

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of: Giobbi

U.S. Patent No.: 8,352,730

Issued: January 8, 2013

Application No.: 11/314,199

Filed: December 20, 2005

Title: BIOMETRIC PERSONAL DATA
KEY (PDK) AUTHENTICATION

Examiner: Tarae, Catherine Michelle

Art Unit: 3992

PATENT OWNER RESPONSE

Mail Stop *Ex Parte* Reexam
Attn: Central Reexamination Unit
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313

Dear Commissioner:

Proxense, the owner of U.S. Patent 8,352,730 (“730 Patent”) hereby responds to the Order Granting *Ex Parte* Reexamination Petition. For the reasons described herein, these Reexamination proceedings should be terminated.

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Pursuant to 37 CFR 1.530 and 35 U.S.C. 304, Patent Owner respectfully submits this patent owner statement.

At bottom, the patent claims of U.S. Patent No. 8,532,730 are patentable considering the cited prior art patents and printed publications alone or in any reasonable combination. Specifically, none of the prior art discloses a “third-party trusted authority” as that term has been construed by the Patent Trial and Appeal Board (“PTAB”).

I. CONSTRUCTION OF “THIRD-PARTY TRUSTED AUTHORITY”

“During reexamination ordered under 35 U.S.C. § 304 ... claims are given the broadest reasonable interpretation consistent with the specification”. MPEP § 2258(I)G). “Under a broadest reasonable interpretation (BRI), words of the claim must be given their plain meaning, unless such meaning is inconsistent with the specification”. MPEP § 2111.01(I). Accordingly, during reexamination, terms of the claim are typically given their plain meaning. With respect to the ‘730 Patent, the PTAB has already ruled as to the plain meaning of “third-party trusted authority” and thus decided the broadest reasonable interpretation of the claims.

In particular, the PTAB found that “[t]he plain meaning of ‘third-party trusted authority’ suggests an entity or party separate from the principal parties to a transaction”. *Samsung Electronics America, Inc. v. Proxense, LLC*, IPR2021-01444, Paper 11 at 14 (PTAB February 28, 2022). The PTAB further noted such was consistent with specification – noting Figure 3 “depicts trusted key authority 320 as an entity separate from biometric key 100, authentication module 310, and application 330”. *Id.* Accordingly, the PTAB interpreted the plain meaning of “third-party trusted authority” consistent with the specification to be “a trusted authority that is an entity separate from the parties to a transaction”. *Id.* at 15. As the plain meaning defines the broadest reasonable interpretation consistent with the specification, the PTAB has already

determined the broadest reasonable interpretation of “third-party trusted authority” and, therefore, the construction of the term to be applied in this reexamination.

The PTAB also determined how the broadest reasonable interpretation of “third-party trusted authority” is to be applied when evaluating prior art. When distinguishing the claim 1 from the prior art, the PTAB noted “the DPC appears to be what is being accessed, as the payee and payor, with the PIA, access a list of financial accounts from the DPC. Here, the DPC is the resource to be accessed, but it is a party to the transaction, rather than a third-party”. *Id.* at 26 (internal citations omitted). Accordingly, under the broadest reasonable interpretation, a third-party trusted authority cannot be what is being accessed. The purported substantial new questions of patentability that is identified fail to account for a third-party trusted authority, which *cannot* be the system being accessed.

II. THE PRIOR ART (ALONE OR IN COMBINATION) DOES NOT INCLUDE A “THIRD-PARTY TRUSTED AUTHORITY”

Claim 1 recites the action of “wirelessly sending one or more codes form the plurality of codes and other data values for authentication by an agent *that is third-party trusted authority* possessing a list of device ID codes uniquely identifying legitimate integrated devices”. Similarly, claim 8 recites “a verification unit ... wirelessly sends one or more codes form the plurality of codes and other data values for authentication by an agent *that is a third-party trusted authority* possessing a list of device ID codes uniquely identifying legitimate integrated devices.” Claim 15 also requires the presence of a component that sends to a third-party trusted authority, reciting “an authentication unit ... send the plurality of codes and the other data values to an agent for authentication to determine whether the one or more codes and the other data values are legitimate, wherein the agent *is a third-party trusted authority* possessing a list of device ID codes uniquely identifying legitimate integrated devices.” Thus claims 1, 8, and 15

require the action of sending to a third-party trusted authority or the presence of a component carrying out such action.

Instead of sending to a third-party party trusted authority, claims 12 recites “receiving one or more codes from a plurality of codes and other data values including a device ID code ... the device ID code being registered with an agent *that is a third-party trusted authority* possessing a list of device ID codes uniquely identifying legitimate integrated devices.” Claim 12 thus requires receiving a device ID code registered with a third-party trusted authority.

