IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

ALMONDNET, INC., DATONICS, LLC, and INTENT IQ, LLC, Plaintiffs, v. YAHOO! INC., Defendant.	Civil Action No. 16-cv-1557-ILG-SMG **Jury Trial Demanded**

PARTIES' JOINT CLAIM CONSTRUCTION AND PREHEARING STATEMENT UNDER PATENT RULE 4-3

Pursuant to the revised Scheduling Order (Dkt. No. 69-1) and P.R. 4-3, Plaintiffs AlmondNet, Inc., Datonics, LLC and Intent IQ, LLC ("AlmondNet") and Defendant Yahoo! Inc. ("Yahoo") (collectively, "Parties") hereby submit this Joint Claim Construction and Prehearing Statement.

I. P.R. 4-3(a) Agreed Claim Constructions

The Parties have not agreed on the constructions of any terms.

II. P.R. 4-3(b) Proposed Constructions for Terms in Dispute

See Exhibit A for a chart showing the Parties' proposed constructions. All Parties reserve the right to amend, correct, or supplement their claim construction positions and supporting evidence in response to any change of position by any other Party, or for other good cause.

III. P.R. 4-3(c) Anticipated Length of Time for Claim Construction Hearing

The Parties propose that each side receive two hours for oral argument on claim construction issues. Thus, the Parties anticipates that the claim construction hearing will last no more than 4 hours.

IV. P.R. 4-3(d) Anticipated Witnesses at the Claim Construction Hearing

No Party currently expects to call any witnesses, including expert witnesses, at the claim construction hearing.

V. P.R. 4-3(e) Other Issues to Be Addressed at Claim Construction Prehearing Conference

The Parties are not aware of any other issues at this time that might be appropriately addressed at a prehearing conference prior to the Claim Construction Hearing.

Dated: August 25, 2017

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CERTIFICATE OF SERVICE

I hereby certify this 25 August 2017 that I caused a true and correct copy of the foregoing document to be electronically filed with the Clerk of the Court using the CM/ECF system which will send notification to the attorneys of record.

/s/ Ian B. Crosby
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EXHIBIT

A

CDA Patent – asserted priority date Apr. 17, 2007

Claim Term and Locations	IIQ's Proposed Construction	Yahoo's Proposed Construction
"an electronic identifier" [sole asserted independent claim]	Ordinary meaning (not limited to PII)	"a non-PII identifier"

PP Patent – asserted priority date June 19, 2006

Claim Term and Locations	Datonics' Proposed Construction	Yahoo's Proposed Construction
"profiles matching a profile or kind of profiles desired by an entity controlling the computer system" [all asserted independent claims]	"profile or kind of profiles" refers to stored profiles in claim 1, part (b)(i)(B)	Indefinite
"receipt from a profile owner computer of indicia of a profile associated with the visitor" [all asserted independent claims]	Ordinary meaning (not limited to redirection)	"redirection from a profile owner of a profile associated with the visitor"
"an entity controlling the computer system" [all asserted independent claims]	Ordinary meaning	Indefinite
"different entities" [all asserted independent claims]	Ordinary meaning – alternative: "different from one another"	Indefinite

MPS Patents – asserted priority date June 16 and 19, 2006

Claim Term and Locations	AlmondNet's Proposed Construction	Yahoo's Proposed Construction
"for each of a multitude of different electronic visitors to a first media property" / "for each of a multitude of visitor computers of different visitors visiting a first website" [all asserted independent claims]	Ordinary meaning (not limited to each)	"for a first media property having multiple visitors, for each visitor…" / "for a first media property having a multitude of visitors, for each visitor…"
"information indicating at least one of a plurality of profile attributes possibly applicable to the electronic visitor" / "information indicating to the computer system that at least one of a plurality of profile attributes is possibly applicable to the electronic visitor" [all asserted independent claims]	Ordinary meaning	Indefinite
"directing, to a third-party server computer controlling advertising space on a second media property, indicia of a condition" [146 & 139 asserted independent claims] / **"providing the ad network with a price cap that the BT company is willing to pay the ad network"** [089 asserted independent claims]	Ordinary meaning (not limited to a condition in a tag)	"arranging for placement of a condition-containing tag readable by a third-party server computer controlling advertising space on a second media property" / "arranging for placement of a tag containing a price cap readable by the ad network"
"a price cap … for allowing delivery of an advertisement" [089 – all asserted independent claims]	Ordinary meaning (not limited to CPM-based charging)	"a price cap … for display of an advertisement"

Claim Term and Locations	AlmondNet's Proposed Construction	Yahoo's Proposed Construction
"Behavioral targeting (BT) company" / "BT company" [089 – all asserted independent claims]	"A company that targets ads based on observed behavior of website visitors, for example, as an agent that places cookies or tags on the computers of a publisher's visitors for the purpose of delivering targeted ads to the publisher's visitors on other sites, or as a publisher that places cookies or tags on the computers of the publisher's own visitors for the purpose of delivering ads to those visitors on other sites where the publisher buys ad space."	No construction necessary / alternative: "A company that uses cookies or tags placed on the computers of one website's visitors to deliver targeted ads to those visitors on other websites. The company may control the initial website but not the other website."

<u>OTA Patents – asserted priority date Nov. 28, 2000</u>

Claim Term and Locations	AlmondNet's Proposed Construction	Yahoo's Proposed Construction
"records" [all asserted independent claims]	Ordinary meaning (not limited to fields/database)	"a group of related fields treated as a unit in a database"
"creating records … using a tag" / creation of electronic records … using a tag" [all asserted independent claims]	Ordinary meaning (not limited to in a tag)	"creating records as a tag"
[causing receipt of revenue] "from the off-site advertisement being directed to the visitor computers" / "from direction of the advertisements to the visitor computers" [all asserted independent claims]	Ordinary meaning (not limited to CPM-based charging)	"from the [off-site] advertisement being displayed to the visitor computers"
"visitor computers that have visited the first Internet site" [all asserted independent claims]	No construction necessary (not limited to sites to which users have directly navigated) / Alternative: "Computers that have received displayable content of a first Internet site to which users have caused said computers to navigate"	"Computers that have received displayable content of a first Internet site to which an individual has navigated"

Claim Term and Locations	AlmondNet's Proposed Construction	Yahoo's Proposed Construction
"web television" [639 – asserted dependent claims 13, 44]	Ordinary meaning (not limited to set-top appliances)	"A set-top appliance that enables users to connect to the Internet and display Web sites and e-mail on the TV screen"

DPC Patents – asserted priority date Dec. 13, 1999

Claim Term and Locations	AlmondNet's Proposed Construction	Yahoo's Proposed Construction
"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" [249, 582, & 307 – all asserted independent claims]	"A partial profile is received as a result of a user computer accessing a website page, thus causing a web server to tell the user computer's browser to obtain certain information for a portion of the accessed page from a different location"	"A web server accessed by the user computer tells a client browser to obtain a certain requested page from a different location" [construing "automatic electronic URL redirection from a portion of a page of the website accessed by the user computer"]
"an electronically URL-redirected partial profile of an entity that uses a user computer coupled to the global computer network to access a website" [904 – all asserted independent claims]	"A partial profile sent when a user computer accesses a website through the Internet and a web server tells the user computer's browser to obtain certain information from a different location"	"a partial profile obtained when a web server tells a client browser to obtain a certain requested page from a different location" [construing "an electronically URL-redirected partial profile"]
"a maintained profile believed to be related to the same entity" / "which stored profile is believed to be related to the same entity" [all asserted independent claims]	'believed to be related' means "determined by a computer as matching either (i) at least one identifying attribute or information or (ii) any predetermined combination of profile attributes used as a key."	Indefinite

"wherein the maintained profile, including the added partial profile, comprises data used in targeting third-party advertisements to the user computer over the global computer network" / "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" [all asserted independent claims]	Ordinary meaning	"wherein data including the maintained profile and the added partial profile is used to target third-party advertisements to the user computer over the global computer network" [for the method claims] / indefinite [for the apparatus claims]

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NOTE ON CITATIONS

1. References to *AlmondNet's Claim Construction Brief* (Dkt. 102) are indicated by the abbreviation "Br.," followed by the page number being cited. "Br. at 53" therefore refers to page 53 of Plaintiffs' opening brief.

2. The patents-in-suit belong to five different patent families and were attached to *AlmondNet's Claim Construction Brief* (Dkt. 102) as follows:

Patent Family	U.S. Patent No.	Abbreviation	Patent Location
Media Property Selection ("MPS") Patents	8,671,139	'139 Patent	Dkt. 102-07
	8,959,146	'146 Patent	Dkt. 102-10
	9,508,089	'089 Patent	Dkt. 102-11
Off-Site Targeted Advertising ("OTA") Patents	7,822,639	'639 Patent	Dkt. 102-01
	8,244,586	'586 Patent	Dkt. 102-05
Descriptive Profile Consolidation ("DPC") Patents	7,979,307	'307 Patent	Dkt. 102-02
	8,244,582	'582 Patent	Dkt. 102-04
	8,494,904	'904 Patent	Dkt. 102-06
	8,755,249	'249 Patent	Dkt. 102-09
Cross-Device Association ("CDA") Patent	8,677,398	CDA Patent	Dkt. 102-08
Providing Profiles ("PP") Patent	8,244,574	PP Patent	Dkt. 102-03

3. References to the patents-in-suit are indicated by column and line number. Since the various patents of each patent family share substantially identical specifications, all reference to the specification of one patent in a family apply to other members of the same family. A reference to "'639 Patent at 12:55-57" therefore means column 12, line 55 through 57 of U.S. Patent No. 7,822,639, which was attached to *AlmondNet's Claim Construction Brief* as Dkt. 102-01.

4. The following exhibits, including file histories and extrinsic evidence, such as dictionary definitions, are attached as Exhibits 1-__:

Exhibit No.	Description
Ex. 1	Judge Forrest's claim construction opinion in *Regeneron Pharms., Inc. v. Merus B.V.*, No. 1:14-cv-1650-KBF, 2014 WL 6611510 (S.D.N.Y. Nov. 21, 2014)
Ex. 2	printout of https://www.merriam-webster.com/dictionary/possibly
Ex. 3	'639 Patent File History
Ex. 4	*Random House Webster's College Dictionary* (1999))
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Ex. 7	*Microsoft Computer Dictionary*, 4th ed. (1999)
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Ex. 9	'307 Patent File History, January 19, 2011 Office Action
Ex. 10	'307 Patent File History, May 20, 2011 Notice of Allowance
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Ex. 20	'758 Patent File History, June 20, 2011 Amendment
Ex. 21	'758 Patent File History, July 8, 2011 Advisory Action
Ex. 22	'758 Patent File History, August 10, 2011 Amendment
Ex. 23	PP Patent File History, June 15, 2012 Office Action

I. INTRODUCTION

Plaintiffs AlmondNet, Inc., Datonics, LLC and Intent IQ, LLC (collectively "Plaintiffs") assert that Defendant Yahoo! Inc. ("Yahoo") infringes claims from eleven patents drawn from five patent "families" relating to online advertising. All asserted patents are "continuation" patents – meaning that that they are continued efforts to get new claims based on earlier disclosures of the same invention in one or more old patents. Here, the original patents are unasserted – none of the original patents are at issue in this case. Plaintiffs rely on their later "continuations" only. The reason is clear: Plaintiffs used the continuation process to obtain new claims with litigation in mind, trying to distance themselves from the systems they disclosed in their original patents. But the patent bargain does not work this way: Plaintiffs are only entitled to a patent monopoly over the invention they actually disclosed – not broader claims that reflect litigation-driven desires rather than their true invention. Plaintiffs' campaign to obtain unearned monopoly rights drives the claim construction disputes before this Court.

For some disputes, Plaintiffs' overreaching claim language even renders some of their patent claims invalid. 35 U.S.C. § 112(b) requires that claims "inform, with reasonable certainty, those skilled in the art about the scope of the invention." *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2129 (2014). Thus, the claims "must provide ***objective*** boundaries for those of skill in the art." *Interval Licensing LLC v. AOL, Inc.*, 766 F.3d 1364, 1371 (Fed. Cir. 2014) (emphasis added). But in their efforts to obtain additional unwarranted patent coverage, Plaintiffs drafted continuation claims reciting broader, ***subjective*** limitations such as "a maintained profile *believed* to be related to the same entity," or "*possibly* applicable," or "profiles *desired* by an entity." Plaintiffs urge the Court to rewrite these claims through claim construction to avoid these indefiniteness problems. But as Yahoo demonstrates below, the Court should not engage in that exercise; Plaintiffs should be held to the overreaching claim

language that they presented to the Patent Office in order to obtain their patents. *Nautilus*, 134 S. Ct. at 2129 (noting that the definiteness check is needed to eliminate patent drafters' temptation to inject ambiguity into their claims).

For other disputes, Plaintiffs try to seize subject matter with "ordinary meaning" constructions that is outside the scope of the actual language of the claims, ignores what they told the Patent Office they invented, and is not disclosed anywhere in the patents' specifications. For example, Plaintiffs assert that certain terms cover "cost-per-click" pricing structures (*i.e.*, websites are not paid for displaying advertisements, but only if a user clicks on the advertisement), even though such pricing structures are inconsistent with the claim language and are not even suggested by their patents. Plaintiffs' arguments are legally erroneous. As Yahoo shows below, claims "must be read in view of the specification, of which they are part." *Markman v. Westview Instr., Inc.*, 52 F.3d 967, 979 (Fed. Cir. 1995), *aff'd*, 517 U.S. 370 (1996). Indeed, the specification "is always highly relevant to the claim construction analysis. Usually, it is dispositive; it is the single best guide to the meaning of a disputed term." *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). Yet, Plaintiffs' arguments ignore the specifications almost entirely. The Court should reject Plaintiffs' efforts to extend claim scope beyond what they purportedly invented.

Notably, Plaintiffs' brief is replete with citations to some (but not all) of the arguments they made to the Patent Office to secure these continuation patents. Importantly, self-serving statements in prosecution do not transform attorney argument into evidence. *Luv N' Care, Ltd. v. Jackel Int'l Ltd.*, 115 F. Supp. 3d 808, 834 (E.D. Tex. 2015) ("The Court rejects Plaintiffs' arguments that merely because the patentee provided self-serving and general statements in the prosecution history (and not made to overcome prior art rejections) that" its proposed

construction should be adopted). Just as importantly, Plaintiffs frequently took ***different*** positions before the Patent Office that Plaintiffs now seek to minimize or explain away. Unlike their self-serving statements, Plaintiffs' contradictory arguments are highly relevant; a patentee may not "adopt a position contradictory to that adopted before the PTO and expect to be believed." *TorPham, Inc. v. Ranbaxy Pharms.*, 336 F.3d 1322, 1329 (Fed. Cir. 2003). Accordingly, the Court should look skeptically on Plaintiffs' self-serving arguments to the Patent Office, but give significant weight to the prosecution statements Plaintiffs try to explain away.

II. LEGAL STANDARDS

"The meaning and scope of asserted patent claims is a question of law and precedes the infringement and invalidity analyses." *Easyweb Innovations, LLC v. Twitter, Inc.*, No. 11-CV-4550 (JFB) (SIL), 2016 WL 1253674, at *5 (E.D.N.Y. Mar. 30, 2016) (citing *SIBIA Neurosciences, Inc. v. Cadus Pharm. Corp.*, 225 F.3d 1349, 1355 (Fed. Cir. 2000); *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1454 (Fed. Cir. 1998) (en banc)). The overarching goal of claim construction is to "determin[e] the meaning and scope of the patent claims asserted to be infringed." *Markman v. Westview Instr., Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995), *aff'd*, 517 U.S. 370 (1996). To determine the meaning of the claims, a court should draw on "those sources available to the public that show what a person of skill in the relevant art would have understood the disputed claim language to mean at the time of the invention." *Phillips v. AWH Corp.*, 415 F.3d 1303, 1314 (Fed. Cir. 2005) (en banc). Those sources include "intrinsic evidence" such as "the words of the claims themselves, the remainder of the specification, and the patent prosecution history," as well as "extrinsic evidence" concerning "relevant scientific principles, the meaning of technical terms, and the state of the art." *Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1116 (Fed. Cir. 2004).

Importantly, claims "must be read in view of the specification, of which they are part." *Markman*, 52 F.3d at 979. The specification "is always highly relevant to the claim construction analysis. Usually, it is dispositive; it is the single best guide to the meaning of a disputed term." *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). In addition, a court "should also consider the . . . prosecution history" as part of the intrinsic evidence. *Phillips*, 415 F.3d at 1317.

Generally, claim terms are "given their ordinary and customary meaning as understood by a person of ordinary skill in the art when read in the context of the specification and prosecution history." *Mettler-Toledo, Inc. v. B-Trek Scales, LLC*, 671 F.3d 1291, 1294 (Fed. Cir. 2012). In patent parlance, a "person of ordinary skill in the art" is "a hypothetical person who is presumed to know the relevant prior art." *In re GPAC Inc.*, 57 F.3d 1573, 1579 (Fed. Cir. 1995). The "person of ordinary skill in the art" construct is used both for evaluating prior art in the invalidity inquiry, and also for their knowledge of the "ordinary and customary meaning" (also referred to as the "plain and ordinary meaning") of claim terms.

However, claim terms are not necessarily given their plain and ordinary meaning. "A determination that a claim term 'needs no construction' or has the 'plain and ordinary meaning' may be inadequate when a term has more than one 'ordinary' meaning or when reliance on a term's 'ordinary' meaning does not resolve the parties' dispute." *O2 Micro Int'l Ltd. v. Beyond Innovation Tech. Co., Ltd.*, 521 F.3d 1351, 1361, 1362 (Fed. Cir. 2008) ("When the parties present a fundamental dispute regarding the scope of a claim term, it is the court's duty to resolve it."). In addition, it is "the Court's duty to 'ensure that the jury fully understands the court's claim construction rulings and what the patentee covered by the claims,'" which requires construing terms that are of "technical nature." *Northpeak Wireless, LLC v. 3Com Corp.*, No.

09-cv-00602-SI, 2015 WL 5117020, at *11 (N.D. Cal. Aug. 28, 2015) (quoting *Power-One, Inc. v. Artesyn Techs., Inc.*, 599 F.3d 1343, 1348 (Fed. Cir. 2010)). And an "ordinary meaning" construction is particularly inappropriate where terms are expressly defined in the specification (*Phillips*, 415 F.3d at 1316) or where the patent owner "disclaims" or "disavows" claim scope by telling the Patent Office their patent does not cover certain features. *See id.*; *see also Openwave Sys., Inc. v. Apple Inc.*, 808 F.3d 509, 517 (Fed. Cir. 2015) (finding a "disavowal of claim scope through disparagement of the prior art in the specification").

