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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PLR WORLDWIDE SALES,
LIMITED
Petitioner,

v.

FLIP PHONE GAMES, INC.,
Patent Owner

IPR2024-00171 (Patent 10,617,958 B2)
IPR2024-00200 (Patent 11,117,056 B2)

Record of Oral Hearing
Held: February 6, 2025

BEFORE: DAVID C. MCKONE, DANIEL J. GALLIGAN, and
SCOTT B. HOWARD, Administrative Patent Judges.

APPEARANCES:

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The above-entitled matter came on for hearing on February 6, 2025, commencing at 9:00 a.m., via video teleconference.

P R O C E E D I N G S

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JUDGE GALLIGAN: Good morning, everyone. This is an oral argument for IPR2024-00171 and IPR2024-00200, which involve respectively U.S. Patent 10,617,958 B2 and 11,117,056 B2. Petitioner is PLR Worldwide Sale Limited, Patent Owner is Flip Phone Games, Inc. I'm joined -- I'm Administrative Patent Judge Daniel Galligan and I'm joined by APJs McKone and Howard. Can we have appearances of Counsel, starting with Petitioner first?

MR. GLASS: Good morning, Your Honor. Jim Glass for Petitioner. With me on the line is backup counsel, Quincy Lu.

JUDGE GALLIGAN: And for Patent Owner, please?

MR. MOORE: Yes. Good morning, Your Honor. This is Steven Moore and with me is my partner, Michael Morlock.

JUDGE GALLIGAN: Thank you. In the hearing order in these cases, we granted each side 60 sides of argument time total for both cases. Our first priority is your right to be heard, so if at any time during the hearing, you encounter technical or other difficulties that you feel undermine your ability to adequately represent your client, please let us know immediately and you may do this by contacting the team that provided you with the connection information. And if we stop, try to note where we were in the discussion and we'll pick up there. Please mute your microphone and only unmute when speaking. Please identify yourself when you speak so the transcript accurately reflects the speaker.

When referring to an item in the record, please do so with

specificity so the panel can follow along, and for clarity in the transcript. So if you identify a demonstrative, please mention the slide number, even if you're presenting to us on the screen. And also, because we have two cases, please identify which you're referring to. That would help us with the transcript. And this is a public line. There is no confidential information that we're aware of. Petitioner, can you confirm that?

MR. GLASS: Confirmed, Your Honor.

JUDGE GALLIGAN: Patent Owner?

MR. MOORE: Confirmed, Your Honor.

JUDGE GALLIGAN: Thank you. And one housekeeping item before we start. So some of the issues we have here are similar or the same to the hearing we did last week, IPR2024-00132. For instance, the issue of what's for use in a game. I think that is -- that was covered already. So we don't need the parties to reargue these issues. Of course, it's your time, you can argue what you want, but can the panel rely on the arguments that were made in IPR2024-00132 in these two cases and enter the transcript from the 132 proceedings? Petitioner, do you object to that?

MR. GLASS: I have no problem with that, Your Honor. I had anticipated going through those issues again, so I may have to take some time to go through the slides in my presentation to figure out which ones to not go through, but I have absolutely no objection to that.

JUDGE GALLIGAN: Okay. And Patent Owner?

MR. MOORE: We certainly have no objection, Your Honor, to having the transcript from that matter entered in these matters. I don't think we intended to spend much time on them. There are some slight differences

in where those -- that one particular or set of claim language appears that we might wish to briefly touch on that is slightly different from the proceeding last week, but we don't intend -- we do not intend to spend much of our time addressing the use issue that was discussed last week.

JUDGE GALLIGAN: Okay, thank you. And certainly addressing the differences, and it's your time to argue however you want, but we, you know, we try not to rehash the same arguments. But as long as we can also enter the transcript, that would help, as well. So neither party objects to that, as I understand.

MR. MOORE: No. Correct.

JUDGE GALLIGAN: Great. Thank you very much. With that, Petitioner, did you have anything? Were you saying --

MR. GLASS: Two quick things. I know I'm being told that the public line is still a screensaver. I don't know if that's been activated yet. Just as a quick point on my end, I'm unexpectedly traveling this week, so I am right now on hotel wi-fi. If my video -- everything is working now -- fingers crossed. If my video gets jenky or anything happens, let me know and maybe I'll drop out the video and just go by slides, but I think right now, everything seems to be working properly and --

JUDGE GALLIGAN: That'd be great.

MR. MOORE: And please --

JUDGE GALLIGAN: This is Judge Galligan, Mr. Moore. One second. Just --

MR. MOORE: I'm sorry.

JUDGE GALLIGAN: -- note -- like I said, note where you are.

And also, do you have a backup -- do you have a way to -- do you have a phone line you can connect to, as well, sir?

MR. GLASS: I have several backups that -- none of which I prefer to use, but this seems to be working. It has been working for the past day, but I'm keeping my fingers crossed.

JUDGE GALLIGAN: Great, okay. Mr. Moore?

MR. MOORE: Thank you, Your Honor. I apologize about that. I was just going to say I'm also traveling in a hotel, but knock on wood, the wi-fi has been pretty stable all week, so I hope also not to have any issues. Michael -- Mr. Morlock can certainly jump in for me if I do unexpectedly.

JUDGE GALLIGAN: Okay. And we -- we're going to check on the public line real quickly. Give us a moment. Okay. We do -- the public line is working now we understand. So we will --

MR. GLASS: Okay.

JUDGE GALLIGAN: -- go ahead and get started. And once again, sorry for the delay. So Petitioner, you have 60 minutes and you may reserve time for rebuttal. And Patent Owner, you have 60 minutes. You may reserve time for surrebuttal if Petitioner chooses to have a rebuttal. Petitioner, would you like to reserve any time for rebuttal?

MR. GLASS: I'll reserve 20 minutes, Your Honor.

JUDGE GALLIGAN: Okay, great. And let me start my clock. Please keep time yourself, but I will give you a heads up at -- I'll give you a heads up at 20 minutes when you're into your rebuttal. And you may begin.

MR. GLASS: All right. Thank you, Your Honors. Can -- I've shared my screen. Can you see my slides?

JUDGE GALLIGAN: Yes, we can. Thank you.

MR. GLASS: All right. So before I get to the issues, I'll just start out on Slide 4. As Your Honor has mentioned, most of the issues in this case today, most of them are overlapping with the '202. I had intended on going through most of this. I will -- as I go through this, I will likely not go through many of the overlapping issues. I probably will focus a little bit on the for use aspect that we discussed last time.

But two issues that are unique to this -- to these proceedings, the '056 and the '958. One of the primary issues, and I think really, the main primary issue is this notion of what is a pre-selected advertisement/message. That is -- that implicates issues of both claim construction and what we view as frankly a misinterpretation of both Hays and Levkovitz and how we've mapped that in the petition.

Again, most of the issues are overlapping. And by the way, on Slides 4, 5, and 6, as I did last time in the '202, it's my intent to kind of group the disputes by issue. Kind of a cheat sheet for Your Honors. So the pre-selection, that is a unique issue. Also, on Slide 5, the checking for available bandwidth, that is an '056 only issue for Claims 8 and 16, so I'll be going through that as well.

Pretty much all of the issues, although there are some slight differences in the claim language, the issues are the same, the mappings are the same, and the arguments are certainly the same, so I will gloss over those briefly, other than to point out issues I think are important. So with that, I'll jump right to Slide 24 and start with the pre-selection issue.

Now, I mention that this implicates both issues of claim

1 construction and what we view as, frankly, a misinterpretation of the
2 reference of Hays and how we mapped that reference, Hays and Levkovitz.
3 So actually, by the way, before I get -- I'll just -- before I walk through this,
4 I'll just note that if there are differences -- to your point earlier, Your
5 Honor -- to the point there are differences between the proceedings, I'll note
6 that, but otherwise, these -- as I go through this, the arguments apply to both
7 proceedings and both claims, but I will note to the extent that there are any
8 differences.
9 In both proceedings, in the '056 Ground 1, Claim 1 -- the '958
10 Ground 1, Claim 1, both require this notion of pre-selection. The '056
11 requires a message is pre-selected by the server based on various factors, a
12 model type, a service subscription, et cetera. '958 is slightly different. It
13 breaks up the limitations and it checks what pre-selected advertising to send.
14 Now, we've taken the position, and this is not rebutted, that for
15 purposes of the claims, a message includes an advertisement, and we've
16 focused on, in the presentation today, the overlapping mappings that we've
17 cited to in Hays and in Levkovitz. They have not argued that there's any real
18 meaningful difference between the message and the advertising. So for
19 purposes of today, I'll focus on what we've pointed to as overlapping
20 between the two patents.
21 Claim 9 -- Claim 1 of the '958 also in the independent claim does
22 not require that the advertisement is sent based on any factors. That's taken
23 care of in Claim 5. So as I go through this, I'm just -- I'm going to focus on
24 Claim 1 of the '056, which will also take care of the '958, Claim 1 and Claim
25 5.

1 Now, in the institution decision, Your Honors set forth a definition,
2 I believe this was in the '056, that pre-selection means exactly what it says,
3 that a message is selected -- pre-selected when it's selected at any time
4 before it is sent. Now, we think that is absolutely the correct interpretation.
5 That certainly encompasses the ordinary meaning and there is no dispute.
6 No argument from Patent Owner that under Your Honor's interpretation that
7 the prior art renders the claims unpatentable.
8 For purposes of the proceeding, however, we adopted what we felt
9 was their construction. I don't see a ton of daylight between what they have
10 argued pre-selection requires. I'll walk through that, but for purposes of the
11 petition, we adopted their -- or we ran with their construction because both
12 Hays and Levkovitz, expressly disclose the limitations that they require for
13 pre-selection. But certainly under Your Honors' interpretation, both
14 Levkovitz and Hays pre-selects by virtue of simply storing advertisements.
15 And Your Honors in the ID made -- pointed this out.
16 When advertisements are stored on the server, that itself is a pre-
17 selection. From all of the available advertisements in the universe, the
18 advertisers have pre-selected specific ads to store. That, in itself, is a pre-
19 selection. But even under their construction, like I said, Hays and Levkovitz
20 render the patents unpatentable.
21 Now, they have suggested that pre-selection requires -- it is distinct
22 from real-time selection of advertisements. I'll get to this in a moment. I
23 think this goes to their misinterpretation of how we're applying Hays and
24 they looked at the weighting advertisement system of Hays. I don't know
25 what the difference is between Your Honors' construction of sending a

1 message before and not sending it in real-time. None of the references we
2 point to send -- pre-select in real-time. They pre-select way before anything
3 is sent, so we adopted that position.
4 Patent Owners also argue that Your Honors' construction was
5 overbroad, also because it didn't take into effect the claim factors. Well, two
6 points. We didn't read Your Honors' construction to exclude the claim
7 factors. They're still expressly required by the claims. They're also not
8 required by the '958, but again, since they're required by the claims, we did
9 map them and we did expressly show where they were present in the prior
10 art. So again, that's also disclosed by both Hays and Levkovitz.
11 So that's really the claim construction issue. I'll just -- to sum up
12 before and move on to the substance. Again, Your Honors' construction,
13 absolutely correct. I think it encompasses the ordinary meaning, but even
14 under their construction, the prior art, nevertheless, discloses the -- discloses
15 a pre-selection.
16 Now, what do I mean by that? Let me jump to Slide 26. So Patent
17 Owner in the POPR argued that, well, there is no pre-selection in Hays and
18 in Levkovitz because what we are pointed to, what Petitioners are pointing
19 to is this transmission of the ads, and that selection of ads occurs at the same
20 time, so that can't be a pre-selection. As Your Honors have pointed out in
21 the ID, that is not what we're pointing to.
22 We are pointing to the back end of Hays and the back end of
23 Levkovitz, where the advertisers enter their campaign information. In Hays,
24 this is called ad targeting, and Levkovitz, this is called the presentation rules.
25 I think it's worth -- I don't normally do this because I know Your Honors

have read the references. I do think it's worth just walking through very briefly. I'll bring this up on the screen. I am using Exhibit 1005.

