

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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EPSILON DATA MANAGEMENT, LLC and  
EXPERIAN MARKETING SOLUTIONS, INC.  
Petitioners

v.

RPOST COMMUNICATIONS LIMITED  
Patent Owner

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Case CBM2014-00017  
Patent 8,209,389 B2

Before KEVIN F. TURNER, TREVOR M. JEFFERSON, and  
JAMES B. ARPIN, *Administrative Patent Judges*.

TURNER, *Administrative Patent Judge*.

DECISION  
Denying Institution of Covered Business Method Patent Review  
*37 C.F.R. § 42.208*

## I. BACKGROUND

Petitioner, Epsilon Data Management, LLC and Experian Marketing Solutions, Inc., filed a petition (Paper 5, “Pet.”) to institute a covered business method patent review of claims 1-16 of U.S. Patent No. 8,209,389 B2 (“the ’389 Patent”) pursuant to 35 U.S.C. §§ 321-29. Patent Owner, RPost Communications Limited, filed a preliminary response (Paper 17, “Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 324.

The standard for instituting a covered business method patent review is set forth in 35 U.S.C. § 324(a):

**THRESHOLD**—The Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.

Petitioner challenges claims 1-16 as unpatentable under 35 U.S.C. §§ 101, 112, 102, and 103. For the reasons that follow, the petition is *denied*.

### *A. The ’389 Patent (Ex. 1001)*

The ’389 Patent, titled “System and Method for Verifying Delivery and Integrity of Electronic Messages,” issued on June 26, 2012. The ’389 Patent relates to systems and methods of later providing proof regarding the delivery and content of an e-mail message. Ex. 1001, 1:20-24. This is accomplished when a system delivers the electronic message to all recipients, and, thereafter, the system returns a receipt of delivery to the originator of the electronic message. *Id.* at 3:16-35. The receipt includes,

among other things: the original message, the digital signature of the message, and a handshaking and delivery history including times of delivery to the recipients. *Id.* To later verify and authenticate information contained in the receipt, the originator or user sends a copy of the receipt to the system, and the system then verifies that the digital signature matches the original message and the rest of the receipt. *Id.*

### *B. Related Matters*

The '389 Patent has been asserted in the proceedings listed in the petition. Pet. 7-8. The '389 Patent currently is being asserted against Petitioners in *RPost Holdings, Inc. v. Epsilon Data Management, LLC*, No. 2:12-cv-00511-JRG (E.D. Tex.) and *RPost Holdings, Inc. v. Experian Marketing Solutions, Inc.*, No. 2:12-cv-00513-JRG (E.D. Tex.). Ex. 1005.

### *C. Illustrative Claim*

Claim 1 of the '389 Patent is reproduced below and is illustrative of the claims at issue:

1. A method of transmitting a message from a sender to a recipient through a server displaced from the recipient, the steps at the server comprising:

receiving the message at the server from the sender;  
transmitting the message to the recipient;

receiving at the server at least a portion of a mail transport protocol dialog generated during transmission of the message from the server to the recipient; and

receiving at the server from the recipient an indication of the receipt of the message by the recipient;

forming at the server a first information from the at least a portion of the mail transport protocol dialog and the indication of the receipt of the message by the recipient; and

transmitting, before any authentication of the message, a copy of the message and the first information to the sender from the server.

*D. Asserted References*

In its petition, Petitioner refers to the following references:

A. Bahreman et al., Certified Electronic Mail (CEM), in Proceedings of the 1994 Network and Distributed Systems Security Conference, February 1994 (Ex. 1006, hereinafter “CEM94”).

B. Al-Hammadi et al., Certified Exchange of Electronic Mail (CEEM), Proceedings IEEE Southeastcon '99, March 25 – 28, 1999 (Ex. 1007, hereinafter “CEEM”).

