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

PETITIONER'S REQUEST FOR REHEARING OF INSTITUTION DECISION

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Petitioner Apple Inc. ("Apple") respectfully requests rehearing under 37 C.F.R. §§ 42.71(c) and (d)(2) and that the Board reconsider and reverse its decision not to institute *inter partes* review of claims 1-6, 8-16, and 18-20 of U.S. Patent No. 8,989,830 ("the '830 Patent) in IPR2017-00316.

Patent Owner mischaracterized Petitioner's position with respect to the "substantially parallel" element of the independent claims. Patent Owner characterized Petitioner's position as "[t]he argument that Haahr is configured such that 'some' light is collected and delivered to the photodiode in a direction that *may* be parallel to the direction at which it was delivered to the body is not sufficient to establish *the likelihood* that Haahr teaches the claimed invention." (Paper 6, POPR, p. 26 (emphasis original).) As explained below, this is a gross mischaracterization of Petitioner's argument. The Board overlooked this mischaracterization, which appears to have influenced the Board's analysis. While apparently misdirected by the Patent Owner's mischaracterization, the Board overlooked Petitioner's expert's testimony, supported by significant corroborating references, that support the conclusion that Haahr does disclose and render obvious the "substantially parallel" element.

I. Standard of Review

The applicable standard for a request for rehearing is set forth in 37 C.F.R. § 42.71(d), which provides in relevant part:

A party dissatisfied with a decision may file a single request for rehearing without prior authorization from the Board. 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.

The Board reviews a decision on whether to institute trial for an abuse of discretion. 37 C.F.R. § 42.71(c).

II. The Board overlooked statements and supporting evidence regarding the "substantially parallel" element of claims 1 and 11.

Independent claims 1 and 11 each recite:

"wherein the 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 at least one optical detector, wherein the first and second directions are substantially parallel" (referred to herein as "the 'substantially parallel' claim element").

The Board overlooked Petitioner's statements and supporting evidence cited in the Petition and by Dr. Anthony regarding this element. Instead, the Board gave credence to Patent Owner's mischaracterization of Petitioner's position. A. The Board overlooked that the "substantially parallel" element is merely the "ordinary manner" of operation for non-invasive optical biosensors and that Dr. Anthony provided evidentiary support for this opinion.

In analyzing the "substantially parallel" claim element, the Board overlooked Petitioner's statement that this merely recites "the *ordinary manner* by which non-invasive optical biosensors, such as Haahr's Electronic Patch, operate." (Petition, pp. 29, 35 (emphasis added).) Indeed, this statement is absent from the Board's summary of Petitioner's positions. (Institution Decision, pp. 8-11.) Yet as shown in the Petition excerpts below, Petitioner specifically cited Dr. Anthony's Declaration corroborating this assertion, including the underlying documents that Dr. Anthony relied on for support:

This final limitation of independent claim 1 recites the ordinary manner by which non-invasive optical biosensors, such as Haahr's Electronic Patch, operate. (Anthony Decl., ¶75 (citing APL1013, pp. 7-8; APL1014, p. 405; APL1015, p. 912).)

Again, this final limitation of independent claim 11 recites the ordinary manner by which non-invasive optical biosensors, such as Haahr's Electronic Patch, operate. (Anthony Decl., ¶88 (citing APL 1013, pp. 7-8; APL1014, p. 405; APL1015, p. 912).)

(Petition, pp. 29, 35.)

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