

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

BILLJCO LLC,
Patent Owner.

IPR2022-00131
Patent 8,639,267 B2

Before THU A. DANG, ROBERT J. WEINSCHENK, and
GARTH D. BAER, *Administrative Patent Judges*.

WEINSCHENK, *Administrative Patent Judge*.

DECISION
Granting Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

A. *Background and Summary*

Apple Inc. (“Petitioner”) filed a Petition (Paper 2, “Pet.”) requesting an *inter partes* review of claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 (“the challenged claims”) of U.S. Patent No. 8,639,267 B2 (Ex. 1001, “the ’267 patent”). BillJCo, LLC (“Patent Owner”) filed a Preliminary Response (Paper 5, “Prelim. Resp.”) to the Petition.

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). Further, a decision to institute may not institute on fewer than all claims challenged in the petition. 37 C.F.R. § 42.108(a). Based on the arguments and evidence of record, Petitioner demonstrates a reasonable likelihood of prevailing in showing that at least one of the challenged claims of the ’267 patent is unpatentable. Accordingly, we institute an *inter partes* review as to the challenged claims of the ’267 patent on all the grounds of unpatentability in the Petition.

B. *Real Parties in Interest*

The parties identify themselves as the only real parties in interest. Pet. 1; Paper 4, 2.

C. *Related Matters*

The parties indicate that the ’267 patent is the subject of the following district court cases: 1) *BillJCo, LLC v. Apple Inc.*, No. 6:21-cv-00528 (W.D. Tex.) (“District Court Litigation”); 2) *BillJCo, LLC v. Cisco Systems, Inc.*,

No. 2:21-cv-00181 (E.D. Tex.); and 3) *BillJCo, LLC v. Hewlett Packard Enterprise Company*, No. 2:21-cv-00183 (E.D. Tex.). Pet. 1; Paper 4, 2.

D. The '267 Patent

The '267 patent relates to “location based exchanges of data between distributed mobile data processing systems for locational applications.” Ex. 1001, 1:19–23. The '267 patent states that the “[a]dvantages of having a service as the intermediary point between clients, users, and systems, and their associated services, include[] centralized processing, centralized maintaining of data, . . . [and] having a supervisory point of control.” *Id.* at 1:38–45. But “[w]hile a centralized service has its advantages, there are also disadvantages.” *Id.* at 1:65–66. For example, according to the '267 patent, a centralized service may “suffer from performance and maintenance overhead” and presents concerns about the “privacy” of users’ “personal information.” *Id.* at 2:5–6, 2:42–52.

To address these alleged disadvantages, the '267 patent states that “[a] reasonable requirement is to push intelligence out to the mobile data processing systems themselves, for example, in knowing their own locations and perhaps the locations of other nearby mobile data processing systems.” *Id.* at 2:58–61. Specifically, the '267 patent describes “a new terminology, system, and method referred to as Location Based eXchanges (LBX).” *Id.* at 3:56–58. It is a “foundation requirement” of LBX “for each participating [mobile data processing system] to know, at some point, their own whereabouts.” *Id.* at 4:8–10. “When two or more [mobile data processing systems] know their own whereabouts, LBX enables distributed locational applications whereby a server is not required to middleman social interactions between the [mobile data processing systems].” *Id.* at 4:13–16.

E. Illustrative Claim

Of the challenged claims, claims 1 and 29 are independent. Claim 1 is reproduced below.

1. A method for automatic location based exchange processing by a mobile data processing system, the method comprising:

presenting a user interface to a user of the mobile data processing system, the user interface for configuring privilege data relating the mobile data processing system with a remote data processing system, the privilege data stored local to the mobile data processing system and searched upon receipt of whereabouts data received for processing by the mobile data processing system;

receiving, for processing by the mobile data processing system, the whereabouts data including an originating identity of the whereabouts data;

searching, by the mobile data processing system, the privilege data stored local to the mobile data processing system for a matching privilege upon the receiving, for processing by the mobile data processing system, the whereabouts data, wherein the matching privilege is configured for relating the originating identity of the whereabouts data with a destination identity of the whereabouts data to permit trigger of a privileged action for the receipt of whereabouts data received for processing by the mobile data processing system; and

performing the privileged action at the mobile data processing system upon finding the matching privilege, after the searching, by the mobile data processing system, the privilege data stored local to the mobile data processing system.

