UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FREEWHEEL MEDIA, INC.,
Petitioner,

v.

ALMONDNET, INC.,
Patent Owner.

Case IPR2024-00420
Patent 11,564,015

PATENT OWNER'S PRELIMINARY RESPONSE

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I. INTRODUCTION

The Board should deny institution of *inter partes* review ("IPR") of U.S. Patent No. 11,564,015 ("the '015 patent") for two reasons.

First, the instant Petition is one of two parallel petitions that Petitioner filed challenging claims of the '015 Patent on the same day. If the Board grants institution of the parallel petition in IPR2024-00419, the Board should exercise its discretion and deny institution in this proceeding (IPR2024-00420) because Petitioner has not shown that this is one of the "rare" instances where multiple petitions are needed.

Second, the Petition violates the requirement of 35 U.S.C. § 312(a)(3) that each petition identifies the grounds on which the challenge to each claim is based "with particularity" by setting forth *fifteen* express grounds of invalidity based on *nine* prior art references. This is especially true in light of the two parallel petitions filed by Petitioner on the same day, challenging the same claims, which cumulatively set forth *twenty-six* express grounds of invalidity relying on *eighteen* prior art references and at least *thirty-three* more "shadow" references. Rather than presenting a reasonable number of grounds and references, Petitioner resorts to burying Patent Owner and the Board with scattershot invalidity theories supported by conclusory arguments. In addition to the express grounds, Petitioner and its two experts cite even more additional references as "shadow" secondary references, thereby creating unbounded combinations and permutations of references. Wading

through such voluminous invalidity theories to provide a full, fair, and meaningful response would be a near impossible task given their curt presentation, procedural limits on IPR proceedings, and practical limits on the Board and Patent Owner. For each these independent reasons, institution should be denied.

II. BACKGROUND

The ’015 patent is generally directed to targeted television advertisements based on online behavior. Ex. 1101 at 8:17-34. To enable these advertisement, internet protocol (“IP”) addresses indicating online access devices and IP addresses indicating television set-top boxes are electronically associated, for a multitude of users. *Id*. Using user profile information derived from online activity from one of the online access IP addresses, a television advertisement is selected, such as by using behavioral targeting or demographic information, and automatically directed to the set-top box indicated by the set-top IP address associated with that online access IP address. *Id*.

Claim 1 recites in relevant part:

> 1[pre] A computer system comprising at least one hardware server computer, wherein the computer system is programmed and connected to perform a method of using common IP addresses to identify associations among multiple electronic devices and using an identified association to cause cross-device action, the method comprising:

(a) with the computer system, creating an electronic database containing a multitude of associations, each indicating an association between device identifiers of two or more Internet-accessing electronic devices of a multitude of Internet-accessing electronic devices, wherein:

(i) each of the associations is determined using stored data relating to Internet access by various of the multitude of devices, the stored data comprising

(A) a device identifier of one of the Internet-accessing devices,

(B) an IP address through which the one of the devices accessed the Internet, and

(C) a timestamp identifying when the one of the devices accessed the Internet;

(ii) at least some of the associations indicate association between at least two devices of the two or more Internet-accessing electronic devices, which association is determined by using the stored data to determine that both of the at least two devices have accessed the Internet via a common IP address at respective times satisfying a predetermined time-relation criterion;

(iii) at least some of the associations indicate association between at least two devices of the two or more Internet-

> accessing electronic devices, which association is determined without use of personally identifiable information; and
>
> (iv) the computer system determining the associations accesses the Internet without using any of the common IP addresses of the associations identified in part (ii); and
>
> (b) when the computer system and a first device identified in a first association are in communication with one another, with the computer system using a device identifier of the first device and user profile information associated with a device identifier of a second device identified in the first association to cause an automatic action to be taken with respect to the first device, wherein:
>
> (i) the first association is one of the associations identified in part (a)(ii); and
>
> (ii) the first association was stored in the electronic database described in part (a) prior to the computer system and the first device being in communication with one another as described in part (b).

