

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FIDELITY NATIONAL INFORMATION SERVICES, INC.,
Petitioner,

v.

DATATREASURY CORP.,
Patent Owner.

Case IPR2014-00489
Patent 5,910,988

Before MICHAEL P. TIERNEY, WILLIAM V. SAINDON, and
MATTHEW R. CLEMENTS, *Administrative Patent Judges*.

CLEMENTS, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

Fidelity National Information Services, Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 22-25, 36-50, and 66-123 (“the challenged claims”) of U.S. Patent No. 5,910,988 (Ex. 1001, “the ’988 patent”). Paper 2 (“Pet.”). DataTreasury Corp. (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314.

Upon consideration of the Petition and Preliminary Response, we determine that the information presented by Petitioner has not established that there is a reasonable likelihood that Petitioner would prevail in showing unpatentability of the challenged claims of the ’988 patent. Accordingly, the Petition is denied.

A. *Related Proceedings*

Petitioner and Patent Owner indicate that the ’988 patent is involved in three co-pending district court cases in the United States District Court for the Eastern District of Texas: *DataTreasury Corp. v. Fiserv, Inc.*, 2:13-cv-00431 (E.D. Tex. filed May 28, 2013); *DataTreasury Corp. v. Jack Henry & Associates, Inc. et al.*, 2:31-cv-00433 (E.D. Tex. filed May 28, 2013); and *DataTreasury Corp. v. Fidelity National Information Services, Inc. et al.*, 2:13-cv-00432 (E.D. Tex. filed May 28, 2013). Pet. 3-5; Paper 4, 2-3. Petitioner and Patent Owner also identify several closed district court proceedings involving the ’988 patent. Pet. 3-5; Paper 4, 2-4.

Petitioner and Patent Owner also identify additional petitions for *inter partes* review and for covered business method review of the ’988 patent: CBM2014-00021, CBM2014-00057, CBM2014-00087, and IPR2014-00491. Pet. 3; Paper 4, 2; Paper 5, 1. Petitioner and Patent Owner also

IPR2014-00489
Patent 5,910,988

identify petitions for *inter partes* review and for covered business method review of Patent Owner's related U.S. Patent No. 6,032,137: CBM2014-00020, CBM2014-00056, CBM2014-00088, and IPR2014-00490. *Id.* Petitioner and Patent Owner also identify an *ex parte* reexamination of the '988 patent (Control No. 90/012,537) (pending). Pet. 3; Paper 4, 2.

B. The '988 patent

The '988 patent is directed to a system for remote data acquisition and centralized processing and storage of the acquired data. Ex. 1001, Abstract. An object of the invention is to provide an automated system to manage and store captured electronic and paper transactions from various activities including banking and consumer applications. *Id.* at 3:30–35. Generally, the '988 patent describes scanning documents using a scanner attached to a general purpose network computer that is connected via a carrier cloud to a server that inserts images and data received into a database. *Id.* at Figs. 1–2, 3:30–51, 4:60–67, 5:40–45, 16:38–45. Additionally, the general purpose network computer encrypts the images and data to provide a system with maximal security. *Id.* at 3:30–35, 7:31–35, 8:3–5.

Figure 1 of the '988 patent, provided below, depicts a preferred embodiment of the system having three major operational elements:

