

Patent Owner PayRange's Oral Argument, June 2, 2026

Alliance Laundry Systems, LLC v. PayRange LLC

Case No. PGR2025-00027 (U.S. Patent No. 11,966,920)

Case No. PGR2025-00028 (U.S. Patent No. 11,972,423)

'920 Patent: Representative Claim 1

A method of presenting representations of payment accepting unit events, comprising:

at a mobile device with one or more processors, memory, one or more output devices including a display, and one or more radio transceivers:

identifying one or more payment accepting units that are available to accept payment from a mobile payment application executing on the mobile device, the identifying based at least in part on an identifier or location corresponding to the one or more payment accepting units, wherein the one or more payment accepting units are payment operated machines that accept payment for dispensing of products and/or services;

displaying a user interface of the mobile payment application on the display of the mobile device, the user interface being configured to display a visual indication of the one or more payment accepting units and accept user input selecting an available payment accepting unit of the one or more payment accepting units;

establishing via the one or more radio transceivers a wireless communication path including the mobile device and the available payment accepting unit of the one or more payment accepting units;

after establishing the wireless communication path, enabling user interaction with the user interface of the mobile payment application to complete a transaction with the available payment accepting unit, wherein the user interface includes a visual representation of the available payment accepting unit, an indication of a balance, and an affordance that, in response to a user input, indicates completion of the transaction;

exchanging information with the available payment accepting unit via the one or more radio transceivers, in conjunction with the transaction; and

after exchanging the information, displaying, on the display, an updated user interface of the mobile payment application to the user of the mobile device.

'423 Patent: Representative Claim 1

A method of presenting representations of payment accepting unit events, comprising:

at a mobile device with one or more processors, memory, one or more output devices including a display, and one or more radio transceivers:

identifying one or more payment accepting units in proximity to the mobile device that are available to accept payment from a mobile payment application executing on the mobile device, the identifying based at least in part on an identifier corresponding to the one or more payment accepting units, wherein the one or more payment accepting units are payment operated machines that accept payment for dispensing of products and/or services;

displaying a user interface of the mobile payment application on the display of the mobile device, the user interface being configured to display a visual indication of the one or more payment accepting units and accept user input selecting an available payment accepting unit of the one or more payment accepting units;

establishing via the one or more radio transceivers a wireless communication path including the mobile device and the available payment accepting unit of the one or more payment accepting units;

after establishing the wireless communication path, enabling user interaction with the user interface of the mobile payment application to complete a transaction with the available payment accepting unit;

exchanging information with the available payment accepting unit via the one or more radio transceivers, in conjunction with the transaction; and

after exchanging the information, displaying, on the display, an updated user interface of the mobile payment application to the user of the mobile device.

'920 Patent: Grounds of Challenge

Ground	Claims	Invalidity Theory	Prior Art
1	1-10, 12-20	Obviousness	Low in view of Arora and Freeny
2	11	Obviousness	Low in view of Arora, Freeny, and Casey
3	1-20	Patent Eligibility	N/A

'423 Patent: Grounds of Challenge

Ground	Claims	Invalidity Theory	Prior Art
1	1-6, 8, 10, 12-20	Anticipation	Low
2	7, 9	Obviousness	Low in view of Arora
3	11	Obviousness	Low in view of Arora, Freeny, and Casey
4	1-20	Patent Eligibility	N/A

Claim Construction: *Affordance*

All '920 patent claims require a user interface having an affordance:

after establishing the wireless communication path, enabling user interaction with the user interface of the mobile payment application to complete a transaction with the available payment accepting unit, wherein the user interface includes a visual representation of the available payment accepting unit, an indication of a balance, and an affordance that, in response to a user input, indicates completion of the transaction;

'920 Patent, claim 1.

Claim Construction: *Affordance*

Dr. Neuman's declaration:

63. For purposes of my analysis below, I do not believe any claim terms require explicit construction.

-00027 EX1003 (Neuman Decl.), ¶63.

Dr. Neuman's cross-examination:

Q. In your view, what is the plain and ordinary meaning of the word "affordance"?

A. So then, I did have to look that one up to look at it, sort of. It's -- it's an element of the user interface in some sense.

EX2010 (Neuman Tr.), 50:3-7.

