

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,

Petitioner,

v.

TELCOM VENTURES LLC,

Patent Owner.

Case No. IPR2025-01349
U.S. Patent No. 11,924,743

PATENT OWNER'S PRELIMINARY RESPONSE

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2002	Telcom Ventures’ Local Patent Rule 3.1 and 3.2 Disclosures, Served November 21, 2024
2003	Telcom Ventures’ Subpoena to Google, Served July 18, 2025
2004	Stipulated Protective Order for Non-Party Google, Dated September 11, 2025
2005	Third Amended Docket Control Order
2006	Civil Standing Order for Cases Before Judge Rita F. Lin
2007	Telcom Ventures’ Proposed Schedule in the Apple Litigation
2008	Order Denying Samsung’s Motion to Stay, Dated August 27, 2025
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2010	Exhibit A16 to Samsung’s Invalidity Contentions
2011	Exhibit A13 to Samsung’s Invalidity Contentions
2012	Paul Hasting’s Notices of Appearance in the Samsung Litigation
2013	Declaration of Dr. Chuck Easttom
2014	<i>Curriculum Vitae</i> of Dr. Chuck Easttom
2015	Chiradeep BasuMallick, “What is NFC (Near Field Communication)? Definition, Working, and Examples” (Sept. 29, 2022), https://www.spiceworks.com/tech/networking/articles/what-is-near-field-communication/
2016	Liu et al., “Near-Field Communications: A Comprehensive Survey,” IEEE (June 2025)
2017	“The Creation of the NFC Forum and its Vision” (2011) https://cs.stanford.edu/people/eroberts/courses/cs181/projects/2010-11/NFCChips/nfcforum.html
2018	McHugh & Yarmey, “Near Field Communication: Introduction and Implication,” ERIC (2012)
2019	Coskun et al., “The Survey on Near Field Communication,” Sensors (June 5, 2015)

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Claim 1	
1[pre]	A method of establishing a capability at a smartphone to conduct a financial transaction; the method comprising:
1[a]	responsive to sensing a value of a parameter and responsive to determining that the value of the parameter sensed satisfies a criterion; selectively establishing a master-slave relationship, and selectively requesting an authorization to establish said capability; then
1[b]	receiving the authorization to establish the capability, responsive to said selectively requesting an authorization, and establishing the capability at the smartphone responsive to said receiving the authorization;
1[c]	wherein said selectively establishing a master-slave relationship, said selectively requesting an authorization and said receiving the authorization comprises wirelessly transmitting/receiving using a WiFi air interface protocol, an Orthogonal Frequency Division Multiplexing air interface protocol and/or an Orthogonal Frequency Division Multiple Access air interface protocol; and
1[d]	wherein the value of the parameter that is sensed comprises a signal, a number, a word, a code, a velocity, an acceleration, a time-of-day, a position, a humidity, a temperature, a height, a level of brightness, a level of darkness, a blood pressure, a heart rate, a blood content, a physiological state and/or a psychological state.
Claim 2	
2[pre]	The method of claim 1, further comprising:
2[a]	repeatedly sensing said value of the parameter and repeatedly deciding, based on comparing the value of the parameter to the criterion, whether or not to maintain enabled a first function of the smartphone while maintaining disabled a second function of the smartphone; and
2[b]	maintaining enabled said first function while maintaining disabled said second function responsive to deciding that said value of the parameter continues to satisfy the criterion; or
2[c]	disabling said first function and enabling said second function responsive to deciding that the value of the parameter no longer satisfies the criterion.

Reference	Claim Limitation
Claim 3	
3[pre]	The method of claim 1, wherein following said establishing the capability at the smartphone, the method further comprises:
3[a]	responsive to satisfying a proximity condition and responsive to sensing the value of the parameter and determining that the value of the parameter sensed satisfies the criterion, using the capability to conduct the financial transaction that has been established at the smartphone and conducting the financial transaction by paying for a product;
3[b]	wherein said paying for a product comprises sensing that the proximity condition is satisfied relative to an access point maintained by a vendor at a point of purchase counter, by detecting a short-range signal that is transmitted by the access point, determining that the value of the parameter that is sensed satisfies the criterion and then, responsive to having sensed that the proximity condition is satisfied relative to the access point and having determined that the value of the parameter sensed satisfies the criterion, paying for the product by selectively sending information to at least one device;
3[c]	wherein said paying for the product by selectively sending information to at least one device comprises selectively and wirelessly transmitting information to the at least one device using unlicensed frequencies; and
3[d]	wherein said paying for the product by selectively sending information to at least one device is further responsive to said selectively requesting an authorization, said receiving the authorization and said establishing the capability at the smartphone.
Claim 4	
4[pre]	The method of claim 3,
4[a]	wherein said paying for a product further comprises deducting/withdrawing an amount of money from an account.
Claim 5	
5[pre]	The method of claim 4,
5[a]	wherein said selectively sending information to at least one device comprises selectively sending information to the access point maintained by the vendor at the point of purchase counter and to at least one other device that is predetermined; and

Reference	Claim Limitation
5[b]	wherein the method further comprises selectively receiving information from the access point maintained by the vendor at the point of purchase counter and from at least one other device that is predetermined.
Claim 6	
6[pre]	The method of claim 4,
6[a]	wherein said using unlicensed frequencies comprises using unlicensed frequencies over a short-range link in a Time Division Duplex operation.
Claim 7	
7[pre]	The method of claim 1, wherein prior to said selectively requesting an authorization the method comprises:
7[a]	enabling a first function of the smartphone while disabling a second function of the smartphone responsive to sensing the parameter and responsive to determining that the parameter sensed satisfies the criterion; then
7[b]	selectively communicating with a device by using a communications capability of the first function, selectively establishing the master-slave relationship with the device and selectively requesting from the device the authorization to establish the capability for conducting the financial transaction.
Claim 8	
8[pre]	A smartphone that is configured to perform operations in order to establish a capability to conduct a financial transaction; the operations comprising:
8[a]	responsive to sensing a value of a parameter and responsive to determining that the value of the parameter sensed satisfies a criterion, selectively establishing a master-slave relationship, and selectively requesting an authorization to establish said capability; then
8[b]	receiving the authorization to establish the capability, responsive to said selectively requesting an authorization, and establishing the capability at the smartphone responsive to said receiving the authorization;

