UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE, INC.

Petitioner

v.

SMARTFLASH LLC

Patent Owner

Case CBM2014-00102

Patent 8,118,221

PATENT OWNER'S OPPOSITION TO PETITIONER'S MOTION TO STRIKE PORTIONS OF THE DEPOSITION TRANSCRIPT OF ANTHONY WECHSELBERGER CONCERNING PETITIONER'S PRODUCTS AND FOR COSTS

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For at least the reasons set forth below, Patent Owner opposes Petitioner's Motion to Strike Portions of the Deposition Transcript of Anthony Wechselberger Concerning Petitioner's Products and for Costs.

I. RESPONSES TO STATEMENTS OF MATERIAL FACTS

1. Admitted.

2. Admitted.

3. Admitted.

4. The first two sentences are admitted. The last sentence is denied to the extent that it is not clear if Petitioner intends that sentence to mean "Petitioner requested that Patent Owner be ordered not to ask questions related to the operation of Petitioner's products because [Petitioner believes] (1) such questions were clearly outside the scope of the proceedings, (2) Mr. Wechselberger had not opined on the operation of Petitioner's products in his declaration, and (3) secondary considerations had not been placed at issue in the proceeding."

5. Admitted.

6. Admitted.

7. Admitted.

II. STATEMENT OF MATERIAL FACTS

8. Mr. Wechselberger provided his opinion on the obviousness of at least one challenged claim in the present proceeding (i.e., CBM2014-00102). See Exhibit 1021, page 00026 *et seq*.

III. THE OBJECTED TO TESTIMONY WAS WITHIN THE SCOPE OF THE PROCEEDING

In its Motion, Petitioner argued that "The portions of the Wechselberger transcript reflecting Patent Owner's improper questioning concerning Petitioner's products and related secondary considerations should be stricken from the record." Motion at 6. It further clarified that "Petitioner seeks to strike ... Wechselberger Dep. 358:1-378:4. See Ex. 1030" (hereinafter "the Objected to Testimony"). Motion at 2. In support of such a request, Petitioner states "The Board's rules are clear: "For cross-examination testimony, the scope of the examination is limited to the scope of the direct testimony." *Id.* (citing 37 C.F.R. § 42.53(d)(5)(ii)). However, Petitioner misapprehends the "scope of the direct testimony" provided by Mr. Wechselberger.

Mr. Wechselberger provided his opinion on the obviousness of at least one challenged claim in each of the four CBMs (CBM2014-00102, -00106, -00108 and -00112) for which he was being deposed. As set forth in *Graham v. John Deere*

Co., 383 U.S. 1 (1966), obviousness is a question of law based on underlying factual findings, including: (1) the scope and content of the prior art; (2) the differences between the claims and the prior art; (3) the level of ordinary skill in the art; and (4) objective considerations of nonobviousness. *Id.* at 17–18. Those four factors, however, are part of a single issue -- obviousness -- and cannot be separated out into individual parts such that a deponent can testify about some parts and be blocked from testifying about other parts at the discretion of the Petitioner.

The use of objective considerations, which are sometimes referred to as "secondary considerations," is discussed in *In Re Cyclobenzaprine Hydrochloride Extended-Release Capsule Patent Litigation*, 676 F.3d 1063, 1075 (Fed. Cir. 2012). In that case, the Federal Circuit held that "a fact finder ... may not defer examination of the objective considerations until after the fact finder makes an obviousness finding." *Id.* at 1075 (citing *Stratoflex, Inc. v. Aeroquip Corp.* 713 F.2d 1530, 1538–39 (Fed. Cir. 1983) ("It is jurisprudentially inappropriate to disregard any relevant evidence on any issue in any case, patent cases included. Thus, evidence rising out of the so-called 'secondary considerations' must always when present be considered en route to a determination of obviousness.")(citations omitted)). Indeed, the Federal Circuit held that "Many subsequent cases have expressly followed *Stratoflex*'s directive that courts consider all objective evidence

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