

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AMAZON.COM, INC., AMAZON WEB SERVICES, INC., AND
AMAZON.COM SERVICES LLC,
Petitioner,

v.

ALMONDNET, INC.,
Patent Owner.

IPR2023-00384
Patent 9,830,615 B2

Before KRISTEN L. DROESCH, AMANDA F. WIEKER, and
SCOTT B. HOWARD, *Administrative Patent Judges*.

DROESCH, *Administrative Patent Judge*.

DECISION
Granting Institution of *Inter Partes* Review
35 U.S.C. § 314
Granting Motion for Joinder
35 U.S.C. § 315(c); 37 C.F.R. § 42.122

I. INTRODUCTION

A. Background

Amazon.com, Inc., Amazon Web Services, Inc., and Amazon.com Services LLC, Inc. (collectively “Petitioner”) filed a Petition requesting *inter partes* review (“IPR”) of claims 9–12 of U.S. Patent No. 9,830,615 B2 (Ex. 1001, “the ’615 Patent”). Paper 2 (“Pet.”). Petitioner filed a Declaration of Christopher M. Schmandt with its Petition. Ex. 1002. Petitioner also filed a Motion for Joinder seeking to be joined as a party to *Meta Platforms, Inc., v. Almondnet, Inc.*, IPR2022-01064 (“the Meta IPR”), which involves the same claims of the ’615 Patent, and for which an *inter partes* review was instituted on November 30, 2022. Paper 3 (“Motion” or “Mot.”); *see also* IPR2022-01064, Paper 7. AlmondNet, Inc. (“Patent Owner”) did not file a preliminary response or an opposition to the Motion.

We have authority to determine whether to institute review under 35 U.S.C. § 314 and 37 C.F.R. § 42.4(a). For the reasons provided below, we determine that institution of *inter partes* review is warranted on the same grounds instituted in the Meta IPR, and we grant Petitioner’s Motion for Joinder.

B. Related Matters

The parties indicate the ’615 Patent is or was the subject of *Meta Platforms, Inc., v. Almondnet, Inc.*, IPR2022-01064 (instituted) and *Microsoft Corp. v. AlmondNet, Inc.*, IPR2022-01324 (institution denied).

The parties also indicate the '615 Patent is or was the subject of the following proceedings:

AlmondNet, Inc. v. Oath Holdings Inc., 1–18-cv-00943 (D. Del.);
AlmondNet, Inc. v. Meta Platforms, Inc., 6:21-cv-00896 (W.D.Tex.);
AlmondNet, Inc. v. Microsoft Corp., 6:21-cv-00897 (W.D.Tex.);
AlmondNet, Inc. v. Amazon.com, Inc., 6:21-cv-00898 (W.D.Tex.). Pet. 5–6; Paper 4, 1.

C. The '615 Patent (Ex. 1001)

The '615 Patent relates to profile-based behavioral targeting “advertisement placement based on expected profit from the placement.” Ex. 1001, 1:28–32. Behavioral targeting companies (“BT companies”) “specialize in targeting ads based on observed behavior of sites’ visitors,” by placing “a cookie (or cookies) on the computers of visitors.” *Id.* at 2:6–9. A BT company collects profile information about site visitors, such as behavioral information, demographic information, or user-provided information, and “target[s] ads to those visitors wherever found based on the collected profile information.” *Id.* at 2:38–43. Alternately,

[a]n ad network ad server (or any other server of the ad network) or a site’s ad server (or any other server of the site) can place their own cookies on the computers of visitors that are redirected to them by the BT companies, for the purpose of later recognizing those visitors within their own ad space.

Id. at 5:26–31. By this process, a second media property is able to recognize a first media property visitor, but the '615 Patent explains that this process is inefficient at least because: (1) media properties’ ad space prices vary; (2) profiles of media properties’ visitors are worth different amounts to advertisers depending on the profiles; and (3) the same person might have several profile attributes in his or her profile. *See id.* at 5:56–6:14.

Figure 3 of the '615 Patent is reproduced below.

