

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FEDERAL RESERVE BANK OF ATLANTA, FEDERAL RESERVE BANK OF BOSTON, FEDERAL RESERVE BANK OF CHICAGO, FEDERAL RESERVE BANK OF CLEVELAND, FEDERAL RESERVE BANK OF DALLAS, FEDERAL RESERVE BANK OF KANSAS CITY, FEDERAL RESERVE BANK OF MINNEAPOLIS, FEDERAL RESERVE BANK OF NEW YORK, FEDERAL RESERVE BANK OF PHILADELPHIA, FEDERAL RESERVE BANK OF RICHMOND, FEDERAL RESERVE BANK OF SAN FRANCISCO, and FEDERAL RESERVE BANK OF ST. LOUIS,

Petitioners,

v.

BOZEMAN FINANCIAL LLC,

Patent Owner.

Case No.: CBM2017-00036
U.S. Patent No. 8,768,840

**PETITIONERS' OPPOSITION TO
PATENT OWNER'S CONTINGENT MOTION TO AMEND**

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I. INTRODUCTION

Patent Owner, Bozeman Financial LLC (“Bozeman”), has filed a Contingent Motion to Amend (the “Motion,” Paper 25) seeking to substitute amended claims 21, 28, and 35 for original independent claims 1, 8 and 15, if the original claims are found unpatentable. Bozeman’s Motion should be denied on several procedural and substantive grounds.

First, the rules explicitly require that Bozeman identify in its Motion support in the *original* disclosure for each amended claim. *See* 37 C.F.R. § 42.221(b)(1). Bozeman has failed to satisfy this basic procedural requirement, however, by referencing only the ‘840 Patent disclosure, *as issued*.

Second, Bozeman must demonstrate that its proposed amendments do not introduce new matter. *See* 35 U.S.C. § 326(d)(3). While Bozeman cites various passages from the ‘840 Patent disclosure, none of those passages supports Bozeman’s proposed claim amendments. Accordingly, Bozeman has improperly introduced new matter into its amended claims.

Third, Bozeman must demonstrate that its proposed amendments respond to the unpatentability grounds involved in the trial. *See* 37 C.F.R. § 42.221(a)(2)(i); Paper 26 at 3. Bozeman’s Motion does not address this requirement. Instead, Bozeman argues only that it has amended the claims “to expressly identify the novel and non-obvious aspects of the Universal Positive Pay Database (‘UPPD’)

... as well as [to] further characterize the various file formats (i.e. Issue File and Positive Pay File Formats) which coincide with each other in order to verify the parameters of the financial transactions being cleared.” Mot. at 2. This CBM proceeding does not involve issues relating to novelty or non-obviousness, however. Bozeman has failed to address how the proposed amended claims respond to the Section 101 issues raised in this proceeding.

Finally, the proposed amended claims are unpatentable under Section 101. Like the original claims, the amended claims are directed to the abstract idea of financial transaction fraud or error detection, a fundamental economic practice that is not patent-eligible under Section 101. Bozeman’s proposed amendments cover nothing more than the abstract idea of collecting and analyzing electronic financial information and presenting the results. The claims’ implementation of this abstract idea on a computer using a “Universal Positive Pay Database” and generically-described file formats adds nothing of significance that would transform the abstract idea into patentable subject matter. Rather, these conventional computer elements are merely used as tools to carry out the abstract process, and are insufficient to save the claims under Section 101.

For each of these independent reasons, Bozeman’s Motion should be denied.

II. ARGUMENT AND CITATION OF AUTHORITY

In a CBM proceeding, a patent owner may file one motion to amend cancelling any challenged claim or proposing a reasonable number of substitute claims for each challenged claim. *See* 35 U.S.C. § 326(d)(1); 37 C.F.R. § 42.221(a).¹ The patent owner “has the burden of proof to establish that it is entitled to the requested relief.” 37 C.F.R. § 42.20(c). Specifically, the patent owner must demonstrate that the statutory criteria outlined in Section 326 are met and that the procedural obligations are satisfied before the amendment is entered. *Cf. Aqua Prods., Inc. v. Matal*, 872 F.3d 1290, 1306 (Fed. Cir. 2017) (en banc) (discussing the related corresponding IPR provisions).

Thus, Bozeman bears the burden of demonstrating that its proposed amendments: (1) do not enlarge the scope of the patent claims or introduce new matter, and (2) that they respond to the unpatentability grounds raised in the petition. *See* 35 U.S.C. § 326(d)(3); 37 C.F.R. § 42.221(a)(2); 11/21/2017 PTAB Guidance on Motions to Amend in view of *Aqua Products* (“PTAB Guidance”) at 2. Bozeman must also identify “(1) The support in the original disclosure of the patent for each claim that is added or amended; and (2) The support in an earlier-filed disclosure for each claim for which benefit of the filing date of the earlier

¹ Bozeman mistakenly brings its motion under 37 C.F.R. § 42.121, the provisions governing IPR proceedings.

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