UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ACTIV FINANCIAL SYSTEMS, INC.,

Petitioner,

v.

IP RESERVOIR, LLC and
EXEGY, INC.

Patent Owner.

Case No. IPR2020-01010
U.S. Patent No. 10,062,115

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PATENT OWNER'S SUR-REPLY TO PETITIONER'S REPLY TO PATENT OWNER'S PRELIMINARY RESPONSE

"At bottom, [the *Advanced Bionics*] framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown." *Advanced Bionics*, at 9. In this case, the Office fully evaluated Parsons and did not err in a manner material to patentability of the challenged claims.

A. *Becton-Dickinson* Factor (c)

During prosecution of the '115 Patent, the Examiner had a demonstrated and thorough understanding of the teachings of Parsons via 9 rejections that cited to 11 columns of Parsons. Paper 7 ("POPR"), 13-14. There were also extensive citations to Parsons in the '115 Patent specification. *Id.* The intrinsic record demonstrates Parsons was extensively evaluated and was the basis of numerous rejections.

Petitioner places a heavy emphasis on *Asetek* in its Reply (again, as it was already cited in the Petition), but Patent Owner cited more relevant cases and the mere fact that the Examiner did not reject the challenged claims in view of Parsons "is not the end of [the] analysis." *Universal Imaging Indus., LLC v. Lexmark Int'l, Inc.*, IPR2019-01383, Paper 7, 16-17 (PTAB Feb. 27, 2020) ("…although the Examiner did not reject any claims of the [patent-at-issue] based on [the prior art-at-issue], ***that is not the end of our analysis.***") (emphasis added). In *Universal Imaging,* the Examiner was "already familiar with the substance of" the prior art-at-issue, and Patent Owner expressly called the prior art to the attention of the Examiner in the specification, as is the case here. *Id.* Although the art was not used in a

rejection of the challenged claims, the Board concluded that "it is reasonable to assume that the Examiner considered the substance of [the prior art-at-issue] when examining [the patent-at-issue]." *Universal Imaging* has facts far more similar to this case than *Asetek* and, although Petitioner filed the present reply ostensibly "to address PTAB decisions cited in the POPR," it did not address *Universal Imaging*.

Petitioner does briefly discuss the *Husky* case, cited in the POPR, but only its procedural posture. In *Husky*, the Board denied institution under 325(d) with facts far more favorable to Petitioner than those here: the Board denied institution of a petition that relied on a French-language patent (with English abstract) that was "evaluated" when that reference was merely listed on an IDS, and briefly discussed in a European search report that was also merely listed on an IDS. Neither the reference nor the European search report were even mentioned during prosecution.

Here, Patent Owner set forth significant information from the prosecution history and the specification of the '115 Patent demonstrating the Examiner evaluated and was familiar with Parsons. Accordingly, Factor (c) strongly favors exercise of the Board's discretion, especially in view of Board precedent.

B. *Becton-Dickinson* Factors (e) and (f)

Petitioner's treatment of Factor (e) amounts to an attempt to shift the burden to Patent Owner. Factor (e) asks whether ***petitioner*** has pointed out sufficiently how the Examiner erred in its evaluation of the asserted art. The entirety of Petitioner's

argument in this regard is that the Examiner failed to appreciate the claimed teachings "likely because Parsons does not use the terms 'order engine' and 'price engine.'" Paper 2, 77. However, the Examiner allowed the challenged claims because the prior art fails to teach "a coprocessor including an order engine and a price engine…[that] ***perform their steps in parallel with each other***" (Ex. 1002, 1729 (emphasis added)), and Petitioner concedes "Parsons does not describe the two engines as being implemented both in parallel…" Paper 2, 5. Accordingly, Petitioner has clearly failed to sufficiently explain how the Examiner erred in its evaluation of Parsons. Further, Petitioner states one of skill would have jumped to parallel processing because of increased speed. *Id*., 6-7. Again, the Examiner was well-aware of this rationale, using it in the previous Office action to reject pending claims, yet allowed the challenged claims anyway. Paper 7, 16-17.

Regarding Factor (f), Petitioner again merely states that an expert declaration was filed, but ignored the cases cited by Patent Owner, including *Advanced Bionics*, where the Board discretionarily denied pursuant to 325(d) despite previously-unconsidered expert testimony. Paper 7, 18. Petitioner fails to provide specific reasons why that expert declaration matters in view of the prosecution history.

Factors (e) and (f) also weigh in favor of discretionary denial.

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Respectfully submitted,
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CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. 42.6(e), I certify that on this 23rd day of October, 2020, a true and correct copy of the foregoing **Patent Owner's Sur-Reply to Petitioner's Reply to Patent Owner's Preliminary Response** was served by electronic mail on Petitioner's lead and backup counsel at the following addresses:

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