Paper 5

Date: November 19, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SQUARE, INC., Petitioner,

v.

SENDSIG, LLC, Patent Owner.

IPR2020-00930 Patent 6,564,249 B2

Before DAVID C. McKONE, JOHN P. PINKERTON, and MELISSA A. HAAPALA, *Administrative Patent Judges*.

PINKERTON, Administrative Patent Judge.

DECISION
Granting Institution of *Inter Partes* Review 35 U.S.C. § 314



I. INTRODUCTION

Square, Inc. ("Petitioner") filed a petition for *inter partes* review of claims 1, 2, 4, 5, 11, 12, 14, and 15 of U.S. Patent No. 6,564,249 B2 (Ex. 1001, "the '249 patent"). Paper 2 ("Pet."). SendSig, LLC ("Patent Owner") did not file a preliminary response. On October 27, 2020, Patent Owner filed Patent Owner's Mandatory Notices. Paper 4 ("PO Notices").

Institution of an *inter partes* review is authorized by statute when "the information presented in the petition . . . and any response . . . shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition." 35 U.S.C. § 314(a) (2018); *see* 37 C.F.R. § 42.108. Upon consideration of the Petition, and the associated evidence, we conclude that the information presented shows there is a reasonable likelihood Petitioner would prevail in establishing the unpatentability of at least one challenged claim of the '249 patent.

A. Related Matters

Petitioner identifies *SendSig, LLC v. Square, Inc.*, No. 1:19-cv-03733-JPB (N.D. Ga.) ("the district court action"), in which Patent Owner asserted the '249 patent, as a matter that may affect, or be affected by, a decision in this proceeding. Pet. 1; *see* 37 C.F.R. § 42.8(b)(2). Patent Owner states that the district court action "has been dismissed without prejudice" and "[t]here are no other judicial or administrative matters that would affect, or be affected by, a decision in this proceeding." PO Notices 1.

B. The '249 Patent

The '249 patent is titled "Method and System for Creating and Sending Handwritten or Handdrawn Messages." Ex. 1001, [54]. The '249 patent generally describes "[a] real-time electronic messaging system, and



related method" that "allow[s] a sender to input [and send] a handwritten or handdrawn message." Ex. 1001, Abstract. Figure 1A of the '249 patent is reproduced below.

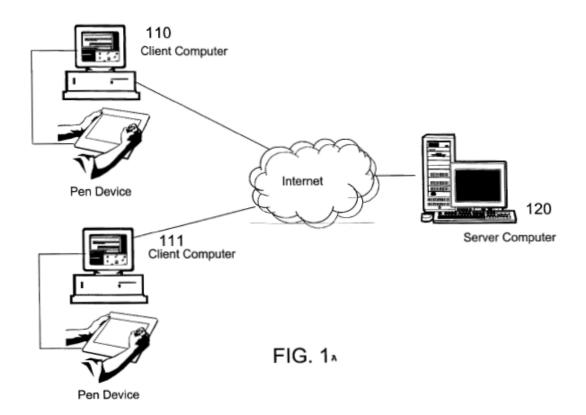


Figure 1A of the '249 patent is a diagram illustrating the connection of client computers 110 and 111 with pen devices to email server computer 120 on the Internet. *Id.* at 3:6–9. As shown in Figure 1A, a user creates a handwritten or handdrawn image on a pen device connected to first client computer 110, and the message is sent via the Internet to server computer 120. *Id.* at 3:40–45. Server computer 120 then redirects the message to second client computer 111, where the message is displayed on the computer monitor or on the connected pen device. *See id.* at 4:46–49.



The '249 patent describes six different "versions" or embodiments for enabling a handwriting messaging system, including two "real time" versions. The real time versions are Handwriting Java Client and Real Time ServerVersion (Fig. 4B); and Handwriting Client and Wireless Real Time Server Version (modified Fig. 6). *Id.* at 8:22–9:32; 10:55–12:35. Figure 4B of the '249 patent is reproduced below.

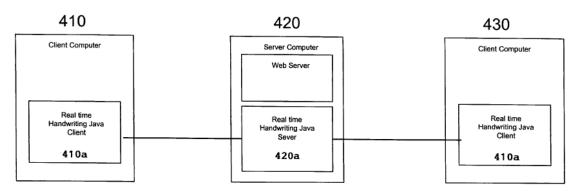


FIG. 4_B Handwriting Client and Real Time Server Version

Figure 4B is a schematic illustration depicting client computer 410 (on the left) and client computer 430 (on the right), each of which is connected to server computer 420 (in the middle). Client computers 410 (sender) and 430 (recipient) each include Real Time Handwriting Java Client 410a that operates as a Java applet on the client computers for communicating with Real Time Java Server component 420a of server computer 420. *Id.* at 8:23–29. The '249 patent explains that Java applet 410a provides a drawing editor/viewer to compose and view handwritten messages. *Id.* at 8:27–28.



The '249 patent also explains that client computer 410 includes a handwriting input device, which can be an ordinary mouse, a touchscreen, or a stylus pad. *Id.* at 4:20–32. Client component 410a of client computer 410 is connected to the input device, captures the handwritten information as a graphical image in a data capture area or graphical image viewing area, and converts it into an appropriate format for digital transmission. *Id.* at 2:26–32, 10:50–52; Fig. 7A. Receiving Handwriting Java Client 410a on client computer 430 is notified when an email message for that user has been sent to Real Time Java Server 420 and retrieves the email message from server 420. *Id.* at 8:29–32. According to the '249 patent, "[i]n this way, communication can take place using the Hand-writing Java Client in near real-time." *Id.* at 8:32–34. The '249 patent further discloses that "the handwriting client allows the user to see other users that are currently online and to initiate a private, real time communication session with an online user." *Id.* at 11:23–26.

C. Illustrative Claim

Among the challenged claims, claims 1 and 11 are independent.

Claim 1 is illustrative of the subject matter of the challenged claims and provides as follows (with paragraph notations added consistent with those used by Petitioner):

- 1. A real-time electronic messaging system comprising:
- (a) a server component operable on a server computer on a network with a real-time messaging server for receiving an electronic message sent from a sender and sending it to a recipient to whom it is addressed,
- (b) (i) a remote client device for the sender connectable to the server computer through an online data connection to the network, and (ii) a client component operable on the remote



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