Q. Where did you look it up when you say you had to look it up?

A. Yeah, I don't recall where, but, I mean, this was to understand the meaning within particular context, okay? So...

Q. Do you remember whether it was, like, a general purpose dictionary or something specific to the computer science field?

A. I don't recall specifically where that was, but I think it was in the context of user interfaces.

EX2010 (Neuman Tr.), 50:8-18.

-00027 POR, 6-10.



Claim Construction: *Affordance*

Petitioner's reply:

Here, Limitation [1.12] expressly states that the affordance, “in response to a user input, indicates completion of the transaction.” When read in light of the specification (as discussed further below), the surrounding context of “affordance” sufficiently defines the term such that no further construction is necessary. Dr. Neuman appropriately interpreted the term “affordance” and determined that this term could encompass a “message”-type graphical user interface element. *E.g.*, Ex. 1003, ¶¶ 148, 150.

-00027 Reply, 6.

Claim Construction: *Affordance*

Dr. Neuman's cross-examination:

Q. What is your understanding of what the term "affordance" means in the context of these claims?

A. In the context of these claims. Well, okay. So in the context as a whole, we look at the meaning of "affordance." It could be some graphical user interface feature that includes maybe a pop-up or a message or something else that is indicating what completion is.

EX2010 (Neuman Tr.), 49:9-17.

It could be something that takes input, such as, for example, a button, a slider, various other things. It can be something that provides output; a pop-up, a table, or a representation of such.

EX2010 (Neuman Tr.), 51:7-11.

But certainly, an affordance can include output-only information. It can include input-only information. In fact, it could include things that do both. And I believe an affordance can be an element that's hidden from the user in some sense.

EX2010 (Neuman Tr.), 51:18-23.

Claim Construction: *Affordance*

*completion of the transaction.*¹ As I detail more below, a POSITA would have understood the plain and ordinary meaning of the term *affordance* to be an interactive user interface element that informs a user as to how to interact with the element and its intended use. A POSITA would have also understood that an

-00027 EX2008 (Miller Decl.), ¶39.

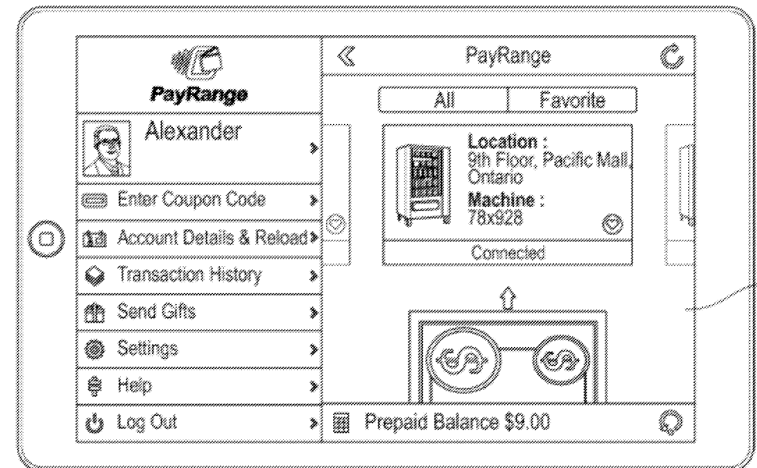
Claim Construction: *Affordance*

indication of a balance, and an affordance that, in response to a user input, indicates completion of the transaction;

'920 Patent, claim I.

11. The method of claim 1, wherein the user input is a swipe that causes the affordance to be slid.

'920 Patent, claim II.



'920 Patent, FIG. 10C.

aborted. For example, the user aborts the transaction by actuating a coin return mechanism of the machine 120. In another example, the user aborts the transaction by selection an abort affordance on the interface of the application 140 (not shown). In FIG. 26C, the user interface 1320 includes

'920 Patent, 37:8-12.

Claim Construction: *Affordance*

Donald Norman, in *The Psychology of Everyday Things* (Basic Books, 1988), has given us the fine term **affordance**, which he defines as “the perceived and actual properties of the thing, primarily those fundamental properties that determine just how the thing could possibly be used.”

EX2011 (Cooper), 64.

All objects and controls should be visible and intuitive. Their functions should be identifiable. The design of a control should suggest how it is to be operated. This suggestibility is often referred to as *affordance*. When the design of an object or control has high affordance, its use being obvious, it is easy for people to know how to interact with it.

