

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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AGILYSYS, INC. ET AL.  
Petitioner

v.

AMERANTH, INC.  
Patent Owner

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Case CBM2014-00015  
Patent No. 6,384,850 B1

Before JAMESON LEE, MEREDITH C. PETRAVICK, and  
STACEY G. WHITE, *Administrative Patent Judges*.

PETRAVICK, *Administrative Patent Judge*.

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

## I. INTRODUCTION

### A. *Background*

On October 15, 2013, Agilysys, Inc. and 34 other entities<sup>1</sup> (“collectively, Petitioner”) filed a Petition<sup>2</sup> requesting a review under the transitional program for covered business method patents of U.S. Patent No. 6,384,850 B1 (Ex. 1031, “the ’850 patent”). Paper 1. Ameranth, Inc. (“Patent Owner”) filed a Preliminary Response (“Prelim. Resp.”) on January 13, 2014. Paper 11. We have jurisdiction under 35 U.S.C. § 324.

The standard for instituting a covered business method patent review is set forth in 35 U.S.C. § 324(a), which provides as follows:

**THRESHOLD** – The Director may not authorize a post-grant review to be instituted unless the Director determines that 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.

Petitioner challenges the patentability of claims 1-16 of the ’850 patent under 35 U.S.C. § 112, first paragraph; § 112, second paragraph<sup>3</sup>; and

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<sup>1</sup> Expedia, Inc., Fandango, LLC, Hotel Tonight, Inc., Hotwire, Inc., Hotels.com, L.P., Kayak Software Crop., Live Nation Entertainment, Inc., Micros Systems, Inc., Orbitz, LLC, Opentable, Inc., Papa John’s USA, Inc., Stubhub, Inc., Ticketmaster, LLC., Travelocity.com LP, Wanderspot LLC, Pizza Hut, Inc., Pizza Hut of America, Inc., Domino’s Pizza, Inc., Domino’s Pizza, LLC, Grubhub, Inc., Seamless North America, LLC, Order.in, Inc., Mobo Systems, Inc., Starbucks Corporaton, Eventbrite, Inc., Best Western International, Inc., Hilton Resorts Corp., Hilton Worldwide, Inc., Hilton International Co., Hyatt Corporation, Marriott International, Inc., Starwood Hotels & Resorts Worldwide, Inc., Usablenet, Inc., and Apple, Inc.

<sup>2</sup> Petitioner filed an Amended Petition on November 8, 2013. Paper 9. We will refer to the Amended Petition (“Pet.”) in our decision.

<sup>3</sup> Section 4(c) of the Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284, 329 (2011) (“AIA”) re-designated 35 U.S.C. § 112, first

§ 101. Taking into account Patent Owner's Preliminary Response, we determine that the Petition demonstrates that it is more likely than not that challenged claims 1-11 are unpatentable, but fails to demonstrate that it is more likely than not that challenged claims 12-16 are unpatentable. Pursuant to 35 U.S.C. § 324, we institute a covered business method patent review of claims 1-11 of the '850 patent.

*B. Related Matters*

Petitioner identifies numerous related ongoing district court proceedings in the Petition. Pet. 12-16. In addition, Petitioner has requested covered business method patent review of the following related patents: U.S. Patent No. 6,871,325 (CBM2014-00016); U.S. Patent No. 6,982,733 (CBM2014-00013); and U.S. Patent No. 8,146,077 (CBM2014-00014).

*C. The '850 Patent (Ex. 1031)*

The '850 patent, titled "Information Management and Synchronous Communications System with Menu Generation," issued on May 7, 2002, based on Application No. 09/400,413, filed on September 21, 1999. There are two aspects to the claimed system: menu generation and synchronous communication. *See, e.g.,* Ex. 1031, 3:15-23.

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paragraph, as 35 U.S.C. § 112 (a) and 35 U.S.C. § 112, second paragraph, as 35 U.S.C. § 112 (b). Because the '850 patent has an effective filing date before September 16, 2012, we refer to the pre-AIA version of 35 U.S.C. § 112.

The first aspect is a “desktop software application that enables the rapid creation and building of a menu.” *Id.* at 3:15-17. Figure 1 of the ’850 patent is reproduced below.