This is Hays. I think it's worth walking through because even after Your Honors have specifically stated in the institution decision that we were not pointing to Hays's weighted advertising system, we pointed out in the reply with -- unequivocally -- I think it's on page 6. We were not relying on the weighted advertising system for the pre-selection. Patent Owner still argued that Hays can't render the claims unpatentable because it uses a weighted advertising system.

So just to be clear, Hays, just like the '056, and as you look at the '056, the deeper you get into Hays and the '056, it becomes -- I think it becomes readily apparent that Hays really is exactly like the '056, just earlier, in a far more detailed disclosure. The examples are the same, how it works is the same, how it targets are exactly the same. So -- I'm sorry. I was getting note that my audio was dropping out. Can Your Honors hear me okay?

JUDGE GALLIGAN: We can hear you. This is Judge Galligan.

MR. GLASS: Okay.

JUDGE GALLIGAN: Thank you.

MR. GLASS: Okay. So just at a very, very high level, in Hays, just like the '056, you have a user, someone with a phone that requests ads. You have advertisers, you have publisher systems. They enter what Hays refers to as campaign information. They enter their ads and criteria by which their ads will be displayed. I'll get to that in a moment. Those ads are stored -- the ads are stored on the advertisement server and the media server.

1 The media server stores basically more rich media, like videos, larger media
2 content. Now, importantly, indexing of those ads is accomplished by use of
3 this ad recipient DB, database, and the ad serving database.
4 So when we pointed to the pre-selection in Hays, and as Your
5 Honors noted, that's a page -- I think it's a page 10 of the -- page 16 of the
6 '056 ID. What we pointed to was this notion that the ads are stored in the
7 database, but then they're also indexed by virtue of the campaign rules that
8 an advertiser enters. So what happens in Hays, just like the '056, just like in
9 Levkovitz, when an ad is requested by a user, that the advertising server --
10 that's when the weighting system comes into play. It weights various
11 aspects, but then it's filtered by these presentation rules. So for example --
12 excuse me -- the advertising campaign.
13 So for example, if an advertiser says my ad should only be
14 displayed after 5:00, that's a presentation -- that's a rule that will be taken
15 into account when the ad is served and it is a pre-selection. Let me get to
16 specific -- oh, before I move on, 1B, Figure 1B, this is a very basic -- it's not
17 really discussed in much detail in the patent, but I think it's a very good
18 illustration. This is an insertion order from Hays, Figure 1B. You can see it
19 includes the ad unit. It includes very basic rules. None of the rules we're
20 going to discuss, but it just discloses the location and the game that it should
21 be displayed in. So this is a very basic insertion order, just to give you a
22 flavor of how those ads are entered into Hays.
23 So -- one moment. Now, we pointed to, again, this notion of the
24 targeting, so Hays expressly states -- let me bring up a highlighter. Hays
25 expressly states that advertisers can target the delivery of their

1 advertisement's campaign, specifically to a subchannel. What is the
2 subchannel? The subchannel, for example, is a category of types of games
3 that could include first-person shooters, strategy, et cetera.
4 Another way that an advertiser can target the ads is by use of
5 demographics. Let me grab my pen again. Actually, let me grab a
6 highlighter. Advertisers can further target based on specific demographics
7 of a game player. Again, this is not the transmission phase. This is the
8 advertiser targeting their ads, and the targeting is specified within that
9 database I just walked through. One of those targeting -- one of those
10 demographics that the advertiser can target, can pre-select, is the internet
11 service provider, and that's one of the based on factors of Claim 1 in the
12 '056, and Claim 5 of the '958.
13 So again, that's a pre-selection. That is -- and I'm going to walk
14 through the '056 in a moment. That is exactly how the '056 explains pre-
15 selection, by indexing and categorizing. We've also walked through
16 another -- this, again, this is another categorizing. This is another pre-
17 selection by the advertiser that ads that have been specifically approved to
18 display within a specific client. This kind of jives -- again, that's another
19 campaign rule that an advertiser can enter. This jives on Slide 27 with Slide
20 28, which gives a fulsome description of this, and this was something Your
21 Honors focused on in the institution decision, that advertising for each
22 request may be extracted from the advertisement server database, so this is
23 talking about when a request comes in for an ad, how is it selected.
24 So a request comes in for an ad and then based on that request, it
25 then retrieves from the advertiser recipient database. And again, just to

1 make this very clear, that advertisement recipient database, that's where the
2 demographics are stored that are keyed by the advertiser. So the data is
3 retrieved from the advertisement recipient database keyed upon -- keyed
4 simply means indexed, I think we all know that -- upon the unique client
5 identifier. The client identifier indicates the client type. That is the type of
6 handset, so that's yet another based on factor. We have the internet service
7 provider and we have the client type, the handset type.
8 Now -- excuse me, Your Honors. I am suffering a little bit from
9 allergies, so I'm going to be taking breaks to drink some water. I mentioned
10 that this is exactly how the '056 patent describes this. This is the only way
11 that pre-selection is described in the '056. Your Honors focused on the
12 bottom paragraph. I'll get to that in a moment. The '056 patent expressly
13 states that in some embodiments, the updated content may be organized or
14 indexed by a database of pre-selected content. Again, the '056 is exactly the
15 same as Hays, just with less disclosure. Hays goes into significant detail on
16 what this pre-selection is. Hays simply says that you can pre-select based on
17 indexing it in a database. That is the only disclosure of any meaningful
18 disclosure of what the patent means by pre-selection.
19 Now, Your Honors also focused on this bottom paragraph -- and
20 by the way, that top paragraph, that was Column 5, line 45 through 57. Your
21 Honors focused on Column 11, 34 through 40, that said that pre-selected
22 content may be stored on a storage medium accessible by the server. That
23 also is consistent with Your Honors' interpretation. That's simply storing the
24 data. That, itself, is a pre-selection, and that is in accord with the disclosure
25 of Hays.

So we have two real disclosures in the '056 of what they mean by pre-selection. Storing the data, that's a pre-selection because the advertisers have selected the messages and stored them, and indexing them in the database. That's another selection by indexing in the database. And that, again, is exactly what Hays discloses. I'll get to Levkovitz. That's also exactly what Levkovitz discloses through their presentation rules.

Your Honors, I have nothing further on the pre-selection. I do want to pause in case there are any questions, if there's anything that I haven't addressed that Your Honors would like me to. If not, I'll move on to the next point.

Okay. I'll move on to Slide 31. Actually, I'll move to Slide 35. I am going to -- this is the for use limitation. I'm going to walk through this. I plan on going through this. I'm not going to spend a ton of time on it. We did go through this in detail at the last hearing. There is a minor difference here. The claims here require for use in a video game. This is Claim 1 -- I'm sorry, this is Claim 9 of the '056. It's not Claim 1 of the '056 -- and Claim 1 of the '958.

A tiny difference that these claims say for use by the video game, in the '202, the limitation was usable by the video game. I believe -- we can check when we get the transcripts -- I don't think there's any dispute. The '202 said for use in the preamble and then went on to say usable. I believe Patent Owner said that there's no difference between the words and there certainly is no difference in how they've argued their positions here.

Very briefly, I won't go through this in detail, they've, again, argued here today that the words for use must be limited by seven

limitations. I won't walk through all of these. I think their major point at this point is that a for use can't be a skin. I'll point out, as I did last time, that there is nothing in the word for use nothing in the claims, that specify that for use must exclude a skin. The claims simply state that the content is for use in the video game. That could be used by anyone. It could be used by the game itself, it could be used by the code, it could be used by the player.

The claims are agnostic as to who uses that content, and frankly, how it's used. They argue it can't be skins. The word skin doesn't come up at all in the '056 patents. It's not discussed in the '056 patent. That is something that they have come up with, and as I mentioned last time, they've provided no legal framework as to why this phrase should be limited in that matter.

Very briefly, we did point out that the '056 gives the exact same examples that we pointed to in Levkovitz, the t-shirt, the poster, et cetera. They argue that this disclosure -- and I will dwell on this for a moment. They have taken their claim construction and said, well, this claim -- this disclosure in the '056 patent is inconsistent with our claim construction, and therefore, must be excluded. They argue that this disclosure is not covered by their claim construction. That, of course, is taking claim construction and putting it exactly on its head.

You start with the ordinary meaning, you look for reasons to depart from that ordinary meaning in the spec. Barring that, you stay with the ordinary meaning. You don't start with a contrived list of limitations for a claim term and then exclude everything that doesn't agree with that construction. So they would exclude all of this from their construction.

On Slide 38, just to point out, I walked through the can of Pepsi discussion last time. We walked through the -- how that's used by the user. I'll just focus on one example. The candy bar example -- the power bar example, I think, ticks off every single one of their requirements. It is an interactive ad unit. Hays expressly describes it as being interactive. It impacts game play. The game character eats the energy bar to boost her power in game.

I believe the only thing that Patent Owner argued last time and I'll walk through this very briefly is that, well, that's a skin and that -- Hays expressly describes that energy bar as a skin and therefore, it cannot be for use in the game, and they focused on language in Claim 19 that I'll bring up. Give me one moment. I'm sorry. In paragraph 19, not Claim 19. And they argue that, look -- can you see the PDF that I brought onto the screen, Your Honors?

JUDGE GALLIGAN: Yes.

MR. GLASS: Okay. So they argue -- well, this is very clearly a skin because in paragraph 19, Hays states that when a game is shipped, it has a fixed set of available ad units, and they argued, well, this is the same paragraph where we're talking about the energy bar, so the energy bar must be a standardized fixed ad unit. But if you read the very next sentence, it goes on to say, however -- so drawing a distinction between the fixed ad units -- other ad units and configurations may be possible. Some available ad units may be interactive within the game, and then it gives the example of a character eating an energy bar.

So to their point, first off, skinning is not a requirement that the --

excluding skins is not a negative requirement of the claims. Even if it were, this energy bar is not a skin. Hays makes it very clear and draws a contrast between it. It is not something that is shipped in the game. It is something very different. So again, that example, that is not a skin, even if that were required by the claims.

Slide 39, that's the Gatto file history. I'm not going to walk through that again. On Slide 45, this is the -- this goes to location issue. I think we've addressed that adequately at the last hearing. I'm not going to walk through that again.

JUDGE GALLIGAN: Counsel, this is Judge Galligan. I did have one question just to follow-up. I didn't know if you were going to get to this or if you were finished with the for use presentation, but my understanding, just to clarify the record, you have an argument that Hays meets Patent Owner's definition of for use as requiring these alleged seven limitations. Levkovitz, I understand, your argument is that it's more of a skin, right?

