

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 8,340,260 B1

PETITIONER’S REQUEST FOR REHEARING

Mail Stop “Patent Board”
Patent Trial and Appeal Board
U.S. Patent and Trademark Office
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The Board should take a second look at these claims and reconsider whether they are more likely than not ineligible for patenting under 35 U.S.C. § 101.

The claims recite known communications and data processing technologies and use them in a conventional way to manage inmate information on a prison phone system. They are not focused on an improvement to the functionality of communications or data processing technology. To the contrary, the '260 patent expressly relies on the conventionality of this technology to enable the claimed result of centralized or nodal inmate management and phone call processing.

The Board misapprehended that limiting an abstract idea to a technological environment using generic or conventional equipment does not make the idea any less abstract. This applies equally when the claimed functions cannot be performed by a human. Indeed, the Federal Circuit has reached this conclusion with claims requiring the use of optical scanners, wireless broadcasting to cell phones, XML, and web-browser functionality. Nor is it sufficient for a claim to recite a particular “configuration” of technology if the configuration is known or conventional.

The Board also overlooked the Spadaro reference. Regardless of whether Spadaro qualifies as invalidating prior art under § 103(a), Spadaro is evidence of the state of the art. Evidence of the state of the art should be considered because it informs whether the claimed configuration is conventional or unconventional.

I. STANDARD OF REVIEW

A request for rehearing “must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed....” 37 C.F.R. § 42.71(d). The Board’s decision on a petition is reviewed on rehearing for an abuse of discretion. *See* 37 C.F.R. § 42.71(c). An abuse of discretion exists “if a decision is based on an erroneous interpretation of law, if a factual finding is not supported by substantial evidence, or if the decision represents an unreasonable judgment in weighing relevant factors.” *Arnold Partnership v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004).

II. ARGUMENT

In its Petition, GTL explained that the challenged claims are directed to the abstract idea of centrally and remotely managing inmate information on a prison phone system. (Paper 2 at 23-36.) GTL explained that the challenged claims recite only conventional communications and data processing equipment to obtain that abstract end-result. (*Id.* at 25-35.) The Board in its Decision misapprehended the correct standard for subject matter eligibility under § 101 by agreeing with Securus that:

- (1) the claims are not directed to an abstract idea because they are directed to a computer-based system for centralized inmate management and telephone call processing;

- (2) the claims are not directed to an abstract idea because GTL did not explain how a human could implement the claimed systems;
- (3) the claims are not directed to an abstract idea because there are other ways to centrally manage inmate information; and
- (4) the claims are directed to improving the way inmate management systems or call processing systems operate.

(Paper 7 at 19-21.)

The Board overlooked the Spadaro reference in rendering its analysis on subject matter eligibility. (*Id.* at 15-22.) Instead, the Board noted that it had declined to consider Spadaro under § 103(a) in another proceeding (IPR014-00824) after disqualifying it as prior art under § 103(c)(1). (*Id.* at 12-13 (*citing* Paper 6 at 28-29).

Due to the Board's misapprehension of whether the claims are directed to an abstract idea, it did not address the second step of the analysis. (Paper 7 at 21-22.)

A. The Board misapprehended that the claims are clearly directed to an abstract idea; the Board should have instituted trial based on § 101.

In determining ineligibility under § 101, the first step considers whether the claims “focus on a specific means or method that improves the relevant technology or are instead directed to a result or effect that itself is the abstract idea and merely invoke generic processes and machinery.” *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299, 1313-14 (Fed. Cir. 2016) (citation omitted). Merely using

existing technology to perform the underlying abstract idea fails the first step. *See Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1354 (Fed. Cir. 2016). “The inquiry often is whether the claims are directed to ‘a specific means or method’ for improving technology or whether they are simply directed to an abstract end-result.” *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1326 (Fed. Cir. 2017) (*quoting McRO*, 837 F.3d at 1314). Claims that do not focus on improving the operation of a specific technology, but rather focus only on “abstract ideas that use computers as tools” fail the first step. *Elec. Power Grp., LLC*, 830 F.3d at 1354.

