

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BROADSIGN INTERNATIONAL, LLC,
Petitioner,

v.

T-REX PROPERTY AB,
Patent Owner.

Case CBM2017-00008
Patent 6,430,603 B2

Before BRIAN J. McNAMARA, BARBARA A. BENOIT, and
KERRY BEGLEY, *Administrative Patent Judges*.

BENOIT, *Administrative Patent Judge*.

DECISION

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

I. INTRODUCTION

This is a preliminary proceeding to decide whether, under section 18 of the Leahy-Smith America Invents Act, Pub. L. No. 112–29, 125 Stat. 284, 331 (2011) (“AIA”), a covered business method patent review of U.S. Patent No. 6,430,603 B2 (Ex. 1001, “the ’603 patent” or “the challenged patent”), should be instituted under 35 U.S.C. § 324(a).¹ A covered business method patent review may not be instituted “unless . . . the information presented in the petition . . . , 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.” 35 U.S.C. § 324(a); *see* 37 C.F.R. § 42.208.

Broadsign International, LLC filed a Petition requesting covered business method patent review of claims 1, 11–13, 42, 43, and 48–74 of the challenged patent. Paper 2 (“Pet.”). Patent Owner filed a Preliminary Response. Paper 6 (“Prelim. Resp.”).

For the reasons that follow, we do not institute a covered business method patent review.

A. *Related Matters*

As required by 37 C.F.R. § 42.8(b)(2), each party identifies various judicial or administrative matters that would affect or be

¹ *GTNX, Inc. v. INTTRA, Inc.*, 789 F.3d 1309, 1310 (Fed. Cir. 2015) (describing transitional program for review of covered business method patents under 35 U.S.C. §§ 321–329, pursuant to the AIA, as subject to “the standards and procedures of[] a post-grant review under . . . 35 U.S.C. §§ 321–329,” absent exceptions not applicable here).

affected by a decision in this proceeding. Pet. 1–7; Paper 4, 2–6 (Patent Owner’s Mandatory Notices).

B. The ’603 Patent

The ’603 patent is titled “System for Direct Placement of Commercial Advertising, Public Service Announcements, and Other Content on Electronic Billboard Displays” and describes ways to display content on electronic displays. Ex. 1001, [54], 2:50–53.

1. Written Description

The challenged patent describes a system “for direct placement of commercial advertisements, public service announcements and other content on electronic displays.” *Id.* at 2:50–53, Fig. 1. According to the challenged patent, the electronic displays “are located in high traffic areas in various geographic locations,” such as “areas of high vehicular traffic, and also at indoor and outdoor locations of high pedestrian traffic, as well as in movie theaters, restaurants, sports arenas.” *Id.* at 2:54–60. “In preferred embodiments, each display is a large (for example, 23 feet by 33½ feet), high resolution, full color display that provides brilliant light emission from a flat panel screen.” *Id.* at 2:62–65.

2. Illustrative Claims

Claims 13 and 48 are independent and illustrate the challenged subject matter.

13. A system for presenting video or still-image content at selected times and locations on a networked connection of multiple electronic displays, said system comprising:

a network interconnecting a plurality of electronic displays provided at various geographic locations;

means for scheduling the presentation of video or still-image content at selected time slots on selected electronic displays of said network and receiving said video or still-image content from a content provider;

transmission means in communication with said receiving means for communicating scheduled content to respective server devices associated with corresponding selected electronic displays of said network, each said associated device initiating display of said video or still-image content at selected times on a corresponding selected electronic display of said network.

Id. at 8:47–62.

48. A method for presenting video or still-image content at selected times and locations on a networked connection of multiple electronic displays, said method comprising:

a) providing a network interconnecting a plurality of electronic displays at various geographic locations;

b) enabling a content provider to schedule presentation of video or still-image content at selected time slots on selected electronic displays of said network and receiving said video or still-image content from a content provider;

c) providing a plurality of server devices, each server device associated with a corresponding electronic display;

d) communicating received video or still-image content to the associated server devices of corresponding selected electronic displays of said network; and,

e) said server device initiating display of said video or still-image content at selected times on an associated electronic display of said network.

Id. at 11:34–53.

