

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SHOPIFY, INC., PRICELINE.COM LLC, and BOOKING.COM B.V.,  
Petitioner,

v.

DDR HOLDINGS, LLC,  
Patent Owner.

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IPR2018-01008<sup>1</sup>  
Patent 9,639,876 B1

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Before CARL M. DEFRANCO, PATRICK M. BOUCHER, and  
ALYSSA A. FINAMORE, *Administrative Patent Judges*.

FINAMORE, *Administrative Patent Judge*.

JUDGMENT

Final Written Decision

Determining No Challenged Claims Unpatentable  
*35 U.S.C. § 318(a) and 37 C.F.R. § 42.73*

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<sup>1</sup> *Priceline.com v. DDR Holdings, LLC*, IPR2019-00435 (PTAB filed Dec. 14, 2019) has been joined to this proceeding. Paper 26. In view of this joinder, the Board has adjusted the time period for issuing a final determination. Paper 34; *see also* 35 U.S.C. § 316(a)(11); 37 C.F.R. § 42.100(c).

## I. INTRODUCTION

Shopify, Inc. filed a Corrected Petition (Paper 10, “Pet.”) requesting *inter partes* review of claims 1–5, 7, 8, and 11–18 of U.S. Patent No. 9,639,876 B1 (“the ’876 patent”). Pet. 1. On November 15, 2018, we instituted trial. Paper 12 (“Inst. Dec.”).

After institution, DDR Holdings, LLC (“Patent Owner”) filed a Response. Paper 21 (“PO Resp.”). Shopify, Inc. filed a Reply to Patent Owner’s Response. Paper 23 (“Reply”). Patent Owner filed a Sur-reply. Paper 25 (“Sur-reply”).

On June 10, 2019, we granted a Motion for Joinder by Priceline.com LLC and Booking.com B.V. in IPR2019-00435. Paper 26. As a result, Shopify, Inc., Priceline.com LLC, and Booking.com B.V. (collectively “Petitioner”) are challenging the claims of the ’876 patent in this proceeding.

An oral hearing was held on July 25, 2019. A transcript of the hearing has been entered into the record. Paper 33 (“Tr.”).

We issue this Final Written Decision pursuant to 35 U.S.C. § 318(a). For the reasons that follow, we conclude Petitioner has not demonstrated that claims 1–5, 7, 8, and 11–18 of the ’876 patent are unpatentable by a preponderance of the evidence.

## II. BACKGROUND

### A. *Real Parties in Interest*

Petitioner identifies Shopify, Inc., Priceline Group Inc., Priceline.com LLC, Priceline Partner Network, Booking.com B.V., Booking.com Holding B.V., Priceline.com Bookings Acquisition Co., Ltd., Priceline.com International Ltd., Priceline.com Holdco U.K. Ltd., and Priceline.com

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Europe Holdco, Inc. as real parties in interest. Pet. 1; *Priceline.com LLC v. DDR Holdings, LLC*, IPR2019-00435, Paper 3 at 1 (PTAB Dec. 14, 2018) (Petition in joined proceeding). Patent Owner identifies only itself as a real party in interest. Paper 4, 1.

### *B. Related Matters*

The parties identify the following five proceedings from the U.S. District Court for the District of Delaware: (1) *DDR Holdings, LLC v. Priceline.com LLC*, No. 1:17-cv-498-ER (D. Del. filed May 2, 2017); (2) *DDR Holdings, LLC v. Booking.com B.V.*, No. 1:17-cv-499-ER (D. Del. filed May 2, 2017); (3) *DDR Holdings, LLC v. TicketNetwork, Inc.*, No. 1:17-cv-500-ER (D. Del. dismissed May 9, 2018); (4) *DDR Holdings, LLC v. Shopify, Inc.*, No. 1:17-cv-501-ER (D. Del. filed May 2, 2017); and (5) *DDR Holdings, LLC v. Travel Holdings, Inc.*, No. 1:17-cv-502-ER (D. Del. dismissed May 9, 2018). Pet. 1–2; Paper 4, 1–2. Patent Owner indicates that these five proceedings have been consolidated under No. 1:17-cv-498-ER. Paper 4, 1–2.

