

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SMARTMATIC USA CORP.,
Petitioner,

v.

ELECTION SYSTEMS & SOFTWARE, LLC,
Patent Owner.

IPR2019-00531
Patent 8,096,471 B2

Before GEORGIANNA W. BRADEN, JEFFREY W. ABRAHAM, and
SHELDON M. McGEE, *Administrative Patent Judges*.

McGEE, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Request for Rehearing of Final Written Decision
37 C.F.R. § 42.71(d)

I. INTRODUCTION

We issued a Final Written Decision pursuant to 35 U.S.C. § 318(a) determining Petitioner did not establish by a preponderance of the evidence that original claim 16 or proposed substitute claims 21–29 are unpatentable. Paper 40 (“Decision” or “Dec.”), 3, 41–42. Petitioner timely filed a request for rehearing under 37 C.F.R. § 41.71(d). Paper 41 (“Request” or “Req.”).

In its Request, Petitioner asserts we misapprehended or overlooked the following three matters:

- (1) “Petitioner’s arguments and evidence explaining why a person of ordinary skill in the art [] would have been motivated to make the proposed modification of Johnson,”
- (2) “Petitioner’s explanation as to why a [skilled artisan] would have been motivated to make the proposed modification, and . . . evidence supporting this explanation,” and
- (3) “Petitioner’s arguments and evidence demonstrating how Johnson’s election results could be recounted and/or audited successfully if a physical ballot was returned to a voter.”

Req. 1–3.

We have considered Petitioner’s Request, and, for the reasons set forth below, we decline to modify our Decision.

II. ANALYSIS

A party dissatisfied with a decision may file a single request for rehearing without prior authorization from the Board. The burden of showing a decision should be modified lies with the party challenging the decision. The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed.

37 C.F.R. § 42.71(d). Specifically, “[w]hen rehearing a decision on petition, a panel will review the decision for an abuse of discretion.” 37 C.F.R. § 42.71(c).

Petitioner’s First Argument

Petitioner first contends that we overlooked or misapprehended its “arguments and evidence explaining why a [person of ordinary skill in the art] would have been motivated to make the proposed modification of Johnson.” Req. 4. Specifically, Petitioner asserts that our Decision looked “to Johnson in considering whether there is some suggestion to make the modification proposed by Petitioner,” when the Petition relied on Cummings for its express disclosure of “automatically depositing approved ballots to a ballot box, and returning ballots that are not approved to the voter.” *Id.* at 4–5. Petitioner points to Dr. Bederson’s testimony and evidence it provided in support of its motivation arguments (*id.* at 6–7), and asserts we misapprehended or overlooked its arguments regarding alleged similarities between Johnson’s system and other voting systems (*id.* at 7–8).

As an initial matter, we disagree that we misapprehended Petitioner’s proffered basis for modifying the teachings of Johnson. Req. 1–2, 4–9. Our Decision makes clear that we understood the challenge as it was presented by Petitioner. For example, we expressly stated that “Petitioner asserts that a person of ordinary skill in the art would have been motivated to modify the teachings of Johnson with those of Cummings at the time of the invention to provide options for either depositing the paper ballot or returning it to the voter,” and quoted Petitioner’s proffered rationale for doing so—i.e., because “a voter may wish to receive his or her printed ballot if it were incorrectly marked in order to gain assurance that the ballot will not be

mistakenly counted during a recount or audit of the paper ballots.” Dec. 18. We also characterized Petitioner’s obviousness challenge as being “over the combined teachings of Johnson and Cummings” and noted how the Petition “set[s] forth the [asserted] obviousness rationale and expectation of successfully modifying the teachings of Johnson with those of Cummings.” *Id.* at 14–15; *see also id.* at 17–18 (summarizing Cummings’ teachings); *id.* at 19–20 (identifying “Petitioner’s proffered modification” as “adding Cummings’ ‘ballot return’ feature to Johnson’s device”). Ultimately, we determined Petitioner failed to show that “the skilled artisan would have been motivated to make the proffered modification to the teachings of Johnson,” and “[i]n particular,” had not shown such artisan “would have modified Johnson to provide a voter with options for either depositing a physical ballot to a ballot box or returning the ballot to the voter.” *Id.* at 25. Notably, the language in our Decision (*id.*) tracks, almost *verbatim*, Petitioner’s proffered motivation for modifying Johnson’s teachings with those of Cummings to arrive at the subject matter of claim 16 (Pet. 57).

