

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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TRAVELOCITY.COM L.P., PRICELINE.COM INC.,  
and EXPEDIA, INC.,  
Petitioner,

v.

CRONOS TECHNOLOGIES, LLC,  
Patent Owner.

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Case CBM2015-00047  
Patent 5,664,110

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Before JENNIFER S. BISK, JAMES B. ARPIN, and  
LYNNE E. PETTIGREW, *Administrative Patent Judges*.

ARPIN, *Administrative Patent Judge*.

DECISION  
Denying Covered Business Method Patent Review  
*37 C.F.R. § 42.208*

## I. INTRODUCTION

Travelocity.com L.P., Priceline.com Inc., and Expedia, Inc. (collectively, “Petitioner”) filed a Petition (Paper 1, “Pet.”) requesting institution of a covered business method patent review of claims 1–3, 8–12, 14–18, 22, 24, 26–28, 30–32, 34, 41, 42, 44–46, 49, 50, 52–55, 57–66, 71–73, and 75 of U.S. Patent No. 5,664,110 (Ex. 1001, “the ’110 patent”) pursuant to 35 U.S.C. §§ 321–329. Cronos Technologies, LLC (“Patent Owner”) filed a Preliminary Response (Paper 6, “Prelim. Resp.”).

We have jurisdiction under 35 U.S.C. § 324(a), which provides that a covered business method patent review may not be instituted “unless . . . the information presented in the petition filed under section 321, if such information is not rebutted, would demonstrate that it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable.” In view of the substantially similar arguments presented and the same references applied in an earlier Petition for covered business method patent review, filed by the same Petitioner, we do not institute a covered business method patent review on any challenged claim.

### *A. Related Matters*

The ’110 patent was the subject of an earlier Petition for covered business method patent review, *Travelocity.com L.P. v. Cronos Techs., LLC*, Case CBM2014-00082. Pet. 2 n.1. We denied the Petition for covered business method patent review in CBM2014-00082. *Id.* The ’110 patent has been asserted against Petitioner in *Cronos Technologies LLC v. Travelocity.com L.P.*, Case No. 1:13-cv-01544-LPS (D. Del.); *Cronos Technologies LLC v. Priceline.com*, Case No. 1:13-cv-01541-LPS (D. Del.);

and *Cronos Technologies LLC v. Expedia Inc.*, Case No. 1:13-cv-01538-LPS (D. Del.). Pet. 79.

### *B. Challenged Claims*

Petitioner challenges claims 1–3, 8–12, 14–18, 22, 24, 26–28, 30–32, 34, 41, 42, 44–46, 49, 50, 52–55, 57–66, 71–73, and 75 of the '110 patent in the present Petition.<sup>1</sup> Pet. 1. Claims 1, 22, and 45 are independent. Claims 2, 3, 8–12, and 14–18 depend from independent claim 1; claims 24, 26–28, 30–32, 34, 41, 42, and 44 depend from independent claim 22; and claims 46, 49, 50, 52–55, 57–66, 71–73, and 75 depend from independent claim 45. *See* Ex. 1001, col. 14, l. 46–col. 20, l. 52. Independent claim 1 is directed to a remote ordering terminal (*id.* at col. 14, l. 46–col. 15, l. 22), independent claim 22 is directed to a method for remote ordering (*id.* at col. 16, l. 23–col. 17, l. 4), and independent claim 45 is directed to a remote ordering system (*id.* at col. 18, l. 29–col. 19, l. 14).

### *C. Asserted References and Declaration*

In the earlier and the present Petitions, Petitioner refers to the following references and declaration:

| Exhibit | References and Declaration  |
|---------|---|
| 1004    | U.S. Patent No. 5,347,632, issued to Filepp et al. on Sep. 13, 1994, from an application filed July 28, 1989 (“Filepp”) |
| 1005    | Viescas, J., <i>The Official Guide to the Prodigy Service</i> , Microsoft Press, 1991 (excerpted Introduction, Chs. 1,  |

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<sup>1</sup> Petitioner also challenged dependent claims 13, 23, 25, 33, 35, 36, and 43, but did not challenge claims 30, 45, 46, 49, 50, 52–55, 57–66, 71–73, and 75, in CBM2014-00082. CBM2014-00082, Paper 5, 1.

|      |   |
|------|---|
|      | 2, 6, and 7) (“Viescas”)  |
| 1006 | Peapod, Inc., Peapod User Manual v. 3.1, Aug. 1992 (“Peapod”)                 |
| 1010 | U.S. Patent No. 4,654,482, issued to DeAngelis on Mar. 31, 1987 (“DeAngelis”) |
| 1011 | Declaration of Richard Taylor, Ph.D. <sup>2</sup>                             |

Pet. v.