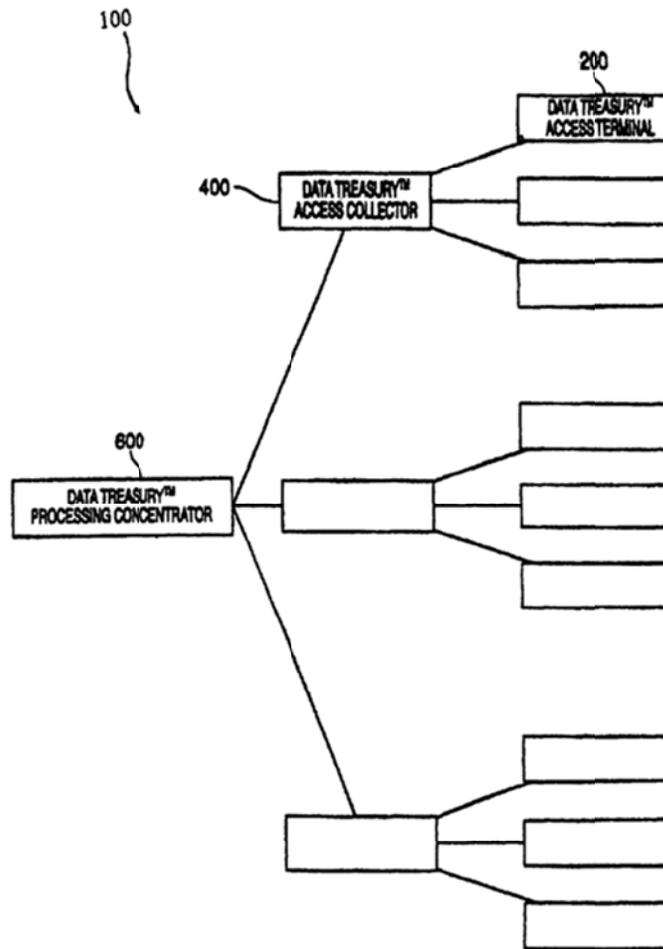


FIG. 1 (Amended)

The '988 patent describes the tiered arrangement depicted in Figure 1 as follows:

FIG. 1 shows the architecture of the DataTreasury™ System 100. The DataTreasury™ System 100 has three operational elements: the DataTreasury™ System Access Terminal (DAT) 200 (the remote data access subsystem), the DataTreasury™ System Access Collector (DAC) 400 (the intermediate data collecting subsystem), and the DataTreasury™ System Processing Concentrator (DPC) 600 (the central data processing subsystem).

Id. at 4:60–67.

Figure 2 of the '988 patent, provided below, depicts a block diagram of the DAT (remote data access subsystem terminal):

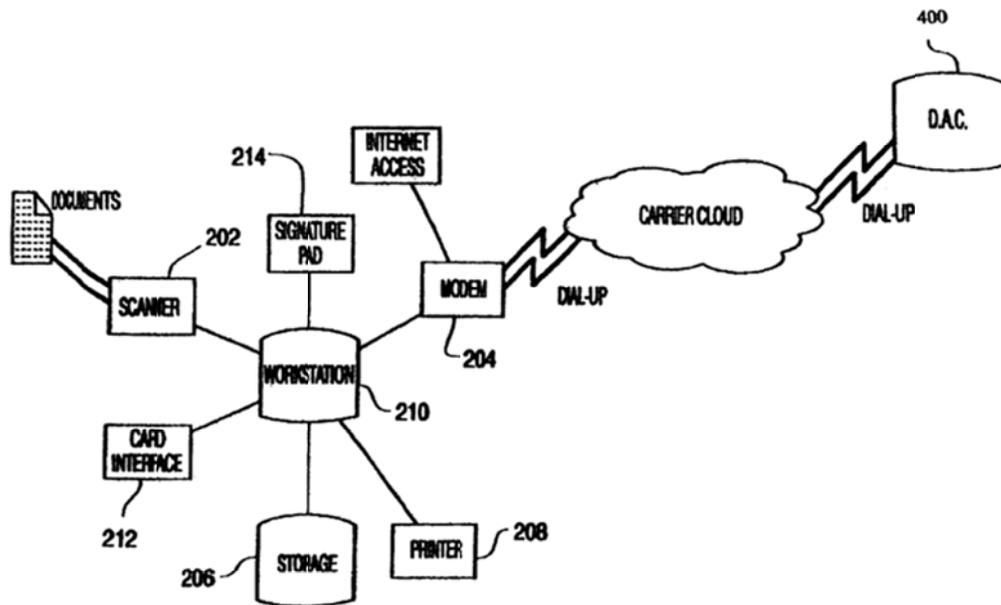


FIG. 2 (Amended)

As shown in Figure 2, a scanner 202 is connected to a workstation 210, which is connected to a data system access collector 300. The workstation can be a general purpose computer and performs tasks including compressing, encrypting, and tagging a scanned bitmapped image. *Id.* at 5:40–45, 7:31–35.

The '988 patent is said to improve upon the prior art by providing an automated, reliable, secure system to process electronic and paper transactions. *Id.* at 3:25–29.

C. Illustrative Claim

Independent claims 26 and 42 are illustrative of the challenged claims in the '988 patent and are reproduced below:

26. A method for central management, storage and verification of remotely captured paper transactions from documents and receipts comprising the steps of:

capturing an image of the paper transaction data at one or more remote locations and sending a captured image of the paper transaction data;

managing the capturing and sending of the transaction data;

collecting, processing, sending and storing the transaction data at a central location;

managing the collecting, processing, sending and storing of the transaction data;

encrypting subsystem identification information and the transaction data; and

transmitting the transaction data and the subsystem identification information within and between the remote location(s) and the central location.

