

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

UBER TECHNOLOGIES, INC.,
Petitioner,

v.

SURGETECH LLC,
Patent Owner.

Case No. IPR2023-00737
U.S. Patent No. 10,360,999

PATENT OWNER'S PRELIMINARY RESPONSE

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EXHIBIT LIST

No.	Exhibit
2001	Declaration of Dr. Vijay K. Madiseti
2002	<i>Curriculum vitae</i> of Dr. Vijay K. Madiseti
2003	Debardelaben, <i>et al.</i> , “Incorporating Cost Modeling in Embedded-System Design,” IEEE Design & Test of Computers (1997)
2004	Bahga & Madiseti, “Synthetic Workload Generation for Cloud Computing Applications,” J. of Software Engineering and Applications (2011)
2005	Bahga, <i>et al.</i> , “Software Defined Things in Manufacturing Networks,” J. of Software Engineering and Applications (2016)
2006	Bahga & Madiseti, “Blockchain Platform for Industrial Internet of Things,” J. of Software Engineering and Applications (2016)
2007	Prasad, <i>et al.</i> , “Toward an Easy Programming Environment for Implementing Mobile Applications: A Fleet Application Case Study using SyD Middleware,” 27 th Annual International Computer Software and Applications Conference (2003)
2008	Prasad, <i>et al.</i> , “Mobile Fleet Application Using SOAP and System on Devices (SYD) Middleware Technologies”
2009	Bahga & Madiseti, “Cloud-based Information Technology Framework for Data Driven Intelligent Transportation Systems,” J. of Transportation Technologies (2013)
2010	Defendant Uber Technologies, Inc.’s Responsive Claim Construction Brief, <i>SurgeTech, LLC v. Uber Technologies, Inc.</i> , 22-cv-882-GBW (D. Del.)

I. INTRODUCTION

Despite requiring *twelve grounds* spanning six references with an accompanying expert declaration over *eight-hundred pages*, the petition fails, at a fundamental level, to explain *how* the prior art references map to the claim limitations or how they are combined. The petition instead presents a single, conclusory claim chart addressing *all twelve grounds simultaneously* that is nothing more than a mass of block quotes, with no analysis or any indication as to which disclosure pertains to which ground. Far from presenting the grounds with particularity, this combined omnibus chart leaves it to the Board and Patent Owner to piece together grounds from the thousands of possibilities, all of which the petition expressly embraces as potential obviousness positions.

More egregiously, the petition expressly encompasses an untold number of additional *unnamed* combinations. The petition includes, for practically each combination, the cryptic phrase that “+combinations” also render obvious the claims. But Petitioner fails to explain what these “+combinations” are, again leaving it to the Board and Patent Owner to construct the grounds on which the petition relies. This tactic is particularly troubling here, as there is simply no way for Patent Owner to discern what “+combinations” Petitioner intends to argue at trial if this request for *inter*

partes review is instituted. This is precisely the IPR-by-ambush the rules intend to prohibit by requiring that the grounds be set forth with “particularity.”

Unsurprisingly, the petition’s rationale supporting its motivation to combine the disparate references fails to provide anything more than the barest of conclusions. Notably lacking from Petitioner’s analysis is, at a most basic level, an identification of which **teachings** from the references are being applied, how they are being applied, and most importantly **why** those teachings would have been applied in the first place. The petition is instead content to argue that the references **could** have been combined, on little more than the say-so of Petitioner’s attorneys. In fact, many of the combinations in the omnibus chart are completely devoid of analysis, with no explanation as to **why** a POSITA would have made the suggested combination.

Moreover, unpacking many of the combinations leads to unsolvable logical inconsistencies and gaping holes in Petitioner’s analysis. All twelve grounds, for example, rely on Jacob for the claimed “processor,” and Phillips for the claimed “method” running on the processor. But when modifying the claimed method to add in the claimed “receiving” step, the petition simply addresses why a POSITA would have modified **Jacob’s processor**, ignoring that the petition relies on Phillips for the method. Thus, the petition is devoid

of any evidence as to why or how a POSITA would have modified Phillip’s method to include the claimed receiving step. And this is but one example of the issues endemic to Petitioner’s omnibus chart.

Indeed, most of the obviousness analysis takes place in the attached 800-page expert declaration, and not in the petition. But not only is the 800-page declaration bereft of any meaningful analysis (and itself largely includes hundreds of pages of quotations), this practice violates the Board’s long-standing rules against incorporating arguments by reference. The rationale for that rule is particularly manifest here, as Petitioner plainly intended to obviate the word limit by simply providing a single summary chart in the petition and relying on its declaration for the arguments. That practice has not been tolerated in other petitions and should not be tolerated here.

But the petition’s problems do not end there—in addition to the above deficiencies, the petition suffers from several fundamental substantive failures. In particular, the petition fails to address several claim limitations ***in their entirety***. First, all challenged claims require taking certain steps (*e.g.*, adjusting price) “based on [a] query” that compares performance ratings across the claimed distribution channels. But for that limitation, Petitioner cites to ***nothing*** in the prior art that could even arguably meet this “based on

a query” limitation. Instead, the petition merely cites to **other** portions of the petition that likewise cite to **nothing** in the prior art for this limitation.

Uber also fails to show that any of the prior art discloses “receiving sale data . . . from respective distribution channels” “in real time” or “in near real time” as required by the claims. Indeed, Petitioner does not even attempt to analyze these limitations using its own construction of “real time” (or the different construction of “real time” it took in district court). Moreover, the disclosures cited by Petitioner teach transmitting data **to** the alleged distribution channels (not **from** them), and the art cited also states that “serious” delays plague the “push” transmission method relied upon by Petitioner. None of these disclosures teach or suggest the claimed receipt of sale data “in real time” or “near real time.”

The petition’s deficiencies are further compounded by Uber’s IPR counsel taking claim construction positions here that are entirely different than those Uber’s litigation counsel has taken. For example, both Uber and SurgeTech have argued in the litigation that certain terms, such as “inventory,” are defined in the specification through lexicography. Yet here, Uber takes an entirely different approach, arguing instead that the term be given its plain meaning. But Uber never identifies that plain meaning or how it differs from the lexicographical definition it identified in the litigation,

despite attaching its litigation constructions to the petition as an exhibit. The rationale behind this gamesmanship is readily apparent—Uber is attempting to preserve (an as-yet unidentified) noninfringement positions in the litigation, while maintaining flexibility here to argue its unidentified obviousness combinations.

II. OVERVIEW OF THE '999 PATENT

The '999 patent discloses a method of “controlling distributed databases,” and specifically for “managing inventory allocations.” *See* Ex. 1001, Abstract, 1:19-20. The '999 patent explains that prior approaches to selling inventory, such as travel services or accommodations, have resulted in inefficiencies in how such inventory is allocated to various distribution channels, or “channels.” *Id.*, 1:26-31; Ex. 2001, ¶¶19-20. In particular, vendors are forced to allocate physical inventory to particular channels in an *ad hoc* manner. *Id.*, 1:49-51. When the inventory is accommodation, selecting the most efficient channels to sell the accommodation is “extremely difficult” because the inventory must be sold between particular dates. *Id.*, 1:51-55. Furthermore, most independent accommodation properties lack the resources to effectively manage their inventory allocations in multiple channels. *Id.*, 1:55-61.

