

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC, Petitioner

v.

BRODTI INC.,
Patent Owner

Case IPR2025-00472
U.S. Patent No. 11,416,898

PATENT OWNER'S DISCRETIONARY DENIAL BRIEF

Introduction

Patent Owner requests the Director to exercise her discretion under 35 USC §314(a) and deny institution of this *Inter Partes Review* of U.S. Patent No. 11416898 (the ‘898 patent).

Legal framework

The Director has discretion on whether to institute inter partes review. See *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1356 (2018) (“314(a) invests the Director with discretion on the question whether to institute review” (emphasis omitted)); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2140 (2016) (“[T]he agency’s decision to deny a petition is a matter committed to the Patent Office’s discretion.”).

The Memorandum: *Interim Processes for PTAB Workload Management*, dated March 26, 2025, issued by the acting Director explains as follows with respect to the application of discretionary considerations in the PTAB’s bifurcated proceedings for decisions on institution:

Third, consistent with the discretionary considerations enumerated in existing Board precedent (including *Fintiv*, *General Plastic*, and *Advanced Bionics* (citations omitted)) and the Consolidated Trial Practice Guide (Nov. 2019), the parties are permitted to address all relevant considerations, which may include:

- Whether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability;
- The strength of the unpatentability challenge;
- The extent of the petition's reliance on expert testimony;
- Settled expectations of the parties, such as the length of time the claims have been in force;
- Compelling economic, public health, or national security interests; and
- Any other considerations bearing on the Director's discretion.

The Subject Patent

The invention described in US 11,416,898 is directed to computer implemented methods which include, *inter alia*, receiving from a client a message including advertising material to populate on a website, generating a web page with a plurality of advertising buy options, with the client selecting from the plurality of advertising buy options to provide placement of the advertising material within web property content of the website. Importantly, claim 1 includes generating a repository for advertising revenue based on the selection, monitoring a number of impressions accessing the web property content of the website, and

electronically collecting a share of the advertising revenue to be transmitted to the web property content owner. See the '898 patent, claim 1.

Patent Owner notes that in the allowance of the '898 patent, the Examiner provided an extensive statement of Reasons for Allowance as follows (emphasis supplied):

The present invention relates generally to media financing and more specifically it relates to such a process that allows advertisers to finance media productions through advertising media buys while eliminating the risk of normal event financing speculative investment.

The prior art of record teaches:

Costin (2002/0049816) teaches a fundraising system and method that allows users to raise money from friends and other entities over a distributed network, such as the Internet, is presented. The present invention provides online marketing applications for e-businesses by using the power of viral marketing to enable clients to attract new customers at a lower cost, and build brand loyalty. For example, the fundraising system of the present invention enables e-businesses to partner with causes, such as charitable, non-profit and community organizations, to host fundraising events online with interactive participation by all involved.

Online fund-raising malls: fund raising goes high-tech; Raddatz, Dick; Fund Raising Management; Jun 2000; 31, 4; pg 12 June

2000 teaches a fund raising mall teaches those who wish to earn money for their group can log on to an Online fund-raising mall site, select their group, and then link to different e-commerce sites to make purchases. The e-commerce sites pay affiliate fees-a sales commission on the total purchase for each user-to the site through which their site was accessed.

Kaplan, K. (2000, Aug 28) Monday business; republicans work for change with E- commerce site; web: RepublicanShopping.com takes political fund-raising into new territory by offering goods online and getting a cut of profit.: Home edition. Los Angeles Times teaches a Republicanshopping.com which is the high-tech equivalent of selling Girl Scout Cookies. Like the Scouts, The GOP is hawking merchandise made by others and pocketing a portion of the profit, which it will use to support political candidates.

ZDNet donates \$1 million dollars in advertising availabilities to benefit tomorrows children's fund. (1999, Dec 22). PR Newswire teaches the company will donate over 15 million ZDNet advertising impressions over the next year to the Tomorrows Children's fund. The campaign will encourage ZDNet visitors to make contribution to the non-profit organization using the toll free phone number provided on all of the advertisements.

