Arpin, James

From: Trials
Sent: Tuesday, May 8, 2018 3:06 PM
To: Arpin, James; McShane, Sheila; McNamara, Brian
Cc: Trials
Subject: FW: IPR2017-00319: Petitioner's Comments per PTAB's Request for Briefing Position

Please see below

Thanks
Andrew

From: Michelle Holoubek [mailto:holoubek@sternekessler.com]
Sent: Tuesday, May 8, 2018 5:00 PM
To: Trials <Trials@USPTO.GOV>
Cc: 'JKimble-IPR@bcpc-law.com' <JKimble-IPR@bcpc-law.com>; 'jbragalone@bcpc-law.com' <jbragalone@bcpc-law.com>; 'nkliewer@bcpc-law.com' <nkliewer@bcpc-law.com>; 'bkennedy@bcpc-law.com' <bkennedy@bcpc-law.com>; 'jrastegar@bcpc-law.com' <jrastegar@bcpc-law.com>; 'bherrmann@bcpc-law.com' <bherrmann@bcpc-law.com>; 'mbenavides@bcpc-law.com' <mbenavides@bcpc-law.com>; 'srhoades@wriplaw.com' <srhoades@wriplaw.com>; 'swarren@wriplaw.com' <swarren@wriplaw.com>; Michael Specht <MSPECHT@sternekessler.com>; Richard M. Bemben <RBEMBEN@sternekessler.com>; Bill Flanigen <BFLANIGEN@sternekessler.com>; Brett McCone <BMCCONE@sternekessler.com>; PTAB Account <PTAB@sternekessler.com>
Subject: IPR2017-00319: Petitioner's Comments per PTAB's Request for Briefing Position

Re: IPR2017-00319

Dear PTAB—

Further to the conference call between the parties and the Board on May 4, 2018, Petitioner Apple Inc. submits the below comments via email, by 5pm ET today as requested by the Board. The parties held a meet-and-confer on May 8, 2018, but were unable to come to an agreement on either of the two points raised by the Board in the May 4 conference call. As such, Petitioner separately provides a summary of its positions as instructed by the Board in the conference call.

1. The parties were unable to reach agreement regarding withdrawal of claims 3-5 from the above-captioned proceeding. Petitioner does not agree to withdraw claims 3-5 from the proceeding.

   As discussed in a meet-and-confer between the parties that took place on May 8, 2018, we understand the Board's reluctance to issue a final written decision that has the potential to implicate an analysis under 35 U.S.C. 112. However, Petitioner presented a challenge to the claims under Section 103, not Section 112, and it is our understanding that Patent Owner has taken no position regarding Section 112.

2. The parties were unable to reach agreement regarding a post-*SAS* briefing schedule to address the recent inclusion of claims 3-5 into the proceeding. Petitioner understands Patent Owner's position to be that no additional briefing is necessary. Petitioner believes that Petitioner has not had a full and fair opportunity to be heard on issues raised by the Institution Decision regarding Claim 3, because Claim 3 has only just now been brought into the trial, and discovery regarding Claim 3 was not previously allowed to occur. As the Board disagreed with Petitioner's proffered claim construction, the Board did not consider Petitioner's challenge to Claim 3 on the merits. Preventing Petitioner from now raising relevant evidence (testimony from IPR2017-

00321) that would have been identified during discovery in this IPR had trial originally been instituted on Claim 3 would violate Petitioner's rights under the APA and due process rights under the Constitution, because of the estoppel effects that trigger against the Petitioner if the Board issues a final written decision on Claim 3. *See* 35 U.S.C. 315(e). Accordingly, and as discussed in the meet-and-confer between the parties that took place on May 8, 2018, Petitioner proposes the following briefing process:

a. We propose that each party be given additional briefing, limited in scope to claims 3-5. It is unclear to Petitioner whether Patent Owner would avail itself of the opportunity to submit briefing if indeed the Board granted additional briefing.

   Should Patent Owner wish to take the deposition of Petitioner's expert regarding claims 3-5 and/or submit additional expert testimony, then Petitioner suggests that Patent Owner be given the option to, within one month, present supplemental briefing in 10 pages or less, followed by one month for Petitioner to reply within the same page limit. *See*, April 26, 2018 "Guidance on the Impact of *SAS* on AIA Trial Proceedings": "[C]ases near the end of the 12 month statutory deadline may be extended, on a case by case basis, if required to afford all parties a full and fair opportunity to be heard."

   Should Patent Owner not wish to take the deposition of Petitioner's expert and/or submit additional expert testimony, then Petitioner suggests that Patent Owner be given the option to, within one week, present supplemental briefing in 5 pages or less, followed by one week for Petitioner to reply within the same page limit. Even if Patent Owner chooses to forego the opportunity for additional briefing, Petitioner believes that 37 C.F.R. 42.23 should be flexible enough for a Petitioner's Reply to address a dispute regarding claim construction resulting from a determination made in the Institution Decision, even if not explicitly addressed by the Patent Owner. The change in claim construction from what was originally proposed in the Petition necessitates giving the Petitioner "the opportunity to present argument under the new theory." *See Belden Inc. v. Berk-Tek LLC*, 805 F.3d 1064, 1080 (Fed. Cir. 2015). To find otherwise would violate Petitioner's rights under the APA and due process rights under the Constitution, because of the estoppel effects that trigger against the Petitioner if the Board issues a final written decision. *See* 35 U.S.C. 315(e).

b. Should the Board disagree with Petitioner's interpretation of Rule 42.23, Petitioner in the alternative asks the Board to use its discretion in this unusual circumstance to suspend 37 C.F.R. 42.23 and allow a limited, 5-page reply briefing, to address issues raised for the first time by the institution decision and provide the Board with evidence directly relevant to the preliminary claim construction analysis presented therein. *See* 37 C.F.R. 42.5(b).

c. Should the Board decline to exercise its discretion to allow limited Reply briefing by the Petitioner, Petitioner in the second alternative asks the Board for a call to request authorization to file a Motion to Submit Supplemental Information under 37 C.F.R. 42.123.

Should the Board wish for a second conference call to further discuss the post-*SAS* briefing process, Petitioner will confer with Patent Owner to present our joint availability to the Board.

Best regards,
Michelle K. Holoubek
Counsel for Petitioner Apple Inc.

Michelle Holoubek
Director
Sterne, Kessler, Goldstein & Fox P.L.L.C.
Email: holoubek@sternekessler.com
Direct: 202.772.8855

Administrative Assistant: Renee Bennett
Direct: 202.772.8732 **Main:** 202.371.2600

PLEASE NOTE: **Effective March 12, 2018, Sterne, Kessler, Goldstein & Fox P.L.L.C. has a new website URL and email domain. The firm's website address is www.sternekessler.com, and the email domain is @sternekessler.com. Please update information regarding our firm in your contacts accordingly. Thank you.**