EX2012 (Galitz), 53.

inference and further interpretation. For example, a button on a product with round shape and fitting size for users’ fingers indicates the pressing operation for users. Based on the

EX2013 (Chen), 1248.

most of all we rely on previous learning. The manual affordance of the scrollbar clearly shows that it is manipulable, but the only things about it that tell us

EX2011 (Cooper), 65.

The Petition Fails to Show Low Teaches the Claimed *Affordance*

The petition maps Low’s message to an affordance:

of the transaction—*Low* also teaches this limitation. *Id.*, ¶ 147. *Low* discloses that “database 146 may include cross-promotional products and/or preferences for use in upselling products, for example, displaying a message to user 102 *after purchasing a drink* such as, ‘Would you like chips with your drink.’” Ex. 1005, 7:34–39

-00027 Pet., 47.

Petitioner makes no claim that Low’s message is an interactive element that informs a user how to interact with the element and its intended use. Petitioner therefore fails to show that Low teaches the claimed *affordance*.

-00027 Sur-Reply, 9.

The Petition Fails to Show Low Teaches the Claimed *Affordance*

The petition's alternative theory relies on an interpretation that Petitioner does not support:

Insofar as the Board interprets this limitation as being satisfied by a user interface such as a “Pay” button, consistent with Patent Owner’s infringement contentions in the related district court litigation,³ *Low* teaches this limitation. *Id.*,

-00027 Pet., 46.

Insofar as the Board interprets this limitation as requiring an affordance that, in response to a user input, indicates *completion* of the transaction—as opposed to how Patent Owner is applying it in the district court litigation, as indicating *initiation of the transaction*—*Low* also teaches this limitation. *Id.*, ¶ 147. *Low* discloses that

-00027 Pet., 47.

-00027 POR, 26-33; -00027 Sur-Reply, 9-14.



The Petition Fails to Show Low Teaches the Claimed *Affordance*

The petition's alternative theory is improper under Revvo and subsequent Director decisions:

“Additionally, **Petitioner's presentation of alternative grounds**, each involving different prior art, purportedly based on its own construction in district court and Patent Owner's anticipated construction in district court **is problematic**. See Pet. 4. Unless a petitioner has a sufficient explanation for taking alternative positions, **a petitioner should present a single construction and apply that construction consistently** before the Board and the district court.”

*Infineon Techs. Ams. Corp. v. MOSAID Techs. Inc.,
IPR2025-01456, Paper 27, 3-4 (Director Mar. 17, 2026).*

The Petition Fails to Show Low Teaches the Claimed *Affordance*

Low describes the *payment button* in connection with a different embodiment:

to the device utilizing a payment provider. The non-Internet connected machine (NICM) transmits a machine identifier to the user device, which allows the user device to retrieve a menu of items at the specific machine from the payment provider or an operator of the machine. In some embodiments, the NICM, the payment provider, and/or the operator of the machine may send product details to the user device to upsell or advertise products available on the NICM. The menu is then displayed on the user device, and the user selects desired item(s) for purchase. Note that in some embodiments, multiple machines may send their unique identifiers, such that the user is able to select one or more machines to purchase from.

The user may then add desired item(s) from one or more machines to a cart and make the purchase through a payment provider. The purchase request is communicated to the payment provider over a wireless network. The payment

In other embodiments, a NICM and a user device are paired, e.g., through a NFC or Bluetooth communication. The user device transmits a user identifier to the machine for display. During display of the user identifier, the user can then select one or more items for purchase from the machine. The machine then transmits a purchase request, such as a product name, product price, product code, a machine identifier, and/or a transaction number back to the user device. The user device displays the purchase request and, if the information is correct, the user selects a payment button or option on the user device, which communicates the payment request to a payment provider. After processing, the

EX1005 (Low), 2:38-49.

EX1005 (Low), 2:16-32.

The Petition Fails to Show Low Teaches the Claimed *Affordance*

d. If the Dollar Bill “Affordance” in the ’920 Patent Indicates Both Initiation and Completion of the Transaction, the Same is True of the Payment Button of *Low*

-00027 Reply, 10.

No showing that Low’s payment button indicates completion of the transaction:

user device. The user device displays the purchase request and, if the information is correct, the user selects a payment button or option on the user device, which communicates the payment request to a payment provider. After processing, the payment provider may approve the payment request and communicate the approval directly to an operator of the machine, such as a vendor server, or may communicate the approval to the user device to be transmitted to the operator of the machine. The operator may, in response to the communication, transmit a purchase authorization to the user device. This purchase authorization may include a

EX1005 (Low), 2:46-56.