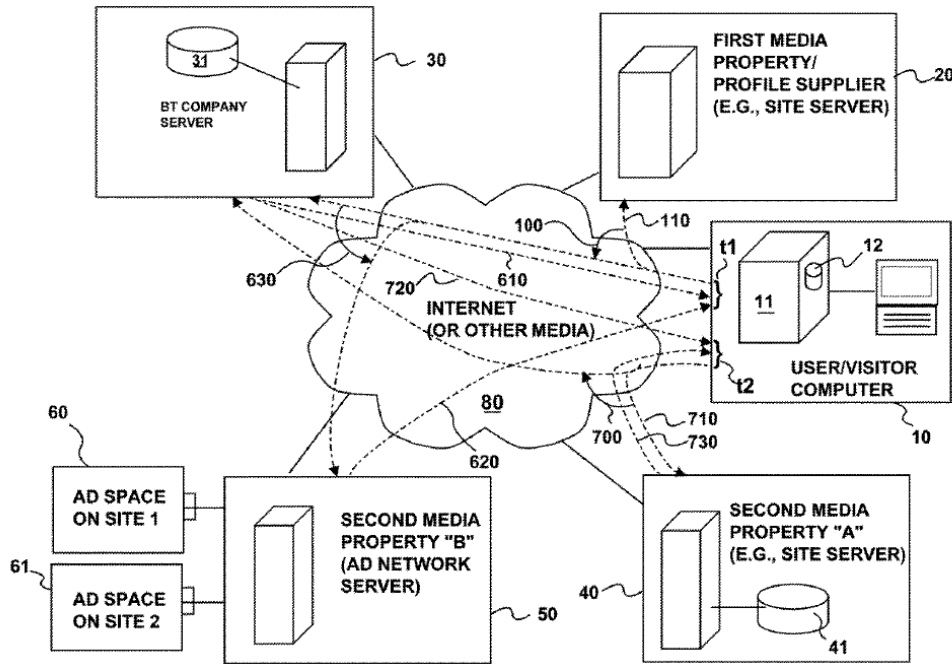


Figure 3 depicts entities and associated equipment used with an exemplary profit-based selection method. *See* Ex. 1001, 6:58–60. With respect to Figure 3, to address the above-noted inefficiencies and ensure that profile information is not transferred to the second media property, the '615 Patent describes the BT company as “simply ask[ing] the second media property . . . to tag the visitor as a BT company visitor or arrang[ing] for a tag to be placed (620) that is readable by the second media property 40 and that marks the visitor as a BT company visitor.” *Id.* at 9:47–54. “BT company 30 selects (500) media properties (e.g., 40) for the delivery of an advertisement based on a profile collected on a first media property 20.” *Id.* at 8:48–50. In one embodiment, “BT company 30 makes the selection based on a calculated expected profit and then arranges for the visitor 10 to be tagged (610 or 620) with a tag readable by the selected media property 40.” *Id.* at 8:50–54.

When a selected media property 40 recognizes a tagged visitor 10 (tagged previously, at time t1) later (at time t2) visiting (710) its ad space, the media property 40 will arrange for the BT company 30 to serve an ad (720) to the visitor 10 (which will appear with the media content (730) requested by the visitor), by redirecting (700) a visitor to the BT company 30.

Id. at 9:16–22. The ’615 Patent explains that when “BT company 30 buys ad space from the proprietor of the second media property 40 and delivers therein an ad based on the collected profile, the BT company 30 has no economic incentive to transfer the profile information itself . . . to the second media property 40.” *Id.* at 9:54–59. Thus,

[t]he second media company’s proprietor is being paid for the ad space and therefore just needs to know that the visitor 10 has been profiled by the BT company 30, which will pay the second media property’s proprietor for an opportunity to deliver an ad to this visitor 10 within the ad space of the second media property 40.

Id. at 9:59–65.

D. Illustrative Claim

Claim 9 is the sole independent challenged claim, and claims 10–12 depend therefrom. *See* Ex. 1001, 14:7–57. Claim 9 is illustrative and reproduced below.

