

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

MASTERCARD INTERNATIONAL INCORPORATED  
Petitioner

v.

LEON STAMBLER  
Patent Owner

---

Case Number CBM2015-00044  
Patent 5,793,302

---

**PETITIONER'S RESPONSE TO PATENT OWNER'S REQUEST FOR REHEARING**

Patent Owner raises three issues for rehearing, none of which merit altering the Board's conclusions. Patent Owner first complains the Board did not properly apply the construction of the phrase "credential being previously issued." To the contrary, the Board properly concluded that "Davies need only disclose its customer certificate being issued prior to the 'determining' step." (Paper 32 at 25). Petitioner suggests, however, that the Board clarify its construction to avoid any suggestion that the claim requires that the credential be issued "after the [claimed] step of generating a VAN" *using funds transfer information*. (Paper 32 at 13). As to the Patent Owner's second and third issues, these merely rehash arguments properly rejected by the Board in its Final Written Decision.

**I. The Board Properly Concluded That the Davies Reference Disclosed "A Credential Being Previously Issued," As Recited In the Preamble To Claim 51.**

Patent Owner argues that the Board's construction "requires that the credential be issued 'after the step of generating a VAN'" and that Davies does not disclose this because, in Davies, the credential is issued before the VAN is generated. Without waiving its contention that the preamble is not limiting (*see* Paper 30), Petitioner respectfully suggests that the Board clarify its construction to eliminate any suggestion that the claim requires that the credential be issued after the claimed step of generating a VAN *using funds transfer information* is performed. Although the specification contemplates that a credential is not issued

until after the generation of *a certain type* of VAN ((Ex. 1001 at 11:65-12:8) (*cited in* Final Written Decision at 12)), the VAN described in that portion of the specification is not generated *using funds transfer information*, unlike the VAN in claim 51.

In relevant part, the specification describes two types of VANs: (1) a VAN generated using “credential information,” such as a name or taxpayer ID, that is affixed on a “credential” such as a driver’s license (Ex. 1001 at 8:45-58, 11:65-12:8, 12:15-27) and (2) a VAN generated using “funds transfer information,” such as a check number and amount that is affixed on a check (Ex. 1001 at 5:15-27). In both cases, the VAN can later be authenticated, such as by decoding the received VAN or by re-generating the VAN and comparing it to the one appearing on the document to be authenticated. (*Id.* at 5:55-57, 6:66-7:15, 8:45-49). Claim 51 appears to combine both of these concepts, insofar as it discusses a “credential” in the preamble, and a VAN generated “using . . . funds transfer information” in the claim body. Indeed, claim 56, which depends from claim 51, includes the further limitation that a second VAN (“VAN1”), is generated, which “secure[s] at least a portion of the credential information to the at least one party.” Thus, the funds transfer VAN discussed in claim 51 need not be generated before the credential is issued. Instead, only the credential VAN (“VAN1”) discussed in dependent claim 56 must be generated before the credential is issued.

Therefore, to the extent the preamble is limiting, it would only require that the credential is issued after a generating a VAN using “credential information.” The step of “generating a variable authentication number (VAN)” that is recited in the body of claim 51, however, relates to the other type of VAN (*i.e.* the VAN generated “using . . . funds transfer information”). Accordingly, the Board should revisit its claim construction to clarify that, while the credential must be issued after generating *a* VAN (*i.e.*, the “VAN1” recited in claim 56), the credential need not be issued after the *claimed* step of generating a VAN *using funds transfer information* occurs as recited in claim 51.

Under that construction, Davies renders the claims unpatentable. In particular, Davies discloses a credential including at least the customer’s identity and public key (Paper 19 (Pet.’s Reply) at 17-18). The credential of Davies includes *a* VAN (the bank’s digital signature on the customer’s certificate) (Paper 7 (Pet.) at 74). The Board correctly concluded that the credential of Davies is “previously issued.” (Paper 32 at 25-26).

## **II. Patent Owner’s Remaining Arguments Merely Rehash Issues The Board Correctly Resolved.**

Patent Owner asserts two additional arguments. First, Patent Owner repeats its facially-flawed argument that Davies’ disclosure of “payee identity” is not “information for identifying the account” of the payee and complains the Board failed to analyze the relevant evidence. The Board properly applied the relevant

evidence of record which belies Patent Owner's argument. (Paper 32 at 26) (discussing Davies' check and ATM disclosures, and cross examination testimony of Mr. Diffie and Dr. Nielson).

Patent Owner also cites to Mr. Diffie's deposition testimony regarding whether Davies discloses an "account number" in the payee identity field. (Paper 33 at 9). This is irrelevant, as the claim does not require an account number — a reality that Patent Owner continues to ignore. (*Cf.* Paper 19 (Pet.'s Reply) at 9-10 ("this claim does not require specific account identification")). The evidence in this case is unequivocal: information for identifying the account of both the payor and payee are present in Davies. (Ex. 2005 at 71:3-7, 71:16-72:9; Paper 19 at 19-21).

Patent Owner's second argument merely rehashes the issue whether all claimed steps must be performed by a single entity. Patent Owner asserts the Board ignored its "enablement" argument, purportedly supported by its expert witness. But Patent Owner's expert admitted that he did not rely on lack of enablement in interpreting the claims, only on lack of written description. (Ex. 1023 at 46:18-47:8, 62:6-63:10, 66:21-67:22, 69:20-70:14). Contrary to Dr. Nielson's written testimony, the specification *does* describe the steps being performed by different entities. (Paper 19 (Pet.'s Reply) at 3-6; Ex. 1023 at 86:8-87:10, 78:2-79:4). Indeed, Dr. Nielson eventually admitted that multi-entity

performance is the only embodiment shown in the patent figures. (Ex. 1023 at 37:24-39:9, 44:12-45:18, 51:18-53:3). Patent Owner's argument is therefore without merit.

/Robert C. Scheinfeld/  
Robert C. Scheinfeld  
Eliot D. Williams

Baker Botts LLP  
Counsel for Petitioner

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the foregoing PETITIONER'S RESPONSE TO PATENT OWNER'S REQUEST FOR REHEARING was filed and served electronically via e-mail on August 12, 2016, in its entirety on the following:

Robert P. Greenspoon  
Flachsbart & Greenspoon, LLC  
333 N. Michigan Ave., Suite 2700  
Chicago, IL 60601  
Telephone: (312) 551-9500  
rpg@fg-law.com

/Robert C. Scheinfeld/

Robert C. Scheinfeld  
Counsel for Petitioner