

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE, INC.,
Petitioner

and

APPLE INC.,
Petitioner,

v.

SMARTFLASH LLC,
Patent Owner.

Case CBM2015-00126¹
Case CBM2015-00130
Patent 8,118,221 B2

Before JENNIFER S. BISK, RAMA G. ELLURU, and
JEREMY M. PLENZLER, *Administrative Patent Judges*.

BISK, *Administrative Patent Judge*.

DECISION
Denying Patent Owner's Request for Rehearing
37 C.F.R. § 42.71

¹ CBM2015-00126 has been consolidated with CBM2015-00130.

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INTRODUCTION

Google, Inc., filed a Petition to institute covered business method patent review of claim 3 of U.S. Patent No. 8,118,221 B2 (“the ’221 patent”). CBM2015-00126, Paper 3² (“’126 Pet.”). Apple Inc., also filed a Petition to institute covered business method patent review of claims 3–10, 12–31, and 33 of the ’221 patent. CBM2015-00130, Paper 2 (“Pet.”). On November 16, 2015, we instituted a covered business method patent review in CBM2015-00126 (Paper 8, “’126 Institution Decision” or “’126 Inst. Dec.”) based upon Google’s assertion that claim 3 is directed to patent ineligible subject matter under 35 U.S.C. § 101. CBM2015-00126, Inst. Dec. 19. The same day we instituted a covered business method patent review in CBM2015-00130 (Paper 9, “Institution Decision” or “Inst. Dec.”) based upon Apple’s assertion that claims 3–10, 15–31, and 33 are directed to patent ineligible subject matter under 35 U.S.C. § 101 and that claim 22 is indefinite under 35 U.S.C. § 112. CBM2015-00130, Inst. Dec. 25.

Subsequent to institution, Smartflash LLC (“Patent Owner”) filed Patent Owner Responses (CBM2015-00126, Paper 21 (“’126 PO Resp.”); CBM2015-00130, Paper 19 (“PO Resp.”) and Google and Apple each filed Replies (CBM2015-00126, Paper 22 (“’126 Reply”); CBM2015-00130, Paper 23 (“Reply”) to Patent Owner’s Response, respectively.

² Google filed two versions of the Petition: Paper 2, which is sealed and accessible to the parties and Board only, and Paper 3, which is a public version of the Petition containing a small portion of redacted text. For purposes of this Decision, we refer only to the public version of the Petition.

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Patent Owner, with authorization, filed Notices of Supplemental Authority. CBM2015-00126, Paper 28; CBM2015-00130, Paper 30 (“Notice”). Google and Apple each filed Responses to Patent Owner’s Notices, respectively. CBM2015-00126, Paper 29 (“126 Notice Resp.”); CBM2015-00130, Paper 31 (“Notice Resp.”).

In our Final Decision, we determined Petitioner had established, by a preponderance of the evidence, that claims 3–10, 15–31, and 33 of the ’221 patent are directed to patent ineligible subject matter under 35 U.S.C. § 101. CBM2015-00130, Paper 33 (“Final Dec.”).³ We also determined that claim 22 is indefinite under 35 U.S.C. § 112. Patent Owner requests rehearing of the Final Decision with respect to patent ineligibility of the challenged claims under § 101. Paper 34 (“Request” or “Req. Reh’g”), 3 n.2. Having considered Patent Owner’s Request, we decline to modify our Final Decision.

STANDARD OF REVIEW

In covered business method review, the petitioner has the burden of showing unpatentability by a preponderance of the evidence. 35 U.S.C. § 326(e). The standard of review for rehearing requests is set forth in 37 C.F.R. § 42.71(d), which states:

The burden of showing a decision should be modified lies with the party challenging the decision. The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.

³ Unless otherwise noted (using “126” prior to the citation), all future citations in this Decision are to CBM2015-00130.

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ANALYSIS

Patent Owner's Request is based on a disagreement with our determination that the challenged claims are directed to patent-ineligible subject matter. Req. Reh'g 3.

In its Request, Patent Owner initially presents arguments directed to alleged similarities between the challenged claims and those at issue in *DDR Holdings*⁴, *Enfish*⁵, and *Bascom*⁶. *Id.* at 5–11. Those cases were each addressed in the Patent Owner Response or Patent Owner's Notice, as well as in our Final Decision. *See, e.g.*, Final Dec. 12–14, 19–25. As noted above, our rules require that the requesting party “*specifically* identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, an opposition, or a reply.” 37 C.F.R. 42.71(d) (emphasis added). In its Request, however, Patent Owner does not identify any specific matter that we misapprehended or overlooked. Although Patent Owner repeatedly states that the Board “misapprehends” Smartflash's argument (*see, e.g.*, Req. Reh'g 5, 10), it does not offer sufficient explanation as to how we misapprehended or overlooked any particular “matter [that] was previously addressed in a motion, an opposition, or a reply.” Rather than providing a proper request for rehearing, addressing particular matters that we

⁴ *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014).

⁵ *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327 (Fed. Cir. 2016).

⁶ *BASCOM Global Internet Services, Inc. v. AT&T Mobility, LLC*, 827 F.3d 1341 (Fed. Cir. 2016).

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previously allegedly misapprehended or overlooked, Patent Owner's Request provides new briefing by expounding on argument already made.

To the extent portions of the Request are supported by Patent Owner's argument in the Patent Owner Response or in Patent Owner's Notice, we considered those arguments in our Final Decision, as Patent Owner acknowledges. *See, e.g.*, Req. Reh'g 5, 7, 9–10 (noting that the Board "rejected" Smartflash's argument with respect to each of *DDR Holdings*, *Enfish*, and *Bascom*). Our Final Decision, as noted above, addresses Patent Owner's arguments related to *DDR Holdings* (Final Dec. 19–23), *Enfish* (*id.* at 12–14), and *Bascom* (*id.* at 24–25). Patent Owner's Request is simply based on disagreement with our Final Decision, which is not a proper basis for rehearing.

Patent Owner also presents new arguments directed to alleged similarities between the challenged claims and those addressed in *McRO*⁷ and *Amdocs*⁸, which were issued after Patent Owner's Notice was filed. Req. Reh'g 11–15. Patent Owner alleges that we overlooked the Federal Circuit's decisions in *McRO* and *Amdocs*. *Id.* at 2. The decisions in those cases issued before our Final Decision and, although not specifically referenced, were considered when we determined that the challenged claims are patent-ineligible.

⁷ *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299 (Fed. Cir. 2016).

⁸ *Amdocs (Israel) Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288 (Fed. Cir. 2016).

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