Paper No. __

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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MASTERCARD INTERNATIONAL INCORPORATED
Petitioner

v.

LEON STAMBLER
Patent Owner

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Case Number CBM2015-00044
Patent 5,793,302

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PETITIONER'S SUPPLEMENTAL BRIEF REGARDING THE PREAMBLE OF CLAIM 51

"Generally . . . the preamble does not limit the claims." *Am. Med. Sys., Inc. v. Biolitec, Inc.*, 618 F.3d 1354, 1358–59 (Fed. Cir. 2010); *Summit 6, LLC v. Samsung Electronics Co., Ltd.*, 802 F.3d 1283, 1292 (Fed. Cir. 2015); s*ee also Catalina Marketing Intern. v. Coolsavings.com*, 289 F.3d 801, 808 (Fed. Cir. 2002). Where preamble language recites acts that create an environment in which the claimed method occurs, the claim is practiced even if those acts are not performed by the accused infringer. *Advanced Software Design Corp. v. Fiserv, Inc.*, 641 F.3d 1368, 1373–74 (Fed. Cir. 2011) (finding party who did *not* perform the "preamble steps" of "encrypting and printing" a financial instrument to be an infringer, because that party *did* perform the steps recited in the body of the claim, which included validating the financial instrument created by the preamble steps).

I. The Preamble Of Claim 51 Does Not Recite A Required Claim Step

Patent Owner has previously contended that this preamble is not limiting. *See* Ex. 1015 (Claim Construction Order), at 56. Moreover, in accordance with the Federal Circuit's holding in *Advanced Software Design Corp.*, the preamble language is not a required step of the claim; it is merely the environment in which the claimed steps can occur. 641 F.3d at 1374. Additionally, issuance of the credential, as recited in the preamble, does not "breathe life" into the steps in the body of the claim. In particular, the word "credential" appears in the body of claim 51 only in the "determining" step; but there, it appears within the different phrase "credential information." Nothing in the claim requires that a previously-issued

credential be used to establish the recited *credential information*.

The specification, in fact, suggests the opposite. Part (if not most) of the "credential information" exists prior to creation of the credential. For instance, when generating a credential, the trusted official "enters the usual information (INFO) normally contained on a particular credential 145. The user's [Taxpayer ID Number] may also be recorded." Ex. 1001 at 11:34–48. This information is pre-existing at the time of "enrollment," which occurs "prior to or at the time of issuing his credentials." *Id.* at 4:1–8; 8:50–54. The information is coded "to produce a VAN, which is recorded on the credential." *Id.* 12:1–2. Thus, nothing in the claim or specification prevents the determining step from using "credential information" obtained from a source other than a credential, or even using "credential information" that exists prior to creation of the credential.

The specification also provides no description of a "credential" being used during the funds transfer process. Instead, the specification simply analogizes the generation and validation of a "credential" to the generation and validation of a "check". *Id.* at 8:47–49; 11:34–12:27. The only connection between a credential and funds transfer that is described in the specification is that both use the inventor's technique for generating a VAN. *Id.*; *id.* at 1:23–35; 2:7–20. Accordingly, interpreting this funds transfer claim to require that the "credential information" recited in the determining step be first obtained from a previously issued "credential" lacks support in the claim language and specification, and

would render the claim invalid for lack of written description. *See Ariad Pharmaceuticals, Inc. v. Eli Lilly and Co.,* 598 F.3d 1336 (Fed. Cir. 2010).

II. "Previously Issued" Means Before The Determining Step Is Completed

Assuming *arguendo* it limits the claim, "previously issued" means: issued before the determining step is completed. As discussed, nothing in the patent requires the credential to issue before the steps in the claim body occur. At most, the claim language suggests the credential exists before the determining step (which uses credential information) is complete. If the inventor intended a narrower claim, where the credential must issue before the receiving step, he could have written such a claim. *See Interactive Gift Express, Inc. v. Compuserve Inc.*, 256 F.3d 1323 (Fed. Cir. 2001) ("Unless the steps of a method actually recite an order, the steps are not ordinarily construed to require one."); *Johnson WW Assoc., Inc. v. Zebco, Corp.*, 175 F.3d 985, 989 (Fed. Cir. 1999) (claims get their "full meaning").

III. Davies and Meyer Render The Claim Invalid Under Any Reading

Assuming Patent Owner contends (as it did for the first time at the oral hearing) that the claim requires the credential be issued before the receiving step, (Paper 29 (Oral Hearing) at 60:23–61:5), Davies (both by itself, and when combined with Meyer) renders the claim unpatentable under that overly-narrow reading, as Petitioner has previously explained. *See* Paper 19 at 15–16; Paper 29 at 27:19–28:12; 82:12–83:23; 84:18–85:14; 89:12–90:5 (Davies & Meyers).

June 24, 2016

Respectfully Submitted,
/Robert C. Scheinfeld/

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing PETITIONER'S BRIEF REGARDING THE PREAMBLE OF CLAIM 51 was filed and served electronically via e-mail on June 24, 2016, in its entirety on the following:

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