United States District Court,
D. Maryland, Southern Division.

BLACK DIAMOND CCT HOLDINGS, LLC, et al,
Plaintiffs.
v.
COUPONS, INC,
Defendant.

Dec. 17, 2003.

James G. Gatto, Guillermo Enrique Baeza, Pillsbury Winthrop Shaw Pittman LLP, McLean, VA, for Plaintiffs.

Anthony H. Son, Larry Lee Shatzer, II, Foley and Lardner LLP, Washington, DC, Jonathan Ray Spivey, Foley and Lardner LLP, Chicago, IL, Yonaton Aronoff, Peter Neil Wang, Foley and Lardner LLP, New York, NY, for Defendant.

MEMORANDUM AND ORDER RE: PATENT CLAIM CONSTRUCTION

RICHARD D. BENNETT**, District Judge.**

In this case, Plaintiffs Black Diamond CCT Holdings, LLC and E-Centives, Inc. (collectively, "Plaintiffs") sue Defendant Coupons, Inc. ("Coupons") for infringement of the claims of United States Patent Nos. 6,336,099 (the "'099 Patent") and 6,321,208 (the "'208 Patent") (collectively, the "Patents"). FN1 Pursuant to the Scheduling Order, the parties have filed materials relating to what they have specified as material claim construction issues. The Court held a claim construction hearing on Monday, November 10, 2003 for purposes of reviewing the intrinsic evidence of record.

FN1. The '099 Patent is a continuation of the '208 Patent. The specifications of both Patents are nearly identical. The '208 Patent is directed toward a method of electronic coupon distribution, while the ' 099 Patent is directed toward a system of electronic coupon distribution.

I. *GENERAL PRINCIPLES OF CLAIM CONSTRUCTION*

The construction of patent claims is a matter for the court. Markman v. Westview Instruments, Inc., 517 U.S. 370, 390, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996). When constructing a term in a patent claim, "the focus is on the objective test of what one of ordinary skill in the art at the time of the invention would have understood the term to mean." Markman v. Westview Instruments, Inc., 52 F.3d 967, 986 (Fed.Cir.1995) (en banc), *aff'd,* 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996).

The Court must first look at the basic evidence of record, namely, the language of the claim, the

specification, and the prosecution history. Insituform Tech., Inc. v. Cat Contracting, Inc., 99 F.3d 1098, 1105 (Fed.Cir.1996), *cert. denied,* 520 U.S. 1198, 117 S.Ct. 1555, 137 L.Ed.2d 703 (1997). The claim language itself defines the scope of the claim. Therefore, "a construing court does not accord the specification, prosecution history, and other relevant evidence the same weight as the claims themselves, but consults these sources to give the necessary context to the claim language." Eastman Kodak Co. v. Goodyear Tire & Rubber Co., 114 F.3d 1547, 1552 (Fed.Cir.1997).

The Court of Appeals for the Federal Circuit has held that claims should be read in view of the specification. *See, e.g., id.* at 1582. However, the Federal Circuit cautions against limiting the scope of a claim to the preferred embodiment or to specific examples disclosed in the specification. *See, e.g.,* Ekchian v. Home Depot, Inc., 104 F.3d 1299, 1303 (Fed.Cir.1997); *see also* Intervet Am. ., Inc. v. Kee-Vet Lab., Inc., 887 F.2d 1050, 1053 (Fed.Cir.1989) ("[L]imitations appearing in the specification will not be read into claims, and ... interpreting what is meant by a word in a claim 'is not to be confused with adding an extraneous limitation appearing in the specification, which is improper.' ") (citation omitted).

II. *DISCUSSION*

A. *The Patents and Claims at Issue*

In broad terms, the Patents describe an Internet-based, print-at-home, secure couponing service, which generates customized and targeted discount coupons and other marketing incentives in response to information provided by individual users or groups of users, and which enables the detection and prevention of fraud. Plaintiffs assert infringement of Claims 1-7 of the '208 Patent and Claims 1-8, 10-22, 24-35, and 37-40 of the '099 Patent. The parties seek the Court's construction of the terms that are highlighted below:

1. *The* '208 Patent:

Independent Claim 1 of the '208 Patent contains the following disputed terms:

An online method for a *user* to view and print at a remote terminal *user-specific coupons* based on a *user profile,* the method comprising the steps of:

(a) storing in a storage device at a *central location electronic coupon information* pertaining to a group of coupons available;

(b) receiving a request from a *user* for access to stored coupon information;

(c) determining if the *user* is a *registered user,* and if the *user* is not registered:

(i) transmitting a prompt to the remote terminal to electronically complete a *user profile* and transmit the *user profile* to the *central location;*

(ii) receiving and storing a *user profile* at the *central location;* and

(iii) downloading to the remote terminal a *coupon data management software module* for managing the printing of coupons, including *unique user identification information;*

if the *user* is registered, accessing the stored *user profile;*

(d) *viewing,* by a remote terminal, *selected ones of the stored coupons,* the selected coupons being based on user-specific information, which comprises *user profile information* and/or *user usage history information;*

(e) receiving at the *central location* a request to transmit to the remote terminal at least one coupon data file, the coupon data file corresponding to a *user* selected coupon, the coupon data file comprising various fields, including a redemption amount field and *other fields,* the redemption amount field being indicative of a discount provided by the coupon, the redemption amount field and *at least one other field being variable* in accordance with user-specific information associated with the requesting user; and

(f) transmitting to the remote terminal the at least one coupon data file to enable the *user* to print a coupon using the *coupon data management software module.*

'208 Patent, col. 14, ll. 8-47. The disputed terms in the dependent claims of the '208 Patent also appear in independent Claim 1 and therefore will be interpreted to have the same meanings as they have in the independent claim.

2. The '099 Patent:

The '099 Patent contains two independent claims, Claims 1 and 21, which are substantially identical except for the final paragraph. Claim 1 states:

A central, computer-based system for providing *remote users* with access via remote terminals to *user-specific incentives based at least in part on user-specific information* over an online network, the central system comprising:

a central data repository having memory in which is stored incentive offer data and remote user data;

at least one server operatively associated with the central data repository for accessing and storing incentive offer and *remote user data;*

at least one *communication device* in operative association with the server, whereby the central system establishes an electrical communication with a remote terminal operated by a remote user, whereby the central system obtains *remote user data,* including *user-specific information;* and

a graphical user interface in association with the server and the remote terminal for presenting to the remote user at the remote terminal one or more retailers and one or more incentive offers associated with the user selected retailer, the remote terminal communicating the user selection to the central system, the central system generating a user-specific incentive associated with each selected offer for redemption by the remote user.

'099 Patent, col. 14, ll. 14-40; *see also* '208 Patent, col. 15, l. 54-col. 16, l. 2. The final paragraph of Claim 21 differs in its language and provides:

a graphical user interface in association with the server and the remote terminal for presenting to the remote user at the remote terminal one or more categories of goods or services and one or more incentive

offers associated with the goods or services for user selection, the presentation being based at least in part on the user-specific information, whereby the user selects a good or service and one or more incentive offers associated with the user selected good or service, the remote terminal communicating the user selection to the central system generating a user-specific incentive concerning each user selected offer for redemption by the remote user.

'099 Patent, col. 16, ll. 3-14. Certain of the disputed terms in the dependent claims of the '099 Patent also appear in independent Claims 1 and 21 and will be interpreted to have the same meanings as they have in the independent claim. The terms "other fields" and "various fields" in dependent Claims 2 and 28 are disputed and do not appear in the independent claims. Claim 2 states:

The system of Claim 1, wherein the user-specific incentive generated by the central system is transmitted to the remote terminal and includes at least one incentive data file, the incentive data file corresponding to the user selected offer, the incentive data file comprising *various fields,* including a redemption amount field, and *other fields,* the redemption amount field being indicative of a discount provided by the selected offer, at least one field being variable in accordance with user-specific information associated with the requesting user.

Id., col. 14, ll. 41-50. Claim 28 is substantially the same as Claim 2, except it depends on Claim 21 instead of Claim 1. *See* id., col. 16, ll. 30-38. Accordingly, the terms will be construed as having the same meaning in both dependent claims.

Finally, Claims 5 and 31 are disputed in their entirety. Claim 5 states: "*The system of Claim 1, wherein the user-specific information includes a zip code, city, state, user address, user name, or user telephone number.*" Id., col. 14, ll. 65-67. Claim 31 is substantially the same as Claim 5, except it depends on Claim 21 instead of Claim 1. *See* id., col. 16, ll. 51-53. These terms will be construed as having the same meaning in both dependent claims.