MR. GLASS: In Levkovitz, it's a pop-up window, and that's -- I don't -- I'm going to hesitate to use the word skin because it's not a defined term. It's something -- I won't say it's a coined term, but it's something that could have different meanings. I will agree with you that Levkovitz shows a full screen pop-up ad. It's not the types of -- it's not the Pepsi, it's not the candy bar that's shown in Hays.

JUDGE GALLIGAN: Thank you.

MR. GLASS: Does that answer your question, Your Honor?

JUDGE GALLIGAN: Yes.

MR. GLASS: Slide 45, on the issue of location. Again, we

1 pointed to a disclosure in the '056 patent where the location could be
2 predefined. It does not have to be along the axis. I'm not going to walk
3 through that again. I will point out on Slide 53, this issue of tracking --
4 again, this is exactly the same issue. I will spend a minute on this because
5 there is some overlap. There is overlap, but there is a slight difference. This
6 impacts Claim 7 of the '056 and Claim 7 of the '958. The language here is
7 slightly different.
8 There's no even implied requirement in this claim that all
9 communications are tracked. Claim 7 simply says that the server's further
10 configured to track the distribution of updated content. It doesn't say the
11 updated content. It doesn't state all updated content. In any event, the same
12 argument in response to their position. Hays expressly describes tracking all
13 communications. I believe they made -- raised the same argument as they
14 did last time, that well, that's just tracking all communications within a
15 session.
16 Well, that's the only time Hays discloses uploading content is when
17 a session is active, and a session begins when the user joins the game and
18 ends when the user leaves the game. So I just wanted to point that out
19 because of the slight differences in the claim language.
20 I'll move on to Slide 57, which is a non-overlapping issue, and
21 really just to make two points on this. Now, we pointed to Hays's disclosure
22 that advertisements may be downloaded in the background. Now, during
23 times when the user is connected to the system, when the game device --
24 including when the game device is performing other tasks. Now, our expert
25 reviewed that and said, look, that is to him, that is an express disclosure of

1 checking for bandwidth. Why? Because you're looking to make sure that
2 the user is doing something else, so that you don't consume excessive
3 bandwidth.
4 Now, that is his interpretation of that phrase. It doesn't expressly
5 state, go check for bandwidth, but the implication from that paragraph -- not
6 to -- ironically, is obvious, and that's exactly what our expert said. Now,
7 they've argued, don't listen to Patent Owner -- don't listen to Petitioner's
8 expert. I went through that last time, unless Your Honors want to discuss
9 that, again. They've pointed to no reason not to listen -- not to give his
10 testimony weight, other than the fact that portions of his declaration are the
11 same as the petition. They have attacked his -- they have not attacked his
12 position substantively.
13 But even if that were correct that this is not an express disclosure,
14 we have provided in Ground 2 a combination with Choi. Choi, there is no
15 dispute whatsoever, that Choi expressly discloses checking for bandwidth
16 prior to sending the advertisements. And we've combined Choi, also with
17 Levkovitz.
18 We've given many reasons. I think we've given four and a half
19 pages -- I think starting at page 35 or maybe 46 of the petition. We've given
20 four and a half pages as to why one of ordinary skill in the art would have
21 modified Hays according to this teaching of bandwidth. Now, for example,
22 Hays describes ads of different sizes, large ads, small ads. Hays describes
23 using protocols of different bandwidth, like cell and wi-fi. So of course, one
24 of ordinary skill in the art would want to check for bandwidth before sending
25 a particular ad, and Choi teaches doing just that.

So our combination -- I want to be a little clear about this. Our combination is not taking Choi in its entirety for this point and combining it with Hays. We're taking -- based on the very system of Hays, we're taking this very specific teaching in Choi of checking for bandwidth. Now, Patent Owner does not rebut any of those specific reasons. Patent Owner, again, says don't listen to Dr. Zagal. And in any event, one of ordinary skill in the art would not have combined Choi with Hays because they're very different. Choi is an ad targeting system. Hays is not. Hays is an advertising weighting system. But that begs the question -- that is not what we're doing.

They have committed one of the cardinal sins of obviousness. We're not combining references. KSR tells us you combine teachings. That's exactly what we're doing here. We are combining the teaching in Choi of checking for bandwidth with Hays's system. And in terms of the similarities between the two, this, again, gets back to their misinterpretation of Hays in our mapping. Hays is an ad targeting system. Hays targets ads just like Choi targets ads. So even to the extent that we were combining both references in their entirety for this point, that misstates the substance. They're very similar references. Even if we were doing what they say we're doing, which we're not, one of ordinary skill in the art would consider these to be very similar references because they're both ad targeting systems.

With that, Your Honors, I have one more point. I'm going to jump to Levkovitz briefly, and I'm just going to touch on -- I think just the pre-selection. The remainder of the issues, unless Your Honors have any questions, the remainder of the issues are either the same issues as what I've already walked through, or the same as what we went through in the '202,

1 but with the exception of the pre-selection.
2 Pre-selection in Levkovitz, it's the same exact issue. Your Honors
3 pointed out in the institution decision that Levkovitz pre-selects by virtue of
4 its storing and that's exactly correct. Again, taking a subset of ads from the
5 universe of available ads out there and storing them. That, in itself, is a pre-
6 selection.
7 An advertiser for Lamborghini is not going to download ads for
8 Nike. They're going to download Lamborghini ads. That, in itself, is a pre-
9 selection. So we would agree with Your Honors on that point in the
10 institution decision that I have on Slide 82. But going beyond that,
11 Levkovitz does pre-select in the exact same way that Hays pre-selects, and
12 that the '056 patent pre-selects. And I'm going to do exactly what I just did
13 earlier with Hays, and I'll walk very briefly through the disclosure of
14 Levkovitz. Levkovitz is admittedly a dense patent. There's a lot to it, but it
15 is very similar. When you dig into it, it's very similar -- almost identical to
16 what is explained in the '056 and in Hays.
17 And again, in Levkovitz, just like Hays, we have two -- really two
18 parts of the system. We have -- let me just get a highlighter. We have the
19 ad serving part of it, so that includes the ad server, this thing called the
20 communicator, and of course, the wireless communication device. At a very
21 high level, the wireless communication device, the user's handheld, requests
22 an ad, that request gets transferred through the wireless medium. This
23 communication 150 fields that ad. It gets -- excuse me -- fields that request.
24 It works with the ad server to find an appropriate ad.
25 But at the same time, we have, just like in the '056 patent and just

as in Hays, we have a back end. We have the management server. That's where ad -- that's where these presentation rules are entered by an advertiser. The ads themselves are entered, and the presentations rules themselves are entered, as well. I'll get to that in a moment. This control server, just like the communicator, fields the -- it fields a request from the ad server for ads that are ready to serve, and they're filtered by those presentation rules. The presentation rules and the ads themselves are stored in that database.

Now, so again, Levkovitz pre-selects, again, by virtue of storing the ads. That itself is a pre-selection. It also pre-selects by virtue of these presentation rules. I'll walk through a specific disclosure. Actually, I'm just going to stay on the patent. I'm not going to go back to the slides. We cited to paragraphs 126, 142, and I'll point out a few other paragraphs. I'll start with paragraph 142. Levkovitz -- this is describing the presentation rules and again, it's very similar to Hays. The control server -- and again, that's -- we're talking about this element here, the control server that interacts with the management server.

The control server selectively obtains from the database 140, that's the database I mentioned down here, items which are ready for serving, in accordance with predefined rules, e.g. specific campaign-related rules. So when a request comes in, that control server identifies ads that are ready for serving based on those campaign rules. Levkovitz goes on to explain that these rules could be capping rules, they could be time of day rules, other suitable campaign rules or distribution rules may be used.

For example, in paragraph 143, control server may upload content item to one or more ad servers or adapt content item to accommodate a

predefined format suitable for presentation using the device 170. What is that saying? It tags items that are ready to use based on the handset, based on the mobile device, and that jives completely with what we cited in 126, and I believe Your Honor cited that as well, that when you get a request in -- and this may be what was confusing to Patent Owner in the Patent Owner response, because when you get a request, you then match that with the pre-selection rules, and that's exactly what 126 states.

In some embodiments, the ad server may selectively determine which content items, which were previously stored in the content item repository, match the content request being processed, for example, using filters or selection rules. That's saying exactly what I just walked through, that when you get a request, you filter it based on request rules. And one of those may be the handset, this is described right here, for example, the handset model. So again, you get a request for a specific handset model and the server knows that an ad is for a particular handset model by virtue of the presentation rules entered into previous by the ad server -- by the advertiser.

One more point on this, just to drive this home. A very similar paragraph. It's paragraph 211 saying exactly the same thing. This is just describing now the method. This is talking about selecting the ads. The selection may include, for example, filtering in or filtering out content items based on predefined rules or criteria. For example, capping or quota rules, campaign related definitions or the like. So again, just like Hays, we have a front end and a back end. We have the front end where the user says, hey, give me an ad, and then we have the back end where the advertiser enters their presentation rules, and those presentation rules are used to filter ads

based on the request. So again --

JUDGE GALLIGAN: Counsel, this is Judge Galligan. Is there any disclosure in Levkovitz or did you -- let me ask you this way. Did you point to any disclosure in Levkovitz in your papers that mirrors Hays's disclosure of the targeted ad campaign, for instance, delivering a Domino's pizza at 9:00 at night or whatever that was, in paragraph 22 of Hays, I believe?

MR. GLASS: I think the best disclosure is paragraph 142 and 126, but 142, I think, is the best. You have capping rules, rules controlling the serving of content items -- oh, here we go. To serve a first version of content no more than 400 times over the next 24 hours. Second ad to be served within the next 36 hours. So that's -- it's similar to Hays in terms of scheduling it. I do believe we cited to -- I think 129, also. Yeah, 129.

Presentation rules may include, for example, a capping rule to cap certain content items presented, e.g. within a certain time period, number of times, other suitable rules. So in terms of -- Hays is more robust in terms of, hey, just -- there's a notion in Hays where you could say, I'm Coca-Cola, I want an exclusive, so you don't serve Pepsi ads. There's also a disclosure, like you said, post this on an in-store Pizza Hut. That disclosure -- unless I'm mistaken, that disclosure is not in Levkovitz. Levkovitz talks about targeting based on capping, time of day, and the handset type, and that's what we pointed to in the petition.

JUDGE GALLIGAN: Thank you. And I'll just --

MR. GLASS: I'll --

JUDGE GALLIGAN: -- take this opportunity. You're at 39

minutes in.

MR. GLASS: And --

JUDGE GALLIGAN: But I'll keep track.

MR. GLASS: And with that, Your Honors, I'll rest on the briefs on the other points. I think they're very much overlapping with the other proceeding and with the other points. Unless you have any questions, I'll bank the rest of my time for rebuttal.

JUDGE GALLIGAN: I see nothing from the panel. You used 39 minutes. You have 21 minutes left. Let me make a note. And Patent Owner, you may have a surrebuttal if Petitioner chooses to have a rebuttal. Would you like to reserve any time for that?

MR. MOORE: Yes, Your Honors. We'd like to reserve 15 minutes.

JUDGE GALLIGAN: Okay. I will give you a heads up around your rebuttal time. You may begin.