Claim construction analysis also can reveal that a claim term is indefinite and therefore invalid. *See Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2124 (2014). "[A] patent is invalid for indefiniteness if its claims, read in light of the specification delineating the patent, and the prosecution history, fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention." *Id.* A claim term is also indefinite if it contains "subjective claim language without an objective boundary" (*Interval Licensing LLC v. AOL, Inc.*, 766 F.3d 1364, 1373 (Fed. Cir. 2014)), if it attempts to claim subject matter contradicted by the plain language of the claim (*Allen Eng'g Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1349 (Fed. Cir. 2002)), or if it claims "the combination of two separate statutory classes of invention" (*IPXL Holdings, L.L.C. v. Amazon.com, Inc.*, 430 F.3d 1377, 1384 (Fed. Cir. 2005)). The Supreme Court's "reasonable certainty" standard ensures that a patent is "precise enough to afford clear notice of what is claimed, thereby 'apprising the public of what is still open to them.'" *Id.* at 2129 (citations omitted).

Should the Court desire an example of how other courts approached claim construction, attached hereto as Exhibit 1 is a copy of Judge Forrest's claim construction opinion in *Regeneron Pharms., Inc. v. Merus B.V.*, No. 1:14-cv-1650-KBF, 2014 WL 6611510 (S.D.N.Y. Nov. 21,

2014). Judge Forrest's well-reasoned opinion addresses many of the same issues that are also present in this case, including the use of a patent's specification and prosecution history when interpreting the claims (*see, e.g.*, Ex. 1 at 20-26, 36-37, 47-48), when a finding of "no construction necessary" is inadequate (*see, e.g.*, Ex. 1 at 27, 31-32, 49), and application of the indefiniteness standard (*see, e.g.*, Ex. 1 at 29-30, 50-54).

III. MEDIA PROPERTY SELECTION ("MPS") PATENTS

A. BACKGROUND

Plaintiffs have asserted U.S. Patent Nos. 8,671,139 (the "'139 Patent"), 8,959,146 (the "'146 Patent"), and 9,508,089 (the "'089 Patent") (collectively "MPS patents"). All three patents are "continuations," meaning that they share the same disclosure. The MPS patents relate to "profile-based behavioral targeting advertising methods" "based on expected profit from the placement." ('139 Patent at 1:20-24.)

The MPS patents describe prior art visitor-targeting systems as inefficient because (1) ad space prices vary; (2) visitor profiles are worth different amounts to different advertisers depending on profile content; and (3) advertisers might be willing to pay different amounts based on the attribute an advertiser is looking to target. (*Id.* at 3:46-67.) The MPS patents allegedly solve these problems through an intermediary "BT company" that calculates expected profit for an ad correlated with a visitor's profile and, when that profit is positive, arranges for the visitor to be tagged with a tag readable by the selected media property. (*Id.* at 6:12-26.) In particular, the MPS patents contemplate a transaction between three parties: the ***advertiser***, which creates an advertisement for display on a website (*see* '139 Patent at 2:5-8 ("The placement of cookies allows those publishers or the BT company itself to sell ads to advertisers. Those ads will be presented to the visitors when they are found later on the same site or on other sites.")); the ***publisher***, which "publishes" the advertisement for display to a visitor (*see id.*); and the ***BT***

company, which acts as an agent to allow a publisher to target advertisements to the publisher's visitors on other, third-party websites (*see id.* at 1:66-2:4 ("BT companies place a cookie (or cookies) on the computers of visitors to specific sections of a publisher's website or on the computers of visitors of the publisher who conducted a specific action such as search, click content, click an ad, request information, acquire a product, etc."); 2:14-22 ("[A] BT company … acts as an agent that places cookies on the computers of publisher's visitors for the purpose of delivering targeted ads to the publisher's visitors on other sites….")). The MPS patents also describe an alternative arrangement, in which a publisher chooses to circumvent the BT company, buying ad space on a third-party's website directly. (*See id.* at 2:14-22 ("[T]he publisher can work without an agent and place cookies or tags on the computers of the publisher's own visitors for the purpose of delivering ads to those visitors on other sites where the publisher buys ad space.").)

The MPS patents purportedly invent a mechanism by which a publisher website may target advertisements to its visitors when those visitors visit other publisher websites. The BT company "selects (500) media properties (e.g., 40) for the delivery of an advertisement based on a profile collected on the first media property 20." (*Id.* at 8:30-32.) The selection is "based on a calculated expected profit," after which the BT company "arranges for the visitor 10 to be tagged (610 or 620) with a tag readable by the selected media property 40." (*Id.* at 8:32-35.) When the "selected media property 40 recognizes a [previously] tagged visitor… [it] arrang[es] for the BT company 30 to serve an ad (720) to the visitor." (*Id.* at 8:64-9:3.) Accordingly, the BT company sends a publishers' visitors to *other* publishers to be tagged, and further assists those "other" publishers in serving advertisements to the tagged visitors on their subsequent visits.

BT companies use "cookies"—unique identifiers to keep track of a person's activities on the Internet—to mediate between the publisher and other third-party websites. (*Id.* at 3:22-26.) Specifically, "BT" companies "place a cookie (or cookies) on the computers of visitors" to a publisher's website, *e.g.* when the visitors visit specific sections of the website, or conduct specific actions such as searchers or ad clicks. (*Id.* at 1:63-2:4.) Because the "only server that can read a cookie on a user's computer is a server operating under the same domain as the server that placed the cookie on a user's computer to begin with" (*id.* at 1:36-38), the BT company operates as an agent between a currently visited website and other third-party websites, redirecting the visitor to those third-party websites so that they may place their own cookies on the visitor's computer. This allows the third-party website to identify the tagged visitor (by reading its own cookie) when the visitor later visits that website. (*Id.* at 2:5-6.)

B. DISPUTED TERMS

1. "directing, to a third-party server computer controlling advertising space on a second media property, indicia of a condition"

Term	Yahoo's Construction	Plaintiffs' Construction
"directing, to a third-party server computer controlling advertising space on a second media property, indicia of a condition"[1]	"arranging for placement of a condition-containing tag readable by a third-party server computer controlling advertising space on a second media property"	Ordinary meaning (not limited to a condition in a tag)
"providing the ad network with a price cap that the BT company is willing to pay the ad network"[2]	"arranging for placement of a tag containing a price cap readable by the ad network"	Ordinary meaning (not limited to a condition in a tag)

The plain language of the claims of the MPS patents describe "directing" an "indicia of a condition for display of an advertisement" and "providing" a "price cap" to a third-party server

[1] Found in claim 1 of the '139 Patent and claim 1 of the '146 Patent.

[2] Found in claim 1 of the '089 Patent.

on an ad network. Yahoo groups these two terms together because the MPS patents are clear that a price cap is merely a type of condition for ad delivery. ('089 Patent at 10:38-42 ("the BT company 30 will not arrange for tag placement if ***the price it is willing to pay for delivering an ad*** to the profiled visitor 10 is less than the lowest price demanded by a second media property 50 for delivering an ad within that ad space, i.e., ***price cap***<min[P(mp)].").) Thus, the dispute between the parties is not what the ***condition*** is—one example is a price cap; rather, the crux of the dispute between the parties is how that condition or price cap is ***delivered***, i.e., what the "indicia" is.

The MPS patents are clear in this regard: the condition, or price cap, is delivered through the placement of a "tag." ('139 Patent at 6:12-18 ("a BT company calculates expected profit … and arranges for the visitor ***to be tagged***…"); 6:23-26 ("the BT company arranges for the visitor ***to be tagged***…"); 8:30-35 ("The BT company 30 makes the selection based on a calculated expected profit and then arranges for the visitor 10 ***to be tagged*** (610 or 620) with a tag readable by the selected media property 40."); 9:65-10:4 ("in addition to arranging for the second media property (e.g., 50) to tag (620) its visitor…").) This is shown in figure 1, which illustrates the tag's role:

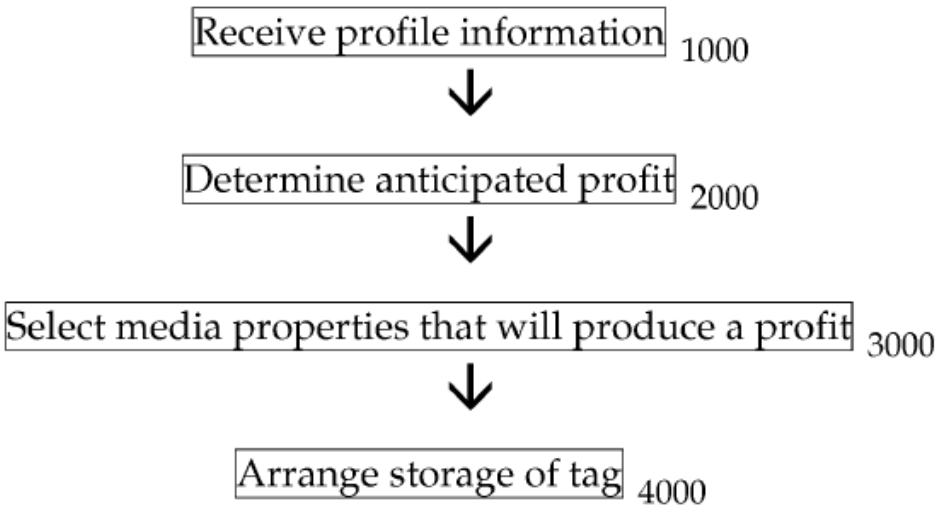

FIG. 1

Yahoo's proposed construction is consistent with the MPS patents' written description, as the Federal Circuit requires. *See Spotless*, 294 F. Supp. 2d at 334 ("words used in the claims are interpreted in light of the intrinsic evidence of record, including the written description, the drawings, and the prosecution history") (quoting *Teleflex, Inc. v. Ficosa N. Am. Corp.*, 299 F.3d 1313, 1324-25 (Fed. Cir. 2002)). The only disclosures in the MPS patents of "directing … an indicia of a condition" or "providing … a price cap" is delivery via "a condition-containing tag." ('139 Patent at 6:12-18; 6:23-26; 8:30-35; 9:65-10:4.) Yahoo's proposal is consistent with the intrinsic evidence.

Plaintiffs' so-called "ordinary meaning" construction – specifically, "not limited to a condition in a tag" – is inconsistent with the specification. Every mention of directing a condition in the patent uses a tag. (*See, e.g.*, '139 Patent at 6:12-18 ("a BT company calculates expected profit for an ad correlated with the profile and ***arranges for the visitor to be tagged***…") (emphasis added), 6:23-26 ("the BT company ***arranges for the visitor to be tagged*** with a tag

readable by the selected media property through which the BT company expects to profit") (emphasis added), 8:30-35 ("The BT company 30 makes the selection based on a calculated expected profit and then ***arranges for the visitor 10 to be tagged***…") (emphasis added); *see also* 9:26-33 (same), 9:65-10:4 (same).)

Plaintiffs try to turn the rules on their head, arguing that the specification "says little" about how the condition is provided other than the quotes above. (Br. at 41.) But ***no other example*** is provided in the MPS patents; as Plaintiffs themselves concede, the ***only*** disclosed method for delivering a condition in the MPS patents is a tag. It would be erroneous to construe the term to refer to more than the patent describes. *See, e.g., Profectus Tech. LLC v. Huawei Techs. Co., Ltd.*, 823 F.3d 1375, 1380-81 (Fed. Cir. 2016) (holding that where a feature was disclosed in "every embodiment disclosed in the specification" and where the patent did not "contemplate a situation where" the feature was absent, a construction limited to that disclosed feature was appropriate).

Profectus is instructive. There the Federal Circuit reviewed a district court's construction of "mountable" as "having a feature for mounting." *Id.* at 1380. The plaintiff advocated for a broader construction, "capable of being mounted" – *i.e.*, not necessarily including a feature for mounting. *Id.* at 1379. The Federal Circuit noted that "[c]laim language must be viewed in light of the specification, which is the 'single best guide to the meaning of a disputed term.'" *Id.* (quoting *Phillips*, 415 F.3d at 1315). The court determined that "[w]hen read in view of the specification, the claims do not permit the expansive construction proposed by" the plaintiff. *Id.* at 1381. This was because "[i]n every embodiment disclosed in the specification, the picture display or frame includes a feature for mounting the device to a wall or on a tabletop." *Id.* In *Profectus*, as here, the plaintiff argued "that requiring a mounting feature reads in a preferred

embodiment." *Id.* But the Federal Circuit explained that plaintiff "fail[ed] to pinpoint in the intrinsic record where the patent contemplates a situation where ***no*** mounting features exist." *Id.* (emphasis in original). Just as in *Profectus*, in this case, the ***only*** example provided in the MPS patents for delivering a condition is a tag.

Similarly, in *The Toro Co. v. White Consol. Indus., Inc.*, the parties disputed whether a "restriction ring" was "included" in a cover if it was an entirely separate component. 199 F.3d 1295, 1300 (Fed. Cir. 1999). The specification showed "only a structure whereby the restriction ring is 'part of' the cover, in permanent attachment." *Id.* The Federal Circuit held that "[t]his is not simply the preferred embodiment; it ***is the only embodiment***." *Id.* (emphasis added). Thus, it was "not a case of limiting the claims to a "preferred embodiment" of an invention that has been more broadly disclosed." *Id.* at 1301. Instead, the invention was "described throughout the specification as claimed," and there was no basis for a broader construction. *Id.* at 1302. The same is true here – there is no disclosure in the MPS Patents' specification of an invention that is any broader than directing a condition via a condition-containing tag. Accordingly, Plaintiffs' overly-broad construction should be rejected.

For similar reasons, Plaintiffs' argument that the condition or price cap must not be delivered "in a tag" is also erroneous. As discussed above, every disclosure in the patents of directing a condition or providing a price cap does so by arranging placement of a tag containing that condition or price cap. *See* '139 Patent at 6:12-18; 6:23-26; 8:30-35; 9:65-10:4. Plaintiffs' argument that "via the tag" and "for example" discloses an embodiment in which the condition is "delivered via a tag but not within it" (Br. at 42-43) is speculation – there is no explicit disclosure in the specification of such an embodiment. The MPS patents state that a ***profile*** can be stored either in "a cookie (tag)" or "in a central database." (Br. at 42.) Based on this

disclosure, Plaintiffs assert that a ***condition*** could also be in a database, rather than a tag. But the language quoted by Plaintiffs says nothing of the sort. It relates only to where ***profiles*** may be stored – not conditions. (*See* '139 Patent at 4:44-51.)

2. "for each of a multitude of different electronic visitors to a first media property" / "for each of a multitude of visitor computers of different visitors visiting a first website"

Term	Yahoo's Construction	Plaintiffs' Construction
"for each of a multitude of different electronic visitors to a first media property"[3] / "for each of a multitude of visitor computers of different visitors visiting a first website"[4]	"for a first media property having multiple visitors, for each visitor…" / "for a first media property having a multitude of visitors, for each visitor…"	Ordinary meaning (not limited to each)

The term "for each of a multitude of … [visitors / visitor computers]" appears in all asserted independent claims of the MPS patents. The parties' dispute here centers around whether the use of "for each of a multitude of different electronic visitors" means ***every*** visitor (Yahoo's construction) or a ***subset*** of visitors (Plaintiffs' construction). Yahoo's construction reflects the text of the claims, gives meaning to each word in those claims, and closely follows statements Plaintiffs made to the Patent Office in order to obtain the MPS patents. Plaintiffs, in contrast, offer an "ordinary meaning" construction that would read words out of the claims, and would effectively rewrite "each" as "some." Plaintiffs are explicit in their desire to rewrite the claims – their proposed construction of "for each…" is "not limited to each."

Plaintiffs cannot use claim construction to rewrite "for each" as "not limited to each." It is black-letter law that claim construction cannot render a portion of the claim language superfluous. *See Cat Tech LLC v. TubeMaster, Inc.*, 528 F.3d 871, 885 (Fed. Cir. 2008)

[3] Found in claim 1 of the '139 Patent and claim 1 of the '146 Patent.

[4] Found in claim 1 of the '089 Patent.

(refusing to adopt a claim construction which would render a claim limitation meaningless); *Elekta Instrument S.A. v. O.U.R. Scientific Int'l, Inc.*, 214 F.3d 1302, 1305-07 (Fed. Cir. 2000) (refusing to adopt a claim construction which would render claim language superfluous).

Indeed, the Federal Circuit has rejected similar efforts to read "each" as "some" in prior cases. For example, in *Apple Inc. v. Samsung Elecs. Co., Ltd.*, 695 F.3d 1370 (Fed. Cir. 2012), the Federal Circuit construed the phrase "***each*** heuristic module" to apply to ***every*** heuristic module. *Id.* at 1379 (claim referring to "each" module could not apply to only a subset of modules, because this "would impermissibly wipe out the express limitation that requires every module to have a unique heuristic algorithm."). The Federal Circuit held that the claims' use of the open-ended term "comprising" did not change the fact that the claim limitations applied to each module – *i.e.*, ***every*** module. *Id.* The same is true here; the MPS Patents reference "each of a multitude of different electronic visitors," which refers to ***every*** visitor – not just *some* visitors. If the claims only referred to some but not all of the multiple visitors, the claims would simply say "a multitude of visitors" – not "each of a multitude of visitors." Because Plaintiffs' construction would "impermissibly wipe out the express limitation that requires every" visitor (*cf. Apple*, 675 F.3d at 1379) it should be rejected.

Plaintiffs' construction also ignores the specification. The MPS patents describe actions – such as tagging a visitor's computer with a tag or delivering an ad – that are taken with respect to every visitor. *See, e.g.,* '139 Patent at 2:6-8 ("ads will be presented to ***the visitors*** when they are later found on the same site or on other sites."); 6:12-18 ("arranges for ***the visitor*** to be tagged with a tag…"), 8:30-35 ("arranges for ***the visitor*** 10 to be tagged…"); 9:27-33 ("to tag ***the visitor*** as a BT company visitor…"); Fig. 1. For example, in Figure 1, there are four steps: *first*, receiving profile information for an electronic visitor; *second*, determining anticipated

revenues or profits from placing an advertisement targeted to the visitor; *third*, automatically selecting a media property for which there is an anticipated positive profit for delivering the ad; and *fourth*, arranging for storage of a tag associated with the visitor. '139 Patent at 6:50-62, Fig. 1. Notably, the plain language of the claims requires that this occurs for ***each visitor***—not a subset of visitors. *See* '139 Patent at 2:6-8 ("Those ads will be presented to ***the visitors*** when they are later found on the same site or on other sites."); *see also Apple*, 695 F.3d at 1379 (rejecting the argument that "each" applies only to a subset).

