

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AGILYSYS, INC. ET AL.,
Petitioner,

v.

AMERANTH, INC.,
Patent Owner.

Case CBM2014-00016
Patent No. 6,871,325 B1

Before JAMESON LEE, MEREDITH C. PETRAVICK, and
NEIL T. POWELL, *Administrative Patent Judges*.

PETRAVICK, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
Covered Business Method Patent Review
35 U.S.C. § 328(a) and 37 C.F.R. § 42.73

I. INTRODUCTION

Agilysys, Inc. and other entities¹ (collectively, “Petitioner”) filed a Petition (Paper 8, “Pet.”) requesting review under the transitional program for covered business method patent of claims 1–15 of U.S. Patent No. 6,871,325 B1 (Ex. 1032, “the ’325 patent”). On March 26, 2014, pursuant to 35 U.S.C. § 324, we instituted this trial as to claims 1–10 of the ’325 patent on only one proposed ground of unpatentability, 35 U.S.C. § 101. Paper 19 (“Dec. to Inst.”). We did not institute as to claims 11–16 on any of the grounds proposed in the Petition. Ameranth, Inc. (“Patent Owner”) filed a Patent Owner Response (Paper 26, “PO Resp.”) and Petitioner filed a Reply (Paper 27, “Reply”).

An oral hearing in this proceeding was held on October 24, 2014. A transcript of the hearing is included in the record (Paper 33, “Tr.”). The oral hearing was consolidated with the oral hearing for related CBM2014-00015 and CBM2014-00013.

We have jurisdiction under 35 U.S.C. § 6(c). This Final Written Decision is issued pursuant to 35 U.S.C. § 328(a) and 37 C.F.R. § 42.73.

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

For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1–10 of the '325 patent are unpatentable.

A. The '325 Patent

The '325 patent, titled “Information Management and Synchronous Communications System with Menu Generation,” issued on March 22, 2005, based on Application No. 10/015,729, filed on November 1, 2001. Ex. 1032, 1.

The '325 patent discloses a “desktop software application that enables the rapid creation and building of a menu.” *Id.* at col. 3, ll. 22–24. Figure 1 of the '325 patent is reproduced below.

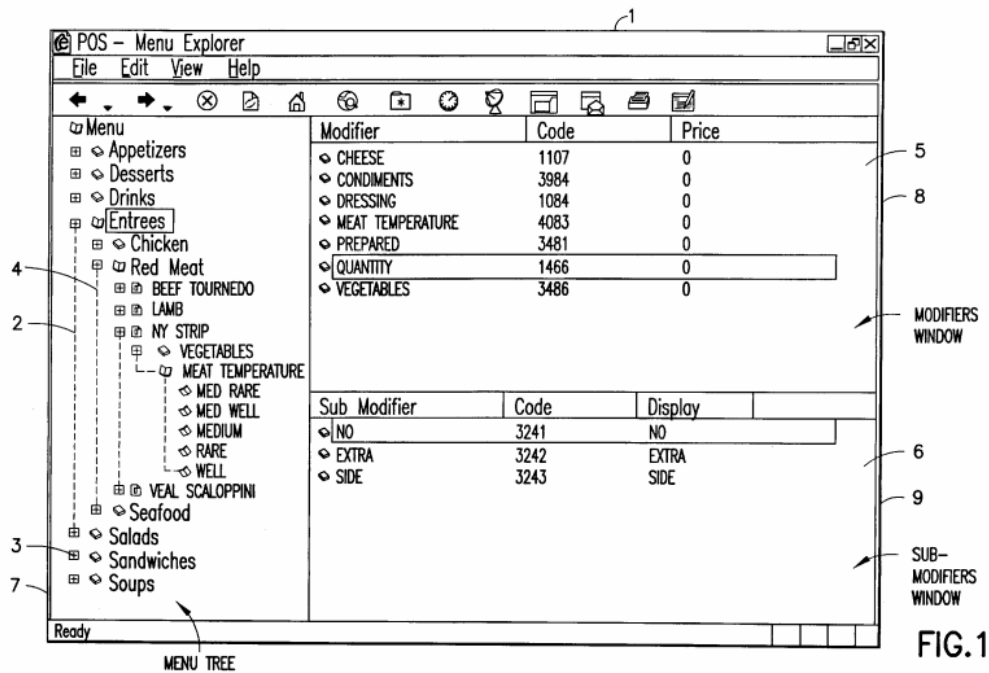


Figure 1 depicts a graphical user interface (“GUI”) that is used to generate a menu

GUI 1 includes menu tree window 7, modifiers window 8, and sub-modifiers window 9. *Id.* at col. 6, ll. 38–44. Menu tree window 7 displays hierarchical

tree structure 2 that shows the relationships between menu categories, such as salads or desserts; menu items, such as caesar salad or green salad; menu modifiers, such as dressing; and menu sub-modifiers, such as ranch or bleu cheese. *Id.* at col. 6, ll. 20–32. A user generates a menu by using the GUI to add or delete menu categories, menu items, modifiers, and sub-modifiers, and to link modifiers and sub-modifiers to menu items in hierarchical tree structure 2. *Id.* at col. 6, l. 47–col. 8, l. 43. After the new menu is generated and previewed at the computer workstation, the new menu is downloaded to wireless handheld devices and Web pages. *See id.* at col. 3, l. 64–col. 4, l. 1; col. 6, ll. 33–36; col. 7, l. 26; col. 8, ll. 59–65; col. 10, ll. 13–15.

In addition to manually generating the menu, menus can be generated manually or automatically in response to predetermined criteria. *Id.* at col. 14, ll. 8–9, 19–22. For example, a menu can be generated to have dinner items or low-cholesterol items. *Id.* at col. 14, ll. 10–14. Further, the '325 patent states that “[t]he menu generation aspect of the invention is equally applicable to table-based, drive-thru, internet, telephone, wireless or other modes of customer order entry.” *Id.* at col. 14, ll. 25–29.