42. A communication network for the transmission of data within and between one or more remote data processing subsystems, at least one intermediate data collecting subsystem and at least one central subsystem forming a tiered architecture wherein each of said at least one central data processing subsystem communicate with a corresponding some of said at least one data collecting subsystem and each of said at least one data collecting subsystem communicate with a corresponding some of said one or more data processing subsystems, said data processing subsystem including an imaging subsystem for capturing images of documents and receipts, comprising:

at least one first local area network for transmitting data within a corresponding one of said one or more remote subsystems;

at least one second local area network for transmitting data within a corresponding one of said at least one intermediate subsystem;

at least one third local area network for transmitting data within a corresponding one of said at least one central subsystem; and

at least one wide area network for transmitting data between said one or more remote subsystems, said at least one intermediate subsystem and said at least one central subsystem.

D. References Relied Upon

Petitioner relies upon the following references and the declaration of Mr. Stephen Gray (Ex. 1004):

NATHAN J. MULLER, COMPUTERIZED DOCUMENT IMAGING SYSTEMS: TECHNOLOGY AND APPLICATIONS (Artech House, Inc., 1993) (“Imaging Systems”)	Ex. 1008
INTERNATIONAL BUSINESS MACHINES CORP., 3890 DOCUMENT PROCESSOR APPLICATION PROGRAMMING (1 st ed. 1985) (“IBM”)	Ex. 1009
Liu US 5,031,089 July 9, 1991	Ex. 1010
ROBERT P. DAVIDSON & NATHAN J. MULLER, INTERNETWORKING LANs (Artech House, Inc., 1992) (“Internetworking LANs”)	Ex. 1011
Golden US 5,774,872 June 30, 1998	Ex. 1012
Berger US 5,091,975 Feb. 25, 1992	Ex. 1013
Lovendusky US 3,818,187 June 18, 1974	Ex. 1014
Holt US 5,097,517 Mar. 17, 1992	Ex. 1015
Hoffman US 5,613,012 Mar. 18, 1997	Ex. 1016

E. The Asserted Grounds of Unpatentability

Petitioner argues that the challenged claims are unpatentable based upon the following grounds:

Reference(s)	Basis	Claims Challenged
Imaging Systems, Golden, and Internetworking LANs	§ 103	42-50, 70-75, 78-83, 93-118, and 121
Imaging Systems, IBM, Internetworking LANs, and Golden	§ 103	22-25, 36, 38-41, 66-69, 84-92, 119, 120, 122, and 123

Reference(s)	Basis	Claims Challenged
Imaging Systems, IBM, Internetworking LANs, Golden, and Liu	§ 103	37
Imaging Systems, Golden, Internetworking LANs, and Lovendusky	§ 103	76
Imaging Systems, Golden, Internetworking LANs, and Holt	§ 103	77
Imaging Systems, Golden, Internetworking LANs, and at least one of Berger or Hoffman	§ 103	45, 50, 96, 101, 105, and 113
Imaging Systems, Golden, Internetworking LANs, IBM, and at least one of Berger or Hoffman	§ 103	87 and 92

II. ANALYSIS

A. 315(b)

Patent Owner argues that the Petition should be denied under 35 U.S.C. § 315(b) because Petitioner was served with a Third Party Complaint around June 8, 2012, more than one year prior to the filing of the Petition. Prelim. Resp. 4-5. Section 315(b) of Title 35 of the United States Code bars institution of *inter partes* review when the petition is filed more than one year after the petitioner (or the petitioner's real party in interest or privy) is served with a complaint *alleging infringement of the patent*. 35 U.S.C. § 315(b); 37 C.F.R. § 42.101(b). Patent Owner does not allege, however, that the Third Party Complaint served upon Petitioner alleged infringement of the '988 patent. Based upon our review of the docket in *DataTreasury v. Austin Bank*, No. 6:11-CV-00470 (E.D. Tex.), the Third Party Complaint (Dkt. No. 225) filed against Petitioner on June 8, 2012, did *not* allege infringement of the '988 patent. Ex. 3001. It alleged breach of contract and

sought a declaratory judgment as to indemnity, warranty against infringement, and common law indemnity. *Id.* Because these causes of action are not an allegation of infringement of the '988 patent, we conclude that the Petition is not barred under § 315(b).