Petitioner’s emphasis of our use of the phrase “considering Johnson’s teachings as a whole” (Req. 4) reflects a misunderstanding of the context in which this statement was used. Dec. 25. Specifically, this statement was part of an introductory paragraph summarizing the deficiencies in Petitioner’s case, and does not indicate that we focused solely on the teachings of Johnson in assessing the strength of Petitioner’s challenge. Indeed, as the Decision goes on to explain, a detailed analysis of Johnson’s teachings was necessary to determine how the skilled artisan would have viewed Johnson’s silence on the specifics of processing its segregated paper ballots “that have not been approved by the voter.” Ex. 1002, 6:56–60; *see*

Dec. 26 (“According to Petitioner, ‘Johnson does not teach never providing the voter with a ballot.’ Reply 15. Petitioner thus appears to argue that Johnson’s lack of physical access to the printed ballot does not apply to every step in Johnson’s voting process.”). To discern how the skilled artisan would have viewed Johnson’s teachings, we stressed that we are required to consider Johnson’s teachings as a whole, which we did. Dec. 26 (noting that even though Johnson may be silent on specific teachings regarding how to handle disapproved paper ballots, that fact “does not negate our obligation to consider the teachings of the Johnson reference as a whole.” (citing *In re Gorman*, 933 F.2d 982, 986 (Fed. Cir. 1991)); *id.* at 25–27 (finding “Johnson repeatedly stresses the voter’s inaccessibility to the physical ballot” and that Johnson “when considered as a whole—does not suggest that a voter should be given physical possession of the inaccurate or disapproved ballots after it is segregated”). Only after we undertook this factual inquiry into the full scope and content of Johnson’s teachings were we then able to conclude, as a matter of law, that the claims would not have been obvious over the combined disclosures of Johnson and Cummings. Dec. 34, 41–42; *In re Kubin*, 561 F.3d 1351, 1355 (Fed. Cir. 2009 (“The teachings of a prior art reference are underlying factual questions in the obviousness inquiry.”)).

As to Petitioner’s assertion that we overlooked the evidence to Chung (Ex. 1023) and US 2005/0035199 (Ex. 1038), which purportedly “corroborates Dr. Bederson’s testimony as to why a [skilled artisan] would have been motivated to make the proposed modification of Johnson,” we disagree. Req. 6–7. The Decision addresses Chung specifically (Dec. 27–28 (citing Ex. 1023)) and furthermore explains why we ascribed little weight to

Dr. Bederson’s testimonial evidence regarding how election audits are carried out (*id.* at 32–33).

Regarding Chung, in the Decision we noted a key difference in how ballots were handled in Chung’s voting system vis-à-vis Johnson’s system—i.e., “where the paper ballot remains inaccessible to the voter [Johnson], and Chung’s system where the paper ballot is given to a voter in the first instance.” *Id.* at 27–28. This difference is not to be understated because Petitioner tried to establish similarities between Johnson and Chung to support its argument that Johnson’s disclosure is “consistent with other voting machines that, for some period of time prevent the voter from accessing the ballot, only to later return the ballot to the voter.” Reply 11. Our Decision reflects the reasons we rejected that argument after considering Johnson’s disclosure as a whole. *See* Dec. 25–31. Specifically, based on the differences between the Johnson and Chung systems, we found Petitioner’s reliance on Chung to lack sufficient probative value. *Id.* at 27–28; Ex. 1023, Fig. 4, ¶¶ 86, 99.

