

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EXPEDIA, INC.; HOMEAWAY.COM, INC.; HOTELS.COM L.P.;
HOTWIRE, INC.; AND ORBITZ, LLC,
Petitioner,

v.

INTERNATIONAL BUSINESS MACHINES CORPORATION,
Patent Owner.

Case IPR2018-01685
Patent 7,631,346

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

BUNTING, *Administrative Patent Judge*.

DECISION
Denying Request for Rehearing
37 C.F.R. § 42.41(d)

I. INTRODUCTION

Expedia, Inc., Homeaway.com, Inc., Hotels.com L.P., Hotwire, Inc., and Orbitz, LLC (collectively “Petitioner”) filed a Petition (Paper 1, “Pet.”) to institute an *inter partes* review of claims 1–2, 4–11, and 15–20 (“the challenged claims”) of U.S. Patent No. 7,631,346 (Ex. 1001, “the ’346 patent”). International Business Machines Corp. (“Patent Owner”) filed a Preliminary Response (Paper 8, “Prelim. Resp.”). On April 11, 2019, we entered a Decision on Institution (Paper 10, “Decision” or “Dec.”) in this proceeding, determining that Petitioner had not demonstrated a reasonable likelihood that it would prevail in showing the unpatentability of at least one challenged claim of the ’346 patent on any of the asserted grounds. Dec. 22. Petitioner timely filed this Request for Rehearing of the Decision. Paper 11 (“Request” or “Req. Reh’g.”).

We have considered Petitioner’s Request. For the reasons that follow, Petitioner’s Request is denied.

II. ANALYSIS

When considering a request for rehearing, the Board reviews its decision for an abuse of discretion. 37 C.F.R. § 42.71(c). On rehearing, the burden of showing that the Decision should be modified lies with the party challenging the Decision, in this case, Petitioner. 37 C.F.R. § 42.71(d). A request for rehearing must identify specifically all matters the requesting party believes the Board misapprehended or overlooked. 37 C.F.R. § 42.71(d). Petitioner’s stated basis for rehearing is that we “misapprehended or overlooked that Barriga-Caceres’s disclosure would

have been understood by a POSITA to disclose a federated computing environment, as explained in the Petition.” Req. Reh’g. 1.

Although Petitioner presents detailed arguments directed to the first ground based on Barriga-Caceres and Sunada (Req. Reh’g. 2–10; Dec. 6), Petitioner contends that its arguments are equally applicable to the other asserted grounds based at least in part on Barriga-Caceres (Reg. Reh’g. 10–11; Dec. 6).

A. That the Board Misapprehended Barriga-Caceres’s Disclosure of a “Federated Computing Environment”

Petitioner first argues that we misapprehended Barriga-Caceres’ disclosure regarding the “federated computing environment” limitation. Req. Reh’g. 2–10. In Petitioner’s view, the Petition explains how Barriga-Caceres discloses the “federated computing environment” claim element using the construction we applied, namely, “a loosely coupled affiliation of a plurality of distinct enterprises which adhere to certain standards of interoperability; the federation provides a mechanism for trust among those enterprises with respect to certain computational operations for the users within the federation.” Req. Reh’g. 2 (quoting Dec. 10). Petitioner maintains that the Petition identifies “users, service providers (‘SPs’), and mobile network operators (‘MNOs’) as the members of the federated computing environment that provide single-sign-on operations to users.” *Id.* at 2. Petitioner supports this contention by pointing to its statements in the Petition: “Barriga-Caceres discloses a system and method for SSO in a **federated environment in which a Mobile Network Operator (MNO) operates as an authentication provider (AP) for third party service providers (SPs)**, such as bookstores and travel agencies.” *Id.* (citing Pet. 7;

Ex. 1004 ¶¶ 72, 74, Abstract). Petitioner also draws attention to its argument that “**the user, SP, and MNO form a ‘federated computing environment’** as they are affiliated entities adhering to certain standards of interoperability and provide a mechanism of trust with respect to operations for users within the federation.” *Id.* at 2–3, (citing Pet. 23, Ex. 1003 ¶¶ 54–57). Additionally, Petitioner characterizes our construction of “federated computing environment” as “new” in arguing that its arguments and evidence demonstrate that Barriga-Caceres discloses each element of the Board’s construction, despite not “explicitly” addressing this construction. *Id.* at 3.

