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NETFLIX, INC.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

OPENTV, INC.

Plaintiff,

v.

NETFLIX, INC.,

Defendant.

OPENTV, INC. and NAGRA FRANCE SAS,

Plaintiffs,

v.

NETFLIX, INC.,

Defendant.

Case No. 3:14-cv-01525-RS
Case No. 3:14-cv-01723-RS

**DEFENDANT NETFLIX, INC.'S MOTION
FOR SUMMARY JUDGMENT OF LACK OF
PATENTABLE SUBJECT MATTER AS TO
U.S. PATENTS 7,055,169, 7,305,691 AND
8,332,268**

Date: September 11, 2014
Time: 9:00 a.m.
Ctmm: 3, 17th Floor
Judge: Honorable Richard Seeborg

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NOTICE OF MOTION

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on September 11, 2014, at 9:00 a.m., or as soon thereafter as the matter maybe heard, in the courtroom of the Honorable Richard Seeborg, United States District Court, 450 Golden Gate Avenue, San Francisco, CA 94102, Defendant Netflix, Inc. (“Netflix”) will move this court for summary judgment for lack of patentable subject matter as to U.S. Patents 7,055,169, 7,305,691 and 8,332,268.

STATEMENT OF RELIEF SOUGHT

Netflix seeks a summary judgment ruling from this Court that U.S. Patents 7,055,169, 7,305,691 and 8,332,268 are invalid for lack of patentable subject matter.

MEMORANDUM OF POINTS AND AUTHORITIES**I. INTRODUCTION**

The patents challenged in this motion are directed to abstract ideas of startling breath that would not have issued under current law – ideas like “making sure you have the resources you need to make a presentation before you start it” and “using information about a customer to select material for him.” The patents claim these ideas in broad functional language that could be performed by a person as a series of purely mental steps and without reference to *any* machine, device, context, or implementation whatsoever. Indeed, even at their most specific, the patents claim these abstract ideas using only conventional computer equipment, which performs conventional processing steps in order to implement the abstract ideas in a conventional technological environment.

The patent laws do not protect abstract ideas of this kind, even when those concepts are implemented on computers or limited to particular technological environments. *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014) (“*Alice*”); *see also Bilski v. Kappos*, 130 S. Ct. 3218, 3230 (2010) (“[T]he prohibition against patenting abstract ideas cannot be circumvented by attempting to limit the use of the formula to a particular technological environment”). Indeed, as discussed in more detail below, the patents at issue in this motion fail under every test, standard and analytical mechanism that the Supreme Court and Federal Circuit have used to measure abstraction. The claims, therefore, fall outside the scope of 35 U.S.C. § 101 and are invalid as abstract.

II. ARGUMENT

A. The Court Should Decide the Question of Patentable Subject Matter

“Whether a claim is drawn to patent-eligible subject matter under § 101 is a threshold inquiry” and “an issue of law.” *In re Bilski*, 545 F.3d 943, 951 (Fed. Cir. 2008), *aff’d sub nom. Bilski v. Kappos*, 561 U.S. 593, 130 S. Ct. 3218, 3225 (2010) (describing § 101 as “a threshold test.”); *Parker v. Flook*, 437 U.S. 584, 593 (1978) (inquiry under § 101 “must precede the determination of whether [a] discovery is, in fact, new or obvious”); *SiRF Tech., Inc. v. Int’l Trade Comm’n*, 601 F.3d 1319, 1331 (Fed. Cir. 2010) (“Whether a claim is drawn to patent-eligible subject matter is an issue of law”).

For this reason, a district court has broad discretion as to the appropriate time to decide whether a patent claim satisfies the requirements of § 101. For example, in *Bancorp Services, LLC v. Sun Life Assurance Co. of Canada*, 687 F.3d 1266, 1273 (2012), *cert. denied*, No. 13-584, 2014 WL 2921725 (June 30, 2014), the Federal Circuit considered a case in which the district court “declined to construe numerous disputed terms prior to considering invalidity under § 101.” The Federal Circuit “perceive[d] no flaw” in the district court’s approach to deciding the § 101 issue first, and affirmed the district court’s holding of invalidity. *Id.* Indeed, the sole case in which the Federal Circuit had suggested that early adjudication of § 101 might be problematical because of the potential for factual issues has been vacated by the Supreme Court. *See WildTangent v. Ultramercial, LLC*, 722 F.3d 1335 (Fed. Cir. 2013), *cert. granted, judgment vacated*, No. 13-255, 2014 WL 2921707 (June 30, 2014).

In the present case, the § 101 issue is ripe for decision because the validity of the asserted claims does not turn on any issue of claim construction. This fact is not reasonably subject to dispute but, to the extent that OpenTV thinks that its preferred construction of a particular term would make a difference to the eligibility analysis, it should come forward with that construction, provide the supporting intrinsic evidence and explain how its construction would change the result. *See Cyberfone Sys., LLC v. Cellco P’ships*, 885 F. Supp. 2d 710, 715 (D. Del. 2012) (because “plaintiff did not explain how claim construction might alter [the court’s § 101] analysis the court concludes that it may proceed without the benefit of claim construction”), *aff’d sub nom. Cyberfone Sys., LLC v. CNN Interactive Grp., Inc.*, 558 Fed. App’x 988 (Fed. Cir. 2014). Absent such a showing, the § 101 issue may properly be decided without claim construction. *See Compression Tech. Solutions, LLC v. EMC Corp.*, 557 Fed. App’x 1001

(Fed. Cir. 2014) (summary affirmation of Judge Whyte’s decision to invalidate claims under § 101 prior to claim construction after concluding that plaintiff’s proffered construction, while of dubious validity, made no difference in the result).

Given the number of patents at issue in this case, the potential simplification of the issues, the fact that patentable subject matter is a “threshold issue,” and the fact that, in this case, the issue does not turn on claim construction, the Court should exercise its discretion to resolve the issue now.

B. A Patent May Not Claim An Abstract Idea Implemented On Conventional Computers

In *Alice*, the Supreme Court applied a two-step framework for determining patent eligibility, previously articulated in *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289 (2012):

First, we determine whether the claims at issue are directed to one of those patent-ineligible concepts. If so, we then ask, “[w]hat else is there in the claims before us?” To answer that question, we consider the elements of each claim both individually and “as an ordered combination” to determine whether the additional elements “transform the nature of the claim” into a patent-eligible application. We have described step two of this analysis as a search for an “inventive concept” – *i.e.*, an element or combination of elements that is sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.¹

Alice, 134 S. Ct. at 2355.²

The Court did not endorse a specific approach for evaluating whether a claimed invention is directed to a patent-ineligible abstract idea in satisfaction of the first step. Instead, the Court compared the claims at issue to those it had previously evaluated and found that it “follows from our prior cases, and *Bilski* in particular, that the claims at issue here are directed to an abstract idea.” *Id.* at 2356.

