

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GROUPON, INC.,

Petitioner

v.

KROY IP HOLDINGS, LLC,

Patent Owner

Case No.: IPR2019-00044

U.S. Patent No. 6,061,660

Title: SYSTEM AND METHOD FOR INCENTIVE PROGRAMS AND
AWARD FULFILLMENT

PATENT OWNER'S NOTICE OF APPEAL

Director of the United States Patent and Trademark Office
c/o Office of the General Counsel, 10B20
Madison Building East
600 Dulany Street
Alexandria, VA 22314-5793

Notice is hereby given, pursuant to 37 C.F.R. § 90.2(a), that Patent Owner Kroy IP Holdings, LLC hereby appeals to the United States Court of Appeals for the Federal Circuit from the Final Written Decision entered on April 16, 2020 (Paper No. 45), and from all underlying orders, decisions, rulings and opinions that are adverse to Patent Owner, including, without limitation, those within the Decision on Institution of *Inter Partes* Review, entered on April 16, 2020 (Paper No. 45). This notice is timely filed within 63 days of the Board's Final Written Decision. 37 C.F.R. § 90.3(a)(1).

In accordance with 37 C.F.R. § 90.2(a)(3)(ii), Patent Owner further indicates that the issues on appeal include, without limitation, the following:

- (i) the Board's claim constructions;
- (ii) the Board's determination that claims 1, 7, 10, 12, 14, 16–21, 25, 27–30, 67–69, 87, and 101 of U.S. Patent No. 6,061,660 are unpatentable over the art of record in this proceeding;
- (iii) the Board's obviousness analysis;

(iv) the Board's determination that the petition established the unpatentability of claims 1, 7, 10, 12, 14, 16–21, 25, 27–30, 67–69, 87, and 101 of U.S. Patent No. 6,061,660;

(v) any finding or determination supporting or related to the above-mentioned issues as well as other issues decided adversely to Patent Owner including in any orders, decisions, rulings, and/or opinions.

Simultaneously with this submission, Patent Owner is filing a true and correct copy of this Notice of Appeal with the Director of the U.S. Patent and Trademark Office and electronically filing the same, along with the required docketing fees, with the Clerk of the U.S. Court of Appeals for the Federal Circuit as set forth in the accompanying Certificate of Filing.

Respectfully Submitted,

Date: June 10, 2020

By: /s/ Jonathan K. Waldrop
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CERTIFICATE OF FILING

The undersigned hereby certifies that, in addition to being electronically filed through E2E, a true and correct copy of the above-captioned PATENT OWNER'S NOTICE OF APPEAL is being filed by U.S. Mail with the Director of the U.S. Patent and Trademark Office on June 10, 2020, at the following address:

Director of the United States Patent and Trademark Office
c/o Office of the General Counsel, 10B20
Madison Building East
600 Dulany Street
Alexandria, VA 22314-5793

The undersigned also hereby certifies that a true and correct copy of the above-captioned PATENT OWNER'S NOTICE OF APPEAL is being filed and the filing fee paid via electronic filing system, CM/ECF, with the Clerk's Office of the U.S. Court of Appeals for the Federal Circuit on June 10, 2020.

CERTIFICATE OF SERVICE

I hereby certify that on June 10, 2020, I caused a true and correct copy of the foregoing *Patent Owner's Notice of Appeal* to be served via electronic mail upon the following counsel of record for Petitioner:

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Dated: June 10, 2020

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Exhibit A

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GROUPON, INC.,
Petitioner,

v.

KROY IP HOLDINGS, LLC,
Patent Owner.

IPR2019-00044
Patent 6,061,660 C1

Before JESSICA C. KAISER, STACY B. MARGOLIES, and
PAUL J. KORNICZKY, *Administrative Patent Judges*.

KORNICZKY, *Administrative Patent Judge*.

JUDGMENT
Final Written Decision
Determining Challenged Claims Unpatentable
35 U.S.C. § 318(a)

I. INTRODUCTION

Groupon, Inc. (“Petitioner”) filed a Corrected Petition (“Petition”) requesting an *inter partes* review of claims 1, 7, 10, 12, 14, 16–21, 25, 27–30, 67–69, 87, and 101 of U.S. Patent No. 6,061,660 C1¹ (Ex. 1001, “the ’660 patent”). Paper 10 (“Pet.”). We issued a decision to institute an *inter partes* review of these claims. Paper 14. After institution, Kroy IP Holdings, LLC (“Patent Owner”) filed a Patent Owner Response (Paper 21, “PO Resp.”), Petitioner filed a Reply (Paper 33, “Reply”), and Patent Owner filed a Sur-Reply to Petitioner’s Reply (Paper 34, “Sur-reply”). Oral argument was held on January 23, 2020, and the transcript of the hearing has been entered as Paper 42.

We have jurisdiction under 35 U.S.C. § 6. This Final Written Decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73.

Petitioner bears the burden of proving unpatentability of the challenged claims, and the burden of persuasion never shifts to Patent Owner. *Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015). To prevail, Petitioner must prove unpatentability by a preponderance of the evidence. *See* 35 U.S.C. § 316(e); 37 C.F.R. § 42.1(d). For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1, 7, 10, 12, 14, 16–21, 25, 27–30, 67–69, 87, and 101 of the ’660 patent are unpatentable. *See* 35 U.S.C. § 316(e).

¹ The ’660 patent, issued on May 9, 2000, was amended by the *Ex parte* Reexamination Certificate No. 6,061,660 C1, issued on February 6, 2015. Ex. 1001.

II. BACKGROUND

A. *Related Proceedings*

Petitioner and Patent Owner identify a related litigation in the U.S. District Court for the District of Delaware involving the '660 patent: *Kroy IP Holdings, LLC v. Groupon, Inc.*, Case No. 1:17-cv-01405. Pet. 74; Paper 4, 1. Petitioner and Patent Owner also identify another *inter partes* review filed by Petitioner regarding the '660 patent: IPR2019-00061. Paper 8, 1; Paper 4 (case caption).

The '660 patent was the subject of *Ex Parte* Reexamination No. 90/013,245, in which a reexamination certificate issued on February 6, 2015. Ex. 1001, 51–56 (“Reexamination Certificate”). The reexamination determined that (1) claims 1, 2, 4, 7, and 14 are patentable as amended, and (2) new claims 16–115 are patentable. *Id.* at Reexamination Certificate, 1:14–20. Claims 3, 5, 6, 8–13, and 15 were not reexamined. *Id.* at Reexamination Certificate, 1:17–21.

B. *The '660 Patent (Ex. 1001)*

The '660 patent is titled “System and Method for Incentive Programs and Award Fulfillment.” Ex. 1001, at code (54). The '660 patent discloses, in part, a method and system for providing incentive programs over a computer network. *Id.* at code (57). The '660 patent discloses host computer 18 having an incentive program builder application, which permits sponsors to offer incentive programs to customers and customers to access these incentive programs. *Id.* at 6:53–7:6. Figure 2 of the '660 patent is reproduced below:

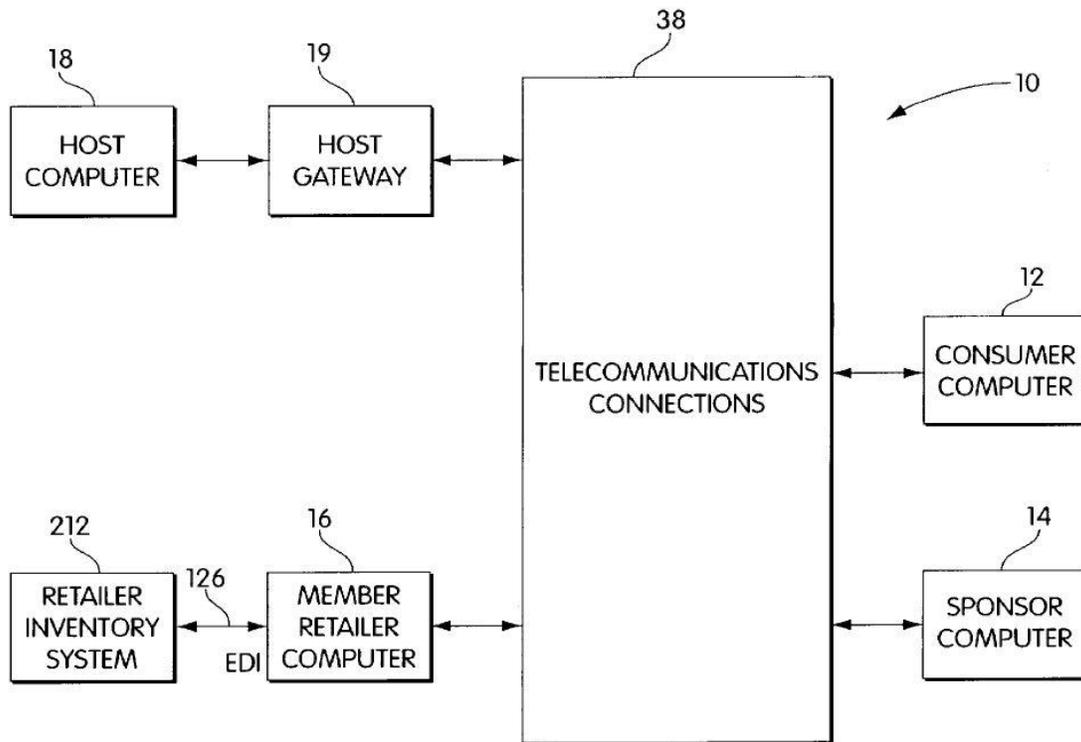


Fig. 2

Figure 2 of the '660 patent illustrates consumer computer 12, sponsor computer 14, and retailer computer 16 connected over the Internet to a host computer 18. *Id.* at 10:43–47. Sponsors build incentive programs through interaction with the host computer's incentive program builder application. *Id.* at 14:43–49.

As shown in Figure 15, host computer 18 stores consumer database 200, sponsor database 202, and award database 204, as well as files containing code for implementing a consumer site, a sponsor site, and an award site. Ex. 1001, 12:12–18, Fig. 15. In operation, a sponsor may access a sponsor site through a Web browser and register as a sponsor in the host

system. *Id.* at 14:7–13. The sponsor may choose to purchase an incentive program from the host or “build an incentive program through interaction with the host system’s computer automated incentive program building capability.” *Id.* at 14:26–43. “The sponsor database is updated to reflect the presence of the new incentive program, and the sponsor site . . . is updated to include a link to the new incentive program.” *Id.* at 14:53–56. The sponsor may select prizes for the incentive program from an award database that includes retailer merchandise. *Id.* at 14:66–15:8.

A consumer interacts with host computer 18 by accessing the consumer site with a Web browser. *Id.* at 15:60–66. The consumer may search for and select an incentive program. *Id.* at 16:30–41. When a consumer successfully completes an incentive program, as defined by the parameters of the incentive program, host computer 18 determines what prize has been won by the consumer. *Id.* at 21:37–51. The award database is updated to reflect the association between the consumer and the prize. *Id.* at 21:59–62. Host computer 18 may identify a retail location for fulfillment of the prize and may upload the prize information to a card processor for clearing the prize via a card network. *Id.* at 21:65–22:9. A consumer may present an electronic card to a retailer for fulfillment of the prize, whereby the retailer or merchant may validate the prize through a query to the award database. *Id.* at 22:9–26.

C. Illustrative Claims

As mentioned above, the challenged claims are claims 1, 7, 10, 12, 14, 16–21, 25, 27–30, 67–69, 87, and 101. Of the challenged claims, the independent claims are claims 1, 7, 10, 12, 14, 87, and 101. All of the challenged dependent claims depend directly or indirectly from either claim 1 or claim 14. Independent claims 1, reproduced below, is illustrative of the challenged claims.²

1. A system for incentive program generation, comprising:
 - [a] a network;
 - [b] a sponsor computer connected to the network;
 - [c] a host computer connected to the network, the host computer having a server;
 - [d] an incentive program builder application, running on the server;
 - [e] a database of objects associated with parameters of the incentive program builder application; and
 - [f] an interface of the incentive program builder application for sponsor entry of parameters for an incentive program, wherein the sponsor builds an incentive program by interacting with the incentive program builder application,
 - [g] wherein the host computer is configured to receive first input from a plurality of sponsors corresponding to the parameters for creating a plurality of incentive programs associated with the plurality of sponsors via the interface of the incentive program builder application from a plurality of sponsors,

² Petitioner’s scheme for identification of limitations (i.e., reference letters) on pages 9–16 of the Petition is used for consistency.

