



UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SECUREBUY, LLC  
Petitioner

v.

CARDINALCOMMERCE CORPORATION  
Patent Owner

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Case CBM2014-00035  
Patent 7,051,002

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Before BRIAN J. McNAMARA, PATRICK M. BOUCHER, and  
GEORGE R. HOSKINS, *Administrative Patent Judges*.

HOSKINS, *Administrative Patent Judge*.

DECISION

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

## I. INTRODUCTION

On November 15, 2013, SecureBuy, LLC (“Petitioner”) filed a petition (Paper 1, “Petition”) requesting review of U.S. Patent No. 7,051,002 (“the ’002 patent”) under the transitional program for covered business method patents. Petitioner filed a corrected petition (Paper 5, “Corrected Petition”) on November 29, 2013. CardinalCommerce Corporation (“Patent Owner”) filed a preliminary response (Paper 11, “Preliminary Response”) on February 21, 2014. For the reasons that follow, we deny review.

## II. LEGAL STANDARDS

Congress authorized covered business method patent review proceedings in Section 18 of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284, 329–31 (2011) (“AIA”), which provides, in part:

(1) ESTABLISHMENT.— . . . The transitional proceeding implemented pursuant to this subsection *shall be regarded as, and shall employ the standards and procedures of, a post-grant review under chapter 32 of title 35, United States Code, subject to the following:*

(A) Section 321(c) of title 35, United States Code, and subsections (b), (e)(2), and (f) of section 325 of such title shall not apply to a transitional proceeding.

AIA § 18(a)(1) (emphasis added). Thus, the AIA provides covered business method patent review proceedings shall employ all the statutory standards and procedures of a post-grant review (i.e., 35 U.S.C. §§ 321–29) except for those expressly excluded (i.e., 35 U.S.C. §§ 321(c); 325(b), (e)(2), (f)). 35 U.S.C. § 325(a)(1) therefore applies here, and it states:

(1) POST-GRANT REVIEW BARRED BY CIVIL ACTION.—A post-grant review may not be instituted under this chapter if, before the date on which the petition for such a

review is filed, the petitioner or real party in interest filed a civil action challenging the validity of a claim of the patent.

35 U.S.C. § 325(a)(1); *see Branch Banking & Trust Co. v. Maxim Integrated Prods., Inc.*, CBM2013-00059 (PTAB Mar. 20, 2014) (Paper 12) (Denial of Institution of CBM Patent Review).

### III. ANALYSIS

The Petition was filed on November 15, 2013. Two weeks prior to that filing, on November 1, 2013, Petitioner filed two separate civil actions seeking a declaratory judgment that the claims of the '002 patent, including at least claim 1, are invalid under 35 U.S.C. §§ 101, 102, 103, and 112. *See* Ex. 3001 (Complaint in *SecureBuy, LLC v. CardinalCommerce Corp.*, No. 1:13-cv-01792-LPS (D. Del. Nov. 1, 2013)) ¶¶ 41–45, Prayer for Relief D; Ex. 3002 (Complaint in *SecureBuy, LLC v. CardinalCommerce Corp.*, No. 1:13-cv-00417-HSO-RHW (S.D. Miss. Nov. 1, 2013)) ¶¶ 44–48, Prayer for Relief D. Because the Board may not institute a covered business method patent review of a challenged patent when the petitioner filed a civil action challenging the validity of a claim of the patent before the date on which the petition for review is filed, we deny the Corrected Petition in all respects. *See* 35 U.S.C. § 325(a)(1).

### IV. ORDER

For the foregoing reasons, it is:

ORDERED that the Corrected Petition is DENIED.

CBM2014-00035

Patent 7,051,002

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