

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SALESFORCE.COM, INC.  
Petitioner

v.

VIRTUALAGILITY, INC.  
Patent Owner

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Case CBM2013-00024  
Patent 8,095,413

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Before JAMESON LEE, ADAM V. FLOYD, and  
GEORGIANNA W. BRADEN, *Administrative Patent Judges*.

BRADEN, *Administrative Patent Judge*.

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

Petitioner, Salesforce.com, Inc., filed a petition (Paper 4) (“Pet.”) to institute a covered business method review of claims 1-21 of U.S. Patent No. 8,095,413 (“the ’413 patent”) pursuant to 35 U.S.C. § 321 *et seq.* Patent Owner, VirtualAgility, Inc., filed a preliminary response (Paper 13) (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 324.<sup>1</sup>

The standard for instituting a covered business method review is set forth in 35 U.S.C. § 324(a):<sup>2</sup>

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 claims 1-21 as unpatentable under 35 U.S.C. §§ 101, 102, and 103. Pet. 1, 3-4.

Upon consideration of the petition and preliminary response, we grant the petition, because Petitioner has demonstrated that claims 1-21 are, more likely than not, unpatentable under 35 U.S.C. §§ 101, 102, and 103.

## I. BACKGROUND

### A. *The ’413 Patent (Ex. 1001)*

The ’413 patent, titled “Process Management Information,” issued on

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<sup>1</sup> See Section 18(a) of the Leahy-Smith America Invents Act, Pub. L. 112-29, 125 Stat. 284, 329 (2011) (“AIA”).

<sup>2</sup> See Section 18(a)(1) of the AIA, which provides that the transitional program for covered business method patents will be regarded as a post-grant review under chapter 32 of title 35 United States Code and will employ the standards and procedures of a post-grant review, subject to certain exceptions.

January 10, 2012. The '413 patent issued from Application 09/312,740, filed May 14, 1999, which claims priority to Provisional Application 60/133,152, filed on May 7, 1999.

The disclosed invention of the '413 patent is directed generally to a method and apparatus for managing collaborative activity (e.g., strategic planning and project management). Ex. 1001, col. 1, ll. 32-33, col. 5, ll. 25-31. To aid in the management of collaborative activity, a computer database is created with data, and the data represents models of the collaborative activity. Ex. 1004, p. 0116. The models, which include model entities, are then arranged into hierarchies, and the data regarding collaborative activity can be shared between different people. Ex. 1001, col. 1, ll. 27-31; col. 5, ll. 25-33.

For one embodiment, the Specification describes a method of acquiring a first set of data that can represent a first model entity. Ex. 1001, col. 2, ll. 50-54. The first model entity can represent an organization of people (*id.* at col. 2, ll. 39-40), customer relationships (*id.* at col. 2, ll. 51-52), a program management office (*id.* at col. 3, ll. 38-39), or a scalable process (*id.* at col. 4, ll. 29-30). The first set of data includes “fundamental components.” *id.* at col. 2, ll. 41-42. These “fundamental components” can include data related to customer information (*id.* col. 2, ll. 62-67), company capability information (*id.* at col. 3, ll. 16-26), or economic information (*id.* at col. 3, ll. 25-34; col. 3, l. 65—col. 4, l. 4; col. 4, ll. 15-20). The data can also be a list of goals for an organization or for a project. *Id.* at col. 5, ll. 42-44.

The method associates the first set of data (i.e., first model entity) with a second set of data. The second set of data represents a second model

entity, and the second model entity represents a portfolio of management concepts. *Id.* at col. 2, ll. 43-44. The first model entity can be associated with the second model entity so that the two model entities are considered related. *Id.*

The model entities are organized into a plurality of hierarchies, and a model can belong to more than one hierarchy. *Id.* at col. 9, ll. 33-37; col. 11, ll. 12-14; claims 1 and 8. The hierarchies provide different contexts through which users may view and access model entities. Ex. 1004, 0016.