Ex. 1001, 284:14–41.

F. Evidence

Petitioner submits the following evidence:

Evidence	Exhibit No.
Declaration of Thomas La Porta, Ph.D. (“La Porta Declaration”)	1002
Haberman, US 2005/0096044 A1, published May 5, 2005 (“Haberman”)	1004
Boger, US 2002/0159401 A1, published Oct. 31, 2002 (“Boger”)	1005
Vanluijt, US 2002/0132614 A1, published Sept. 19, 2002 (“Vanluijt”)	1006

G. Asserted Grounds

Petitioner asserts that the challenged claims are unpatentable on the following grounds:

Claims Challenged	35 U.S.C. §	Reference(s)/Basis
1, 5, 13, 20, 21, 29, 30, 34, 42, 49	103	Haberman
1, 5, 13, 20, 21, 29, 30, 34, 42, 49	103	Haberman, Boger
1, 5, 13, 20, 21, 29, 30, 34, 42, 49	103	Vanluijt

II. ANALYSIS

A. 35 U.S.C. § 314(a)

Patent Owner argues that we should exercise our discretion under 35 U.S.C. § 314(a) to deny the Petition. Prelim. Resp. 9–14. Section 314(a) states that

[t]he Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 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. Under § 314(a), we have discretion to deny institution of an *inter partes* review. *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016). We consider several factors when determining whether to deny institution under § 314(a) based on a parallel district court proceeding, specifically

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

Apple Inc. v. Fintiv, Inc., IPR2020-00019, Paper 11 at 5–6 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”).

1. Factor 1 – Whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted

Under the first *Fintiv* factor, we consider “whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted.” *Id.* at 6. Petitioner argues that it “intends to move to stay the [District Court Litigation], and the opportunity for . . . simplification increases the likelihood that the [District Court] will grant a stay in view of IPR institution.” Pet. 65–66. Patent Owner argues that “a stay is not likely to be

granted on a contested motion,” because the District Court grants stays in a low percentage of cases. Prelim. Resp. 10.

Neither party identifies any statements by the District Court or other evidence that specifically addresses a stay of the District Court Litigation. See Pet. 65–66; Prelim. Resp. 10. We decline to speculate based on the record in this case whether the District Court would grant a stay of the District Court Litigation. See *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 12 (PTAB May 13, 2020) (informative) (“*Fintiv IP*”). As a result, we determine that the first *Fintiv* factor is neutral.

2. *Factor 2 – Proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision*

Under the second *Fintiv* factor, we consider the “proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision.” *Fintiv*, Paper 11 at 6. Petitioner argues that the District Court “tentatively set trial for February 13, 2023,” but “[t]here is no guarantee trial will commence” on that date. Pet. 66. According to Petitioner, “‘a court’s general ability to set a fast-paced schedule is not particularly relevant,’ especially where ‘the forum [W.D. Tex.] itself has not historically resolved cases so quickly.’” *Id.* Patent Owner argues that the “trial date is extremely reliable,” because the District Court and parties “have kept to the scheduling order fairly closely.” Prelim. Rep. 11.

The current trial date in the District Court Litigation is February 13, 2023, which we “generally take . . . at face value absent some strong evidence to the contrary.” Ex. 1007, 4; see *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 15 at 13 (PTAB May 13, 2020) (informative) (“*Fintiv IP*”). The projected statutory deadline for a final written decision in

this case is in May 2023. Because the trial date in the District Court Litigation is a few months before the projected statutory deadline for a final written decision in this case, we determine that the second *Fintiv* factor slightly favors exercising our discretion to deny institution.

