

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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NRT TECHNOLOGY CORP. and NRT TECHNOLOGIES, INC.,  
Petitioner,

v.

EVERI PAYMENTS, INC.,  
Patent Owner.

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Case CBM2015-00167  
Patent 6,081,792

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Before MICHAEL J. FITZPATRICK, MIRIAM L. QUINN, and  
JEFFREY W. ABRAHAM, *Administrative Patent Judges*.

FITZPATRICK, *Administrative Patent Judge*.

DECISION

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

## I. INTRODUCTION

### A. *Background*

NRT Technology Corp. and NRT Technologies, Inc. (collectively “Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting a covered business method patent (“CBM patent”) review of claims 1–9 of U.S. Patent No. 6,081,792 (Ex. 1001, “the ’792 patent”) pursuant to Section 18 of the Leahy-Smith America Invents Act, Pub. L. No. 112-29 (“AIA”). Patent Owner Everi Payments, Inc.<sup>1</sup> filed a Preliminary Response. Paper 13 (“Prelim. Resp.”).

We may not institute a CBM patent review “unless the Director<sup>[2]</sup> determines that the information presented in the petition . . . would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.” 35 U.S.C. § 324(a).<sup>3</sup> Based on our review of the record, we conclude that Petitioner is less likely than not to prevail with respect to all of the challenged claims. Accordingly, we deny the Petition to institute a CBM patent review, as set forth below.

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<sup>1</sup> In its Mandatory Notices under 37 C.F.R. § 42.8(a)(2), Patent Owner originally identified itself as Global Cash Access, Inc. Paper 9, 2. Subsequently, Patent Owner filed amended Mandatory Notices representing that it has changed its name to Everi Payments, Inc. Paper 12, 2.

<sup>2</sup> “The Board institutes the trial on behalf of the Director.” 37 C.F.R. § 42.4(a).

<sup>3</sup> The threshold for instituting petitions for post grant reviews—codified at 35 U.S.C. § 324(a)—applies also to petitions for CBM patent reviews. *See* AIA § 18(a)(1).

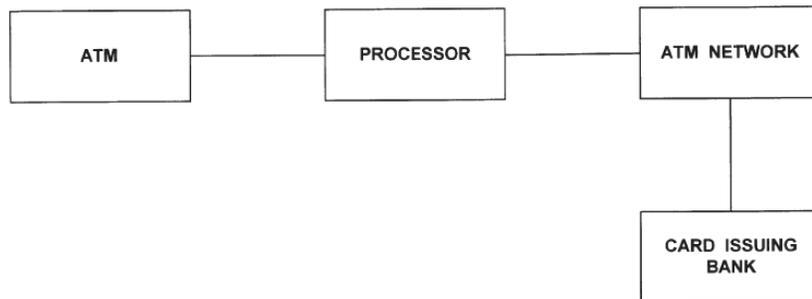
*B. Related Proceedings*

The parties identify the following related matters: (1) *Global Cash Access, Inc. v. NRT Tech. Corp.*, 2:15-dv-00822 (D. Nev.); and (2) *In the Matter of Certain Automated Teller Machines and Point-of-Sale Devices and Associated Software Thereof*, Investigation No. 337-TA-958 (ITC). Pet. 2–3; Paper 9, 3.

*C. The '792 Patent*

The '792 patent relates to a modified automated teller machine (“ATM”) or terminal that allows a customer to obtain cash from an account via various processes such as an ATM process or a point-of-sale (“POS”) process using both debit cards and credit cards. Ex. 1001, 1:6–10.

Figure 1 is reproduced below.



*FIG. 1.*  
PRIOR ART

Figure 1 shows a flow diagram for a prior art method of obtaining cash from an account via an ATM. *Id.* at 3:41–42.

In its “Description of the Prior Art,” the '792 patent notes two problems associated with obtaining cash from prior art ATMs (i.e., via an ATM network). First, with respect to using a debit/ATM card, a bank will typically impose a daily limit on ATM cash withdrawals. *Id.* at 1:35–38.

