

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GLOBAL TEL*LINK CORPORATION,
Petitioner

v.

SECURUS TECHNOLOGIES, INC.,
Patent Owner

Case CBM2017-00044
Patent No. 8,340,260

**PETITION FOR COVERED BUSINESS METHOD REVIEW OF CLAIMS
2, 5, 8, 9, 11, 12, AND 14-18 OF U.S. PATENT NO. 8,340,260**

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EXHIBIT LIST

Exhibit No.	Description
1001	U.S. Patent No. 8,340,260 to Rae, issued December 25, 2012
1002	Declaration of Dr. Leonard J. Forys in Support of Petition for <i>Inter Partes</i> Review of U.S. Patent No. 7,529,260
1003	Dr. Leonard J. Forys <i>Curriculum Vitae</i>
1004	SR-4717, “Voice Over Packet in Next Generation Networks: An Architectural Framework,” Bellcore, January 1999
1005	U.S. Patent Application Publication No. 2004/0029564 to Hodge, published February 12, 2004
1006	U.S. Patent No. 6,831,556 to Boykin, issued December 14, 2014
1007	U.S. Patent No. 5,861,810 to Nguyen, issued January 19, 1999
1008	“Criminal Calls: A Review of the Bureau of Prisons’ Management of Inmate Telephone Privileges” (U.S. Department of Justice, Office of the Inspector General, August 1999)
1009	<i>Securus Technologies, Inc. v. Global Tel*Link Corporation</i> , No. 3-16-cv-01338, Complaint (N.D. Tex. May 13, 2016)
1010	U.S. Patent No. 4,054,756 to Comella, <i>et al.</i> , issued October 18, 1977
1011	PacketCable™ 1.0 Architecture Framework Technical Report, PKT-TR-ARCH-V01-001201 (Cable Television Laboratories, Inc. 1999)
1012	Bur Goode, Voice Over Internet Protocol (VoIP), Proceedings of the IEEE, Vol. 90, No. 9, 1495–1517 (Sept. 2002)
1013	U.S. Patent No. 7,899,167 to Rae, issued March 1, 2011
1014	U.S. Patent No. 7,505,406 to Spadaro, <i>et al.</i> , issued March 17, 2009
1015	<i>BubbleLINK Software Architecture</i> , Science Dynamics Corporation, 2003.
1016	BOP Historical Timeline, http://www.bop.gov/about/history/timeline.jsp (last accessed October 11, 2016)

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Exhibit No.	Description
1017	SENTRY Audit Report No. 0325, U.S. Department of Justice, Office of the Inspector General, July 2003
1018	“Privacy Impact Assessment for the SENTRY Inmate Management System,” U.S. Department of Justice, Federal Bureau of Prisons, July 2, 2012
1019	“Inmate Security Designation and Custody Classification Program Statement,” U.S. Department of Justice, Federal Bureau of Prisons, September 12, 2006
1020	U.S. Patent No. 7,197,560 to Caslin, issued March 27, 2007
1021	“SIP and IPLink in the Next Generation Network: An Overview,” Intel Corporation, 2001.
1022	Commander II, http://www.scidyn.com/products/commander2.html (archived by web.archive.org on March 6, 2002)
1023	SR-2275, “Bellcore Notes on the Networks,” Bellcore, December 1997.
1024	<i>Engineering and Operations in the Bell System</i> , Second Edition, AT&T Bell Laboratories, 1984
1025	Pages from http://www.corp.att.com/history , archived by web.archive.org on November 4, 2013.
1026	U.S. Patent No. 4,191,860 to Weber, issued March 4, 1980

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Petitioner, Global Tel*Link Corporation (“GTL”), petitions for Covered Business Method (“CBM”) review of dependent claims 2, 5, 8, 9, 11, 12, and 14-18, the sole remaining claims in U.S. Patent No. 8,340,260 (“the ’260 patent”). The Board previously found independent claims 1 and 10 and dependent claims 3, 4, 6, 7, 13, 19, and 20 unpatentable. *Global Tel*Link Corporation v. Securus Technologies, Inc.*, IPR2014-00824, Paper 36, Final Written Decision (P.T.A.B. Dec. 2, 2015).

The claims of the ’260 patent are directed to managing inmate information and communications for multiple facilities at a remote, centralized location. In particular, the ’260 patent describes “centralized or nodal inmate management and telephone call processing capabilities.” (Ex. 1001, ’260 patent, 2:62-65.) The inmate management and telephone call processing system “serves a plurality of controlled environment facilities” and “includes an inmate information database to provide data aggregation and sharing capabilities across several facilities, in addition to call processing functionality.” (*Id.*, 2:66-3:7.)

Remote, centralized call processing and shared information management were well-known before July 2007, the alleged priority date of the challenged claims of the ’260 patent. Dr. Leonard Forys, who has nearly 50 years of experience working in the telecommunications industry, explains that the purported invention of the ’260 patent, centralizing information management was

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standard practice in telecommunications for at least four decades prior to the filing date of the '260 patent. Prison systems also followed these trends and incorporated centralization well before the '260 patent. For example, the Federal Bureau of Prisons (BOP) centralized storage and management of inmate data in its SENTRY database as early as 1978. Federal prison facilities accessed the centralized SENTRY database to load, update and manage inmate records.

Centralization of call processing was also known and established in the prison environment prior to the alleged priority date of the challenged claims. For example, U.S. Patent No. 4,054,756 to Comella, issued in 1977, introduced centralized call processing facilities to service collect calls. These centralized platforms handled inmate calls from remote prison facilities. (Ex. 1002, Forys Decl., ¶54.) U.S. Patent No. 7,505,406 to Spadaro applied the well-known centralization concept to inmate communications systems utilizing Voice over Internet Protocol (VoIP) networks more than six years before the filing date of the '260 patent. Further, U.S. Patent Application Publication No. 2004/0029564 to Hodge applies shared information management to centralized prison call processing platforms prior to the alleged July 2007 priority date.

The '260 patent is a covered business method ("CBM") patent because at least challenged claims 8, 9, 16, and 17 recite systems or methods that have particular uses "in the practice, administration, or management of a financial

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product or service.” Specifically, these claims recite “inmate accounts for charging fees to the third parties associated with the inmates” (’260 patent, 26:8-9.)

The financial nature of the subject matter is confirmed by its corresponding description in the specification, which provides that “[t]he account may be a pre-paid account, a post-paid account, a debit account, a credit account, or the like.”

(’260 patent, 3:41-43; *see also id.*, 18:43-46.) Accordingly, at least claims 8, 9, 16, and 17 fall squarely within the definition of a CBM patent.

The ’260 patent is not a technological invention. The ’260 patent assumes the use of conventional equipment for its ordinary purpose in a well-known environment. Nothing recited in the claims is distinguishable over the prior art. Nor does the ’260 patent solve a technical problem with a technical solution. Rather, the ’260 patent alleges that its invention is “centralized or nodal inmate management.” (’260 patent, 2:62-65.) But the concept of centralization is not an inventive technological solution. For example, the Federal BOP centralized management of inmates and associated data for decades prior to the alleged priority date of the challenged claims. And as Dr. Forys explains in his Declaration, it has always been advantageous to centralize records, including inmate records. The ’260 patent relates fundamentally to organizing human activities and information about inmates. Thus, it is not technological in nature.

With respect to unpatentability, the challenged claims fail to recite patent-

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eligible subject matter under 35 U.S.C. § 101. Specifically, claims 2, 5, 8, 9, 11, 12, and 14-18 are directed to the abstract idea of centrally, remotely managing inmate information. The claims recite conventional equipment used for its ordinary purpose and otherwise attempt to cover longstanding, prevalent ways of organizing human activities and inmate information. A high level of preemption risk exists in this case because the challenged claims at best require only that the recited functions and steps be performed using generic computer-based systems, conventional telephones, and off-the-shelf networking equipment. Indeed, a person using generic equipment to centrally, remotely manage inmate information would be preempted by these broad and abstract claims. Accordingly, the Board should find claims 2, 5, 8, 9, 11, 12, 14, 15, 16, 17, and 18 to be subject-matter ineligible.

I. Mandatory Notices

REAL PARTY-IN-INTEREST: The real party-in-interest of Petitioner is Global Tel*Link Corporation (“GTL”).

RELATED MATTERS:

The ’260 patent is the subject of the following civil action: *Securus Technologies, Inc. v. Global Tel*Link Corporation*, No. 3-16-cv-01338 (N.D. Tex.).

The ’260 patent claims the benefit of U.S. Patent Nos. 7,529,357 (“the ’357 patent”), filed July 12, 2007; and 7,899,167 (“the ’167 patent”), filed August 15,

2003.

The '260 patent was the subject of *inter partes* review proceeding IPR2014-00824, filed May 27, 2014. The '357 patent was the subject of *inter partes* review proceeding IPR2014-00825, filed May 27, 2014. The '167 Patent was the subject of *inter partes* review proceeding IPR2014-00493, filed March 10, 2014.

Petitioner is concurrently filing a petition for covered business method review of the '357 patent.

LEAD AND BACKUP COUNSEL: Pursuant to 37 C.F.R. § 42.8(b)(3) and 42.10(a), Petitioner appoints **Lori A. Gordon** (Reg. No. 50,633) as its lead counsel and **Michael B. Ray** (Reg. No. 33,997) and **Ryan C. Richardson** (Reg. No. 67,254) as its back-up counsel, all at the address: STERNE, KESSLER, GOLDSTEIN & FOX, 1100 New York Avenue, N.W., Washington, D.C., 20005, phone number (202) 371-2600 and facsimile (202) 371-2540.

