UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
11/552,796	10/25/2006	Andrew Szybalski	16113-0236001	2703

26192   7590   12/19/2014
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ART UNIT	PAPER NUMBER
3622	

NOTIFICATION DATE	DELIVERY MODE
12/19/2014	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

PATDOCTC@fr.com

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTHS FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *10/1/14*.
☐ A declaration(s)/affidavit(s) under **37 CFR 1.130(b)** was/were filed on _____.

2a)☐ This action is **FINAL**.　　　2b)☒ This action is non-final.

3)☐ An election was made by the applicant in response to a restriction requirement set forth during the interview on _____; the restriction requirement and election have been incorporated into this action.

4)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims*

5)☒ Claim(s) *1-4,7-9,12-15,18-20 and 23-25* is/are pending in the application.
　　5a) Of the above claim(s) _____ is/are withdrawn from consideration.

6)☐ Claim(s) _____ is/are allowed.

7)☒ Claim(s) *1-4, 7-9, 12-15, 18-20, 23-25* is/are rejected.

8)☐ Claim(s) _____ is/are objected to.

9)☐ Claim(s) _____ are subject to restriction and/or election requirement.

* If any claims have been determined <u>allowable</u>, you may be eligible to benefit from the **Patent Prosecution Highway** program at a participating intellectual property office for the corresponding application. For more information, please see http://www.uspto.gov/patents/init_events/pph/index.jsp or send an inquiry to PPHfeedback@uspto.gov.

Application Papers

10)☐ The specification is objected to by the Examiner.

11)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.
　　Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
　　Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

Certified copies:

　a)☐ All　b)☐ Some**　c)☐ None of the:

　　1.☐ Certified copies of the priority documents have been received.

　　2.☐ Certified copies of the priority documents have been received in Application No. _____.

　　3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

** See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☐ Notice of References Cited (PTO-892)

2)☐ Information Disclosure Statement(s) (PTO/SB/08a and/or PTO/SB/08b) Paper No(s)/Mail Date _____.

3)☐ Interview Summary (PTO-413)
　　Paper No(s)/Mail Date. _____.

4)☐ Other: _____.

DETAILED ACTION

1. The present application (Application No. 11/552,796) is being examined under the pre-AIA first to invent provisions.

2. In view of the appeal brief filed on 1 October, 2014, PROSECUTION IS HEREBY REOPENED. New grounds of rejection are set forth below.

    To avoid abandonment of the application, appellant must exercise one of the following two options:

    (1) file a reply under 37 CFR 1.111 (if this Office action is non-final) or a reply under 37 CFR 1.113 (if this Office action is final); or,

    (2) initiate a new appeal by filing a notice of appeal under 37 CFR 41.31 followed by an appeal brief under 37 CFR 41.37. The previously paid notice of appeal fee and appeal brief fee can be applied to the new appeal. If, however, the appeal fees set forth in 37 CFR 41.20 have been increased since they were previously paid, then appellant must pay the difference between the increased fees and the amount previously paid.

    A Supervisory Patent Examiner (SPE) has approved of reopening prosecution by signing below.

Status of Claims

3. Claims 1-4, 7-9, 12-15, 18-20, 23-25, are pending and addressed below.

Claim Rejections - 35 USC § 101

4. 35 U.S.C. 101 reads as follows:

    Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. **Claims 1-4, 7-9, 12-15, 18-20, 23-25, are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

When considering subject matter eligibility under 35 U.S.C. 101, it must be determined whether the claim is directed to one of the four statutory categories of invention, i.e., process, machine, manufacture, or composition of matter. If the claim does fall within one of the statutory categories, it must then be determined whether the claim is directed to a judicial exception (i.e., law of nature, natural phenomenon, and abstract idea), and if so, it must additionally be determined whether the claim is a patent-eligible application of the exception. If an abstract idea is present in the claim, any element or combination of elements in the claim must be sufficient to ensure that the claim amounts to significantly more than the abstract idea itself. Examples of abstract ideas include fundamental economic practices; certain methods of organizing human activities; an idea itself; and mathematical relationships/formulas. *Alice Corporation Pty. Ltd. v. CLS Bank International, et al.*, 573 U.S. _ (2014).