Reference	Claim Limitation
8[c]	wherein said selectively establishing a master-slave relationship, said selectively requesting an authorization and said receiving the authorization comprises wirelessly transmitting/receiving using a WiFi air interface protocol, an Orthogonal Frequency Division Multiplexing air interface protocol and/or an Orthogonal Frequency Division Multiple Access air interface protocol; and
8[d]	wherein the value of the parameter that is sensed comprises a signal, a number, a word, a code, a velocity, an acceleration, a time-of-day, a position, a humidity, a temperature, a height, a level of brightness, a level of darkness, a blood pressure, a heart rate, a blood content, a physiological state and/or a psychological state.
Claim 9	
9[pre]	The smartphone of claim 8, wherein the operations further comprise:
9[a]	repeatedly sensing said value of the parameter and repeatedly deciding, based on comparing the value of the parameter to the criterion, whether or not to maintain enabled a first function of the smartphone while maintaining disabled a second function of the smartphone; and
9[b]	maintaining enabled said first function while maintaining disabled said second function responsive to deciding that said value of the parameter continues to satisfy the criterion; or
9[c]	disabling said first function and enabling said second function responsive to deciding that the value of the parameter no longer satisfies the criterion.
Claim 10	
10[pre]	The smartphone of claim 8, wherein following said establishing the capability at the smartphone, the operations further comprise:
10[a]	responsive to satisfying a proximity condition and responsive to sensing the value of the parameter and determining that the value of the parameter sensed satisfies the criterion, using the capability to conduct the financial transaction that has been established at the smartphone and conducting the financial transaction by paying for a product;

Reference	Claim Limitation
10[b]	wherein said paying for a product comprises sensing that the proximity condition is satisfied relative to an access point maintained by a vendor at a point of purchase counter, by detecting a short-range signal that is transmitted by the access point, determining that the value of the parameter that is sensed satisfies the criterion and then, responsive to having sensed that the proximity condition is satisfied relative to the access point and having determined that the value of the parameter sensed satisfies the criterion, paying for said product by selectively sending information to at least one device;
10[c]	wherein said selectively sending information to at least one device comprises selectively and wirelessly transmitting the information to the at least one device using unlicensed frequencies;
10[d]	wherein said paying for the product by selectively sending information to at least one device comprises selectively and wirelessly transmitting information to the at least one device using unlicensed frequencies; and
10[e]	wherein said paying for the product by selectively sending information to at least one device is further responsive to said selectively requesting an authorization, said receiving the authorization and said establishing the capability at the smartphone.
Claim 11	
11[pre]	The smartphone of claim 10,
11[a]	wherein said paying for a product further comprises deducting/withdrawing an amount of money from an account.
Claim 12	
12[pre]	The smartphone of claim 11,
12[a]	wherein said selectively sending information to at least one device comprises selectively sending information to the access point maintained by the vendor at the point of purchase counter and to at least one other device that is predetermined; and
12[b]	wherein the operations further comprise selectively receiving information from the access point maintained by the vendor at the point of purchase counter and from at least one other device that is predetermined.
Claim 13	
13[pre]	The smartphone of claim 10,

Reference	Claim Limitation
13[a]	wherein said using unlicensed frequencies comprises using unlicensed frequencies over a short-range link in Time Division Duplex operation.
Claim 14	
14[pre]	The smartphone of claim 8, wherein prior to said selectively requesting an authorization the operations comprise:
14[a]	enabling a first function of the smartphone while disabling a second function of the smartphone responsive to sensing the parameter and responsive to determining that the parameter sensed satisfies the criterion; then
14[b]	selectively communicating with a device by using a communications capability of the first function, selectively establishing the master-slave relationship with the device and selectively requesting from the device the authorization to establish the capability for conducting the financial transaction.

I. INTRODUCTION

Telcom Ventures LLC (“Telcom Ventures” or “Patent Owner”) respectfully submits this Preliminary Response (“POPR”) requesting that the Board deny institution of the Petition for *inter partes* review (Paper 1, “Petition,” or “Pet.”) filed by Petitioner Google LLC (“Google” or “Petitioner”).

The Petition seeks *inter partes* review (“IPR”) of claims 1-14 (the “Challenged Claims”) of U.S. Patent No. 11,924,743 (the “’743 Patent,” Ex. 1001). The Petition sets forth a single Ground with regard to the independent claims, claims 1 and 8.¹ Specifically, Petitioner’s Ground 1 asserts that U.S. Patent Application Publication No. 2009/0170483 A1 to *Barnett* et al. (“*Barnett*”) (Ex. 1005), International Patent Publication No. WO 2006/087503 A1 to *Waters* et al. (“*Waters*”) (Ex. 1006), and U.S. Patent No. 7,434,723 to *White* et al. (“*White*”) (Ex. 1007) (collectively, the “*Barnett-Waters-White*” system/method) would have rendered each of the Challenged Claims obvious. Petitioner identifies disparate, isolated, and inconsistent disclosures from all three references in developing a combination system that is then incorrectly applied to the claims. Petitioner draws

¹ Petitioner’s Ground 2 adds International Patent Publication No. 02/09005 A1 to Smith et al. (“*Smith*”) (Ex. 1018) to the *Barnett-Waters-White* combination, but does so only to challenge dependent claims 5 and 12. Pet., 4.

conclusions contrary to the references’ teachings by heavily relying on gap filling and expert testimony in a failed attempt to reach the claimed inventions of the ’743 Patent. Petitioner’s three-reference obviousness ground based on *Barnett-Waters-White* fails for several reasons.

First, while the independent claims, in both the preamble and the body, require that a capability be established, Petitioner relies only on *Barnett* as allegedly rendering the preamble obvious, and then inexplicably relies on different disclosures from a different reference, *White*, as allegedly rendering the requirement in the body obvious. *Compare* Pet., 13 (“Barnett discloses ‘[a] method of establishing a capability at a smartphone to conduct a financial transaction.’”) *with* Pet., 32-34 (“Consistent with *White*’s disclosure, the POS terminal sends that payment information to an authorization entity (e.g., financial institution), which returns a response upon authorization, thereby completing the purchasing/approval process As discussed, this approval provides the consumer’s phone with the capability to conduct the financial transaction ‘establishing the capability at the smartphone responsive to said receiving the authorization’.”). Petitioner pivots to *White* for one simple reason: Petitioner’s reliance on *Barnett* is flawed. Petitioner’s error cannot be cured. *See in re Magnum Oil Tools*, 829 F.3d 1364, 1381 (Fed. Cir. 2016) (“[W]e find no support for the PTO’s position that the Board is free to adopt arguments on

behalf of petitioners that could have been, but were not, raised by the petitioner during an IPR.”).

