

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

APPLE INC.,  
Petitioner,

v.

SMARTFLASH LLC,  
Patent Owner.

---

Case CBM2015-00018  
Patent 7,942,317 B2

---

**PATENT OWNER'S  
REQUEST FOR REHEARING,  
RENEWED REQUEST FOR LEAVE TO FILE MOTION TO TERMINATE,  
AND CONDITIONAL REQUEST FOR ORAL HEARING**

TABLE OF CONTENTS

I. INTRODUCTION / STATEMENT OF PRECISE RELIEF REQUESTED..... 1

II. STATEMENT OF REASONS FOR THE RELIEF REQUESTED ..... 1

III. ARGUMENT.....5

    A. The Board Does Not Have Statutory Authority to Proceed Without A  
        Petitioner .....5

        1. The Board Misapprehends *Progressive* .....7

        2. The Board Overlooks the Substantive Statutory Differences Between § 327  
            and § 325(e)(1).....10

    B. Smartflash Should Be Granted Leave to File a Motion to Terminate .....12

    C. If the Board Insists on Proceeding, Smartflash is Statutorily Entitled to a  
        Hearing.....13

IV. CONCLUSION.....14

## **I. INTRODUCTION AND STATEMENT OF PRECISE RELIEF REQUESTED**

Patent Owner Smartflash LLC hereby requests rehearing pursuant to 37 C.F.R. § 42.71(d) of certain aspects the Board's November 4, 2015 *Order – Conduct of the Proceedings* 37 C.F.R. § 42.5. CBM2015-00018, Paper 37. Patent Owner also hereby requests leave to file a Motion to Terminate CBM2015-00018 instituted on claim 18 of U.S. Patent 7,942,317 (“the ‘317 Patent”), in light of Petitioner Apple’s 35 U.S.C. § 325(e)(1) estoppel confirmed by the Board. CBM2015-00018, Paper 37 at 4-5, 7-8. Finally, in the event that the Board does not permit rehearing and/or does not grant Patent Owner leave to file a Motion to Terminate, Patent Owner requests that it be granted an oral hearing in CBM2015-00018.

## **II. STATEMENT OF REASONS FOR THE RELIEF REQUESTED**

On petitions filed by Apple Inc., the Board instituted Covered Business Method review on 35 U.S.C. § 101 grounds of claim 1 only of the ‘221 Patent in CBM2015-00015 (CBM2015-00015, Paper 23 at 21-22), on claims 1, 6, 8, and 10 in CBM2015-00016<sup>1</sup> (CBM2015-0016, Paper 23 at 26) and on claim 18 only of the ‘317 Patent in CBM2015-00018 (CBM2015-00018, Paper 15 at 14).

---

<sup>1</sup> The Board also instituted review of claim 11 under 35 U.S.C. § 112, second paragraph in CBM2015-00016.

Also on petitions filed by Apple Inc., on September 25, 2015 the Board issued final written decisions, pursuant to 35 U.S.C. § 328(a), finding certain claims invalid on 35 U.S.C. § 103 grounds in CBM2014-00102 (claims 1, 2, and 11-14 of the ‘221 Patent (CBM2014-00102, Paper 52 at 43)); CBM2014-00106 (claim 1 of the ‘458 Patent, (CBM2014-00106, Paper 52 at 31)); and CBM2014-00112 (claims 1, 6-8, 12, 13, 16, and 18 of the ‘317 Patent (CBM2014-00112, Paper 48 at 29)).

Thus, for claim 1 of the ‘221 Patent in CBM2015-00015, claim 1 of the ‘458 Patent in CBM2015-00016, and claim 18 of the ‘317 Patent in CBM2015-00018, as of September 25, 2015 Apple was a petitioner in CBM proceedings on claims for which the Board had issued a final written decision under 35 U.S.C. § 328(a) in CBM2014-00102, -00106, and -00112 on petitions brought by Apple.

By Order dated October 9, 2015, the Board requested briefing on whether Apple was estopped from arguing the § 101 unpatentability of claim 1 of the ‘221 Patent in CBM2015-00015 and claim 1 of the ‘458 Patent in CBM2015-00016 in then-upcoming hearings on November 9, 2015. CBM2015-00015, Paper 42; CBM2015-00016, Paper 42. The Board did not request briefing on the estoppel impact of the final written decision in CBM2014-00112 as to claim 18 in CBM2015-00018.

The parties submitted briefs in response to the Board's October 9, 2015 Order. Smartflash argued that Apple was estopped from maintaining its CBMs pursuant to 35 U.S.C. § 325(e)(1) and requested leave to file a Motion to Terminate CBM2015-00015 and CBM2015-00016 as to claim 1. CBM2015-00015, Paper 45 at 1-2; CBM2015-00016, Paper 46 at 1-2.

By Order dated November 4, 2015, the Board agreed with Smartflash's estoppel position, determining that:

§ 325(e)(1) is applicable to Apple with respect to claim 1 of the '221 [in CBM2015-00015] patent and claim 1 of the '458 patent [in CBM2015-00016]. Apple was the petitioner in CBM2014-00102, which resulted in a final written decision with respect to claim 1 of the '221 patent and in CBM2014-00106, which resulted in a final written decision with respect to claim 1 of the '458 patent. CBM2014-00102, Paper 52, 43; CBM2014-00106, Paper 52, 31. Thus, pursuant to § 325(e)(1), Apple cannot "request or maintain" a proceeding before the Office with respect to these claims "on any ground" that Apple "raised or reasonably could have raised" during CBM2014-00102 and CBM2014-00106.

CBM2015-00015, Paper 49 at 3; CBM2015-00016, Paper 50 at 3; CBM2015-00018, Paper 37 at 3. The Board further determined that:

Apple "reasonably could have raised" a § 101 challenge to claim 1 of the '221 patent and claim 1 of the '458 patent. Thus, § 325(e)(1) is applicable to these claims.

*Id.* at 4. Moreover, the Board found that:

Apple also was the petitioner in CBM2014-00112 that resulted in a final written decision with respect to the

# 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.