

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

PATENT OWNER'S PRELIMINARY RESPONSE

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PATENT OWNER'S LIST OF EXHIBITS

Exhibit Number	Exhibit Description
2001	Reserved
2002	Reserved
2003	Redline Showing "Corrected Petition" Compared to Original Petition in CBM2015-00017
2004	Congressional Record - House, June 23, 2011, H4480-4505
2005	Congressional Record - Senate, Sep. 8, 2011, S5402-5443

Pursuant to 37 C.F.R. § 42.107, Smartflash LLC (“Patent Owner”) files this preliminary response to the corrected petition, setting forth reasons why no new covered business method review of U.S. Patent 8,061,598 should be instituted as requested by Apple, Inc. (“Apple” or “Petitioner”). Arguments presented herein are presented without prejudice to presenting additional arguments in a later response should the Board institute a CBM review.

I. INTRODUCTION

Petitioner Apple seeks covered business method review of claims 1, 2, 7, 15, and 31 of U.S. Patent No. 8,061,598 (“the ‘598 Patent”). Paper 9 at 1 (“Petition”). Apple filed two earlier petitions, CBM2014-00108 and CBM2014-00109 on April 1, 2014, seeking covered business method review of these same ‘598 Patent claims, in addition to claims 13 and 26. *Apple Inc. v. Smartflash LLC*, Cases CBM2014-00108 and -00109, Paper 8 at 3-4 (PTAB September 30, 2014)(Decision, Institution of Covered Business Method Patent Review)(“00108/00109 Institution Decision”)(showing Apple’s prior ‘598 Patent claim challenges based on § 103 obviousness grounds and instituting covered business method patent review of claim 26 only). The Board granted review of claim 26 on § 103 obviousness grounds, but denied review of the remaining challenged claims. *Id.* at 4.

In the Corrected Petition, Apple raises for the first time a 35 U.S.C. § 101 unpatentable subject matter challenge to claims 1, 2, 7, 15, and 31. Corrected Petition at 1, 22. Apple also re-raises § 103 obviousness challenges to claims 1, 2, 15, and 31, relying on four pieces of prior art: two of which (Stefik ‘235 and Stefik ‘980) are the same prior art raised in CBM2014-00108; and two of which (Ahmad and Kopp) are “additional prior art” Apple “now identifies” “in light of the Board’s Decision.” Corrected Petition at 2. However, Apple does not allege that such additional references were not known or available to it when it filed its earlier petitions.

As the Board already correctly noted about the Corrected Petition and other petitions filed in 2014 on the same patent family, “[t]he 2015 set of petitions assert substantially overlapping arguments and prior art as asserted in the 2014 set of petitions, as well as challenges pursuant to 35 U.S.C. § 101, which raise purely legal issues.” CBM2015-00017, Paper 6 at 2. The Board should deny review of claims 1, 2, 7, 15, and 31 on Apple’s § 101 unpatentable subject matter grounds set forth in the Corrected Petition because Apple’s purely legal challenge is untimely and thus does not “secure the just, speedy, and inexpensive resolution” of the Board’s proceedings reviewing the ‘598 Patent claims. 37 C.F.R. § 42.1(b). The Board should also deny review of claims 1, 2, 15, and 31 on Apple’s § 103 obviousness grounds because the Corrected Petition “raises substantially the same

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