3. *Factor 3 – Investment in the parallel proceeding by the court and the parties*

Under the third *Fintiv* factor, we consider the “investment in the parallel proceeding by the court and the parties.” *Fintiv*, Paper 11 at 6. Petitioner argues that “no discovery has taken place,” and although a claim construction hearing “is scheduled for February 10, 2022, it is unclear when the [District Court] will issue a [claim construction] order.” Pet. 68. Patent Owner argues that the District Court issued a claim construction order. Prelim. Resp. 12. Patent Owner also argues that Petitioner filed the Petition six months after Patent Owner served its complaint in the District Court Litigation. *Id.* at 11.

The evidence of record indicates that the District Court and the parties invested minimal resources in the District Court Litigation as to issues of unpatentability involving the '267 patent. The District Court issued a claim construction order that addresses one term in the '267 patent. Ex. 2003, 3. But the District Court stated only that the term has its “[p]lain and ordinary meaning.” *Id.* And the evidence of record indicates that fact discovery is ongoing, expert discovery has not begun, and the deadline for dispositive motions is not until November 2022. Ex. 1007, 3. Further, Petitioner exercised reasonable diligence in filing the Petition about five weeks after serving its preliminary invalidity contentions. Pet. 71; Ex. 2006, 81. Thus,

we determine that the third *Fintiv* factor weighs against discretionary denial of institution.

4. *Factor 4 – Overlap between issues raised in the petition and in the parallel proceeding*

Under the fourth *Fintiv* factor, we consider the “overlap between issues raised in the petition and in the parallel proceeding.” *Fintiv*, Paper 11 at 6. Petitioner argues that “the Petition challenges the validity of claims 29, 30, 34, 42, and 49 which are not being asserted in the [District Court] [L]itigation.” Pet. 69. Petitioner also states that “if the Board institutes IPR, Petitioner will not assert invalidity of the challenged claims in the [District] [C]ourt [L]itigation using the grounds asserted in this [P]etition.” *Id.* Patent Owner argues that “Petitioner’s stipulation is quite limited in scope” and only mitigates “concerns of duplicate efforts and of potentially conflicting decisions ‘to some degree.’” Prelim. Resp. 12. Patent Owner also argues that because Petitioner relies on more references and more combinations in the District Court Litigation than in the Petition, instituting an *inter partes* review would decrease “efficiency” and increase “the possibility of conflicting decisions.” *Id.* at 13.

The Petition challenges claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49, and relies on Haberman, Boger, and Vanluijt. Pet. 4. Petitioner’s invalidity contentions in the District Court Litigation address claims 1, 5, 13, 20, and 21, and rely on Haberman, Boger, and Vanluijt. Pet. 69; Ex. 2006, 7. Nonetheless, Petitioner’s stipulation that it will not pursue the grounds asserted in the Petition in the District Court Litigation mitigates to some degree concerns of duplicative efforts and potentially conflicting decisions. Ex. 1011; *see Sand Revolution II, LLC v. Continental Intermodal Grp.* –

Trucking LLC, IPR2019-01393, Paper 24 at 12 (PTAB June 16, 2020) (informative). Thus, we determine that the fourth *Fintiv* factor weighs marginally against discretionary denial of institution.

5. *Factor 5 – Whether the petitioner and the defendant in the parallel proceeding are the same party*

Under the fifth *Fintiv* factor, we consider “whether the petitioner and the defendant in the parallel proceeding are the same party.” *Fintiv*, Paper 11 at 6. Here, Petitioner is the defendant in the District Court Litigation. Pet. 69; Prelim. Resp. 13. But, as we discussed for the second factor, the trial date in the District Court Litigation is only a few months before the projected statutory deadline for a final written decision in this case. Under these circumstances, we determine that the fifth *Fintiv* factor slightly favors exercising our discretion to deny institution.