Having identified the claimed idea as abstract, the Court went on to explain that, in order to survive the second step, “[a] claim that recites an abstract idea must include ‘additional features’ to ensure that the [claim] is more than a drafting effort designed to monopolize the [abstract idea].” *Id.* at 2357. In contrast, “[s]imply appending conventional steps, specified at a high level of generality is not ‘enough’ to supply an ‘inventive concept.’” *Id.*

¹ Throughout this brief, internal citations and quotation marks are frequently omitted for the sake of readability.

² The “*Alice/Mayo* framework” hereinafter.

1 The Court cautioned that the second step cannot be satisfied by limiting the claims to a particular
2 technological environment or by reciting the use of conventional computers to perform conventional
3 steps. As the Court explained, its prior cases established “the proposition that the prohibition against
4 patenting abstract ideas cannot be circumvented by attempting to limit the use of [the idea] to a particular
5 technological environment.” *Id.* at 2358. A claim that recites the use of generic computer components to
6 carry out an abstract idea is not patent eligible precisely because it does no more than that – *i.e.*, it offers
7 no “limitation beyond generally linking the use of the [method] to a particular technological
8 environment, that is, implementation via computers.” *Id.* at 2360.

9 The Supreme Court also found the system claims to be “no different in substance from the
10 method claims” because “[t]he method claims recite the abstract idea implemented on a generic
11 computer; the system claims recite a handful of generic computer components configured to implement
12 the same idea.” *Id.* at 2351. Because patent eligibility cannot “depend simply on the draftsman’s art” the
13 fact that that system claims were “no different ... in substance” from the method claims meant that all the
14 claims rose or fell together. *Id.*

15 The *Alice/Mayo* framework follows a long line of cases finding systems and methods that merely
16 confine the claims to a particular technological environment and/or are implemented using generic
17 computers to be patent ineligible. In *Gottschalk v. Benson*, for example, the Court rejected “a method of
18 programming a general-purpose digital computer to convert signals from binary-coded decimal form into
19 pure binary form.” 409 U.S. 63, 65 (1972). The Court observed that the steps could be “carried out in
20 existing computers long in use, no new machinery being necessary” and held them invalid under § 101.
21 *Id.* at 67.

22 Similarly, in *Parker*, the Court rejected a claim directed to updating an alarm limit for a catalytic
23 conversion process. 437 U.S. at 585-86. The Court found that claim not patent eligible “not because it
24 contains a mathematical algorithm as one component, but because once that algorithm is assumed to be
25 within the prior art, the application, considered as a whole, contains no patentable invention.” *Id.* at 594.
26 In other words, the Court held the abstract idea (the algorithm) to one side and then focused on whether
27 the remainder of the claim constituted a patent-eligible invention. This analytical approach is the same as
28 the second step of the *Alice/Mayo* framework; in both cases, the question is whether the claim contains

1 an “inventive contribution” other than the abstract idea. To be patentable, an invention must contain an
2 inventive implementation and not merely an inventive (but abstract) idea coupled with conventional steps
3 and devices. *See Mayo*, 132 S. Ct. at 1300 (“[S]imply appending conventional steps, specified at a high
4 level of generality, to ... abstract ideas cannot make those ... ideas patentable.”).

5 For this reason, limiting the use of an abstract idea to a conventional technological environment
6 does not render the idea patentable. In *Bilski*, 130 S. Ct. at 3231, for example, the Court found that the
7 dependent claims were an “attempt to patent the use of the abstract idea of hedging risk in the energy
8 market and then instruct the use of well-known random analysis techniques to help establish some of the
9 inputs into the equation.” The Court then found that the abstract idea was not rendered patent eligible
10 simply because the claim limited it to a particular domain and/or called for the use of conventional
11 “random analysis” techniques. *Id.* Thus, *Bilski* is further support for the proposition that abstract ideas
12 cannot be made patent eligible by limiting them to particular environments or by coupling them with
13 conventional technical steps.

14 In line with this principle, (and consistent with the holding in *Alice*), the Federal Circuit has
15 repeatedly found that the recitation of conventional computers (including both stand-alone computers and
16 client/server systems) and well-known computing techniques cannot transform an otherwise patent-
17 ineligible abstract idea to a patent-eligible invention. *See CyberSource Corp. v. Retail Decisions, Inc.*,
18 654 F.3d 1366 (Fed. Cir. 2011); *Bancorp Servs. L.L.C. v. Sun Life Assurance Co.*, 687 F.3d 1266 (Fed.
19 Cir. 2012), *cert. denied*, No. 13-584, 2014 WL 2921725 (June 30, 2014); *Dealertrack, Inc. v. Huber*, 674
20 F.3d 1315 (Fed. Cir. 2012); *Accenture Global Servs. GmbH v. Guidewire Software Inc.*, 728 F.3d 1336,
21 1342, 1345 (Fed. Cir. 2013), *cert. denied*, No. 13-918, 2014 WL 348249 (June 30, 2014); *Cyberfone Sys.,*
22 *LLC v. CNN Interactive Grp., Inc.*, 558 Fed. App’x 988 (Fed. Cir. 2014).

23 C. The Claims of the Challenged Patents Are Directed To Abstract Ideas

24 The first step of the *Alice/Mayo* framework is to determine whether the claims are drawn to an
25 abstract idea. They are. Indeed, as set forth below the claims of each of the challenged patents are
26 directed to an idea that is *at least* as abstract (and generally more abstract) than the idea at issue in *Alice*.

1 **1. The Claims of the '169 Are Directed to Abstract Ideas**

2 The '169 patent is directed to and claims the idea of *ensuring that the necessary resources are*
 3 *available before commencing a presentation that requires those resources*. Consider, for example,
 4 Claim 1 of the '169 patent:

5 1. A method comprising:

6 [a] receiving one or more directives, wherein said directives are indicative of
 7 an audio, video and/or graphic presentation which requires a set of
 8 resources;

9 [b] determining whether said one or more directives includes a prerequisite
 10 directive which indicates that acquisition of a subset of said set of
 11 resources is a prerequisite for initiating the presentation;

12 [c] initiating said presentation, in response to determining the one or more
 13 directives do not include said prerequisite directive; and

14 [d] prohibiting initiation of said presentation until said subset of resources are
 15 acquired, in response to determining the one or more directives include
 16 said prerequisite directive.

17 On its face, this claim is directed to an abstract idea. It does not require any device or machine
 18 and a person could literally perform each step of the method in his mind or with a pencil and paper. For
 19 example, a person (say, a lawyer on this case) could [a] receive a directive from the Court (“the Court
 20 will allow a PowerPoint presentation in accordance with the local rules”) which is indicative of a
 21 presentation which requires a set of resources (*e.g.*, a laptop, projector, display screen, and anything else
 22 required by the local rules). The lawyer could [b] *determine* whether the Court’s directive includes a
 23 prerequisite directive that indicates that acquisition of a subset of these resources is needed to begin the
 24 presentation (*e.g.*, whether the local rules require the parties to obtain an order before bringing equipment
 25 into the building). The lawyer could then [c] *initiate* the presentation if no prerequisite were necessary or
 26 [d] *prohibit* initiation until s/he had acquired the necessary resources (*e.g.*, obtained the necessary order).
 27 Notably this is not even an *analogy* for the claimed process – it *is* the claimed process.

