

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE OFFICE OF THE UNDER SECRETARY OF COMMERCE
FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE
UNITED STATES PATENT AND TRADEMARK OFFICE

DURATION MEDIA LLC,
Petitioner,

v.

RICH MEDIA CLUB LLC,
Patent Owner.

IPR2023-00953
Patent 11,443,329 B2

Before KATHERINE K. VIDAL, *Under Secretary of Commerce for
Intellectual Property and Director of the United States Patent and
Trademark Office.*

DECISION

Granting Director Review, Vacating the Final Written Decision,
and Remanding to the Patent Trial and Appeal Board for
Further Proceedings

I. INTRODUCTION

On May 24, 2023, Duration Media LLC (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1–10 of U.S. Patent No. 11,443,329 B2 (Ex. 1001, “the ’329 patent”) related to distribution and tracking of online advertising. Paper 1 (“Pet.”). On August 30, 2023, the Board instituted an *inter partes* review (Paper 9). On August 7, 2024, in a split decision, the Board issued a Final Written Decision (Papers 71, 74; “Dec.”)¹. The Board majority determined that Petitioner had not shown that claims 1–10 were unpatentable. Dec. 32. Specifically, the Board found that Petitioner failed to show that the prior art taught a claim limitation relating to determining whether an advertisement has been displayed to a user for “a predefined period of time” (the “viewability test”). *Id.* at 28–30. The Board also granted in part Patent Owner’s motion to exclude some of the evidence submitted with Petitioner’s Reply. *Id.* at 32. The dissent disagreed with the Board majority’s determination regarding the viewability test, as well as the majority’s ruling granting in part Patent Owner’s motion to exclude. Papers 71, 74, Dissent, 1–14 (“Dissent”).

On August 16, 2024, Petitioner filed a request for Director Review of the Board’s Decision. Paper 73 (“DR Request”). Petitioner argues that the Board majority erroneously concluded that the prior art reference Badros² does not teach the viewability test. *Id.* at 4–12. With my authorization,

¹ A non-public version of the Decision issued on August 7, 2024 (Paper 71) and a public version of the Decision issued on August 19, 2024 (Paper 74).

² U.S. Patent No. 7,725,502 B1, issued Aug. 13, 2019 (Ex. 1003).

Patent Owner filed a response to the DR Request. Paper 75 (order authorizing response); Paper 77 (“DR Resp.”).³

I have reviewed Petitioner’s DR Request, Patent Owner’s response to that request, the Board’s Final Written Decision, and the Papers and Exhibits of record in this proceeding. I determine that Director Review of the Board’s Final Written Decision is appropriate. *See* 37 C.F.R. § 42.75(e)(2). For the reasons discussed in further detail below, I respectfully vacate the Board’s Final Written Decision and remand for further proceedings consistent with this decision.

II. BACKGROUND

The ’329 patent is directed to “creating electronic advertisements using licensed digital content, and distributing such advertisements for display at desired network locations.” Ex. 1001, 2:45–48. As relevant here, the patent describes determining whether an advertisement has been in the user’s view for a predetermined period of time, thereby enabling a new advertisement to be displayed only after the user has had sufficient opportunity to view the previous advertisement. *Id.* at 12:65–13:3.

Figure 69 of the ’329 patent, reproduced below, depicts a browser window with a sample advertisement fully within the browser window and viewable to the user. *Id.* at 16:15–19.

³ Patent Owner filed an amended version of its response to the DR Request (Paper 77), correcting certain errors. Ex. 3101. Petitioner requested authorization to file a reply to Patent Owner’s response, which I denied. *Id.*