MR. MOORE: Thank you.

JUDGE GALLIGAN: Are you ready?

MR. MOORE: Yes.

JUDGE GALLIGAN: Okay, you may begin.

MR. MOORE: Thank you, Your Honors. This is Steve Moore for Patent Owner. I'm going to address the pre-selected term starting with Hays, and then Mr. Morlock will address the remaining issues after me. The -- I wanted to start, if we could, with our Slide number 7, if I could get -- ask Mr. Morlock to pull that up, because I think Petitioner kind of glossed over some differences in the two proceedings that are pertinent for the pre-

1 selected term.
2 And also, I think, you know, this is an issue where ultimately, as
3 I'll get to in a moment, the disclosure in Hays is simply not talking about
4 pre-selection when it talks about these targeted campaigns. But let me, if I
5 could start with the claim language, there are three different independent
6 claims at issue here. In the '958 patent, it talks about in-game advertising
7 having been stored and then following the request that's identified in the
8 claim, there's a check on what pre-selected in-game advertising to send, and
9 then that is sent as the updated content.
10 In the '056 patent, by contrast, there's two different claims. The
11 first is the one that Petitioner alluded to where there is a message that is pre-
12 selected by the server based on the factors recited in this Claim 1 of the '056
13 patent. And so the only pre-selection in that claim relates to a message that
14 relates to the updated content and then also the in-game video game content
15 itself is sent, as well, following that.
16 In Claim 9, the other independent claim of the '056 patent,
17 however, there are actually two different types of pre-selected content.
18 What we've underlined in red is frankly what the patent -- Petitioner, rather,
19 neglected to address in the petition, or really in the briefing at all, which is --
20 for the '056 proceeding, which is pre-selected in-game video game content.
21 You know, again, different from the '958 patent, which talks about in-game
22 advertising, different from the Claim 1 of the '056 patent, which talks about
23 a message likely based on factors. Claim 9 talks about pre-selected in-game
24 video game content for use in the video game being stored, and then as you
25 can see later in the claim, that it is sent.

1 But on top of that, the -- well, actually, let me strike that. Let me
2 go back for a second. The pre-selected in-game video game content is
3 identified in the identifying step which content to send, and then in the
4 sending step, it is sent, but on top of that pre-selection, there's also, in this
5 claim, a pre-selected message based on the recited factors, much like there is
6 in Claim 1 of the '056 patent. I wanted to set this stage at the front end and
7 in part, and I'll come back to this towards the end of my presentation, the
8 pre-selected in-game video game content is simply not addressed by the
9 Petitioner in the petition or in the briefs. All they do is cite back to their
10 arguments with respect to Claim 1 of the '056 patent, but again, that's just the
11 message selected based on the factors.
12 So we feel, on that basis alone, at the very least, that they've just
13 simply failed to address Claims 9 through 16. And I'll end with that, but I
14 wanted to highlight the differences in the claims themselves, so we can be
15 clear what we're talking about.
16 JUDGE GALLIGAN: Mr. Moore, this is Judge Galligan. I did
17 have a question on that because in -- I understand your point that on, you
18 know, in Claim 9, there's different language. In Claim 1, however, when
19 Petitioner refers back to Claim 1 and Petitioner expressly asserts Hays
20 discloses that the advertisements are pre-selected, so there is an argument
21 that the in-game, I mean, we're talking about the ads being the in-game
22 video game content -- that those are pre-selected by reference to Claim 1,
23 right?
24 MR. MOORE: I don't think so, Your Honor, because it's a
25 different functionality. The -- all Claim 1 -- all their analysis of Claim 1 did

in the '056 proceeding is to talk about the message being selected -- pre-selected, rather -- based on the factors in the claim, not talking about the storage of the in-game video game content, distinct from the message, nor its identification as which one to send or the sending. So there's simply no analysis of all those claim elements based on their discussion of the message. And I'd be glad to get to Hays, as well, to talk about why we think even had they done that and as they did argue for the '958 proceeding, why Hays simply doesn't disclose pre-selecting in the subchannels, paragraph 22, either. But I hope that answered your question specifically with respect to the '056, Your Honor.

JUDGE GALLIGAN: Yes, thank you. This is Judge Galligan. And I also want you to address the, you know, construction of this term. In the decision on institution, we advised the parties that if they wanted to, you know, have a certain claim construction, they should raise it. And specifically, if you could address the claim construction in view of the specification, in particular, the Column 11 disclosure that we cited, where there's this idea of choosing among pre-selected content, and so granted there's a requirement of some pre-selection, I want to know what that means and then --

MR. MOORE: Um-hum.

JUDGE GALLIGAN: -- whether the disclosure -- whether a disclosure that chooses from content can still meet the claim. So if you can address the claim construction, please. And I would point out, in the briefs, it, you know -- the Patent Owner says on -- for instance, in the 171 case, in the Patent Owner response on page 11, kind of what the claim doesn't --

1 wouldn't cover, but I'm curious what it covers in the claim construction
2 context.
3 For example, the only full paragraph on the page says, you know,
4 extending the claim to content that's merely selected would give no meaning
5 to something, but that's really just talking about what's -- what you don't
6 think it means, so what do you think pre-selected means in light of the
7 specification, if you could describe -- just discuss claim construction for a
8 moment. Thank you.
9 MR. MOORE: Sure. I'm happy to do so, Your Honor, and I've got
10 the Column 11 that you're talking about here. Pre-selected content is the
11 content that has been pre-selected for storage on the server when -- and that's
12 what Column 11 talks about, right around line 34, 35. But then when the
13 next sentence says, updated content may be chosen from pre-selected
14 content, that's not describing pre-selection.
15 We believe that's describing the selection step, which necessarily
16 happens after there is some pre-selected content, and so, you know, that's
17 why we have said and argued at that page of the Patent Owner response that
18 Your Honor pointed to that it cannot be pre-selection, merely to select from
19 what has already been stored because that selection, it would read out the
20 notion of pre-selection in addition to selection, and we think the claims here
21 do make a distinction that there is a pre-selection of content that is stored,
22 and then there's a checking step. And from that, certain content is then sent,
23 and so that's more of a selection step, if you will, rather than a pre-selection
24 step.
25 So we don't agree and that's what we address, you know,

respectfully, with Your Honors' discussion in the institution decision that merely selecting from stored content is pre-selected. Rather, there must be a pre-selection of certain content that will be available from which to select once the request is received, and then the checking step is performed in the various claims here. So --

JUDGE MCKONE: Now, this is Judge McKone. But anything stored, somebody somewhere had a make a decision to store it, so they selected that, an item for storage. Wouldn't that be pre-selection right there?

MR. MOORE: Well, certainly, yes. I mean, items would be pre-selected for possible serving to the game, but I don't think it's as simple as just saying, well, anything you store is pre-selected. We think it brings up the notion of that certain content may be, you know -- may be available for certain types of, for example, on the '056 Claim 1 where there's a message and factors, for example, those factors include things such as the type of the mobile communication device. We might be pre-selecting content that would be compatible with that particular type of mobile device or various types of mobile devices.

So I don't think it's just as simple as saying, well, anytime you store anything, it's been pre-selected, because again, that kind of reads out pre-selection, as well. And the same thing with indexing. I think that's simply too broad. There must be some pre-selection of, you know, kind of narrowed down content, if you will, but then when the request comes in, you choose among that pre-selected content for the final selection. So that's how we reach --

JUDGE MCKONE: Your basis for this view is the disclosure at

Claim -- or at Column 11, starting at line 35?

MR. MOORE: Yes, and also just simply the -- I'm sorry, Your Honor.

JUDGE MCKONE: I'm just -- I want to understand what we should be looking at. Are you reading that passage to say that the content is pre-selected based on factors or chosen based on factors?

MR. MOORE: I think the -- we are not equating pre-selected with chosen. We think there's two different things here. First, the pre-selected content is stored, and then the updated content may be chosen from pre-selected content, so the fact that it --

JUDGE MCKONE: But I'm talking about the -- that language based on at least one of the factors. Does that modify pre-selected or chosen?

MR. MOORE: We believe it modifies chosen, and that's what effectively, the checking step. I understand that in the '958 patent, the factors come into the dependent claim rather than in the independent, but it's still -- I believe the checking step is referring to the selection, you know, the choosing or the selection, based on checking, based on factors. So we don't think that the -- that they are -- the based on clause is modifying the pre-selected content even though it appears after it. We think it's chosen from pre-selected content based on factors, so that the choosing -- in other words, the checking step is based on checking for what content to send. So that --

JUDGE MCKONE: What's your basis to say that pre-selection is more than just choosing to put something in storage at some point?

MR. MOORE: I don't think it's -- I think there has to be a pre-

1 selection. It's just simply the plain meaning of the term as, you know,
2 buttressed through our expert testimony from Dr. Akl that there must be a
3 selection. If all you do is put any content somewhere, that that's not a pre-
4 selection. That's simply storing something, but the claims are clear that what
5 you're --
6 JUDGE MCKONE: Well, you've made a decision in advance to
7 store it. You've selected -- if I put 100 advertisements in storage, I've
8 selected those 100 advertisements. I may not have -- they may not be
9 connected to anything as far as the game is concerned, but you just told me
10 that that doesn't matter because it's -- the based on is modifying chosen. So
11 we start with a hundred advertisements that have been, you know, put in
12 storage, selected in advance, and then the chosen is what is based on the
13 factors to choose an advertisement that's appropriate for the game. Why am
14 I reading that incorrectly?
15 MR. MOORE: Well, I don't think you're reading incorrectly the
16 checking step where that is using the factors to choose which particular --
17 you know, there's -- again, with these claims, there's three different types of
18 content. There's the in-game advertising, there's a message, and then there's
19 updated -- or rather pre-selected in-game video game content. So I don't --
20 again, I don't want to over-generalize by saying it's all the same content.
21 The three different claims could have three different types of things that are
22 pre-selected, and for example, in Claim 1 of the '056, we think the message
23 is -- the message is actually -- so I should qualify what I said, I suppose.
24 When I'm talking about the chosen based on the factors, that's
25 really more talking about either the advertising or the in-game video game

1 content. I think Claim 1 of the '056 patent does say that the message is pre-
2 selected based on the factors. So there's a difference in that one claim, and
3 also, I guess, in Claim 9 with respect to the message then from the
4 advertising or the in-game video game content.
5 So I don't think all three claims can be painted with the same
6 brush, but I think in Claim 1 of the '958 and Claim 9 of the '056, as pertains
7 to the in-game video game content, the pre-selection is different from the
8 checking, if you will, even though you end up using that loosely because
9 checking is in the '958, but it's not explicitly recited the same way in Claim 9
10 of the '056.
11 So I think you have to look at each claim. You know, it's different
12 language and that's why their failure to address Claim 9 matters because you
13 can't just assume it's the same disclosure that satisfies Claim 1. I know that
14 was a long answer to your question, but I wanted to make sure I pointed out
15 the difference between the claims, as well, and not just lump them all
16 together.
17 JUDGE GALLIGAN: This is Judge Galligan, just following up on
18 that. So just to clarify, and I think this is what you said, just to distill it
19 down. There are no criteria in, let's say -- well, for any of the pre-selected
20 in-game content or advertising, there are no criteria by which the pre-
21 selection must happen, correct?
22 MR. MOORE: There's nothing that's -- yes, for those two, there's
23 nothing explicitly recited in the claim. There still must be a pre-selection,
24 which we don't think is simply, you know, the act of storing. And there's got
25 to be something in addition to that because otherwise, it would just say

storing content instead of storing pre-selected content.

