UNITED STATES PATENT AND TRADEMARK OFFICE
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BEFORE THE PATENT TRIAL AND APPEAL BOARD
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VOLUSION, INC.
Petitioner

v.

VERSATA SOFTWARE, INC. AND
VERSATA DEVELOPMENT GROUP, INC.
Patent Owner
_____

Case CBM2013-00017
Patent 6,834,282 B1
_____

Before HOWARD B. BLANKENSHIP, SALLY C. MEDLEY, and
KEVIN F. TURNER, *Administrative Patent Judges.*

BLANKENSHIP, *Administrative Patent Judge.*

DECISION
Request for Rehearing
37 C.F.R. § 42.71(d)

INTRODUCTION

In a Decision entered October 24, 2013 (Paper 8, "Decision"), the Board granted Petitioner's (Volusion, Inc.'s) request for covered business method (CBM) patent review as to claims 1-20 of U.S. Patent No. 6,834,282 B1. However, we denied the request as to claims 21-23. Petitioner has filed a timely motion for rehearing (Paper 10) of the denial of the request as to claims 21-23.

A request for rehearing must identify specifically all matters the party believes the Board misapprehended or overlooked. 37 C.F.R. § 42.71(d). When rehearing a decision on petition, a panel reviews the decision for an abuse of discretion. 37 C.F.R. § 42.71(c).

For the reasons that follow, the request for rehearing is *denied*.

DISCUSSION

In the Decision, the Board determined that Petitioner had demonstrated that it is more likely than not that claims 1 through 20 of the '282 patent are directed to non-statutory subject matter and, thus, unpatentable under 35 U.S.C. § 101. With respect to the remaining claims that were challenged, namely, claims 21 through 23, we stated:

> The first four steps of method claim 21 are identical in substance to the steps of method claim 11 -- a claim that we have determined to be more likely than not drawn to patent-ineligible subject matter. However, claim 21 recites additional steps, including: "aggregating the constraints specified by a leaf node and its ancestors in response to selection of one of the leaf nodes; forming a search rule from the aggregation that includes all items that meet the constraints; [and] initiating a search of the database in accordance with the search rule." In the context of claim 21, we read each of the "aggregating," "forming," and

"initiating" steps as being limited to machine operation. That
is, claim 21 also provides the steps of "displaying said
hierarchy on a computer terminal, wherein each of said nodes
are operative to be activated by selecting the node," and
"returning to the terminal a list of the items that meet the
constraints." Thus, claim 21, unlike claim 11, is not a method
that can be performed entirely in the human mind or by human
activity.

Decision 15-16.

Consequently, we denied the petition as to claims 21 through 23
because Petitioner failed to address all the requirements of those claims. *Id.*
Base claim 21 is not directed to an abstract "browsing and display of the
claimed hierarchies," as alleged in the Petition, but includes at least the
machine-based formation of a search rule and the searching of a database
using the search rule. *Id.*

Petitioner implicitly disagrees with our claim interpretation that the
claim 21 steps of "aggregating," "forming," and "initiating" are limited to
machine operation. Petitioner refers to portions of the written description of
the '282 patent and alleges that the "aggregating" and "forming" steps can
be performed by hand. Paper 10 at 4-5. Petitioner alleges that the only step
that must be performed by a computer is the final step of "initiating" the
search of the database using the query. *Id.*

However, Petitioner again fails to address all the requirements of base
claim 21. In particular, the claim recites "aggregating the constraints
specified by a leaf node and its ancestors *in response to selection of one of
the leaf nodes*" (emphasis added), where the claim also sets forth,
immediately prior, the step of "displaying said hierarchy on a computer
terminal, wherein *each of said nodes are operative to be activated by*

selecting the node" (emphasis added). Petitioner does not persuade us that we misapprehended or overlooked anything in concluding that claim 21 requires that all of the "aggregating," "forming," and "initiating" steps be performed by a machine.

Petitioner admits that browsing of the hierarchy would include the selection of a node, which would trigger the additional search required by claim 21. Paper 10 at 6. Although the "additional search" might represent a routine, conventional activity performed by a general purpose computer (*id.*), Petitioner does not point us to any material in the Petition that demonstrated, or even alleged, that the specific steps required by claim 21 represent routine, conventional, general-purpose computer activity.

Petitioner also indicates that the Petition mentioned claims 21 through 23 by number, in the section submitted to show that the invention fails the § 101 machine-or-transformation test. *Id.* Petitioner does not point, however, to any discussion in the Petition with respect to the machine-or-transformation test, as it might apply to the particular requirements of claim 21, or of dependent claims 22 and 23.

We have not considered Petitioner's new assertions against the patentability of claims 21 through 23. The Board could not have misapprehended or overlooked arguments that were not presented in the Petition. In any event, the new arguments are based on a claim interpretation that is incorrect based on the present record. That is, the arguments are premised on the view that only the "initiating" step in base claim 21 is performed by a machine. *See* Paper 10 at 7-8.

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CONCLUSION

In view of the foregoing, Petitioner has not carried its burden of demonstrating that the Board's Decision misapprehended or overlooked any matters. 37 C.F.R. § 42.71(d).

ORDER

Accordingly, it is

ORDERED that Petitioner's request for rehearing is *denied*.

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