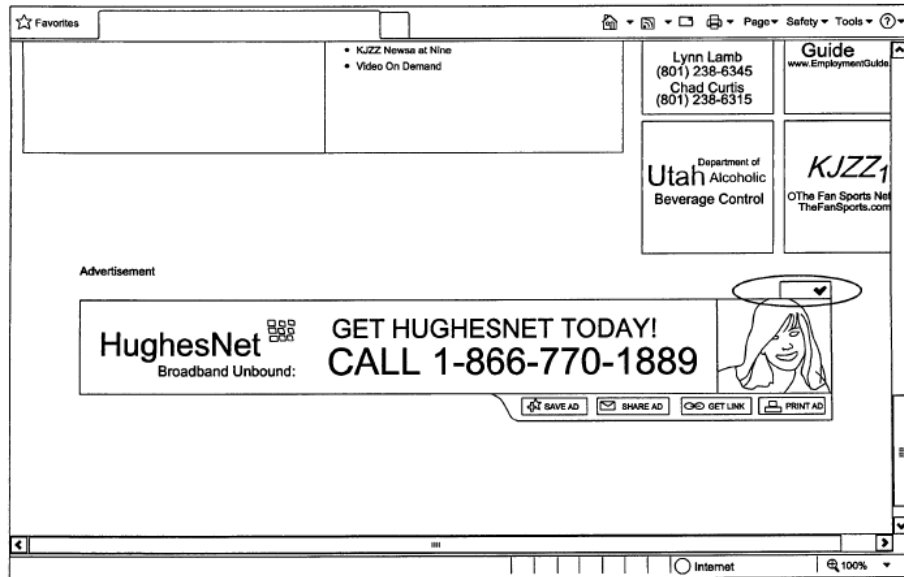


FIG. 69

The '329 patent describes the use of “correlator code” that “is written to or otherwise embedded on the ad content display page and interacts with the viewer’s browser.” *Id.* at 8:3–6. The code “continuously determine[s] what ad content display page area(s) is/are within, or within a pre-defined distance outside of, the dimensions and scrolling position of the viewer’s browser.” *Id.* at 12:54–62. The '329 patent discloses determining whether an advertisement has been in the user’s view for a predetermined period of time before rendering a new advertisement in its place. *Id.* at 12:65–13:3.

Independent claims 1 and 6 of the '329 patent both recite the viewability test. Claim 1 recites, in pertinent part, “in response to a determination that the predefined area that is used to display the advertisement *has been in view within the visible area* of the browser window for a predefined period of time.” Ex. 1001, 68:58–61 (emphasis added). Independent claim 6 similarly recites, “determine whether the predefined area of the ad content display page that is used to display the advertisement *is in view within a visible area* of a browser window of a

browser configured to be operated by the remote computing device.” *Id.* at 70:2–6 (emphasis added).

In this proceeding, Petitioner proposed two grounds of unpatentability challenging claims 1–10 of the ’329 patent, each of which relies on Badros in combination with other references. Pet. 17–43. For both grounds, Petitioner relied solely on Badros as teaching the viewability test. *Id.* at 23 (citing Ex. 1003, 11:22–24, 12:37–40), 35–36 (citing Ex. 1003, 11:22–24, 12:36–39, 12:48–66).

Figure 4 of Badros, reproduced below, depicts webpage 3 comprising advertisement 1a that is displayed on a time-multiplexed basis. Ex. 1003, 21:15–20.

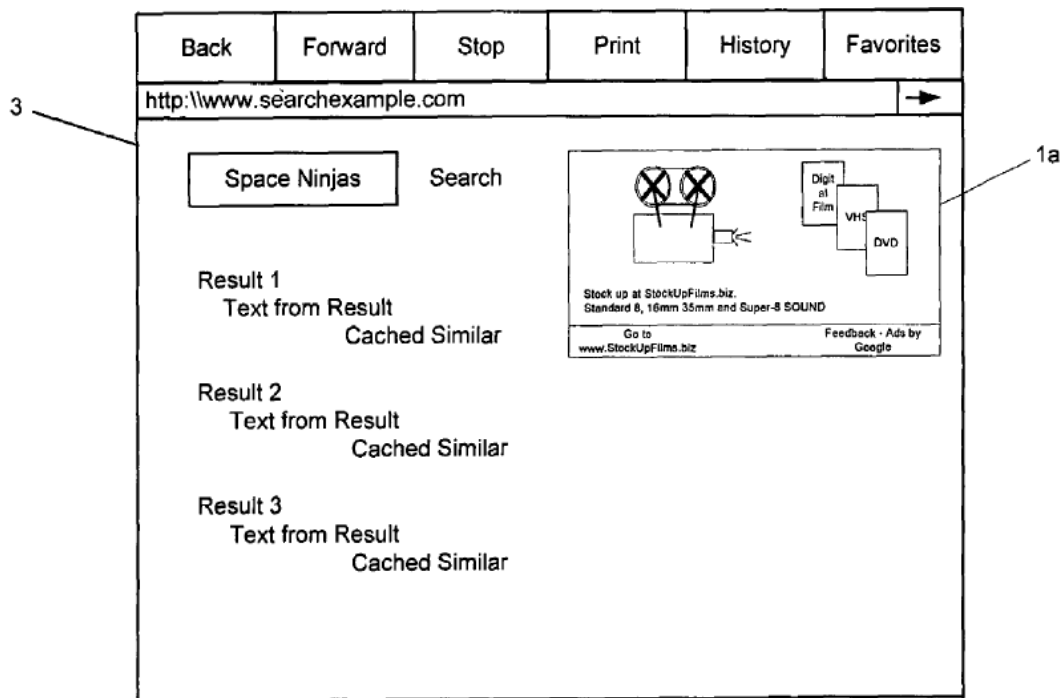


FIG. 4

Badros discloses applying a “time-multiplexing criteria for a plurality of documents based on the time during which a document is actually viewable on the user’s screen.” *Id.* at 11:22–24. Badros further discloses

tracking “the time duration during which the document is actually visible to the user.”⁴ *Id.* at 12:37–40.