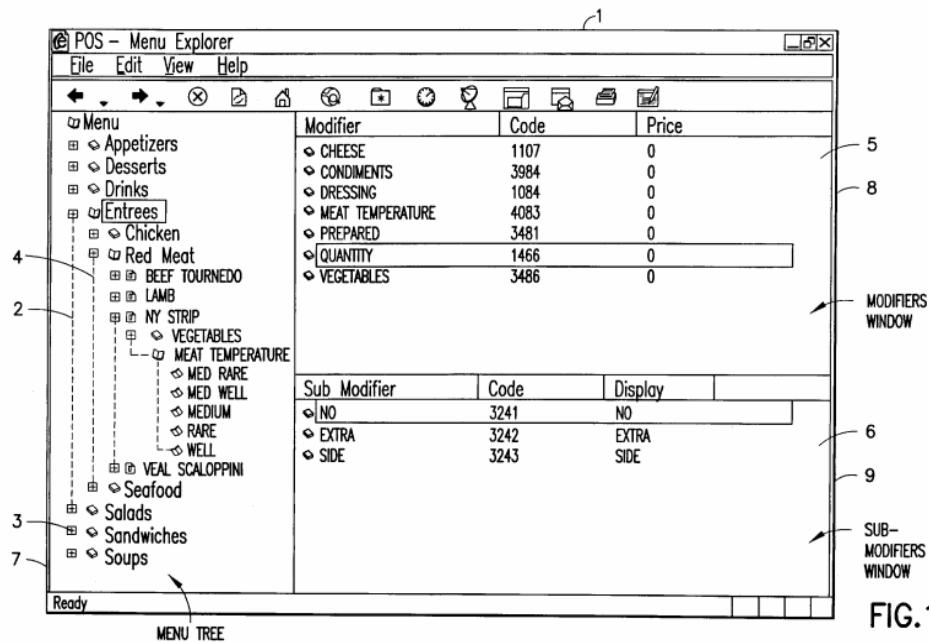


FIG.1

Figure 1 depicts a graphical user interface (GUI) that is used to generate a menu. *Id.* at 6:13-14. GUI 1 includes menu tree window 7, modifiers window 8, and sub-modifiers window 9. *Id.* at 6:26-32. Menu tree window 7 includes hierarchical tree structure 2 that shows the relationships between menu categories, such as salads or deserts; menu items, such as caesar salad or green salad; menu modifiers, such as dressing; and menu sub-modifiers, such as ranch or bleu cheese. *Id.* at 6:13-21. A user generates a menu using GUI 1 to add or delete menu categories, menu items, modifiers, and sub-modifiers, and link modifiers and sub-modifiers to menu items in hierarchical tree structure 2. *Id.* at 6:35-8:20.

The second aspect is synchronous communication. *See id.* at 2:56-62; 3:1-5; 10:57-59. The system includes a computer workstation, a central database, multiple handheld devices, a web server, and a web page. *Id.* at

3:59-63; 6:14. After the new menu is generated and previewed at the computer workstation, the new menu is downloaded to the wireless handheld devices, web servers, and web pages, so that the menu is synchronized on all of these devices. *See id.* at 3:59-64; 6:22-25; 7:12; 8:45-51; 9:66-10:1. Data entered on hospitality applications (e.g., restaurant ordering, wait-list, or reservation applications (Ex. 1031, 1:26-27, 4:10-13)) on the wireless handheld devices, web servers, and webpages are synchronized on all of these devices. *See id.* at 2:59-62; 10:67-11:23. Further, third parties can integrate fully with the hospitality applications through a synchronous communications control module. *Id.* at 11:12-30.

Claims 1 and 12 of the '850 patent are illustrative of the claims at issue and read as follows:

1. An information management and synchronous communications system for generating and transmitting menus comprising:
  - a. a central processing unit,
  - b. a data storage device connected to said central processing unit,
  - c. an operating system including a graphical user interface,
  - d. a first menu consisting of menu categories, said menu categories consisting of menu items, said first menu stored on said data storage device and displayable in a window of said graphical user interface in a hierarchical tree format,
  - e. a modifier menu stored on said data storage device and displayable in a window of said graphical user interface,

- f. a sub-modifier menu stored on said data storage device and displayable in a window of said graphical user interface, and
- g. application software for generating a second menu from said first menu and transmitting said second menu to a wireless handheld computing device or Web page,

wherein the application software facilitates the generation of the second menu by allowing selection of cat[e]gories and items from the first menu, addition of menu categories to the second menu, addition of menu items to the second menu and assignment of parameters to items in the second menu using the graphical user interface of said operating system, said parameters being selected from the modifier and sub-modifier menus.

12. An information management and synchronous communications system for use with wireless handheld computing devices and the internet comprising:

- a. a central database containing hospitality applications and data,
- b. at least one wireless handheld computing device on which hospitality applications and data are stored,
- c. at least one Web server on which hospitality applications and data are stored,
- d. at least one Web page on which hospitality applications and data are stored,
- e. an application program interface, and
- f. a communications control module,

wherein applications and data are synchronized between the central [database], at least one wireless handheld computing device, at least one Web server and at least one Web page; wherein the application program interface enables integration of outside applications with the hospitality applications and wherein the communications control module is an interface between the hospitality applications and any other communications protocol.