In the instant case, claim1 is directed to a method, claim 23 is directed to a system (an apparatus), and claim 12 is directed to a product; and in particular the claims are directed towards generating meaningful advertising offers for presentation to publishers, which is considered to be an abstract idea inasmuch as such activity is considered a method of organizing human activity by managing and displaying information and/or a fundamental economic practice of advertising. Additional elements are: identifying advertising space associated with content, the content associated with a publisher; automatically determining, using one or more computer devices, for each of a plurality of potential offers below a price specified by the publisher for the advertising space, a respective likelihood that the potential offer will be accepted by the publisher based at least in part on information associated with previous offer acceptances by the publisher; and providing a user interface for display on a user device, wherein the user interface comprises code operable to: present a graphical element for evaluating each of the plurality of potential offers, and in response to a user input interacting with the graphical element to select a respective one of the potential offers, present the likelihood of acceptance for the potential offer; however, it is noted, that these elements, when taken alone, each execute in a manner routinely and conventionally expected of these elements. The claims do not include limitations that are

"significantly more" than the abstract idea because the claims do not include an improvement to another technology or technical field, an improvement to the functioning of the computer itself, or meaningful limitations beyond generally linking the use of an abstract idea to a particular technological environment. Note that the limitations in the instant claims are done by the generically recited "one or more computers". The limitations are merely instructions to implement the abstract idea on a computer and require no more than a generic computer to perform generic computer functions that are well-understood, routine and conventional activities previously known to the industry. Therefore, claims 1-4, 7-9, 12-15, 18-20, 23-25, are rejected under 35 U.S.C. 101 as being directed to non-statutory subject matter. Appropriate correction is required.

6. **Claims 12-15, 18-20, 25, are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

Independent claim 12 references a "computer readable medium". Broadest reasonable interpretation of the term "computer readable medium" includes transitory and non-transitory computer readable medium. Transitory storage media are not a statutory. Likewise, it is noted that the specification in this instance is silent, but broadest reasonable interpretation of the term "computer readable medium" includes "signals" and "carrier waves". Signals are not a statutory type of storage media (In re Nuitjen, 84 USPQ2d 1495 and "Subject Matter Eligibility of Computer   Readable   Media"   at http://www.uspto.gov/patents/law/notices/101_crm_20100127.pdf). Dependent claims 12-15, 18-20, 25, do not cure the deficiencies of the independent claim. Applicant can cure this deficiency by reciting "non-transitory computer readable medium". Appropriate correction is required.

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the

    basis for the rejections under this section made in this Office action:

    A person shall be entitled to a patent unless –

    (b) the invention was patented or described in a printed publication in this or a foreign country or in public
    use or on sale in this country, more than one year prior to the date of application for patent in the United
    States.

8. **Claims 1-4, 7-9, 12-15, 18-20, and 23-25, are rejected under 35 U.S.C. 102(b) as being
    anticipated by Patel et al. (US 2004/0103024) (hereinafter "Patel").**

    Regarding claim 1, 12, 23, Patel discloses: An ad exchange system where advertisers

can create offers or bids for advertising space that are submitted to publishers of content

(identifying advertising space associated with content, the content associated with a publisher)

(see at least Patel, par. [0038-0044], [0113-0114], [0672]).

        (automatically determining, using one or more computer devices, for each of a plurality

of potential offers below a price specified by the publisher for the advertising space)

Functionality to automatically handle and process acceptance of offers *(automatically*

determining) (see at least Patel, par. [0134], [0206], [0231]). Filtering functionality and

conditional rules defined by publishers for assessing offers made by the advertisers *(see at least*

Patel, par. [0096], [0131-0137], [0206]), wherein conditional rules may state a minimum price

(see at least Patel, par. [0206]) *(price specified by the publisher for the advertising space)*

(plurality of potential offers below a price specified by the publisher for the advertising space).

        It is noted that the functionality of the system to assess via a GUI, potential offers, their

prices and the likelihood of acceptance of said potential offers, does not change with the price,

and further, said functionality to assess is the same whether the offers are below or above a price

specified by the publisher *(plurality of potential offers below a price specified by the publisher*

for the advertising space).

