

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

**FORD MOTOR COMPANY**

Petitioner,

v.

**VERSATA SOFTWARE, INC.**

Patent Owner.

---

U.S. Patent No. 8,805,825

CBM Case No.: CBM2016-00100

---

**FORD MOTOR COMPANY'S PRELIMINARY REPLY IN SUPPORT OF  
ITS PETITION FOR POST-GRANT REVIEW (COVERED BUSINESS  
METHOD REVIEW) UNDER 35 U.S.C. § 321 AND § 18 OF THE LEAHY-  
SMITH AMERICA INVENTS ACT**

Versata contends that the ‘825 Patent claims do not cover a financial product or service under AIA § 18(d), as discussed in *Unwired Planet, LLC v. Google, Inc.*, 841 F.3d 1376, 1382 (Fed. Cir. 2016). In *Unwired Planet*, the Federal Circuit stated that “CBM patents are limited to those with claims that are directed to methods and apparatuses of particular types and with particular uses ‘in the practice, administration, or management of a financial product or service.’” *Id.* The Federal Circuit did not provide a test, or examples, of what constitutes a CBM-eligible patent, but instead vacated and remanded the issue to the Board.

Independent claims 1, 6 and 11 of the ‘825 Patent include the limitations “attribute” and “prioritizing the valid configuration answers by one or more of the plurality of attributes.” (Ex. 1001). Read in view of the ‘825 specification, those terms involve pricing/cost data (*e.g.*, Ex. 1001, at 3:1-8, 3:18-21, 6:12-29, 7:46-48), which are “finance-related activities” covered by the CBM statute. *Versata Dev. Grp. v. SAP Am., Inc.*, 793 F. 3d 1306, 1325 (Fed. Cir. 2015) (“The plain text of the statutory definition contained in § 18(d)(1) . . . on its face covers a wide range of finance-related activities”). Further, the ‘825 Patent discloses that the claimed invention can be applied to “financial services.” (Ex. 1001, at 10:18-24); *Volusion, Inc. v. Versata Software, Inc.*, CBM2013-00017, Paper 8, p. 5-6 (PTAB Oct. 24, 2013) (finding that claims of a Versata patent were CBM-eligible in part because the specification disclosed “that ‘[m]any embodiments of the present invention have

application to a wide range of industries’ including ‘financial services’”). Finally, as demonstrated by Ford’s expert, the ‘825 Patent claims cover a data processing method a salesperson could apply during a sales transaction. (Ex. 1002, at ¶¶37-42.)

Versata contends that because price and cost are only examples of the claimed “attribute,” the ‘825 Patent is not CBM-eligible. However, *Unwired Planet* does **not** condition CBM eligibility on the claims being limited to **only** the practice, administration, or management of a financial product or service; *Unwired Planet* merely recites the language from AIA § 18(d). Versata’s interpretation – beyond what is stated in *Unwired Planet* – would preclude CBM review of patents claiming finance-related subject matter simply because their claims may also cover additional subject matter. No Federal Circuit case has so held and the CBM statute contains no such limitation. AIA § 18.

Versata further argues that disclaimed dependent claims 5, 10 and 15 should be treated as if they never existed, and not considered when determining CBM eligibility, even though those dependent claims expressly cover applying the claimed invention to “financial products.” First, the fact that claims 5, 10 and 15 were disclaimed does not change the finance-related scope of the independent claims from which they depend. *J.P. Morgan Chase & Co. v. Intellectual Ventures II LLC*, CBM2014-00157, Paper 11, p. 3 (PTAB Feb. 18, 2015). Second, although the disclaimed claims cannot form the basis for CBM eligibility, they may still be

considered to determine whether pending independent claims encompass finance-related subject matter. *Great West Cas. Co. v. Intellectual Ventures II LLC*, CBM2015-00171, Paper 10, p. 8 (PTAB Feb. 9, 2016) (acknowledging that some panels have considered a “otherwise statutorily disclaimed dependent claim . . . to the extent that the still pending independent claim from which it depends may include claim limitations that encompass the finance-related subject matter of that dependent claim”)<sup>1</sup>; *Am. Express Co. v. Maxim Integrated Prods., Inc.*, CBM2015-00098, Paper 17, p. 8-9 (PTAB Sept. 22, 2015).

Dependent claims 5, 10 and 15 make it clear that each independent claim of the ‘825 Patent includes attribute-based configuration queries used to configure and prioritize financial products. This configuration and prioritization of financial products satisfies the “administration” and/or “management” of financial products requirements for CBM coverage in AIA § 18(d).

Dated: January 18, 2017

/Christopher C. Smith/  
Christopher C. Smith (Reg. No. 59,669)

*Attorney for Petitioner*

---

<sup>1</sup> The PTAB added “that it may even be reasonable to . . . impute any finance-related subject matter from a statutorily disclaimed dependent claim to any other still pending claim which recites limitations that clearly encompass the finance-related subject matter of the dependent claim.” *Id.*

**Certificate of Service**

The undersigned hereby certifies that on January 18, 2017 a complete and entire copy of **FORD MOTOR COMPANY’S PRELIMINARY REPLY IN SUPPORT OF ITS PETITION FOR POST-GRANT REVIEW (COVERED BUSINESS METHOD REVIEW) UNDER 35 U.S.C. § 321 AND § 18 OF THE LEAHY-SMITH AMERICA INVENTS ACT**, was served via electronic mail to [PTAB@skgf.com](mailto:PTAB@skgf.com); [rsterne-PTAB@skgf.com](mailto:rsterne-PTAB@skgf.com); [sbezos-PTAB@skgf.com](mailto:sbezos-PTAB@skgf.com); [holoubek@skgf.com](mailto:holoubek@skgf.com); [jmutsche-PTAB@skgf.com](mailto:jmutsche-PTAB@skgf.com); [jtuminar-PTAB@skgf.com](mailto:jtuminar-PTAB@skgf.com); [kchambers@tcchlaw.com](mailto:kchambers@tcchlaw.com); [sharoon.saleem@jonesspross.com](mailto:sharoon.saleem@jonesspross.com) which will serve the following counsel of record:

| LEAD COUNSEL   | BACK-UP COUNSEL  |
|--|--|
| Robert Greene Sterne<br>Sterne, Kessler, Goldstein & Fox<br>PLLC<br>1100 New York Avenue, N.W.<br>Washington, D.C. 20005 | Salvador M. Bezos<br>Michelle K. Holoubek<br>Joseph E. Mutschelknaus<br>Jonathan Tuminaro<br>Sterne, Kessler, Goldstein & Fox PLLC<br>1100 New York Avenue, N.W.<br>Washington, D.C. 20005<br><br>Kent B. Chambers<br>Terrile, Cannatti, Chambers & Holland, LLP<br>11675 Jollyville Road, Suite 100<br>Austin, TX 78759<br><br>Sharoon Saleem<br>Jones & Spross, PLLC<br>1605 Lakecliff Hills Ln., Suite 100<br>Austin, TX 78732-2437 |

Respectfully submitted,

/Christopher C. Smith/  
Christopher C. Smith (Reg. No. 59,669)  
John S. LeRoy (Reg. No. 48,158)  
Thomas A. Lewry (Reg. No. 30,770)  
Frank A. Angileri (Reg. No. 36,733)

# 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.