

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
Petitioner

v.

WILDSEED MOBILE LLC,
Patent Owner

Case IPR2023-00248
U.S. Patent No. 7,376,414

**PATENT OWNER PRELIMINARY RESPONSE
UNDER 37 C.F.R. § 42.107(a)**

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Patent Trial and Appeal Board
U.S. Patent and Trademark Office
P.O. Box 1450
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PATENT OWNER'S EXHIBIT LIST

Exhibit No.	Description
2001	<i>Intentionally Left Blank</i>
2002	Case No. 3:22-cv-04928, Plaintiff Wildseed Mobile, LLC'S Patent L.R. 3-1 Disclosure of Asserted Claims and Infringement Contentions
2003	U.S. Patent No. 7,736,414 Invalidity Contentions
2004	<i>Intentionally Left Blank</i>
2005	<i>Intentionally Left Blank</i>
2006	<i>Intentionally Left Blank</i>
2007	U.S. Patent No. 6,647,257 to Owensby

I. INTRODUCTION

The Board should deny institution of *inter partes* review of claims 1-7 and 9-14 of U.S. Patent No. 7,376,414 (“the ’414 patent”) for at least two reasons.

First, Petitioner’s references fail to disclose or render obvious all limitations of the independent claims, including selecting an ad based on information *taken from a message* (rather than a profile) sent to the cellular device *from another user of another cellular device*. Because this element is missing from the asserted references, the Petition fails to demonstrate a reasonable likelihood of prevailing on the sole Ground presented. Accordingly, the Board should deny institution.

Second, the Board should deny institution under the Board’s precedential *Fintiv* decision in view of resources already expended in the parallel litigation. Rather than diligently preparing and filing the Petition, as Petitioner asserts, Petitioner waited until just one day before the one-year § 315(b) deadline. As a result, the parties have already served infringement and invalidity contentions, proposed claim constructions, and are proceeding with discovery. Each of the references relied on in the Petition is also cited in the invalidity contentions in the parallel proceeding. And Petitioner has not provided a *Sotera* or *Sand* stipulation. For at least these reasons, the Board should use its discretion under § 314(a) and deny institution.

II. THE '414 PATENT

A. Summary

The '414 patent, entitled “Method and System for Inserting Advertisements Into Broadcast Content,” issued on May 20, 2008 and claims priority to U.S. Provisional Application No. 60/290,592, filed May 11, 2001. EX1001, [45], [54], [60].

The '414 patent relates to targeting ads delivered to users who are streaming content on cellular telephones. The '414 patent notes that, by the time of the invention, cellular telephones were able to stream content, and that in the past, ads were selected based on generic viewer demographics:

The functionality of cellular telephones has continued to increase Also, more advanced features are becoming more widely available such as playing streamed content and broadcasts. In the past, providers of streamed content/broadcasts have not been able to differentiate advertisements for cellular telephone users versus other types of users. Typically, advertisements included with the streamed content/broadcasts were more generically directed to the demographics of a typical viewer, not the particular user viewing the playing of streamed content/broadcasts.

Id., 1:33-47.

The '414 patent, on the other hand, takes a new and different approach. The '414 patent advances the art, sending targeted ads to the individual user streaming the content on the cellular telephone by using information associated with the user of the mobile device to determine an advertisement to play. *See, e.g., id.*, 1:51-2:27, 9:42-51.

The '414 patent discloses using various sources to generate information about a user for targeted ads. *See, e.g., id.*, 9:48-10:24. For example, in one embodiment, the patent discloses selecting an ad based on a message sent to a first user by another user on a different mobile device, where the message identifies characteristics of the user of the first mobile device:

Client advertisement application 614 is in communication with several other modules that provide different types of information, which in total are employed to generate information regarding a user of the mobile device.

. . .

Behavior module 608 enables the *user's behavior* in using the mobile device to be determined such as, but not limited to, playing video games, listening to radio station, viewing television channels, participating in chat rooms, and communicating SMS messages. . . . Additionally, other source module 606 enables other sources to be used to provide information regarding the user, e.g., *a message from another user of another mobile device that identifies characteristics of the current user* of the mobile device.