A computer system controlled by a behavioral targeting company (BT company), which computer system (BT computer system) is comprised of one or more computers and is structured and programmed to perform a method of directing electronic advertisements, the method comprising:

automatically with the BT computer system:

- (a) at a first time, arranging for a third party computer system controlling advertising space on a plurality of third party media properties to electronically tag a first computer of a first visitor visiting a first website, without

transferring to the third party computer system any profile information related to the first visitor, which tag is readable by computers operating under a domain of the third party computer system and identifies the visitor computer as associated with the BT company;

- (b) recording, in a profile of the first visitor maintained by the BT computer system, profile information collected during the first computer's visit to the first website;
- (c) electronically transferring to the computer system a price cap that the BT company is willing to pay for allowing delivery of an advertisement within media property advertising space controlled by the third party computer system controlling advertising space on the plurality of third party media properties; and
- (d) at a second time, later than the first time, upon receiving a redirection of the first computer while the first computer is visiting one of the plurality of third party media properties, causing a selected advertisement to be served to the first computer, which advertisement is based on the profile information collected during the first computer's visit to the first website, which profile information is in the profile of the first visitor maintained by the BT computer system, in exchange for a price less than the price cap.

Ex. 1001, 14:7–40.

E. Asserted Patentability Challenges and Asserted Prior Art

Petitioner asserts that claims 9–12 are unpatentable based on the following grounds (Pet. 9):

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
9–12	103(a) ¹	Meyer ² , Zeff ³ , Edlund ⁴ , Fisher ⁵
9–12	103(a)	Meyer, Zeff, Edlund, Fisher, Tittel ⁶

II. ANALYSIS

Joinder for purposes of an *inter partes* review is governed by 35 U.S.C. § 315(c), which states:

JOINDER.—If the Director institutes an *inter partes* review, the Director, in his or her discretion, may join as a party to that *inter partes* review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under section 313 or the expiration of the time for filing such a response, determines warrants the institution of an *inter partes* review under section 314.

“To join a party to an instituted [*inter partes* review], the plain language of § 315(c) requires two different decisions.” *Facebook, Inc. v. Windy City Innovations, LLC*, 973 F.3d 1321, 1332 (Fed. Cir. 2020). “First,

¹ The Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011), amended 35 U.S.C. § 103 effective March 16, 2013. Because the ’615 Patent claims the benefit of a series of continuation applications, some of which have filing dates prior to March 16, 2013 (Ex. 1001, code (63)), we refer to the pre-AIA version of § 103.

² US 6,915,271 B1, issued July 5, 2005 (Ex. 1003).

³ Robbin Zeff and Brad Aronson, *Advertising on the Internet*, 2nd Edition, Wiley Computer Publishing, 1999 (Ex. 1004).

⁴ US 7,251,628 B1, issued July 31, 2007 (Ex. 1005).

⁵ US 5,835,896, issued Nov. 10, 1998 (Ex. 1006).

⁶ Ed Tittel and Natanya Pitts, *HTML 4 for Dummies*, 2nd edition, IDG Books Worldwide, 1999 (Ex. 1007).

the statute requires that the Director (or the Board acting through a delegation of authority . . .) determine whether the joinder applicant's petition for IPR 'warrants' institution under § 314." *Id.* "Second, to effect joinder, § 315(c) requires the Director to exercise [her] discretion to decide whether to 'join as a party' the joinder applicant." *Id.* The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted unless the information presented in the petition and any preliminary response shows "there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition."

The patentability challenges in the Meta IPR met the "reasonable likelihood" standard of § 314(a). IPR2022-01064, Paper 7, 33. The Petition here presents the same patentability challenges as those for which a trial was instituted in the Meta IPR. *See* Mot. 1 ("[The] Petition is essentially a copy of the petition filed in the [Meta IPR]."); *compare* Pet. 5–73, with IPR2022-01064, Paper 2, 7–73. According to Petitioner, the "Petition relies on the same grounds of unpatentability of claims 9, 10, 11, and 12 of the '615 Patent that were instituted in the Meta IPR." Mot. 3 (citing IPR2022-01064, Paper 7). In the present proceeding, Patent Owner did not file a preliminary response to dispute the merits of Petitioner's patentability challenges.