## II. ANALYSIS

### A. Covered Business Method Patent

As in CBM2014-00082, Petitioner argues that the ’110 patent describes a remote ordering system “that enables customers to order goods and services from merchants. . . . For example, claim 22 recites such a business method: identifying one or more products that a customer desires to purchase, obtaining information about the product, such as its price and placing an order for the item(s).” Pet. 2 (citing Ex. 1001, col. 1, ll. 5–47). Further, Petitioner contends that the method for remote ordering recited in challenged claim 22 of the ’110 patent is not directed to a technological invention. *Id.* at 4–6. After considering the responsive arguments presented in Patent Owner’s Preliminary Response (Prelim. Resp. 10–13), we remain persuaded that at least claim 22 of the ’110 patent meets the “financial product or service” component of § 18(d)(1) of the Leahy-Smith America Invents Act (“AIA”), Pub. L. No. 112-29, § 18, 125 Stat. 284 (2011), and

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<sup>2</sup> With the exception of the addition of paragraphs 56–61 and certain revisions to paragraphs 25, 31, and 33, the Declaration of Richard Taylor, Ph.D. (Ex. 1011) filed with the present Petition is substantially the same as Dr. Taylor’s Declaration (CBM2014-00082, Ex. 1011) filed with the earlier Petition.

was not distinguished over the applied art based on a novel and non-obvious technological feature. *See* CBM2014-00082, Paper 10, 9–13.

For purposes of this Decision, we are persuaded that at least challenged claim 22 of the '110 patent is directed to a covered business method, and, therefore, the '110 patent is eligible for review under AIA § 18(d)(1).<sup>3</sup>

### *B. Claim Construction*

Our review of the claims of an expired patent is similar to that of a district court's review. *See In re Rambus, Inc.*, 694 F.3d 42, 46 (Fed. Cir. 2012). Therefore, the principles set forth by the Federal Circuit in *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312, 1327 (Fed. Cir. 2005) (words of a claim “are generally given their ordinary and customary meaning” (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed.Cir.1996)) as understood by a person of ordinary skill in the art in question at the time of the invention) are applied in such cases because the expired claims are not eligible for amendment. *See Visa, Inc. v. Stambler*, Case IPR2014-00694, slip op. at 7–8 (PTAB October 31, 2014) (Paper 10).

The '110 patent expired on December 14, 2014. Pet. 7. Therefore, we interpret any claim terms of the challenged claims according to the *Phillips* standard. Nevertheless, only terms that are in controversy need to be construed, and then only to the extent necessary to resolve the

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<sup>3</sup> We also note that Patent Owner has charged Petitioner with infringing one or more claims of the '110 patent. Pet. 79. Petitioner certifies that it is not barred or estopped from challenging the claims on the grounds identified in its Petition. *Id.* at 2 (citing 37 C.F.R. § 42.302(b)). Patent Owner does not contest Petitioner's certification.

controversy. *Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999). Here, because we reject the Petition without reaching the merits of Petitioner's grounds for unpatentability regarding the challenged claims, it is not necessary for us to construe any term of the challenged claims.<sup>4</sup>

*C. 35 U.S.C. § 325(d)*

*1. Overview*

We have discretion to decline to institute covered business method patent review. *See* 35 U.S.C. § 324(a). In particular, according to 35 U.S.C. § 325(d),

[i]n determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, *the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.*

(Emphasis added.) In the present Petition, Petitioner seeks covered business method patent review of claims 1–3, 8–12, 14–18, 22, 24, 26–28, 31, 32, 34, 41, 42, and 44 of the '110 patent for a second time. Pet. 1; *see* CBM2014-

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<sup>4</sup> Petitioner's proposed constructions of the terms "pictorial representation," "unit price," "advertising . . . information," and "promotional information" are substantially identical in this Petition under the *Phillips* standard (Pet. 8–9) to Petitioner's proposed constructions of those terms in its earlier Petition under the broadest reasonable interpretation standard (CBM2014-00082, Paper 5, 9, 12). Thus, to the extent any constructions are necessary, Petitioner proposes essentially the same constructions for these terms under either standard. *See* CBM2014-00082, Paper 5, 8–9 (Petitioner argued that we should look to Patent Owner's contentions in litigation regarding the '110 patent as evidence of the broadest reasonable interpretation for the claims.).

