

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FORD MOTOR COMPANY,
Petitioner,

v.

VERSATA DEVELOPMENT GROUP, INC.,
Patent Owner.

CBM2016-00100
Patent 8,805,825 B1

Before SALLY C. MEDLEY, KEVIN F. TURNER, and JAMES B. ARPIN,
Administrative Patent Judges.

Opinion for the Board filed by *Administrative Patent Judge* MEDLEY.

Opinion Concurring by *Administrative Patent Judge* TURNER.

Opinion Concurring by *Administrative Patent Judge* ARPIN.

MEDLEY, *Administrative Patent Judge.*

DECISION

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

I. INTRODUCTION

Ford Motor Company, (“Petitioner”) filed a Petition requesting a covered business method patent review of claims 1–20 of U.S. Patent No. 8,805,825 B1 (Ex. 1001, “the ’825 patent”). Paper 1 (“Pet.”). In response, Versata Development Group, Inc. (“Patent Owner”) filed a Patent Owner Preliminary Response. Paper 6 (“Prelim. Resp.”). In its Patent Owner Preliminary Response, Patent Owner asserts, with supporting evidence, that it filed a statutory disclaimer pursuant to 37 C.F.R. § 1.321(a), disclaiming claims 5, 10, 15, 16, and 20. *See* Prelim. Resp. 13–14; Ex. 2009. Accordingly, no covered business method patent review will be instituted for claims 5, 10, 15, 16, and 20. *See* 37 C.F.R. § 42.207(e).

Subsequent to the parties’ submissions, we authorized Petitioner to file a Reply, addressing (1) the impact of *Unwired Planet, LLC v. Google Inc.*, 841 F.3d 1376 (Fed. Cir. 2016), decided after Petitioner filed its Petition and cited by Patent Owner in its Preliminary Response, and (2) whether certain claims of the challenged patent, which were disclaimed statutorily by Patent Owner, should be considered in determining whether the challenged patent is eligible for covered business method patent. Paper 7. We authorized Patent Owner to file a sur-reply. *Id.* The parties submitted their respective papers on these issues. Paper 10 (“Reply”); Paper 11 (“Sur-Reply”).

Under 35 U.S.C. § 324, a post-grant review may not be instituted “unless . . . the information presented in the petition . . . would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.”

For the reasons that follow, we do not institute a covered business method patent review of claims 1–4, 6–9, 11–14, or 17–19 of the ’825 patent.

A. Related Matters

The '825 patent is involved in the following lawsuit: *Ford Motor Co. v. Versata Software, Inc.*, No. 2:15-cv-10628 (E. Mich.). Pet. iv; Paper 4, 2. In compliance with 37 C.F.R. § 42.302(a), Petitioner certifies that it has been sued for infringement of the '825 patent. Pet. 17. Patent Owner does not challenge Petitioner's certification that it has been sued for infringement of the '825 patent.

B. The '825 Patent

The Specification of the '825 patent describes a system and method for “prioritizing configuration using a combined configuration-attribute data model.” Ex. 1001, 1:10–12. In particular, a method is described for using computer assisted configuration technology to generate one or more attribute prioritized configuration answers to one or more configuration queries. *Id.* at 4:40–42. The method further includes processing the one or more configuration queries using a combined configuration rules-attributes model to determine valid configuration answers prioritized by one or more predetermined attributes and providing a subset of valid configuration answers to a client system. *Id.* at 4:43–48.

C. Illustrative Claim

Claim 1 is representative and is reproduced below:

1. A method for using computer assisted configuration technology to generate one or more attribute prioritized configuration answers to one or more attribute-based configuration queries, the method comprising:

performing by a computer system programmed with code stored in a memory and executable by a processor of the

computer system to configure the computer system into a machine for:

receiving one or more attribute-based configuration queries from a client system, wherein the attribute-based configuration queries include a selection of one or more parts of a product;

processing the one or more attribute-based configuration queries, configuration rules, and attribute based preference algorithm using a combined configuration rules-attributes model and a configuration-rules processing engine to calculate valid confirmation answers in accordance with the combined configuration rules-attributes model, wherein a plurality of the configuration rules define relationships between parts of the product and a plurality of attributes represent details about the parts;

predetermining values of one or more combinations of attributes associated with respective configuration answers;

storing the predetermined values;

retrieving the stored predetermined values associated with a particular valid configuration answer if the particular valid configuration is an answer to one or more of the attribute-based configuration queries;

receiving a selection of at least one of the one or more product attributes to be prioritized;

prioritizing the valid configuration answers by one or more of the plurality of attributes in the combined configuration rules-attribute model; and

providing at least a subset of the valid configuration answers to the client system, wherein the provided valid configuration answers are prioritized by one or more of the plurality of attributes.

D. Asserted Grounds of Unpatentability

Petitioner contends that claims 1–4, 6–9, 11–14, and 17–19 of the ’825 patent are unpatentable under 35 U.S.C. § 101.¹

E. Claim Interpretation

The Board interprets claims in an unexpired patent using the “broadest reasonable construction in light of the specification of the patent in which [they] appear[.]” 37 C.F.R. § 42.300(b); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144–46 (2016) (upholding the use of the broadest reasonable interpretation standard). For purposes of this Decision, we determine that no claim term requires interpretation.

II. DISCUSSION

A covered business method patent is “a patent *that claims* a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service, except that the term does not include patents for technological inventions.” Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284, 329 (2011) (“AIA”) § 18(d)(1) (emphasis added); *see* 37 C.F.R. § 42.301(a).

¹ As explained above, Patent Owner filed a statutory disclaimer, disclaiming claims 5, 10, 15, 16, and 20.

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