UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MASTERCARD INCORPORATED AND MASTERCARD INTERNATIONAL INCORPORATED.,

Petitioner,

v.

OV LOOP, INC.,

Patent Owner.

Case IPR2023-01289
Patent 10,032,171

PATENT OWNER'S RESPONSE TO PETITIONER'S EXPLANATION OF PARALLEL PETITIONS

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Petitioner has concurrently filed two petitions for *inter partes* review of U.S. Patent No. 10,032,171 ("the '171 Patent"). Each petition challenges the same claims (1-33) and relies on many of the same references. In the petition under IPR2023-01289 ("1289 Petition"), the first two asserted grounds are based on U.S. Publication No. 2013/0262317 A1 to Collinge ("Collinge") and also rely extensively on a collection of eleven references Petitioner refers to as the "EMV Specifications." *See, e.g.*, 1289 Petition at 17-18 (defining "EMV Specifications" as Exhibits 1019-1029); *id.* at 56 (citing Ex. 1020); *id.* at 62 (citing Ex. 1020); *id.* at 38 (citing Exs. 1021, 1023, 1026, 1027); *id.* at 44 (citing Ex. 1021); *id.* at 55 (citing Ex. 1021); *id.* at 46 (citing Exs. 1026, 1027); *id.* at 50 (citing Exs. 1026, 1027). The second two asserted grounds are based on U.S. Patent No. 11,080,693 to Fiske and also rely extensively on the EMV Specifications. Paper 3 at 2; s*ee, e.g.*, *id.* at 34 (citing Exs. 1019-1029); *id.* at 76 (citing Exs. 1019-1029); *id.* at 75, 77, 79, 80, 81 (citing Ex. 1020); *id.* at 79, 80 (citing Ex. 1021). In the petition under IPR2023-01290 ("1290 Petition"), Petitioner bases in the first ground on U.S. Patent No. 8,374,916 ("White") and the EMV Specifications. 1290 Petition at 15-17. The second ground is based on U.S. Patent Pub. No. 2010/0153721 A1 ("Mellqvist") and

the same EMV Specifications. *Id.*

Petitioner contends that its reliance "on different prior art references" is, at least in part, a basis for filing two separate petitions. Paper 3 at 1. This is incorrect. First, although the statutory basis for the petitions list different references, both petitions, as noted above, rely extensively on the same art, namely the eleven exhibits referred to as the EMV Standards.

In the 1289 Petition, for example, Petitioner cites the EMV Standards to support its argument that Collinge renders claim 1 obvious. *See, e.g.*, 1289 Petition at 38 ("The POS will select an application on a "Card," such as a Mastercard or Visa transaction, Ex[1023] § 5.8.2; Ex[1026] § 2.3.3-2.3.4; Ex[1027] § 2.4.1, and the application on the "Card" will return "digital credential data". . ., including account information (*e.g.*, PAN) and MAC/cryptogram (CVC3 or Application Cryptogram). Ex[1026] §§ 3.4.2, 3.8.1–3.8.3, 5.2, 5.3; Ex[1021] Part III, § 7.2, Ex[1027] §§ 2.4.1, 5.2.2.3, 5.4.3.2."). Also, in the 1289 Petition, Petitioner alleges that the EMV Standards are incorporated by reference in the Fiske patent. 1289 Petition at 34. The same EMV Specifications are also relied on, and listed as basis for challenge, in the 1290 Petition. 1290 Petition at 17; *see also id.*

at 27 (citing Exs. 1019-1029); *id.* at 28 (citing 1021, 1026, 1027; *id.* at 30 (citing 1020, 1021, 1026, 1027); *id.* at 34 (citing 1026, 1027, 1023); *id.* at 35 (citing 1021, 1026, 1027); *id.* at 38 (citing 1020). Accordingly, Petitioner's assertion that reliance on different references justifies its filing of parallel petitions is unwarranted. Petitioner cites to no case supporting its contention that including some references in one petition but not another is sufficient justification. To the contrary, when evaluating multiple petitions, the Board has taken a different approach. *See, e.g.*, *Medtronic Vascular, Inc. v. TMT Systems, Inc.*, IPR2021-01533, 2020 WL 944280, at *6 (PTAB Mar. 22, 2022) (declining to consider second petition in part because "there is substantial overlap in the prior art relied upon for the petitions"); *Google LLC v. Uniloc 2017 LLC*, IPR2020-00448, Paper 11, at 8 (PTAB July 9, 2020) ("[T]he fact that both petitions are based on the same prior art…weighs against institution here.").