B. The Asserted Grounds

In light of the arguments and evidence, Petitioner has not established a reasonable likelihood that the challenged claims are unpatentable for the reasons discussed below.

Under our rules, the petition must contain a “full statement of the reasons for the relief requested, including a detailed explanation of the significance of the evidence” 37 C.F.R. § 42.22(a)(2). We, therefore, decline to consider information presented in a supporting declaration, but not discussed sufficiently in a petition; among other reasons, doing so would permit the use of declarations to circumvent the page limits that apply to petitions. For the same reasons, our rules prohibit arguments made in a supporting document from being incorporated by reference into a petition. *See* 37 C.F.R. § 42.6(a)(3).

Petitioner alleges seven grounds of unpatentability. Pet. 18-55. For each ground, Petitioner provides a claim-by-claim analysis in which it alleges that the prior art teaches or suggests each element of the claim. *Id.* Petitioner cites, with few exceptions, only to the Declaration of Stephen Gray (“Gray Declaration”). *Id.* The Gray Declaration comprises 1,278 paragraphs across 287 pages. Ex. 1004. In those paragraphs, Mr. Gray cites almost exclusively to a 1,003-page, single-spaced, claim chart in landscape format appended to his Declaration as Exhibit A. In the claim chart, Mr. Gray cites to the references themselves. Ex. 1004, Ex. A. As a result, the

Petition involves three levels of incorporation: (1) the Petition incorporates the Gray Declaration; (2) the Gray Declaration incorporates the claim chart; (3) the claim chart incorporates from the references themselves.

For the first ground (Pet. 18-38), for example, Petitioner's analysis of independent claim 42 cites exclusively to the Gray Declaration, but for two citations to Golden (Exhibit 1012) on page 23. Pet. 19-25. In the nineteen paragraphs of the Gray Declaration cited for claim 42, Mr. Gray cites exclusively to a claim chart appended to his Declaration as Exhibit A, but for two citations to Golden in paragraph 732. Ex. 1004 ¶¶ 715-734. In the thirty-six pages of claim chart analyzing claim 42, Petitioner cites, finally, to the references themselves. Ex. 1004, Ex. A, 163-199. The end result is that six pages of Petition expand to thirty-six pages of citations to references. Petitioner uses the same approach for the other six grounds.

On this record, the Petition's extensive reliance on citations to the Gray Declaration in lieu of citations to the references themselves amounts to an incorporation by reference of arguments made in the Gray Declaration into the Petition, thereby circumventing the page limits that apply to petitions. We, therefore, decline to consider the information found only in the Gray Declaration.

Based on the analysis presented in the Petition itself, and on our review of the portions of references cited in the Petition, Petitioner has not met its burden in establishing a reasonable likelihood that the challenged claims are unpatentable. Although the Petition includes some citations to the references themselves, those citations do not identify sufficiently the portions of the references alleged to teach or suggest the limitations of the challenged claims. This is not a case where the references relied upon are

short documents that may be understood easily absent direct pointers to relevant disclosure. The references are voluminous. The most frequently cited references—Imaging Systems, IBM, and Internetworking LANs—are 334 pages, 362 pages, and 296 pages, respectively. Exs. 1008, 1009, 1011. The few direct citations to the references themselves are not sufficient to establish a reasonable likelihood that the challenged claims are unpatentable.

III. CONCLUSION

For the foregoing reasons, we determine that the information presented in the Petition does not establish that there is a reasonable likelihood that Petitioner would prevail in establishing the unpatentability of the challenged claims of the '988 patent. Accordingly, we deny the Petition and do not institute an *inter partes* review of the challenged claims of the '988 patent.

IV. ORDER

Accordingly, it is

ORDERED that the Petition challenging the patentability of claims 22-25, 36-50, and 66-123 of U.S. Patent No. 5,910,988 is *denied* and no trial is instituted.

IPR2014-00489
Patent 5,910,988

For PETITIONER:

Erika H. Arner
Darren M. Jiron
FINNEGAN, HENDERSON, FARABOW,
GARRETT & DUNNER, L.L.P.
erika.arner@finnegan.com
darren.jiron@finnegan.com

For PATENT OWNER:

Abraham Hershkovitz
Eugene C. Rzucidlo
HERSHKOVITZ & ASSOCIATES, PLLC
AHershkovitz@Hershkovitz.net
GRzucidlo@Hershkovitz.net