We first address Petitioner’s mischaracterization of the construction we applied to the term “federated computing environment” as “new.” As we explained in the Decision, the United States Court of Appeals for the Federal Circuit (“the Federal Circuit”) determined that our construction of “federated computing environment” from the earlier *inter partes* reviews challenging the ’346 patent was erroneous, and “conclude[d] that a ‘federated computing environment’ requires a plurality of distinct enterprises.” *Int’l Bus. Machs. Corp. v. Iancu*, No. 2018-1065, slip op. at 11 (Fed. Cir. April 1, 2019) (Ex. 3001, “IBM”). Using the correct construction provided by the Federal Circuit in *IBM*, we construed “federated computing environment” in the instant proceeding as “a loosely coupled affiliation of a plurality of distinct enterprises which adhere to certain standards of interoperability; the federation provides a mechanism for trust among those enterprises with respect to certain computational operations for the users within the federation.” Dec. 10. Therefore, our construction was not “new,” but rather the correct construction as informed by the Federal Circuit.

Petitioner cannot claim ignorance of this claim construction. As we stated explicitly in the Decision,

[t]he absence of any acknowledgement of this construction in the Petition itself does not help Petitioner's position. Nor can Petitioner argue that it was unaware of this construction. Petitioner was clearly cognizant of Patent Owner's construction because Petitioner's declarant, Dr. Smedley, testifies that "I also understand from counsel that the Patent Owner has appealed the PTAB's construction of 'federated computing environment' and argued that a federated computing environment requires multiple enterprises. While I apply the PTAB's construction in my analysis, my analysis remains unchanged in the event that the PTAB adopts the Patent Owner's narrower construction of 'federated computing environment' because, as explained below, the combinations presented in this declaration have a federated computing environment in which the different computer systems are associated with different enterprises."

Dec. 17 (citing Ex. 1003 ¶ 43).

Moreover, the Federal Circuit decision issued on April 1, 2019, and the statutory deadline for instituting *inter partes* review in this proceeding was April 17, 2019, based on the January 17, 2019, filing date of the Patent Owner Preliminary Response. Paper 8, 1. Despite the critical timing, Petitioner could have notified us of the Federal Circuit decision and requested briefing on claim construction *prior* to entry of the Decision, but elected not to do so.

Recognizing that it did not "explicitly address" the construction of "federated computing environment" (Req. Reh'g. 3), Petitioner now attempts to rectify this omission by directing us to statements found under different headings in the Petition, and faults our Decision for not assembling these statements together in the Decision into the argument it now wishes to advance. *See DeSilva v. DiLeonardi*, 181 F.3d 865, 866–67 (7th Cir. 1999)

(“A brief must make all arguments accessible to the judges, rather than ask them to play archeologist with the record.”). However, as the Supreme Court has counseled, “the statute envisions that a petitioner will seek an inter partes review of a particular kind—one guided by a petition describing ‘each claim challenged’ and ‘the grounds on which the challenge to each claim is based.’ [35 U.S.C.] § 312(a)(3). From the outset, we see that Congress chose to structure a process in which it’s the petitioner, not the Director, who gets to define the contours of the proceeding.” *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1355, 200 L. Ed. 2d 695 (2018). Although we are sympathetic to the timing of the Federal Circuit’s construction, Petitioner does not argue persuasively, or provide authority to the effect, that we should reformulate the Petition to fit this claim construction. The additional explanation Petitioner now offers, as discussed below, concerning how the teachings of Barriga-Caceres are mapped to the “federated computing environment” limitation using the claim construction from the Federal Circuit, was not presented in the Petition, and Petitioner did not attempt to make it available to us before our statutory deadline. That is, we could not have misapprehended or overlooked arguments and evidence not presented in a cohesive manner in the Petition.

