

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

DTN, LLC,  
Petitioner,

v.

FARMS TECHNOLOGY, LLC,  
Patent Owner.

---

Case IPR2018-01412  
Patent 7,991,685 B2

---

Before SCOTT C. WEIDENFELLER, *Vice Chief Administrative Patent Judge*, GEORGE R. HOSKINS, and FRANCES L. IPPOLITO, *Administrative Patent Judges*.

HOSKINS, *Administrative Patent Judge*.

DECISION  
Institution of *Inter Partes* Review  
35 U.S.C. § 314

## I. INTRODUCTION

DTN, LLC (“Petitioner”) has filed a Petition (Paper 1, “Pet.”) pursuant to 35 U.S.C. §§ 311–319 to institute an *inter partes* review of claims 1–14 of U.S. Patent No. 7,991,685 B2 (“the ’685 patent”). Farms Technology, LLC (“Patent Owner”) has filed a Preliminary Response (Paper 8, “Prelim. Resp.”). Applying the standard set forth in 35 U.S.C. § 314(a), which requires demonstration of a reasonable likelihood that Petitioner would prevail with respect to at least one challenged claim, we institute, on behalf of the Director (37 C.F.R. § 42.4(a)), an *inter partes* review to determine whether Petitioner demonstrates by a preponderance of the evidence that claims 1–14 of the ’685 patent are unpatentable.

## II. BACKGROUND

### A. *Real Parties in Interest and Related Proceedings*

Petitioner identifies itself as the real party in interest for this proceeding. Pet. 1; Paper 6, 1. Patent Owner identifies itself as the real party in interest for this proceeding. Paper 4, 1; Paper 7, 1; Paper 12, 1.

The parties identify one U.S. District Court litigation as related to this proceeding. Pet. 1; Paper 6, 1; Paper 7, 1; Paper 12, 1.

Petitioner additionally identifies another *inter partes* review proceeding, IPR2018-01525 challenging U.S. Patent No. 7,742,979 B2, as related to the present proceeding. Paper 6, 1.

### B. *The ’685 Patent*

The ’685 patent discloses methods and systems for automatically completing the sale of a commodity, such as an agricultural commodity.

Ex. 1001, Abstract, 1:19–21, 2:39–60. Figure 3 of the '685 patent is reproduced below:

