

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SAP AMERICA, INC.  
Petitioner,

v.

PI-NET INTERNATIONAL, INC.  
Patent Owner

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Case CBM2014-00018  
Patent 8,037,158 B2

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Before KARL D. EASTHOM, WILLIAM V. SAINDON, and  
BRIAN J. McNAMARA, *Administrative Patent Judges*.

McNAMARA, *Administrative Patent Judge*.

DECISION  
Institution of Covered Business Method Patent Review  
*37 C.F.R. § 42.208*

## BACKGROUND

Pursuant to 35 U.S.C. § 321 and the Leahy-Smith America Invents Act, Pub. L. 112-29, 125 Stat. 284, 329 (2011) (“AIA”), § 18, SAP America, Inc. (“Petitioner”) requests that the Board initiate a CBM patent review of U.S. Patent No. 8,037,158 (the ’158 Patent) of claims 4-6, 9, and 10 (the challenged claims). Paper 5 (“Pet.”). The ’158 Patent also is the subject of CBM2013-00013 filed by Petitioner. The Patent Trial and Appeal Board (“Board”) instituted a trial in CBM2013-00013, and entered a Decision on Institution of Covered Business Method (“CBM”) Patent Review on September 19, 2013. CBM2013-00013, Decision to Institute, Paper 15. Pi-Net International, Inc. (“Patent Owner”) filed a Patent Owner Preliminary Response in this proceeding. Paper 12 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 324. The standard for instituting a covered business method patent review is the same as that for a post-grant review. AIA, §18(a)(1). The standard for instituting post-grant review is set forth in 35 U.S.C. § 324(a), which provides:

**THRESHOLD** – The Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under [35 U.S.C. §] 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.

Petitioner contends that, pursuant to 37 CFR §§ 42.301 and 42.304(a), the ’158 Patent meets the definition of a covered business method patent and does not qualify as a technological invention. Pet. 4-9. Petitioner further contends that claims 9 and 10 fail to comply with the patentable subject matter requirements of 35 U.S.C. § 101, Pet. 10, 16-18, and that challenged claims 4-6 are

unpatentable under 35 U.S.C. § 103 for the reasons outlined in the Petition. Pet. 10-11, 18-80.

In related proceeding CBM2013-00013, the Board instituted a trial based on Petitioner's challenges to claims 1-3 and 11 under 35 U.S.C. § 101, and based on certain challenges under 35 U.S.C. § 103. CBM2013-00013, Decision to Institute, Paper 15, 2. In CBM2013-00013, the Board also instituted a trial on grounds asserting that claims 1-6 and 11 are unpatentable under 35 U.S.C. § 112(b). *Id.* The Board declined to institute a trial on Petitioner's challenges to claims 4-6 under 35 U.S.C. § 101 and 35 U.S.C. § 103. *Id.* at 36.

Petitioner's challenges in this proceeding are different from its challenges in CBM2013-00013. Petitioner's challenges to claims 4-6 under 35 U.S.C. § 103 in this proceeding are based on prior art not asserted in CBM2013-00013. Petitioner's challenges to claims 9 and 10 under 35 U.S.C. § 101 (Pet. 16-18) in this proceeding are new, as Petitioner did not challenge the patentability of claims 9 and 10 in CBM2013-00013. *See* CBM2013-00013, Petition, Paper 7, 10.

As discussed herein, our reasoning and claim constructions concerning the '158 Patent in CBM2013-00013 remain unchanged and apply to this proceeding. In this proceeding, we institute a trial on Petitioner's challenges to claims 9 and 10 under 35 U.S.C. § 101 and on Petitioner's challenges to claim 4-6 under 35 U.S.C. § 103.

#### PENDING LITIGATION AND STANDING

A person may not file a petition under the Transitional Program for Covered Business Method Patents unless the person, or the person's real party in interest or privy, has been sued for infringement, or has been charged with infringement, under that patent. *See* AIA, § 18(a)(1)(B). The '158 Patent is the subject of a

number of cases pending in U.S. District Courts in Delaware, the Central District of California, and the Northern District of California.

In CBM2013-00013, we explained that Petitioner had satisfied the standing requirement for a covered business method patent review because its customer, Citizen's Financial Group, who had requested indemnity from Petitioner, was a defendant in litigation brought by Patent Owner in the U.S. District Court for the district of Delaware. CBM2013-00013, Decision to Institute, Paper 15 at 3-4.

#### THE '158 PATENT (EXHIBIT 1001)

The Specification of the '158 Patent is the same as that of U.S. Patent No. 8,108,492 B2 ("the '492 Patent"), which is the subject of *inter partes* review IPR2013-00194. CBM2013-00013, Decision to Institute, Paper 15, 5. The '158 Patent is described in the CBM2013-00013 Decision to Institute using the columns and line numbers of the '492 Patent. *Id.* at 6-9.

#### ILLUSTRATIVE CLAIM

Claim 4, which depends from claim 1, is illustrative. Claim 4 recites the added limitation on claim 1 that object routing is used to complete the transfer of funds in a Web application. For convenience, claim 4 is written below with the limitations from claim 1 shown in italics.

4. The method of claim 1, [*wherein for performing a real time Web transaction from a Web application over a digital network atop the Web, the method comprising:*  
*providing a Web page for display on a computer system coupled to an input device;*  
*providing a point-of-service application as a selection within the Web page, wherein the point-of-service application provides access to both a checking and savings account, the point-of-service application operating in a service network atop the World Wide Web;*

*accepting a first signal from the Web user input device to select the point-of-service application;*  
*accepting subsequent signals from the Web user input device;*  
*and*  
*transferring funds from the checking account to the savings account in real-time utilizing a routed transactional data structure that is both complete and non-deferred, in addition to being specific to the point-of-service application, the routing occurring in response to the subsequent signals,]*  
wherein object routing is used to complete the transfer of funds in a Web application.

### BASIS OF PETITION

Petitioner asserts that claims 9 and 10 do not recite patentable subject matter under 35 U.S.C. § 101. Pet. 10, 16.

In challenging claims 4-6 under 35 U.S.C. § 103, Petitioner cites the following prior art references:

LIPIS ET AL., *ELECTRONIC BANKING* (Edward I. Altman ed., 4th ed. 1985) (“*Electronic Banking*”). Ex. 1004. Petitioner asserts *Electronic Banking* is § 102(b) prior art to the ’158 Patent and that *Electronic Banking* is a book published in 1985. Pet. 11.

*Business Wire, Stanford Federal Credit Union Pioneers Online Financial Services* (“SFCU”). Ex. 1005. Petitioner asserts SFCU is § 102(a) prior art to the ’158 Patent and that “SFCU is an article appearing in *Business Wire* published June 21, 1995.” Pet. 12.

U.S. Patent No. 5,220,501 to Lawlor et al. (“*Lawlor*”). Ex.1006. Petitioner asserts that *Lawlor* is § 102(b) prior art to the ’158 Patent and “was issued on June 15, 1993.” Pet. 12.

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