The references alone or in combination failed to teach the following limitations of claims 7, 16 and 26 “...**generating, by the one or more processors, on a database accessible to the one or more**

processors, a repository for advertising revenue based on the selection; based on obtaining the selection, populating, by the one or more processors, the advertising material on the at least one website, wherein the populating comprises placing the advertising material within web property content of the at least one website; monitoring, by the one or more processors, a number of impressions of the advertising material provided to users accessing the web property content displayed on the at least one website; determining, by the one or more processors, whether an impression of the advertising material is valid, wherein the impression is valid based on a predetermined impression tracking system; determining, by the one or more processors, that the number of valid impressions is greater than or equal to the predetermined number of impressions; upon determining a number of valid impressions are met, ceasing, by the one or more processors, the populating of the advertising material on the at least one website; and based on determining a number of valid impressions are met, electronically collecting, by the one or more processors, a share of the advertising revenue to be transmitted to the web property content owner”

WO 2016/11843 A1 teaches the advertisers may allocate funds to the advertisement campaign from which a price per second or budget may be deducted from for an advertisement that may be served to a device.

See Notice of Allowance, US 16/422,106, dated July 5, 2022.

Discretionary Considerations

Patent Owner submits that discretionary considerations including *settled expectations of the parties*, weigh strongly in favor of denying institution of this proceeding. Patent Owner notes that MPEP §1302.14 instructs Examiners as follows with respect to an Examiner's statement of Reasons for Allowance (emphasis supplied):

One of the primary purposes of 37 CFR 1.104(e) is to improve the quality and reliability of issued patents by providing a complete file history which should clearly reflect, as much as is reasonably possible, the reasons why the application was allowed. Such information facilitates evaluation of the scope and strength of a patent by the patentee and the public and may help avoid or simplify litigation of a patent.

As quoted above, in the Reasons for Allowance, the Examiner provides extensive comments including: (1) her interpretation of the claimed invention, (2) a list of the closest prior art, (3) an explanation as to why the claimed subject matter was allowable over the closest prior art, and (4) a recitation of specific, allowable, limitations in the claims. Patent Owner, and the public, should be able to rely upon the information provided in an Examiner's statement of Reasons for Allowance to evaluate the scope and strength of their issued patent and to "help avoid or simplify litigation of a patent." See *Id.* The Petition nowhere mentions, contests, or

points out any errors in the Examiner's statement of Reasons For Allowance.

Accordingly, *settled expectations of the parties* based on the Reasons for Allowance weigh strongly in favor of denying institution.

It is apparent from the Reasons for Allowance why the Examiner did not cite the Nicholas reference (US 20040054589) heavily relied upon in the Petition. According to the Examiner's interpretation of the claims, and the listed closest prior art, the Nicholas reference would have been outside the scope of the claimed invention, as evidenced by the Examiner's interpretation and understanding of the invention and the closest prior art provided in the Reasons for Allowance. This is not a situation where an Examiner "missed" a reference that she would have otherwise considered to be relevant. It is clear from the Reasons for Allowance's listing and discussion of the closest prior art, that the Examiner would not have considered the Nickolas reference to be relevant prior art in the first place. Petitioners could only arrive at the conclusion that the Nicholas reference is relevant prior art by interpreting the claims in a manner completely different from the interpretation of the claims as provided by the Examiner.

As one specific example, Patent Owner refers the Director to the following limitation of claim 1 (highlighted above):

“...generating, by the one or more processors, on a database accessible to the one or more processors, a repository for advertising revenue based on the selection;...”

Addressing this limitation, the Petition states as follows on page 28

(emphasis supplied):

Nicholas does not appear to expressly disclose that ad selection node 140 generates a “repository” on the database for advertising revenue based on the selection. But these details would have been trivial and well-known.

The Petition thus concludes that the above limitation would have been “trivial” and “well known,” and then follows with a discussion of a reference (US20010039515 to Mayadas) which is cited for the disclosure of the use of an escrow account or a bank account for holding advertising revenue. The Examiner, on the other hand, in the Reasons for Allowance, *starts* her recitation of claim 1’s allowable limitations by citing this very limitation. The Petition is thus directly contradicting express statements by the Examiner in the Reasons for Allowance. The Petition refers to limitations expressly found by the Examiner as allowable as “trivial” and “well known.” If the Petition is going to directly contradict express statements provided by the Examiner in the Reasons for Allowance, the Petition should first show why the Examiner was incorrect in her assessment of allowable limitations provided in the Reasons for Allowance.