SERVICE INFORMATION: Petitioner consents to electronic service by email at the email addresses: **lgordon-PTAB@skgf.com**, **mray-PTAB@skgf.com** and **rrichardson-PTAB@skgf.com**.

II. Identification of Challenge

GTL requests review of claims 2, 5, 8, 9, 11, 12, and 14-18 as unpatentable under 35 U.S.C. § 101.

III. Grounds for Standing

A. GTL meets the eligibility requirements to file the present petition.

1. GTL has standing.

A party may not file a petition for covered business method (“CBM”) review unless the person or the person’s real party-in-interest or privy has been sued for infringement of the challenged patent or has been charged with infringement under that patent. *See* AIA § 18(a)(1)(B); 37 C.F.R. §§ 42.206, 42.302(a), 42.304(a). The Patent Owner, Securus, charged GTL with infringement of the ’260 patent on May 13, 2016. (*See* Ex. 1009, Complaint in *Securus Technologies, Inc. v. Global Tel*Link Corporation*, No. 3-16-cv-01338 (N.D. Tex.).)

Accordingly, “a real and substantial controversy regarding infringement of a covered business method patent exists” and GTL has standing to file the instant petition for CBM review. 37 C.F.R. § 42.302(a).

2. GTL is not estopped.

In the present CBM petition, GTL presents a single ground of unpatentability, challenging the remaining claims of the ’260 patent as failing to recite patent eligible subject matter. Estoppel for proceedings before the Office is provided in Section 315(e)(1) of Title 35:

(1) Proceedings before the Office—The petitioner in an inter partes review of a claim in a patent under this chapter that results in a final written decision under section 318(a) ... may not

request or maintain a proceeding before the Office with respect to that claim on any ground that the petitioner **raised or reasonably could have raised during that inter partes review.**

35 U.S.C. § 315(e) (emphasis added). Statutory challenges based on eligibility under 35 U.S.C. § 101 cannot be raised during an *inter partes* review proceeding. Therefore, GTL is not estopped from challenging the remaining claims under 35 U.S.C. § 101.

3. GTL has not filed a civil action challenging the validity of a claim of the patent.

GTL and the undersigned certify that GTL has not filed a civil action challenging the validity of any remaining claim of the '260 patent.

B. The '260 patent is a business method patent.

Congress defined the term “covered business method patent” to mean 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); 37 C.F.R. § 42.301(a).

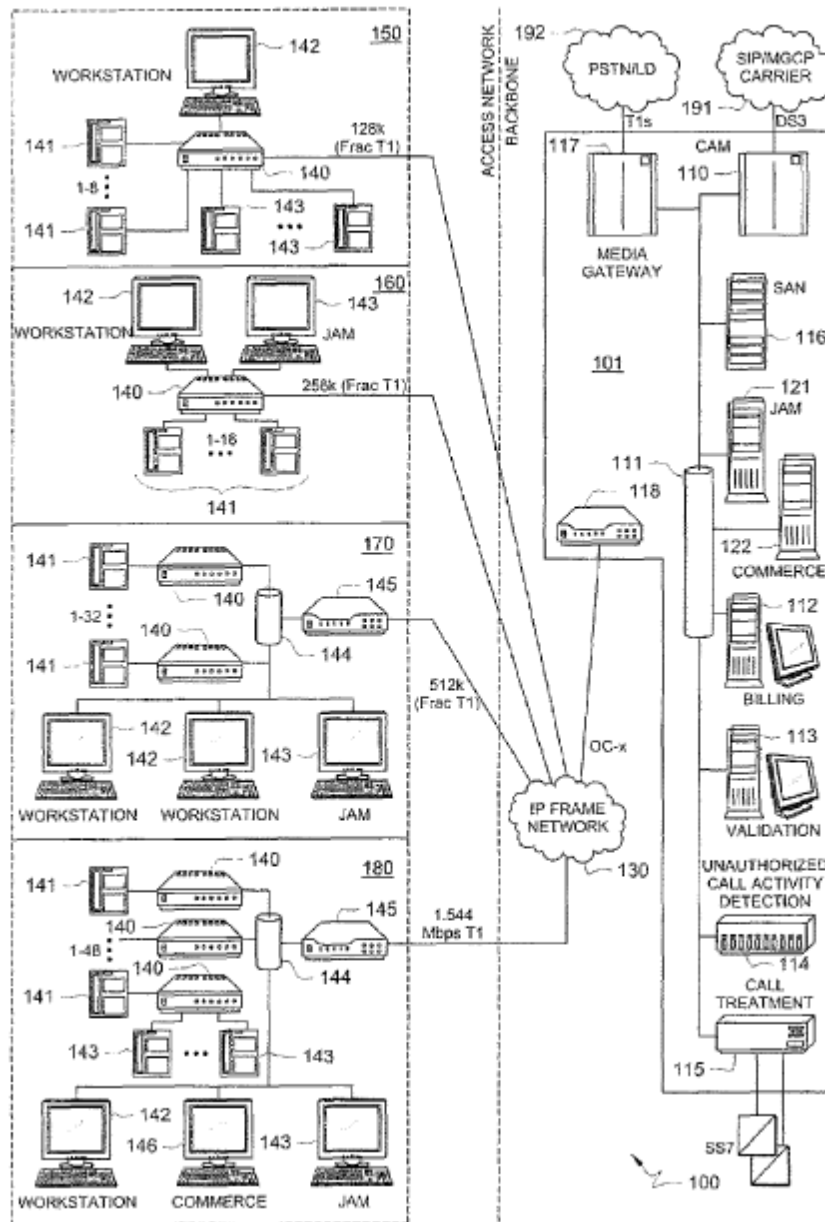
The claims in the '260 patent recite the practice, administration and management of a financial product or service — storing/establishing accounts for charging fees (claims 8/16) and charging fees to those accounts (claims 9/17). And these claims are not directed to technological inventions. Therefore, the '260 patent

is eligible for CBM review.

1. Overview of the '260 patent.

The '260 patent describes “systems and methods that provide centralized or nodal inmate management and telephone call processing capabilities.” ('260 patent, Abstract.) Figure 1 of the '260 patent (reproduced below) illustrates the components of the centralized or nodal inmate management system (centralized call processing platform 101). As shown in Figure 1, the call processing platform 101 provides calling and related services to multiple facilities 150, 160, 170 and 180.

FIG. 1



The '260 patent describes the use of VoIP to transport calls handled by the centralized call processing platform. (*See, e.g., '260 patent, 4:14-21.*) The call processing platform 101 communicates with one or more call processing gateways 140 located at or near facilities 150-180 via network 130. (*See, e.g., id., 6:40-42.*)

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A router/switch 118 at the centralized platform (referred to in the claims as a “networking device”) is coupled to network 130 to receive data packets from the plurality of facilities. (*See, e.g., id.*, 15:32-39.)

Neither the ’260 patent nor its parent, the ’167 patent, purports to invent new call processing functionality or new VoIP functionality. (*See id.*, 7:20-23.) Indeed, the Board found all claims of the ’167 VoIP call processing patent unpatentable and the Federal Circuit affirmed the Board’s decision. *Global Tel*Link Corporation v. Securus Technologies, Inc.*, IPR2014-00493, Paper 32 at 81, Final Written Decision (P.T.A.B. Sept. 11, 2015); *Securus Technologies, Inc. v. Global Tel Link Corporation*, Appeal No. 2016-1372, 2016-1373, Fed. Cir. R. 36 Affirmance (December 8, 2016). Instead, the ’260 patent merely adds shared information management functionality to the unpatentable centralized call processing system. (’260 patent, 1:60-62 (“The present invention relates generally to information systems, and more particularly, to systems and methods for inmate management and call processing.”).) According to the ’260 patent, “the centralized configuration of inmate monitoring and call processing system 100 may be utilized to provide data sharing, aggregation, and/or analysis across a plurality of controlled environment facilities . . . to collect intelligence, to improve facility management, to minimize administrative burden, etc.”). (’260 patent, 14:35-43.) However, these motivations were not new—the same motivation drove centralization of

information management in the telecommunications industry and in prison systems for decades prior to the filing date of the '260 patent. (Forys Decl., ¶¶38-57.)

2. The '260 patent claims activities that are financial in nature.

A patent need only have one challenged claim directed to a covered business method to be eligible for CBM review. 77 Fed. Reg. 48,734, 48,736 (Aug. 14, 2012); *see also Versata Dev. Grp., Inc. v. SAP Am., Inc.*, 793 F.3d 1306, 1327 (Fed. Cir. 2015) (affirming Board decision based on single claim standard). Furthermore, a challenged claim's recitation of financial terminology, or a method step requiring the movement or transfer of money, generally signals a financial product or service. *See Apple Inc. v. SightSound Techs., LLC*, CBM2013-00020, Paper 14 at 11-15, Institution Decision (P.T.A.B. Oct. 8, 2013) (finding "transferring money electronically" to be financial in nature); *aff'd SightSound Techs., LLC v. Apple Inc.*, 809 F.3d 1307 (Fed. Cir. 2015).

At least four of the challenged claims—claims 8, 9, 16 and 17—are directed to financial services. For example, claims 8 and 16 both explicitly recite an apparatus used in the practice of a financial service using financial terminology: storing or establishing "*inmate accounts for charging fees to*" third parties associated with the inmates or the inmate account. Claim 9 which depends from claim 8, recites a financial service using financial terminology: "*charg[ing] for expenses incurred by said inmate[s] for an activity other than placing the calls.*"

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(*See also* claim 17 (similar).) Thus, on their face, claims 8, 9, 16 and 17 cover financial activities related to charging monetary fees for a good or a service. The rest of the claim language specifies how the charged fees/expenses are used (e.g., connecting phone calls or other activities). Thus, these claims fall within the statutory definition of a CBM patent. *See, e.g., Square, Inc. v. Unwired Planet, LLC*, CBM2014-00156, Paper 40 at 9-10, Final Written Decision (P.T.A.B. Dec. 22, 2015) (finding claims for “controlling transactions” and “charging the correlated transaction amount to a source funds identified by the user to allow completion of the desired transaction” to meet the financial services requirement).

