

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ASKELOADDEN L.L.C.,  
Petitioner,

v.

LIBERTY PEAK VENTURES LLC,  
Patent Owner.

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IPR2023-00422  
Patent 8,905,301 B2

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Before DANIEL J. GALLIGAN, SHARON FENICK, and  
SCOTT RAEVSKY, *Administrative Patent Judges*.

RAEVSKY, *Administrative Patent Judge*.

DECISION  
Granting Institution of *Inter Partes* Review  
35 U.S.C. § 314

## I. INTRODUCTION

Askeladden L.L.C. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1–20 of U.S. Patent No. 8,905,301 B2 (Ex. 1002, “the ’301 patent”). Pet. 1. Liberty Peak Ventures, LLC (“Patent Owner”) waived filing a Preliminary Response. Paper 5.

Under 35 U.S.C. § 314(a), an *inter partes* review may not be instituted unless it is determined that there is a reasonable likelihood that the petitioner would prevail with respect to at least one of the claims challenged in the petition. After considering Petitioner’s arguments and evidence, and for the reasons set forth below, we determine that Petitioner demonstrates a reasonable likelihood of prevailing with respect to at least one of the challenged claims of the ’301 patent. Accordingly, we institute an *inter partes* review with respect to all challenged claims and grounds asserted in the Petition. 37 C.F.R. § 42.108(a) (2022).

Our factual findings and conclusions at this stage of the proceeding are based on the evidentiary record developed thus far. This is not a final decision as to patentability of the challenged claims.

## II. BACKGROUND

### A. Related Matters

The parties identify four infringement lawsuits involving the ’301 patent: *Liberty Peak Ventures, LLC v. The Charles Schwab Corporation*, No. 2:22-cv-00376 (E.D. Tex.) (filed Sep. 28, 2022); *Liberty Peak Ventures, LLC v. Zions Bancorporation, N.A.*, No. 2:22-cv-00195 (E.D. Tex.) (filed Jun. 08, 2022) (terminated Oct. 4, 2022); *Liberty Peak Ventures, LLC v. Regions Fin. Corp.*, No. 2:21-cv-00417, (E.D. Tex.) (filed Nov. 9, 2021)

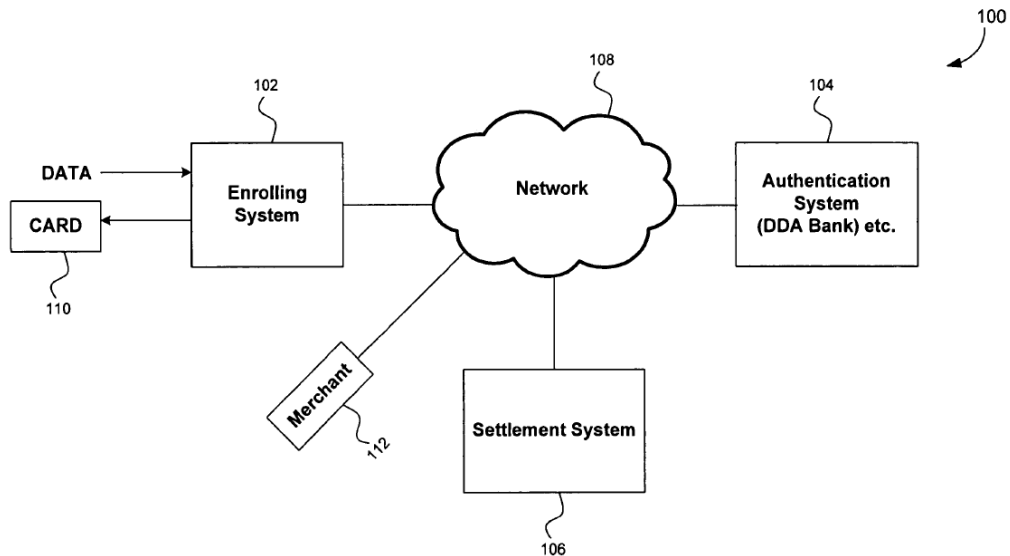
(terminated June 2, 2022); and *Liberty Peak Ventures, LLC v. Citigroup Inc.*, No. 6:21-cv-00711 (W.D. Tex.) (filed Jul. 08, 2021) (terminated Jan. 24, 2022). Pet. 2; Paper 3, 2. Petitioner has also filed the following *inter partes* review on related U.S. Patent No. 7,837,100 B2: *Askeladden L.L.C. v. Liberty Peak Ventures, LLC*, IPR2023-00421 (PTAB, filed Dec. 29, 2022).