Second, Petitioner’s combined system fails because it does not teach or suggest “receiving the authorization to establish the capability ***responsive to said receiving the authorization***, and establishing the capability at the smartphone ***responsive to said receiving the authorization***”² of independent claim limitation 1[b], nor similar language of independent claim limitation 8[b]. Petitioner identifies the use of near-field communication (“NFC”) to conduct a financial transaction as “the capability” established. Pet., 13. However, in Petitioner’s *Barnett-Waters-White* system/method, the device initiates the “request[] for an authorization to establish the capability” by communicating purchase information between a point-of-sale (“POS”) terminal and the device over an already established and authorized NFC connection—an NFC connection that Petitioner maps to the claimed “capability.” Pet., 24. But the mapped capability, NFC, is established and authorized to begin the transaction ***prior to*** sending the request for authorization, which is inapposite to “receiving the authorization to establish the capability, responsive to said selectively requesting an authorization, and establishing the capability at the smartphone ***responsive to*** said receiving the authorization.”

² All emphasis added unless otherwise noted.

Third, a POSITA would not have been motivated to combine *Barnett, Waters*, and *White* as Petitioner suggests. Petitioner’s reasons for combining *Barnett, Waters*, and *White* are based on impermissible hindsight in view of the claims of the ’743 Patent—not substantiated by the references themselves.

Accordingly, the Petition fails to establish that either Ground 1 or Ground 2 would have rendered the Challenged Claims obvious. Petitioner has failed to meet its burden to show a reasonable likelihood of unpatentability of any of the Challenged Claims. *See* 37 C.F.R. § 42.108(c). Accordingly, Patent Owner requests that the Board deny institution of *inter partes* review.

II. LEGAL STANDARD

It is Petitioner’s burden to demonstrate unpatentability by a preponderance of the evidence. The Petition must establish, with particularity, the grounds and evidence that support invalidating the patented claims. 35 U.S.C. § 312(a)(3). Petitioner “must ‘specify where each element of the claim is found in the [relied upon] prior art patents.’” *In-Depth Geophysical, Inc. v. ConocoPhillips Co.*, IPR2019-00850, Paper 56, 27 (P.T.A.B. Sept. 3, 2020) (quoting 37 C.F.R. § 42.104(b)(4)). The Petition must both “clearly point out the differences between the claimed invention and [the prior art]” and “explain why a person of ordinary skill in the art would have found the claimed subject matter obvious in spite of those differences.” *Synopsys, Inc. v. Mentor Graphics Corp.*, IPR2012-00041, Paper 16,

14 (P.T.A.B. Feb. 22, 2013). Petitioner must recite where each challenged limitation is found in the reference(s) and explain why a person of ordinary skill in the art (“POSITA”) would have modified the primary reference. *Microsoft Corp. v. Secure Web Conf. Corp.*, IPR2014-00745, Paper 12, 11-13 (P.T.A.B. Sept. 29, 2014).

In addition, the Board may institute based only on what the Petition actually presents and not what the Petition could have reasonably contained. *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d at 1381. The Board cannot “deviate from the grounds in the petition and raise its own” theories of invalidity. *Sirona Dental Sys. GmbH v. Institut Straumann AH*, 892 F.3d 1349, 1356 (Fed. Cir. 2018).

III. BACKGROUND

A. The ’743 Patent

Applicants filed U.S. Patent Application No. 18/489,517 on October 18, 2023, which issued as U.S. Patent No. 11,924,743 on March 5, 2024. ’743 Patent at 1. The ’743 Patent claims the benefit of U.S. Patent Application No. 12/264,711—later issued as U.S. Patent No. 9,462,411—which has a filing date of November 4, 2008. *Id.* at 2.

The ’743 Patent describes mobile wireless devices and methods of using a mobile wireless device to perform financial transactions, but only when certain conditions or criteria are met, such as the satisfaction of a proximity condition and a criterion for the value of a parameter, e.g., a physiological parameter. ’743 Patent,

1:28-33; 6:17-27; *see also* Ex. 2013, ¶60. In the prior art, mobile wireless devices were rigidly configured to perform a predetermined number of functions. '743 Patent, 1:42-47; *see also* Ex. 2013, ¶60. To overcome this rigidity, the '743 Patent describes devices and methods that “may be used to enable adaptively one or more modes/functions of a device” based upon satisfying certain criteria. '743 Patent, 1:52-57; *see also* Ex. 2013, ¶60. The '743 Patent explains that the invention advantageously allows “a mobile wireless device [to] act as a ‘wallet’ (over and above other functions) only when it is time to pay for an item and not act as a wallet when there is no need to do so.” '743 Patent, 1:47-50; *see also* Ex. 2013, ¶60.

The '743 Patent also describes estimating “a value of at least one other parameter that may be associated with the wireless communications device . . . and/or an entity (living or otherwise) that is associated with and/or is proximate to the wireless communications device.” '743 Patent, 6:19-23; *see also* Ex. 2013, ¶61. Such parameters include “velocity, acceleration, ToD, ToM, ToY, humidity, temperature, height, level of brightness, level of darkness, a blood pressure, a heart rate, a blood content, a physiological state, a psychological state, etc.” '743 Patent, 6:25-28; *see also* Ex. 2013, ¶61. These parameters can be estimated using “sensors that may, according to some embodiments, be device-based and/or network assisted/based means and/or sensors.” '743 Patent, 6:32-34; *see also* Ex. 2013, ¶61. The disclosed wireless communications devices may be “configured

to selectively enable the first communications mode/function” responsive to a value of such a parameter. ’743 Patent, 6:45-49; *see also* Ex. 2013, ¶61.

The Examiner issued only one rejection, and that rejection was for double patenting over claims 1, 6, 11, and 14 of U.S. Patent No. 11,770,756. Ex. 1004 at 243. The Examiner allowed the claims of the ’743 Patent following the Applicants’ submission of a terminal disclaimer. *Id.* at 350; Ex. 2013, ¶64.

B. *Barnett* (Ex. 1005)

U.S. Patent Application No. 2009/0170483 to *Barnett*, et al. is titled “System and Method for Transmitting Information Using a Mobile Phone.” *Barnett* at 1. *Barnett* describes a self-sustained system that is narrowly limited to improving efficiency and times savings for customers shopping in a store. Ex. 2013, ¶¶66-68. The system of *Barnett* utilizes near-field communications (NFC) via a device that is NFC-enabled. Ex. 2013, ¶67. *Barnett* does not provide disclosures regarding establishing NFC use in a device. *Barnett* uses NFC in devices already capable of NFC to design a system for quick, easy, and efficient information exchange while shopping. Ex. 2013, ¶¶66-68; *Barnett*, Fig. 1.

C. *Waters* (Ex. 1006)

International Patent Publication No. 2006/087503 to *Waters*, et al. is titled “Improved Security for Wireless Communication.” *Waters* at 1. *Waters* discloses a

method that restricts NFC capability by requiring time-consuming input validations prior to authorizing NFC usage. Ex. 2013, ¶¶70-71.