A. *Ludtke* Does Not Disclose a “Third-Party Trusted Authority”

Regardless of sending or receiving, each of the independent claims at issue require communicating with a third-party trusted authority that, under the broadest reasonable interpretation, is not the system being accessed. In finding substantial new questions of patentability, the Examiner identified the transaction privacy clearing house (TPCH) of *Ludtke* (U.S. Patent No. 7,188,110) as the third-party trusted authority. Specifically, the Examiner noted the “the transaction device information is provided to the TPCH 110 that then indicates to the vendor and the user approval of the transaction to be performed” and that “the transaction privacy clearing house maintains a secure database of transaction device information.” *Decision on Request for Ex Parte Reexamination*, mailed August 2, 2022, at 8-9. Though not specifically identifying the TPCH as the third-party trusted authority, the Examiner appears to be referencing the list of device ID codes possessed by a third-party trusted authority and a communication with a third-party trusted authority as recited in the claims. In so doing, the Examiner appears to equate the third-party trusted authority with the TPCH. However, just like the DPC of *Lapsley*, the TPCH of *Ludtke* is the system being accessed by the payee and payor; the TPCH authenticates the transaction and settles the funds and thus is not a third-party trusted authority.

When attempting to purchase goods, the TPOCH is accessed by the user to transfer the appropriate financial credit into the vendor's account. This is shown in clearly in *Ludtke's* Figures 16 and 17 (reproduced below).