Second, with respect to using a credit card to obtain cash from an ATM, people often do not know the personal identification number (“PIN”) that is required because they may not regularly use a credit card for that purpose. Ex. 1001, 1:51–54.

According to the ’792 patent, neither of these problems is encountered when using the same cards to make purchases, which occur over a POS network, not an ATM network. With respect to debit/ATM cards, “one can reach [his] ATM limit and not be able to obtain more cash that day from an ATM, but will still be able to purchase goods and services via a point-of-sale transaction because of the distinct and separate limit for point-of-sale transactions.” *Id.* at 1:43–47. With respect to credit cards, PINs are not typically required to make purchases (which is why people often cannot recall their PINs). *Id.* at 1:51–54; 6:10–13.

The ’792 patent describes and claims methods of using a modified ATM or terminal that can access a bank via both an ATM network and a POS network. Figure 2 is reproduced below.

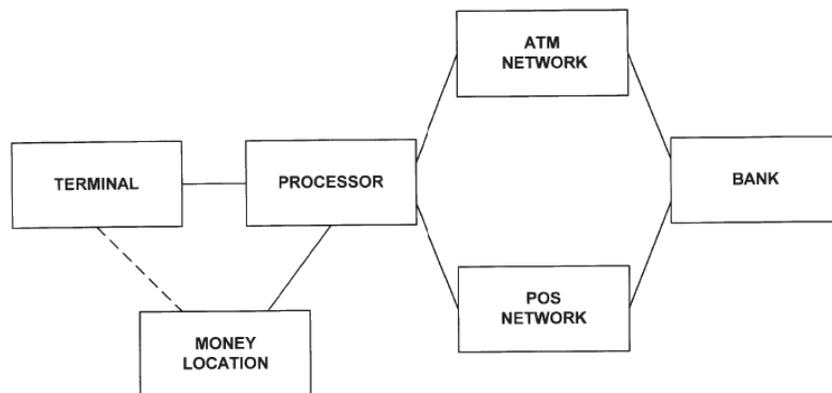


FIG. 2.

Figure 2 shows a flow diagram for obtaining money from an account via an ATM network and via a POS network. *Id.* at 3:43–44. The ’792 patent

describes a method of using a modified ATM such as the terminal depicted in Figure 2, in which a cardholder first attempts to obtain money via a first type of transaction (i.e., conducted over an ATM network) and fails because he has exceeded his ATM daily limit or he cannot remember the PIN for his credit card and subsequently and successfully obtains money via a second type of transaction (i.e., conducted via a POS network). Ex. 1001, 1:58–67, 5:5–28.

The cardholder does not obtain cash (or other valuable item) directly from the terminal when using the POS network. Instead, the terminal informs a nearby money location (such as “cash windows or ‘cages’ within casinos or racetracks, front desks or concierges of hotels, ticket booths, will-call windows or customer service windows at stadiums, coliseums, theaters, stores, or amusement parks”) of the approved transaction. *Id.* at 5:35–36, 5:45–49. The terminal may also issue a “script” or “pre-receipt” for the cardholder to take to the money location. *Id.* at 5:50–53. At the money location, the cardholder obtains the transacted for cash or other item of value, preferably upon presentation of his identification. *Id.* at 5:54–59. In the preferred embodiment, a check drawn against the cardholder’s account is issued at the money location and made payable to the money location owner. *Id.* at 5:60–63.

#### *D. The Challenged Claims*

Petitioner challenges claims 1–9. Pet. 2–3. Claims 1 and 9 are independent, and claims 2–8 ultimately depend from claim 1. Claim 1 is illustrative and reproduced below.