D. *White* (Ex. 1007)

United States Patent No. 7,434,723 to *White*, et al. is titled “Mobile Payment Authorization System and Method.” *White* at 1. *White* discloses a system and method for approving pending payments that involves sending a subscriber approval request to a remote device in order to authorize or approve the pending purchase. Ex. 2013, ¶¶73-76; *White*, Fig. 1.

IV. CLAIM CONSTRUCTION

Claim terms should be given their plain and ordinary meaning to a POSITA as of the earliest effective filing date. *See, e.g., Eon Corp. IP Holdings LLC v. Silver Spring Networks, Inc.*, 815 F.3d 1314, 1320 (Fed. Cir. 2016). “The ordinary meaning of a claim term is not ‘the meaning of the term in the abstract.’ Instead, ‘the ‘ordinary meaning’ of a claim term is its meaning to the ordinary artisan after reading the entire patent.’” *Id.* (quoting *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (en banc)).

Petitioner contends that “the Board need not construe any terms of the challenged claims to resolve the underlying controversy, as any reasonable construction reads on the prior art.” Pet., 8. Patent Owner agrees that the Board should apply the plain and ordinary meaning of the terms in the Challenged Claims.

Patent Owner does not waive its right to raise additional issues of claim construction in any litigation, nor does it waive any argument in any litigation that claim terms are not indefinite or are otherwise valid. The failure of the Petition to render obvious the Challenged Claims is clear in view of the arguments below without construing any specific claim term.

V. LEVEL OF ORDINARY SKILL IN THE ART

Each of the arguments below is considered from the standpoint of a POSITA in the field of the '743 Patent at the time of the invention. For purposes of this POPR, Patent Owner contends that a POSITA would have had at least a bachelor's degree in electrical engineering, computer engineering, or a related field, with about two years of experience in wireless communications. Ex. 2013, ¶48. This contrasts with Petitioner's proposal, which calls for "an undergraduate degree in electrical engineering, computer engineering, computer science or a related field along with two years of work experience in the field of mobile communication applications." Pet., 5. Patent Owner disagrees that a POSITA should be required to have at least two years of experience in mobile communication applications. Ex. 2013, ¶49. Petitioner has not described or explained the scope or meaning of "the field of mobile communication applications." *Id.* Regardless, Petitioner fails to meet its burden under either POSITA definition.

VI. THE BOARD SHOULD NOT INSTITUTE *INTER PARTES* REVIEW

Petitioner's first Ground, which addresses all independent Challenged Claims, fails for several reasons. As described below, Petitioner's proposed combinations would not have rendered obvious all elements of any of the Challenged Claims. Ex. 2013, ¶¶77-117.

A. Petitioner Has Failed to Establish a Reasonable Likelihood That *Barnett* in View of *Waters* and *White* Would Have Rendered Any of the Challenged Claims Obvious (Ground 1).

Petitioner's first Ground asserts that the Challenged Claims would have been obvious in view of the *Barnett-Waters-White* system/method. Pet., 4. In this ground, Petitioner haphazardly combines disparate processes across three distinguishable references, incorrectly applies the stated combination system to the requirements of the Challenged Claims, and draws flawed obviousness conclusions that contrast with the teachings of the references to try to reach the claimed inventions of the '743 Patent. In view of the deficiencies discussed below, Petitioner fails to demonstrate a reasonable likelihood of prevailing based on *Barnett-Waters-White*.

1. *Barnett* Does Not Disclose or Render Obvious “a method of establishing a capability at a smartphone to conduct a financial transaction.”

The preamble of independent claim 1 claims “[a] method of establishing a capability at a smartphone to conduct a financial transaction” while the preamble of independent claim 8 requires “[a] smartphone that is configured to perform operations in order to establish a capability to conduct a financial transaction.” '743

Patent, cls. 1[pre], 8[pre]. Petitioner substantively incorporates the analysis for 1[pre] into 8[pre], but adds analysis directed to the additional “smartphone” requirement in 8[pre]. Pet., 55-56. With respect to claim limitation 1[pre], Petitioner states that “*Barnett* discloses the limitations therein.” Pet., 9, 55. Petitioner’s analysis fails. *Barnett* does not disclose nor would it have rendered obvious 1[pre] or 8[pre]. Ex. 2013, ¶¶83-90.

Specifically, Petitioner fails to demonstrate that the cited disclosures of *Barnett* meet “**establishing** a capability at a smartphone to conduct a financial transaction” of claim limitation 1[pre]. Ex. 2013, ¶¶83, 90. Petitioner argues that “**establishing the capability** at the phone **to complete a purchase/transaction** at the NFC display 32” of *Barnett* occurs when an NFC-enabled mobile phone is brought within a short distance of the display and the devices are able to transmit data via NFC. Pet., 13 (citing *Barnett* ¶¶[0013], [0037], [0038], [0040]); Ex. 2013, ¶85. But *Barnett* does not disclose “establishing a capability at a smartphone to conduct a financial transaction” because *Barnett* does not specifically disclose **establishing** NFC on a smartphone, let alone any capability to conduct a financial transaction utilizing NFC.³ Ex. 2013, ¶¶86-87. Instead, a POSITA would have understood that

³ 1[pre] and 8[pre] are limiting because they provide the antecedent basis for “establish said capability” and “establishing a capability” as recited later in

NFC in *Barnett* is always enabled active and, thus, would see no need to establish it. Ex. 2013, ¶86.

Barnett mentions NFC eighty times and, in every case, assumes that the relevant device is already NFC-enabled and that NFC is activated. Ex. 2013, ¶86. *Barnett* itself confirms (for example, at ¶[0040]) that it merely “*us/es* [] NFC” as an already-established capability to perform actions such as retrieving product information, connecting to a store’s Wi-Fi, and completing a transaction “using the cell phone as a credit card, debit card, or electronic purse.” Pet., 11-13 (citing *Barnett*, ¶¶[0013], [0016], [0021], [0022], [0026], [0033], [0035], [0040], [0037], [0038]); *see also* Ex. 2013, ¶86. The cursory disclosures Petitioner cites to from *Barnett* do not provide sufficient detail underlying the specific step of “*establishing* a capability at a smartphone to conduct a financial transaction.” Ex. 2013, ¶87.