Id. at claim 1 (numbering added).[1] Challenged independent claim 14 recites substantially the same limitations, as implemented via a tangible storage medium

[1] All emphases added unless otherwise noted.

and a computer system.

III. PETITIONERS DO NOT JUSTIFY PARALLEL PETITIONS DIRECTED TOWARDS THE ’015 PATENT

Petitioner has not and cannot justify the simultaneously filed parallel petitions directed towards the ’015 patent and challenging the same claims—claims 1-26. Institution should be denied.

On March 1, 2024, Petitioner filed two IPR petitions challenging the same claims of the ’015 patent—IPR2024-00419 (“First Petition”) and the instant petition, IPR2024-00420 (“Second Petition”).

Although Petitioner attempts to explain why both petitions should be instituted in view of—and despite—one another, Petitioner’s argument fails. *See* Petitioner’s Petition Ranking And Explanation of Material Differences Between Petitions (Paper 3). The Consolidated Trial Practice Guide (“CTPG,” Nov. 2019 Update) indicates that one petition per patent is sufficient “in most situations” and that “multiple petitions by a petitioner are not necessary in the vast majority of cases” CTPG at 59.

The Office’s policy in this regard conforms to the purposes of the AIA, which was crafted to prevent petitioners “from requesting or maintaining alternative administrative attacks ... ‘on any ground that the petitioner raised or reasonably could have raised during that inter partes review.’” *Applications in Internet Time,*

LLC v. RPX Corp., 897 F.3d 1336, 1349 (Fed. Cir. 2018) ("*AIT*") (quoting 35 U.S.C. §§ 315(e)(1)-(2)).

In Petitioner's Petition Ranking And Explanation of Material Differences Between Petitions (Paper 3), Petitioner ranks the First Petition (IPR2024-00419) over this Second Petition (IPR2024-00420). But even considering this ranking, Petitioner fails to justify why both petitions, filed on the same day and challenging the same claims, are all necessary and appropriate. Indeed, they are not.

Petitioner first contends that the parallel petitions are necessary and appropriate simply because each petition relies on different prior art. Petitioner is wrong, and this explanation makes no sense. Nearly all parallel petitions involve different proposed prior art. If petitioners are permitted to effectively double the permitted word count limit by separating lengthy petitions into multiple parallel petitions based entirely on the fact that they involve different prior art, the word count limits are essentially meaningless. But the word count limits implemented by the Board are specifically intended to prevent "the presentation of an overwhelming number of issues" that "detract from the argument being presented" and ensuring that petitioners "avoid submitting a repository of all the information that a judge could possible consider, and instead focus on concise, well-organized, easy-to-follow arguments." CTPG at 59.

Petitioner next contends that the three parallel petitions are necessary because Patent Owner might "attempt to antedate or disqualify" some of the prior art references relied on by Petitioner. Paper 3 at 3. Again, Petitioner is wrong, and its attempt to pre-emptively blame Patent Owner for Petitioner's parallel petitions should not succeed. Moreover, Patent Owner hereby expressly stipulates that it will not "attempt to antedate or disqualify" the voluminous prior art relied upon by Petitioner. Thus, "the[] respective priority dates" are not material and do not justify parallel petitions.

Petitioner last contends that the parallel petitions are necessary just in case Patent Owner *may* assert "narrow claim constructions." Paper 3 at 3. Again, Petitioner is wrong, and its speculation about potential claim construction issues that "may" arise does not provide any material basis on which to permit Petitioner (or any petitioner) to effectively double the permitted word count limit by speculating about the arguments Patent Owner *may* make if a petition is instituted. Importantly, Petitioner does not allege that "the patent owner has asserted a large number of claims in litigation or [that] there ***is*** a dispute about priority date requiring arguments under multiple prior art references." CTPG at 59.