B. *Construction of the Claim Language*

1. *User*

"Although words in a claim are generally given their ordinary and customary meaning, a patentee may choose to be his own lexicographer and use terms in a manner other than their ordinary meaning, as long as the special definition of the term is clearly stated in the patent specification or file history." Vitronics Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1582 (Fed.Cir.1996) (citing Hoechst Celanese Corp. v. BP Chems. Ltd., 78 F.3d 1575, 1578 (Fed.Cir.1996)). Plaintiffs define the term "user" by reference to the '208 Patent specification as "an individual or household of users." *See* '208 Patent, col. 6, ll. 50-51 ("[a]s used herein, the term 'user' denotes an individual user or a household of users linked through one account."). Ordinarily, the specification is dispositive as to the meaning of a disputed term when it expressly defines terms used in the claims. Vitronics Corp., 90 F.3d at 1582. However, in this case, the specification contains alternate definitions for the term "user," one of which is not supported or enabled by the specification. For instance, the specification contains no provision for the establishment of an "account" for purposes of utilizing the electronic coupon distribution service. The specification also does not define what combination of individuals may constitute a "household" for purposes of utilizing the system and does not identify how members of a "household" may be linked through a single account.

Coupons asserts that the specification and prosecution history teach that the system works only if the "user"

is an individual. It cites portions of the specification that discuss the printing of a user-specific bar code on each coupon to prevent duplication and multiple redemption. *See* '208 Patent, col. 5, ll. 49-62. "The user bar code is encoded with user-specific information such as the name and/or other unique identification criteria such as a social security number or online service address. This information renders each printed coupon 18 unique, since an otherwise similar coupon presented by a different consumer will comprise a different user bar code 90." Id., col. 7, ll. 21-34.

Coupons also cites portions of the June 12, 1997 Amendment for the proposition that the '208 Patent distinguishes itself from the DeLapa Patent, which encodes each coupon with a machine-readable code that identifies the household of the consumer. 6/12/97 Amdt. at 15-16. However, DeLapa is distinguishable from the present invention not because of the information encoded on each coupon, but rather because of the method by which unique coupons are assembled. Whereas the coupons referenced in DeLapa are printed at a central site and then sent to the user in hard copy, the coupons generated by the instant invention are printed from the user's own computer using data stored on that computer and data obtained from the coupon repository. Therefore, Coupons' reliance on the June 12, 1997 Amendment seems misplaced.

In the April 30, 1998 Amendment, however, the patentee notes that each coupon is personalized with user-specific data pertinent only to an individual and not multiple individuals, such as the user's name or social security number. 4/30/98 Amdt. at 10-11. The purpose of including such information is to facilitate detection of duplicative redemptions and to allow manufacturers to track and analyze who has requested coupons and who has actually used them. Id.

The specification notes that the coupon distribution center utilizes the user-specific redemption data along with user-specific demographic data supplied by the online service provider in order to compile subsequent coupon data download packages for use by consumers. '208 Patent, col. 7, ll. 51-55. By way of example, the specification states that "it may be determined by the analysis means that users with dogs in their household (which is known by the demographic responses) will get a certain package comprising dog food coupons." Id., col. 12, ll. 41-44. A user's selection, printing, and redemption of certain coupons will trigger a further customized response from the system. *See* id. Because the demographic information provided by each user is broad enough to encompass the preferences of members of the user's household (thus facilitating targeted marketing of households), it would be inconsistent to define the term "user" as multiple members of the same household. Plaintiffs' definition of the term to include members of a household linked through one account is rejected as overbroad and unsupported by the specification or patent history. *See* Genentech, Inc. v. Wellcome Foundation Ltd., 29 F.3d 1555, 1564 (Fed.Cir.1994). Accordingly, the term "user" shall be construed to mean an individual who utilizes the electronic coupon distribution service to request and obtain coupons or incentives.

