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UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPEAL BOARD
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TOAST INC,
Petitioner,
vs.
GRATUITY, LLC,
Patent Owner. : CIVIL ACTION
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:
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:
:
NO. IPR 2023-01408

- - -
FRIDAY, MAY 31, 2024

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Zoom deposition of SAMUEL H. RUSS, PH.D.
taken at Wilmington, Delaware, commencing at 12:00
p.m., before John P. Donnelly, Registered Diplomat
Reporter, and Notary Public in and for the State of
Delaware.

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1 limitations of the dependent claims." Do you see
2 that?

3 A. Yes, I see that. There is a sentence
4 that begins with "more specifically." And there I
5 talk about where he or she -- the examiner -- relied
6 on Marshall for demonstrating limitation of
7 dependent claims, yes.

8 Q. Now, your understanding is that there
9 are two types of claims in a patent, right,
10 independent and dependent. Do you understand that?

11 A. Yes.

12 Q. And you understand that a dependent
13 claim typically depends from another claim in the
14 patent?

15 A. Yes, right. In fact, that is the
16 definition of dependent claim, it depends from
17 another claim in the patent. That's right.

18 Q. So when you say that Marshall was
19 only applied against the dependent claims, the
20 examiner, in examining those dependent claims, would
21 also be considering the independent claim from which
22 that dependent claim came from. Is that correct?

23 A. The examiner would have been
24 considering it. The examiner did not expressly

1 apply Marshall to the independent claims and relied
2 on it for the dependent claims. Yes, the
3 examiner -- he or she -- would have looked at
4 independent claims before turning to the dependent
5 claims.

6 Q. If you look at paragraph 78, you note
7 in 78 that Marshall definitely was of record. Is
8 that correct?

9 A. Yes, I say that "there is no dispute
10 that Marshall was on the record."

11 Q. And during the prosecution history,
12 the examiner made an examiner's amendment where he
13 took some of the limitations regarding cloud
14 computing and essentially included those in the
15 independent claim. Is that correct?

16 A. Let's see. Examiner -- I'm reading
17 from paragraph 78. "Specifically, the Examiner
18 introduced to independent claims 30 and 39 the
19 limitation that the gratuity system ... 'is a cloud
20 computing system remote from the plurality of client
21 business [systems'] ... and the Applicant never
22 addressed, nor challenged, the Examiner's assertions
23 regarding Marshall's teachings. Instead, Applicant
24 focused on more prominent prior art references."

1 Q. Essentially, what the examiner told
2 the applicant was that the limitations of --
3 regarding the cloud computing system remote from the
4 plurality of client business systems, the examiner
5 found that to be patentable subject matter if it was
6 included in the independent claims. Is that
7 correct?

8 A. Well, the examiner obviously, at some
9 point, found the claims that are here today
10 patentable over the art. And I think I am just
11 making the point here that he inserted an examiner's
12 amendment, and introduced the limitation of cloud
13 computing system remote from the plurality of client
14 business systems.

15 Let me think. In fact, the top
16 paragraph 78 I think adds some important
17 information. "The Examiner determined that Marshall
18 was no longer relevant to claims 30-33, 36-39 and
19 41-45 as presented by the Applicant in a response
20 filed April 7, 2017 ... Instead, the Examiner went
21 one step further and introduced subject matter from
22 the claims which were previously found to be very
23 relevant to Marshall's teachings via an Examiner's
24 amendment." And introduced the cloud computing

1 limitation that we've referenced before.

2 That is what the record says. And I
3 don't express, nor I think is true, that the cloud
4 computing amendment was specifically drawn in light
5 of Marshall. I think it is just present -- it was
6 added in after the examiner considered Marshall and
7 then later the claim was found to be -- the issue
8 with that limitation in place.

9 Q. If you could take a look at paragraph
10 81. Here, you are talking about the Phillips
11 reference. Right?

12 A. Yes, that is the subject matter of
13 paragraph 81, yes.

14 Q. You have, I think it is the second to
15 last sentence in this paragraph it says "As I noted
16 above, the Examiner never considered Marshall
17 against the newly added claims, and so also never
18 considered Phillips in view of Marshall's
19 disclosures." Do you see that?

20 A. Yes.

21 Q. How did you arrive at that
22 conclusion; have you spoken with the examiner of
23 this patent?

24 A. No, I haven't. I am just simply

1 pointing out that in the record there is no
2 mention -- first off, it's clear from the record
3 that Marshall was applied to earlier claims, not the
4 claims at issue. And that -- at least not expressly
5 considered. And the same thing is true for
6 Phillips, it wasn't brought up again after the
7 claims got -- after the new claims came along.

8 Q. So I guess that is really my question
9 is the term considered. From my perspective, as a
10 former examiner, it's my perspective there are --
11 you may consider references, but you may not
12 necessarily discuss them or apply them. Right?

13 So I want to make sure that when you
14 say that "the Examiner never considered Marshall
15 against the newly added claims, and so also never
16 considered Phillips in view of Marshall's
17 disclosures," I was trying to understand how you
18 determined what the examiner considered.

19 I think what you are telling me is
20 based upon what the examiner said, he didn't apply
21 those references again after the initial citation to
22 them. Is that accurate?

23 A. I mean, it's certainly true that he
24 did not apply those references. And I use that as

1 evidence that they weren't considered. But the
2 written record is clear that they were not applied,
3 like, expressly listed in the writings.

4 Q. So it could be that the examiner
5 considered them, but he considered the references
6 overcome by the applicant's statements and,
7 therefore, did not discuss them further. That is a
8 possibility. Correct?