6. *Factor 6 – Other circumstances that impact the Board’s exercise of discretion, including the merits*

Under the sixth *Fintiv* factor, we consider “other circumstances that impact the Board’s exercise of discretion, including the merits.” *Fintiv*, Paper 11 at 6. Petitioner argues that the ’267 patent “has never been challenged in a PTAB post-issuance proceeding,” the Office “did not consider the prior art references asserted in this [P]etition . . . during prosecution,” and “the strength of Petitioner’s patentability challenges on the preliminary record favor institution.” Pet. 70. Patent Owner argues that “Petitioner made a weak showing on the merits.” Prelim. Resp. 14. Patent Owner also contends that “an IPR will not provide the parties with an in-depth analysis of the ‘267 [p]atent” because “more art and bases for challenging the claims of the ‘267 [p]atent were raised in the [District Court] Litigation.” *Id.*

As discussed below, on this record and at this stage of the proceeding, Petitioner presents a reasonably strong case that the challenged claims are unpatentable. *See Fintiv*, Paper 11 at 14–15 (“[I]f the merits of a ground raised in the petition seem particularly strong on the preliminary record, this fact has favored institution.”). For example, Petitioner’s evidence shows that Haberman and Vanluijt teach “privilege data” and a “destination identity of the whereabouts data,” which are the only limitations that Patent Owner disputes at this stage of the proceeding. *See* Sections II.D.1, II.F.1. Thus, we determine that the sixth *Fintiv* factor weighs against discretionary denial of institution.

7. *Summary*

Based on our holistic view of the *Fintiv* factors, we decline to exercise our discretion under § 314(a) to deny the Petition.

B. Level of Ordinary Skill in the Art

Petitioner argues that a person of ordinary skill in the art would have had “at least a bachelor’s degree in computer science, computer engineering, or an equivalent, and two years of experience relating to wireless communications.” Pet. 5 (citing Ex. 1002 ¶¶ 42–43). Petitioner’s description of the level of ordinary skill in the art is supported by the testimony of Petitioner’s declarant, Dr. Thomas La Porta. Ex. 1002 ¶¶ 42–43. Patent Owner does not propose a description of the level of ordinary skill in the art or dispute Petitioner’s description. We adopt Petitioner’s description for purposes of this Decision.

C. Claim Construction

In an *inter partes* review proceeding, a claim of a patent is construed using the same standard used in a civil action under 35 U.S.C. § 282(b),

including construing the claim in accordance with the ordinary and customary meaning of the claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent. 37 C.F.R. § 42.100(b).

1. privilege data

Patent Owner proposes construing the term “privilege data” in claims 1 and 29 to exclude preferences. Prelim. Resp. 8. According to Patent Owner, “a ‘privilege’ has a well-defined plain-and-ordinary meaning within the software field.” *Id.* Specifically, Patent Owner contends that “the *McGraw-Hill Dictionary of Scientific and Technical Terms* defines ‘privileged instruction’ as ‘A class of instructions, usually including storage protection setting, interrupt handling, timer control, input/output, and special processor status-setting instructions, that can be executed only when the computer is in a special privileged mode that is generally available to an operating or executive system, but not to user programs.’” *Id.* at 8–9 (citing Ex. 2007, 3) (emphasis omitted). Petitioner does not propose an express construction for the term “privilege data” at this stage of the proceeding. *See* Pet. 7.

On this record, we do not adopt Patent Owner’s proposed construction. Patent Owner does not identify any intrinsic evidence to support its argument that the term “privilege data” excludes preferences. *See* Prelim. Resp. 8–9. And the dictionary definition cited by Patent Owner relates to the term “privileged instruction,” which is different than the term “privilege data” that appears in claims 1 and 29. *Id.*; Ex. 2007, 3. Further, the ’267 patent indicates that privilege data can be “[a]ny configurable privilege granted by one identity to another identity that can limit, enable,

disable, delegate, or govern actions, feature(s), functionality, behavior(s), or any subset(s) thereof.” Ex. 1001, 124:15–24. Patent Owner does not explain how this description of privilege data excludes preferences. *See* Prelim. Resp. 8–9.