Petitioner also relied on declaration testimony of Dr. Trevor Smedley in support of its contentions. *See* Ex. 1009 ¶¶ 70–71; Pet. 23, 36.

In response, Patent Owner argued that a person of ordinary skill in the art “would have understood the discussion of viewability in Badros as referring to a served impression in general,” (i.e., an ad impression served from the server regardless of viewability), or “an ‘above the fold,’ ‘good,’ or ‘high probability’ impression with a higher likelihood of falling within the viewable portion of a webpage.” Paper 35 (“PO Resp.”), 14–15 (citing Ex. 2045 ¶ 74); 17–19. According to Patent Owner, at the time Badros was filed, “the standard for determining whether an ad had been made ‘visible to the user’ was whether the ad had been served from the server,” and not whether the ad was actually in view within the visible area of the browser. *Id.* at 14.

Patent Owner also argued that Badros does not enable the viewability test because “Badros does not teach *how* to implement a viewability test.” *Id.* at 40–42. Patent Owner relied on testimony of Mr. Robert Sherwood in support of its contentions. *See* Ex. 2045 ¶¶ 68–69, 74.

Petitioner responded to Patent Owner’s arguments by arguing that Badros unambiguously discloses using the viewability test and expressly distinguishes “its ‘actually visible’ method from served impressions.” Paper 50, 6 (citing Ex. 1003, 12:39–41, 15:4–8). Petitioner further submitted a declaration from Dr. Michele Madansky, as well as a second

⁴ Because my decision below does not turn on any details associated with Petitioner’s other asserted references, a detailed explanation of these references is not necessary.

declaration from Dr. Smedley in support of its contentions. *See* Exs. 1026, 1027. Petitioner also argued that Badros’s disclosure was enabling because viewability tests were well known for more than a decade prior to the ’329 patent’s priority date. Paper 50, 7–12.

Patent Owner filed a Motion to Exclude Dr. Madansky’s declaration, Dr. Smedley’s second declaration, and other evidence submitted with Petitioner’s Reply. *See* Paper 60.

III. ANALYSIS

In the Final Written Decision, the Board majority agreed with Patent Owner that Badros’s discussion of viewability of advertisements refers only to *served* impressions and that Badros, therefore, does not disclose the claimed viewability test. Dec. 21–22 (citing Ex. 2045 ¶¶ 62, 68, 70, 74). In support, the Board observed that Petitioner’s expert Dr. Smedley had agreed on cross-examination that “Badros doesn’t teach how to do its viewability test,” (*id.* at 22 (citing Ex. 2050, 148:9–22)), and also that Petitioner had failed to identify any description or claim language in Badros directed to determining whether an advertisement is actually in view on an output display device. *Id.* (citing Ex. 1003, 22:40–26:52.5; Paper 70 (Hearing Transcript), 19:7–19).

The Board granted Patent Owner’s Motion to Exclude as to the relevant testimony in Dr. Madansky’s declaration and Dr. Smedley’s second declaration. *Id.* at 25. The Board explained that these declarations support a *prima facie* case of unpatentability and should have been presented with the Petition, not with Petitioner’s Reply. *Id.* at 26 (citing 35 U.S.C. § 312(a)(3); 37 C.F.R. § 42.104(b)(4)–(5); Board’s Consolidated Trial Practice Guide, 73 (Nov. 21, 2019)).

Having considered the Final Written Decision, I agree with Petitioner that the Board conflated enablement and obviousness by focusing on whether Badros discloses “how to” perform the viewability test. DR Request 5–7; *see* Dec. 21 (explaining that Badros lacks “any description of *how to* determine that a predefined area that is used to display an advertisement” (emphasis added)). As the dissent recognized, the Board’s analysis of whether Badros discloses how to perform the viewability test addresses the issue whether Badros’s disclosure is enabling—an issue that the Board majority did not reach. *See* Dissent 7–9; Dec. 22 n.5; *see In re Antor Media Corp.*, 689 F.3d 1282, 1290 (Fed. Cir. 2012) (“Enablement of prior art requires that the reference teach a skilled artisan *to make or carry out* what it discloses in relation to the claimed invention.” (emphasis added)). The Board misunderstood Patent Owner’s arguments as directed to whether Badros discloses the viewability test, and in adopting Patent Owner’s arguments, incorrectly decided that Badros’s disclosure was deficient for the purposes of teaching that claim limitation. *See* Dissent 2, 7–9. The Board failed to adequately explain why Badros does not *disclose* the viewability test. Dec. 21–30.

