

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PNC BANK N.A.,
Petitioner,

v.

UNITED SERVICES AUTOMOBILE ASSOCIATION,
Patent Owner.

IPR2021-01076
Patent 10,621,559 B1

Before KRISTEN L. DROESCH, TERRENCE W. McMILLIN, and
JULIET MITCHELL DIRBA, *Administrative Patent Judges*.

DIRBA, *Administrative Patent Judge*.

DECISION

Denying Institution of *Inter Partes* Review

35 U.S.C. § 314

Granting Motions to Seal and Entering Protective Order

37 C.F.R. §§ 42.14, 42.54

On July 21, 2021, PNC Bank N.A. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1–18 of U.S. Patent No. 10,621,559 B1 (Ex. 1001, “the ’559 patent”). Paper 4 (“Pet.”). United Services Automobile Association (“Patent Owner”) timely filed a Preliminary Response. Paper 8 (“Prelim. Resp.”). With our authorization (Paper 12), Petitioner filed a pre-institution reply (Paper 14 (“Reply”)), and Patent Owner filed a pre-institution sur-reply (Paper 17 (“Sur-reply”)).¹

An *inter partes* review may not be instituted unless “the information presented in the petition . . . and any response . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” 35 U.S.C. § 314(a).

Having reviewed the parties’ papers and the evidence of record, we determine that Petitioner has not shown a reasonable likelihood it will prevail in establishing the unpatentability of any of the challenged claims. Accordingly, we do not institute an *inter partes* review.

I. BACKGROUND

A. *Related Matters*

The parties indicate that Patent Owner asserted the ’559 patent against Petitioner in *United Services Automobile Association v. PNC Bank N.A.*, Case No. 2:20-cv-00319 (E.D. Tex.). Pet. 2; Paper 6, 2. In addition, the parties indicate that Patent Owner has asserted patents that are related to the ’559 patent in two other litigations: *United Services Automobile Association v. PNC Bank N.A.*, Case No. 2:21-cv-00110 (E.D. Tex.) and

¹ Papers 8, 14, and 17 were filed under seal, and Papers 11, 16, and 20, respectively, are the corresponding public versions. This Decision does not refer to any information that was redacted from the public documents.

United Services Automobile Association v. PNC Bank, N.A., 2:21-cv-00246 (E.D. Tex.). Pet. 2; Paper 6, 2–3. According to the parties, each of these district court litigations also involve other, unrelated patents. *See* Pet. 2–3; Paper 6, 2–3.

The parties further indicate that Petitioner concurrently filed an *inter partes* review petition challenging the '559 patent in IPR2021-01077. Pet. 3; Paper 6, 3; *see also* Paper 3 (ranking this proceeding first). Today, we deny institution of this proceeding and grant institution in IPR2021-01077.

The parties identify no other PTAB proceedings that challenge the '559 patent, but the following PTAB proceedings involve related patents:²

Challenged Patent	Case No.	Petitioner
U.S. 9,224,136	CBM2019-00027	Wells Fargo Bank, N.A.
	IPR2022-00075	PNC Bank N.A.
U.S. 10,013,681	CBM2019-00028	Wells Fargo Bank, N.A.
	IPR2020-01650	Mitek Systems, Inc.
	IPR2021-01381	PNC Bank N.A.
U.S. 10,482,432	IPR2021-01071	PNC Bank N.A.
	IPR2021-01074	PNC Bank N.A.

² The parties identify some (but not all) of these proceedings. *See* Pet. 3; Paper 6, 3. The parties are reminded of their continuing obligation to update their mandatory notices within 21 days of any relevant change, including changes in related matters. 37 C.F.R. §§ 42.8(a)(3), 42.8(b)(2).

B. The Petitioner's Asserted Ground

Petitioner asserts the following ground of unpatentability (Pet. 6):

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1–18	103	Oakes ³ , Maloney ⁴

In support, Petitioner relies on the testimony of Dr. Brian Noble (Ex. 1002).

C. Summary of the '559 Patent

The Specification of the '559 Patent explains that there are advantages and disadvantages to using a check to purchase goods or services. *See* Ex. 1001, 1:25–2:31. One disadvantage is that “receiving a check may put certain burdens on the payee, such as the time and effort required to deposit the check,” because “depositing a check typically involves going to a local bank branch and physically presenting the check to a bank teller.” *Id.* at 2:5–9. To address this, the '559 patent provides a method “for remotely redeeming a negotiable instrument,” such as a check, using “a customer-controlled general purpose computer.” *Id.* at 2:35–41.

Figure 1 (reproduced below) shows a system in which the described method may be employed. Ex. 1001, Fig. 1, 2:35–41, 3:17–18.

³ US 7,873,200 B1, issued Jan. 18, 2011 (Ex. 1038).

⁴ US 2006/0112013 A1, published May 25, 2006 (Ex. 1024).