Id., 9:48 - 10:22.¹

The server employs the user information, generated from the various sources, to determine which advertisements might be suitable for the mobile device user. *Id.*, 3:58-60, 9:24-27, 9:48-51, 11:34-37. The challenged independent claims specifically require that a source of this “information associated with a user of the cellular device” must be “from a message sent to the cellular device from another

¹ Emphasis is added throughout unless otherwise noted.

user of another cellular device.” *See, id.*, Claims 1, 9, 12, 14. Petitioner’s cited references, on the other hand, disclose using *a profile* as the source of information, instead of *a message*, as claimed.

B. Prosecution History: The Examiner’s reasons for allowance distinguished the type of art relied upon in the Petition.

During prosecution of the application leading to the ’414 patent, the Examiner considered and dismissed the same types of references that Petitioner relies on in the Petition. Specifically, the Examiner rejected the claims over art that discloses selecting ads based on a profile that was built using messages, and art that discloses messages received from other users. EX1002, 67-83. However, after argument and amendment by the Applicant, distinguishing the cited art, the Examiner allowed the claims. *Id.*, 30-37, 50-58.

In particular, the Examiner allowed the claims after analyzing and citing specific passages from Owensby (EX2007). *See* EX1002, 30-37, 67-83. Owensby relates to advertising in streaming media and discloses building a profile using messages and selecting ads based on a profile, as well as selecting ads based on aggregated responses to previous messages. As discussed in detail below, Petitioner relies on the combination of Frerichs and Kawasaki in an attempt to show these same concepts the Examiner considered in Owensby. Thus, the Office already considered a single reference that discloses the same concepts as Frerichs

and Kawasaki—and more—and found the claims allowable in view of these disclosures.

Notably, the Examiner explained in the reasons for allowance that Owensby does not disclose selecting an ad based on information taken from a message:

Owensby discloses the server determines a specific *advertisement* to play *based on* the user information from the cellular device in order to address the *user's interest*.

However, Sass in view of Owensby *do not disclose*: providing to a server, by a cellular device, *information taken by* the cellular device *from a message* sent to the cellular device from another user of another cellular device

. . .

However, the prior art in combination *do not meet the requirements of the claimed invention*, which requires: ‘providing information associated with a user of the cellular device to a server, the *information* taken by the cellular device *from a message* sent to the cellular device from another user of another cellular device, the message identifying characteristics of the user of the cellular device; and receiving from the server an *advertisement* to the cellular device *based on the provided informaiton* [sic]’.

EX1002, 36-37 (underlining in original).

For context, a look at the relevant portion of the prosecution history is useful. Applicant introduced details about the claimed “information associated with a user of the cellular device” by amendment. *Id.*, 91.

- (a) autonomously providing to a server, employing by a the cellular device, to autonomously provide information associated with a user of the cellular device, the information including at least one of the group consisting of a preference of a user of the cellular device, a demographic data of a user of the cellular device, a user behavior of the cellular device, and content played on the cellular device;

Id.

In the next Office Action, and just prior to allowance, the Examiner rejected the claims in view of Owensby, citing specific passages for concepts such as “Owensby discloses . . . receiving information . . . including . . . a preference of a user of the cellular device . . . col. 15, lines 32-47” *Id.*, 81. That cited passage refers to selecting an ad *based on profile*, not information taken from a message:

The Subscriber Identification Code . . . is provided to the *Ad Chooser* Server 22 of the Call Management System 20 where it is used to identify the predetermined *Subscriber Profile* Data 26 pertaining to the subscriber.

EX2007, 15:43-47.

In addition to selecting ads based on subscriber profile data, Owensby discloses selecting ads based on “Historical Response Data”:

By assimilating the Wireless Mobile Location Data with the *Subscriber Profile* Data and/or the *Historical Response* Data, the invention permits messages, and in particular commercial information and *advertisements*, to be *targeted* to as broad or narrow a range of subscribers as desired by the sponsor of the message.