The only potentially reasonable justification for Petitioner's parallel petitions, then, is its assertion that Patent Owner "will likely contend that at least one of the provisional applications establishes a priority date of the '171 Patent." Paper 3 at 2." Based on this prediction, Petitioner submits two petitions, each based on a different assumption

as to the priority date Claims 1–33 are entitled to. "The 1289 Petition assumes that Claims 1–33 are not entitled to a priority date any earlier than August 30, 2012, the filing date of the non-provisional application for the '171 Patent. By contrast, the 1290 Petition relies on references that qualify as prior art even assuming the alleged August 30, 2011 priority date, which is the filing date of the earliest provisional application (No. 61/575,846) for the '171 patent, were correct." Paper 3 at 3.

While the Consolidated Trial Practice Guide indicates that "dispute about priority date" can sometimes justify multiple parallel petitions, it also states that "this should be rare." *See* Consolidated Trial Practice Guide (July 2019), at 59. It goes on to say that "the patent owner may seek to avoid additional petitions by proffering a stipulation that certain claim limitations are not disputed or that certain references qualify as prior art." *See id.* at 61. Consistent with that guidance, the Board has declined to consider additional petitions where patent owner has stipulated that it will not attempt to antedate a reference subject to a priority date dispute:

> Petitioner argues that the present circumstance is consistent with the example in the Trial Practice Guide because there is a dispute about priority date requiring arguments under multiple prior art references. Id. at 1–2. ***However, Patent Owner stipulates that it will not attempt to antedate Chueh or Srinivasan.*** Prelim. Resp. 46 (stating that "if the Board declines to institute the -254 petition under § 314(a), ***Patent Owner stipulates that it will not challenge Chueh's status as prior art in the -255 IPR***"); Ex. 3001 ("Patent Owner confirms that its stipulation includes Srinivasan."). ***Therefore, the possibility of Patent Owner antedating the asserted references here does not warrant instituting multiple IPR proceedings*** that challenge the same claim of the '127 patent.

Apple Inc. v. Seven Networks, LLC, IPR2020-00254, 2020 WL 4341801, at *3 (PTAB July 28, 2020).

Here, Patent Owner offers a similar stipulation; that is, Patent Owner will not challenge Fiske's status as prior art in the IPR2023-01289 proceeding and will not allege in the IPR2023-01289 proceeding that any of claims 1-33 of the '171 Patent are entitled to a priority date any earlier than the August 30, 2012 filing date of the non-provisional application for the '171 Patent. Based on this stipulation, Petitioner's prediction that

Patent Owner "will likely contend that at least one of the provisional applications establishes a priority date of the '171 Patent" is of no moment, and there is no basis for the Board to consider multiple parallel petitions against the '171 Patent.

Petitioner elected to rank IPR2023-01289 ahead of IPR2023-01290 in its paper regarding multiple petitions. *See* Paper 3, at 1-2. Accordingly, given the lack of justification for multiple petitions, the Board should exercise its discretion to deny institution of the second-ranked IPR2023-01290 petition and only consider IPR2023-01289, consistent with the Trial Practice Guide's guidance that "one petition should be sufficient to challenge the claims of a patent in most situations" and "two or more petitions filed against the same patent at or about the same time…may place a substantial and unnecessary burden on the Board and the patent owner and could raise fairness, timing, and efficiency concerns." Consolidated Trial Practice Guide, at 59.

For the reasons set forth in the Patent Owner Preliminary Response for IPR2023-01289, Patent Owner submits that the Board should deny institution on the merits. However, regardless of whether or not the Board decides to institute review of IPR2023-01289, the Board

should exercise its discretion under 35 U.S.C. 314(a) not to institute review based on the second-ranked petition (IPR2023-01290), given the lack of justification for multiple concurrently-filed petitions discussed above. Considering Petitioner's second-ranked petition as a "backup" option if the Board declines to institute review on the merits in the first-ranked petition would be unfair to Patent Owner and a misuse of Board resources, as it would encourage petitioners to file duplicative challenges across multiple petitions in the hope that one would be instituted, effectively eliminating the 14,000 word limit for petitions requesting *inter partes* review. *See* 35 U.S.C. § 316(b) ("In prescribing regulations under this section, the Director shall consider the effect of any such regulation on the economy, the integrity of the patent system, the efficient administration of the Office, and the ability of the Office to timely complete proceedings instituted under this chapter."); *Google LLC v. Uniloc 2017 LLC*, IPR2020-00448, Paper 13, at 6 (PTAB Sep. 9, 2020) ("Whenever multiple petitions are filed, it always created at least some additional work for the Board and Patent Owner, even if those petitions are consolidated.").

Respectfully submitted,

Dated: December 29, 2023

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

The undersigned hereby certifies that the above document was served on December 29, 2023, by filing this document through the Patent Trial and Appeal Case Tracking System as well as delivering a copy via electronic mail upon the following attorneys of record for the Petitioner:

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