

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ASKELOADDEN LLC,  
Petitioner,

v.

LEIGH M. ROTHSCHILD,  
Patent Owner.

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IPR2019-00855  
Patent 8,799,088 B2

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Before MITCHELL G. WEATHERLY, JOHN P. PINKERTON, and  
JAMES A. WORTH, *Administrative Patent Judges*.

WEATHERLY, *Administrative Patent Judge*.

JUDGMENT

Final Written Decision

Determining All Challenged Claims Unpatentable

Denying Patent Owner's Motion to Amend

35 U.S.C. § 318(a)

I. INTRODUCTION

A. BACKGROUND

Askeladden LLC (“Petitioner”) filed a petition (Paper 2, “Pet.”) to institute an *inter partes* review of claims 1, 2, 11, 14–19, and 21 (the “challenged claims”) of U.S. Patent No. 8,799,088 B2 (Ex. 1001, “the

'088 patent"). 35 U.S.C. § 311. Leigh M. Rothschild ("Patent Owner") did not file a Preliminary Response. On November 21, 2019, based on the record before us at the time, we instituted an *inter partes* review of all challenged claims on all grounds alleged as indicated in the table below. Paper 8 ("Institution Decision" or "Dec.").

Claims Challenged	35 U.S.C. §	References/Basis
1, 2, 11, 14–19, 21	103	Karthik <sup>1</sup> and Robinson <sup>2</sup>
1, 2, 11, 14–19, 21	103	Karthik and Alvarez <sup>3</sup>

After we instituted this review, Patent Owner filed a paper styled as a Patent Owner Response in opposition to the Petition (Paper 13, "Mot." or "Motion") that substantively constituted a non-contingent motion to amend all challenged claims by proposing amendments to independent claims 1, 17, and 21. Mot. 4. Petitioner filed an Opposition to the Motion (Paper 14, "Opp."). Patent Owner did not file a reply in support of the Motion.

During a conference call to discuss whether the parties wished to appear for an oral hearing, the parties indicated that no oral hearing was necessary. Paper 19, 3. Accordingly, we decide the issues presented in the parties' papers on the written record.

We have jurisdiction under 35 U.S.C. § 6. The evidentiary standard is a preponderance of the evidence. *See* 35 U.S.C. § 316(e) (2018); 37 C.F.R.

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<sup>1</sup> US 2005/0165700 A1, published July 28, 2005 (Ex. 1003, "Karthik").

<sup>2</sup> US 7,389,269 B1, issued June 17, 2008 (Ex. 1004, "Robinson").

<sup>3</sup> US 7,735,125 B1, issued June 8, 2010 (Ex. 1005, "Alvarez").

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§ 42.1(d) (2019). This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73.

For the reasons expressed below, we conclude that Petitioner has demonstrated by a preponderance of evidence that proposed substitute claims 1, 2, 11, 14–19, and 21 are unpatentable as obvious, and we deny Patent Owner’s Motion to Amend.

#### B. RELATED PROCEEDINGS

Petitioner identified as a related matter the district court proceeding of *Rothschild Biometric Systems, LLC v. USAA Saving Bank*, No. 2:17-cv-00061-RWS-RSP (E.D. Tex.), which was dismissed with prejudice. Pet. 2. Petitioner also identified as a related matter, the Board proceeding of *Unified Patents Inc. v. Rothschild Biometric Systems, LLC and SSR Patent Holdings, LLC*, IPR2017-01514, Paper 5 (PTAB January 4, 2018), in which the Board instituted *inter partes* review of the ’088 patent. *Id.* (citing *Unified Patents*, Paper 5). The Board terminated that review pursuant to a settlement by the parties. Pet. 2 (citing *Unified Patents*, Paper 9). The Board also instituted review of claims 3–10, 12, 13 and 20 of the ’088 patent in a companion proceeding, IPR2019-00856.

#### C. NON-CONTINGENT NATURE OF PATENT OWNER’S MOTION TO AMEND

Patent Owner does not address the patentability of the challenged original claims in the ’088 patent, but rather seeks to amend all those claims by amending each of the original independent claims 1, 17, and 21. Mot. 4. Although the Board expects a Patent Owner to present substitute claims using new claim numbers,<sup>4</sup> because Patent Owner appears *pro se*, we

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<sup>4</sup> “Where a motion seeks to replace an original patent claim with a new claim, the new claim should be identified as a proposed substitute claim and

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suspend that practice in this proceeding, and we interpret Patent Owner’s non-contingent Motion as canceling original claims 1, 2, 11, 14–19, and 21 and presenting amended versions of those claims with the same numbering. We, therefore, review the patentability of the newly presented amended versions of claims 1, 2, 11, 14–19, and 21.