*D. The Alleged Grounds of Unpatentability*

Petitioner sets forth alleged grounds of unpatentability of claims 1-16 as follows:

Ground	Challenged Claims
§ 112 ¶ 2	1-16
§ 112 ¶ 1	1-16
§ 101	1-16

*E. Claim Construction*

Consistent with the statute and legislative history of the AIA, the Board interprets claims using the broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.300(b); *see also* Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,766 (Aug. 14, 2012).

For the purposes of resolving the issues of this Decision we must construe claim 1's limitation "application software for . . . transmitting said second menu to a . . . Web page." In particular, we must determine the

proper construction of the term “web page.” All other terms in the challenged claims need no express construction at this time.

The specification of the '850 patent does not contain a lexicographic definition of “web page,” and, therefore, this term is given its ordinary and customary meaning. The ordinary and customary meaning of “web page” is disputed by the parties. Petitioner and its expert, Dr. Larson, allege that the ordinary and customary meaning of “web page” is defined by MICROSOFT<sup>TM</sup> PRESS COMPUTER DICTIONARY 479 (4<sup>th</sup> ed. 1999) as “a document on the World Wide Web.” Pet. 40, Ex. 1042 at 4. Patent Owner alleges that the ordinary and customary meaning is “a document, with associated files for graphics, scripts, and other resources, accessible over the internet and viewable in a web browser.” Prelim. Resp. 37. The ordinary and customary meaning according to the Patent Owner is based upon a definition of web page by the World Wide Web Consortium in 1999 (Ex. 2030). The World Wide Web Consortium defines web page as: “[a] collection of information, consisting of one or more Web resources, intended to be rendered simultaneously, and identified by a single URI.” Ex. 2030 at 6.

We find that the ordinary and customary meaning of “web page” is a document, with associated files for graphics, scripts, and other resources, accessible over the internet and viewable in a web browser, because this meaning is consistent with the World Wide Web Consortium’s definition and with the specification. The specification describes Hypertext Mark-up Language (HTML) or Extensible Mark-Up Language (XML) documents, which include references to other documents or resources and which are stored on web servers. Ex. 1031, 12:4-29. Further, this definition is



consistent with Microsoft<sup>TM</sup> Press Computer Dictionary's definition, when viewed in its entirety. The entirety of the definition is:

Web page *n.* A document on the World Wide Web. A Web page consists of an HTML file, with associated files for graphics and scripts, in a particular directory on a particular machine (and thus identifiable by a URL). Usually a Web page contains links to other Web pages. *See also* URL.

Ex. 1042.

Consequently, applying the broadest reasonable interpretation standard, we construe “application software for . . . transmitting said second menu to a . . . Web page” to require application software that is capable of transmitting the second menu to a document with associated files for graphics, scripts, and other resources, accessible over the internet and viewable in a web browser.

## II. ANALYSIS

### *A. Standing*

The parties disagree as to whether Petitioner has standing to file a petition for a covered business method patent review of the '850 patent. *See* Pet. 22-37; Prelim. Resp. 7-33. Under 37 C.F.R. § 42.304(a), a petition must set forth grounds for standing, which includes a requirement that the patent for which review is sought is a covered business method patent. The parties disagree as to whether the '850 patent is a covered business method patent.

Section 18 of the AIA provides for the creation of a transitional program for reviewing covered business method patents. Section 18 limits review to persons or their privies that have been sued or charged with infringement of a “covered business method patent,” which does not include patents for “technological inventions.” AIA §§ 18(a)(1)(B), 18(d)(1); *see*

37 C.F.R. § 42.302. It is undisputed that each of the companies jointly filing the Petition has been sued for infringement of the '850 patent. *See* Pet. 22-24. For the reasons explained below, we conclude that the '850 patent is a “covered business method patent” and Petitioner has standing to file a petition for a covered business method patent review of the '850 patent.

*a. Financial Product or Service*

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.” AIA § 18(d)(1); *see* 37 C.F.R. § 42.301(a). For purposes of determining whether a patent is eligible for a covered business method patent review, the focus is on the claims. *See* Transitional Program for Covered Business Method Patents – Definitions of Covered Business Method Patent and Technological Invention; Final Rule, 77 Fed. Reg. 48,734, 48,736 (Aug. 14, 2012). A patent need have only one claim directed to a covered business method to be eligible for review. *Id.*

In promulgating rules for covered business method patent reviews, the Office considered the legislative intent and history behind the AIA’s definition of “covered business method patent.” *Id.* at 48,735-36. The “legislative history explains that the definition of covered business method patent was drafted to encompass patents ‘claiming activities that are financial in nature, incidental to a financial activity or complementary to a financial activity.’” *Id.* at 48,735 (citing 157 Cong. Rec. S5432 (daily ed. Sept. 8, 2011) (statement of Sen. Schumer)).