[h] receive second input from a consumer selecting an incentive program from among the plurality of incentive programs,

[i] issue an award to the consumer corresponding to the selected incentive program,

[j] receive a request to validate the award from a sponsor among the plurality of sponsors associated with the selected incentive program, and validate the award,

[k] wherein the host, the sponsor, and the consumer are different entities, and wherein the host and the sponsor are different individuals or corporate entities.

Id. at Reexamination Certificate, 1:23–54 (brackets and italics removed).

D. References

Petitioner relies on the following references:

References	Description	Date	Exhibit
Kelly	US 5,816,918	issued Oct. 6, 1998; filed Nov. 14, 1996	1006
Stanek	WILLIAM STANEK, MICROSOFT FRONTPAGE UNLEASHED (1st ed. 1996)	1996	1007
Halter	US 5,905,895	issued May 18, 1999; filed Mar. 7, 1997	1008
Wong	US 5,890,175	issued Mar. 30, 1999; filed Sept. 25, 1996	1010

E. Alleged Grounds of Unpatentability

Petitioner challenges the patentability of the following claims in the '660 patent on the following grounds:

Claims Challenged	35 U.S.C. §	References/Basis
1, 7, 14, 16–21, 25, 27–30, 67–69, 87, 101	103(a)	Kelly, Stanek
10, 12	103(a)	Kelly, Stanek, Halter
1, 7, 14, 87, 101 ³	103(a)	Kelly, Wong
10, 12	103(a)	Kelly, Wong, Halter

Pet. 3–4, 16–75. Petitioner also relies on testimony from Dan Harkey (Ex. 1002).

III. ANALYSIS

A. Level of Ordinary Skill in the Art

The level of skill in the art is a factual determination that provides a primary guarantee of objectivity in an obviousness analysis. *Al-Site Corp. v. VSI Int'l Inc.*, 174 F.3d 1308, 1324 (Fed. Cir. 1999) (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966); *Ryko Mfg. Co. v. Nu-Star, Inc.*, 950 F.2d 714, 718 (Fed. Cir. 1991)).

³ Petitioner initially lists claims 1, 7, 14, 16–21, 25, 27–30, 67–69, 87, and 101 as obvious over Kelly and Wong (Pet. 4), but Petitioner only addresses independent claims 1, 7, 14, 87, and 101 in its analysis of obviousness based on Kelly and Wong. *See id.* at 59 (“GROUND 3: Kelly and Wong Render Obvious Independent Claims 1, 7, 14, 87, and 101”), 59–68. Thus, we deem that Petitioner challenges only claims 1, 7, 14, 87, and 101 as obvious over Kelly and Wong. Petitioner does not dispute our understanding. Reply 23–25.

Petitioner asserts that a person of ordinary skill

in the field designing systems and methods—performed over computer networks, such as the internet—to generate incentive and/or award fulfillment programs would have at least an undergraduate degree or equivalent experience in computer science or computer engineering, about 4–5 years of practical experience of developing network-based consumer or business software applications, and a familiarity with the World-Wide-Web.

Pet. 8 (citing Ex. 1002 ¶ 14). Patent Owner adopts, for the purpose of this IPR proceeding, Petitioner’s description of the level of ordinary skill. PO Resp. 13. Petitioner’s description of a person of ordinary skill in the art is supported by the current record. Therefore, we adopt Petitioner’s description.

B. Claim Construction

In this *inter partes* review based on a petition filed before November 13, 2018, the claim construction standard to be applied depends upon whether the patent at issue is expired or unexpired. Here, the ’660 patent was filed March 18, 1998 and, according to Patent Owner, the patent expired on March 18, 2018. PO Resp. 13.⁴ When interpreting claims of an expired patent, our analysis is similar to that of a district court. *Wasica Finance GmbH v. Continental Auto. Sys., Inc.*, 853 F.3d 1272, 1279 (Fed. Cir. 2017) (“The Board construes claims of an expired patent in accordance with *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc).”). Specifically, claim terms are given their ordinary and customary meaning, as

⁴ Petitioner does not address the appropriate claim construction standard or dispute that the patent has expired. *See generally* Pet. 9–16; Reply 1–6.

would be understood by a person of ordinary skill in the art at the time of the invention, in light of the language of the claims, the specification, and the prosecution history of record. *Phillips*, 415 F.3d at 1313–17.

Petitioner asserts that columns seven and eight of the '660 patent “expressly define” many, but not all, claim terms, without specifically identifying any particular claim term or any particular alleged definition. Pet. 16. Petitioner’s position for the remaining (yet unspecified) claim terms is unclear because Petitioner states “this [P]etition applies [Patent Owner’s] apparent construction of the claims, as well as the ordinary and customary meaning as understood by a [person of ordinary skill in the art] as of October 20, 1997 [the earliest possible effective filing date for the '660 patent], where [Patent Owner’s] construction is not apparent.” *Id.* At institution, we noted that neither party proposed explicit constructions for any claim terms, and we determined that none were necessary at that stage of the proceeding. Paper 14, 14–15.

Patent Owner now proposes an interpretation of an “incentive program builder application” in claims 1, 7, 14, 87, and 101 to mean “an application for generating incentive programs.” PO Resp. 14–16. According to Patent Owner, the “specification further distinguishes building from modifying and administering existing incentive programs.” *Id.* at 16 (citing Ex. 2006, 5:47–54 (“to permit sponsors to build, buy, store, modify, offer, track and administer incentive programs”)). Patent Owner argues that, “[b]ased on the specification and the claim language, a [person of ordinary skill in the art] would understand that an incentive program builder application is ‘an application for generating incentive programs,’ not an application merely capable of modifying parameters of preexisting incentive

programs as Petitioner implicitly contends through its obvious combinations.” *Id.* at 16 (citing Ex. 2006 ¶¶ 21–22).

Petitioner opposes Patent Owner’s construction for incentive program builder application, but does not offer its own construction. Pet. 9–16; Reply 1–6.

We determine that Patent Owner’s proposed construction is too narrow because it does not account for the language of the claims and the disclosure in the Specification. Independent claim 1, for example, states that “the sponsor builds an incentive program by interacting with the incentive program builder.” Neither claim 1 nor the other claims limits the “incentive program builder application” to one that only builds new, previously unavailable incentive programs, excluding those that modify parameters of preexisting incentive programs.

Contrary to Patent Owner’s arguments (PO Resp. 16), the Specification discloses that the “incentive program builder application” is an application for building incentive programs, including modifying and administering pre-existing programs. The Specification explains that, even when a sponsor uses the incentive program builder application to build an application, the sponsor is using and modifying “pre-existing” incentive programs:

The sponsor may also choose to build an incentive program. A sponsor may build an incentive program through interaction with the host system's computer automated incentive program building capability. A sponsor who wishes to build an incentive program is asked *to select among various types of incentive programs or combinations of incentive programs and to enter parameters that are associated with those types of incentive programs*, so that an

application program of the host computer 18 can generate an incentive program that has the characteristics selected by the sponsor.

Id. at 14:39–49. From this disclosure, we understand that, after the sponsor selects the “pre-existing” incentive program, the sponsor enters parameters that are associated with the incentive program to modify and build the “final” incentive program that achieves the sponsor’s desired characteristics and objectives.

Based on the usage of the term “incentive program builder application” in the claims and the Specification, we determine that an “incentive program builder application” is an application for building incentive programs, which includes both building new programs from scratch and modifying pre-existing programs.

C. Legal Principles of Unpatentability

A claim is unpatentable under 35 U.S.C. § 103(a) 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. *See KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of ordinary skill in the art; and (4) when in the record, objective evidence of nonobviousness. *See Graham*, 383 U.S. at 17–18. In that regard, an obviousness analysis “need not seek out precise teachings directed

to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.” *KSR*, 550 U.S. at 418.

D. Asserted Obviousness of Claims 1, 7, 14, 16–21, 25, 27–30, 67–69, 87, and 101 Over Kelly and Stanek

Petitioner contends that the subject matter of claims 1, 7, 14, 16–21, 25, 27–30, 67–69, 87, and 101 would have been obvious over Kelly and Stanek. Pet. 16–46. Petitioner provides an element-by-element analysis showing where each element of the challenged claims is taught by the combined teachings of Kelly and Stanek. *Id.* We have reviewed the information provided by Petitioner and Patent Owner’s arguments and evidence. We determine that Petitioner has shown by a preponderance of the evidence that claims 1, 7, 14, 16–21, 25, 27–30, 67–69, 87, and 101 would have been obvious over Kelly and Stanek. Below, we provide overviews of Kelly and Stanek, and then we address Petitioner’s and Patent Owner’s contentions for this obviousness ground in detail.

1. Overview of Kelly (Ex. 1006)

Kelly is titled “Prize Redemption System for Games,” and was filed on November 14, 1996. Ex. 1006, at codes (54), (22). Kelly discloses a prize redemption system. Ex. 1006, at code (57). Kelly discloses a “game is provided on a game apparatus for a player to play in exchange for monetary input.” *Id.* The player may select a prize from prizes listed in a prize selection menu. *Id.* Prizes are issued to the player based on the game outcome. *Id.* Using Kelly’s prize redemption system, an operator can adjust prizes and payout percentages of the system to achieve a desired profitability

for the game. *Id.* Prize input is entered into a prize table describing multiple available prizes and also describing payout information that indicates a desired amount of payout that the operator wishes to provide back to players of the game apparatus in terms of the value of the prizes. *Id.* Prize information, such as prize costs and specific prize win ratios, is automatically determined by the system for each of the prizes in view of the desired profitability of the game apparatus. *Id.*

2. *Overview of Stanek (Ex. 1007)*

Stanek is an excerpt of a book titled “Microsoft FrontPage Unleashed” and has a copyright date of 1996. Ex. 1007. Stanek discloses using Microsoft FrontPage Webs to build web sites. Ex. 1007, 120.⁵ Stanek discloses using “FrontPage Editor to create and edit pages,” and that the “[p]ages are HTML documents that can contain references to images, sound, and even video files.” *Id.* at 108. Stanek states the FrontPage Editor “is a WYSIWYG [what you see is what you get] tool for creating” the necessary HTML code. *Id.* at 120.

3. *Independent Claim 1*

Preamble

The preamble of claim 1 recites a “system for incentive program generation.” Petitioner contends that, to the extent the preamble is limiting, Kelly teaches this feature because “Kelly discloses a gaming system deployed over a wide area network, like the Internet, in which prizes are issued to the players based on the outcome of the game.” Pet. 20 (citing Ex.

⁵ The cited page numbers are the book page numbers appearing at the top of the particular exhibit pages, and are not the page numbers of the exhibit itself.

1006, 3:30–43; Ex. 1002 ¶ 87). Petitioner asserts that Kelly’s games teach the recited “incentive programs,” which may include “any type of program that results in ‘winning’ activity.” *Id.* at 20–21. We find these contentions persuasive. *See* Ex. 1006, 3:30–43. Patent Owner does not dispute that Kelly discloses the preamble of claim 1. *See* PO Resp. 25–38.

Claim 1[a], [b], [c], [k]

Claim 1 recites [a] “a network,” [b] “a sponsor computer connected to the network,” [c] “a host computer connected to the network, the host computer having a server,” and [k] “wherein the host, the sponsor, and the consumer are different entities, and wherein the host and the sponsor are different individuals or corporate entities.” Ex. 1001, Reexamination Certificate, 1:24–27, 1:51–54. Petitioner contends Kelly teaches these limitations by disclosing “a three-computer setup where the three computers are controlled by three separate entities: host (e.g., internet servers), consumer (e.g., game players), and sponsor (e.g., prize distributors, like McDonald’s).” Pet. 22 (citing Ex. 1002 ¶ 235). We find this contention persuasive. *See* Ex. 1006, 2:37–49, 16:65–67, 23:19–21, 23:39–42, 25:65–26:10. Patent Owner does not dispute that Kelly teaches claim limitations 1[a]–1[c] and 1[k]. *See* PO Resp. 25–28.

Claim 1[d], [f]

Claim 1 recites [d] “an incentive program builder application, running on the server.” Ex. 1001, Reexamination Certificate, 1:28–29, 1:33–38. Claim 1 recites [f] “an interface of the incentive program builder application for sponsor entry of parameters for an incentive program, wherein the

sponsor builds an incentive program by interacting with the incentive program builder application.” Ex. 1001, Reexamination Certificate, 1:28–29, 1:33–38. Below, we address whether (1) Kelly teaches “an incentive program builder application,” (2) Kelly teaches an incentive program builder applications which runs on the server, and (3) Kelly alone or the combination of Kelly and Stanek teaches an “interface” of the incentive program builder.

