

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.¹,
Petitioner,

v.

SMARTFLASH LLC,
Patent Owner.

Case CBM2015-00016
Patent 8,033,458 B2

Before JENNIFER S. BISK, RAMA G. ELLURU,
JEREMY M. PLENZLER, and MATTHEW R. CLEMENTS,
Administrative Patent Judges.

PLENZLER, *Administrative Patent Judge.*

DECISION

Patent Owner's Request for Rehearing, Request for Leave to File Motion to
Terminate, and Request for Oral Hearing
37 C.F.R. §§ 42.5, 42.71

¹ Apple, Inc. has been dismissed from this proceeding with respect to claim
1. Paper 50.

INTRODUCTION

A. *Background*

On November 16, 2015, Patent Owner, Smartflash LLC, filed a Request for Rehearing of our order issued in this proceeding on November 5, 2015 (Paper 50, “Estoppel Order”), a Renewed Request for Leave to File a Motion to Terminate, and a Conditional Request for Oral Hearing. Paper 51 (“Request”). In its Request, Patent Owner alleges error in portions of the Estoppel Order, which dismissed Apple, Inc. as Petitioner in this proceeding with respect to claim 1 of U.S. Patent No. 8,033,458 (“the ’458 patent”). Request 5–14. Specifically, Patent Owner contends that (1) the Board does not have statutory authority to proceed without a Petitioner (*id.* at 5–12), (2) Patent Owner should be granted leave to file a motion to terminate (*id.* at 12–13), and (3) Patent Owner is entitled to a hearing if the Board proceeds with the trial (*id.* at 13).

With respect to Patent Owner’s Request for Rehearing, our rules state that “[t]he burden of showing a decision should be modified lies with the party challenging the decision” and require that “[t]he request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.” 37 C.F.R. § 42.71(d).

In its arguments directed to the Board not having statutory authority to proceed without a petitioner, Patent Owner does not cite to anything in its Brief on Petitioner’s Estoppel (Paper 46). *See* Request 5–12. Patent Owner’s Request for Rehearing, therefore, does not identify “the place where each matter was previously addressed in a motion, an opposition, or a

reply,” as required by Rule 71(d). Accordingly, we are not persuaded that we misapprehended or overlooked these arguments.

Even if we were to consider Patent Owner’s new arguments, we are not persuaded that we do not have statutory authority to proceed without a petitioner. Patent Owner argues, for example, that “[t]he Federal Circuit’s decision in *Progressive* is inapposite” because “[i]n that case, unlike here, the Patent Owner was arguing for the instantaneous application of § 325(e)(1) such that it ‘bar[red] the Board’s entry of its CBM 2013-9 decision because the Board posted that decision to its electronic docketing system just over an hour after, but the same day as, it posted the CBM 2012-3 decision.’” Request 7 (citing *Progressive Cas. Ins. Co. v. Liberty Mut. Ins. Co.*, No. 2014-1466, 2015 WL 5004949, at *2 (Fed. Cir. Aug. 24, 2015) (nonprecedential)). We disagree. In *Progressive*, the Federal Circuit addressed not only when a final decision has estoppel effect on a petitioner, but also whether that estoppel effect imposes any limitation on the Board’s ability to reach a decision. *See Progressive*, 2015 WL 5004949, at *2 (“§ 325(e)(1) by its terms does not prohibit the Board from reaching decisions. It limits only certain (requesting or maintaining) actions by a petitioner. Nothing in the provision, or chapter 32 more generally, equates that limitation on a petitioner with Board authority to enter a decision.”).

Patent Owner’s arguments regarding IPR2014-01465 are also unpersuasive. *See* Request 8–10. For example, Patent Owner fails to note that the decision in that proceeding specifically stated that “§ 315(e)(1) by its terms does not prohibit the Board from reaching a final written decision.” *International Business Machines Corp. v. Intellectual Ventures II, LLC*, Case IPR2014-01465, slip op. at 9 (PTAB Nov. 6, 2015) (Paper 32). Rather,

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the panel noted that “§ 315(e)(1) does not mandate that the Board reach a final written decision” and based the decision to terminate that proceeding on the panel’s discretion, considering the specific facts of that case, which are not the same as those before us in this proceeding. *See id.*

Patent Owner’s request for leave to file a Motion to Terminate is denied for the reasons previously set forth in our Estoppel Order. *See Paper 50, 5–6.*

Finally, Patent Owner’s request for a second oral hearing in this proceeding is denied. Patent Owner fails to provide any explanation as to why it was denied an oral hearing with respect to claim 1 of the ’458 patent on November 9, 2015.

ORDER

For the reasons given, it is:

ORDERED that Patent Owner’s Request for Rehearing is *denied*;

FURTHER ORDERED that Patent Owner’s request for authorization to file a motion to terminate this proceeding with respect to claim 1 of the ’458 patent is *denied*; and

FURTHER ORDERED that Patent Owner’s request for a second oral hearing in this proceeding with respect to claim 1 of the ’458 patent is *denied*.

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