The legislative history indicates that “financial product or service” should be interpreted broadly. *Id.*

Patent Owner argues that their invention, although used in commerce, is not directed to a financial product or service. Prelim. Resp. 9. However, the definition of covered business method patent includes activities that are incidental or complementary to a financial activity. Claim 1 of the ’850 patent is directed to an apparatus that corresponds to an activity that is at least incidental or complementary to an activity financial in nature. Claim 1 is directed to an apparatus that is used in electronically generating a menu. The specification describes that the menu is used in the context of online or mobile ordering and paying in restaurant and other hospitality contexts. *See* Ex. 1031, 3:43-52. *See also id.* at Fig. 7. We note that dependent claim 2 recites that the menu is a restaurant menu. Menus are used in ordering, which pertains to the sale of a product, which generates revenue. Consequently, the subject matter of claim 1 is incidental to financial activity.

For the reasons stated above, we conclude that claim 1 of the ’850 patent meets the “financial product or service” components of the definition in Section 18(d)(1) of the AIA.

*b. Technological Invention*

The definition of “covered business method patent” in Section 18(d)(1) of the AIA does not include patents for “technological inventions.” To determine whether a patent is for a technological invention, we consider “whether the claimed subject matter as a whole recites a technological feature that is novel and unobvious over the prior art; and solves a technical problem using a technical solution.” 37 C.F.R. § 42.301(b). Both prongs must be satisfied in order for the patent to be excluded from review as a

technological invention. The following claim drafting techniques, for example, typically do not render a patent a “technological invention[]”:

- (a) Mere recitation of known technologies, such as computer hardware, communication or computer networks, software, memory, computer-readable storage medium, scanners, display devices or databases, or specialized machines, such as an ATM or point of sale device.
- (b) Reciting the use of known prior art technology to accomplish a process or method, even if that process or method is novel and non-obvious.
- (c) Combining prior art structures to achieve the normal, expected or predictable result of that combination.

Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,763-64 (Aug. 14, 2012).

As to the first prong, Patent Owner argues that their claimed invention is novel and unobvious over the prior art, and therefore, is directed to a technical invention. *See* Prelim. Resp. 11-31. Patent Owner argues that the functionality of their invention’s software is a novel and unobvious feature. *Id.* Petitioner argues the claims of the ’850 patent do not recite any novel and unobvious technological feature. Pet. 33-35.

We look to whether the claims, not the specification, recite a technological feature that is novel and unobvious over the prior art. A patent need have only one claim directed to a covered business method to be eligible for review. Claim 1 recites a central processing unit (CPU), a data storage device, an operating system with a GUI, and application software that includes functionality for generating the menu using the GUI. Claim 1’s functionality includes transmission of the generated menu and selection, addition, and assignment of categories, items, and parameters. The specification describes the CPUs, and data storage devices, as typical

hardware elements. Ex. 1031, 5:33-55; 5:64-68. In addition, the specification describes that GUIs that display menus from which records can be created, deleted, modified, or arranged are conventional. *Id.* at 4:59-5:32; 5:55-6:63. Further, Microsoft Windows CE<sup>®</sup>, which is the operating system used in a preferred embodiment, is described in the specification as providing a basic set of database and communication tools, and database access is programmed using Microsoft's ActiveX Data Objects API. *Id.* at 10:37-40, 10:63-11:10. The specification also describes that software applications can be written in any language and that "[t]he discrete programming steps are commonly known." *Id.* at 11:45-48. Mere recitation of known technologies or combinations of prior art structures to achieve the normal, expected, or predictable result do not render a patent a technological invention. Therefore, we find that claim 1 of the '850 patent does not recite a technological feature that is novel and unobvious over the prior art.

As to the second prong, Patent Owner argues that their claimed invention, as a whole, is directed to a technical solution to a technical problem and, therefore, is directed to a technical invention. *See* Prelim. Resp. 31-33. Patent Owner argues that the invention "was not simply creating computerized menus, it was solving the problem of how to display and synchronize computerized menus on non-standard devices/interfaces." Prelim. Resp. 32. Petitioner argues that the claims of the '850 patent do not recite a technical solution to a technical problem. Pet. 31-33.

Contrary to the Patent Owner's argument, claim 1 does not contain any recitations related to displaying and synchronizing computerized menus on non-standard devices/interfaces. The subject matter of claim 1 is directed to a system for generating a menu. As discussed above, claim 1's system

uses typical hardware elements and software programmed using commonly known programming steps. Therefore, we find that claim 1 of the '850 patent does not recite a technical solution to a technical problem.

For the reasons stated above, we conclude that claim 1 of the '850 patent is not a technological invention because it does not recite a technological feature that is novel and unobvious over the prior art or solve a technical problem using a technical solution.

*B. Grounds Under Section 112, Second Paragraph*

Petitioner challenges claims 1-16 of the '850 patent as being indefinite under 35 U.S.C. § 112, second paragraph. Pet. 41-45, 54-56. Upon review of Petitioner's analysis and evidence, we determine that Petitioner has not demonstrated that claims 1-16 are more likely than not unpatentable for being indefinite.