C. Asserted Grounds of Unpatentability

Petitioner contends that claims 1, 11–13, 42, 43, and 48–74 are unpatentable under 35 U.S.C. § 101 as being directed to an abstract idea and claim 13 also is unpatentable under 35 U.S.C. § 112, ¶ 2 as indefinite. Pet. 36–81, 86–87.

II. DISCUSSION

A. Claim Construction

In a covered business method patent review, we construe claim terms in an unexpired patent according to their broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.200(b); *Versata Dev. Grp., Inc. v. SAP Am., Inc.*, 793 F.3d 1306, 1328 (Fed. Cir. 2015) (affirming use of the broadest reasonable construction standard in a covered business method patent review); *cf. Cuozzo Speed Techs. LLC v. Lee*, 136 S. Ct. 2131, 2144–46 (2016) (upholding the use of the broadest reasonable interpretation standard in an *inter partes* review). Claim terms generally are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). To rebut this presumption by acting as a lexicographer, the patentee must give the term a particular meaning in the specification with “reasonable clarity, deliberateness, and precision.” *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994). In addition, the broadest reasonable construction of a claim term cannot be so broad that the construction is unreasonable under general claim

construction principles. *Cf. Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292, 1298 (Fed. Cir. 2015) (discussing broadest reasonable construction in the context of an *inter partes* review).

Petitioner proposes constructions for several terms that recite “means.” Pet. 33–35; *see* 37 C.F.R. § 42.104(b)(3) (A petition must set forth “[h]ow the challenged claim is to be construed. Where the claim to be construed contains a means-plus-function or step-plus-function limitation as permitted under 35 U.S.C. 112(f), the construction of the claim must identify the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function.”). Patent Owner does not address directly Petitioner’s proposed constructions. *See generally* Prelim. Resp. 1–11.

We conclude that no term needs to be construed expressly in order for us to determine whether a covered business method patent review should be instituted.

B. Covered Business Method Patent

The AIA defines a “covered business method patent” as “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” AIA § 18(d)(1); *see* 37 C.F.R. § 42.301(a). “The statutory definition by its terms makes what a patent ‘claims’ determinative of the threshold requirement for coming within the defined class” of a covered business method patent. *Secure Access, LLC v. PNC Bank Nat’l Assoc.*, 848 F.3d 1370, 1378 (Fed. Cir. 2017); *see Blue Calypso, LLC v. Groupon, Inc.*, 815 F.3d 1331, 1340 (Fed. Cir. 2016) (stating that “§ 18(d)(1)

directs us to examine *the claims* when deciding whether a patent is a [covered business method] patent”).

A patent need have only one claim directed to a covered business method to be eligible for review. *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); *cf. Versata*, 793 F.3d at 1326–27 (accepting single claim analysis to determine whether to institute a covered business method patent review). “When properly construed in light of the written description, the claim need only require one of a ‘wide range of finance-related activities.’” *Secure Access*, 848 F.3d at 1381; *see also Versata*, 793 F.3d at 1312–13, 1325–26 (identifying a qualifying claim); *Blue Calypso*, 815 F.3d at 1339–40 (identifying a qualifying claim); *SightSound Techs., LLC v. Apple Inc.*, 809 F.3d 1307, 1315–16 (Fed. Cir. 2015) (identifying a qualifying claim).

C. Effect of Statutory Disclaimer

Patent Owner provided, with its Preliminary Response, evidence that it filed with the Office a statutory disclaimer of claims 1–12, 17, 19, 20, 22, 28–33, 45–47, 49, 51–55, and 58–74 of the challenged patent pursuant to 35 U.S.C. § 253(a) and 37 C.F.R. § 1.321(a). Ex. 2001, 4; *see* Prelim. Resp. 7. The disclaimer of a claim “shall . . . be considered as part of the original patent.” 35 U.S.C. § 253(a). The language “considered as part of the original patent” means that a patent subject to a disclaimer under § 253(a) “is treated as though the disclaimed claims never existed.” *Vectra Fitness, Inc. v. TNWK Corp.*,

162 F.3d 1379, 1383 (Fed. Cir. 1998) (citing *Altoona Publix Theatres v. Am. Tri-Ergon Corp.*, 294 U.S. 477, 492 (1935); *Guinn v. Kopf*, 96 F.3d 1419, 1422 (Fed. Cir. 1996)). Thus, even though claims of the challenged patent existed at the time the Petition here was filed, we must now treat the challenged patent as if it had never included those claims.