The '999 patent solves these problems, *inter alia*, by employing “real time” updates across its distribution channels. Ex. 2001, ¶¶21-22. In particular, the '999 patent discloses a computer system that receives data from distribution channels over a network 14. Ex. 1001, 2:8-10 (“recurrently, at receiving times, receiving contingent values . . . from the distributed computer systems”), 7:57-61. The computer 12 can receive the data in “real-time,” such as “when [a booking is] made via a channel” or close to when the booking is made. *Id.*, 10:54-56, 33:52-55; *see also id.* 11:1-5 (distinguishing “real-time” updates which are described as being continuously sent to database 22 with “request-based” updates which withholds updates from the database until a request is made).

The claimed system uses this data to determine the “performance in the sales channel.” *Id.*; Ex. 2001, ¶¶23-24. Based on the “performance rating” for each channel, the claimed system can adjust parameters relating to inventory allotted to the respective channels, and/or re-allocate inventory from a particular channel to another channel. *Id.*, 7:65-8:3. For example, the computer can execute a subroutine that queries “whether or not demand has exceeded supply in the channel” (*i.e.*, a performance rating). *Id.*, 8:27-31, 9:38-39. Based on the query, the computer uses the performance rating to re-

allocate items to a particular channel, and adjust the price of those items to maximize profit. *Id.*, 7:32-37, 9:45-60.

III. LEVEL OF ORDINARY SKILL IN THE ART

Uber proposes that a person of ordinary skill in the art (“POSITA”) relevant to the ’999 patent at the time of the invention “would at minimum have a bachelor’s degree in software/computer/electrical engineering, computer science, or industrial engineering and management with at least two years’ experience in inventory and pricing management, including with respect to systems for dynamically managing inventory and pricing of inventory, or the equivalent” and that “[a]dditional graduate education could substitute for professional experience, or significant inventory and pricing management experience could substitute for formal education.” Pet. 10.

This is the same level of skill agreed to by the parties in the litigation. Patent Owner applies this definition for purposes of this Preliminary Response. Ex. 2001, ¶33. In support of Patent Owner’s Preliminary Response, Patent Owner provides an expert declaration from Dr. Vijay Madiseti. Ex. 2001. Dr. Madiseti meets or exceeds all aspects of this definition of a POSITA. *Id.*, ¶¶34-35, 11-18.

IV. THE PETITION FAILS TO SET FORTH THE ASSERTED GROUNDS WITH “PARTICULARITY”

The petition breaks several well-settled rules regarding the content of Petitions, the violation of which renders its petition indiscernible. First, Uber has failed to identify its grounds of unpatentability with particularity, instead relying on a single, omnibus chart that cites to numerous pages of prior art without any substantive explanation describing how those quotations are relevant or how they should be combined. Uber did not even see fit to separate the charts by grounds, instead simply providing a single chart for ***all twelve grounds***, putting the burden on the Board and Patent Owner to discern which disclosures correspond to which grounds.

Uber exacerbates this confusion by citing to Dr. Regan’s eight-hundred page expert report, which, despite its length, is equally conclusory. Indeed, Uber’s claim chart is devoid of almost any analysis, and relies instead on ***hundreds*** of pages from Dr. Regan’s declaration to fill evidentiary gaps.

Accordingly, Uber has failed to identify its unpatentability grounds “with particularity” as required by the statute. 35 U.S.C. §312(a)(3) (emphasis added); *see also Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1369 (Fed. Cir. 2016) (“It is of the utmost importance that petitioners in the IPR proceedings adhere to the requirement that the

initial petition identify ‘with particularity’ the ‘evidence that supports the grounds for the challenge to each claim.’”).

A. Uber’s Claim Charts Fail To Delineate Its Twelve Grounds

Uber argues that its petition is based on twelve grounds. *See* Pet. 7-8. But while the petition initially identifies references that pertain to these grounds (Pet. 7 (*e.g.*, stating that ground 1 is a combination of “Jacob, Phillips and Franklin”)), the analysis abandons this mapping, and instead simply combines the references together in a single, omnibus chart, with no delineation between grounds.

The use of a single, omnibus chart is by design—indeed, the section in which it appears is titled “Claim chart: Grounds 1-12.” In that section, for example, Uber includes block quotations from multiple prior art references for each element of claim 9:

- **9[pre]:** Jacob (Pet. 25).¹
- **9[a]-[b]:** Jacob, Phillips and Evangelist (*id.*, 25-27).
- **9[c]:** Jacob, Evangelist, Franklin, Tamura and Kono (*id.*, 30-38).
- **9[d]:** Jacob, Phillips, Tamura and Kono (*id.*, 45-50).

¹ Uber relies only on Jacob for the preamble, but asserts that the preamble is not limiting. Pet. 24 n.13

- **9[e]:** Jacob, Tamura and Kono (*id.*, 55-58).
- **9[f]:** Jacob, Tamura and Kono (*id.*, 60-61).
- **9[g]:** Jacob, Phillips and Tamura (*id.*, 62-66).
- **9[h]:** Jacob, Phillips, Tamura and Kono (*id.*, 70-76).

But because Uber’s omnibus chart does not specify which references pertain to which ground, it is impossible to discern how Uber is combining these references. For example, the chart is silent as to whether Uber relies on Jacob alone, Phillips alone, Tamura alone, or Kono alone for element 9[d] in Ground 4 (“Jacob in view of Phillips, Franklin, Evangelist, Tamura, and Kono” (Pet. 7)), or a combination of any, or, for that matter, a combination of all of them. Likewise, any of the grounds could rely on Jacob, Phillips or both for either 9[a] or 9[b], which would fundamentally change the entirety of the combination. These are just a few examples of the impossibility Uber’s omnibus chart presents.

As another example, any of the three different combinations below are within the scope of Uber’s Ground 4 as presented in its claim chart:

Claim Element	Combination 1	Combination 2	Combination 3
9pre	Jacob	Jacob	Jacob
9a	Jacob	Phillips	Evangelist
9b	Jacob	Jacob	Phillips
9c	Jacob	Evangelist	Kono
9d	Jacob	Phillips	Kono
9e	Jacob	Tamura	Kono

9f	Jacob	Tamura	Kono
9g	Jacob	Phillips	Tamura
9h	Jacob	Phillips	Tamura

These are just a few examples of the possible prior art combinations. As explained by Dr. Madiseti, there are **19,440 possible reference** combinations covered by Uber’s claim chart. See Ex. 2001, ¶¶78-80.

The Board has consistently refused to institute petitions that use “catch-all” style claim charts like Uber’s. For example, in IPR2018-00828, the petitioner included similar claim charts without providing sufficient identification of the proposed combinations. See *Avant Technology, Inc. v. Anza Technology, Inc.*, IPR2018-00828, Paper 7 at 13-14 (PTAB October 16, 2018). The Board denied institution, noting that “[The petition’s] claim chart asserts that multiple claim elements are described in more than one of the references, there are 576 different ways to combine the prior art to allegedly create a prima facie case of unpatentability” and “it is not clear which particular theory or theories Petitioner actually is asserting.” *Id.* Uber’s petition is far worse, because it encompasses **thousands** of possible combinations.

Uber’s summary claim chart is also deficient because it does not include any analysis or explanation of the relevance of the cited passages from the prior art. The Board had consistently denied such conclusory claim charts.