The scope of the claims must be sufficiently definite to inform the public of the bounds of the protected invention, i.e., what subject matter is covered by the exclusive rights of the patent. *Halliburton Energy Servs. v. M-I, LLC*, 514 F.3d 1244, 1249 (Fed. Cir. 2008). The test for whether a claim meets the definiteness requirement is whether a person of ordinary skill in the art would have understood the scope of the claim when read in light of the specification. *Exxon Research & Eng'g Co. v. U. S.*, 265 F.3d 1371, 1375 (Fed. Cir. 2001); *Personalized Media Commc'ns v. Int'l Trade Comm'n*, 161 F.3d 696, 705 (Fed. Cir. 1998).

*a. Hybrid Claims*

Petitioner alleges that claims 1 and 12 and, therefore, claims 2-11 and 13-16, dependent therefrom, are indefinite because they recite more than one

statutory class of subject matter (i.e., are hybrid claims). Pet. 41-45. Specifically, Petitioner alleges that independent claim 1 is directed to an apparatus, but also recites a method step of “parameters being selected from the modifier and sub-modifier menus,” and alleges that independent claim 12 is directed to an apparatus, but also recites a method step where “applications and data are *synchronized* between the central database, at least one wireless handheld computing device, at least one Web server and at least one Web page.” *Id.* at 42. Relying upon *IPXL Holdings, LLC v. Amazon.com, Inc.*, 430 F.3d 1377, 1384 (Fed. Cir. 2005), and *In re Katz Interactive Call Processing Patent Litig.*, 639 F.3d 1303, 1318 (Fed. Cir. 2011), Petitioner alleges that claims 1 and 12 do not apprise a person of ordinary skill in the art of their scope because it is unclear whether infringement occurs with the creation or use of the apparatus. Pet. 43.

We are not persuaded that these claims are indefinite for reciting more than one statutory class of subject matter. Petitioner’s reliance on *IPXL Holdings* and *In re Katz* is not persuasive because the alleged method steps are not method steps reciting the use of the claimed apparatus, but instead are descriptions of the capabilities of the claimed application software and systems. *See Microprocessor Enhancement Corp. v. Texas Instruments, Inc.*, 520 F.3d 1367, 1375 (Fed. Cir. 2008). Claim 1’s limitation “parameters being selected from the modifier and sub-modifier menus” is part of a larger clause that is directed to the application software’s ability to facilitate generation of the second menu. Likewise, claim 12’s limitation “applications and data are synchronized between the central database, at least one wireless handheld computing device, at least one Web server and at

least one Web page” is a further limitation that is directed to the system’s ability to synchronize applications and data.

Given that the limitations at issue are not method steps, we are not persuaded that claims 1 and 12 and, therefore, claims 2-11 and 13-16, dependent therefrom, are indefinite for claiming both a method and an apparatus.

*b. Transmitting to a Web page*

Petitioner alleges that claim 1 and, therefore, claims 2-11, dependent therefrom, are indefinite because claim 1’s recitation of “transmitting said second menu to a . . . Web page” is “non-sensical.” Pet. 54-56. Likewise, Petitioner’s expert, Dr. Larson, opines that the limitation is “non[-]sensical.” Ex. 1042 at 5-6. Both Petitioner’s allegations and Dr. Larson’s opinion rely upon “web page” being construed as merely “a document.” See Pet. 55, Ex. 1042 at 5. Petitioner alleges that it doesn’t make sense to transmit a menu to a document, which is not a device. Pet. 54-55.

We are not persuaded that claims 1 and 12 are indefinite because, as discussed above, for the purposes of this Decision, we construe “web page” to be not just a document, but a document with associated files for graphics, scripts, and other resources, accessible over the internet and viewable in a web browser. Given that the Petitioner’s allegation is based upon a different construction of “web page,” we are not persuaded that claim 1, and therefore, claims 2-11, dependent therefrom, are indefinite.

*C. Grounds Under Section 112, First Paragraph<sup>t</sup>*

Petitioner challenges claims 1-16 of the ’850 patent as lacking adequate written description support under 35 U.S.C. § 112, first paragraph.



Pet. 45-54. Upon review of Petitioner's analysis and evidence, we determine that Petitioner has not demonstrated that claims 1-16 are more likely than not unpatentable for lacking adequate written description support.