“[A]ny novelty in implementation of the idea is a factor to be considered only in the second step of the *Alice* analysis.” *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 715 (Fed. Cir. 2014). Because the Board concluded that the claims were not directed to an abstract idea, it did not reach the second step. (Paper 7 at 21-22.) The applicable standard for step two and a complete discussion of the claims and why they do not meet the standard are set forth in GTL’s petition. (Paper 2 at 36-56.)

1. The claims are focused on the result of centrally managing inmate information and invoke conventional technology as a tool.

The ’260 patent is directed to providing centralized inmate management and call processing capabilities in controlled facilities, namely prisons. (Paper 7 at 4.) The ’260 patent describes the problem to be solved as arising when an inmate is transferred to a different facility and the inmate’s information must be gathered

multiple times, processed at multiple facilities, and stored on different systems.

(*Id.*) The solution in the '260 patent, and the focus of the claims, is *centralizing* inmate management and call processing using a “computer-based platform.” (*Id.* at 5.) The end-result is centralized inmate management and call processing. The computer-based platform—with its communications and data processing—is merely a tool.

In the context of analyzing the '260 patent's eligibility for the technological invention exception under 37 C.F.R. § 42.301(b), the Board correctly observed that the generic recitation of “a networking device,” “an inmate management system,” and “call application management system” is neither specific nor unconventional. (Paper 7 at 13.) By the same token, “merely reciting known technologies and their use to accomplish the otherwise non-technological method” signals that the claims are also directed to an abstract idea. (Paper 7 at 13-14.) As the Board observed, the claimed solution—of “centralized or nodal inmate management and telephone call processing capabilities to controlled environment facilities and law enforcement agencies” (Ex. 1001 at 2:63–65), is recited “more as a *fait accompli* than a technical solution.” (Paper 7 at 14.) The Board noted that the '260 patent itself discusses how various authorities (local police, county, state, and federal) already have individual inmate data collection and management systems (*citing* Ex. 1001 at 2:50-55), stating that “at most, the solution described by the '260 patent is

implemented through the use of known communication and data processing devices.” (Paper 7 at 14.)

Merely implementing the claimed subject matter using technology does not “elevate[] an otherwise ineligible claim into a patent-eligible improvement.” *OIP Techs., Inc. v. Amazon.com, Inc.*, 788 F.3d 1359, 1364 (Fed. Cir. 2015). Likewise, “limit[ing] the abstract idea to a particular environment”—here, an information management and phone system composed of generically claimed communications and data processing equipment—“does not make the claims any less abstract...” *In re TLI Commc’ns LLC Patent Litig.*, 823 F.3d 607, 613 (Fed. Cir. 2016); *see also Return Mail, Inc. v. United States Postal Service*, 868 F.3d 1350, 1368 (2017).

This applies even where claims recite functions that cannot be performed by a human. *See, e.g., Content Extraction & Transmission LLC v. Wells Fargo Bank, Nat. Ass’n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) (rejecting the argument that the claims were not drawn to an abstract idea “because human minds are unable to process and recognize the stream of bits output by a scanner”); *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1258-59 (Fed. Cir. 2016) (holding that claims requiring wireless delivery of broadcast content to cellular phones was abstract because it merely limited the abstract idea “to a particular technological environment”); *Intellectual Ventures I LLC v. Capital One Fin. Corp.*, 850 F.3d 1332, 1340 (Fed. Cir. 2017) (rejecting the argument that because the claims were

limited to processes involving the specialized programming language XML they were not directed to an abstract idea); *Internet Patents Corp. v. Active Network, Inc.*, 790 F.3d 1343, 1347-48 (Fed. Cir. 2015) (holding that use of a web-browser's "Back" and "Forward" navigational functionalities without data loss in an online application consisting of dynamically generated web pages was an abstract idea).

Thus, the Board misapprehended the standard for eligibility when it agreed with Securus that GTL was obligated to explain "how any human could possibly implement the claimed systems or perform the claimed method." (Paper 7 at 20 (*quoting* Paper 6 at 53).) That is not the standard. Merely limiting the abstract idea of centrally managing inmate information to a technological environment does not render the claims non-abstract. Thus, the Board should reconsider its decision.

2. The claims are not eligible merely because they recite a so-called configuration; the configuration is conventional and well-known.

The Board also misapprehended the standard when it agreed with Securus that claiming a "particular" configuration of communications and data processing equipment rendered the claims non-abstract. (Paper 7 at 19 (*citing* Paper 6 at 51).)

