

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

COINBASE, INC.,
Petitioner,

v.

VERITASEUM, INC.,
Patent Owner.

IPR2023-00751
Patent 11,196,566 B2

Before MEREDITH C. PETRAVICK, LYNNE H. BROWNE, and
BARRY L. GROSSMAN, *Administrative Patent Judges*.

BROWNE, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request on Rehearing
37 C.F.R. § 42.71(d)

I. INTRODUCTION

Coinbase, Inc. (“Petitioner”) filed a Petition (Paper 2, “Pet.”) requesting *inter partes* review of claims 1–3, 7, and 8 of U.S. Patent No. 11,196,566 B2 (Ex. 1001, “the ’566 patent”). In response to the Petition, Veritaseum, Inc. (“Patent Owner”) filed a Preliminary Response (Paper 7, “Prelim. Resp.”). We denied institution of *inter partes* review. Paper 8 (“Decision” or “Dec.”).

On November 13, 2023, Petitioner filed a Request for Rehearing. Paper 9 (“Req. Reg’h”).

II. ANALYSIS

A. Legal Standards

The applicable requirements for a request for rehearing are set forth in 37 C.F.R. § 42.71(d), which provides:

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 in a motion, an opposition, or a reply.

We review our Decision under an abuse of discretion standard. 37 C.F.R. § 42.71(c). An abuse of discretion may arise if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors. *Star Fruits S.N.C. v. United States*, 393 F.3d 1277, 1281 (Fed. Cir. 2005); *Arnold P’ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004); *In re Gartside*, 203 F.3d 1305, 1315–16 (Fed. Cir. 2000). “Substantial evidence is ‘such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.’” *OSI Pharm., LLC v.*

Apotex Inc., 939 F.3d 1375, 1381 (Fed. Cir. 2019) (quoting *Consol. Edison Co. v. N.L.R.B.*, 305 U.S. 197, 229 (1938)). “The substantial evidence standard asks ‘whether a reasonable fact finder could have arrived at the agency’s decision.’” *Id.* at 1381–82 (quoting *Gartside*, 203 F.3d at 1312).

III. DISCUSSION

Petitioner alleges that in our Final Written Decision

the Board misapprehended the teachings of the ’566 patent regarding the plain and ordinary meaning of “*reference to ... [a] data source*”, misapprehended Petitioner’s argument and supporting evidence demonstrating the combination of Hearn and Armstrong discloses a “*reference to ... [a] data source*”, in the same manner as the ’566 patent, and misapprehended Petitioner’s argument demonstrating the combination rendered obvious the “*expiration timestamp*” limitation [1B.3].

Req. Reh’g. 1. In support of this allegation, Petitioner asserts that our finding (regarding limitation [1B.2]) that “Petitioner has not directed us to any persuasive evidence that identification of the currency used in the transaction (i.e., USD) is a reference to a ‘data source’ as that term is used in the ’566 patent” is in error “because the Board misapprehended the evidence of record showing the plain and ordinary meaning of ‘*reference to ... [a] data source*’ [1B.2].” Req. Reh’g 2. (citing Dec. 20; Pet. 14; Prelim. Resp. 5).

Specifically, Petitioner asserts that “[t]he ’566 patent teaches that a ‘data source comprises an external data feed, internal database, another data source, etc’” and that “[t]he ‘*reference to ... [a] data source*’ is therefore an indication that refers the system to a ‘*data source*’ for information (e.g., exchange rate) needed to perform a calculation.” Req. Reh’g 2–3 (citing Ex. 1001, 15:38–40, Pet. 42). Petitioner asserts further that in an example provided in the ’566 patent, the “terms (USD/AUD) are not the data source,

or the information stored in the data source. Instead, they act as an indication of the entity (data source) to consult to obtain the information needed to perform the agreement calculations (the exchange rate between USD/AUD (base/quote instrument) and BTC, the denominating asset.” *Id.* at 4.

In our Decision, we stated in a footnote that “we understand the cited portion of the ’566 Patent [Ex. 1001, 15:38–49] to identify the data source as one of a base instrument or a quote instrument, rather than identifying the reference as one of these instruments.” Dec. 19. Petitioner disagrees with our understanding, but such disagreement does not demonstrate misapprehension or error on our part.

Petitioner’s arguments read the example from the Specification of the ’566 Patent into the claim. Req. Reh’g 2–6. Moreover, they rely on claim construction arguments not presented in the Petition. Pet. 14. Such arguments are not timely and we do not consider them as Petitioner had every opportunity to present claim construction arguments in the Petition.

Our determination that Petitioner had not adequately demonstrated a reasonable likelihood or prevailing was based on our determinations that “even if we assume that a person of ordinary skill in the art would understand Armstrong to disclose an exchange rate, such disclosure would not constitute disclosure of a reference to that exchange rate” and that an exchange *rate* is not a data source.¹ Dec. 21. Our understanding is consistent with Petitioner’s allegation that “[t]he ’566 patent teaches that a ‘data source comprises an external data feed, internal database, another data

¹ To clarify, our position is that an exchange rate is a data point and a currency exchange is a data source.

source, etc.’” Req. Reh’g 2. (citing Ex. 1001, 15:38–40). Thus, Petitioner has not demonstrated that we misapprehended the plain and ordinary meaning of a reference to a data source as required by claim 1.

IV. CONCLUSION

As Petitioner has not demonstrated error in our determination that it had not demonstrated a reasonable likelihood of prevailing for limitation [1B.2], we do not address Petitioner’s further allegations.

For the above reasons, after considering Petitioner’s Request, we maintain the outcome of the Decision.

Outcome of Decision on Rehearing:

Claims	35 U.S.C. §	Reference(s)/Basis	Denied	Granted
1–3	103(a)	Hearn, Armstrong	1–3	
7, 8	103(a)	Hearn, Armstrong, Ziegler	7, 8	
Overall Outcome			1–3, 7, 8	

Final Outcome of Final Written Decision after Rehearing:

Claims	35 U.S.C. §	Reference(s)/ Basis	Claims Shown Unpatentable	Claims Not Shown Unpatentable
1–3	103(a)	Hearn, Armstrong	1–3	
7, 8	103(a)	Hearn, Armstrong, Ziegler	7, 8	
Overall Outcome			1–3, 7, 8	

V. ORDER

In consideration of the foregoing, it is hereby:

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

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