Id., 5:62-67.

The database management program inputs, outputs, stores and retrieves the Ad Content Data 24 (i.e., the plurality of pre-selected

messages to be targeted to the subscriber), the *Subscriber Profile Data* 26 (i.e., the demographic and personal preference data pertaining to the subscriber) and the *Historical Response Data* 28 (i.e., the record of the targeted *messages previously provided* to the subscriber *and* the *responses* made to the targeted *messages*

Id., 17:54-65. As described in Owensby, this historical response data is based on messages previously provided to the user, as well as the user's responses to those messages. *Id.*

Owensby also discloses building a subscriber personality profile by using previous responses to messages.

Thus, the Ad Selection Code is not merely a database of unrelated location, identity, demographic, *preference*, date and time date, but instead is a database of inter-related subscriber information which may be “managed” by a computational algorithm to *develop subscriber personality profiles including the previous responses* [to messages] and movement patterns of the subscriber based on wireless mobile location, date and time.

Id., 19:45-52. All of this profile information is used in Owensby to determine the ad. *See id.*, 18:2-10 (“The database management program combines the Switch Data with the Subscriber Profile Data 26 and the Historical Response Data 28 to generate an Ad Selection Code. The Ad Selection Code is then manipulated to select an appropriate advertisement for the subscriber”).

Thus, in response, Applicant amended the claims to specifically recite that the “information associated with a user of the cellular device” (and that is used to

determine the advertisement) is “*taken by the cellular device from a message sent to the cellular device from another user of another cellular device.*” EX1002, 50.

- (a) autonomously providing to a server, by the cellular device, information associated with a user of the cellular device, the information taken by the cellular device from a message sent to the cellular device from another user of another cellular device, the message identifying characteristics of the user of the cellular device including at least one of the group consisting of a preference of a user of the cellular device, a demographic data of a user of the cellular device, a user behavior of the cellular device, and content played on the cellular device;

Id.

After this amendment and having previously considered Owensby’s disclosures discussed above—building a profile based on messages previously provided to a user and a user’s responses thereto, and using the profile to determine the ad—the Examiner allowed the claims. *Id.*, 33-39.

Indeed, as noted above, the Examiner expressly found that the cited art did not teach an advertisement determined based on provided information that is “taken by the cellular device from a message sent to the cellular device from another user of another cellular device.” *See id.*, 37.

Thus, the Examiner distinguished art that selected ads based on a profile and past messages, and that built profiles using messages. Although Owensby focuses on messages that are advertisements rather than other types of messages, the Examiner did not make a distinction based on the type of message. Instead the

Examiner allowed the claims because Owensby does not select ads based on information taken from any message. The type of message was not central to the Examiner's reasoning, and the Examiner was, of course, aware that cell phones can receive messages from other cell phones, including from users who are not advertisers.

C. Person of Ordinary Skill in the Art (POSITA)

Patent Owner applies Petitioner's definition of a POSITA and level of ordinary skill for purposes of this Preliminary Response. *See* Pet., 15-16. However, Patent Owner does not concede that Petitioner's definition is correct.

D. Claim Construction

Like Petitioner, Patent Owner submits that the terms should be given their plain and ordinary meaning. Pet., 16 (“[A]ll terms of the Challenged Claims should be given their plain and ordinary meaning, and no term requires specific construction.”). However, the Petition deviates from the plain meaning of certain claim terms, reading out critical limitations of the claims.

For example, as discussed in detail below, the claims require selecting an advertisement based on information the user received in *a message from a second user of a cellular device*. The relevant language in claim 1 is: the “advertisement is determined by the server based at least in part on the provided information,” where the “provided information” refers back to “information taken by the cellular device

from a message sent to the cellular device from another user of another cellular device.”

