider.” While Petitioner argues that the claim requires only one—either enabling or denying (see Tr. 11:4–13)—that view of the claim would deprive the limitation of meaning because “to enable or deny” expresses a binary choice and Petitioner’s view glosses

over that choice. Providing information to a third party “to enable or deny the transaction” means that the information allows the third party to make a choice about whether the transaction proceeds. Petitioner asserts that a shipping carrier (Petitioner’s asserted third party) “could refuse to provide shipping,” thus satisfying any requirement that the third party be able to deny the transaction. Tr. 11:14–22. We do not agree, as such behavior by the shipper is speculative and not based on Brener’s disclosures. See PO Sur-Reply 4 (arguing Brener fails to disclose that the shipper may deny a transaction).

For the foregoing reasons, we find that the claim language does not read on Brener’s disclosure of sending confidential customer information to a shipping carrier.

b. Brener’s third-party financial institution

Petitioner asserts alternatively that Brener discloses providing customer identity and account information “to a third party financial institution or bank computer by the secure provider to complete the purchase transaction by approving or denying a transaction.” Pet. 40 (citing Ex. 1005, 9:19–10:2; Ex. 1002 ¶ 97). In this regard, Petitioner relies on Brener’s disclosures that “the vendor computer 140 forwards the customer object to the bank computer” and “[t]he bank computer 150 obtains or is already provided with the linking information to link the customer object with personal information about the customer, including customer account information.” Ex. 1005, 9:23–26.

Petitioner’s mapping between the claim language and Brener’s disclosures suffers from a significant inconsistency. In element [1.3], the claim requires the secure-registry processor be configured “to map the time-

varying multicharacter code to the identity of the entity using the time-varying multicharacter code.” Petitioner asserts Brener teaches that element by disclosing the secure provider using a linking table to match a customer object (containing the claimed code) with the customer’s personal information. Pet. 32 (citing Ex. 1005, 2:19–3:7, 8:11–20, 10:14–17). Thus, Petitioner’s assertions for element [1.3] require the secure provider use the linking table. In contrast, for element [1.6], Petitioner relies on Brener’s description of sending the linking table to a third-party bank so that it may link the customer object with the customer’s personal information after receiving the customer object from the vendor. Pet. 39 (quoting Ex. 1005, 9:19–10:2), 40 (same). Stated plainly, Petitioner’s assertions require a system configured to use the linking information both at Brener’s secure provider and also at its third-party bank. Brener does not suggest that one configure a system in such a manner and doing so would not make sense. If the linking information were used at the third-party bank, there would be no need to also use it at the secure provider, and vice versa.

When questioned on this aspect of the mapping for element [1.6], Petitioner asserted that Brener provides multiple options and does not present discrete embodiments. Tr. 14:7–16:18. But Brener’s lack of precision cannot squelch or satisfy a plain requirement of the claims. The claims recite that the secure registry maps a code to an entity’s identity (element [1.3]) and also that account-identifying information is provided to a third party (element [1.6]). Brener describes using linking information to obtain personal customer information including account information from a customer object, and it describes that the linking information may be used at the secure registry or provided to a third-party bank so the bank may obtain

personal customer information. Petitioner has not identified why a person of skill would have read Brener to disclose using the linking information in both places—at the secure registry and also at the third-party bank. Thus, Petitioner’s assertions for element [1.3] and those for element [1.6] based on the third-party bank are not consistent. *See* Tr. 51:24–52:25.

Petitioner asserts also that, for element [1.6], it does not rely exclusively on Brener’s description of the secure registry sending linking information to the third-party bank, but also relies on Brener’s description of the secure registry sending account-identifying information to the third-party bank. Tr. 16:20–17:4. Patent Owner, in response, asserts that the Petition fails to assert that aspect of Brener against element [1.6]. *Id.* at 51:3–22. Petitioner points to certain portions of the Petition that it believes raised Brener’s disclosure of the secure provider sending account-identifying information (not just linking information) to the third-party bank. *Id.* at 56:15–58:7 (identifying Pet. 49–50 (discussing dependent claims 5 and 26; citing Ex. 1005, 8:3–20, 10:28–11:10), 53 (discussing dependent claim 16), 18. The portions Petitioner identifies, however, do not convince us that the Petition sufficiently identified the disputed aspect of Brener’s disclosures. Identifying a portion of Brener as relevant to a dependent claim does not adequately set forth the contention at issue. Moreover, in that discussion, the Petition asserts that “the secure provider database may be used *by either a bank computer or credit card company computer* to identify the customer.” Pet. 50 (emphasis added). That assertion does not indicate that the secure registry uses its database and then sends account-identifying information to the bank or credit card company, it indicates, as with the assertion against element [1.6], that the third party performs the lookup. While the Petition

also quotes language that the secure provider can provide a bank computer with an account number (*id.* (quoting Ex. 1005, 10:28–11:10)), without any discussion explaining an assertion that relies on such a configuration, we do not read the Petition as raising the mapping Petitioner now asserts.