For example, the Board has denied institution where a petitioner's claim charts failed to identify its grounds "with particularity" under the statute. *HTC Corp. et al. v. Cellular Comms. Equipment, LLC*, IPR2016-01504, Paper 7 at 8. The Board noted that "[t]here is no argument presented with the claim charts . . . [C]laim charts—without any accompanying argument or explanation—do not satisfy the requirement that a petition 'must include . . . [a] full statement of the reasons for the relief requested, *including a detailed explanation of the significance of the evidence.*'" *Id.* (emphasis in original).

In another case, the petitioner attached two claim charts including a claim-by-claim analysis of the prior art. *Limelight Networks, Inc. v. Akami Techs., Inc.*, IPR2016-01894, Paper 8 at 12 (PTAB March 8, 2017). These claim charts were created by the petitioner's expert. *Id.* The Board noted that neither the petition nor the accompanying expert declaration included any explanation of the claim charts, beyond bare citations. *Id.* The Board found that these claim charts failed to provide a "detailed explanation of the significance of the evidence" under the rules: "In summary, the Petition references the claim charts with insufficient explanation...the claim charts include summary language...the claim charts [also] include additional disclosure from the references copied into the claim charts, which are neither cited nor discussed in the Petition. [W]e decline to give any weight to [these

claim charts].” *Id.* at 16; *see also, e.g., Cisco Systems, Inc. v. C-Cation Technologies, LLC*, IPR2014-00454, Paper 12 at 10-13 (PTAB Aug. 29, 2014) (declining to institute because the petition’s claim charts “do not (1) specify sufficiently where each element of the claims is found in the applied references, and (2) include a detailed explanation of the significance of the quotations and citations from the applied references.”).

Indeed, the Board’s rules expressly prohibit Uber’s “kitchen sink” approach to petitions. In fact, the Trial Practice Guide expressly forbids petitioners from using a petition as “a repository of all the information that a judge could possibly consider.” Consolidated Trial Practice Guide, November 2019 at 39. That is just what Uber has done here, and the Board has routinely denied petitions in similar circumstances. *See, e.g., Jiangsu Sainty Sumex Tools Corp. Ltd. v. Milwaukee Electric Tool Corporation and Keter Plastic Ltd.*, IPR2021-00373, Paper 19 at 24 (PTAB July 6, 2021) (“Petitioner similarly asserts its panoply of prior art combinations in the obviousness grounds without explaining adequately the relationship of the references, individually or collectively, to the claim limitations.”); *Avant Technology, Inc. v. Anza Technology, Inc.*, IPR2018-00828, Paper 7 at 13-16 (PTAB Oct. 16, 2018) (denying a petition relying on conclusory claim charts).

B. Uber’s Claim Chart Fails To Identify How The References Are Being Combined

Even if Uber’s claim chart was limited to the twelve grounds identified in the petition (Pet. 7), it is nevertheless deficient because it is silent on various combinations and fails to address other combinations in anything more than a summary, conclusory manner.

As one example, in explaining limitation 9[c], Uber states that “Petitioner is *not asserting a separate Jacob-only Ground*, and instead begins *all Grounds* with Jacob-Phillips.” Pet. 27-28.

The omnibus chart follows through on this position, citing Jacob for Claim 9[a]’s “processor,” and Phillip for 9[b]’s “method” that is performed on the processor. Pet. 25.

The chart goes on to modify Phillips’ method, relying on Evangelist for 9[c]’s “receiving” step. But when addressing the motivation to combine, the petition is *silent* as whether, how, or why a POSITA would modify Phillips’ method to include a “receiving” step. Instead, the petition includes a generic section addressing why a POSITA would combine Evangelist with *Jacob*,

which the petition relies on for the **processor**.² But this is plainly insufficient—the petition’s stated combination for all grounds, as confirmed by footnote 15, is Jacob’s processor running Phillips’ method. Combining Evangelist’s receiving step with Jacob’s processor not only makes no sense, it does not address the fundamental combination Uber asserts.

This is simply one of many examples of logical inconsistencies in Uber’s claim chart. There are many others. Focusing again on the 9[b]/9[c] inconsistency, the petition also cites to disclosure from Evangelist for

² The omnibus chart also includes parallel citations to Jacob for both 9[b]’s “method,” and 9[c]’s “receiving” step. Pet. 25. But this does not solve Uber’s problem, it exacerbates it. Footnote 15 is adamant in explaining 9[c] that the Petition does not present a “separate Jacob-only ground” and instead “begins ***all Grounds*** with Jacob-Phillips.” If instituted, Petitioner would likely attempt to explain away its lack of ***any*** evidence on combining Evangelist’s “receiving” with Phillips’ “method” by focusing on the parallel citations to Jacob, and argue that it relied on Jacob’s method all along. This is not only contrary to the stated grounds (as there is no Jacob-only ground listed in the petition), it would be directly contrary to the representation Petitioner made at footnote 15.

limitation 9[b], and disclosures from Tamura, Evangelist, Franklin, and Kono for limitation 9[c]’s “receiving” step. Here, again, the petition is silent on how (or why) a POSITA would have combined the receiving step in **any** of these additional references with the teachings of Evangelist used for limitation 9[b]. It is, again, left up to the Board and Patent Owner to pick through the disparate pieces of Uber’s claim chart to puzzle together its grounds.

But piecing together the pieces of this puzzle is made even more difficult in view of Uber’s citation to numerous disparate embodiments from the prior art. For example, Uber’s claim chart at 9[c] identifies **dozens** of disparate passages from Jacob without identifying **which** teachings from Jacob Uber proposes combining with its other five prior art references:

EX1004 [Jacob], Abstract (“time-dependent inventory...”), ¶[0003] (“ExpediaTM... Sabre[]TM...”), ¶[0005] (“inventory...real time”), ¶[0006]- ¶[0007] (“selling channels... computerized reservation...”), ¶[0008] (“rate type... communication code segment”), ¶[0009] (“incoming information... reservations... inventory”), ¶[0010] (“information received from the sales channels”), ¶[0063], ¶[0071], ¶[0077], ¶[0082] (“inventory... plurality of sales channels”), ¶[0084]-¶[0086] (“confirmation”), ¶[0123]-¶[0125], ¶[0132], ¶[0154], ¶[0176], ¶[0180] (“reallocate inventory to the better-selling channel...”), ¶[0181], ¶[0185] (“rate management process... repeated . . . ”), ¶[0189] (“Rate Types... days... inventory”), ¶[0190]18-¶[0192] (“sends... notifications... via... networks”), ¶[0220], cls.13, 5-6, Figs.7, 40, 4319 [sic].

Pet. 32. In this example alone, Uber cites to thirty different paragraphs, three entire columns and four figures from the Jacob reference. It is unclear, for example, which of these disclosures should be combined with Phillips, Evangelist, Franklin, Tamura, and Kono.

Indeed, the Board has consistently denied petitions that have failed to identify *how* the prior art's teachings should be combined in the grounds of a petition. For example, as Uber does in this proceeding, the petitioner in *ADT* mapped each limitation of the challenged claims to multiple prior art references: Ulrich and Mathias. *ADT LLC v. Vivint, Inc.*, IPR2022-00634, Paper 7 at 11 (PTAB October 4, 2022). The Board found that the petitioner failed to properly identify its grounds because it was unclear which teachings from each reference were being relied upon in the proposed combination:

Because ADT expressly relies on ‘the combination of Ulrich and Mathias’ but maps each limitation of the challenged claims to each reference without acknowledging any shortcomings or deficiencies of the references, it is not clear which teachings of each reference ADT combines to account for all the limitations of [the challenged claims].