The specification confirms that the subject matter of the challenged claims is a financial product or service. An inmate account “may be a pre-paid account, a post-paid account, and debit account, a credit account, or the like.” (’260 patent, 3:38-43; *see also id.*, 18:43-46.) When the inmate account is a debit account, for example, “the inmate, or family and friends thereof, may deposit funds” and such “funds of an inmate debit account may later be utilized for such services as placing telephone calls from within the controlled environment facility.” (’260 patent, 19:18-24.) In addition, the “debit card amounts may be debited real time by billing system 112 and the debit card threshold monitored by validation system 113 to shut off a call immediately upon crossing the debit card threshold.” (*Id.*, 13:20-24; *see also id.*, 14:34-39.) The ’260 patent’s emphasis on facilitating the transfer of

funds into inmate accounts from third parties, and the purchasing of goods or services with these accounts demonstrates unequivocally that the claims are financial in nature and cover financial activities and apparatuses.

3. The '260 patent does not claim a “technological invention.”

Even if a patent includes claims otherwise eligible for CBM review, the statute precludes review if the claims cover “technological inventions.” AIA § 18(d)(1). The test for whether the patent is for a technological invention, and therefore exempt from CBM review, is a two-pronged inquiry. First, the Board must determine “whether the claimed subject matter as a whole recites a technological feature that is novel and unobvious over the prior art.” 37 C.F.R. § 42.301(b). Second, the Board must determine whether the claimed subject matter “solves a technical problem using a technical solution.” *Id.* The challenged claims of the '260 patent, including claims 8, 9, 16 and 17, fail both inquiries.

a. The remaining claims are not novel or nonobvious.

Each of the remaining claims of the '260 patent depend from independent claims 1 and 10. But, independent claims 1 and 10 are not novel or nonobvious. The Board previously found the independent claims obvious over the combination of U.S. Patent No. 7,505,406 to Spadaro (“Spadaro”) and U.S. Patent No.

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7,333,798 to Hodge (“the Hodge patent”)¹. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 35-52, 67.

The subject matter of the remaining dependent claims is also not novel or nonobvious, merely using the prior art technology of the independent claims to accomplish well-known processes such as establishing or storing a financial account and notifying a third-party of a condition.

Claims 2 and 14, reciting the types of information that **may** be included in an inmate record, are not novel or nonobvious. (Forys Decl., ¶¶58-62, 80-84.) The claims require that the inmate records comprise at least one of “*physical description*,” “*social security numbers*,” “*driver’s license numbers*,” “*biometric data*,” “*information related to the arrest of*,” and “*contact information of third parties*” associated with one or more inmate. The ’260 patent itself recognizes that at least one of these types of information—information related to arrest of the

¹ The Hodge patent published on February 12, 2004 as U.S. Patent Publication No. 2004/0029564. Because the Hodge publication qualifies as prior art under 35 U.S.C. § 102(b) based on Patent Owner’s representations regarding the invention date of the challenged claims, Petitioner cites to the Hodge publication in this proceeding.

inmates—was collected and stored in the existing inmate management systems. (See, e.g., '260 patent, 2:5-19, 2:49-51 (collected inmate information included information “identifying the individual, describing the reason for arrest or detention” as well as photographs and fingerprints of the inmate).) Additionally, Hodge teaches that an inmate record includes “*biometric data of ... inmates.*” In Hodge, “biometric data may be required to access the system.” (Ex. 1005, Hodge Publication, ¶[0056].) The biometric data “may be acquired from users...upon the creation of a telephone account for use with the system” and “may be stored along with the user’s PIN in the user’s account profile or another storage means to be used later as an authentication device.” (*Id.*)

The inmate records of Hodge also include “*contact information of third parties associated with the inmates.*” Hodge discloses that the call processing system “access[es] a list of telephone numbers that the inmate may not call.” (*Id.*, ¶[0010].) These “blocked” telephone numbers are “*contact information*” associated with each inmate, specifying the individuals that the inmate is prohibited from contacting to ensure that the inmate does not threaten or harass these individuals. “For example, a convicted criminal would be blocked from ever calling his previous victims.” (*Id.*, ¶[0328].)

In addition, the Federal BOP’s centralized SENTRY system database stored inmate records that included a wide-variety of data associated with an inmate

including the inmate's name, a physical description of the inmate, the inmate's social security number, and information related to the arrest of the inmate. (*See, e.g., Ex. 1017, SENTRY Audit Report, p. 2; Ex. 1019, SENTRY Program Statement, pp. 26-41.*) This centralized data could be accessed and modified from any terminal at any of the Federal prison facilities. (*See, e.g., SENTRY Audit Report, p. 2.*)

Claims 5 and 12, limiting the facility of the independent claims to a “*mobile police station*,” are also not novel or nonobvious. (Forys Decl., ¶¶63-65, 77-79.) The specification only mentions the term “*mobile police station*” once: “If the officer decides to arrest the individual, the inmate or an arrestee is typically picked up by a police squad car (or any other mobile police station)” (’260 patent, 15:28-32.) Thus, a police squad car is a type of mobile police station. The background of the ’260 patent admits that a “*mobile police station*” such as police squad cars were known facilities where data could be gathered, stating that the initial inmate information “may be collected, for instance, in a patrol car or the like.” (*Id.*, 2:7-8.) Additionally, Boykin teaches acquiring inmate information in mobile environments such as a police vehicle. (Ex. 1006, Boykin, 1:47-60, 2:15-19.) For example, Boykin describes “an effective and efficient method for capturing, transmitting, and storing potential evidentiary video and related information in mobile environments.” (*Id.*, 1:47-50.) A mobile server is also

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provided for “integrating and storing the captured information in the vehicle” as well as for “transmitting the captured information from the vehicle to a second location, such as a building.” (*Id.*, 1:57-60.) Boykin describes many different mobile environments in which his system can be employed, including “police, fire, and rescue vehicles.” (*Id.*, 2:15-19.)

Claims 8 and 16 are not novel or nonobvious. (Forys Decl., ¶¶66-71, 90, 91.)

Claim 8 depends from claim 7 which recites that “*the inmate management system is further configured to control access to the inmate records based on logon information received from the computer terminals.*” Controlling access to stored data based on logon information (e.g., user ID and password) was known and commonly used prior to the 2007 filing date of the ’260 patent. (Forys Decl., ¶¶67.) The Board found that the combination of Spadaro and the Hodge patent rendered claim 7 obvious. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 52-54, 61.

The storage of “*inmate accounts for charging fees to the third parties associated with the inmates for connecting calls placed by the inmates from the plurality of telephone terminals*” (claim 8) and the establishment of “*an inmate account for charging fees to the third party for connecting calls placed by the inmate associated with the inmate account*” (claim 16) are also not novel or nonobvious. Hodge’s call processing system software “can create a debit account

for each user.” (Hodge Publication, ¶[0052].) Payment for an inmate’s call is then “subtracted from the account after its completion.” (*Id.*) Hodge further discloses that a third party can control account funds:

The inmate debit account may alternatively be controlled by the inmate’s family. For example, the inmate’s family may control the inmate’s access to the debit account either remotely (e.g., by using the Internet, accessing a toll-free/pay to dial telephone number, using a mail form, etc.) or by visiting the prison facility. The inmate’s family **may add funds** to the debit account and thereby control the call volume allowed to the inmate.

(*Id.*, ¶[0007] (emphasis added).) Through this mechanism, fees associated with the connection of calls placed by the inmates are charged to the family (third party) via the debit account. (Forys Decl., ¶¶70, 71.)

Claims 9 and 17 narrow claims 8 and 16 respectively by providing that inmate accounts are used for charging expenses other than telecommunications usage, which would include activities such as commissary usage. Specifically, claim 9 which depends from claim 8, recites: “*charg[ing] for expenses incurred by said inmates for an activity other than placing the calls.*” See also claim 17 (similar). Using inmate accounts for telecommunication and activities such as commissary usage was well-known prior to the filing date of the ’260 patent. (Forys Decl., ¶¶72, 73, 92, 93.) Hodge teaches or suggests that inmate accounts

that may be used for telephone calls and commissary purchases. As described in Hodge, “telephone communication systems in penal institutions provide an inmate with a telephone account upon arrival ... The cost of each call is then deducted from the total amount in the inmate’s account until no balance remains.” (Hodge Publication, ¶[0006].) Hodge then describes that “[i]n addition, or **alternatively**, an inmate may be assigned a commissary account, where funds are added to the account based on work performed by the inmate. As the funds increase, the inmate may **apply these funds to the cost of placing telephone calls.**” (*Id.*, ¶[0007] (emphasis added).) Hodge therefore discloses inmate accounts for charging expenses incurred for activities other than placing calls.

Claim 11 merely requires that “*first inmate information is received upon said inmate’s arrest.*” The timing of data receipt is not novel or nonobvious. (Forys Decl., ¶¶74-76.) The background of the ’260 patent admits that the authorities collect inmate information at the time of arrest, explaining that the arresting officer obtains inmate information including information “identifying the individual, [and] describing the reason for arrest or detention.” (’260 patent, 2:4-7.) Receiving information about an individual upon arrest has happened for as long as there have been arrests. Furthermore, Hodge discloses that “telephone communication systems in penal institutions provide an inmate **with a telephone account upon arrival.**” (Hodge Publication, ¶[0007] (emphasis added).) At least with respect to

the police station facility, an inmate's "arrival" often is equivalent to his arrest.