The Petition glosses over this express requirement and instead points to selecting an advertisement based on a *profile*, which might indirectly consider past messages. *See* Pet., 35-38. But importantly, as discussed above in Section II.B, the claim language at issue was added during prosecution to overcome a rejection over prior art that, just like Petitioner’s references, selected ads based on a profile and past messages. By adopting a position that a profile-based system satisfies the claim language “information taken by the cellular device *from a message sent to the cellular device from another user of another cellular device*,” which was added to distinguish a profile-based system, the Petition improperly reads this language out of the claims. Thus, as discussed below, the Petition fails to show that the applied art discloses each limitation of the challenged claims.

III. THE PETITION FAILS TO DEMONSTRATE A REASONABLE LIKELIHOOD OF PREVAILING ON ANY CHALLENGED CLAIM.

Petitioner’s proposed combination of Frerichs and Kawasaki² fails to disclose, teach, or suggest a crucial limitation in each of the ’414 patent’s independent claims. Indeed, neither Frerichs nor Kawasaki teaches selecting an ad

² Petitioner’s asserted ground also relies on Kauffman. Pet., 22. Petitioner, however, does not rely on Kauffman for the limitations discussed herein.

based on information taken from a message sent from another user of another cellular device. Thus, Petitioner does not demonstrate a reasonable likelihood of prevailing on any independent claim (and therefore any challenged claim). For at least this reason, the Board should deny institution.

A. Summaries of the Asserted References

1. Frerichs

Frerichs relates to “inserting a targeted advertisement based upon a user profile through streaming audio.” EX1004, 1:10-12. In one embodiment of Frerichs, for example:

The user profile can include information derived from a user registration process. The user registration process can derive information such as, for example, sex, age, hobbies, geographic region, race, religion, health, and sexual orientation. Other information can also be derived from the stations being selected as well as use of such stations during the time of day, for example. The user profile information can also include any other information which can be used to provide a more desirable advertisement or information to the user.

Id., 14:42-51.

Frerichs does not disclose anything about messages, let alone selecting an ad based on a message as every independent claim requires, and Petitioner does not assert otherwise. *See* Pet., 38-41.

2. Kawasaki

Kawasaki relates to targeted advertising by creating “a profile of the user that may ultimately be used to target offers to users based upon the profile.”

EX1005, Abstract. Kawasaki describes that “the objects of this invention are accomplished through a method [and] system that scans information content and automatically and transparently assesses its subject matter. Over time, this invention accumulates a ‘profile’ of interests of the User, which can be used to subsequently direct Offers.” *Id.*, 3:19-23. Kawasaki describes several examples of how the system and method can be used to build profiles. *See id.*, 5:59-7:18. Of particular relevance here, Kawasaki describes “[a]nalyzing and building Profiles from e-mail information . . . by analyzing sent and received e-mail information and building profiles based upon its content.” *Id.*, 5:61-65. Kawasaki does not disclose or contemplate the ability to determine whether a particular message originated from another user of another cellular device, or the ability to act on that information.

Kawasaki does not disclose a cell phone that receives a message from the user of another cell phone. Nor does it disclose determining whether a message originated from another user’s cell phone. Kawasaki also does not disclose performing any action based on a particular message, let alone selecting an ad based on a particular message. Petitioner does not assert otherwise. Pet., 38-41. Thus, Kawasaki does not disclose selecting an ad based on a message received from another user’s cell phone.

B. Frerichs and Kawasaki fail to teach selecting an advertisement based on a message sent to the cellular device.

Every independent claim requires selecting an advertisement based on information the user received in a message from a second user of a different cellular device. For example, claim 1 recites that: the “advertisement is determined by the server based at least in part on the provided information,” where the “provided information” refers back to “information taken by the cellular device *from a message sent to the cellular device from another user of another cellular device.*” Petitioner ignores this relationship in the claim defining what the “provided information” is. The relevant text of claim 1 is reproduced below:

1. A method for playing content and advertisements on a cellular device, comprising:

(a) autonomously *providing* to a server, by the cellular device, *information* associated with a user of the cellular device, the *information taken by the cellular device from a message sent to the cellular device from another user of another cellular device*, the message identifying characteristics of the user of the cellular device;

(b) receiving from the server, by the cellular device, at least one advertisement to be played on the cellular device, wherein the at least one received *advertisement is determined by the server based at least in part on the provided information*

EX1001, Claim 1. The other independent claims (9, 12, and 14) recite the same or similar language.