*B. Real Parties-in-Interest*

Askeladden identifies itself as the only real party-in-interest (RPI). Pet. 1. Patent Owner identifies itself as the sole RPI. Paper 3, 2.

*C. The '301 patent*

The '301 patent describes systems and methods for issuing and tracking debit cards. Ex. 1002, code (57) (Abstract). Figure 1 depicts an example of such a system:



**FIG. 1**

*Id.* at 6:53. Figure 1 depicts system 100, which includes enrolling system 102, network 108, authentication system 104, and settlement system 106.

*Id.* at 6:53–55. Customers wanting to use a debit card program enter

information or data into enrolling system 102. *Id.* at 6:56–58. This information is transmitted through network 108 to authentication system 104. *Id.* at 6:60–62. Once the person’s identity has been verified and financial information has been accepted, one or more accounts (e.g., main and overdraft) of the person are associated with debit card 110. *Id.* at 6:64–67. Settlement system 106 generates a periodic report of transactions, the main account, and the overdraft account. *Id.*, code (57).

*D. Challenged Claims*

Claim 1 is illustrative of the challenged claims:

1. A method comprising:

receiving, at a computer-based authorization system, a transaction request associated with a debit account, wherein the debit account is associated with a separate account;

sending, using the computer-based authorization system, an account information request that includes account information of the separate account;

receiving, at the computer-based authorization system, status information of the separate account in response to the account information request; and

authorizing, using the computer-based authorization system, the transaction request based on the status information.

Ex. 1002, 12:63–13:9.

*E. Asserted Grounds of Unpatentability*

Petitioner asserts the following grounds of unpatentability (Pet. 5):

<b>Claim(s) Challenged</b>	<b>35 U.S.C. §<sup>1</sup></b>	<b>Reference(s)/Basis</b>
1, 3–5, 7–16	102(a), (e)	Foss <sup>2</sup>
14	103(a)	Foss, Applicant Admitted Prior Art (“AAPA”) <sup>3</sup>
3	103(a)	Foss, Gopinathan <sup>4</sup>
2, 6, 17–20	103(a)	Foss, Hirka <sup>5</sup>

Petitioner relies on the declaration of Ivan Zatkovich (Ex. 1003).

### III. ANALYSIS

#### *A. Principles of Law*

Petitioner bears the burden to demonstrate unpatentability, and that burden never shifts to Patent Owner. *Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015).

To show anticipation under 35 U.S.C. § 102, each and every claim element, arranged as in the claim, must be found in a single prior art reference. *Net MoneyIN, Inc. v. VeriSign, Inc.*, 545 F.3d 1359 (Fed. Cir. 2008). The prior art need not, however, use the same words as the claims.

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<sup>1</sup> The Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, 125 Stat. 284, 285–88 (2011), revised 35 U.S.C. §§ 102, 103 effective March 16, 2013. The ’301 patent was filed prior to March 16, 2013. Ex. 1002, code (22). We therefore apply the pre-AIA versions of §§ 102, 103.

<sup>2</sup> U.S. Publication No. 2004/0225604 A1 to Foss, published Nov. 11, 2004 (Ex. 1008).