(Forys Decl., ¶76.) Indeed, an inmate would have a great need for access to a telephone just after his or her arrest. (*Id.*)

Claim 15, reciting "*notifying said third party of said inmate's arrest based on the contact information*" of a third party associated with the inmate, is also not novel or nonobvious. (Forys Decl., ¶¶85-89.) Nguyen describes a control station that "automatically calls and informs the victim" of a crime of the change in status of an inmate. (Ex. 1007, Nguyen, 2:3-5.) Notifying the victim or another third-party of the arrest of the inmate is thus just the application of conventional technology for its usual and intended purpose. (Forys Decl., ¶87.)

Claim 18 is also not novel or nonobvious. (Forys Decl., ¶¶94-97.) Claim 18 has two limitations. The first, "*notifying said third party of transfer of the inmate from one facility of the multiple facilities to another facility of the multiple facilities,*" was known. For example, as discussed above, the transfer of an inmate is a status change that would prompt the control station of Nguyen to "automatically call[] and inform[] the victim." (Nguyen, 2:3-5.) And, the second, "*establishing another inmate account associated with said third party responsive to transferring the inmate to the other facility,*" was also known. In Hodge, "[a] user must have a system account established in order to make telephone calls from a specific facility." (Hodge Publication, ¶[0285].) Hodge explains that "[w]hen an

inmate is transferred from one facility to another, only the inmate's account information, [class of service (COS)], and telephone lists are transferred to that facility.” (*Id.*) Therefore, in Hodge, when an inmate is transferred, a new account needs to be established at the new facility and it would presumably be based on the transferred account information. (Forys Decl., ¶97.)

b. The claims do not solve a technical problem with a technical solution.

The challenged claims of the '260 patent do not solve a technical problem, either with respect to existing inmate management or call processing systems. Rather, the '260 patent identifies the problem to be solved as organizational: “each police, county, state, and federal authority implements its own inmate data collection and management system” such that “[t]he information collected by these different facilities is not connected in any way, and investigators must visit or contact each such entity when seeking information related to a single case or person.” ('260 patent, 2:49-58.) This is not a technical problem. It is a problem related to organizing human activities and information about inmates in distributed prison systems.

Nor does the '260 patent purport to provide a technical solution to the identified problem. The '260 patent alleges that its invention is “centralized or nodal inmate management.” (*Id.*, 2:62-65.) But the concept of centralization is not

a technological solution. And it has always been advantageous to centralize records, including inmate records. (Forys Decl., ¶¶38-47, 51, 52.)

The Three Prisons Act in 1891 established the Federal prison system. (Ex. 1016, BOP Historical Timeline, p. 1.) Since 1930, the federal prison system has included a broad network of facilities centrally managed by the Federal Bureau of Prisons (“BOP”). (*Id.*) And in 1978, the BOP employed a centralized electronic “inmate management system” called SENTRY to monitor and track federal inmates in the various federal prison facilities. (SENTRY Audit Report, p. 1; *see also*, SENTRY Program Statement, pp. 26-41.) The ’260 patent does not even purport to invent anything beyond using existing systems in routine and logical ways.

Accordingly, the remaining claims of the ’260 patent fail both prongs of the technological invention exception and therefore the ’260 patent is eligible for CBM review.

IV. Claim Construction

Except for the exemplary term set forth below, the terms are to be given their plain and ordinary meaning under the broadest reasonable interpretation, as understood by one of ordinary skill in the art and consistent with the disclosure.

In IPR2014-00824, the Board construed the term “**call application management system**” recited in independent claim 1 as a system that performs the

enumerated function—“connecting a call to or from the telephone terminals over a telephone carrier network responsive to receiving a request for connecting the call.” *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 25. GTL proposes that the Board maintain this construction.

V. Level of Ordinary Skill in the Art

In IPR2014-00824, the Board determined that one of ordinary skill in the art would have a B.S. degree in Electrical Engineering, Computer Science, or an equivalent field, as well as at least 3 years of academic or industry experience in telephony systems. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 31. For purposes of this proceeding, GTL adopts the Board’s prior determination of the level of ordinary skill in the art.

VI. GROUND 1: The remaining claims are unpatentable under 35 U.S.C. § 101.

Claims 2, 5, 8, 9, 11, 12, and 14-18 are unpatentable under 35 U.S.C. § 101 because they recite patent-ineligible subject matter. The Supreme Court has expounded a two-step test for determining patent eligibility. *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S.Ct. 2347 (2014) (citing *Mayo Collab. Servs. v. Prometheus Labs.*, 132 S.Ct. 1289 (2012)). Step one asks whether the patent is directed to one of the judicial exceptions to patent-eligible subject matter: laws of nature, natural phenomena, and abstract ideas. *Alice*, 134 S.Ct. at 2354-55. The

abstract-idea category “embodies the longstanding rule that an idea of itself is not patentable.” *Id.*, 2355 (internal citations and quotation marks omitted). The Federal Circuit has also recently explained that merely using existing technology to perform the underlying abstract idea fails the *first* step. *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1354 (Fed. Cir. 2016). Stated differently, claims that do not focus on improving the operation of a specific technology, but rather only on “abstract ideas that use computers as tools” fail the first step. *Id.*

Step two asks whether the elements of each claim, considered individually and as an ordered combination, recite any significant limitation or “inventive concept” transforming the abstract idea into a patent eligible invention. *Alice*, 134 S.Ct. at 2357. A claim must do more than merely state the abstract idea and add the words “apply it.” *Id.* It must recite “additional features” to ensure that it is “more than a drafting effort designed to monopolize the [abstract idea].” *Id.* at 2358. Those “additional features” must be more than “well-understood, routine, conventional activity.” *Mayo*, 132 S.Ct. at 1294; *see also DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1257 (Fed. Cir. 2014) (claims are also not eligible if they “merely recite the performance of some business practice . . . with the requirement to perform it” using technology).

As explained in Section VI.A, under the first step, the remaining claims of the ’260 patent are directed to the abstract idea of centrally and remotely managing

inmate information. As explained in Section VI.B, under the second step, the claims admittedly use conventional technology in routine ways to perform the underlying abstract idea. Accordingly, the challenged claims are not patent eligible.

A. All of the challenged claims are directed to the abstract idea of centrally and remotely managing inmate information.

1. Independent claims 1 and 10

Challenged claims 2, 5, 8, 9 depend from independent claim 1 which is directed to a computer-based system “*for managing inmate information . . .*.” Challenged claims 11, 12, and 14-18 depend from independent claim 10, which is directed to a “*method for managing inmate information . . .*” carried out in a computer-based system. The computer-based system “*for managing inmate information*” of claim 1 includes components related to call processing: “*a networking device*” and “*a call application management system.*” The recited “*inmate management system*” is the only component that “manages inmate information.” Similarly, the method of claim 10 includes four inmate information management steps and two call processing related steps.

Independent claims 1 and 10 are directed to the abstract idea of centrally and remotely managing inmate information. Claims 1 and 10 are not directed to improving the way inmate management systems or call processing systems

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operate. Neither claim 1 nor claim 10 recites a specific improvement to any technical feature as detailed below. Indeed, the Board found both claims 1 and 10 obvious in IPR2014-00824 over the combination of Spadaro and the Hodge patent, indicating that they do not claim an inventive improvement over existing systems and technology. *See Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 35-52, 61. The Patent Owner did not appeal the Board’s decision in IPR2014-00824.

The background of the ’260 patent demonstrates that the claimed subject matter is directed to organizing activities that are performed by people, i.e., gathering information about arrestees and sharing that information with other controlled environment facilities in the form of an “inmate record.” (*See, e.g.*, ’260 patent, 3:19-25.) The background explains that “[c]onsiderable time and expense is involved in accepting an inmate at a controlled environment facility,” beginning with identifying the arrestee on the street at which time the “arresting officer may . . . complete some paperwork,” “information may be collected . . . in a patrol car or the like,” and “[t]hereafter, the arrestee may be transferred to a local controlled environment facility . . . for further processing and/or incarceration.” (*Id.*, 1:66-2:12.)

While the arrestee is being temporarily incarcerated, various pieces of information may be collected and the arrestee may go through a “classification

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process, medical examination, hygienic processing . . . etc.” (*Id.*, 2:13-23.) The background section also explains that “[i]n connection with these procedures, staff members may be required to complete a file in an inmate management system.” (*Id.*, 2:23-25.) The background then remarks, by way of signaling a problem, that “each police, county, state, and federal authority implements its own inmate data collection and management system” and thus “at each step in the inmate’s incarceration history . . . redundant information is gathered and processed by each facility” and “[t]he information collected by these different facilities is not connected” such that “investigators must visit or contact each such entity when seeking information related to a single case or person.” (*Id.*, 2:49-58.)

To the extent such information is collected by an “inmate management system” in a computer-based system that also provides call processing, the background section and related discussions in the specification confirm that such systems were already in use during the relevant timeframe. (*Id.*, 2:23-25, 7:20-23, 9:10-14, 9:54-61, 11:57-60, 12:60-64.) Confirming that these were known, the Board found the independent claims obvious over Spadaro and the Hodge patent. Beyond reciting conventional equipment used for its ordinary purpose, the claims only recite ways of organizing the activities and affairs of inmates, the way people have done for generations. *See Intellectual Ventures I, LLC v. Symantec Corporation*, 838 F.3d 1307, 1317-18 (Fed. Cir. 2016). All that the ’260 patent

purports to add by way of the alleged invention is “centralized or nodal inmate management” applied in these existing centralized call processing systems. (’260 patent, 2:62-65.)

