

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FREEWHEEL MEDIA, INC.,
Petitioner,

v.

ALMONDNET, INC.,
Patent Owner.

IPR2024-00416
Patent 8,775,249 B2

PATENT OWNER'S RESPONSE

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Patent Owner's Exhibit List for IPR2024-00413

Pursuant to 37 C.F.R. § 42.63(e), Patent Owner AlmondNet, Inc. hereby submits its exhibit list associated with the above-captioned *inter partes* review of U.S. Patent No. 8,775,249.

Exhibit No.	Description
2001	Declaration of Robert Sherwood in support of Patent Owner's Response
2002	<i>Curriculum vitae</i> of Robert Sherwood
2003	December 13, 2024 Deposition Transcript of Sanjay Ranka, Ph.D.
2004	June 12, 2024 Trial Transcript excerpts from <i>AlmondNet v. Amazon</i> (testimony of DoubleClick founder and CEO Kevin O'Connor and Engage founder and CEO Daniel Jaye)

I. Introduction

The Petition asserts obviousness against claims 5, 15, and 25 of U.S. Patent No. 8,775,249 (the “’249 patent”) based on four different combinations: Merriman in view of Jaye, Merriman in view of Minor, Roth in view of Jaye, and Roth in view of Minor. However, the Petition presents only conclusory allegations regarding how any of these combinations arrive at the additional limitations of claims 5, 15, and 25, and as such, those claims should be found not unpatentable.¹

The Petition’s Ground A combination of Merriman in view of Jaye is representative, and largely forms the basis for the Petition’s allegations regarding each of the other three combinations of references. Claims 5, 15, and 25 recite “maintaining an electronic record of which unaffiliated third party contributed, to the stored profile, the profile attributes used in targeting the advertisement,” which a POSITA would understand as requiring that the system actually record which third parties contributes which profile attributes that were actually *used* to target advertisements. The Petition does not allege that *either* Merriman or Jaye teaches keeping such a record. *See generally* Pet. 30-31 (only alleging that Merriman and Jaye teach keeping a record of who contributed profile attributes, and not tracking

¹ This Response focuses on claims 5, 15, and 25, although Patent Owner does not concede the unpatentability of any challenged claims.

whether the entity provided profile attributes that were actually used to target advertisements).

The Petition sets forth two supposed rationales for why a POSITA would have wanted to modify Merriman in view of Jaye to arrive at the limitation of claims 5, 15, and 25: “to provide reports [to advertisers of where the profile information used to target their advertisements came from] and reward websites for providing profile information [that is actually used to target advertisements].” Pet. 31. But the Petition does not cite to *any* prior art in its claims 5 analysis that actually teaches or suggests either of these motivations, and the Petition’s expert provides only conclusory and unsupported opinions in this regard. And as explained by Patent Owner’s expert Robert Sherwood, a POSITA would not have viewed either of the Petition’s alleged motivations as rendering obvious the requirements of claims 5, 15, and 25.

The Petition merely incorporates Each of the Petition’s other grounds asserting obviousness of claim 5, 15, and 25 fail for the same reasons. Accordingly, at least those claims should be found not unpatentable.

II. Background of the ’249 Patent

The challenged claims of the ’249 patent (claims 1, 3-11, 13-21, and 23-25) are directed to novel systems and methods for deriving and maintaining descriptive profile data, including the source of the descriptive profile data, for use in displaying advertisements to users on the Internet.

This response is focused primarily on claims 5, 15, and 25 of the '249 patent. Claim 5 is treated as representative of claims 15 and 25 by the Petition, and claims 1 and 5 are reproduced below.

1. An automated method of collecting profiles of Internet-using entities, the method comprising:
 - (a) electronically receiving at a programmed computer system coupled to a global computer network, from at least one server controlled by one of a plurality of unaffiliated third parties, a partial profile of an entity that uses a user computer coupled to the global computer network and accessing a website, which partial profile is available to one of the third parties and contains at least one profile attribute related to the entity;
 - (b) automatically with the computer system electronically storing the received partial profile by adding the received partial profile to an electronically stored profile, which stored profile is believed to be related to the same entity;
 - (c) wherein receiving the partial profile is achieved as a result of automatic electronic URL redirection from a portion of a page of the website accessed by the user computer; and
 - (d) automatically with the computer system generating an electronic record of which of the plurality of unaffiliated third parties contributed to the stored profile particular profile attributes;
 - (e) wherein the stored profile, including the added partial profile, comprises data used in targeting third-party advertisements to the user computer over the global computer network.

5. The method of claim 1 further comprising automatically with the computer system electronically maintaining an electronic record of which unaffiliated third party contributed, to the stored profile, the profile attributes used in targeting the advertisements.