Petitioner relies on the combination of Frerichs and Kawasaki for these claim limitations. *See* Pet., 38-45. As discussed in detail below, Frerichs and

Kawasaki, however, both disclose selecting an ad *based on a user profile*, and not based on a message—especially not one “sent to the cellular device from another user of another cellular device”—as claimed. Accordingly, Petitioner’s proposed combination fails because it is missing elements recited in the claims.

Indeed, Petitioner even admits that Frerichs and Kawasaki disclose selecting an ad based on a profile, rather than based on a message:

Frerichs discloses that it provides targeted *advertisements based on a user’s profile*: “the customized software also provides for targeted *advertisements based upon a user profile*.”

Pet., 73, *quoting* EX1004, 9:41-54.

Kawasaki provides a technique “to form a profile of the user that may ultimately be used to *target offers* to users *based upon the profile*.”

Pet., 29, *quoting* EX1005, Abstract.

Thus, Petitioner admits that the references select ads based on a profile, *not* a message, as recited in the claims. Frerichs does not disclose selecting an ad based on a message, and Petitioner does not assert otherwise. Petitioner’s argument on this point relies solely on Kawasaki: “Kawasaki teaches that the *profile* is *derived from messages . . .*” Pet., 38.

Petitioner refers to passages in Kawasaki that disclose building a profile based on the user’s data generally, including messages, but this does not disclose using information “*from a message sent to the cellular device from another user of another cellular device*” to determine the advertisement to send. *Id.*, 36-37 (“[T]he

profile in Kawasaki is generated by scanning and analyzing a *user's digital content*, such as the *user's e-mail messages*.”). Rather, Kawasaki’s teachings are similar to those of Owensby—the reference cited by the Examiner during prosecution and which was overcome with Applicant’s amendment to the claim language at issue here. As detailed below, Kawasaki discloses analyzing messages and other types of data in bulk and over a period of time to create aggregated results that indicate a “strong interest” “over time” (i.e., similar to Owensby’s subscriber personality profile). This type of reference was distinguished during prosecution. For example, Kawasaki includes the following teachings:

[G]olf advertisements will be shown only to those Service Users who have a *strong interest* in golf, as determined in the profile

EX1005, 3:34-38.

[O]ne object of the present invention is to improve the match between User interests and Advertisers’ messages by transparently assessing the type of information that a *User reviews over time*.

Id., 2:48-51.

The *aggregate result* of generating Profiler 26 is a prioritized and rated set of *interest categories* that is automatically generated for each User through the transparent and dynamic *analysis of the frequency and time spent* by the Users reviewing content that has a good statistical match with known Data Sets 21.

Id., 4:49-54. Kawasaki does not focus on any particular message—much less a message “sent to the cellular device from another user of another cellular device.” Furthermore, the Petition fails to show or even argue that Kawasaki has the ability

to determine whether a particular message in a profile originated from another user of another cellular device, or the ability to act on that information. Pet., 38-41.

Thus, Kawasaki fails to disclose selecting an ad based on a message from another user of another cellular device.

Petitioner also more generally asserts that because Kawasaki discloses selecting an ad based on a profile that was built using messages, it would have been obvious to select an ad based on a particular message. *Id.*, 45 (“[T]he combined teachings of Frerichs and Kawasaki of receiving an advertisement selected from a user profile and targeting offers (advertisements) to users based upon a profile . . . render obvious . . . ‘*the at least one received advertisement is determined by the server based at least in part on the provided information*’ [i.e., the information provided in a particular message].” (citations omitted) (emphasis in original)). This is inconsistent with the Examiner’s findings during prosecution. *See supra* Section II.B. Indeed, the Examiner allowed the claims over similar art (Owensby) that also selected ads based on profiles built at least partially using messages. EX1002, 35-37. Thus, the distinction between selecting an ad based on a message, as opposed to a profile, is significant. And, as discussed above, the Office already determined that selecting an ad based on a message, rather than a profile built at least partially with messages, is patentably distinct and distinguishes the prior art. *See supra* Section II.B. The Board should find likewise.

