UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner

v.

SMARTFLASH LLC,
Patent Owner

Case CBM2014-00102[1]
Patent 8,118,221 B2

PETITIONER APPLE INC.'S REPLY IN SUPPORT OF ITS MOTION TO EXCLUDE UNDER 37 C.F.R. § 42.64(c)

[1] Case CBM2014-00103 has been consolidated with the instant proceeding.

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As Patent Owner ("PO") concedes, for admissibility F.R.E. 702 requires that an "expert's scientific, technical, or other specialized knowledge will *help the trier of fact to understand the evidence or to determine a fact in issue*."[2] Opp. (Pap. 45) at 2. Notwithstanding PO's litany of baseless excuses, Dr. Katz's testimony reveals he cannot do so,[3] and his Declaration should be excluded.

I. Dr. Katz's Recent Work Does Not Make Up For His Lack Of Qualification To Testify About The Prior Art Time Period

Although Dr. Katz clearly *did not* meet his definition of a POSITA as of the claimed October 25, 1999 priority date (*see* Opp. 3 ("even if he did not meet the definition at the time…")),[4] PO asserts his qualifications 16 years later—"at the

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[2] Emphasis herein is added, and abbreviations are those in Petitioner's Motion.

[3] Space does not permit listing here the many failures of knowledge, cataloged in the Motion, that PO left without even an *attempted* excuse, such as Dr. Katz's lack of understanding of whether credit and financial records *disclosed in the same Ginter excerpt he criticized* (*e.g.*, Ex. 2028 ¶ 38; *see* Ex. 1015 162:51-58) can include "payment data" (Mot. 9 (citing Ex. 1031 131:6-8, 132:2-26)), although he was forced to concede nothing in Ginter precluded that. Ex. 1031 132:17-133:1.

[4] While Dr. Katz later contended without basis that he was a POSITA at the priority date (Ex. 1031 184:3-6), PO does not dispute that in 1999 he lacked both the degree and industry exposure *required by Dr. Katz's own definition*. Ex. 2028 ¶ 9,

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time Dr. Katz *rendered* his opinions" in 2015—enable him to testify as an expert about what a POSITA would have understood in 1999. *Id*. 3-4. Even if, under some circumstances, later work might suffice to provide the necessary foundation,[5] this is certainly not the case here: nothing in Dr. Katz's declaration or testimony provides a shred of evidentiary support for PO's bald assertion that he has knowledge about what a POSITA would have known *in 1999*, which confirms he is in no position to "help the trier of fact." *Cf*. F.R.E. 702.

II. PO Can Cite No Evidence to Support its Concocted Excuse That Differing Definitions Caused Dr. Katz's Lack of Knowledge

Each question PO now criticizes as being "ambiguously broad" or "unrelated to the specific opinions [Dr. Katz] rendered" (Opp. 1) is, in fact, clear and relevant to whether Dr. Katz (1) was qualified to analyze the validity of the instituted claims and (2) reliably concluded they are valid. Tellingly, PO offers no evidence to support its excuse that Dr. Katz was "not sure" about various aspects of the prior art because of some purported confusion of terms that Dr. Katz failed to state at the time—*e.g.*, that "Petitioner never established whose definition of a POSITA Dr.

App'x A.

[5] *Cf*. Opp. 3 (PO citing dissent in opinion subsequently vacated and decided in an *en banc* opinion, *Therasense, Inc. v. Becton, Dickinson & Co.*, 649 F.3d 1276 (Fed. Cir. 2011), that omits PO's cited statements).

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Katz was to use," or that different interpretations of "person of ordinary skill" or "payment data" would lead to different answers. Opp. 4-9. This attempt to concoct uncertainty now, where Dr. Katz did not find it during deposition questioning by Petitioner, is especially glaring given that *Dr. Katz's own Declaration* provided his express interpretation of the term "payment data" (Ex. 2028 ¶ 11), defined his understanding of a POSITA (*id*. ¶ 9), and stated that he is "qualified to opine on what [a POSITA] would have understood at the time of the filing of the patent." *Id.* ¶10. Indeed, Dr. Katz confirmed at the outset of his deposition that he understood the meaning of counsel's references to "what a person of ordinary skill in the art would have understood." Ex. 1031 10:15-11:3.

Against the backdrop of Dr. Katz's own testimony, PO cites no evidence to support its claim that Dr. Katz's answers depended on differences in the definitions of a POSITA that he and Mr. Wechselberger proposed. Opp. 5, 7-9. For example, PO points out that Dr. Katz had no problem testifying that a POSITA would know what a merchant server was. Opp. 5; Ex. 1031 19:3-10 (Dr. Katz answering that a POSITA would have understood a merchant server to be "a computer server that was selling items, acting as a merchant"). But in trying to excuse Dr. Katz's inability to answer whether a POSITA would have understood that digital content could be bought and sold over a network or the internet—*e.g.*, sold by a "merchant server"—PO speculates, *without any support in Dr. Katz's testimony or otherwise*, that

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