28 The other independent claims are directed to the same idea. In particular, Claim 23 is virtually
 identical to Claim 1 but written in *Beauregard* form, while Claims 13 and 22 call for the method to be
 implemented using a handful of generic computer components (namely a “proxy server,” “client device,”
 “receiver,” and “a processing unit”). See *In re Beauregard*, 53 F.3d 1583 (Fed. Cir. 1995). None of

these differences (or the elements added by the dependent claims) change the fact that the claims satisfy the first step of the *Alice/Mayo* framework because they are directed to the abstract idea of blocking a presentation until necessary resources are obtained. Indeed, as shown by the analysis at the second step of the *Alice/Mayo* framework (below) the only things added by Claims 2-23 (beyond more abstract ideas) are references to particular technological environments and generic computers that perform purely conventional processing steps.

2. The Claims of the '268 Are Directed To Abstract Ideas

The '268 patent explains that “[t]he present invention relates generally to managing the delivery of content to online users and, more particularly, to a method and system for scheduling content delivery.” ’268 at 1:13-16 (emphasis added). In particular, the claims are directed to ***using information about users to customize a list of content for delivery.*** Consider, for example, Claim 1:

1. A method of scheduling delivery of multiple items of content selectively to a plurality of online users, comprising:
 - [a] determining expected values relating to each user being online to access information over the Internet during a given time period;
 - [b] generating an ordered list of the items of content to be selectively delivered to the users based on the expected values, said ordered list being prioritized to meet delivery requirements associated with said items of content; and
 - [c] generating an individual list of items of content to be delivered to each user based on the ordered list, wherein said individual list is dynamically generated for each user on user login.

All of the steps called for in Claim 1 could be performed in a person’s mind or with a pen and paper. A person could, for example, mentally *determine* expected values which relate to each user being online during a given time period (*e.g.*, the number of people expected to be online at 8 p.m. on Tuesday), could *generate* a list of content items either in their mind or by writing it down, *prioritize* the list based on delivery requirements (*e.g.*, move items that must be delivered before 9 p.m. to the top of the list) and then *dynamically generate* an individual list of items to be delivered to each user when s/he logs in. None of these steps even require the use of a general purpose computer. Instead, they are directed to actions – *determining* expected values and *generating* lists – which can be performed in the

mind. That is the hallmark of an abstract idea. As the Federal Circuit explained in *CyberSource*, 654 F.3d at 1372:

It is clear that unpatentable mental processes are the subject matter of claim 3. All of claim 3's method steps can be performed in the human mind, or by a human using a pen and paper. Claim 3 does not limit its scope to any particular fraud detection algorithm Rather, the broad scope of claim 3 extends to essentially any method of detecting credit card fraud ... even methods that can be performed in the human mind.

Thus, Claim 1 is directed to an abstract idea and satisfies the first prong of the *Alice/Mayo* framework.

The other independent claims are directed to the same basic idea with only minor variations. Claims 21, 39 and 53 are method claim which are built on the same verbs, namely, (i) “*determining* expected values,” (ii) “*generating* an ordered master list,” (iii) “said [ordered master] list *being* prioritized,” and (iv) “*generating* an individual list of items to be delivered.” The claims do call for the use of different *kinds* of data and for different *kinds* of items to be placed on the lists (and for Claim 39, *delivering* those items).³ But nothing about the specific *kind* of data used or the *kind* of content selected changes the fact that the claims are directed to the abstract idea of ***using information about users to customize a list of content for delivery.***

Similarly, Claims 35 and 36 are system claims that recite generic hardware components which perform the steps called for in the method claims. The recitation of this kind of generic hardware makes no difference to the abstractness analysis. *Alice*, 134 S. Ct. at 2351 (“[T]he system claims are no different from the method claims in substance. The method claims recite the abstract idea implemented on a generic computer; the system claims recite a handful of generic computer components configured to implement the same idea.”).

The dependent claims are also directed to the same abstract idea and contain only minor linguistic and contextual variations. In particular, those claims are directed to: (i) types of data which can be used in *determining* the expected values (Claims 2, 22 and 40); (ii) types of expected values which can be *determined* from the data (Claims 3-4, 23-24 and 41-42); (iii) factors which can be taken into account in

³ The fact that Claim 39 calls for the delivery of items does not change the fact that the claim is directed to an abstract idea. A person could, after all, *deliver* the items (especially in light of the fact that the method of delivery is not specified) and, in any event, the delivery is merely extra-solution activity. See *Parker*, 437 U.S. at 590.

generating or prioritizing the list of items to be delivered to a consumer (Claims 5, 8, 9-11, 17-20, 27-29, 34, 45-47, 52 and 54-56); (iv) types of items which can be listed on the recited lists (Claims 12-14, 30-31 and 48-50); (v) the frequency with which the recited lists are generated (Claims 6-7, 25-26 and 43-44); (vi) the concept of *tracking* the items that have been delivered to the users (Claims 15, 32 and 51); and (vii) applying the concept to generic technological environments such as the internet (Claims 16, 33, 37-38).⁴ Because (as shown in more detail at the second step of the analysis below) all of the dependent claims are directed either to various *types* of abstract data manipulation and/or recite the use of generic technology to perform *the same idea*, they are, like the independent claims, directed to abstract ideas and satisfy the first prong of the *Alice/Mayo* framework.

3. The Claims of the '691 Are Directed To Abstract Ideas

The '691 patent is directed to systems and methods “for providing targeted programming to a user outside of the user’s home.” '691 at Abstract. In particular, the claims are directed to the abstract idea of ***selecting an item of special interest to a user based on a user profile updated with information about the user’s actions and location.*** Consider, for example, Claim 1:

1. A method for providing targeted programming to a user outside of the user’s home, the method comprising:
 - [a] receiving a user identification associated with a user, the user identification comprising an identifier corresponding to an account number used in a transaction;
 - [b] receiving reception site information to identify a user action and a site at which the user action is taking place;
 - [c] capturing additional user information from the identified user action and the reception site information;
 - [d] updating a user profile to include the captured additional user information;
 - [e] receiving the updated user profile based upon the user identification and the additional user information, the user profile including information characteristic of the user;
 - [f] processing the updated user profile to provide user determinations regarding user actions;

⁴ Limiting the claim to such an environment does not render it patent eligible. *See Accenture*, 728 F.3d at 1345 (“Accenture attempts to limit the abstract idea of claim 1 by applying it in a computer environment and within the insurance industry. However, those types of limitations do not ‘narrow, confine, or otherwise tie down the claim.’”).

