

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

FITBIT, INC.,
Petitioner,

v.

VALENCELL, INC.,
Patent Owner

IPR2017-00319
U.S. Patent No. 8,923,941

PETITIONER'S REPLY BRIEF ON REMAND

Valencell had ten pages to rebut Fitbit's argument that remaining dependent claim 3-5 of the '941 patent are invalid. Valencell spent the first *eight* of those pages addressing Apple's Petition and procedural issues already resolved by the Board (Paper 57), and only the final *two* pages responding to Fitbit's brief on remand. Valencell did not present *any* separate validity argument for claims 4-5. The Board is left with a one-sided record that claims 3-5 are obvious over the prior art. And because the IPR Petition included Fitbit's prior art combinations, Valencell's procedural arguments lack merit. The Board should, therefore, hold claims 3-5 of the '941 patent invalid.

I. Valencell Has No Response on the Merits

Valencell presents only cursory arguments that claim 3 is valid, and fails to rebut that claims 3-5 are obvious in view of the petitioned grounds.

First, Valencell characterizes the Federal Circuit's statement that "[t]he Board's narrowing construction may have no significance" as "dicta" (Resp. at 9), but does not dispute claim 3 is obvious in the Federal Circuit's view. The identified prior art interfaces "enable[] a particular application" (e.g., Craw's health-monitoring application and Lee's mobile phone application) "to utilize data obtained from hardware," and therefore render obvious the claimed "application-specific interface" under the Board's and Federal Circuit's construction. Br. at 6.

Second, Valencell argues Craw's interfaces are not "application-specific

interfaces” because they “are designed to be interoperable” with multiple applications. Resp. at 9-10. As the Federal Circuit concluded, however, “[t]he Board’s narrowing construction may have no significance” because an “application-specific interface” directed to a particular application and an API “*perform[] the same function.*” *Fitbit, Inc. v. Valencell, Inc.*, 964 F.3d 1112, 1117 (Fed. Cir. 2020) (quoting Valencell’s expert admitting “application-specific interface” and API are “basically the same”). Significantly, Valencell does not dispute Craw’s teachings that its dictionary-based interfaces “[a]ct[] on the received information” in a way that “depend[s] on the goal of the application.” Craw ¶¶ 48, 256. Craw thus expressly teaches interfaces directed to a “particular application,” regardless of whether those interfaces are also “interoperable” with other applications.

Third, Valencell challenges Fitbit’s obviousness combinations by arguing Fitbit failed to address “unexpected results,” but Valencell does not challenge the predictable nature of the proposed combination. *See* Resp. at 10; *see also E.I. DuPont de Nemours & Co. v. Synvina C.V.*, 904 F.3d 996, 1011 (Fed. Cir. 2018) (discussing “*shift[ing] the burden* of production to the patent owner to demonstrate . . . unexpected results”). Valencell also contends “Fitbit’s only reason for combining Craw and Wolf with Luo is their similar technology and problems addressed.” Resp. at 10. The Board already held it was obvious to combine Luo

with *Craw* in view of these similarities, and Valencell did not appeal that decision. FWD at 32, 42. There is no reason for the Board to second-guess that holding now, nor does Valencell rebut the motivation for combining *Wolf* with *Luo* and *Craw* in order to further “improve health state determinations.” Br. at 9.

II. Valencell’s Procedural Arguments Cannot Save Claims 3-5

The Petition challenged claim 3 based on *Luo* and *Craw* (Ground 1) or *Mault*, *Al-Ali*, and *Lee* (Ground 7) and claims 4-5 based on *Luo*, *Craw*, and *Wolf* (Ground 2). Fitbit’s opening brief on remand relied on those same Grounds. This should end the inquiry. None of Valencell’s arguments to the contrary have merit.

Valencell conflates “grounds” with specific “arguments.” *See* Paper 57 at 10-11 (allowing Fitbit to address “the patentability of claims 3-5 . . . on the *grounds* presented in” the Petition). Fitbit should not be limited to the specific words in the Petition, especially since the Board adopted a new construction in its institution decision, and in view of the Federal Circuit’s instructions on remand. *See Ericsson Inc. v. Intellectual Ventures I LLC*, 901 F.3d 1374, 1380 (Fed. Cir. 2018) (decision after *SAS* finding Board erred in not considering petitioner’s reply arguments regarding prior art disclosure of “encoding” under the Board’s construction). In any event, Fitbit presented the same arguments at least in its additional briefing (Paper 40), which in turn cites to the request for rehearing (Paper 13), and which Valencell did not move to exclude.

Nor is Fitbit relying on new “evidence” in its opening brief. Fitbit relies on the same prior art combinations, and even the same paragraphs of *Craw*, as in the Petition. *See* Fitbit’s Response to Identification. Valencell is also wrong to equate “uncited portions of *Craw*” to “new evidence.” Resp. at 7. “Evidence consists of affidavits, transcripts of depositions, documents, and things” (37 C.F.R. § 42.63), and not cites thereto. Nor is the Board’s prior rejection in IPR2017-00321 of the same limitations over *Craw* new “evidence.” Claim 3 is unpatentable over *Craw* ***regardless*** of whether the Board consults those findings.

For claim 4-5, Valencell argues Fitbit should not be allowed to make ***any*** invalidity argument based on the correct dependency. But the Board permitted Fitbit to address “the patentability of claims 4 and 5, ***assuming their dependency from claim 3***” (Paper 57 at 10), and the Federal Circuit instructed the Board to “determine patentability of ***corrected*** claims 4 and 5 on the asserted grounds of obviousness.” *Fitbit, Inc.*, 964 F.3d at 1120. Accordingly, Valencell had every opportunity to rebut Fitbit’s invalidity arguments for claims 3-5, but time and again failed to do so. The Board should dispose of the last remnants of the ’941 patent.

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