UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,

Petitioner,

v.

SMARTFLASH LLC,

Patent Owner.

Case CBM2015-00118

Patent 7,334,720

PATENT OWNER'S PRELIMINARY RESPONSE

TABLE OF CONTENTS

Exhibit Number	Exhibit Description
2001	Congressional Record - House, June 23, 2011, H4480-4505
2002	Congressional Record - Senate, Sep. 8, 2011, S5402-5443
2003-2057	Reserved
2058	Memorandum Opinion and Order (on Defendants' Motions for Stay Pending the Outcome CBMs) from *Smartflash LLC et al. v. Apple, Inc., et al.*, Case No. 6:13-CV-447 (E.D. Tex.), *Smartflash LLC et al. v. Samsung Electronics Co. Ltd, et al.*, Case No. 6:13-CV-448 (E.D. Tex.), *Smartflash LLC et al. v. Google, Inc., et al.*, Case No. 6:14-CV-435 (E.D. Tex.), and *Smartflash LLC et al. v. Amazon, Inc., et al.*, Case No. 6:14-CV-992 (E.D. Tex.) dated May 29, 2015
2059	Reserved
2060	Declaration of Emily E. Toohey in Support of Patent Owner's Preliminary Response
2061-2062	Reserved

I. INTRODUCTION

Pursuant to 37 C.F.R. § 42.107, Smartflash LLC ("Patent Owner") files this preliminary response to the Petition, Paper 2, setting forth reasons why no new covered business method review of U.S. Patent 7,334,720 ("the '720 Patent") 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 covered business method (CBM) review.[1]

Petitioner Apple seeks CBM review of claims 13 and 14 of the '720 Patent as unpatentable under 35 U.S.C. § 101. Paper 2 at 3.

The Board should deny the Petition because (i) given that claims 13 and 14 of the '720 Patent overlap with claims on which the Board instituted § 101 review in CBM2014-00190, Apple's Petition disregards the Board's previous exercise of discretion under 35 U.S.C. § 325(d) in CBM2015-00015, -00016 and -00017 similarly declining to institute CBM patent review of Apple's challenged claims that overlapped with claims on which the Board instituted § 101 review in CBM2014-00192, -00193, and -00194; and (ii) instituting review will not "secure

[1] If the Board institutes a CBM review, Patent Owner does not oppose Petitioner's Motion for Joinder, Paper 3.

the just, speedy, and inexpensive resolution" of the Board's proceedings reviewing the '720 Patent claims. 37 C.F.R. § 42.1(b).

II. BACKGROUND

The Petition, filed April 30, 2015, is Petitioner Apple's fifth (out of six to date) CBM petition filed against claims of the '720 Patent in a 14-month span. Petitioner's other filings are CBM2014-00104, Paper 1, and CBM2014-00105, Paper 1 both filed March 31, 2014; CBM2015-00028, Paper 2, and CBM2015-00029, Paper 1, both filed November 24, 2014; and CBM2015-00127, Paper 2, filed on May 7, 2015.

Petitioner Apple has also filed petitions against each of the 7 patents in the same Smartflash, LLC patent family:

- U.S. Patent 7,942,317: CBM2014-00112, -00113; CBM2015-00018, and -00124. (4 CBM Petitions.)
- U.S. Patent 8,033,458: CBM2014-00106, -00107; CBM2015-00016, -00119, and -00123. (5 CBM Petitions.)
- U.S. Patent 8,061,598: CBM2014-00108, -00109; CBM2015-00017, 00120, and -00131. (5 CBM Petitions.)
- U.S. Patent 8,118,221: CBM2014-00102, -00103; CBM2015-00015, -00117, and CBM2015-00130. (5 CBM Petitions.)
- U.S. Patent 8,336,772: CBM2014-00110,-00111; CBM2015-00031, -00032, -00033, and -00133. (6 CBM Petitions.)
- U.S. Patent 8,794,516: CBM2015-00121. (1 CBM Petition.)

Petitioner Apple has filed 32 CBM Petitions against this family of patents in 14 months.

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