Askeladden One Step Closer to Invalidating Two Purple Leaf Patents

Patent Trial and Appeal Board Grants Askeladden’s Requests for Inter Partes Review of Two Payments-related Patents

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New York, NY – The Patent Trial and Appeal Board (PTAB) has instituted Inter Partes Review (IPR) proceedings with respect to two patents assigned to Purple Leaf, LLC. As part of its Patent Quality Initiative, Askeladden filed three IPR petitions in September requesting review of U.S. Patent Nos. 8,527,407 and 8,744,963 on the grounds that the claimed payment methods were already known and obvious before the time when the applications for the patents were filed with the USPTO. The PTAB issued decisions on February 27, 2017, which found that Askeladden’s petitions established a reasonable likelihood that all of the claims in both patents are invalid. A final decision on validity is expected within one year.

Purple Leaf previously sued Zuora Inc. for infringement of the ’407 patent and accused eBay and PayPal of infringing both patents. eBay and PayPal submitted Covered Business Method (CBM) review petitions challenging the patents at the PTAB. CBM reviews are similar to IPRs but permit additional grounds of invalidity. The PTAB granted the petitions and initiated CBM proceedings, but the parties settled before final written decisions were issued. Purple Leaf has also previously sued eBay and PayPal as well as Amazon, Google, and several other companies asserting infringement of another patent related to the ’407 and ’963 patents.

“We are excited that the Patent Trial and Appeal Board has decided to institute IPR proceedings for these questionable patents,” said Sean Reilly, General Counsel of Askeladden. “Askeladden will continue to use the IPR program to support and protect innovation across the financial services industry and elsewhere.”

Askeladden is represented by Fitzpatrick, Cella, Harper & Scinto.

About Patent Quality Initiative
Askeladden is an education, information and advocacy organization with the goal of improving the understanding, use and reliability of patents in financial services and other industries. As part of its Patent Quality Initiative, Askeladden strives to promote better patents and patent holder behaviors by regularly filing amicus briefs, Inter Partes Reviews (IPRs) and engaging in educational activities.