#### D. THE ’088 PATENT

The ’088 patent, titled “System and Method for Verifying User Identity Information in Financial Transactions,” relates generally to a system for applying for, receiving, and verifying the authenticity of a “financial services provider card,” e.g., a credit card. Ex. 1001, code (54). More specifically, the ’088 patent describes a way to verify a card user’s identity during a purchase transaction, using biometric data stored on a remote server. *See id.* at 4:43–5:2.

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all changes relative to the original claim clearly discussed.” Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,766 (Aug. 14, 2012) (“Practice Guide”). “Any claim with a changed scope subsequent to the amendment should be included in the claim listing as a proposed substitute claim, and should have a new claim number.” *Lectrosonics, Inc. v. Zaxcom, Inc.*, Case IPR2018-01129, Paper 15, 8 (Feb. 25, 2019) (precedential) (“*Lectrosonics*”).

Figure 1 of the '088 patent is reproduced below.

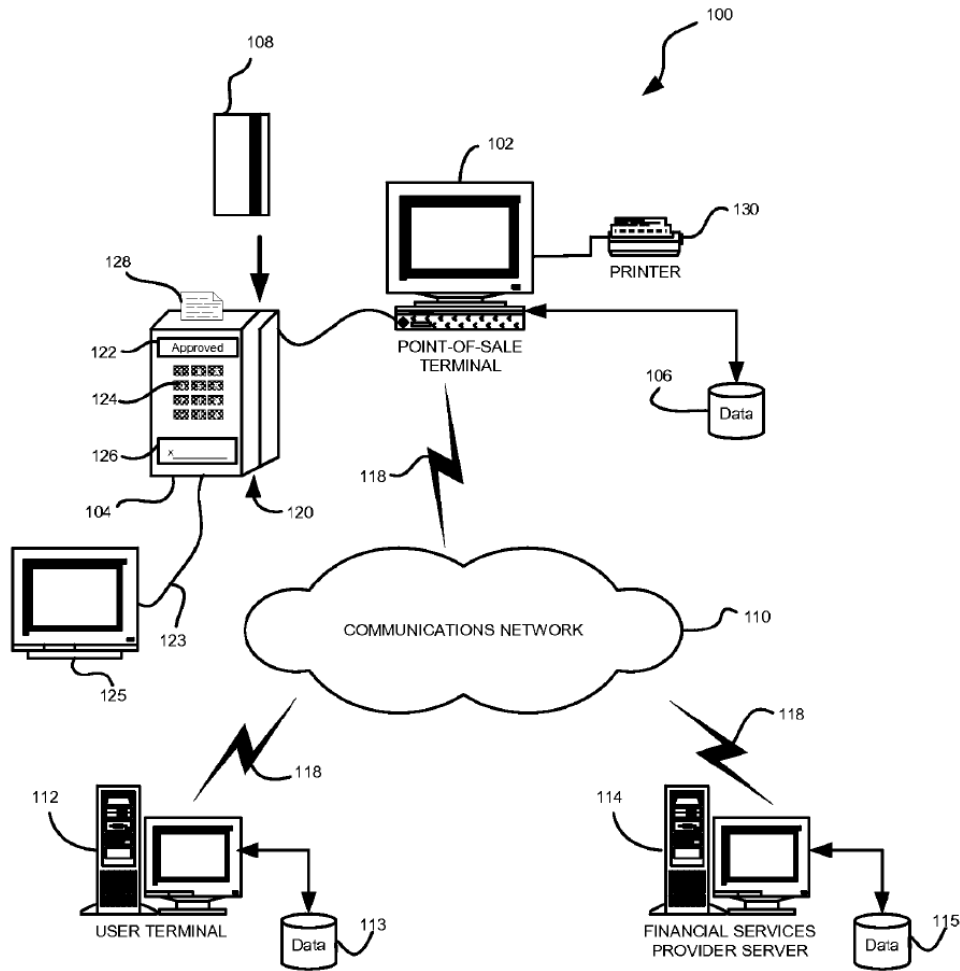


Figure 1 of the '088 patent illustrates computer network 100 including user terminal 112 through which a user applies for a card from a financial services provider, e.g., a bank, via the internet, and enters information including biometric identification data. *Id.* at 5:48–53. Figure 1 also depicts network 100 including remote server 114 (financial services provider server) and database 115 for storing user information and biometric data.<sup>5</sup> Also,

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<sup>5</sup> The '088 patent refers to server 114 at various points as “remote computer 114,” “remote server 114,” and “financial services provider 114.” *See, e.g.,* Ex. 1001, 5:53; 6:19, 40. We understand all of these references to relate to financial services provider server 114 shown and described in Figure 1.

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