Id. The Board found that this “lack of clarity in ADT’s asserted obviousness ground might enable ADT to deviate from the arguments initially presented in the petition in a manner that may prejudice [Patent Owner].” *Id.* The same is true here: Uber has not explained the interplay between its references in

the petition, instead suggesting that all six of them disclose multiple claim limitations. This makes it impossible to identify how Uber is combining the references in its proposed combinations.

C. Uber's Motivations To Combine Are Deficient

Even where Uber addresses the identified combinations, Uber's motivations to combine are nevertheless deficient, as they are cursory and conclusory. Ex. 2001, ¶¶70-76. For example, when analyzing the claim limitation 9[h], "inventory items allocated," Uber asserts that a POSITA would be motivated to use Evangelist's "teachings of initially allocating inventory to channels" in the Jacob reference because "[t]his would have beneficially increased the likelihood the proper quantities/most relevant inventory types are initially allocated to each channel." Pet. 78. But Uber fails to explain *why* using Evangelist's alleged allocation techniques would increase quantities of inventory. Ex. 2001, ¶71. Nor does Uber explain *why* Evangelist's alleged allocation techniques would increase the likelihood of relevant inventory being allocated. *Id.* Uber also fails to explain *how* Evangelist's teachings would be incorporated into any of Jacob's embodiments in the first place. *Id.*

Uber's conclusory statement that adding Evangelist's technique would be "beneficial" is insufficient to show that a POSITA would have been

motivated to incorporate teachings from Evangelist into Jacob. *See, e.g., KSR Intern. Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007) (“Rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be ***some articulated reasoning with some rational underpinning*** to support the legal conclusion of obviousness.”).

Uber’s motivations to combine throughout its petition are equally conclusory. Ex. 2001, ¶72; *see also* Pet. 44 (arguing motivation to combine Jacob with Kono or Tamura to “advantageously increased the system’s ability to fulfill Jacob’s goal of maximizing revenue, Evangelist’s of promoting efficient operations, and Tamura’s of reducing lost sales” without explaining ***how*** the prior art would be combined or ***how*** these alleged advantages would be achieved); Pet. 58 (arguing that it would be “obvious, straightforward, and advantageous to implement Jacob’s teachings . . . so its resulting system” meet the limitation with explaining ***how*** the combination would be combined or ***why*** a POSITA would be motivated to make such a combination); Pet. 69 n.36 (arguing that it would have been “obvious to modify the recited combinations . . . using Tamura’s beneficial teachings of automatically adjusting price” because it “would have beneficially furthered Jacob’s/Tamura’s/Kono’s goals” without explaining ***which*** teachings in the references would be combined or ***how*** any “goals” would be achieved through the combination).

Likewise, Uber’s arguments regarding reasonable expectation of success are also conclusory. Ex. 2001, ¶73. In fact, for **every** proposed combination Uber repeats the same conclusory statement: “[f]or POSITA it would have been routine to make these implementation choices, and clear they would work, providing the expected functionality and predictable results with a reasonable expectation of success.” Pet. 29-30; *see also* Pet. 41, 43, 44-5, 54, 55, 58, 59, 61, 62, 68-69, 69 n.36, 70, 78-79 (same conclusory REOS assertions). This boilerplate language is insufficient. Ex. 2001, ¶73. It does not address the combination of any **specific** teachings in the prior art, let alone explain why a POSITA would have understood such combinations could be made successfully. *Id.*

The Board has previously rejected similar conclusory language related to a reasonable expectation of success as insufficient. *See, e.g., Samsung Electronics Co., Ltd. v. LED Wafer Solutions, LLC*, IPR2021-01491, Paper 9 at 12 (PTAB Mar. 15, 2022) (“We determine that Petitioner’s challenge based on the Sugizaki AAPA combination fails because Petitioner’s showing as to motivation to combine is conclusory and inadequate and a reasonable expectation of success in combining the teachings in the prior art was not shown. This determination supports our Decision not to institute an *inter partes* review.”); *In re Magnum Oil Tools Int’l, Ltd.*, 829 F.3d 1364, 1380

(Fed. Cir. 2016) (“To satisfy its burden of proving obviousness, a petitioner cannot employ mere conclusory statements. The petitioner must instead articulate specific reasoning, based on evidence of record, to support the legal conclusion of obviousness”).

This deficiency is fatal to Uber’s proposed combinations, because showing a reasonable expectation of success is necessary to prove obviousness. *See, e.g., Arctic Cat Inc. v. Bombardier Recreational Prod. Inc.*, 876 F.3d 1350, 1361 (Fed. Cir. 2017) (“We have held that where a party argues a skilled artisan would have been motivated to combine references, it must show the artisan would have had a reasonable expectation of success from doing so.”).

Moreover, Uber’s alleged motivations to combine are often completely disconnected from the teachings in the prior art that Uber suggests combining. Ex. 2001, ¶74. For example, for limitation 9[e], Uber states that “[f]or the same reasons discussed with respect to **cl.9[d]**, POSITA would have found it obvious, straightforward, and advantageous to implement Jacob . . . using Tamura’s disclosure of querying whether a particular ‘retailer’ has a ‘low sales progress rate’ or, instead, is one with a ‘high sales progress rate’” Pet. 58-59. But the motivation to combine proposed by Uber for claim limitation 9[d] has **nothing** to do with any supposed (but unexplained) benefit

from querying a retailer's sales progress rate. Ex. 2001, ¶74. Instead, for claim 9[d], Uber focuses on Tamura's allegedly "beneficial teachings of processing sale data by automatically carrying out calculations to obtain a performance rating." Pet. 53-54. Thus, Uber's motivation to combine is not related to the proposed combination at all. Ex. 2001, ¶74.

Uber consistently relies on motivations to combine that are completely disconnected from its proposed combination. Ex. 2001, ¶75; *see also* Pet. 52 (providing alleged motivations to combine Jacob with Phillips to "automatically" calculate performance rating, but no motivation to incorporate Phillips' alleged performance ratings); Pet. 53 (providing alleged motivation for "automatically processing sale data," but no motivation to include Tamura or Kono's alleged performance ratings); Pet. 59 (citing to analysis for limitation 9[d] "calculations to obtain a performance rating," but providing no motivation to combine Kono's "querying whether an agency is one 'where sales have fallen' or . . . 'still sells'"); Pet. 62 (citing to analysis for limitation 9[e]'s "querying . . .," but providing no motivation to combine references for performing steps "based on the query"); Pet. 67 (citing to analysis for limitation 9[b] to "carry[] out all of Jacob's functions automatically," but providing no motivation to incorporate Phillips' alleged price adjustments); Pet. 78 (citing to analysis for limitation 9[d]'s

“calculations to obtain a performance rating,” but providing no motivation to combine references for re-allocating inventory).

D. The Prior Art Teaches Away From Uber’s Proposed Combination

Uber also fails to address disclosures in the prior art that would teach away from Uber’s proposed combinations. Ex. 2001, ¶76. For example, Uber alleges that a POSITA would be motivated to combine Jacob with Franklin’s “periodic push” to render obvious “receiving sale data . . . in real time” Pet. 38-42. But Uber fails to address the “tradeoffs between push and pull” disclosed in Franklin, including the “serious problem[]” that, with the “push” method, “it is possible that the servers will not deliver the specific data that are needed by clients *in a timely fashion (if ever)*.” Ex. 1009, [0017]. Ignoring Franklin’s teachings that the “push” method may result in a transmission *never* being received, Uber argues that a POSITA would have been motivated to incorporate Franklin’s “push” method in Jacob to achieve “real time” transmissions.