First, Petitioner asserts that Kelly teaches the recited incentive program builder application by disclosing that Kelly’s centralized or prize redemption system is used to build games (i.e., incentive programs). Pet. 21 (Kelly’s games are the recited incentive programs), 22–23. According to Petitioner, Kelly discloses a prize redemption “system in which games are hosted on an Internet server [by the operator/host] and accessed by players [i.e., the consumers] using their personal computers.” *Id.* at 21 (citing Ex. 1006, 2:37–49, 16:65–67). We find Petitioner’s contentions persuasive. *See* Ex. 1006, 2:37–49, 5:57–63.

Patent Owner asserts that Kelly’s prize redemption system does not teach the claimed “incentive program builder application” because “Petitioner failed to demonstrate that the Kelly prize redemption system builds incentive programs on the host computer, rather than merely modifying parameters for pre-existing games.” PO Resp. 25. Patent Owner concedes that Kelly’s prize tables 480 and tournament setup table 490 are interfaces to Kelly’s prize redemption system, but argues that “these interfaces are not used to build incentive programs” because they merely “adjust parameters, such as prize information or tournament settings, for pre-existing games.” *Id.* at 27–28.

Patent Owner's arguments are not persuasive. As discussed above in Section III.B, we construe an "incentive program builder application" as an application for building incentive programs, which includes both building new incentive programs and modifying pre-existing incentive programs. Patent Owner's arguments are based on its proposed construction, which we do not adopt. Instead, we find that Kelly's prize redemption system builds incentive programs (e.g., games), including by adjusting parameters, such as prize information or tournament settings, for pre-existing games. *See, e.g.*, Ex. 1006, code (57), 13:13–26, 6:15–26.

Second, Petitioner asserts that Kelly's incentive program builder application runs on the host (i.e., operator) server. Pet. 22. Petitioner asserts that Kelly discloses "players using game units to interact with a 'host' server that provides promotional games, including games that may be supplied by a plurality of sponsors." *Id.* at 16–17 (citing Ex. 1006, 23:39–45); *see also id.* at 19, 21–22 (citing Ex. 1006, 2:37–49 ("The player can thus play games offered to the player from a remoter server or other source."), 5:57–63, 16:65–67, 17:15–19, 23:14–21, 23:39–42, 25:65–26:10; Ex. 1002 ¶¶ 190–192, 195, 218, 235). We find Petitioner's contentions persuasive. *See* Ex. 1006, 2:44–46, 13:20–30.

Patent Owner argues that Kelly does not disclose that Kelly's prize redemption system runs on the operator's server, and merely discloses that a sponsor may supply pre-built games to the host. PO Resp. 26–27 (citing Ex. 2006 ¶ 35). Patent Owner also argues that, "if sponsors are supplying games to the host for delivery to the players, the sponsors are not using an incentive program builder application on the host to build the games. This suggests

that the purported incentive program builder application resides with the sponsors, not on the host.” *Id.* at 27 (internal citations omitted).

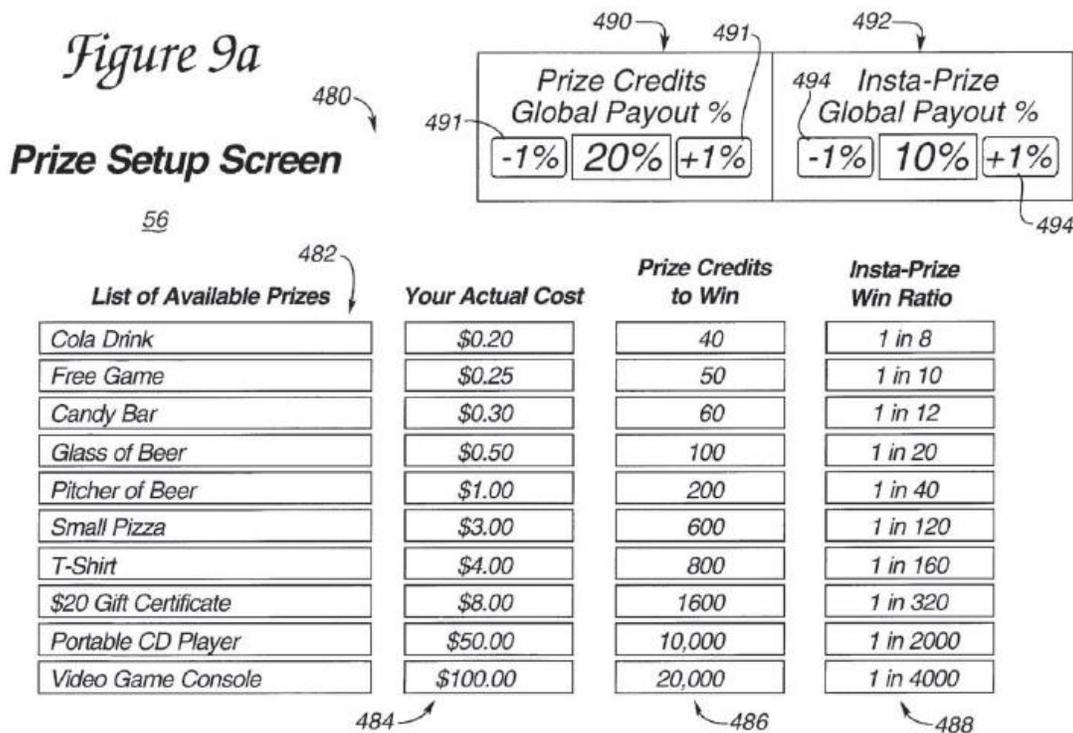
Patent Owner is reading Kelly too narrowly, and its arguments are not persuasive. We agree with Petitioner that Kelly discloses players using game units to interact with the operator/host server that provides promotional games. Kelly states that the player plays games offered from a remote server. Ex. 1006, 2:44–46. According to Kelly, the prize redemption system uses a game unit 10 containing game processor 12. *Id.* at 6:10–12. Game processor 12 “implements (e.g., controls, influences, coordinates, monitors, calculates, etc.) the functions of the game unit 10 during a game process and includes several input and output functions,” and the “game processor controls the redemption system of the present invention by calculating when prizes are awarded, calculating and updating prize lists and prize costs.” *Id.* at 6:15–26. Kelly discloses that game processor 12 may be a server. *See, e.g., id.* at 15:44–51, 16:21–29. Kelly further discloses the following:

Game processor 12 can be implemented as part of a control system including other electronic components (not shown). Besides the components of game processor 12, the control system can include *operator-configurable controls* to provide selectable game functions such as the amount the score is incremented for certain player actions or commands, the amount of prize credits awarded based on the score, the speed and/or difficulty of game play, the conditions required to add to the game score and/or received universal or specific prize tickets, the conditions required for a player to win a progressive bonus award or enter a tournament, etc.

Id. at 13:20–30 (emphasis added). From these disclosures, we understand that the operator (i.e., host) controls the server/game processor and the

content of the incentive program builder application running on the server.
 See, e.g., Ex. 1002 ¶¶ 195–96, 198, 201.

Third, Petitioner asserts that Kelly alone teaches claim limitation 1[f] by disclosing that the operator/host may use a “simple interface” to input and adjust information (e.g., promotions, advertisements, game parameters) required by the prize redemption system. *Id.* at 22–23 (citing Ex. 1006, 23:22–25); see Pet. 22–31; Reply 7–11. Petitioner also asserts that Kelly contemplates sponsors (e.g., prize distributors) “interfacing” with the host’s redemption system to electronically input information into the system relating to the offered incentive programs. *Id.* at 23 (citing Ex. 1006, 40:66–41:18, 41:66–43:7). Figures 9a and 9b of Kelly are reproduced below:



TOURNAMENT SETUP SCREEN ↖ 490

492 GAME	494 Tournament On/Off	496 Games Required	498 Cost/ Game (coins)	500 % Applied to Tournament Prize	502 Seed Money	504 WINNING % FOR PLACES					506 Start Date	508 Start Time	510 End Date	512 End Time	514 Repeat Tourney
						1st Place	2nd Place	3rd Place	4th Place	5th Place					
SCUD ATTACK	ON	3	1	50%	\$50	40%	25%	15%	10%	10%	2/1/97	8:00	2/14/97	23:00	NO
SOLITAIRE	OFF														
QUIZ	ON	1	1	30%	\$30	60%	30%	10%	0%	0%	2/20/97	14:00	3/20/97	12:00	YES
FUN 21	NOT AVAIL.														

Figure 9b

Figures 9a and 9b illustrate diagrams of prize setup screen/table 480 and tournament setup screen/table 490, respectively, which may be used to adjust prize characteristics of the redemption system. Ex. 1006, 5:39–45. Referring to Figure 9a, Kelly states that “prize table 480 can receive input from servers or other computers, operators [i.e., hosts], or prize distributors [i.e., sponsors] at remote sites or nodes over a network.” *Id.* at 40:66–41:3. Similarly, Kelly states that Figure 9b “is a diagram showing a tournament setup table 490 for entering tournament characteristics by the operator, prize distributor, or other source.” *Id.* at 41:66–42:1. Petitioner’s contentions that Kelly alone teaches this limitation are persuasive.

Patent Owner agrees that tables 480 and 490 are interfaces to the Kelly system, but “contends these are not interfaces to an ‘incentive program builder application’” because “these interfaces are not used to build incentive programs, but rather to adjust parameters, such as prize information or tournament settings, for pre-existing games.” PO Resp. 27–28. Patent Owner’s arguments are based on its proposed construction which

we do not adopt. Instead, we find that Kelly’s interface is “an interface of the incentive program builder application for sponsor entry of parameters for an incentive program, wherein the sponsor builds an incentive program by interacting with the incentive program builder application,” as recited in claim limitation 1[f].

Fourth, Petitioner argues that the combined teachings of Kelly and Stanek also disclose claim limitation 1[f]. *See* Pet. 28, 25–31. Petitioner asserts that “Kelly discloses several interfaces through which a sponsor may build an incentive program by defining its parameters and designing custom displays.” Reply 7; *see id.* at 7–9. Petitioner further asserts that “[c]ombining Kelly with Stanek’s teachings extends and improves a sponsor’s capabilities.” *Id.* at 9. Petitioner reasons that a person of ordinary skill in the art “would appreciate that the suggested interface in Kelly could include, or an interface could be included that would have, capability through which a plurality of sponsors may provide games and other web content (i.e. advertising) to be delivered to players.” Pet. 25 (citing Ex. 1002 ¶ 203); Reply 10. According to Petitioner, a person of ordinary skill in the art “would appreciate that sponsor supplied content and games Kelly contemplates would need to be compatible with the hosts’ operating environment” and “[o]ne way to ensure such compatibility is to offer sponsors a self-service option to build incentives programs directly on the host’s server using the host’s tools.” Pet. 25 (citing Ex. 1002 ¶ 203); Reply 10. Petitioner further asserts that “Stanek describes Microsoft’s FrontPage software capable of building webpages” (Reply 10), and “FrontPage would [] permit sponsor entry of parameters for generating incentive programs” (Pet. 25 (citing Ex. 1002 ¶ 204)). Petitioner reasons a person of ordinary

skill in the art “would be motivated to combine the teachings from Stanek with that of Kelly to add an interface to the Kelly host system for sponsors to generate incentive programs at the host.” *Id.* at 28 (citing Ex. 1002 ¶¶ 209, 249). We find Petitioner’s contentions persuasive.

Patent Owner presents several reasons why a person of ordinary skill in the art would not have been motivated to combine the teachings of Kelly and Stanek. First, Patent Owner argues that “Kelly merely describe games compatible with the Kelly system, with no suggestion they are suitable for coding as webpages.” PO Resp. 30 (citing Ex. 1006, 23:51–62, 14:48–54; Ex. 2001 ¶ 126). Patent Owner argues that a person of ordinary skill in the art “would recognize this game console screen as requiring more complex and responsive programming than was typical in the gaming domain by using HTML and other web functionality during the mid-1990s.” *Id.* (citing Ex. 2001 ¶¶ 126–127).

Patent Owner’s argument is not persuasive. We agree with Petitioner that, contrary to Patent Owner’s arguments, Kelly suggests that its games are suitable for coding as webpages. For example, Kelly describes a player who may “move a cursor displayed on screen 54 to select different link to the World Wide Web to . . . **play a game**[.]” Ex. 1006, 17:42–45 (emphasis added); *see also id.* at 18:54–56 (client machines are coupled to “webservers”), 19:41–48 (players participate in network games “using Internet 130 or a similar WAN”), 17:1–12 (playing games “across the world” using the “Internet and/or the World Wide Web”), 17:29–33; 33:37–38 (centralized servers coordinate games for game units). We disagree with Patent Owner’s arguments about the complexity of Kelly’s games because we agree with Petitioner that the ’660 patent acknowledged that virtually

identical games—“ranging from computer games, such as TETRIS and pinball, to question and answer or trivia games, to surveys, to scratch and-win, treasure hunt, sweepstakes, customer loyalty programs and other typical incentive programs”— are conventionally implemented using web technologies, such as HTML. Reply 13–14 (citing Ex. 1001, 30:58–63, 33:11–38 (“the same as in any conventional Internet computer game that includes moving graphical images”)) (emphasis omitted).

