

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

VALENCELL, INC.,
Patent Owner.

Case IPR2017-00319
Patent 8,923,941 B2

Before BRIAN J. McNAMARA, JAMES B. ARPIN, and
SHEILA F. McSHANE, *Administrative Patent Judges*.

ARPIN, *Administrative Patent Judge*.

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

I. BACKGROUND

Apple Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1–13 of U.S. Patent No. 8,923,941 B2 (Ex. 1001, “the ’941 patent”) under 35 U.S.C. §§ 311–319. Paper 2 (“Pet.”). Valencell, Inc. (“Patent Owner”) filed a Preliminary Response. Paper 6 (“Prelim. Resp.”). On June 6, 2017, we issued a Decision instituting *inter partes* review of claims 1, 2, and 6–13 on eight (8) of eleven (11) asserted grounds for unpatentability. Paper 10 (“Inst. Dec.”), 6–7, 56. Nevertheless, we did not institute *inter partes* review of claims 3–5 on three (3) asserted grounds.

With respect to claims 3 and 4, Petitioner alleges that each of these claims contains a typographical error. Pet. 14–15. Because claim 5 depends from claim 4, claim 5 is affected at least by the alleged typographical error in claim 4. *Id.* at 15.

With respect to claim 3, Petitioner alleges that there is a typographical error in the term “application-specific interface (API)” because the abbreviation “API” is associated with the term “application programming interface.” *Id.* at 14. Further, Petitioner argues that this alleged typographical error extends to the Specification of the ’941 patent where the term “application-specific interface (API)” also appears. *Id.* In view of this alleged typographical error, Petitioner proposes to construe the term “application-specific interface (API)” as “application programming interface (API)” and argues that the applied references teach or suggest this limitation, according to the proposed construction. *Id.* at 27, 55–59.

In addition, Petitioner argues that, because claim 1 does not recite “*an* application,” the term “*the* application” in claim 4 lacks antecedent basis. *Id.* at 15. Petitioner asserts that there are two *possible* typographical errors

with respect to claim 4. Initially, Petitioner suggests that the term “*the* application” in claim 4 should read “*an* application.” *Id.* Alternatively, Petitioner suggests that claim 4 should depend from claim 3, which recites “an application,” rather than from claim 1. *Id.* If claim 4 depends from claim 3, claim 4 also is subject to the deficiencies in Petitioner’s proposed construction of the term “application-specific interface (API)” with respect to claim 3. For purposes of its Petition *only*, Petitioner argues that the first of these two possible errors occurred. Petitioner, however, provides no explanation for this choice, but argues the applied references consistent with this choice. *Id.* at 15, 29–32, 59–61.

With respect to claim 3, Patent Owner contends that Petitioner’s construction is improper under the broadest reasonable interpretation standard, but, Patent Owner does not state why or propose an alternative construction. Prelim. Resp. 13. Patent Owner does not address the alleged typographical error in claim 4 in its Preliminary Response. Inst. Dec. 12; *see id.* at 13 n.4.

With respect to claim 3, in the Institution Decision, we indicated that we were not persuaded that there is a typographical error in the term “application-specific interface (API)” in claim 3 or in the Specification of the ’941 patent. *Id.* at 9–10. Further, we found that Petitioner’s proposed construction was not consistent with the description of the term in the Specification. *Id.* at 10–12. Although we did not construe the term “application-specific interface (API)” in our Institution Decision, we rejected Petitioner’s argument that there is a typographical error in this term and Petitioner’s proposed construction of this term, as insufficiently supported. *Id.* at 12; *see* Ex. 1072, 26:20–27:5.

With respect to claims 4 and 5, we agreed with Petitioner that there is an error in claim 4. *Id.* at 13. Nevertheless, because Petitioner provided no argument and/or evidence by which one could choose between the two possible errors, we declined to speculate as to the error in claim 4. Inst. Dec. 13–14. Consequently, we denied institution of *inter partes* review of claim 4 and 5 on any asserted ground.

Petitioner filed a Request for Rehearing (Paper 13, “Req.”) of our Institution Decision, in which Petitioner alleged that we overlooked or misapprehended arguments and evidence presented in its Petition with respect *only* to claim 3. Req. 1. In its Request for Rehearing, Petitioner acknowledged that “the Board did not provide an actual definition for ‘application-specific interface (API)’ in the Institution Decision.” *Id.* at 2. We were not persuaded by Petitioner that we had overlooked or misapprehended any arguments or evidence presented in the Petition, and, consequently, we denied Petitioner’s Request for Rehearing regarding claim 3.

On April 24, 2018, the U.S. Supreme Court held that a final written decision under 35 U.S.C. § 318(a) shall be with respect to the patentability of all of the claims challenged in the petition. *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1358 (2018). As noted above, although Petitioner challenged claims 1–13, we did not institute review of (1) claim 3 as allegedly rendered obvious over the combined teachings of Luo and Craw (Ground 1) or Mault, Al-Ali, and Lee (Ground 7); and (2) claims 4 and 5 as allegedly rendered obvious over the combined teachings of Luo, Craw, and Wolf (Ground 2) or Mault, Al-Ali, and Behar (Ground 8). Pursuant to the holding in *SAS*

Institute, we modify our Decision on Institution to institute on all of the challenged claims and on all of the grounds asserted in the Petition.

II. PROCEDURES

In the wake of the U.S. Supreme Court's *SAS Institute* decision, we held a conference call with the parties on May 4, 2018, to discuss how to proceed in this case, and we asked the parties to confer regarding two questions: (1) whether the parties would be mutually agreeable to withdrawing the then-uninstituted claims and the associated grounds from this proceeding and (2) if the parties did not agree to withdraw the then-uninstituted claims, whether the parties would be proposing a briefing schedule. Ex. 1072, 38:4–14. On May 8, 2018, the parties responded indicating that they could not agree on withdrawal of the then-uninstituted claims. Ex. 3001, 1 (Petitioner's e-mail); Ex. 3002, 1 (Patent Owner's e-mail). Patent Owner further indicated that it would not avail itself of the opportunity to supplement its Patent Owner Response to address the challenges to claims 3–5 (*see* Ex. 1072, 31:16–22; Ex. 3001, 2) and that, under the circumstances, it did not believe that additional Petitioner briefing is warranted.

Petitioner proposes three possible avenues whereby we may grant it additional briefing in the absence of briefing from Patent Owner. Ex. 3001, 2. Although we do not grant additional briefing by the avenues proposed by Petitioner, we, nevertheless, grant additional briefing to Petitioner. In view of the introduction of claims 3–5 into the proceeding as a result of the decision in *SAS Institute*, we authorize the filing of additional briefing addressing the patentability of claims 3–5. The additional briefing may

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