

Internet Advertising **Report**

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Online circ. 170,000,000

WebSideStory Joins Patent Fray **By Christopher Saunders**

Site traffic measurement player WebSideStory is the latest recipient of a patent in the online marketing space, receiving protection for its HitBox technology.

The San Diego, Calif.-based firm, which also offers a standalone software product, received U.S. Patent No. 6,393,479 for its HitBox ASP offering. The patent, "Internet Web Site Traffic Flow Analysis," protects the company's process for collecting clickstream data from a visitor's session on a Web site. The data can then be used to analyze Web surfer behavior on the site, whether they visited by way of an ad, where they abandoned an e-commerce purchase, and so on.

The patent could safeguard WebSideStory's position in an industry where it is considered one of the leaders, but faces competition from a number of firms like NetIQ ([NASDAQ:NTIQ](#)), DigiMine, Coremetrics and WhiteCross.

For NetIQ, the timing of the patent award is precarious: next week, the firm is slated to unveil the next version of its WebTrends Reporting Center analytics service.

WebSideStory would only say that it is looking into pursuing action against other firms, though in recent weeks, patents have done a good deal to shape the market for online advertising services -- and could do more in coming months, as firms continue to use the legal protections afforded by patents to turn up the heat on competitors.

New York-based rich media firm Unicast, which earlier this year received two patents related to its Superstitial ad format, successfully leveraged its wins to acquire Enliven, a financially troubled seller of rival formats.

Unicast also recently succeeded in compelling another rival, Bluestreak, to abandon its own rich media interstitial offerings in favor of supporting the Superstitial.

In February, the U.S. Patent & Trademark Office published ad network ExitExchange's patent application, which protects "post-session Internet advertising," commonly referred to as a "pop-under" ad. Under patent law, ExitExchange now is entitled to royalties from other companies that use pop-unders, although the firm's patent has yet to be approved.

ExitExchange said that it has secured licensing arrangements with several, unnamed firms that use or sell pop-under ads, and that it is negotiating with "some of the major players" in the market. The company also said it planned to send notice letters to firms using pop-under advertising.