(Low), 2:46-62. Dr. Neuman does not explain how a payment button that only requests approval for a transaction when selected is an affordance that, in response to user input, indicates completion of the transaction.

-00027 EX2008 (Miller Decl.), ¶72.

-00027 POR, 32-33; -00027 Sur-Reply, 11-12.



The Petition Fails to Show Low Describes the Claimed *Visual Indication*

displaying a user interface of the mobile payment application on the display of the mobile device, the user interface being configured to display a visual indication of the one or more payment accepting units and accept user input selecting an available payment accepting unit of the one or more payment accepting units;

'920 Patent, claim 1.

Low teaches that a NICM “transmits a machine identifier to the user device.” Ex. 1005, 2:16–20. *Low* further teaches that the user device may “receive a machine identifier from identifiers 136.” *Id.*, 8:66–9:2. “[M]ultiple machines may send their unique identifiers, such that the user is able to select one or more machines to purchase from.” *Id.*, 2:26–28. A POSA would understand that the user device 110 is configured to display the available machines such that the user is able to interact with the display to select the one or more machines from which to make a purchase. Ex. 1003, ¶ 123. Thus, *Low* teaches the user interface (e.g., “interface”) being configured to display (e.g., “such that the user is able to select one or more machines to purchase from”) a visual indication of the one or more payment accepting units (e.g., “machine identifier”). *Id.*, ¶ 124.

-00027 Pet., 36.

-00027 POR, 18-24.



The Petition Fails to Show Low Describes the Claimed *Visual Indication*

Second, Patent Owner argues against an inherency-type argument **never advanced by Petitioner**. Compare POR at 21–24 with Pet. at 36. Patent Owner then

-00027 Reply, 4.

associated with the machine identifier is displayed on the display. *Id.* **Dr. Neuman's interpretation is the most practical** and based on “the then-accepted wisdom in the field.” *Ecolochem Inc. v. S. California Edison Co.*, 227 F.3d 1361, 1371 (Fed. Cir.

-00027 Reply, 3.

That is the case here. A POSA would understand *Low* to teach Limitation [1.6], as it is **the most common sense and straightforward understanding** of *Low*'s plain teachings. Patent Owner's argument demanding an “explicit” teaching or

-00027 Reply, 4.

-00027 Sur-Reply, 1-4.



The Petition Fails to Show Low Describes the Claimed *Visual Indication*

*“In an anticipation analysis, the dispositive question is whether a skilled artisan would ‘reasonably understand or infer’ from a prior art reference that every claim limitation is disclosed in that single reference. . . . Here, Dr. Soliman **conducted a detailed analysis** and explained how a skilled artisan would reasonably understand that NetComm's disclosure of radio wave communication **was the same as CDMA.**”*

Acoustic Tech., Inc. v. Itron Networked Sols., Inc.,
949 F.3d 1366, 1373-74 (Fed. Cir. 2020).

123. *Low* teaches that a “non-Internet connected machine (NICM) transmits a machine identifier to the user device, which allows the user device to retrieve a menu of items at the specific machine from the payment provider or an operator of the machine.” Ex. 1005, 2:16–20. *Low* further teaches that the user device 110 may “receive a machine identifier from identifiers 136.” *Id.*, 8:66–9:2. “[M]ultiple machines may send their unique identifiers, such that the user is able to select one or more machines to purchase from.” *Id.*, 2:26–28. In my opinion, the user device 110 is configured to display the available machines such that the user is able to interact with the display to select the one or more machines from which to make a purchase.

-00027 EX1003 (Neuman Decl.), ¶123.

Dependent Claims 2 and 16

2. The method of claim 1, wherein the updated user interface of the mobile payment application includes at least one of:

a message displayed on the display of the mobile device;

'920 Patent, claim 2.

Low discloses that “database 146 may include cross-promotional products and/or preferences for use in upselling products, for example, displaying a message to user 102 *after* purchasing a drink such as, ‘Would you like chips with your drink.’” Ex. 1005, 7:3–39 (emphasis added). A POSA would understand that the message displayed to user 102 would be displayed on the user interface of the user device 110. Ex. 1003, ¶¶ 157–58. Thus, *Low* in view of *Arora* in further view of

-00027 Pet., 49-50.