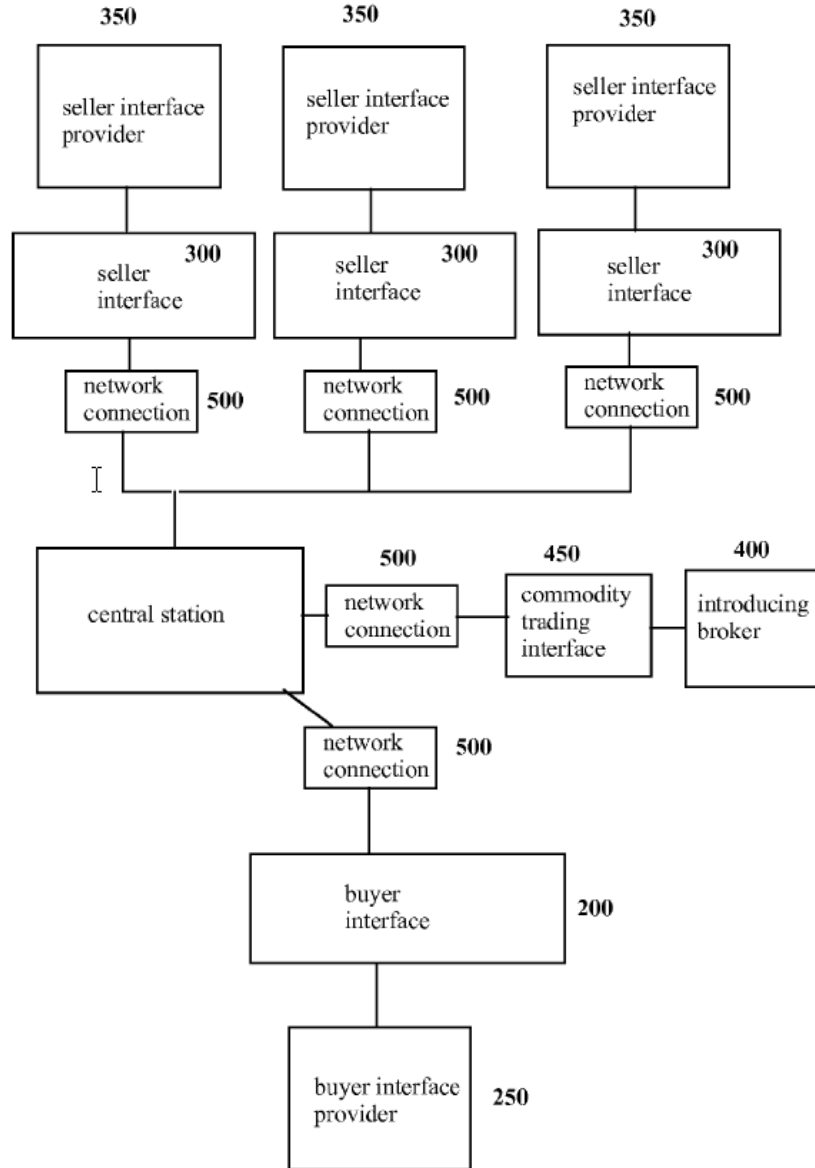


FIG. 3

Figure 3 is an outline of the '685 patent's preferred system architecture. *Id.* at 3:7–8. Potential buyers and sellers of the commodity use respective buyer and seller interfaces 200 and 300 to interact with central station 100 over a computer network such as the Internet. *Id.* at 4:50–56, 5:14–16, 11:15–27.

Central station 100 effectuates commodity transactions between buyers and sellers, as follows.

A potential buyer provides bid data for the commodity, including the buyer's "basis" for the commodity. *Id.* at 3:16–31, 4:62–67, 13:15–18; *see also id.* at 2:21–31, 2:57–60, 7:17–22 (discussing a buyer's basis). Central station 100 automatically and continually calculates the buyer's bid price in real-time, by subtracting the buyer's basis from a real-time exchange rate quote for the commodity, provided, for example, by the Chicago Board of Trade. *Id.* at 2:1–6, 2:27–30, 3:32–42, 4:60–67. The potential buyer additionally provides hedge transaction data. *Id.* at 4:56–5:2.

A potential seller provides sell data for the commodity, including the seller's net sell price and freight costs for delivering the commodity to various locations. *Id.* at 3:54–60, 5:3–4, 7:46–54, 13:19–23, 14:9–21. Central station 100 automatically calculates the seller's sell price for a particular buyer, by adding the seller's net sell price to the seller's freight cost for delivering the commodity to the buyer's specified location. *Id.* at 7:46–54, 14:9–21.

Central station 100 monitors the bid data and the sell data to identify a conformance between such data for a particular seller and a particular buyer. *Id.* at 3:61–63, 5:5–7. A determined conformance may require one or more bid and sell parameters to be matched, including commodity price, commodity type, commodity quality, and commodity color. *Id.* at 3:64–67, 5:5–7. When central station 100 detects a conformance, it: (a) automatically alerts the buyer and the seller, and discontinues the buyer's bid (*id.* at 4:1–4, 5:7–10); and (b) automatically uses the buyer's hedge transaction data to

initiate a hedging transaction on behalf of the buyer (*id.* at 3:45–53, 4:5–12, 5:7–13).

### C. *The Challenged Claims*

The '685 patent contains fourteen claims, all of which are challenged here. Claim 1, the sole independent claim, recites:

1. A commodity purchasing system, comprising:

a data storage device;

a processor connected to the data storage device;

a buyer interface, recorded on the data storage device, comprising a set of pictures, text or voice statements that provide instructions and protocols that will cause a buyer-operated computer to display to a buyer sell data received from a plurality of sellers, and to receive from the buyer hedge transaction data and bid data, said hedge transaction data including a hedge commodity, and said bid data including a basis for a desired commodity;

a network connection to a commodity exchange that periodically receives a real-time exchange rate quote for the hedge commodity;

a bid generating program, comprising computer-readable instructions to cause the processor to periodically update the bid data for said buyer so that the bid data includes an updated bid price for the desired commodity, wherein said bid generating program calculates said updated bid price by subtracting the basis from the real-time exchange rate quote;

a plurality of seller interfaces, recorded on the data storage device, comprising a set of pictures, text or voice statements that provide instructions and protocols that will cause a respective plurality of seller-operated computers to display to the plurality of sellers, respectively, the bid data received from the buyer, and to receive the sell data from the plurality of sellers, said sell data including, for each seller, a net sell price for the desired commodity and a transaction cost

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.