UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner

v.

SMARTFLASH LLC,
Patent Owner

Case CBM2015-00017
Patent 8,061,598

PETITIONER'S REPLY IN SUPPORT OF ITS MOTION FOR JOINDER UNDER 35 U.S.C. § 325(c) AND 27 C.F.R. § 42.222(b) OR, IN THE ALTERNATIVE, FOR COORDINATION OF SCHEDULE, AND REQUEST FOR SHORTENED RESPONSE TIME FOR PATENT OWNER'S PRELIMINARY RESPONSE

Patent Owner's Opposition (Paper 10, "Opp.") simply fails to address the clear reasons for joinder here. Rather than the *two particular proceedings concerning the '598 patent* actually at issue in this Motion—proceedings whose joinder Patent Owner does not and cannot suggest would yield anything other than a more just, speedy, and inexpensive result than two separate proceedings—the Opposition points instead to Petitioner's filings challenging *two other patents* that have not yet been instituted for trial—proceedings Petitioner has not asked to join with the instituted trial on the '598 patent[1] (or to coordinate with the three other instituted trials the Board has already determined to coordinate). This is mere misdirection, as is Patent Owner's extended unauthorized briefing (*e.g.,* Opp. 3, 5-7) on its own separate argument—since disposed of by the Board (*see, e.g.,* Papers 13, 16)—that Petitioner was not permitted to make any changes outside the claim charts when submitting its corrected petition. The Opposition offers *no* substantive objection to joinder, which should be granted.

I. DISCUSSION

In its Opposition, Patent Owner does not actually dispute Petitioner's support for joinder, including that joinder of the two proceedings involving the '598 patent will serve to secure the just, speedy, and inexpensive resolution of those trials, *see* 37

[1] The unsupported suggestion that this proceeding should actually be *delayed* to coordinate with these later petitions on different patents (Opp. at 8-9) is but one more attempt at diversion from the instant Motion, aimed solely at prejudicing Petitioner.

C.F.R. § 42.1(b), and Petitioner's detailed explanation of (1) why joinder is appropriate, including this petition's presentation of new § 101 arguments relying on Supreme Court authority (*Alice Corp. Pty, Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347 (2014)) issued after the original petitions but addressing overlapping claims and subject matter, and new § 103 arguments with art (including art discovered after the original petition was filed) providing explicit disclosures the Board found lacking from the art previously presented (*e.g.*, CBM2014-00108, Paper 8, 12-15) in combination with art overlapping with that in the instituted proceeding; (2) the new grounds of unpatentability asserted; (3) the minimal impact on the existing trial schedule;[2] and (4) the potential simplification of briefing and discovery for the two '598 proceedings.[3] *See* Mot. (Paper 3) 4-8. Patent Owner neither contradicts any of these reasons nor explains how joinder of the *proceedings at issue* could be inappropriate—instead, making arguments extraneous

[2] Patent Owner has made no complaint about the specific proposed schedule, which will enable efficient joinder even if it is further adjusted.

[3] The Board determined to coordinate the schedules of the instituted trials on the '221, '458, '598, and '317 patents, and Petitioner asks to continue that coordination, as the efficiencies it provides will be preserved and amplified by joinder. There is not, however, an instituted proceeding on the '720 and '772 patents, and Patent Owner's attempt to invoke those separate petitions to delay this trial is unsupported; it also cannot negate the efficiencies of resolving the two '598 proceedings together.

to the actual issues at hand.

First, though joinder of these two particular proceedings would certainly be less expensive and more efficient than non-joinder for both the parties and the Board, Patent Owner inexplicably complains, instead, about the PTO fees incurred *by Petitioner* in filing petitions on six separate patents (Opp. 4)—fees that, of course, have nothing to do with whether joinder here is appropriate. Patent Owner's supposed concerns about costs borne and paid by Petitioner in accordance with the Board's rules (or the supposed "economic power" a party displays simply by following those rules) are nothing but crocodile tears—and these PTO-established fees pale in comparison to Patent Owner's demand for almost $1 billion dollars of damages in parallel district court litigation on these patents.[4]

Second, while joinder will most efficiently resolve the distinct but overlapping issues of these *two particular '598 patent proceedings* in a single case rather than in two separate challenges (and while continuation of the Board's coordination with the other instituted proceedings on the '221, '458 and '317 patents offers additional efficiencies), Patent Owner argues joinder of the '598 matters should be denied because, it suggests, Petitioner "stretched out" various filings. Opp. 4. This is both false and irrelevant: far from dragging its feet, Petitioner, after advising Patent Owner well in ad-

[4] Equally specious are Patent Owner's complaints about CBM proceedings by other parties (*e.g.*, Opp. 4)—made possible only by Patent Owner's choice to sue them.

vance,[5] timely filed the instant petition and Motion for Joinder within 30 days of the initial '598 institution decision, and similarly moved rapidly on the patents involved in other instituted trials for which coordination is sought. The Board has the opportunity here, through joinder, to address in one proceeding new arguments not presented in the already-instituted '598 proceeding but involving significant overlap in subject matter. Contrary to Patent Owner's suggestion that Petitioner's filing of multiple petitions is somehow improper (*e.g.*, Opp. 3), Petitioner quite properly presented new arguments in the new petition that the Board has not previously considered, but that now can most efficiently and appropriately be addressed *together* with the original petition.

Finally, though Patent Owner never disputes the efficiencies that would result in joining the two proceedings involving the '598 patent, especially with respect to discovery (or from coordinating with the instituted proceedings involving the '221, '458 and '317 patents), Patent Owner suggests that, because Petitioner *also* filed slightly later petitions on two *different patents* for which no trial has yet been instituted, the present '598 schedule must somehow be delayed to the default schedule for those later petitions before any efficiencies would be achieved. *See* Opp. 8-9. This unsupport-

[5] Notwithstanding Patent Owner's baseless speculation (Opp. 4), Petitioner has made clear from the outset, to Patent Owner and the Board, that Petitioner intended to pursue Patent Owner's actively litigated claims not instituted for trial, and it has done so.

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