        (likelihood that the offer will be accepted by the publisher) Functionality to match (match

algorithm) the offers with a publisher's defined target profiles using filtering functionality and

conditional rules, wherein said match correlates with a determination of acceptance *(see at least*

Patel, par. [0096], [0121, [0206-0208], [0231]). Indexing the degree of match (i.e. between 1 and 100), wherein the better the match (higher numbers) the higher the likelihood of acceptance, wherein the higher the quality of a match the higher the ad exposure and traffic, such that a publisher charging per performance may generate more revenue and be more likely to accept (likelihood of acceptance) (*likelihood that the offer will be accepted by the publisher*) (*see at least* Patel, par. [0137], [0658-0670], [0674]). Publishers accepting offers submitted by advertisers (*see at least* Patel, par. [0045], [0051]). Providing feedback to the advertiser *(present the likelihood of acceptance for the potential offer)* (*see at least* Patel, par. [0114], [0135]). Real time reporting to advertisers and publishers *(present the likelihood of acceptance for the potential offer)* (*see at least* Patel, par. [0135], [0185]).

       (providing a user interface for display on a user device, wherein the user interface comprises code operable to: present a graphical element for evaluating each of the plurality of potential offers) (in response to a user input interacting with the graphical elements to select a respective one of the potential offers) Advertiser's graphical user interface ("GUI") configured to enable communication between advertisers and the ad exchange (and likewise, an equivalent publisher's graphical user interface ("GUI") configured to enable communication between publishers and the ad exchange) (*see at least* Patel, Fig. 14, 18-23, 18, par. [0094], [0201-0204], [0251-0255], [0674]) *(providing a user interface for display on a user device)*, wherein said GUI is configured to graphically facilitate price strategy by dynamically (in real time) enabling advertisers and publishers alike to control and modify all aspects of the buy/sell process 201-204 (*see at least* Patel, Fig. 14, 18-23, par. [0201-0204], [0674]).

       (code operable to: present a graphical element for evaluating each of the plurality of potential offers). Since graphical interfaces and their functionality as per above, are indeed executed and enabled by the system of Patel, then code is executed by the system to enable said graphical interfaces.

       (a respective likelihood that the potential offer will be accepted by the publisher based at least in part on-information associated with previous offer acceptances by the publisher) High likelihood of acceptance based on whether a publisher has been satisfied with the advertiser in the past (*see at least* Patel, par. [0132]). Indexing process for matching the most compatible advertisers from a revenue generating standpoint (*see at least* Patel, par. [0121]). The system

tracks conditional rules under which publishers accepted or rejected particular offers; and it further tracks: offers, trading performance, compensation resulting from each offer, and acceptance/contracts, all of which is representative of knowledge of the difference between the price specified by the publisher each time and the offered price; and generating statistics on these metrics (*see at least* Figs. 10-11, 14, 15-16, Patel, par. [0051], [0106], [0185], [0202], [0226-0231], [0235], [0242]). Therefore, either by tracking acceptance/contracts and/or by tracking offers and their corresponding compensation, or both, knowledge of an acceptance rate is provided by the system. In turn, functionality for collecting, summarizing, analyzing, aggregating, generating statistics and reporting in the context of the ad exchange system of Patel, implies tracking acceptance rate.

Regarding claims 2, 13, Patel discloses: All the limitations of claims 1 and 12 respectively as per above rejection statement.

Patel further discloses: *(receiving a request for information associated with the advertising space, the information including attributes; and automatically determining the respective likelihood based, at least in part, on the attributes).*

Site or ad space representation (information associated with the advertising space) (*see at least* Patel, par. [0121], [0124-0125]). Defining a profile of ad space (*see at least* Patel, par. [0121]). Creative (advertisement) attributes (*advertisement attributes*) (*see at least* Patel, par. [0124-0125], [0355-0369]). Filtering functionality and conditional rules for assessing offers made by the advertisers (*see at least* Patel, par. [0096], [0131-0134], [0137]). Functionality to match the offers with publisher's defined target profiles using filtering functionality and conditional rules, wherein said match correlates with a determination of acceptance (*see at least* Patel, par. [0096], [0121, [0206-0208], [0231]). Indexing the degree of match (i.e. between 1 and 100), wherein the better the match (higher numbers) the higher the likelihood of acceptance (*acceptance likelihood*) (*see at least* Patel, par. [0137], [0658-0670]). Publishers make acceptance determination based on advertisement attributes (*automatically determining acceptance likelihood*) (*see at least* Patel, par. [0124-0134]).

