

Filed on behalf of Valencell, Inc.

By: Justin B. Kimble (JKimble-IPR@bcpc-law.com)
Nicholas C Kliwer (nkliwer@bcpc-law.com)
Jonathan H. Rastegar (jrastegar@bcpc-law.com)
Bragalone Conroy PC
2200 Ross Ave.
Suite 4500 – West
Dallas, TX 75201
Tel: 214.785.6670
Fax: 214.786.6680

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

VALENCELL, INC.,
Patent Owner.

Case IPR2017-00316
U.S. Patent No. 8,989,830

**PATENT OWNER PRELIMINARY RESPONSE PURSUANT TO
35 U.S.C. § 313 and 37 C.F.R. § 42.107**

Mail Stop PATENT BOARD
Patent Trial and Appeal Board
U.S. Patent & Trademark Office
P.O. Box 1450
Alexandria, Virginia 22313-1450

Table of Contents

I.	Introduction.....	Error! Bookmark not defined.
A.	Grounds in the Petition.....	7
B.	Legal Standards for Instituting an Inter Partes Review	8
1.	Inter Partes Review	8
2.	Obviousness	9
C.	Petitioner Has Not Met Its Burden of Proof to Establish that It Is Entitled to the Requested Relief.	Error! Bookmark not defined.
II.	Overview of the '830 Patent	11
III.	Summary of the References Asserted in the Grounds of the Petition	15
A.	Haahr	15
B.	Hicks.....	Error! Bookmark not defined.
C.	Asada	18
D.	Hannula.....	Error! Bookmark not defined.
IV.	Claim Construction	21
A.	Standards for Claim Construction.....	21
B.	Petitioner Erred in Its Proposed Broadest Reasonable Construction of “Cladding Material.”	22
C.	Construction of “near” (Claims 1 and 11).....	23
V.	Petitioner Has Not Shown a Reasonable Likelihood That at Least One Claim of the '830 Patent is Unpatentable.....	Error! Bookmark not defined.
A.	The Petition Fails to Comply with 35 U.S.C. § 312(a)(3) and 37 C.F.R. §§ 42.22(a)(2) and 42.104(b)(4).	Error! Bookmark not defined.
1.	Petitioner Misunderstands That Haahr’s Photodiode is Arranged in a Concentric Arrangement for Optimizing the Collection of Backscattered	

Reflected Light, Not Light Transmitted from the Body.**Error! Bookmark not defined.**

2. Petitioner Further Fails to Appreciate That the Cladding Material Operates with the Light Transmissive Material of the Inner Layer to Confine Light for its Delivery to the Body and Back to the Detector.**Error! Bookmark not defined.**
 3. Petitioner Fails to Explain How Persons of Ordinary Skill in the Art Would Have Considered the Significant Design Differences Between Haahr, Hicks, and Asada. **Error! Bookmark not defined.**
 4. Petitioner’s Expert Merely Parrots Attorney Argument from the Petition and Places into the Declaration..... **Error! Bookmark not defined.**
 5. The Inconsistencies Between the Assertions of the Petition and the Prior Art Demonstrate that Petitioner has Failed to Provide Sufficient Notice to the Patent Owner of the Grounds for Unpatentability.**Error! Bookmark not defined.**
- B. Ground 1: Petitioner Fails to Demonstrate that Haahr Discloses Every Element of Claims 1-4, 8-10, 12-14, 18-20.**Error! Bookmark not defined.**
1. Haahr Teaches “collection of backscattered light” Without Any Limitation as to the Angle Between the Light Collected and Delivered to the Photodiode and the Light Emitted by the LEDs.25
 2. Petitioner Fails to Sufficiently Support any Inherency that Haahr Teaches Configuring a Light Transmissive Material Such That Light Collected and Delivered to the Photodiode is Substantially Parallel to the Direction at Which the Light Was Delivered to the Body.**Error! Bookmark not defined.**

3. Persons of Ordinary Skill Would Not Have Understood Claims 2, 3, 4, 8, 9, 10, 12, 13, 14, 18, 19, and 20 to be Obvious in View of Haahr.	Error!
Bookmark not defined.	
C. Ground 2: Petitioner Fails to Demonstrate that Persons of Ordinary Skill Would Have Been Motivated to Combine Haahr and Hicks.....	Error!
Bookmark not defined.	
D. Ground 3: Petitioner Fails to Demonstrate that Persons of Ordinary Skill Would Have Been Motivated to Combine Haahr, Asada, and Hannula. ...	33
1. Petitioner Fails to Address the Significant Differences Between Haahr and Asada and the Impact of those Differences on the Motivation to Combine the References.	33
2. Persons of Ordinary Skill Would Not Have Been Motivated to Utilize Multiple Photodetectors in Haahr, Instead of A Single Large Area Photodetector To Reduce the Impact of Motion Artifacts.....	39
VI. Conclusion	43

I. INTRODUCTION

Patent Owner Valencell, Inc. (“Patent Owner” or “Valencell”) respectfully submits this Preliminary Response in accordance with 35 U.S.C. § 313 and 37 C.F.R. § 42.107, responding to the Petition for *Inter Partes* Review (the “Petition”) filed by Apple Inc. (“Petitioner” or “Apple”) regarding the claims of U.S. Patent No. 8,989,830 (the “’830 patent”) to LeBoeuf *et. al*, provided as Petitioner’s Exhibit 1001.

Petitioner bears the burden of demonstrating that there is a reasonable likelihood that at least one of the claims challenged in the petition is unpatentable. 37 C.F.R. § 42.108(c). Although the patent owner is not required to file a Preliminary Response to the Petition (37 C.F.R. § 42.107(a)), Valencell takes this opportunity to point out substantive and procedural reasons for denying institution of trial.

As discussed in detail below, Petitioner fails to show that Haahr discloses limitations in the independent claims 1 and 11, including a “light transmissive material is configured to deliver light from the at least one optical emitter to the body of the subject along a first direction and to collect light from the body of the subject and deliver the collected light in a second direction to the least one optical detector, *wherein the first and second directions are substantially parallel.*” ’830 patent, 30:47-55 (emphasis added). This element is essential to all challenged claims, and without it, Petitioner cannot satisfy its burden for any of Grounds 1-5.

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.