9 A. Well, I mean, I suppose a theoretical
10 possibility. But I find it very telling that there
11 was a time when Marshall and Phillips were applied
12 and then the claims changed. So it looks to me like
13 that they weren't -- they weren't applied in
14 connection with the new claims and, therefore, they
15 need to be studied now.

16 Q. Let me explore that a little more.
17 So your opinion that Phillips -- your opinion that
18 "the Examiner never considered Marshall against the
19 newly added claims, and also never considered
20 Phillips in view of Marshall's disclosures," is
21 based upon the fact that the examiner did not
22 continue to discuss those references with respect to
23 these fully added claims. Is that correct?

24 A. Well, the way I would put it is the

1 fact that the examiner did not mention them anymore,
2 first off, means he certainly did not apply this
3 art. And it's evidence that he did not consider it,
4 that he looked at other art instead. And you can
5 see I have the opinion that the examiner erred in
6 not applying Marshall and Phillips to the new set of
7 claims. And that, obviously, in my report, I
8 express the opinions of why I think that's
9 important, that Marshall and Phillips do, indeed,
10 invalidate the claims.

11 But to circle back, so the fact that
12 he did not expressly apply them I find is evidence
13 that he did not consider them.

14 Q. Is it possible that he did consider
15 them, but he did not consider them to be -- he did
16 not consider them to be worthy of further rejection
17 based upon the applicant's responses. What I am
18 essentially saying is; isn't it possible the
19 applicant convinced the examiner of the differences
20 between the invention -- the application for the
21 '050 Patent and the prior art, and the examiner
22 agreed and simply stopped discussing those
23 references because he felt they were overcome. That
24 is a possibility. Is that correct?

1 MR. ONG: Objection, calls for
2 speculation.

3 THE WITNESS: You know, I'm not an
4 attorney. I am not a patent examiner, you know, I
5 don't know sometimes how the exact process works. I
6 mean, I'm just simply saying that there's no mention
7 of Marshall or Phillips after the new claims got put
8 in. And I am just saying that is evidence they
9 weren't considered. And it is part of my argument
10 that the process needs to go be reexamined, and I'm
11 just simply saying that this evidence that these
12 references weren't considered against the newly
13 added claims.

14 BY MR. WRIGHT:

15 Q. Sure, and I understand and I
16 appreciate your opinion. I understand what you are
17 saying. I am just putting out there the
18 possibility -- let me ask it this way: The patent
19 office issues patents. Is that correct?

20 A. Yes.

21 Q. The '050 Patent was issued. Correct?

22 A. Yes, it was.

23 Q. And so the examiner presumably does
24 his job or her job in examining patents. Is that

1 Q. If you were to take different
2 features or facets, as you say, from different
3 embodiments, what would be the motivation to combine
4 those features and facets if they are not actually
5 combined in Marshall itself?

6 A. Well, I have a two-part answer to
7 that. First is I think my report speaks for itself
8 in that regard. I tried to explain my rationale for
9 doing that.

10 And then secondly, like a common
11 example that I use throughout my report is if there
12 were a chain of restaurants and they were running
13 something along the lines of a system of Marshall,
14 the management of the restaurant chain would be
15 motivated to have a central system for managing
16 things like gratuities because that way the policies
17 are applied uniformly across the entire restaurant
18 chain. Employees could move from one restaurant to
19 another, for example, and gratuities would be
20 handled in a uniform way.

21 So it would be make sense then for
22 the GrataSoft system to be in its web embodiment --
23 actually in its cloud embodiment. And then the
24 point of sale systems at the restaurants would

1 then -- the person of ordinary skill would be
2 motivated to set up the system so that the point of
3 sale system at the restaurant uploaded the
4 information to the central server so the gratuities
5 can be handled uniformly.

6 So that's an example and you can see
7 this throughout the report. I believe I address
8 that in my report with these reasons why someone
9 would do things a certain way.

10 Q. If could you take a look at paragraph
11 117. Just one second here. So if you look that is
12 actually on page 57 in paragraph 117. This is the
13 first full sentence that begins with "A POSITA." Do
14 you see that?

15 A. Yes.

16 Q. You say "A POSITA would have
17 understood that all of the aforementioned automated
18 processes constitute a 'gratuity distribution rules
19 on a client-by-client basis' executed by Marshall's
20 server via its GrataSoft system." Do you see that?

21 A. Yes, that sentence is in my report.
22 Yes.

23 Q. That quote that you have there,
24 "gratuity distribution rules on a client-by-client

1 basis," is that quote from Marshall?

2 A. The quote is from Claim 1.

3 Q. If you look at the second sentence in
4 paragraph 117, it says "According to Marshall,
5 GrataSoft is (to use the language of claim 1 of the
6 '050 patent) 'configurable to independently execute
7 gratuity distribution rules on a client-by-client
8 basis.'" Right?

9 A. Quoting from claim 1.

10 Q. If you take a look at paragraph 210.
11 Let me know when you get there.

12 A. Okay.

13 Q. If you look at 210, the very first
14 sentence in 210 says "And because Marshall and
15 Webb's systems are so similar, modifications to the
16 system of Marshall to implement selected teachings
17 of Webb would be a straightforward matter." Do you
18 see that?

19 A. I do.

20 Q. Is it your understanding there has to
21 be a motivation to combine the select teaching of
22 Webb to modify Marshall?

23 A. Yes, there has to be a reason why a
24 person of ordinary skill in the art would sort of