<sup>3</sup> Ex. 1002, 7:37–38, 8:4–14, 8:59–61. *See* Pet. 8 & n.3, 30, 55.

<sup>4</sup> U.S. Patent No. 6,330,546 B1 to Gopinathan, issued Dec. 11, 2001 (Ex. 1010).

<sup>5</sup> WIPO Publication No. WO 02/21374 A1 to Hirka, published March 14, 2002 (Ex. 1009).

*In re Gleave*, 560 F.3d 1331, 1334 (Fed. Cir. 2009). The anticipation inquiry takes into account the literal teachings of the prior art reference and inferences the ordinarily skilled person would draw from it. *Eli Lilly and Co. v. Los Angeles Biomedical Res. Inst. at Harbor-UCLA Med. Ctr.*, 849 F.3d 1073, 1074–75 (Fed. Cir. 2017).

A claim is unpatentable as obvious if “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007) (quoting 35 U.S.C. § 103(a)). We resolve the question of obviousness based on underlying factual determinations, including: (1) the scope and content of the prior art; (2) any differences between the prior art and the claims; (3) the level of skill in the art; and (4) when in evidence, objective indicia of nonobviousness. *See Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 17–18 (1966).

We apply these principles to the Petition’s challenges.

*B. Level of Ordinary Skill in the Art*

We review the obviousness grounds in view of the understanding of a person of ordinary skill in the art at the time of the invention. *Graham*, 383 U.S. at 13, 17. Petitioner asserts that

a POSITA [person of ordinary skill in the art] would have a bachelor’s degree in computer science, computer engineering, data science, electrical engineering, or a related study, and would have at least one or two years of experience with payment processing systems, credit card and debit card payment transactions, and industry practices and standards for

processing purchase transactions and authenticating participants.

Pet. 12 (citing Ex. 1003 ¶¶ 159–161).

We are persuaded, on the present record, that Petitioner’s proposal is generally consistent with the problems and solutions in the ’301 patent and prior art of record. We note, however, that the open-ended language “at least” expands the range of experience indefinitely with no upper bound. For purposes of this Decision, we adopt Petitioner’s definition of the level of skill with the exception of the language “at least.”

### *C. Claim Construction*

In *inter partes* review, we construe a claim using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. § 282(b), including construing the claim in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent. 37 C.F.R. § 42.100(b).

Petitioner does not propose any claim constructions. *See* Pet. 12. As no terms are in dispute, we determine that no terms require construction at this stage. *See Realtime Data, LLC v. Iancu*, 912 F.3d 1368 (Fed. Cir. 2019) (“The Board is required to construe ‘only those terms . . . that are in controversy, and only to the extent necessary to resolve the controversy.’” (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999))).

### *D. Asserted Anticipation by Foss (Ground 1)*

Petitioner contends that claims 1, 3–5, and 7–16 are anticipated by Foss. Pet. 13–59.

1. *Overview of Foss*

Foss describes a system and method for providing a checkless checking account. Ex. 1008, code (57). The system and method provide transactional functionality of a branded card, wherein an account is funded from the account owner's personal funds. *Id.* The checkless checking account may also be combined with a credit component to expand its functionality. *Id.*