The written description requirement of 35 U.S.C. § 112, first paragraph, requires that "the disclosure of the application relied upon reasonably convey[] to those skilled in the art that the inventor had possession of the claimed subject matter as of the filing date." *Ariad Pharms., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1351 (Fed. Cir. 2010). One shows "possession" by descriptive means such as words, structures, figures, diagrams, and formulas that set forth fully the claimed invention. *Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1572 (Fed. Cir. 1997). It is insufficient for purposes of the written description requirement that "the disclosure, when combined with the knowledge in the art, would lead one to speculate as to modifications that the inventor might have envisioned, but failed to disclose." *Id.* "One shows that one is 'in possession' of *the invention* by describing *the invention*, with all its claimed limitations, not that which makes it obvious." *Id.* (emphasis original). "[T]he hallmark of written description is disclosure. . . . [T]he test requires an objective inquiry into the four corners of the specification from the perspective of a person of ordinary skill in the art." *Ariad*, 598 F.3d at 1351. Also, the claimed invention does not have to be described in *ipsis verbis* in the specification to satisfy the written description requirement. *Union Oil Co. of Cal. v. Atlantic Richfield Co.*, 208 F.3d 989, 1000 (Fed. Cir. 2000). Compliance with the written description requirement is a question of fact. *Ralston Purina Co. v. Far-Mar-Co, Inc.*, 772 F.2d 1570, 1575 (Fed. Cir. 1985).

*a. Genus, Species*

Petitioner alleges that claims 1 and 12, and therefore, claims 2-11 and 13-16, dependent therefrom, lack adequate written description support, in the original specification, for the full scope of the claims; particularly, for all species encompassed by the genus of synchronous communications systems. Pet. 47-52. Petitioner alleges that, although the specification provides adequate written description support for a first species of a system that synchronizes communication between a central database and a database on a handheld device, the specification lacks adequate written description support for a second species of a synchronous communication system where the handheld device does not have a local database. *Id.* at 50. Patent Owner does not dispute that synchronous communication systems is a genus that includes the two alleged species, but does dispute that the specification fails to provide written description support for the second species. *See* Prelim. Resp. 53-55.

We are not persuaded that the original specification fails to provide adequate written description support for the second species of a synchronous communication system where the handheld device does not have a local database. The specification discloses synchronization and communication between a central database and multiple handheld devices, as well as, between a Web server and multiple handheld devices. Ex. 1031, 2:8-12; 3:60-63; 11:12-15; *see id.* at 2:59-62; 11:32-36. The specification discloses that a single point of entry works to keep all handheld devices and linked web sites in sync with a central database so that all components are in equilibrium at any given time. *Id.* at 11:32-36. The specification discloses that a preferred embodiment of the invention uses Windows CE® and that

Windows CE<sup>®</sup> provides built-in synchronization between handheld devices, internet, and desktop infrastructure. *Id.* at 10:65-11:2. None of these portions of the specification describe the handheld device has a local database. Further, one of the passages of the '850 patent cited by Petitioner describes the process for downloading a database to a device and states that “[i]f there is an existing menu database on the handheld device, the system will ask if the existing database should be replaced.” *Id.* at 48 (quoting Ex. 1031, 8:51-59) (emphasis added).

Therefore, we are not persuaded that claims 1-15 lack adequate written description support in the specification.

*a. Transmitting said second menu to a Web page*

Petitioner challenges claim 1, and therefore, claims 2-11, dependent therefrom, of the '850 patent as lacking adequate written description support under 35 U.S.C. § 112, first paragraph. Pet. 53-54. Petitioner alleges that the specification fails to provide adequate written description support for claim 1's limitation of “transmitting said second menu to a . . . Web page” because, although the specification describes transmission of a menu to a wireless handheld device or web server, the specification fails to describe transmitting a menu to a web page. *Id.*

We are not persuaded that the original specification fails to provide adequate written description support for this limitation, as we have construed it above. The specification expressly states: “[t]he menu generation approach of the present invention . . . provides a means to instantly download the menu configuration onto, e.g., a handheld device or Web page” (Ex. 1031, 3:17-19); “[t]hese challenges include . . . transferring the menu onto handheld devices or Web pages” (Ex. 1031, 3:50-51); and “an

automated download procedure is provided to transfer the desktop database onto a handheld device and/or Web page” (Ex. 1031, 9:66-10:1).

Therefore, we are not persuaded that claims 1-10 lack adequate written description support in the specification for the limitation “application software for . . . transmitting said second menu to a . . . Web page.”

#### *D. Grounds Under 101*

Petitioner challenges claims 1-16 of the '850 patent as claiming patent-ineligible subject matter under 35 U.S.C. § 101. Pet. 56-77. Petitioner alleges that claims 1-16 are directed merely to abstract ideas. *Id.* Upon review of Petitioner’s analysis, we determine that Petitioner has established that claims 1-11 are more likely than not unpatentable under 35 U.S.C. § 101, but has not established that claims 12-16 are more likely than not unpatentable under 35 U.S.C. § 101.

The Supreme Court has made it clear that the test for patent eligibility under Section 101 is not amenable to bright-line, categorical rules. *Bilski v. Kappos*, 130 S.Ct. 3218, 3229-30 (2010). Further, the Federal Circuit has recognized that it has been especially difficult to apply Section 101 properly in the context of computer-implemented inventions. *CLS Bank Int’l v. Alice Corp. Pty. Ltd.*, 717 F.3d 1269, 1277 (Fed. Cir. 2013).