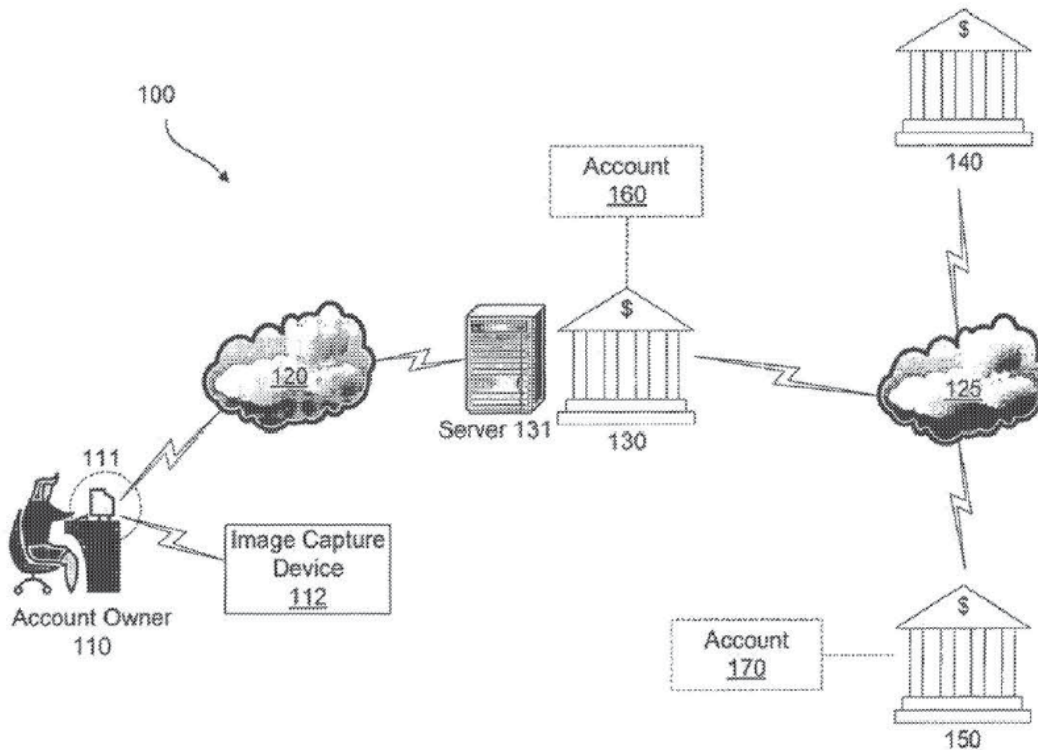


FIGURE 1

As depicted above, Figure 1 illustrates a system 100 that includes account owner 110 (e.g., a bank customer at his private residence) and an associated customer-controlled general purpose computer 111 and image capture device 112, as well as financial institutions 130, 140, and 150 (e.g., banks). *Id.* at 3:49–53, 4:59–64, 5:4–9, 5:26–31.

To deposit a check, account owner 110 converts the check into electronic data by, for example, “scanning the front and/or back of the check using image capture device 112,” and then general purpose computer 111 sends that data to financial institution 130. Ex. 1001, 5:60–6:8. After receiving the image, financial institution 130 communicates with other financial institutions (e.g., 140 and 150) to clear the check. *Id.* at 6:11–49. For example, financial institution 130 may create a substitute check using the image provided by account owner 110 and present the substitute check to an intermediary (financial institution 140), which identifies the paying bank

(financial institution 150). *Id.* at 6:21–28. Financial institution 140 then presents the substitute check to financial institution 150, and “[i]f financial institution 150 verifies the check (i.e., agrees to honor the check), financial institution 140 may then settle the check by debiting funds from financial institution 150 and crediting funds to financial institution 130.” *Id.* at 6:32–38. Financial institutions 130 and 150 make the appropriate changes in the respective accounts (i.e., accounts 160 and 170). *Id.* at 6:11–13, 6:38–39.

Figure 1 also depicts server 131, which is associated with financial institution 130. Ex. 1001, Fig. 1. The Specification notes that “[f]inancial institution 130 may maintain and operate server 131 for the purpose of communicating with customers such as 110,” and it states that “server 131 or other electronics [may] facilitate and enable [the] deposit by account owner 110.” *Id.* at 5:16–18, 5:67–6:3.

D. Challenged Claims

Petitioner challenges all 18 claims of the ’559 patent. Of these, claims 1 and 10 are independent, and for purposes of this Decision, claim 1 is representative. Claim 1 recites:

1. A computing device for processing a remote deposit of a check, the computing device comprising:

first processing circuitry;

a first memory having stored thereon executable instructions that, when executed by the first processing circuitry, cause the first processing circuitry to perform first operations including:

receive a digital image depicting at least portions of the check submitted by a user for the remote deposit of the check, the digital image transmitted using *a mobile device associated with an image capture device*, the digital image being captured by the image capture device;

detect an image format of the digital image;
determine the digital image is stored in a first image format;
convert the digital image into a second image format, wherein an image quality of the first image format is greater than an image quality of the second image format;
apply optical character recognition to the digital image;
determine an amount for the remote deposit of the check based on the optical character recognition applied to the digital image;
compare the determined amount against a customer-entered amount;
optically read a magnetic ink character recognition (MICR) line depicted in the digital image;
determine a routing number from the optically read MICR line;
perform duplicate check detection on the check depicted in the digital image based at least in part on information obtained via the optical character recognition applied to the digital image; and
determine the digital image is suitable for creating a substitute check and sufficient to go forward with the deposit;

second processing circuitry; and

a *second memory* having stored thereon executable instructions that, when executed by the second processing circuitry, cause the second processing circuitry to perform second operations including:

accepting the digital image for check deposit in place of the check depicted in the digital image.

