

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GROUPON, INC.
Petitioner,

v.

BLUE CALYPSO, LLC
Patent Owner.

Cases¹ CBM2013-00033 (Patent 8,155,679)
CBM2013-00034 (Patent 8,457,670)
CBM2013-00035 (Patent 7,664,516)
CBM2013-00044 (Patent 8,452,646)
CBM2013-00046 (Patent 8,438,055)

Before JONI Y. CHANG, MICHAEL W. KIM, and
BARBARA A. BENOIT, *Administrative Patent Judges*.

BENOIT, *Administrative Patent Judge*.

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

¹ This Order addresses issues that relate to all five cases. Therefore, we exercise our discretion to issue one order to be filed in all cases. The parties, however, are not authorized to use this style heading in any subsequent papers.

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On June 19, 2014, a telephone conference call was held between respective counsel for the parties, and Judges Chang, Kim, and Benoit for the above-identified proceedings.² Patent Owner initiated the conference call to seek guidance concerning: (1) Patent Owner's contentions that Petitioner's reply contains improper arguments and evidence and (2) entering, into the record, certificates of correction that issued for patents under review in CBM2013-00033, -034, -044, and -046.

1. Patent Owner Contentions Regarding Petitioner's Reply

On June 2, 2014, Petitioner filed a Reply (Paper 25) to Patent Owner's Response (Paper 18). "A reply may only respond to arguments raised in the corresponding . . . patent owner response." 37 C.F.R. 42.23(b); *see also* Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,767 (Aug. 14, 2012). As the Board explained during the conference call, the issue of whether a reply contains arguments or evidence that is outside the scope of a proper reply is left to the determination of the Board.

Patent Owner raised four allegations that Petitioner's Reply exceeds the proper scope of reply by presenting new arguments and evidence. First, Patent Owner contended that Petitioner raised a new argument that Patent Owner tacitly conceded presence in the prior art of numerous claim limitations by cancelling claims 1-3 and 10-13 of U.S. Patent 8,452,646

² For the purpose of clarity and expediency, we treat CBM2013-00035 as representative, and all citations are to CBM2013-00035 unless otherwise noted.

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under review in CBM2013-00044. In response, Petitioner contended that its argument could not have been presented earlier because the request to cancel the claims occurred on March 25, 2014 when Patent Owner filed its Motion to Amend (CBM2013-00044, Paper 18). We agree with Patent Owner; however, the Board's rules are unambiguous—a reply may only respond to arguments raised in the Patent Owner's Response. *See* 37 C.F.R. § 42.23(b).

It is undisputed that Petitioner's argument concerning Patent Owner's cancellation of claims is not responsive to any argument raised in Patent Owner's Response. During the conference call, the Board determined that Petitioner's argument was outside the proper scope of its reply and, therefore, the argument concerning the cancellation of claims would not be considered.

Second, Patent Owner contended that Petitioner raised a new ground of unpatentability that was not asserted in the Petition or instituted for trial, and that Petitioner submitted new evidence related to that new ground. Specifically, Patent Owner contended that Petitioner argued a ground of unpatentability that was not asserted in the Petition or instituted for trial — namely, that the challenged claims would have been obviousness over Paul³ alone. *See* Paper 25 (Reply Brief), 11-12 (“ . . .it would be obvious to modify the refer-a-friend method with the advertising method to send targeted referral emails.”). In response, Petitioner indicated that it responded

³ U.S. Patent Application Publication 2002/0169835 A1 (Ex. 1007) (hereinafter “Paul”).

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only to Patent Owner's arguments that Paul teaches away from claimed features, which were raised in the context of Patent Owner's position in its response that Paul does not anticipate challenged claims.