B. Illustrative Claims

Claims 1, 7, and 9 of the '325 patent are illustrative of the claims at issue and read as follows:

1. An information management and synchronous communications system for generating and transmitting menus comprising:
 - a. a central processing unit,
 - b. a data storage device connected to said central processing unit,

- c. an operating system including a graphical user interface,
- d. a first menu consisting of menu categories, said menu categories consisting of menu items, said first menu stored on said data storage device and displayable in a window of said graphical user interface in a hierarchical tree format,
- e. a modifier menu stored on said data storage device and displayable in a window of said graphical user interface,
- f. a sub-modifier menu stored on said data storage device and displayable in a window of said graphical user interface, and
- g. application software for generating a second menu from said first menu and transmitting said second menu to a wireless handheld computing device or Web page,

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

7. An information management and synchronous communications system for generating and transmitting menus comprising:
- a. a central processing unit,
 - b. a data storage device connected to said central processing unit,

- c. an operating system including a graphical user interface,
- d. a first menu consisting of menu categories, said menu categories consisting of menu items, said first menu stored on said data storage device and displayable in a window of said graphical user interface in a hierarchical tree format,
- e. a modifier menu stored on said data storage device and displayable in a window of said graphical user interface,
- f. a sub-modifier menu stored on said data storage device and displayable in a window of said graphical user interface, and
- g. application software for generating a second menu from said first menu and transmitting said second menu to a wireless handheld computing device or Web page,

wherein the application software facilitates the generation of the second menu by allowing selection of categories and items from the first menu, addition of menu categories to the second menu, addition of menu items to the second menu and assignment of parameters to items in the second menu using the graphical user interface of said operating system, said parameters being selected from the modifier and sub-modifier menus, wherein said application software acts to facilitate generation of the second menu such that the second menu is appropriate for a specified time of day.

9. An information management and synchronous communications system for generating and transmitting menus comprising:

- a. a central processing unit,

- b. a data storage device connected to said central processing unit,
- c. an operating system including a graphical user interface,
- d. a first menu consisting of menu categories, said menu categories consisting of menu items, said first menu stored on said data storage device and displayable in a window of said graphical user interface in a hierarchical tree format,
- e. a modifier menu stored on said data storage device and displayable in a window of said graphical user interface,
- f. a sub-modifier menu stored on said data storage device and displayable in a window of said graphical user interface, and
- g. application software for generating a second menu from said first menu and transmitting said second menu to a wireless handheld computing device or Web page,

wherein the application software facilitates the generation of the second menu by allowing selection of categories and items from the first menu, addition of menu categories to the second menu, addition of menu items to the second menu and assignment of parameters to items in the second menu using the graphical user interface of said operating system, said parameters being selected from the modifier and sub-modifier menus, wherein the facilitation of second menu generation includes items that satisfy the specified parameters.

C. Related Proceedings

Both parties identify numerous related ongoing district court proceedings. Pet. 13–16; Paper 7, 4–5; Paper 25, 1.

In addition, Petitioner requested covered business method patent review of the following related patents: U.S. Patent No. 6,348,850 (CBM2014-00015; “the ’850 patent”) and U.S. Patent No. 6,982,733 (CBM2014-00013). We instituted covered business method patent review in CBM2014-00015 and CBM2014-00013, and final written decisions in those proceedings are entered concurrently with this decision.

Petitioner also requested covered business method patent review of related U.S. Patent No. 8,146,077 (CBM2014-00014). We did not institute covered business method patent review in CBM2014-00014.

D. Alleged Ground of Unpatentability

Petitioner alleges that claims 1–10 are unpatentable under 35 U.S.C. § 101.

II. ANALYSIS

A. Arguments Incorporated By Reference

In footnote 11 on page 12 of the Patent Owner Response, Patent Owner attempts to incorporate certain arguments made in its Preliminary Response (Paper 11) into the Patent Owner Response. Our rules prohibit incorporating arguments by reference. 37 C.F.R. § 42.6(a)(3) states: “[a]rguments must not be incorporated by reference from one document into another document.” Incorporation by reference circumvents our rule limiting the pages in the Patent Owner response to 80 pages. *See* 37 C.F.R.

§ 42.24(b)(2). Arguments that are not developed and presented in the Patent Owner Response, itself, are not entitled to consideration. *See* Paper 20, 3 (cautioning Patent Owner “that any arguments for patentability not raised and fully briefed in the response will be deemed waived.”).

B. Claim Construction

The Board interprets claims of unexpired patents using the broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.300(b). Under the broadest reasonable construction standard, claim terms are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). Any special definition for a claim term must be set forth with “reasonable clarity, deliberateness, and precision.” *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994). In the absence of such a definition, limitations are not to be read from the specification into the claims. *In re Van Geuns*, 988 F.2d 1181, 1184 (Fed. Cir. 1993).

Prior to construing the relevant claim limitations, we turn to some initial matters raised by Patent Owner. First, Patent Owner argues that we must construe “the entirety of the challenged claims” (PO Resp. 30), and proposes constructions for some, but not all, limitations of the challenged claims (*see id.* at 33–35). Claim construction, however, “is not an inviolable prerequisite to a validity determination under § 101.” *Bancorp Servs. L.L.C. v. Sun Life Assur. Co. of Canada (U.S.), L.L.C.*, 687 F.3d 1266, 1273 (Fed. Cir. 2012). *See, e.g., Vivid Techs., Inc. v. Am. Sci. & Eng'g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (only those terms that are in controversy need to

be construed, and only to the extent necessary to resolve the controversy). We construe, below, the limitations that are relevant to the issues of patent-eligibility discussed below. We determine that all other claim limitations need no explicit construction.

