

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AT&T MOBILITY LLC,
Petitioner,

v.

INTELLECTUAL VENTURES II LLC,
Patent Owner.

Case CBM2015-00185
Patent 5,339,352

Before GEORGIANNA W. BRADEN, FRANCIS L. IPPOLITO, and
KEVIN W. CHERRY, *Administrative Patent Judges*.

BRADEN, *Administrative Patent Judge*.

DECISION

Denying Institution of Covered Business Method Patent Review
37 C.F.R. § 42.208

I. INTRODUCTION

AT&T Mobility LLC (“Petitioner”) filed a Corrected Petition (Paper 6, “Pet.”) to institute a covered business method patent review of claims 1, 2, 5, and 9 of U.S. Patent No. 5,339,352 (Ex. 1001, “the ’352 patent”). Intellectual Ventures II LLC (“Patent Owner”) filed a Preliminary Response (Paper 8, “Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 324. Pursuant to 35 U.S.C. § 324(a), the Director may not authorize a covered business method patent review unless the information in the petition, if unrebutted, “would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.” For reasons that follow, the information presented in the Petition does not establish that the ’352 patent qualifies as a covered business method patent for purposes of section 18(d)(1) of the Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112–29, 125 Stat. 284, 331 (2011). Accordingly, we decline to institute a covered business method patent review of claims 1, 2, 5, and 9. *See* 35 U.S.C. § 324(a).

II. BACKGROUND

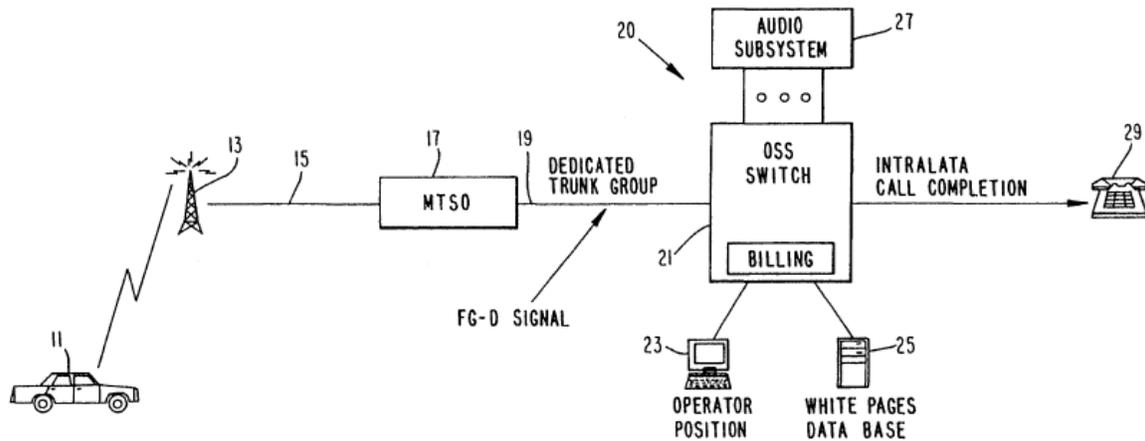
A. *Related Proceedings*

Petitioner informs us that the ’352 patent is the subject of district court case *Intellectual Ventures II LLC v. AT&T Mobility LLC*, No. 1:13-cv-01631 (D. Del.). Pet. 2 (citing Ex. 1009); *see* Paper 5, 1 (Patent Owner’s Mandatory Notices).

B. *The ’352 Patent*

The ’352 patent discloses systems and methods for providing Directory Assistance Call Completion (“DACC”) services to cellular telephone users. Ex. 1001, Abst. One embodiment of the ’352 patent

provides a system that implements a DACC service for cellular subscribers. *Id.* at 5:58–62. Figure 1, reproduced below, illustrates an exemplary architecture for such a system.



As shown in Figure 1, above, wireless subscriber 11 communicates with mobile telephone switching office 17 via cell site antenna 13. Ex. 1001, 6:12–18. The “mobile telephone switching office or ‘MTSO’ is owned and operated by the cellular carrier” and “provides a switched connection point between the network operated by the cellular carrier and the landline telephone network.” *Id.* at 1:41–44. The MTSO connects to switch 21 of an operator service system (OSS 20). *Id.* at 6:32–35. The OSS “functions as a directory assistance service system.” *Id.* at 6:38–39.