Feldbau      WO 97/08869 A1      March 6, 1997      Ex. 1008

*E. Asserted Grounds of Unpatentability*

Petitioner challenges the patentability of claims 1-16 of the '389 Patent based on the following asserted grounds of unpatentability:

Reference(s)	Basis	Claims challenged
N/A	§ 101	14 and 15
N/A	§ 112(b)	2, 7, 14, and 15
CEM94	§ 102	1, 4, 7, 8, 10-12, and 14-16
CEM94	§ 103	1, 4, 7, 8, 10-12, and 14-16
CEM94 and Feldbau	§ 103	2, 3, 5, 6, 9, and 13
CEEM	§ 102	1, 7, 14, and 15
Feldbau	§ 102	1-16
Feldbau	§ 103	1-16

## II. ANALYSIS

### A. *Financial Product or Service*

A “covered business method patent” is 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.” Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (“AIA”) § 18(d)(1); *see* 37 C.F.R. § 42.301(a). For purposes of determining whether a patent is eligible for a covered business method patent review, the focus is on the claims. *See* Transitional Program for Covered Business Method Patents—Definitions of Covered Business Method Patent and Technological Invention; Final Rule, 77 Fed. Reg. 48,734, 48,736 (Aug. 14, 2012). A patent need have only one claim directed to a covered business method to be eligible for review. *Id.*

In promulgating rules for covered business method patent reviews, the Office considered the legislative intent and history behind the AIA’s definition of “covered business method patent.” *Id.* at 48,735-36. The “legislative history explains that the definition of covered business method patent was drafted to encompass patents ‘claiming activities that are financial in nature, incidental to a financial activity or complementary to a financial activity.’” *Id.* (citing 157 CONG. REC. S5432 (daily ed. Sept. 8, 2011) (statement of Sen. Schumer)). The legislative history indicates that “financial product or service” should be interpreted broadly. *Id.*

As Petitioner points out, the Specification of the ’389 Patent details that the claimed electronic messaging system and methods are directed to financial, monetary, and commercial applications. Pet. 3. Specifically,

Petitioner cites that “[t]he registered queries, complaints, *orders*, *offers to purchase*, and other information 46 are sent to the e-business 30 by the system. Receipts are then provided to the customers 34 via SMTP server 38.” *Id.* at 4; Ex. 1001 at 26:53-55. As identified by Petitioner, the e-commerce embodiments are directed to the buying and selling of products or services over electronic systems, such as the Internet. Pet. 4. We are persuaded that this comports with “an agreement between two parties stipulating movements of money or other consideration now or in the future.” *Apple Inc. v. Sightsound Tech., LLC*, CBM2013-0019, slip op. at \*12 (PTAB Oct. 8, 2013) (Paper 17)(internal citations omitted). We also are persuaded by Petitioner that these e-commerce transactions represent the type of activities that are “complementary to a financial activity” and “relate to monetary matters.” *Id.* at 2, 4.

Patent Owner argues that, even under a broad definition of covered business method patent, the ’389 Patent is not encompassed by that definition. Prelim. Resp. 11. Patent Owner also argues that the steps of the method claims are unrelated to financial activities (*id.* at 12) and have “nothing to do with movement of money; financial institution; sale of a service, product or digital content; agreement for consideration; valuing an object; insuring an object; or anything else remotely related to something monetary” (*id.* at 12).

Patent Owner’s arguments are not persuasive. The Board reviews petitions on their own facts to determine whether the challenged patent is a “covered business method patent” under the AIA definition. The presence of the e-commerce embodiment makes clear that the method claims have utility to financial processes. Further, we are not persuaded by Patent

Owner that the '389 Patent has *nothing* to do with finance. The Specification of the '389 Patent states that the disclosed and claimed method may be used in e-commerce, as discussed above.

As such, we are persuaded that the claims of the '389 Patent meet the “financial product or service” component of Section 18(d)(1) of the AIA.