Petitioner implicitly admits the shortcomings of *Barnett*, because in later limitations, Petitioner fully pivots to relying on *White*’s disclosures as performing the requirements of limitation 1[b], including the requirement of “receiving the

limitations [1.a], [8.a] and [1.b], [8.b], respectively. *See C.W. Zumbiel Co. v. Kappos*, 702 F.3d 1371, 1385 (Fed. Cir. 2012) (“[T]he preamble constitutes a limitation when the claim(s) depend on it for antecedent basis.” (citing *Catalina Mktg. Int’l, Inc. v. Coolsavings.com, Inc.*, 289 F.3d 801, 8089 (Fed. Cir. 2002))).

authorization to establish the capability . . . ***and establishing the capability at the smartphone*** responsive to said receiving the authorization.” See, e.g., Pet., 32-34 (incorporating the Petition’s earlier analysis of the authorization/approval process of *White* from Section IX.A.1.ii.); Ex. 2013, ¶88. For example, Petitioner asserts that *Barnett*’s disclosure—namely “that transmission of data between the consumer’s phone . . . and the NFC display”—meets “[a] method of establishing a capability at a smartphone to conduct a financial transaction” claimed in 1[pre]. Pet., 13 (quoting claim limitation 1[pre]). Later, however, Petitioner pivots and identifies the authorization/approval process of *White* as “provid[ing] the consumer’s phone with the capability to conduct the financial transaction” and therefore meeting “***establishing the capability at the smartphone*** responsive to said receiving the authorization” as claimed in limitation 1[b]. Pet., 32-33 (repeatedly describing how the requirements in limitation [1.a] are disclosed “[c]onsistent with *White*’s disclosures”), Pet., 32-34 (incorporating the Petition’s earlier analysis of the authorization/approval process of *White* from Section IX.A.1.ii.); see also Ex. 2013, ¶¶84-90. The subscriber approval response of *White* directly contrasts with Petitioner’s earlier assertion (relying on *Barnett*) that the “NFC-enabled mobile phone [being] brought within a short distance of the NFC-enabled display 32’s NFC interface in order for the phone to enable transmission of data between the phone and NFC display 32 [] establish[es] the capability at the phone to complete a

purchase/transaction.”⁴ Pet., 13. Petitioner’s misrepresentations, or at least shifting positions, regarding the *Barnett-Waters-White* disclosures violate 35 U.S.C. § 312(a)(3) and 37 C.F.R. § 42.104(b)(4). *See* 35 U.S.C. § 312(a)(3) (a petition “may be considered only if . . . the petition identif[ies], in writing and **with particularity**, . . . the grounds on which the challenge to each claim is based, and the evidence that supports the grounds for the challenge to each claim”); 37 C.F.R. § 42.104(b)(4) (the petition must “specify where each element of the claim is found in” the prior art); *see also, e.g., Google LLC*, IPR No. 2017-02082, Paper 10 at 14; *Netflix, Inc. v. DivX, LLC*, 84 F.4th 1371, 1377 (Fed. Cir. 2023) (“Ultimately, it is the petitioner’s burden to present a clear argument.”).

Because Petitioner relies only on *Barnett* as meeting limitation 1[pre] (“[a] method of establishing a capability at a smartphone to conduct a financial transaction”), Petitioner’s argument fails. Accordingly, Petitioner’s Ground 1 cannot disclose nor would it have rendered obvious claim limitations 1[pre] and 8[pre]. Ex.

⁴ Petitioner’s inconsistent mappings provide an independent basis for denial of institution. *See, e.g., Google LLC v. Uniloc USA, Inc.*, IPR2017-02082, Paper 10 at 13 (P.T.A.B. Mar. 29, 2018) (denying institution because “Petitioner inconsistently maps the recited ‘instant voice message’ to different elements of Zydney without sufficient explanation for this incongruity”).

2013, ¶90. As a result, Ground 1 does not disclose nor would it have rendered obvious independent claims 1 and 8, and all dependent claims as a result. *Id.* Petitioner’s discussion of Ground 2, which is directed only to dependent claims 5 and 12, does not alter this analysis or conclusion. *Id.*

2. *Barnett-Waters-White* Does Not Disclose or Render Obvious “receiving the authorization to establish the capability, responsive to said selectively requesting authorization, and establishing the capability at the smartphone responsive to said receiving the authorization.”

Limitations 1[b] and 8[b] require “receiving the authorization to establish the capability, *responsive to said selectively requesting an authorization*, and establishing the capability at the smartphone *responsive to said receiving the authorization*.” ’743 Patent, cls. 1[b], 8[b]. Petitioner alleges that “[t]he *Barnett-Waters-White* combination discloses and/or suggests this limitation.” Pet., 33.

Petitioner’s proposed system does not disclose and would not have rendered obvious “establishing the capability at the smartphone *responsive to* said receiving the authorization,” nor requesting any such authorization, because in Petitioner’s proposed *Barnett-Waters-White* combination, NFC is both established and used *prior to* the alleged authorization process. Pet., 33-34; *see also* Ex. 2013, ¶¶91-97. In Petitioner’s proposed combination, the use of NFC to perform a transaction is therefore not *responsive to* the request for authorization nor the receipt of

authorization but is established *prior to* the alleged authorization. Ex. 2013, ¶¶93-97.

In discussing claim limitation 1[b], Petitioner states that “in the *Barnett-Waters-White* system/method, a consumer’s mobile device selectively requests authorization for a transaction based on the card used (e.g., requests authorization from the card owner’s device) and sends a subscriber approval request (‘selectively requesting an authorization’) to that second device.” Pet., 33 (emphasis in original). Petitioner’s summary over simplifies its tortured combination.

First, Petitioner defined the claimed “capability” to be established as the use of NFC to complete a purchase. Pet., 13 (asserting that “person of ordinary skill in the art would have recognized that the NFC-enabled mobile phone must be brought within a short distance of the NFC-enabled display 32’s NFC interface in order for the phone to enable transmission of data between the phone and NFC display 32, ***thus establishing the capability at the phone*** to complete a purchase/transaction at the NFC display 32”); *see also* Ex. 2013, ¶94. Next, Petitioner’s combination (set out in Petitioner’s discussion of claim limitation 1[a]) relies on an authorization process that is initiated when a user “bring[s] the mobile device in proximity of one of the store’s NFC-enabled displays/payment terminals to perform the transaction.” Pet., 32; *see also* Ex. 2013, ¶95. Then, “the POS terminal would return purchase information (e.g., price) to the consumer’s mobile device.” Pet., 32; *see also* Ex.

2013, ¶95. Thus, there can be no dispute that Petitioner proposes, and the *Barnett-Waters-White* system requires, the use of NFC to initiate a transaction before any purchase information is returned to the consumer's mobile device. Pet., 26-27; *see also* Ex. 2013, ¶95.