[g] selecting a targeted program based on the reception site information and the updated user profile and the user determinations, and

[h] providing the targeted program for presentation to a user outside of the user's home.

All of the steps of this method could be performed by a person either in his mind or with pencil and paper. A person could, for example *receive* (either orally or in writing) both [a] a user identification (including an ID number) and [b] information about both a user's action and the location where that action took place. The person performing the method could then [c] *capture* (by, for example, writing it down) additional information about the user based on the nature of the action and the location, and use it to [d] *update* the user's profile. For example, based on a report that a particular user was playing football in the park, a person performing the method might update the user's profile with information that the user "likes outdoor sports." The person might also [e] *receive* the updated user profile (at, for example, a later time) and [f] *process* the profile (by, for example, reading it and taking notes) to provide information about the user's actions. Our hero might then use all of the foregoing information to [g] *select* a program (e.g., an NFL game) that was specifically targeted to the user and then [h] *provide* the program to the user outside of his home (by, for example, hand delivering a copy to him at his workplace).⁵

This claim is abstract under every analytical approach the Supreme Court and Federal Circuit have articulated. It is directed to purely mental steps, does not involve *any* machine, and amounts to nothing "substantially more" than the idea of selecting an item of special interest to a user based on a user profile updated with information about the user's actions and location. *See CyberSource*, 654 F.3d at 1372; *accord Fort Props., Inc. v. Am. Master Lease LLC*, 671 F.3d 1317, 1322-23 (Fed. Cir. 2012) (invention that can be processed using paper or other writing is insufficiently tied to the real world).

The other independent claims are not materially different. Claims 23 and 48 are system claims that call for performing the method of Claim 1 using generic computer equipment. In particular, they call for using a "user interface device" and/or an "input device" to obtain the information, a "controller" to receive the information and select the program, and a "presentation device" to receive the program on behalf of the user. Claims 70 and 71 recite the same method of Claim 1, but are written in *Beauregard*

⁵ Notably, according to dependent Claim 22 the "program" may be something as simple as "graphics" or "textual information" and therefore is something that could be *created* by a person using nothing more than pencil and paper.

form. And Claim 72 recites the same idea in means-plus-function form. Thus *all* of the independent claims are directed to the same abstract idea as Claim 1 and satisfy the first prong of the *Alice/Mayo* framework.

As shown in more detail below (in connection with the second prong of the *Alice/Mayo* framework), the dependent claims only add minor modifications and do not change the abstract *idea* to which each claim, as a whole, is directed. Indeed, the dependent claims all either: (i) recite generic computer devices for storing, processing and moving the data used in the claims (Claims 2, 3, 4, 7, 8, 9, 11, 14-20, 24-26, 28, 29, 32-36, 38-47, 49-54, 56, 59-67); (ii) apply the claimed idea to single or multiple users (Claims 5, 6, 37, 68, 69); and/or (iii) call for using the claimed method with different kinds of programs and/or well-known data formats (Claims 10, 12, 13, 21, 22, 27, 30, 31, 55, 57, 58). In other words, the dependent claims are all directed to minor *variations* on the abstract idea that is embodied in the independent claims and not to *different* ideas.

D. The Claims of the Challenged Patents Do Not Contain Any Additional Elements That Would Transform The Claims Into Patentable Subject Matter

The second step of the *Alice/Mayo* framework requires determining whether the claims contain an inventive concept sufficient to transform the recited abstract idea into a patent-eligible invention. In *Alice*, the Supreme Court warned that “the prohibition against patenting abstract ideas cannot be circumvented by attempting to limit the use of [the idea] to a particular technological environment” and that for this reason “the mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention.” *Alice*, 134 S. Ct. at 2358. Indeed, “[g]iven the ubiquity of computers . . . [a] wholly generic computer implementation is not generally the sort of ‘additional feature’ that provides any ‘practical assurance that the process is more than a drafting effort designed to monopolize the abstract idea itself.’” *Id.* Yet such a “wholly generic computer implementations” are the only things – beside the abstract ideas – recited by the challenged claims.

1. The Claims of the ’169 Do Not Contain Any Transformative Elements

The ’169 patent has 23 claims of which four (Claims 1, 13, 22 and 23) are independent. All claim abstract ideas. As noted above, Claim 1 of the ’169 patent could *literally* be performed in the human mind or with pencil and paper. It does not contain any reference to a computer or other machine.

1 Instead, it is directed to a process that could be performed by a person and which could apply to *any*
 2 technological context and/or activity. For this reason, it directly implicates the “pre-emption concern that
 3 undergirds [the Court’s] §101 jurisprudence.” *Alice*, 134 S. Ct. at 2358; *see also Gottschalk*, 409 U.S. at
 4 67 (“[A]bstract intellectual concepts are not patentable, as they are the basic tools of scientific and
 5 technological work.”). There is *nothing* in the claim that could act as the kind of “additional element”
 6 needed to “‘transform’ the claimed abstract idea into a patent-eligible application” or “to ensure that the
 7 [claim] is more than a drafting effort designed to monopolize the [abstract idea].” *Alice*, 134 S. Ct. at
 8 2357.

9 Claim 2 depends from Claim 1 and further requires that the prerequisite directive includes “one or
 10 more directives selected from the group consisting of: a markup language, a scripting language, and a
 11 style sheet.” In other words, Claim 2 calls for the directives to be *expressed* in either of two different
 12 types of languages and/or through a style sheet. But *languages* and *style sheets* are abstract ideas in and
 13 of themselves. At most they are a group of rules and conventions for expressing information, which can
 14 be spoken or written down by a person using paper and pencil. Thus, Claim 2 adds only another abstract
 15 idea onto Claim 1 and does not transform the claim as a whole into patentable subject matter.

16 Claim 3 depends from Claim 2 and further requires that the directives “are received by a proxy
 17 server in an interactive television system.” At most, this claim calls for a conventional computer (the
 18 proxy server)⁶ to perform a conventional step (receiving information) in the context of a particular
 19 technical environment (*i.e.*, an interactive television system). The Court has been clear, however, that
 20 “the prohibition against patenting abstract ideas ***cannot be circumvented by attempting to limit the use***
 21 ***of [the idea] to a particular technological environment***” such as interactive television. *Alice*, 134 S. Ct.
 22 at 2358 (emphasis added); *see also Bilski*, 130 S. Ct. at 3230. Nor is Claim 3 rendered patentable by
 23 reciting the use of a server to receive information. Indeed, *Alice* expressly held that abstract methods are
 24 not rendered patentable where “each step does no more than require a generic computer to perform

25 ⁶ The specification indicates that the “proxy server ... includes [a] server ... and [a] processing
 26 mechanism.” ’169 at 4:51-52. In other words, it is made up of generic components. *See Alice*, 134 S.
 27 Ct. at 2360 (“[A] ‘data processing system’ with a ‘communications controller’ and ‘data storage unit,’ for
 28 example . . . is purely functional and generic.”); *Accenture*, 728 F.3d at 1342, 1345 (claims reciting a
 both client and server components are invalid under § 101); *Cyberfone*, 558 Fed. App’x at 992 (a
 telephone is “not a specific machine, and adds nothing of significance to the claimed abstract idea.”).

generic computer functions.” *Alice*, 134 S. Ct. at 2359. And in *Accenture*, the Federal Circuit rejected claims that were *both* limited to a particular technical environment (insurance claims processing) and to a client/server implementation. 728 F.3d at 1345 (“Accenture’s attempts to limit the abstract concept to a computer implementation and to a specific industry ... do not provide additional substantive limitations to avoid preempting the abstract idea of system claim 1.”).

