#### IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Inventor: Racz et al.§United States Patent No.: 7,942,317§Formerly Application No.: 12/014,558§Issue Date: May 17, 2011§Filing Date: January 15, 2008§Former Group Art Unit: 2887§Former Examiner: Thien M. Le§

Attorney Docket No.: 104677-5008-816 Customer No. 28120

Petitioner: Apple Inc.

For: Data Storage and Access Systems

MAIL STOP PATENT BOARD Patent Trial and Appeal Board United States Patent and Trademark Office Post Office Box 1450 Alexandria, Virginia 22313-1450

### PETITION FOR COVERED BUSINESS METHOD PATENT REVIEW OF UNITED STATES PATENT NO. 7,942,317 PURSUANT TO 35 U.S.C. § 321, 37 C.F.R. § 42.304

## TABLE OF CONTENTS

I.	INTRODUCTION1				
II.	OVERVIEW OF FIELD OF THE CLAIMED INVENTION4				
III.	PETITIONER HAS STANDING				
	А.	The '317 Patent Is a Covered Business Method ("CBM") Patent			11
		1.	Exemp	lary Claim 18 Is Financial In Nature	12
		2.	Claim 1	8 Does Not Cover A Technological Invention	14
			(a)	Claim 18 Does Not Recite A Technological Feature That Is Novel and Unobvious	15
			(b)	Claim 18 Does Not Solve A Technical Problem Using A Technical Solution	17
	B.			rs and Mandatory Disclosures; Petitioner Is a Interest Sued For and Charged With Infringement	19
IV.	DETAILED EXPLANATION OF REASONS FOR RELIEF REQUESTED, SHOWING IT IS MORE LIKELY THAN NOT THAT AT LEAST ONE CHALLENGED CLAIM IS UNPATENTABLE				
	А.	Clain	n Constru	action	20
	В.	The (	The Challenged Claims are Unpatentable Under § 101		
		1.	The Ch	allenged Claim is Directed To Abstract Ideas	23
		2.	Concep	allenged Claim Does Not Disclose An "Inventive ot" That Is "Significantly More" Than an Abstract	26
		3.		of Use Limitations Cannot Transform Abstract Ideas tent Eligible Inventions	27
		4.		c Computer Implementation Cannot Transform ct Ideas Into Patent Eligible Inventions	28
		5.		nctional Nature Of The Challenged Claims ns preemption and Patent Ineligibility	29
		6.		e-or-Transformation Test Also Confirms Patent ility	30
V.	CONCLUSION				30

EXHIBIT LIST				
1201	U.S. Patent No. 7,942,317			
1202	Plaintiff's First Amended Complaint			
1203	U.S. Patent No. 5,940,805			
1204	U.S. Patent No. 4,999,806			
1205	U.S. Patent No. 5,675,734			
1206	U.S. Patent No. 4,337,483			
1207	File History for U.S. Patent No. 7,942,317			
1208	Declaration of Megan F. Raymond In Support of Apple Inc.'s Petition for Covered Business Method Patent Review			
1209	U.S. Patent No. 5,103,392			
1210	U.S. Patent No. 5,530,235			
1211	U.S. Patent No. 5,629,980			
1212	U.S. Patent No. 5,915,019			
1213	European Patent Application, Publication No. EP0809221A2			
1214	International Publication No. WO 99/43136			
1215	JP Patent Application Publication No. H11-164058 (transla- tion)			
1216	Eberhard von Faber, Robert Hammelrath, and Franz-Peter Heider, "The Secure Distribution of Digital Contents," IEEE (1997)			
1217	Declaration of Anthony J. Wechselberger In Support of Apple Inc.'s Petition for Covered Business Method Patent Review			
1218	Declaration of Michael P. Duffey In Support of Apple Inc.'s Petition for Covered Business Method Patent Review			
1219	U.S. Patent No. 4,878,245			

DOCKET

EXHIBIT LIST				
	Claim Construction Memorandum Opinion from Smartflash LLC v. Apple Inc., No. 6:13cv447 (Dkt. 229)			
1221	U.S. Patent No. 5,925,127			

#### I. INTRODUCTION

Pursuant to 35 U.S.C. § 321 and 37 C.F.R. § 42.304, the undersigned, on behalf of and acting in a representative capacity for Apple Inc. ("Petitioner" and the real party in interest), petitions for review under the transitional program for covered business method ("CBM") patents of claim 18 (the challenged claim) of U.S. Pat. No. 7,942,317 ("the '317 patent"), issued to Smartflash Technologies Limited and assigned to Smartflash LLC ("Patentee"). Petitioner hereby asserts that it is more likely than not that claim 18 is unpatentable for the reasons herein and requests review of, and judgment against, the challenged claim as unpatentable under 35 U.S.C. § 101.<sup>1</sup>

Ad discussed in Section III.B, *infra*, Petitioner previously filed CBM2014-00112 and CBM-00113 seeking review of claims 1, 6-8, 12, 13, 16, and 18 of the '317 patent on §§102 and 103 grounds. Those petitions were instituted for trial (and consolidated as CBM2014-00112<sup>2</sup>) with respect to those claims on the basis of §103.

<sup>&</sup>lt;sup>1</sup> Petitioner is demonstrating, in pending litigation, that these claims are invalid for numerous additional reasons. All emphasis herein added unless otherwise noted. All section cites herein are to 35 U.S.C. or 37 C.F.R., as the context indicates, and all emphasis herein is added unless otherwise noted.

<sup>&</sup>lt;sup>2</sup> Petitioner respectfully notes that the Director, pursuant to Rule 325(c), may determine after institution that consolidation of these proceedings may be appropriate,

# DOCKET A L A R M



# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

# **Real-Time Litigation Alerts**



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

# **Advanced Docket Research**



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

# **Analytics At Your Fingertips**



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

# API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

#### LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

#### FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

### E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.