### *B. Technological Invention*

The definition of “covered business method patent” in Section 18(d)(1) of the AIA does not include patents for “technological inventions.” To determine whether a patent is for a technological invention, we consider “whether the claimed subject matter as a whole recites a technological feature that is novel and unobvious over the prior art; and solves a technical problem using a technical solution.” 37 C.F.R. § 42.301(b). The following claim drafting techniques, for example, typically do not render a patent a “technological invention”:

(a) Mere recitation of known technologies, such as computer hardware, communication or computer networks, software, memory, computer-readable storage medium, scanners, display devices or databases, or specialized machines, such as an ATM or point of sale device.

(b) Reciting the use of known prior art technology to accomplish a process or method, even if that process or method is novel and non-obvious.

(c) Combining prior art structures to achieve the normal, expected, or predictable result of that combination.

Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,763-64 (Aug. 14, 2012).

We are not persuaded by Petitioner's arguments that the '389 Patent is not directed to a technological invention. Pet. 5-6. Petitioner argues that the '389 Patent does not recite any novel and unobvious technological feature, and does not solve a technical problem. *Id.* at 6. Petitioner also argues that the "technological features recited by the '389 Patent were well-known at the relevant time period," and that all of the limitations of the claims of the '389 Patent refer to generic software and hardware. *Id.* We must weigh these arguments against the counterarguments raised by Patent Owner.

Patent Owner argues that Petitioner's arguments are conclusory, detailing that known hardware and software programs make the '389 Patent a covered business method patent. Prelim. Resp. 15. Patent Owner identifies the technical problem to be providing reliable proof of content and delivery of electronic messages, and argues that the claims provide a technical solution of an intermediary server, without requiring use of special e-mail software by the sender or the recipient. *Id.* at 18-19. Patent Owner argues specifically that the forming step of the method claims is a technical feature that solves the technical problem identified. *Id.* at 18. As argued by Patent Owner, Petitioner has failed to provide persuasive evidence that such forming of the first information, per claim 1, was known at the time of the invention of the subject matter of the '389 Patent. *Id.* In addition, although Patent Owner addresses the analysis in the Declaration of Paul C. Clark, Dsc. (*id.* at 19), which Petitioner submitted with the Petition, this analysis was not included in the relevant portion of the Petition (Pet. 2-6), and need not be considered in determining that the '389 Patent is a covered business method patent.

Although Petitioner argues that providing proof of delivery was known, and use of digital signatures was known (*id.* at 6), that does not mean, necessarily, that the use of the specific steps in independent claims 1, 7, and 14 are not novel or unobvious. Petitioner has provided some analysis of certain claim limitations (*id.*), but has not analyzed each claim as a whole, as required. *Id.* Petitioner also has failed to demonstrate that the use of the electronic message systems, per the claimed processes, only would achieve the normal, expected, or predictable result of that combination. *See* Pet. 5-6. Additionally, Petitioner has not persuaded us that such server configurations and methods, as discussed and claimed in the '389 Patent, were known at that time.

Lastly, merely because an invention's claims recite a method, and such a method is applicable to a financial process, which does not obviate the need to determine whether the invention is directed to a technical invention. *See* 37 C.F.R. § 42.301(a) (“*except* that the term [covered business method patent] does not include patents for technological inventions” (emphasis added)). Petitioner's conclusory language in the petition that none of the steps of a claim requires any novel and unobvious technological implementation, or solves a technical problem, without more, is not sufficient to demonstrate that the claimed subject matter is not a technical invention.

In view of the foregoing, we conclude that Petitioner fails to demonstrate that the claims of the '389 Patent are directed to a covered business method patent under AIA Section 18(d)(1).

### III. CONCLUSION

For the foregoing reasons, we determine that the information presented in the petition does not establish that the '389 Patent is eligible for review as a covered business method patent under AIA Section 18(d)(1).

### IV. ORDER

Accordingly, it is  
ORDERED that the petition is *denied* as to all challenged claims.  
FURTHER ORDERED that no covered business method patent review is instituted.

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