The covered business method patent review was instituted on certain challenged claims as anticipated by Paul. *See* Paper 11 (Decision Institution of Covered Business Method Patent), 33. During the conference call, the Board determined that it would not enter a new ground of unpatentability under 35 U.S.C. § 103 over Paul alone. The Board, however, will consider arguments regarding Paul's anticipation under 35 U.S.C. § 102 and regarding whether certain challenged claims would have been obvious over Paul in combination with another reference, grounds on which the covered business method patent review was instituted. *See, e.g.*, Paper 11, 34 (instituting claims 1-27 and 29 under 35 U.S.C. § 103 over Ratsimor⁴ and Paul).

Third, Patent Owner contended that Petitioner presented new arguments and evidence trying to support a printed publication date of November 2005 for Ratsimor under § 102(b). *See, e.g.*, CBM2013-00033, Paper 30, 5-6 ("It is undisputed that Ratsimor was publicly available on the Internet no later than November 2005, the last updated date for Ratsimor's publication list."). In response, Petitioner indicated that it was addressing Patent Owner's contention that Ratsimor was not prior art. Patent Owner

⁴ Ratsimor, Olga, et al., Technical Report TR-CS-03-27 "Intelligent Ad Hoc Marketing Within Hotspot Networks," published November 2003 (Ex. 1006) (hereinafter "Ratsimor").

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further contended that it had not had the opportunity to (1) respond to Petitioner's November 2005 date evidence, and (2) present arguments contesting Patent Owner's contentions that in November 2005 Ratsimor was publicly available.

The Board will determine whether Petitioner's arguments and evidence concerning Ratsimor's public availability in November 2005 are outside the scope of a proper reply when the Board reviews all of the parties' briefs and prepares the final written decision.

Fourth, Patent Owner contended that Petitioner argued a new construction for the terms "endorsement tag" and "token" and submitted new testimony from Dr. Joshi in that regard. *See, e.g.*, CBM2013-00035, Reply Brief, at 14-15. In response, Petitioner maintained that it was addressing Patent Owner's expert testimony regarding the construction such that its reply was proper.

Here, too, the Board will determine whether Petitioner's arguments and evidence concerning construction for the terms "endorsement tag" and "token" are outside the scope of a proper reply when the Board reviews all of the parties' briefs and prepares the final written decision.

Accordingly, the Board will take under consideration the allegations regarding a November 2005 date for Ratsimor and construction of the terms "endorsement tag" and "token" and will make a determination in due course regarding these alleged violations with respect to Petitioner's reply. If there were improper arguments and/or evidence presented in Petitioner's reply, the Board will not consider such arguments and/or evidence. The Patent

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Owner is not authorized to file a motion to strike. The Patent Owner is reminded that a motion to exclude evidence is not a proper mechanism to present arguments that a reply impermissibly contains new arguments.

2. Certificates of Correction

Patent Owner indicated that three certificates of correction issued, after its response was due, in April to U.S. Patents 8,457,670; 8,452,646; and 8,438,055, which are under review in CBM2013-00034, CBM2013-00044, and CBM2014-00046, respectively. Patent Owner also noted that a certificate of correction issued on February 18, 2014 to U.S. Patent 8,155,679, which is under review in CBM2013-00033, and that counsel of record for Patent Owner did not become aware of this certificate of correction until after the Patent Owner Response was filed. All of the certificates of correction relate to priority claims of the patent for which the certificate issued.

Petitioner did not object to the certificates of correction being entered in these cases. As determined by the Board during the conference call, Patent Owner may file the certificates of correction as exhibits in the cases in which the patent is under review. If a certificate of correction is filed, Patent Owner must file the certificate of correction as an exhibit only and may not present any substantive arguments regarding the certificate when filing the exhibit.

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ORDER

It is

ORDERED that Petitioner's argument concerning Patent Owner's cancellation of claims is outside the proper scope of its reply;

FURTHER ORDERED any argument of Petitioner that a challenged claim is unpatentable under 35 U.S.C. § 103 over Paul alone is outside the proper scope of its reply; and

FURTHER ORDERED that Patent Owner may file, as an exhibit only, with a cover page, the certificate of corrections issued for U.S. Patents 8,155,679; 8,457,670; 8,452,646; 8,438,055 in the appropriate proceeding.

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