Ex. 1001 (the “’249 patent”) at claims 1, 5.

As shown above, claim 5 recites “an electronic record of which unaffiliated third party contributed, to the stored profile, the profile attributes *used in targeting the advertisements*,” which as explained in the following section is a distinct record from a “record of which of the plurality of unaffiliated third parties contributed to the stored profile particular profile attributes” (regardless of whether those profile attributes were “used in targeting the advertisements) as recited by claim limitation 1(d).

III. Claim Construction

While Petitioner’s expert proposes constructions of various terms (Ex. 1002, ¶¶192-214), he does not address the plain meaning of dependent claim 5’s recitation of “an electronic record of which unaffiliated third party contributed, to the stored profile, the profile attributes used in targeting the advertisements.” This is surprising, given that he acknowledges that this limitation may (or may not, as he does not address his understanding of plain meaning) “require[] a separate record from the record in limitation [1D]” (Ex. 1002 ¶283), and it is the Petition’s responsibility to identify “[h]ow the challenged claim is to be construed.” 37 C.F.R. §42.104(b)(3).

As explained by Patent Owner's expert Robert Sherwood, a POSITA *would* understand claim 5 to require "a separate record from the record in limitation [1D]" because is no plausible reason for claim 5 to recite the *same* record in two different claims using *different* words. *See* Ex. 2001, ¶¶37-41. The difference between the record cited by claim 1 and the record recited by claim 5 is that the claim 5 record "must *additionally* record which third parties contributed profile attributes *that were actually used* to target advertisements," in addition to claim 1's requirement that the system must record which third parties contributed "particular profile attributes" (without recording whether those third parties contributed profile attributes *actually used* to target ads). *See* Ex. 2001, ¶¶39-40.

The plain meaning of claim 5 as requiring a *different* record from the record of claim 1 (i.e., claim 5 as requiring a record of which parties contributed profile attributes actually used to target the recited advertisements) is further supported by the written description of the '249 patent. Specifically, the '249 patent teaches that the system may pay the profile provider entity "a micro-payment royalty for each use of this attribute 'purchased' from the databank by each interested party." Ex. 1001, 11:41-47. The patent also discloses the system paying a profile provider entity "for substantially each use... of the agreed information." *Id.* at 13:46-50. Of course, only by tracking whether particular profile providers contributed profile attributes

that were actually *used* (e.g., to target advertisements) could the system provide micro-payment royalties for each use as disclosed in the specification. Ex. 2001, ¶41.

Accordingly, in order for claim 5 to provide any meaningful distinction over claim 1, and also as consistent with the teachings of the '249 patent which disclose tracking profile attribute usage to enable micropayments for profile contributors, the plain and ordinary meaning of claim 5 requires a record of which parties contributed profile attributes *actually used* to target the claimed advertisements, not just tracking which parties contributed profile attributes (irrespective of whether those attributes were used to target the claimed advertisements) as already recited by claim 1.

IV. Each of the Petition's theories with regard to claims, 5, 15, and 25 fail.

The Petition alleges the obviousness of claim 5, 15, and 25 based on four combinations: (1) Merriman in view of Jaye, (2) Merriman in view of Minor, (3) Roth in view of Jaye, and (4) Roth in view of Minor. Each of these combinations is discussed in turn.

A. The Petition fails to show obviousness of claims 5, 15, and 25 based on Merriman in view of Jaye.

The Petition alleges that "Merriman-Jaye teaches" claims 5, 15, and 25. Pet. 30-31. However, the Petition's sole allegation assumes that "[a]ny information in [Merriman's] data structure is used for targeted advertising" (Pet. 31), which the Petition does not provide any non-conclusory support for; it is, of course, common

for databases to have information that *might ultimately* be used to target advertisements, but which have not in fact been used to target advertisements (much less “the advertisements” claimed in claim 1). In other words, the Petition simply assumes (without any analysis or justification) that the “electronic record of which of the plurality of unaffiliated third parties contributed to the stored profile particular profile attributes” recited by claim 1 necessarily satisfies claim 5, 15, and 25’s recited “electronic record of which unaffiliated third party contributed, to the stored profile, the profile attributes *used in targeting* the advertisements,” contrary to plain meaning. *See* Section III, *supra*; Ex. 2001 ¶¶37-41, 44-45.

The Petition adds only a single conclusory sentence regarding how claims 5, 15, and 25 would allegedly be obvious under the *correct* interpretation of those claims, wherein they require a “record indicating whether attributes provided in profile information from [a particular unaffiliated third party] were used for targeted advertising.” Pet. 31. Specifically, the Petition alleges that this modification to Merriman-Jaye would have been obvious “to provide reports and reward websites for providing profile information.” *Id.*

The Petition does not actually explain what the “reports” provided or how the system would have used the claims 5, 15, and 25 records to “reward websites for providing profile information”; instead, the Petition incorporates by reference analysis from the accompanying expert declaration. Pet. 31 (citing Ex. 1002, ¶¶283-

285 which addresses the obviousness of claim 5 “[t]o the extent that claim 5 requires a separate record from the record in limitation [1D]”).