However, Dr. Neuman does not explain why a POSITA would have understood from *Low* that the message “would be displayed” on the user interface of the user device. Instead, a POSITA would have understood from *Low* that the message could be displayed on the vending machine itself. For example, *Low* describes that

-00027 EX2008 (Miller Decl.), ¶81.

-00027 POR, 36-37.

Dependent Claims 3-4 and 17

3. The method of claim 1, wherein the information indicates completion of the transaction between the user of the mobile device and the available payment accepting unit.

'920 Patent, claim 3.

The petition relies on Low's “transaction history processing”:

Low teaches that payment provider server 140 includes a database 146, which “include[s] information associated with the *transaction history* processing” described in *Low*. Ex. 1005, 7:22–24 (emphasis added). A POSA would understand this information indicates completion of a transaction (i.e., the transaction history is a record of one or more completed transactions) and is exchanged between the user device 110 and the vending machine 120 and ultimately sent to the payment provider server 140 (*id.*, 4:45–48). Ex. 1003, ¶¶ 160–61; *see also id.*, ¶¶ 162–63. Thus, *Low*

-00027 Pet., 50.

Dependent Claims 3-4 and 17

transactions by user 102. Database 146 may also include information associated with the transaction history processing described herein. Advantageously, database 146 may be configured to interact with transaction processing application 142 on behalf of user 102 during a transaction with purchase application 112 to handle payments using account information corresponding to user 102.

EX1005 (Low), 7:22-28.

Payment provider server 140 may include one or more transaction processing application 142, which may be configured to interact with purchase application 112 of user device 110 over network 160 to facilitate payment of products 124 of vending machine 120. In various embodiments, transaction processing application 142 includes a feature to receive and/or identify payment requests, for example a payment request including a product, product price, machine identifier, and funding source information, and effectuate a purchase of the designated item. Transaction processing application 142 is configured to receive a payment request and respond with an approval for transmission to a vendor, such

EX1005 (Low), 6:51-62.

89. Based on this description, a POSITA would have understood that, when Low states that database 146 “may also include information associated with the transaction history processing described herein,” Low was referring to a history of the processing performed by the transaction processing application 142 (*i.e.*, a history of the application’s processing of purchase requests and approvals).

-00027 EX2008 (Miller Decl.), ¶89.

-00027 POR, 37-42, 49-50.



Dependent Claims 5-6 and 18-19

5. The method of claim 1, wherein the information indicates abortion of the transaction initiated by the user of the mobile device.

'920 Patent, claim 5.

account or inadequate funds). Ex. 1003, ¶¶ 170–72. Similar to how the user device 410 transmits a payment authorization to the vending machine 420, a POSA would understand that *Low* contemplates the user device 410 transmitting information indicating an abortion of the transaction (e.g., “tak[ing] appropriate actions as desired,” Ex. 1005, 10:41–54) to the vending machine 420 in a similar manner. *Id.*,

-00027 Pet., 52.

Dependent Claims 5-6 and 18-19

At step 306, the user device transmits the purchase request to a server for approval. The purchase request may be transmitted to payment provider server 140 for approval as discussed herein. Transaction processing application 142 of payment provider server 140 may process a funding source according to payment details included in the payment request, such as a product price and/or transaction number. Transaction processing application 142 may utilize a user account provided with the purchase request to acquire a funding source, or the funding source may be provided in the purchase request. As previously discussed, transaction processing application 142 may determine if there are any restrictions and/or limitations corresponding to the user account and may take appropriate actions as desired.

EX1005 (Low), 10:41-54.

10:41-54). However, a POSITA would have understood that these appropriate actions may simply be informing the user of the restriction or limitation (e.g., informing the user that there are inadequate funds), at which point, the user can walk away from the vending machine. In this scenario, no information is exchanged between the user device and the vending machine that indicates abortion of the transaction. Dr. Neuman provides no basis or reasoning why a

-00027 EX2008 (Miller Decl.), ¶¶99.

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Dependent Claim 7

7. The method of claim 1, wherein the mobile device includes an accelerometer and the method further comprises:
based on data from the accelerometer, determining whether the user is walking away from the available payment accepting unit; and
in accordance with a determination that the user is walking away from the available payment accepting unit, canceling the wireless communication path.