2. *Independent claim 1*

a. *Undisputed limitations*

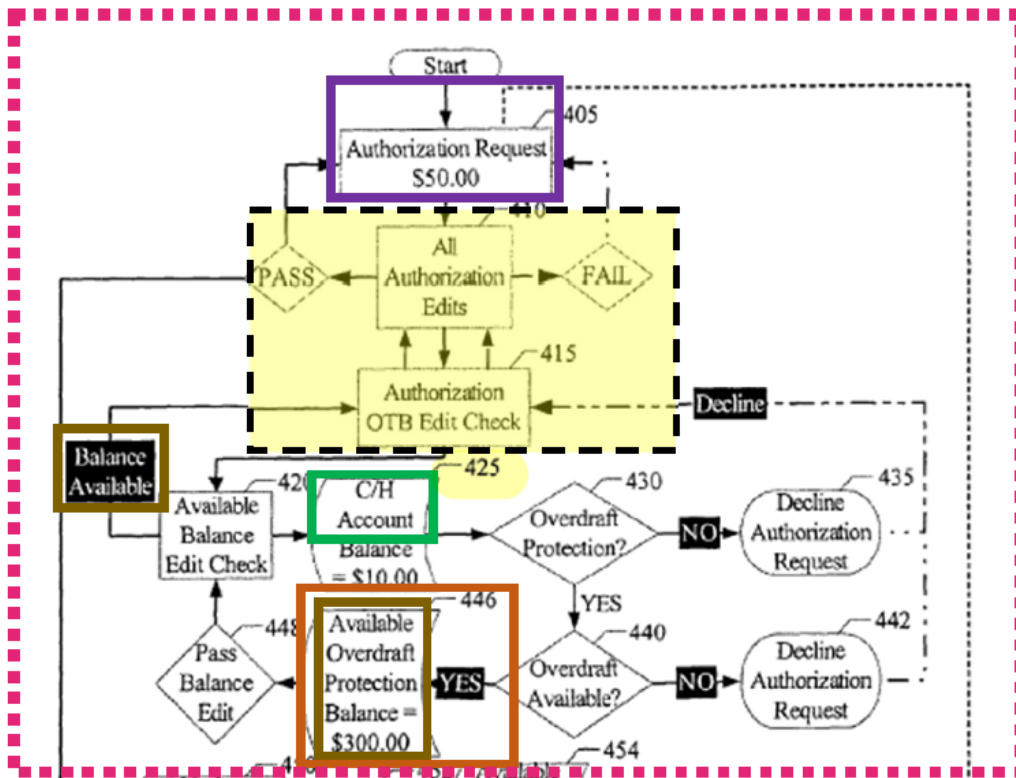
As noted above, Patent Owner did not file a preliminary response and thus does not dispute any of Petitioner's arguments at this stage.

Petitioner asserts that Foss teaches the preamble ("A method comprising") and all the limitations of claim 1 by disclosing, in Figure 4, "a flow diagram that illustrates the operation of performing a transaction."<sup>6</sup> Pet. 19–20 (citing Ex. 1008, Fig. 4; Ex. 1003 ¶ 159). A portion of Foss Figure 4, annotated by Petitioner, is reproduced below.

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<sup>6</sup> We need not determine at this stage whether the preamble is limiting because we determine that Foss likely discloses it.





*Id.* at 19. The above portion of Figure 4 illustrates an example operation of performing a transaction. Ex. 1008 ¶ 65. The flow diagram depicts an illustrative example of authorizing a transaction for a customer who has opened a basic card account with a current balance of \$10 and an overdraft option with a limit of \$300. *Id.*

Petitioner next asserts that Foss discloses the claimed “receiving, at a computer-based authorization system, a transaction request associated with a debit account, wherein the debit account is associated with a separate account.” Pet.23–27. For example, Petitioner asserts that “Foss teaches, using a **computer-based authorization system** (See Ex1008, Fig. 2, [0017], [0033], [0055] and [0037]), receiving a **transaction request** (e.g., ‘**an authorization request 405**’) which is associated with a **debit account** (e.g., a ‘**basic card account**’) (Ex1008, [0065]; Ex1003, ¶372), and associating

the **debit account** with a **separate account**.” *Id.* at 23–24.<sup>7</sup> In Figure 4 of Foss (reproduced above), Petitioner further highlights blocks 405, 425, and 446 as disclosing this limitation. *Id.* at 25–26.

