

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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GROUPON, INC.  
Petitioner,

v.

BLUE CALYPSO, LLC  
Patent Owner.

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Case CBM2013-00044  
Patent 8,452,646

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Before JONI Y. CHANG, MICHAEL W. KIM, and  
BARBARA A. BENOIT, *Administrative Patent Judges*.

BENOIT, *Administrative Patent Judge*.

DECISION  
Institution of Covered Business Method Patent Review  
*37 C.F.R. § 42.208*

## I. INTRODUCTION

Groupon, Inc. (“Petitioner”) filed a petition (“Pet.”) requesting a review under the transitional program for covered business method patents of U.S. Patent No. 8,452,646 (Ex. 1001, “the ’646 patent”). Paper 1. Blue Calypso, LLC (“Patent Owner”) filed a preliminary response (“Prelim. Resp.”). Paper 8. The Board has jurisdiction under 35 U.S.C. § 324.<sup>1</sup>

The standard for instituting a covered business method patent review is set forth in 35 U.S.C. § 324(a), which provides as follows:

**THRESHOLD**—The Director may not authorize a post-grant review to be instituted unless the Director determines that the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.

Petitioner challenges the patentability of claims 1-13 of the ’646 patent under 35 U.S.C. §§ 102 and 103. Taking into account Patent Owner’s preliminary response, we determine that the information presented in the petition demonstrates that it is more likely than not that the challenged claims are unpatentable. Pursuant to 35 U.S.C. § 324, we authorize a covered business method patent review to be instituted as to claims 1-13 of the ’646 patent.

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<sup>1</sup> See Section 18(a) of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284, 329 (2011) (“AIA”).

A. The '646 Patent

The '646 patent relates to a system and method for distribution of advertisements and electronic offers between communication devices.

Ex. 1001, Abstract. Figure 1 of the '646 patent is set forth below:

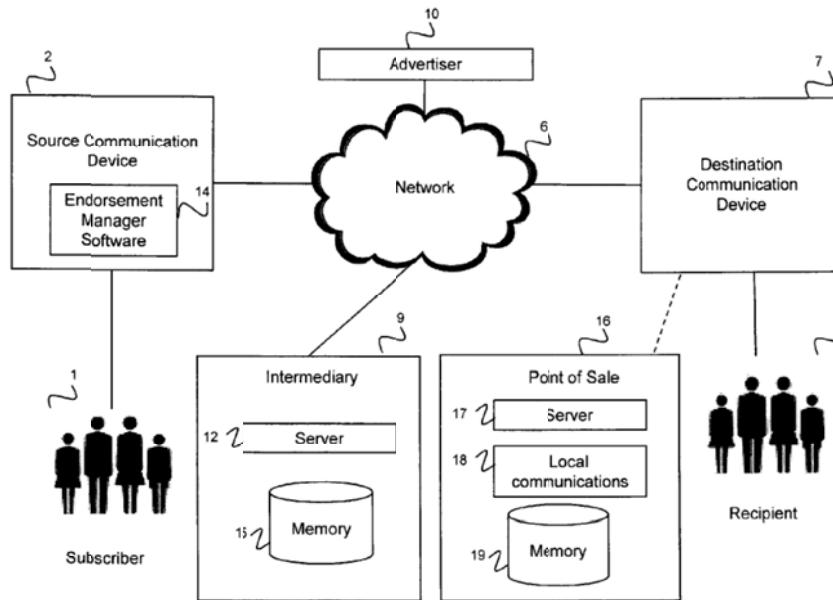


Figure 1

Figure 1 is a diagram for providing advertising between communication devices.

As shown in Figure 1, subscriber 1 possesses source communication device 2 (such as a computer or cell phone) and subscribes to an advertisement incentive program managed by intermediary 9. *Id.* at 3:41-43, 4:25-29. An intermediary may include one or more computer servers implementing an advertising endorsement system. *Id.* at 3:34-36. Advertisements are distributed from advertiser 10 to destination communication device 7 (such as a computer or cell phone), which is in

possession of recipient 8. *Id.* at 3:15-17, 4:29-31. Intermediary 9 compares demographic and interest criteria of advertiser 10 to demographic and interest criteria of subscriber 1 and, based on the interest criteria, sends endorsement opportunities from various advertisers to subscriber 1. *Id.* at 5:15-20. If subscriber 1 elects to endorse an advertisement, advertiser, or advertising campaign, an endorsement tag is transmitted from source communication device 2 of subscriber 1 to destination communication device 7 of recipient 8. *Id.* at 5:21-31. The endorsement tag includes a URL link that, when activated by destination communication device 7, causes an advertisement associated with the endorsement tag to be downloaded to destination communication device 7 from intermediary 9. *Id.* at 5:31-38.

#### *B. Related Matters*

Petitioner and Patent Owner identify the following ongoing district court proceedings involving the '646 patent: *Blue Calypso, Inc. v. Groupon, Inc.*, Case No. 6:12-cv-486 (E.D. Tex); *Blue Calypso, Inc. v. IZEA, Inc.*, Case No. 6:12-cv-786 (E.D. Tex); *Blue Calypso, Inc. v. Yelp, Inc.*, Case No. 6:12-cv-788 (E.D. Tex); *Blue Calypso, Inc. v. FourSquare Labs, Inc.*, Case No. 6:12-cv-837 (E.D. Tex); *Blue Calypso, Inc. v. MyLikes Inc.*, Case No. 6:12-cv-838 (E.D. Tex); and *Blue Calypso, Inc. v. Livingsocial, Inc.*, Case No. 2:12-cv-518 (E.D. Tex). Pet. 4-5; Paper 5 at 2.

Petitioner also requested review of the following patents related to the '646 patent—U.S. Patent No. 8,155,679 (Case No. CBM2013-00033), U.S. Patent No. 8,457,670 (Case No. CBM2013-00034), U.S. Patent

CBM2013-00044  
Patent 8,452,646

No. 7,664,516 (Case No. CBM2013-00035), and U.S. Patent No. 8,438,055  
(Case No. CBM2013-00046).

*C. Illustrative Claim*

Petitioner challenges all thirteen claims of the '646 patent. Claim 1 is the sole independent claim. Claims 1 and 2 are illustrative of the claims at issue and read as follows:

1. In a system comprising a network, a source communication device, a first destination communication device and an intermediary connected to the network, a method for providing an electronic offer to a first recipient associated with the first destination communication device and for incentivizing a subscriber associated with the source communication device comprising:
  - receiving, at the intermediary, a first profile including a set of identification requirements related to at least one advertiser of a group of advertisers;
  - receiving, at the intermediary, a second profile including a set of identification data related to the subscriber;
  - deriving, by the intermediary, a match condition between the first profile and the second profile;
  - determining, by the intermediary, if the subscriber is a first qualified subscriber based on the match condition;
  - transmitting, from the intermediary to the source communication device, a first endorsement tag related to the at least one advertiser of the group of advertisers and linked with advertising content;
  - transmitting a first content communication between the first source communication device and the first destination communication device;

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