'920 Patent, claim 7.

Thus, *Low* in view of *Arora* in further view of *Freeny* teaches all limitations of Claim 7, i.e., wherein the mobile device includes an accelerometer (i.e., “accelerometer” of *Arora*) and the method further comprises: based on data from the accelerometer, determining whether the user is walking away from the available payment accepting unit (e.g., *Arora*’s teachings of determining customer location based on “[i]nertial guidance [which] may use an accelerometer...in the customer 17’s personal electronic device 18”); and in accordance with a determination that the

Dependent Claim 7

FIG. 6 provides an exemplary flowchart of steps for a customer to purchase a product in one embodiment of this invention. The flowchart starts at 89. In determination and waiting step 90, it is determined whether or not a customer is within a particular transaction distance of a particular vending machine or vending group. Transaction distances are discussed elsewhere, herein. A vending machine location database, 91, is used as part of this determination. When the customer within the transaction distance, in step 92 a message appropriate to the potential transaction is sent to the customer. This message is responsive to both the inventory

EX1006 (Arora), 18:37-47.

teaches “we wait until dispensing distance is confirmed.” *Id.*, 18:56-19:1. Thus, in my opinion, Arora describes use of an accelerometer in relation to determining a user’s distance from a machine and whether that distance falls within “a particular transaction distance.” This includes FIG. 6 of Arora, which similarly describes

-00027 EX2008 (Miller Decl.), ¶111.

-00027 POR, 45-47.



Dependent Claim 7

13:28–35. Because *Arora* describes determining the location and trajectory of the user device through “inertial guidance,” including whether the user is walking away from the vending machine, a POSA would have found it obvious to cancel the communication link between *Low’s* user device and vending machine if the inertial guidance indicated that the user was walking away from the vending machine to, among other things, conserve resources. *Id.*, ¶¶ 180–86.

-00027 Pet., 55.

from the vending machine or an approval from the user device). Moreover, a POSITA would have understood that cancelling the wireless communication path would lead to the unnecessary use of additional resources. For example, in the

-00027 EX2008 (Miller Decl.), ¶ 16.

-00027 POR, 45-47.



Dependent Claim 10

10. The method of claim 1, wherein the user interface of the mobile payment application, after establishing the wireless communication path, indicates that the wireless communication path has been established with the available payment accepting unit.

'920 Patent, claim 10.

display to user 102.” Ex. 1005, 8:24–28, 5:41–42. A POSA would understand that the user device 110 receiving and displaying the inventory data 154 of the particular vending machine 120 indicates that the wireless communication path has been established with the vending machine 120, as the inventory data 154 could not be received unless the wireless communication path had successfully been established.

-00027 Pet., 55.

for sale at the non-Internet connected machine In various embodiments, a user may not know a location of a NICM configured to accept electronic payments. However, the user may utilize a user device to access payment provider server 140 and receive locations of available NICMs with lists of available products at each machine. The user can further

EX1005 (Low), 9:16-21.

In certain embodiments, user device 110 may remotely purchase an item from products 124 without a short range communication link established concurrently with vending machine 120. Thus, user device 110 may store the approval

EX1005 (Low), 9:62-65.

-00027 POR, 48-49.

Eligibility: Petitioner Fails to Meet Its Burden in Establishing Collateral Estoppel

*“Collateral estoppel applies if: (1) **the issue necessarily decided in the previous proceeding is identical to the one which is sought to be relitigated**; (2) the first proceeding ended with a final judgment on the merits; and (3) the party against which collateral estoppel is asserted was a party or in privity with a party at the first proceeding.”*

*e.Digital Corp. v. Futurewei Techs., Inc.,
772 F.3d 723, 726 (Fed. Cir. 2014).*

“[T]he party invoking collateral estoppel ... bears the burden of proving the identity of the issues....”

*ParkerVision, Inc. v. Qualcomm Inc.,
116 F.4th 1345, 1357 n.4 (Fed. Cir. 2024).*

Eligibility: Petitioner Fails to Meet Its Burden in Establishing Collateral Estoppel

c. Challenged Claims 1-6, 8-10, 13-19 of the '920 Patent are Invalid Because They Are Materially Identical to the Corresponding Invalidated Claims of the '614 Patent

Most of the Challenged Claims of the '920 Patent are materially identical to the claims of the '614 Patent that the Board has already found ineligible for patenting, as shown below:

-00027 Pet., 75.

