

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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SAMSUNG ELECTRONICS CO., LTD; SAMSUNG  
ELECTRONICS AMERICA, INC<sup>1</sup>.

Petitioners,

v.

AFFINITY LABS OF TEXAS, LLC,

Patent Owner.

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IPR2014-01181<sup>2</sup>

PATENT 8,532,641 B2

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**PATENT OWNER'S IDENTIFICATION OF PETITIONERS' IMPROPER  
REPLY ARGUMENTS AND EVIDENCE**

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<sup>1</sup> On January 1, 2015, Samsung Telecommunications America, LLC, an originally-named Petitioner in this case, was merged into Samsung Electronics America, Inc. See IPR2014-01181, Paper 9.

<sup>2</sup> Case IPR2014-01182 and IPR2014-01184 were consolidated with IPR2014-01181. Paper 15 at 2.

## Introduction

Petitioners' Reply Brief and accompanying 46 new exhibits must be stricken or expunged from the record for improperly exceeding the scope on reply. "Examples of indications that a new issue has been raised in a reply include new evidence necessary to make out a prima facie case for . . . unpatentability, and new evidence that could have been presented in a prior filing." Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,767 (Aug. 14, 2012).

Petitioners' Reply improperly supplements arguments that could and should have been presented in the Petition as they are based on evidence that was available at the time of filing the Petition and are necessary for Petitioners' prima facie case. Petitioners did not offer any reason or explanation for their failure to provide such evidence with the Petition. Simply saying they are responding to Patent Owner does not provide Petitioners with carte blanche to introduce new arguments and evidence. Such proposition swallows the rule as any argument or evidence can be characterized as responding to Patent Owner's argument. Petitioners must demonstrate that any argument or evidence was presented in the Petition or why it could not have been at that time. Failure to do so demonstrates that the arguments and evidence in the Reply are new and should be expunged.

The following representative examples demonstrate how Petitioners have exceeded the proper scope for reply. A full depiction of the improper arguments

and evidence included in Petitioners' Reply is attached as Exhibit A—highlighted portions identify improper new arguments and evidence.

### **I. New Claim Construction Arguments and Evidence**

First, Petitioners present new arguments regarding the construction of “means for recharging the internal battery.” Reply at 28-29, 39, 50-51. Petitioners did not offer in the Petition a construction under § 112 ¶6 or that this term was somehow not covered by § 112 ¶ 6. Rather, Petitioners bury a new claim construction argument in the body of its Reply of “the function is ‘recharging a rechargeable power supply’ and the corresponding structure is a ‘battery recharger.’” Reply at 29. Petitioners for the first time also offered the new argument that this claim term was not subject to § 112 ¶ 6. *Id.*

Second, Petitioners' Reply includes new arguments and evidence in support of Petitioners' construction of “communication rate that provides for a CD quality listening experience.” The Reply presents three pages of new arguments (Reply at 6-9) and seven new exhibits (Exs. 1025, 1030, 1031, 1032, 1033, 1034, and 1035) to support the proposed construction. Indeed, Dr. Quackenbush provided seven pages of new arguments in support of Petitioners' construction in his reply declaration while only providing a single sentence in his opening declaration, where he was told to assume the construction. *Compare* Ex. 1023 at ¶27 to Ex. 1025 at ¶¶51-58. These new claim constructions arguments and the accompanying

evidence were available at the time of the Petition and were needed for Petitioners prima facie case, and thus could have and should have been presented in the Petition.

## II. New Priority Arguments and Evidence

Petitioners' Reply includes new arguments and evidence regarding the '641 patent's priority date. *See* Reply at 41-46. The Petition only asserted three challenges to priority of certain claim limitations: (1) "that the portable device/wireless telephone can communicate information about media content to a recipient device"; (2) "that the recipient device can use the information to generate a graphical menu comprising a selectable menu item"; and (3) "that a streaming audio signal can be sent from the wireless telephone/portable device in response to a selection of a selectable menu item on a recipient device display." IPR2014-01184 at 9-25. In the Reply, Petitioners present new, additional arguments related to priority, for example that a recipient device cannot be a portable electronic device. Reply at 43.

Petitioners also make new arguments in the Reply based on USPTO decisions related to priority involving the '812 application, the prosecution history of the '641 patent, and related patents. The Petition only addressed proceedings on the '228 and '926 patents. Patent Owner's response presented additional related proceedings, which Petitioners had left out of the Petition. Petitioners' new Reply

arguments and evidence regarding additional proceedings could have, and should have, been presented in the Petition. Indeed, these proceedings were publicly available prior to the filing of the Petition. Petitioners offer no reason or explanation as to why they chose to ignore these proceedings in the Petition.

Petitioners supplement the new priority arguments with 20 pages of new expert testimony—notably, Dr. Quackenbush did not provide a single opinion on priority to support the Petition. *See* Ex. 1025 at 137-157. Petitioners’ expert opinions on priority could have and should have been presented in the Petition. Because Patent Owner must prove priority, at a minimum, it should be given the opportunity to file a sur-reply to address Petitioners’ arguments regarding priority.

### **III. Additional Improper Arguments and Evidence in Petitioners’ Reply**

Petitioners present many improper new substantive arguments and evidence in the Reply. First, Petitioners make entirely new arguments to support their prima facie case. *See e.g.*, Reply at 16-17 (using Ericsson Review 3, a new reference, for the first time to interpret Chennakeshu); Reply at 19 (making the new argument that “[a]t the very least, Bluetooth would have been ‘obvious to try.’”). Second, Petitioners frequently rely on broader citations from exhibits filed with the Petition than originally relied upon in the Petition. *See e.g.*, Reply at 14, (adding new citations to Abecassis not provided in the Petition). Third, Petitioners supplement their new arguments with new exhibits. *See e.g.*, Reply at 12 (citing new exhibits

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