Accordingly, Petitioner has not demonstrated that Frerichs and Kawasaki teach selecting an advertisement based on a message sent to the cellular device, as recited in each of the independent claims. Petitioner, therefore, has not shown a reasonable likelihood of prevailing on its assertion that any of the challenged claims would have been obvious in view of the asserted combination of references.

IV. THE BOARD SHOULD EXERCISE ITS DISCRETION TO DENY INSTITUTION IN VIEW OF PARALLEL PROCEEDINGS.

The Board should deny institution under *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (P.T.A.B. Mar. 20, 2020) (precedential) (“*Fintiv*”) because the *Fintiv* analysis favors denial. As set forth below, four of the *Fintiv* factors weigh in favor of denying institution.

A. Factor 1 is neutral because the parallel litigation has not been stayed.

Factor 1 is neutral because the parallel litigation has not been stayed and the Petition presents no evidence that a stay may be granted. The district court litigation has not been stayed in view of this IPR Petition and Petitioner has not moved for such a stay nor indicated that it will file a motion to stay. Patent Owner will oppose any motion to stay.

B. Factor 2 is neutral or does not favor exercising discretion because no trial date has been set.

Factor 2 is neutral or does not favor exercising discretion because no trial date has been set and therefore it is unknown whether the district court will reach a decision on validity issues before the Board issues a final written decision.

C. Factor 3 favors denial because, by the institution deadline, the parties and the trial court will have made significant investment in the parallel litigation.

Factor 3 favors denial. This factor considers “the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.” *Fintiv*, Paper 11 at 9. Here, the parallel litigation proceeded for twelve months before the Petitioner filed the Petition on November 30, 2022, one day before the § 315(b) deadline. As such, significant time and resources have been being expended in the parallel litigation. The parties served infringement contentions and invalidity contentions prior to the case’s transfer to the Northern District of California. Since the transfer, Patent Owner has served infringement contentions, Petitioner served invalidity contentions on March 3, 2023, and the parties have served and responded to written discovery requests. By the institution decision due date, the parties will have exchanged proposed terms for construction and will have completed claim construction discovery. These significant endeavors are clear indicators that institution would lead to significant duplicative costs.

Petitioner's claim of diligence in filing the Petition lacks credibility. Pet., 18.

Petitioner waited 12 months after the Complaint was served in district court and more than six months after serving its initial invalidity contentions in the Western District of Texas prior to filing the Petition. Petitioner does not offer any explanation for its lengthy delay. This factor therefore favors denial.

D. Factor 4 strongly favors denial because there is significant overlap between the art and issues raised in the Petition and the parallel litigation.

Factor 4 also favors denial. When a “petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding, this fact has favored denial.” *Fintiv*, Paper 11 at 12. Here, Petitioner challenges all the claims asserted in the parallel district court litigation (claims 1-7 and 9-14). EX2002.

Additionally, there is significant overlap between the references and invalidity theories applied in the Petition and the invalidity contentions presented in the parallel litigation. With respect to the Petition's sole Ground 1, the invalidity contentions assert that the same combination of Frerichs, Kawasaki, and

Kauffman³ (with optional additional combinations of other references) renders obvious claims 1-7 and 9-14. EX2003.

Further, Petitioner has not stipulated, either in the district court or in the Petition, that it will not pursue invalidity in the parallel litigation based on any instituted IPR ground. *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 18-19 (P.T.A.B. Dec. 1, 2020) (precedential as to § II.A); *Sand Revolution II, LLC v. Continental Intermodal Group–Trucking LLC*, IPR2019-01393, Paper 24 at 11-12 (P.T.A.B. June 16, 2020) (informative). As things stand, Petitioner could pursue substantially overlapping invalidity arguments in the trial court, using identical references. This potential overlap of issues favors denying the Petition to avoid the Board duplicating the trial court’s efforts and potentially reaching inconsistent results.