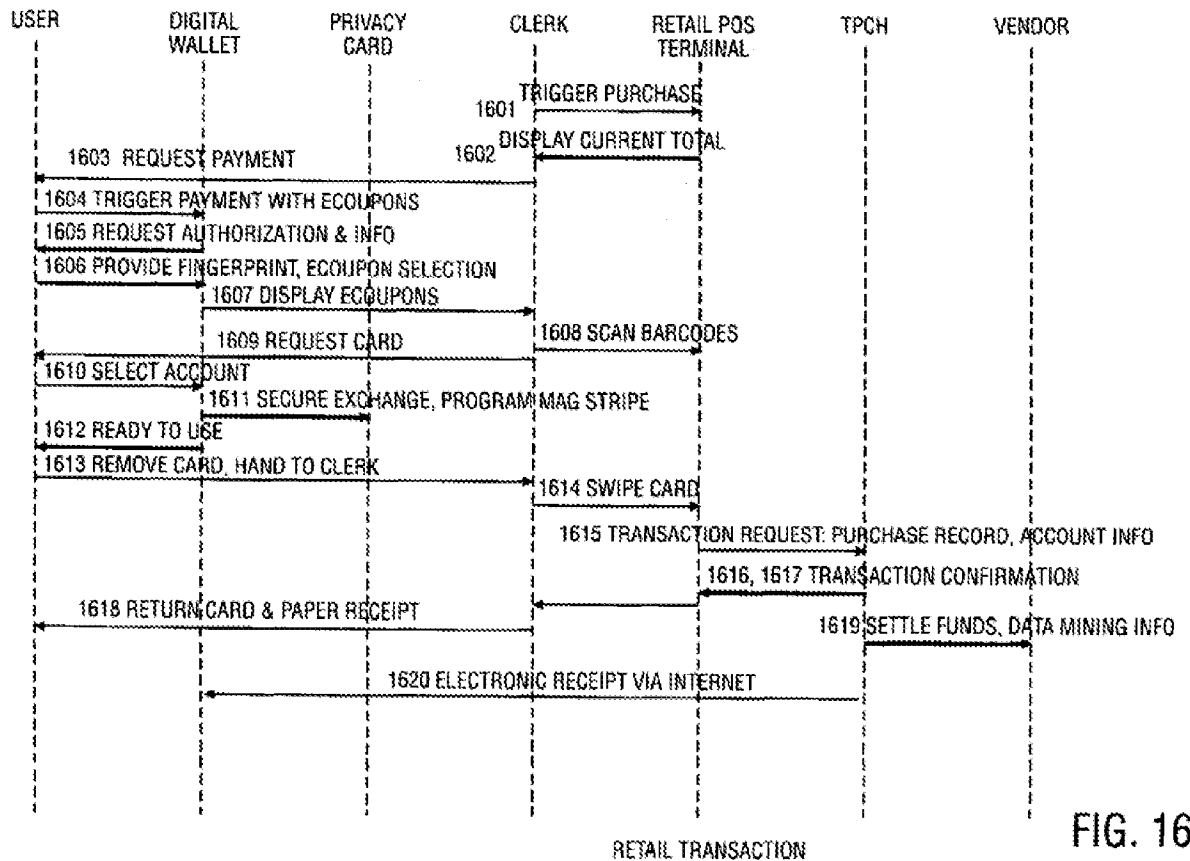


FIG. 16

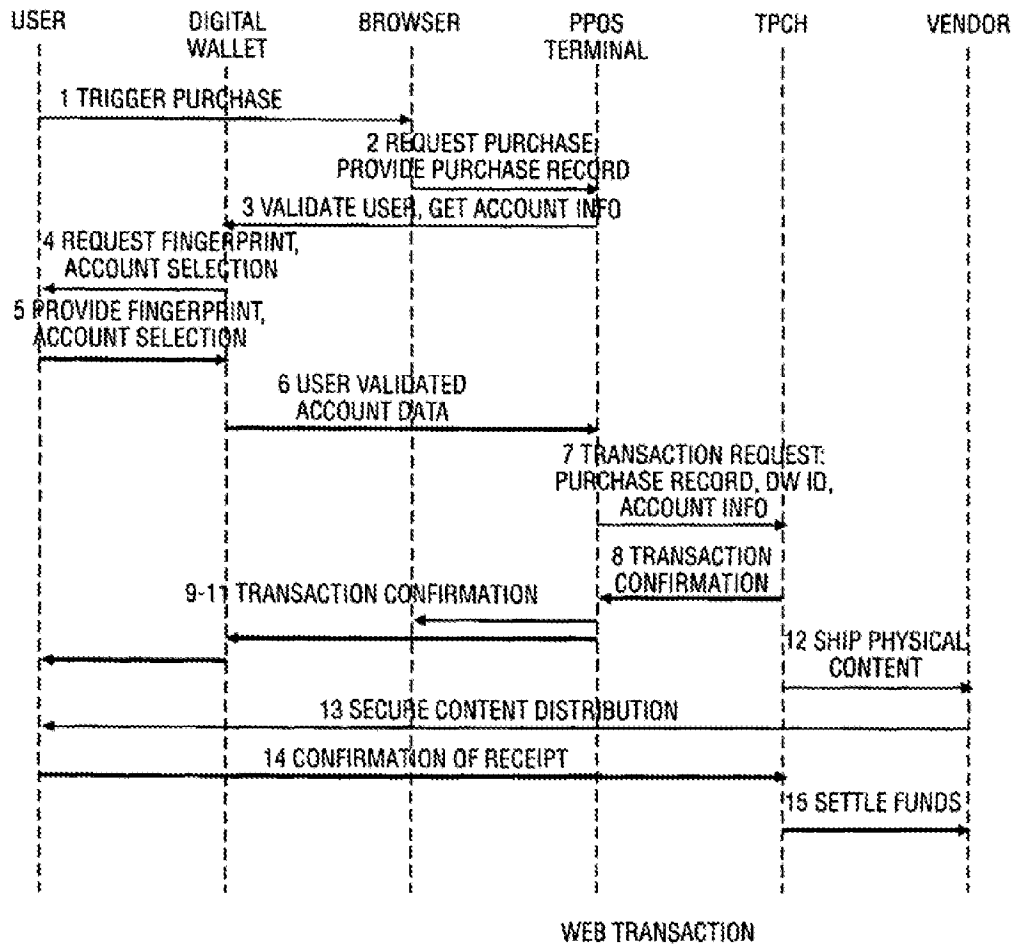


FIG. 17

Figures 16 and 17 of *Ludtke* detail use of the TPC in retail and web transactions, respectively. The transactions involve access of the TPC by a user via a POS terminal. As described in *Ludtke*, “the POS terminal may collect the necessary information from the transaction device, e.g., digital wallet, combine it with the purchase data, and send it to the TPC. The TPC may then authorize the transaction, store data relevant to the transaction in its records and trigger a financial transfer to the vendor’s account.” *Ludtke*, 23:50-55; *see also id.*, 21:51-57 (“In one embodiment, a POS terminal is the link between the digital wallet or privacy card and the transaction privacy clearing house (TPC) of the eCommerce system.”). The main purpose of *Ludtke*’s POS terminal is to establish a secure transaction connection between the

transaction device and the TPCCH and to transfer transaction data to the TPCCH for completion of the transaction.

Accordingly, as shown by step 1615 in Figure 16 of *Ludtke*, “the retail POS terminal establishes a secure connection with the TPCCH, and requests that the transaction be carried out.” *Ludtke*, 27:56-58. Prior to this, as shown by steps 1611, 1613 and 1614, the POS receives data from the digital wallet via the magnetic stripe on a privacy card interfaced with the digital wallet and then POS. During a retail transaction, therefore, the POS receives data from the digital wallet and then the “POS terminal establishes a secure connection with the TPCCH, and requests that the transaction be carried out, step 1615.” *Ludtke*, 27:56-58. After receiving the request and sending a confirmation message to the POS at step 1616, the process moves on to step 1619 where “the TPCCH settles funds, transferring the appropriate amount into the vendor’s account”. *Ludtke*, 27:66-67. The TPCCH, which transfers funds into the vendor’s account, is the *same* system being accessed by the user to pay the merchant—and therefore cannot be the claimed “third-party trusted authority.”