Per the ’352 patent, any existing interconnection between MTSO 17 and OSS 20 is replaced with “dedicated trunk 19.” *Id.* at 6:32–33. In one embodiment, dedicated trunk 19 uses Feature Group D signaling. *Id.* at 6:32–35. Feature Group D is a type of switched access service signaling that “provide[s] customer access to alternate long distance interexchange carriers (IXC’s).” *Id.* at 7:36–39.

Use of a dedicated trunk serves as a means for OSS 20 to identify the carrier and to determine whether the caller can use directory assistance. *Id.* at 3:21–24. The dedicated trunk has an “area code and exchange number” (referred to as the NPA-NXX). *Id.* at 8:33–35. The NPA-NXX of the dedicated trunk is also the NPA-NXX of the wireless switch, *e.g.*, MTSO 17. *Id.* at 8:33–35. The trunk has a fixed location and the NPA-NXX of the dedicated trunk provides present location information for the calling wireless customer. *Id.* Therefore, OSS 20 can use the NPA-NXX of the dedicated trunk, rather than the received calling number (ANI), to check eligibility for directory assistance and calculate charges for call completion: “The operator service system will establish whether completion requests would meet the intra-LATA criteria using the area code and exchange data (NPA-NXX) of the dedicated trunk and the NPA-NXX area code and exchange data of the destination identified in the directory listing.” Ex. 1001, 9:45–50. LATA being the Local Access and Transport Area. *Id.* at 6:7–8.

In other embodiments of the ’352 patent, modification to existing OSSs are necessary in order to implement the inventions of ’352 patent for data recording and billing purposes. *Id.* at 5:30–32. For example, “[e]xisting OSS switches are programmed to treat calls received on trunks using Feature Group D signaling as interexchange carrier calls and provide appropriate translations for routing and billing.” *Id.* at 12:35–38. But, according to the ’352 patent, this processing is not compatible with directory assistance call completion. *Id.* at 12:38–40. Therefore, OSS 20 is modified to bypass “the interexchange carrier translations for calls received over the dedicated trunk 19.” *Id.* at 12:49–51. Additionally, OSS 20 is modified to use the NPA-NXX of dedicated trunk 19 (and corresponding MTSO) during

eligibility checking “to indicate the point of origin of the landline connection” (*id.* at 12:53–55) and “to calculate any distances needed to set call rates or toll charges for the landline connection” (*id.* at 13:10–13).

C. Illustrative Claims

As noted above, Petitioner challenges claims 1, 2, 5, and 9 of the ’352 patent, of which claim 1 is the only independent claim. Claim 1 is illustrative of the challenged claims and is reproduced below:

1. A method of providing a directory assistance call completion service to a wireless communication service subscriber comprising:
receiving a request for directory assistance from a wireless communication terminal at a mobile communications switching office;
forwarding data identifying the wireless communication terminal from the mobile communications switching office to an operator service system;
establishing a landline communication link between the mobile communications switching office and the operator service system to provide two way communications between the wireless communication terminal and the operator service system;
receiving information from the wireless communication terminal identifying a particular listing from a directory of listings;
retrieving a destination number corresponding to the identified listing;
receiving a request for completion of a communication link between the wireless communication terminal and a station identified by the destination number;
establishing a landline communication link to provide a complete communication connection between the wireless communication terminal and the identified station; and
recording the identity of the wireless communication terminal in the operator service system.

Ex. 1001, 13:41–14:2.

D. The Asserted Ground of Unpatentability

Petitioner asserts claims 1, 2, 5, and 9 of the '352 patent are unpatentable based on the grounds set forth in the table below:

References	Basis	Challenged Claim(s)
	§ 101	1, 2, 5, and 9
Padden and Chadha	§ 103(a)	1, 2, and 5
Padden, Chadha, and Suzuki	§ 103(a)	9

Pet. 22.

III. COVERED BUSINESS METHOD (CBM) PATENT REVIEW

A. Standing to File a Petition for CBM Review

Section 18 of the AIA provides for the creation of a transitional program for reviewing covered business method patents. Section 18 limits reviews to persons or their privies who have been sued or charged with infringement of a “covered business method patent.” AIA § 18(a)(1)(B); *see* 37 C.F.R. § 42.302. As discussed above in Section II.A., Petitioner represents it has been sued for infringement of the '352 patent and is not estopped from challenging the claims on the grounds identified in the Petition. Pet. 2–3 (citing Ex. 1005).