E. Uber’s Claim Charts Fails To Identify The Unnamed “+Combinations”

Uber further expands the number of possible prior art combinations by arguing that so-called “+*combinations*” of its prior art references also render

the claims obvious. For example, after addressing claim elements 9[a]-[b] in its claim charts, Uber argues that:

Jacob discloses managing inventory allocations. If further disclosure is required, this would have been obvious from Jacob (*in the recited combinations (“+combinations”)*) in view of Evangelist.

Pet. 30 (addressing limitations 9[a]-[b]) (emphasis added). Uber does not identify what the “+combinations” are that should be considered with Jacob for claims 9[a]-[b]. Uber relies on unidentified “+combinations” ***forty-eight (48) times*** in its petition without ever explaining what these “+combinations” are. Pet. 38, 40, 43, 44, 51, 52, 53, 54, 55, 58, 59, 61, 62, 67, 77, 78, 88, 92, 95, 96, 100, 101, 102, 104, 106, 107.

While it is unclear what combinations are encompassed within Uber’s so-called “+combinations,” it is certain that Uber is not limiting itself to the expansive citations included in its claim chart. Uber’s amorphous “+combinations,” thus, expand the scope of possible grounds even beyond the vast number of potential combinations that could be covered by its conclusory claim chart. For example, it is unclear whether any of the dozens of references cited by Uber, but not named in its grounds, are part of these “+combinations.” *See, e.g.*, Exs. 1011-1016, 1024-1028, 1030-1035. This is insufficient to provide notice of Uber’s unpatentability grounds.

F. Uber’s Petition Improperly Incorporates By Reference Dr. Regan’s Eight-Hundred Five (805) Page Declaration

Uber’s petition should also be denied for improper incorporation of a document by reference and failure to adhere to the statutory limits on word count. In particular, Uber’s petition is just five words short of the statutory word limit: 13,995 words. *See* Pet. iv. As discussed above, Uber relies on an omnibus chart in lieu of substantive analysis. To fill this evidentiary gap, Uber repeatedly cites to large swaths of Dr. Regan’s *eight-hundred five (805)* page expert declaration for substantive analysis.

For example, the entirety of the petition’s analysis of the Evangelist reference for claim 9[c] is reproduced below:

Evangelist discloses inventory items allocated to distribution channels (e.g., “allocating... inventory... to a particular inventory location,” “for... on-line... fulfillment” to, e.g., “store,” “on-line... channels,” “Web site that accepts requests for delivery of movies”; “initially designate[]” as “on-line inventory” of “store” or “on-line... channel”; “initially allocate[] inventory... to... stores”; “allocates inventory”). **EX1003 [Dr. Regan’s Declaration], ¶¶208-220, 232.**

Pet. 30-31 (emphasis added). As shown in the excerpt above, Uber includes no analysis of Evangelist whatsoever, merely inserting disparate quotations from the reference (without even providing column/line citations). Thereafter, Uber cites to *thirteen* paragraphs of analysis from its expert, Dr. Regan,

addressing Evangelist. *Id.* (citing EX1003 (Dr. Regan’s Declaration), ¶¶208-220, 232).

The petition consistently cites to numerous pages of Dr. Regan’s massive declaration for support throughout Uber’s claim chart. *See also, e.g.*, Pet. 30 (citing 33 paragraphs from Dr. Regan’s declaration to support conclusory statement that Jacob discloses limitation 9[c]). Uber’s citations include citations to Dr. Regan’s lengthy Appendix C claim chart, which itself spans hundreds of pages. *See, e.g.*, Pet. 8 (citing EX1003, App’x C (Regan claim charts) in its entirety).

The Board’s rules make clear that “[a]rguments ***must not be incorporated by reference*** from one document into another document” as Uber has done here. 37 C.F.R. § 42.6(a)(3). The Board has consistently rejected petitions that violate this rule through citations to an expert’s declaration. For example, in *Cisco*, the Board denied a petition that relied on a two-hundred fifty (250) page declaration from its expert. *Cisco Sys., Inc. v. C-Cation Techs., LLC*, IPR2014-00454, Paper 12 (Aug. 29, 2014) (informative). The Board explained this incorporation by reference was improper because it circumvented limits on word count:

In the Petition before us, incorporation by reference of numerous arguments from Dr. Roy’s 250-page Declaration into the Petition serves to circumvent the page limits imposed on petitions for

inter partes review, while imposing on our time by asking us to sift through over 250 pages of Dr. Roy's Declaration (including numerous pages of claim charts) to locate the specific arguments corresponding to the numerous paragraphs cited to support Petitioner's assertions.

Id.

The Board's decision in *Cisco* is consistent with its approach for addressing such violations. *See also, e.g., Avant Technology, Inc. v. Anza Technology, Inc.*, Case IPR2018-00828, Paper 7 (PTAB Oct. 16, 2018) (denying institution where petitioner relied on citations to an expert declaration for substantive analysis); *Cisco*, IPR2015-02007 Paper 6 ("The Petition's practice of citing multiple pages of the Dr. Lavian Declaration to support conclusory statements and to expand its thin analysis violates our rules[.]"); *Teoxane S.A. v. Allergan, PLC*, IPR2017-01906, at 24 ("We will not search the record (including Dr. Prestwich's declaration) to ascertain whether any evidence supports that bare argument. Petitioner should not expect the Board to search the record to piece together what may support a challenge.") (citing *DeSilva v. DiLeonardi*, 181 F.3d 865, 866-67 (Fed. Cir. 1999)); *Hamilton Technologies v. Fleur Tehrani*, IPR2020-01199 at 4 ("As noted in our Decision, general citations to appendices in a party's principal brief amount to an improper incorporation by reference.") (citing *Cisco Sys., Inc. v. C-Cation Techs., LLC*, IPR2014-00454, Paper 12, 10 (Aug. 29, 2014))

(informative) (“[W]e will not consider arguments that are not made in the Petition, but are instead incorporated by reference to the cited paragraphs and claims charts of [Petitioner’s declarant].” (emphasis added))), *id.* at 5 (“We did not accept Patent Owner’s invitation to play archeologist with the record, and hunt for any other arguments that may have been contained in the claim charts appended to the Tehrani Declaration”).

Uber’s petition is even more egregious than the foregoing decisions, because it relies on a declaration more than ***eight times*** the length of the petition to supply substantive analysis. Patent Owner is aware of no cases where the Board permitted a petitioner to rely on a declaration of this length, let alone in lieu of substantive analysis. Accordingly, the Board should deny Uber’s petition for improper incorporation by reference and violation of the statutory limit on word count.

V. PETITIONER FAILS TO SHOW THAT THE PRIOR ART DISCLOSES TWO CLAIM ELEMENTS

Uber’s petition also fails because Uber has failed to show that ***any*** prior art reference discloses or renders obvious (1) taking the claimed steps “based on the query” of distribution channel performance ratings; and (2) “receiving” data “in real time.”