Thus, on this record, we are not persuaded that the term “privilege data” should be construed to exclude preferences. No further construction of the term “privilege data” is necessary to resolve the parties’ disputes at this stage of the proceeding. *See* Sections II.D.1, II.F.1; *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (“[O]nly those terms need be construed that are in controversy, and only to the extent necessary to resolve the controversy.”).

2. *destination identity of the whereabouts data*

Patent Owner proposes construing the phrase “destination identity of the whereabouts data” in claims 1 and 29 to exclude the claimed mobile data processing system from “being the destination.” Prelim. Resp. 5–6. Patent Owner argues that “[i]f independent claims 1 and 29 were so broad so as encompass the receiving device being the destination, then there would be no need for the recited ‘matching privilege [...] relating the originating identity of the whereabouts data with a destination identity of the whereabouts data.’” *Id.* at 6 (emphasis omitted). Petitioner does not propose an express construction for the phrase “destination identity of the whereabouts data” at this stage of the proceeding. *See* Pet. 7.

On this record, we do not adopt Patent Owner’s proposed construction. Contrary to Patent Owner’s argument, the claim language indicates that the destination of the whereabouts data is the mobile data processing system. For example, claim 1 recites “receiving, for processing

by the mobile data processing system, the whereabouts data including an originating identity of the whereabouts data.” Ex. 1001, 284:24–26.

Because the mobile data processing system receives the whereabouts data, claim 1 indicates that the mobile data processing system is the destination of the whereabouts data.

Claim 1 also recites “searching, by the mobile data processing system, the privilege data stored local to the mobile data processing system for a matching privilege upon the receiving . . . the whereabouts data, wherein the matching privilege is configured for relating the originating identity of the whereabouts data with a destination identify of the whereabouts data.” *Id.* at 284:27–36. In other words, claim 1 states that the mobile data processing system searches its local privilege data for a matching privilege upon receiving the whereabouts data. *Id.* As a result, this portion of claim 1 also indicates that that the mobile data processing system is the destination of the whereabouts data.

Thus, on this record, we are not persuaded that the phrase “destination identity of the whereabouts data” should be construed to exclude the claimed mobile data processing system from being the destination. No further construction of the phrase “destination identity of the whereabouts data” is necessary to resolve the parties’ disputes at this stage of the proceeding. *See* Sections II.D.1, II.E, II.F.1; *Vivid Techs.*, 200 F.3d at 803.

D. Obviousness of Claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 over Haberman

Petitioner argues that claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 would have been obvious over Haberman. Pet. 7–32. For the reasons discussed below, Petitioner demonstrates a reasonable likelihood of

prevailing in showing that claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 would have been obvious over Haberman.

1. Claim 1

Claim 1 recites “[a] method for automatic location based exchange processing by a mobile data processing system.” Ex. 1001, 284:14–16. Petitioner presents evidence that Haberman teaches providing informational content pertaining to a particular location to a mobile device. Pet. 10–12 (citing Ex. 1004 ¶¶ 8, 16, 66, 118, 120, 129). At this stage of the proceeding, Petitioner shows sufficiently that Haberman teaches the preamble of claim 1.¹

Claim 1 recites “presenting a user interface to a user of the mobile data processing system, the user interface for configuring privilege data relating the mobile data processing system with a remote data processing system, the privilege data stored local to the mobile data processing system and searched upon receipt of whereabouts data received for processing by the mobile data processing system.” Ex. 1001, 284:17–23. Petitioner presents evidence that Haberman teaches providing an interface that allows a user to select the types of informational content that are preferred. Pet. 14–15 (citing Ex. 1004 ¶¶ 25, 121, 164, 176, 181). Petitioner also presents evidence that Haberman teaches storing the user’s preferences in a preference profile on the mobile device. *Id.* at 15–16 (citing Ex. 1004 ¶¶ 165–166). Further, Petitioner presents evidence that Haberman teaches receiving a broadcast including informational content pertaining to a

¹ Because Petitioner presents evidence that the prior art teaches the recitations in the preamble of claim 1, at this stage of the proceeding, we need not decide whether the preamble is limiting.

particular location and searching the user's preference profile to determine if the broadcast's identifying information matches the user's preferences. *Id.* at 16–18 (citing Ex. 1004 ¶¶ 13, 18, 31, 33, 70, 118, 122, 129, 168).