Plaintiffs in their brief point to an example described in the specification in which a visitor navigates to Google's website, searches for "mortgage," and is thereafter arranged to be tagged by Google. *See* Br. at 35-36. But this example is irrelevant, because it is not the embodiment to which the claims are directed. It is axiomatic that a claim need not be construed to cover every embodiment disclosed in a patent. *PPC Broadband, Inc. v. Corning Optical Commc'ns RF, LLC*, 815 F.3d 747, 755 (Fed. Cir. 2016) (while a "construction which reads the preferred embodiment out of the scope of the claims would generally seem at odds with the intention of the patentee as expressed in the specification," that "does not mean … that each and every claim ought to be interpreted to cover each and every embodiment.") (citations omitted); *Baran v. Med. Device Techs., Inc.*, 616 F.3d 1309, 1316 (Fed. Cir. 2010) ("It is not necessary that each claim read on every embodiment."); *Helmsderfer v. Bobrick Washroom Equip., Inc.*, 527 F.3d 1379, 1383 (Fed. Cir. 2008) ("It is often the case that different claims are directed to and cover different disclosed embodiments."); *Intamin Ltd. v. Magnetar Techs., Corp.*, 483 F.3d 1328, 1336–37 (Fed. Cir. 2007) ("[A] claim need not cover all embodiments.").

During the prosecution of the MPS patents, Plaintiffs told the Patent Office that in these claims, "each" meant "all" – not "some." Plaintiffs argued with respect to the phrase "for each

of a multitude of different electronic visitors to a first media property" – i.e., the disputed claim limitation – that:

> As to the word "each," assignee believes that it would cause more confusion, not less, to insert the word "each" in the place suggested. Instead, assignee has clarified the claim by adding a colon and a carriage return after the preliminary phrase "for each of a multitude of different electronic visitors to a first media property," thus indicating that the subsequent paragraph describes that ***actions are taken automatically with respect to <u>each of the visitors in turn</u>***. However, the actions taken are described with respect to any given one of the visitors.

(Dkt. 102-18 ('139 Patent File History, Jan. 29, 2013 Amendment) at 13 (emphasis added).) This reference to "each of the visitors" – not "each of some of the visitors" – forecloses Plaintiffs' proposed "each is not limited to each" construction. A patent owner cannot tell the Patent Office that the claims cover one thing to obtain a patent, and later tell a court the claims cover something broader in litigation. *Spotless Enter., Inc. v. A&E Prods. Group L.P.*, 294 F. Supp. 2d 322, 333-34 (E.D.N.Y. 2003) ("[I]t is well-settled that the 'prosecution history … limits the interpretation of claims so as to exclude any interpretation'" that differs from what the patentee told the Patent Office during prosecution) (quoting *Omega Eng'g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1323-24 (Fed. Cir. 2003)). Plaintiffs told the Patent Office that where a website has multiple visitors, the actions described in the claim language are taken for ***each visitor***. (*See* Dkt. 102-18 at 13.) This is precisely what Yahoo's construction requires.

Incredibly, Plaintiffs argue that "each of the visitors" does not mean "each of the visitors" based on a single self-serving paragraph addressing a different term – not "each," but "multitude" – in the file history. (*See* Br. at 37.) Specifically, Plaintiffs quote the following paragraph from prosecution of the '139 Patent:

> With regard to the same phrase, we wish the Office to understand that assignee is using the word "multitude" to refer to a large number of visitors, ***such as however many computers might visit a given website during a certain time period, or generally, not just a small number like two or three***. The term "plurality," which refers to just "two or more," is not considered sufficient to express the desired

> concept of "many." Beyond that concept, the precise number of visitors is not crucial to the invention.

(Br. at 37 (emphasis in original).) But this paragraph is no help to Plaintiffs. It simply, and explicitly, told the Patent Office that "multitude" described how many visitors there were – and that there were many, unlike a mere "plurality" of visitors. Plaintiffs now try to unwind this exchange with the Patent Office, and argue that the "'large number of visitors' need not consist of all visitors to a given website." (Br. at 37-38 (emphasis omitted).) This argument – that the claims cover just some visitors, rather than "however many computers might visit' – is meritless. Plaintiffs told the Patent Office that "multitude" modifies "visitors" and requires the number of visitors to be large, as opposed to simply referencing some visitors (such as two or three visitors). (Dkt. 102-18 at 13.) Plaintiffs reaffirmed this in other statements to the Patent Office that Plaintiffs largely ignore – including Plaintiffs' explicit statement to the Patent Office that the claim steps are "taken automatically with respect to ***each of the visitors in turn***." (*Id.*) Plaintiffs made a bargain with the Patent Office to obtain these patents. They cannot unwind that bargain and now claim that "each" is "not limited to each."

3. "information indicating at least one of a plurality of profile attributes possibly applicable to the electronic visitor" / "information indicating to the computer system that at least one of a plurality of profile attributes is possibly applicable to the electronic visitor"

Term	Yahoo's Construction	Plaintiffs' Construction
"information indicating at least one of a plurality of profile attributes possibly applicable to the electronic visitor"[5] / "information indicating to the computer system that at least one of a plurality of profile attributes	Indefinite	Ordinary meaning

[5] Found in claim 1 of the '139 Patent.

is possibly applicable to the electronic visitor"[6]		

A patent "must be precise enough to afford clear notice of what is claimed, thereby 'appris[ing] the public of what is still open to them.' Otherwise there would be '[a] zone of uncertainty which enterprise and experimentation may enter only at the risk of infringement claims." *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2129 (2014) (emphasis added). A patent "is invalid for indefiniteness if its claims, read in light of the specification delineating the patent, and the prosecution history, fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention." *Id*. at 2124. It is not enough for the claims to explain ***some*** of what is covered; the claims "must provide objective ***boundaries*** for those of skill in the art." *Interval Licensing LLC v. AOL, Inc.*, 766 F.3d 1364, 1371 (Fed. Cir. 2014) (citing *Nautilus*, 134 S. Ct. at 2130 & n. 8) (emphasis added).

The term "possibly applicable" runs afoul of these rules. Its boundaries are not objective, but instead depend "on the unpredictable vagaries of any one person's opinion." *Interval Licensing*, 766 F.3d at 1371 (quoting *Datamize, LLC v. Plumtree Software, Inc.*, 417 F.3d 1342, 1350 (Fed. Cir. 2005)). The patent does not provide an objective benchmark for which profile attributes are "possibly applicable" and which are not "possibly applicable." Indeed, this is precisely what "possibly" means – it refers to anything "possible or imaginable" (*see* Ex. 2 (printout of https://www.merriam-webster.com/dictionary/possibly)), and whether something is "imaginable" is plainly subjective and therefore invalid, like a host of other, similar terms. *See, e.g., In re Walter*, 698 Fed. App'x 1022, 1026 (Fed. Cir. 2017) (finding term "block-***like***" to be a term of degree, and indefinite); *Interval Licensing*, 766 F.3d at 1373 (finding "unobtrusive manner" subjective and indefinite); *Halliburton Energy Servs., Inc. v. M-I LLC*, 514 F.3d 1244,

[6] Found in claim 1 of the '146 Patent.

1256 (Fed. Cir. 2008) (finding "fragile gel" indefinite because "it is ambiguous as to the requisite degree of the fragileness of the gel, the ability of the gel to suspend drill cuttings (i.e., gel strength), and/or some combination of the two."); *Datamize*, 417 F.3d at 1356 (finding "aesthetically pleasing" subjective and indefinite).

The subjectivity and indefiniteness of this phrase cannot be resolved by pointing to some examples that ***are*** applicable; *Nautilus* and *Interval Licensing* require some objective way to determine the ***boundaries*** for what profile attributes are "possibly applicable" to a visitor. *Nautilus*, 134 S. Ct. at 2124; *Interval Licensing*, 766 F.3d at 1371. The patent provides no objective boundary – "possibly applicable" is no different from "might be applicable" or "somewhat applicable," and requires speculation. Because there is no objective way to determine the boundaries of the "possibly applicable" term, the claims are indefinite. *See, e.g.*, *Datamize*, 417 F.3d at 1350 ("The scope of claim language cannot depend solely on the unrestrained, subjective opinion of a particular individual purportedly practicing the invention."). Indeed, providing objective boundaries is the only way of avoiding the "innovation-discouraging 'zone of uncertainty' against which [the Supreme Court] has warned." *Nautilus*, 134 S. Ct. at 2130.

Plaintiffs state that a person of ordinary skill in the art would understand that "profile attributes, when connected to a tagged device, are not guaranteed to belong to a device's primary user." *Id.* (emphasis omitted). But even if that were true, it does not define the outer boundaries of "possibly applicable," as Plaintiffs allege. *See id.* Plaintiffs' logic would again ask the Court to essentially rewrite the claims to say "applicable" – but Plaintiffs cannot use claim construction to rewrite the claims that issued. *Interval Licensing*, 766 F.3d at 1371; *Datamize*, 417 F.3d at 1350.

Nor does *DDR Holdings* salvage the claims. There, defendants argued that the claim term "look and feel" was purely subjective, and therefore indefinite. *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1260 (Fed. Cir. 2014). The Federal Circuit noted that "look and feel" was not purely subjective; rather, the evidence demonstrated that the term had a sufficiently specific and objective meaning in the art. *Id.* The court noted that the specification provided concrete examples of different elements that constituted the "look and feel." *Id.* These examples, the Federal Circuit held, were "consistent with the established meaning of the term 'look and feel' in the art." *Id.* Moreover, at least one defendant ***conceded*** that it, and its customers, understood the meaning of "look and feel." *Id.* at 1260-61. Based on this evidence, the Federal Circuit held that "look and feel" in the patent asserted in *DDR Holdings* was not subjective. *Id.* at 1261.

Here, in contrast, there is no evidence providing an "established meaning" of the term "possibly applicable." There is no accepted industry meaning of "possibly applicable." And there is certainly no concession that Yahoo, or its customers, have an objective way to determine what the boundaries of "possibly applicable" are. The specification provides no examples defining when profile attributes would "possibly" be applicable to one user or another, or when they would not "possibly" be applicable. On these facts, the term "possibly applicable" is indistinguishable from the term "unobtrusive manner" in *Interval Licensing* and the term "aesthetically pleasing" in *Datamize*, and is indefinite. *Interval Licensing*, 766 F.3d at 1371; *Datamize*, 417 F.3d at 1350.

4. "a price cap … for allowing delivery of an advertisement"

Term	Yahoo's Construction	Plaintiffs' Construction
"a price cap … for allowing delivery of an advertisement"[7]	"a price cap … for display of an advertisement"	Ordinary meaning (not limited to CPM-based charging)

The dispute with respect to this term revolves around what "delivery" of an advertisement means. Yahoo's construction is simple and straightforward: a delivery of an advertisement is a display of an advertisement. By contrast, Plaintiffs propose an "ordinary meaning" construction that ignores this central issue and instead focuses on the charging method used in calculating the claimed price cap. There is no dispute that a "price cap" is the amount an advertiser is willing to pay for delivering an ad, just as the plain language of the claims require. ('089 Patent at 10:38-42 ("the BT company 30 will not arrange for tag placement if ***the price it is willing to pay for delivering an ad*** to the profiled visitor 10 is less than the lowest price demanded by a second media property 50 for delivering an ad within that ad space, i.e., ***price cap***<min[P(mp)].").) But whether or not the '089 Patent discloses multiple charging methods is not the issue; rather, the issue is which charging methods are disclosed with regard to ***delivery*** of an advertisement. As disclosed by the MPS patents, the only charging method for use with advertisement delivery is CPM-based charging, and as a result "a price cap … for allowing delivery of an advertisement" can only mean one thing: "a price cap … for display of an advertisement."

The MPS patents describe calculating expected revenues from delivering ads and selecting a website for advertisement display based on a calculation of expected profit. (*See* '089 Patent at 8:28-55.) In making this selection, a price cap is used as part of the profit determination. (*See id.* at 7:35-57.) According to the MPS patents, there are two types of price

[7] Found in claim 1 of the '089 Patent.

cap, the first being "the difference determined by subtracting from the ***revenue generated from advertising to a visitor*** with a particular profile a selected amount," and the second being "the available ***revenue generated from advertising to a visitor*** with a particular profile." *Id.* (emphases added). In both scenarios, revenue is generated by "advertising to a visitor" – *i.e.*, display of an advertisement. *See id.* As described by the MPS patents, this is equivalent to a dollar-amount that an advertiser is willing to pay for every thousand ads, referred to as "CPM." (*Id.* at 10:1-19; 11:56-12:5.)

Plaintiffs only offer that the term is "not limited to CPM-based charging" – i.e., not limited to paying to ***display*** advertising, and instead open to paying for things ***other*** than the display of an advertisement. Plaintiffs' construction has no support in the specification. The MPS patents do not describe a single instance of using anything other than a CPM calculation to determine whether to deliver, and therefore display, an advertisement. Every example described in the MPS patents describes CPM-based calculation of a price cap prior to the display of an advertisement – not based on something else, such as a click or a sale. (*See* '089 Patent at 10:1-19 (describing delivering a thousand mortgage-related ads to Google visitors after calculating a profit of $6 CPM); 11:56-12:5 (describing calculating CPM-based profit for an advertisement).) Thus, because there is no support in the specification for Plaintiffs' construction, it should be rejected. *See Profectus Tech. LLC v. Huawei Techs. Co., Ltd.*, 823 F.3d 1375, 1380-81 (Fed. Cir. 2016) (holding that where a feature was disclosed in "every embodiment disclosed in the specification" and where the patent did not "contemplate a situation where" the feature was absent, a construction limited to that disclosed feature was appropriate).

Plaintiffs allege that Yahoo ignores the MPS patents' disclosure of types of charging other than CPM. (*See* Br. at 44 (citing disclosures in the '089 Patent at 5:64-6:1, 8:37-42, 11:33,

11:37-46, 11:35-36, and 11:47-12:5)). None of these describe advertisement ***delivery*** following calculation of a price cap based on any method other than CPM. Plaintiffs are correct that in addition to CPM-based charging, the MPS patents disclose cost-per-click (CPC) and cost-per-action (CPA) based charging. (*Id.* at 5:64-6:1 (CPC), 8:37-42 (same); 11:33 (same); 11:37-46 (same); 11:35-36 (CPA).) But the claims do not cover these methods of charging. Earning revenue on a per-click basis is not the same as earning revenue for delivery of an advertisement. The claims describe receiving revenue for *delivery*. Per-click charging is not compatible with those claims; in a per-click framework, delivering the ad does not generate revenue – only the later "click" (if it occurs) generates revenue.

By focusing on revenue for delivery, the claims chose to target one of the disclosed embodiments – per-display charging (payment every time an ad is delivered), as opposed to per-click charging or per-action charging (e.g., payment only due if a customer buys a good after seeing the ad). *PPC Broadband*, 815 F.3d at 755 (while a "construction which reads the preferred embodiment out of the scope of the claims would generally seem at odds with the intention of the patentee as expressed in the specification," that "does not mean … that each and every claim ought to be interpreted to cover each and every embodiment.") (citations omitted); *Baran*, 616 F.3d at 1316; *Helmsderfer*, 527 F.3d at 1383 ("It is often the case that different claims are directed to and cover different disclosed embodiments."); *Intamin*, 483 F.3d at 1336–37 ("[A] claim need not cover all embodiments.").

The claims require a price cap for advertisement ***delivery***, not a price cap for advertisement clicking, or advertisement action. That requirement cannot be ignored, and governs the proper construction of the claims. *Id.* Accordingly, impression-based (i.e., display-

based) charging is the only charging method that falls within the scope of the claims, and Plaintiffs' proposed exception to the ordinary meaning of this claim term should be rejected.

Thus, none of the portions of the specification of the MPS patents cited by Plaintiffs support their overly broad construction. As a consequence, it should be rejected.

5. "behavioral targeting (BT) company" / "BT company"

In order to expedite the claim construction process and focus judicial resources on substantive disputes between the parties, Yahoo agrees to adopt Plaintiffs' construction for this term. Specifically, Yahoo agrees that "behavioral targeting (BT) company" and "BT company" should be construed as: "A company that targets ads based on observed behavior of website visitors, for example, as an agent that places cookies or tags on the computers of a publisher's visitors for the purpose of delivering targeted ads to the publisher's visitors on other sites, or as a publisher that places cookies or tags on the computers of the publisher's own visitors for the purpose of delivering ads to those visitors on other sites where the publisher buys ad space."

IV. OFF-SITE TARGETED ADVERTISING ("OTA") PATENTS

A. BACKGROUND

The OTA patents asserted in this case—the '639 and '586 Patents—are part of a larger patent family consisting of four patents and one pending patent application. All members of the OTA patent family, including the two asserted patents, share the same specification and claim similar subject matter. The '586 Patent is titled "Computerized Systems For Added-Revenue Off-Site Targeted Internet Advertising," and the '639 Patent is titled "Added-Revenue Off-Site Targeted Internet Advertising."

The OTA patents purport to address a problem they label "saturation." When there are too many ads to run, an advertising forum is "saturated." Saturation may occur in a magazine, for example, when there are not enough pages to include more advertisements. ('639 Patent at

2:35-37). On the Internet, a web site becomes saturated when that site has an "unacceptable ratio" of content (called "core messages" in the specification) to advertisements. (*Id*. at 2:1-42).

According to the patents, the prior art addressed the saturation problem using many different techniques. Newspapers or magazines would add additional pages or supplements to their publications. (Id. at 2:22-42.) Websites would similarly link to additional pages. (*Id.*)

Like adding an advertisement supplement to a newspaper, the OTA patents allegedly address saturation by displaying ads to a user on a supplemental web site. More specifically, when a first Internet site has no room to display additional advertisements, visitors to that site can be "tagged" such that they are recognized by a second Internet site. (*See, e.g., id.* at 10:45-63.) After the tag is recognized by the second Internet site, the visitor can be presented with the ad that did not fit on the first Internet site, and the first and second Internet site split the revenue paid by the advertiser, so that "all parties to this method are satisfied." (*Id.* at 10:64-11:2.) For example, the financial section of a first website might have no more room for additional advertisements (in the words of the patent, the financial section may be "saturated"), but there are additional advertisers interested in targeting advertisements to readers of that section. The first website could then tag readers of the financial section, and a second website could display additional advertisements to those same readers. The first and second website would then split the revenue received from the additional advertisers.

