

EXHIBIT 1004

**TO PETITIONER GOOGLE INC.'S
PETITION FOR COVERED BUSINESS
METHOD REVIEW OF
U.S. PATENT NO. 8,118,221**



INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(51) International Patent Classification ⁶ : H04L 25/02	A2	(11) International Publication Number: WO 99/07121 (43) International Publication Date: 11 February 1999 (11.02.99)
<p>(21) International Application Number: PCT/US98/15884</p> <p>(22) International Filing Date: 28 July 1998 (28.07.98)</p> <p>(30) Priority Data: 60/054,121 29 July 1997 (29.07.97) US</p> <p>(71) Applicant: NETADVANTAGE CORPORATION [US/US]; Suite B, 1674 North Shoreline Boulevard, Mountain View, CA 94043-1316 (US).</p> <p>(72) Inventor: FETIK, Richard, J.; #4 Comstock Queen Court, Mountain View, CA 94043 (US).</p> <p>(74) Agents: HOFFMAN, Brian, M. et al.; Fenwick & West LLP, Two Palo Alto Square, Palo Alto, CA 94306 (US).</p>	<p>(81) Designated States: AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CU, CZ, DE, DK, EE, ES, FI, GB, GE, GH, GM, HR, HU, ID, IL, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, UA, UG, UZ, VN, YU, ZW, ARIPO patent (GH, GM, KE, LS, MW, SD, SZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).</p> <p>Published <i>Without international search report and to be republished upon receipt of that report.</i></p>	
(54) Title: METHOD AND SYSTEM FOR CONDUCTING ELECTRONIC COMMERCE TRANSACTIONS		
(57) Abstract		
<p>A system and method for conducting electronic payment transactions accepts and stores information describing an item sold by a merchant on a commerce server. The merchant also defines payment processing rules that define the payment methods accepted by the merchant. The merchant, in turn, is provided with a reference identifying the commerce server and the item. The merchant preferably publishes this reference at the merchant's web site on a web page offering the item for sale. A customer viewing the merchant's web site indicates a desire to purchase the item by selecting the reference. As a result, the customer is put in contact with the commerce server and is provided with information from the commerce server about the item and is given a list of payment options. The customer preferably selects a payment option and provides the commerce server with payment information, such as a credit card number. In response, the commerce server contacts a selected payment system and completes the electronic commerce transaction. The commerce server then notifies the customer and the merchant of the results of the electronic commerce transaction and delivers the item to the customer.</p>		

FOR THE PURPOSES OF INFORMATION ONLY

Codes used to identify States party to the PCT on the front pages of pamphlets publishing international applications under the PCT.

AL	Albania	ES	Spain	LS	Lesotho	SI	Slovenia
AM	Armenia	FI	Finland	LT	Lithuania	SK	Slovakia
AT	Austria	FR	France	LU	Luxembourg	SN	Senegal
AU	Australia	GA	Gabon	LV	Latvia	SZ	Swaziland
AZ	Azerbaijan	GB	United Kingdom	MC	Monaco	TD	Chad
BA	Bosnia and Herzegovina	GE	Georgia	MD	Republic of Moldova	TG	Togo
BB	Barbados	GH	Ghana	MG	Madagascar	TJ	Tajikistan
BE	Belgium	GN	Guinea	MK	The former Yugoslav Republic of Macedonia	TM	Turkmenistan
BF	Burkina Faso	GR	Greece			TR	Turkey
BG	Bulgaria	HU	Hungary	ML	Mali	TT	Trinidad and Tobago
BJ	Benin	IE	Ireland	MN	Mongolia	UA	Ukraine
BR	Brazil	IL	Israel	MR	Mauritania	UG	Uganda
BY	Belarus	IS	Iceland	MW	Malawi	US	United States of America
CA	Canada	IT	Italy	MX	Mexico	UZ	Uzbekistan
CF	Central African Republic	JP	Japan	NE	Niger	VN	Viet Nam
CG	Congo	KE	Kenya	NL	Netherlands	YU	Yugoslavia
CH	Switzerland	KG	Kyrgyzstan	NO	Norway	ZW	Zimbabwe
CI	Côte d'Ivoire	KP	Democratic People's Republic of Korea	NZ	New Zealand		
CM	Cameroon		Republic of Korea	PL	Poland		
CN	China	KR	Republic of Korea	PT	Portugal		
CU	Cuba	KZ	Kazakstan	RO	Romania		
CZ	Czech Republic	LC	Saint Lucia	RU	Russian Federation		
DE	Germany	LI	Liechtenstein	SD	Sudan		
DK	Denmark	LK	Sri Lanka	SE	Sweden		
EE	Estonia	LR	Liberia	SG	Singapore		

