

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAP AMERICA, INC.,
Petitioner,

v.

LAKSHMI ARUNACHALAM,
Patent Owner.

Case CBM2016-00081
Patent 7,340,506 C1

Before KEVIN F. TURNER, JENNIFER S. BISK, and
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

TURNER, *Administrative Patent Judge*.

DECISION
Final Written Decision
35 U.S.C. § 328(a) and 37 C.F.R. §§ 42.73

I. INTRODUCTION

This covered business method patent review, instituted pursuant to 35 U.S.C. § 324, challenges the patentability of claims 20 and 21 of U.S. Patent No. 7,340,506 C1 (Ex. 1001, “the ’506 Patent”), owned by Dr. Lakshmi Arunachalam (“Patent Owner”). We have jurisdiction under 35 U.S.C. § 6. This Final Written Decision is entered pursuant to 35 U.S.C. § 328(a) and 37 C.F.R. § 42.73.

For the reasons discussed below, Petitioner has shown by a preponderance of the evidence that claims 20 and 21 of the ’506 Patent are unpatentable. We also determine that Patent Owner has not met regulatory requirements under 37 C.F.R. § 42.221(a) or (b)(1), or statutory requirements of 35 U.S.C. § 326(d)(1)(B) or (3), in its Motion to Amend in relation to proposed new claims, and thus, we deny the Motion to Amend.

We note that a Grant of Good Cause Extension, under 35 U.S.C. § 316(a)(11) and 37 C.F.R. § 42.100(c), was made by the Chief Administrative Patent Judge, extending the one-year period for issuing a Final Written Decision, and we extended the time to administer the present proceeding by up to six months. Papers 26, 27.

A. Procedural History

SAP America, Inc. (“Petitioner”) filed a Petition requesting a review under the transitional program for covered business method patents of the ’506 Patent. Paper 2 (“Pet.”). Patent Owner sought to file a Preliminary Response, but did not file such a paper, because we denied an extension of the due date for that paper, as discussed below.

Before institution of this proceeding, we conducted a conference call with Petitioner and Patent Owner to discuss potential motions that Patent Owner wished to have authorized for filing and considered. Patent Owner moved to file a Motion for Extension of Time to file Patent Owner's Preliminary Response, to which Petitioner opposed. Paper 6, 3. On the call, we indicated that the Board found previously that there was "no need or justification to extend the current due date of August 20, 2016 for Patent Owner's Preliminary Response" (Paper 4, 3), and we declined to authorize Patent Owner's Motion. Also, on that same call, we authorized Patent Owner's motion to disqualify attorneys representing Petitioner, along with an opposition to be filed by Petitioner. Following an analysis of the briefing, we denied Patent Owner's Motion. *See* Paper 12.

We instituted a review under the transitional program for covered business method patents of claims 20 and 21 ("the instituted claims") of the '506 Patent as unpatentable under 35 U.S.C. §§ 101, 103¹, on the following bases. Paper 10 ("Institution Decision" or "Dec.").

¹ The Leahy-Smith America Invents Act ("AIA"), Pub. L. No. 112-29, 125 Stat. 284, 287–88 (2011), revised 35 U.S.C. § 103, effective March 16, 2013. Because the challenged patent was filed before March 16, 2013, we refer to the pre-AIA version of § 103 in this Decision.

References	Basis	Claims Challenged
	§ 101	20 and 21
Lawlor ² and CORBA ³	§ 103	20
Lawlor, CORBA, and Billings ⁴	§ 103	21

Dec. 23.

Subsequent to institution, Patent Owner filed a Patent Owner Response to the Petition (Paper 14, “PO Resp.”) and a Motion to Amend (Paper 15, “Mot. Amend”). Petitioner filed a Reply to Patent Owner’s Response (Paper 19, “Reply”) and an Opposition to Patent Owner’s Motion to Amend (Paper 18, “Opp.”). Patent Owner then filed a Reply to Petitioner’s Opposition to Patent Owner’s Motion to Amend (Paper 22, “PO Reply”).

Petitioner also filed Objections to Patent Owner’s Evidence (Paper 16), pertaining to Exhibits 2005 and 2006, to which Patent Owner filed an Opposition (Paper 17).

Petitioner filed a Notice regarding oral argument (Paper 23) indicating that Petitioner did not believe that oral argument was necessary in the instant proceeding, and Patent Owner did not file a request for oral argument. The panel determined that no oral argument was warranted to render this decision. *See* Paper 24.

² U.S. Patent No. 5,220,501, issued Jun. 15, 1993 (Ex. 1004, “Lawlor”).

³ T.J. Mowbray and R. Zahavi, *The Essential CORBA: Systems Integration Using Distributed Objects* (John Wiley & Sons, Inc. 1995) (Ex. 1005, “CORBA”).

⁴ U.S. Patent No. 4,714,989, issued Dec. 22, 1987 (Ex. 1006, “Billings”).

C. Related Matters

Petitioner contends that the '506 Patent is the subject of multiple pending and prior proceedings that are relevant. Pet. 3. These include: *Arunachalam v. International Business Machines Corporation, et. al.*, Case No. 16-cv-00281-RGA (D. Del.); *Arunachalam v. Citizens Financial Group, Inc.*, C.A. No. 1:12-cv-355-RGA (D. Del.); *Pi-Net International, Inc., v. JPMorgan Chase & Co.*, No. 1:12-cv-00282-RGA (D. Del.); *Arunachalam v. Kronos*, C.A. No. 1-14-cv-00091-RGA (D. Del.); *Arunachalam v. Citi Group, Inc. et al*, C.A. No. 1:14-cv-00373-RGA (D. Del.); *Arunachalam v. Wells Fargo Bank, N.A.*, C.A. No 1:13-cv-01812-RGA (D. Del.); *SAP America, Inc. v. Arunachalam*, Case 4:13-cv-01248-PJH (N.D. Cal.); *Pi-Net International, Inc. v. JC Penney Co., Inc.*, 2:13-cv-01035-JRG-RSP/2:13-cv-01016-JRG-RSP (E.D. Tex.); *Arunachalam v. United States of America*, No. 1-16-cv-00358 (Fed. Cl.). Pet. 3; Paper 5, 2 (Patent Owner's Mandatory Notice).

The following patents also are indicated as being related to '506 Patent and involved in the above cited proceedings: U.S. Patent No. 8,108,492, U.S. Patent No. 5,987,500, U.S. Patent No. 8,037,158, and U.S. Patent No. 8,346,894. These latter patents were the subject of the following nine post-grant proceedings:

Proceeding	Patent No.	Disposition
IPR2013-00194	8,108,492	Final Written Decision
IPR2013-00195	5,987,500	Final Written Decision
CBM2013-00013	8,037,158	Final Written Decision
IPR2014-00413	8,346,894	Final Written Decision

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