Badros discloses determining whether a document “is actually viewable on the user’s screen” or “visible to a user” and tracking “the time duration during which the document is actually visible to the user.” *See* Ex. 1003, 11:22–24, 12:37–40. Badros further discloses that “if several documents are intended to be *actually displayed* to a user for five seconds each before switching to the next document, then [the] impression module may keep track of the amount of time that each document is *actually output* on a user’s computer monitor.” *Id.* at 12:49–54 (emphasis added); Ex. 1009 ¶ 70). That is, Badros repeatedly uses phrases such as “actually viewable,”

“actually visible,” and “actually displayed” with reference to the advertisements being displayed. I find no basis to interpret Badros’s disclosure as referring to advertisements being served rather than being viewable to a user.

The Board’s finding that Badros does not disclose viewability was based primarily on Mr. Sherwood’s testimony that a person of ordinary skill would have understood Badros’s disclosure as relating to served impressions. Dec. 21–22 (citing Ex. 2045 ¶¶ 62, 68, 70, 74). I find Mr. Sherwood’s testimony contrary to Badros’s clear disclosure. Badros expressly distinguishes viewed impressions from served impressions. *See* Ex. 1003, 15:4–8 (“The number of ‘actual’ (e.g., verified) impressions may be distinguished from the number of times a document was output to client terminal.”). Mr. Sherwood’s attempt to effectively rewrite Badros’s express teachings is improper and entitled to no weight. Petitioner persuasively shows that Badros discloses the viewability test.⁵

The Board here was troubled by Dr. Smedley’s testimony on cross-examination. Dec. 23–26 (citing Ex. 2050, 50:22–52:19). Regardless of Dr. Smedley’s testimony, I agree with the dissent that Patent Owner’s arguments fail to undermine the clear disclosure in Badros. Dissent 6 (citing *Belden Inc. v. Berk–Tek LLC*, 805 F.3d 1064, 1079 (Fed. Cir. 2015), and *VirnetX Inc. v. Apple Inc.*, 665 F. App’x 880 (Fed. Cir. 2016), for the proposition that no law or rule requires the Board to rely on expert testimony to read the prior art). The claim limitation at issue here, and Badros’s

⁵ I agree with the dissent that whether Badros *claims* a viewability test or includes some claim language directed to the viewability test is simply irrelevant to the issue whether Badros *discloses* the viewability test. *See* Dissent 8; DR Request 7.

disclosure, are easily understandable without the need for expert explanatory testimony. *See Wyers v. Master Lock Co.*, 616 F.3d 1231, 1242 (Fed. Cir. 2010) (explaining that “expert testimony is not required when the references and the invention are easily understandable”).

In response to the DR Request, Patent Owner argues that in Badros’s system, the module running the viewability test resides on a server, and “no known system can meet the determination limitation from the server-side.” DR Resp. 6–9 (citing PO Resp. 19–21). According to Patent Owner, this “is evidence demonstrating that one of ordinary skill, reading Badros at the time of the invention, would have [understood] the reference to be talking about ads *likely to be seen* rather than those that were *determined* to be ‘in view.’” *Id.* at 9. As an initial matter, the Board did not consider this argument in reaching its decision. *See* Dec. 21–22. Moreover, Patent Owner’s argument is once again directed to whether a skilled artisan would have been able *to make or carry out* what Badros discloses in relation to the claimed invention, i.e., enablement, not to whether Badros adequately *discloses* the viewability test. *See Symbol Techs., Inc. v. Opticon, Inc.*, 935 F.2d 1569, 1578 (Fed. Cir. 1991) (explaining that “a non-enabling reference may qualify as prior art for the purpose of determining obviousness under § 103”); *Beckman Instruments, Inc. v. LKB Produkter AB*, 892 F.2d 1547, 1551 (Fed.Cir.1989) (“Even if a reference discloses an inoperative device, it is prior art for all that it teaches”). As discussed above, Badros plainly discloses tracking whether an advertisement is *actually* visible to the user, not just whether it is *likely* to be viewed by the user. *See* Ex. 1003, 11:22–24, 12:37–40. That disclosure sufficiently *teaches* the limitation, regardless of whether that teaching alone, or in combination with other evidence of record, would have enabled an ordinarily skilled artisan to carry out the claimed viewability

test—an issue the Board has not fully addressed. *See Raytheon Techs. Corp. v. General Electric Co.*, 993 F.3d 1374, 1380–81 (Fed. Cir. 2021) (explaining that “a prior art reference asserted under § 103 does not necessarily have to enable its own disclosure, i.e., be ‘self-enabling,’ to be relevant to the obviousness inquiry”). As discussed below, on remand, the Board should consider whether Badros is self-enabling, and if not, whether other evidence of record would enable an ordinarily skilled artisan to make and use the viewability test. *Id.*