1. A method of providing money or an item of value to an account-holder, the method comprising:  
identifying an account to a terminal;

entering a personal identification number into the terminal;

requesting money or an item of value based upon the account via a first type of transaction;

forwarding the first type of transaction to a processor;

forwarding the first type of transaction from the processor to a first network;

forwarding the first type of transaction from the first network to a bank;

making a denial of the first type of transaction due to exceeded pre-set limit;

forwarding the denial to the processor;

notifying the account-holder at the terminal of the denial of the first type of transaction, and asking the account holder if they would like to request the money or item of value via a second type of transaction;

requesting money or an item of value based upon the account via a second type of transaction;

forwarding the second type of transaction to the processor;

forwarding the second type of transaction from the processor to a second network;

forwarding the second type of transaction from the second network to the bank;

making an approval of the second type of transaction;

forwarding the approval to the processor;

and instructing a money location separate from the terminal to provide money or an item of value to the account-holder.

*E. Asserted Grounds of Unpatentability*

Petitioner identifies the following as asserted grounds of unpatentability:

References	Basis	Claims Challenged
	§ 101	1–9
Akel (Ex. 1006) <sup>4</sup>	§ 102	1–9
Reeder (Ex. 1007) <sup>5</sup>	§ 102	1, 2, 5, 6, 8, 9
Reeder and Akel	§ 103	1–9
Reeder and Admitted Prior Art	§ 103	1–9

Pet. 7.

## II. ANALYSIS

### A. Claim Interpretation

In a CBM patent review, “[a] claim in an unexpired patent shall be given its broadest reasonable construction in light of the specification of the patent in which it appears.” 37 C.F.R. § 42.300(b). Pursuant to that standard, the claim language should be read in light of the specification, as it would be interpreted by one of ordinary skill in the art. *In re Suitco Surface, Inc.*, 603 F.3d 1255, 1260 (Fed. Cir. 2010). Thus, we generally give claim terms their ordinary and customary meaning. *See In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007) (“The ordinary and customary meaning is the meaning that the term would have to a person of ordinary skill in the art in question.”) (internal quotation marks omitted).

For several limitations, Petitioner proposes express constructions, many of which would require, or at least encompass, human involvement in

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<sup>4</sup> U.S. Patent No. 5,457,305, issued Oct. 10, 1995.

<sup>5</sup> U.S. Patent No. 6,014,636, filed May 6, 1997, issued Jan. 11, 2000.

certain steps of the claimed methods. Pet. 7–20. Patent Owner opposes all of Petitioner’s express constructions, and also argues that express construction is not necessary for several of the limitations because their plain and ordinary meaning is readily apparent. We determine that none of the phrases addressed by the parties requires an express interpretation to resolve the issues presented in the asserted patentability challenges.

*B. Petitioner’s Standing*

To have standing, Petitioner must show that: (1) Petitioner “meets the eligibility requirements of § 42.302;” and (2) “the patent for which review is sought is a covered business method patent.” 37 C.F.R. § 42.304(a).

*1. Requirements of 37 C.F.R. § 42.302*

Petitioner asserts that it satisfies the requirements of 37 C.F.R. § 42.302. Pet. 3. First, Petitioner represents that both NRT Technology Corp. and NRT Technologies, Inc. have been sued for infringement, thereby satisfying 37 C.F.R. § 42.302(a). *Id.* Second, Petitioner represents that neither NRT Technology Corp. nor NRT Technologies, Inc. is estopped from challenging the claims on the grounds identified in the Petition, as required under 37 C.F.R. § 42.302(b). *Id.* Patent Owner does not dispute these assertions. We are persuaded that Petitioner meets the eligibility requirements of 37 C.F.R. § 42.302.

*2. Whether the ’792 Patent Is a Covered Business Method Patent*

A CBM patent is defined 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). Patent Owner disputes only that the second

prong of this definition is met, i.e., that the '792 patent is not for a technological invention.<sup>6</sup>

To determine whether a patent is for a technological invention, we consider “whether the claimed subject matter as a whole”: (1) “recites a technological feature that is novel and unobvious over the prior art;” and (2) “solves a technical problem using a technical solution.” 37 C.F.R. § 42.301(b).