1. Disclaimed Claims Challenged in the Petition

Of the challenged claims, Patent Owner disclaimed claims 1, 11, 12, 49, 51–55, and 58–74. Ex. 2001, 4. A covered business method patent review cannot be instituted based on disclaimed claims. 37 C.F.R. § 42.207(e) (“The patent owner may file a statutory disclaimer under 35 U.S.C. § 253(a) in compliance with 37 C.F.R. § 1.321(a), disclaiming one or more claims in the patent. No post-grant review will be instituted based on disclaimed claims.”).

Accordingly, no covered business method patent review will be instituted for disclaimed claims 1, 11, 12, 49, 51–55, and 58–74. Nevertheless, our analysis continues because not all of the claims challenged in the Petition have been disclaimed by Patent Owner.

2. Remaining Claims Challenged in the Petition

Petitioner challenges some claims that have not been disclaimed by Patent Owner—claims 13, 42, 43, 48, 50, 56, and 57. For the following reasons, we determine that Petitioner has not established that the challenged patent qualifies as a covered business method patent.

Petitioner identifies six claims that it contends satisfy the threshold financial requirement on the basis of their claim language.

Pet. 16–18 (identifying claims 1, 12, 52, 63, 72, and 74). Patent Owner argues, however, that these claims cannot provide the basis for eligibility for covered business method patent review (“CBM eligibility”), because each of these claims has been disclaimed pursuant to 35 U.S.C. § 253(a) and 37 C.F.R. § 1.321(a). Prelim. Resp. 7; Ex. 2001, 4 (disclaiming 1–12, 17, 19, 20, 22, 28–33, 45–47, 49, 51–55, and 58–74).

We agree with Patent Owner that disclaimed claims 1, 12, 52, 63, 72, and 74 do not provide the basis for the challenged patent’s CBM eligibility. Notably, Patent Owner also disclaimed all claims that depend from the claims on which Petitioner relied for meeting the threshold financial requirement. *See* Ex. 2001, 4 (disclaiming claims 2–10 that depend from independent claim 1, claims 58–63 that depend from claim 52, and claims 73 and 74 that depend from claim 72). Furthermore, Patent Owner disclaimed dependent claims 49 and 51 that each recites “purchase” or “purchasing of” time slots for electronic display placement, as well as claims that depend therefrom. *Id.* (disclaiming claims 51–55 and 58–74).

We conclude that the information in the Petition does not demonstrate that the challenged patent is eligible for covered business method patent review. In addition, even after Patent Owner submitted, on February 7, 2017, its Preliminary Response and evidence of filing statutory disclaimer, Petitioner did not request an opportunity to present arguments that any other claims would meet the threshold financial requirement for a covered business method patent review. The remaining challenged claims 13, 42, 43, 48, 50, 56, and 57 on their

face do not evince claiming a financial product or service, and the written description describes the invention as being broader than placement of commercial advertising. *See, e.g.*, Ex. 1001, 2:50–53 (encompassing “direct placement of commercial advertisements, public service announcements and other content on electronic displays”).

Accordingly, we determine that Petitioner has failed to meet its burden of showing that the challenged patent is eligible for covered business method patent review. Therefore, we do not institute a covered business method patent review for claims 13, 42, 43, 48, 50, 56, and 57 of the ’603 patent.

3. Conclusion

In sum, we do not institute a covered business method patent review for challenged claims 1, 11, 12, 49, 51–55, and 58–74 of the ’603 patent that were disclaimed by Patent Owner after the Petition was filed. Nor do we institute a covered business method patent review for challenged claims 13, 42, 43, 48, 50, 56, and 57 because Petitioner has failed to demonstrate the challenged patent is eligible for covered business method patent review.

III. ORDER

After due consideration of the record before us and for the foregoing reasons, it is:

ORDERED that the Petition is denied and no covered business method patent review is instituted.

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