And while our Decision does not specifically mention US 2005/0035199 (Ex. 1038), we note that Petitioner cited this exhibit in support of Dr. Bederson’s testimonial evidence regarding how election audits are carried out. Reply 24; Ex. 1024 ¶ 47 (citing Ex. 1038 ¶ 35, and opining “there is no reason all of Johnson’s ballots must be collected to conduct an audit of an election.”). Our Decision makes clear, however, that we ascribed little weight to Dr. Bederson’s opinion on such matters and explained our rationale for doing so. Dec. 32–33 (citing *Velander v. Garner*, 348 F.3d 1359, 1371 (Fed. Cir. 2003)); *id.* at 45 (according this disputed evidence “minimal weight”).

Finally, regarding Petitioner’s assertion that we overlooked certain arguments supporting obviousness (Req. 8–9), we note that such arguments appear relevant only to a proposed claim construction we did not adopt. See Pet. 28 (arguing that “[t]o the extent a narrow interpretation of ‘return the marked ballot to the voter’ is taken, requiring that the voter insert a paper ballot that does not include the voter’s selections into the marking device before the marked paper ballot is returned to the voter” was known at the time of the invention (emphasis added)). We made no such narrow interpretation of “return the marked ballot to the voter” requiring the voter to insert a paper ballot, nor did Petitioner invite us to so construe the claims. Pet. 11–16; Reply 4–5.¹ Moreover, in its Request, Petitioner did not challenge our express construction of “returning the marked ballot to the voter” as meaning “returning the marked ballot to give the voter physical possession of the ballot.”

For these reasons, we are unpersuaded we misapprehended or overlooked any matter pertaining to Petitioner’s arguments and evidence explaining why a person of ordinary skill in the art would have been motivated to make the proffered modification to the teachings of Johnson.

Petitioner’s Second and Third Arguments

Petitioner additionally faults our Decision for focusing on a voter’s ability “to leave a polling place with a ballot or to discard the ballot as a major point of contention between the parties . . . and in [so] doing

¹ Petitioner’s proffered claim construction of this phrase in its Reply only dealt with whether the term “ballot” was to be construed to include not only physical, e.g., paper, ballots, but also electronic records of a voter’s choice. Reply 4–5. Our Decision rejected Petitioner’s proffered construction. Dec. 9–13.

overlooked evidence cited in support of Petitioner’s” obviousness rationale. Req. 10.

For support, Petitioner points to our Preliminary Guidance (Paper 23, 12) where we preliminarily indicated that “Johnson suggests that only voter-verified printed ballots, i.e., not the voided ballots, are needed to have a ‘fully auditable record of the vote’.” Req. 10–11. The document to which Petitioner cites, however, expressly states that “the views expressed in this Preliminary Guidance are subject to change upon consideration of the complete record,” and are “not binding on the Board when rendering a final written decision.” Paper 23, 3. Moreover, in our Decision—upon consideration of the complete record—we found that “Johnson repeatedly stresses the importance of election auditability and recounts, and specifically teaches that ‘the paper ballots may form the basis for a later recount or audit.’” Dec. 28 (citing Ex. 1002, 6:10–11, 8:10–26). Our Decision also details why we determined, on the complete record, that “Johnson’s disclosure, considered as a whole, strongly suggests that both approved and disapproved paper ballots 212 are transferred to lockbox 208 to be kept in the event of a later audit or recount.” Dec. 28–31. Petitioner’s argument on rehearing reveals no error in that analysis. In fact, Petitioner erroneously asserts we overlooked how Johnson uses the reference numeral 212, arguing that it is first used to describe “voter-completed and validated printed ballots 212,” and “[o]ther than the occasional re-use of the reference numeral to refer to ballots in general, there is no suggestion that disapproved ballots are used in Johnson’s recount.” Req. 11. This argument lacks merit because it is contradicted by the express disclosure of Johnson. As we explained in our Decision (Dec. 28–31), Johnson specifically references *disapproved ballots*