Claim 4 depends from Claim 3 and further requires that the determining step “is performed by [the] proxy server” and that the proxy server sends “signals indicative of said subset of resources to a remote client device.” Again, however, signals and servers are both conventional and generic technology and thus these limitations add nothing to the base claim besides the notion that the abstract idea is to be performed using generic computer components. That is not sufficient. *See CyberSource*, 654 F.3d at 1375 (“[T]he basic character of a process claim drawn to an abstract idea is not changed by claiming only its performance by computers”).

Claim 5 depends from Claim 4 and further requires “acquiring said subset of resources in response to detecting said signals.” This is merely the addition of another abstract idea: obtaining the necessary resources in response to an (undefined and generic) signal indicating that those resources are needed. The addition of such an abstract idea cannot *transform* the claim into patent-eligible subject matter. Instead, it simply piles one abstract idea on top of another.

Claim 6 depends from Claim 5 and further specifies that “said subset” includes “streaming audio and/or video” and that the act of acquiring it includes “configuring hardware resources within said client device.” All this claim does is specify a *type* of information which can be used as a resource in the claimed method (*i.e.*, *streaming* audio or video) and call for making (unspecified) adjustments to (unspecified) hardware within a (unspecified) “client device” in order to obtain it. This is exactly the kind of vague, generic recitation of computer components rejected in *Alice*.

Claim 7 depends from Claim 5 and specifies that the “acquisition of the subset of resources” includes “the client device initiating requests for remotely located resources to be conveyed to said client device.” Thus, the claim requires no more than an (unspecified) computer fetching needed information from a remote location. In other words, this claim “does no more than require a generic computer to perform generic computer functions” and does not add a transformative element. *Alice*, 134 S. Ct. at

1 2359.

2 Claims 8, 9, 10 and 11 all depend from Claim 1 and call for adding a piece of data that designates
 3 an (unspecified) resource as a prerequisite. The only difference between the claims is that each one calls
 4 for performing this task in the context of different programming or industry standard. Thus, Claim 8
 5 calls for “enhancing a root entity in DTD to add a showstopper attribute indicative of prerequisite
 6 resources,” Claim 9 calls for “using a label within a Declarative Data Essence standard as an attribute to
 7 indicate a prerequisite resource,” Claim 10 calls for “enhancing DVB-MHP by adding a showstopper
 8 AIT descriptor indicative of pre-requisite resources” and Claim 11 calls for “defining a META
 9 name/value pair, wherein said name is indicative that said corresponding value is a prerequisite
 10 resource.” All four of these claims are directed to the same idea – adding data (by “enhancing a root
 11 entity,” “using a label,” “adding a ... descriptor” and “defining ... a name/value pair”) to a well-known
 12 data structure (a Document Type Definition, a Declarative Data Essence standard, an Application
 13 Information Table, and a Metadata definition) in order to “indicate” one or more “pre-requisite
 14 resources.” While the claims use slightly different terminology,⁷ nothing about the subject matter
 15 eligibility depends on how the Court construes the terms. Indeed, *regardless* of their construction, all of
 16 these claims call for adding a piece of data to a data structure in order to specify which resources are
 17 essential within a particular technological context.

18 Claiming the application of an abstract idea in a particular technological context is *not* patentable.
 19 As the Supreme Court explained in *Alice*, “[s]tating an abstract idea while adding the words ‘apply it’ is
 20 not enough for patent eligibility. Nor is limiting the use of an abstract idea to a particular technological
 21 environment” because it does nothing to mitigate “the pre-emption concern that undergirds our §101
 22 jurisprudence.” 134 S. Ct. at 2358. The Federal Circuit has so held as well. For example, in *Accenture*,
 23 the Federal Circuit noted that Accenture had attempted “to limit the abstract idea of claim 1 by applying
 24 it in a computer environment and within the insurance industry.” 728 F.3d at 1345. In particular,
 25 Accenture had drafted its claims to include a “claim folder, a task library database, a server component,
 26

27 ⁷ For example, two of the claims use the term “showstopper” which the patent indicates are types of
 28 “essential resources [that] may be referred to as showstoppers because creators do not want anything
 displayed until at least these essential resources are available” ’169 patent at 47:30-32.

1 and a task engine” and to specify the causal interactions between those elements. The Federal Circuit
 2 nevertheless found that the claims were invalid under § 101 because “those types of limitations do not
 3 ‘narrow, confine or otherwise tie down the claim.’” *Id.*⁸ Indeed, the Federal Circuit has held (post-*Alice*)
 4 that the kind of data manipulation recited in claims 8-11 is *not* patent eligible. *See Digitech Image*
 5 *Techs., LLC v. Electronics for Imaging, Inc.*, Nos. 2013-1600 – 2013-1618, 2014 WL 3377201, at *5
 6 (Fed. Cir. July 11, 2014) (“[A] process that employs mathematical algorithms to manipulate existing
 7 information to generate additional information is not patent eligible.”). Thus Claims 8-11 do not add the
 8 kind of additional elements that would transform the base claim so as to render it patent eligible.

9 Claim 12 depends from Claim 1 and further requires that the “prohibiting is in further response to
 10 detecting a corresponding time for expiration has not yet expired” and for “allowing the presenting of
 11 said presentation in response to detecting said time for expiration has expired.” Thus, Claim 12 adds to
 12 Claim 1 the abstract idea of only allowing the presentation to go forward after an (unspecified) time
 13 period has expired. This is, yet again, simply another abstract idea – and adding it to the abstract idea of
 14 the base claim cannot transform the combination into patent-eligible subject matter.

15 Claim 13 is an independent claim which is very similar to Claim 1. The only difference is that
 16 Claim 13 is directed to a “remote proxy server” which is “configured to” perform steps [a] and [b] of
 17 Claim 1 and to send signals identifying the relevant directives and resources to “a client device” which
 18 performs step [d] in response to those signals. In other words, the only *possible* “additional elements”
 19 are the “proxy server,” “client device” and the signals transmitted between them. None of these things,
 20 however, is the kind of element which *Alice* indicated may be transformative. To the contrary, the claims
 21 rejected in *Alice* contained similar components, including “a ‘data processing system’ with a
 22 ‘communications controller’ and ‘data storage unit.’” *Alice*, 134 S. Ct. at 2360. And they are *far* less
 23 detailed than the computer components (including a client, server, software engines and the transmission
 24 of signals and responses) found inadequate in *Accenture*. 728 F.3d at 1344.