Thus, at their core, claims 1 and 10 are directed to “organizing human activity” in the form of collecting and managing information, specifically inmate information. *Alice*, 134 S.Ct. at 2356. But it has always been advantageous to centralize records, including inmate records. (Forys Decl., ¶¶38-47, 51, 52.) As mentioned, since 1978, the Federal Bureau of Prisons (“BOP”) has employed a centralized electronic “inmate management system” called SENTRY to monitor and track data associated with federal inmates housed in over 200 facilities. (SENTRY Audit Report, p. 1; *See also*, SENTRY Program Statement, pp. 26-41.) The BOP describes the SENTRY system as “a real-time information system consisting of various applications for processing sensitive but unclassified (SBU) inmate information” that stores data “relating to the care, classification, subsistence, protection, discipline, and programs of federal inmates.” (Ex. 1018, SENTRY Impact Assessment, p. 2; *see also*, SENTRY Program Statement, p. 26-41.) Data maintained in the SENTRY inmate management system “is shared with federal, state, local, tribal, foreign and international law enforcement agencies and court officials.” (*Id.*, p. 7; *See also*, SENTRY Audit Report, p. 2.) Access is limited to authorized persons. (SENTRY Impact Assessment, pp. 7-8, 11-12.)

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In sum, independent claims 1 and 10 are directed to the abstract idea of centrally and remotely managing inmate information. The limitation to the prison environment does not transform the claims into patent-eligible applications of the abstract idea. Even when “limited to particular content (which does not change its character as information),” the subject matter of claims 1 and 10 falls “within the realm of abstract ideas.” *Elec. Power Grp.*, 830 F.3d. at 1353, 1355 (explaining that “merely selecting information, by content or source, for collection, analysis, and display does nothing significant to differentiate a process from ordinary mental processes, whose implicit exclusion from § 101 undergirds the information-based category of abstract ideas.”)

To the extent claim 1 or claim 10 includes technology, it is conventional and used for its ordinary purpose. (*See also infra* Section VI.B.1.) Even claims that painstakingly recite *how* they are implemented using computers have not been saved from ineligibility. *Alice*’s claims directed to an intermediated settlement process involved a “substantial and meaningful role for the computer,” requiring computers to “create electronic records, track multiple transactions, and issue simultaneous instructions.” *Alice*, 134 S.Ct. at 2359. But the Supreme Court still deemed them ineligible, explaining that using computers to create and maintain shadow accounts was mere “electronic recordkeeping—one of the most basic functions of a computer” and that the claims did not “improve the functioning of

the computer itself” or otherwise “effect an improvement in any other technology or technical field.” *Id.* Here, like in *Alice*, the claims recite “abstract ideas that use computers as tools” and thus fails the first step. *Elec. Power Grp.*, 830 F.3d. at 1354.

2. The dependent claims are directed to an abstract idea.

Dependent claims 2, 5, 8, 9, 11, 12, and 14-18 are directed to the same abstract idea as claims 1 and 10 because they add nothing that would remove them from the realm of organizing human activity using conventional and well-understood technology.

Claims 2 and 14: Claims 2 and 14 are directed to the same abstract idea as claims 1 and 10 with the addition of listing types of information commonly found in an inmate record. (Forys Decl., ¶¶58-62, 80-84; *see also* SENTRY Program Statement, pp. 26-41.) As such, claims 2 and 14 are of the “information-based category of abstract ideas,” in that they describe nothing more than “merely selecting information, by content or source, for collection” and “do[] nothing significant to differentiate [the claim] from ordinary mental processes.” *Elec. Power Grp.*, 830 F.3d. at 1355.

Claims 5 and 12: Each of claims 5 and 12 requires that the one or more of the facilities recited in the independent claims “*comprise[s] a mobile police station.*” (’260 patent, 25:66-67, 26:42-43.) As described in the specification, a

mobile police station is a police station without a fixed location: “If the officer decides to arrest the individual, the inmate or an arrestee is typically picked up by a police squad car (or any other mobile police station), and inmate and/or incident records may be created and retrieved from the squad car” (*Id.*, 15:28-32.)

Claims 5 and 12 are directed to the same abstract idea as claims 1 and 10 with the addition of a location (e.g., a squad car) where inmate information is recorded or accessed. Such routine localization of activity does not add anything concrete to claims 5 and 12 that would remove them from the realm of organizing human activity using conventional and well-understood technology. Accordingly, claims 5 and 12 fail the first step for at least the same reasons as claims 1 and 10.

Claims 8 and 16: Challenged claim 8 depends from claim 7 and claim 16 depends from claim 14.² Claim 14, as discussed above, “does nothing significant to differentiate [the claim] from ordinary mental processes.” *Elec. Power Grp.*, 830 F.3d at 1355. Claim 7 purports to control access to inmate records, as stored in the inmate management system. The specification discusses “*logon information*” in the

² Claim 7 was previously found unpatentable as obvious over Spadaro and the Hodge patent. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision at 54, 61.

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context of a person having a “logon ID” to permit access to inmate records based on a particular level of authorization. (’260 patent, 13:57-14:12.) Claim 7 recites a conventional way of controlling access using logon information, which has been a standard way to secure computer systems for decades. (Forys Decl., ¶67.) Claim 7 is directed to the same abstract idea as claim 1 with the addition of controlling access to inmate records using standard authentication methods. Such routine security measures do not add anything concrete to claim 1 that would remove it from the realm of organizing human activity using conventional and well-understood technology. Claim 7 is not directed to improving the way inmate management systems or call processing systems operate. Claim 7 does not recite a specific improvement to any technical feature. Accordingly, claim 7 fails the first step for at least the same reasons as claim 1.

As discussed above, claims 8 and 16 add only a way to store or establish (respectively) inmate accounts in order to charge fees for connecting calls to a third-party associated with the inmate. Claims 8 and 16 are therefore directed to the same abstract idea as claims 1 and 10, respectively, with the addition of storing an account (claim 8) or establishing an account (claim 16) for charging fees to a third-party for costs incurred by the inmate when making phone calls. The inmate accounts of the ’260 patent “may be pre-paid, post-paid, debit, and/or a credit accounts [sic] which may be used to charge the cost [of] telephone calls and/or the

purchase of commissary items to the third party.” (’260 patent, 18:43-46.) Such accounts are established or “set up” (*id.*, 16:50-53) by having “an arresting and/or booking officer” personally collect the information (*id.*, 18:15-21) or “request[ing] information from the inmate’s contact.” (*id.*, 18:46-50). This simple financial arrangement does not add anything concrete to either claim 1 or 10 that would remove them from the realm of organizing human activity using conventional and well-understood technology. Rather, claims 8 and 16 are directed to “exchanging financial obligations between two parties using a third-party intermediary.” *Alice*, 134 S.Ct. at 2356. Accordingly, claims 8 and 16 fail the first step for at least the same reasons as claims 1, 7, and 10.

Claims 9 and 17: Claims 9 and 17 are directed to the same abstract idea as claims 1 and 10 with the addition of an account that is used to charge a third party for activities other than inmate phone calls, e.g., the inmate’s purchase of commissary items. (*See, e.g.*, ’260 patent, 16:44-50.) This simple financial arrangement does not add anything concrete to either claim 1 or 10 that would remove either claim from the realm of organizing human activity using conventional and well-understood technology. Rather, claims 9 and 17 are directed to “exchanging financial obligations between two parties using a third-party intermediary.” *Alice*, 134 S.Ct. at 2356. Accordingly, claims 9 and 17 fail the first step for at least the same reasons as claims 1 and 10.

Claim 11: Claim 11 is directed to the same abstract idea as independent claim 10 with the addition that the information about the arrestee is collected at the time of arrest. But the background section of the '260 patent admits that this is a routine activity associated with taking an arrestee into custody, explaining that after arrest “[t]he arresting officer may then complete some paperwork identifying the individual, describing the reason for arrest or detention, list any impounded property, etc.” ('260 patent, 2:4-7.) Accordingly, claim 11 fails the first step for at least the same reasons as claim 10.

Claim 15: Claim 15 adds the step of “*notifying [the] third party of [the] inmate’s arrest based on the contact information.*” (*Id.*, 26:54-56.) When describing the notification feature, the specification of the '260 patent explains that the inmate record may include “a list of third parties connected with the arrestee (e.g., family, friends, attorneys, etc.) along with their contact information” such that “[a]fter the record is stored in the inmate management and call processing system, the system may proactively operate to notify one or more of those third parties about the arrest (e.g., by telephone, email, or the like).” (*Id.*, 3:31-37.) Claim 15 is therefore directed to the same abstract idea as independent claim 10 with the addition of, for example, notifying the inmate’s family via telephone using known contact information. Accordingly, claim 15 fails the first step for at least the same reasons as claims 10 and 14.

Claim 18: Claim 18 adds the steps of “*notifying [the] third party of transfer of the inmate from one facility . . . to another facility*” and “*establishing another inmate account associated with [the] third party responsive to transferring the inmate to the other facility.*” (*Id.*, 26:64-27:3.) As explained above with respect to claim 15, “notification” simply refers to alerting parties connected with the arrestee (e.g., family, friends, attorneys, etc.) via telephone, email, or the like. The specification also explains that “inmates are frequently transferred” and, in one embodiment, “additional inmate accounts are set up, preferably ahead of the transfer.” (*Id.*, 18:54-61.) Claim 18 is directed to the same abstract idea as claim 10 with the addition of, for example, notifying the inmate’s family of a transfer to a different facility and establishing a new account for the inmate’s charges at that facility. Accordingly, claim 18 fails the first step for at least the same reasons as claims 10, 14, and 16.

