

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

APPLE INC.,  
Petitioner,

v.

SMARTFLASH LLC,  
Patent Owner.

---

Case CBM2014-00112<sup>1</sup>  
Patent 7,942,317 B2

**PETITIONER'S REPLY TO PATENT OWNER'S RESPONSE**

---

<sup>1</sup> Case CBM2014-00113 has been consolidated with the instant proceeding.

## TABLE OF CONTENTS

I.	Petitioner’s Response to PO’s Statement of Facts.....	3
II.	PO Incorrectly Interprets Petitioner’s Proposed Construction of “Payment Data” and Ignores the Explicit Teachings of the ’317 Patent .....	3
III.	Stefik Renders The Instituted Claims Obvious .....	5
A.	Stefik Discloses or Renders Obvious a “Pointer to a Data Provider” and “Resource Locator Identifying a Data Provider” (Claims 1, 6, 7, and 16) .....	5
B.	Stefik Discloses or Renders Obvious Payment Data (Claims 8, 12, 13, and 18).....	7
C.	Stefik Discloses or Renders Obvious Providing Data “Responsive to Received Payment Data” (Claim 8) and “On Validation of Payment Data” (Claims 12 and 13).....	9
IV.	Ginter Renders The Instituted Claims Obvious.....	11
A.	Pre-Purchase Processing Does Not Change the Principle of Operation of Ginter .....	11
B.	Ginter Discloses Multiple Examples of “Payment Data” .....	14
V.	Mr. Wechselberger’s Opinions Are Entitled to Far Greater Weight than Dr. Katz’s.....	16

**TABLE OF AUTHORITIES**

	<b>Page(s)</b>
<b>CASES</b>	
<i>Extreme Networks, Inc. v. Enterasys Networks, Inc.</i> , 395 F. App'x 709 (Fed. Cir. 2010).....	16
<i>Flex-Rest LLC v. Steelcase, Inc.</i> , 455 F.3d 1351 (Fed. Cir. 2006) .....	16
<i>In re Ratti</i> , 270 F.2d 810 (C.C.P.A. 1959) .....	13
<i>Sundance, Inc. v. DeMonte Fabricating Ltd.</i> , 550 F.3d 1356 (Fed. Cir. 2008) .....	16, 17

## LIST OF EXHIBITS

Exhibit	Description
1001	U.S. Patent No. 7,942,317
1002	Plaintiff's First Amended Complaint
1003	U.S. Patent No.8,118,221
1004	File History for U.S. Patent No. 8,118,221
1005	File History for U.S. Patent No. 8,336,772
1006	U.S. Patent No. 4,999,806
1007	U.S. Patent No. 5,675,734
1008	U.S. Patent No. 4,878,245
1009	U.S. Patent No. 5,754,645
1010	File History for U.S. Patent No. 7,942,317
1011	Declaration of Flora D. Elias-Mique In Support of Apple Inc.'s Petition for Covered Business Method Patent Review
1012	U.S. Patent No. 5,103,392
1013	U.S. Patent No. 5,530,235
1014	U.S. Patent No. 5,629,980
1015	U.S. Patent No. 5,915,019
1016	European Patent Application, Publication No. EP0809221A2
1017	PCT Application Publication No. WO99/43136
1018	JP Patent Application Publication No. H11-164058 (translation)
1019	JP Patent Application Publication No. H10-269289 (translation)

1020	Eberhard von Faber, Robert Hammelrath, and Peter Heider, "The Secure Distribution of Digital Contents," IEEE (1997)
1021	Declaration of Anthony J. Wechselberger In Support of Apple Inc.'s Petition for Covered Business Method Patent Review
1022	Declaration of Michael P. Duffey In Support of Apple Inc.'s Petition for Covered Business Method Patent Review
1023	U.S Patent No. 7,334,720
1024	U.S. Patent No. 8,033,458
1025	U.S. Patent No. 8,061,598
1026	U.S. Patent No. 8,336,772
1027	File History for U.S. Patent No. 7,334,720
1028	File History for U.S. Patent No. 8,033,458
1029	File History for U.S. Patent No. 8,061,598
1030	Wechselberger Transcript Excerpts
1031	Katz Deposition Transcript
1032	Declaration of Michael P. Duffey

# 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.