Second, Patent Owner argues that “nothing in Kelly suggests that a plurality of sponsors (or even one) would build games using an application on the host of the Kelly system” and Kelly merely “describes a system that minimizes the maintenance required in prior art systems, such as arcades, for an administrator of a gaming venue, and at most permits a sponsor to modify parameters for existing games. PO Resp. 32 (citing Ex. 1006, 2:24–27; Ex. 2001 ¶ 66–74; Ex. 2006 ¶¶ 33–37). Patent Owner’s arguments are not persuasive because, as discussed above in Section III.B, the “interface of the incentive program builder application” does not require the remote generation of “new” webpages. *Id.* at 34, 37. In addition, Kelly, referring to Figure 9a, states that “prize table 480 can receive input from servers or other computers, operators [i.e., hosts], or prize distributors [i.e., sponsors] at remote sites or nodes over a network.” *Id.* at 40:66–41:3. Thus, Kelly teaches that a plurality of sponsors may build games using Kelly’s system.

Finally, Patent Owner argues that the “combination [of Kelly and Stanek] fails because the purported incentive program builder application in this combination (the FrontPage Editor) would be running on the sponsor computer, not the server on the host, as required by the challenged claims.” PO Resp. 34 (citing Ex. 2006 ¶ 38). Patent Owner’s argument is not

persuasive because, according to Petitioner's combination, which we adopt, Stanek's interface is replacing Kelly's interface, which already runs on the host computer. Reply 14.

Claim 1[e]

Claim limitation 1[e] recites "a database of objects associated with parameters of the incentive program builder application." Ex. 1001, Reexamination Certificate, 1:30–32. Petitioner contends Kelly alone teaches, and Kelly and Stanek collectively teach, this limitation. Pet. 30. As to Kelly alone, Petitioner asserts that Kelly teaches this limitation by disclosing the "use of databases for storage of incentive program elements," and "prize information may be maintained in a central database" and "in prize tables distinct for each game," and "[p]arameters for tournaments are stored in a tournament setup table." Pet. 30 (citing Ex. 1006, 41:31–43, 41:66–43:7; Ex. 1002 ¶¶ 219, 252, 260). We find Petitioner's contentions as to the teachings of Kelly alone persuasive. *See, e.g.*, Ex. 1006, 41:31–43, 41:66–43:7.

As to the combination of Kelly and Stanek, Petitioner asserts that Stanek teaches claim limitation 1[e] by disclosing tables/interfaces for inputting parameters for generation of webpages. *Id.* at 31 (citing Ex. 1007, 265, Fig. 11.9). Petitioner asserts that a person of ordinary skill in the art would have understood that these parameters are stored in a database on the webserver where they are then used to generate the webpage. *Id.* (citing Ex. 1002 ¶¶ 221–222). Petitioner's reasoning for combining the teachings of Stanek's interfaces with Kelly's interfaces are the same as those discussed above in connection with claim limitation 1[f]. As discussed above in

connection with limitation 1[f], we find Petitioner’s contentions as to the combined teachings of Kelly and Stanek and the motivation to combine these references are persuasive.

Patent Owner does not challenge that Kelly and Stanek disclose associating objects in a database with parameters. Instead, Patent Owner challenges this limitation by arguing that Kelly’s prize redemption system is not an “incentive program builder application” and multiple sponsors do not enter parameters related to the incentive program. PO Resp. 35–36. As discussed in Section III.I.3, we do not adopt Patent Owner’s proposed construction of “incentive program builder application,” and Patent Owner’s arguments are unpersuasive. Similarly, as discussed in connection with claim limitation 1[f] above, Kelly discloses multiple sponsors may enter parameters related to the incentive program.

Claim 1[g], [h]

Claim limitation 1[g] recites “wherein the host computer is configured to receive first input from a plurality of sponsors corresponding to the parameters for creating a plurality of incentive programs associated with the plurality of sponsors via the interface of the incentive program builder application from a plurality of sponsors.” Ex. 1001, Reexamination Certificate, 1:39–46. Claim limitation 1[h] recites that the host computer is also configured to “receive second input from a consumer selecting an incentive program from among the plurality of incentive programs.” *Id.* Petitioner asserts Kelly teaches these limitations by disclosing “a system hosting promotional games of a plurality of sponsors” where “the ‘host’ offers a plurality of games that a user may select.” Pet. 31 (citing Ex. 1006,

20:17–35; Ex. 1002 ¶¶ 202, 222, 233). We find these contentions persuasive. *See, e.g.*, Ex. 1006, 20:17–35. Patent Owner does not address whether Kelly teaches claim limitations 1[g] and 1[h]. *See* PO Resp. 24–38.

Claim 1[i], [j]

Claim limitation 1[i] recites that the host computer is configured to “issue an award to the consumer corresponding to the selected incentive program,” and limitation 1[j] recites that the host computer is configured to “receive a request to validate the award from a sponsor among the plurality of sponsors associated with the selected incentive program, and validate the award.” Ex. 1001, Reexamination Certificate, 1:46–50. Petitioner contends Kelly teaches these limitations by disclosing “the issuance of prizes to participants that are then presented to sponsors and verified” and “the issuance of physical tickets or vouchers that may be redeemed for prizes,” where “prizes need not only be paper coupons or voucher[s], but can also include smart cards or other electronic vouchers.” Pet. 32–33 (citing Ex. 1006, 3:26–39, 8:31–37, 8:54–67, 9:50–63, 10:12–15 22:9–32; Ex. 1002 ¶¶ 224, 228–230, 232). We find these contentions persuasive. *See, e.g.*, Ex. 1006, 3:26–39, 8:31–37, 8:54–67, 9:50–63, 10:12–15 22:9–32. Patent Owner does not address whether Kelly teaches claim limitations 1[i] and 1[j]. *See* PO Resp. 24–38.

Summary

For the reasons given above, Petitioner has shown that independent claim 1 is unpatentable as obvious over Kelly and Stanek.

4. *Claim 16*

Claim 16 recites the “system of claim 1, wherein the incentive program is a promotion of the sponsor offered to the consumer and facilitated by the host.” Petitioner asserts that Kelly teaches this claim by disclosing “sponsors’ promotions, such as a ‘happy hour’ and free merchandise from McDonald’s being offered through a host and displayed on a game unit.” Pet. 34 (citing Ex. 1006, 23:18–24; Ex. 1002 ¶¶ 194, 247). We find these contentions persuasive. *See, e.g.*, Ex. 1006, 23:18–24. Other than its arguments related to claim 1, Patent Owner does not offer separate arguments for claim 16. *See* PO Resp. 25–37.

Petitioner has shown that claim 16 is unpatentable as obvious over Kelly and Stanek.

5. *Claim 17*

Claim 17 recites the “system of claim 16, wherein the host computer is configured to host a website of the host through which the sponsor builds the incentive program.” Petitioner asserts that the combined teachings of Kelly and Stanek disclose this configuration because Stanek teaches that “the host’s web server can be configured to provide a sponsor with functionality necessary to build a promotional web game employing the FrontPage Editor.” Pet. 34 (citing Ex. 1002 ¶ 257). We find these contentions persuasive. *See, e.g.*, Ex. 1007, 6 (Fig. 1.2), 7, 108, 120. Other than its arguments related to claim 1, Patent Owner does not offer separate arguments for claim 17. *See* PO Resp. 25–37.

Petitioner has shown that claim 17 is unpatentable as obvious over Kelly and Stanek.

6. Claims 18 and 19

Claim 18 recites the “system of claim 17, wherein the interface is configured to allow the sponsor to build the incentive program by interacting with the interface through the website of the host.” Claim 19 recites the “system of claim 18, wherein the sponsor interacting with the interface to build the incentive program comprises the interface receiving the sponsor entry of the parameters.” Petitioner asserts that the combined teachings of Kelly and Stanek disclose the limitations in claims 18 and 19 because Stanek teaches “the website interface running on the host computer for a merchant to enter parameters to build promotions.” Pet. 34 (citing Ex. 1007, 6–7, 92, 626–627; Ex. 1002 ¶¶ 224, 208–209, 257–258). We find these contentions persuasive. *See, e.g.*, Ex. 1007, 6–7, 92, 626–627. Other than its arguments related to claim 1, Patent Owner does not offer separate arguments for claims 18 and 19. *See* PO Resp. 25–37.

Petitioner has shown that claims 18 and 19 are unpatentable as obvious over Kelly and Stanek.

7. Claim 20, 21, 25, 27, and 28

Claim 20 recites the “system of claim 19, wherein the parameters comprise a duration of the incentive program.” Claim 21 recites the “system of claim 19, wherein the parameters comprise a start date of the incentive program.” Claim 25 recites the “system of claim 19, wherein the parameters comprise a location for fulfillment of the promotion.” Claim 27 recites the “system of claim 19, wherein the parameters comprise a discount offered by the sponsor to the consumer.” Claim 28 recites the “system of claim 19, wherein the parameters comprise a service offered by the sponsor to the

consumer.” Petitioner asserts that Kelly discloses the limitations in claims 20, 21, 25, 27, and 28, including a set up table for entering characteristics by “prize distributor” (Ex. 1006, 41:66–42:5), fields for start and end date as recited in claims 20 and 21 (*id.* at 42:47–57), a prize table specifying fulfillment location as recited in claim 25 (*id.* at 41:48–51), a percentage discount as recited in claim 27 (*id.* at 23:33–36), and prizes include “services” as recited in claim 28 (*id.* at 8:54–58). Pet. 35 (citing Ex. 1002 ¶ 259). Petitioner also asserts that the FrontPage interface would have been suitable for inputting these parameters and it would have been obvious to employ it for the reasons discussed. *Id.* (citing Ex. 1002, ¶ 253). We find these contentions persuasive. *See, e.g.*, Ex. 1006, 8:54–58, 23:33–36, 41:66–42:5, 42:47–57. Other than its arguments related to claim 1, Patent Owner does not offer separate arguments for claims 20, 21, 25, 27, and 28. *See* PO Resp. 25–37.

Petitioner has shown that claims 20, 21, 25, 27, and 28 are unpatentable as obvious over Kelly and Stanek.

8. Claim 29 and 30

Claim 29 recites the “system of claim 16, wherein an interface of a website of the host receives consumer interaction to participate in the incentive program.” Claim 30 recites the “system of claim 29, wherein the consumer interaction comprises the consumer registering at the website of the host.” Petitioner asserts that Kelly teaches these limitations by disclosing that a “player in Kelly may interact via a website of the host to participate in the promotional game,” and “Kelly also indicates a player registers via his or her personal computer (i.e. game unit) by inputting a

password or other identifying information in order to access features of the game, and/or to link the player's game session to the player's account." Pet. 35 (citing Ex. 1006, 6:52–56, 22:3–13; Ex. 1002 ¶¶ 250–254, 260). We find these contentions persuasive. *See, e.g.*, Ex. 1006, 6:52–56, 22:3–13. Other than its arguments related to claim 1, Patent Owner does not offer separate arguments for claims 29 and 30. *See* PO Resp. 25–37.

Petitioner has shown that claims 29 and 30 are unpatentable as obvious over Kelly and Stanek.

9. Independent Claim 7

Claim 7 recites:

A method for generating an incentive program, comprising:

- [a] providing a computer;
- [b] providing an incentive program builder application of such computer;
- [c] providing a database of objects associated with parameters of an incentive program;
- [d] providing an interface of the incentive program builder application for sponsor entry of parameters for an incentive program;
- [e] receiving first input from a plurality of sponsors corresponding to the parameters for creating a plurality of incentive programs associated with the plurality of sponsors via the interface of the incentive program builder application from a plurality of sponsors;
- [f] associating an object in the database with each parameter entered by the plurality of sponsors; and

[g] generating the plurality of incentive programs comprising the objects associated with all of the parameters entered by the plurality of sponsors;

[h] receiving second input from a consumer selecting an incentive program from among the plurality of incentive programs;

[i] issuing an award to the consumer corresponding to the selected incentive program;

[j] receiving a request to validate the award from a sponsor among the plurality of sponsors associated with the selected incentive program; and validating the award.