Ex. 1001, 14:22–65 (emphases added to limitations addressed below).

II. ANALYSIS

A. *The Level of Ordinary Skill in the Art*

Petitioner asserts that the level of ordinary skill in the art corresponds to “a bachelor’s degree in electrical engineering, computer science, computer engineering, or equivalent field” and “two years of prior experience with image capturing/scanning technology, involving transferring and processing of image data to and at a server.” Pet. 12 (citing Ex. 1002 ¶¶ 36–38). Petitioner further asserts that “[l]ess work experience may be compensated by a higher level of education, and vice versa.” *Id.*

Patent Owner applies Petitioner’s proposed level of ordinary skill at this stage. Prelim. Resp. 19.

For purposes of this Decision, we adopt Petitioner’s proposed level of skill, as articulated above. We are satisfied that Petitioner’s proposed definition generally comports with the level of skill necessary to understand and implement the teachings of the ’559 patent and the asserted prior art.

B. *Claim Construction*

We interpret claim terms using “the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. 282(b).” 37 C.F.R. § 42.100(b). Under the principles set forth by our reviewing court, the “words of a claim ‘are generally given their ordinary and customary meaning,’” as would be understood by a person of ordinary skill in the art in question at the time of the invention. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (en banc) (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)).

Petitioner addresses the meaning of a phrase that appears in all independent claims (i.e., “mobile device associated with an image capture

device”) and submits no other construction is necessary for this proceeding. Pet. 10–12. Patent Owner does not identify any terms or phrases for construction and does not disagree with Petitioner’s proposed meaning for the identified phrase.⁵ See Prelim. Resp. 20–21. However, Patent Owner disagrees with Petitioner’s apparent understanding of the claim term “accepting.”⁶ *Id.* at 55–60 (citing Pet. 28–29).

Based on the record before us, we do not find it necessary to expressly construe any claim terms or phrases in this Decision. See *Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017) (noting that “we need only construe terms ‘that are in controversy, and only to the extent necessary to resolve the controversy’” (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999))). In particular, in this Decision, we have applied the claim constructions advanced by the Petition because, even under those constructions, Petitioner fails to show a reasonable likelihood of success.

C. Law on Obviousness

The legal question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the

⁵ Patent Owner does argue that Petitioner’s proposal conflicts with Petitioner’s positions in a parallel district court proceeding and elsewhere in the Petition, in alleged violation of 37 C.F.R. § 42.104(b)(3). Prelim. Resp. 20–22. However, we need not (and do not) reach this argument because, as explained below, Petitioner fails to show a reasonable likelihood of success even applying the construction advocated by Petitioner for this proceeding.

⁶ The claim phrase that includes this term is discussed *infra* in Part II.D.3.c.

prior art; (3) the level of ordinary skill in the art; and (4) when in evidence, objective evidence of nonobviousness.⁷ *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 17–18 (1966). One seeking to establish obviousness based on more than one reference also must articulate sufficient reasoning with rational underpinnings to combine teachings. *See KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007).

D. Obviousness Ground Based on Oakes and Maloney

Petitioner contends that the subject matter of claims 1–18 would have been obvious over the combination of Oakes and Maloney. Pet. 33–99. Patent Owner contends that Petitioner fails to establish a reasonable likelihood of succeeding on this challenge because Petitioner fails to sufficiently show that Oakes qualifies as prior art. Prelim. Resp. 23–62.

Having reviewed the parties’ arguments and evidence, we determine that Petitioner has not demonstrated a reasonable likelihood that it will prevail in showing that Oakes is prior art,⁸ and as a result, Petitioner fails to sufficiently show that any claim would have been unpatentable over Oakes and Maloney.

⁷ The current record does not include allegations or evidence of objective indicia of nonobviousness.

⁸ “In an *inter partes* review, the burden of persuasion is on the petitioner to prove ‘unpatentability by a preponderance of the evidence,’ . . . and that burden never shifts to the patentee.” *Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015) (quoting 35 U.S.C. § 316(e)). Although the burden of production can shift to Patent Owner (*id.* at 1380), Petitioner has the ultimate burden to persuade us that Oakes is prior art to the ’559 patent (*see id.* at 1378).

1. The '559 Patent's Priority Claim

The application that led to the '559 patent was filed on April 11, 2019. Ex. 1001, code (22). The '559 patent claims priority through a series of continuation applications back to U.S. Application No. 11/591,247 (“the 247 application”). *Id.* at code (63). The parties agree that the Specification of the '559 patent is substantively identical to the specification of the '247 application. Prelim. Resp. 2; *see* Pet. 32.

The '247 application was filed on October 31, 2006, and it issued as Oakes. *Id.*; Ex. 1038, code (21); *see* Pet. 5–6. Thus, Oakes is prior art only if the '559 patent is not entitled to claim priority to the '247 application.

2. The Parties' Dispute

Petitioner contends that the '559 patent's priority claim to the '247 application is improper because the '247 application does not provide written description support for the claims of the '559 patent. Pet. 5–6, 12–13. Specifically, Petitioner asserts that two limitations are insufficiently supported: (1) “a mobile device associated with an image capture device” (*id.* at 16–26) and (2) “second processing circuitry” and “second memory” storing instructions that cause the second circuitry to “accept[] the digital image for check deposit in place of the check depicted in the digital image” (*id.* at 27–32). *See also* Ex. 1001, 14:32–33, 14:59–65 15:46–47, 16:12–16 (both independent claims of the '559 patent recite these limitations). Petitioner contends that the lack of written description support for either of these limitations “is fatal to the priority claim of all claims of the '559 patent.” *Id.* at 16, 27.