Second, Patent Owner urges us to adopt all previous judicial constructions and, in particular, the constructions of United States District Court for the Eastern District of Texas Marshall Division (*see* Exs. 2014–2016). PO Resp. 29. Petitioner also relies upon previous judicial constructions (*see* Ex. 2017) to support its arguments. *See* Reply 4. However, the standard for claim construction in a district court infringement action is different than the standard applied by the Board. *See In re Morris*, 127 F.3d 1048, 1053–54 (Fed. Cir. 1997). In covered business method patent review proceedings, the Board applies the broadest reasonable construction consistent with the specification. 37 C.F.R. § 42.300(b); *see also SAP America, Inc. v. Versata Development Group, Inc.*, CBM2012-00001, slip op. at 7–18 (PTAB June 11, 2013) (Paper 70) (discussing adoption of the broadest reasonable interpretation standard).

i. Preamble

The preambles of independent claims 1, 7, 8, and 9 recite “[a]n information management and synchronous communications system for generating and transmitting menus.” Petitioner and Patent Owner dispute whether the preamble limits these claims. Reply 2–7; PO Resp. 35–36.

Patent Owner argues that the preamble is limiting because “[t]erms are recited in the preamble which do not appear in the remainder of the claims and ‘synchronous communications system’ is necessary to define the synchronization functionality of the first menus and the second menus on the

back[-]office server (central database) and the handheld device/Web pages.” PO Resp. 36. According to Patent Owner, the preamble should be construed as “a computerized system having multiple devices in which a change to data made on a central server is updated on client devices and vice versa.” *Id.* at 33; *see id.* at 35–36. Patent Owner also argues that the preamble is limiting because the Specification describes that a synchronous communications system is important (*id.* at 36 (citing Ex. 1032, Title, Abstract, col. 3, ll. 9–15, 59–67)), and because the Examiner of the related ’850 patent relied upon the preamble during prosecution to distinguish over the prior art (*id.*).

Petitioner argues that the preamble is non-limiting because the preamble does not recite any structural components not captured in the body of the claims and “merely sets forth the purpose (‘information management and synchronous communication’) and intended use (‘for generating and transmitting menus’) of the claimed invention.” Reply 2–6 (citations omitted). Petitioner argues that Patent Owner’s proposed construction improperly reads in a distributed system that includes a central server and client devices and improperly excludes a preferred desktop PC embodiment from the claims. *Id.* at 6–7. Petitioner further argues that, contrary to Patent Owner’s assertion, the Examiner did not rely upon the preamble to distinguish over the prior art. *Id.* at 5.

“In general, a preamble limits the invention if it recites essential structure or steps, or if it is ‘necessary to give life, meaning, and vitality’ to the claim.” *Catalina Mktg. Int’l, Inc. v. Coolsavings.com, Inc.*, 289 F.3d 801, 808 (Fed. Cir. 2002) (citing *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1305 (Fed. Cir. 1999)). A preamble, however, is not limiting

where the claim body defines a structurally complete invention and the preamble only states a purpose or intended use for the invention. *Id.*

The bodies of the independent claims recite a system that includes a central processing unit (“CPU”), a data storage device, an operating system with a GUI, a first menu, a modifier menu, a sub-modifier menu, and application software. The application software is recited as “for generating a second menu from said first menu,” and the wherein clauses further define how the second menu is generated from the first menu. The application software is recited, further, as “for . . . transmitting said second menu to a wireless handheld computing device or Web page.”

As can be seen from the above, the bodies of the independent claims recite a structurally complete invention, one that corresponds to the embodiment that has a desktop PC and a menu configuration application described in the Specification at column 6, line 9 thru column 8, line 62 and depicted in Figure 1. *See also* Ex. 1032, col. 3, ll. 40–44 (describing the present invention as a software tool for building a menu, modifying a menu, and downloading it to a handheld device or Web Page). As described in the Specification, a menu is updated using the GUI of the menu configuration application and, then, the updated menu is downloaded to a connected handheld device by clicking on a “Download Database” item or icon in GUI 1. Ex. 1032, col. 8, l. 59–col. 9, l. 3; *see id.* at col. 3, ll. 42–43; col. 6, ll. 33–36; col. 7, l. 26. Thus, the updated menu is the same on the desktop PC and the handheld device. At the oral hearing, Patent Owner indicated that downloading is synchronizing, as “[i]t’s making something the same with something else.” *See* Tr. 28, ll. 3–4.

For these reasons, we agree with Petitioner that the preamble is non-limiting because it does not recite any structural components not already captured in the body of the claim and merely sets forth the purpose and intended use of the claimed invention. Also, the bodies of the claims already possess life, meaning, and vitality, without importing anything from the preamble.

We further are not persuaded by Patent Owner's argument that the preamble is limiting, because the argument is based upon a proposed construction that is overly narrow. Patent Owner's proposed construction implies that a synchronous communication system requires a central back-office server that communicates data updates to and from multiple client devices, similar to those recited in non-instituted claim 11. Although the Specification describes communication between a central back-office server and client devices (*e.g.*, *see* Ex. 1032, col. 11, ll. 25–36), we see nothing in the Specification, and Patent Owner points to nothing, that suggests that a synchronous communication system is required to include these elements. Patent Owner's proposed construction attempts to import these extraneous elements from the Specification into the claim. If a feature is not necessary to give meaning to what the inventor means by a claim term, it would be “extraneous,” and should not be read into the claim. *Renishaw PLC v. Marposs Societa' per Azioni*, 158 F.3d 1243, 1249 (Fed. Cir. 1998); *E.I. du Pont de Nemours & Co. v. Phillips Petroleum Co.*, 849 F.2d 1430, 1433 (Fed. Cir. 1988).

Further, we are not persuaded by Patent Owner's argument that the preamble is limiting because the Examiner, of not the '325 patent but of the related '850 patent, relied upon the preamble during prosecution to

distinguish over the prior art, as evidence by the Examiner's reasons for allowance (PO Resp. 36). Clear reliance on the preamble during prosecution to distinguish the claimed invention from the prior art may transform the preamble into a claim limitation. *Catalina*, 289 F.3d at 808. The Examiner's reasons for allowance for the related '850 patent do not show that the preamble was clearly relied upon during the prosecution of the '325 patent. Further, contrary to the Patent Owner's argument, the Examiner's reasons for allowance in the '850 patent indicate that the claimed sub-modifier menu and the claimed application software are the uniquely distinct features, and not the synchronous communication system of the preamble. Ex. 1035, 7.