According to the Specification, examples of such hierarchies include a priority of goals handled by the manager module. Ex. 1001, col. 5, l. 44—col. 6, l. 58. Figure 1 of the '413 patent is reproduced below:

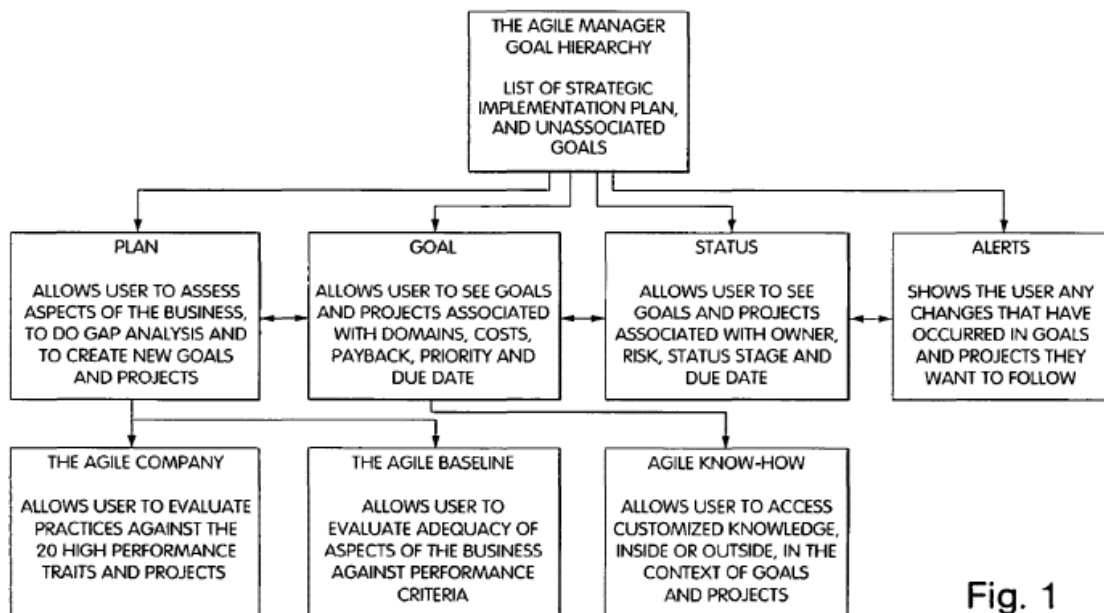


Fig. 1

Figure 1 of the '413 patent, reproduced above, illustrates the basic structure of a suite of modules, including (i) functions performed by a manager module and (ii) pathways to other modules in the system.

Ex. 1001, col. 8, ll. 30-33. According to the '413 patent, the manager

module can be used to manage a project, organize project goals, and allocate resources for a project. *Id.* at col. 5, l. 49—col. 6, l. 32.

The '413 patent also discloses facilitating strategic planning by employing a company comparison module and a baseline module that would facilitate users setting new goals, displaying already existing goals, and/or identifying and developing potential new goals. Ex. 1001, col. 10, ll. 11-44. The manager module, described above, keeps a hierarchy of goals and contributing goals in constant view and up-to-date with changing circumstances. Figure 3 of the '413 patent is reproduced below:

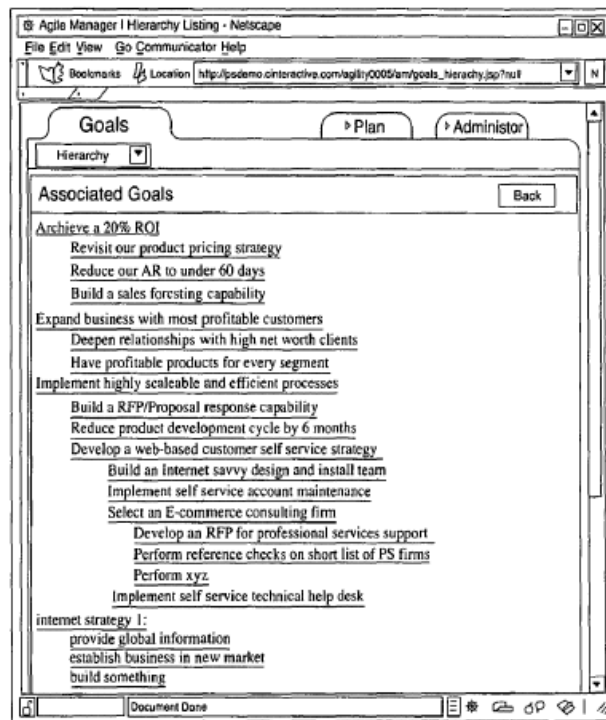


Fig. 3

As shown in Figure 3, reproduced above, the goal hierarchy can illustrate an organization's total goals and any contributing goals affecting the enterprise, or the goal hierarchy can illustrate an organization's

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