with the numerical identifier 212, and discloses how “each printed ballot 212” can be made available in the event of a recount. *See* Ex. 1002, 6:58–59 (“paper ballots 212 *that have not been approved by the voter*”) (emphasis added); *id.* at 10:42–43 (“*each* printed ballot 212 may be securely held and made available for automated or manual recounting”) (emphasis added); *id.* at 10:51–53 (“It is further anticipated that the mailed *printed ballots 212* will arrive in time for *any recount* that may be ordered”) (emphasis added).

Petitioner’s request also takes issue with the weight we accorded Dr. Bederson’s testimony that the way “election audits are handled varies from jurisdiction-to-jurisdiction” and “election audits do not have to be carried out in any particular fashion.” Req. 11. A careful review of our Decision, however, reveals that we were unpersuaded by Dr. Bederson’s testimony on more relevant issues to the point Petitioner was attempting to establish in its Reply, i.e., that “some prior art voting systems expressly disclose providing for the destruction of invalid ballots.” Dec. 33 (citing Ex. 1024 ¶ 39; Ex. 1026, 5:39–46); *see* Reply 19 (Petitioner asserting that “the voting laws of Massachusetts ***expressly require*** not including spoiled ballots in an audit, and that these ballots instead be ***destroyed without examination.***”). In other words, whether election audits are handled in a uniform manner across the United States is subsidiary to the critical inquiry—i.e., whether Petitioner established that disapproved or “spoiled” ballots are not required in order to properly conduct an election audit or recount. As our Decision makes clear, Petitioner failed to do so. Dec. 33–34.

Petitioner also points to its argument that “even if the spoiled ballots were required to be kept for a recount, there are ways of doing so without

having to capture the spoiled ballots within the machine in which they are spoiled,” such as “by allowing the voter to receive physical possession of the ballot and then having the voter manually deposit the ballot into a ballot box.” Req. 12; *see also id.* at 13–14 (discussing specifics of the voting machines of Chung and US 2005/0035199²). Even if this were true, such an arrangement does not address the risks associated with a voter leaving a polling place with a “spoiled” ballot, thus interfering with an election’s audit. This risk is evident from Dr. Shamos’s testimony (Ex. 2002 ¶¶ 93–98; Ex. 2003 ¶¶ 59, 75, 80) which we credited (Dec. 31; *Velandar*, 348 F.3d at 1371), and explains our focus on this issue in our Decision (Dec. 25, 31–34). Indeed, Petitioner’s Request implicitly recognizes the risk of ballots not being available for recount if a voter leaves a polling place with a spoiled ballot. Req. 14 (arguing that “spoiled ballots, even if returned to the voter, could be counted in a recount *if the voter deposits the returned ballot in a separate box.*”) (emphasis added).

III. CONCLUSION

For the reasons set forth above, Petitioner fails to persuade us that we overlooked or misapprehended any dispositive matter that would necessitate a modification of our Decision.

IV. ORDER

For the reasons given, it is hereby

ORDERED that Petitioner’s Request for Rehearing is denied.

² The relied upon disclosure of this reference appears to deal with valid, not spoiled, ballots. Ex. 1038 ¶ 35.

PETITIONER:

Larissa Bifano
Michael Van Handel
Timothy Lohse
DLA PIPER (US) LLP
Larissa.bifano@dlapiper.com
Michael.vanhandel@dlapiper.com
Timothy.lohse@dlapiper.com

PATENT OWNER:

Robert Evans, Jr.
Michael Hartley
Kathleen Markowski Petrillo
LEWIS RICE LLC
revans@lewisrice.com
mhartley@lewisrice.com
kpetrillo@lewisrice.com