JUDGE GALLIGAN: And just one follow-up on that. Can you explain pre? And so pre would imply before something else. And what is the pre-selection -- what is the selection before in pre-selection?

MR. MOORE: Sure. So again, I want to be careful to distinguish the claims. In Claim 1 of the '958 and as it pertains to the in-game video game content in Claim 9 of the '056, it's storing pre-selected, you know, content, whether it's advertising or in-game content. So I think in those cases, clearly, the pre-selecting is -- it's got to have been pre-selected before it was stored and then necessarily pre-selected before the checking step and the sending step are performed because as Claim 1 of the '958 says, you check what pre-selected in-game advertising to send, and then you send what is chosen.

In the message -- the message elements, so in other words, the messaging elements of the '056 patent, Claims 1 and 9, it does say that the pre-selection is based on one of these factors. So that is what -- the point at which it's pre-selected for -- with respect to the message element. So they're just slightly different, I think, based on the, you know, the plain meaning of the claim and the clear structure of the claim. But in no case do we believe it's appropriate to say, you know, with all due respect, that merely storing something first and then selecting from storage is pre-selection. I'd be happy to elaborate or answer other questions on that. If not, I'm happy to move to Hays to talk about the subchannel disclosure there.

JUDGE GALLIGAN: Please do. Thanks.

JUDGE HOWARD: I'm sorry.

MR. MOORE: Thank you, Your Honor.

JUDGE HOWARD: This is Judge Howard. So if --

MR. MOORE: Yes, sir.

JUDGE HOWARD: -- just storing isn't enough for pre-selecting, if you choose material to be stored, would that be sufficient for the pre-selection?

MR. MOORE: Yes, if there was a selection of what material is stored, then yes. It's got to be set up if there's a selection of material to be used and then stored, and then from which the, you know, the in-game advertising or the in-game video game content will be chosen and sent.

JUDGE HOWARD: Thank you.

MR. MOORE: Thank you, Your Honor. And this is, I think, why Hays fails in this respect. If I could -- actually, if we could go back to Slide 6, just as a brief reminder. This is the abstract for Hays. And in the abstract, Hays makes clear, again, that this is a system of multiple games. So say you have a game system with, you know, like a console, a bunch of different games on it, this is a way to get advertising to all of those games. So that's the premise from which Hays begins, and then if we could -- Mr. Morlock, if you don't mind showing paragraph 22 of Hays, I think that helps put in context where we are. Let's see. Let me get that up first -- where we are with paragraph 22, and that's the subchannels disclosure paragraph that's been pointed to in the petition. Let me get that up there. There we go. Okay.

So again, with the premise that Hays is a system of multiple games, you know, what claim -- or what paragraph, rather, 22 is saying, is

that the ads can be delivered to different selections of the entire system of multiple games, as one example, such as divided by genre of games, sports titles, children's titles, et cetera, or based on time. Either an absolute time or a time in, for example, a sports game that -- but that is merely directing the selection of content, not the pre-selection. So in other words, when ads are selected for delivery, and, you know, we have our arguments, as well, about -- that we made last time about why Hays doesn't, you know, do the checking step, or you know, the selection step.

But even if it were viewed that way that this weighting system did that, all 22 says is that the selection is then sent to a subset of the games, such as certain genres, or sent at a certain time. That's still only talking about the selection from the stored pre-selected content. And so that's why Hays doesn't really get into pre-selection at all. Even the Domino's example, the Domino's ad has been selected and then the only thing claim -- or paragraph 22 says is it's also determining what time to serve it up. And so that's still a selection that has been made.

The ad just isn't served right away. It's served at 8:00 p.m. or it's served in the fourth inning or whatever it might be, but that's not a pre-selection of content that is stored and then from which, you know, the checking step comes up with additional content then -- or I should say a selection from the universe of pre-selected content to be sent, as either the advertising in the case of the '958, or the updated in-game video game content for use in a game in the case of Claim 9 of the '056, or the message chosen based on the factors in the case of the other claims of '056. So that's, you know, and it's hard.

1 That's why Hays fails is there's no pre-selection. There's simply
2 more detail about the selection. Give to only these games among all the
3 games in your system, or give it at this time or at this point in the game. But
4 that's still just talking about selection and that's really the case, as well, with,
5 you know, on reply, Petitioner brought in some additional disclosures that
6 Hays had not mentioned in the petition, such as paragraphs 41 and 42.
7 And if we could, perhaps, Mr. Morlock, go to 41 and 42 of Hays,
8 these are just additional gloss or details on the selection in the -- in, for
9 example, the checking step. So in 41, when we start -- go up a little bit,
10 please, to 41. In 41, this is where it says that, you know, there's a unique
11 client identifier, and that's what they point to in -- I guess there's no line
12 numbers here on our -- because it's a publication -- but it's at about the
13 middle of -- if you go up to -- if you highlight in 41 the unique client
14 identifier, please. It's about six to eight lines down after database 120 keyed
15 upon the unique client identifier.
16 They point to that as saying, well that's somehow pre-selection, but
17 that's really their theory for selection, which is -- there's this client identifier
18 and then from that, through the weighting system, that's used for selection.
19 We don't agree with that, but we certainly don't agree that this discloses pre-
20 selection. This is just, you know, discussion of how the client identifier is
21 used in the weighting and matching system.
22 Similarly, in 42, again, in the reply but not in the petition, they talk
23 about a technical media format. That's, again, just saying, you know, that a
24 selection of what is sent to a particular game must be something that the
25 game can support. So again, 42 does nothing more than talk about the

selection step, as well, and have an additional detail that in some embodiments, it could be based on what the game can technically support.

JUDGE GALLIGAN: Mr. Moore? This is --

MR. MOORE: Yes.

JUDGE GALLIGAN: This is Judge Galligan. I wanted to follow up on that.

MR. MOORE: Yes.

JUDGE GALLIGAN: So in paragraph 41 there of Hays in the keyed upon unique client identifier language. So that would -- your contention is that that would not be a pre-selection --

MR. MOORE: Correct.

JUDGE GALLIGAN: -- based on the model? Okay. But then how would one in, for instance, Claim 1 of the '056 patent, the message is pre-selected by the server based on model type. How is that even accomplished if you can't -- Hays's disclosure of using unique client identifier doesn't meet that limitation? It seems like you're saying then any selection based on the model type is by definition, a post-selection, which means the claim could never be met.

MR. MOORE: And --

JUDGE GALLIGAN: I'm just not sure I understand your argument. Sorry.

MR. MOORE: No. I'm sorry, Your Honor. No, not -- we're not saying the claim can never be met. We're just saying Hays doesn't meet it because what Hays says in 41 is that a set of advertising for each request may be extracted from the database. So in other words, this is when the

1 request has been made by the client device in Hays, and that selection is
2 made based on the unique client identifier. So again, that's not a pre-
3 selection based on the device type. That's the selection and actually serving
4 the ad, so that's what we're -- that's what we're trying to distinguish for that,
5 the messaging claim.
6 But I think it's even clearer with respect to the Claim 1 of the '958,
7 as well as Claim 9 of the '056, because there, the pre-selection has to be -- is
8 in the storage step, meaning that we've got to pre-select and then store. And
9 that's certainly not discussed in 41 at all, that we're using the unique client
10 identifier to pre-select content to be stored and then from which, the
11 checking step can then choose the content to send to the mobile device.
12 JUDGE GALLIGAN: This is Judge Galligan. So how does the --
13 I'm looking at the '056 patent, the same spec -- but how does the '056 patent
14 pre-select a message based on a model type?
15 MR. MOORE: Let me get the --
16 JUDGE GALLIGAN: And I'm looking at Column 3 and it's kind
17 of a --
18 MR. MOORE: Yeah.
19 JUDGE GALLIGAN: Column 3, line -- starting at line 36, which
20 appears to be the same as the claim language, and I'm -- if the pre-selection
21 is at the server and the server says, well, if, you know, a Samsung Galaxy X
22 pings me, send this content keyed upon the Samsung Galaxy X identifier,
23 that would seem to be a pre-selected message based on the model type. But
24 you seem to be saying it's not.
25 MR. MOORE: I understand, Your Honor. I think what the pre-

selected in the message portion of the claims here make with the pre-selected step is saying, is that we've already pre-selected -- for example, if you have a Samsung Galaxy as opposed to an iPhone, you might get this message versus another message. So that's a pre-selection. Those are already, you know, there and then your -- so in other words, those have been set up that based on your model type, you would get this message or the other. That doesn't necessarily correlate to, you know, actually sending the in-game video game content once that request has been made.

JUDGE GALLIGAN: But it sounds like that's what Hays is doing when it says that it's sent -- it retrieves something based on a client identifier. So what's the difference there between what you just described as the -- I think what you described as the '056 and Hays's disclosure?

MR. MOORE: Sure, and I think in that Hays disclosure, it is, again -- this is a request for the ad and not really a message saying, well, if you have a Galaxy, you get this message, or if you have an iPhone, you get another message. This is in Hays, paragraph 41. This is actually the request for the ad and the unique client identifier is said to be used for determining which ad to send to the device, which is not the same thing as the message. I think, you know, again, we -- again, we still contend that what Hays really does is just weighting and matching, and that's all the client identifier is used for, not actually selecting. But in the best-case scenario for them, it still is not a pre-selection because it's merely using it to fulfill the ad request from the mobile device.

JUDGE GALLIGAN: Okay, thank you.

MR. MOORE: Thank you, Your Honor.

JUDGE GALLIGAN: Well, I wanted to turn back to claim construction really quickly and just see your position. So you're not advocating -- the Patent Owner is not advocating for a particular express construction. Just rather that we give weight to the pre-selection, right?

MR. MOORE: That's right, Your Honor. That we -- we don't believe that the terms are, you know, ambiguous or in need of an explicit construction. You know, I think that we -- that's why we argue the way we did, to say they can't just be, you know, selecting from storage. But I think we have to take into account each of the three different claims here, independent claims, and how it uses it, what type of content we're talking about, and then where in relation to the overall operation of the claim pre-selected is used. Is it before storage, is it rather, you know, to determine which message to send, et cetera.

So I think -- I don't know that there's one -- I mean, of course, we could all say, what does pre-selected mean. It means selected in advance. But I think that's selected before something else, and that's what your institution decision talked about. But I think, you know, a construction one size fits all doesn't work here because of the different ways that pre-selected is used in three different types of content among three different independent claims.

JUDGE GALLIGAN: Thank you.

MR. MOORE: Thank you, Your Honor. And I think -- I know I've used up a lot of our time here. Let me just see if there's anything else I wanted to mention on pre-selected --

JUDGE GALLIGAN: You're at about 30 minutes right now.

MR. MOORE: Thank you. I think just one other thing really, Your Honors. I mean, the only thing they talk about in -- if we could go to, Mr. Morlock, Slide number -- I think it's 12. The only thing they talk about is -- really in the petition and most of their briefing -- is paragraph 22 of Hays. I mentioned the other two, as well. I want to just emphasize again, they don't address these red claim elements in -- at all in the petition or any of the briefing because it's different from what they did address, which was the messaging element of Claim 1. They don't address them for Claims 9 through 16, so at a bare minimum, the, you know, they just can't simply meet their burden of proof, not having addressed that in the '056 proceeding.