Regarding claims 3, 14, Patel discloses: All the limitations of claims 1-2 and 12-13 respectively as per above rejection statement..

Patel further discloses: *(the attributes comprising at least one of a size, a publication, or dates)* Dimension, size *(see at least* Patel, par. [0412-0413], [0434]).

Regarding claims 4, 15, Patel discloses: All the limitations of claims 1 and 12 respectively as per above rejection statement.

Patel further discloses: *(identifying at least one criterion for evaluating the potential offer, the at least one criterion associated with a likelihood of acceptance; determining that the potential offer satisfies the at least one criterion; and associating the potential offer with the likelihood of acceptance).* Filtering functionality and conditional rules for assessing the likelihood of offers made by the advertisers *(criterion for evaluating the potential offer)* *(see at least* Patel, par. [0096], [0131-0134], [0137]). Functionality to match the potential offers with publisher's defined target profiles using filtering functionality and conditional rules, wherein said match correlates with a determination of acceptance *(see at least* Patel, par. [0096], [0121, [0206-0208], [0231]). Indexing the degree of match (i.e. between 1 and 100), wherein the better the match (higher numbers) the higher the likelihood of acceptance *(likelihood of acceptance)* *(see at least* Patel, par. [0137], [0658-0670]). Accepting offers that meet the *criteria (determining that the potential offer satisfies the at least one criterion)* *(see at least* Patel, par. [0131-0134]). The degree of a match with the predefined *criteria will correlate the likelihood of acceptance* (associating the potential offer with the likelihood of acceptance) *(see at least* Patel, par. [0131-0134]).

Regarding claims 7, 18, Patel discloses: All the limitations of claims 1 and 12 respectively as per above rejection statement.

Patel further discloses: *(receiving information associated with acceptance of offers by the publisher; and dynamically modifying the evaluation criteria based, at least in part, on the acceptance information).* Filtering functionality and conditional rules for assessing the likelihood of offers made by the advertisers (criterion for evaluating the offer) *(see at least* Patel, par. [0096], [0131-0134], [0137]). Functionality to match the offers with publisher's defined target

profiles using filtering functionality and conditional rules, wherein said match correlates with a determination of acceptance (*see at least* Patel, par. [0096], [0121, [0206-0208], [0231]). Indexing the degree of match (i.e. between 1 and 100), wherein the better the match (higher numbers) the higher the likelihood of acceptance (*acceptance likelihood*) (*see at least* Patel, par. [0137], [0658-0670]). Accepting offers that meet the criteria (*determining the offer satisfies the at least one criterion*) (*see at least* Patel, par. [0131-0134]). The degree of a match with the predefined *criteria will correlate the likelihood of acceptance* (*associating* the offer with the likelihood of acceptance) (*see at least* Patel, par. [0131-0134]). Functionality to dynamically modify offers and offer criteria (*see at least* Patel, par. [0096], [0114], [0139], [0186]). Dynamic business rule definition (*dynamically modifying the evaluation criteria based, at least in part, on the acceptance information*) (*see at least* Patel, par. [0137]).

Regarding claims 8, 19, Patel discloses: All the limitations of claims 1 and 7, and 12 and 18 respectively as per above rejection statement.

Patel further discloses: *(the acceptance information comprising acceptance rates for specific advertising space)* Tracking servers that track historical events (i.e. acceptance offers) within the offer exchange (*acceptance rates for specific advertising space*) (*see at least* Patel, par. [0242], [0675]). System is such that contracts between advertisers and publishers are liquid and be altered at any time by any of the parties.

Regarding claims 9, 20, Patel discloses: All the limitations of claims 1 and 12 respectively as per above rejection statement.