The claims contain three limitations: "a networking device," "an inmate management-system," and "a call application management system." (Ex. 1001 at 25:31-51.) The only "configuration" recited in the claims is that the networking device is coupled to the inmate management system and exchanges VoIP data packets with call processing gateways located at multiple facilities. Predictably, the

claimed call application management system connects calls to or from telephone terminals located at the facilities over a telephone carrier network. As explained in further detail below, all of these claim features are undisputedly conventional.

Although such “structures add a degree of particularity to the claims, the underlying concept embodied by the limitations merely encompasses the abstract idea....” *Intellectual Ventures I LLC*, 850 F.3d at 1341. What matters is whether the configuration is *unconventional*. See *Thales Visionix Inc. v. United States*, 850 F.3d 1343, 1345 (Fed. Cir. 2017) (“[t]he inertial sensors disclosed in the ’159 patent do not use the conventional approach of measuring inertial changes”).

It was known in the art to utilize a computer-based system that provides call processing and the ’260 patent itself admits that each of the claimed components is conventional and used for its ordinary purpose. (Paper 2 at 27 (*citing* Ex. 1001 at 2:23-25, 7:20-23, 9:10-14, 9:54-61, 11:57-60, 12:60-64).) The background of the ’260 patent itself explains that inmate management systems were widely used by “staff members” when they had to “complete a file.” (Ex. 1001 at 2:23-25.) Not only had the concepts of centralizing databases and providing remote access to the data stored in centralized databases been well-known and in use for decades prior to the ’260 patent, but such centralized databases and remote access models had been used in inmate management systems. (See Ex. 1002 at ¶¶38-47; Exs. 1017-1019.)

Additionally, using 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 50 years—if not longer. (Ex. 1002 at ¶48.) Using a centralized system that connected VoIP calls from telephones over a carrier network was also known prior to 2007. (*See, e.g.*, Ex. 1014 at Figures 3-5; Ex. 1012 at 2.)

There is no evidence that the claimed configuration is unconventional relative to the prior art. *See Affinity Labs of Texas, LLC*, 838 F.3d at 1257 (Fed. Cir. 2016) (explaining that the “abstract idea” step of the inquiry calls upon us to look at the “focus of the claimed advance over the prior art”). Because the manner in which the technology is used is entirely conventional, this case is unlike *Thales*.

Nor is the end-result of centralizing inmate information a relevant advance. *See, e.g., FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1097 (Fed. Cir. 2016) (“[t]he mere combination of data sources ... does not make [] claims patent eligible”); *Elec. Power Grp.*, 830 F.3d at 1353, 1355 (“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.”)

In sum, the alleged “configuration” is nothing more than a conventional arrangement of technology generically claimed and used for its ordinary purpose.

3. The absence of complete preemption does not demonstrate that the claims are eligible; lack of preemption is not dispositive.

The Board also misapprehended the standard when it concluded that the lack of complete preemption weighed in favor of eligibility. (*See* Paper 7 at 20 (*quoting* Paper 6 at 51-52).) The Federal Circuit has emphasized that “[w]hile preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.” *Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1379 (Fed. Cir. 2015). Attempting to limit the breadth of claims by showing alternative ways to centrally manage inmate information (*e.g.*, without using computers) “does not change the conclusion that the claims are directed to patent ineligible subject matter.” *Id.*; *see also Return Mail, Inc.*, 868 F.3d at 1370; *FairWarning*, 839 F.3d at 1098 (“But even assuming that the ... patent does not preempt the field, its lack of preemption does not save these claims.”); *Intellectual Ventures I LLC v. Symantec Corp.*, 838 F.3d 1307, 1320–31 (Fed. Cir. 2016) (same); *OIP Techs. at* 788 F.3d 1362-63 (“[T]hat the claims do not preempt all price optimization or may be limited to [a particular] setting do not make them any less abstract.”).

Thus, even if there are other ways of centrally managing inmate information, the preemption point is moot if the claims are focused on the abstract idea and use conventional technology to obtain that end-result. Because that is the case—and

there is no evidence in the record demonstrating otherwise—the Board should not have terminated its inquiry based on the alleged lack of complete preemption.

4. The '260 patent does not describe or claim any improvement to the operation of inmate management and call processing systems.