The OTA patents purport to disclose various types of "tags" that can be used in connection with the claimed inventions, including "a cookie,"[8] "an identification message," "a message identifier record in a database," "a credit warning in a credit card database," "a personal

[8] "A cookie is a message given to a Web browser by a Web server. The browser stores the message in a special text file. This message is sent back to the server each time the browser requests a page from the server. This cookie then provides an identification of the visitor." (*Id.* at 4:39-45.)

notice in a public service database," "a legal instrument in a legally empowered body database," "a message in a cellular telephone SIM card," and "a notification in[] a wireless communication service database." (*Id.* 19:62-20:22.) The OTA patents also purport to disclose various manners in which these "tag[s]" can be utilized, including:

- "placing a cookie into each visitor of the preponderance of visitors";
- "placing a notification into a telephone system database for each visitor of the preponderance of visitors";
- "placing a message identifier record into a database for each of the preponderance of visitors";
- "placing a credit warning into a creditcard database for each visitor of the preponderance of visitors";
- "placing a personal notice into a public service database for each visitor of the preponderance of visitors";
- "sending a legal instrument into a legally empowered body database for each visitor of the preponderance of visitors";
- "placing a message into a cellular telephone SIM card for each visitor of the preponderance of visitors"; and
- "placing a notification into a wireless communication service database for each visitor of the preponderance of visitors."

(*Id*. at 18:32-19:33.)

The claims, however, are directed to only one of these types of tagging: by "creating records . . . using a tag on each of such visitor computers." Plaintiffs assert claims 1, 24, 36, 44, and 47 of the '639 Patent and clams 1 and 11 of the '586 Patent. Claims 1 and 24 of the '639 Patent are independent method claims, whereas claims 1 and 11 of the '586 Patent are independent system claims. Claim 1 of the '639 Patent is representative of all asserted independent claims and consists of three steps: (a) tagging "visitor computers that visit a first Internet site" by "creating records . . . using a tag on each of such visitor computers"; (b)

"directing" an advertisement from "a third-party advertiser that has paid to display said advertisement on visitor computers" to "visitor computers visiting a second Internet site" that "have visited the first Internet site"; and (c) "causing the first Internet site to receive revenue from the off-site advertisement being directed to the visitor computers."

The remaining asserted OTA claims—claims 36, 44, and 47 of the '639 Patent—are all dependent claims of claim 24 of the '639 Patent. Dependent claims require all of the same elements as the independent claim from which they depend while also adding one or more further elements that must also be met. *See* 35 U.S.C. § 112 ¶ 4. Dependent claims 36 and 47 specify that certain steps are performed by "the proprietor of the first Internet site," and claim 44 specifies that advertisements are "display[ed] using web television."

In their opening claim construction brief, Plaintiffs allege that "the claims distinguished from the art because the claims permitted delivery directed to first-site visitors to the visitors when on different websites – a different context than before – by use of tags and tag-checking." (Br. at 49.) But this is demonstrably false. First, during prosecution of the OTA patent family, Plaintiffs repeatedly and consistently stressed that the alleged invention was novel because it allowed different websites to share revenue associated with the advertisements (*See, e.g.*, Ex. 3 ("'639 Patent File History") at ALM005546 ("Neither Oliver [prior art] nor Adshare Concepts [prior art] disclose any site getting revenue from advertisements that were sold for display on computers that visited a different site.").) Second, in the Examiner's "Reason for Allowance," the Examiner explained that much of the disclosure in the claims was in fact already in the prior art: "Oliver [prior art] and Adshare Concept [prior art] references disclose that as the users visit various sites, their profiles are updated and that targeted advertisements are provided to the visitors based upon the profiles gathered and associated with the tags which are associated with

the various sites the user has visited. (*Id.* at ALM0005487.) The Examiner concluded that what "the Oliver and Adshare references [did] not disclose" was "that the first site automatically receives ***revenue*** because the advertisement was displayed on the second site" or that a user visits a first site and a record is created ***using a tag*** on the visitors computer." The Examiner did not find that Plaintiff invented the broad concept of directing advertisements "to first-site visitors to the visitors when on different websites . . . by use of tags and tag-checking" as Plaintiffs now contend (Br. at 49), and instead only allowed claims because of the concept of sharing revenue between the first and the second site and because the claims were directed to a specific tagging technique: "creating records . . . using a tag on each of such visitor computers."

B. DISPUTED TERMS

1. "from the offsite advertisement being directed to the visitor computers" / "from direction of the advertisements to the visitor computers"

Term	Yahoo's Construction	Plaintiffs' Construction
[causing receipt of revenue] "from the offsite advertisement being directed to the visitor computers" / "from direction of the advertisements to the visitor computers"[9]	"from the [off-site] advertisement being displayed to the visitor computers"	Ordinary meaning (not limited to CPM-based charging)

The parties dispute whether this phrase covers scenarios where an advertiser pays only when a user actually ***selects*** or otherwise interacts with an advertisement. Yahoo's position is that there is no such "selection" or interaction is required. The plain meaning of the claims requires that an "Internet site" receive revenue whenever "the offsite advertisement [is] directed to the visitor computers" and not just when a user interacts with the advertisement. Yahoo's proposed construction thus reflects this term's plain meaning and further clarifies for the jury

[9] Found in all asserted independent claims of the OTA patents.

under what circumstances revenue is received, whereas Plaintiffs are attempting to expand the term's scope beyond its plain meaning.

Yahoo's proposed construction is also consistent with the OTA patents' specification, which explains that "'Cost Per Thousand' (CPM) is used by Internet marketers to price advertising banners." ('639 Patent at 12:55-57.) According to the specification, "[s]ites that sell advertising will guarantee an advertiser a certain number of impressions (number of times an advertising banner is downloaded and presumably seen by visitors[])" and set a price per one thousand "impressions." (*Id.* at 12:57-61.) Accordingly, for purposes of pricing advertisements, charging per advertisement "directed to the visitor computers" is equivalent to charging per "displayed" advertisement, and neither (as set forth in the claims and discussed in the specification) includes a hidden requirement that the user must also interact with the advertisement. Yahoo's proposed construction is, therefore, consistent with the intrinsic evidence and merely clarifies the claim language in a manner that is less technical and easier for a jury to understand. *See Northpeak Wireless*, 2015 WL 5117020, at *11.

The prosecution history also confirms Yahoo's interpretation. During prosecution, Plaintiffs distinguished the prior art because the prior art supposedly did not "disclose any site getting revenue from advertisements ***that were sold for display*** on computers that visited a different site." (Ex. 3 ('639 Patent File History) at ALM0005546.) Plaintiffs also characterized related claim language as "being roughly parallel to . . . compensation being paid in consideration of ***the advertisements' display*** as a result of [the advertisement's] transfer." (*Id.* at ALM0005889, 94 (emphasis added).) These prosecution statements confirm that the phrase "from the offsite advertisement being directed to the visitor computers" is substantively equivalent to "from the [off-site] advertisement being displayed to the visitor computers," as

Yahoo proposes. Plaintiffs should now be bound by those statements. *See Microsoft Corp. v. Multi-Tech Sys., Inc.*, 357 F.3d 1340, 1350 (Fed. Cir. 2004) (explaining that "[a]ny statement of the patentee in the prosecution of a related application as to the scope of the invention would be relevant to claim construction" because "[w]e take the patentee at its word and will not construe the scope of the [asserted] claims more broadly than the patentee itself clearly envisioned").

Plaintiffs allege that the OTA patents discuss alternative payment structures (Br. at 55). That is false. First, Plaintiffs cite to column 8 as an example of "non-CPM charging," but the patent says no such thing. The cited portion merely refers to a "transaction" – not a user clicking on or interacting with a website, but a transaction between (1) a first site that is saturated, (2) an agency, and (3) a second site that has room to display additional advertisements. ('639 Patent at 8:12-17 ("An agency will merely act as a facilitator that will charge a percentage or a fee ***for a transaction*** for finding the audience elsewhere. A second site where the visitor will be found will rent its unsold space for a fixed fee or for a percentage ***of the transaction*** as well.").) Accordingly, revenue is still "from the advertisement being displayed to the visitor computers," as reflected in Yahoo's proposed construction. Plaintiffs' citation to column 13 is also misleading; the "fixed" or "percentage" fees referenced therein remain based on "CPM," *i.e.*, "from the advertisement being displayed." The fact that the specification nowhere discloses a payment scheme other than "CPM" further counsels in favor of adopting Yahoo's proposed construction. *See Profectus*, 823 F.3d at 1380-81.[10] However, even if the specification of the

[10] Plaintiffs' claim differentiation argument (Br. at 56-57) fails for similar reasons. The "fixed-fee" and "percentage of transaction" payment structures in claims 16, 17, and 33 refer to how the two Internet sites split revenue and have no bearing on how the advertisements are priced. In addition, while claim 15 expressly refers to "CPM" and claim 32 to "per-impression" payments, the specification does not disclose any alternative payment structures. Accordingly, claim differentiation cannot be used to broaden the scope of the claims beyond their plain meaning or the subject matter disclosed in the specification. *See Poly-America, L.P. v. API*

OTA patents were to disclose alternative embodiments, such disclosure cannot broaden the plain meaning of the claims. Here, the claims indicate that revenue is unconditionally received "from" an advertisement being "directed" to a visitor computer. Payment for "directing" an ad to a visitor is simply payment for displaying that ad to the visitor. Plaintiffs should be held to the plain language of their claims.

Finally, Plaintiffs cite to self-serving statements from the prosecution history ("The payment . . . can utilize any payment-calculation technique (CPM, CPC, and CPA are known techniques).") that do not reflect what their patent application actually disclosed. (Br. at 57.) These citations do not support Plaintiffs' position. First, Plaintiffs' statement that "[t]he examiner allowed the claims on this basis" is misleading at best: the Examiner actually subsequently again rejected the claims and then only allowed them after extensive amendments. (*See* Ex. 3 ('639 Patent File History) at ALM0005591-610.) Second, the claims that allegedly covered "CPM, CPC, and CPA" were broader than the issued claims of the '639 Patent and only required "receiv[ing] a portion of revenue ***from the advertisement***." (*Id.* at ALM0005623.) Accordingly, these claims previously covered any manner of receiving revenue from advertisement, which includes receiving revenue from advertisements being displayed or only from advertisements being selected by a user. Plaintiffs subsequently narrowed the claims to require "receiv[ing] revenue from the off-site advertisement ***being directed to the visitor computers***." (*Id.* at ALM0005537.) Plaintiffs should not be able to rely on their broad interpretation of this claim limitation to recapture subject matter they surrendered before the Patent Office.

Industries, Inc., 839 F.3d 1131, 1137 (Fed. Cir. 2016) ("[C]laim differentiation does not serve to broaden claims beyond their meaning in light of the patent as a whole.").

2. "records"

Term	Yahoo's Construction	Plaintiffs' Construction
"records"[11]	"a group of related fields treated as a unit in a database"	Ordinary meaning (not limited to fields/database)

The plain meaning of "record" is "a group of related fields treated as a unit in a database." (*See* Ex. 4 (*Random House Webster's College Dictionary* (1999)); *see also* Ex. 5 (*Webster's New Word Dictionary of Computer Terms*, 8th ed. (2000)) (defining a "[d]ata record" as "a complete unit of related data items stored in named data fields").)

Yahoo's construction is consistent with the intrinsic evidence. Every time the specification for the OTA patents refers to a "record," it does so in the context of a database entry. (*See* '639 Patent at 18:52-56 ("According to an embodiment of the present invention, . . . tagging a preponderance of visitors includes ***placing a message identifier record into a database*** for each of the preponderance of visitors."); 20:4-6 ("According to an embodiment of the present invention, . . . the tag is ***a message identifier record in a database***."); 24:35-38 ("According to an embodiment of the present invention, . . . recognizing a visitor to the second information-media includes identifying ***a message identifier record in a database***.").)

Plaintiffs argue that the plain meaning of the term "records" is "not limited to fields/database," but fail to identify what they contend the scope of this term is. To the extent Plaintiffs contend that the term "records" is sufficiently broad to encompass any "information," such an interpretation must be rejected. The claims of the OTA patents distinguish "records of a multitude of visitor computers" from "visitor profile information connected to the tag." (*See* '639 Patent at claim 1.) Accordingly, those two concepts cannot be synonymous, yet Plaintiffs' proposal seeks to conflate the two. *See CAE Screenplates, Inc. v. Heinrich Fiedler GmbH & Co.*

[11] Found in all asserted independent claims of the OTA patents.

KG, 224 F.3d 1308, 1317 (Fed. Cir. 2000) ("In the absence of any evidence to the contrary, we must presume that the use of these different terms in the claims connotes different meanings."). The specification for the OTA patents similarly lists numerous different types of "tag[s]"— "a cookie," "an identification message," "a message identifier record in a database," "a credit warning in a credit card database," "a personal notice in a public service database," "a personal notice in a public service database," "a legal instrument in a legally empowered body database," "a message in a cellular telephone SIM card," and "a notification in[] a wireless communication service database."—yet only claims "records." ('639 Patent at 19:62-20:22.) Accordingly, Plaintiffs should not be allowed to rely on an unarticulated "ordinary meaning" in an attempt to capture subject matter that falls outside the scope of the plain meaning of the claimed "records."

Plaintiffs note that "[t]he specification doesn't even mention database 'fields.'" (Br. at 53.) That is accurate, the specification does not provide an express definition of what constitutes "records," and instead only presents the word by distinguishing it from other types of information, including "notification[s]," "notice[s]," and "message[s]." It is, therefore, appropriate for the Court to resort to extrinsic evidence in order to resolve the parties' dispute as to the scope of this term's plain meaning. *See Ignite USA, LLC v. CamelBak Products,* LLC, Appeal No. 2016-2747, 2017 WL 4548459, at *3 (Fed. Cir. Oct. 12, 2017) ("If the intrinsic evidence does not assign or suggest a particular definition to a claim term, the PTAB may rely upon extrinsic evidence (like dictionary definitions) to construe a claim."). Yahoo identified such extrinsic evidence above in the form of contemporary technical dictionary definitions. Since Plaintiffs refuse to disclose the scope they attribute to this term, the only (and correct) construction before the Court that is supported by any evidence is Yahoo's proposed construction: "a group of related fields treated as a unit in a database."

3. "creating records . . . using a tag" / "creation of electronic records . . . using a tag"

Term	Yahoo's Construction	Plaintiffs' Construction
"creating records … using a tag" / "creation of electronic records . . . using a tag"[12]	"creating records as a tag"	Ordinary meaning (not limited to in a tag)

All of the independent claims of the OTA Patents require that each record be created using a tag. Accordingly, the "tag" must somehow "creat[e]" the "record[]" and not merely specify its location or content. As explained in the specification, this occurs when "the tag is a message identifier record in a database," *i.e.*, when the record is the tag. (*See* '639 Patent at col. 20:4-6); *see also Profectus*, 823 F.3d at 1380-81. Yahoo's proposed construction, therefore, reflects the terms' plain meaning and is consistent with the intrinsic evidence.

In contrast, Plaintiffs again attempt to broaden the scope of this claim language by relying on "ordinary meaning" without disclosing the scope of that meaning. The prosecution history of the '639 Patent (cited in Br. at 52) illustrates Plaintiffs' intentions. There, Plaintiff offered self-serving statements that the claim language "cover[s] various tagging alternatives, including (1) placing the tag directly or alternatively using a preexisting tag, and (2) placing the electronic record in the tag or alternatively in a separate computerized database (not on the visitor computer) accessible through the tag." (Ex. 3 ('639 Patent File History) at ALM0005547.) Of these, only "placing the electronic record in the tag" actually corresponds to the plain meaning of "creating records … using a tag." The first interpretation ("placing the tag directly or alternatively using a preexisting tag") reads "records" entirely out of the claims, and the third interpretation ("placing the electronic record . . . in a separate computerized database

[12] Found in all asserted independent claims of the OTA patents.

(not on the visitor computer) accessible through the tag") uses the "tag" only to identify an appropriate location for the "record[]," but does not "creat[e] records … using a tag."

Moreover, Plaintiffs' self-serving assertion was not accepted by the PTO Examiner, despite Plaintiffs' arguments.[13] In the subsequent Notice of Allowability, the Examiner noted that prior art allegedly did not "disclose a situation in which a user visits a first site and a record is created ***using a tag*** on the visitors computer." (Ex. 3 ('639 Patent File History) at ALM0005487.) But the Examiner agreed that "[t]he Oliver and Adshare Concept references disclose the providing of advertisements to the visitor when they visit different sites at a later time ***utilizing said tags*** and profile records." (*Id.* at ALM0005487.) Nonetheless, the Examiner found that Oliver does not disclose the narrower concept of "a record [being] created using a tag on the visitors computers." (*Id.*) Accordingly, the Examiner must have rejected Plaintiffs' contentions that this claim term covers all manners of tagging and instead agreed with Yahoo's proposed construction—"creating records as a tag"—which is not disclosed in Oliver.

Plaintiffs also cite to their response to a "species election requirement" as allegedly supporting their broader proposed construction. (Br. at 52.) The claims at that time did not recite "creating records … using a tag"; instead, they recited "profile information defined by the tag" and "visitor profile information connected to the tag" (Ex. 3 ('639 Patent File History) at ALM0005811, 17) or did not recite any information/records and were instead limited to "tags placed automatically on computers" (*id.* at ALM0005814, 18-19, 22). Accordingly, Plaintiffs initially sought to patent the various alternative embodiments allegedly disclosed in the OTA

[13] In its response, Plaintiffs distinguished the claimed invention from the prior art on the basis that "[n]either Oliver nor Adshare Concepts disclose any site getting revenue from advertisements that were sold for display on computers that visited a different site." (Ex. 3 ('639 Patent File History) at ALM0005546.) Accordingly, the subsequent discussion by Plaintiffs was irrelevant to obtaining the '639 Patent and instead was a blatant attempt at manipulating the intrinsic record.

patents and noted in Plaintiffs' brief at 50-52, but subsequently narrowed the scope of their claims in an attempt to overcome the Examiner's prior art rejections. Plaintiffs should not be allowed to undo those amendments by interpreting "creating records . . . using a tag" as having the same scope as the pre-amendment claims.