“A Loosely Coupled Affiliation of a Plurality of Distinct Enterprises”

For the claim element of “a loosely coupled affiliation of a plurality of distinct enterprises,” Petitioner now argues that Barriga-Caceres discloses this claim element because the SP and MNO are distinct enterprises. Req. Reh’g. 3. Petitioner supports this position by pointing to statements in the Petition including (1) “[a]n SP and an MNO have ‘signed a business agreement,’ have ‘a single trust relationship,’ and have defined interfaces

that ‘provide channels for communicating between the different entities involved, internal and external to the federation’” (*id.* (citing Pet. 7, 23; Ex. 1004 ¶¶ 66, 77–78)); and (2) the MNO is a cellular provider and SP a third-party business e.g., bookstore or travel agency (*id.* (citing Pet. 7, 24–25; Ex. 1004 ¶¶ 72–75)). Petitioner argues that despite not using the exact word “enterprises,” the separate and distinct businesses it identified in the Petition are enterprises, i.e., a bookstore or travel agency, and that these businesses are “a separate and distinct enterprise from that of a cellular provider.” *Id.* at 4 (citing Pet. 7). Petitioner repeats its contention that the “SP and MNOs engage in a contractual relationship such that one business (the MNO) acts as the authentication provider for the other (the SP).” *Id.* at 5 (citing Pet. 22–23; Ex. 1004 ¶¶ 66, 77–78).

In our Decision, we expressly stated that “[w]e understand Petitioner’s position as considering at least the user, SP, and MNO as *affiliated entities* forming one federated computing environment based on the trust relationship between these entities.” Dec. 16 (citing Pet. 23 (“the user, SP and MNO form a ‘federated computing environment’ as they are affiliated entities adhering to certain standards of interoperability and provide a mechanism of trust with respect to operations for users within the federation.”)). We also explained that “Petitioner’s mapping of the federated computing environment claim element to Barriga-Caceres does not identify which of these affiliated entities form an enterprise, let alone ‘a loosely coupled affiliation of a plurality of distinct enterprises.’” Dec. 17.

The Request recognizes expressly that the Petition identified *entities* and not *enterprises*. Req. Reh’g. 4–5. The additional explanation Petitioner now offers concerning how these affiliated entities form separate and

distinct enterprises should have been made in the Petition, or through additional briefing, *prior* to entry of the Decision. Petitioner does not apprise us of anything we misapprehended or overlooked in the Petition.

“A Plurality of Distinct Enterprises Which Adhere to Certain Standards of Interoperability”

As to the claim element of “a plurality of distinct enterprises which adhere to certain standards of interoperability,” Petitioner now argues that it established that Barriga-Caceres’ MNOs and SPs adhere to standards of interoperability because the SP and MNO “have defined interfaces that ‘provide channels for communicating between the different entities involved, internal and external to the federation.’” Req. Reh’g. 5 (citing Pet. 23; Ex. 1004 ¶¶ 66, 77–78). Petitioner again expected our Decision to *sua sponte* gather together disparate arguments found within the Petition in support of the position it now takes regarding how Barriga-Caceres teaches this claim element.

For example, to support its conclusion that the user, SP, and MNO form a “federated computing environment,” Petitioner argued that it considers the user, SP and MNO to be “affiliated entities adhering to certain standards of interoperability and provide a mechanism of trust with respect to operations for users within the federation.” Pet. 23 (citing Ex. 1003 ¶¶ 54–57). We considered arguments in the Petition in the context offered, namely (1) that the system includes users, SPs, and MNOs connected via a cellular network to provide single sign on to the users (Pet. 22–23 (citing Ex. 1004 ¶¶ 61–63)); and (2) that “[a]n SP and an MNO have ‘a signed business agreement,’ have ‘a single trust relationship,’” and have defined interfaces that ‘provide channels for communicating between the different

entities involved, internal and external to the federation” (id. at 23 (citing Ex. 1004 ¶¶ 66, 77–78)). Missing, is any argument in the Petition, or additional briefing, that an SP and an MNO are a plurality of distinct enterprises, which adhere to certain standards of interoperability. In other words, Petitioner did not provide, prior to our Decision to Institute, an explanation of how these affiliated entities represent a plurality of distinct enterprises.