For the reasons discussed above, we are persuaded by Petitioner that the preamble is non-limiting.

ii. "central processing unit"

Independent claims 1, 7, 8, and 9 recite a "central processing unit." Patent Owner proposes that CPU be construed as a "central server." PO Resp. 33, 36–37. According to Patent Owner, its construction takes into account "the centralized nature of the control over the recited menu generation and synchronous transmission functionally of the central processing unit" described in the Specification. *Id.* at 36.

Petitioner argues that there is nothing in the "intrinsic evidence [that] offers any alternative definition of this common technical term" and argues that Patent Owner's proposed construction is contrary to the Specification, which equates the CPU to a microprocessor. Reply 7–8 (citing Ex. 1032, col. 5, ll. 43–45, 54–56). Petitioner proposes that CPU should be construed according to its ordinary and customary meaning, which is "the

computational and control unit of a computer.” Pet. 41 (citing MICROSOFT COMPUTER DICTIONARY, 115 (4th ed. 1999)).

We are persuaded by Petitioner that the broadest reasonable construction in light of the Specification of the term CPU is the computational and control unit of a computer. Petitioner’s construction is consistent with the Specification, which describes that the system of the ’325 patent uses typical hardware elements in the form of a computer workstation and that “[a] typical workstation platform includes hardware such as a central processing unit (‘CPU’), e.g., a Pentium® microprocessor.” Ex. 1032, col. 5, ll. 43–45; *see also id.* at col. 5, ll. 54–56 (“a CPU, e.g., Pentium® microprocessor”). Further the Specification discloses using a desktop PC to generate and download menus to a connected handheld device (*see id.* at col. 6, l. 33–col. 9, l. 3), as well as, discloses the use of a central back-office server (*e.g.*, *see id.* at col. 2, ll. 31–37). Patent Owner’s proposed construction improperly reads into the claims the central back-office server. *See Renishaw*, 158 F.3d at 1249 (explaining that extraneous features should not be read into the claims).

For these reasons, we determine that the broadest reasonable construction, in light of the Specification, of CPU is the computational and control unit of a computer.

iii. “Web page”

Neither Petitioner nor Patent Owner contests the construction of the term “Web page” in the Decision to Institute. *See PO Resp.* 34–35, 38. We construed Web page to mean “a document with associated files for graphics, scripts, and other resources, accessible over the Internet and viewable in a web browser.” Dec. on Inst. 7–9.

iv. “menu”

Petitioner does not propose explicitly a construction of menu, but argues that the claim terms should be given their ordinary and customary meaning. Pet. 40–41. Patent Owner proposes that “menu” should be construed as “computer data representing collections of linked levels of choices or options intended for display in a graphical user interface.” PO Resp. 34, 39–41 (citing a construction by a district court); *see* Ex. 2014, 11–12. Patent Owner, however, provides no analysis as to why the district court’s construction is the broadest reasonable construction in light of the Specification. PO Resp. 34, 39–41.

We are not persuaded by Patent Owner that its proposed construction is the broadest reasonable construction in light of the Specification. We see nothing in the Specification, and Patent Owner does not point to anything in the Specification, that provides support for Patent Owner’s proposed construction, in particular that the menus have a “linked levels” feature. Although the Specification discloses some menus that are linked to additional menus, this “linked levels” feature is extraneous and should not be read from the Specification into the claim. *See* Ex. 1032, col. 5, ll. 28–37 (“File options *can have* additional subordinate or child options associated with them. *If* a file option having a subordinate option is selected . . .” (emphases added)).

We give “menu” its ordinary and customary meaning. RANDOM HOUSE WEBSTER’S COLLEGE DICTIONARY defines menu as “a list of options available to a user as displayed on a computer or TV screen.” RANDOM HOUSE WEBSTER’S COLLEGE DICTIONARY, 520 (2nd ed. 1997). This definition is consistent with the Specification, which describes menus as

providing choices or options in a GUI. *See* Ex. 1032, col. 5, ll. 23–25; *see* Figure 1 (depicting a menu, a modifier menu, and a sub modifier menu).

For these reasons, we determine that the broadest reasonable construction, in light of the Specification, of “menu” is a list of options available to a user displayable on a computer.

v. *“said second menu is applicable to a predetermined type of ordering,” “the type of ordering is table-based customer ordering,” “the type of ordering is drive-thru customer ordering,” “the type of ordering is customer ordering via telephone,” and “the type of ordering is customer ordering via wireless device”*

Independent claim 1 recites “said second menu is applicable to a predetermined type of ordering.” Claims 2, 3, 5, and 6 each depend from claim 1. Claim 2 recites “wherein the type of ordering is table-based customer ordering”; claim 3 recites “wherein the ordering [is] drive-thru customer ordering”; claim 5 recites “wherein the type of ordering is customer ordering via telephone”; and claim 6 recites “wherein the type of ordering is customer ordering via wireless device.”

Petitioner does not propose explicitly a construction of any these limitations, but argues that claim terms should be given their ordinary and customary meaning. Pet. 40–41.

Patent Owner proposes that claim 1’s limitation should be construed as “the generated second menu includes preprogrammed functionality based on restaurant menu style, preparation methods, pricing and how the food is to be served to the customer.” PO Resp. 34. According to Patent Owner, its construction reflects that the ordering type is preprogrammed and functional and not a reference to a user choice. *Id.* at 42. Patent Owner, further, proposes that dependent claims that further specify the type of ordering should be construed as stated in the chart below.

Claim	Claim Limitation	Patent Owner's Proposed Construction
2	the type of ordering is table-based customer ordering	the generated second menu allows the order to be placed in courses for a customer at a table in a restaurant
3	the type of ordering is drive-thru customer ordering	the generated second menu allows the entire order to be placed at one time for pick up by a customer in an automobile
5	the type of ordering is customer ordering via telephone	the generated second menu allows the entire order to be placed at one time via a telephone
6	the type of ordering is customer ordering via wireless device	the generated second menu allows the entire order to be placed via the display screen on a wireless handheld computing device

Id. at 34–35. According to Patent Owner, these constructions are “necessary in view of the unique functionality that is compelled by the knowledge of a POSA—based on well-known terminology.”³¹ *Id.* at 43. In footnote 31, Patent Owner references two URLs that seem to point to articles at www.wikipedia.org. PO Resp. 43 n.31. Patent Owner, however, failed to file a copy of these articles in these proceedings and, therefore, we cannot consider them. *See* 37 C.F.R. § 42.63(a) (“All evidence must be filed in the form of an exhibit.”).