Eligibility: Petitioner Fails to Meet Its Burden in Establishing Collateral Estoppel

The '920 patent claims recite materially different limitations:

<u>'614 Patent</u>	<u>'920 Patent</u>
Limitation [1.3] the identifying including detecting predefined radio messages broadcast by the one or more payment accepting units	Limitation [1.3] the identifying including detecting predefined radio messages broadcast by <u>based at least in part</u> <u>on an identifier or location</u> <u>corresponding to</u> the one or more payment accepting units,
N/A	Limitation [1.10] <u>wherein the user interface</u> <u>includes a visual representation of</u> <u>the available payment accepting</u> <u>unit,</u>
N/A	Limitation [1.11] <u>an indication of a balance,</u>
N/A	Limitation [1.12] <u>and an affordance that, in</u> <u>response to a user input, indicates</u> <u>completion of the transaction;</u>

EX1011 (Comparison Chart), 1-3.

Eligibility: Petitioner Fails to Meet Its Burden in Establishing Collateral Estoppel

Patent Owner argues that there is a material difference between the claims because Claim 1 of the '614 Patent required the specific “predefined radio message,” whereas Claim 1 of the '920 Patent requires “content” (i.e., location or identifier). POR at 54. But the Board found that the “issue of patentability” did not extend “*beyond the judicial exception*, i.e., the additional elements.” PGR2021-00093, Paper 38 at 37. The same applies here. “Patent Owner’s arguments...rest on the alleged novelty of the abstract idea itself” of an “identifier or location,” which involves the same issue of patentability as the “predefined radio message.” *Id.*

-00027 Reply, 19.

128. In my opinion, a POSITA would have understood that limitation [1.3] of the '920 patent recited features distinct from the limitation that appears in claim 1 of the '614 patent. Specifically, a POSITA would have understood claim 1 of the '614 patent to be reciting a particular communication medium that is detected in order to identify a payment accepting unit (*i.e.*, predefined radio messages), while limitation [1.3] of the '920 patent recites the type of content (*i.e.*, an identifier or location) that is used to identify a payment accepting unit. I note that the '920

-00027 EX2008 (Miller Decl.), ¶128.

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-00027 POR, 53-55; -00027 Sur-Reply, 19-23.



Eligibility: Petitioner Fails to Meet Its Burden in Establishing Collateral Estoppel

routine, and conventional.” PGR2021-00093, Paper 38 at 47; *id.*, Paper 15 at 47. The absence of this limitation in Claim 1 of the ’920 Patent undercuts Patent Owner’s argument that Claim 11 of the ’614 Patent is materially identical. Moreover, for the aspects of these claims that do overlap, Petitioner showed why these user interface elements do not impact the issue of patentability as they are merely conventional representations of data on a well-known user interface. *See* Pet. at 76–77.

-00027 Reply, 20.

well-known user interface.” *Id.* Petitioner’s assertion only proves that claim 1 of the ’920 patent involves materially different issues. The Board must assess, in the first instance, whether Petitioner’s allegations that these limitations were “conventional” are sufficient. That the Board must resolve an issue never addressed or considered for claim 1 of the ’614 patent necessarily shows that the claim differences materially alter the question of invalidity.

-00027 Sur-Reply, 19-23.



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-00027 Sur-Reply, 22.

Patent Owner PayRange’s Oral Argument

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Step One: Petitioner Fails to Establish the Claims Recite an Abstract Idea

Claim 1 is directed to the abstract idea of identifying a merchant and enabling completion of a purchase from the merchant, which can be performed by a human in the mind or via oral, or written communication with a merchant. *See* Ex. 1001.

-00027 Pet., 80.

The Office has reiterated that the analysis focuses on whether the claims recite a judicial exception:

Distinguishing claims that recite a judicial exception from claims that merely involve a judicial exception: Examiners should be careful to distinguish claims that recite an exception (which require further eligibility analysis) from claims that merely involve an exception (which are eligible and do not require further eligibility analysis).⁹

Reminders on 101, 3.