Finally, and necessarily after the NFC transaction has begun, Petitioner relies on *White* for an authorization of the already-pending purchase initiated via an established NFC connection. Ex. 2013, ¶96. *White* confirms that its authorization process is for an already-pending purchase. *See White*, 1:38:-48 (“An embodiment of the present disclosure is a method of completing a *pending purchase*. The method comprises receiving purchase information by a first communication device from a point-of-sale device The method further comprises providing payment information from the first communication device to the point-of-sale device *to complete the pending purchase* based on a subscriber approval response.”); *see also id.*, 7:34-36, 3:24-31; Ex. 2013, ¶96. Thus, *White*'s authorization process relies on an NFC capability at the smartphone that has already been established *prior to* receiving an authorization, not a capability that is established “responsive to said receiving the authorization.” ’743 Patent, cls. 1[b], 8[b].

In summary, Petitioner's approach is flawed in that it relies on the use of an NFC authorization process even though NFC was already established and used *prior to* the authorization process. Ex. 2013, ¶97. Indeed, Petitioner confirms that it relies

on an NFC connection that was established *prior to* any authorization process. Pet., 13. As such, Petitioner’s proposed sequence is contrary to the requirements of claim limitation 1[b], which requires that “establishing the capability at the smartphone” be *responsive to* receiving the authorization—not the other way around.

Accordingly, Petitioner’s Ground 1 cannot disclose nor would it have rendered obvious claim limitations 1[b] and 8[b]. Ex. 2013, ¶97. As a result, Ground 1 does not disclose nor would it have rendered obvious independent claims 1 and 8, and all dependent claims as a result. *Id.* Petitioner’s discussion of Ground 2, which is directed only to dependent claims 5 and 12, does not alter this analysis or conclusion. *Id.*

3. *Barnett-Waters-White* Does Not Disclose or Render Obvious “responsive to sensing a value of a parameter and responsive to determining that the value of the parameter sensed satisfies a criterion, selectively establishing a master-slave relationship, and selectively requesting an authorization to establish said capability.”

Claim limitations 1[a] and 8[a] require “responsive to sensing a value of a parameter and responsive to determining that the value of the parameter sensed satisfies a criterion, selectively establishing a master-slave relationship, and selectively requesting an authorization to establish said capability.” Petitioner states that “*Barnett* in view of *Waters* and *White* discloses and/or suggests this limitation.” Pet., 14.

Petitioner’s efforts to combine *Barnett*, *Waters*, and *White* fail—a POSITA would not have been motivated to combine these three disparate references to render obvious these claim limitations as they are directed to conflicting goals. Ex. 2013, ¶¶98-115. Moreover, Petitioner’s approach to combining these references is flawed because it is based on impermissible hindsight.

a. A POSITA would not have been motivated to combine *Barnett* and *Waters*.

Petitioner admits that *Barnett* itself does not disclose “responsive to sensing a value of a parameter and responsive to determining that the value of the parameter sensed satisfies a criterion, selectively establishing a master-slave relationship, and selectively requesting an authorization to establish said capability” of claim limitations 1[a] and 8[a]. Pet., 14, 56. Petitioner proposes to solve this deficiency by combining *Barnett* with *Waters* to meet the “sensing a value of a parameters and . . . determining that the value of the parameter sensed satisfied a criterion.” Pet., 14. This combination fails. Ex. 2013, ¶¶101-108.

Petitioner’s statement that a POSITA would have been motivated to incorporate “a sensing mechanism, similar to that disclosed by *Waters*, to selectively enable/disable the NFC tag in *Barnett*” such that it performs the “sensing a value of a parameter and . . . determining that the value of the parameter sensed satisfies a criterion” is not substantiated by either *Barnett* or *Waters*. Pet., 15. These references

are directed to conflicting goals: *Barnett* is concerned with speed and ease, while *Waters* forgoes speed and ease for improved security. Ex. 2013, ¶¶102, 105-106.

Barnett discloses a technique focused on efficiency and time savings in the specific context of shopping. Ex. 2013, ¶102. Specifically, *Barnett* discloses an unrestricted system that relies on NFC-enabled devices to quickly and easily exchange information within the context of shopping in a store. Ex. 2013, ¶102. Notably, the *Barnett* system is not restricted to using NFC at the point of sale, but discloses using NFC to “enable a consumer to obtain information regarding the availability, location, and/or price of the goods or services provided in the shopping list by using either the NFC capability of the mobile phone . . . to receive information from the retailer within a retail stores.” *Barnett*, ¶[0016]; Ex. 2013, ¶102. *Barnett* also discloses using NFC to “provide the display 32 [of the store computing system] with the identity of the customer. Thus, informing the store computing system 28 that the consumer is in the store 30.” *Barnett*, ¶[0021] Ex. 2013, ¶103.

Barnett, in fact, discloses the use of “[s]tand-alone NFC-enabled devices 34 that have been programmed with specific information [] located around the store 30.” *Barnett*, ¶[0023]; *see also id.*, ¶[0033] (“[A]s the consumer travels through the store 30, the consumer may see other items of interest. The consumer may hold their mobile phone next to a product identifier 34 and retrieve and store information regarding the product, such as the identity of the product.”). *Barnett* also

contemplates using NFC information “to direct the consumer” and “to analyze traffic flows through the store.” *Barnett*, ¶[0025]; Ex. 2013, ¶103. The system of *Barnett* relies “information to be transmitted to and from a[n] NFC-enabled mobile phone.” *Barnett*, ¶[0044]; Ex. 2013, ¶103. Thus, *Barnett* relies on the consumer’s device being NFC-enabled—not restricted—otherwise the *Barnett* system would not work. Ex. 2013, ¶103.

Barnett discloses using NFC for financial transactions and proposes a novel security regime for conducting these financial transactions. Ex. 2013, ¶104. Petitioner and its expert overlook the security regime put into place by *Barnett*. Specifically, *Barnett* addresses security concerns through its design: it restricts where specific cards can be used and enables automatic payments exclusively at approved locations. Ex. 2013, ¶104. By limiting card usage to authorized environments, *Barnett* effectively mitigates risk without imposing unnecessary barriers to NFC functionality. Ex. 2013, ¶104. In fact, the *Barnett* system not only obviates the need for further security measures, but affirmatively teaches away from any additional protocols that would impede the efficient use of NFC—particularly in the context of completing purchases. *See Barnett*, ¶[0032] (“Thus, the consumer does not have to scroll through menus or follow any other time consuming process simply to configure the mobile phone 14 each time they make a purchase.”); Ex. 2013, ¶104. A POSITA would have understood that the security features in *Barnett*

are both sufficient and intentionally streamlined to support the system's core objectives. Ex. 2013, ¶104.