2. *Remote User*

The term "remote user" appears in independent Claims 1 and 21 and several dependent claims of the '099 Patent and is not defined in the specification. Therefore, the Court will construe the term in accordance with its plain and ordinary meaning. Quantum Corp. v. Rodime, PLC, 65 F.3d 1577, 1580 (Fed.Cir.1995) ("[T]he words of a claim will be given their ordinary meaning to one of skill in the art unless the inventor appeared to use them differently."). Claim 1 of the '099 Patent supports such a construction. See '099 Patent, col. 14, ll. 15-16 and 25-26 ("a central, computer based system for providing remote users with access via remote terminals"). The specification's definition of a remote user computer or remote terminal provides further support. *See* '099 Patent, col. 4, ll. 50-54 ("The remote user computer in the present invention comprises

interface means for providing user interaction with the centrally located repository, a memory, and a coupon data management program."). Accordingly, the term "remote user" shall be construed as a user who accesses the system using a remote terminal or a remote user computer.

3. *Remote User Data*

"Remote user data" appears in Claims 1 and 21 of the '099 Patent and dependent Claim 19 and is not defined in the specification. Plaintiffs' definition of the term as "data pertaining to a remote user" is overbroad. *See* SRI Int'l v. Matsushita Elec. Corp., 775 F.2d 1107, 1121 (Fed.Cir.1985) (en banc) (claim language defines claim scope). The claims expressly limit the definition to data that is obtained by and stored at the central repository and which includes user-specific information (as defined below) and "prior selection and redemption data associated with the remote user."

4. *Registered User*

The term "registered user," as used in Claim 1(c) of the '208 Patent, must be construed in accordance with its plain and ordinary meaning to a person skilled in the art. Plaintiffs' proposed construction is supported by reference to the *American Heritage College Dictionary* (3d ed.1993), which defines "register" as "[t]o enroll officially or formally ..." or "to place one's name in a register." In addition, the specification describes the process of initial registration for the electronic coupon distribution service as follows:

An online display screen 60 is shown in FIG. 4a, which is provided to a user on a display 24 of his remote computer 6 whenever he is in online communication with the service provider 2. The online display screen 60 comprises a join service function button 62, a download coupons function button 64, a help function button 66, and an online communications button 68. When the user desires to initially register for the electronic coupon distribution service, he selects the join service function button 62 which initiates a dialog with the online service provider 2 in order to request certain demographic data from the user which will be used to target specific coupon data packages for subsequent downloading. The user has the option of providing the requested information if he so desires. In addition, an offline coupon management program is transmitted electronically to the user's computer 6 for subsequent coupon data requesting, downloading and processing.

'208 Patent, col. 7, l. 56-col. 8, l. 5. Therefore, the Court construes the term "registered user" to mean a user who has become eligible to utilize the electronic coupon distribution service by joining the service and thus registering with the system.

5. *User Profile*

The term "user profile" appears in Claim 1(c)(i) of the '208 Patent. If the user is not a registered user, the system will "transmit[ ] a prompt to the remote terminal to electronically complete a user profile and transmit the user profile to the central location." '208 Patent, col. 14, ll. 19-20. Claim 1(c)(ii) states that the user profile will be received and stored at the central location. Id., col. 14, ll. 22-23. The term subsequently appears in dependent Claim 6: "The method of claim 1 wherein the user profile comprises demographic data associated with the user." Id., col. 14, ll. 56-57.

The term does not appear in the specification. The specification contains numerous references to a demographic data file, which contains demographic data obtained from the user at the time of initial registration, data representative of responses to demographic inquiries presented to the user at the time the

user requests a download of coupon data, and a record indicative of each coupon selected by the user and printed by the user. *See* ' 208 Patent, col. 5, ll. 6-12; col. 6, ll. 58-62; col. 7, ll. 62-col. 8, l. 1; col. 8, ll. 34-38; col. 9, ll. 46-53; col. 10, ll. 51-57. However, it is unclear from the specification how much of the information contained in the demographic data file comprises the user profile. Accordingly, in the absence of guidance from the specification, the Court construes the term "user profile" in a manner consistent with the claims to mean a summary of demographic data provided by the user in response to requests during the initial registration process.

6. *User Profile Information*

Claim 1(d) of the '208 Patent identifies "user profile information" as a subset of "user-specific information." '208 Patent, col. 14, ll. 30-34 ("the selected coupons being based on user-specific information, which comprises user profile information and/or user usage history information."). The specification is silent as to the definition of the term. The Court construes the term to mean information in the user profile.