We are not persuaded by Patent Owner that its proposed constructions are the broadest reasonable construction of each term in light of the

Specification. Each of Patent Owner's proposed constructions is overly narrow because it incorporates features that are extraneous to the claims. If a feature is not necessary to give meaning to what the inventor means by a claim term, it would be "extraneous," and should not be read into the claim. *Renishaw*, 158 F.3d at 1249; *E.I. du Pont*, 849 F.2d at 1433. These features include the menu having preprogrammed functionality based on restaurant style, preparation methods, pricing and how the food is to be served to the customer; the menu having functionality that allows for coursing; and the menu having functionality that allows for the order to be placed all at one time. We see nothing in the limitations, themselves, that require such features. We see nothing in the Specification, and Patent Owner points to nothing in the Specification (*see* PO Resp. 42–44), that requires these limitations to include such features or that even discloses such features.

Further, we are not persuaded by Patent Owner's argument that the knowledge of a person of ordinary skill in the art "compels" such a construction (*id.* at 43) because Patent Owner presents only attorney argument, unsupported by evidence. *In re Geisler*, 116 F.3d 1465, 1470 (Fed. Cir. 1997) (Attorney arguments and conclusory statements that are unsupported by factual evidence are entitled to little probative value.).

As to specifically claim 6, Patent Owner argues that, the recitation of "a wireless computing device" is a reference to the "wireless handheld computing device" that is recited in claim 1, and, therefore, should not be construed to encompass a wireless laptop or desktop PC. PO Resp. 74–75. Petitioner argues that claim 6 should not be rewritten to include the term handheld and that "if the wireless computing device of claim 6 were a reference to the wireless handheld computing device of claim 1, claim 6

would have used the definite article ‘the’ rather than generically reciting ‘via wireless device.’” Reply 14–15. We are persuaded by Petitioner that the recitation of “a wireless computing device” in claim 6 does not require that the wireless computing device be handheld or preclude a wireless laptop or desktop PC. Patent Owner’s proposed construction again attempts to read extraneous features into the claim.

We give these limitations their broadest reasonable construction in light of the Specification. We give the claim terms their ordinary and customary meaning. Each of claims 1, 2, 3, 5, and 6 recites that the second menu is applicable to a recited type of ordering. A definition of “applicable” is “capable of or suitable for being applied.” MERRIAM-WEBSTER’S COLLEGIATE DICTIONARY, 56 (10th ed. 1998). This definition is consistent with the Specification, which discloses that the modified menu can be generated so that it includes items that satisfy certain criteria, such as a breakfast menu having a breakfast item (Ex. 1032, col. 14, ll. 8–25; *see id.* col. 9, ll. 7–9, col. 10, ll. 21–26), and discloses that “[t]he menu generation aspect of the invention is equally applicable to table-based, drive-thru, [i]nternet, telephone, wireless or other modes of customer order entry.” Ex. 1032, col. 14, ll. 25–28.

Given the above, we determine that the broadest reasonable constructions in light of the Specification are as stated in the chart below.

Claim	Claim Limitation	Construction
1	said second menu is applicable to a predetermined type of ordering	the second menu is capable of or suitable to being applied to a predetermined type of ordering
2	the type of ordering is table-based customer ordering	the second menu is capable of or suitable to being applied to table-based customer ordering
3	the type of ordering is drive-thru customer ordering	the second menu is capable of or suitable to being applied to drive-thru customer ordering
5	the type of ordering is customer ordering via telephone	the second menu is capable of or suitable to being applied to customer ordering via telephone
6	the type of ordering is customer ordering via wireless device	the second menu is capable of or suitable to being applied to customer ordering via wireless device

vi. “generation of the second menu such that the second menu is appropriate for a specified time of day” and “generation of multiple menus, each of said multiple menus being appropriate for a particular time of day”

Petitioner does not explicitly propose a construction of any these limitations, but argues that claim terms should be given their ordinary and customary meaning. Pet. 40–41. Patent Owner proposes that these limitations should be construed as stated in the chart below.

Claim	Claim Limitation	Patent Owner's Proposed Construction
7	generation of the second menu such that the second menu is appropriate for a specified time of day	generation of a particular second menu for the wireless handheld computing device or Web page each of which is automatically operable for particular time of day periods
8	generation of multiple menus, each of said multiple menus being appropriate for a particular time of day	generation of multiple second menus for the wireless handheld computing device or Web page each of which is only operable for a particular time of day period

PO Resp. 35.

We are not persuaded by Patent Owner that its proposed constructions are the broadest reasonable constructions in light of the Specification. Patent Owner's proposed constructions again are overly narrow and unsupported by evidence. Patent Owner's proposed constructions incorporate a feature, the menus being operable for a particular time of day, that is extraneous to the claims. We see nothing in the limitations, themselves, that require such feature, and we see nothing in the Specification that requires these limitations to include this feature. Patent Owner points to column 10, lines 24–26 and column 14, lines 8–9 of the Specification to support its construction. PO Resp. 42–44. These portions of the Specification disclose that a user can generate menus, such as a breakfast, lunch, or dinner menu (Ex. 1032, col. 10, ll. 24–26) and that menu can be generated automatically or manually by selecting items that comply with

predetermined criteria, such as breakfast (*id.* at col. 14, ll. 8–25). The cited portions of the Specification do not disclose menus with functionality for being only operable for a particular time of day.

We are also not persuaded by Patent Owner’s argument that the knowledge of a person of ordinary skill in the art “compels” such a construction (PO Resp. 43) because Patent Owner presents only attorney argument, unsupported by evidence.

