

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE, INC.

Petitioner

v.

SMARTFLASH LLC

Patent Owner

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Case CBM2015-00018

Patent 7,942,317

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PATENT OWNER'S PRELIMINARY RESPONSE

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## PATENT OWNER'S LIST OF EXHIBITS

Exhibit Number	Exhibit Description
2001	Reserved
2002	Reserved
2003	Reserved
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 petition, setting forth reasons why no new covered business method review of U.S. Patent 7,942,317 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 claim 18 of U.S. Patent No. 7,942,317 (“the ‘317 Patent”). Paper 1 at 1 (“Petition”). Apple filed two earlier Petitions, CBM2014-00112 and -00113 on April 3, 2014, seeking covered business method review of the same ‘317 Patent claim, among others. The Board granted review of claim 18, among others, on 35 U.S.C. § 103 obviousness grounds, but denied review of the remaining challenged claims. *Apple Inc. v. Smartflash, LLC*, Cases CBM2014-00112 and -00113, Paper 7 at 4 (PTAB September 30, 2014)(Decision, Institution of Covered Business Method Patent Review)(“00112/00113 Institution Decision”).

In the instant petition, Apple raises for the first time a 35 U.S.C. § 101 nonstatutory subject matter challenge to claim 18. Petition at 1, 22.

As the Board already correctly noted about the Petition and other petitions filed in 2014 on the same patent family, “[t]he 2015 set of petitions assert ... challenges pursuant to 35 U.S.C. § 101, which raise purely legal issues.” CBM2015-00018, Paper 4 at 2. The Board should deny review of claim 18 on Apple’s § 101 unpatentable subject matter grounds set forth in the 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 challenged ‘317 Patent claim. 37 C.F.R. § 42.1(b).

## II. OVERVIEW OF U.S. PATENT NO. 7,942,317

Although the claims define the actual scope of coverage of the patent, as described in the first paragraph of the BACKGROUND OF THE INVENTION, the patent-at-issue, U.S. Patent No. 7,942,317 (hereinafter “the ‘317 patent”) generally describes “data storage and access systems ... [and] is particularly useful for managing stored audio and video data, but may also be applied to storage and access of text and software, including games, as well as other types of data.” Col. 1, lines 18-26.

Preferred embodiments described in the last full paragraph of col. 15 illustrate this further: “FIG. 7 ... shows a variety of content access terminals for accessing data supply computer system 120 over internet 142. The terminals are

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