A. Uber’s Petition Fails To Show That Any Asserted Reference Discloses The “Based On The Query” Limitation

Every challenged claim requires querying performance ratings of distribution channels, and thereafter taking certain steps (*e.g.*, adjusting price) “*based on the query*.” Ex. 1001 at Claims 1, 9, 10. Uber has provided no evidence showing that any prior art reference discloses taking the recited steps “based on the query” of performance rating as required by the claims. Ex. 2001, ¶¶36-51.

In particular, Uber only analyzes challenged independent claim 9 in its petition. See Pet. 79-81 (cross-citing to claim 9 when addressing independent claims 1, 10); Ex. 2001, ¶37. The “based on the query” limitation is recited in claim element 9[f]. Uber argues that Jacob, Tamura, and Kono each disclose the “based on the query” limitation recited in claim 9[f]. However, as shown in the excerpt below, Uber provides no substantive analysis for this limitation, instead only cross-citing Uber’s discussion of limitations 9[g] and 9[h]. Ex. 2001, ¶38.

Jacob discloses based on the query (see cl.9[g], cl.9[h], below).
EX1003, ¶¶321-328.

Tamura discloses based on the query (see cl.9[g], cl.9[h], below).
EX1003, ¶¶329-335.

Kono discloses based on the query (see cl.9[h], below). EX1003,
¶¶336-344.

Pet. 60.

But Uber’s analysis of claim elements 9[g] and [h] also provides no substantive analysis. Ex. 2001, ¶39. Instead, at claims 9[g] and [h] Uber merely *cites back to claim 9[f]*:

Jacob discloses, based on the query (see cl.9[f])[.]

Tamura discloses, based on the query (see cl.9[f])[.]

Jacob discloses, based on the query (see cl.9[f])[.]

Tamura discloses, based on the query (see cl.9[f])[.]

Kono discloses, based on the query (see cl.9[f])[.]

Id., 62-63 (analyzing claim 9[g]); 70-71 (analyzing claim 9[h]).

Thus, Uber’s petition provides no substantive analysis for the “based on the query” limitation. Ex. 2001, ¶40.

Uber also cites to Dr. Regan’s expert declaration for support, but these citations do not show that any prior art reference discloses the “based on the query” limitation. See Pet. 60; Ex. 2001, ¶41. Indeed, as with the petition, when analyzing the “based on the query” limitation of claim 9[f], Dr. Regan cites to other portions of the declaration which also lack substantive analysis for this element:

Jacob discloses based on the query (see cl.9[g], cl.9[h], below).

Tamura discloses based on the query (see cl.9[g], cl.9[h], below).

Kono discloses based on the query (see cl.9[h], below).

Ex. 1003, ¶¶322, 330, 337 (addressing claim 9[f]).

Jacob discloses, based on the query (cl.9[f])[.]

Tamura discloses, based on the query (cl.9[f])[.]

Id., ¶¶346, 378 (addressing claim 9[g]).

Jacob discloses, based on the query (cl.9[f])[.]

Tamura discloses, based on the query (cl.9[f])[.]

Kono discloses, based on the query [cl.9[f])[.]

Id., ¶¶391, 412, 421 (addressing claims 9[h]); Ex. 2001, ¶¶42-43.

While Dr. Regan’s declaration includes twenty-one paragraphs allegedly addressing the “based on the query” limitation, these paragraphs also fail to explain how any of the prior art references disclose taking the claimed steps “based on the query.” Ex. 2001, ¶44. Instead, Dr. Regan merely makes conclusory statements followed by lengthy block quotations to Jacob, Tamura and Kono, and citations to other portions of the declaration that do not address this claim term. *See* Ex. 1003, ¶¶321-328, 329-335, 336-344.

For example, when addressing Jacob with respect to claim 9[f], Dr. Regan argues that “Jacob expressly discloses ‘a sales channel’s Room Type inventory’ is ‘selling better than other channels’” and follows this statement with a block quotation from Jacob. Ex. 1003, ¶323. Dr. Regan then argues that “Jacob discloses that its code segments operate ‘automatically’” and

follows this statement with another block quotation from Jacob. *Id.*, ¶324. Dr. Regan continues that “Jacob discloses that the same room may be sold at different rates to different users ‘based upon a variety of conditions’” and block quotes Jacob. *Id.*, ¶325. Dr. Regan next argues that “Jacob further discloses that is ‘comprise[s] computer program system configured to manage and perform the methods/functions of the invention’” and again block quotes Jacob. *Id.*, ¶326. But **none** of these conclusory statements even alleges that Jacob takes action “based on the query” as required by the claims, much less provide **analysis** supporting Dr. Regan’s conclusory assertion. Ex. 2001, ¶¶45-48.

Finally, Dr. Regan concludes by arguing that Jacob “discloses or at minimum [sic] renders obvious” the “based on the query” limitation “for the same reasons” and “from the same disclosures” addressed with respect to claim 9[e]:

As discussed, “querying whether the performance rating of each of the respective distribution channels is greater than a performance rating of other distribution channels” is disclosed or rendered obvious by Jacob. See cl.9[e]. **For the same reasons** (e.g., because this would have beneficially increased the efficiency of the system in responding quickly to changing market conditions by providing a metric used to measure changing market conditions and based on which the system could quickly and efficiently reallocate inventory from sales channel(s) with excess inventory to channels that are selling better or are in danger of running out of inventory and change prices), **Jacob** (in

the recited combinations) ***discloses or at minimum renders obvious carrying out “at least one of the following steps” (see cl.9[g], cl.9[h], below) based on the query from these same disclosures to POSITA*** (e.g., because this would have beneficially allowed the resulting system to better determine, systematically, whether a particular sales channel is, e.g., selling better than other channels), who (particularly in light of these disclosures and other known, similar systems) would have found it routine to make such an implementation choice, and clear it would work and provide the expected functionality to yield predictable results with a reasonable expectation of success.

Ex. 1003, ¶327 (emphasis added). But here, again, Dr. Regan fails to provide any analysis or explanation regarding ***how*** Jacob renders obvious taking the claimed steps “based on the query” as recited in the claims. Ex. 2001, ¶50. Indeed, claim 9[e] is a distinct limitation that does not require taking any action “based on the query.” Dr. Regan cannot support her conclusory statement with a vague reference to a different claim element. *Id.*

The remainder of Dr. Regan’s declaration addressing claim 9[f] (and, in fact, all other claim limitations) includes the same type of conclusory language with lengthy block quotations from the prior art and concludes with a vague reference to unrelated claim elements. Ex. 2001, ¶51. Dr. Regan’s conclusory statements cannot support a finding of either disclosure or obviousness of claim 9[f]. *See, e.g., Commscope, Inc. v. TQ Delta, LLC*, IPR2022-00833, Paper 12 at 24 (“We give such conclusory, unsupported assertions by Petitioner’s declarant little or no weight.”), citing *In re Am.*

Acad. of Sci. Tech Ctr., 367 F.3d 1359, 1368 (Fed. Cir. 2004) (“[T]he Board is entitled to weigh the declarations and conclude that the lack of factual corroboration warrants discounting the opinions expressed in the declarations.”).