7. *Unique User Identification Information*

The term "unique user identification information" appears in Claim 1(c)(iii) of the '208 Patent in the following context: "downloading to the remote terminal a coupon data management software module for managing the printing of coupons, including unique user identification information ...." '208 Patent, col. 14, ll. 24-27. The specification notes that coupons are printed by the coupon data generation routine, which relies on fixed coupon data transmitted to the user's computer during the registration process and variable coupon data that is transmitted to the user's computer whenever he requests coupon data from the central repository. Id., col. 5, ll. 6-13. In the preferred embodiment, the fixed data includes a user identification bar code number, which is a unique number assigned to the user, for example his social security number or online identification number. Id., col. 11, ll. 2-4. The number is encoded by the printable coupon data generation routine and is printed as a bar code on each coupon printed for the particular user. Id., col. 11, ll. 4-7. One purpose of the user identification bar code is to render printed coupons unique as between users, and thus to prevent duplication and multiple redemption of the same coupon. Reading the disputed term in the context of the specification, the Court construes the term "unique user identification information" to mean information that is stored on the user's remote terminal that uniquely identifies the user.

8. *User Usage History Information*

The term "user usage history" appears in Claim 1(d) of the '208 Patent and, like the term "user profile information," is described as a subset of "user-specific information." *See* '208 Patent, col. 14, ll. 30-34. The specification makes clear that the coupon distributor collects information regarding the coupon data selected by the user, the coupon data printed by the user, and demographic information relating to the user. Id., col. 12, ll. 28-33. The coupon distributor also collects and stores information from the coupon redemption center about the coupons actually redeemed. Id., col. 12, ll. 33-35. That information is analyzed, and, based on marketing and targeting criteria and objectives, different coupon packages are generated and transmitted to the online service provider. Id., col. 12, ll. 53-55. Accordingly, the Court construes "user usage history" to mean data relating to a user's selection, printing and redemption of coupons over time.

9. *User-specific Information*

The term "user-specific information" appears primarily in Claims 1(d) and 1(e) of the '208 Patent and in Claims 1 and 21 of the '099 Patent. According to Claim 1(d) of the '208 Patent, user-specific information

may include user profile information and user usage history information. Claim 1 of the '099 Patent describes user-specific information as a subset of remote user data that is transmitted to the central system. The specification indicates that user-specific information, which may include the user's name, social security number, or online service address, is encoded in each coupon "in the form of a unique user bar code 90" and "renders each printed coupon unique." *See* ' 099 Patent, col. 7, ll 26-32. The Court adopts Plaintiffs' proposed definition of the term, "information specific to a user."

10. *Central Data Repository*

Defendant accepts Plaintiffs' proposed construction of the term "central data repository" in Claims 1 and 21 of the '099 Patent as any centrally located computer system that stores electronic coupon information (including incentive offer data and product redemption coupon data) and remote user data, said computer system comprising one or more computers or Internet sites. The proposed construction is supported by the claims and specifications. *See* ' 099 Patent, col. 14, ll. 19-20; col. 4, ll. 41-54; col. 6, ll. 47-49, 52-65; Fig. 1.

11. *Central Location*

Defendant also accepts Plaintiffs' proposed construction of the term "central location" in Claim 1(a) of the '208 Patent as "a location where electronic coupon data and/or user information is stored." That construction is supported by the claims and specifications. *See* '208 Patent, col. 14, ll. 11-13, 19-23; col. 4, ll. 40-48.

12. *At Least One Server Operatively Associated with the Central Data Repository*"

This phrase appears in Claim 1 of the '099 Patent in the following context: "at least one server operatively associated with the central data repository for accessing and storing incentive offer and remote user data." ' 099 Patent, col. 14, ll. 21-23. The specification does not describe the use of a server in this context. Rather, the specification describes only an "online communication server," which operates as a "bulletin board file where users can post messages to a coupon distributor or issuer regarding any issue of interest." *See* id., col. 8, ll. 39-48; Fig. 6. Plainly, the definition of server should not be restricted to this definition, because an electronic bulletin board that facilitates communication with a coupon distributor or issuer does not perform the claimed functions of accessing and storing incentive offer and remote user data. The Court therefore must construe the term in accordance with its plain and ordinary meaning to one skilled in the art. *Newton's Telecom Dictionary* 920 (8th ed.1994) defines "server" as "a shared computer on the local area network that may be ... used as a repository and distributor ... of data." "Operatively associated with the central data repository" shall be construed to mean that the server operates in conjunction with the central data repository.