And then lastly, there was a point made about -- I don't think we need to show it -- but just to mention, there was a point made by Petitioner's Counsel about Figure 1B of Hays and the contention that that, you know, had to do with the use of the device request for an ad. I think it's clear if you go back and look at Hays, Figure 1B, and then the corresponding disclosure of Hays -- it looks like we can get it up here real quick -- at paragraph 7 of Hays, it makes it clear that rather than being the device request, that this is a user interface. So this is when the user is, you know, setting up the selection of an ad to be served. This is not, as they argued, the request from the device for an ad and then what happens in Hays to serve the ad in response to the device's request. But that's -- unless Your Honors have any other questions on pre-selected, I'm happy to turn over for the remainder of the issues to Mr. Morlock.

MR. MORLOCK: Hearing none, can Your Honors hear me?

JUDGE GALLIGAN: Yes, we can. Thank you.

MR. MORLOCK: Okay. And thank you, Your Honor. I would like to jump back to Slide Number 12 and address the use of for use in a video game in Claim 9 of the '056 patent, and this is also recited in Claims 1 and 8 of the '958 patent. And both of these -- well, in the prior argument, we had a discussion, what does this mean for use, and I want to walk through some of the evidence of for use in the prosecution history and in the specification of these patents. First, in the prosecution --

JUDGE GALLIGAN: Counsel, this is Judge Galligan. I just wanted to quickly ask because I believe in the last case, in the 132 case, we agreed that the for use in the preamble of that claim in the 132 case, is the same as usable in the body of the claim, so we didn't have to construe the preamble as limiting because usable would be the same. Is that -- your contention is still the same, right? That usable and for use would be the same?

MR. MORLOCK: Yes, Your Honor. In these patents, in the '958 and the '056, for use is not used in the preamble as it was within the '202 patent we addressed a week ago. So I --

JUDGE GALLIGAN: Yes.

MR. MORLOCK: Our -- the position hasn't changed, but I don't think the issue arises with respect to these two patents either.

JUDGE GALLIGAN: But there's no difference in -- what I'm asking is there's no different in the for use language here and the usable -- sorry -- yes, the for use language here in the body of the claim and the usable language in 132 body of the claim, correct?

MR. MORLOCK: That's correct, Your Honor, and the context of

the full surrounding claim language within the respective patents. I think there's a little bit of difference in this saying for use in the video game, and I forget exactly what it was in the '202 patent, but the fundamental -- what is meant by use is not different.

JUDGE GALLIGAN: Thank you.

MR. MORLOCK: And what I have on the screen is Exhibit 1002 at page 89. This is the prosecution history for the '958 patent, which is -- what it describes is an argument presented during prosecution that ultimately led to amendment of the claims that the prior art reference Bennett that was cited didn't disclose content for use in a video game. You can see the emphasis that was previously added during prosecution I've highlighted on the screen. And that's because what Bennett was doing was updating the entire game. Now, the specification describes exactly that, as well, providing an example, I'm looking at Column 4, lines 35 through 48 and I will attempt to blow that up. There we are.

And here, describing in Column 4 exactly what for use in the game that operates on a mobile communication device means, keep game elements fresh and prolong user enjoyment of the game. One embodiment of that is providing a new level within the game. So when we talk about usable, this is what we're describing, something that is actually used in the game, a new level. Now, what's not described in the specification as use is something that's purely visual and Mr. Glass discussed a Pepsi can and also a -- I believe it was an energy bar that are skins within the game, and that's exactly what is also described in the '958 patent at Column 5, lines 10 through 12.

A bar scene might be filled with updated bottles that show a

company logo not present at the time of the game's launch. This is an update that's not usable. The description surrounding Column 5 here doesn't describe this as a usable update versus the prior example in Column 4. So this isn't a usable update versus what we've looked at earlier in Column 4.

Going to Petitioner's demonstratives, this is one of the demonstratives Petitioner addressed. That's exactly the examples Petitioner is addressing here on Slide 36 of their demonstratives. A t-shirt, a poster, a chalk board. None of those are described in the specification of the patent as usable, unlike a level that is usable.

JUDGE GALLIGAN: Counsel, this --

MR. MORLOCK: And this is exactly --

JUDGE GALLIGAN: This is Judge Galligan. So --

MR. MORLOCK: Yes, Your Honor.

JUDGE GALLIGAN: -- you're on Slide 36 of Petitioner's demonstratives. It says that the chalkboard, for instance, may contain a handwritten advertisement, and we're talking about promotional content in some of the claims -- maybe all -- some of the -- at least some of the claims require it so the independent claims would encompass that. And we talked in the last hearing about -- we asked whether there's any disclosure of usable advertisements, and I don't think you were able to cite any, so you point to this level -- this new level here. So how -- where is the disclosure that the level is an advertisement?

MR. MORLOCK: Thank you, Your Honor. That's a great question. If I can attempt to go back to Column 4 -- there we go. Sorry. My screen apparently froze for a minute. That's exactly what is described

after the example I provided about giving a new level within the game. In addition, the game company may charge third-party advertisers a fee per downloaded promotional update. And that's what this is describing is that you can provide promotions within that updated level that are usable. This is Column 4, lines 37 through -- actually, I apologize, Your Honor, 42 through 45.

And with respect to the meaning of use, Dr. Akl was deposed and was asked exactly what it meant to use something within the game, and he testified use means use. It has to be usable in the game for -- now, an example of something that is usable could impact the game play. So there is examples of testimony. This is Exhibit 1020 at page 22, lines 18 through 23 of expert testimony explaining what is meant by use. But again, that's why what is disclosed in Hays, this Pepsi can example, that's not something that's usable. It's not impactful on gameplay. It's just a skin. It operates the exact same way when the game is initially distributed as it does at a later time when the user would be playing the game, regardless of the skin that was applied.

JUDGE GALLIGAN: And where -- and this is Judge Galligan -- where in the column or disclosure in the '958 or '056 patent that you just pointed to -- where is the -- so a new level is provided because some company paid a fee to get a new level in there or something. Where is the functionality provided by the promotional content therein, is what I want to know?

MR. MORLOCK: The function -- well, Your Honor, if the third party is using the level as a promotion, that level -- I mean, a new level in a

game is necessarily functional within a game. You know, the meaning of a level is this is something that I'm going to play within the game. The promotion is the level itself as it's described here.

JUDGE GALLIGAN: Okay, thank you.

MR. MORLOCK: Okay. I'd like to -- I'll jump ahead since I'm a little short on time. With respect to the in-game placement location, we've been talking about this, obviously, at the prior argument, but I want to address, again, this concept of predesignated geometry that's at Petitioner's demonstrative Slide 38, describes -- I believe they have -- it's Exhibit 1005, paragraph 18. Yes, predesignated geometry within the game. So the '958 patent actually provides a similar example explaining why that isn't covered.

If we go to page 15, which is Column 12, lines 37 through 41, there's an express example about in other embodiments, the updated content may not include coordinates. For example, the mobile communication device may have a predefined location for placing updating content and not require further guidance from the server. That's different than what is claimed by the '958 patent when it requires sending information to the mobile communication device as part of the updated content, and that's exactly what Hays itself doesn't describe. Hays has things that are fixed locations so that you don't need updated information about the location.

And a question that was asked at the last hearing that I want to make sure we have a clear answer to is how information could be -- or a location could be -- advertisements could be placed without sending location information. I -- remember, we're talking about June of 2007. That's the priority date of these patents. This is before the iPhone, this is before the

1 App Store. You know, we're talking different levels of games. We're
2 talking before the iPhone was even 3G. Much more bandwidth restrictions
3 than we have today.
4 Well, so how do you do this? Well, your goal is to send as little
5 data as possible. You can serialize positioning of ads. Send ads in the order
6 in which they're to be displayed within the game. You don't have to actually
7 provide a specific placement location. All you have to do is just send ads in
8 an order. That's a way that can be done and that's fully consistent with
9 Hays's description and frankly makes the most sense at the time in view of
10 Hays, where bandwidth restrictions would be such a major issue.
11 I'm going to jump back to the demonstratives. I'm looking at --
12 we've discussed a selection of factors quite a bit. As Mr. Moore said, I think
13 the fundamental difference here in these patents is with the '056 patent, it's in
14 the independent claims, '958 is in a dependent claim, but these are messages
15 that are pre-selected, and that's something that is different than actually
16 selecting the content, what Petitioner points to as selecting content versus
17 selecting a message.
18 We talked previously at an earlier hearing on tracking the
19 distribution of updated content, and again, the distinction we're drawing with
20 Hays is that Hays is only tracking an active session database. It's
21 advertisements that have been delivered to a session. And a session is not
22 the full scope of content. That's something that the patent itself, the '958
23 patent also distinguishes. Going back to the '958 patent in Column 14, I'm
24 going to look at Column 14, lines 54 through 56, in embodiments, a server
25 tracks what updated content the mobile communication device has already

received. So that's tracking what has been distributed. That's tracking transmission. That's different than tracking what has been displayed and the '958 patent, in fact, draws that exact same distinction.

If we go back to Column 4, advertisements may be tracked on a per view or on a per download basis. So the '958 patent talks about, in its specification, you could track on per view or you could track on per download. The claims here are clearly directed to distribution, not viewing, and there's no indication that Hays is tracking downloads. We had a previous argument that Petitioner has made that there's no indication about Hays -- that Hays does any downloads in the background. Let me close some windows here. And that's simply incorrect.

If we look at Hays -- in fact, in a cite that I believe Petitioner cited earlier, Hays actually expressly describes that advertisements may be downloaded in the background. This is something Petitioner relied on earlier. This is a specific example of downloads happening outside of a session. These would not be tracked within a session. Ergo Hays cannot meet the tracking claims, Claims 7 and 14 of the '958 and Claims 7 and 15 of the '056. I'd like to --

JUDGE GALLIGAN: Counsel, this is Judge Galligan. Just wanted to let you know, you're about 46 minutes in.

MR. MORLOCK: Forty-six minutes. Thank you, Your Honor. I will wrap up briefly. To skip to Levkovitz, and one of the issues we've run into, or we've seen in Levkovitz, is again, the same thing Mr. Moore addressed in some detail with the distinction between Claims 9 and 16 of the '056 patent and Claims 1 through 8. What the petition is ultimately doing

here is attempting to address a different claim element. I mean, it's just -- those elements are not addressed and with respect to the pointing back, we see this where what the petition is actually pointing to is that advertisements are selected.

There's not even an argument here that the -- addressing the specific message, plus the advertisement, and it's also not addressing the claim element requiring pre-selected. And the only discussion within the '056 patent petition of pre-selected is with respect to a capping rule. And to the extent that that capping rule is even relevant at all, and we contend it isn't for all the reasons we've explained in the briefing, it's certainly not the updated content required by Claim 9 of the '056 patent.

JUDGE GALLIGAN: Counsel, this is Judge Galligan. Do you agree with Petitioner that the message that's recited in these claims need not be displayed to the user?

MR. MORLOCK: I -- do I agree? There's no requirement in the claim of -- that the message itself is displayed. It's transmitted.