4. "visitor computers that have visited the first Internet site"

Term	Yahoo's Construction	Plaintiffs' Construction
"visitor computers that have visited the first Internet site"[14]	"computers that have received displayable content of a first Internet site to which an individual has navigated"	No construction necessary (not limited to sites to which users have directly navigated) / Alternative: "Computers that have received displayable content of a first Internet site to which users have caused said computers to navigate"

The parties dispute what it means to "visit[]" an "Internet site." The plain meaning of "to visit" requires an affirmative decision to go to a location and spend some amount of time there. (*See* Ex. 6 (printout of https://www.merriam-webster.com/dictionary/visit) (defining "visit" as "to go see or stay at (a place) for a particular purpose (such as business or sightseeing)").) This is reflected in Yahoo's construction, which sets forth that "an individual has navigated" to the Internet site.

Yahoo's construction is also consistent with the intrinsic evidence. The specification explains that "non-core special messages are directed at these same specifically targeted ***viewers, readers or listeners***." ('639 Patent at col. 10:5-9.) According to the OTA patents, "[t]he present invention addresses both the aesthetic problem and loss of revenue by a media site unable to accommodate additional special messages." (*Id.* at col. 3:5-7.) The claimed invention is to tag these "viewers, readers or listeners" so that the "special messages" may be displayed on another

[14] Found in all asserted independent claims of the OTA patents.

Internet site. In other words, the OTA patents are not concerned with tagging users that were merely redirected to a particular website, they are focused on tagging "viewers, readers or listeners," *i.e.*, the individuals that actually navigated to the particular site for its content, as reflected in Yahoo's proposed construction.

Plaintiffs argue that this claim term includes all computers that arrive at a particular Internet site because "users have caused said computers to navigate" to that site. This construction seeks to capture situations where a user has no idea that their computer has silently redirected to a particular site, and where the displayed content from that site might be invisible to the user – *e.g.*, where a single pixel is retrieved from the site, without the user's knowledge. This construction is inconsistent with the plain meaning of to "visit[]." A person does not "visit" with someone if they do not even know that person is present. (*Cf.* Ex. 6 (printout of https://www.merriam-webster.com/dictionary/visit) (defining "visit" as "to pay a call on as an act of friendship or courtesy").) Here, the explicit meaning of the claims requires that "an individual has navigated" to a particular Internet site, with some knowledge of their actions, and not simply that the individual's computer has accessed an Internet site without their knowledge and without any notice.

5. "web television"

Term	Yahoo's Construction	Plaintiffs' Construction
"web television"[15]	"A set-top appliance that enables users to connect to the Internet and display Web sites and e-mail on the TV screen"	Ordinary meaning (not limited to set-top appliances)

The plain meaning of "web television" is "a set-top appliance that enables users to connect to the Internet and display Web sites and e-mail on the TV screen," as reflected in

[15] Found in claim 44 of the '639 Patent.

Yahoo's construction. (*See* Ex. 5 (*Webster's New World Dictionary of Computer Terms*,. 8th ed. (2000)) (defining "Web TV" as "[a] set-top appliance that enables users to connect to the Internet and display Web sites and e-mail on the TV screen"); *see also* Ex. 7 (*Microsoft Computer Dictionary*, 4th ed. (1999)) (defining "Web TV" as "a system that provides consumers with the ability to access the Web as well as send and receive e-mail on a television by means to a set-top box equipped with a modem").)

Yahoo's proposed construction is also consistent with the intrinsic evidence. The specification of the OTA patents distinguishes "television" from "Internet Web sites." (*See* '639 Patent at col. 2:1-4 ("[A]dvertisements are included in newspapers and magazines, on ***Internet Web sites***, over cellular telephone media, radio, ***television*** and many others."); *see also id.* at 13:51-54 ("[A]n agency provides know-how and experience . . . in a variety of fields such as ***the Internet***, radio, ***television*** and news media.").) The specification also distinguishes "computers" from "television." (*See id.* at 1:49-51 ("[W]ith the advent of the first ***computers*** and ***television***, the communication age seems to have finally burst through all the limits of the previous millennia.").) Moreover, there is no indication that just because an "Internet Web site[]" may contain video, which the OTA patents recognize as a possibility, the resultant apparatus would be considered "television." (*See id*. at col. 15:63-67 ("Offsite presentations . . . include multimedia, audio, and banner presentations . . . made up of movie clips, video productions and banners, either as stationary items or as moving presentations.").) Accordingly, when the OTA patents require "television," they refer to traditional broadcast media, and the claimed "web television" refers to "[a] set-top appliance that enables users to connect to the Internet and display Web sites and e-mail on the TV screen," as reflected in Yahoo's proposed construction.

Plaintiffs argue that, "[a]pparently, Yahoo alludes to a specific product known as 'Web TV' . . . that existed in the marketplace." (Br. at 59.) That is incorrect. Yahoo's proposed construction is taken from contemporaneous dictionaries. Since the OTA patents fail to define "web television," the Court should look to extrinsic evidence, including the dictionaries identified by Yahoo, and construe this claim term in accordance with Yahoo's proposed construction.

Plaintiffs also cite to the '639 Patent's prosecution history, but none of those citations are inconsistent with Yahoo's proposed construction. First, Plaintiffs acknowledged during prosecution that they were "advocat[ing] for a narrow interpretation" of this claim term. (Ex. 3 ('639 Patent File History) at ALM0005717-18.) Second, while Plaintiffs' citations provide detail regarding the type of content being received, none of them indicate that the content is being received by anything but "a set-top appliance," as reflected in Yahoo's proposed construction. This applies even to Plaintiffs' discussion of "computer[s]," since a "set-top appliance" is merely a specialized type of computer. Third, Plaintiffs argued during prosecution that U.S. Patent No. 5,774,170 ("Hite") "demonstrates that it would be technologically straightforward" to use the claimed invention in connection with "web television." (*Id.* at ALM0005718.) Hite, in turn, discloses both in its "first preferred embodiment" and "second preferred embodiment" that its disclosure is to be implemented "in the television receiver, VCR, display device ***set-top-box*** or modular decoder associated with the video provider (cable, DBS, telephone, etc.)." (Ex. 8 (Hite) at 5:40-46, 6:60-66 (emphasis added).) Accordingly, Plaintiffs acknowledged during prosecution of the '639 Patent that the claimed "web television" refers to television hardware and not just television-type programming as they now contend.

V. DESCRIPTIVE PROFILE CONSOLIDATION ("DPC") PATENTS

A. BACKGROUND

The DPC patent family comprises four patents: U.S. Patent No. 7,979,307; U.S. Patent No. 8,224,582; U.S. Patent No. 8,494,904; and U.S. Patent No. 8,775,249. The DPC patents share the same specification, and thus quotations from one patent's specification may be found in similar locations in the other three patents. (*See* Br. 61; Br. 29, n.4.) The claims at issue are claim 1 of the '307 Patent; claims 1, 3, and 4 of the '582 Patent[16]; claim 1 of the '904 Patent; and claims 1, 5, 6, and 9-11 of the '249 Patent.

The DPC patents describe systems and methods for consolidating various user profiles gathered at other web sites, then monetizing the use of the consolidated user profiles by third-party advertisers. ('307 Patent at Abstract.) The asserted claims include, among other elements, limitations regarding **(1)** how a user profile is received, **(2)** how the received profile is merged with the existing set of profiles, and **(3)** how the merged profile is used by third-parties. The parties' disputes relate to these three sets of limitations.

More specifically, the asserted patent claims recite an "automated method of collecting profiles of Internet-using entities" that includes **(1)** "receiving . . . a partial profile . . . by automatic electronic URL redirection from a portion of a page of the website." ('307 Patent at claim 1; '582 Patent at claim 1; '249 Patent at claims 1, 11, '904 Patent at claim 1.) This "partial profile is received using a technique called "electronic URL redirection" whose meaning the parties dispute. ('307 Patent at claim 1; '582 Patent at claim 1; '249 Patent at claims 1, 11, '904

[16] While Plaintiffs have only asserted infringement of claim 4 of the '582 Patent, that claim incorporates limitations from claims 1 and 3, and thus their language remains at issue.

Patent at claim 1.)[17] The asserted claims subsequently require **(2)** "adding the received partial profile to a maintained profile believed to be related to the same entity." ('307 Patent at claim 1; '582 Patent at claim 1; '904 Patent at claim 1; '249 Patent at claims 1, 11[18]). Finally, the asserted claims mandate that **(3)** the post-addition "maintained" or "stored" profile is "used in targeting third-party advertisements." ('307 Patent at claim 1; '582 Patent at claim 1; '904 Patent at claim 1; '249 Patent at claims 1, 11.)

B. DISPUTED TERMS

1. "automatic electronic URL redirection from a portion of a page of the website accessed by the user computer" / "an electronically URL-redirected partial profile"

Term	Yahoo's Construction	Plaintiffs' Construction
"automatic electronic URL redirection from a portion of a page of the website accessed by the user computer"[19]	"a web server accessed by the user computer tells a client browser to obtain a certain requested page from a different location"	"A partial profile is received as a result of a user computer accessing a website page, thus causing a web server to tell the user computer's browser to obtain certain information for a portion of the accessed page from a different location"
"an electronically URL-redirected partial profile"[20]	"a partial profile obtained when a web server tells a client browser to obtain a certain requested page from a	"A partial profile sent when a user computer accesses a website through the Internet and a web server tells the user

[17] The asserted claim of the '904 Patent similarly recites "receiving . . . an electronically URL-redirected partial profile of an entity." As the parties have proposed similar respective constructions for the '904 Patent's claim language, and as Plaintiffs have not presented a separate argument for the '904 Patent''s claim (Br. 64-69), the difference in verbiage is not believed to be substantive.

[18] The '249 Patent claims' language differs slightly, reciting "adding the received partial profile to [a] stored profile [] believed to be related to the same entity." The parties have proposed the same respective construction for both terms, and Plaintiffs have not presented a separate argument for the '249 Patent. The difference is thus not believed to be substantive.

[19] Found in claim 1 of the '307 patent, claim 1 of the '582 patent, and claims 1 and 11 of the '249 patent.

[20] Found in claim 1 of the '904 patent.

	different location"	computer's browser to obtain certain information from a different location"

As discussed above, the asserted claims all require that "receiving the partial profile is achieved by automatic electronic URL redirection from a portion of a page of the website accessed by the user computer" ('307 patent at claim 1; '582 patent at claim 1; '249 patent at claims 1, 11), or that the system receive "an electronically URL-redirected partial profile of an entity that uses a user computer." ('904 patent at claim 1.) The parties dispute whether this language requires that the partial profile be received by the browser requesting a ***"page"*** (Yahoo), or by the browser requesting ***any "information" at all*** (Plaintiffs).

The shared specification mentions redirection in three locations:

- Because a "web-site may make better profit from the visitation if it were to know more about the visitor," "[t]he web-site forwards particulars from the visitor's credentials (a partial profile), as well as (optionally) a **redirect** to a portion of the visitor's page to a server located in cyberspace (at a juncture in a data communications topology)." ('307 Patent at 3:56-62.) That is, the web-site tells the server what it already knows about the visitor (the partial profile), and optionally redirects a portion of the visitor's page to the server.

- The shared specification further explains the reason for the optional redirection: "By **redirecting** a portion of the visitor's page to the server, the visitor's browser reports to the server a cookie the server put on the visitor's computer in the past, if any." ('307 Patent at 3:62-64.) Thus in addition to receiving the partial profile for the visitor sent by the web-site, the server is also able to retrieve its own maintained profile for the visitor via the stored cookie. (*Id*. at 3:65 to 4:4.)

- In a later section, the shared specification again describes the circumstances of the redirection: in addition to "providing the system's databank with a partial profile" ('307 Patent, 11:56-62), the user[21] "enables the server attached to the databank to receive the cookie it installed by **redirecting** a portion of the visitor page to the databank's server." (*Id*. at 11:63-65.)

[21] Counter-intuitively, the '307 patent family uses "user" to describe the "individual, web site, search robot and/or other type of software agent" that buys and sells profile information. ('307 patent at 7:58-65.) The individual whose profile information is gathered, bought, and sold—that is, the person whose computer activities are being monitored and traded—is instead termed the "visitor." (*Id*. at 7:66 to 8:2.)

(*See also* Br. 66-67.) The shared specification thus discloses that a redirection may originate in "a portion of the visitor's page." However, the specification is inconclusive as to what the redirection ***requests*** or ***obtains***, which is the focus of the parties' dispute.

During prosecution of the '307 Patent, the Examiner initially rejected claims based on a lack of novelty when compared to the prior art. (Ex. 9 ('307 Patent File History, January 19, 2011 Office Action) at 2-3.) Plaintiffs then amended their claims to require that the partial profile be received not merely via "redirection," but via "automatic electronic URL redirection." (*Id*. at 3-4.) In explaining the distinction from the prior art, Plaintiffs submitted and adopted a dictionary definition of "URL redirection" as "[w]hen a web server tells a client browser to obtain ***a certain requested page*** from a different location." (*Id*. at 7 (emphasis added).) The '307 Patent was subsequently granted.

Yahoo's proposed constructions for the "URL redirection" and "URL-redirected" terms precisely track Plaintiffs' representations to the Patent Office as to those terms' meaning. In contrast, Plaintiffs now seek to redefine "URL redirection" and "URL-redirected" to encompasses commands for a "browser to obtain certain ***information*** [] from a different location," rather than commands for a "browser to obtain a certain ***requested page*** from a different location" as in the definition of record. A patentee may not "adopt a position contradictory to that adopted before the PTO and expect to be believed." *TorPham, Inc. v. Ranbaxy Pharms*., 336 F.3d 1322, 1329 (Fed. Cir. 2003).

In an attempt to avoid this outcome, Plaintiffs substitute the word "information" for the "requested page" in their proposal, but they cannot defend that substitution. (Br. 66-69.) Instead, Plaintiffs invoke a red herring and claim that Yahoo's construction precludes "electronic URL redirection from a portion of a page." (*Id*. at 66-67.) Not so. Consistent with Plaintiffs'

statements to the PTO, Yahoo's construction defines "URL redirection" by what it ***obtains*** ("a certain requested page"), not where it ***originates*** (*e.g.*, "from a portion of a page"). The two are not equivalent. In particular, a "portion of a page of the website accessed by the user computer" can redirect to a page on another website, while other portions of the page display content from the original website. Plaintiffs' straw man arguments as to the "portion of the page" should be disregarded.

Plaintiffs try to explain away Plaintiffs' statements to the PTO by arguing that they are not a "clear and unmistakable surrender" of claim scope, citing *Ecolab, Inc. v. FMC Corp.*, 569 F. 3d 1335, 1342-43. (Br. 68.) But in *Ecolab*, the parties disputed the meaning of "consists essentially of," which had an ordinary meaning that differed from that urged by the patent applicants.[22] *Ecolab*, 569 F. 3d at 1343. In contrast, Plaintiffs here affirmatively ***provided*** and, therefore, adopted, the ordinary meaning of "URL redirection" via a dictionary definition they presented to the Patent Office. There is no other scope to disclaim.

Even if the higher disclaimer standard urged by Plaintiffs did apply—and it does not—*Ecolab* would still not be on point. There, the Federal Circuit explicitly found "that the claims were allowed for reasons ***independent of*** the allegedly disclaiming statements," which rendered the patent applicant's statements "not clear and unmistakable enough to invoke the doctrine of prosecution history disclaimer." *Ecolab*, 569 F. 3d at 1343 (emphasis added).[23] In contrast, the

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[22] "'[C]onsisting essentially of' usually signals that the invention necessarily includes the listed ingredients and is open to unlisted ingredients that do not materially affect the basic and novel properties of the invention." *Ecolab*, 569 F. 3d at 1343. The *Ecolab* applicants departed from this usual meaning in arguing that "consists essentially of" means "consists solely of." *Id.*

[23] After the Examiner rejected their "consists essentially of" argument, the *Ecolab* applicants "never repeated the allegedly disclaiming statements and instead offered alternative reasons to overcome the [] prior art. The Examiner eventually allowed the claims over the cited

'307 Patent Examiner ***accepted*** Plaintiffs' argument and granted the patent thereafter, explicitly stating that "[a]ll previous rejections are withdrawn due to Plaintiffs' amendments and arguments." (Ex. 10 ('307 Patent File History, May 20, 2011 Notice of Allowance) at 2.) Having succeeded in distinguishing prior art on the basis of "URL redirection," Plaintiffs cannot now plausibly argue for a different definition of the term.

Plaintiffs' remaining rationalizations are similarly unpersuasive. (Br. 68-69.) Taking them in order: first, the context of the discussion lay not in the "nature" of URL redirection but in what it obtained: a "requested page" as opposed to "an electronic disk or other storage device." Second, even in Plaintiffs' self-serving recitation of the Examiner interview, the Examiner ***rejected*** Plaintiffs' arguments that the prior art did not disclose "redirection," and required Plaintiffs to amend the claims to recite "URL redirection" to distinguish the Acxiom reference.[24] (Ex. 13 ('307 Patent File History, April 27, 2011 Amendment) at 7.) Third, the "other dictionaries shown to the examiner" are not a part of the prosecution history[25] and thus constitute extrinsic evidence. When "an analysis of the intrinsic evidence alone [] resolve[s] any ambiguity in a disputed claim term," "it is improper to rely on extrinsic evidence." *Vitronics*, 90 F. 3d at 1583. Fourth, the specification does not indicate what URL redirection obtains, and the definition of record is consistent with disclosures as to where URL redirection originates.

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prior art, without any change to the claims' 'consists essentially of' language." *Ecolab*, 569 F. 3d at 1343.

[24] The Examiner's Summary of the Interview states that the Examiner and Plaintiffs discussed "some amendments to the independent claims that would overcome the sited prior art." (Ex. 11('307 Patent File History, April 12, 2011 Interview Summary).) Additionally, Plaintiffs made the same argument in an earlier response—without the claim amendment—and the Examiner found that argument "not persuasive." (Ex. 12 ('307 Patent File History, December 17, 2010 Response) at 4; Ex. 9 (January 19, 2011 Office Action) at 4.)