This failure of proof is fatal to the petition because **every** challenged claim requires action be taken “**based on the query**” of performance rating recited in the claims. Ex. 1001, claims 1, 9, 10. The Board has routinely denied similar petitions that rely on cross-citations without supporting substantive analysis. *See, e.g., DirecTV, Inc. v. Qurio Holdings, Inc.*, IPR2015-02007, Paper 6 at 6-11 (PTAB April 4, 2016) (denying institution, *inter alia*, because of conclusory cross-citations)³; *Juniper Networks, Inc. v.*

³ Notably, in *DirectTV* the panel found that the confusion caused by petitioner’s conclusory cross-citations to its petition was compounded by the petition’s repeated citations to large portions of a supporting expert declaration. IPR2015-02007, Paper 6 at 13 (“The defects in the Petition outlined above are compounded by the Petition’s repeated citation to broad sections of the Dr. Lavian Declaration to bolster conclusory arguments and reasoning.”). Petitioner does the same thing here, by supporting its

Core Optical Techs., LLC, IPR2020-01664, Paper 9 at 22-23 (PTAB April 16, 2021) (denying institution, *inter alia*, where a petition relied on multiple layers of conclusory cross-references).

Accordingly, the petition should be denied for failing to address each and every claim limitation recited in the challenged claims.

B. The Petition Fails To Argue That Any Asserted Reference Discloses “Receiving Sale Data . . . From Respective Distribution Channels” “In Real Time” Or “In Near Real Time.”

Every challenged claim requires “receiving sale data . . . from respective distribution channels” either “in real time” or “in near real time.” Ex. 1001 at Claims 1, 9, 10. Uber has failed to show that any prior art reference discloses either limitation. Ex. 2001, ¶¶52-70.

In particular, Uber proposes that the claimed “receiving . . . *in real time*” be construed as “receiving most recent data by ‘push’ method.”⁴ Pet. 9.

conclusory statements with citations to large swaths of Dr. Regan’s 805-page declaration.

⁴ Notably, this differs from Uber’s construction of “in real time” in district court: “provided automatically to indicate the most recent data.”

Ex. 1039, 5.

Uber does not construe “receiving...in **near** real time”⁵ in its petition, but argues that any disclosure of “in real time” also meets “in near real time.” Pet. 8, n.11; Pet. 31, n.17 (“Because Franklin discloses ‘real time,’ its disclosures also satisfy the ‘near real time’ of cl.1.”); Pet. 82 (“For 1[a]-1[e], see cl.9[b-h], respectively.”); Ex. 2001, ¶53.

Uber argues that the Jacob and Franklin references disclose the claimed receiving “in real time” and “in near real time.” To contrary, as set forth below, neither reference or their combination teaches or renders obvious these limitations. Ex. 2001, ¶54.

1. Jacob

Jacob fails to disclose “receiving sale data . . . from respective distribution channels” “in real time” or “in near real time.” Ex. 2001, ¶¶55-60. First, Jacob does not disclose transmitting “**most recent** data” at all—a requirement of Uber’s construction of “in real time” and “in near real time.” Indeed, none of Uber’s citations to Jacob reference “most recent data” in any context. Ex. 2001, ¶55.

⁵ Uber argues in district court that “in near real time” is indefinite.

Ex. 1039, 5.

Second, Uber’s citations to Jacob do not disclose receiving data from any alleged distribution channels as required by the claims. Ex. 2001, ¶56. In particular, Uber argues that Jacob discloses a “‘communication code segment’ receives, *e.g.*, ‘information’ pushed from sales channels [*i.e.*, the alleged ‘distribution channels’].” Pet. 30. But Jacob’s discussion of a “communication code segment” actually teaches the opposite—that data is sent **to** Jacob’s sales channels (the alleged “distribution channels”), not received by them as required by the claims: “[o]nce pricing changes have been implemented the results may be distributed through the communication code segment or code segments **to the sales channels.**” Ex. 1004, [0008]; Ex. 2001, ¶56. Further, this transmission is not done by “push” as is required by Uber’s construction of “in real time.” *Id.*

Uber also argues that Jacob’s disclosure that “confirmation information is sent to . . . the Property” meets this limitation. Pet. 30. But this disclosure merely states that “[a]fter an EU [end user] has made a reservation, confirmation information is sent to both the EU as well as the Property.” Ex. 1004, [0086]. This does not disclose receiving data from Jacob’s alleged distribution channels at all, let alone receiving them by “push” as required by Uber’s construction. Ex. 2001, ¶57.

Uber also relies on Jacob’s disclosure that an “application sends . . . notifications to the PA . . . over . . . networks” to meet this limitation. Pet. 30. But Jacob expressly states that the **application** sends the notification. *Id.* Uber does not allege that an application is a “distribution channel” and, thus, this disclosure does not show “receiving” data from distribution channels as required by the claims. *See* Pet. 30 (limiting “distribution channels” to Jacob’s “information received from the sales channels” and “incoming information”); Ex. 2001, ¶58. And, again, this disclosure in Jacob does not disclose transmission by “push” as required by Uber’s construction of “in real time.”

Finally, Uber argues that Jacob expressly teaches “receiving information in ‘real time.’” Pet. 30. But here, again, Jacob discloses sending data **to** the alleged distribution channels, not receiving data: “[t]he system should quickly distribute . . . information **to the sales channels**, preferably in real time.” Ex. 1004, [0005]; Ex. 2001, ¶59. Further, as with the other disclosures cited by Uber, this passage in Jacob also does not mention the required “push” method. *Id.*

Accordingly, of the cited disclosures from Jacob teach receiving data “in real time” or “near real time” under Uber’s construction. Ex. 2001, ¶60.

2. Franklin

Franklin also fails to disclose this limitation. Ex. 2001, ¶¶61-64. First, Franklin fails to disclose transmitting “**most recent** data” as required by Uber’s construction of “in real time.” Indeed, none of Uber’s citations to Franklin reference “most recent data.” Pet. 31; Ex. 2001, ¶61.

Second, Uber reliance on Franklin’s disclosure of “periodic push” also fails. Pet. 31. Franklin expressly discloses that its “periodic push” is **not** done in real time, noting that one of the “more serious problems” of the “push” method is significant delay:

Push-based approaches, in contrast, avoid the issues identified for client-pull, but have the problem of deciding which data to send to clients in the absence of specific requests. Clearly, sending irrelevant data to clients is a waste of resources. ***A more serious problem, however, is that in the absence of requests it is possible that the servers will not deliver the specific data that are needed by clients in a timely fashion (if ever).***

Ex. 1009, [0017] (emphasis added); Ex. 2001, ¶62.

This passage does not teach or suggest “receiving most recent data by ‘push’ method” as required by Uber’s construction—quite the opposite, Franklin teaches that using a “push” method might result in the data never arriving, or arriving with a serious delay. Ex. 2001, ¶63. Indeed, when describing “periodic push” Franklin teaches that it should be used for clients that “can **wait** until the item appears.” Ex. 1009, [0027]. Thus, a POSITA

reading Franklin would understand that its “periodic push” is **not** meant for real time applications, rather, it should be used for applications that will not be impacted by delays. Ex. 2001, ¶63.

In order to solve this delay problem caused by “push,” Franklin teaches using a “publish/subscribe” method. Ex. 1009, [0027]. According to this method clients provide a profile and receive updates based on their profile preferences. *Id.* Franklin describes this methodology as “in effect, a continuous query.” *Id.* As explained by Dr. Madisetti, this “continuous query” described by Franklin is actually a type of ***pull method***. Ex. 2001, ¶64. Thus, Franklin teaches the ***opposite*** of the “push” required by Uber’s construction, suggesting that this method is flawed and a “pull” method should be used instead. *Id.* Accordingly, a POSITA looking at Franklin would be dissuaded from using a “push” method, and instead pursue a “pull” method.