We could not have misapprehended or overlooked arguments and evidence not presented in a cohesive manner in the Petition.

“The Federation Provides a Mechanism for Trust Among Those Enterprises with Respect to Certain Computational Operations for the Users Within the Federation”

With respect to “the federation provides a mechanism for trust among those enterprises with respect to certain computational operations for the users within the federation” claim element, Petitioner argues that the Petition established “that Barriga-Caceres discloses the federation between the SP and MNO provided a mechanism for trust between the SP and MNO such that users can obtain access to the SP’s protected resources via a single-sign-on process” based on the signed business agreement and single trust relationship between the SP and MNO. Req. Reh’g. 6–7 (citing Pet. 23; Ex. 1004 ¶¶ 66, 77–78). According to Petitioner, this trust relationship enables “the MNO [to] become[] a single-sign-on authentication authority for cellular subscribers who wish to access the protected resources of the SP.” Id. at 7 (citing Pet. 22; Ex. 1004, Abstract). Petitioner argues for the first time, in this Request, “the federation between the SP and MNO provide[s] a trust mechanism among the SP and MNO to perform single-sign-on operations for users who are also members of the federation.” Id.

Petitioner again expected our Decision to *sua sponte* compile various statements from the Petition to support the position it now advances that Barriga-Caceres teaches how “the federation provides a mechanism for trust among those enterprises with respect to certain computational operations for the users within the federation.” Because this argument was not made expressly in the Petition or in additional briefing, Petitioner does not inform us of anything we misapprehended or overlooked.

Summary

We have reviewed this Request and determine that Petitioner has not carried its burden of demonstrating that the Board misapprehended or overlooked any arguments or evidence in determining that “Petitioner fails to present persuasive arguments and evidence explaining which of the entities identified in Barriga-Caceres constitute a plurality of distinct enterprises, as required by the federated computing environment claim element.” Dec. 18. Rather, Petitioner is using this Request as an opportunity to bolster arguments not presented sufficiently in the Petition.

B. That The Patent Owner’s Arguments Misrepresented the Positions Set Forth in the Petition

Referring to the Patent Owner Preliminary Response, Petitioner faults Patent Owner’s use of the term “cellular federation” in arguing that the SP and MNO do not form a federated computing environment. Req. Reh’g 7 (citing Prelim. Resp. at 23–27). Petitioner contends that it did not map Barriga-Caceres’ cellular federation to the federated computing environment limitation. *Id.* In Petitioner’s view, we addressed Patent Owner’s “red

herring” and not its arguments directed to the “federated computing environment” limitation. *Id.* at 7–8 (citing Decision 16–17).

As discussed above in connection with Petitioner’s contention that we misapprehended its argument that Barriga-Caceres discloses the “federated computing environment” limitation, the Decision clearly understands and addresses Petitioner’s argument that the user, SP, and MNO form a “federated computing environment” and cites to the same argument from the Petition that Petitioner now cites in this Request. Dec. 16 (citing Pet. 23); Req. Reh’g. 8–9.

Having considered Petitioner’s arguments in this Request, Petitioner does not carry its burden of demonstrating that we misapprehended its explanation of how the teachings of Barriga-Caceres satisfied the “federated computing environment” limitation in view of Patent Owner’s contentions.

III. CONCLUSION

Having not been shown where we misapprehended or overlooked a matter, or otherwise abused our discretion, we conclude that Petitioner is not entitled to the relief it seeks.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Petitioner’s Request for Rehearing is *denied*.

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