25
 26 ⁸ Notably, the decisions in *Accenture* and *Ultramercial* were both pending before the Supreme Court
 27 when *Alice* was decided. Shortly after issuing its decision in *Alice*, the Court vacated and remanded
 28 *Ultramercial* and declined to review the decision in *Accenture*. *WildTangent v. Ultramercial, LLC*, No.
 13-255, 2014 WL 2921707 (U.S. June 30, 2014); *Accenture Global Servs. GmbH v. Guidewire Software*
Inc., No. 13-918, 2014 WL 348249 (U.S. June 30, 2014).

1 The claims that depend from Claim 13 are similar or identical to Claim 1's dependents and fail
 2 for the same reasons. In particular, (i) Claim 14 is identical to Claim 2; (ii) Claim 15 is directed to
 3 configuring hardware resources within the client device as in the second half of Claim 6; (iii) Claim 16 is
 4 the same (with only minor grammatical differences) as Claim 7; (iv) Claim 17 is identical to Claim 8; (v)
 5 Claim 18 is similar to Claim 9 except it calls for using the "attribute indicative of a prerequisite resource"
 6 in a directive rather than in a standard defining those directives; (vi) Claim 19 is identical to Claim 10;
 7 (vii) Claim 20 is identical to Claim 11 and (viii) Claim 21 is the same (with only minor grammatical
 8 differences) as Claim 12. In other words, all of the claims that depend from Claim 13 fail for the same
 9 reasons as the claims that depend from Claim 1.

10 Claim 22 is another independent claim that adds nothing significant to the abstract idea of Claim
 11 1. The only difference between the claims is that Claim 22 calls for "a receiver" that receives the
 12 directives of step [a], and a generic "processing unit" which performs steps [b], [c] and [d]. Under *Alice*,
 13 those generic computer additions cannot render the claim patent eligible.⁹ See *Alice*, 134 S. Ct. at 2359-
 14 60.

15 The same thing is true of (the final) Claim 23, which is the same as Claim 1 but written in
 16 *Beauregard* form. Simply redrafting a claim to be directed to a computer-readable medium containing
 17 instructions for performing an otherwise abstract method does not transform the claim and would turn
 18 patent eligibility into something that would "depend simply on the draftsman's art." *Id.* at 2359. Indeed,
 19 for this very reason, the Supreme Court found in *Alice* that the *Beauregard* claims "add[ed] nothing of
 20 substance to the underlying abstract idea" and were ineligible under § 101. *Id.* at 2360.

21 As shown above, claims 2-23 of the '169 patent add only generic computer equipment, references
 22 to particular technological environments, types of data, and conventional data structures to the abstract
 23 idea recited in Claim 1. Because *none* of these additional features transform the nature of the claims, the
 24

25 ⁹ The fact that these devices are totally generic is both apparent from the way they are claimed, and from
 26 their description in the specification. See, e.g., '169 at 3:11-16 ("Each of receiving devices 30 **may**
 27 **comprise any suitable device**, such as a set-top box (STB), a television (TV), a video cassette recorder
 28 (VCR), a digital video recorder (DVR), a personal digital assistant (PDA), a personal computer (PC), a
 video game console, or a mobile/cell phone.") (emphasis added); *id.* at 5:33-35 ("Control unit 1030 may
 comprise a microprocessor, memory (e.g., RAM), **and other components which are necessary to**
perform ordinary general purpose computing.") (emphasis added).

1 Court should hold all of the claims of the '169 patent invalid.

2 **2. The Claims of the '268 Do Not Contain Any Transformative Elements**

3 There are 56 claims in the '268 patent of which six (Claims 1, 21, 35, 36, 39 and 53) are
4 independent. None of the claims are directed to patentable subject matter. As discussed above, Claim 1
5 of the '268 patent can be performed in the human mind or with pencil and paper and does not contain any
6 reference to a computer or other machine. Instead, it is directed to a process that could be performed by
7 a person and which could apply to any context. For this reason, there is *nothing* in the claim that could
8 act as the kind of “additional element” needed to “transform the nature of the claim into a patent-eligible
9 invention” or to “ensure that the [claim] is more than a drafting effort designed to monopolize the
10 [abstract idea].” *Alice*, 134 S. Ct. at 2350, 2357.

11 Indeed, the only things which might even *imply* a computer are (i) the preamble’s reference to
12 “scheduling delivery of multiple items of content selectively to a plurality of online users” and (ii) the
13 final limitation’s recitation that the “individual list is dynamically generated for each user on user login.”
14 But neither of these limitations requires the use of a computer *to perform* the claimed method. After all,
15 *scheduling* the delivery of items to users online can be done without a computer and generating a list
16 *upon user login* can be done by a person in response to *someone else* using a computer. Thus, at most,
17 these limitations imply that the claimed methods are to be performed in a context where *other people* are
18 using computers, while the method itself remains devoid of any possibly transformative element.¹⁰

19 The other independent method claims (Claim 21, 39 and 53) are of the same character. None of
20 them contain *any* limitation that even requires the use of a computer, much less a specific and novel
21 implementation. Indeed, the *only* possible reference to a computer in the independent method claims is
22 Claim 39’s final limitation which calls for “delivering to each logged on user items of content specified
23 in the user’s individual list.” On its face, this limitation does not call for the user of a computer – it does
24 not require, for example, that the *delivery* is performed *via* computer as opposed to (for example) via
25 messenger service or homing pigeon. But even if the claim were construed to require *electronic* or
26

27 ¹⁰ Even if the Court concludes otherwise – *i.e.*, it concludes that the claims are limited to computers or to
28 an online environment – that would not render them patent eligible for the reasons discussed in
connection with Claims 35-36 and 37-38.

1 *online* delivery, it would not transform the claim but instead would do “no more than require a generic
2 computer to perform generic computer functions.” *Alice*, 134 S. Ct. at 2359.

3 Indeed, the delivery of items to the user *after* the purportedly inventive listing process has been
4 accomplished cannot render the claim patentable because it is insignificant post-solution activity. *See*
5 *Parker*, 437 U.S. at 590 (“The notion that post-solution activity, no matter how conventional or obvious
6 in itself, can transform an unpatentable principle into a patentable process exalts form over substance.”);
7 *Mayo*, 132 S. Ct. at 1298 (2012) (“Purely ‘conventional or obvious’ ‘[pre]-solution activity’ is normally
8 not sufficient to transform an unpatentable law of nature into a patent-eligible application of such a
9 law.”).