JUDGE GALLIGAN: Okay, thank you.

MR. MORLOCK: I'd like to briefly address the use point. Mr. Glass said in his opening argument that with respect to use, that what Levkovitz is describing is a banner ad, it's a pop-up. I mean, a pop-up ad necessarily isn't used within the game. I mean, he described it, unless I misheard, as a full screen pop-up ad. That's actually fully consistent with Levkovitz. If we look at Levkovitz Figure 12 at page 10, what Levkovitz expressly describes, and I'm looking at these elements, the user has the option to select options or select play. The user selects play, the game is

resumed, and you see at the top, this is the full screen ad.

So the ad is presented optionally full screen. If the user selects play, they go back into the game. This ad isn't displayed in the game at all. It's separate from the game. It necessarily can't be for use in the game as the claims of the '958 and Claims 9 through 16 of the '056 patent describe.

And with -- I would also like to very quickly address the point of tracking distributions. Again, exactly as it was with Hays, Levkovitz is tracking -- it calls it presentations, but that's just display. That does not meet the requirements of 7 and 14 of the '958 patent or Claims 7 and 15 of the '056 patent, as those are expressly requiring distribution versus display, and as was shown previously, those things are actually different within the specification of these patents. And with that, Your Honor, I would like to reserve the remainder of my time for rebuttal, unless there are questions.

JUDGE GALLIGAN: Hearing nothing, you have used 49 -- almost 50 minutes. You have a little over 10 minutes. Let me make a note.

MR. MORLOCK: Thank you, Your Honor.

JUDGE GALLIGAN: Petitioner, you have a little under 21 minutes. If we can have Petitioner -- I don't see -- Mr. Glass, I don't see you if you're -- maybe it's just my screen.

MR. GLASS: No, I'm getting there, Your Honor.

JUDGE GALLIGAN: Great. All right, Mr. Glass. You have a little under 21 minutes left. Thank you.

MR. GLASS: I doubt I will use all of that time. So I'm just going to work backwards from where Counsel started. Counsel argued that, well, the pop-up window in Levkovitz is clearly not for use. That is exactly what

the -- we went through this last time. That is exactly what the '056 patent discloses, that the updated content -- the updated content may also be displayed in a pop-up window. That is exactly what Levkovitz discloses, a full-screen pop-up window.

So on the for use point, we heard argument, ironically, last -- in the last session that Counsel was emphatic that they were not performing a claim construction, that their arguments did not sound in claim construction, and there's a reason why they said that. Because we're all patent lawyers. We know -- and I mentioned this earlier. I didn't think I'd have to go through this again. When we do patent -- when we do claim construction, we start with the ordinary meaning. Counsel said this, I wrote it down, their own experts said this. Use means use. So there are -- and I'll walk through the examples in the '056 -- there are other examples in the '056 of advertisements that are interactive. That doesn't mean that we limit the term use. You can bear -- their own expert couldn't define that term without using the word itself. That's how fundamental of a word that is.

So they argued last time, no, we are not doing a claim construction. Emphatically, we're not doing -- I think six times counsel said they're not doing a claim construction. Here now, we have a lot of noises that kind of sound like a claim construction, but really are not. We start with the ordinary meaning. Counsel has not given that ordinary meaning. We then depart from that ordinary meaning if and only if the specification demands it. That's *Sony v. Thorner*. Is there a lexicography, clear and unmistakable lexicography? Clear and unmistakable disavowal?

I used this phrase before. They have committed now the cardinal

1 sin. The cardinal sin of claim construction. There is an embodiment in Hay
2 in the '056 that discloses the level. That doesn't mean that we abandon the
3 ordinary meaning of the word use and limit it to that one embodiment
4 because that's what's consistent with their construction. Again, we start with
5 the ordinary meaning. The far more rational approach that is mandated by
6 the Federal Circuit is we start with the ordinary meaning and all of the
7 embodiments are encompassed. So that would include the t-shirt, the
8 billboard, the chalkboard. They have given you no rationale, none, to
9 exclude those embodiments, other than the fact that the word use doesn't
10 come before them. That is not how we perform claim construction.
11 They certainly didn't argue this in their briefs, and of course, they
12 can't, because there is no clear and unmistakable surrender of that definition.
13 And to be clear, they are arguing for a narrower definition. Your Honors
14 asked them, well, how do you jive the '056 with Hays. They start out with,
15 well, use just means use, but then when they get to Hays and Levkovitz, they
16 have to drag in all of these limitations, like it can't be a skin. It has to be
17 interactive. It has to impact gameplay. Which by the way, Hays expressly
18 discloses in that candy bar embodiment.
19 They are -- let me bring up -- I'll bring up Hays for a second, and
20 Your Honor has asked a very pointed question on this, which I thought
21 was -- got right to the point. This is in Hays -- and I'm sorry -- this is in the
22 '056, Column 4, line 35. This is their new level embodiment. And Your
23 Honor said, well, where is that saying that that's -- that level is for
24 advertisers. And they said that the third-party advertisers may pay a per fee
25 download. All that's saying is that, for example, a particular scene within

the game -- so maybe a rearrange that the user has something new to explore -- that's saying the same exact thing.

So you get that scene, that level downloading -- downloaded, and what this is saying -- all this is saying -- is that within that scene, you can have the same types of ads. You can have the poster, the chalkboard, the t-shirt. That's the most reasonable interpretation.

And by the way, this wasn't cited in any of their papers. It's the first time they're saying this. So -- but I think it's very clear. All this is referring to is, hey, you can download a new scene and within that scene, have the same types of ads we've been talking about the entire rest of this specification. That doesn't mean you just ignore everything else. It's consistent with the rest of the specification.

Now, Patent Owner also discussed Bennett. Again, that is a brand-new argument. That is an argument -- they didn't raise Bennett in any of their briefs, they didn't argue for disclaimer in any of their briefs, they didn't cite prosecution history estoppel. They focused exclusively on Gatto. It doesn't matter because Bennett is a completely different invention. In Bennett, that is a phone-based remote controller for a TV. It's a media source and it can be sent media elements, for example, movies or songs, or photos, and a game.

And what they argued, applicant argued that that content is not for use within the game, because what is sent to the remote control is the game itself. That, just like Gatto, is completely different from Hays. Hays, there's no dispute here, at least I don't think there is, that in Hays, you get an ad, and that ad is incorporated within the game. There is no separate game that's

1 launched, there's no separate web browser. The applicant's arguments with
2 respect to Bennett are exactly the same as the arguments they raise with
3 respect to Gatto. That is a separate program. It's totally different.
4 I may be a little disjointed because I think there was overlapping in
5 the -- in Counsel's arguments. With respect -- I did make this note -- I was
6 kind of shocked when I heard this. Counsel said bandwidth restrictions were
7 such a major issue back at the time of the patent. Well, that really helps us
8 because that's the entire rationale for our motivation to combine Choi with
9 Hays on the bandwidth limitation. So they kind of disputed that in the
10 response and the sur-reply. Counsel just confirmed that that was a major
11 issue back then, and one of ordinary skill in the art -- if Counsel was aware
12 of it -- one of ordinary skill in the art certainly would've been aware of it.
13 Before I -- I want to get to pre-selection. I want to make sure I've
14 cleaned up all the other issues. Okay. Pre-selection. So one thing you did
15 not hear from Counsel. I walked through what I thought was fairly
16 agonizing detail of Levkovitz and Hays. So Counsel said -- well, first off,
17 this is one clean-up point -- Counsel said that I pointed to Hays Figure 1B
18 and said that this was an order -- I actually forgot what they said. This was
19 an insertion order from a mobile device. 1B is an insertion order from an
20 advertiser.
21 Just to be clear, an advertiser works with the system in Hays and
22 says, here's my ad, this is my ad campaign. It says right here, insertion
23 order. This figure is not described in much detail, but what is described in
24 much detail, and I'll get to it, is Figure 6. Figure 6, this is a contract in a --
25 this is a contract that the advertiser fills out and doesn't have all of the rules

1 that the advertiser can use -- to insert its ad. And to be clear, what we are
2 focusing on, Counsel said, well, the subchannels are not a pre-selection.
3 The -- that ID is not a pre-selection.
4 Let me be very clear with this because Your Honors have got this
5 right in page 10 of the institution decision. You said that we are pointing to
6 the indexing and the targeting -- specifically, used the word targeting -- of
7 Hays as the pre-selection. Hays includes pages and pages of disclosures
8 starting at paragraph 57, going through I think it's up to paragraph 82,
9 describing its ad targeting system. That is what we pointed to. That is what
10 we referred back to for Claim 9. You didn't hear one word from Patent
11 Owner on Hays's ad targeting system. They're trying to blur the lines
12 between the advertisement weighting system and the ad targeting system,
13 and characterize Hays, as well it's just this -- it's only selecting ads. It's not
14 pre-selecting them.
15 There's an entire back end of Hays that they're ignoring where ads
16 are stored and indexed exactly the same way as the '056 patent describes.
17 They also ignored -- let me get to this. I believe it was on -- sorry, Your
18 Honors. They ignore that the way that we are applying -- the way we are
19 applying the pre-selection is exactly the same way that Hays describes it.
20 Hays expressly describes -- I'm sorry, the '056 patent. The '056 patent on
21 Slide 29 -- this is the only description of pre-selection. Pre-selection in
22 some embodiments, the updated content may be organized or indexed by a
23 database of pre-selected content.
24 They've ignored this disclosure, too. So they've ignored everything
25 we've pointed to in Hays. They've ignored -- Counsel ignored everything I

1 pointed to on Levkovitz. I don't think we heard one word on pre-selection
2 on Levkovitz. And they recharacterized their position even at this late stage,
3 even after Your Honors disagreed with them in the institution decision, after
4 we pointed out in the reply -- I have the cite here somewhere.
5 We flat out said on reply, on page 3, that we are not relying on the
6 advertising weighting system in Hays or the selection process in Levkovitz.
7 Even today now, they're saying, well that's what the -- that's what you relied
8 on. Your Honors even said that we're relying on the insertion orders and the
9 pre-selection of the indexing in Hays. And that is what we are relying on.
10 So again, in Hays, it's the targeting. It's this notion of targeting. In
11 Levkovitz, it's this notion of the presentation rules. And if you think about
12 it, exactly what Your Honor said is the issue. How can you request an ad for
13 a Samsung device if beforehand, the advertiser hasn't said, hey, this ad is for
14 a Samsung device. The patents specifically state that those are rules
15 specified by the advertiser.
16 In terms of -- I'm frankly not entirely sure what Counsel's point
17 was on the distinctions on Claims 1, 9, and 8. I believe Counsel is taking the
18 position that the based on factors are not applicable to the pre-selection.
19 Claim 1 of the '056, wherein the message is pre-selected by the server based
20 on model type, et cetera. Claim 9, wherein the message is pre-selected by
21 the server based on model type. I mean --
22 JUDGE GALLIGAN: Counsel, this is Judge Galligan. What -- I
23 believe what Patent Owner is pointing out is that in your Claim 9
24 contentions -- refer back to your Claim 1 contentions in Claim 9, I think it's
25 limitation -- what has been labeled limitation A, says storing on a storage

medium pre-selected in game video content, and that is not present in Claim 1A. It's storing -- storage medium for storing in-game video content, so if the -- if your contention for 9A -- let's call it 9A -- refers back to 1A, 9A recites pre-selected, 1A does not. That is what -- I believe that is what they were pointing out.