Step One: Petitioner Fails to Establish the Claims Recite an Abstract Idea

Petitioner argues, without support, that the claims preempt the entire idea of identifying a merchant and enabling completion of a transaction with the merchant:

as a whole. POR at 64–71. Not so. The Petition analyzes the entire claim by asserting that “[n]othing in Claim 1 integrates the abstract idea into a practical application that imposes a meaningful limit on the abstract idea,” followed by an identification of the generic elements recited in the claim. Pet. at 84. Patent Owner’s arguments

-00027 Reply, 23.

Dr. Neuman did not consider scope of preemption:

Q. Do you have an opinion as to whether the claims of the '920 and '423 patents are designed to monopolize the practice of identifying a merchant and enabling completion of a purchase from that merchant using a mobile device?

A. I do not have a specific opinion with respect to whether it monopolizes.

EX2010 (Neuman Tr.), 68:6-22.

-00027 POR, 62-71; -00027 Sur-Reply, 24-25.



Step One: Petitioner Fails to Establish the Claims Recite an Abstract Idea

Petitioner's arguments improperly analyze the claim limitations in a vacuum:

Analysis of claim as a whole: The analysis in Step 2A Prong Two considers the claim *as a whole*. The way in which the additional elements use or interact with the exception may integrate the judicial exception into a practical application. Accordingly, the additional limitations should not be evaluated in a vacuum, completely separate from the recited judicial exception. Instead, the analysis should take into consideration all the claim limitations and how these limitations interact and impact each other when evaluating whether the exception is integrated into a practical application.¹²

Reminders on 101, 3-4.

this is material. As Dr. Neuman agreed, the claim recites limitations that interact with one another to recite a user interface that provides an ordered combination of functionality and interactivity on a mobile device, which demonstrates that the claim, as a whole, meaningfully limits any judicial exception to a particular practical application. POR, 70-71. Petitioner has no response to this rebuttal

-00027 Sur-Reply, 25; EX2010 (Neuman Tr.), 36:22-37:5, 39:10-41:1.

-00027 POR, 62-71; -00027 Sur-Reply, 24-25.



Step Two: Petitioner Fails to Establish the Claims Were Well-Understood, Routine, and Conventional

290. In addition, as discussed in Sections IX.A and IX.B of this declaration, by December 18, 2013 a POSA was well-aware of at least the concepts already discussed by *Low*, *Arora*, *Freeny*, and *Casey*. Further, also as discussed in Sections IX.A and IX.B, each of the Challenged Claims would have been obvious to a POSA, further supporting my opinion that the Challenged Claims were well-understood, routine, and conventional.

-00027 EX1003 (Neuman Decl.), ¶290.

Q. So, again, throughout your Ground 3 analysis, you rely on your obviousness analysis as showing that the recited claim limitations were well-known, routine, and conventional; correct?

A. That is correct, yes.

EX2010 (Neuman Tr.), 73:16-20.

“Whether a particular technology is well-understood, routine, and conventional goes beyond what was simply known in the prior art.”

Berkheimer v. HP Inc.,

881 F.3d 1360, 1369 (Fed. Cir. 2018).

Patent Owner PayRange’s Oral Argument

PGR2025-00027, -00028

-00027 POR, 72-75; -00027 Sur-Reply, 25-26.



Step Two: Petitioner Fails to Establish the Claims Were Well-Understood, Routine, and Conventional

So in other words, taking something that is obvious and merely doing it with a user interface that includes any software program does not make it inventive. We still got the other parts of that analysis that -- some of which is the legal analysis.

In other words, I was told that this is to an abstract idea as opposed to my opinions specifically there, but then you've got the obviousness arguments that are drawn to the other arguments and this is pointing to one of the, quote, "distinctions," which really isn't an inventive distinction, using generic software, using a generic user interface.

EX2010 (Neuman Tr.), 80:18-81:6.

Petitioner Fails to Establish the Unpatentability of the '423 Patent Claims for the Same Reasons

- ▶ ***Independent claim 1 (anticipation)***
 - ▶ ***Petitioner fails to show that Low discloses the claimed visual indication***
- ▶ ***Dependent claims 2-6, 8, 10, 16-19 (anticipation)***
- ▶ ***Dependent claim 7 (obviousness)***
- ▶ ***Dependent claim 11 (obviousness)***
 - ▶ ***Petitioner relies on different embodiments that are unaddressed***
- ▶ ***No collateral estoppel***
- ▶ ***Patent eligibility***