

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,

Petitioner,

v.

SMARTFLASH LLC,

Patent Owner.

Case CBM2015-00119

Patent 8,033,458

PATENT OWNER'S PRELIMINARY RESPONSE

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	BACKGROUND	2
III.	APPLE’S DUPLICATIVE §101 CHALLENGE DISREGARDS THE BOARD’S PREVIOUS EXERCISE OF DISCRETION UNDER 35 U.S.C. § 325(d) TO DECLINE TO INSTITUTE REVIEW OF THESE CLAIMS...4	4
IV.	APPLE’S DUPLICATIVE § 101 CHALLENGE WILL NOT SECURE THE JUST, SPEEDY, AND INEXPENSIVE RESOLUTION OF THE ISSUES SURROUNDING THE ‘458 PATENT	5
V.	THE CHALLENGED CLAIMS ARE NOT DIRECTED TO A FINANCIAL PRODUCT OR SERVICE.....	8
VI.	THE CHALLENGED CLAIM OF THE ‘458 PATENT IS A TECHNOLOGICAL INVENTION EXEMPT FROM CBM REVIEW	13
VII.	CONCLUSION.....	15

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 <i>Smartflash LLC et al. v. Apple, Inc., et al.</i> , Case No. 6:13-CV-447 (E.D. Tex.), <i>Smartflash LLC et al. v. Samsung Electronics Co. Ltd, et al.</i> , Case No. 6:13-CV-448 (E.D. Tex.), <i>Smartflash LLC et al. v. Google, Inc., et al.</i> , Case No. 6:14-CV-435 (E.D. Tex.), and <i>Smartflash LLC et al. v. Amazon, Inc., et al.</i> , Case No. 6:14-CV-992 (E.D. Tex.) dated May 29, 2015
2059-2060	Reserved
2061	Declaration of Emily E. Toohey in Support of Patent Owner's Preliminary Response
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 8,033,458 (“the ‘458 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 claim 11 of the ‘458 Patent as unpatentable under 35 U.S.C. § 101. Paper 2 at 3.

The Board should deny the Petition because (i) Apple’s duplicative challenge disregards the Board’s previous exercise of discretion under 35 U.S.C. § 325(d) to decline to institute a CBM patent review of these same claims under 35 U.S.C. § 101 in CBM2015-00016 and (ii) instituting review will not “secure the just, speedy, and inexpensive resolution” of the Board’s proceedings reviewing the ‘458 Patent claims. 37 C.F.R. § 42.1(b).

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

II. BACKGROUND

The Petition, filed April 30, 2015, is Petitioner Apple's fourth (out of five to date) CBM petition filed against claims of the '458 Patent in a 14-month span. Petitioner's other filings are CBM2014-00106, Paper 2, and CBM2014-00107, Paper 2 both filed March 31, 2014; CBM2015-00016, Paper 2, filed October 30, 2014; and CBM2015-00123, Paper 2, filed on May 6, 2015.

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

- U.S. Patent 7,334,720: CBM2014-00104, -00105; CBM2015-00028, -00029, -00118, and -00127. (6 CBM Petitions.)
- U.S. Patent 7,942,317: CBM2014-00112, -00113; CBM2015-00018, and -00124. (4 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.

Petitioner Apple's Petition against the '458 Patent in CBM2015-00016 included a challenge of claims 1, 6, 8, 10, and 11 as unpatentable under 35 U.S.C. § 101 and the Board instituted a CBM patent review of claims 1, 6, 8, and 10 under

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.