Petitioner argues that “all of the claimed features that could possibly be characterized as technological (i.e., terminal, processor, ATM network, POS network) were present in the prior art.” Pet. 4 (citing Ex. 1001, 1:10–61, 3:48–4:23, 4:56–64). Patent Owner does not dispute that the terminal, processor, ATM network, and POS network were present in the prior art. *See* Prelim. Resp. 9. Patent Owner argues, however, that the claims as a whole “rel[y] on a combination of hardware and innovative software to guide the account-holder through the rollover process via a series of prompts to the account-holder and transmitting signals throughout a network.” *Id.* But, Patent Owner does not identify any of the hardware to which this statement refers. And, with respect to purported “innovative software,” none of the examples Patent Owner provides demonstrates a technological feature. *See* Prelim. Resp. 10–11. For example, Patent Owner asserts the following is a technological feature of its software: “notifying the account-holder at the terminal of the denial of the first type of transaction, and asking the account holder if they would like to request the money or item of value

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<sup>6</sup> With respect to the first prong, Petitioner satisfactorily points out that all of the claims are directed to methods used in conducting financial transactions and that all of the claims expressly recite or incorporate “method[s] of providing money or an item of value.” Pet. 4.

via a second type of transaction.” *Id.* at 10. But, displaying declaratory and interrogatory data on a display and soliciting a response thereto is not a technological feature that is novel.

Further, Petitioner argues persuasively that the ’792 patent does not solve a technical problem using a technical solution because existing ATMs already were capable of providing cash to users. The problem in the prior art which the ’792 patent sets out to solve—“obtaining cash from one’s account when their daily ATM limit has been reached” (Ex. 1001, 1:58–60)—is not a technical problem. Rather, it is the effect of withdrawal limits set by banks. Pet. 5 (citing Ex. 1001, 1:35–36; Ex. 1005 ¶ 38<sup>7</sup>).

We determine that the ’792 patent is eligible for CBM patent review.

### C. *Patent-Ineligibility*

Petitioner challenges the claims as patent-ineligible under 35 U.S.C. § 101. Petitioner does not argue that the claims fail to fall within any of the statutory categories set forth in § 101. Rather, Petitioner argues that the claims nonetheless are patent-ineligible because they are directed to nothing more than abstract ideas. Pet. 20 (citing *Diamond v. Diehr*, 450 U.S. 175, 185 (1981), *Alice Corp. Pty Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2356 (2014); *Bilski v. Kappos*, 130 S. Ct. 3218, 3231 (2010)).

Petitioner does not identify directly “the abstract ideas” to which the claims are purportedly directed. *See* Pet. 20–32. But, Petitioner implicitly identifies them as: “providing money to an account holder” and “trial-and-error.” *See* Pet. 21–22 (arguing that the claims “are directed to fundamental economic practices, specifically providing money to an account holder.”), 27

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<sup>7</sup> Exhibit 1005 is a declaration by Peter Alexander, Ph.D.

(arguing that “the ’792 patent claims represent the abstract strategy of trial-and-error as applied to financial transactions.”).

[The Supreme Court] has set forth a framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts. First, we determine whether the claims at issue are directed to one of those patent-ineligible concepts. If so, we then ask, “what else is there in the claims before us?” To answer that question, we consider the elements of each claim both individually and as an ordered combination to determine whether the additional elements transform the nature of the claim into a patent-eligible application. We have described step two of this analysis as a search for an inventive concept—*i.e.*, an element or combination of elements that is sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the ineligible concept itself.

*Alice*, 134 S. Ct. at 2355 (internal citations, brackets, and quotation marks omitted).

