

Filed on behalf of Valencell, Inc.

By: Justin B. Kimble (JKimble-IPR@bcpc-law.com)
Jeffrey R. Bragalone (jbragalone@bcpc-law.com)
Daniel F. Olejko (dolejko@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

FITBIT, INC.,¹
Petitioner,

v.

VALENCELL, INC.,
Patent Owner.

Case IPR2017-00319²
U.S. Patent No. 8,923,941

**PATENT OWNER'S SURREPLY TO PETITIONER'S
OPENING BRIEF ON REMAND**

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

¹ Petitioner Apple Inc. (“Apple”) is no longer a party in this proceeding.

² Case IPR2017-01555 has been joined with this proceeding.

I. Fitbit’s Opening and Reply Briefs Improperly Rely on New Arguments.

Fitbit’s contention that it “should not be limited to the specific words in the Petition” is a straw man. Paper 64 at 3. Valencell makes no such argument. Instead, Valencell argues that Fitbit cannot use its briefing on remand to fill-in gaps or remedy omissions in Apple’s Petition. Paper 62 at 4-8. *Ericsson Inc. v. Intellectual Ventures I LLC*, 901 F.3d 1374, 1380 (Fed. Cir. 2018), which was a “special case,” is not to the contrary. In *Ericsson*, the petitioner did not attempt to use its reply “to make a meaningfully distinct contention” from the petition, but instead expanded “the same arguments made in its Petition” and relied on the same evidence. *Id.* at 1381. In contrast, Fitbit’s improper new arguments conflict with, rather than support, the arguments in Apple’s Petition and rely on new portions of the prior art.

Though Apple’s Petition asserts that the prior art discloses APIs that are “broadly applicable to different applications” and “*not ‘application specific’* as such,” Fitbit now argues the opposite, claiming that the prior art discloses interfaces used by, and tailored to, *specific applications*. Compare Paper 2 at 14 (emphasis added), with Paper 60 at 6-8. Similarly, though Apple’s Petition relies on only a single paragraph of *Craw* as evidence of a generic API, Fitbit relies on various other embodiments of *Craw* that allegedly disclose interfaces used with, and tailored to, specific applications. See *id.* But Fitbit cannot be permitted to rely “on previously unidentified portions of a prior-art reference to make a meaningfully distinct

contention” from the Petition. *See Ariosa Diagnostics v. Verinata Health, Inc.*, 805 F.3d 1359, 1367-68 (Fed. Cir. 2015).

Fitbit now asserts that “Fitbit presented the same arguments in its additional briefing [], which in turn cites to the request for rehearing [].” Paper 64 at 3. But, on remand from the Federal Circuit, it is still *the Petition* that must identify how the construed claim is unpatentable, and it is *the Petition* that must specify where each element of the claim is found in the prior art, not some later-filed brief. *See* Paper 62 at 4. Indeed, the Board previously recognized that the arguments made in Apple’s rehearing request and post-*SAS* briefing were not supported by the Petition and properly refused to consider them. *See* Paper 15 at 6-7 & nn.5-6; Paper 43 at 16.

Next, Fitbit posits that the evidence cited in its opening brief is not “new evidence” because it is referenced in *other* sections of the Petition. Paper 64 at 4. But Fitbit does not dispute that the Petition fails to explain how those portions of *Craw* allegedly disclose an application-specific interface, how they disclose an interface that can be used with, or tailored to, specific applications, or how an API and an application-specific interface “perform the same function,” as Fitbit now argues on remand. Where, as here, a petition does no more than point to general statements from a prior-art reference, but makes no mention of how the prior art actually discloses a particular claim limitation, the petitioner cannot fill in the gaps left by the petition by citing specific embodiments from the prior art that allegedly

disclose that limitation in a later brief. *See Ariosa*, 805 F.3d at 1367-68.

With respect to claims 4-5, Fitbit essentially concedes that its argument has no basis in the Petition. *See* Paper 65 at 1; Paper 64 at 4. Instead, Fitbit contends that the Federal Circuit’s remand and the Board’s September 14 Order permit it to make arguments based on the correct claim dependency. Paper 64 at 4. But Fitbit’s opening brief was “limited to those challenges presented in Petitioner Apple Inc.’s Petition.” Paper 57 at 6. And the Federal Circuit remanded for the Board to determine the patentability of corrected claims 4-5 “on the *asserted grounds* of obviousness.” *Fitbit, Inc. v. Valencell, Inc.*, 964 F.3d 1112, 1120 (Fed. Cir. 2020) (emphasis added). The Federal Circuit did not permit Fitbit to expand the grounds asserted in the Petition. Rather, the Federal Circuit relied on the representation of Fitbit’s counsel at oral argument that Apple had, in fact, already made invalidity arguments based on the correct dependency of claims 4-5.³ But this representation was false. Apple never asserted that claims 4-5 are obvious based on the correct dependency. Instead, Apple requested that the Board maintain the incorrect dependency of claim 4 on claim 1, but construe “the application” as “an application” in order to alleviate the lack of an

³ *See* Oral Arg. Rec. at 33:41-34:26, 34:46-34:59, *available at* <http://oralarguments.cafc.uscourts.gov/default.aspx?fl=2019-1048.mp3>. The Board may take official notice of the oral argument. 37 C.F.R. § 42.62; Fed. R. Evid. 201.

antecedent basis. *See* Paper 40 at 6-7.

II. Fitbit Fails to Meet Its Burden of Proof.

Fitbit makes no attempt to show that claims 3-5 are obvious based on the arguments made in *Apple's Petition*. Instead, Fitbit argues that the Board's construction has no significance because an API allegedly performs the same function as the claimed application-specific interface. Paper 64 at 1-2. But Fitbit fails to identify any evidence that the substitution of an application-specific interface for an API would have yielded only predictable results. Instead, citing *E.I. DuPont de Nemours & Co. v. Synvina C.V.*, 904 F.3d 996 (Fed. Cir. 2018), Fitbit attempts to improperly shift the burden to Valencell. But *Synvina* concerned claims covering ranges that overlap with the prior art, where there is a presumption of obviousness and a burden-shifting framework. *Id.* at 1006-08. It is inapplicable here. In addition, Fitbit does not dispute that its rationale for combining *Craw* with *Luo* is insufficient. *See* Paper 62 at 10. On the contrary, it asks the Board to find that Fitbit met its burden of proof because Valencell did not appeal the Board's decision with respect to claim 1. But claim 3 is materially different from claim 1, so issue preclusion does not apply. Notably, Fitbit does not explain why a skilled artisan would have been motivated to combine *Craw* and *Luo* to incorporate an application-specific interface. Further, Fitbit does not dispute that its motivation for combining *Lee*, *Mault*, and *Al-Ali* is supported by nothing more than the hindsight bias and *ipse dixit* of its expert.

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.