B. Qualifying as a CBM Patent for CBM Review

The parties dispute whether the '352 patent is a “covered business method patent,” as defined in the AIA and 37 C.F.R. § 42.301. *See* Pet. 9–13; Prelim. Resp. 10–30. It is Petitioner’s burden to demonstrate that the '352 patent is a covered business method patent. *See* 37 C.F.R. § 42.304(a). For the reasons discussed below, we determine Petitioner has

made an insufficient showing that the '352 patent is a “covered business method patent.”

The AIA defines “covered business method patent” as “a patent that claims a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service, except that the term does not include patents for technological inventions.” AIA § 18(d)(1); *see* 37 C.F.R. § 42.301(a). The legislative history of the AIA “explains that the definition of covered business method patent was drafted to encompass patents ‘claiming activities that are financial in nature, incidental to a financial activity or complementary to a financial activity.’” 77 Fed. Reg. 48,374, 48,735 (Aug. 14, 2012) (quoting 157 Cong. Rec. S5432 (daily ed. Sept. 8, 2011)). To determine whether a patent is eligible for a covered business method patent review, the focus is on the claims. *See* Transitional Program for Covered Business Method Patents—Definitions of Covered Business Method Patent and Technological Invention; Final Rule, 77 Fed. Reg. 48,734, 48,736 (Aug. 14, 2012) (Response to Comment 4: “[T]he definition . . . is based on what the patent claims.”). A patent need have only one claim directed to a covered business method to be eligible for review. *Id.*; *see Versata Dev. Grp., Inc. v. SAP Am. Inc.*, 793 F.3d 1306, 1326–27 (affirming Board and accepting analysis of single claim as representative of determination whether to institute a covered business method patent review).

Petitioner contends the '352 patent is a covered business method patent, because the '352 patent specification and claims “are directed to collecting and recording data (e.g., the identity of a wireless caller) for

billing for call completion services from an OSS.” Pet. 9 (citing Ex. 1001, Abst, Claim 1). Petitioner notes that the specification includes embodiments for “facilitat[ing] billing all charges incurred by directory assistance call completion services provided to a mobile wireless communication terminal, such as a cellular telephone, to the subscriber who actually requests the call completion service,” and “facilitat[ing] billing for the service to the individual customers.” *Id.* (citing Ex 1001, 2:54–58, 2:63–64). Petitioner also relies on the last limitation of claim 1 to support its position, arguing that claim 1 recites the step of “forwarding data identifying the wireless communication terminal from the mobile communications switching office to an operator service system,” and such data is collected for the purpose of “recording the identity of the wireless communication terminal in the operator service system.” *Id.* at 10. According to Petitioner, the collecting and recording of the billing information for use in operator services in Claim 1 is an activity that is “financial in nature, incidental to a financial activity or complementary to a financial activity” in that it recites recording billing information for billing purposes. *Id.* (citing Ex. 1001, 14:1–2).

Petitioner further argues that claims 2 and 9 recite activities that are “financial in nature, incidental to a financial activity or complementary to a financial activity” in that they recite “form[ing] a billing record” and “determin[ing] if the subscriber has subscribed” to a particular service. *Id.* (citing Ex. 1001, 14:3–8, 14:50–53).

Patent Owner disputes Petitioner’s position, contending that none of the claims recites a method used in the practice, administration, or management of a *financial* product or service; rather, each claim recites a method for performing an operation used in a communications network.

Prelim. Resp. 11. Patent Owner argues that Petitioner misstates claim 1, specifically the final step of claim 1—“recording the identity of the wireless communication terminal in the operator services system”—to argue that this step “recites recording billing information for billing purposes.” *Id.* at 12 (citing Pet. 10). Patent Owner explains, however, that nowhere does claim 1 recite the word “billing” and that the limitation for “recording” is not recording billing information for billing purposes. *Id.* at 12–13 (citing Ex. 1001, 3:57–4:16; Ex. 2002, 27–28).

Patent Owner further argues that claim 2 cannot be used to support Petitioner’s arguments that the ’352 patent qualifies as a covered business method. *Id.* at 17–18 (citing Ex. 2003). Specifically, Patent Owner argues that it filed a statutory disclaimer disclaiming claims 2, 3, 7, and 17, and as a consequence of the disclaimer, the Board should not base its determination on whether or not to institute a trial on claim 2 or any of the other disclaimed claims. *Id.* at 18.