10 The independent system claims (Claims 35 and 36) also do not contain any transformative
11 elements. All they add to the (abstract) method claims is a handful of generic computer components,
12 namely a “memory for storing a program,” “a processor operative with the program,” a “central
13 computer” and “a plurality of local computers.” This is exactly the sort of bare recitation of generic
14 computer elements that the Court has found inadequate to confer patent eligibility. *See Alice*, 134 S. Ct.
15 at 2358 (“[W]hat petitioner characterizes as specific hardware – a ‘data processing system’ with a
16 ‘communications controller’ and ‘data storage unit,’ for example ... is purely functional and generic.”);
17 *see also Cybersource* 654 F.3d at 1375 (“[T]he basic character of a process claim drawn to an abstract
18 idea is not changed by claiming only its performance by computers”).

19 None of the dependent claims contains anything that could transform the claims into eligible
20 subject matter. For example, Claims 2, 22 and 40 specify a type of data from which the expected values
21 can be calculated – namely “observed behavior of individual users.” Thus, they simply provide for an
22 additional type of *data* upon which the abstract method could act, but do nothing to change the fact that
23 the method itself is directed to data manipulation in the abstract.

24 Claims 3-4, 23-24 and 41-42 each specify a type of data which the expected values can include.
25 In particular, claims 3, 23 and 41 call for using the “probability of each user being online during the
26 given time period” while claims 4, 24 and 42 call for including “a length of time each user is expected to
27 be online during the given time period.” Thus, the claims are all directed to the *type* of data involved in
28 the manipulation recited in the claimed method – which does not change the fact that the method is

1 directed to abstract data manipulation.

2 Claims 5 and 8 add the concept of using user profile or preference data as criteria for selecting
3 content for individual users. The idea of using a user profile or preference data (both of which are
4 abstract collections of data in and of themselves) to select other data items simply adds another element
5 of data manipulation to the base claim and does not render the claims patent eligible. *See Digitech*, 2014
6 WL 3377201, at *5 (“[A] process that employs mathematical algorithms to manipulate existing
7 information to generate additional information is not patent eligible.”).

8 Claims 6, 25 and 43 add the concept of *generating* the first list periodically, while Claims 7, 26
9 and 44 further specify the period as “daily.” But none of these claims change the fact that the act of
10 *generating* the list is a mental step regardless of *when* or *on what period* that step is performed. A
11 person, after all, can generate a list on a periodic (including a daily) basis. Thus, nothing in these claims
12 transforms the claim into patent-eligible subject matter.

13 Claims 9-11, 27-29, 45-47 and 54-56 add the idea of excluding items of content based on various
14 constraints. In particular, Claims 9, 27, 45 and 54 are directed to the general idea of excluding (from the
15 personalized lists) items of content based on an (unspecified) constraint. Claims 10, 28, 46 and 54
16 specify the constraint used for this exclusion as the number of times the item has been or may be
17 delivered to the user. And Claims 11, 29, 47 and 56 call for the constraint to be an elapsed time since the
18 last delivery. Thus *all* of these claims are directed to excluding items from the generated list based on
19 various numerical or temporal conditions. A person could, of course, *generate* the individualized lists
20 called for in the base claims while taking these conditions into account. Thus, for example, a person
21 could exclude from the list s/he generated for a particular user any item that had already been delivered
22 to the user or which was delivered in the last 24 hours. To put it differently, because these claims are
23 simply related to *conditions* with which a *person* could comply while performing the (otherwise abstract)
24 steps recited in the independent claims, they do not transform the claim into patentable subject matter.

25 Claims 12-14, 30-31 and 48-50 specify that the lists generated in the course of performing the
26 base claim include advertisements (Claims 12 and 48) or various *styles* of advertisement (Claims 13-14,
27 30-31 and 49-50). None of these claims transform the nature of the claims to which they are appended.
28 All they do is specify the nature of the item which is added to a list. But the act of *generating* a list is

one that can be performed in the mind or with a pencil and paper regardless of the kind of items that the list contains; a person can just as easily list the Kings of England as the elements in the periodic table. Because the abstract act of *generating* a list is not changed by what goes on it, claims which (like these) specify what goes on the list cannot transform the claim into patent-eligible subject matter.

Claims 15, 32 and 51 add the concept of tracking each item delivered to the user. The act of tracking items which have been delivered is (of course) an action that can be performed by a person in their mind or with pen and paper – indeed, it is something done every day by every FedEx and UPS delivery person. Thus, these claims cannot *transform* the nature of the claim from which they depend into patent-eligible subject matter. Indeed, the Court has repeatedly said that steps like these are simply insignificant post-solution activity that cannot render claims patentable. *See Parker*, 437 U.S. at 590 (“The notion that post-solution activity, no matter how conventional or obvious in itself, can transform an unpatentable principle into a patentable process exalts form over substance.”).

Claims 16 and 33 call for the users for whom the lists are created to be people who are using the internet to access web sites.¹¹ Nothing about this changes the nature of the *claimed* steps or requires them to be performed with a computer – it simply specifies the *population* for whose benefit the method is being performed. Indeed, even if these claims did imply the use of an (unclaimed) computer to perform the claimed methods, it would be at most simply an attempt to limit the abstract concept by applying it to a particular technological environment – namely a general-purpose computer. But the Court has been clear that limiting an otherwise abstract idea in this way does not render it patent eligible. *See Alice*, 134 S. Ct. 2360 (“[N]one of the hardware recited by the system claims offers a meaningful limitation beyond generally linking the use of the [method] to a particular technological environment, that is, implementation via computers.”); *see also Accenture*, 728 F.3d at 1345 (“Accenture’s attempts to limit the abstract concept to a computer implementation and to a specific industry thus do not provide

¹¹ Claim 16 also recites that the items of content are advertisements, as in Claims 12 and 48. That addition does not change the nature of the claims. Even when viewed as a whole, the combination simply specifies a type of item to be placed on the list for a particular user population. Indeed, claiming an abstract idea in the context of “internet advertising” risks the very type of preemption that motivates the Court’s § 101 jurisprudence, by walling off the use of an abstract idea in a broad area of the economy. *Alice*, 134 S. Ct. at 2358; *Gottschalk*, 409 U.S. at 67 (“[A]bstract intellectual concepts are not patentable, as they are the basic tools of scientific and technological work.”).

1 additional substantive limitations to avoid preempting the abstract idea of system claim 1.”).

2 Claims 17, 34, and 52 call for the requirements used in the *prioritization* step to specify the
3 number of times an item is to be delivered to the users. This, of course, does not change the nature of the
4 claims because it merely specifies a piece of *data* to be used in the prioritization, but does not change the
5 step itself or the fact that prioritization is an abstract idea that can be done in the human mind.

6 Claim 18 is similar in that it calls for the requirements to “specify a time period during which a
7 given number of deliveries of an item of content is to be made” – and because such a time period (like
8 the number of times an item is to be delivered) is simply a piece of *data* to use in the prioritization and
9 not something that transforms the nature of the activity.

10 Claims 19 and 20 are likewise directed to *optimizing* the prioritization step based on various
11 characteristics of the items being ordered – but do not change the fact that *prioritization* itself is an
12 abstract mental step.