METHOD AND SYSTEM FOR CONDUCTING ELECTRONIC COMMERCE TRANSACTIONS

CROSS-REFERENCE TO RELATED APPLICATION

5 This application is a continuation-in-part of U.S. Provisional Application No.
60/054,121, filed July 29, 1997.

BACKGROUND

FIELD OF THE INVENTION

This invention pertains in general to electronic commerce and in particular to a method
10 and system for conducting electronic payment transactions via the Internet.

BACKGROUND OF THE INVENTION

Electronic commerce conducted over the Internet has become increasingly important
over the last decade. Online merchants offer goods and services for sale or rent including
15 physical objects such as compact disks, books, and clothing, and intellectual property such as
streaming music and movies and electronic books. Physical items may be delivered to the
customer via the mail or a variety of other shipping options. Intellectual property, in contrast,
may be delivered to the customer by allowing a download via the file transfer protocol
("FTP"), providing the customer with an access key, establishing a telnet session, or through
20 some other form of electronic delivery.

Typically, these goods and services are displayed on the merchant's web site and a
prospective customer views, selects, and purchases the goods using web browsing software
such as NETSCAPE NAVIGATOR®. The customer usually pays for a product by establishing
a secure connection with the merchant's web server and transmitting payment information,
25 such as a credit card number, to the merchant. The merchant then uses back-end processing to
verify the payment information and receive payment. For example, the merchant may use a
secure telephone line or network link to contact the credit card issuer before accepting the
customer's order. Eventually, the merchant and credit card issuer settle payment and the
merchant delivers the product or service to the customer.

30 A difficulty with the above-described scenario is that each merchant must implement an
inventory and payment database and a payment acceptance and verification system. For
example, the merchant must establish and maintain a database tracking sales, delivery, and
payment information and product inventories in order to support the electronic commerce
system. There is significant cost and complexity in maintaining this database, including the
35 difficulty of integrating it with legacy accounting and fulfillment systems and aggravated by

the scarcity of truly skilled personnel. In addition, the merchant must design web pages to securely accept the order and payment information and implement the functionality to verify the payment. These tasks can be extremely difficult if the merchant accepts payment using many different methods, such as credit cards and electronic fund transfers, or accepts payment in more than one currency. Moreover, having a large number of separate payment acceptance systems on the Internet provides a greater opportunity for fraud and abuse because the flaws of each system can be exploited.

Although Internet-based electronic commerce clearinghouses have been developed to handle transactions from many different parties, these clearinghouses do not provide a convenient interface to the merchant. In addition, the merchant must still establish the payment, verification, and database systems described above.

Accordingly, there is a need in the art for a method and system for conducting electronic commerce on the Internet which reduces the amount of work that must be performed by the online merchant. Preferably, the method and system will allow the merchant to easily and verifiably perform inventory, sales, and delivery tracking and transparently support different types of payments and currencies.

SUMMARY OF THE INVENTION

The above needs are met by a method and system for conducting electronic commerce transactions that allows a merchant to easily sell a mix of physical and intangible items and supports sales, inventory, and delivery tracking and a variety of payment systems by having the merchant establish an account on a commerce server. The commerce server provides the merchant with inventory, accounting, and order management systems. Furthermore, the commerce server allows merchants to conduct electronic commerce with other merchants and vendors.

The commerce server includes a web server providing web pages to the merchant. By using these web pages, the merchant establishes an account on the commerce server. Then, the merchant provides the commerce server with information about an item sold by the merchant, such as a plane ticket, clothing, a book, a software product, or playing time with an online game. The merchant also provides the commerce server with other attributes of the item from which the customer may select, for example, the quantity or duration of an item. In addition, the merchant supplies payment processing rules defining the payment options that are acceptable to the merchant, such as which currencies and payment systems are allowed and when or how often to bill the customer.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.