00082, Paper 10, 20 (review declined). Petitioner does not address 35 U.S.C. § 325(d) directly, but acknowledges that it previously challenged these claims in the earlier Petition. Pet. 2 n.1. Nevertheless, Petitioner argues that

[t]he present petition presents different legal arguments than those that were previously submitted and addresses the reasons relied on by the Board for not instituting CBM review [in CBM2014-00082], *although the same references are relied on*. In addition, the present petition adds claims that have been asserted by [Patent Owner] against the Petitioner[].

*Id.* (emphasis added). Patent Owner disagrees and contends that, not only does Petitioner rely on the same references, but that Petitioner makes substantially the same arguments in the present Petition that it raised in the earlier Petition. Prelim. Resp. 2–7. Consequently, Patent Owner contends that we should not institute covered business method patent review. *Id.*

*a. The Earlier Petition—CBM2014-00082*

In its earlier Petition in CBM2014-00082, Petitioner’s grounds of unpatentability were based on Viescas and Peapod in combination with Filepp and/or DeAngelis. CBM2014-00082, Paper 5, 16. In particular, Petitioner asserted “[w]hile these [Viescas, Filepp, and Peapod] *individually* may render the claims unpatentable, Petitioner[] rel[ies] on 35 U.S.C. § 103[(a)] to simplify the number of grounds for trial.” *Id.* at 18 (emphasis added). Therefore, Petitioner challenged the patentability of claims 1–3, 8–19, 22–28, 31–36, and 41–44 of the ’110 patent based only on the following three grounds of unpatentability:

| References   | Basis    | Claims Challenged                                     |
|--|----------|---|
| Viescas, Filepp, and Peapod                              | § 103(a) | 1–3, 8–15, 17–19, 22, 24, 26–28, 31–36, 41, and 43–44 |
| Viescas, Filepp, Peapod, and DeAngelis                   | § 103(a) | 1–3, 8–19, 22–28, 31–36, and 41–44                    |
| Viescas, Peapod, and the admitted prior art of DeAngelis | § 103(a) | 1–3, 8–19, 22–28, 31–36, and 41–44                    |

CBM2014-00082, Paper 10, 9.

Although Petitioner did not challenge claims 1–3, 8–19, 22–28, 31–36, and 41–44 as allegedly indefinite in the earlier Petition, Petitioner did argue that, with respect to the term “communications means,” this term was to be construed under 35 U.S.C. § 112(f) (*see* CBM2014-00082, Paper 5, 13), and the portions of the Specification of the ’110 patent, upon which Patent Owner relies to disclose the structure that performs the communication function, do not describe sufficient structure (*see id.* at 14). Consequently, Petitioner argued that, “*to the extent that the claim can even be construed*, the cited prior art teaches that all of the recited functions are performed and that there is a modem engaged in the telephonic serial data transfer.” CBM2014-00082, Paper 5, 14 (emphasis added).

In CBM2014-00082, we determined that, *inter alia*, Petitioner failed to establish that it is more likely than not that Petitioner would prevail in showing unpatentability of claims 1–3, 8–19, 22–28, 31–36, and 41–44 based on Viescas and Peapod in combination with Filepp and/or DeAngelis. CBM2014-00082, Paper 10, 16–20.

*b. The Present Petition—CBM2015-00047*

In its Petition in CBM2015-00047, Petitioner challenges claims 1–3, 8–12, 14–18, 22, 24, 26–28, 30–32, 34, 41, 42, 44–46, 49, 50, 52–55, 57–66, 71–73, and 75 of the ’110 patent on the following four grounds.

| References  | Basis                 | Claims Challenged  |
|---|-----------------------|--|
| Peapod  | § 102(a) <sup>5</sup> | 1–3, 8–12, 14–18, 22, 24, 26–28, 30–32, 34, 41, 42, 44–46, 49, 50, 52–55, 57–66, 71–73, and 75       |
| Viescas, Filepp, and Peapod, alone or in combination with DeAngelis | § 103(a)              | 1–3, 8–12, 14, 15, 17, 18, 22, 24, 26–28, 30–32, 34, 41, 44–46, 49, 50, 52–55, 57–66, 71, 72, and 75 |
| Peapod and DeAngelis <sup>6</sup>                                   | § 103(a)              | 16, 42, and 73   |
| None  | § 112(f) <sup>7</sup> | 1–3, 8–12, 14–18, 22, 24, 26–28, 30–32, 34, 41, 42, 44–46, 49, 50, 52–55, 57–66, 71–73, and 75       |

<sup>5</sup> Petitioner *asserts* that the challenged claims are anticipated by Peapod under 35 U.S.C. § 102(a) (Pet. 7), but *argues* that those claims are anticipated by Peapod under 35 U.S.C. § 102(b) (*id.* at 19–41).