In sharp contrast, *Waters* precisely discloses and relies on oppressive restriction protocols. Ex. 2013, ¶105. *Waters* outlines additional security protocols implemented solely for enabling or disabling NFC functionality in dependence on some data. *See Waters*, 2 (“there is provided apparatus for controlling use of a near field communication device, wherein [a] smart card means is operable to receive from the mobile telecommunications network data for controlling use of the near field communication device and is operable to selectively enable the near field communication device in dependence upon the data”); Ex. 2013, ¶105. For example, *Waters* discloses an embodiment requiring a PIN or password, describing that, until the correct PIN or password is entered, NFC is not enabled for *any* purpose. *See Waters*, 14; Ex. 2013, ¶105. Thus, *Waters*' measures for restricting NFC usage involves time-consuming and multi-step input validations that may ultimately end up failing validation and delaying the use of NFC indefinitely. Ex. 2013, ¶105-106.

Petitioner relies on embodiments of *Waters* in which “various types of sensors . . . can be used to activate the near field/RF tag, such as a light sensor, pressure sensor (in combination with a fingerprint or skin resistance sensor), or heat sensor.” Pet., 16 (citing *Waters*, 15-16 and Ex. 1002, ¶60). These embodiments exemplify the unresolvable tension between *Waters*' disclosure and the connected store experience

of *Barnett*. Ex. 2013, ¶106. For example, the “light sensor” may fail in practical retail environments—such as dimly lit furniture stores or those using fluorescent lighting—if the sensor’s frequency range does not align with ambient conditions. Ex. 2013, ¶106. Similarly, the “pressure sensor” combined with a fingerprint scanner could prevent legitimate transactions. Ex. 2013, ¶106. *Barnett* in fact explicitly contemplates a scenario where “the mobile phone 14 may have an ‘anonymous’ option so that the consumer may use some of the features the store provides, but the mobile phone 14 does not reveal the consumer’s name to the store.” *Barnett*, ¶[0031]. Use of *Waters*’ sensor would render *Barnett*’s retail environment embodiment non-functional. Ex. 2013, ¶106. That is, because *Barnett* is directed to unrestricted, seamless NFC operation, any combination with *White* is fundamentally incompatible with *Barnett*’s approach to seamless user experience and transaction efficiency.

Moreover, in asserting that a POSITA would have been motivated to combine *Barnett* and *Waters*, Petitioner misrepresents *Barnett*’s disclosures. Specifically, Petitioner relies on paragraph [0043] of *Barnett* and the misinformed opinions of its expert to argue that the security measures of *Waters* would have benefitted *Barnett*’s system so as to reduce the number of staff members. Pet., 18-20; Ex. 2013, ¶107. Petitioner incorrectly states that *Barnett*’s “NFC readers are largely unmonitored by retail workers, since the goal of the invention is to reduce the number of higher cost

human employees in the store. A POSITA would have understood that the presence of employees provides a security benefit to a store by deterring theft or other unauthorized access to merchandise and store technology. For example, in a store with more employees, a bad actor may be less likely to install a card skimming device or similar unauthorized NFC reader to gain access to customer credit/debit card information.” Pet., 19 (citing *Barnett*, ¶[0043]). But Petitioner is wrong. *Barnett* never contemplates reducing the total number of employees in a store, but instead just suggests replacing those that are highly compensated (due to product-specific expertise) with lower-cost employees. Ex. 2013, ¶107; *Barnett*, ¶[0043] (“A retail store does not need as many people employed at the store to handle tasks like finding out if the item is in stock, finding out technical questions, etc. By not requiring product experts to be employed in each store, lower cost employees can be employed to work in the store.”). That is, *Barnett* is trying to reduce the cost of “people employed at the store to handle tasks like finding out if the item is in stock, finding out technical questions, etc.,” not reduce the overall headcount. *Barnett*, ¶[0043]; Ex. 2013, ¶107. Indeed, *Barnett* says nothing about removing or reducing the number of low-cost employees at checkout or in such a way that security would be impaired. Ex. 2013, ¶107.

A POSITA would have understood that *Barnett* is designed for efficiency and seamless transactions. *Barnett* enables automatic credit card use for pre-approved

cards at approved locations, eliminating the need for manual selection, configuration, or authorization. Ex. 2013, ¶¶102-107. In contrast, *Waters* introduces time-consuming validation steps—such as input validation and device configuration—that directly undermine *Barnett*’s objectives. *Id.*

In sum, Petitioner’s asserted motivation to combine *Barnett* and *Waters* is unsubstantiated and is plagued by hindsight. Indeed, rather than identifying a clear, credible reason for integration, Petitioner selectively extracts features from each reference without regard for their underlying purposes or technical incompatibility. *Sanofi-Aventis Deutschland GmbH v. Mylan Pharm. Inc.*, 66 F.4th 1373 (Fed. Cir. 2023).

b. A POSITA would not have been motivated to combine *Barnett*, *Waters*, and *White*.

Next, Petitioner alleges that “a POSITA would have been motivated to further modify the *Barnett-Waters* system/method in view of *White* such that it performs the “responsive to” and “selectively establishing a master-slave relationship, and selectively requesting an authorization to establish said capability” clauses of claim limitations 1[a] and 8[a]. Pet., 21, 56; Ex. 2013, ¶109. Here, Petitioner’s approach ignores that *White*’s remote authorization process, like *Waters*’ restrictive validation steps, directly conflicts with *Barnett*’s core objective of efficient, seamless NFC use throughout the shopping experience. Ex. 2013, ¶¶110-115. By conflating

fundamentally different systems, Petitioner’s arguments lack support in the prior art and fail to demonstrate any legitimate motivation to combine. *Id.*

At best, *White* is directed to limiting or restricting purchases. *See* Pet., 21-27; *see also id.* at 29 (“*White* discloses that its authorization method is beneficial because unlike other prior art authorization methods, it allows for an owner of a card/payment method to remotely approve transactions on a ***purchase-by-purchase basis***.”); Ex. 2013, ¶113. In contrast, the approval/authorization process disclosed by *White* is for completing a ***pending*** purchase, whereas the claims of the ’743 Patent are for establishing a capability to conduct a financial transaction—not just completing one. *See, supra*, §III.D.

White’s disclosed processes include an authorization process that is admittedly time consuming. Ex. 2013, ¶111. For example, *White* contemplates the use of a “subscriber approval local server” through which the operator of a “second communication device 130” may “view pending purchase information, and . . . approve the pending purchase.” *White*, 7:27-34. *White* also discloses the purchasing user communicating with the approving user mid-purchase, such as a child whose purchase request is denied, and “may subsequently communicate with the parent to further describe and discuss the pending purchase with the parent, which may be referred to as disputing the rejection of the pending purchase.” *White*, 6:49-56; *see also id.*, 7:46-52. *White* contemplates the request for approval timing out, disclosing

that “if the subscriber approval local server 132 is unable to respond to a request for approval from the subscriber approval client 122 after a pre-determined time the process 210 may proceed to block 214 or to block 216.” *White*, 7:53-62; *see also* Ex. 2013, ¶111.

