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Paper No. 47
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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SQUARE, INC.,
Petitioner,

v.

THINK COMPUTER CORPORATION,
Patent Owner.

Case CBM2014-00159
Patent No. 8,396,808 B2

Before TONI R. SCHEINER, MICHAEL W. KIM, and BART A. GERSTENBLITH, *Administrative Patent Judges.*

KIM, *Administrative Patent Judge.*

FINAL WRITTEN DECISION
35 U.S.C. § 328(a) and 37 C.F.R. § 42.73

I. INTRODUCTION

Square, Inc. ("Petitioner") filed a Petition (Paper 3, "Pet.") requesting institution of a covered business method patent review of claims 1–11, 13–17, and 19–22 of U.S. Patent No. 8,396,808 B2 ("the '808 patent"). Think

Computer Corporation ("Patent Owner") filed a Preliminary Response (Paper 7, "Prelim. Resp."). On December 29, 2014, we instituted a covered business method patent review of claims 1–8, 10, 11, 13–17, and 20–22 on certain grounds of unpatentability alleged in the Petition. Paper 9 ("Dec."). After institution of trial, Patent Owner filed a Patent Owner Response (Paper 21, "PO Resp.") and Petitioner filed a Reply (Paper 30, "Reply"). Patent Owner also filed a Motion to Amend (Paper 20, "PO Motion"), to which Petitioner filed an Opposition (Paper 29, "Pet. Opp."), and Patent Owner filed a Reply (Paper 32, "PO Reply"). Petitioner further filed a Motion to Exclude (Paper 37, "Mot. Exc."), to which Patent Owner filed an Opposition (Paper 40, "PO Opp."), and Petitioner filed a Reply (Paper 43, "Pet. Reply"). An oral hearing was held on September 10, 2015. Paper 46 ("Tr.").

The Board has jurisdiction under 35 U.S.C. § 6(c). In this Final Written Decision, issued pursuant to 35 U.S.C. § 328(a) and 37 C.F.R. § 42.73, we determine that Petitioner has shown by a preponderance of the evidence that all claims for which trial was instituted, claims 1–7, 9–11, 13–17, and 20–22, are *unpatentable*. Furthermore, Patent Owner's Motion to Amend is *denied*. Additionally, Petitioner's Motion to Exclude is *denied*.

II. DISCUSSION

A. The '808 Patent

The '808 patent is directed to an electronic payment system in which a participant may act as either purchaser or merchant depending on whether the participant's account is assigned either the purchaser or merchant role. Ex. 1001, 3:17–20.

Claim 1 is illustrative of the challenged subject matter and is reproduced below.

> 1. A method for transferring an electronic payment between a purchaser and a merchant comprising:
>
> assigning a role of a merchant account to a first account and a role of a purchaser account to a second account within a payment system wherein the first account and the second account are adapted to selectively function as either a merchant account or a purchaser account during any particular transaction;
>
> adding an item offered for sale by the merchant from a product catalog stored in the payment system to a purchase list;
>
> obtaining a user ID token of the purchaser from a merchant terminal, the merchant terminal being at a merchant location and the merchant location being different from the payment system;
>
> communicating identity confirmation information associated with the user ID token to the merchant terminal; and
>
> transferring funds for a purchase price total from the purchaser account to the merchant account.

B. Instituted Grounds of Unpatentability

The Board instituted trial for claims 1–11, 13–17, and 19–22 on the following grounds of unpatentability, all of which are on the basis of obviousness under 35 U.S.C. § 103(a):

References	**Claim(s) Challenged**
Bemmel[1] and Dalzell[2]	1–3, 5–7, 17, and 20–22

[1] U.S. Pat. App. Pub. No. 2008/0046366 A1, pub. Feb. 21, 2008 (Ex. 1005).
[2] U.S. Pat. App. Pub. No. 2003/0204447 A1, pub. Oct. 30, 2003 (Ex. 1006).

References	Claim(s) Challenged
Bemmel, Dalzell, and Carlson[3]	4
Bemmel, Dalzell, and Tripp[4]	9, 10, and 13–15
Bemmel, Dalzell, and Elston[5]	11
Bemmel, Dalzell, and Deschryver[6]	16

Petitioner also relies upon Declarations of Norman M. Sadeh-Koniecpol, Ph.D. in support of its challenges. Exs. 1002, 1021.

C. Standing

We determined, in the Decision on Institution, that the '808 patent is a covered business method patent, as defined in § 18(a)(1)(E) of the America Invents Act and 37 C.F.R. § 42.301, because at least one claim of the '808 patent is directed to a covered business method. Dec. 5–9. Patent Owner does not dispute our previous analysis in its Patent Owner Response. Thus, after considering the record again, we reaffirm our determination in the Decision on Institution and conclude that the '808 patent is eligible for a covered business method patent review.

D. Claim Construction

In a covered business method patent review, claim terms in an unexpired patent are interpreted according to their broadest reasonable

[3] U.S. Pat. App. Pub. No. 2007/0185785 A1, pub. Aug. 9, 2007 (Ex. 1008).
[4] U.S. Pat. App. Pub. No. 2006/0143087 A1, pub. June 29, 2006 (Ex. 1009).
[5] U.S. Pat. App. Pub. No. 2002/0143655 A1, pub. Oct. 3, 2002 (Ex. 1013).
[6] PCT Pub. No. WO 2007/008686 A2, pub. Jan. 18, 2007 (Ex. 1010).

construction in light of the Specification of the patent in which they appear. 37 C.F.R. § 42.300(b); *see also In re Cuozzo Speed Techs., LLC*, 793 F.3d 1268, 1278–80 (Fed. Cir. 2015) ("Congress implicitly approved the broadest reasonable interpretation standard in enacting the AIA," and "the standard was properly adopted by PTO regulation."); *accord Versata Dev. Grp., Inc. v. SAP Am., Inc.*, 793 F.3d 1306, 1328 (Fed. Cir. 2015) ("though the rules governing IPR matters at issue in *Cuozzo* will not necessarily govern all PGR/CBM matters, we see no basis for distinguishing between the two proceedings for purposes of the PTAB's use of BRI in claim construction here"). Under the broadest reasonable construction standard, claim terms are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). Any special definition for a claim term must be set forth in the specification with reasonable clarity, deliberateness, and precision. *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994). We must be careful not to read a particular embodiment appearing in the written description into the claim if the claim language is broader than the embodiment. *In re Van Geuns*, 988 F.2d 1181, 1184 (Fed. Cir. 1993). We construe the terms below in accordance with these principles.

1. Whether a Proper Construction of "Purchase List," "Product Catalog," or "Transaction Record" Requires "Line Item Data"

Petitioner proposes constructions for several claim terms, including "transaction record." Pet. 12–18. Patent Owner asserts that Petitioner's constructions of "purchase list," "product catalog," and "transaction record," or their application to the prior art, are unreasonably broad for omitting the

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