The general discussion of Brener identified by Petitioner on page 18 of the Petition also does not support Petitioner’s current assertion. That general discussion relates to the secure provider mapping from a customer object to account-identifying information, but other than as relates to a shipper (common carrier), does not further discuss the secure provider sending the information to a third party bank. *See* Pet. 18–21. At most, that discussion asserts that “the financial institution may get access to the account number” but does not detail the mechanism from Brener on which Petitioner relies. *See* Pet. 21.

Petitioner’s Reply confirms our view of its assertions, where Petitioner asserts that the secure provider “provides account identifying information to the bank via the linking table stored in the database of the secure provider computer.” Pet. Reply 11. That assertion continues to rely on the secure provider sending the linking information, as opposed to sending account-identifying information such as an account number directly.

We conclude that the Petition does not raise the mapping on which Petitioner now relies. While sending the linking information to a third-party bank may satisfy element [1.6] in the abstract, it creates a discontinuity with Petitioner’s mapping of element [1.3].

c. Conclusion

For both reasons discussed above, we conclude Petitioner has not shown unpatentability of claim 1 over Brener, Weiss, and Desai by a preponderance of the evidence.

2. Claims 22, 37, and 38

Independent claims 22, 37, and 38 recite limitations similar to those of claim 1, including the requirements discussed above regarding claim 1 elements [1.3] and [1.6]. Because Petitioner relies on the same disclosures of Brener as for claim 1, Petitioner's assertions against claims 22, 37, and 38 suffer from the same deficiencies discussed above.

Accordingly, we conclude that Petitioner has not shown unpatentability of claim 22, 37, or 38 over Brener, Weiss, and Desai by a preponderance of the evidence.

3. Dependent claims

Because all other challenged claims depend directly or indirectly from one of the independent claims, our conclusion that Petitioner has failed to carry its burden for the independent claims applies also to the dependent claims.

D. PATENT OWNER'S CONDITIONAL MOTION TO AMEND

Patent Owner filed a Conditional Motion to Amend. Paper 21. Because we conclude that Petitioner has not proven any claim unpatentable, we do not reach Patent Owner's Motion and therefore dismiss it as moot.

E. PATENT OWNER'S MOTION TO STRIKE

Patent Owner filed a Motion to Strike certain evidence and argument associated with Petitioner's Sur-Reply to Patent Owner's Conditional

Motion to Amend. Paper 39. Because we do not reach Patent Owner's Conditional Motion to Amend, Patent Owner's Motion to Strike is moot and we dismiss it as such.

III. CONCLUSION

For the reasons discussed above, we conclude Petitioner has not proven any of the challenged claims unpatentable over the prior art of record.

In summary:

Claims	35 U.S.C. §	Reference(s)/Basis	Claims Shown Unpatentable	Claims Not Shown Unpatentable
1–4, 9, 16, 21– 25, 31, 37, 38	103	Brener, Weiss, Desai		1–4, 9, 16, 21–25, 31, 37, 38

Motion to Amend Outcome	Claims
Original Claims Cancelled by Amendment	
Substitute Claims Proposed in the Amendment	1–4, 9, 16, 21–25, 31, 37, 38
Substitute Claims: Not Reached	1–4, 9, 16, 21–25, 31, 37, 38

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that claims 1–4, 9, 16, 21–25, 31, 37, and 38 of U.S. Patent No. 8,856,539 B2 are not determined to be unpatentable;

FURTHER ORDERED that Patent Owner's Conditional Motion to Amend is *dismissed*;

FURTHER ORDERED that Patent Owner's Motion to Strike is *dismissed*; and

FURTHER ORDERED that, because this is a Final Written Decision, parties to the proceeding seeking judicial review of the decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

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