In response, Patent Owner asserts that Petitioner “fails to put forth credible evidence supporting its assertion that the '559 patent claims lack

support in the original specification.” Prelim. Resp. 23–24. Patent Owner contends that the ’247 application provides written description support for both of the limitations identified by Petitioner. *Id.* at 29–54 (addressing the former limitation), 54–62 (addressing the latter limitation). From this, Patent Owner submits that Petitioner fails to sufficiently show that Oakes qualifies as prior art to the ’559 patent and, thus, that institution should be denied. *Id.* at 23–24.

3. *Analysis of Written Description Support*

a) *Principles of Law*

“It is elementary patent law that a patent application is entitled to the benefit of the filing date of an earlier filed application only if the disclosure of the earlier application provides support for the claims of the later application, as required by 35 U.S.C. § 112.” *PowerOasis, Inc. v. T-Mobile USA, Inc.*, 522 F.3d 1299, 1306 (Fed. Cir. 2008). “To satisfy the written description requirement [in § 112,] the disclosure of the prior application must ‘convey with reasonable clarity to those skilled in the art that, as of the filing date sought, [the inventor] was in possession of the invention.’” *Id.* (alteration in original) (quoting *Vas-Cath Inc. v. Mahurkar*, 935 F.2d 1555, 1563–64 (Fed. Cir. 1991)).

“[T]he hallmark of written description is disclosure.” *Ariad Pharm., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010) (en banc). The sufficiency of written description support is based on “an objective inquiry into the four corners of the specification from the perspective of a person of ordinary skill in the art.” *Id.* “Based on that inquiry, the specification must describe an invention understandable to that skilled artisan and show that the inventor actually invented the invention claimed.” *Id.* “The level of detail

required to satisfy the written description requirement” necessarily “varies depending on the nature and scope of the claims and on the complexity and predictability of the relevant technology.” *Id.* The invention need not be described *in haec verba*, but a disclosure that merely renders obvious the claims does not provide adequate written description support. *Id.* at 1352.

The written description requirement “guards against the inventor’s overreaching by insisting that he recount his invention in such detail that his future claims can be determined to be encompassed within his original creation.” *Vas-Cath*, 935 F.2d at 1561; *see also Cooper Cameron Corp. v. Kvaerner Oilfield Prods., Inc.*, 291 F.3d 1317, 1323 (Fed. Cir. 2002) (“[A] broad claim is invalid when the entirety of the specification clearly indicates that the invention is of a much narrower scope.”). However, “[a] claim will not be invalidated on section 112 grounds simply because the embodiments of the specification do not contain examples explicitly covering the full scope of the claim language.” *LizardTech, Inc. v. Earth Resource Mapping, Inc.*, 424 F.3d 1336, 1345 (Fed. Cir. 2005); *Rexnord Corp. v. Laitram Corp.*, 274 F.3d 1336, 1344 (Fed. Cir. 2001) (“An applicant is not required to describe in the specification every conceivable and possible future embodiment of his invention.”); *see also Ethicon Endo-Surgery, Inc. v. U.S. Surgical Corp.*, 93 F.3d 1572, 1582 n.7 (Fed. Cir. 1996) (“If [the applicant] did not consider the precise location of the lockout to be an element of his invention, he was free to draft [his claim] broadly (within the limits imposed by the prior art) to exclude the lockout’s exact location as a limitation of the claimed invention. Such a claim would not be unsupported by the specification even though it would be literally infringed by undisclosed embodiments.” (citations omitted)).

b) “a mobile device associated with an image capture device”

We begin our analysis of the first disputed claim limitation (which we refer to as “the device limitation”) by clarifying the issue presented with respect to it.⁹

Petitioner contends the ’247 application does not provide sufficient written description support for the device limitation because the device limitation is broad enough to include “a mobile device with an integrated digital camera” and such a device is not described in the ’247 application. *See* Pet. 16–26. Notably, elsewhere, Petitioner affirmatively contends that the ’247 application *discloses* this claim limitation—in fact, Petitioner’s obviousness argument is predicated on this contention. *See* Pet. 37–42 (arguing that Oakes, the patent that issued from the ’247 application, alone teaches this limitation). Accordingly, for its written description argument, Petitioner takes issue only with the limitation’s *scope*. *See id.* at 41–42 (addressing the interplay between the written description and obviousness arguments). Thus, this case is unlike many written description disputes, in which a party contends that the priority document fails to include a disclosure of the claim limitation. Here, the issue is specifically whether the claim is overbroad (and thus lacking in written description support) because it allows the image capture device to be *integrated into* the mobile device.

