

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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GOOGLE INC.,  
Petitioner,

v.

KLAUSTECH, INC.,  
Patent Owner.

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Case CBM2016-00096  
Patent 6,128,651

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Before MICHAEL R. ZECHER, CHRISTOPHER M. KAISER, and  
KEVIN W. CHERRY, *Administrative Patent Judges*.

ZECHER, *Administrative Patent Judge*.

ORDER  
Conduct of the Proceeding  
*37 C.F.R. § 42.5(a)*

## I. INTRODUCTION

A conference call in this proceeding was held on December 15, 2016, between the parties and Judges Zecher, Kaiser, and Cherry. Petitioner, Google Incorporated (“Google”), initiated the conference call to seek authorization to file a reply to the Preliminary Response filed by Patent Owner, KlausTech Incorporated (“KlausTech”), on December 6, 2016. Paper 7. In particular, Google seeks a reply narrowly tailored to address how the decision issued by the U.S. Court of Appeals for the Federal Circuit in *Unwired Planet, LLC v. Google Inc.*, No. 2014-00006, 2016 WL 6832978 (Fed. Circ. Nov. 21, 2016) (“*Unwired* decision”) impacts whether at least one claim challenged in this proceeding satisfies the financial prong of the covered business method (“CBM”) eligibility test under Section 18 of the America Invents Act (“AIA”).

## II. DISCUSSION

Google began the conference call by explaining that the *Unwired* decision held that the Board’s reliance on whether the patent claims activities “incidental to” or “complementary to” a financial activity as the legal standard for determining CBM eligibility was not in accordance with the explicit requirements of Section 18 of the AIA. *Unwired*, 2016 WL 6832978, at \*5. Google represented that it relied, in part, upon this standard in its Petition to argue that at least one claim challenged in this proceeding satisfies the financial prong of the CBM eligibility test. Google further noted that, because KlausTech’s Preliminary Response was filed on December 6, 2016, after the Federal Circuit issued the *Unwired* decision on November 21, 2016, KlausTech was afforded an opportunity to, and did indeed,

address the purported change in how the challenged claims should be analyzed to determine whether at least one claim satisfies the financial prong of the CBM eligibility test. Consequently, Google requested authorization to file a four-page reply narrowly tailored to address the new guidance regarding the financial prong of the CBM eligibility test provided by the Federal Circuit in the *Unwired* decision.

In response, KlausTech represented that it opposes Google's request to file a reply because it would be unfair for Google to introduce new arguments and evidence as to how at least one claim challenged in this proceeding satisfies the financial prong of the CBM eligibility test, especially after it already filed its Preliminary Response. In response to an inquiry from the panel as to whether KlausTech specifically opposed allowing Google to file a reply narrowly tailored to address the new guidance provided by the Federal Circuit in the *Unwired* decision, KlausTech clarified that it did not oppose such a reply, with the understanding that it be limited in scope to only addressing the impact of the *Unwired* decision on this proceeding.

After a brief deliberation, we granted Google's request to file a four-page reply narrowly tailored to address how the new guidance regarding the financial prong of the CBM eligibility test provided by the Federal Circuit in the *Unwired* decision impacts this proceeding. We clarified that no new, additional evidence of any kind is permitted to be filed with this reply.

### III. ORDER

Accordingly, it is:

ORDERED that Google's request to file a reply to KlausTech's Preliminary Response is *granted*;

FURTHER ORDERED that Google's reply shall be tailored narrowly to address how the new guidance regarding the financial prong of the CBM eligibility test provided by the Federal Circuit in the *Unwired* decision impacts this proceeding;

FURTHER ORDERED that Google's reply is limited to four pages and due no later than Friday, December 23, 2016;

FURTHER ORDERED Google shall not introduce or file new, additional evidence of any kind with this reply; and

FURTHER ORDERED that KlausTech is not authorized to file a responsive submission.

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