Our analysis begins with the statute. Section 101 provides that “[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.” 35 U.S.C. § 101. “In choosing such expansive terms . . . modified by the comprehensive ‘any,’ Congress plainly

contemplated that the patent laws would be given wide scope.” *Bilski*, 130 S.Ct. at 3225 (quoting *Diamond v. Chakrabarty*, 447 U.S. 303, 308 (1980)). There are, however, three limited, judicially created exceptions to the broad categories of patent-eligible subject matter in Section 101: laws of nature, natural phenomena, and abstract ideas. *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S.Ct. 1289, 1293 (2012).

While an abstract idea, by itself, is not patentable, a practical application of an abstract idea may be deserving of patent protection. *Id.* at 1293-94; *Bilski*, 130 S.Ct. at 3230; *Diamond v. Diehr*, 450 U.S. 175, 187 (1981). To be patent-eligible, a claim cannot simply state the abstract idea and add the words “‘apply it.’” *See Mayo*, 132 S.Ct. at 1294. The claim must incorporate enough meaningful limitations to ensure that it claims more than just an abstract idea and is not merely a “drafting effort designed to monopolize the [abstract idea] itself.” *See id.* at 1297. Limiting the claim to a particular technological environment or field of use, or adding insignificant pre- or post-solution activity, does not constitute meaningful limitations. *See Bilski*, 130 S.Ct. at 3230; *Diehr*, 450 U.S. at 191-92; *Parker v. Flook*, 437 U.S. 584, 595 n.18 (1978).

The key to this inquiry is whether the claims tie the otherwise abstract idea to a specific way of doing something with a computer, or a specific computer for doing something; if so, they likely will be patent eligible, unlike claims directed [to] nothing more than the idea of doing that thing on a computer. While no particular type of limitation is necessary, meaningful limitations may include the computer being part of the solution, being integral to the performance of the method, or containing an improvement in computer technology.

*CLS Bank*, F.3d at 1302.

*a. Claims 1-11*

Petitioner alleges that claims 1-11 are patent-ineligible under 35 U.S.C. § 101, because they are directed to the abstract idea of “generating menus,” and the recitations requiring computer implementation do not constitute meaningful limitations. Pet. 59-65. Petitioner alleges that claim 1 requires nothing more than a general purpose computer using known programming. Pet. 62. Patent Owner argues that the Petitioner is “ignor[ing] the numerous specific software and functional combinatory limitations in these claims.” Prelim. Resp. 61.

Independent claim 1 is drawn to an apparatus. An apparatus (i.e., a machine) falls within one of four categories of statutory subject matter recited in Section 101. The question is whether claim 1 is drawn to just the abstract idea of generating menus, and therefore, falls under the abstract idea exception, or whether claim 1 is meaningfully limited to a particular practical application of the abstract idea.

Claim 1 recites a system having a CPU, a data storage device, an operating system with a GUI, and application software that includes functionality for generating the menu using the GUI. The application software’s functionality includes transmission of the generated menu and selection, addition, and assignment of categories, items, and parameters. We do not see, on this record, how these limitations meaningfully limit these claims to a particular practical application. The specification, itself, describes that CPUs, data storage devices, and operating systems are typical hardware elements. Ex. 1031, 5:33-55; 5:64-6:8. The specification describes that Windows CE<sup>®</sup>, which the present invention utilizes, provides a basic set of database and communication tools. Ex. 1031, 10:63-11:10.

The specification describes that GUI's that display menus from which records can be created, deleted, modified, or arranged are conventional. Ex. 1031, 4:59-5:32; 5:55-6:63. On this record, we do not see how claim 1 requires anything more meaningful than what the specification, itself, describes as typical or conventional. *See Mayo*, 132 S.Ct. at 1298. These claims only add a computer to the abstract idea of generating a menu. They are directed simply to generating a menu on a computer. The Federal Circuit has stated that adding a computer to a claim covering an abstract concept is insufficient to make the claim patent eligible. *Bancorp Servs. v. Sun Life Assurance Co.*, 687 F.3d 1266, 1278 (Fed. Circ. 2012).

Claims 3-11 depend from claim 1 and recite further limitations: characterizing the second menu as a restaurant menu (Claim 2); reciting that the second menu is capable of being displayed on a wireless computing device (Claim 3) or screens of network computers (Claim 6); reciting that selections from the second menu are capable of being transmitted by a wireless link (Claim 4) or the internet (Claim 5); reciting that the network is the internet (Claim 7); reciting that the second menu is created in conformity with hypertext markup language or extensible markup language (Claim 8); reciting that the second menu overwrites the first menu (Claim 9); reciting that the first and second menu are capable of being displayed in the same window (Claim 10); and reciting that the second menu's menu categories and items are subsets of the first menu's menu categories and items (Claim 11). For similar reasons as discussed above, we find on the present record that dependent claims 3-11 do not add meaningful limitations to the limitations recited in independent claim 1.