[25] That is, those "other dictionaries" are not part of either the public prosecution history or the prosecution history that Plaintiffs produced. Yahoo can hardly be faulted for not discussing documents that Plaintiffs withheld.

Finally, as discussed above, claim language regarding where the URL redirection originates—"from a portion of page"—has no bearing on what the URL redirection obtains—"a certain requested page."

Plaintiffs' efforts to redefine "URL redirection" and "URL-redirected" as "obtain[ing] certain information" rather than "obtain[ing] a certain requested page" should be rejected, and Yahoo's constructions precisely tracking the definition of record should be adopted.[26]

2. "a maintained profile believed to be related to the same entity" / "which stored profile is believed to be related to the same entity"

Term	Yahoo's Construction	Plaintiffs' Construction
"a maintained profile believed to be related to the same entity"[27] / "which stored profile is believed to be related to the same entity"[28]	Indefinite	"'believed to be related' means "determined by a computer as matching either (i) at least one identifying attribute or information or (ii) any predetermined combination of profile attributes used as a key."

After the profile aggregator receives the partial profile, a subsequent claim limitation requires "adding the received partial profile to a maintained profile believed to be related to the same entity." ('307 patent at claim 1; '582 patent at claim 1; '904 patent at claim 1; '249 patent at claims 1, 11.[29]) The parties dispute whether language requiring an evaluation of "belief" as to

[26] Plaintiffs assert that the "client browser" recited in the definition of record for "URL redirection" should be replaced with "user computer's browser." (Br. 65-66.) While Yahoo does not currently believe there is a material difference between these portions of the parties' proposals, to the extent Plaintiffs believe or the Court concludes otherwise, Plaintiffs' previously proffered definition should control. A patentee may not "adopt a position contradictory to that adopted before the PTO and expect to be believed." *TorPham*, 336 F. 3d at 1329.

[27] Found in claim 1 of the '307 patent, claim 1 of the '582 patent, and claim 1 of the '904 patent.

[28] Found in claims 1 and 11 of the '249 patent.

[29] The '249 Patent's claim language differs slightly in reciting "adding the received partial profile to [a] stored profile [] believed to be related to the same entity." *See* FN 18, *supra*.

the relationship between the "received partial profile" and a "maintained" or "stored profile" is "precise enough to afford clear notice of what is claimed, thereby apprising the public of what is still open to them." *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2129 (2014).

"[A] patent is invalid for indefiniteness if its claims, read in light of the specification delineating the patent, and the prosecution history, fail to inform, with reasonable certainty, those skilled in the art about the scope of the invention." *Nautilus*, 134 S. Ct. at 2129. "A patent does not satisfy the definiteness requirement of § 112 merely because 'a court can ascribe *some* meaning to a patent's claims.'" *Interval Licensing LLC v. AOL, Inc.*, 766 F.3d 1364, 1371 (Fed. Cir. 2014) (quoting *Nautilus*, 134 S. Ct. at 1230 (emphasis in original)). Rather, the claims "must provide ***objective*** boundaries for those of skill in the art." *Id*. (emphasis added).

By reciting that the "maintained" or "stored profile" need only be ***believed*** to be related to the same entity—a ***subjective*** assessment that does not even specify who or what performs the "believing"—the asserted claims fail to provide the required objective boundaries. As Plaintiffs concede, the claims are intended to encompass instances where the "maintained" or "stored profile" does not actually correspond to the same entity. (Br. 70.) In seeking to expand the claims beyond instances where the profiles do correspond to the same entity, Plaintiffs "inject[ed] ambiguity into the[] claims" by drafting language that neither specifies who does the "believing" nor recites how that "belief" is ascertained. *Nautilus*, 134 S. Ct. at 2129. Accordingly, a person of skill could not determine the scope of the claims with reasonable certainty. *Id*.

Apparently realizing that its claims as drafted are ambiguous, Plaintiffs now seek a "do-over" by urging the Court to rewrite the claims to include limitations as to what does the "believing" ("a computer") and as to how that belief is ascertained ("matching either (i) at least

one identifying attribute or information or (ii) any predetermined combination of profile attributes used as a key"). Plaintiffs assert that their construction is supported by embodiments in the specification in which a computer performs the "matching" mechanisms. (Br. 70-71.) But as Plaintiffs themselves observed earlier, it is "a crucial principle" of claim construction "that '***claims, not specification embodiments***, define the scope of patent protection.'" (Br. 4 (emphasis added), *quoting Kara Tech. Inc. v. Stamps.com Inc.*, 582 F.3d 1341, 1348 (Fed. Cir. 2009).) The asserted claims require that a "maintained" or "stored profile" be "believed to be related to the same entity." They thus encompass other forms of "belief" held by other entities as well. Moreover, "courts may not redraft claims, whether to make them operable or to sustain their validity." *Chef Am., Inc. v. Lamb–Weston, Inc.*, 358 F.3d 1371, 1374 (Fed. Cir. 2004). Nothing in the specification indicates that those computations are a measure of "belief"—indeed, the specification does not mention "beliefs" or "believing" at all.

Plaintiffs' reliance on *Data Engine Techs. LLC v. Google Inc.*, No. 14-1115-LPS, 2016 WL 790957 at *4 (D. Del. Feb. 29, 2016), is inapposite. (Br. 71.) The disputed term in *Data Engine* required "appear[ing] to the user as being stored within a single file." As the district court observed, this term "implicates an objective inquiry" because it "describes what [the] user sees." *Id*. In contrast, "believed to be related to the same entity" implicates a subjective inquiry as to belief instead of a more objectively ascertainable evaluation of vision. Moreover, the claims in *Data Engine*'s explicitly recite who does the seeing: a "user." In contrast, the claims of the DPC patents are silent as to whom or what performs the "believing."

Plaintiffs' other arguments in favor of its do-over are not persuasive. Plaintiffs first argue that their claims reciting "belief" are appropriate because "it is not 100% certain which preexisting profile is the one to which new profile information should be added." (Br. 70.)

However, this argument is unsupported by the specification, which neither describes any uncertainty nor recites any requirement for "belief" as a result. Plaintiffs next argue that "the specification details several well-defined techniques for correlating newly acquired 'partial profile information' with a preexisting partial profile." (Br. 70-71.) But as discussed above, nothing in the specification indicates that those purported "techniques" correspond to a measurement of belief, and it is impermissible to limit the claims to specific embodiments in any event.

Plaintiffs' arguments are particularly unavailing given that they are represented by the same counsel who prosecuted the patents before the Patent Office. That counsel had every opportunity during prosecution to submit claims reciting the limitations Plaintiffs now urge this Court to add. As the Supreme Court recognized, "absent a meaningful definiteness check, [] patent applicants face powerful incentives to inject ambiguity into their claims." *Nautilus*, 134 S. Ct. at 2129. That is because the patent system fosters "an incentive to be as vague and ambiguous as you can with your claims" and to "defer clarity at all costs." *Id*. Here, Plaintiffs succumbed to that incentive by drafting claims reciting subjective "beliefs" instead of the objective tests Plaintiffs now urge the Court to add. "Eliminating that temptation is in order." *Id*. This Court should do so by finding the "belief" limitations indefinite.

3. "wherein the maintained profile, including the added partial profile, comprises data used in targeting third-party advertisements to the user computer over the global computer network" / "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"

Because the recited language has different consequences for the method claims than the sole apparatus claim, the two sets of claims are treated separately. *See infra*.

(a) <u>Asserted Method Claims</u>

Term	Yahoo's Construction	Plaintiffs' Construction
"wherein the maintained profile, including the added partial profile, comprises data used in targeting third-party advertisements to the user computer over the global computer network"[30] / "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"[31]	"wherein data including the maintained profile and the added partial profile is used to target third-party advertisements to the user computer over the global computer network"	Ordinary meaning

After the profile aggregator receives the partial profile and adds it to a "maintained" or "stored profile," a subsequent claim limitation requires that the combined profile "comprises data used in targeting third-party advertisements to the user computer." ('307 patent at claim 1; '582 patent at claim 1; '904 patent at claim 1; '249 patent at claims 1, 11.) The parties dispute whether language reciting "data used in targeting third-party advertisements" requires that the data actually be used to target third-party advertisements.

The plain language of the claims explicitly states that the resultant profile "comprises data used in targeting third-party advertisements to the user computer over the global computer network." "Each element contained in a patent claim is deemed material to defining the scope of the patented invention." *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 US 17, 29 (1997). Moreover, it is impermissible "to effectively eliminate [an] element in its entirety." *Id.* Yahoo's construction, which requires that "data used in targeting third-party advertisements" actually be used to target third-party advertisements, should thus be adopted.

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[30] Found in claim 1 of the '307 patent, claim 1 of the '582 patent, and claim 1 of the '904 patent.

[31] Found in method claim 1 of the '249 patent

During the prosecution of the ’307 Patent, Plaintiffs acknowledged that “data used in targeting third-party advertisements” required that the data actually be used to serve electronic ads. Claim 40 of the application that led to the ’307 Patent—which would become issued claim 1—originally recited “allowing use of the maintained profile in targeting advertisements to the entity’s computer over the global computer network.” (Ex. 14 (’307 Patent File History, August 6, 2008 Amendment) at 3.) Plaintiffs subsequently amended the limitation to, among other things, replace the “allowing use of” language with the “wherein” clause at issue. (Ex. 13 (’307 Patent File History, April 27, 2011 Amendment) at 3.) Plaintiffs further stated that the revised language ***still contains a positive restriction requiring that the data be used (by someone) to serve electronic ads***, as opposed to comprising just any data.” (*Id*. at 8-9 (emphasis added).) The Examiner then granted the ’307 Patent. (Ex. 10 (’307 Patent File History, May 20, 2011 Notice of Allowance).) Plaintiffs thus cannot now plausibly argue that the same language does <u>not</u> “contain[] a positive restriction requiring that the data be used (by someone) to serve electronic ads.” *TorPham*, 336 F. 3d at 1329.

Plaintiffs argue that the claim language “does not require actual use” but “rather simply that the data is of a nature that it *can* be used in ad-targeting, not just any data.” (Br. 73 (emphasis added).) But the plain language of the claim—as confirmed by Plaintiffs during prosecution of the ’307 Patent—“requir[es] that the data ***be*** used (by someone) to serve electronic ads,” not that the data ***can be*** used to serve ads. Moreover, any data could theoretically be used—however inadvisably and however inaccurately—by some advertiser at some indefinite point in the future to target advertisements. Plaintiffs thus interpret the “used in targeting third-party advertisements” limitation such that it does not actually limit the scope of claims. That is impermissible. *Warner-Jenkinson*, 520 US at 29.

Plaintiffs assert that *MasterMine Software, Inc. v. Microsoft Corp.*, 874 F.3d 1307, 1316 (Fed. Cir. 2017) and *UltimatePointer, L.L.C. v. Nintendo Co.*, 816 F.3d 816, 827-28 (Fed. Cir. 2016) hold that claims do "not require actual use as part of the claimed method." (Br. 73.) This is plainly incorrect: the claims-at-issue in *MasterMine* and *UltimatePointer* were ***apparatus*** claims that—in addition to requiring that the apparatus contain various structures—also recited that the apparatus must perform a method step. *MasterMine*, 874 F.3d at 1315-16; *UltimatePointer*, 816 F.3d at 819. In distinguishing the *IPXL* case discussed *infra*, both cases interpreted the method language as a capability of the claimed apparatus, rather than as a step that must actually be performed. *MasterMine*, 874 F.3d at 1316; *UltimatePointer*, 816 F.3d at 827-28. In contrast, it is black-letter law that all steps of a ***method*** claim—as opposed to an apparatus claim—must be performed for infringement to occur. *Akamai Techs., Inc. v. Limelight Networks, Inc.*, 797 F.3d 1020 (Fed. Cir. 2015) ("Direct infringement under § 271(a) occurs where all steps of a claimed method are performed by or attributable to a single entity.") (citation omitted). Neither *MasterMine* nor *UltimatePointer* discussed method claims, let alone overturned the established requirements for infringement of a method claim.

Plaintiffs next argue that "the entire thrust of the patent specification" demands that "the use to which the party puts [exchanged] data is left for later." Initially, "[i]t is well settled that there is no legally recognizable or protected essential element, gist or heart of the invention in a combination patent." *Allen Eng'g Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1345 (Fed. Cir. 2002). Moreover, Plaintiffs are factually incorrect. Far from leaving use of data "for later," the specification describes various mechanisms by which someone practicing the alleged invention can receive payment upon use of the profile data. *See, e.g.*, '307 Patent at 4:15-17 ("a user selected micro-payment royalty for each elected use of these attributes by any other user"); 4:17-

19 ("The owner of the databank may likewise collect for itself a brokerage commission for each use of the attribute."); *see also id.* at 4:25-29, 10:29-31, 11:35-39. Moreover, the independent claims of U.S. Patent No. 7,428,493—to which all DPC patents claim priority and which shares the same description of the alleged invention—explicitly recite steps requiring payment after the profiles are actually used. (Ex. 15 ('493 Patent) at claims 1, 17; 24; 25; 40; 51.) Actually using the gathered profiles is accordingly a critical component of the alleged invention, not an ancillary aspect as Plaintiffs represent.

Plaintiffs then assert that Plaintiffs' statement that the claim "contains a positive restriction requiring that the data be used (by someone) to serve electronic ads" "does not create a 'clear and unmistakable surrender.'" (Br. 75.) Plaintiffs' "surrender" argument is irrelevant: the plain meaning of "data used in targeting third-party advertisements" requires "data used in targeting third-party advertisements," not "data <u>that can be</u> used in targeting third-party advertisements" as Plaintiffs urge. Plaintiffs' statement ***confirms*** that the claims "contain[] a positive restriction requiring that the data be used (by someone) to serve electronic ads," not that the claims should be interpreted in a manner that departs from their plain meaning. Put simply, there is no broader scope involving data that is ***not*** used to serve electronic ads to "surrender."

Plaintiffs themselves concede that using the data to serve ads "must happen eventually." (Br. 75.) Thus, ***until*** the data is used to serve ads "by someone," the method claims cannot be infringed. To the extent Plaintiffs are arguing that the claimed methods can be practiced in the present so long as the data is used to serve ads in the future, that interpretation would render the method claims hopelessly indefinite. A person of skill in the art cannot possibly determine, "with reasonably certainty," whether an unknown third party will use the gathered data to target advertisements at some unknown point in the future. *Nautilus,* 134 S. Ct. at 2129.

At bottom, Plaintiffs admit that their efforts to rewrite "data used in targeting third party advertisements" to mean "data that can be used in targeting third party advertisements" are driven by their concerns about the viability of their infringement case. (Br. 73, 76.) Plainly, a patent holder's universal desire to prove infringement does not counsel for altering unambiguous claim language. Moreover, Plaintiffs' infringement case may not be considered during claim construction. *NeoMagic Corp. v. Trident Microsystems, Inc.*, 287 F.3d 1062, 1074 (Fed. Cir. 2002) ("claims may not be construed with reference to the accused device"); *SRI Int'l v. Matsushita Elec. Corp. of Am.*, 775 F.2d 1107, 1118 (Fed. Cir. 1985).

The Court should adopt Yahoo's proposal that the data must actually be "used to target third-party advertisements to the user computer."

(b) Asserted System Claim

Term	Yahoo	Plaintiffs
"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"[32]	Indefinite	Ordinary meaning

Unique among the asserted DPC patents, claim 11 of the '249 Patent recites "a computer ***system*** coupled to a global computer network and programmed to perform" method steps including "adding the received profile to a profile electronically stored in the storage device" ('249 patent at claim 1) and further requiring that "the stored profile, including the added partial profile, comprises data used in targeting third-party advertisements." ('249 patent at claim 1.) Because the "used in targeting third-party advertisements" language requires actual use as discussed above, claim 11 of the '249 Patent is invalid for indefiniteness.

[32] Found in system claim 11 of the '249 patent

The Federal Circuit first addressed claims reciting both a system and a method step using that system in *IPXL Holdings, LLC v. Amazon. com, Inc*., 430 F 3d 1377, 1383-84 (Fed. Cir. 2005). The Federal Circuit noted that "as a result of the combination of two separate statutory classes of invention, a manufacturer or seller of the claimed apparatus would not know from the claim whether it might also be liable for contributory infringement because a buyer or user of the apparatus later performs the claimed method of using the apparatus." *Id*. at 1384. In other words, a person of skill in the art would be uncertain whether infringement occurs when the apparatus is made, or when a user performs the method step using the apparatus.[33] Because "such a claim is not sufficiently precise to provide competitors with an accurate determination of the 'metes and bounds' of protection involved," it is indefinite. *Id*.

Subsequent case law has clarified that "apparatus claims are not necessarily indefinite for using functional language." *Microprocessor Enhancement Corp. v. Texas Instruments Inc.*, 520 F.3d 1367, 1375 (Fed. Cir. 2008). Rather, an apparatus claim reciting a method step is indefinite if it either "claim activities performed by the user," or if "the functional language" "appear[s] in isolation" that is not "specifically tied to structure." *MasterMine*, 874 F.3d at 1316; *see also TQ Delta, LLC v. 2Wire, Inc.*, Nos. 1:13-cv-01835-RGA, -02013-RGA, -00954-RGA, -00121-RGA, 2017 WL 6435334, at *10 (D. Del. Dec. 18, 2017)

"Data used in targeting third-party advertisements" falls into the latter category of "functional language" "not specifically tied to structure." As discussed above and as Plaintiffs

[33] In *IPXL*, the claim at issue recited "[i]he *system of claim 2* [including an input means] wherein [] *the user uses the input means* to either change the predicted transaction information or accept the displayed transaction type and transaction parameters." *IPXL*, 430 F.3d at 1384 (emphasis in original). In finding the claim indefinite, the Federal Circuit noted that "it is unclear whether infringement [] occurs when one creates a system that allows the user to change the predicted transaction information or accept the displayed transaction, or whether infringement occurs when the user actually uses the input means to change transaction information or uses the input means to accept a displayed transaction." *Id*.

themselves asserted, that language "contains a positive restriction requiring that the data be used (by someone) to serve electronic ads." (Ex. 13 ('307 Patent File History, April 27, 2011 Amendment) at 8-9.) Unlike the *MasterMine* and *UltimatePointer* cases on which Plaintiffs rely (Br. 73), that use is not tied to any structure in the apparatus. Indeed, by requiring "data used in targeting ***third-party*** advertisements," the claims contemplate use by something other than the structures recited in the claims. Plaintiffs confirmed that there is no corresponding structure by noting that the data need only be used "by ***someone***" to serve electronic ads. (Ex. 13 ('307 Patent File History, April 27, 2011 Amendment) at 8-9.) Thus, the claim language precludes reading "data used in targeting third-party advertisements" as a capability of the system recited in claim 11, in contrast to the apparatus claims considered in *MasterMine* and *UltimatePointer*.

