UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

## SAMSUNG ELECTRONICS AMERICA, INC. and SAMSUNG ELECTRONICS CO., LTD., Petitioner

v.

SMARTFLASH LLC, Patent Owner

Case CBM2014-00192 Patent 8,033,458

PETITIONERS' REPLY TO PATENT OWNER'S RESPONSE

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II. The Board acted within its authority when it instituted trial on the ground that
claim 11 is directed to patent-ineligible subject matter (POR § VII)1
III. Despite suggestions to the contrary, in co-pending litigation, challenges on
patent eligibility remain pending and unresolved (POR § VI)2
IV. Testimony from Dr. Bloom deserves full credit (POR §§ III, V.D)3
<ul> <li>A. Dr. Bloom's testimony is grounded in underlying facts and data, and worthy of weight, despite Patent Owner's unsupported suggestion that his declaration must state the evidentiary standard used in formulating his opinions (POR § III)</li></ul>
B. The POR's allegation of bias by Dr. Bloom is unfounded and purely speculative (POR § III)
C. Dr. Bloom cites relevant evidence that corroborates his expert opinions (POR § V.D)
V. Claim 11 is directed to patent-ineligible subject matter (POR §§ V.A-C)9
<ul> <li>A. Claim 11 fails to incorporate or recite an "inventive concept" sufficient to transform the claimed abstract idea into patent-eligible subject matter (POR §§ V.A-B)</li></ul>
a. The POR describes the claims as rooted in computer technology, yet the claimed computer elements are entirely generic (POR § V.B)12
<ul> <li>b. The POR emphasizes a function performed by the claimed computer elements yet, whether viewed individually or as an ordered combination with other claimed functions, it is nothing more than purely conventional (POR § V.B)</li></ul>
<ul> <li>c. The POR describes the claims as providing technological solutions to technological problems, yet the claims do nothing more than apply generic computer technology toward the solution of a business problem (POR § V.B)</li> </ul>

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B. Preemption of the claimed abstract idea by the Challenged Claims is conclusively established through application of the Supreme Court's twostep analysis, regardless of non-infringing alternatives (POR § V.C) .....20

#### EXHIBIT LIST

- SAMSUNG-1001 U.S. Patent No. 8,033,458 to Hulst et al. ("the '458 Patent" or "'458")
- SAMSUNG-1002 Excerpts from the Prosecution History of the '458 Patent ("the Prosecution History")
- SAMSUNG-1003 Declaration of Dr. Jeffrey Bloom re the '458 Patent ("Bloom")
- SAMSUNG-1004 U.S. Patent No. 5,530,235 ("Stefik '235" or "Stefik")
- SAMSUNG-1005 U.S. Patent No. 5,629,980 ("Stefik '980") (incorporated by 5,530,235)
- SAMSUNG-1006 PCT Publication No. WO 00/08909 ("Gruse")
- SAMSUNG-1007 PCT Application PCT/GB00/04110 ("the '110 Appln." or "110")
- SAMSUNG-1008 United Kingdom Patent Application GB9925227.2 ("the '227.2 Appln." or "'227.2")
- SAMSUNG-1009 Transitional Program for Covered Business Method Pa-tents— Definitions of Covered Business Method Patent and Technological Invention, 77 Fed. Reg. 157 (Aug. 14, 2012)
- SAMSUNG-1010 A Guide to the Legislative History of the America Invents Act; Part II of II, 21 Fed. Cir. Bar J. No. 4
- SAMSUNG-1011 Interim Guidance for Determining Subject Matter Eligibility for Process Claims in View of Bilski v. Kappos (Jul. 27, 2010)
- SAMSUNG-1012 Apple Inc. v. Sightsound Technologies, LLC, CBM2013-00019 Paper No. 17 (entered Oct. 8, 2013) at 11-13
- SAMSUNG-1013 Volusion, Inc. v. Versata Software, Inc. and Versata Development Group, Inc., CBM2013-00017 Paper No. 8 (entered Oct. 24, 2013)

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- SAMSUNG-1014 Salesforce.com, Inc. v. VirtualAgility, Inc., CBM2013-00024 Paper No. 16 (entered Nov. 19, 2013)
- SAMSUNG-1015 U.S. Patent No. 8,336,772 ("the '772 Patent" or "'772")
- SAMSUNG-1016 U.S. Patent No. 8,118,221 ("the '458 Patent" or "'458)
- SAMSUNG-1017 U.S. Patent No. 8,061,598 ("the '598 Patent" or "'598")
- SAMSUNG-1018 RESERVED
- SAMSUNG-1019 U.S. Patent No. 7,942,317 ("the '317 Patent" or "'317")
- SAMSUNG-1020 U.S. Patent Application No. 12/014,558 ("the '558 Appln." or "'558")
- SAMSUNG-1021 U.S. Patent No. 7,334,720 ("the '720 Patent" or "'720")
- SAMSUNG-1022 RESERVED
- SAMSUNG-1023 RESERVED
- SAMSUNG-1024 U.S. Patent Application No. 12/943,847 ("the '847 Appln." or "847")
- SAMSUNG-1025 RESERVED
- SAMSUNG-1026 RESERVED
- SAMSUNG-1027 RESERVED
- SAMSUNG-1028 Weinstein "MasterCard Plans Point-of-Sale Product for Merchants Leery of Bank Cards"
- SAMSUNG-1029 Mayo Collaborative Serv v. Prometheus Labs., Inc., 132 S. Ct. 1289 (2012)
- SAMSUNG-1030 Gottschalk v. Benson, 409 U.S. 63 (1972)

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