Patent Owner argues that Haberman does not teach privilege data because preferences are not privileges. Prelim. Resp. 8–9. On this record, Patent Owner's argument is unavailing because it relies on Patent Owner's proposed construction of the term “privilege data.” As discussed above, we are not persuaded by Patent Owner's argument that the term “privilege data” should be construed to exclude preferences. *See* Section II.C.1.

Claim 1 recites “receiving, for processing by the mobile data processing system, the whereabouts data including an originating identity of the whereabouts data.” Ex. 1001, 284:24–26. Petitioner presents evidence that Haberman teaches receiving a broadcast including informational content pertaining to a particular location (i.e., whereabouts data), as well as a transmitting party identification and broadcast identifying information (i.e., an originating identity). Pet. 18–21 (citing Ex. 1004 ¶¶ 18, 27, 31, 33, 66–67, 118, 122, 129). At this stage of the proceeding, Petitioner shows sufficiently that Haberman teaches this limitation of claim 1.

Claim 1 recites “searching, by the mobile data processing system, the privilege data stored local to the mobile data processing system for a matching privilege upon the receiving, for processing by the mobile data processing system, the whereabouts data.” Ex. 1001, 284:27–31. Petitioner presents evidence that Haberman teaches searching the user's preference profile on the mobile phone to determine if a broadcast includes identifying information that matches the user's preferences. Pet. 22–23 (citing Ex. 1004

¶¶ 70, 130, 168). At this stage of the proceeding, Petitioner shows sufficiently that Haberman teaches this limitation of claim 1.

Claim 1 recites “wherein the matching privilege is configured for relating the originating identity of the whereabouts data with a destination identity of the whereabouts data to permit trigger of a privileged action for the receipt of whereabouts data received for processing by the mobile data processing system.” Ex. 1001, 284:31–36. Petitioner presents evidence that Haberman teaches matching a broadcast’s identifying information (i.e., the originating identity) with the user’s preferences profile on the mobile device (i.e., a destination identity). Pet. 23–25 (citing Ex. 1004 ¶¶ 26–27, 130, 176, 181). Petitioner also presents evidence that Haberman teaches presenting the broadcast’s informational content to the user when there is a match between the broadcast’s identifying information and the user’s preferences profile. *Id.* at 25 (citing Ex. 1004 ¶ 168).

Patent Owner argues that Haberman does not teach a destination identity of the whereabouts data because “the recited ‘destination identity’ feature” cannot be “met by the receiving device itself.” Prelim. Resp. 5–7. On this record, Patent Owner’s argument is unavailing because it relies on Patent Owner’s proposed construction of the phrase “destination identity of the whereabouts data.” As discussed above, we are not persuaded by Patent Owner’s argument that the phrase “destination identity of the whereabouts data” should be construed to exclude the claimed mobile data processing system from being the destination. *See* Section II.C.2.

Claim 1 recites “performing the privileged action at the mobile data processing system upon finding the matching privilege, after the searching, by the mobile data processing system, the privilege data stored local to the

mobile data processing system.” Ex. 1001, 284:37–41. As discussed above, Petitioner presents evidence that Haberman teaches presenting the broadcast’s informational content to the user when there is a match between the broadcast’s identifying information and the user’s preferences profile. Pet. 26 (citing Ex. 1004 ¶¶ 168, 173). At this stage of the proceeding, Petitioner shows sufficiently that Haberman teaches this limitation of claim 1.

2. Claims 5, 13, 20, 21, 29, 30, 34, 42, and 49

Independent claim 29 recites limitations similar to those discussed above for claim 1. Dependent claims 5, 13, 20, 21, 30, 34, 42, and 49 depend from claims 1 or 29. Petitioner presents evidence that Haberman teaches the limitations of claims 5, 13, 20, 21, 29, 30, 34, 42, and 49. Pet. 10–32. Other than the arguments discussed above for claim 1, Patent Owner does not raise any separate arguments regarding claims 5, 13, 20, 21, 29, 30, 34, 42, and 49.