13. *Coupon Data Management Software Module*

The term "coupon data management software module" appears in Claims 1(c)(iii) and 1(f) of the '208 Patent as a computer program that is downloaded from the central location to the remote terminal and performs the function of "managing the printing of coupons, including unique user identification information." *See* '208 Patent, col. 14, ll. 23-26, 43-45. The specification describes other functions performed by the coupon data management software module:

The coupon data management program is implemented by the [remote user] computer for requesting coupon data from the centrally located repository, for storing in the memory coupon data transmitted from the centrally located repository, and for generating printable coupon data from the stored coupon data. The

remote user computer also comprises a coupon output buffer operatively associated with the data management program for storing the printable coupon data generated by said coupon data management program.

'208 Patent, col. 4, ll. 48-60.

Additionally, the coupon data management program of the present invention operates in conjunction with the remote computer to allow the user to select and store certain desired coupon data from the coupon data transmitted by the centrally located repository and print coupons as selected. The coupon data management program also allows the user to generate a shopping list which is correlated to the coupons printed for subsequent redemption.

Id., col. 5, ll. 14-21. Viewing the term in light of the specification, the Court construes "coupon data management software module" to mean a software program downloaded to the remote terminal that performs coupon data management functions, including the printing of coupons.

14. *Communication Device*

The term "communication device" in Claim 1 of the '099 Patent appears in the following context: "at least one communication device in operative association with the server, whereby the central system establishes an electrical communication with a remote terminal operated by a remote user, whereby the central system obtains remote user data, including user-specific information ...." The Court construes the term in accordance with its plain meaning to mean a component that facilitates the transmission of information or data between the central system and the remote terminal. *See McGraw-Hill Dictionary of Scientific and Technical Terms* 416, 553 (5th ed.1994) (defining "communication" as "transmission of intelligence between two or more points over wires or by radio" and "device" as a computer or computer component).

15. *Graphical User Interface*

The term "graphical user interface" appears in Claims 1 and 21 of the '099 Patent in the following context:

a graphical user interface in association with the server and the remote terminal for presenting to the remote user at the remote terminal one or more retailers and one or more incentive offers associated with the retailers for user selection, the presentation being based at least in part on the user-specific information, whereby the user selects a retailer and one or more incentive offers associated with the user selected retailer, the remote terminal communicating the user selection to the central system, the central system generating a user-specific incentive associated with each selected offer for redemption by the remote user.

'099 Patent, col. 14, ll. 30-41. Defendant argues that the functional language in the claims is unsupported and not enabled by the specification and, therefore, the claims are invalid. The Court here is concerned only with the construction of the disputed claim terms and does not resolve the question of whether the claims are invalid. In the absence of language in the specification interpreting the term "graphical user interface," the Court gives the term its ordinary meaning. The term shall be construed in accordance with Plaintiffs' proposed definition as a "visual computer interface that enables a user to issue commands using a pointing device." *See Newton's Telecom Dictonary* 488-89 (8th ed.1994) (defining graphical user interface as a device which "lets users get into and out of programs and manipulate the commands in those programs by using a pointing device (often a mouse)).

16. *User Specific Coupons*

Defendant accepts Plaintiffs' proposed construction of the term "user specific coupons" in Claim 1 of the '208 Patent as "coupons specific to a user." That construction is supported by the specification. *See* '208 Patent, col. 5, ll. 46-62; col. 7, l. 62-col. 8, l. 1.

17. *Electronic Coupon Information*

Defendant accepts Plaintiffs' proposed construction of the term "electronic coupon information" in Claim 1(a) of the '208 Patent as "electronic information relating to coupons." That construction is supported by the claim and specification. *See* '208 Patent, col. 14, ll. 11-13 ("storing in a storage device at a central location electronic coupon information pertaining to a group of coupons available"); col. 6, ll. 52-57; Figs. 6 and 10.

18. *User Specific Incentives*

Defendant accepts Plaintiffs' proposed construction of the term "user-specific incentives" in Claims 1 and 21 of the '099 Patent as "incentives specific to a user." That construction is supported by the specification and the construction of the term "user specific coupons" in the '208 Patent. *See, e.g.,* '099 Patent, col. 6, ll. 58-65; col. 7, ll. 51-55.

