

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SAMSUNG ELECTRONICS CO., LTD.,  
Petitioner,

v.

BLAZE MOBILE, INC.,  
Patent Owner.

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IPR2021-01570  
Patent 10,565,575 B2

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Before HYUN J. JUNG, MIRIAM L. QUINN, and SEAN P. O'HANLON,  
*Administrative Patent Judges.*

O'HANLON, *Administrative Patent Judge.*

DECISION  
Denying Petitioner's Request on Rehearing of Institution Decision  
*37 C.F.R. § 42.71(d)*

## I. INTRODUCTION

Samsung Electronics Co., Ltd. (“Petitioner”) filed a Petition for *inter partes* review of claims 1–30 (“the challenged claims”) of U.S. Patent No. 10,565,575 B2 (Ex. 1001, “the ’575 patent”). Paper 3 (“Pet.”), 1. Blaze Mobile, Inc. filed a Preliminary Response. Paper 10. Upon considering the Parties’ briefs and the evidence of record, we concluded that Petitioner failed to demonstrate a likelihood of prevailing in any of its challenges to the claims of the ’575 patent. Paper 17 (“Institution Decision” or “Inst. Dec.”), 16–21.

Petitioner filed a Request for Rehearing of our Institution Decision. Paper 18 (“Request” or “Req. Reh’g”). For the reasons set forth below, Petitioner’s Request is *denied*.

## II. STANDARD OF REVIEW

A party requesting rehearing bears the burden of showing that the decision should be modified. 37 C.F.R. § 42.71(d). The party must identify specifically all matters we misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply. *Id.* When reconsidering a decision on institution, we review the decision for an abuse of discretion. 37 C.F.R. § 42.71(c). An abuse of discretion may be determined 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. *Star Fruits S.N.C. v. United States*, 393 F.3d 1277, 1281 (Fed. Cir. 2005); *Arnold P’ship v. Dudas*, 362 F.3d 1338, 1340 (Fed. Cir. 2004).

### III. ANALYSIS

Petitioner presents two arguments. *See* Req. Reh’g 1–2. We discuss each of the arguments in turn below.

#### A. Asserted Obviousness Based on Huomo and Dua

Regarding the Petition’s challenge based on the combination of Huomo and Dua, Petitioner argues that “the Board mistakenly asserted that Petitioner cited Dua at column 45, lines 53–60 ([Institution] Decision 18), but Petitioner actually cited Dua at column 43, lines 53–60” and that “[t]his error was dispositive.” Req. Reh’g 9 (emphasis omitted) (citing Pet. 16–17, 38, 74).

We agree that the Petition cites to column 43 rather than to column 45 (*see* Pet. 38). However, the Institution Decision discussed the disclosure of column 43 in our discussion of Figure 8:

Figure 8 illustrates an over-the-air method for verifying a user’s identification information in which credential information is sent from the POS terminal to the credit issuer for authorization via a first communication channel and a request for the user’s personal identification number is sent from the credit issuer to the user’s wireless device via a second communication channel. Ex. 1008, 43:40–50.

Inst. Dec. 18. Lines 53–60 of column 43 provide additional information regarding the first transmission path. However, as explained in the Institution Decision, none of the cited disclosure discusses a credit card issuer’s server processing a transaction. *See* Inst. Dec. 18. Rather, this portion of Dua discusses a “PIN verification scheme.” Ex. 1008, 43:35–36.

Petitioner also argues that we “apparent[ly] agree[d] that a POSITA would have been motivated to combine the teachings of Sklovsky or Huomo

with Dua, and that each of Sklovsky or Huomo could be combined with Dua without modification.” Reg. Reh’g 12; *see also id.* at 13, 14 (making similar arguments). Petitioner’s reasoning for such an assertion is unclear and, in any event, inaccurate. We made no such determination as alleged by Petitioner. In the Institution Decision we pointed out certain fatal flaws in the Petition. That we did not address any shortcomings in Petitioner’s arguments regarding the combination of the asserted references does not indicate our agreement with or endorsement of such arguments.

Additionally, Petitioner presents new arguments in an attempt to address the Petition’s shortcomings that we noted in the Institution Decision. Req. Reh’g 9–13; *see also* Inst. Dec. 16–18. Of course, we cannot have misapprehended or overlooked these arguments, as they were not presented in the Petition. Even considering the arguments, however, Petitioner does not persuade us to modify the Institution Decision.