As Patent Owner points out, Petitioner has oversimplified the challenged claims. Prelim. Resp. 31. The challenged claims are not directed simply to the idea of providing money to an account holder or using trial-and-error until success is achieved. Rather, the claims are directed to particular methods of providing money to an account holder using an ATM via a POS transaction after an ATM transaction has failed. *See Alice*, 134 S. Ct. at 2354 (“Applications of such concepts to a new and useful end . . . remain eligible for patent protection.”) (internal quotation marks and brackets omitted). Further, Petitioner’s analysis omits any consideration of the elements of the claims *as ordered combinations* to determine whether the additional elements transform the nature of the claims into a patent-eligible application. It was Petitioner’s burden to do so.

Petitioner has not shown that the claims are more likely than not patent-ineligible. *Alice*, 134 S. Ct. at 2354 (“an invention is not rendered ineligible for patent simply because it involves an abstract concept”).

*D. Anticipation by Akel*

Petitioner challenges claims 1–9 as anticipated by Akel. Pet. 7. Akel relates to “credit card cash advance systems and more particularly to an improved and simplified client-operated system that interfaces with any existing bank card authorization system.” Ex. 1006, 1:8–11. It describes a “customer data-input station that is in the form of a kiosk, a customer service station, a credit and debit bank card processing center, a customer transaction booth and a distributed on-line money access card transaction.” *Id.* at 2:50–54; Fig. 1.

Anticipation requires that “each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros., Inc. v. Union Oil Co. of Cal.*, 814 F.2d 628, 631 (Fed. Cir. 1987). “Because the hallmark of anticipation is prior invention, the prior art reference—in order to anticipate under 35 U.S.C. § 102—must not only disclose all elements of the claim within the four corners of the document, but must also disclose those elements ‘arranged as in the claim.’” *Net MoneyIN, Inc. v. VeriSign, Inc.*, 545 F.3d 1359, 1369 (Fed. Cir. 2008) (quoting *Connell v. Sears, Roebuck & Co.*, 722 F.2d 1542, 1548 (Fed. Cir. 1983)).

*1. Claims 1–8*

Independent claim 1 recites a step of “entering a personal identification number into the terminal.” To meet this step, Petitioner quotes

Akel's teaching that "[e]ach system operator requires a **password** to access the system." Pet. 49 (quoting Ex. 1006, 6:59–60) (Petitioner's emphasis).

It is a petitioner's burden to explain how a challenged claim should be construed and how, being so construed, it is unpatentable. 37 C.F.R. § 42.204(b)(3)–(4). Petitioner does not propose an express construction for "personal identification number" and does not show that its plain and ordinary meaning would include a password.

Further, claim 1 requires entering a PIN into the terminal. In the context of the specification and surrounding claim language, this step is part of the claimed "method of providing money or an item of value to an account-holder." The teaching on which Petitioner relies, however, relates to a system operator's back-end access of the Akel system. *See* Ex. 1006, 6:58–62 ("Each *system operator* requires a password to access the system . . .") (emphasis added). Elsewhere, Akel describes a "customer" (distinct from a system operator) as using a kiosk to obtain cash. *Id.* at 2:56–3:11. But, Akel does not describe entering a password into a terminal, let alone a PIN, as part of that process. Thus, even if Akel's password fell within the scope of the recited PIN, the Petition would still fail to show how its use by an operator "to access the system" (see Ex. 1006, 258–60) meets the recited "entering a personal identification number into the terminal" as part of the claimed "method of providing money or an item of value to an account-holder."

Petitioner has not shown that Akel teaches "entering a personal identification number into the terminal." Accordingly, Petitioner has not shown that claim 1, or dependent claims 2–8, are more likely than not anticipated by Akel.

2. *Claim 9*

Independent claim 9 is similar in scope to that of claim 1, but it does not require entering a PIN. Like claim 1, claim 9 requires several steps relating to a first type of transaction, which is ultimately unsuccessful, followed by several steps relating to a second type of transaction, which is successful. As part of this method, claim 9 recites the step of “asking the person if they would like to request the money or item of value via a second type of transaction” following notification of the denial of a first type of transaction. To meet this step, Petitioner argues the following:

Akел further provides that if a request is not authorized, the user may be returned to the main screen where “options are presented in the form of menus.” As such, the customer may select a second transaction, which may be processed similarly to the first transaction.”