A similar process for web transactions is shown in Figure 17 of *Ludtke*. However, instead of receiving data from the digital wallet via a magnetic stripe on a privacy card, the POS “communicates with the transaction device, asking the transaction device to validate the user, confirm that the user wants to make this transaction, and get the appropriate information for which account the user wants to use for payment.” *Ludtke*, 28:58-62. This is shown by step 6 in Figure 17. “When information on the user’s side of the transaction has been set up to perform a transaction, the personal POS terminal opens a secure communication session to the TPCCH, requesting a transaction. The personal POS terminal provides the transaction record that it received from the web browser and the unique ID of the transaction device. The TPCCH uses the

unique ID of the transaction device to process the transaction.” *Ludtke*, 29: 6-14. Thus, as shown by step 7 of Figure 17, the POS collects the necessary information from the transaction device, e.g., digital wallet, combines it with the purchase data, and sends it to the TPCCH. The TPCCH then settles funds, as shown by step 15.

“The settlement of funds involves the transfer of the appropriate financial credit into the vendor’s account.” *Ludtke*, 29:35-36. As shown in Figures 16 and 17, the settlement of funds is handled by the TPCCH. Settlement (i.e., transfer of funds) is one of the core functionalities of the TPCCH. “The TPCCH agent 615 handles system management and policy control and ***forms the core functionality of the TPCCH 600***... Among the responsibilities handled by the agent include internal system management functions, such as data mining, ***financial settlement and allocation of payments to internal and external accounts***, and registration of new user joining the system.” *Ludtke*, 9:43-51. The TPCCH is tendering payment to the vendor by taking funds from the user’s account and transferring to the vendor’s account. Consequently, the TPCCH is the system being accessed to tender payment to the vendor – and not the claimed “third-party trusted authority.”

As noted *supra*, the PTAB has already determined the broadest reasonable interpretation of “third-party trusted authority”, under which a third-party trusted is *not* the system being accessed. The PTAB held the plain meaning of “third-party trusted authority” – which defines its broadest reasonable interpretation – is “an entity or party separate from the principal parties to a transaction”. IPR2021-01444, Paper 11 at 15. The TPCCH, however, is the resource to be accessed to tender payment, making it a party to the transaction. Based on similar interactions, the PTAB held *Lapsley*’s DPC, used to access a list of financial account, is not a third-party trusted authority because it is the system being accessed. *Id.* at 26-27. Thus, because *Ludtke*’s TPCCH is the system being accessed to tender payment, it is not a third-party trusted authority

under what the PTAB has determined to be the broadest reasonable interpretation. As such, *Ludtke* does not disclose or suggest the claimed “third-party trusted authority.”

B. *Okereke and Robinson Do Not Disclose a “Third-Party Trusted Authority”*

The Examiner has not pointed to the teachings of *Okereke* (U.S. Publication No. 2003/0196084) or *Robinson* (U.S. Publication No. 2003/0177102) as raising substantial new questions of patentability with respect to a third-party trusted authority. Accordingly, neither *Okereke* nor *Robinson*, alone or in combination, discloses or suggests the claimed third-party trusted authority.

C. *Scott Does Not Disclose a “Third-Party Trusted Authority”*

With regards to *Scott* (WO 9956429 A2), the PTAB specifically held *Scott* fails to disclose a third-party trusted authority. IPR2021-01444, Paper 11 at 24-25. While, this finding may not have been presented in final written decision, it was a final determination ending the proceedings. A final determination, therefore, was made by the PTAB with respect to *Scott*’s failure to disclose a third-party trusted authority. In view of this determination, and in point of fact, *Scott* does not disclose components for or actions of communicating with a third-party trusted authority as recited in the claims.

III. CONCLUSION

In view of the foregoing, the substantial new questions of patentability that are identified by the Examiner do not establish questions regarding components for or actions of communicating with a third-party trusted authority, and thus do not address all the limitations of the claims. In addition to not addressing all the limitations of the claims, the substantial new questions of patentability do not demonstrate the claims at issue are either anticipated or rendered obvious by *Ludtke*, *Okereke*, *Robinson*, or *Scott*, alone or in combination. Termination of these proceedings, therefore, is respectfully requested.

DATED: November 2, 2022

Respectfully Submitted,

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