With respect to claim 9, Patent Owner argues that Petitioner’s analysis is conclusory, and, in any event, claim 9 is not directed to a financial product or service. *Id.* at 19–20. Patent Owner asserts that, just as with claim 1, claim 9 does not recite any financial terms or an activity involving the movement of money or extension of credit in exchange for a product or service. *Id.* at 20.

We agree with Patent Owner. First, as noted above, Patent Owner has filed a statutory disclaimer under 37 C.F.R. § 1.321(a) of claims 2, 3, 7, and 17. *See* Prelim. Resp. 17–18 (citing Ex. 2003). Rule 1.321(a) is the rule promulgated by the Office for creating a procedure for a patentee to avail itself of the provisions of 35 U.S.C. § 253. *See* MPEP § 1490. Our

reviewing court has held that a patent with a statutory disclaimer is to be treated as though the disclaimed claims never existed. *See Guinn v. Kopf*, 96 F.3d 1419, 1422 (Fed. Cir. 1996) (“A statutory disclaimer under 35 U.S.C. § 253 has the effect of canceling the claims from the patent and the patent is viewed as though the disclaimed claims had never existed in the patent.”). Therefore, for the purposes of whether or not to institute a covered business method patent review, we treat claims 2, 3, 7, and 17 as never having existed, and we will not consider the now-statutorily disclaimed claims in our determination. *See Google Inc. v. SimpleAir, Inc.*, CBM2015-00019 slip op. at 14–15 (PTAB May 19, 2014) (Paper 11); *Great West Casualty Co., v. Intellectual Ventures II LLC*, CBM2015-00171 slip op. at 7 (PTAB Feb. 9, 2016) (Paper 10).

Second, although we do not interpret section 18 of the AIA as requiring the literal recitation of financial products or services in a claim, the presence in the challenged claims of financial terminology, or a method step requiring the movement of money, weighs in favor of a financial product or service. *See Apple, Inc. v. SightSound Techs., LLC*, Case CBM2013-00020, slip op. at 9–13 (PTAB Oct. 8, 2013) (Paper 17) (“transferring money electronically”); *see also FFF Enterprises, Inc. v. AmerisourceBergen Specialty Group, Inc.*, Case CBM2014-00154, slip op. at 7 (PTAB Jan. 29, 2015) (Paper 14) (“server system creates an invoice”). Here, the claims are devoid of any terms that reasonably could be argued as rooted in the financial sector or directed to a financial transaction. *See ServiceNow, Inc. Hewlett-Packard, Co.*, CBM2015-00108, slip op. at 15 (PTAB Oct. 7, 2015) (Paper 10).

Lastly, statements in the specification that a claimed invention has particular utility in financial applications may weigh in favor of determining that a patent is eligible for a covered business method patent review; however, we do not find covered business method patent review available for patents that claim generally useful technologies that also happen to be useful to financial applications. *J.P. Morgan Chase v. Intellectual Ventures II LLC*, CBM2014-00160, slip op. at 6–12 (PTAB Jan. 29, 2015) (Paper 11); see *Salesforce.com, Inc. v. Applications in Internet Time LLC*, CBM2014-00162, slip op. 10 (PTAB Feb. 2, 2015) (Paper 11) (“Petitioner’s contentions based on the written description alone do not show that the ’111 patent *claims* a method or apparatus ‘for performing data processing or other operations used in the practice, administration, or management of a financial product or service’ or *claims* an activity that is ‘financial in nature, incidental to a financial activity or complementary to a financial activity.’”). Other panels of the Board have found patents not to meet the definition of “covered business method patent” in similar circumstances. See, e.g., *Google Inc. v. SimpleAir, Inc.*, CBM2015-00019, slip op. at 11–12 (PTAB May 19, 2015) (Paper 11) (claim directed to system for transmitting, receiving, and processing data recites “only generic, context-neutral ‘data,’” without any language relating to a financial product or service); *Sega of Am., Inc. v. Uniloc USA, Inc.*, CBM2014-00183, slip op. at 11–13 (PTAB Mar. 10, 2015) (Paper 11) (claims were “directed to technology that restricts the use of software” where the software had “no particular relationship to a financial product or service”); *PNC Fin. Servs. Group, Inc. v. Intellectual Ventures I LLC*, CBM2014-00032, slip op. at 6–15 (PTAB May 22, 2014) (Paper 13) (claims described “software systems that have general utility not

specific to any application.”); and *Par Pharm. Inc. et al. v. Jazz Pharm., Inc.*, CBM2014-00149, slip op. 10–13 (PTAB Jan. 13, 2015) (Paper 12) (concluding that in the context of the claim as whole, a claim relating to a method for controlling access to a prescription drug did not recite or require an activity involving the movement of money, extension of credit, or other financial product or service).