Petitioner asserts that the claim 7 limitations are the same as the claim 1 limitations as follows:

Claim 1	Claim 7
Preamble	Preamble
a	
b	
c	a
d	b
e	c, f
f	d
g	e
h	h
i	i
j	j
k	
	g

See Pet. 36, 60; *see* Ex. 1002 ¶ 256. We find that the subject matter of the corresponding claim limitations are the same. Patent Owner does not contest Petitioner's proposed correspondence between the claim 1 and 7 limitations. PO Resp. 25–37.

Petitioner asserts that claim limitations 7[a]–[f] and [h]–[j] would have obvious over the combined teachings of Kelly and Stanek for the same reasons that the corresponding claim 1 limitations would have been obvious. Pet. 36. For the reasons discussed above with respect to claim 1, we find Petitioner’s contentions that Kelly and Stanek teach these claim limitations and an ordinarily skilled artisan would have been motivated to combine Kelly and Stanek are persuasive.

Patent Owner’s arguments related to claim limitations 7[a]–[f] and [h]–[j] are the same as those presented in connection with claim 1, as discussed above. PO Resp. 25–37. As discussed above in connection with claim 1, Patent Owner’s arguments are not persuasive.

As to claim limitation 7[g]—“generating the plurality of incentive programs comprising the objects associated with all of the parameters entered by the plurality of sponsors”—Petitioner asserts that Stanek teaches this limitation by disclosing that the “FrontPage [interface] includes a what-you-see-is-what-you-get (WYSIWYG) editor (i.e. FrontPage Editor) that includes drag and drop input. The tool automatically generates the necessary HTML code needed to render the resulting webpage.” Pet. 37–38 (citing Ex. 1007, 120; Ex. 1002 ¶ 223). Petitioner explains that “Stanek further discloses using CGI script or Web bots to create HTML pages that can retrieved data from a SQL database for display,” including “[f]or example, in response to a request from a user, a CGI script can generate the HTML response based on data from a database, such as parameters input by the webpage author.” *Id.* at 38 (citing Ex. 1007, 92, 626–27; Ex. 1002 ¶ 224). We find these contentions persuasive. *See, e.g.*, Ex. 1007, 92, 120, 626–276. Patent Owner does not address claim limitation 7[g].

Petitioner has shown that claim 7 is unpatentable as obvious over Kelly and Stanek.

10. Independent Claim 14

Claim 14 recites”

A method of incentive program generation, comprising:

- [a] providing a host computer connected to a network for
- [b] hosting a sponsor having a sponsor computer connected to the network;
- [c] providing an incentive builder application program, running on the host computer;
- [d] providing a database of objects associated with parameters of said incentive builder application program; and
- [e] providing an interface of the incentive program builder application for sponsor entry of parameters for an incentive program, wherein the sponsor builds an incentive program by interacting with the incentive program builder application;
- [f] receiving first input from a plurality of sponsors corresponding to the parameters for creating a plurality of incentive programs associated with the plurality of sponsors via the interface of the incentive program builder application from a plurality of sponsors;
- [g] receiving second input from a consumer selecting an incentive program from among the plurality of incentive programs;
- [h] issuing an award to the consumer corresponding to the selected incentive program;
- [i] receiving a request to validate the award from a sponsor among the plurality of sponsors associated with the selected incentive program; and validating the award.

Petitioner asserts that the claim 14 limitations are the same as the claim 1 limitations as follows:

Claim 1 Preamble	Claim 14 Preamble
a	
b	b
c	a
d	c
e	d
f	e
g	f
h	g
i	h
j	i
k	

See Pet. 44–45, 60; *see* Ex. 1002 ¶ 256. We find that the subject matter of the corresponding claim limitations are the same. Patent Owner does not contest Petitioner’s proposed correspondence between the claim 1 and 14 limitations. PO Resp. 25–37.

Petitioner asserts that claim limitations 14[a]–[i] would have been obvious over the combined teachings of Kelly and Stanek for the same reasons that the corresponding claim 1 limitations would have been obvious. Pet. 44–45. We find Petitioner’s contentions that Kelly and Stanek teach these claim limitations and an ordinarily skilled artisan would have been motivated to combine Kelly and Stanek are persuasive.

Patent Owner’s arguments related to claim 14 are the same as those presented in connection with claim 1, as discussed above. PO Resp. 25–37. As discussed above in connection with claim 1, Patent Owner’s arguments are not persuasive.

Petitioner has shown that claim 14 is unpatentable as obvious over Kelly and Stanek.

11. Claim 67

Claim 67 recites the “method of claim 14, wherein the host computer is provided by a host through which the sponsor offers the incentive program to a consumer.” Petitioner asserts that Kelly discloses this limitation because Kelly teaches “a sponsor may supply free games for hosting by a host and the host distributes games associated with prizes to game units via a network. Pet. 45 (citing Ex. 1006, 23:39–45, 25:65–26:10; Ex. 1002 ¶ 248). We find this contention persuasive. *See, e.g.*, Ex. 1006, 23:39–45, 25:65–26:10. Other than addressing independent claim 14, Patent Owner does not offer separate arguments for claim 67.

Petitioner has shown that claim 67 is unpatentable as obvious over Kelly and Stanek.

12. Claim 68

Claim 68 recites the “method of claim 67, wherein the award is a coupon.” Petitioner asserts that Kelly teaches this limitation by disclosing a promotional coupon may be dispensed as the award. Pet. 45 (citing Ex. 1006, 8:61–67; Ex. 1002 ¶ 261). We find this contention persuasive. *See, e.g.*, Ex. 1006, 8:61–67. Other than addressing independent claim 14, Patent Owner does not offer separate arguments for claim 68.

Petitioner has shown that claim 68 is unpatentable as obvious over Kelly and Stanek.

13. Claim 69

Claim 69 recites the “method of claim 67, wherein the award is a coupon for redemption of merchandise or services at the sponsor.”

Petitioner asserts that Kelly discloses this limitation because Kelly teaches “a redemption system in which the award consists of a coupon to redeem sponsor merchandise or services. Pet. 46 (citing Ex. 1006, 8:61–67; Ex. 1002 ¶ 261). We find this contention persuasive. *See, e.g.,* Ex.1006, 8:61–67. Other than addressing independent claim 14, Patent Owner does not offer separate arguments for claim 69.

Petitioner has shown that claim 69 is unpatentable as obvious over Kelly and Stanek.

14. Independent Claim 87

Claim 87 recites:

A system for incentive program generation, comprising:

[a] a network;

[b] a sponsor computer connected to the network;

[c] a host computer connected to the network, the host computer having a server;

[d] an incentive program builder application, running on the server;

[e] a database of objects associated with parameters for the incentive program builder application; and

[f] an interface of the incentive program builder application for sponsor entry of parameters for an incentive program, wherein the sponsor builds an incentive program by interacting with the incentive program builder application,

[g] wherein the host computer is provided by a host, the host computer configured to allow the sponsor to offer the incentive program to a consumer,

[h] wherein the host, the sponsor, and the consumer are different entities,

[i] wherein the host and the sponsor are different individuals or corporate entities,

[j] wherein the incentive program is a promotion of the sponsor offered to the consumer and facilitated by the host,

[k] wherein an interface of a website of the host receives consumer interaction to participate in the incentive program,

[l] wherein the consumer interaction comprises a consumer request to search for promotions from among a plurality of promotions offered to the consumer by a plurality of sponsors.

Petitioner asserts that the claim 87 limitations are the same as the claim 1 limitations as follows:

Claim 1	Claim 87
Preamble	Preamble
a	a
b	b
c	c
d	d
e	e
f	f
g	g
h	
i	
j	
k	h-i
	j
	k
	l

See Pet. 38–39, 60; *see* Ex. 1002 ¶¶ 240, 256. We find that the subject matter of the corresponding claim limitations are the same. Patent Owner does not contest Petitioner’s proposed correspondence between the claim 1 and 87 limitations. PO Resp. 25–37.

Petitioner asserts that claim limitations 87[a]–[f] and [h]–[i] would have been obvious over the combined teachings of Kelly and Stanek for the same reasons that the corresponding claim 1 limitations would have been obvious. Pet. 38–39. For the reasons explained above in connection with claim 1, we find that Petitioner’s contentions that Kelly and Stanek teach these claim limitations and an ordinarily skilled artisan would have been motivated to combine Kelly and Stanek are persuasive.

Patent Owner’s arguments related to claim limitations 87[a]–[f] and [h]–[i] are the same as those presented in connection with claim 1, as discussed above. PO Resp. 25–37. As discussed above in connection with claim 1, Patent Owner’s arguments are not persuasive.

As to claim limitations 87[g] and [j]–[l], Petitioner asserts that Kelly and Stanek disclose these limitations. Pet. 39. Petitioner asserts that “Kelly discloses an incentive program comprising a promotion of the sponsor offered to the consumer and facilitated by the host, where the host is configured to allow the sponsor to offer the program to a consumer,” and the “consumer interacts with the host’s website to participate in the promotional game.” *Id.* at 40 (citing Pet. 20–23). Petitioner also asserts that Kelly discloses presenting “a consumer with icons representing a variety of games, and the ability to cause the system to retrieve available games in order to make a selection,” and discloses “search functionality on the host available to game participants, such as for example, the ability to search among

available prizes.” *Id.* at 40 (citing Ex. 1006, 14:66–15:2, 16:60–63, Fig. 5a (e.g., arrows 273 and game selections 272); Ex. 1002 ¶¶ 234, 238; Ex. 1001, 27:23–33 (providing search selections for “sporting goods” and further subcategory “baseball” to “narrow choices to baseball-related prizes”)). Petitioner reasons it would have been obvious “to employ this existing search functionality to also deliver game categories to the participants, given its usefulness in permitting selections where there are a large number of potential games available of differing types.” *Id.* (citing Ex. 1002 ¶¶ 235–236). We find these contentions persuasive.

Other than its arguments directed to the other limitations in claim 87, Patent Owner does not address claim limitations 87[g] and [j]–[l]. PO Resp. 25–37.

Petitioner has shown that claim 87 is unpatentable as obvious over Kelly and Stanek.

15. Independent Claim 101

Claim 101 recites:

A method of incentive program generation and redemption, comprising:

[a] providing a host computer, said host computer connected to a network for

[b] hosting a sponsor having a sponsor computer connected to the network;

[c] providing an incentive program builder application, running on the host computer;

[d] providing a database of objects associated with parameters of said incentive program builder application;

[e] providing an interface of the incentive program builder application for sponsor entry of parameters for an incentive program offered to a customer, wherein the sponsor builds an incentive program by interacting with the interface of the incentive program builder application;

[f] issuing an award to the consumer in accordance with the incentive program, wherein the incentive program is a promotion of the sponsor to the consumer facilitated by the host;

[g] receiving, from the sponsor, a request to validate the award, wherein the award is received by the sponsor from the consumer; validating the award using the database,

[h] wherein the host, the sponsor, and the consumer are different individuals or corporate entities,

[i] wherein the host computer is provided by a host through which the sponsor offers the incentive program to a consumer; and

[j] providing the number of awards that remain to be issued before issuing the award to the consumer.

Petitioner asserts that the claim 101 limitations are essentially the same as the claim 1 limitations as follows:

Claim 1	Claim 101
Preamble	Preamble
a	
b	b
c	a
d	c
e	d
f	e
g	i
h	
i	f

j	g
k	h
	j

See Pet. 41–42, 60; see Ex. 1002 ¶¶ 240, 256. We find that the subject matter of the corresponding claim limitations are the same. Patent Owner does not contest Petitioner’s proposed correspondence between the claim 1 and 101 limitations. PO Resp. 25–37.

Petitioner also asserts that claim limitations 101[f] and [g], which recite that the incentive program is a promotion of the sponsor to consumer facilitated by the host, that the issued award be received by the sponsor from the consumer and that it be validated using the database, are the same as claim limitations 1[f]–[i]. Pet. 42. Petitioner asserts that claim limitations 101[a]–[i] would have obvious over the combined teachings of Kelly and Stanek for the same reasons that the corresponding claim 1 limitations would have been obvious. *Id.* at 41–44. For the reasons explained above in connection with claim 1, we find Petitioner’s contentions that Kelly and Stanek teach these claim limitations and an ordinarily skilled artisan would have been motivated to combine Kelly and Stanek are persuasive.

As to claim limitation 101[j], Petitioner asserts that Kelly discloses this limitation because Kelly teaches “steps intended to control the amount of prize payouts for various promotional games.” Pet. 43. Petitioner explains that “Kelly describes the entry of desired win ratios by sponsors which take into account the number of awards issued in previous games in determining whether or not to issue a further award,” and Kelly’s system “permits a sponsor to control the profitability of a particular promotional game by determining the total costs of issued awards by multiplying the

number of previously issued awards times an actual cost per award,” and “then adjusts the frequency with which it issues further awards to comply with a desired global payout amount or percentage of game revenue.” *Id.* (citing Ex. 1006, 33:41–59; Ex. 1002, ¶¶ 243, 244). We find these contentions persuasive. *See, e.g.*, Ex. 1006, 33:41–59.