However, as explained by Patent Owner’s expert Mr. Sherwood, Dr. Ranka’s opinion is conclusory and does not support the Petition’s assertion that a POSITA would have been motivated to track which website owners contributed which profile information in order to provide reports (to advertisers of where the profile information originated from, as explained by Dr. Ranka) or to financially reward website owners for contributing profile data that is ultimately used for targeting the claimed advertisements. Ex. 2001 ¶¶42-68.

As explained by Mr. Sherwood, a POSITA would not have been motivated to modify Merriman, in the proposed combination with Jaye, to financially reward websites for providing the specific profile information used to target the claimed advertisements (such that a record of which entities contributed which profile attributes were actually *used* would have been useful). Instead, a POSITA would have understood that the websites in the context of Merriman and Jaye were providing profile information without the need to compensate the website owners on a per-profile attribute targeting basis (which would be the only reason that the proposed financial rewards would motivate tracking which websites provided profile attributes actually *used* to target the claimed advertisements as required by claims 5, 15, and 25). *See* Ex. 2001 ¶¶48-63. As explained by Mr. Sherwood, a POSITA would

have understood that both Merriman (which a POSITA would have understood relates to the “DoubleClick” prior art system) and Jaye (which a POSITA would have understood relates to the “Engage” prior art system) would have provided adequate compensation to website owners *without* requiring tracking which websites provided which profile information actually used to target the claimed advertisements. E. 2001, ¶¶ 48-60. First, website owners would be compensated by participating in the Merriman or Jaye systems in the first place, because participating in those systems allowed for those websites to more effectively monetize their ad space and receive compensation in that manner. Ex. 2001, ¶¶ 49-52, 56-557. Dr. Ranka acknowledged that a POSITA would have been incentivized to provide profile information for this reason. Ex. 2003, 13:19-23 (“Q And what economic incentive does the website have to allow and ad to be placed on that website? A. Probably DoubleClick will pay money to them for putting in ad ad.”); *id.* at 13:24-14:15 (Dr. Ranka acknowledging that he would “assume” that the website in Jaye / Engage makes money from ads being placed on the website within the Jaye / Engage system). Dr. Ranka also acknowledged that providing the profile information in Roth (Ex. 1036, which is assigned to Engage) would potentially be used “in determining what advertisement to show on the website that the user is currently visiting,” such that “the website owner... would be compensated” accordingly. Ex. 2003, 17:7-18:6.

Dr. Ranka's declaration also provides cursory citations to Coleman (Ex. 1039) and Bistriceanu (Ex. 1045) as supposedly indicating to a POSITA that the record recited by claim 5 would be obvious to provide financial rewards to websites based on how their submitted profile attributes were used. Ex. 1002, ¶283. However, as explained by Mr. Sherwood, neither of those references provides any motivation for the proposed modification to Merriman-Jaye, because those references do not suggest paying *websites* for profile information, but instead suggest paying individual website *visitors* for profile information. Ex. 2001, ¶¶61-63. Furthermore, neither of these references disclose or suggest even paying the website *visitors* for their profile information *based on the usage of that profile information in targeting advertisements. Id.*

The other motivation proposed by the Petition and Dr. Ranka to create and maintain the record recited by claims 5, 15, and 25 is to provide reports to advertisers regarding where the profile information used to target those advertisers' ads was obtained from. Pet. 31; Ex. 1002 ¶¶284-285 ("A POSITA would have been motivated to report [to advertisers] where the attributes used for matching users with advertisements came from to give advertisers further insights."). But the Petition and Dr. Ranka provided no evidence that advertisers would have *valued* whatever insights might even possibly be derived from this information about where the attributes used for targeting ads came from. Pet. 31; Ex. 1002 ¶¶284-285.

As explained by Mr. Sherwood, systems such as Merriman and Jaye would have provided advertisers with reports regarding *success rate* of advertisements, but a POSITA would not have found it obvious to provide advertisers regarding the *origin* of the profile data used to target the ads. Ex. 2001, ¶¶63-66. As explained by Mr. Sherwood, these proposed reports “would not ‘give advertisers further insights,’ (Ex. 1002, ¶285), but would rather confuse advertisers and not provide any meaningful insights,” and “a designer of a system such as Merriman or Jay would [not] be motivated to provide” such reports to advertisers. Ex. 2001, ¶66.

