

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE INC.,
Petitioner,

v.

SMARTFLASH LLC,
Patent Owner.

Case CBM2015-00143
Patent 8,794,516 B2

Before JENNIFER S. BISK, RAMA G. ELLURU, and
GREGG I. ANDERSON, *Administrative Patent Judges*.

ANDERSON, *Administrative Patent Judge*.

DECISION
Denying Instituting *Inter Partes* Review
37 C.F.R. § 42.208

I. INTRODUCTION

A. *Background*

Petitioner, Google Inc. (“Google”), filed a Petition and a Redacted Petition¹ requesting covered business method patent review of claims 1, 3, 5, 10, 12, 18, 19, 21, and 24 (the “challenged claims”) of U.S. Patent No. 8,794,516 B2 (Ex. 1001, “the ’516 patent”). Papers 1, 2 (“Pet.”). Patent Owner, Smartflash LLC (“Smartflash”), filed a Preliminary Response. Paper 7 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 324.

We deny the Petition and do not institute covered business method patent review.

B. *Asserted Grounds*

Google argues that claims 1, 3, 5, 10, 12, 18, 19, 21, and 24 are unpatentable under 35 U.S.C. § 101. Pet. 1. Google also provides the Declaration of Dr. Justin Tygar (“Tygar Declaration,” Ex. 1002).

C. *Related Matters*

In *Apple Inc. v Smartflash LLC*, Case CBM2015-00121, slip op. at 24 (PTAB Nov. 10, 2015) (Paper 8) (“Apple CBM Decision on Institution”) we instituted a covered business method patent review of claims 1–28 of the ’516 patent.

Google indicates that the ’516 patent has been asserted against it in *Smartflash LLC v. Google, Inc.*, Case No. 6:14-cv-435 (E.D. Tex.). Pet. 12.

¹ Petitioner filed a Motion to Seal and Entry of Protective Order with the Petition requesting that portions of the Petition relating to Patent Owner’s infringement contentions in the underlying litigation be redacted and filed under seal. Paper 4, 1; *see* 37 C.R.F. § 42.55. All citations here are to the Redacted Petition.

In addition, Google is not a party to the following actions asserting the '516 patent: *Smartflash LLC, et al. v. Amazon.com, Inc.*, No. 6:14-cv-992 (E.D. Tex.), and *Smartflash LLC, et al. v. Apple Inc.*, No. 6:15-cv-145 (E.D. Tex.).
Id.

Google also identifies other patent applications to which the '516 patent claims priority and multiple previously filed Apple CBM petitions.
Pet. 12.

II. ANALYSIS

The Decision to Institute is discretionary. *See* 35 U.S.C. § 324(a). In particular, in a Decision to Institute, under 35 U.S.C. § 325(d), the Board may take into account and reject a petition because “the same or substantially the same prior art or argument previously were presented to the Office.” 35 U.S.C. § 325 (d); *see also* 37 C.F.R. § 42.222(a) (“Where another matter involving the patent is before the Office, the Board may during pendency of the post-grant review enter any appropriate order regarding the additional matter including providing for the stay, transfer, consolidation, or termination of any such matter.”).

Each of the grounds advanced in the instant Petition previously were considered in the Apple CBM Decision on Institution.² Specifically, we instituted a covered business method patent review of claims 1–28 under 35 U.S.C. § 101 in the Apple CBM. Apple CBM, slip. op. at 24. The present Petition challenges a subset of claims 1–28, i.e., 1, 3, 5, 10, 12, 18, 19, 21, and 24, on the same § 101 ground. Pet. 1. Thus, we agree with Smartflash

² The Petition in the Apple CBM asserted additional grounds not at issue here.

that the § 101 ground asserted here is duplicative of the grounds asserted in the Apple CBM. Prelim. Resp. 7.

We determine that the present petition raises the “same or substantially the same prior art or arguments” previously presented in the Apple CBM. We exercise our discretion under 35 U.S.C. § 325(d) and decline to institute a covered business method patent review of claims 1, 3, 5, 10, 12, 18, 19, 21, and 24 in this case under the same ground as asserted in the Apple CBM.

In making our determination we are cognizant that Google supports its Petition with the Tygar Declaration, a different witness than relied on in the Apple CBM. That Google cites to different factual support is an insufficient difference to cause us to institute a new trial.

We have reviewed the Tygar Declaration and find that, as relevant here, it is directed to the same grounds as presented in the Apple CBM, i.e., patent eligible subject matter under 35 U.S.C. § 101. Ex. 1002 ¶¶ 51–62. As such, the Tygar Declaration is cumulative of arguments already made in the Apple CBM. Specifically, the Tygar Declaration contends the claims of the ’516 patent “are directed to the abstract idea of controlling access to something based on one or more conditions (such as payment).” *Id.* at ¶ 53. The Tygar Declaration also analyzes whether or not the ’516 patent includes an inventive concept that is significantly more than an abstract idea. *Id.* at ¶¶ 56–61. In making the analysis, the Tygar Declaration includes testimony that “claims 1, 3, 5, 10, 12, 18, 19, 21, and 24 recite the use of a general purpose computer to perform routine, conventional, well-known computer functions.” *Id.* at ¶ 61. Dr. Tygar concludes claims 1, 3, 5, 10, 12, 18, 19,

21, and 24 are “not directed to patent eligible subject matter and are thus invalid.” *Id.* at ¶ 62. In our Apple CBM Decision on Institution, we considered these issues in our analysis of *Alice Corp. Pty, Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347 (2014). *See* Apple CBM Decision on Institution, slip. op. at 10–20.

For the foregoing reasons, we exercise the discretion granted under 35 U.S.C. § 325(d) to deny the Petition.

III. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is *denied* and no covered business method patent review is instituted.

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