Patent Owner arguments related to claim 101 are the same as those presented in connection with claim 1, as discussed above. PO Resp. 25–37. As discussed above in connection with claim 1, Patent Owner’s arguments are not persuasive.

Petitioner has shown that claim 101 is unpatentable as obvious over Kelly and Stanek

16. Conclusion

For the reasons discussed above, Petitioner has shown by a preponderance of the evidence that claims 1, 7, 14, 16–21, 25, 27–30, 67–69, 87, and 101 are unpatentable as obvious over Kelly and Stanek.

E. Asserted Obviousness of Claims 10 and 12 over Kelly, Stanek, and Halter

Petitioner contends that the subject matter of claims 10 and 12 would have been obvious over Kelly, Stanek, and Halter. Pet. 46–59. Petitioner provides an element-by-element analysis where it contends each element of the challenged claims is taught by the combined teachings of Kelly, Stanek, and Halter. *Id.* We have reviewed the information provided by Petitioner and Patent Owner’s arguments and evidence. We determine that Petitioner has shown by a preponderance of the evidence that claims 10 and 12 would

have been obvious over Kelly, Stanek, and Halter. Below, we provide an overview of Halter, and then we address Petitioner's and Patent Owner's contentions for this obviousness ground in detail.

1. Overview of Halter

Halter is titled "Method and System for Optimizing Non-Native Bytecodes Before Bytecode Interpretation." Ex. 1008, at code (54). Halter explains that Java permits real-time, dynamic, and visual interaction between the Web users and the application, and the ability to distribute executable content. Ex, 1008, 1:30–34, 1:39–40. According to Halter, an "application software written in Java is first compiled into a set of Java bytecodes, [which] are then distributed to a software user through the Web." *Id.* at 1:42–44. Halter explains that "[w]hen the Java bytecodes are structured around a pure stack machine implementation, the process of interpreting a set of non-optimal Java bytecode can be quite slow." *Id.* at 1:53–56. To overcome this problem, Halter discloses a method and system for optimizing Java bytecodes before bytecode interpretation within a computer system. *Id.* at code (57).

2. Independent Claims 10 and 12

Claim 10 is a system for incentive program generation and award fulfillment. Claim 12 is a method claim having equivalent limitations. Claim 10 recites:

A system for incentive program generation and award fulfillment, comprising:

[a] a host computer connected to a network;

[b] a client computer of a consumer connected to the network;

[c] a sponsor computer of a sponsor connected to the network;

[d] an incentive participation application program for participation by the consumer in an incentive program, wherein the participation may be in incentive programs of a plurality of sponsors;

[e] a server of the host computer;

[f] a web site, located on the server of the host computer, wherein the consumer may participate in an incentive program via the web site;

[g] a database of the host computer of awards associated with the incentive participation application programs;

[h] an award association application program for associating an award with an incentive program;

[i] a fulfillment automation application program for associating a fulfillment method with an award;

[j] an electronic card for fulfillment of an award, having memory for storing information associated with the consumer, wherein the information may be a personal identification number or information associated with the consumer's participation in an incentive program; and

[k] an incentive builder application program, running on the server of the host computer, wherein the sponsor may build an incentive program by interacting with the incentive builder application program,

[l] wherein the incentive builder application program comprises a database of objects associated with incentive programs, wherein each object is associated with an action that is associated with the incentive program,

[m] an interface for permitting a sponsor to enter parameters associated with an incentive program,

[n] an object association application for associating objects with the parameters entered by a sponsor and building a file comprising the objects associated with all of the parameters entered by a sponsor,

[o] an editor for generating an electronic file containing code for the incentive program,

[p] a classifying application program for classifying the code in numbers that represent the elements of the code,

[q] a generator application program for generating tables of the numbers that represent the code for the incentive program,

[r] and an executor application that is capable of interpreting the tables and executing the code.

Ex. 1001, 47:66–48:48.

Claim 12 recites:

A method of providing incentive program generation and award fulfillment, comprising:

[a] providing a host computer connected to a network;

[b] providing a client computer of a consumer connected to the network;

[c] providing a sponsor computer of a sponsor connected to the network;

[d] providing an incentive participation application program for participation by the consumer in an incentive program, wherein the participation may be in incentive programs of a plurality of sponsors;

[e] providing a server of the host computer;

[f] providing a web site, located on the server of the host computer, wherein the consumer may participate in an incentive program via the web site;

[g] providing a database of the host computer of awards associated with the incentive participation application programs;

[h] associating an award with an incentive program;

[i] associating a fulfillment method with an award;

[j] providing an electronic card for fulfillment of an award, having memory for storing information associated with the consumer, wherein the information may be a personal identification number or information associated with the consumer's participation in an incentive program;

[k] providing an incentive builder application program, running on the server of the host computer, wherein the sponsor may build an incentive program by interacting with the incentive builder application program,

[l] wherein the incentive builder application program comprises a database of objects associated with incentive programs, wherein each object is associated with an action that is associated with the incentive program,

[m] an interface for permitting a sponsor to enter parameters associated with an incentive program,

[n] an object association application for associating objects with the parameters entered by a sponsor and building a file comprising the objects associated with all of the parameters entered by a sponsor,

[o] an editor for generating an electronic file containing code for the incentive program,

[p] a classifying application program for classifying the code in numbers that represent the elements of the code,

[q] a generator application program for generating tables of the numbers that represent the code for the incentive program, and

[r] an executor application that is capable of interpreting the tables and executing the code.

Ex. 1001 at 48:58–49:39.

Petitioner asserts that the subject matter of the claim 10 and 12 limitations are essentially the same as the claim 1 limitations as follows:

Claim 1	Claim 10	Claim 12
Preamble	Preamble	Preamble
a	a	a
b	c	c
c	a, e	a, e
d	k	k
e		
f	k, m	k, m
g		
h		
i		
j		
k		
	b	b
	d	d
	f–j	f–j
	l	l
	n–r	n–r

See Pet. 49–59. We find that the subject matter of the corresponding claim limitations are the same. Patent Owner does not contest Petitioner’s proposed correspondence between the claim 1 limitations and the claim 10 and 12 limitations. PO Resp. 38–47.

Limitations [a], [c], [e], [k], [m] of Claims 10 and 12

As shown in the table above, Petitioner asserts that limitations [a], [c], [e], [k], [m] of claims 10 and 12 correspond to claim limitations 1[a]–[d] and [f], and would have been obvious over the combined teachings of Kelly and

Stanek for the same reasons that the corresponding claim 1 limitations would have been obvious. Pet. 49–59. For the reasons explained above in connection with claim 1, we find Petitioner’s contentions that Kelly and Stanek teach these claim limitations and an ordinarily skilled artisan would have been motivated to combine Kelly and Stanek are persuasive.

Limitations [b], [d], [f]–[j], [l], [m], [o]–[r] of Claims 10 and 12

Petitioner asserts that limitations [b], [d], [f]–[j], [l], [m], [o]–[r] of claims 10 and 12 are different from the claim 1 limitations. Pet. 49–59. Petitioner provides an element-by-element analysis where it contends each of these limitations is taught by the combined teachings of Kelly, Stanek, and Halter. *Id.* We have reviewed the information provided by Petitioner, and find that Petitioner has shown that Kelly, Stanek, and Halter teach or suggest these limitations. We have also reviewed Patent Owner’s arguments and evidence related to these limitations, which are the same as those presented in connection with claim 1, as discussed above. PO Resp. 38–40. As discussed above in connection with claim 1, Patent Owner’s arguments are not persuasive. We find that Petitioner has shown that these claim limitations are taught or suggested by the teachings of Kelly and Stanek.

As to a motivation to combine Kelly, Stanek, and Halter, Petitioner’s reasoning to combine Kelly and Stanek is discussed above in connection with claim limitations 1[d] and [f]. Petitioner also contends that a person of ordinary skill in the art would have been motivated to combine Halter teachings with those of Kelly and Stanek. *See* Pet. 57. According to Petitioner, both Kelly and Stanek contemplate using Java in their programs and applications. *Id.* (citing Ex. 1006, 19:35–39; Ex. 1007, 152; Ex. 1002

¶¶ 279, 320). Petitioner further states that Halter discloses that “non-optimal Java bytecode can be quite slow, and identifie[s] ‘a need for optimizing Java bytecode before the bytecode interpretation process occurs within a computer system.’” *Id.* (citing Ex. 1008, 1:54–59; Ex. 1002 ¶¶ 181, 280, 321). Relying on the testimony of Mr. Harkey, Petitioner reasons that, “[b]ecause there is an express advantage to Halter’s bytecode optimization process, a [person of ordinary skill in the art] would deem it desirable to apply Halter’s optimization process to the Java files generated for the Kelly game system using the interface and builder application of [Stanek].”⁶ *Id.* We find that Petitioner’s reasoning is persuasive.

Patent Owner contends that Petitioner provides no evidence of a rational underpinning for a person of ordinary skill in that art to combine Kelly with Stanek and Halter to result in the claimed invention. PO Resp. 43–48. First, Patent Owner argues that the person of ordinary skill in the art would not have understood that Kelly employs Java. Patent Owner’s argument is not persuasive. Kelly discloses the use of Java implemented on “servers 108, game units 10 and client machines.” Ex. 1006, 19:35–40 (mentioning use of Java among examples including VRML, a 3D modeling file format used for online game graphics and animations); Ex. 1002 ¶ 278; Ex. 1015 ¶ 48.

Second, Patent Owner asserts that “Stanek only discloses linking client-side scripts to java applets.” PO Resp. at 46. Patent Owner’s

⁶ We understand that Petitioner’s reference to Wong is a typographical error and should refer to Stanek. Paragraph 280 of Mr. Harkey’s declaration (Ex. 1002) refers to “the interface and builder application of Stanek.” The parties do not dispute this.

argument is not persuasive because, as noted above, Kelly wholly apart from Stanek, contemplates Java implementations on servers, game units, and client machines. *See, e.g.*, Ex. 1006, 19:35–40.

Finally, Patent Owner argues that Petitioner has argued only what a person of ordinary skill in the art “would have known” or “could have” done. PO Resp. 47–48. Patent Owner’s argument is not persuasive because, as noted above, Petitioner articulates a persuasive rationale for combining Kelly, Stanek, and Halter. *See* Pet. 57 (“Because there is an express advantage to Halter’s bytecode optimization process, a [person of ordinary skill in the art] would deem it desirable to apply Halter’s optimization process to the Java files generated for the Kelly game system using the interface and builder application of [Stanek].”).

Claims 10[n] and 12[n]

Claim limitations 10[n] and 12[n] recite “an object association application for associating objects with the parameters entered by a sponsor and building a file comprising the objects associated with all of the parameters entered by a sponsor.” Petitioner contends that claim limitations 10[n] and 12[n] would have been obvious over Kelly and Stanek.

Petitioner, relying on testimony by Mr. Harkey and referring to pages 30–31 of the Petition, states that Kelly and Stanek teach these limitations by disclosing “use of a database to store input received from sponsors relating to the incentive program.” Pet. 51. Petitioner contends that Kelly’s host computer receives parameters input via an interface table. *Id.*; Reply 16. Petitioner further contends that Kelly discloses “use of databases for storage of incentive programs elements” (Pet. 30 (citing Ex. 1006, 41:31–39)),

“stor[ing] prize information in prize tables distinct for each game” (*id.* (citing Ex. 1006, 41:40–43; Ex. 1002 ¶ 219)), and storing parameters for tournaments in a tournament setup table (*id.* (citing Ex. 1006, 41:66–43:7; Ex. 1002 ¶¶ 252, 260)). We agree with Petitioner that these disclosures in Kelly teach the use of databases on the host to associate these parameters with records (i.e., objects) stored in a database file. *See, e.g.*, Ex. 1006, 41:31–43, 41:66–43:7.