None of the remaining claims is directed to improving the way inmate management systems or call processing systems operate. None of the remaining claims recites a specific improvement to any technical feature. And none of the remaining claims adds anything concrete to independent claims 1 and 10 that would remove them from the realm of organizing human activity using conventional and well-understood technology.

Accordingly, claims 2, 5, 8, 9, 11, 12, and 14-18 fail the first step for at least

the same reasons as claims 1 and 10.

B. There is no inventive concept beyond the abstract idea; the claims rely on conventional technologies performing routine functions.

Beyond the underlying abstract idea, the challenged claims recite features that are admittedly well-understood and conventional. Thus, the challenged claims are distinguishable from those found to recite an “inventive concept.” *Alice*, 134 S.Ct. at 2355, 2357-59. In *DDR Holdings*, the Federal Circuit found an inventive concept in a specific modification to the conventional mechanics of a website display. *See DDR Holdings*, 773 F.3d at 1257. Here, however, the challenged claims do not recite any modification to the conventional mechanics of an inmate management system or call processing system. To the contrary, all of the recited information management, networking, and call processing components operate in a conventional way for their usual and intended purposes. (Forys Decl., ¶30.)

Unlike the claims in *DDR Holdings*, in the present case, “[n]othing in the claims, understood in light of the specification, requires anything other than off-the-shelf, conventional computer, network, and display technology for gathering, sending, and presenting the desired information.” *Elec. Power Grp.*, 830 F.3d at 1355. And, as the Court has now often observed, “invocation of computers, networks, and displays does not transform the claimed subject matter into patent-eligible applications.” *Id.*; *see also Intellectual Ventures I LLC v. Capital One*, 792

F.3d 1363, 1367 (Fed. Cir. 2015) (“A simple instruction to apply an abstract idea on a computer is not enough.”).

1. Independent Claims

Claims 1 and 10 apply the abstract idea using only conventional technologies performing routine functions. (Forys Decl., ¶¶30-31.) The disclosure of the '260 patent expressly assumes the use of conventional technology for its ordinary purpose, absent which the claims are not enabled. Beyond this, the Board has already concluded that claims 1 and 10 are unpatentable over the combination of Spadaro and the Hodge patent. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 35-52, 67. Therefore, the claims do not recite any significant limitation or inventive concept sufficient to transform the abstract idea into a patent eligible application.

a. Independent Claim 1

Claim 1 includes only three limitations: “*a networking device*,” “*an inmate management system*,” and “*a call application management system*.” ('260 patent, 25:32-55.) The claimed networking device is coupled to the inmate management system and exchanges VoIP data packets with call processing gateways located at multiple facilities. The claimed call application management system connects calls to or from telephone terminals located at the facilities over a telephone carrier network. None of these features, alone or in combination, adds a significant

limitation or inventive concept sufficient to transform the abstract idea into a patent eligible application.

(i) The claimed “*networking device*” is a conventional component.

The claimed “*networking device*” performs one basic function: exchanging VoIP data packets with another network element, the “*call processing gateways*.” The ’260 patent acknowledges that the claimed “*call processing gateways*” which perform the claimed function of “*processing the VoIP data packets to or from the telephone terminals for transmission over the communication links*” (’260 patent, 25:37-42) were well known and in use before the filing date of the ’260 patent: “Embodiments of the present invention utilize **commercially available devices**, such as the IAD 2400 series of integrated access devices available from Cisco Systems” (*Id.*, 7:20-23 (emphasis added).)

The specification of the ’260 patent does not use the term “*networking device*” to describe the component exchanging VoIP data packets with the “*call processing gateways*.” Instead, the specification refers to the component exchanging VoIP data packets with the “*call processing gateways*” as a “router/switch 118.” (*Id.*, 8:41-49.) Routers and switches capable of exchanging VoIP traffic were known and in common use before the filing date of the ’260 patent. (Forys Decl., ¶34, *citing* Ex. 1004, Bellcore, p. 5-56; PacketCable, p. 10;

Goode, p. 2.) And the Board previously found that Spadaro teaches this aspect of claim 1. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 36-42. Therefore, this aspect of claim 1 does not “require[] anything other than off-the-shelf, conventional computer, network, and display technology for gathering, sending, and presenting the desired information.” *Elec. Power Grp.*, 830 F.3d at 1355. The ’260 patent does not purport to have invented or provided any improvements to the router/switch 118 (*networking device*). Rather, the ’260 patent assumes that the claimed “*networking device*” is conventional and used for its ordinary purpose. (Forys Decl., ¶34.)

(ii) The claimed “*inmate management system*” is a conventional component.

The claimed “*inmate management-system*” also performs only one function: “*providing shared data access of inmate records to computer terminals at said plurality of facilities*” where such records are “*created with first inmate information collected from a first computer terminal at a first facility ... and second inmate information from a second computer terminal at a second facility...*” (’260 patent, 25:43-50.) But inmate management systems, such as the BOP’s SENTRY system, were well-known and widespread. (*Supra* Sections III.B.3.b and VI.A.1 (*citing* Exs. 1017-1019).) The background of the ’260 patent itself explains that inmate management systems were widely used by “staff members” when they

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had to “complete a file.” (’260 patent, 2:23-25.) The ’260 patent does not purport to invent a new kind of inmate management system. Rather, the ’260 patent centralizes a conventional inmate management system and permits access to the data stored in the conventional inmate management system from remote facilities. (Forys Decl., ¶31.) However, the concept of centralization of databases and remote access to data stored in those centralized databases was well-known and in use for decades prior to the ’260 patent. (See Forys Decl., ¶¶38-47.)

The Board found that the combination of Spadaro and the Hodge patent teaches this claim limitation. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 42-44. Both Hodge and Spadaro disclose centralized information accessed by individuals at remote prison facilities. Hodge discloses a site server that is “connected to multiple switchboard devices that are located in separate institutions” and that “serves as the database location for the entire system.” (Hodge Publication, ¶[0047].) Thus, Hodge teaches a centralized inmate management system that can be accessed by computers at multiple facilities. Spadaro also discloses centralization of inmate data. (Ex. 1014, Spadaro, 4:4-6; see also *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 42-43.) Spadaro’s centralized data can be accessed by users at the multiple facilities served by Spadaro’s centralized call processing system. See *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 42-43.

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Additionally, the Federal BOP's SENTRY system is a centralized inmate management system that provides shared data access of inmate records to computers at a plurality of facilities. The SENTRY system "resides on a BOP mainframe computer located at the Justice Data Center in Dallas, Texas."

(SENTRY Audit Report, p. 2.) Computers "at approximately 200 facilities in the Department and BOP" access, load, and modify data stored in SENTRY. (*Id.*)

The additional passive limitation that the shared "*inmate records [were] created with first inmate information collected from a first computer terminal at a first facility of the plurality of facilities and second inmate information from a second computer terminal at a second facility of the plurality of facilities*" was also well-known. The ability to create centralized inmates record from data collected at multiple facilities is nothing more than generic data organization and access control known and in-use in database systems prior to the '260 patent's 2007 filing date. (Forys Decl., ¶31.) Hodge teaches such a system in the prison context describing that the administrative workstations located "at every facility" can "create, edit, and monitor user accounts and telephone calls." (Hodge Publication, ¶[0046].) And the centralized SENTRY system allows inmate data to be created from information collected at one facility and from information collected at a different facility. (SENTRY Program Statement, pp. 8, 16-18.)

(iii) The claimed “call application management system” is a conventional component.

The claimed “call application management system” of claim 1 performs only a single function: “connecting a call to or from the telephone terminals over a telephone carrier network.” (’260 patent, 25:51-55.) The claim limitation is written broadly and does not limit the recited “call” to a VoIP call. A centralized system that connected traditional telephone calls from telephones over a carrier network (e.g., a switch) was known and in use for at least fifty years, if not longer. (Forys Decl., ¶48.) And a centralized system that connected VoIP calls from telephones over a carrier network was also known prior to the alleged priority date of the challenged claims (July 12, 2007), as evidenced by Spadaro (described in IPR2014-00824). (See, e.g., Spadaro, FIGs. 3-5; see also, Goode, p. 2 (“illustrating VoIP gateways that connected a call from multiple telephone terminals over a telephone carrier network.”))

Claim 1 adds criteria for call connection: “responsive to receiving a request for connecting the call and the call being authorized based on the inmate records provided by the inmate management system.” The ’260 patent describes one type of authorization as being the validation of a user (inmate) assigned PIN number. Connecting a call based on a received request (e.g., calling party dialing digits) and the validation of a PIN number were also well-known. Both Spadaro and Hodge

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disclose the use of these criteria for call connection. Spadaro teaches authorizing connection of a call if validation of an inmate's assigned PIN number is successful. (Spadaro, 3:35-37.) And Hodge describes managing inmate call restrictions at the centralized site server by comparing information in the site server's database with the user provided PIN. (Hodge Publication, ¶¶[0047], [0054].) The Board found that the combination of Spadaro and the Hodge patent taught or suggested this limitation of claim 1. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 44-47.

The '260 patent itself recognizes that this claim limitation is nothing more than the use of a conventional component for its intended purpose: “[c]all application management system 110 . . . as may comprise one or more processor-based servers as **are well known in the art**, forms the heart of call processing functionality” ('260 patent, 9:10-14 (emphasis added).) With respect to connection criteria, the '260 patent also admits that the “[v]alidation system 113, as may comprise one or more processor-based servers **as are well known in the art**, may operate to make determinations with respect to allowing a particular call to be completed and/or continued.” (*Id.*, 11:57-60 (emphasis added).) Therefore, this limitation of claim 1 does not “require[] anything other than off-the-shelf, conventional computer, network, and display technology for gathering, sending, and presenting the desired information.” *Elec. Power Grp.*, 830 F.3d at 1355. The

'260 patent does not purport to invent a new kind of call application management system. Rather, the '260 patent's call application management system is a conventional system and used for its ordinary purpose.