For example, Petitioner notes in its Request that Dua Figure 8 references “payment settlement” and argues that “[t]his is analogous to the disclosure in the ’575 patent, which the [Institution] Decision expressly recognized, that discloses that ‘the purchase is processed by the merchant’s online processor.’” Req. Reh’g 9–10 (citing Pet. 16–17, 38, 74; Ex. 1008, Fig. 8; Inst. Dec. 5). First, we fail to see, and Petitioner fails to explain cogently, how a reference to “payment settlement” in Figure 8 relates to processing an NFC transaction as recited in the challenged claims. *See* Pet. 16–17 (summarizing credit card authorization request 870 shown in Figure 8), 38 (arguing that Figure 8 shows authorizing a credit card payment), 74 (arguing that Figure 8 shows authorizing a credit card payment). Second, as we explained in the Institution Decision, Dua

expressly discloses that a transaction using its server-based wallet is processed and completed by the POS system. *See, e.g.*, Ex. 1008, 64:17–21 (“The credentials are then securely transmitted from the wallet server to the grocery chain’s WCM which routes them to the POS system for processing.”); Inst. Dec. 17–18 (“Thus, we agree that Dua discloses the POS terminal, rather than a credit card issuer’s server, processes the transaction.”).

As another example, Petitioner argues that “authorization is processing.” Req. Reh’g 10 n.1 (emphasis omitted). As set forth above, however, Dua explains that “authorization” refers to validating a user’s identity. Ex. 1008, 43:37–42 (“This on-line verification technique utilizes the over-the-air (OTA) PIN handling and processing capability of the wallet application and the WCM (at the issuer location). The OTAPIN verification scheme is useful for credentials that are authorized online, and require a PIN in order to validate the user’s identity.”); Inst. Dec. 18. This authorization may also include ensuring that the user’s account is in good standing. Ex. 1008, 63:55–59; Inst. Dec. 17. Processing a transaction, however, occurs in the POS system, not at a remote server. *See, e.g.*, Ex. 1008, 63:17–20 (explaining that, once validation is complete, the wallet server transmits the user’s credentials to the POS system for processing); Inst. Dec. 17–18.

Moreover, even if we were to agree with Petitioner’s arguments, we would not alter our decision to deny institution because, in its Request, Petitioner does not address its shortcomings noted in the Institution Decision regarding the recited digital artifact. *See* Inst. Dec. 18–19.

B. Asserted Obviousness Based on Sklovsky and Dua

Regarding the Petition’s challenge based on the combination of Sklovsky and Dua, we explained in the Institution Decision that Petitioner did “not explain adequately its seemingly incompatible reliance on Dua’s server-based wallet for its mapping of the recited management server and its reliance on Dua’s mobile device-based wallet for its mapping of the recited digital artifact.” Inst. Dec. 21. In its Request, Petitioner argues that “[i]n both examples that the Board cited (*i.e.*, what the Board called the ‘mobile device-based wallet’ and ‘server-based wallet’ embodiments), Dua discloses a mobile wallet application on the mobile device.” Req. Reh’g 14. This is an improper new argument first presented in the Request. Petitioner appears to cite to pages 17, 22, 35–39, 55–56, and 72–74 of the Petition for support. *See id.* at 6 (cited at *id.* at 14). In none of these locations, however, does the Petition discuss a mobile wallet application installed on a mobile device being used in conjunction with Dua’s server-based wallet. Although the Petition does assert that Dua’s server-based wallet “has all the same functionality” as the device-based wallet (*see, e.g.*, Pet. 17), in neither the Petition nor the Request does Petitioner explain persuasively how this discloses displaying a receipt on the device when using the server-based wallet.

Moreover, we explained in the Institution Decision that Petitioner’s challenge based on the combination of Sklovsky and Dua also failed to show persuasively how the asserted references teach or suggest a remote management server that transmits a payment method to a transaction server that processes an NFC transaction using the payment method. Inst. Dec. 20.

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For the reasons explained in § III.A above, Petitioner does not persuasively identify error in this determination.

#### IV. CONCLUSION

We deny Petitioner's Request for Rehearing because we determine that Petitioner has not met its burden to show that, in the Institution Decision, the panel misapprehended or overlooked any matter or abused its discretion to deny institution.

#### V. ORDER

In consideration of the foregoing, it is hereby ordered that Petitioner's Request for Rehearing is *denied*.

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