Petitioner further asserts that Foss discloses the claimed “sending, using the computer-based authorization system, an **account information request** that includes account information of the separate account.” Pet. 28–30. For example, Petitioner asserts that “Foss discloses **as step 446** in Figure 4, sending, using the ‘account management component 240’ of the computer-based authorization system (see discussion in element [7PRE] and [1A/7A]), an **account information request** (e.g., Ex1008, [0066] (checking in step 446 ‘**available overdraft balance**’); Ex1003, ¶¶383, 361-382).” *Id.* at 28. Mr. Zatkovich testifies that POSITA would understand that such a request would necessarily include account information of the separate account (e.g., the overdraft account). *Id.* (citing Ex. 1003 ¶¶ 386, 388).

In addition, Petitioner contends that Foss discloses the claimed “receiving, at the computer-based authorization system, status information of the separate account in response to the account information request.” Pet. 30–32. Petitioner argues, for example, that “Foss further teaches receiving, at the ‘account management component 240’ of the computer-based authorization system (see discussion in element [7PRE] and [1A/7A]), **status information** (e.g., ‘**available overdraft protection balance . . . in this case \$300**’ (Ex1008, [0066])) of the separate account in response to the **account information request** from step 446 discussed in elements [1B/7B] above. (Ex1008, [0066]; Ex1003, ¶390).” *Id.* at 30. Petitioner also points to

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<sup>7</sup> We omit Petitioner’s text colorization throughout this decision.

Figure 4 of Foss, highlighting block 446 as disclosing this limitation. *Id.* at 30–31.

Finally, Petitioner contends that Foss discloses the claimed “authorizing, using the computer-based authorization system, the transaction request based on the status information.” Pet. 32–34. For instance, Petitioner contends, “Foss further teaches **authorizing** (‘**authorization OTB edit check 415**’ (Ex1008, Fig. 4 and [0066])) using the ‘transactional processing component 250’ of the computer-based authorization system (see discussion in element [7PRE] and [1A/7A]), the transaction request (e.g., ‘authorization request 405’, Ex1008, [0065]) based on the **status information** earlier returned (e.g., the ‘**available overdraft protection balance**’ (Ex1008, [0066]; Ex1003, ¶¶395-396; *see* Ex1008, Fig. 4).” *Id.* at 32–33. Petitioner also highlights blocks 410 and 446 of Foss Figure 4 as disclosing this limitation. *Id.* at 33.

On this record, Petitioner has made a sufficient showing that Foss discloses the preamble and all of the limitations of claim 1.

*b. Summary as to Claim 1*

Based on the preliminary record before us, Petitioner has shown a reasonable likelihood that claim 1 is anticipated by Foss.

*3. Independent Claims 7 and 16*

Petitioner raises similar arguments for independent claims 7 and 16 as for claim 1. *See* Pet. 18–34, 48–54. For similar reasons as discussed above, Petitioner has shown a reasonable likelihood that claims 7 and 16 are anticipated by Foss.

4. *Dependent Claims 3–5 and 8–15*

Petitioner contends that dependent claims 3–5 and 8–15 are anticipated by Foss. Pet. 35–48, 54–67. Petitioner provides a detailed analysis explaining where Foss discloses the limitations in these dependent claims. Based on the current record, we determine that Petitioner has demonstrated a reasonable likelihood that claims 3–5 and 8–15 are anticipated by Foss.

*E. Remaining Grounds*

We leave for trial the issue of whether Petitioner has shown unpatentability under the remaining grounds.

IV. CONCLUSION

At this stage of the proceeding, we determine that Petitioner has demonstrated a reasonable likelihood of prevailing on its challenges as to at least one challenged claim. At this preliminary stage, we have not made a final determination as to the patentability of the challenged claims or any underlying factual and legal issues.

V. ORDER

It is, therefore,

ORDERED that, pursuant to 35 U.S.C. § 314(a), an *inter partes* review of all challenged claims of the '301 patent is instituted with respect to all grounds of unpatentability set forth in the Petition; and

FURTHER ORDERED that pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial commencing on the entry date of this Decision.

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