3. Summary

For the foregoing reasons, Petitioner demonstrates a reasonable likelihood of prevailing in showing that claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 would have been obvious over Haberman.

E. Obviousness of Claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 over Haberman and Boger

Petitioner argues that claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 would have been obvious over Haberman and Boger. Pet. 33–42. Specifically, Petitioner argues that to the extent Haberman does not teach a destination identity of the whereabouts data, Boger teaches a Bluetooth packet that includes an address of the device for which the packet is intended. *Id.* at 35–37 (citing Ex. 1005 ¶¶ 4, 6, 9). Petitioner also argues

that a person of ordinary skill in the art would have had reason “to combine the teachings of Boger with that of Haberman because Haberman teaches explicitly that transmission between the transmitter and the mobile device may be done by Bluetooth and Boger explains how devices communicate using Bluetooth.” *Id.* at 37–38 (citing Ex. 1002 ¶¶ 121–122).

Patent Owner argues that Bogers’s teachings do not compensate for the alleged deficiencies in Haberman. Prelim. Resp. 7–8. As discussed above, though, we are not persuaded by Patent Owner’s arguments regarding the alleged deficiencies in Haberman. Thus, Petitioner demonstrates a reasonable likelihood of prevailing in showing that claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 would have been obvious over Haberman and Boger.

F. Obviousness of Claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 over Vanluijt

Petitioner argues that claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 would have been obvious over Vanluijt. Pet. 42–64. For the reasons discussed below, Petitioner demonstrates a reasonable likelihood of prevailing in showing that claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 would have been obvious over Vanluijt.

1. Claim 1

Claim 1 recites “[a] method for automatic location based exchange processing by a mobile data processing system.” Ex. 1001, 284:14–16. Petitioner presents evidence that Vanluijt teaches providing location specific information to a mobile device. Pet. 44–45 (citing Ex. 1006, code (57), ¶¶ 1,

4, 36). At this stage of the proceeding, Petitioner shows sufficiently that Vanluijt teaches the preamble of claim 1.²

Claim 1 recites “presenting a user interface to a user of the mobile data processing system, the user interface for configuring privilege data relating the mobile data processing system with a remote data processing system, the privilege data stored local to the mobile data processing system and searched upon receipt of whereabouts data received for processing by the mobile data processing system.” Ex. 1001, 284:17–23. Petitioner presents evidence that Vanluijt teaches providing an interface that allows a user to select preferences, which are stored on the mobile device. Pet. 47–49 (citing Ex. 1006 ¶¶ 36, 57–59). Petitioner also presents evidence that Vanluijt teaches receiving a transmission with location specific information and searching the user’s pre-stored preferences to determine if the transmission’s information keys match the user’s preferences. *Id.* at 50–51 (citing Ex. 1006 ¶¶ 4, 36, 56, 58, 68).

Patent Owner argues that Vanluijt does not teach privilege data because preferences are not privileges. Prelim. Resp. 8–9. On this record, Patent Owner’s argument is unavailing because it relies on Patent Owner’s proposed construction of the term “privilege data.” As discussed above, we are not persuaded by Patent Owner’s argument that the term “privilege data” should be construed to exclude preferences. *See* Section II.C.1.

Claim 1 recites “receiving, for processing by the mobile data processing system, the whereabouts data including an originating identity of

² Because Petitioner presents evidence that the prior art teaches the recitations in the preamble of claim 1, at this stage of the proceeding, we need not decide whether the preamble is limiting.

the whereabouts data.” Ex. 1001, 284:24–26. Petitioner presents evidence that Vanluijt teaches receiving a transmission including location specific information (i.e., whereabouts data), as well as information keys (i.e., an originating identity). Pet. 51–53 (citing Ex. 1006 ¶¶ 36–38, 68). At this stage of the proceeding, Petitioner shows sufficiently that Vanluijt teaches this limitation of claim 1.