Petitioner contends that Stanek also discloses the association of parameters with database objects in a database file used to generate web content. Pet. 30–31 (citing Ex. 1007, 265, Fig. 11.9; Ex. 1002 ¶¶ 221–22), Reply 17. According to Petitioner, Stanek describes the association of objects with parameters by means of an application running on the host server, and discloses input of parameters, such as the submission of a name and a value for an interactive object that will display on the webpage. Reply 17 (citing Ex. 1007, 265, Fig. 11.9). Petitioner also contends that a person of ordinary skill in the art would have understood that these selections are associated and stored in a database on the webserver where they are then used to generate the HTML code necessary to provide those features of the webpage. Pet. 30–31 (citing Ex. 1002 ¶¶ 221–222). According to Petitioner, Stanek, for example, discloses using CGI scripts or Web bots running on the host server to create HTML pages, and these pages are generated in response to a request from a user by a CGI script using data retrieved from a SQL database. Reply 17 (citing Ex. 1007, 92, 626–27; Ex. 1002 ¶ 224). We agree with Petitioner that these disclosures in Stanek disclose the association of parameters with database objects in a database file used to generate web content. *See, e.g.*, Ex. 1007, 92, 265, 626–27.

In response to Petitioner’s contentions that Kelly and Stanek disclose claim limitations 10[n] and 12[n], Patent Owner argues that Petitioner “merely asserts that the references associate an object with ‘actions relating to the incentive program,’” but does not fully address the claim 10[n] and 12[n] limitations. PO Resp. 41 (citing Pet. 51–53).⁷ We do not agree. As discussed above, Petitioner’s contentions fully address claims 10[n] and 12[n], and are supported by the record.

Conclusion

For the reasons discussed above, Petitioner has shown by a preponderance of the evidence that claims 10 and 12 are unpatentable as obvious over Kelly, Stanek, and Halter.

F. Asserted Obviousness of Claims 1, 7, 14, 87, and 101 over Kelly and Wong

Petitioner contends that the subject matter of claims 1, 7, 14, 87, and 101 would have been obvious over Kelly and Wong. Pet. 4, 59–68. Petitioner provides an element-by-element analysis showing where each element of the challenged claims is taught by the combined teachings of Kelly and Wong. *Id.* We have reviewed the information provided by Petitioner and Patent Owner’s arguments and evidence. We determine that Petitioner has shown by a preponderance of the evidence that claims 1, 7, 14, 87, and 101 would have been obvious over Kelly and Wong. Below, we

⁷ Patent Owner’s sur-reply does not address this issue. *See* Sur-reply.

provide an overview of Wong, and then we address Petitioner’s and Patent Owner’s contentions for this obviousness ground in detail.

1. Overview of Wong

Wong is titled “Dynamic Generation and Display of Catalogs,” and was filed on September 25, 1996. Ex. 1010, at codes (54), (22). Wong discloses a “computerized method for dynamically generating and displaying a catalog including a plurality of items.” Ex. 1010, code (57). Wong discloses allowing multiple merchants to “have their individual catalogs hosted by the same service bureau.” *Id.* at 3:37–38. After a user requests to generate a catalog, Wong’s system presents to the user a form, which contains fields for receiving text information and product information. *Id.* at 1:64–67. Wong’s system presents display templates to the user, which define a pre-designed catalog page layout for the text information and product information. *Id.* at 2:4–8. After Wong’s template accepts input from the user, Wong displays the display page to the consumer. *Id.* at 2:30.

2. Independent Claims 1, 7, 14, 87, and 101

As discussed above, Petitioner asserts that independent claims 1, 7, 14, 87, and 101 have common limitations as follows:

Claim 1	Claim 7	Claim 14	Claim 87	Claim 101
Preamble	Preamble	Preamble	Preamble	Preamble
a			a	
b		b	b	b
c	a	a	c	a
d	b	c	d	c
e	c, f	d	e	d

f	d	e	f	e
g	e	f	g	i
h	h	g		
i	i	h		f
j	j	i		g
k				h
	g		h, i	j
			j	
			k	
			l	

See Pet. 60; see Ex. 1002 ¶ 256. We find that the subject matter in these corresponding claim limitations are the same. Patent Owner does not contest Petitioner’s proposed correspondence between the limitations in these claims. PO Resp. 48–56.

Kelly—Claims 1, 7[a-j], 14, 87, 101

In the challenge based on Kelly and Stanek, Petitioner asserts that Kelly discloses all of the limitations in independent claims 1, 7, 14, 87, and 101, except for claim limitation 7[g]. Pet. 59–68. Petitioner’s and Patent Owner’s arguments about whether Kelly discloses the limitations in claims 1, 7, 14, 87, and 101 are addressed above in the Kelly/Stanek challenge. Pet. 59–68; PO Resp. 24–37.

Wong—Limitations 1[d-f], 7[b-d, f, g], 14[c-e], 87[d-g], 101[c-e, i]

In this challenge based on Kelly and Wong, Petitioner asserts that Wong also discloses:

(1) the “incentive program builder application running on the host computer” limitation as recited in claim limitations 1[d], 7[b], 14[c], 87[d], and 101[c];

(2) the “interface to incentive program builder program” limitation as recited in claim limitations 1[f], 7[d], 14[e], 87[f], and 101[e];

(3) the “database of objects associated with incentive program” limitation as recited in claim limitations 1[e], 7[c], 14[d], 87[e], and 101[d];

(4) the “associating an object with parameters” limitation as recited in claim limitations 7[f]; and

(5) the “generating incentive program” limitation as recited in claim limitations 7[g], 87[g], and 101[i].

Pet. 60. Below, we address the parties’ contentions about these limitations and then the motivation to combine Kelly and Wong.

Incentive Program Builder Program and Interface

Claim limitations 1[d], 7[b], 14[c], 87[d], and 101[c] recite an incentive program builder application running on the server. Claim limitations 1[f], 7[d], 14[e], 87[f], and 101[e] recite an interface to the incentive program builder application. Petitioner contends that Wong teaches these limitations by disclosing a system and method that dynamically generates a product catalog by permitting merchants to submit information via online forms, storing that input in a database, and dynamically generate HTML pages. Pet. 59, 63 (citing Ex. 1010, 3:57–61, 3:65–4:2, 6:52–54; Ex. 1002 ¶ 298). Petitioner’s contention that Wong discloses an interface for building web pages is persuasive. *See, e.g.*, Ex. 1010, 3:57–61, 3:65–4:2, 6:52–54

Patent Owner challenges Petitioner’s contentions. First, Patent Owner argues that Petitioner does not show that Wong teaches or suggests an incentive program builder application. PO Resp. 49. Patent Owner’s argument is not persuasive because it attacks the teachings of Wong individually where Petitioner’s allegation of unpatentability is based on the combination of Kelly and Wong. *See In re Mouttet*, 686 F.3d 1322, 1332–33 (Fed. Cir. 2012) (holding that the test for obviousness is “what the combined teachings of the references would have suggested to those having ordinary skill in the art”); *Medichem, S.A. v. Rolabo, S.L.*, 437 F.3d 1157, 1166 (Fed. Cir. 2006) (explaining that in an obviousness analysis, “the prior art must be considered as a whole for what it teaches”); *In re Merck & Co., Inc.*, 800 F.2d 1091, 1097 (Fed. Cir. 1986) (“Non-obviousness cannot be established by attacking references individually where the rejection is based upon the teachings of a combination of references.”). Here, Petitioner asserts that Kelly, not Wong, discloses that sponsors build the incentive program using Kelly’s builder application and a plurality of sponsors interface with the builder application. *See, e.g.*, Pet. 22–25, 61–62. Petitioner relies on Wong for its teachings of a sponsor interface. *Id.* at 62–65. Patent Owner does not persuasively address this combination of teachings.

Second, Patent Owner challenges Petitioner’s assertion (Pet. 62) that Wong discloses a plurality of merchants (i.e., sponsors) who interact with Wong’s interface to build promotional web pages. PO Resp. 49. Patent Owner’s argument is not persuasive. Petitioner relies on Kelly for its teaching that a plurality of sponsors interact with Kelly’s builder application,

and, as discussed above, Petitioner's evidence on this point is persuasive. *See, e.g.*, Pet. 22–28, 61–62 (referring to earlier analysis).

Database of Objects

Claim limitations 1[e], 7[c], 14[d], 87[e], and 101[d] recite a database of objects associated with parameters of the incentive program. Claim limitation 7[f] recites associating an object in the database with each parameters entered by the plurality of sponsors.

As discussed above in connection with the Kelly/Stanek challenge, Petitioner has shown that Kelly teaches these limitations. *See, e.g.*, Pet. 30. Petitioner also asserts that Wong teaches these limitations by disclosing “a system in which input received from the merchant via the form is stored as part of a ‘product page’ in a database storage system.” Pet. 65–66 (citing Ex. 1007, 6:52–57; Ex. 1002 ¶¶ 296–297, 314–315). Petitioner explains that Wong describes the use of this database in the generation of the web pages delivered to consumers, and discloses that output modules query this database for all of the content fields associated with the specific page. *Id.* (citing Ex. 1007, 7:21–24; Ex. 1002 ¶ 309). According to Petitioner, the “database includes objects associated with the generated web pages (i.e. incentive program) and the user's input (i.e. parameters),” and the “stored objects may also include pictures and other multimedia objects (e.g. audio, video, program applets) associated with the merchant's inputs.” *Id.* (citing Ex. 1002 ¶¶ 298–299, 308; Ex. 1007, 4:29–35). We find Petitioner's contentions persuasive. *See, e.g.*, Ex. 1007, 6:52–57, 7:21–24; Ex. 1007, 4:29–35.

Patent Owner does not address substantively whether Wong discloses the claim limitations. PO Resp. 54. Instead, Patent Owner argues that Petitioner fails to show that Kelly and Wong disclose these limitations because (1) there is no motivation to combine Kelly and Wong in the claimed manner, and (2) “the disclosure in Wong relied upon by Petitioner for this limitation (‘a system in which input received from the merchant via the form is stored as part of a ‘product page’ in a database storage system’ (Petition at 65–66)) does not relate to an incentive program.” PO Resp. 54–55. As discussed below, Patent Owner’s arguments that there is no motivation to combine Kelly and Wong are not persuasive. In addition, contrary to Patent Owner’s second argument, Petitioner relies on Kelly, not Wong, for its disclosure of incentive programs (e.g., Kelly’s games). *See* Pet. 21.

Generating Incentive Programs

Claim limitations 7[g], 87[g], and 101[i] recite generating the plurality of incentive programs comprising the objects associated with all of the parameters entered by the plurality of sponsors. The ’660 patent describes one example of the generation process as generating HTML pages that reflect an incentive program. Ex. 1001, 31:9–21, 32:49–52; Ex. 1002 ¶ 313. Petitioner contends that Wong discloses these limitations by disclosing the means to dynamically generate web pages reflecting input received from a plurality of merchants. Pet. 67 (citing, e.g., Ex. 1010, Fig. 15); *see id.* at 62–65. Petitioner’s contentions are persuasive. Patent Owner does not address these contentions. PO Resp. 48–55.

Motivation to Combine Kelly and Wong

As to a motivation to combine Kelly and Wong, Petitioner reasons that because “Kelly describes distributing and running games (i.e. incentive programs) within its server and game units configuration” and “contemplates having the sponsor supply free games for hosting, it would be important for games supplied by a sponsor to be compatible with the operating environment of Kelly.” Pet. 61–63. Petitioner explains:

One way to ensure such compatibility is to offer a self-service option to sponsors who build incentives programs directly on the host’s server using the tools provided by the host. Thus, not only is it technologically feasible but also highly desirable to add an interface for sponsors to generate Kelly-compatible games.

Id. at 62 (citing Ex. 1002 ¶ 291). According to Petitioner, “Kelly describes delivering its incentive programs in the form of HTML over the World Wide Web to a player’s personal computer operating a standard web browser,” and “Wong describes an interface meant to allow a plurality of merchants to create product web pages easily and without knowledge of complex web programming.” *Id.* (citing Ex. 1010, 4:64–67; Ex. 1002 ¶¶ 293–294). Petitioner reasons that, “[g]iven the ease with which the Wong system lets a plurality of merchants build promotional web pages, and given that Kelly already contemplates implementing its hosting system using web technology,” a person of ordinary skill in the art “would be motivated to combine the teaching from Wong with that of Kelly to add an interface to the Kelly host system for sponsors to generate incentive programs at the host.” Pet. 62–63. We find these contentions persuasive.

Patent Owner argues that a person of ordinary skill in the art would not have been motivated to combine the teachings of Kelly and Wong. PO Resp. 50–54. According to Patent Owner, Wong’s disclosure of a webpage listing product catalog in a “promotional web page,” and a “promotional web page” is not an incentive program. PO Resp. 51. Patent Owner also argues that Petitioner does not provide evidence why Kelly’s interface “would be recognized as the type of interface provided by a web page using HTML and other web functionality.” *Id.* at 52. Patent Owner contends that a person of ordinary skill in the art “would recognize [Kelly’s] game console screen as requiring more complex and responsive programming than was typical in the gaming domain by using HTML and other web functionality during the mid-1990s.” *Id.* (citing Ex. 2001 ¶¶ 126–127).