Because claim 11 of the '249 Patent requires performance of a method step absent any corresponding structure in the claimed system, the claim is indefinite.

VI. CROSS-DEVICE ASSOCIATION ("CDA") PATENT

A. BACKGROUND

U.S. Patent No. 8,677,398 (the "CDA Patent") is entitled "Systems and Methods for Taking Action With Respect to One Network-Controlled Device Based on Activity on Another Device Connected to the Same Network." The CDA patent relates generally to "cross-media ad-targeting systems" where "target advertisements delivered in one medium [are] based on user behavior in another medium." (CDA Patent at 7:24-27.) As the CDA patent concedes, however, targeting advertisements based on user behavior was not a new idea; "various schemes currently are implemented, under development, or being considered . . . to target television advertisements based on a viewer's online behavior." (*Id.* at 7:24-27; *see also id.* at 7:43-48.) According to the CDA patent, prior art "cross-media ad-targeting systems" were not ideal because they required

the use of what the CDA patent refers to as "PII," or "personally identifiable information" to associate two devices belonging to the same consumer. (*Id.* at 7:24-35.)

The CDA patent purports to offer a novel solution to this narrow, specific problem: associate two devices (*e.g.*, a desktop computer and a mobile phone) *without* the use of personalized information (*id.* at 7:58-62) by using the IP addresses associated with each device on a common network. (*Id.* at 8:3-8.) This, purportedly, sidesteps the prior art's reliance on PII. (*Id.* at 8:8-11.) The CDA patent also discloses the use of "device identifiers" which also do not include PII. (*Id.* at 15:1-2.) The identifiers can be, for example, an equipment serial number, a MAC address, or a tag. (*Id.* at 15:4-8.)

The CDA Patent provides an exemplary illustration of a system using this technique in FIG. 7:

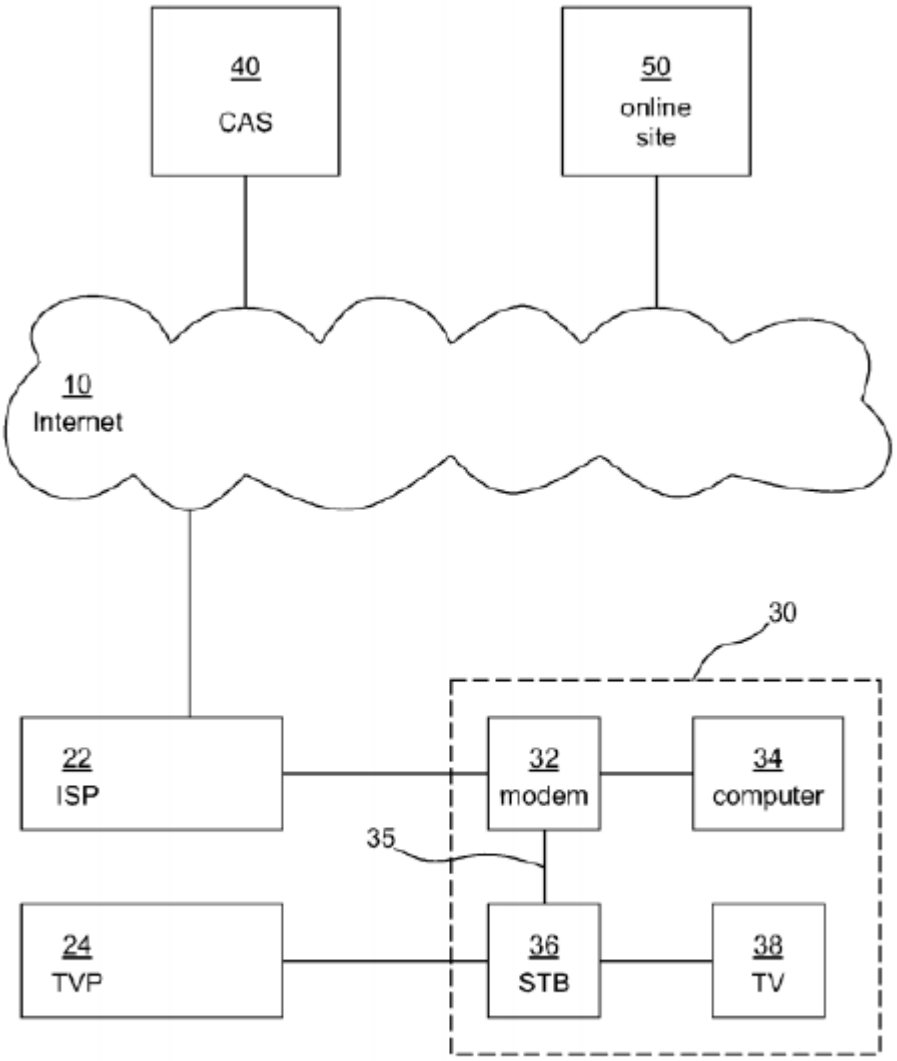

FIG. 7

In FIG. 7, both TV 38 (via set-top box 36) and computer 34 use modem 32 to access Internet Service Provider 22 and thus the Internet 10. (*Id.* at 12:50-64.) As shown in this figure, all network traffic is routed through modem 32, and thus all devices on the network (*e.g.*, computer 34 and TV 38) have the same public-facing IP address. (*Id.* at 13:1-9.) Thus, any site accessed by any of the devices in FIG. 7 would only "see" the common IP address assigned to modem 32. (*Id.* at 13:19-21.) The CDA Patent describes using this public-facing IP address to associate different devices using that IP address (such as a TV and a computer), without

requiring PII. (*Id.* at 12:60-64.) This allows, for example, targeted television advertisements to be delivered to TV 38 based on activity on other devices on the same network – for example, browsing activity on computer 34. (*Id.* at 13:62-14:2.)

The CDA patent also describes the use of cookies, noting that a cookie "can [also] be used to identify a computer that has already been in contact with the same domain and can also be used to store PII or non-PII pertaining to a user of that computer." (*Id.* at 6:36-39.) As an example, a cookie "can store non-PII such as previous searches conducted at the site, or pages viewed or visited at the site, by the computer user." (*Id.* at 6:39-42.) The CDA patent further explains that a "tag or cookie" can be placed on a mobile device, or stored in a database elsewhere, which includes an IP address of a modem or set-top box. (*Id.* at 17:49-54.) Cookies can also be used to store the identifier for a mobile device in the event that such a roaming device is disconnected from the network. (*Id.* at 17:60-65.)

B. DISPUTED TERM

1. "an electronic identifier"

Term	Yahoo's Construction	Plaintiffs' Construction
"an electronic identifier"	"a non-PII identifier"	Ordinary meaning (not limited to PII)

The CDA patent describes and claims an allegedly novel method for taking action on one device on a network (such as serving an advertisement to that device) based on the activity of another device connected to the same network. CDA Patent at Abstract. In order to take those actions, however, a mechanism for identifying devices is needed. This is the "electronic identifier" of the claims. (*See* CDA Patent at 15:1-49.) The electronic identifier is "an analogy of a 'cookie' used by online servers to recognize visitors' computers." (*Id.* at 15:11-13.)

The ability to identify devices without including PII is the allegedly inventive aspect of the CDA patent. Plaintiffs concede as much. (Br. at 10 (noting that the specification

distinguishes the prior art because "'many' prior art systems utilized PII and [] it is 'desirable' to target 'television advertisements' based on 'online behavior' … 'without using PII.'").) Plaintiffs' concession in fact understates the patent's disclosure. As the patent explains, "[a] ***significant shortcoming*** of many [prior art] cross-media ad-targeting systems ***is the need to use PII*** to target advertisements delivered to one medium based on user behavior in another medium." (*Id.* at 7:24-43 (emphasis added).) Based on this alleged shortcoming, the CDA patent concludes that it is desirable to provide a system for "delivering targeted television advertisements … ***without using PII*** to link the television viewer to his or her online activity." (*Id.* at 7:58-63 (emphasis added).) That is precisely why the examples described in the CDA patent utilize non-PII associations between devices. (*Id.* at 10:36-38 ("The association of the user's online access IP address (i.e., modem IP address) and the user's STB IP address at CAS 40 constitutes ***non-PII***."); 10:65-11:3 ("***Without relying on PII***, …"); 11:20-22 ("Personal privacy is maintained in these implementations because (1) ***no PII is used*** by CAS 40 in these implementations…"); 12:43-46 ("All that is required is an association between the online access IP address and the STB IP address to enable delivery of television ads based on the user's online activities ***without relying on PII***."); 12:60-64 (same).) As a result, the electronic identifier of the examples described in the CDA patent includes no information that can assist in identifying a specific person. (*Id.* at 6:12-21.) Instead, it includes information such as MAC addresses, serial numbers, and the like. (*Id.* at 15:1-8.)

Plaintiffs' statements to the Patent Office in order to obtain the patent also confirm that Yahoo's construction is correct. Plaintiffs argued that where PII is used, there is ***no need*** for an electronic identifier; if a user has to login on each device, "there is no need to correlate devices, because the user will 'login' through one or another ISP, allowing the 'coordinator' to receive

behavioral and context data and know what user is involved regardless of which device the user uses and even which ISP the user uses to connect." (Dkt. 102-12 (CDA Patent File History, Mar. 8, 2013 Amendment) at 14.) This clear definition of the "electronic identifier" of the claims cannot be ignored. The claimed "electronic identifier" cannot, therefore, include PII.

Plaintiffs first argue that Yahoo's construction is incorrect because the specification allegedly does not describe "no-PII" embodiments as a requirement. (Br. at 10.) But this is not correct. Plaintiffs' argument is based entirely on the specification's use of illustrative language – "preferably," "can," "without requiring," "typically," "exemplary" – when describing its disclosed embodiments. (*See* Br. at 10-12.) But Plaintiffs gloss over the critical detail that the CDA patent does not disclose a single embodiment in which the electronic identifier includes PII. As a consequence, the Court should construe "electronic identifier" as a "non-PII identifier." *Profectus*, 823 F.3d at 1380-81 (holding that where a feature was disclosed in "every embodiment disclosed in the specification" and where the patent did not "contemplate a situation where" the feature was absent, a construction limited to that disclosed feature was appropriate).

Moreover, a system in which an electronic identifier ***includes*** PII would be invalid because it is not "enabled." In order for a patent to be valid, it must "enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same." 35 U.S.C. § 112, ¶ 1. In order "[t]o be enabling, the specification of a patent must teach those skilled in the art how to make and use the full scope of the claimed invention without 'undue experimentation.'" *MagSil Corp. v. Hitachi Global Storage Technologies, Inc.*, 687 F.3d 1377, 1380 (Fed. Cir. 2012) (quoting *Genentech, Inc. v. Novo Nordisk, A/S*, 108 F.3d 1361, 1365 (Fed. Cir. 1997) (quoting *In re Wright*, 999 F.2d 1557, 1561 (Fed. Cir. 1993))). The enablement doctrine "serves the dual function in the patent system of ensuring adequate disclosure of the

claimed invention and of preventing claims broader than the disclosed invention." *Id.* at 1380-81 (citation omitted). Thus, advocating for a broad construction of a claim term (as Plaintiffs do here) runs the risk of invalidity on the basis of enablement. *See MagSil*, 687 F.3d at 1384 (finding no enablement as a result of plaintiff advocating for a broad construction) (citing *Liebel–Flarsheim Co. v. Medrad, Inc.*, 481 F.3d 1371, 1380 (Fed. Cir. 2007) ("The irony of this situation is that Liebel successfully pressed to have its claims include a jacketless system, but, having won that battle, it then had to show that such a claim was fully enabled, a challenge it could not meet.")). Plaintiffs' construction, which would include undisclosed PII embodiments, would not be enabled, because nowhere does the specification teach those skilled in the art how to make and use that portion of the invention. *MagSil*, 687 F.3d at 1380. But this cannot be correct – it is a fundamental maxim of claim construction that "claims should be construed, if possible, as to sustain their validity." *Phillips*, 415 F.3d at 1327 (quoting *Rhine v. Casio, Inc.*, 183 F.3d 1342, 1345 (Fed. Cir. 1999)). Thus, Plaintiffs' proposed "plain and ordinary meaning" construction cannot be correct.

Plaintiffs' second argument, that the file history describes public notice of identifiers "with or without PII," does not resolve this deficiency, because it contemplates that disclosure in the file history can resolve an enablement issue. Not so. "The specification must contain sufficient disclosure to enable an ordinarily skilled artisan to make and use the entire scope of the claimed invention ***at the time of filing***." *MagSil*, 687 F.3d at 1381 (citing *Sitrick v. Dreamworks, LLC*, 516 F.3d 993, 1000 (Fed. Cir. 2008)). The file history, which necessarily contains disclosures made ***after*** filing, does not meet this requirement.

Plaintiffs cite to *Data Engine*, 2016 WL 790957 for the proposition that without a "clear exclusion of embodiments" the invention is not limited. (Br. at 11.) As an initial matter, this

district court case is not controlling on this Court. But even if it was, it is clearly distinguishable. That case dealt with an independent claim requiring "creating a new version" and a dependent claim reciting that the "new version [is] created by the user." *Data Engine*, 2016 WL 790957, at *8. The specification of the patent contained language explaining that the invention "allow[s] a user at any time to name and save scenario variations." *Id.* The defendant argued that the patentee "disclaimed scenarios that are not defined by the user." *Id.* The court, in response, held that the reference to user participation as an "added ability" did not function as a disclaimer of claim scope. *Id.* Here, in contrast, disclaimer is not at issue. Rather, the issue is whether any construction other than the one proposed by Yahoo is even enabled. For all the reasons discussed above, it is not and, therefore, *Data Engine* is inapplicable.

Similar to their first argument that non-PII is not a requirement, Plaintiffs also argue that with respect to device identifiers, non-PII is also not a requirement. (Br. at 11-12.) Plaintiffs' logic appears to be that because the patent uses the phrase "need not include PII," that Yahoo's "non-PII identifier" must be incorrect. But this fails for the same reason as above – there are no embodiments disclosed in which the identifier ***actually includes*** PII. Instead, Plaintiffs resort to cobbling together citations from across the patent to argue that because a "mobile device" can contain a "tag or cookie," and because a cookie can store "PII or non-PII" pertaining to the user, that a mobile device is disclosed as having an electronic identifier including PII. (Br. at 12.) Not so. Again, in no embodiment does the specification describe an electronic device identifier that includes PII. At best, the specification discloses that cookies, ***which are not necessarily electronic identifiers***, can include PII. With no disclosure supporting Plaintiffs' strained "plain and ordinary meaning" construction, the Court should adopt Yahoo's competing construction.

Plaintiffs' brief also raises the specter of claim differentiation, without pursuing an argument based on that doctrine. (Br. at 9-10.) "Claim differentiation" is a doctrine that holds that limitations in an independent parent claim should be construed to be different in scope from those in dependent claims. *TecSec, Inc. v. Adobe Sys. Inc.*, 658 Fed. App'x 570, 577 (Fed. Cir. 2016). But claim differentiation "does not necessarily mean that they are mutually exclusive." *Id.* "The only requirement is that the limitation in the parent be at least broad enough to encompass the limitation in the dependent claim." *Id.* (citing *Tr. of Columbia Univ. in City of New York v. Symantec Corp.*, 811 F.3d 1359, 1370 (Fed. Cir. 2016) ("Thus, in a situation where dependent claims have no meaningful difference other than an added limitation, the independent claim is not restricted by the added limitation in the dependent claim. In such situations, construing the independent claim to exclude material covered by the dependent claim would be inconsistent."); *Aspex Eyewear, Inc. v. Marchon Eyewear, Inc.*, 672 F.3d 1335, 1348 (Fed. Cir. 2012) (holding that an independent claim including the limitation "magnetic member" includes ferromagnetic material in addition to a magnet, in light of dependent claim limiting "magnetic member" to a magnet); *Am. Med. Sys., Inc. v. Biolitec, Inc.*, 618 F.3d 1354, 1360 (Fed. Cir. 2010) (concluding that "[u]nder the doctrine of claim differentiation, those dependent claims [reciting the use of particular wavelengths] give rise to a presumption that the broader independent claims [reciting that laser radiation be 'absorbed substantially completely'] are not confined to that range")). Thus, claim differentiation does not mandate the conclusion that "electronic identifier" must be broader than a "non-PII identifier," as Yahoo proposes, merely because dependent claim 26 claims "wherein the electronic indicia of the electronic association include no [PII] pertaining to a user of the first device or second device." Instead, dependent

claim 26 is coextensive with claim 13, describing a feature that is mutually exclusive with the independent claim.

VII. PROVIDING PROFILES ("PP") PATENT

A. BACKGROUND

U.S. Patent No. 8,224,574 ("'574 Patent" or "PP Patent") is intended to address challenges arising from the method and system for sharing, combining, and monetizing visitor profiles described in the DPC Patents family. (PP Patent at 5:44-58.[34]) The PP Patent notes the alleged invention of the DPC Patents may deliver profile information for which the profile provider and/or the profile aggregator have no use.[35] (*Id*. at 5:59 to 6:18.) The alleged invention of the PP Patent thus purportedly improves on the DPC patents' system by "identifying media properties interested in having a collected profile made available to them" and then "arrang[ing] for the visitor to be tagged with a tag readable by [that] media property." (*Id*. at 7:5-15; *see also id.* at Abstract.) In other words, the PP Patent purportedly improves on the DPC Patents family by disclosing steps and mechanisms by which a profile consumer (e.g., an advertiser) can preselect profiles before those profiles are delivered to the profile consumer.

Plaintiffs have asserted claims 1, 2, 6, and 11 of the PP Patent. Among other things, the asserted claims require **(1)** "tag[ging] a device of a visitor following receipt from a profile owner computer of indicia of a profile associated with the visitor." (PP Patent at claims 1, 11.) The asserted claims further require that the tagging be **(2)** "for profiles matching a profile or kind of profiles desired by an entity controlling the computer system" that does the tagging. The claims also impose requirements on the "profile owner computer" from which the "indicia of a profile"

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[34] U.S. Patent No. 6,925,440 (cited at PP Patent at 5:44-45) is the ancestor of the '307 patent family. *See, e.g.*, '307 patent at 1:8-11.

