## UNITED STATES PATENT AND TRADEMARK OFFICE \_\_\_\_\_

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TWILIO INC., Petitioner,

v.

TELESIGN CORPORATION, Patent Owner.

Case IPR2016-00360 Patent 7,945,034 B2

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Held: March 27, 2017

BEFORE: KIMBERLY MCGRAW, JUSTIN T. ARBES, and SALLY C. MEDLEY, Administrative Patent Judges.

The above-entitled matter came on for hearing on Monday, March 27, 2017, commencing at 9:00 a.m., at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.



### **APPEARANCES:**

### ON BEHALF OF THE PETITIONER:

WAYNE STACY, ESQ. Baker Botts LLP 2001 Ross Avenue Dallas, Texas 75201-2980

### ON BEHALF OF PATENT OWNER:

JESSE J. CAMACHO, ESQ. ELENA MCFARLAND, ESQ. Shook, Hardy & Bacon, LLP 2555 Grand Boulevard Kansas City, Missouri 64108-2613



1	PROCEEDINGS
2	
3	JUDGE MCGRAW: Good morning, everyone. We
4	will now hear argument in Case IPR2016-00360, concerning U.S.
5	patent number 7,954,034, with Twilio, Incorporated as the
6	Petitioner, and Telesign Corporation as the Patent Owner.
7	I'm Judge McGraw. To my right is Judge Medley, and
8	to my left is Judge Arbes.
9	Counsel for the parties, could you please introduce
10	yourselves, starting with the Petitioner?
11	MR. STACY: I am Wayne Stacy for Twilio, the
12	Petitioner.
13	JUDGE MCGRAW: Good morning.
14	MR. CAMACHO: Your Honor, I'm Jesse Camacho for
15	Telesign, and with me also is Ms. Elena McFarland.
16	MS. MCFARLAND: Good morning.
17	JUDGE MCGRAW: Welcome. Good morning.
18	Thank you for being here. As we set forth in our hearing notice,
19	we did set forth the procedure that we will operate under, but I
20	did want to go over it just to make sure everyone understands.
21	Each side will have a total of one hour argument. The
22	Petitioner will argue first and will present its case with regard to
23	the challenged claims and the grounds on which we instituted
24	trial. Thereafter, Patent Owner will offer its opposition to the



1	Petitioner's case and may argue its motion to exclude and
2	contingent motion to amend if it chooses.
3	Petitioner may reserve time to rebut, and Patent Owner
4	may reserve time to rebut Petitioner's opposition to the motion to
5	exclude and contingent motion to amend.
6	I'll remind the parties that the Petitioner bears the
7	burden of proving its proposition of unpatentability by a
8	preponderance of the evidence, and also as we noted in our order
9	this hearing is open to the public, and a transcript of it will
10	become part of the public record.
11	We also ask that you mention your slides by number so
12	that it can be reflected in the record.
13	With that, I invite Mr. Stacy to begin, and would you
14	like to reserve I'm sorry, let me ask: How much time would
15	you like to reserve?
16	MR. STACY: Thirty minutes.
17	JUDGE MCGRAW: And how much would you like to
18	reserve?
19	MR. CAMACHO: Ten minutes. Your Honor, can I
20	put a finer point on that, if possible?
21	JUDGE MCGRAW: Sure.
22	MR. CAMACHO: If it's agreeable to the Board and
23	the Patent Owner, if I don't use my full time, is it okay if I use the
24	balance of my time for rebuttal but then not more than 10



1	minutes? I don't know if I would need it. Like if I only go for 20
2	minutes, can I use the rest for rebuttal of 30 minutes?
3	JUDGE MCGRAW: Only to rebut issues that were
4	MR. CAMACHO: Only to rebut the motion the
5	opposition to motion to amend to be excluded, yes, of course.
6	JUDGE MCGRAW: Are you ready to begin?
7	MR. STACY: I am. So unless the Board had a
8	specific place it wanted to start, out of all the briefing, I pulled
9	three issues that seemed to be most important. The first was
10	electronically determining the carrier; the second, registering
11	based on the phone carrier; and to a lesser extent, there was some
12	argument about actually registering based on verification code.
13	Again, unless you want to change the order, I was
14	going to start at the top and talk about electronically determining
15	the carrier first.
16	JUDGE MCGRAW: It might be helpful if you address
17	"based on" and its claim construction and your support that the
18	references teach registering "based on the phone carrier."
19	MR. STACY: Perfect. So going to slide 30 is the
20	introduction slide there. So when we look at the disputed claim
21	language, it's registering the user through at least one of the
22	communication networks based on, and then it gives a list of
23	criteria, based on the phone or type of phone, the phone carrier
24	and the geographic characteristics.



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