Petitioner’s assertion that a POSITA would have been motivated to “modify the *Barnett-Waters* system/method to incorporate such an authorization feature, similar to that disclosed by *White*,” is entirely unsupported. Pet., 28. Petitioner offers no substantive reason for this modification, instead relying on the generic assertions that remote authorization rules were well known at the time. Pet., 28-29 (arguing that “[i]t was well known at the time of the alleged invention that authorization rules could be established such that one individual (or their device) could remotely authorize transactions performed by another individual using a mobile phone,” and then making a conclusory jump to conclude that “[t]hus, a POSITA would have been motivated to consider various authorization methods in order to allow for purchase approval in the *Barnett-Waters* system/method”); Ex. 2013, ¶112.

Petitioner goes on to argue that “*White*’s authorization method would have allowed for enhanced flexibility, while still offering the security benefits of an authorization process that allows a card owner to approve transactions performed by authorized users.” Pet., 29. This is nonsensical in view of the *Barnett-Waters* system, and is pure hindsight as well. *White*’s authorization is not “flexible” simply because

a second device is remotely authorizing transactions on a ***purchase-by-purchase basis***—such an approach is more constrained. Ex. 2013, ¶113.

Moreover, *Barnett* is so concerned with security and time-savings that it discloses pre-authorizing specific credit cards to be used in specific stores so as to maintain security while reducing time spent by the shopper. *See Barnett*, ¶[0032] (“the mobile phone 14 may be programmed to provide a first credit card number when the consumer is in a first store and provide a second credit card number when the consumer is in a second store” so that “the consumer does not have to scroll through menus or follow any other time consuming process simply to configure the mobile phone 14 each time they make a purchase”); Ex. 2013, ¶114.

Petitioner’s arguments do not address why a POSITA would have sought to introduce time-consuming remote authorization procedures into *Barnett*’s system, which is designed for efficiency and seamless transactions. Introducing the step of remote approval request and authorization, as disclosed in *White*—and doing so ***in addition to*** restrictive NFC-security functionality Petitioner already suggested applying from *Waters*—would eliminate the time savings desired in *Barnett*. Ex. 2013, ¶¶109-115.

Accordingly, a POSITA would not have been motivated to modify *Barnett* in view of *Waters* and *White* as Petitioner suggests, and, as a result, the *Barnett-Waters-*

White system fails to disclose or render obvious limitations 1[a] and 8[a]. Ex. 2013, ¶115.

c. Petitioner relies on impermissible hindsight.

Petitioner’s approach not only fails to address the technical requirements of the claims, but also disregards established principles of obviousness. Indeed, Petitioner’s argument rises and falls on the testimony of its expert, Dr. Chatterjee, who impermissibly applies hindsight to combine *Barnett*, *Waters*, and *White*. *InTouch Techs., Inc. v. VGO Commc’ns, Inc.*, 751 F.3d 1327, 1351 (Fed. Cir. 2014) (“It appears that [the expert] relied on the . . . patent itself as her roadmap for putting what she referred to as pieces of a ‘jigsaw puzzle’ together.”). As described *supra* in §§VI.A.3.a-VI.A.3.b, the references do not suggest, and in fact teach away from, Petitioner’s proposed combination. Petitioner’s hand-waving arguments that a POSITA would have been motivated to combine all three references (*Barnett*, *Waters*, and *White*) based on security considerations lacks proper and sufficient evidentiary support. *See, e.g.*, Pet., 19 (“A POSITA would have thus recognized the importance implementing security features at each user’s mobile phone in an environment with fewer employees, so as to reduce the risk of unauthorized access by an unauthorized NFC reader.”), 29 (“*White*’s authorization method would have also improved security by increasing oversight of transactions and reducing the risk

of unauthorized or inappropriate transactions, consistent with both *Barnett's* and *Waters's* security goals.”).

Petitioner's and its expert's impermissible use of hindsight is especially clear considering that Petitioner inexplicably splits limitations, such as limitations 1[a] and 8[a], into multiple, discrete subparts and applies different references to each isolated subpart. *See* Pet., 31-33. Similar to Petitioner's (and its expert's) faults in this case, in a recent decision the Board noted that the petitioner's overarching rationale for combining two references was “gleaned only from applicant's disclosure, not the art.” *Iriusrisk, Inc. v. Threatmodeler Software Inc.*, No. IPR2023-00656, Paper 33, 50 (P.T.A.B. Oct. 2, 2024). The Board found that “[g]iven this context, we find no evidence of record sufficiently showing why the skilled artisan would have taken the fabric of [the primary reference] and stitched it together” with very particular disclosures in the secondary reference that were not contemplated therein. *Id.* at 52 (“Petitioner's reach to reasons to [combine the references' components] like improving [the] systems or creating more effective, efficient, or faster [] systems to be insufficiently supported (if at all) and unpersuasive. We also find this context shows that Petitioner's proffered reasons for combining [the references] to achieve the subject limitations lack rational underpinning, and that Petitioner's proposed combination of teachings plainly takes into account

knowledge gleaned only from applicant’s disclosure, i.e., impermissible hindsight.”)
(citing *In re McLaughlin*, 443 F.2d 1392, 1313–14 (CCPA 1971)).

For all these reasons, Ground 1 fails to disclose, and would not have rendered obvious, claim limitations 1[a] and 8[a], and as a result, independent claims 1 and 8 and all dependent claims. Ex. 2013, ¶116. Ground 2, which is directed only to dependent claims 5 and 12, does not alter this analysis or conclusion. *Id.*

VII. CONCLUSION

For the foregoing reasons, institution should be denied.

Date: November 10, 2025

Respectfully Submitted

By: / Christopher TL Douglas /
Christopher TL Douglas, Reg. No. 56,950

CERTIFICATION UNDER 37 CFR § 42.24(d)

Under the provisions of 37 CFR § 42.24(d), the undersigned hereby certifies that the word count for the foregoing Patent Owner's Response to Petition totals 6,848 which is less than the 14,000 allowed under 37 CFR § 42.24(b)(1).

Date: November 10, 2025

By: / Christopher TL Douglas /
Christopher TL Douglas,
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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §42.6(e), the undersigned hereby certifies that true and correct copies of the above-captioned **PATENT OWNER'S PRELIMINARY RESPONSE and Exhibits 2013 – 2019** were served in its entirety on November 10, 2025 via filing through the Patent Trial and Appeal Case Tracking System (P-TACTS) and electronic mail on the following counsel of record for Petitioner:

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