The CTPG makes clear that *two* parallel petitions are rarely needed and "may place a substantial and unnecessary burden on the Board and the patent owner and could raise fairness, riming, and efficiency concerns." CTPG at 59. None of the

arguments set forth by Petitioner explain why the Board should abandon its normal procedure. Indeed, none of the arguments set forth by Petitioner justify or negate that the parties will need to draft, and the Board will need to review and hear argument on, two sets of briefing rather than one, and that Patent Owner's expert will need to draft two expert declarations and be deposed twice.

The Board frequently denies institution when petitioners lodge parallel petitions with similarly conclusory explanations. *See Hanshow America Inc. v. SES-Imagotag Inc*., Case IPR2024-00190, Paper No. 10 (PTAB May 20, 2024) (denying institution of parallel petition where petitioner's argument that parallel petitions are justified was "conclusory and unsupported by substantive analysis."); *Affordable Wire Management, LLC v. Cambria County Assoc*., Case IPR2024-000182, Paper No. 18 (PTAB April 24, 2024) (denying institution of parallel petition "directed to the same claims…"); *Apple Inc. v. Seven Networks, LLC*, Case IPR2020-00254, Paper No. 13 (PTAB July 28, 2020) (denying institution of parallel petition where patent owner has stipulated that it will not attempt to antedate a reference subject to a priority date dispute.)

In sum, the Board should exercise its discretion to deny institution of each of the parallel petitions, including the instant Second Petition.

IV. THE PETITION'S *FIFTEEN* EXPRESS GROUNDS BASED ON *NINE* EXPRESS PRIOR ART REFERENCES AND *THIRTY-THREE*

SHADOW REFERENCES VIOLATE THE "PARTICULARLY" REQUIREMENT OF 35 U.S.C. § 312(A)(3)

The Board may not institute *inter partes* review unless the petition demonstrates that it is more likely than not that at least one of the claims challenged in the petition is unpatentable. 35 U.S.C. § 314(a). However, even if the Board determines that the statutory standard is met, the decision to institute is discretionary. *Id.*; *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1361 (2018) ("Even if there is one potentially meritorious challenge, we have said that the statute contains no mandate to institute review, so the Director still has discretion to deny a petition.").

Moreover, a petition "may be considered only if" it sets forth the grounds of its challenges "with particularity." 35 U.S.C. § 312(a). The IPR regulations elaborate on this requirement, demanding that the petition "[p]rovide a statement of the precise relief requested for each claim challenged" including the "specific statutory grounds under 35 U.S.C. 282(b)(2) or (3) on which the challenge to the claim is based." 37 C.F.R. § 42.104(b)(2). "The petition must specify where each element of the claim is found in the prior art." *Id.* § 42.104(b)(4); *see also* Patent Trial and Appeal Board Consolidated Trial Practice Guide at 39 (Nov. 2019) (advising that petitioners "should avoid submitting a repository of all the information a judge could possibly consider, and instead focus on concise, well-organized, easy-to-follow arguments").

A petition that sets forth extensive alternative grounds fails to meet the particularity requirement, and it may also independently be denied institution as an exercise of the Board's discretion based upon the assertion of "voluminous and excessive grounds" and lack of procedural fairness to the patent owner. *Adaptics Ltd. v. Perfect Co.*, Case IPR2018-01596, Paper No. 20 at 24 (PTAB Mar. 6, 2019) (informative) ("*Adaptics*"); *see also Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1369 (Fed. Cir. 2016) ("It is of utmost importance that petitioners in IPR proceedings adhere to the requirement that the initial petition identify with particularity the evidence that supports the grounds for the challenge to each claim.") (internal quotations omitted). "The statutory requirement for particularity in a petition for IPR takes on heightened importance when considered in conjunction with *SAS*'s 'all-or-nothing' approach." *Adaptics* at 24.