(iv) Conclusion

In sum, the '260 patent assumes that any technology recited in claim 1 is conventional and used for its ordinary purpose. This is confirmed by the Board's prior obviousness determination, such that no "inventive concept" exists either "in one or more of the individual claim limitations or in the ordered combination of the limitations." *Bascom Glob. Internet Servs., Inc. v. AT&T Mobility LLC*, 827 F.3d 1341, 1349 (Fed. Cir. 2016).

Beyond the aspects discussed above, independent claim 1 only covers "selecting information, by content or source, for collection, analysis, and display" which "does nothing significant to differentiate [the claim] from ordinary mental processes, whose implicit exclusion from § 101 undergirds the information-based category of abstract ideas." *Elec. Power Grp.*, 830 F.3d at 1355. Accordingly, independent claim 1 does not recite any significant limitation or inventive concept sufficient to transform the abstract idea into a patent eligible application.

b. Independent Claim 10

As discussed, claim 10 recites various steps that are similar to the functions recited by claim 1 in the inmate management system and call application

management system limitations [1B/1C]. A basic mapping of corresponding claim limitations is provided below:

Claim 10	Claim 1
<p>[10A] receiving, from a first computer terminal at the first facility, first inmate information associated with an inmate;</p> <p>[10B] receiving, from a second computer terminal at the second facility, second inmate information associated with the inmate (’260 patent, 26:22-26)</p>	<p>[1B.2] inmate records created with first inmate information collected from a first computer terminal at a first facility of the plurality of facilities and second inmate information from a second computer terminal at a second facility of the plurality of facilities (’260 patent, 25:46-50)</p>
<p>[10C] storing the inmate record in the computer-based system for shared access across to the inmate record computer terminals in the multiple facilities (’260 patent, 26:29-32)</p>	<p>[1B.1] an inmate management-system coupled to the networking device for providing shared data access of inmate records to computer terminals at said plurality of facilities (’260 patent, 25:43-46)</p>
<p>[10D] receiving a request from one of the multiple telephone terminals for connection of a call over a telephone carrier network</p> <p>[10E] connecting the call from one of</p>	<p>[1C] a call application management system connecting a call to or from the telephone terminals over a telephone carrier network responsive to receiving a request for connecting the call and the call being authorized based on the</p>

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the telephone terminals over a telephone carrier network and a communication link responsive to authorizing the call based on the inmate records stored in the computer-based system (’260 patent, 26:33-39)	inmate records provided by the inmate management system (’260 patent, 25:51-55)
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Because of the substantial correspondence between limitations from claim 10 and limitations of claim 1, claim 10 uses conventional technology for its intended purpose, as explained above with respect to claim 1. (*See* Section VI.B.1.a.) As noted above, the Board also found claim 10 obvious over the combination of Spadaro and the Hodge patent, relying on substantially the same portions of Spadaro and Hodge as in its analysis of the unpatentability of claim 1 over Spadaro and Hodge. *Global Tel*Link Corporation*, IPR2014-00824, Final Written Decision, at 51-52. Beyond this, claim 10 only recites “selecting information, by content or source, for collection, analysis, and display” which “does nothing significant to differentiate [the claim] from ordinary mental processes, whose implicit exclusion from § 101 undergirds the information-based category of abstract ideas.” *Elec. Power Grp.*, 830 F.3d at 1355.

Accordingly, claim 10 does not recite any significant limitation or inventive

concept sufficient to transform the abstract idea into a patent eligible application.

2. Dependent Claims 2 and 14

As discussed, claims 2 and 14 merely list types of information commonly found in an inmate record. (*See* '260 patent, 25:56-61, 26:48-53.) The types of information listed do not meaningfully limit claims 1 or 10 or recite an inventive concept. These types of information were provided in inmate records prior to the filing date of the '260 patent. The '260 patent itself recognizes that inmate records including this type of information were known and in use. The '260 patent describes that inmate information collected for storage in the inmate management system includes information “identifying the individual, describing the reason for arrest or detention” as well as photographs and fingerprints. ('260 patent, 2:4-19; 49-51.) Additionally, Hodge teaches that an inmate record includes “*biometric data of ... inmates.*” In Hodge, “biometric data may be required to access the system.” (Hodge Publication, ¶[0056].) The biometric data “may be acquired from users...upon the creation of a telephone account for use with the system” and “may be stored along with the user’s PIN in the user’s account profile or another storage means to be used later as an authentication device.” (*Id.*)

The inmate records of Hodge also include “*contact information of third parties associated with the inmates.*” Hodge discloses that the call processing system “access[es] a list of telephone numbers that the inmate may not call.” (*Id.*,

¶[0010].) These “blocked” telephone numbers are “*contact information*” associated with each inmate, specifying the individuals that the inmate is prohibited from contacting to ensure that the inmate does not threaten or harass these individuals. “For example, a convicted criminal would be blocked from ever calling his previous victims.” (*Id.*, ¶[0328].)

In addition, the Federal BOP’s centralized SENTRY system stored inmate records that included a wide-variety of data associated with an inmate including the inmate’s name, a physical description of the inmate, the inmate’s social security number, and information related to the arrest of the inmate. (*See, e.g.*, SENTRY Audit Report, p. 2; SENTRY Program Statement, pp. 26-41.)

Beyond this, claims 2 and 14 are of the “information-based category of abstract ideas,” in that they describe nothing more than “merely selecting information, by content or source, for collection” and do “nothing significant to differentiate [the claims] from ordinary mental processes.” *Elec. Power Grp.*, 830 F.3d at 1355. Accordingly, claims 2 and 14 are patent ineligible.

3. Dependent Claims 5 and 12

As discussed above, claims 5 and 12 merely limit the claimed facilities to “*mobile police station*.” The mobile police station (e.g., squad car) environment does not meaningfully limit claims 1 or 10 or recite an inventive concept. For example, the background of the ’260 patent admits that “*mobile police station[s]*”

such as police squad cars were known, stating that the initial inmate information “may be collected, for instance, in a patrol car or the like.” (’260 patent, 2:7-8.) Additionally, Boykin teaches acquiring inmate information in mobile environments such as a police vehicle. (Boykin, 1:47-60, 2:15-19.) For example, Boykin describes “an effective and efficient method for capturing, transmitting, and storing potential evidentiary video and related information in mobile environments.” (*Id.*, 1:47-50.) A mobile server is also provided for “integrating and storing the captured information in the vehicle” as well as for “transmitting the captured information from the vehicle to a second location, such as a building.” (*Id.*, 1:57-60.) Boykin describes many different mobile environments in which his system can be employed, including “police, fire, and rescue vehicles.” (*Id.*, 2:15-19.)

Adding a new facility such as a squad car to the multi-facility infrastructure of Spadaro and Hodge would have been routine use of conventional technology for its intended purpose. (Forys Decl., ¶65.) Accordingly, claims 5 and 12 are patent ineligible.

4. Dependent Claims 8 and 16

Challenged claim 8 depends from claim 7. As discussed, claim 7 purports to control access to inmate records stored in the inmate management system. Claim 7 recites a conventional way of controlling access using logon information which has been a standard way to access computer systems for decades. (Forys Decl., ¶67.)

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This generic access measure does not meaningfully limit claim 7 or recite an inventive concept. The Board confirmed that claim 7 does not recite an inventive concept, finding claim 7 obvious over the combination of Spadaro and the Hodge patent.

As discussed above, claims 8 and 16 add only a way to store or establish (respectively) inmate accounts in order to charge fees for connecting calls to a third party associated with the inmate. However, charging a third party for calls made by an inmate does not meaningfully limit the claims or recite an inventive concept. Hodge discloses that the establishment and storage of accounts for charging third parties for the cost of telephone calls were known. Hodge's call processing system "can create a debit account for each user." (Hodge Publication, ¶[0052].) Payment for an inmate's call is then "subtracted from the account after its completion." (*Id.*) Hodge further discloses that a third party can control account funds:

The inmate debit account may alternatively be controlled by the inmate's family. For example, the inmate's family may control the inmate's access to the debit account either remotely (e.g., by using the Internet, accessing a toll-free/pay to dial telephone number, using a mail form, etc.) or by visiting the prison facility. The inmate's family may add funds to the debit account and thereby control the call volume allowed to the inmate.

(*Id.*, ¶[0007].) Fees associated with the connection of calls placed by the inmates

are charged to the family (third party) via the debit account. (Forys Decl., ¶¶70, 71.) Accordingly, claims 8 and 16 are not patent eligible.

5. Dependent Claims 9 and 17

As discussed, claims 9 and 17 each adds the limitation that the inmate account is used to charge a third-party for activities other than inmate phone calls, which would include activities such as commissary usage. The claimed distinction does not meaningfully limit claims 9 and 17 or recite an inventive concept. The use of accounts to charge calls and other activities was known prior to the filing date of the '260 patent. Hodge teaches or suggests that an inmate account may be used for both telephone calls and commissary purchases. As described in Hodge, “telephone communication systems in penal institutions provide an inmate with a telephone account upon arrival ... The cost of each call is then deducted from the total amount in the inmate’s account until no balance remains.” (*Id.*, ¶[0006].) Hodge then describes that “[i]n addition, or **alternatively**, an inmate may be assigned a commissary account, where funds are added to the account based on work performed by the inmate. As the funds increase, the inmate may **apply these funds to the cost of placing telephone calls.**” (*Id.* (emphasis added).) Accordingly, claims 9 and 17 are not patent eligible.