We give these limitations their broadest reasonable construction in light of the Specification. Each of claims 7 and 8 recites that the second menu is appropriate for a particular time of day. A definition of “appropriate” is “especially suitable or compatible.” MERRIAM-WEBSTER’S COLLEGIATE DICTIONARY, 57 (10th ed. 1998). This definition is consistent with the Specification, which as discussed above, discloses that a user can generate multiple menus, such as a breakfast, lunch, or dinner menu, and that “[t]he user can then select the appropriate database to reflect the time of day.” Ex. 1032, col. 10, ll. 21–26; *see also id.* at col. 14, ll. 8–25 (describing that a menu can be generated automatically or manually by selecting items that comply with predetermined criteria, such as breakfast).

Given the above, we determine that the broadest reasonable constructions in light of the Specification are as stated in the chart below.

Claim	Claim Limitation	Construction
7	generation of the second menu such that the second menu is appropriate for a specified time of day	generation of a second menu such that the second menu is especially suitable or compatible for a specific time of day
8	generation of multiple menus, each of said multiple menus being appropriate for a particular time of day	generation of multiple menus, each of said multiple menus being especially suitable or compatible for a particular time of day

C. 35 U.S.C. § 101

Petitioner challenges claims 1–10 of the ’325 patent as claiming patent-ineligible subject matter under 35 U.S.C. § 101. Pet. 59–79.

According to Petitioner, the claims are directed to the abstract idea of generating a menu and do not contain additional limitations that meaningfully limit the abstract idea to a practical application. *Id.*

Patent Owner disagrees and contends that the claims are patent-eligible because they recite a machine and not an abstract idea and because they recite specialized software that synchronously generates and wirelessly transmits non-PC standard handheld menus comprised of multi-tiered levels of components. PO Resp. 44–80.

a. Section 101 Subject Matter Eligibility

For claimed subject matter to be patentable eligible, it must fall into one of four statutory classes set forth in 35 U.S.C. § 101: a process, a

machine, a manufacture, or a composition of matter. The Supreme Court recognizes three categories of subject matter that are ineligible for patent protection: “laws of nature, physical phenomena, and abstract ideas.” *Bilski v. Kappos*, 561 U.S. 593, 601 (2010) (internal quotations and citation omitted). A law of nature or an abstract idea by itself is not patentable; however, a practical application of the law of nature or abstract idea may be deserving of patent protection. *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1293–94 (2012). To be patentable, however, a claim must do more than simply state the law of nature or abstract idea and add the words “apply it.” *Id.*

In *Alice Corp. Pty, Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347 (2014), the Supreme Court recently clarified the process for analyzing claims to determine whether claims are directed to patent-ineligible subject matter. In *Alice*, the Supreme Court applied the framework set forth previously in *Mayo*, “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of these concepts.” *Alice*, 134 S. Ct. at 2355. The first step in the analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts.” *Id.* (citation omitted). If they are directed to a patent-ineligible concept, the second step in the analysis is to consider the elements of the claims “individually and ‘as an ordered combination’” to determine whether there are additional elements that “‘transform the nature of the claim’ into a patent-eligible application.” *Id.* (quoting *Mayo*, 132 S. Ct. at 1291, 1297). In other words, the second step is to “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.” *Id.* (alteration in original) (quoting *Mayo*, 132 S. Ct. at 1294). Further, the “prohibition against patenting abstract ideas ‘cannot be circumvented by attempting to limit the use of the formula to a particular technological environment’ or adding ‘insignificant postsolution activity.’” *Bilski*, 561 U.S. at 610–611 (quoting *Diamond v. Diehr*, 450 U.S.175, 191–92 (1981)).

The patents at issue in *Alice* claimed a “method of exchanging financial obligations between two parties using a third-party intermediary to mitigate settlement risk.” *Alice*, 134 S. Ct. at 2356. Like the method of hedging risk in *Bilski*, 561 U.S. at 628 — which the Court deemed “a method of organizing human activity” — *Alice*’s “concept of intermediate settlement” was held to be “a fundamental economic practice long prevalent in our system of commerce.” *Alice*, 134 S. Ct. at 2356 (citations omitted). Similarly, the Court found that “[t]he use of a third-party intermediary . . . is also a building block of the modern economy.” *Id.* (citations omitted). “Thus,” the Court held, “intermediate settlement . . . is an ‘abstract idea’ beyond the scope of § 101.” *Id.*

Accordingly, utilizing this framework, we analyze claims 1–10 of the ’325 patent to determine whether these claims are directed to patent-ineligible subject matter.

b. Ineligible Concept

Petitioner argues that the claims are directed to the abstract idea of generating menus. Pet. 62–68. Patent Owner argues that the claims “are not directed to an ‘idea’ at all; they are directed to a new machine.” PO Resp. 46–47 (emphasis omitted).

Nominally, the claimed subject matter is a machine, which is one of the four categories of statutory subject matter. Statutory class, however, is not by itself determinative of whether a claim is directed to patent eligible subject matter. “Regardless of what statutory category (‘process, machine, manufacture, or composition of matter,’ 35 U.S.C. § 101) a claim’s language is crafted to literally invoke, we look to the underlying invention for patent-eligibility purposes.” *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1374 (Fed. Cir. 2011). *See Alice*, 134 S. Ct. 2358–2359; *Bancorp Servs.* 687 F.3d at 1275.

The independent claims recite a system that generates a second menu from a first menu by selecting menu categories and items from the first menu, adding menu categories and item to the second menu, and selecting parameters from modifier and sub-modifier menus to assign to items in the second menu. The claims also recite that the system transmits the second menu to a wireless handheld computing device or Web page. The claims further recite that the second menu is applicable to a predetermined type of ordering; is appropriate for a specified time of day; or includes items that satisfy specified parameters.

