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Paper 9
Entered: August 18, 2023

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PAYPAL HOLDINGS, INC. and PAYPAL, INC.,
Petitioner,

v.

FINTIV, INC.,
Patent Owner.

IPR2023-00744
Patent 8,538,845 B2

Before MICHAEL R. ZECHER and GEORGE R. HOSKINS,
Administrative Patent Judges.

ZECHER, *Administrative Patent Judge.*

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5(a)

I. INTRODUCTION

A conference call in this proceeding was held on August 17, 2023, among counsel for the parties and Judges Zecher and Hoskins. Petitioner, PayPal Holdings, Inc. and PayPal, Inc. (collectively "PayPal"), requested the conference call to seek authorization to file a preliminary reply narrowly tailored to addressing claim construction positions taken by Patent Owner, Fintiv, Inc. ("Fintiv"), in its Preliminary Response (Paper 7). Ex. 3001. More specifically, PayPal requested an opportunity to address Fintiv's arguments directed to the following two claim terms: (1) "unbanked subscriber"; and (2) "the limit check determining whether sufficient funds are available to make the deposit amount." *Id.* Fintiv opposed PayPal's request for a preliminary reply. *Id.*

II. DISCUSSION

During the conference call, PayPal contended that there was "good cause" to grant its request for a preliminary reply because Fintiv's declarant, Kai Johnson, purportedly took inconsistent positions regarding the scope and meaning of the two claim terms identified above between this proceeding and litigation in the U.S. District Court for the Western District of Texas. PayPal requested an opportunity to clarify the purported inconsistencies by providing additional claim construction arguments, together with evidence in the form of claim construction briefing and deposition transcripts from the district court case.

In response, Fintiv contended that it did not dispute PayPal's proposed construction of the claim term "unbanked subscriber" in its Preliminary Response. Fintiv also noted that neither PayPal in its Petition nor Fintiv in

its Preliminary Response explicitly proposed a construction of the claim term "the limit check determining whether sufficient funds are available to make the deposit amount." As a result, Fintiv asserted that additional claim construction briefing specifically addressing these two claim terms was not warranted. Upon inquiry, Fintiv indicated it was amenable to PayPal submitting claim construction briefing and deposition transcripts from the district court case so long as those forms of evidence were not subject to the district court protective order. Fintiv, however, made it clear that, if we were to authorize the submission of such evidence, it still believed that additional briefing was not necessary.

After considering the representations of the parties during the conference call, we conclude that PayPal has not established "good cause" for additional preliminary briefing. That is, we are not persuaded that we would benefit from additional claim construction briefing at this juncture and, therefore, we deny PayPal's request for authorization to file a preliminary reply. If we were to grant institution, PayPal will have an opportunity during the course of trial to submit claim construction briefing and deposition transcripts from the district court case, together with arguments explaining how such evidence might bear on the construction of the following two claim terms: (1) "unbanked subscriber"; and (2) "the limit check determining whether sufficient funds are available to make the deposit amount."

III. ORDER

It is ORDERED that PayPal's request for authorization to file a preliminary reply is *denied*.

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