As Patent Owner correctly notes (Prelim. Resp. 16–17), finding that anything with a possible use with respect to activities involving financial products and services would capture claimed inventions only tangentially related to activities involving financial products and services and would not be limited to a covered business method patent. *See Sony Corp. of Am. v. Network-1 Techs., Inc.*, Case CBM2015-00078, slip op. at 11–12 (PTAB July 1, 2015) (Paper 7)). Additionally, the Office has stated, the legislative history of the AIA indicates that “financial product or service” should be interpreted “broadly,” but “broadly” does not mean “without limits.” *See Transitional Program for Covered Business Method Patents*, 77 Fed. Reg. at 48,736.

Although we acknowledge the specification includes at least one illustrative embodiment directed to an application of the claimed method for billing purposes (*see* Ex. 1001, 2:54–64 (describing billing of wireless cellular subscribers)), we find that such an example is insufficient to make the challenged claims of the ’352 patent eligible for covered business method patent review. The primary justification for covered business method review eligibility provided by Petitioner is that the illustrative embodiments in the specification of the ’352 patent merely show that the invention *may* be used for billing. Pet. 9. Mere ability

to use the claimed invention in a financial context, standing alone, does not require a finding that the financial prong has been met, especially when the specification as a whole suggests a broader application. *See ServiceNow, Inc.*, CBM2015-00108, slip. op. at 17 (claims were directed to the general utility of managing a conversation in a Web service and did not cover a financial transaction); *ServiceNow, Inc. v. BMC Software, Inc.*, Case CBM2015-00107, slip op. at 11–12 (PTAB Sept. 11, 2015) (Paper 12) (panel found instructive that the problem addressed by the patent was non-financial in nature, and that a significant portion of the specification described the claimed method in general terms). Petitioner’s citations to the specification, however, do not provide a persuasive basis to conclude that the claims deal with the movement of money or are involved directly in a financial transaction in anything other than a tangential way. Rather, we find that the challenged claims recite a method of general utility for providing a directory assistance call completion service to a wireless communication service subscriber, and the cited example from the ’352 patent makes clear that any financial aspect of the invention as discussed in the specification is, at most, a non-limiting example. *See Ex. 1001*, 4:55–66, 8:44–57; *see ServiceNow, Inc.*, CBM2015-00108, slip. op. at 15; *PNC Bank NA v. Parus Holding, Inc.*, CBM2015-00112, slip op. at 16–17 (PTAB Nov. 9, 2015) (Paper 11).

The facts before us, as outlined above, establish that the claimed method is of general utility, and Petitioner has not introduced persuasive evidence to show that at least one claim of the ’352 patent recites a method used in the practice, administration, or management of a financial product or service. *See 37 C.F.R. § 42.301(a)*; *see ServiceNow, Inc.*, CBM2015-00108,

slip. op. at 17. Accordingly, Petitioner has not met its burden of demonstrating that the '352 patent is eligible for covered business method patent review.

IV. CONCLUSION

For the foregoing reasons, we are not persuaded that the '352 patent is eligible for covered business method patent review.

V. ORDER

For the reasons given, it is

ORDERED that, pursuant to 35 U.S.C. § 324(a), a covered business patent method review is not instituted for claims 1, 2, 5, and 9 of the '352 patent.

CBM2015-00185

Patent 5,339,352

FOR PETITIONER:

Eliot Williams

Jon Swenson

Nick Schuneman

Baker Botts LLP

eliot.williams@bakerbotts.com

jon.swenson@bakerbotts.com

nick.schuneman@bakerbotts.com

FOR PATENT OWNER:

Lori Gordon

Robert Sokohl

Sterne, Kessler, Goldstein & Fox P.L.L.C.

lgordon-ptab@skgf.com

rsokohl-ptab@skgf.com

James Hietala

Tim Seeley

Intellectual Ventures II LLC

jhietala@intven.com

tseeley@intven.com