E. Factor 5 favors denial because Google is both Petitioner in this IPR and Defendant in the parallel litigation.

Factor 5 favors denial because the Petitioner in this IPR, Google, is the defendant in the parallel district court proceeding. *Apple Inc. v. Fintiv, Inc.*,

³ Petitioner cites Kauffman’s U.S. Publication No. 2002/0073084 in the invalidity contentions rather than U.S. Publication No. 2007/0083886, but both publications have the same inventors, title, abstract, written description (with some typographical edits), and first independent claim and set of dependent claims.

IPR2020-00019, Paper 15 at 15 (P.T.A.B. May 13, 2020) (informative) (“Because the petitioner and the defendant in the parallel proceeding are the same party, this factor weighs in favor of discretionary denial.”). Petitioner is incorrect that this factor is neutral simply because it is normally the case that a petitioner and defendant would be the same party. Identity of the parties is the precise inquiry of this factor. Therefore, because the parties are the same, this factor weighs clearly in favor of discretionary denial.

F. Factor 6 favors denial because the merits of the Petition are weak and lacking in evidence.

Factor 6 also favors denial. Factor 6 is a catchall, considering “other circumstances that impact the Board’s exercise of discretion, including the merits.” *Fintiv*, Paper 11 at 14. “[I]f the merits of the grounds raised in the petition are a close[] call, then that fact has favored denying institution when other factors favoring denial are present.” *Fintiv*, Paper 11 at 14-15. Despite Petitioner’s assertion, the Petition does not present “compelling evidence of unpatentability” sufficient to save it from discretionary denial. Pet., 21-22. As explained in Section III, above, the Petition’s invalidity arguments fail to meet even the reasonable likelihood threshold required for institution. The “compelling merits” standard is a higher standard than the institution threshold, and thus the Petition’s invalidity arguments are even further from satisfying the compelling merits standard. June 21, 2022 *Fintiv* Memorandum, 4-5; *see also CommScope Techs. LLC v. Dali*

Wireless, Inc., IPR2022-01242, Paper 23 at 3 (P.T.A.B. Feb. 27, 2023)

(precedential, *sua sponte* Director review decision) (“[T]he compelling merits standard is a higher standard than the standard for institution set by statute.”).

Accordingly, four of the six *Fintiv* factors support denying institution, one is neutral, and the other is neutral or does not favor exercising discretion. In taking a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review, the Board should deny institution.

V. CONCLUSION

Petitioner failed to meet its burden under 35 U.S.C. § 314(a) and 37 C.F.R. § 42.108(c) to show a reasonable likelihood of success that any of the claims are unpatentable because the Petition merely shows selecting an ad based on a profile, not based on a message. Moreover, the Board should exercise its discretion to deny institution in light of parallel proceedings. As such, Patent Owner respectfully requests that the Board deny institution of an *inter partes* review.

Respectfully submitted,

/ David L. Alberti /

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Date: March 16, 2023

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CERTIFICATE OF WORD COUNT (37 C.F.R. § 42.24(d))

1. This Patent Owner Preliminary Response complies with the type-volume limitation of 14,000 words, comprising 4,880 words, excluding the parts exempted by 37 C.F.R. § 42.24(a)(1).

2. This Patent Owner Preliminary Response complies with the general format requirements of 37 C.F.R. § 42.6(a) and has been prepared using Microsoft® Word 2016 in 14-point Times New Roman font.

Respectfully submitted,

/ David L. Alberti /

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **PATENT OWNER PRELIMINARY RESPONSE UNDER 37 C.F.R. § 42.107(a)** and **EXHIBITS 2002-2003 and 2007** were served electronically via e-mail on March 16, 2023, in their entireties on the following counsel of record for Petitioner:

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