As discussed in section I(A) above, the Specification discloses a user generating a menu by adding or deleting menu categories, such as salads or desserts; menu items, such as caesar salad or green salad; menu modifiers, such as dressing; and menu sub-modifiers, such as ranch or blue cheese to create the second menu. Ex. 1032, col. 6, l. 37–col. 8, l. 58. The Specification also discloses that the menu categories, items, modifiers, or sub-modifiers can be added to the generated menu based on whether they satisfy certain criteria related to the time of day (e.g., breakfast, dinner, or

lunch); type of item (e.g., chicken, fish, or vegetarian); or type of ordering (e.g., table-based or drive-thru). *See id.* at col. 9, ll. 7–9, col. 10, ll. 21–26, col. 14, ll. 8–9, 19–22. The Specification states:

[w]hile the preferred embodiment of the invention includes the selection of items from a master menu wherein the master menu is displayed using a graphical user interface, it is to be appreciated that any means for displaying the master menu to the user and generating another menu in response to and comprised of the selections made is encompassed by the contemplated invention

(*id.* at col. 13, l. 65–col. 14, l. 4) and

It is also within the scope of the invention to generate menus automatically in response to predetermined criteria. For example, in the restaurant menu generation embodiment, a modified menu can be generated to comply with a particular specification or group of criteria such as, e.g., “dinner”, “low cholesterol”, “lowfat”, “fish”, “chicken”, or “vegetarian”. . . . It should also be appreciated that the invention encompasses any combination of automatic and manual user selection of the items comprising the generated menu. For example, a user might specify criteria which would further control automatic selection or the user could manually select some items with automatic selection of others. The menu generation aspect of the invention is equally applicable to table-based, drive-thru, [i]nternet, telephone, wireless or other modes of customer order entry, as is the synchronous communications aspects of the invention.

(*Id.* at col. 14, ll. 8–29).

The independent claims also recite that the system transmits the second menu to a wireless handheld computing device or Web page.

In that regard, the Specification states:

[t]he inventive concept encompasses the generation of a menu in any context known to those skilled in the art where an object is to facilitate display of the menu so as to enable selection of

items from that menu. . . . Likewise, displaying menus generated in accordance with the invention on [Personal Digital Assistants (“PDAs”)] and Web pages to facilitate remote ordering are but a few examples of ways in which such a menu might be used in practice. Any display and transmission means known to those skilled in the art is equally usable with respect to menus generated in accordance with the claimed invention.

(*id.* at col.14, ll. 30–35).

Given the above, we determine that the claims are directed to the abstract idea of generating a second menu that meets specified criteria from a first menu and sending the second menu to another location.

c. Inventive Concept

Next, we look for additional elements that can “transform the nature of the claim” into a patent-eligible application of an abstract idea. That is, we determine whether the claims include an “inventive concept,” i.e., an element or combination of elements sufficient to ensure that the patent in practice amounts to significantly more than a patent on the abstract idea itself. *Alice*, 134 S. Ct. at 2357. The Supreme Court in *Alice* cautioned that merely limiting the use of an abstract idea “to a particular technological environment” or implementing the abstract idea on a “wholly generic computer” is not sufficient as an additional feature to provide “practical assurance that the process is more than a drafting effort designed to monopolize the [abstract idea] itself.” *Alice*, 134 S. Ct. at 2358 (citations omitted).

i. Independent Claims 1, 7, 8, and 9

Petitioner argues that the claims require nothing more than a general purpose computer using general purpose programming because the Specification, itself, discloses that the system of the ’325 patent uses typical

computer equipment and commonly known programming steps. *See* Pet. 64–68, 72–76. Patent Owner argues that the claims recite specialized software that synchronously generates and wirelessly transmits non-PC standard handheld menus comprised of multi-tiered levels of components. PO Resp. 47–80.

Independent claims 1, 7, 8, and 9 recite a CPU, a data storage device, and an operating system with a GUI. The Specification states that “the present invention uses typical hardware elements in the form of a computer workstation, operating system and application software elements which configure the hardware elements for operation in accordance with the present invention.” Ex. 1032, col. 5, ll. 39–43. CPUs and data storage devices are described as “typical hardware elements.” *Id.* at col. 5, ll. 39–50. The Specification also discloses that the use of GUI operating systems, such as Microsoft Windows® and Window CE® for handheld wireless device, were known, and that GUI’s were a known means for allowing a user to manipulate data on a computer. *Id.* at col. 4, l. 64–col. 5, l. 21. Given this, we determine that these claim elements require nothing more than a generic computer with generic computer elements performing generic computer functions. Merely reciting a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention. *Alice*, 134 S. Ct. at 2358. Using a graphical user interface, a known way for a user to interact with the computer, does not change the generic nature of the computer.

The independent claims also recite a first menu, a modifier menu, and a sub-modifier menu stored on the data storage device and displayable in a window of a GUI. The first menu is displayable in a hierarchical tree format. The Specification discloses that the use of a data storage device to

store data is “typical” and the displaying of menus in a hierarchical format in a GUI is “conventional.” *See* Ex. 1032, col. 5, ll. 21–38, 45–48, 56–58.

Given this, we determine that storing the menus on the data storage device is nothing more than routine data gathering and does not transform the abstract idea into a patent-eligible invention. *See CyberSource*, 654 F.3d at 1370.

Further, displaying menus in a GUI, including in a hierarchical format, is a well-understood, routine, conventional activity that does not add significantly more to the abstract idea. *Mayo*, 132 S. Ct. at 1298.

The independent claims, further, recite application software that functions to generate a second menu from a first menu by selecting menu categories and items from the first menu, adding menu categories and items to the second menu and selecting parameters from modifier and sub-modifier menus to assign to items in the second menu. The Specification discloses that GUI’s that display menus from which records can be created, deleted, modified, or arranged are conventional. Ex. 1032, col. 4, l. 59–col. 5, l. 21, col. 5, ll. 55–col. 6, l. 14; *see also id.* at col. 11, ll. 56–61 (“[t]he discrete programming steps are commonly known”). To add significantly more to the abstract idea, additional features must be more than well-understood, routine, conventional activity. *Mayo*, 132 S. Ct. at 1298.