Petitioner begins its argument with two premises, which we assume *arguendo* to be true for purposes of this Decision. First, Petitioner contends that, “[f]or purposes of this proceeding,” we should understand the device

⁹ We consider only the arguments presented in the Petition. Although we reject these arguments, our Decision should not be construed as an independent assessment of whether the ’247 application provides written description support for the invention claimed in the ’559 patent.

limitation to be broad enough to include a mobile device with an integrated digital camera. Pet. 10–12, 16; *see also* Ex. 1059 (District Court’s Claim Construction Order), 14–20 (construing the claim language in this manner). Second, Petitioner contends that “[t]he ’247 application does not disclose a mobile device with an integrated digital camera.” Pet. 18; *see also id.* at 18–21 (analysis supporting assertion); *cf.* Prelim. Resp. 29 (appearing to agree that the document does not “expressly stat[e] that the two may be in a single housing”).

But, even accepting these premises, we disagree with the conclusion Petitioner asks us to draw from them. In particular, Petitioner appears to contend that we should find that the ’247 application does not provide written description support for the device limitation *merely because* the scope of the claim includes a configuration that is not expressly described in that document. *See* Pet. 17–18, 21. But this reflects a misunderstanding of the law—a claim *can* be broader than the embodiments disclosed. *See, e.g., Rextord*, 274 F.3d at 1344 (“An applicant is not required to describe in the specification every conceivable and possible future embodiment of his invention.”); *see also Ethicon Endo-Surgery, Inc. v. U.S. Surgical Corp.*, 93 F.3d 1572, 1582 n.7 (Fed. Cir. 1996) (noting that a claim may be “literally infringed by undisclosed embodiments” and yet sufficiently supported); *Application of Smythe*, 480 F.2d 1376, 1384 (C.C.P.A. 1973) (“We cannot agree with the broad proposition . . . that in every case where the description of the invention in the specification is narrower than that in the claim there has been a failure to fulfill the description requirement in section 112.”).

There are situations where a claim’s breadth results in a lack of written description support, but Petitioner fails to show that such a situation is present here. In its argument, Petitioner primarily relies on *Reckitt*, but

this case is unavailing. *See* Pet. 15–17, 21, 41–42 (citing *Reckitt Benckiser LLC v. Ansell Healthcare Products LLC*, IPR2017-00063, Paper 38 (Jan. 30, 2018)). First, *Reckitt* is a non-precedential Board decision, which is not binding on this panel.¹⁰ Second, and perhaps more importantly, the case is readily distinguishable on its facts. *See* Prelim. Resp. 29–32 (distinguishing *Reckitt*). In particular, in *Reckitt*, the panel found that claims lacking a pre-vulcanization requirement lacked written description support in the priority document, noting that “pre-vulcanization [was] not some ancillary feature *but rather the very heart of the invention.*” *Reckitt*, IPR2017-00063, Paper 38 at 12, 14–15 (emphasis added). However, “Petitioner identifies nothing whatsoever in the ’247 application suggesting that it is important—much less the ‘very heart of the invention’—that the described image capture device be in a housing entirely separate from the described general purpose computer.” Prelim. Resp. 30. In fact, the Petition identifies (and we perceive) no reason why the relative location of the general purpose computer and the image capture device is even *relevant* to the invention described in the ’247 application.

Stepping back, the ’247 application describes an invention for remote deposit of a check using a general purpose computer (such as a laptop) that receives an image of the check from an associated image capture device (such as a digital camera). *E.g.*, Ex. 1042 ¶¶ 7–8, 20, 25, 32, 43. What is important to the invention is that the image capture device and general

¹⁰ In addition, written description is an “intensively fact-oriented” inquiry, and consequently, another case, with its “necessarily varied facts,” is highly unlikely to “control[] the resolution of the written description issue in this case.” *Indivior UK Ltd. v. Dr. Reddy’s Lab ’ys S.A.*, 18 F.4th 1323, 1329 (Fed. Cir. 2021).

purpose computer are communicatively coupled, not their relative location. *See, e.g., id.; accord* Prelim. Resp. 31–32. Moreover, the ’247 application does not limit its invention to only those remote deposits performed using a general purpose computer that is *separate* from an image capture device.¹¹ Indeed, the ’247 application broadly describes the image capture device, noting it can be “a scanner or digital camera” or “other image capture apparatus.” Ex. 1042 ¶¶ 8, 25. It also indicates that the general purpose computer and image capture device are “customer-controlled” and “electronics that today’s consumers actually own or can easily acquire.” *Id.* ¶¶ 20–22. In light of this disclosure, we find that a person of ordinary skill in the art would have understood the ’247 application to describe an invention that is agnostic to whether the mobile device and image capture device are separate or integrated. *See also In re Rasmussen*, 650 F.2d 1212, 1215 (C.C.P.A. 1981) (explaining that claims with generic step of “adheringly applying” one layer to an adjacent layer satisfied the written description requirement because “one skilled in the art who read [the] specification would understand that it is unimportant how the layers are adhered, so long as they are adhered”).

Petitioner’s reliance on *LizardTech*, *Tronzo*, and *ICU Medical* is misplaced. *See* Pet. 22, 26 (citing *ICU Med., Inc. v. Alaris Med. Sys.*, 558 F.3d 1368 (Fed. Cir. 2009); *LizardTech*, 424 F.3d 1336; *Tronzo v. Biomet*,

¹¹ Petitioner contends that a person of ordinary skill in the art would have understood that certain aspects of the disclosure would not be necessary if the image capture device were integrated into the general purpose computer. *See* Pet. 18–20 (citing Ex. 1042 ¶¶ 8, 25, 43–44, 75; Ex. 1002 ¶¶ 43, 45–47). Even if Petitioner were correct, those passages simply provide a discussion of an embodiment where these components are separate. They do not show that the invention *requires* the components to be separate.