6. Dependent Claim 11

As discussed, claim 11 merely adds that information about the arrestee is

collected upon the inmate's arrest. (*Supra* Section VI.A.1.) This timing aspect does not meaningfully limit claim 10 or recite an inventive concept. The background section of the '260 patent admits that this is a routine activity associated with taking an arrestee into custody, explaining that after arrest "[t]he arresting officer may then complete some paperwork identifying the individual, describing the reason for arrest or detention, list any impounded property, etc." ('260 patent, 2:4-7.) Receiving information upon arrest has happened for as long as there have been arrests. Furthermore, Hodge discloses that "telephone communications systems in penal institutions provide an inmate with a telephone account upon arrival." (Hodge, ¶[0006].) The call processing and data management systems in Hodge could be used to service a police station and that a telephone account could be provided to a person upon his or her "arrival" (e.g., arrest) at that location. (Forys Decl., ¶¶75, 76.) An inmate would have a great need for access to a telephone just after his or her arrest. (*Id.*, ¶76.) Thus, the provision of a telephone in those circumstances, and the gathering of information needed to set up a telephone account, are the normal and natural consequence of using existing conventional technologies for their intended purpose. Accordingly, claim 11 is patent ineligible.

7. Dependent Claim 15

Claim 15 adds the step of notifying a third party via telephone using known contact information. The notification step does not meaningfully limit claim 10 or

recite an inventive concept. Nguyen discloses such a notification process.

Nguyen's system "alert[s] the victims of the change of status of a defendant in the criminal justice system." (Nguyen, 1:7-9.) Nguyen describes that many status changes can trigger victim notification, including "changes in status of defendants." (*Id.*, 1:13-17.) The arrest of an inmate justifies notification to the victim for the same reason as the inmate being released—as any change in the inmate's arrest status has an appreciable impact on the victim. (Forys Decl., ¶¶87-89.)

With respect to what types of parties are candidates to receive notifications, Nguyen explains that a "'Registered Victim' shall be any person who has provided the system with his or her unique identifying communication address such as a telephone number or electronic address and selected a personal identifying number, i.e., a 'PIN.'" (Nguyen, 3:8-11.) It is therefore apparent that interested parties (e.g., family members) would be candidates for receiving inmate status notifications, including for events such as arrests. (Forys Decl., ¶¶87-89.)

Nguyen also describes a "control station" that functions substantially like Hodge's central site server by maintaining data records of various inmates. Upon being informed of the inmate's change in status, Nguyen's control station "automatically calls and informs the victim of the change." (Nguyen, 2:3-5.) It is readily apparent that modifying Hodge's central site server to provide notifications

to third-parties as taught by Nguyen would solve related problems arising from the changing status of inmates. (Forys Decl., ¶87.) Given that Hodge and Nguyen employ common, well-understood systems to achieve predictable results, this would be a routine use of conventional technology for its intended purpose. (*Id.*, ¶¶87-89.)

And beyond the conventionality of this feature, claim 15 is of the “information-based category of abstract ideas,” describing nothing more than “merely selecting information, by content source, for collection,” and “does nothing significant to differentiate [the claim] from ordinary mental processes.” *Elec. Power Grp.*, 830 F.3d at 1355. Accordingly, claim 15 is patent ineligible.

8. Dependent Claim 18

Claim 18 adds a notification step relating to an inmate’s transfer to a different facility and provides for the establishment of a new account for the inmate’s charges at the new facility. The notification and account steps do not meaningfully limit claims 16 or recite an inventive concept. The combination of Hodge and Nguyen, as discussed above with respect to claim 15, demonstrates the obviousness of the notification step. (*Supra* Section VI.B.7.) Nguyen states that victims have “the right . . . to be alerted to the early release or other changes in status of defendants.” (Nguyen, 1:13-17.) It is apparent that an inmate’s transfer is a “change[] in status” that would warrant notification to a victim. (Forys Decl.,

¶95.) For example, a transfer of the inmate to a facility within the vicinity of his victim would require notification to the victim for the same reason that such notification is required when the inmate is released – the inmate's status has an appreciable impact on the safety and/or well-being of the victim. (*Id.*, ¶¶95, 96.) And as discussed above, because Nguyen defines a “Registered Victim” as encompassing any third party who provides their contact information (Nguyen, 3:8-12; *supra* Section VI.B.7), it is therefore apparent that other interested third parties (e.g., family members) would also be suitable candidates for receiving inmate status notifications. Upon being informed of a change in status of an inmate, the control station in Nguyen “automatically calls and informs the victim of the change.” (Nguyen, 2:3-5.)

Hodge teaches establishing another inmate account associated with the third party responsive to transferring the inmate to the other facility. In Hodge, “[a] user must have a system account established in order to make telephone calls from a specific facility.” (Hodge Publication, ¶[0285].) Hodge explains that “[w]hen an inmate is transferred from one facility to another, only the inmate’s account information, [class of service (COS)], and telephone lists are transferred to that facility.” (*Id.*) As discussed with respect to claim 2, in Hodge, an inmate’s family (third-party) may “add funds.” (*Id.*, ¶[0007]; *supra* Section VI.B.2.) The transferred account information would include information associated with the

family (third-party). (Forys Decl., ¶97.) Therefore, in Hodge, when an inmate is transferred, a new account needs to be established at the new facility and it would presumably be based on the transferred account information. (*Id.*)

Beyond the conventionality this feature, claim 18 is of the “information-based category of abstract ideas,” describing nothing more than “merely selecting information, by content source, for collection,” and “does nothing significant to differentiate [the claim] from ordinary mental processes.” *Elec. Power Grp.*, 830 F.3d at 1355. Accordingly, claim 18 is patent ineligible.

C. The claims preempt longstanding human activities because they recite generic ways of managing inmate information.

The challenged claims raise a preemption concern because they rely on generic equipment to broadly cover prevalent and longstanding ways of organizing human activity related to inmate management, as shown above. Thus, the challenged claims are of the precise character condemned by the Supreme Court because they “risk disproportionately tying up” use of the underlying idea. *Mayo*, 132 S.Ct. at 1294; *see also Alice*, 134 S.Ct. at 2354.

Distributed prison systems have long been a part of society, including the United States federal prison system which dates back to the nineteenth century. (*Supra* Section III.B.3.b.) Longstanding and prevalent human activity related to the administration and management of such distributed prison systems has benefited

from the centralized and remote organization of inmate records. (*Id.*) The information contained in such inmate records is of a logical type commonly used by people to manage inmates and organize prison affairs—e.g., inmate identification information, arrest history, associated contacts, account information, status, etc. (*Supra* Section VI.A.) And the dependent claims all preempt related human activities that are equally as longstanding and prevalent:

- having such information in an inmate record (claims 2, 14);
- receiving inmate information at the time of arrest (claim 11);
- using or collecting information in a police squad car (claims 5, 12);
- charging third parties for calls made by inmates (claims 8, 16);
- charging third parties for other inmate activities (claims 9, 17); and
- notifying third parties about an arrest or transfer (claims 15, 18).

A high level of preemption risk exists here because the challenged claims only require that the functions and steps be performed using generic computer-based systems, conventional telephones, and off-the-shelf networking equipment. (*See, e.g.*, '260 patent, 25:40-42, 7:12-16, 7:20-23, 9:10-14, 11:57-60; *see also supra* Section VI.B.) Neither the '260 patent nor its parents, the '357 patent or the '167 patent, purports to invent new call processing functionality or new VoIP functionality. (*See, e.g.*, '260 patent, 7:20-23). All that the '260 patent purports to add by way of the alleged invention is “centralized or nodal inmate management”

applied in these existing centralized call processing systems. (*Id.*, 2:62-65.)

Beyond that, the prior art is replete with teachings that inmate management and call processing systems were conventional during the relevant timeframe. Such systems would necessarily have been conventional if the '260 patent is presumed to meet the enablement requirement for patentability. This is because the '260 patent assumes that any recited technology is conventional and used for its ordinary purpose, relying on what was known in the art. *See Hybritech v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1384 (Fed. Cir. 1986) (“[A] patent need not teach, and preferably omits, what is well known in the art.”)

In sum, the challenged claims cover information-based aspects of prison management and administration without providing any meaningful technical limitations on the recited implementation. Accordingly, any person using well-known, generic equipment to centrally and remotely manage inmate information would be preempted by these broad and abstract claims. Thus, they are ineligible.

VII. Conclusion

For the reasons set forth above, Petitioner requests that the Board institute CBM review of claims 2, 5, 8, 9, 11, 12, and 14-18 of the '260 patent on the ground that they are not patent eligible under 35 U.S.C. § 101.

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CERTIFICATION OF SERVICE (37 C.F.R. § 42.6(e))

The undersigned hereby certifies that the above-captioned **PETITION FOR COVERED BUSINESS METHOD REVIEW OF CLAIMS 2, 5, 8, 9, 11, 12, AND 14-18 OF U.S. PATENT NO. 8,340,260**, the accompanying Power of Attorney, and all associated exhibits, were served in their entireties on March 17, 2017, upon the following party via FEDEX®:

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**CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME
LIMITATION, TYPEFACE REQUIREMENTS, AND TYPE STYLE
REQUIREMENTS**

1. This Petition complies with the type-volume limitation of 18,700 words, comprising 12,528 words, excluding the parts exempted by 37 C.F.R. § 42.24(a).
2. This Petition complies with the general format requirements of 37 C.F.R. § 42.6(a) and has been prepared using Microsoft® Word 2010 in 14 point Times New Roman.

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