Patel further discloses: *(wherein each respective likelihood of acceptance comprises a probability that the publisher will accept the potential offer)*

An ad exchange system where advertisers can create offers or bids for advertising space that are submitted to publishers of content (*receiving an offer for advertising space associated with content, the content associated with a publisher*) (*see at least* Patel, par. [0038-0044], [0113-0114], [0672]). Filtering functionality and conditional rules for assessing offers made by the advertisers (*see at least* Patel, par. [0096], [0131-0134], [0137]). Functionality to automatically handle and process the acceptance of offers (*automatically determining*) (*see at*

least Patel, par. [0134], [0206], [0231]). Functionality to match the offers with publisher's defined target profiles using filtering functionality and conditional rules, wherein said match correlates with a determination of acceptance (*see at least* Patel, par. [0096], [0121, [0206-0208], [0231]). Indexing the degree of match (i.e. between 1 and 100), wherein the better the match (higher numbers) the higher the likelihood of acceptance (*acceptance likelihood*) (*see at least* Patel, par. [0137]). Publishers accepting offers submitted by advertisers (*see at least* Patel, par. [0045], [0051]). Providing feedback to the advertiser (*transmitting the acceptance for display*) (*see at least* Patel, par. [0114], [0135]). Real time reporting to advertisers and publishers (*transmitting the acceptance for display*) (*see at least* Patel, par. [0185], [0135]). Further that a "likelihood of acceptance" as taught by Patel can be taken to be equivalent to a "probability of acceptance".

Regarding claims 24-25, Patel discloses: All the limitations of claims 1 and 12 respectively as per above rejection statement, including graphical user interface.

Patel further discloses*: (wherein the graphical element is a slider and wherein the user input interacting with the graphical element is a user input representing a sliding of the slider to one of a plurality of positions, each position being associated with a respective potential offer of the plurality of potential offers).* (*see at least* Patel, Fig. 14, par. [0202]).

ALTERNATIVE Claim Rejections - 35 USC § 103

9. **Claims 9, 20, are rejected under 35 U.S.C. 103(a) as being unpatentable over Patel et al. (US 2004/0103024) (hereinafter "Patel") in view of Walker et al. (US 2002/0178069) (hereinafter "Walker").**

Regarding claims 9, 20, Patel discloses: All the limitations of claims 1 and 12 respectively as per above rejection statement.

Patel discloses: An ad exchange system where advertisers can create offers or bids for advertising space that are submitted to publishers of content (*receiving an offer for advertising*

space associated with content, the content associated with a publisher) (*see at least* Patel, par. [0038-0044], [0113-0114], [0672]). Filtering functionality and conditional rules for assessing offers made by the advertisers (*see at least* Patel, par. [0096], [0131-0134], [0137]). Functionality to automatically handle and process the acceptance of offers (*automatically determining*) (*see at least* Patel, par. [0134], [0206], [0231]). Functionality to match the offers with publisher's defined target profiles using filtering functionality and conditional rules, wherein said match correlates with a determination of acceptance (*see at least* Patel, par. [0096], [0121, [0206-0208], [0231]). Indexing the degree of match (i.e. between 1 and 100), wherein the better the match (higher numbers) the higher the likelihood of acceptance (*acceptance likelihood*) (*see at least* Patel, par. [0137]). Publishers accepting offers submitted by advertisers (*see at least* Patel, par. [0045], [0051]). Providing feedback to the advertiser (*transmitting the acceptance for display*) (*see at least* Patel, par. [0114], [0135]). Real time reporting to advertisers and publishers (*transmitting the acceptance for display*) (*see at least* Patel, par. [0185], [0135]).

Even if it can be argued that a "likelihood of acceptance" as taught by Patel is different than a "probability of acceptance", and that Patel does not appear to explicitly disclose: (*probability of acceptance*);

Walker discloses: System and method where buyers submit conditional purchase offers ("CPOs") for goods or services (e.g., bidding for space in air flights) to sellers (e.g., airlines) who accept or reject the offers based on rules (*see at least* Walker, Fig. 7, par. [0054-0057]). It would have been obvious to one of ordinary skill in the art at the time of the invention to expand the system of Patel to include the feature as taught in Walker where the system may assign to each bid submitted by a buyer a statistical likelihood of acceptance (probability of acceptance) by the seller based on the bid amount. One of ordinary skill in the art at the time of the invention would have been motivated to expand the system of Patel in this way since a likelihood of acceptance of a bid can streamline the bidding process.

Conclusion

10. Any inquiry concerning this communication or earlier communications from the examiner
should be directed to MARIO IOSIF whose telephone number is (571) 270-7785. The
examiner can normally be reached on Monday thru Thursday, 9:00am-4:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). For assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Mario C. Iosif/
Examiner, Art Unit 3622

/Eric W Stamber/
Supervisory Patent Examiner, Art Unit 3622