Inc., 156 F.3d 1154 (Fed. Cir. 1998)). As the Federal Circuit explained, “[i]n each of those cases, the specification unambiguously limited the scope of the invention.” *Crown Packaging Technology, Inc. v. Ball Metal Beverage Container Corp.*, 635 F.3d 1373, 1382 (Fed. Cir. 2011). However, Petitioner provides (and we perceive) no justification for coming to a similar conclusion here. Petitioner also cites to *Anascape*, but that case is similarly distinguishable. *See* Pet. 21 (citing *Anascape, Ltd. v. Nintendo of Am. Inc.*, 601 F.3d 1333, 1335 (Fed. Cir. 2010)); *Anascape*, 601 F.3d at 1336–37 (“Nintendo counts over twenty explicit statements that the invention is directed to a single input member that is operable in six degrees of freedom,” and the patent “stresses the advantages of using a single input member operable in six degrees of freedom.”).

Finally, we disagree with Petitioner’s genus-species analysis, which effectively reorganizes the same considerations into a different framework.¹² *See* Pet. 21–26. According to Petitioner, the device limitation is a genus “that includes (1) a mobile device separate from a digital camera and (2) a mobile device with an integrated digital camera.” *Id.* at 22. Petitioner acknowledges that the ’247 application discloses the former, and we find that to be representative of both alternatives, given the ’247 application’s disclosure, as discussed above. *See, e.g.*, Ex. 1042 ¶¶ 7–8, 20, 25, 32, 43. We also find that a person of ordinary skill in the art could readily recognize the single non-enumerated species from the ’247 application—indeed, as Patent Owner notes, “one would only need to think of the *only other*

¹² We query whether the genus-species framework is appropriate in this situation—where there are only two binary alternatives (i.e., the components are integrated or they are not)—but, for purposes of this discussion, we have assumed *arguendo* that the genus-species analysis is applicable.

configuration of mobile device in the market.” Prelim. Resp. 49. Further, there is no evidence that the other, non-enumerated species was in any way unpredictable. *Cf.* Pet. 26 (arguing instead that an ordinary artisan “would not have expected” the non-enumerated species to “have performed as well”). As a result, the general predictability of the electrical arts further supports our finding that disclosure of one of the two species sufficiently discloses the genus on these particular facts. *Cf. Bilstad v. Wakalopulos*, 386 F.3d 1116, 1125 (Fed. Cir. 2004) (“If the difference between members of the group is such that the person skilled in the art would not readily discern that other members of the genus would perform similarly to the disclosed members, i.e., if the art is unpredictable, then disclosure of more species is necessary to adequately show possession of the entire genus.”).

We have considered Dr. Noble’s testimony, but it suffers from the same deficiencies as Petitioner’s arguments. *See* Ex. 1002 ¶¶ 42–58. Moreover, in our view, Dr. Noble does not sufficiently explain his conclusions regarding what a person of ordinary skill would have understood the inventor of the ’247 application to possess (or not possess), and accordingly, we assign little weight to that testimony. *E.g., id.* ¶¶ 47, 53, 55; *see TQ Delta, LLC v. CISCO Sys., Inc.*, 942 F.3d 1352, 1358 (Fed. Cir. 2019) (“Conclusory expert testimony does not qualify as substantial evidence.”).

In sum, even assuming, as we have, that the claim is broad enough to encompass a mobile device with an integrated image capture device and that the ’247 application does not expressly describe such a device, we do not agree with the arguments raised in the Petition alleging that the ’247 application fails to provide written description support for the device limitation.

- c) *“second processing circuitry” and “second memory” storing instructions that cause the second circuitry to “accept[] the digital image for check deposit in place of the check depicted in the digital image”*

Petitioner also argues that the ’247 application does not provide written description support for “the accepting limitation” recited in the ’559 patent’s claims. *See* Pet. 27–32; *see also* Ex. 1001, 14:59–65, 16:12–16 (reciting “second processing circuitry” and “second memory” storing instructions that cause the second circuitry to “accept[] the digital image for check deposit in place of the check depicted in the digital image”). For this limitation, Petitioner contends that the priority document simply fails to disclose the limitation.

Specifically, Petitioner contends that the ’247 application teaches that the payor and intermediary banks (i.e., financial institutions 140, 150) accept a digital image in place of the check, as required by the limitation. Pet. 28–29 (citing Ex. 1042 ¶¶ 31–34, 53, 63–69, Figs. 1–3; Ex. 1002 ¶¶ 61–63). But, according to Petitioner, the ’247 application fails to expressly disclose that either uses processing circuitry or memory to do so, and thus, the ’247 application fails to disclose “second processing circuitry” and “second memory,” as required by the accepting limitation. *Id.* at 29–30 (citing Ex. 1042 ¶ 68, Fig. 1; Ex. 1002 ¶¶ 64–65).

