

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EXPERIAN MARKETING SOLUTIONS, INC. and
EPSILON DATA MANAGEMENT, LLC
Petitioner

v.

RPOST COMMUNICATIONS LIMITED
Patent Owner

Case CBM2014-00010
Patent 8,224,913 B2

Before KEVIN F. TURNER, TREVOR M. JEFFERSON, and
JAMES B. ARPIN, *Administrative Patent Judges*.

TURNER, *Administrative Patent Judge*.

DECISION

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

I. BACKGROUND

Petitioner, Experian Marketing Solutions, Inc. and Epsilon Data Management, LLC, filed a petition (Paper 1, “Pet.”) to institute a covered business method patent review of claims 1-11 of U.S. Patent No. 8,224,913 B2 (“the ’913 Patent”) pursuant to 35 U.S.C. §§ 321-29. Patent Owner, RPost Communications Limited, filed a preliminary response (Paper 18, “Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 324.

The standard for instituting a covered business method patent review is set forth in 35 U.S.C. § 324(a):

THRESHOLD.—The Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.

Petitioner challenges claims 1-11 as unpatentable under 35 U.S.C. §§ 102 and 103. For the reasons that follow, the petition is *denied*.

A. *The ’913 Patent (Ex. 1001)*

The ’913 Patent, titled “System and Method for Verifying Delivery and Integrity of Electronic Messages,” issued on July 17, 2012. The ’913 Patent relates to systems and methods of later providing proof regarding the delivery and content of an e-mail message. Ex. 1001, 1:21-24. This is accomplished when a system delivers the electronic message to all recipients, and, thereafter, the system returns a receipt of delivery to the originator of the electronic message. *Id.* at 3:18-37. The receipt includes, among other things: the original message, the digital signature of the

message, and a handshaking and delivery history including times of delivery to the recipients. *Id.* To later verify and authenticate information contained in the receipt, the originator or user sends a copy of the receipt to the system, and the system then verifies that the digital signature matches the original message and the rest of the receipt. *Id.*

B. Related Matters

The '913 Patent has been asserted in the proceedings listed in the petition. Pet. 7. The '913 Patent currently is being asserted against Petitioner in *RPost Holdings, Inc. v. Epsilon Data Management, LLC*, No. 2:12-cv-00511-JRG (E.D. Tex.) and *RPost Holdings, Inc. v. Experian Marketing Solutions, Inc.*, No. 2:12-cv-00513-JRG (E.D. Tex.). Exs. 1009, 1010.

C. Illustrative Claim

Claim 1 of the '913 Patent is reproduced below and is illustrative of the claims at issue:

1. A method of transmitting a message from a sender to a recipient through a server acting as a Mail Transport Agent, including the steps at the server of:

transmitting the message to the recipient's Mail Transport Agent in a protocol dialog selected from a group consisting of the selected one of the SMTP and ESMTP protocols; and

recording at the server some portion of the selected one of the SMTP and ESMTP protocol dialog between the server and the recipient through the server including those portions of the selected one of the SMTP and ESMTP protocol dialog between the server and the recipient in which the receiving Mail

Transport Agent accepts or declines delivery of the transmitted message.

D. Asserted References

In its petition, Petitioner refers to the following references:

B. Al-Hammadi et al., Certified Exchange of Electronic Mail (CEEM), Proceedings IEEE Southeastcon '99, 40-43 (Mar. 25–28, 1999) (Ex. 1012, hereinafter “CEEM”).

A. Bahreman et al., Certified Electronic Mail (CEM), Proceedings — Symposium on Network and Distributed Systems Security, 3-19 (Feb. 1994) (Ex. 1013, hereinafter “CEM”).

Michael A. Gurski, Privacy-Enhanced Mail (PEM), Oct. 24, 1995, available at: <http://www.csee.umbc.edu/~woodcock/cmssc482/proj1/pem.html> (Ex. 1014, hereinafter “PEM”).

Release notes from the 1999 version of Postfix, available at: http://web.archive.org/web/19990508202510/http://www.postfix.org/RELEASE_NOTES (Ex. 1016, hereinafter “Postfix”).

E. Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims 1-11 of the '913 Patent based on the following asserted grounds of unpatentability:

Reference(s)	Basis	Claims challenged
CEEM	§ 102	1-11
CEM	§ 102	1-9
CEM and PEM	§ 103	10 and 11
Postfix	§ 102	1-3

II. ANALYSIS

A. Financial Product or Service

A “covered business method patent” is 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.” Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (“AIA”) § 18(d)(1); *see* 37 C.F.R. § 42.301(a). For purposes of determining 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). A patent need have only one claim directed to a covered business method to be eligible for review. *Id.*

In promulgating rules for covered business method patent reviews, the Office considered the legislative intent and history behind the AIA’s definition of “covered business method patent.” *Id.* at 48,735-36. The “legislative history 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.’” *Id.* (citing 157 CONG. REC. S5432 (daily ed. Sept. 8, 2011) (statement of Sen. Schumer)). The legislative history indicates that “financial product or service” should be interpreted broadly. *Id.*

As Petitioner points out, the Specification of the ’913 Patent details that the claimed electronic messaging systems and methods are directed to financial, monetary, and commercial applications. Pet. 10-11. Specifically,

Petitioner cites that “[t]he registered queries, complaints, **orders[,] offers to purchase**, and other information 46 are sent to the e-business 30 by the system. Receipts are then provided to the customers 34 via SMPT server 38.” *Id.* at 11; Ex. 1001 at 26:36-39. As identified by Petitioner, the e-commerce embodiments are directed to the buying and selling of products or services over electronic systems, such as the Internet. Pet. 11. We are persuaded that this comports with “an agreement between two parties stipulating movements of money or other consideration now or in the future.” *Apple Inc. v. Sightsound Techs., LLC*, CBM2013-0019, slip op. at *12 (PTAB Oct. 8, 2013) (Paper 17) (internal citations omitted). We also are persuaded by Petitioner that these e-commerce transactions represent the type of activities that are “complementary to a financial activity” and “relate to monetary matters.” *Id.* at 12.

