UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

REALTIME DATA LLC,
Patent Owner.

Case IPR2016-01737
Patent 8,880,862

PETITIONER'S OPPOSITION TO PATENT OWNER'S MOTION TO AMEND PURSUANT TO 37 C.F.R. § 42.23

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I. Introduction

Patent Owner's Motion to Amend ("MTA") should be denied for at least two reasons. First, Patent Owner (Realtime) failed to meet its burden of proof under 37 C.F.R. § 42.20(c), by failing to demonstrate novelty and non-obviousness of the proposed substitute claims. *See* MTA, 18-24. Second, and as demonstrated in detail below, prior art of record renders the substitute claims obvious.

II. Realtime Failed to Meet its Burden of Demonstrating the Patentability of the Proposed Substitute Claims

A. Precedent Establishes that Realtime Bears the Burden of Demonstrating Patentability of Substitute Claims

Realtime asserts that "the Board may not *sua sponte* question the patentability of the proposed amended claims" and that Realtime "should not bear the burden of either persuasion or production regarding the patentability of the amended claims as a condition of allowance…" MTA, 1.

Yet, the Federal Circuit's precedent has consistently upheld the Board's approach of allocating the burden of demonstrating patentability to patent owners seeking amendments. *See*, *e.g.*, *Microsoft Corp. v. Proxyconn, Inc.*, 789 F.3d 1292, 1307-08 (Fed. Cir. 2015), *In Nike, Inc. v. Adidas AG*, 812 F.3d 1326 (Fed. Cir. 2016).

Indeed, and as the Board has recognized, Section 42.20(c) "places the burden on the patent owner to show a patentable distinction of each proposed substitute claim over the prior art." *Idle Free Sys., Inc. v. Bergstrom, Inc.*, IPR2012-00027 at 7 (PTAB June 11, 2013)(Paper 26).

B. Realtime Has Failed to Demonstrate Patentability

Realtime has failed to meet the burden imposed by § 42.20(c), at least because it has failed to sufficiently address known prior art, failed to properly assess obviousness of the substitute claims, and failed to adequately explain why the proposed substitute claims are patentable over the prior art of record, and to demonstrate the same by evidence. Indeed, the arguments offered by Realtime in support of its proposed substitute claims are highly conclusory, and misrepresent what is disclosed and suggested by that art. *See* MTA, 18-25. Further, Dr. Back's declaration submitted in support of the MTA repeats Realtime's arguments nearly verbatim, and without additional support. *See* REALTIME-2022, ¶¶56-71.

1) Realtime Failed to Sufficiently Address Known Prior Art

In the MTA, Realtime limited its analysis to five prior art references cited in this IPR and four prior art references discussed in the prosecution history of the '862 patent. With this limited treatment, as discussed below, Realtime failed to properly address known prior art from the prosecution of the '862 patent and related applications, failed to address known prior art raised in the related litigation, and failed to address knowledge of the inventors and POSITAs.

a) *Realtime Has Failed to Demonstrate Patentability Over the Prior Art at Issue During Prosecution*

With respect to the prior art at issue during prosecution, Realtime and its expert restrict their treatment to four conclusory paragraphs regarding each of four

references that they characterize as "material." MTA, 24; REALTIME-2022, ¶66-71. Realtime neglects to mention that the '862 patent features a listing of cited references that spans ***twenty-nine pages***, listing literally ***hundreds of references***. APPLE-1001, 1-29. Realtime submitted these references as material during prosecution, placing the burden on the USPTO to consider these references so as to gain a presumption of validity over them. Yet, when Realtime has the burden to prove patentability, as it does here, it addresses only a handful references in conclusory manner. Realtime simply cannot ignore large swaths of prior art itself submitted as material to the '862 patent and still meet its burden of proving patentability. Notably, Realtime also failed to consider references raised and discussed during prosecution of applications related to the '862 patent. This treatment is insufficient to prove patentability.

b) *Realtime Has Failed to Demonstrate Patentability Over the Prior Art at Issue in Related Matters*

Realtime also neglects to address prior art at issue in related matters. In related litigation, Apple submitted invalidity contentions mapping a variety of references to claims of the '862 patent, and of related U.S. Patent Nos. 7,181,608 and 8,090,936. APPLE-1039. Notably, Apple's detailed mappings applied these references to claim features that are similar to those presented by Realtime in the amendments at issue in this proceeding. *See*, *e.g.*, APPLE-1039, 27 (listing references said to disclose "preloading boot data, including loading into a cache and

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