For the reasons set forth in the Meta IPR, we conclude that Petitioner has demonstrated a reasonable likelihood of prevailing with respect to the challenged claims of the '615 Patent. *See* IPR2022-01064, Paper 7, 7–33. We accordingly determine that the Petition warrants institution under § 314, and turn to Petitioner's request for joinder.

As the moving party, Petitioner has the burden of proof in establishing entitlement to the requested relief. 37 C.F.R. §§ 42.20(c), 42.122(b).

Petitioner filed the Motion on December 22, 2022, within one month of institution of the Meta IPR. *See* 37 C.F.R. § 42.122(b). Petitioner asserts that the Motion should be granted because the joinder would have little, if any impact on the Meta IPR. *See* Mot. 3–4. Petitioner also agrees to take an “understudy” role in the Meta IPR. *See* Mot. 4–5. Specifically, Petitioner agrees that, as long as petitioner Meta Platforms, Inc. [“Meta”] remains a party to the Meta IPR, Petitioner will not (1) “make any substantive filings and shall be bound by the filings of Meta, unless a filing concerns termination and settlement, or issues solely involving Petitioner”; (2) “present any argument or make any presentation at oral hearing unless an issue solely involves Petitioner, or when addressing Board approved motions that do not affect Meta”; (3) “seek to cross-examine or defend the cross-examination of any witness, unless the topic of cross-examination concerns issues solely involving Petitioner, within the time permitted by Meta alone and with Meta’s agreement”; (4) “seek discovery from Patent Owner, unless issues arise that are unique to, and only applicable to, Petitioner”; and (5) “rely on expert testimony beyond that submitted by Meta unless and until Meta is terminated as party to the proceedings, prior to any necessary depositions.” *Id.* As mentioned before, Patent Owner did not file an opposition to the Motion.

Because Petitioner will take an understudy role that will not impact the Meta IPR which was instituted on identical grounds, we determine that it is appropriate under these circumstances to join Petitioner as a party to the Meta IPR.

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that, pursuant to 35 U.S.C. § 314(a), an *inter partes* review of claims 9–12 of the '615 Patent is instituted with respect to all of the grounds set forth in the Petition; and

FURTHER ORDERED that Petitioner's Motion for Joinder with IPR2022-01064 is granted, and Petitioner is hereby joined as a petitioner in IPR2022-01064;

FURTHER ORDERED that the grounds on which trial in IPR2022-01064 were instituted are unchanged, and no other grounds are added in IPR2022-01064;

FURTHER ORDERED that the Scheduling Order entered in IPR2022-01064 (Paper 8) and the schedule changes agreed to by the parties in IPR2022-01064 (Papers 12, 13) shall govern the trial schedule in IPR2022-01064;

FURTHER ORDERED that Petitioner's role in IPR2022-01064 shall be limited as stated by Petitioner in the Motion for Joinder (Paper 3, 4–5) unless and until Meta is terminated from that proceeding;

FURTHER ORDERED that the case caption in IPR2022-01064 shall be changed to reflect joinder of Amazon.com, Inc., Amazon Web Services, Inc., and Amazon.com Services LLC, as petitioner in accordance with the attached example;

FURTHER ORDERED that a copy of this Decision be entered into the record of IPR2022-01064; and

FURTHER ORDERED that all further filings shall be made in IPR2022-01064.

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IPR2022-01064

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¹ Amazon.com, Inc., Amazon Web Services, Inc., and Amazon.com Services LLC, Inc. filed a motion for joinder and a petition in IPR2023-00384, which were granted. Accordingly, Amazon.com, Inc., Amazon Web Services, Inc., and Amazon.com Services LLC have been joined as a petitioner in this proceeding.