Accordingly, we are persuaded that claims 1-11 are more likely than not directed to patent-ineligible subject matter under 35 U.S.C. § 101.

*b. Claims 12-16*

Petitioner alleges that claims 12-16 are patent-ineligible under 35 U.S.C. § 101 because these claims are directed to the abstract idea of placing an order or reservation, and their recitations, requiring computer implementation, do not constitute meaningful limitations. Pet. 66-69.

Petitioner alleges that the computer components recited in these claims add nothing to the claims because each was known individually in the prior art and can be found in a general purpose computer. Pet. 63.

We do not view these claims as reciting merely the abstract idea of “placing an order or reservation using a general purpose computer and wireless handheld device,” but rather as a particular practical application of the idea of application and data synchronization. Claim 12 recites a tangible embodiment of a system having structural components – a central database, wireless handheld computing devices, web servers, web pages, hospitality applications, an application program interface, and a communications control module. The claim further defines these components by reciting their functions – synchronizing data and applications between the central data base and other devices, enabling integration of outside applications with the hospitality applications, and interfacing between the hospitality applications and other communication protocols.

The combination of these components interact in a specific way to synchronize applications and data between the components and outside application that is integral to the claimed invention and meaningfully limit these claims. “To salvage an otherwise patent-ineligible process, a computer



must be integral to the claimed invention, facilitating the process in a way that a person making calculations or computations could not.” *Bancorp*, 687 F.3d at 1278. Claim 12 claims a specific way of doing something with a combination of components.

Petitioner does not address specifically the language of dependent claims 13-16. *See* Pet. 56-77. Petitioner’s analysis is confined to the patent eligibility of independent claim 12, and provides no further analysis as to the patent eligibility of dependent claims 13-16. *Id.* We are not persuaded that these claims are more likely than not unpatentable under 35 U.S.C. § 101 for reasons similar to those explained above.

We are not persuaded that claims 12-16 are more likely than not directed to patent-ineligible subject matter under 35 U.S.C. § 101.

*c. Availability of § 101*

Under the AIA, any ground that could be raised under 35 U.S.C. §§ 282(b)(2) or (3) can be raised in a post-grant review or (with exceptions not relevant here) in a covered business method patent review.

Patent Owner asserts that § 101 is not available to challenge patentability in a covered business method patent review because it is not included in §§ 282(b)(2) or (3). Prelim. Resp. 75-76. However, as the Office described in the final rules implementing post-grant review and covered business method patent review, the “grounds available for post-grant review include 35 U.S.C. §§ 101 and 112, with the exception of compliance with the best mode requirement.” 77 Fed. Reg. 48,680, 48,684 (Aug. 14, 2012). This interpretation is consistent with both the relevant case law and the legislative history. *See, e.g., Mayo*, 132 S.Ct. at 1305 (addressing invalidity under § 101 when it was raised as a defense to an

infringement claim); *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 12 (1966) (stating that the 1952 Patent Act “sets out the conditions of patentability in three sections,” citing 35 U.S.C. §§ 101, 102, and 103); *Dealertrack, Inc. v. Huber*, 674 F.3d 1315, 1330 n.3 (Fed. Cir. 2012); H.R. Rep. No.112-98, at 47 (2011); 157 Cong. Rec. S1375 (daily ed. Mar. 8, 2011).

*E. Conclusion*

The Petition demonstrates that it is more likely than not challenged claims are unpatentable on the following ground:

Ground	Challenged Claims
§ 101	1-11

The Petition fails to demonstrate that it is more likely than not challenged claims are unpatentable on any of the following grounds:

Ground	Challenged Claims
§ 112, ¶ 2	1-16
§ 112, ¶ 1	1-16
§ 101	12-16

The Board has not yet made a final determination as to the patentability of any claim.

### III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that pursuant to 35 U.S.C. § 324(a), a covered business method patent review is hereby instituted as to claims 1-11 of the '850 patent on the ground of 35 U.S.C. § 101;

FURTHER ORDERED that all other grounds raised in the Petition are *denied* for the reasons discussed above;

FURTHER ORDERED that pursuant to 35 U.S.C. § 324(d) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial; the trial commencing on the entry date of this Order; and

FURTHER ORDERED that an initial conference call with the Board is schedule for April 15, 2014 at 2 p.m. eastern; the parties are directed to the Office Trial Practice Guide, 77 Fed. Reg. at 48,765-66, for guidance in preparing for the initial conference call, and should be prepared to discuss any proposed changes to the Scheduling Order entered herewith and any motions the parties anticipate filing during the trial.

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