The application software also functions to transmit the second menu to a wireless handheld computing device or Web page. As discussed above in section II(B)(i), the Specification discloses that the menu is transmitted to the wireless handheld device and Web page by downloading. Ex. 1032, col. 8, l. 65–col. 9, l. 3 (describing downloading the new menu to a connected PDA); *see also id.* at col. 3, ll. 42–43, col. 6, ll. 33–36, col. 7, l. 26, col. 10, ll. 12–14 (describing downloading the new menu to a wireless

handheld device and Web page). Such downloading is merely a conventional post-solution activity. Conventional post-solution activity is not sufficient to transform the abstract idea into patent-eligible subject matter. *See Parker v. Flook*, 437 U.S. 584, 590–92 (1978).

Independent claim 1 recites that “said second menu [is] applicable to a predetermined type of ordering.” Independent claims 7 and 8 recite that “the second menu is appropriate for a specified time of day.” Independent claim 9 requires that the second menu includes items that satisfy specified parameters. As discussed above in sections II(B)(v–vi), these limitations of independent claims 1, 7 and 8, like the limitation of claim 9, encompass the second menu being created so that the selected items satisfy specified parameters, such as being breakfast, lunch, or dinner items. This is nothing more than insignificant extra solution activity and is not sufficient to transform the abstract idea into patent-eligible subject matter. *See Flook*, 437 U.S. at 590.

Even when the claim elements are considered as a combination, they add nothing that is not already present when the elements are considered separately. *Alice*, 134 S. Ct. at 2359. The claims convey nothing more meaningful than the fundamental concept of generating a second menu that meets specified criteria from a first menu and sending the second menu to another location.

Upon review of Petitioner’s analysis and supporting evidence and taking into account Patent Owner’s arguments, discussed below, we are persuaded by Petitioner independent claims 1, 7, 8, and 9 do not recite additional elements that transforms the claim into a patent-eligible application of an abstract idea.

We are not persuaded by Patent Owner's argument that these claims require additional elements that transform the abstract idea into a patent-eligible application (PO Resp. 44–74, 76–80) because it is based on an overly narrow construction of the claimed elements, as discussed in section II(B) above, and based on additional elements not recited or required by the claims. Patent Owner argues the claims “supply a new and useful application of the idea by virtue of the fact that they synchronously generate and wirelessly transmit out non-PC standard handheld menus comprised of multi-tiered levels of components.” *Id.* at 47–48.

Patent Owner's argument is based upon its overly narrow construction of the preamble of the claim and the claimed CPU and menu. As discussed above in section II(B), when given the broadest reasonable construction in light of the Specification, the claim elements do not require a central back-office server that updates changes to the menu on multiple client devices and vice versa and do not require menus that have multi-tiered levels of components.

Patent Owner's argument also is based upon elements not recited or required by the claim. Patent Owner implies that the claims require that second menu is transmitted “wirelessly” to the wireless handheld computing device. *E.g., see id.* at 62. Although the handheld computing device is described as “wireless,” the claims do not recite that the second menu is wirelessly transmitted to the handheld device, and do not preclude, for example, transmitting the second menu to a PDA (i.e., a wireless handheld computing device) via a wire and docking station, as described in the Specification (Ex. 1032, col. 8, l. 65–col. 9, l. 3). Patent Owner also implies that the claims require that the application software functions to configure

the second menu so that it is in a non-PC standard graphical format (*e.g.*, *see* PO Resp., 49, 61–67) for the wireless handheld computing device.

However, no such limitations appear in the claims. The claims are silent as to the format of the second menu and contain no requirement that the second menu be in such a format.

Further, we are not persuaded by Patent Owner’s argument that claim 1 recites additional elements, related to ordering, that transform the abstract idea into a patent-eligible application. PO Resp. 56–57. According to Patent Owner, claim 1 “involve[s] transmission of selections from the second menu to a receiving computer at the back office/central server/database” because claim 1 recites the word “ordering.” PO Resp. 56. Contrary to Patent Owner’s argument, claim 1 contains no such requirement. As discussed above in section II(B)(v) above, claim 1 recites “said second menu [is] applicable to a predetermined type of ordering” and we have construed this limitation as requiring the second menu be capable of or suitable to being applied to a predetermined type of ordering.

ii. Dependent Claims 2–6 and 10

Dependent claims 2–6 depend from claim 1 and further define the type of ordering, respectively, to be: “table-based customer ordering”; “drive-through customer ordering”; “customer ordering via internet”; “customer ordering via telephone”; and “customer ordering via wireless device.” Claim 10 depends from claim 9 and further recites that the “specified parameters involve recipe content.”

Upon review of Petitioner’s analysis and supporting evidence and taking into account Patent Owner’s arguments, discussed below, we find these additional elements add nothing more than insignificant extra solution

activity and are not sufficient to transform the abstract idea into patent-eligible subject matter, for the same reasons as discussed above with regards to the independent claims. *See Flook*, 437 U.S. at 590. We are persuaded by Petitioner that dependent claims 2–6 and 10 do not recite additional elements that transform the claim into a patent-eligible application of an abstract idea.

We are not persuaded by Patent Owner’s argument that these dependent claims recite additional elements that transform the abstract idea into a patent-eligible application. PO Resp. 74–76. Patent Owner makes no argument specifically directed to the additional elements recited by claims 2–5 and 10, but does argue that claim 6 requires the wireless computing device to be a handheld wireless computing device and that claim 6, thus, requires that the second menu be configured into a non-standard format. PO Resp. 75. However, as discussed in section II(B)(v), claim 6 contains no such requirement.

III. CONCLUSION

We conclude Petitioner has proven, by a preponderance of the evidence, that claims 1–10 of the ’325 patent are unpatentable under 35 U.S.C. § 101.

This is a final written decision of the Board under 35 U.S.C. § 328(a). Parties to the proceeding seeking judicial review of this decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

IV. ORDER

Accordingly, it is hereby:

ORDERED that claims 1–10 of U.S. Patent No. 6,871,325 B1 are held unpatentable.

CBM2014-00016
Patent 6,871,325 B1

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