<sup>6</sup> Petitioner does not identify this as a separate ground, but it appears to be distinct from the anticipation ground based on Peapod and the other obviousness ground. *See* Pet. 58, 68, 78.

<sup>7</sup> Although Petitioner asserts that the challenged claims are unpatentable under 35 U.S.C. § 112(f) (Pet. 7), this section is not applicable to the ’110 patent, which issued before September 16, 2012. Here, we understand Petitioner to challenge the listed claims as indefinite under 35 U.S.C. § 112, ¶ 2, in view of their alleged failure to satisfy the requirements of 35 U.S.C. § 112, ¶ 6. *See, e.g., Noah Sys., Inc. v. Intuit Inc.*, 675 F.3d 1302, 1311 (Fed. Cir. 2012).

Pet. 7, 58, 68, 78.

## 2. Analysis

We have considered the papers filed in the present Petition, as well as the papers filed in the request for covered business method patent review in CBM2014-00082. Based on the circumstances before us, we decline to institute review. *See* 35 U.S.C. § 324(a) (institution is discretionary, not mandatory). We approach our discretion to decline review on a case-by-case basis. *Conopco, Inc. v. The Procter & Gamble Co.*, Case IPR2014-00628, slip op. at 10 (PTAB Oct. 20, 2014) (Paper 21).

As noted above, according to 35 U.S.C. § 325(d), we may reject the present Petition because “the same or substantially the same prior art *or* arguments previously were presented to the Office” in the earlier Petition. (Emphasis added.) Here, Petitioner acknowledges that the *same* references are applied in the earlier and the present Petitions. Pet. 2 n.1; *see* Prelim. Resp. 3. On that basis alone, we may exercise our discretion and decline to institute covered business method patent review.

Nevertheless, we also are persuaded that Petitioner asserts the same or substantially the same arguments in the present Petition that were asserted in the earlier Petition. First, although the Petitioner asserts that Peapod anticipates the challenged claims in the present Petition (Pet. 7), Petitioner asserted that each of Viescas, Filepp, and Peapod “individually may render the claims unpatentable” in the earlier Petition. CBM2014-00082, Paper 5, 18. Moreover, as we noted in the Decision on Institution in CBM2014-00082, Petitioner argued in the earlier Petition that “each of the references—Viescas, Filepp, and Peapod—teaches or suggests all of the limitations of

each of independent claims 1 ([CBM2014-00082, Paper 5,] 25–30) and 22 (*id.* at 42–51).” CBM2014-00082, Paper 10, 17–18. Second, with the exception of claims 16 and 42, Petitioner’s ground for challenging 1–3, 8–12, 14, 15, 17, 18, 22, 24, 26–28, 30–32, 34, 41, and 44 in the present Petition is based on the same combination of references used to challenge those claims in the earlier Petition. *Compare* Pet. 42–78 with CBM2014-00082, Paper 5, 20–75. In the present Petition, however, Petitioner allegedly “presents different legal arguments than those that were previously submitted and addresses the reasons relied on by the Board for not instituting CBM review [in CBM2014-00082].” Pet. 2 n.1. We are not persuaded by Petitioner’s unsupported contention, however, that the present Petition presents “*different* legal arguments.” Instead, for the reasons set forth above, in the present Petition, Petitioner simply recasts the facts in the context of the same legal arguments. *See* Prelim. Resp. 6–8.

Regarding claims 16 and 42, in the present Petition, Petitioner relies solely on Peapod, instead of Viescas and Peapod, in combination with DeAngelis. *Compare* Pet. 58, 68 with CBM2014-00082, Paper 5, 75–76. This alteration of the argument raised in the earlier Petition is consistent with Petitioner’s reliance on Peapod to anticipate the challenged claims in the present Petition and its statement in the earlier Petition that Peapod *individually* teaches all of the limitations of claims 1 and 22. Thus, Petitioner’s argument based on the combination of Peapod and DeAngelis is substantially the same as an argument presented in the earlier Petition.