Patent Owner’s arguments are not persuasive. As discussed above in connection with the motivation to combine Kelly and Stanek, Kelly suggests that its games are suitable for coding as webpages. *See* Ex. 1006, 17:42–45 (describing a player who may “move a cursor displayed on screen 54 to select different link to the World Wide Web to . . . **play a game**[.]”) (emphasis added), 18:54–56 (client machines are coupled to “webservers”), 19:41–48 (players participate in network games “using Internet 130 or a similar WAN”), 17:1–12 (playing games “across the world” using the “Internet and/or the World Wide Web”), 17:29–33; 33:37–38 (centralized servers coordinate games for game units). In addition, as Petitioner explains, “Wong is cited for its teachings regarding how a [person of ordinary skill in the art] would employ a web interface and fill-in forms to build a promotional program, such as the quiz games described in Kelly.” Reply 24 (citing Ex. 1006, 3:38–45). We agree with Petitioner that Wong

“teaches the use of a fill-in form, a display template and a Page Generation Module by which content, such as the text associated with a quiz game question, would be input by a sponsor, stored and incorporated into a webpage generated by the host server,” and “describes the use of radio buttons, drop down menus and submission buttons on common HTML forms that provide the type of interaction necessary for a quiz game displayed to a consumer.” *Id.* at 24–25 (citing Ex. 1010, Figs. 8 and 14; Ex. 1002, ¶¶ 292–295). We find Petitioner’s contentions persuasive.

Summary

For the reasons given above, Petitioner has shown that independent claims 1, 7, 14, 87, and 101 are unpatentable as obvious over Kelly and Wong.

G. Asserted Obviousness of Claims 10 and 12 over Kelly, Wong, and Halter

Petitioner contends that the subject matter of claims 10 and 12 would have been obvious over Kelly, Wong, and Halter. Pet. 69–74; Reply 26–27. Petitioner provides an element-by-element analysis showing where it contends each element of the challenged claims is taught by the combined teachings of Kelly, Wong, and Halter. *Id.* We have reviewed the information provided by Petitioner and Patent Owner’s arguments and evidence. We determine that Petitioner has shown by a preponderance of the evidence that claims 10 and 12 would have been obvious over Kelly, Wong, and Halter. Below, we address Petitioner’s and Patent Owner’s contentions for this obviousness ground in detail.

Limitations [a], [c], [e], [k], [m] of Claims 10 and 12

Petitioner asserts that limitations [a], [c], [e], [k], [m] of claims 10 and 12 correspond to claim 1 limitations 1[a]–[f], and would have been obvious over the combined teachings of Kelly and Wong for the same reasons that the corresponding claim 1 limitations would have been obvious over Kelly and Wong. Pet. 69–74; Reply 26–27. Patent Owner repeats its arguments presented in connection with claim 1 that Kelly does not teach an incentive program builder application and an interface of the incentive program builder application recited in claim limitations 1[d] and [f]. PO Resp. 56–58. As discussed above, Patent Owner’s arguments are not persuasive. For the reasons explained above in connection with claim 1, we find Petitioner’s contentions that Kelly and Wong teach limitations [a], [c], [e], [k], [m] of claims 10 and 12 and the skilled artisan would have been motivated to combine Kelly and Wong are persuasive.

Limitations [b], [d], [f]–[j], [l], [m], [o]–[r] of Claims 10 and 12

Petitioner asserts that limitations [b], [d], [f]–[j], [l], [m], [o]–[r] of claims 10 and 12 are different from the claim 1 limitations. Pet. 69–74. Petitioner provides an element-by-element analysis where it contends each of these limitations is taught by the combined teachings of Kelly and Wong. *Id.*; Reply 26–27. We have reviewed the information provided by Petitioner, and find that Petitioner has shown that Kelly and Wong teach or suggest these limitations. We have also reviewed Patent Owner’s arguments and evidence related to these limitations, which are the same as those presented in connection with claim 1, as discussed above. PO Resp. 56–60. As

discussed above in connection with claim 1, Patent Owner's arguments are not persuasive. We find that Petitioner has shown that these claim limitations are taught or suggested by the teachings of Kelly and Wong.

Reason to Combine Kelly, Wong, and Halter

Petitioner's reasoning to combine Kelly and Wong is discussed above in the Kelly/Wong challenge. Petitioner also asserts that a person of ordinary skill in the art would have been motivated to combine teachings of Halter with those of Kelly and Wong. *See* Pet. 57. According to Petitioner, both Kelly and Wong contemplate using Java in their programs and applications. *Id.* (citing Ex. 1006, 19:35–39; Ex. 1007, 152; Ex. 1002 ¶¶ 279, 320). Petitioner further states that Halter discloses that “non-optimal Java bytecode can be quite slow, and identify[s] ‘a need for optimizing Java bytecode before the bytecode interpretation process occurs within a computer system.’” *Id.* (citing Ex. 1008, 1:54–59; Ex. 1002 ¶¶ 181, 280, 321). Relying on the testimony of Mr. Harkey, Petitioner reasons that, “[b]ecause there is an express advantage to Halter's bytecode optimization process, a [person of ordinary skill in the art] would deem it desirable to apply Halter's optimization process to the Java files generated for the Kelly game system using the interface and builder application of Wong.” *Id.*

Patent Owner contends that Petitioner provides no evidence of a rational underpinning for a person of ordinary skill in that art to combine Kelly with Stanek and Halter to result in the claimed invention. PO Resp. 59–60. First, Patent Owner argues that the person of ordinary skill in the art would not have understood that Kelly employs Java. *Id.* Patent Owner's argument is not persuasive because Kelly discloses the use of Java

implemented on “servers 108, game units 10 and client machines.” Ex. 1006, 19:35–40 (mentioning use of Java among examples including VRML, a 3D modeling file format used for online game graphics and animations); Ex. 1002 ¶ 278; Ex. 1015 ¶ 48.

Second, Patent Owner asserts that the subject matter of Kelly (i.e., prize redemption system) and Wong are considerably different from Halter (i.e., optimizing Java bytecodes). PO Resp. 59–60 (citing Ex. 2001 ¶ 166). Patent Owner’s argument is not persuasive because Kelly, Wong, and Halter contemplate Java implementations. *See, e.g.*, Ex. 1006, 19:35–40; Ex. 1008, 1:54–59.

Third, Patent Owner argues that neither Petitioner nor Mr. Harkey “offer meaningful rationale why a [person of ordinary skill in the art] would have made the alleged combination.” PO Resp. 60. Patent Owner’s argument is not persuasive because, as noted above, Petitioner articulates a persuasive rationale for combining Kelly, Wong, and Halter. *See* Pet. 57 (“Because there is an express advantage to Halter’s bytecode optimization process, a [person of ordinary skill in the art] would deem it desirable to apply Halter’s optimization process to the Java files generated for the Kelly game system using the interface and builder application of Wong.”).

Claim Limitations 10[n] and 12[n]

Claim limitations 10[n] and 12[n] recite “an object association application for associating objects with the parameters entered by a sponsor and building a file comprising the objects associated with all of the parameters entered by a sponsor.”

Petitioner, relying on testimony by Mr. Harkey and referring to pages 30–31 and 51–53 of the Petition, states that Kelly and Wong teach these limitations by disclosing “use of a database to store input received from sponsors relating to the incentive program.” Pet. 70 (citing Ex. 1002 ¶ 305). Petitioner contends that Kelly’s host computer receives parameters input via an interface table. *Id.*; Reply 26–27. Petitioner further contends that Kelly discloses “use of databases for storage of incentive programs elements” (Pet. 30 (citing Ex. 1006, 41:31–39)), “stor[ing] prize information in prize tables distinct for each game” (*id.* (citing Ex. 1006, 41:40–43; Ex. 1002 ¶ 219)), and storing parameters for tournaments in a tournament setup table (*id.* (citing Ex. 1006, 41:66–43:7; Ex. 1002 ¶¶ 252, 260)). We agree with Petitioner that these disclosures in Kelly teach the use of databases on the host to associate these parameters with records (i.e., objects) stored in a database file. *See, e.g.*, Ex. 1006, 41:31–43, 41:66–43:7.

Petitioner contends that Wong also discloses associating parameters input by a merchant with database objects in a database file using a database application operating on a host computer. Pet. 70–71 (citing Ex. 1010, 3:66–4:2, 7:64–8:20; Ex. 1002 ¶¶ 300, 308–311); Reply 26–27. According to Petitioner, Wong discloses a webserver which dynamically generates a web page by first accessing a database to retrieve content (*i.e.* parameters) input by merchants, and a Page Generation Module which inserts multimedia objects into the retrieved display template in predefined locations, among other things. Pet. 71 (citing Ex. 1010, 7:64–8:15, Ex. 1002 ¶ 300); *see* Reply 26 (citing Ex. 1015 ¶ 57). Petitioner contends that Wong discloses such objects are associated with actions relating to participation in the incentive program. Pet. 71 (citing Ex. 1010, 8:16–20 (icons are

associated with URLs that responds to user click); Ex. 1002 ¶¶ 306–310); Reply 26 (citing Ex. 1010, 8:42–50 (“Shopping Basket” button and other controls and data fields pertaining to size, color, and model respond to user input); Ex. 1015 ¶ 57).

Petitioner’s contentions are persuasive. We find that Wong discloses associating objects in the database file with parameters entered by merchants and dynamically generating one or more HTML files comprising those objects, which are then transmitted to participants in the promotional program (i.e. consumers). *See, e.g.*, Ex. 1010, 3:66–4:2, 7:7–33, 7:64–8:20, 8:42–50.

In response to Petitioner’s contentions that Kelly and Wong disclose claims limitations 10[n] and 12[n], Patent Owner argues that the Petition did not show that Kelly and Wong disclose these limitations and “requiring Patent Owner to respond to arguments not properly raised in the petition improperly shifts the burden from Petitioner to Patent Owner.” PO Resp. 58 (citations omitted). Patent Owner also argues that Petitioner “cannot rely on common sense to satisfy this limitation because it did not provide the ‘reasoned analysis and evidentiary support’ required ‘when dealing with a limitation missing from the prior art references specified.’” *Id.* at 58–59 (citing *Arendi S.A.R.L. v. Apple Inc.*, 832 F.3d 1355, 1362 (Fed. Cir. 2016)).

Petitioner’s arguments are not persuasive because, as discussed above, Petitioner’s contentions fully address claim limitations 10[n] and 12[n], and are supported by the record.

Conclusion

For the reasons discussed above, Petitioner has shown by a preponderance of the evidence that claims 10 and 12 are unpatentable as obvious over Kelly, Wong, and Halter.

IV. CONCLUSION

Weighing the evidence of the disclosure of the references, the competing testimony, and the reasoning to combine the references, we determine that Petitioner has shown by a preponderance of the evidence that claims 1, 7, 10, 12, 14, 16–21, 25, 27–30, 67–69, 87, and 101 of the '660 patent are unpatentable.⁸

⁸ Should Patent Owner wish to pursue amendment of the challenged claims in a reissue or reexamination proceeding subsequent to the issuance of this decision, we draw Patent Owner's attention to the April 2019 *Notice Regarding Options for Amendments by Patent Owner Through Reissue or Reexamination During a Pending AIA Trial Proceeding*. See 84 Fed. Reg. 16,654 (Apr. 22, 2019). If Patent Owner chooses to file a reissue application or a request for reexamination of the challenged patent, we remind Patent Owner of its continuing obligation to notify the Board of any such related matters in updated mandatory notices. See 37 C.F.R. § 42.8(a)(3), (b)(2).

Claims	35 U.S.C. §	Reference(s)/ Basis	Claims Shown Unpatentable	Claims Not Shown Unpatentable
1, 7, 14, 16–21, 25, 27–30, 67–69, 87, 101	103(a)	Kelly, Stanek	1, 7, 14, 16–21, 25, 27–30, 67– 69, 87, 101	
10, 12	103(a)	Kelly, Stanek, Halter	10, 12	
1, 7, 14, 87, 101	103(a)	Kelly, Wong	1, 7, 14, 87, 101	
10, 12	103(a)	Kelly, Wong, Halter	10, 12	
Overall Outcome			1, 7, 10, 12, 14, 16–21, 25, 27– 30, 67–69, 87, 101	

V. ORDER

Accordingly, it is:

ORDERED that claims 1, 7, 10, 12, 14, 16–21, 25, 27–30, 67–69, 87, and 101 of the '660 patent have been shown to be unpatentable; and

FURTHER ORDERED that the parties to the proceeding seeking judicial review of this Final Written Decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

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Patent 6,061,660 C1

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