Patent Owner also argues that the Board’s decision was correct in light of Dr. Smedley’s cross-examination testimony declining to confirm that Badros taught the viewability test. DR Resp. 1–3 (citing Dec. 23–24), 10–15 (citing Ex. 1009 ¶¶ 70–71). As discussed above, I agree with the dissent that, given Badros’s disclosure, expert testimony is not dispositive, or even necessary, to resolve whether Badros discloses the viewability test. Moreover, as Patent Owner acknowledges, in his first declaration, Dr. Smedley “expressly offered opinions about Badros (and only Badros) as supposedly teaching the determination limitation.” DR Resp. 12. And although he denied at cross-examination having formed such an opinion, the testimony he offers in his second declaration is no different than that in his first one. *See* Ex. 1027 ¶ 11 (citing Ex. 1009 ¶ 70, and quoting some of the same portions of Badros). Patent Owner’s suggestion that the Board was required to ignore all other evidence in light of Dr. Smedley’s cross-examination testimony is incorrect.

Lastly, Patent Owner argues that Petitioner’s request ignores all evidence of objective indicia of nonobviousness. DR Resp. 4–6. On remand, the Board will have an opportunity to address Patent Owner’s

remaining arguments, including those related to objective indicia of nonobviousness.

Therefore, I respectfully vacate the Board’s Final Written Decision and remand to the Board for further proceedings. The Board shall issue a new decision addressing the patentability of claims 1–10 of the ’329 patent, including addressing whether the evidence of record shows that Badros’s viewability test is enabled. Consistent with *Amgen Inc. v. Hoechst Marion Roussel, Inc.*, 314 F.3d 1313, 1355 (Fed. Cir. 2003), the Board should apply a presumption “that both the claimed and unclaimed disclosures in a prior art patent are enabled,” and place the burden on Patent Owner to prove that Badros’s viewability test is not enabled. *See Apple Inc. v. Corephotonics, Ltd.*, No. 2020-1438, 2021 WL 2577597, at *4 (Fed. Cir. June 23, 2021) (explaining that “prior art patents and publications enjoy a presumption of enablement, and the patentee/applicant has the burden to prove nonenablement for such prior art”). I agree with the Board that “it was proper for Petitioner to submit new evidence with its Reply to rebut Patent Owner’s lack of enablement argument” (Dec. 29 n.10), and thus, the Board should consider Petitioner’s evidence, including Dr. Madansky and Dr. Smedley’s testimony, in making its enablement determination.⁶ *See*

⁶ Petitioner argues that Badros’s disclosure is remarkably similar to the disclosure of the ’329 patent, and that it has demonstrated that Badros enables the viewability test. DR Request 7–10. In addition, Petitioner argues that because viewability tests were well known at the time of Badros, there was no need for Badros to “explain what was already well known.” *Id.* at 10–11. On remand, the Board should consider these arguments, as well as any other relevant record material, in determining whether Patent Owner has met its burden to prove that Badros’s viewability test is not enabled. *See*

Apple Inc. v. Andrea Elecs. Corp., 949 F.3d 697, 707 (Fed. Cir. 2020) (finding that the Board abused its discretion in ignoring petitioner’s responsive arguments to issues raised by patent owner during trial); *Rembrandt Diagnostics, LP v. Alere, Inc.*, 76 F.4th 1376, 1384 (Fed. Cir. 2023) (“there is no blanket prohibition against the introduction of new evidence during an IPR”).

The Board shall consider all remaining necessary issues, and determine whether Petitioner has shown, by a preponderance of the evidence, that claims 1–10 of the ’329 patent would have been obvious.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that Director Review is granted;

FURTHER ORDERED that the Board’s Final Written Decision (Papers 71, 74) is vacated; and

FURTHER ORDERED that the captioned proceeding is remanded to the Board for further proceedings consistent with this decision.

In re Wands, 858 F.2d 731, 737 (Fed. Cir. 1988) (listing factors to be considered in determining enablement).

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