13 Finally, Claims 37-38 depend from Claim 36 and call for the use of web and POP servers
14 respectively. As noted previously, however, calling for the use of generic computer components, to
15 perform an otherwise patentable method does not render the claims patent eligible. *See Alice*, 134 S. Ct.
16 at 2358 (“Given the ubiquity of computers ... [a] wholly generic computer implementation is not
17 generally the sort of ‘additional feature’ that provides any ‘practical assurance that the process is more
18 than a drafting effort designed to monopolize the abstract idea itself.”); *CyberSource*, 654 F.3d at 1375
19 (“[T]he basic character of a process claim drawn to an abstract idea is not changed by claiming only its
20 performance by computers”); *Accenture*, 728 F.3d at 1342 (rejecting claims containing “an insurance
21 claim folder, a task library database, a server component, and a task engine” and specifying the
22 interactions between them).

23 As shown above, claims 2-56 of the ’268 patent add only generic computer equipment, different
24 types of data and time periods, insignificant extra-solution activity and additional mental steps to the
25 abstract idea recited in Claim 1. Because *none* of these additional features transform the nature of the
26 claims, the Court should hold all of the claims of the ’268 patent invalid as abstract.

27 ///

28 ///

3. The Claims of the '691 Do Not Contain Any Transformative Elements

The '691 patent contains 72 claims of which six (Claims 1, 23, 48, and 70-72) are independent. None of the claims are directed to patentable subject matter. As discussed previously, Claim 1 of the '691 can be performed entirely in the human mind or with pencil and paper. The method can be performed without a computer or any other machine and is therefore directed to a *purely* abstract idea. By the same token, there is nothing in Claim 1 which could transform the claim into patent-eligible subject matter under the standards articulated in *Alice*. Indeed, there is nothing in the claim which could *mitigate* the risk of preempting the basic tools of technical work – because it directly *claims* such a tool.

The other independent claims also lack any such transformative element. Claims 23 and 48 call for performing essentially the same steps as Claim 1 using nothing more than a handful of either totally unspecified and/or generic computer equipment: a “user interface device” (in Claim 23) and an “input device” (in Claim 48) to obtain the information, a “controller” to receive the information, update the profile and select the program, and a “presentation device” to receive the selected program. The same is true for independent Claim 72 (which is written in means-plus-function format) because the corresponding structures disclosed in the specification are simply generic, conventional computer components. “As a result, none of the hardware recited by the system claims offers a meaningful limitation beyond generally linking the use of the [method] to a particular technological environment, that is, implementation via computers.” *Alice*, 134 S. Ct. at 2360.

The two independent claims written in *Beauregard* format (Claims 70 and 71) fare no better because, as the Court found in *Alice*, they “add nothing of substance to the underlying abstract idea.” *Id.* Indeed, to hold the *Beauregard* claims patentable based on their nominal reference to a “computer readable medium” containing unspecified instructions for performing the method would violate *Alice*’s teaching that “[s]tating an abstract idea while adding the words ‘apply it’ is not enough for patent eligibility.” *Id.* at 2358.

The many dependent claims of the '691 also cannot change the analysis. Indeed most of the dependent claims simply call for implementing the abstract idea using additional generic pieces of computer hardware – components such as a “database,” “memory,” a “data storage device,” a “controller,” a “hub,” a “presentation device,” a “stand alone device,” a “wireless transmission system,”

etc. Those claims (Claims 2-4, 7-9, 11, 14-20, 24-26, 28-29, 32-36, 38-47, 49-54, 56, and 59-67) all fail under *Alice* because they recite conventional computers which perform conventional processing steps (specified at a high level of generality) in order to implement the abstract idea. *Id.*

In addition, the steps recited by these claims are simply insignificant extra-solution activities, namely, *gathering data* to use as inputs to the purportedly novel (and abstract) selection method or *providing or presenting* the program selected by that method.¹² See *Parker*, 437 U.S. at 590 (“The notion that post-solution activity, no matter how conventional or obvious in itself, can transform an unpatentable principle into a patentable process exalts form over substance.”); *In re Bilski*, 545 F.3d at 963 (“This court and our predecessor court have frequently stated that adding a data-gathering step to an algorithm is insufficient to convert that algorithm into a patent-eligible process.”).

A second set of dependent claims simply recite performing the process for “a single user” (as in Claim 5), “a group including the user” (Claim 6), or “a second user” and “second presentation device” (Claims 37, 68 and 69). But nothing about performing the abstract idea for one or multiple users and/or delivering one or multiple programs to one or multiple (unspecified and generic) presentation devices *transforms* the claim into patent-eligible subject matter. Instead, it simply constitutes *applying* the abstract idea to multiple people, or multiple times in a row.

The remaining dependent claims are slightly less amenable to categorization, but equally lack any transformative element:

- Claims 10, 27 and 55 call for transmitting the program “via streaming program segments” and thus simply call for (the extra-solution) step of delivering the selected program using a conventional process.
- Claim 21 calls for the selected programming to be any one of a wide variety of things like “advertising” or “educational programming” and thus merely calls for different *data content* but does not change the fact that the claims are directed to the abstract manipulation of data.
- Claim 22 calls for the program to consist of things like “still frame picture, graphics, textual information” etc., and thus only further demonstrates that the programming can be created by a person using pencil and paper (*i.e.*, it need not be video).
- Claims 12-13, 30-31 and 57-58 call for “generating” the program (either purely in the abstract or using an unspecified and generic “controller”) rather than using a pre-

¹² Several of the claims in this group (such as Claims 38 and 49) do not recite *any* steps, but merely call for generic devices which can be used to perform the (extra-solution) steps recited in other claims.

1 existing program. Thus, these claims also call only for the creation of data either
2 purely in the abstract (which can be done by a person) or with a generic computer.
The claims therefore lack any transformative element.

3 Once again, and as shown above, Claims 2-72 of the '691 patent add only generic computer
4 equipment, different types of data, insignificant extra-solution activity and additional mental steps to the
5 abstract idea recited in Claim 1. Because *none* of these additional features *transform* the nature of the
6 claims, the Court should hold all of the claims of the '691 patent invalid as abstract.

7 **III. CONCLUSION**

8 *Alice* holds: (1) that neither implementing an abstract idea using conventional computer
9 technology nor limiting it to a particular technological environment results in subject matter eligibility
10 and (2) that the results of the inquiry under § 101 cannot depend on the draftsman's art. Because, as
11 shown above, the claims of the challenged patents are all directed to abstractions with (at most) generic
12 computer components and minor "draftsman's art" variations, the claims are ineligible under § 101. The
13 Court should, therefore, find the claims to be invalid.

14 Dated: July 24, 2014

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CERTIFICATE OF SERVICE

I certify that all counsel of record is being served on July 24, 2014 with a copy of this document via the Court's CM/ECF system.

/s/ Clement S. Roberts
Clement S. Roberts