Although Petitioner challenges additional claims in the present Petition, Petitioner does not argue that these additional claims could not

have been challenged in the earlier Petition or explain why the claims were not challenged in the earlier Petition. Pet. 2 n.1 (“In addition, the present petition adds claims that have been asserted by Cronos against the Petitioners.”). Moreover, as with the claims challenged in the earlier Petition, Petitioner asserts substantially the same arguments based upon the same references against all of the challenged claims.<sup>8</sup>

Petitioner did not assert expressly that the challenged claims in the earlier Petition are indefinite, but Petitioner asserted that the term “communications means” should be construed according to 35 U.S.C. § 112(f) and clearly suggested that the Specification of the ’110 patent may be inadequate to disclose sufficient structure for performing the recited function of the term “communication means.” *See* CBM2014-00082, Paper 5, 14 (“to the extent that the claim can even be construed”). Consequently, the indefiniteness ground directed to claims 1–3, 8–12, 14–18, 22, 24, 26–28, 30–32, 34, 41, 42, 44–46, 49, 50, 52–55, 57–66, 71–73, and 75 in the present Petition amounts to a second bite at the apple for Petitioner, and Petitioner seeks to step back from the construction of the term “communications means” that it adopted in the earlier Petition. *See* CBM2014-00082, Paper 5, 13–14. We are not persuaded that allowing Petitioner to begin a second proceeding now to argue a claim deficiency of

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<sup>8</sup> In the Declarations filed with the earlier and the present Petitions, Dr. Taylor states that “[f]or the task at hand, I have reviewed the ‘110 Patent, particularly claims 1–3, 8–19, 22–28, 31–36 and 41–44.” Ex.1011 ¶ 6; CBM2014-00082, Ex. 1011 ¶ 6. We note, however, that claims 13, 23, 25, 33, 35, 36, and 43 are not challenged in the present Petition. Pet. 1; *see supra* 3 n.1.

which it was aware, but did not assert in the earlier Petition, is an appropriate circumstance in which to grant covered business method patent review. *Id.*; see *ZTE Corp. v. ContentGuard Holdings, Inc.*, Case IPR2013-00454, slip op. at 5–6 (PTAB Sept. 25, 2013) (Paper 12) (“The Board is concerned about encouraging, unnecessarily, the filing of petitions which are partially inadequate.”).

For the reasons set forth above, we are persuaded that Petitioner’s arguments in the present Petition are substantially the same as the arguments in its earlier Petition. We construe our rules to ensure “the just, speedy, and inexpensive resolution of every proceeding.” 37 C.F.R. § 42.1(b). Requiring Patent Owner to respond to multiple assertions of substantially the same arguments based on the same references is inconsistent with such a “just, speedy, and inexpensive resolution.” See Prelim. Resp. 2–3. Moreover, a decision on a petition for covered business method review is not simply part of a feedback loop by which a petitioner may perfect its challenges through a subsequent filing. See *id.* at 3–4 (“In other words, Petitioners have attempted to overcome the reasons provided by the Board in its denial of their previous petition. Presumably, if this present petition is rejected on the merits, Petitioners would simply file yet another petition for a CBM review that (again) attempts to address any reasons for denial articulated by the Board.”).

Under these circumstances, we exercise our discretion under 35 U.S.C. § 325(d) to reject the Petition because the same references and substantially the same arguments were presented previously to the Board.

### III. CONCLUSION

For the foregoing reasons, we reject the present Petition under 35 U.S.C. § 325(d).<sup>9</sup>

### IV. ORDER

Accordingly, it is:

ORDERED that the Petition is *denied* as to all challenged claims; and  
FURTHER ORDERED that no covered business method patent review is instituted.

#### PETITIONER:

Christopher Rourk  
Nathaniel St. Clair II  
JACKSON WALKER L.L.P.  
[crouk@jw.com](mailto:crouk@jw.com)  
[nstclair@jw.com](mailto:nstclair@jw.com)

#### PATENT OWNER:

Douglas L. Bridges  
Hunter Adams  
Melvin Barnes  
CAPITOL LEGAL GROUP, PLLC  
[bridges@capitallegalgroup.com](mailto:bridges@capitallegalgroup.com)  
[barnes@capitallegalgroup.com](mailto:barnes@capitallegalgroup.com)  
[hunter@adamsiplaw.com](mailto:hunter@adamsiplaw.com)

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<sup>9</sup> Patent Owner argues that the statute creating covered business method patent review is unconstitutional because a decision to institute a covered business method patent review would deprive Patent Owner of its right to a jury trial granted under the Seventh Amendment to the U.S. Constitution. Prelim. Resp. 13–14. Because we reject the present Petition for other reasons, we do not reach this argument.