MR. GLASS: Well, Claim 1A, as Your Honors pointed out in the institution decision, Claim 1A does require pre-selection, and we did point to Hays's pre-selection in terms of their -- the subchannels and the ad targeting. So again, not entirely sure what the issue is. That analysis is in the petition, it's in connection with Claim 1. It certainly is in the reply. We pointed out very specifically in the reply, to the extent there was any ambiguity, that we were point -- we were relying on the ad targeting of Hays and the presentation rules of Levkovitz.

So again, I think it's pretty clear. Your Honors flat out said it in the institution decision, so I think it was clear at the petition stage. It certainly was clear, I think, by the reply stage. We are not relying on the ad weighting system of Hays for the pre-selection.

I would suggest that maybe the confusion here is there is discussion of these two, the selection and the pre-selection, in the same context, because if you think about it, when you request an ad, you then have to filter it by the pre-selected rules, the indexed rules, that unique identifier that the advertiser sets up. So when you get a -- you have to match a request to an ad. So they are discussed in similar contexts, but they are very clearly laid out in Hays, and Counsel does not even acknowledge that Hays discusses ad targeting. They can't, because that is exactly what the '056

1 patent refers to as indexing.
2 I'll also point out in this issue a few more points. Your Honor --
3 they -- Your Honors have asked them, well, what does pre-selecting mean,
4 and at certain points, they said, sure, storing could be pre-selection, but it
5 means something different in the '958. They said, you can't have a -- hold
6 on. I have it written down here somewhere. Oh, you can't adopt a one size
7 fits all rule for this term. Of course you can. That's the very notion of claim
8 construction. The word pre-selection means one thing unless -- I'm not
9 going to repeat myself -- unless the specification contemplates something
10 else, even across multiple patents. That is just -- I believe that's an *Elkay*
11 decision from the Federal Circuit, but we all know that.
12 The same term means the same thing, and this is not a technical
13 term. This is not a term of art. It's pre-selection, so they haven't -- you
14 asked Counsel, well what does it mean, and they cannot tell you what it
15 means without -- for a very good reason, because they can't tell you what it
16 means without encompassing Hays and Levkovitz. It means exactly what
17 Your Honors said it means. Selecting before -- beforehand. Before sending.
18 And that's exactly what both Hays and Levkovitz discloses. They disclose
19 storing ads on a server.
20 Those ads have been selected. There is a universe of ads out there
21 that are not stored. I made this example. Counsel ignored it. You have a
22 Lamborghini ad for a Lamborghini. They're not going to put on ads for milk
23 or Nike. They're going -- that process of that advertiser creating that
24 insertion order that I have on the screen, that in itself is a pre-selection.
25 Hayes and Levkovitz goes on to describe exactly what the '056 patent

1 describes, this indexing.
2 I think I have one more point before I get off pre-selection. Your
3 Honors, I have one more point, but it's not on the pre-selection issue. Are
4 there any questions on pre-selection before I move on? Hearing silence, one
5 last point. Counsel said this repeatedly at the last hearing. They said it
6 today repeatedly, that Hays doesn't apply here because -- and you heard
7 them say this again and again -- because Hays is all about blasting ads to
8 multiple games and without any regard to sending it to one game. Hays
9 expressly discloses -- this is just one example -- on paragraph 17, an
10 advertiser and delivery scheme, associated computerized facility, allows
11 advertisers to deliver their campaigns to specific audiences they wish to
12 target across one or multiple games. Now, they didn't read that.
13 They read the abstract. Okay. So yes, Hays is -- Hays does
14 disclose targeting multiple games, but within that disclosure, it absolutely
15 and expressly discloses targeting one game. I would suppose they're
16 ignoring that, as well, because it doesn't jive with their interpretation of
17 Hays. With that, Your Honors, I have nothing further, unless there are any
18 questions.
19 JUDGE GALLIGAN: I don't think the panel has any questions, so
20 we appreciate your presentation. Let me --
21 MR. GLASS: Thank you, Your Honors.
22 JUDGE GALLIGAN: And then Patent Owner, you have a little
23 over 10 minutes. Let me reset. And you may begin. Thank you.
24 MR. MOORE: Thank you, Your Honors. Since Mr. Morlock and
25 I have now been repeatedly accused of ignoring just about everything, as

well as doing great violence to the claim construction principles, let me address a few of those points to wrap up here. On pre-selecting, I'm just showing the claims here, again. We're not saying the word pre-selecting should be defined differently for different claims or different patents. What I said was that, yes, at a general level, it means selecting before something, but it's the claims, and each claim does it a little bit different, that tells you what that thing is and also, where within the overall system recited in the claim the pre-selection takes place. Does it take place in order to store or does it take place in order to pre-select a message based on factors?

So that's what I was saying about how there's some differences and it's not one size fits all. I'm not saying one word should be interpreted different ways based on, you know, I guess our whims and what we choose to ignore. I'm saying that you have to take the claims in context.

Briefly on Levkovitz, you know, on the -- since we were also accused of ignoring pre-selection -- we certainly did not. It's all over our briefs. We didn't cover it in detail here on argument, but we did say -- I said that pre-selecting, we believe, is not simply selecting something that has been stored. That's selective, not pre-selecting, and -- I'm sorry, I'm getting quite a bit of noise. I don't know if that's -- anyway --

JUDGE GALLIGAN: I'm getting noise, too. If everyone can mute who's not muted. Thank you.

MR. GLASS: That may have been me, Your Honors. I apologize. I'll mute my mic.

MR. MOORE: Yes, thank you. Anyway, what we said on Levkovitz on pre-selecting is in our briefs, but just since we were accused,

again, of ignoring it, is that it doesn't pre-select because again, we respectfully don't believe that pre-selecting means just selecting out of something that's been stored in order to provide it. That's selecting. So that's what we said about Levkovitz in the interest of completion.

Also on Levkovitz -- and this is more on the use -- I'm going to take a slight detour to the use issue and then go back to pre-selection, but since we're on Levkovitz here, since I am, you know, they're equating a pop-up is saying, well, look, it's in a pop-up and the patent says that the updated content could be in a pop-up, but that ignores the issue. What we're saying about Levkovitz on the use question is not just merely that it's a pop-up, but it's a pop-up ad that's an interlude, for example, between levels in a game that you can watch the ad, just like if you're watching YouTube videos, you're going to get an ad between each video. That doesn't mean you're using it -- using the ad in the game. So it's not the question of whether it's a pop-up or not. It's a question of whether it's being used and a pop-up ad is not being used in the game.

And then the last two points on -- going back again to pre-selection. We are not saying -- we are not ignoring the distinction between the weighting system and the targeting system in Hays, as we were accused of doing. As I said, we argue and have argued, and I won't belabor it here, that the weighting system doesn't meet the claims of the '202, as well as these claims for different reasons, but in -- focusing on the pre-selection issue, we are very much addressing the targeting system because that's the only disclosure in the petition that they say is pre-selecting is paragraph 22 of Hays, and that is the targeting system. And so we've addressed it head on.

1 We're not conflating the two.
2 The targeting system is -- so there are two steps in Hays. One, you
3 have the weighting and matching, and then you have the actual selection.
4 The targeting system is the selection. You do the weighting and the
5 matching, and then you pick from that weights and matches what is selected,
6 so targeting is selection. That's exactly our argument against pre-selection
7 here is to say Hays in 22 is just talking about selection. And it's talking
8 about, well, may you just select the ad for a certain type of games or maybe
9 you select it to show at 8:00 on Thursdays or in the fourth inning of the
10 baseball game, but that's just more gloss, more details on the selection. It's
11 not pre-selection.
12 And then lastly, if we go to the point about Slide 9 -- I'm sorry --
13 Claim 9 of the '056 patent. If we could go to Slide number 12, this is the one
14 I started -- or I showed before -- you know, these in red are what they
15 ignored in the petition, and if you go back to Slide 10, this is how it looks in,
16 you know, the petition, for example. And you know, as Your Honor said,
17 you know, when they go back -- when they're addressing the pre-selected
18 language in Claim 9, they just say see claim element 1A. That's at the top
19 here in the left-hand box on Slide 10.
20 If we go forward, again, to Slide 12, well, 1A of Claim 1, you
21 know, the storage medium doesn't say pre-selected, so they didn't address
22 these elements in red and they have not met their burden in the '056
23 proceeding of showing that Claims 9 through 16 are obvious, based on
24 disclosure particularly of those claim elements that they simply did not
25 address in the petition, nor did they really try to do so on the brief because

all they did, of course, is say, well we did address it, we addressed it in Claim 1. Again, the claims are different.

So those were the points I had on rebuttal. I'm afraid I'm stealing Mr. Morlock's time, as well, but I'd be happy to answer any other questions that Your Honors may have of me. And if not, I just wanted to say we and the inventors, Mr. Hartwell and Mr. Bolten, who are on the public line, as well, would like to thank Your Honors very much for your time and consideration of this matter.

JUDGE HOWARD: This is Judge Howard. I do have a question. I see the difference that you're pointing out between Claim 1 and Claim 9, and so clearly, if you're only looking at the claim language, I could see the basis for your argument. But isn't there -- what Petitioner did, they said, look at our argument that we made for this limitation and isn't it possible that what they had argued -- if what they had argued for limitation 1A wouldn't be on what was required by limitation 1A, but also included what was in 9A, wouldn't that be sufficient?

MR. MOORE: Well, if it did, but I don't believe it did, Your Honor, and I've got the petition here, I've looked through it. I'm just pulling it up again. I think on 1A, again, they didn't talk about pre-selection. If you go to the petition at pages 14 to 15, they're just addressing whether there's a storage medium for storing in-game video game content, and there's nothing about pre-selection there, and I -- I mean, I can flip through it here, but I believe the same is true for the other elements.

It's simply an incorporation by reference of an argument that doesn't address the elements of the claim, and I don't think the -- even if they

had identified the one part of their argument for Claim 1 that addressed pre-selected message, that doesn't address pre-selected in-game video game content, as shown in red here for Claim 9. That would just address the second to the last element, the longer one there about sending a message, being -- and the message being pre-selected based on the factors. So I don't believe anywhere in Claim 1 they've addressed the red language here on Slide number 12 about the pre-selected in-game video game content.

JUDGE HOWARD: Thank you.

MR. MOORE: Thank you, Your Honors.

JUDGE GALLIGAN: Mr. Moore and Mr. Morlock, you have about three -- a little over three minutes left.

MR. MOORE: Actually, I -- well, Mr. Morlock --

JUDGE GALLIGAN: It's all right. It's all right.

MR. MOORE: -- I believe I covered our rebuttal points, unless I forgot something, but I'd be happy to yield the three minutes otherwise.

MR. MORLOCK: Oh, I am just fine. Thank you, Mr. Moore, and thank you, Your Honors. We do appreciate the time to present this argument and your time this morning.

JUDGE GALLIGAN: Well, thank you all for your wonderful presentations. We appreciate the counsel’s preparedness and ability to cite to the record and answer our questions. We are adjourned. Our final written decision, will issue in due course.

(Whereupon the above-entitled matter went off the record at 11:18 a.m.)

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