[35] For example, if a web site only sells travel services, there is no reason to provide that site with health-related profiles. (*Id*. at 6:10-13.)

is received, including that the profile owner computer "automatically select an electronic-advertising-space-controlling entity" by comparing "profile information about a visitor" with **(3)** "a plurality of stored requests from different entities." The parties' disputes relate to these three sets of limitations.

B. DISPUTED TERMS

1. "receipt from a profile owner computer of indicia of a profile associated with the visitor"

Term	Yahoo's Construction	Plaintiffs' Construction
"receipt from a profile owner computer of indicia of a profile associated with the visitor"[36]	"redirection from a profile owner of a profile associated with the visitor"	Ordinary meaning (not limited to redirection)

All asserted claims require "tag[ging] a device of a visitor following receipt from a profile owner computer of indicia of a profile associated with the visitor." (PP Patent at claim 1, 11.) Put simply, the claims require that after receiving an "indicia of a profile" associated with a website visitor, the system then tags the device of the visitor. The asserted claims further require "check[ing] electronic devices of a multitude of visitors accessing the computer system for the tag readable by the computer system." (*Id.* at claim 1, 11.) The parties dispute whether the "receipt from a profile owner of indicia of a profile"—which precedes "tag[ging] a device of a visitor" and later "check[ing] electronic devices [] for the tag"—can occur via mechanisms other than redirection.

"[T]he claims themselves provide substantial guidance as to the meaning of particular claim terms." *Phillips v. AWH Corp.*, 415 F. 3d 1303, 1314 (Fed. Cir. 2005). Here, the asserted claims require that the "receipt [] of indicia of a profile associated with the visitor" step occur first, followed by "tag[ging] a device of a visitor," followed by "check[ing] electronic devices []

[36] Found in claims 1 and 11 of the PP Patent.

for the tag." (PP Patent at claims 1, 11.) Since the devices themselves are checked for the tag, it therefore follows that "tagging" the device must place the tag on the device (so that the "checking" step can find it later). This in turn requires that the "computer system" that is "tagging" those devices have access to the devices, in order that tags might be placed upon them. The PP patent's specification only discloses one mechanism by which a person of skill in the art might achieve that access: by redirecting visitor devices that include the profile to the tagging computer system:

> A. The PO company can ***redirect*** (e.g., Pr(X), Pr(Y) in FIG. 2, in cases where media property MPn has expressed interest in those profiles) ***a visitor*** to the identified media property ***with a request to have the identified media property tag the visitor with the media property's own tag***, which obviously is readable by the selected media property (such a tag could be a cookie on the visitor's storage device). The tag in this case could be placed by the identified media property following a redirect by the PO company to a specific URL given to the PO company by the media property.

(PP Patent at 9:20-29 (emphasis added).) Accordingly, a person of skill in the art would interpret the "receiving" claim to occur via the only means by which the specification indicates it can occur: redirection. *Medicines Co. v. Mylan, Inc.*, 853 F.3d 1296, 1309 (Fed. Cir. 2017) ("we think it entirely appropriate to limit the term 'efficiently mixing' to the sole portion of the specification that adequately discloses 'efficient mixing' to the public").

Plaintiffs assert that the specification discloses other mechanisms for tagging a visitor device. (Br. 21-22.) But Plaintiffs ignore the remaining language of the claims, which precludes application of any of those mechanisms. More specifically, embodiments B,[37] C[38], and Plaintiffs' so-called "sixth technique"[39] require that the "PO company," not the "media

[37] "B. The PO company can itself place a tag…" (PP Patent at 9:34-36.)

[38] "C. The PO company can place an encoded tag …" (PP Patent at 9:37-40.)

[39] "In another possible implementation (not shown) [] the PO company sends the profile and a copy of the tag separately to the identified media property…" (PP Patent at 9:62 to 10:2.)

property," place the tag. But as Plaintiffs themselves observe, the asserted claims require practice by the media property, not the "PO company" or profile owner. (Br. 17; *compare, e.g.*, claims 1 *with* claim 1.) The claims therefore preclude application of embodiments B, C, and the "sixth technique." Embodiment D[40] similarly requires that the tag be placed by an entity other than the media property—in this case, the PO company acting with a BT company. Embodiment E[41] requires that the tag be placed on a "central database" rather than the visitor's device, which is again precluded by the claims' requirement that the tag later be located on that device. The "methods that profile suppliers use to give their profiles to PO companies" (Br. 22, *citing* to 3:67 to 4:40) are merely redirection (3:67 to 4:26) and database placement (4:27-40)—which is already recited as embodiment E above, and precluded for the same reason.[42]

While it may be disfavored to read claims to exclude embodiments, claims may also not be read such that they ignore express claim limitations. *Warner-Jenkinson*, 520 US at 29. Indeed, it would make little sense for applicants to file continuation patents like the PP Patent if all claims necessarily cover all embodiments. Here Plaintiffs drafted continuation claims whose language limits the scope of the sought-for patent protections. That language is controlling.

Plaintiffs again cite self-serving statements they made when applying for the PP Patent's parent patent ("'758 Patent") as support for their proposed construction. (Br. 23-24.) Initially, arguments based on "self-serving and general statements in the prosecution history (and not made to overcome prior art rejections)" should be rejected. *See Luv N' Care*, 115 F. Supp. 3d at

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[40] "D. In cases when the PO company has software installed on a user's computer, the BT company can arrange for the software to place a tag readable by the identified media property…" (PP Patent at 9:41-45.)

[41] "E. The PO company can arrange for the identified media property to place a tag in the identified media property's central database…" (PP Patent at 9:46-53.)

[42] Plaintiffs' claim differentiation arguments also fall short, as claim 2 plainly includes several other claim elements beyond "URL redirection." (Br. 21; *compare* PP patent at claim 2.)

834. Moreover, Plaintiffs misrepresent the prosecution history of the parent '758 patent. It is ***not*** the case—as Plaintiffs claim—that Plaintiffs' January 26, 2011 Response "led to the allowance of the patent-in-suit." (Br. 23.) Rather, prosecution continued for another year, with the Examiner rejecting the application in two additional instances. (Ex. 16 ('758 Patent File History, April 14, 2011 Office Action); Ex. 17 ('758 Patent File History, January 12, 2012 Office Action).) Plaintiffs' later efforts to distinguish U.S. Patent No. 6,839,680 to Liu et al. are instructive:

> ***The claimed system distributes profile data reflecting quite recent activity of the visitor (as a result of the redirections)***, unlike Liu, where, even if a ProReach member elected to log in periodically to download data, the data could well have become stale and worthless by the time it was made available to the member's ad server (however that is accomplished).

(Ex. 18 ('758 Patent File History, March 13, 2012 Amendment) at 15 (emphasis added).) Accordingly, Plaintiffs distinguished their invention from the prior art on the basis of its ability to distribute "quite recent activity of the visitor ***as a result of the redirections***." ***That*** response led to allowance of the '758 patent, not Plaintiffs' cited-to argument in the January 26, 2011 Response. (Ex. 19 ('758 Patent File History, June 6, 2012 Notice of Allowance).) The full history of Plaintiffs' statements thus confirms Yahoo's position: "[t]he claimed system" uses "redirections." Plaintiffs' attempt to expand the claims to include systems not contemplated by the alleged invention—including presumably systems requiring "log[ging] in periodically to download data" that they explicitly distinguished—should be rejected.

2. "profiles matching a profile or kind of profiles desired by an entity controlling the computer system"

Term	Yahoo's Construction	Plaintiffs' Construction
"profiles matching a profile or kind of profiles desired by	Indefinite	"profile or kind of profiles" refers to stored profiles in

an entity controlling the computer system"[43]		claim 1, part (b)(i)(B)

In additional to specifying when "tagging a device of a visitor" occurs—"following receipt [] of indicia of a profile" as discussed above—the asserted claims of the PP Patent also specify what the tagging is for: "profiles matching a profile or kind of profile desired by an entity controlling the computer system." (PP Patent at claims 1, 11.) However, the parties dispute whether this claim language is definite under the *Nautilus* standard requiring "reasonable certainty" as to the scope of the claims.

The plain language of the asserted independent claims specifies that the "profiles" for which a "device of a visitor" is tagged must be "profiles matching a profile or kind of profile desired by an entity controlling the computer system." Accordingly, the claims are not infringed if the profile or kind of profile is ***not*** desired by that entity. To meet the claims' notice requirements, a person of skill in the art must thus be able to determine, with reasonable certainty, whether or not the entity desires a profile or kind of profile.[44] That is, the claims "must provide ***objective*** boundaries for those of skill in the art." *Interval Licensing*, 766 F.3d at 1371. Because the required "desire" is subjective and not reasonably knowable to a person of skill in the art, the claims fail to meet the definiteness requirement.

The asserted claims are also indefinite because a person of skill in the art would be unable to determine the scope of the "entity" having the required "desires." The histories of the PP Patent family are instructive. During the prosecution of the PP Patent's parent patent ("'758 Patent"), the Examiner found all claims indefinite due to their recitation of a "media property," which the Examiner took to mean "a corporate entity, apparatus or other actor." (Ex. 16 ('758

[43] Found in claims 1 and 11 of the PP Patent.

[44] That determination would allow a person of skill in the art to design his own system such that it does not select desired profiles and thus does not infringe.

Patent File History, April 14, 2011 Office Action) at 3-4.) Plaintiffs responded by replacing the "media property" in the independent claims with "an electronic-advertising-space-controlling entity." (Ex. 20 ('758 Patent File History, June 20, 2011 Amendment) at 2, 5, 6, 8, 12.) The Examiner found that the amended language did not cure the indefiniteness problem, explaining that:

> The essential problem is that an "entity" or other actor is defined by ownership. **Ownership is inherently indefinite because it is a legal abstraction that can be created, merged, dispersed or destroyed at human whim.** The US Supreme Court has ruled that "A corporation is an artificial being, invisible, intangible and existing only in contemplation of law." CTS Corp. v. Dynamics Corp. of America, 481 U.S. 69, 89, 107 S. Ct. 1637, 1649-1650 (1987) (citing Trustees of Dartmouth College v. Woodward, 17 U.S. (4 Wheat) 518 (1819)).
>
> In the instant case, applicant proposes to limit claims to "equipment controlled by the selected entity". But the spec. does not disclose how to define the controlling "entity". Say that a patent was issued with this limitation, and half of the original entity was bought by another entity. Who or what is then the "controlling entity"?
>
> 35 USC 112, second paragraph, requires a reasonable degree of definiteness in terms used to define the invention. "controlling entity" does not meet the requirements of 35 USC 112, second paragraph, because it is indefinite. A "controlling entity" is the Supreme Court's "artificial being, invisible, intangible and existing only in contemplation of law." A "controlling entity" is a legal abstraction that can be created, merged, dispersed or destroyed at human whim. United States patents cannot be predicated on something "existing only in contemplation of law" and dependent on human whim.

(Ex. 21 ('758 Patent File History, July 8, 2011 Advisory Action) at 2 (emphasis added).) That is, because the identity of the "controlling entity" "can be created, merged, dispersed or destroyed at human whim," a person of skill in the art could not be reasonably certain as to the scope of the claims.[45]

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[45] For example, if "half of the original entity was bought by another entity," a person of skill in the art of the online advertising patent would need to make a legal determination as to "who or what is then the 'controlling entity.'" *Id.* It is unlikely that they could do so absent legal training. In fact, a person of skill may not even be aware that a transaction affecting ownership had occurred.

To address the indefiniteness problem, Plaintiffs thus subsequently amended the claims to require that the "equipment controlled by the selected entity" also be "accessible via a domain specified in the URL identified by the selected entity." (Ex. 22 ('758 Patent File History, August 10, 2011 Amendment) at 2, 5, 6, 8, 12-13.) Plaintiffs argued that the amended language obviated the indefiniteness problem because "the 'entity' is defined specifically enough by context" of being "tied to the 'domain' [] in part (b), with the 'equipment' that is 'controlled' by the 'entity' being accessible through the 'domain.'" (*Id.* at 13.) The Examiner subsequently dropped his definiteness objections regarding the "entity," and the parent '758 Patent ultimately issued with the amended language requiring "accessib[ility] via a domain specified in the URL identified by the selected entity."

When drafting the claims of the PP patent, however, Plaintiffs did not include the crucial "accessible via a domain specified in the URL" language that had rendered the prior claims in the '758 patent definite.[46] Furthermore, Plaintiffs failed to alert the Examiner that he had omitted that defining language. The Examiner accordingly believed that "the claims would be allowable for the reasons given in the allowance action in parent application 11/765433," *i.e.* the '758 patent. (Ex. 23 (PP Patent File History, June 15, 2012 Office Action) at 3.) Accordingly, claims with the same unmoored "entity" language that the Examiner had correctly found indefinite were granted. Because—as the '758 Patent File History observes—the "entity controlling the computer system" "can be created, merged, dispersed or destroyed at human whim," a person of skill in the art could not be reasonably certain as to that entity's scope. The term is thus indefinite.

[46] Plaintiffs acknowledge the claims of the PP patent lack this critical limitation. (Br. 27 n. 3.)

Plaintiffs assert that the "profile or kind of profiles desired by an entity" need not actually be desired by that entity, but instead only "refers to an entity's choice, which the entity has provided to the profile owner computer system." (Br. 18.) That is, Plaintiffs urge this Court to construe "desired profiles" to mean "chosen profiles." (*Id*. at 20.) The two are not equivalent: an entity may fail to choose profiles that it desires but does not know about, and it may similarly choose profiles that it does not desire, *e.g.* through error or through an agent. Plaintiffs point to no lexicographic definition or prosecution disclaimer refining "desired" as "chosen." (*See* Br. 2-3.) Nor do Plaintiffs provide any argument that a person of skill in the art could somehow assess the subjective desires of the entity. A person of skill in the art would thus find that "desired" means "desired," not "chosen," and would be further unable to be reasonably certain about what the entity desires. The term is thus indefinite.

Plaintiffs attack a straw man in asserting that the dispute as to "entity" relates to what the term means. (Br. 27.) But as discussed in the file history above, the problem is not that the definition of "entity" may be ambiguous, but that a person of skill in the art would be unable to apply that definition.[47] For example, if "half of the original entity was bought by another entity," a person of skill would be unable to determine who or what is the "entity controlling the computer system"—let alone what that nebulous entity "desires." (Ex. 21 ('758 Patent File History, July 8, 2011 Advisory Action) at 2.) Similarly, if a parent corporation desired one set of profiles while a subsidiary corporation desired another set of profiles, a person of skill would be unable to determine which set of profiles would infringe the claims. Plaintiffs provide no

[47] *Compare Datamize, LLC v. Plumtree Software, Inc.*, 417 F. 3d 1342, 1348-1349 (Fed. Cir. 2005) (finding that while a person of skill may know what "aesthetically pleasing" means, he would be unable to apply that definition to determine that phrase's scope).

argument on the actual dispute as to how a person of skill in the art could determine the scope of the "entity controlling the computer system."

As the Supreme Court recognized, "absent a meaningful definiteness check, [] patent applicants face powerful incentives to inject ambiguity into their claims." *Nautilus*, 134 S. Ct. at 2129. That is because the patent system fosters "an incentive to be as vague and ambiguous as you can with your claims" and "defer clarity at all costs." *Id*. Here, Plaintiffs again succumbed to those incentives. As Plaintiffs concede, the claims of the PP Patent claims are intended to be "broader" than the parent '758 Patent (Br. 26), yet Plaintiffs failed to put the Examiner on notice that he had removed the "accessible via a domain specified in the URL identified by the selected entity" limitation on which the Examiner previously relied. *Hakim v. Cannon Avent Group, PLC*, 479 F. 3d 1313, 1317 (Fed. Cir. 2007) (finding that "the examiner's action in allowing the continuation claims without further prosecution was based on the prosecution argument in the parent"). "Eliminating that temptation is in order." *Nautilus*, 134 S. Ct. at 2129. This Court should do so by finding the "desired by an entity" limitations indefinite.

3. "different entities"

Term	Yahoo's Construction	Plaintiffs' Construction
"different entities"[48]	Indefinite	Ordinary meaning – alternative: "different from one another"

The aforementioned limitations regarding how profiles are received and which profiles are tagged relate to functionality performed by the media property's "computer system." The asserted claims of the PP patent also recite functionality that must be undertaken on the "profile owner computer, prior to transmitting profiles for reception by the media property's "computer system." (PP Patent at claim 1, 11.) Relevant to the disputes in this case, the claims require

[48] Found in claims 1 and 11 of the PP Patent.

"automatically select[ing] an electronic-advertising-space-controlling entity based on a comparison of (A) profile information about a visitor who electronically accessed electronic apparatus of a profile supplier with (B) a plurality of stored requests from different entities." (PP Patent at claims 1, 11.) This language does not specify whether the latter-mentioned "different entities" are different from the "electronic-advertising-space-controlling entity" recited earlier in the claim language, or whether the "different entities" are different from each other. Because either interpretation is plausible, the claims are indefinite.

A person of skill in the art could read the claims to require that the "entities" must be "different" than the entity ultimately selected. Under that reading, the claims would require at least three entities to be infringed: the "electronic-advertising-space-controlling entity" as well as at least two "different entities." Alternately, a person of skill could read the claims to require that the "entities" must be different from each other. Under that reading, the claims would only require two entities to be infringed: at least two "different entities," one of which will be the selected "electronic-advertising-space-controlling entity." The PP Patent's claims could thus be plausibly infringed and not infringed when the "profile owner computer" contains "stored requests" from two "different entities." This ambiguity renders the claims indefinite.

Plaintiffs assert that a person of skill in the art would only interpret the claims as requiring that the "entities" be "different from one another." (Br. 28.) Initially, Plaintiffs provide no explanation as to why a person of skill would not interpret the claims to require that the entities be different from the "electronic-advertising-space-controlling entity" as opposed to each other. Moreover, they provide no explanation as to why "the above file history" resolves the ambiguity. (Br. 28.) The cited history of the PP Patent's prosecution only discusses *how* to determine that two entities are different, not *which* two entities need be compared to find

infringement. (Br. 26-27.) As Plaintiffs have failed to rebut or even address Yahoo's argument regarding "different entities," the term should be found indefinite.

VIII. CONCLUSION

For these reasons, Yahoo respectfully asks that the Court adopt its constructions.

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Respectfully submitted,

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