

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

Inventor: Hulst et al.	§	Attorney Docket No.:
United States Patent No.: 7,334,720	§	104677-5008-819
Formerly Application No.: 11/336,758	§	Customer No. 28120
Issue Date: February 26, 2008	§	
Filing Date: January 19, 2006	§	Petitioner: Apple Inc.
Former Group Art Unit: 2876	§	
Former Examiner: Steven S. Paik	§	

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. 7,334,720 PURSUANT TO 35 U.S.C.  
§ 321, 37 C.F.R. § 42.304**

## TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	OVERVIEW OF FIELD OF THE CLAIMED INVENTION .....	5
III.	PETITIONER HAS STANDING.....	9
	A. The '720 Patent Is a Covered Business Method Patent.....	9
	1. Exemplary Claim 14 Is Financial In Nature .....	9
	2. Claim 14 Does Not Cover A Technological Invention .....	12
	(a) Claim 14 Does Not Recite A Technological Feature That Is Novel and Unobvious .....	12
	(b) Claim 14 Does Not Solve A Technical Problem Using A Technical Solution .....	14
	B. Related Matters and Mandatory Notice Information; Petitioner Is a Real Party In Interest Sued for and Charged With Infringement.....	16
IV.	DETAILED EXPLANATION OF REASONS FOR RELIEF REQUESTED, SHOWING IT IS MORE LIKELY THAN NOT THAT AT LEAST ONE CHALLENGED CLAIM IS UNPATENTABLE .....	17
	A. Claim Construction.....	19
	B. The Challenged Claims Are Unpatentable Under 35 U.S.C. § 101.....	22
	1. Claims Are Directed To Abstract Ideas .....	23
	2. Claims Do Not Disclose An “Inventive Concept” That Is “Significantly More” Than an Abstract Idea .....	26
	3. Field Of Use Limitations Cannot Create Patent Eligibility .....	27
	4. Generic Computer Implementation Cannot Transform Abstract Ideas Into Patent Eligible Inventions .....	27
	5. Functional Nature Confirms Preemption and Ineligibility.....	32
	6. Machine-or-Transformation Test Confirms Ineligibility .....	33
	C. The Challenged Claims Are Unpatentable Under 35 U.S.C. § 103.....	34
V.	CONCLUSION.....	79

<b>EXHIBIT LIST</b>	
1301	U.S. Patent No. 7,334,720
1302	Plaintiffs' First Amended Complaint
1303	U.S. Patent No. 5,925,127
1304	U.S. Patent No. 5,940,805
1305	Russell Housley and Jan Dolphin, "Metering: A Pre-pay Technique," Storage and Retrieval for Image and Video Databases V, Conference Volume 3022, 527 (January 15, 1997)
1306	U.S. Patent No. 4,999,806
1307	U.S. Patent No. 5,675,734
1308	U.S. Patent No. 4,878,245
1309	File History for U.S. Patent No. 7,334,720
1310	U.S. Patent No. 7,942,317
1311	U.S. Patent No. 5,103,392
1312	U.S. Patent No. 5,530,235
1313	U.S. Patent No. 5,629,980
1314	U.S. Patent No. 5,915,019
1315	European Patent Application, Publication No. EP0809221A2
1316	International Publication No. WO 99/43136
1317	JP Patent Application Publication No. H11-164058 (translation)
1318	Eberhard von Faber, Robert Hammelrath, and Frank-Peter Heider, "The Secure Distribution of Digital Contents," IEEE (1997)
1319	Declaration of Anthony J. Wechselberger In Support of Apple Inc.'s Petition for Covered Business Method Patent Review
1320	U.S. Patent No. 8,033,458

<b>EXHIBIT LIST</b>	
1321	Declaration of Michael P. Duffey In Support of Apple Inc.'s Petition for Covered Business Method Patent Review
1322	Declaration of Megan F. Raymond In Support of Apple Inc.'s Petition for Covered Business Method Patent Review
1323	Claim Construction Memorandum Opinion from Smartflash LLC v. Apple Inc., No. 6:13cv447 (Dkt. 229)
1324	File History for U.S. Patent No. 8,061,598
1325	U.S. Patent No. 4,337,483
1326	U.S. Patent No. 7,725,375
1327	International Publication No. WO 95/34857
1328	JP Patent Application Publication No. H10-269289 (translation)
1329	File History for U.S. Patent No. 7,942,317
1330	File History for U.S. Patent No. 8,033,458
1331	U.S. Patent No. 8,061,598
1332	U.S. Patent No. 8,118,221
1333	File History for U.S. Patent No. 8,118,221
1334	U.S. Patent No. 8,336,772
1335	File History for U.S. Patent No. 8,336,772
1336	U.S. Patent No. 5,646,992

## I. INTRODUCTION

Pursuant to § 321 and Rule 42.304,<sup>1</sup> the undersigned, on behalf of and in a representative capacity for Apple Inc. (“Petitioner”), petitions for covered business method review of claims 3 and 13-15 (“challenged claims”) of U.S. Pat. No. 7,334,720 (“the ’720 Patent” or “’720”), issued to Smartflash Limited and currently assigned to Smartflash LLC (“Patentee”). Petitioner asserts it is more likely than not that the challenged claims are unpatentable for the reasons herein and requests review of, and judgment against, claims 3 and 13-15 as unpatentable under § 101 and § 103.

As discussed in Sec. III.B, *infra*, Petitioner has concurrently filed a second CBM Petition requesting judgment against different ’720 claims under § 101 and § 103. The Director, pursuant to Rule 325(c), may determine that merger, or at minimum coordination, of these proceedings, is appropriate. Petitioner previously filed CBM2014-00104/105 seeking review of the ’720 under §§ 102 and 103. In its Decision Denying Institution, the Board construed “access rule” as “a rule specifying a condition under which access to content is permitted,” *id.*, Pap. 9, at 8, and determined Petitioner had not shown it was more likely than not that it would prevail in demonstrating that Stefik and Poggio, Maari, and/or Sato rendered obvious limitations related to “access

---

<sup>1</sup> Petitioner is demonstrating, in pending litigation, that these claims are invalid for numerous additional reasons. 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.

# 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.