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Paper 13 (CBM2014-00190) Paper 11 (CBM2014-00192) Paper 11 (CBM2014-00193) Paper 14 (CBM2014-00194) Paper 14 (CBM2014-00199) Entered: May 6, 2015

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.

Cases¹

CBM2014-00190 (Patent 7,334,720 B2) CBM2014-00192 (Patent 8,033,458 B2) CBM2014-00193 (Patent 8,061,598 B2) CBM2014-00194 (Patent 8,118,221 B2) CBM2014-00199 (Patent 8,118,221 B2)

Before JENNIFER S. BISK, RAMA G. ELLURU, GREGG I. ANDERSON, MATTHEW R. CLEMENTS, and PETER P. CHEN, *Administrative Patent Judges*.

¹ This order addresses issues that are the same in all identified cases. We exercise our discretion to issue one order to be filed in each case. The parties, however, are not authorized to use this style heading in subsequent papers, except the filing of the transcript for this teleconference.

CBM2014-00190 (Patent 7,334,720 B2) CBM2014-00192 (Patent 8,033,458 B2) CBM2014-00193 (Patent 8,061,598 B2) CBM2014-00194 (Patent 8,118,221 B2) CBM2014-00199 (Patent 8,118,221 B2) ELLURU, Administrative Patent Judge.

ORDER Conduct of the Proceedings 37 C.F.R. § 42.5

An initial teleconference was held in these cases on May 5, 2015, among respective counsel for Petitioner Samsung Electronics America, Inc., and Samsung Electronics Co., Ltd. ("Samsung"), Patent Owner Smartflash LLC ("Smartflash"), and Judges Elluru, Bisk, Clements, Anderson, and Chen. A court reporter transcribed the teleconference at the request of Smartflash.

Smartflash submitted a list of proposed motions. Paper 12.² Samsung did not submit such a list.

Patent Owner requested authorization to file a motion for "routine discovery" under 37 C.F.R. § $42.51(b)(1)(iii)^3$ to obtain "documents from [Samsung] related to any allegations by [Samsung] (1) that any of [Samsung's] products do not infringe the challenged claim[s] and (2) that acceptable non-infringing alternatives exist to the challenged claim[s]." *Id*. Smartflash argued that such documents are inconsistent with Samsung's

² Paper numbers refer to papers in CBM2014-00190, unless otherwise indicated.

³ Rule 42.51(b)(1)(iii) states in pertinent part that "[u]nless previously served, a party must serve relevant information that is inconsistent with a position advanced by the party during the proceeding concurrent with the filing of the documents or things that contains the inconsistency."

CBM2014-00190 (Patent 7,334,720 B2) CBM2014-00192 (Patent 8,033,458 B2) CBM2014-00193 (Patent 8,061,598 B2) CBM2014-00194 (Patent 8,118,221 B2) CBM2014-00199 (Patent 8,118,221 B2) assertion in the petitions that the challenged claims result in preemption, and thus, should have been served with the petitions.

We decided that Petitioner's alleged evidence of non-infringement and non-infringing alternatives in the district court is not inconsistent with Samsung's assertion in these cases that the challenged claims are unpatentable under 35 U.S.C. § 101. We noted, for example, that a different claim construction standard is applicable in the district court in determining infringement than the broadest reasonable interpretation standard we apply in determining patentability. Samsung also stated that the question of whether the challenged claims preempt a field is a question of "relative" preemption. Smartflash did not point us to any authority that an accused infringer who pleads in the alternative that the challenged claims are unpatentable under § 101, a question of law, is taking an *inconsistent* position with its non-infringement position. In addition, to the extent that Samsung's assertion of non-infringement in district court is inconsistent with its assertion in these cases that the challenged claims are unpatentable under § 101, Smartflash is already aware of such alleged inconsistency, and has the "evidence" that Samsung took such allegedly inconsistent positions. We are not persuaded that the details of Samsung's non-infringement positions shed light on the § 101 issue.

Smartflash next proposed moving to stay these proceedings in light of the district court's ruling in favor of Smartflash on the patentability of the challenged claims under § 101. Smartflash argued that it is an improper use of Board resources to re-litigate issues that have been resolved in district court and that our rules direct us to conduct these proceedings in a speedy, CBM2014-00190 (Patent 7,334,720 B2) CBM2014-00192 (Patent 8,033,458 B2) CBM2014-00193 (Patent 8,061,598 B2) CBM2014-00194 (Patent 8,118,221 B2) CBM2014-00199 (Patent 8,118,221 B2) efficient, and inexpensive manner. We decided that there is no justification to stay these proceedings given our statutory deadline to complete these proceedings within one-year of institution. *See* 35 U.S.C. § 326(a)(11). We noted that the parties cannot control the timing of the district court trial and/or possible subsequent appeal to the Federal Circuit, even if we were to extend the deadlines in these cases by up to six months. *See id*.

Smartflash next proposed to file a motion to extend the due dates of the present proceedings by a time sufficient to allow the Board to rule on the requests for rehearing and coordinate the schedules of the present proceedings and CBM2014-00200 and CBM2014-00204, should those cases be instituted on rehearing. Smartflash stated that it was making such a request in order to allow for a single deposition of Petitioner's declarant. We stated that we will issue decisions resolving the requests for rehearing in a prompt manner and should we institute trials in those cases, we will reconsider the relevant schedules at that time.

Smartflash noted that the scheduled oral hearing dates of (a) CBM2014-00190, -192, -193, -194, and -199 and (b) CBM2015-00015, -16, -17, and -18, are currently October 29, 2015, and November 9, 2015, respectively. We stated that we will follow the current schedules of record in these proceedings and reconsider the oral hearing dates at a later time.

Lastly, the parties agreed to take a single deposition of any declarant in all related cases such that a single deposition transcript can be used in all related proceedings, but filed separately in each proceeding. The parties also agreed to the length of deposition times for a declarant. We were amenable to both agreements by the parties. CBM2014-00190 (Patent 7,334,720 B2) CBM2014-00192 (Patent 8,033,458 B2) CBM2014-00193 (Patent 8,061,598 B2) CBM2014-00194 (Patent 8,118,221 B2) CBM2014-00199 (Patent 8,118,221 B2) It is

ORDERED that Smartflash shall file the transcript of the present teleconference in each of the cases identified above; and

FURTHER ORDERED that Smartflash is not authorized to file a motion to compel routine discovery, a motion to stay these proceedings, or a motion to change or extend the due dates in the current Scheduling Orders.

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