We are not persuaded. As Petitioner acknowledges, the ’247 application expressly teaches that a payor and/or intermediary bank (e.g., financial institution 140, 150) “accept[s] the digital image for check deposit in place of the check depicted in the digital image,” as required by the accepting limitation. Pet. 28–29; *see, e.g.*, Ex. 1042 ¶¶ 32–34, 64–69. On this record, we find that a person of ordinary skill in the art would have

understood the '247 application to disclose “processing circuitry” and “memory” in those entities for doing so.¹³

In the context of describing its invention, the '247 application states that financial institutions 130, 140, and 150 perform certain operations. For example, the '247 application states that the intermediary and payor banks (i.e., financial institution 140, 150) receive a substitute check created from an image of the check from the payee bank (i.e., financial institution 130), and funds are exchanged as a result:

[F]inancial institution 130 may create a substitute check using the image provided by account owner 110 and present the substitute check to financial institution 140 for further processing. Upon receiving the substitute check, financial institution 140 may identify financial institution 150 as the paying bank (e.g., the bank from which the check is drawn). . . . Financial institution 140 may present the substitute check to financial institution 150 and request that the check be paid. If financial institution 150 verifies the check (i.e., agrees to honor the check), financial institution 140 may then settle the check by debiting funds from financial institution 150 and crediting funds to financial institution 130. Financial institution 150 may then debit funds from account 170.

Ex. 1042 ¶ 33. In addition, the '247 application explains that a payee bank may forward a check's image to a “payor bank . . . pursuant to an [electronic] Automated Clearinghouse (ACH) transaction.” *Id.* ¶ 65; *see also* Ex. 2037 (explaining that “ACH payment files” and “output files” must be deposited and delivered electronically.). An ACH service provider (which may be a regional branch of the Federal Reserve) may facilitate the

¹³ Notably, Petitioner focuses exclusively on whether this feature is *expressly* stated, but neither Petitioner nor its declarant addresses what a person of ordinary skill in the art *would have understood*. *See* Pet. 29–30. In our view, this omission is telling.

settlement of the transaction. Ex. 1042 ¶¶ 65–69. The payee bank generates an “ACH debit entry,” and the payor’s bank verifies the transaction and debits the payor’s account. *Id.* ¶¶ 66–67. “The bank may process the ACH debit entry, substitute check, and/or electronic image.” *Id.* ¶ 69.

Clearly, these “financial institution[s]” and “bank[s]” do not *themselves* do anything—rather, one or more instrumentalities (i.e., people and/or computers) must perform operations on the institution’s behalf. On this record, we find that a person of ordinary skill in the art would have understood the ’247 application to describe financial institutions (and banks) using “processing circuitry” and “memory” to perform the operations described. *See, e.g.*, Ex. 1042 ¶¶ 8 (referencing receipt of check image by “bank servers”), 30 (“Financial institutions 130, 140 and 150 may communicate with each other via a network 125.”), 73 (referencing “bank-to-bank image transfer requirements”); *cf. id.* ¶ 77 (explaining that “financial institution employees” view log files to “solve problems associated with particular deposits”). In particular, on this record, we find that a person of ordinary skill in the art would understand the payor bank (i.e., financial institution 150) and the ACH service provider each include “processing circuitry” and “second memory” storing instructions that cause the second circuitry to “accept[]” the image of the check in lieu of the physical check. *See, e.g., id.* ¶¶ 8 (referencing receipt of check image by “bank servers”), 33 (explaining that “financial institution 150 verifies the check (i.e., agrees to honor the check)” and “debit[s] funds from account 170”). Petitioner identifies (and we perceive) no credible alternative for how a person of

ordinary skill in the art would understand the '247 application's disclosure.¹⁴ *See* Pet. 29–30. Thus, we find that a person of ordinary skill in the art would have understood the '247 application to demonstrate possession of an embodiment where circuitry (executing instructions stored in memory) associated with payor bank accepts the digital image in lieu of the original check.

Moreover, we agree with Patent Owner's argument that the '247 application also describes financial institution 130 (with its associated server 131) acting as both the payor and payee banks and accepting the check on behalf of the payor. *See* Prelim. Resp. 58–60; *see also id.* at 61–62 (explaining that the claims permit the recited first and second circuitry to be implemented in one or more servers or other systems). As Patent Owner explains:

It cannot possibly be the case that “accepting” a check for deposit requires clearing the check with a second institution

¹⁴ Furthermore, Petitioner's other contentions provide further support for our finding. According to Petitioner, Exhibit 1021 shows that an ordinary artisan “would have known that a financial institution (like financial institutions 140, 150) would use a server with a processor and memory to process checks, since servers, processors, and memory were ubiquitous in the banking industry.” Pet. 73–74 (citing Ex. 1021; Ex. 1002 ¶ 161). Although Petitioner only asserts that this was true “by 2017” (*id.* at 74), Petitioner's evidence was filed and published in 2006, mere months before the filing of the '247 application (Ex. 1021, codes (22), (43); *see also* Ex. 1002 ¶ 161 (no additional evidence)). Consequently, Petitioner's characterization of its evidence tends to show that a person of ordinary skill in the art would have known that a financial institution would use a server to perform these functions. Furthermore, in a copending proceeding, Petitioner contends that “by 2006, it was well known that financial institutions performed electronic check processing using servers implemented using general-purpose computers” (IPR2021-01077, Paper 2 (petition), 36), and Dr. Noble agrees with that assessment (IPR2021-01077, Ex. 1102 ¶ 82).

because not every check requires external clearing. For instance, “[payee] account 160 and [payor] account 170 may both be held at financial institution 130, in which case the check may be cleared internally.”

