

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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ASKELADDEN L.L.C.,  
Petitioner,

v.

VERIFY SMART CORP.,  
Patent Owner.

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Case IPR2017-00726  
Patent 8,285,648 B2

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**PATENT OWNER'S NOTICE OF APPEAL**

Office of the General Counsel  
United States Patent and Trademark Office  
PO. Box 1450  
Alexandria, Virginia 22313-1450

SIR:

Notice is hereby given, pursuant to 37 C.F.R. § 90.2(a)(1), that Patent Owner Verify Smart Corp. (“Patent Owner” or “Verify”) hereby timely appeals under 35 U.S.C. §§ 141, 142, and 319 to the United States Court of Appeals for the Federal Circuit from the Final Written Decision entered on July 23, 2018 (Paper No. 65), and from all underlying orders, decisions, rulings, and opinions.

This period was extended by 23 days to and including October 17, 2018, pursuant to Verify’s timely request for extension of time dated September 24, 2018, by Order of the Director dated October 11, 2018.

In accordance with 37 C.F.R. § 90.2(a)(3)(ii), Verify states that the issues for appeal include, but are not limited to:

(i) whether the Board erred in finding claims 1-19 of U.S. Patent No. 8,285,648 unpatentable;

(ii) whether the Board erred refusing to grant to Motion to Amend the Claims, Paper 36;

(iii) whether the Board erred in its Decision on Patent Owner’s Motion to Terminate, Paper 41, refusing to grant Patent Owner’s Motion to Terminate, Paper 10, e.g., determining that none of at least The Clearing House Association Inc.,

Bank of America, and Wells Fargo was either a real party in interest or a privy of Petitioner, and concluding that The Clearing House Payments Co. L.L.C. could be added in the sole discretion of Petitioner, as new a real party in interest of Petitioner, gaining the benefit of the original filing date, in contradistinction to 35 U.S.C. § 312(a)(2), and not complying with the joinder provisions of 35 U.S.C. § 315(c), after Patent Owner's Response was initially due, and without affording Patent Owner any opportunity to conduct any discovery or obligation of mandatory discovery of the newly added real party in interest;

(iv) whether the Board erred by presuming, after the issue was substantially raised by Patent Owner, that Petitioner's mandatory statement of real parties in interest was correct, and consequently allocating onto Patent Owner the burden of production and the burden of persuasion that various parties are real parties in interest or their privies, and denying opportunity for additional discovery;

(v) whether the Board erred in its determination that "there is no indication of bad faith on the part of Petitioner in its failure to name TCH" in the Decision on Patent Owner's Motion to Terminate, Paper 41, by at least denying Patent Owner discovery of any witness on this issue, improperly shifting the burden or persuasion and production onto Patent Owner, and determining that Petitioner was entitled to a presumption of good faith after having determined that

the mandatory statement required by statute was materially false;

(vi) whether the Board erred in failing, consequent to Petitioner's Updated Mandatory Notices, Paper 43, to permit further discovery in its Order denying discovery requests Paper 47, to compel mandatory discovery or to permit additional discovery of the newly added real party in interest or its possible evidence regarding secondary indicia of non-obviousness, or further consider whether any further parties were real parties in interest or privies of the newly added real part in interest;

(vii) whether the Board erred in refusing to consider antitrust law or agency law arguments regarding the relationship between Petitioner and alleged real parties in interest and privies;

(viii) whether the inter partes review proceedings violate the Fifth Amendment of the Constitution by extinguishing private property rights without just compensation;

(ix) whether 35 U.S.C. §§ 311-319 and/or the Board's procedures which implement inter partes review proceedings, violate the due process clause of the Fifth Amendment, for example by: (i) accepting evidence from Petitioner's expert witness while denying live testimony, when the credibility of the witness was substantially placed in question, (ii) refusing to permit discovery from the corporate entity or officers of Petitioner, The Clearing House Payments Co.,

L.L.C., a real party in interest of Petitioner, The Clearing House Association L.L.C., an alleged real party in interest or privy, Wells Fargo, an alleged real party in interest or privy, or Bank of America, an alleged real party in interest or privy, at any time during the proceedings, (iii) requiring an email forbidden to advocate the merits, for permission to schedule a telephone conference, to propose a motion for consideration by the Board, (iv) denying mandatory discovery or additional discovery, of the person(s) responsible for submitting information which mis-identified the real parties in interest in the original Petition to the U.S. Patent and Trademark Office;

(x) whether 35 U.S.C. §§ 311-319 are unconstitutional under: (i) Article I, Section 8, clause 8, (ii) Article I, Section 8, clause 9, (iii) Article I, Section 8, clause 18, (iv) Article I, Section 9, clause 3, (v) Article III, Section 1, or (vi) Article III, Section 2, clause 1;

(xi) whether the Board's policy of conducting telephone conferences during which substantive issues are raised and decided, without any audio or written transcript in violation of 37 C.F.R. § 1.2, is arbitrary and capricious;

(xii) whether the Board acted in an arbitrary or capricious manner and/or exceeded its authority, or otherwise erred in instituting the IPR2017-00726 inter partes review proceeding.

A copy of the Final Written Decision is attached hereto.

Simultaneous with this submission, a copy of this Notice of Appeal is being filed with the Patent Trial and Appeal Board. In addition, a copy is being electronically filed with the Clerk's Office for the United States Court of Appeals for the Federal Circuit (via CM/ECF), along with the required docketing fee.

Furthermore, a copy of this Notice of Appeal is being served on Petitioner Akeladden LLC.

Respectfully submitted,

TULLY RINCKEY PLLC

/Steven M. Hoffberg/

Steven M. Hoffberg, Reg. 33,511

Date: October 12, 2018

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