19. *Various Fields; Other Fields; At Least One Other Field Being Variable in Accordance with User-Specific Information*

The terms "various fields" and "other fields" appear in the following context in Claim 1(e) of the '208 Patent: "the coupon data file comprising *various fields,* including a redemption amount field and *other fields,* the redemption amount field being indicative of a discount provided by the coupon, the redemption amount field and *at least one other field being variable in accordance with user-specific information* associated with the requesting user ...." The terms also appear in Claims 2 and 28 of the '099 Patent with reference to an incentive data file.

The variable coupon data fields are depicted in Fig. 3 and include the expiration date, redemption amount, company and product data, UPC code, redemption address, and offer description. *See also* '208 Patent, col. 11, ll. 24-32. In addition, Fig. 3 depicts various fixed coupon data fields, including the border graphics, redemption instructions, and user identification bar code. The user's computer assembles coupons for printing by using the fixed coupon data and user-specific information, which are stored on the user's computer, and variable coupon data, which is transmitted to the user's computer when he requests coupon data from the central repository. '208 Patent, col. 5, ll. 6-13; *see also* col. 10, ll. 58-64. The user-specific information encoded on each coupon in the form of a user identification bar code number is variable as between different users.

Referring to FIG. 3, the data format of the fixed coupon parameters and user-specific data are set forth and include predefined border graphics which are the same for every coupon printed, redemption instructions, and a user identification bar code number. The user identification bar code number is a unique number assigned to that user, e.g. his social security number or online identification number. This number will be encoded by the printable coupon data generation routine 32 *d* and printed as a bar code 90 on each coupon 18 printed for the particular user. This information will thus be obtained by the coupon redemption center and provided to the coupon distributor 16 for demographic analysis and the like.

'208 Patent, col. 10, l. 65-col. 11, l. 10. The nature of the offer presented to the user may vary in accordance with demographic information provided by the user:

The amount of the redemption discount included with a coupon downloaded to a user may be varied depending on certain demographic information that the system has about the user. For instance, the system may provide a certain value for known users of a brand (which information it will obtain by demographic inquiry or through previous redemptions in the system), and it may provider [sic] a higher discount in order to provide an incentive to users of a competitive brand. The ability to vary the value of a discount offer in accordance with such demographic and usage data is a unique advantage offered by the system of the present invention and heretofore unavailable in the prior art.

Id., col. 13, ll. 24-35. As Defendant correctly notes, the prosecution history distinguishes the present invention from the prior art: "Notably, the coupon data file comprises a redemption amount field with redemption amount data that is variable prior to transmission in accordance with a profile associated with the user such that users with different profiles may be provided with coupon data files having different redemption amounts for the same product." 4/30/98 Amdt. at 17 (adding limitation to pending claim 47).

In light of the prosecution history and the specification, the Court will construe "various fields" to mean fields of data in the coupon data file. "Other fields" shall mean those fields in the coupon data file other than the redemption amount field. "At least one other field being variable in accordance with user-specific information associated with the requesting user" means that at least one field in the coupon data file other than the redemption amount field will change based on a user's demographic information and/or prior coupon usage information known to the system.

20. *Viewing ... Selected Ones of the Stored Coupons*

Claim 1(d) of the '208 Patent recites the disputed phrase "viewing, by a remote terminal, selected ones of the stored coupons, the selected coupons being based on user-specific information, which comprises user profile information and/or user usage history information." In the preferred embodiment, electronic coupon data is stored in a centrally located repository, and requested coupon data packages are downloaded to a user's remote computer. '208 Patent, col. 6, ll. 30-34; col. 8, ll. 29-33. A user subsequently may view the coupons and advertisements previously downloaded by selecting the view function button 52. Id., col. 9, ll. 54-55. That selection will "call the view coupons routine 32 *b*, which will access the downloaded coupon data file 30 *a* and present it to the user via the display 24." Id., col. 9, ll. 56-58. Accordingly, the Court will construe the phrase to mean viewing, by a remote terminal, those coupons which are downloaded to the remote terminal.

