Paper 10 Entered: April 9, 2014

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FACEBOOK, INC.
Petitioner

v.

B.E. TECHNOLOGY, L.L.C. Patent Owner

Case IPR2014-00052 Patent 6,628,314 B1

Before SALLY C. MEDLEY, KALYAN K. DESHPANDE, and LYNNE E. PETTIGREW, *Administrative Patent Judges*.

DESHPANDE, Administrative Patent Judge.

DECISION Institution of *Inter Partes* Review 37 C.F.R. § 42.108



I. INTRODUCTION

Facebook, Inc. ("Petitioner") filed a Petition requesting an *inter partes* review of claims 11-13, 15, 18, and 20 of U.S. Patent No. 6,628,314 B1 (Ex. 1101, "the '314 patent"). Paper 1 ("Pet."). B.E. Technology, L.L.C. ("Patent Owner") did not file a Preliminary Response. We have jurisdiction under 35 U.S.C. § 314.

The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a), which provides as follows:

THRESHOLD -- The Director may not authorize an inter partes review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.

Upon consideration of the Petition, we determine that the information presented by Petitioner has established that there is a reasonable likelihood that Petitioner would prevail in showing the unpatentability of claims 11-13, 15, 18, and 20 of the '314 patent. Accordingly, we institute an *inter partes* review of these claims.

A. Related Proceedings

Petitioner indicates that the '314 patent is the subject of litigation in *B.E. Technology, L.L.C. v. Facebook, Inc.*, No. 12-cv-2769-JPM (W.D. Tenn.), filed on September 7, 2012. Pet. 1.

Petitioner also seeks review of the '314 patent in *inter partes* review IPR2014-00053. Additionally, the '314 patent is the subject of these *inter partes* reviews: IPR2014-00038 and IPR2014-00039.



B. The '314 Patent

The '314 patent relates to user interfaces that provide advertising obtained over a global computer network. Ex. 1101, col. 1, ll. 12-16. The '314 patent discloses a client software application that comprises a graphical user interface (GUI) program module and an advertising and data management (ADM) module. *Id.* at col. 6, ll. 64-67. The GUI comprises multiple regions, including a first region comprising a number of user selectable items and a second region comprising an information display region, such as banner advertisements. *Id.* at col. 4, ll. 24-37. Program modules associated with the GUI store statistical data regarding the display of the selected informational data, allowing the targeting of banner advertisements based upon the type of link selected by the user. *Id.* at col. 4, ll. 43-51. The system for selecting and providing advertisements is set forth in Figure 3 as follows:

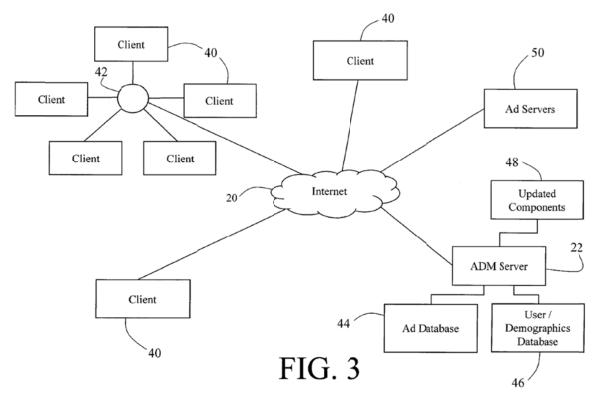




Figure 3 illustrates a block diagram of a system distributing advertisements over the Internet. *Id.* at col. 6, ll. 21-22. ADM server 22 is accessible by client computers 40 over Internet 20, where client computers 40 have the client software application installed. *Id.* at col. 8, ll. 32-35. ADM server has associated with it Ad Database 44 and User/Demographics Database 46. *Id.* at col. 8, ll. 38-43. Ad Database 44 stores banner advertising that is provided to client computers 40. *Id.* User/Demographics Database 46 stores demographic information used in targeting advertising downloaded to individual client computers 40. *Id.* at col. 8, ll. 55-57.

When a user first accesses the client software application for the purposes of downloading and installing the application, the user submits demographic information that is used to determine what advertising is provided to the user. Id. at col. 8, 11. 57-62. The demographic information is submitted by the user by entering the information into a form provided to the user, and ADM server 22 checks the completeness of the form. *Id.* at col. 16, l. 60 – col. 17, l. 2. ADM server 22 then assigns a unique ID to the user and stores the unique ID with the received user demographic information. Id. at col. 17, 11. 11-15. An initial set of advertisements is selected, and the client software application is downloaded to client computer 40 for installation. *Id.* at col. 17, ll. 17-23. The client software application monitors user interaction with the computer, whether with the client software application or with other applications, and later reports this information to the ADM server. Id. at col. 12, ll. 55-59; col. 13, ll. 1-2. Advertising banners are displayed in response to some user input or periodically at timed intervals. *Id.* at col. 14, 11. 40-43. The client software



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application targets the banner advertising displayed, based on the user's inputs, so that it relates to what the user is doing. *Id.* at col. 14, ll. 43-46.

C. Exemplary Claim

Petitioner challenges claims 11-13, 15, 18, and 20 of the '314 patent. Independent claim 11 is illustrative of the claims at issue and follows:

11. A method of providing demographically-targeted advertising to a computer user, comprising the steps of:

providing a server that is accessible via a computer network,

permitting a computer user to access said server via said computer network,

acquiring demographic information about the user, said demographic information including information specifically provided by the user in response to a request for said demographic information,

providing the user with download access to computer software that, when run on a computer, displays advertising content, records computer usage information concerning the user's utilization of the computer, and periodically requests additional advertising content,

transferring a copy of said software to the computer in response to a download request by the user,

providing a unique identifier to the computer, wherein said identifier uniquely identifies information sent over said computer network from the computer to said server,

associating said unique identifier with demographic information in a database,

selecting advertising content for transfer to the computer in accordance with the demographic information associated with said unique identifier;

transferring said advertising content from said server to the computer for display by said program,

periodically acquiring said unique identifier and said computer usage information recorded by said software from the computer via said computer network, and



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