In *Enfish*, the Federal Circuit held the claims relating to an improvement to the operation of databases were patent-eligible because they were focused on an improvement to database functionality. *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1332-33 (Fed. Cir. 2016). In *McRO*, the Court held that claims directed to a “process us[ing] a combined order of specific rules” were patent-eligible because they improved upon a technological process. *McRo, Inc.*, 837 F.3d at 1315-16.

Here, the claims are not directed to an improvement in the operation of communications or data processing. Nor are they directed to specific rules that improve a technological process. The '260 patent does not describe improvements to “networking devices.” To the contrary, the '260 patent assumes that the claimed “networking device” is conventional. (Ex. 1002 at ¶34.) The '260 patent does not describe improvements to the claimed “inmate management system.” Rather, the '260 patent centralizes information in a *conventional* inmate management system and permits access to the data stored in it from remote facilities. (*Id.* at ¶31.) The '260 patent does not describe improvements to the claimed “call application management system.” Rather, the '260 patent assumes that this is a conventional component used for its ordinary purpose. (*See, e.g.*, Ex. 1001 at 9:10-14.) And with

respect to connection criteria, the '260 patent assumes 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.* at 11:57-60 (emphasis added).)

In sum, despite the attempt to characterize these claims as improving how technology operates, the '260 patent repeatedly and consistently admits that it is relying on *conventional* technology used for its ordinary purpose. Thus, the Board erred when it concluded that the claims are directed to “improving the way inmate management systems or call processing systems operate.” (Paper 7 at 21.)

B. Spadaro should have been considered because it confirms that the subject matter is conventional; it need not qualify under § 103(c)(1).

The Spadaro reference should have been considered as evidence of the state of the art because it confirms that the claimed subject matter was conventional.

GTL’s Petition explained that the challenged claims had been found obvious in a prior proceeding, IPR2014-00824, based on the combination of Spadaro and Hodge. (Paper 2 at 25-27.) GTL explained that this indicated that the claims were not directed to an improvement over existing technology. Spadaro confirms this.

The Board erred by disregarding Spadaro, indicating that Spadaro could not be considered because the Board had previously disqualified it as prior art under § 103(c)(1). (Paper 7 at 12-13.) As an initial matter, Spadaro *is* invalidating prior art to the '260 patent under §103(c)(1) for all the reasons argued by GTL in

IPR2014-00824. (*See* IPR2014-00824, Paper 19 at 6-10.) And Securus and its counsel of record in IPR2014-00825 misrepresented the date of invention of claims 2, 5, 8, 9, 11, 12, and 14-18 of the '357 patent in order to invoke 35 U.S.C. § 103(c) to improperly disqualify Spadaro. (*See* IPR2017-01436, Paper 2 at 10-16.) Properly considered, Spadaro is invalidating prior art under § 103(a).

But even if the Board maintains its view that Spadaro does not qualify as invalidating prior art under § 103(c)(1), that has no impact of Spadaro's probative value in the context of eligibility under § 101. Even if Spadaro was not applied as one of the "pieces of prior art defining" a ground of unpatentability under §§ 102 or 103, it is still evidence that the subject matter—including the configuration—was entirely conventional during the relevant timeframe. *Cf. Ariosa Diagnostics v. Verinata Health, Inc.*, 805 F.3d 1359, 1365 (Fed. Cir. 2015). This is because such background prior art references "can legitimately serve to document the knowledge that skilled artisans would bring to bear in reading the prior art identified...." *Id.* (*citing Randall Mfg. v. Rea*, 733 F.3d 1355, 1362-63 (Fed. Cir. 2013)).

Accordingly, regardless of whether Spadaro qualifies as prior art under § 103(c)(1)—which it does—it is proof of the state of the art and the Board should have considered its disclosure when evaluating the eligibility of Securus' claims.

C. At step two, the claims are ineligible under § 101 for the same reasons that they are ineligible for the technological invention exception.

For the additional reasons set forth in GTL's Petition, which find support in the Board's findings on the technological invention exception, Securus' claims are more likely than not directed to ineligible subject matter. Securus will have a full opportunity to address the merits and adduce evidence on that question at trial.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **PETITIONER'S REQUEST FOR REHEARING** was served electronically via e-mail on November 1, 2017, in its entirety on the following:

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