21. *Claims 5 and 31 of the* '099 Patent

Dependent Claim 5 of the '099 Patent claims "[t]he system of claim 1, wherein the user-specific information includes a zip code, city, state, user address, user name, or user telephone number." Dependent Claim 31 derives from Claim 21 and claims the same additional elements. The claim terms are self-explanatory and must be accorded their ordinary meaning. The Court does not reach Defendant's argument that the claim is overbroad and not enabled or supported by the specification or prosecution history.

III. *CONCLUSION*

For the foregoing reasons, the Court concludes the following with regard to the construction of the claim

terms at issue:

1. The term "user," as used throughout the Patents, is construed to mean an individual who utilizes the electronic coupon distribution service or system to request and obtain coupons or incentives.

2. The term "remote user" in Claims 1 and 21 of the '099 Patent is construed to mean a user who accesses the system using a remote terminal or a remote user computer.

3. The term "remote user data" in Claims 1 and 21 of the '099 Patent is construed to mean prior selection and redemption data associated with the remote user.

4. The term "registered user" in Claim 1(c) of the '208 Patent is construed to mean a user who has become eligible to utilize the electronic coupon distribution service by joining the service and thus registering with the system.

5. The term "user profile" in Claim 1(c)(i) of the '208 Patent is construed to mean a summary of demographic data provided by the user in response to requests during the initial registration process.

6. The term "user profile information" in Claim 1(d) of the '208 Patent is construed to mean information in the user profile.

7. The term "unique user identification information" in Claim 1(c)(iii) of the '208 Patent is construed to mean information that is stored on a user's remote terminal that uniquely identifies the user.

8. The term "user usage history information" in Claim 1(d) of the '208 Patent is construed to mean data relating to a user's selection, printing and redemption of coupons over time.

9. The term "user-specific information" in Claims 1(d) and 1(e) of the ' 208 Patent and in Claims 1 and 21 of the '099 Patent is construed to mean information specific to a user.

10. The term "central data repository" in Claims 1 and 21 of the '099 Patent is construed to mean any centrally located computer system that stores electronic coupon information (including incentive offer data and product redemption coupon data) and remote user data, said computer system comprising one or more computers or Internet sites.

11. The term "central location" in Claim 1(a) of the '208 Patent is construed to mean a location where electronic coupon data and/or user information is stored.

12. The phrase "at least one server operatively associated with the central data repository" in Claim 1 of the '099 Patent is construed to mean at least one server that operates in conjunction with the central data repository.

13. The term "coupon data management software module" in Claims 1(c)(iii) and 1(f) of the '208 Patent is construed to mean a software program downloaded to the remote terminal that performs coupon data management functions, including the printing of coupons.

14. The term "communication device" in Claim 1 of the '099 Patent is construed to mean a component that

facilitates the transmission of information or data between the central system and the remote terminal.

15. The term "graphical user interface" in Claims 1 and 21 of the '099 Patent is construed to mean a visual computer interface that enables a user to issue commands using a pointing device.

16. The term "user specific coupons" in Claim 1 of the '208 Patent is construed to mean coupons specific to a user.

17. The term "electronic coupon information" in Claim 1(a) of the '208 Patent is construed to mean electronic information relating to coupons.

18. The term "user specific incentives" in Claims 1 and 21 of the '099 Patent is construed to mean incentives specific to a user.

19. The term "various fields" as used in Claim 1(e) of the '208 Patent and Claims 2 and 28 of the '099 Patent is construed to mean fields of data in the coupon data file. The term "other fields" as used in those claims shall mean those fields in the coupon data file other than the redemption amount field.

20. The phrase "at least one other field being variable in accordance with user-specific information associated with the requesting user" in Claim 1(e) of the '208 Patent and Claims 2 and 28 of the '099 Patent is construed to mean that at least one field in the coupon data file other than the redemption amount field will change based on the user's demographic information and/or prior coupon usage information known to the system.

21. The phrase "viewing, by a remote terminal, selected ones of the stored coupons" in Claim 1(d) of the '208 Patent is construed to mean viewing, by a remote terminal, those coupons which are downloaded to the remote terminal.

22. The phrase "zip code, city, state, user address, user name, or user telephone" in Claims 5 and 31 of the '099 Patent are construed in accordance with their ordinary meaning.

IT IS SO ORDERED this 16th day of December 2003.

D.Md.,2003.
Black Diamond CCT Holdings, LLC v. Coupons, Inc.