Claim 1 recites “searching, by the mobile data processing system, the privilege data stored local to the mobile data processing system for a matching privilege upon the receiving, for processing by the mobile data processing system, the whereabouts data.” Ex. 1001, 284:27–31. Petitioner presents evidence that Vanluijt teaches searching the user’s pre-stored preferences on the mobile phone to determine if a transmission includes an information key that matches the user’s preferences. Pet. 53–55 (citing Ex. 1006 ¶¶ 36, 58, 61). At this stage of the proceeding, Petitioner shows sufficiently that Vanluijt teaches this limitation of claim 1.

Claim 1 recites “wherein the matching privilege is configured for relating the originating identity of the whereabouts data with a destination identity of the whereabouts data to permit trigger of a privileged action for the receipt of whereabouts data received for processing by the mobile data processing system.” Ex. 1001, 284:31–36. Petitioner presents evidence that Vanluijt teaches matching a transmission’s information keys (i.e., the originating identity) with the user’s pre-stored preferences on the mobile device (i.e., a destination identity). Pet. 53–55 (citing Ex. 1006 ¶¶ 36, 58, 61). Petitioner also presents evidence that Vanluijt teaches presenting the transmission to the user when there is a match between the transmission’s

information keys and the user's pre-stored preferences. *Id.* at 54–55 (citing Ex. 1006 ¶¶ 58, 61).

Patent Owner argues that Vanluijt does not teach a destination identity of the whereabouts data because “the recited ‘destination identity’ feature” cannot be “met by the receiving device itself.” Prelim. Resp. 5–7. On this record, Patent Owner's argument is unavailing because it relies on Patent Owner's proposed construction of the phrase “destination identity of the whereabouts data.” As discussed above, we are not persuaded by Patent Owner's argument that the phrase “destination identity of the whereabouts data” should be construed to exclude the claimed mobile data processing system from being the destination. *See* Section II.C.2.

Claim 1 recites “performing the privileged action at the mobile data processing system upon finding the matching privilege, after the searching, by the mobile data processing system, the privilege data stored local to the mobile data processing system.” Ex. 1001, 284:37–41. As discussed above, Petitioner presents evidence that Vanluijt teaches presenting the transmission to the user when there is a match between the transmission's information keys and the user's pre-stored preferences. Pet. 56–57 (citing Ex. 1006 ¶¶ 32, 57, 61). At this stage of the proceeding, Petitioner shows sufficiently that Vanluijt teaches this limitation of claim 1.

2. *Claims 5, 13, 20, 21, 29, 30, 34, 42, and 49*

Independent claim 29 recites limitations similar to those discussed above for claim 1. Dependent claims 5, 13, 20, 21, 30, 34, 42, and 49 depend from claims 1 or 29. Petitioner presents evidence that Vanluijt teaches the limitations of claims 5, 13, 20, 21, 29, 30, 34, 42, and 49. Pet. 44–64. Other than the arguments discussed above for claim 1, Patent Owner

does not raise any separate arguments regarding claims 5, 13, 20, 21, 29, 30, 34, 42, and 49.

3. *Summary*

For the foregoing reasons, Petitioner demonstrates a reasonable likelihood of prevailing in showing that claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 would have been obvious over Vanluijt.

III. CONCLUSION

Petitioner demonstrates a reasonable likelihood of prevailing in showing the unpatentability of at least one of the challenged claims of the '267 patent. At this stage of the proceeding, we have not made a final determination with respect to the patentability of any of the challenged claims.

IV. ORDER

It is hereby

ORDERED that, pursuant to 35 U.S.C. § 314(a), an *inter partes* review of claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 of the '267 patent is instituted with respect to all grounds of unpatentability set forth in the Petition; and

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4(b), *inter partes* review of the '267 patent shall commence on the entry date of this Order, and notice is hereby given of the institution of a trial.

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