Patent Owner argues that, even under a broad definition of a covered business method patent, the '913 Patent is not encompassed by that definition. Prelim. Resp. 11. Patent Owner also argues that the steps of the method claims are unrelated to financial activities (*id.* at 12) and have “nothing to do with movement of money; financial institution; sale of a service, product or digital content; agreement for consideration; valuing an object; insuring an object; or anything else remotely related to something monetary” (*id.* at 13).

Patent Owner’s arguments are not persuasive. The Board reviews petitions on their own facts to determine whether the challenged patent is a “covered business method patent” under the AIA definition. The presence of the e-commerce embodiment makes clear that the method claims have utility to financial processes. Patent Owner’s argument that “literally

anything even remotely related to a commercial transaction may be considered a CBM patent” if Petitioner’s position is accepted (*id.* at 14), it ignores the specific recitations in the ’913 Patent discussed above. Further, we are not persuaded by Patent Owner that the ’913 Patent has *nothing* to do with finance. The specification of the ’913 Patent states that the disclosed and claimed methods may be used in e-commerce, as discussed above.

As such, we are persuaded that the claims of the ’913 Patent meet the “financial product or service” component of Section 18(d)(1) of the AIA.

B. Technological Invention

The definition of “covered business method patent” in Section 18(d)(1) of the AIA does not include patents for “technological inventions.” To determine whether a patent is for a technological invention, we consider “whether the claimed subject matter as a whole recites a technological feature that is novel and unobvious over the prior art; and solves a technical problem using a technical solution.” 37 C.F.R. § 42.301(b). The following claim drafting techniques, for example, typically do not render a patent a “technological invention”:

(a) Mere recitation of known technologies, such as computer hardware, communication or computer networks, software, memory, computer-readable storage medium, scanners, display devices or databases, or specialized machines, such as an ATM or point of sale device.

(b) Reciting the use of known prior art technology to accomplish a process or method, even if that process or method is novel and non-obvious.

(c) Combining prior art structures to achieve the normal, expected, or predictable result of that combination.

Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,763-64 (Aug. 14, 2012).

We are not persuaded by Petitioner's arguments that the '913 Patent is not directed to a technological invention. Pet. 15-17. Petitioner argues that the '913 Patent does not recite any novel and unobvious technological feature, and does not solve a technical problem. *Id.* at 16. Petitioner also argues that "the claims of the '913 patent merely recite using well-known technology (e-mail), in a well-known manner (using SMTP or ESMTP to transmit e-mail), to perform a well-known task (applying digital signatures)." *Id.* at 17. We must weigh these arguments against the counterarguments raised by Patent Owner.

Patent Owner argues that Petitioner's arguments are conclusory, detailing that known hardware and software programs make the '913 Patent a covered business method patent. Prelim. Resp. 19. Patent Owner identifies the technical problem to be providing reliable proof of content and delivery of electronic messages, and argues that the claims provide a technical solution of an intermediary server, without requiring use of special e-mail software by the sender or the recipient. *Id.* at 19-22. Patent Owner argues specifically that the recording step of the method claims is a technical feature that solves the technical problem identified. *Id.* at 22. As argued by Patent Owner, Petitioner has failed to provide persuasive evidence that such recording by the server configurations was known at the time of the invention of the subject matter of the '913 Patent. *Id.*

Although Petitioner argues that sending of e-mail through SMTP or ESMTP protocols was known, and use of digital signatures was known (Pet. 16-17), that does not mean, necessarily, that the use of the specific

steps in independent claims 1 and 10 are not novel or unobvious. Petitioner has provided some analysis of claims 1 and 10 (*id.* at 17), but has analyzed the method steps separately, instead of examining each claim as a whole, as required. *Id.* Petitioner also has failed to demonstrate that the use of the electronic message systems, per the claimed processes, only would achieve the normal, expected, or predictable result of that combination. *See* Pet. 15-17. Additionally, Petitioner has not persuaded us that such server configurations and methods, as discussed and claimed in the '913 Patent, were known at that time. In contrast, Patent Owner provides that:

[w]hile persons skilled in the art would have been aware of the flow of information that is part of the protocol, Applicant alone recognized the importance of storing the dialog that occurs *between* server and destination address that is generated when using mail transport protocol such as SMTP for later use in proof of the message and proof of the delivery of the message.

Ex. 1003 at 150-151 (emphasis added).

Lastly, merely because an invention's claims recite a method, and such a method is applicable to a financial process, which does not obviate the need to determine whether the invention is directed to a technical invention. *See* 37 C.F.R. § 42.301(a) (“*except* that the term [covered business method patent] does not include patents for technological inventions” (emphasis added)). Petitioner's conclusory language in the petition that none of the steps of a claim requires any novel and unobvious technological implementation, or solves a technical problem, without more, is not sufficient to demonstrate that the claimed subject matter is not a technical invention.

In view of the foregoing, we conclude that Petitioner fails to demonstrate that the claims of the '913 Patent are directed to a covered business method patent under AIA Section 18(d)(1).

III. CONCLUSION

For the foregoing reasons, we determine that the information presented in the petition does not establish that the '913 Patent is eligible for review as a covered business method patent under AIA Section 18(d)(1).

IV. ORDER

Accordingly, it is
ORDERED that the petition is *denied* as to all challenged claims.
FURTHER ORDERED that no covered business method patent review is instituted.

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