Based on its headings and express disclosure, the Petition purports to contain *fifteen* separate grounds based on various combinations of *nine* prior art references. *See* Pet. at 4-5 (chart listing the grounds A-O); *id.* at i-ii (Table of Contents showing headings for the grounds A-O). But the actual contents of the Petition and its exhibits establishes that the situation is in fact even worse because, as explained below, Petitioner raises a number of "shadow" grounds in addition to Petitioner's "express" grounds, just like in *Adaptics*. "The asserted grounds of unpatentability also suffer from a lack of particularity and indefinite scope due to Petitioner's and [its expert's]

reliance on *additional* documents" that are not listed as part of the Grounds in the summary chart or headings, including "voluminous additional exhibits containing substantive disclosures relating to the subject matter of the challenged patent claims." *Id.* at 22.

The Petition itself is seventy-two pages long (13,516 words), and attaches fifty exhibits. *See* Exhibits 1101-1171. One of those exhibits, Exhibit 1102, is a 287 page declaration from one of Petitioner's experts. Another exhibit, Exhibit 1113, is a forty-one page declaration from another of Petitioner's experts and includes twenty-seven attachments. Critically, while the Petition purports to identify *nine* prior art references that make up the *fifteen* identified grounds, this listing does not include the at least *twenty-eight* other references and exhibits attached to the Petition and expressly cited and relied upon by Petitioner's experts. Taking these additional documents and exhibits into account, a conservative count reveals that this Petition alone cites to or relies on at least *thirty-seven* prior art references, including "shadow" secondary refences, creating virtually unbounded combinations and permutations of possible references that could be implicated in each of Petitioner's twenty express "grounds." "The extent to which these additional documents may be relied upon to fill gaps in the asserted references with respect to the claimed subject matter increases [the] concern that the Petition lacks the required particularly, and, instead, turns the Petition into an empty invitation for the Board and Patent Owner

to search the record for evidence that might support the full breadth of Petitioner's contentions." *Adaptics* at 22-23. Moreover, it is unclear which references Petitioner intends to be (or not to be) part of each of the grounds in its Petition, making it "virtually impossible" for Patent Owner to provide a reasoned response to the Petition. *See id.* at 15; *see also Eton Pharms., Inc. v. Exela Pharma Scis., LLC*, Case PGR2020-00064, Paper No. 12 at 14 (PTAB Nov. 18, 2020) ("By not including references in the formulation of the ground[s of] unpatentability Petitioner is not providing an articulated reason that allows Patent Owner the ability to respond and leaves Patent Owner, and the Board for that matter, to guess how the references are applied to each particular ground."). *See* Exhibit 1102 at 38-49 (citing additional prior art references, not identified as such, as "Technical Background").

This fact alone demonstrates that the Petition suffers from a lack of particularity that results in voluminous and excessive grounds. *See, e.g.*, *Adaptics* at 19 (holding that seventeen grounds is an "unduly burdensome number of combinations.") This is especially true in light of the two parallel petitions filed by Petitioner on the same day, challenging the same claims, which cumulatively set forth *twenty-six* express grounds of invalidity relying on *eighteen* prior art references and at least *thirty-seven* more "shadow" references.

Because the Petition violates the particularity requirement, "in the interests of efficient administration of the Office and integrity of the patent system and as a

matter of procedural fairness to Patent Owner, the entire petition should be denied." *See Adaptics* at 24.

V. CONCLUSION

Patent Owner respectfully requests that the Board deny institution for any or all of two independent reasons. First, Board should exercise its discretion to deny institution of the Petition as an unjustified parallel petition. Second, the Board should exercise its discretion to deny institution of the Petition as failing to meet the "particularity" requirement of 35 U.S.C. § 312(a)(3) in light of the Petition's citation to and reliance on *thirty-seven* prior art refences, including shadow refences, and further in light *of the dozens of additional prior art* references expressly identified across each of the two parallel petitions.

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CERTIFICATION REGARDING WORD COUNT

Pursuant to 37 C.F.R. §42.24(d), Patent Owner certifies that there are 2,728 words in the paper excluding the portions exempted under 37 C.F.R. §42.24(a)(1).

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

The undersigned hereby certifies that the above document was served on June 13, 2024, by filing this document through the Patent Trial and Appeal Case Tracking System as well as delivering a copy via electronic mail upon the following attorneys of record for the Petitioners:

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