Prelim. Resp. 58 (quoting Ex. 1042 ¶ 34; citing *id.* ¶ 69). We find that this description of financial institution 130 “clear[ing] [the check] internally” further demonstrates possession of the acceptance limitation. Ex. 1042 ¶¶ 34, 69.

Finally, Petitioner’s reliance on Dr. Noble’s testimony is unavailing. *See* Ex. 1002 ¶¶ 64–65. Dr. Noble states that the ’247 application “does not provide any written description support,” and that “[he] understand[s] . . . that it does not disclose any server or computing device associated with any financial institution other than financial institution 130.” *Id.* ¶ 64. We do not credit this testimony because it is conclusory and because it conflicts with the disclosure of the ’247 application. *See TQ Delta*, 942 F.3d at 1358.

Accordingly, we do not agree with Petitioner that the ’247 application fails to provide written description support for the acceptance limitation.

4. Conclusion

Petitioner’s contention that Oakes qualifies as prior art is premised on its contention that the ’559 patent is not entitled to the ’247 application’s priority date. That contention is, in turn, premised on Petitioner’s argument that the ’247 application fails to provide written description support for two of the limitations recited in the independent claims of the ’559 patent: (1) “a mobile device associated with an image capture device” or (2) “second processing circuitry” and “second memory” storing instructions that cause the second circuitry to “accept[] the digital image for check deposit in place

of the check depicted in the digital image.” As explained above, we are not persuaded by Petitioner’s arguments regarding either limitation.

As a result, we determine that Petitioner has not shown a reasonable likelihood that it will establish that Oakes qualifies as prior art. Petitioner relies exclusively on Oakes for most limitations of the independent claims. *See* Pet. 33–64 (relying exclusively on Oakes for almost every limitation of claim 1); *see also id.* at 93–96 (referencing discussion of claim 1 in analysis of claim 10). Thus, we determine that Petitioner has not shown a reasonable likelihood that it will prevail with respect to any of claims 1–18 as unpatentable over Oakes and Maloney.

III. MOTIONS TO SEAL

There are three joint motions to seal pending: Paper 9 (relating to the Preliminary Response and Exhibit 2006); Paper 13 (relating to the Reply); and Paper 19 (relating to the Sur-reply). In each of these motions, the parties seek to protect as confidential certain information that relates to the issue of whether Petitioner has properly identified all the real parties in interest in its Petition. *See* 35 U.S.C. § 312(a)(2). As we deny the Petition on the merits and do not grant the request to institute an *inter partes* review, the issue of identification of the real parties in interest to this proceeding is moot. Accordingly, we do not reach the arguments and evidence of the parties relating to whether the Petitioner identified all the real parties in interest in its Petition and we make no reference in this decision to the documents and information that the parties seek to protect as confidential.

In the first Joint Motion to Seal, the parties request entry of a Protective Order that is substantially the same as the Board’s Default

Protective Order (*see* Consolidated Trial Practice Guide¹⁵ 107–122 (App. B, Protective Order Guidelines and Default Protective Order)). Paper 9, 1. The parties also request sealing of Exhibit 2006 and sealing of portions of the Preliminary Response relating to that exhibit. *Id.* at 1–2. The portions of the Preliminary Response (Paper 8) requested to be sealed can be identified from the redacted version of the Preliminary Response (Paper 11). Based on the representations in the Joint Motion to Seal (Paper 9), the parties have shown good cause for entering the Protective Order and for sealing Exhibit 2006 and the identified portions of the Preliminary Response.

Paper 13 (Joint Motion to Seal the Reply) and Paper 19 (Joint Motion to Seal the Sur-reply) request sealing of the portions of the Reply and Sur-reply relating to Exhibit 2006. The portions of the Reply (Paper 14) and Sur-reply (Paper 17) requested to be sealed can be identified from the redacted version of the Reply (Paper 16) and the redacted version of the Sur-reply (Paper 20), respectively. Based on the representations in these two Joint Motions to Seal (Papers 13 and 19), the parties have shown good cause for sealing the identified portions of the Reply and Sur-reply.

Accordingly, we enter the Protective Order (*see* Paper 9, Attach. A) and grant all three Joint Motions to Seal (Papers 9, 13, 19).

IV. CONCLUSION

As explained above, Petitioner has not shown a reasonable likelihood that it will prevail on the only ground asserted in the Petition. Accordingly, we do not institute an *inter partes* review.

¹⁵ Patent Trial and Appeal Board Consolidated Trial Practice Guide (Nov. 2019), *available at* <https://www.uspto.gov/sites/default/files/documents/tpgnov.pdf>

Moreover, for the reasons explained above, we enter the parties' proposed protective order and grant the parties' joint motions to seal.

V. ORDER

It is:

ORDERED that the Petition is denied and no *inter partes* review is instituted; and

FURTHER ORDERED that the Motions to Seal (Papers 9, 13, 19) are *granted*; a Protective Order in the form of Attachment A to Paper 9 is entered; and Exhibit 2006 and the portions of the Preliminary Response, Reply, and Sur-reply requested to be sealed are sealed until further order.¹⁶

¹⁶ The attention of the parties is directed to 37 C.F.R. § 42.56: "After denial of a petition to institute a trial or after final judgment in a trial, a party may file a motion to expunge confidential information from the record."

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