The fact that providing reports to advertisers about where profile information used to target their advertisements came from would *not* have been obvious is further supported by the fact that Dr. Ranka had no belief that either the DoubleClick or Engage systems (which are described by the Merriman and Jaye references that he proposes combining) actually “provid[ed] reports to advertisers about where particular profile attributes came from.” Ex. 2003, 23:24-24:15.

Dr. Ranka cited three additional references, Ex. 1043 (“Gardner”), Ex. 1041 (“Herz Provisional”), and Ex. 1040 (“Herz”) in support of his assertion that “[a]dvertisers would have desired a report of the source of attributes used for matching users with advertisements.” Ex. 1002 ¶285 (citing Ex. 1043, Abstract, 7:48-60, 8:31-45; Ex. 1041, pp. 4, 11, 12, 31, 40-42, 73; Ex. 1040, ¶¶ [0061], [0070], [0116], [0137]-[0140], [0146]). However, as explained by Mr. Sherwood, none of

those sources support his assertion. Ex. 2001 ¶¶67-68. For example, while Gardner does disclose tracking “reliability ratings” for data, it does *not* disclose or suggest providing information to advertisers about where particular profile attributes used to target advertisements originated from. Ex. 2001 ¶67. And the Herz references also do not support Dr. Ranka’s assertion, as they do not disclose providing advertisers with the identify of website owners that contributed profile attributes used to target particular ads. Ex. 2001 ¶68. Indeed, Herz is generally critical of privacy concerns that a POSITA would have understood would have been applicable to the Merriman / DoubleClick and Jaye / Engage systems, and Herz generally teaches that entities submitting profile information can do so using an “alias” such that the true identity of those entities could not even possibly be provided to advertisers. Ex. 2001 ¶68. Ex. 1040 at ¶¶33, 137-140.

B. The Petition’s Roth-Jaye ground also fails.

The Petition’s analysis for Roth-Jaye generally mirrors the petition’s analysis for Merriman-Jaye. The Petition first analyzes claims 5, 15, and 25 on the assumption that the record recited by those claims does not need to actually provide information about “whether attributes provided in profile information from [an originating website / unaffiliated third party] were used for targeted advertising.” Pet. 52-54 (all but the last paragraph operating under this assumption). This theory

fails because it ignores the plain meaning of claims 5, 15, and 25, as discussed above in Sections III and VI.A.

The Petition then provides the *same* conclusory allegation regarding the obviousness to modify Roth-Jaye “to add a separate record indicating whether attributes provided in profile information from website 14 were used for targeted advertising.” Pet. 53-54. But this allegation fails for the same reasons as discussed above in Section VI.A—there is no non-conclusory evidence that a POSITA would have viewed the proposed modification to be obvious, because there is no evidence that a POSITA would have viewed “providing reports [to advertisers about the origin of profile attributes]” or “rewarding websites for providing profile information [that is actually used to target the claimed advertisements]” would have been obvious in view of Roth, Jaye, or any of the other references that Dr. Ranka relies upon in asserting as much. *See* Ex. 2001 ¶¶70-71.

C. The Petition’s Merriman-Minor and Roth-Minor grounds also fail.

The Petition’s analysis for both Merriman-Minor and Roth-Minor follows the same pattern as its analysis for Merriman-Jaye and Roth-Jaye. Specifically, the Petition first analyzes claims 5, 15, and 25 on the assumption that they do not require a record “for indicating which website... contributed, to the user profile, the demographic information *used in* targeting the advertisements.” Pet. 69 (emphasis

added). The Petition then makes the same conclusory allegation that adding such a record “would have been obvious” using the same rationales previously discussed.

Both of these grounds fail for the exact same reasons as discussed above with respect to Merriman-Jaye and Roth-Jaye. *See* Ex. 2001 ¶¶69, 72.

V. Conclusion

For the reasons set forth above, Patent Owner respectfully requests that the Board find at least challenged claims 5, 15, and 25 not unpatentable.

Date: December 24, 2024

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CERTIFICATION REGARDING WORD COUNT

Pursuant to 37 C.F.R. §42.24(d), Patent Owner hereby certifies, in accordance with and reliance on the word count provided by the word-processing system used to prepare this **PATENT OWNER'S RESPONSE**, that the amount of words in this paper is 3,107. Pursuant to 37 C.F.R. § 42.24, this word count is in compliance with the word limit set forth in 37 C.F.R. § 42.24(b)(2) excluding the portions exempted under 37 C.F.R. § 42.24(a)(1).

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CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e)(1))

The undersigned hereby certifies that the above document was served on December 24, 2024, by filing this document through the Patent Trial and Appeal Case Tracking System as well as delivering a copy via electronic mail upon the following attorneys of record for the Petitioners:

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