As mentioned above, it is readily apparent from a comparison of the Reasons for Allowance and the Petition that Petitioners are necessarily interpreting the

claims very differently from the Examiner. The Petition, nevertheless, asserts on page 6 that an express claim construction is not necessary to resolve the Petition.

An Examiner must apply an interpretation of the claims in order to examine the application, search and apply prior art, and reject claims or find them allowable. MPEP §2111 instructs Examiners as follows:

Patented claims are not given the broadest reasonable interpretation during court proceedings involving infringement and validity, and can be interpreted based on a fully developed prosecution record. In contrast, an examiner must construe claim terms in the broadest reasonable manner during prosecution as is reasonably allowed in an effort to establish a clear record of what applicant intends to claim.

The Examiner, in fact, provided express statements in the Reasons for Allowance providing her interpretation of the claims. If the Petition is going to base its challenge and asserted prior art on a completely different interpretation of the claims, Petitioners should have first shown in the Petition how the Examiner erred in her claim interpretation.

As discussed above, the Examiner provided a detailed statement of Reasons for Allowance that included: a discussion of her interpretation of the claimed subject matter, a listing of the closest prior art, and a recitation of claim limitations that were found to be allowable. Under these particular facts, Petitioners should thus have first shown why the Examiner and the Reasons for Allowance are in

error in order to establish that the office erred in granting the patent. The Petition nowhere mentions the Reasons for Allowance, nowhere provides any explanation for why they are adopting a different interpretation of the claims from the Examiner, why the Examiner's express listing of the closest prior art is not correct, or why the Examiner's listing of allowable claim limitations is not correct. The public, and Patent Owner, should be able to rely on the complete file history and Examiner's statement of Reasons for Allowance to evaluate "the scope and strength of a patent" and to "help avoid or simplify litigation of a patent." See MPEP §1302.14.

In addition, and along these lines, Patent Owner notes that the application that led to the '898 patent was filed on May 24, 2019, and was a continuation of an application (US 14/015,604) filed on August 30, 2013 (now US 10,325,290). The subject matter of the application that led to the '898 patent, and its parent application, were examined by two different Primary Examiners. The subject matter of this application (including the parent application) was thus under examination for a period of almost nine years. The parent application was issued two non-final office actions, two final office actions, and two requests for continued examination were filed. Accordingly, the subject matter of this patent was thoroughly searched and examined by the Office by two different Primary Examiners and should not be subject to reexamination based on settled

expectations of the parties. The complete file history clearly shows the reasons why the '898 patent was issued, which reasons are undisturbed by the Petition.

Further discretionary considerations

Patent Owner respectfully submits that other discretionary considerations weigh strongly in favor of the denial of institution of this proceeding as well, including *compelling economic factors*. The application that led to the subject patent was originally filed by an independent inventor, John DeTitta (who later assigned the application to his company, Brodti Inc.). Both Inventor Detitta and Brodti, inc. are small entities and the Applicant held micro entity status during the prosecution of the application that led to the '898 patent. Under the particular facts of this case, it would be unreasonable to submit this patent, and Patent Owner, to a costly and unnecessary reexamination proceeding.

The Petition does not identify or allege any specific error by the Examiner or the Office. The Petition does not cite any prior art that it alleges to be closer than the closest prior art identified by the Examiner and set forth in the Reasons for Allowance. The Petition, without explanation, contradicts the Examiner's recitation of allowable claim limitations provided in the Reasons for Allowance. The Petition is necessarily based on Petitioner's adoption of a very different claim interpretation than the Examiner, yet without providing a claim construction, or

providing any explanation as to why the Examiner erred in her interpretation of the claims in the first place.

Accordingly, for the above reasons, Patent Owner respectfully submits that the institution of this proceeding should be denied.

Conclusion

Patent Owner respectfully requests the Director to exercise her discretion under 35 USC §314(a) and deny institution of this proceeding.

Respectfully submitted,

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CERTIFICATION OF WORD COUNT

The undersigned certifies pursuant to 37 C.F.R. §42.24(d) that the foregoing Patent Owner's Discretionary Denial Brief contains 2,462 words according to the word-processing system used to prepare this document.

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

I certify that the above-captioned **DISCRETIONARY DENIAL BRIEF**
was served in its entirety on April 28, 2025, upon the following parties via
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