Pet. 46 (quoting Ex. 1006, 6:48–49).

Petitioner’s quotation of Akел refers to an *operator’s* back-end access of the Akел system. *See* Ex.1006, 6:46–49 (“The User Interface module 300 present[s] to an operator various options for performing tasks which are carried out by other system modules. These options are presented in the form of menus.”). Thus, Petitioner’s conclusion that *the customer* may select a second transaction is not supported by the cited disclosure of Akел.

Petitioner also relies on the following excerpt from Akел:

The station includes a touchscreen unit 14C or a keypad 14D that functions in combination with an alpha-numeric display 14E. These units function to receive and display the customer’s transaction request, **to query the customer** and to encrypt the customer transaction data.

Pet. 51 (quoting Ex. 1003, 4:32–36) (Petitioner’s emphasis). Although this aspect of Akел relates to the customer and more specifically to asking the

customer *something*, it does not teach asking the customer if he “would like to request the money or item of value via a second type of transaction.” Accordingly, Petitioner has not shown that claim 9 is more likely than not anticipated by Akel.

*E. Grounds Based on Reeder*

Petitioner challenges claims 1, 2, 5, 6, 8, and 9 as anticipated by Reeder, claims 1–9 as obvious over Reeder and Akel, and claims 1–9 as obvious over Reeder and admitted prior art. Pet. 7. But, Reeder is not prior art that may be asserted in a CBM patent review of the ’792 patent.

Petitioner accurately notes that Reeder was filed May 6, 1997, and issued January 11, 2000, but inaccurately concludes that Reeder is prior art under 35 U.S.C. § 102(a).<sup>8</sup> Pet. 56. Section 102(a) states: “A person shall be entitled to a patent unless - (a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent.” 35 U.S.C. § 102(a).

The invention date of the ’792 patent is no later than its filing date, which is January 5, 1998. Although the Reeder application was filed, and thus privately known to Mr. Reeder, before the ’792 filing date, such private knowledge is not within the scope of § 102(a). *See, e.g., Carella v. Starlight Archery & Pro Line Co.*, 804 F.2d 135, 139 (Fed. Cir. 1986) (“The statutory language, ‘known or used by others in this country’ (35 U.S.C. § 102(a)), means knowledge or use which is accessible to the public.”). Reeder was

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<sup>8</sup> The AIA took effect on March 18, 2013. Because the application from which the ’792 patent issued was filed before that date, our citations to 35 U.S.C. § 102 are to its pre-AIA version.

eventually patented of course but not until after the filing date of the '792 patent. For these reasons, Reeder is not prior art under 35 U.S.C. § 102(a), which is the only provision under which the Petition asserted Reeder.

Reeder presumptively is prior art to the '792 patent under a different subsection of the statute, namely § 102(e). However, a reference that is prior art under only § 102(e) may not be asserted in a CBM patent review. Under the AIA, a Petition for a CBM patent review may challenge novelty or non-obviousness of a claim only on the basis of:

(i) prior art that is described by section 102(a) . . . ; or

(ii) prior art that—

(I) discloses the invention more than 1 year before the date of the application for patent in the United States; and

(II) would be described by section 102(a) . . . if the disclosure had been made by another before the invention thereof by the applicant for patent.

AIA § 18(a)(1)(C).

Because Petitioner has not shown that Reeder is prior art that may be asserted in a Petition for a CBM patent review, all of the grounds that rely on Reeder are denied.

### III. CONCLUSION

The information presented in the Petition does not demonstrate that it is more likely than not that any of the claims challenged is unpatentable. Thus, Petitioner has not met the threshold for instituting a CBM patent review.

IV. ORDER

Accordingly, it is

ORDERED that the Petition is denied and no trial is instituted.

CBM2015-00167

Patent 6,081,792

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