The parties also identify *DDR Holdings, LLC v. Hotels.com, L.P.*, 954 F.Supp.2d 509 (E.D. Tex. 2013), as well as the corresponding appeal, *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014). Pet. 2–3; Paper 4, 2–3. Patent Owner additionally identifies *DDR Holdings, LLC v. World Travel Holdings, Inc.*, No. 2:13-cv-00646-JRG (E.D. Tex. filed Aug. 20, 2013) and *DDR Holdings, LLC v. Digital River, Inc.*, No. 2:13-cv-00647-JRG (E.D. Tex. filed Aug. 20, 2013). Paper 4, 3–4.

The parties further identify the following reexamination proceedings: *Ex parte DDR Holdings, LLC*, No. 2009-013987 (BPAI 2010) and *Ex parte*

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*DDR Holdings, LLC*, No. 2009-013988 (BPAI 2010). Pet. 3–4; Paper 19, 5–6. Patent Owner also identifies: U.S. Patent Application Serial No. 15/582,105 (issued as U.S. Patent No. 10,304,121 B1); U.S. Patent No. 6,629,135 B1; U.S. Patent No. 6,993,572 B2; U.S. Patent No. 7,818,399 B1; U.S. Patent No. 8,515,825 B1; and U.S. Patent No. 9,043,228 B1. Paper 4, 4; Paper 22, 1.

Furthermore, the parties identify related proceedings before the Board. Namely, the parties identify *Priceline Group Inc. v. DDR Holdings, LLC*, IPR2018-00482 (PTAB filed Jan. 16, 2018). Pet. 4; Paper 4, 4. Patent Owner also identifies the following eleven Board proceedings: (1) *Shopify, Inc. v. DDR Holdings, LLC*, IPR2018-01009 (PTAB filed May 3, 2018); (2) *Shopify, Inc. v. DDR Holdings, LLC*, IPR2018-01010 (PTAB filed May 4, 2018); (3) *Shopify, Inc. v. DDR Holdings, LLC*, IPR2018-01011 (PTAB filed May 2, 2018); (4) *Shopify, Inc. v. DDR Holdings, LLC*, IPR2018-01012 (PTAB filed May 2, 2018); (5) *Shopify, Inc. v. DDR Holdings, LLC*, IPR2018-01014 (PTAB filed May 2, 2018); (6) *Priceline.com v. DDR Holdings, LLC*, IPR2019-00435 (PTAB filed Dec. 14, 2019); (7) *Priceline.com v. DDR Holdings, LLC*, IPR2019-00436 (PTAB filed Dec. 14, 2019); (8) *Priceline.com v. DDR Holdings, LLC*, IPR2019-00437 (PTAB filed Dec. 14, 2019); (9) *Priceline.com v. DDR Holdings, LLC*, IPR2019-00438 (PTAB filed Dec. 14, 2019); (10) *Priceline.com v. DDR Holdings, LLC*, IPR2019-00439 (PTAB filed Dec. 14, 2019); and (11) *Priceline.com v. DDR Holdings, LLC*, IPR2019-00440 (PTAB filed Dec. 14, 2019). Paper 4, 1, 4–5; Paper 19, 5.

*C. The '876 Patent (Ex. 1001)*

The '876 patent relates to an affiliate commerce system for co-marketing on the Internet. Ex. 1001, 2:64–66. As described in the '876 patent, an affiliate program is a commercial arrangement between an owner of an Internet commerce website, like Amazon.com, and a third-party website owner. *Id.* at 2:23–30. More specifically, the owner of the Internet commerce website lets the third-party website owner promote a subset of its goods, e.g., ten books selected by the website owner from Amazon.com's millions of books, on the third party's website. *Id.*

These affiliate programs generate revenue for the third-party website owners, i.e., affiliates, but there is a greater benefit to the owners of the Internet commerce websites. *Id.* at 2:31–38. According to the '876 patent:

Not only do these sites benefit from the marketing resources of the affiliate operators, they are also able to lure the visitor traffic away from the affiliate. Once a visitor clicks on an affiliate ad and enters an online store, that visitor has left the affiliate's site and is gone. . . . No alternatives have been able to address a fundamental drawback of the affiliate programs—the loss of the visitor to the vendor.

*Id.* at 2:38–47.

The disclosed invention provides the same benefits as traditional affiliate programs, but without the restrictive limitation of losing visitors. *Id.* at 2:66–3:8. In particular, the invention enables a website host to control the customer experience before, during, and after a purchase transaction. *Id.* at 3:1–3. As set forth in the '876 patent:

According to the present invention the look and feel of each participating Host is captured and stored. Hosts may include links to selected products or product categories within pages residing on the Hosts' website. Upon actuation of such a link by a visitor of the Host website, a page is presented to the visitor

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