3. The Jacob-Franklin Combination

Uber’s assertion that the combination of Jacob and Franklin renders obvious the claim also fails, because it does not cure the deficiencies identified above in Sections 1 and 2. Ex. 2001, ¶¶65-70. In particular, Uber argues that a “POSITA would have been motivated . . . to implement communications

between Jacob’s channels and REZTRIP (+combinations) using Franklin’s beneficial teachings of periodic push.” Pet. 38-42.

First, Uber’s argument does not overcome the fact that neither Jacob nor Franklin disclose receiving “most recent data.” Ex. 2001, ¶66. Indeed, as discussed above, Franklin expressly discloses that timeliness is a “serious” problem with its “push” method. Ex. 1009, [0017]. Thus, even if combined, the proposed Jacob-Franklin combination would still fail to disclose the claimed receiving of data “in real time” or “in near real time” under Uber’s construction. Ex. 2001, ¶66.

Second, as discussed above, neither Franklin nor Jacob discloses receiving data **from** the alleged distribution channels as required by the claims. Ex. 2001, ¶67. The combination of Franklin and Jacob, thus, also fails to overcome this deficiency. Indeed, Jacob teaches the exact opposite—sending data **to** the alleged distribution channels. Ex. 1004, [0005]; Ex. 2001, ¶67.

Third, Uber’s suggestion that Franklin’s “push” method could be employed in Jacob at “short” or “vanishingly short” intervals is not supported by either reference. Ex. 2001, ¶68. Indeed, Jacob does not disclose transmission at “short” or “vanishingly short” intervals, let alone doing so by “push” method. Likewise, as noted above, Franklin discloses that its periodic

push method is plagued by delay—this contradicts Uber’s suggestion that the push intervals could be “short” or “vanishingly short.” Ex. 1009, [0017]; *see also id.*, [0035] (“Two ***different*** [data] consistency models have been studied – immediate and periodic (i.e., based on the period of the broadcast).”); Ex. 2001, ¶68.

Accordingly, Uber’s proposed combination fails to overcome the deficiencies identified in Jacob and Franklin. Ex. 2001, ¶69.

VI. UBER FAILS TO IDENTIFY ITS PROPOSED CLAIM CONSTRUCTIONS PURSUANT TO 37 C.F.R. § 42.104(B)(3)

Finally, Petitioner also fails to identify how it has construed a number of key claim limitations, and has further failed to explain how the prior art allegedly meets Uber’s constructions in violation of 37 C.F.R. § 42.104(b)(3).

1. “Inventory” and “Distribution Channel[s]”

Every challenged claim requires both “inventory” and “distribution channel[s].” Ex. 1001, claims 1, 9, 10. Patent Owner does not provide constructions for “inventory” or “distribution channel[s],” arguing instead that these terms need no construction. Pet. 8-10 (arguing that all terms not specifically defined by Petitioner should be given their plain meaning).

But Petitioner does not provide any analysis on what the “ordinary meaning” is for these terms. This omission is particularly significant because

Uber’s positions here are flatly inconsistent with its litigation positions. Indeed, the parties are contesting in the litigation several of the terms Uber contends need no construction, and Uber was well-aware of that dispute when it filed the petition.⁶ As one egregious example, Petitioner has argued in the litigation that the terms “inventory” and “distribution channel” have been expressly defined in the patent through lexicography. Ex. 2010, 7, 9. Yet here, Petitioner ignores its litigation position and argues instead that no construction is necessary. But, it is unclear what definition Petitioner is applying to these terms, how that definition differs from its litigation positions, and whether the prior art meets Uber’s litigation interpretation of the claims—the petition is simply silent on these points. Ex. 1003, ¶¶85-87.

Thus, Petitioner has failed to notice the Board and Patent Owner of its claim construction positions for “inventory” and “distribution channel,” further obscuring its unpatentability theories. C.F.R. § 42.104(b)(3). Indeed, Patent Owner cannot possibly rebut the petition’s conclusory assertions that

⁶ Uber’s IPR counsel was not only privy to these constructions from the litigation, it actually attached the parties’ Joint Claim Construction Chart as Exhibit 1039. Thus, Uber has no excuse for providing contradictory positions in this IPR proceeding.

certain prior art discloses “inventory” and “distribution channel[s]” without knowing how Petitioner and its expert have construed these terms in the first place.

The Board has denied petitions in similar circumstances. *Meta Platforms, Inc., v. Almondnet, Inc.*, No. IPR2022-00929, Paper 7 at 16 (PTAB Oct. 26, 2022) (denying a petition where Petitioner did not meet its “obligation” to construe a key term and its obviousness grounds did not align with the plain meaning of the term); *Orthopediatrics Corp. v. K2M, Inc.*, IPR2018-01547, Paper 9 at 10 (PTAB Feb. 22, 2019) (denying a petition where Petitioner declined to construe a term that it “should have known . . . was likely to be at issue in th[e] proceeding”).

2. “adjusting...a price”

Every independent claim recites “adjusting a price” of inventory. Ex. 1001 at claims 1, 9, 10. The petition provides no construction for “adjusting a price” and, thus, argues its plain meaning should apply. Pet. 8-10, n.11 (only addressing indefiniteness as to “real time”).

But in district court, Petitioner argued that this claim term was indefinite precisely because it could be interpreted to have **multiple, different plain meanings**. Ex. 2010, 19 (“[T]here are *multiple* reasonable interpretations of this phrase”). Based on Petitioner’s position in district

court, it is unclear which of Petitioner's meanings (if any) are relied upon in the petition. This also supports denial under 37 C.F.R. § 42.104(b)(3).

3. “performance rating”

Every claim of the challenged patent recites generating a “performance rating.” As with the aforementioned terms, the petition provides no construction for “performance rating” and, thus, argues its plain meaning should apply. Pet. 8-10.

But in the district court the parties have an ongoing dispute regarding what the plain meaning of “performance rating” is. Patent Owner argues that “performance rating” means an “indicator of performance.” Ex. 1039, 4. Petitioner argues that “performance rating” means “how well inventory items are being sold/have been sold.” *Id.* Here, Petitioner provides **no** proposed construction for “performance rating.” Thus, it is unclear how Petitioner is applying this term in its petition.

It is also unclear how Petitioner contends that the prior art meets this unidentified plain meaning. Accordingly, Patent Owner cannot respond to Petitioner's assertion that the prior art discloses a “performance rating” because Petitioner has failed to explain how it has construed this term. This is yet another reason to deny the petition under 37 C.F.R. § 42.104(b)(3).

VII. CONCLUSION

For the foregoing reasons, Patent Owner respectfully requests that the petition be denied.

Date: July 12, 2023

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CERTIFICATE OF LENGTH (37 C.F.R. §§ 42.24)

The undersigned hereby certifies that, according to the word-processing system used to prepare the foregoing document, this document has 9322 words and thus complies with the applicable word limit.

Date: July 12, 2023

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CERTIFICATE OF SERVICE (37 C.F.R. §§ 42.6(E), 42.105(A))

The undersigned hereby certifies that the foregoing document was served in its entirety on July 12, 2023 upon the following parties via Electronic Mail:

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