

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

CALIFORNIA INSTITUTE OF TECHNOLOGY,
Patent Owner.

Case IPR2017-00728
Patents 7,421,032

PATENT OWNER'S REPLY IN SUPPORT OF MOTION TO EXCLUDE

I. INTRODUCTION

The Board should exclude the challenged evidence, including new evidence in support of arguments raised for the first time in Petitioner’s Reply, including new attorney-generated graphs, data, theories of unpatentability, witness testimony and inexcusable failure to address reasonable expectation of success (“REOS”).

II. ARGUMENT

A. The new arguments were not a part of the petition

Evidence in support of arguments never advanced in the petition should be excluded under FRE401-403, including EXS1244-49, 1257-61, 1265, 1268, 1271, 1272, 2038, and 2039. Petitioner now claims that the conclusory assertion that the proposed modification was straightforward addresses a REOS. Opp. 5. Besides being fundamentally deficient in content, this argument in the petition (Pet. 43-44) is clearly labeled as one regarding motivation to combine, not REOS, which are distinct aspects of an obviousness inquiry. *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 567 F.3d 1314, 1326 (Fed. Cir. 2009). Moreover, Petitioner’s new argument begs the question—what modification? As addressed in the POR (*e.g.*, 42-45), the petition never sufficiently identified how one would modify Ping, and there are a near infinite number of ways to do so. A petition, by statute, must identify its challenge “in writing and *with particularity...*” 35 U.S.C. §312(a)(3); 37 C.F.R. §§42.22(a), 42.104(b)(4)-(5); (*Cf.* EX2004¶110 *et. seq.*). Whatever little

specificity can be found in Petitioner’s vaguely proposed modification—*i.e.*, non-uniform weight per column in Ping’s H^d submatrix—violates the constraints imposed by Ping and eliminates the very structure Ping proposes as providing an improvement. POR 33-35. Despite the new *post hoc* rationale in the opposition to Caltech’s motion to exclude, the petition never addressed the full content of the cited references, lacked specificity in its suggested modification, and certainly never addressed REOS.¹

Petitioner does not dispute that EX1249 is improper new evidence, or that its comparison with EX1248 was an improper new argument. Instead, Petitioner claims EX1248 was “clearly disclosed” merely because the petition discusses an example of Ping’s H^d submatrix. Opp. 4-5. But the petition never provides a Tanner graph depiction of Ping’s H^d submatrix; nor does EX1248, which is purportedly a Tanner graph of Ping’s entire code. It is unreasonable to believe a

¹ Concessions by Petitioner and Dr. Davis that the field of error-correction codes was highly unpredictable contradict any assertion the suggested modification to Ping would have been “straightforward.” Reply 14; EX2033, 256:25-257:1-3; *see also* EX2004 ¶¶122-125; *Honeywell Int’l, Inc. v. Mexichem Amanco Holding S.A.*, 865 F.3d 1348, 1356 (Fed. Cir. 2017).

mere discussion of **H^d** put Caltech on notice of a Tanner graph depiction of Ping as a whole, let alone “disclosed” it.

Petitioner also contends that it “is entitled to respond” Caltech’s arguments that the petition failed to provide evidence of simplicity or to argue REOS. Opp. 5-7. But petitioner misses the point—“new evidence that *could have been presented*” and critical aspects of an obviousness inquiry must be addressed *in the petition*. Fed. Register Vol. 77 No. 157 at 48767 (identifying improper Reply). Attempting to fill an identified void or presenting an entirely new modification because the original modification critically lacked specificity is not legitimate Reply material. Such content is more prejudicial than probative as Caltech has no meaningful opportunity to respond.

B. Cross-examination of witnesses does not cure Caltech’s prejudice

Contrary to Federal Circuit guidance, Petitioner argues that prejudice to Caltech regarding EXS1244-49, 1257-61, 1265, 1268, 1271, 1272 could be cured by post-reply cross-examination (and presumably observations on cross). Opp. 7-11. But observations on cross-examination are not “a substitute for the opportunity to present arguments and evidence.” *In re Nuvasive, Inc.*, 841 F.3d 966, 973 (Fed. Cir. 2016). And Caltech will have no opportunity to submit its own evidence to rebut Petitioner’s belated evidence.

With particular regard to Dr. Frey and his declaration (EX1265), Petitioner

does not dispute that he did not consider Dr. Davis's cross-examination. Cross-examination of Dr. Frey would not cure his failure to consider the full scope of Dr. Davis's testimony in the first place.

As to the supplemental information, Caltech responded to the petition's assertion that Frey was published on March 20. Caltech relied on the Board's guidance that worries about Petitioner pushing an earlier publication date were mere "speculat[ion]" and therefore premature. Paper 38, 3-4. Petitions require more than bare notice pleading, and "on or before March 20" is simply not adequate to apprise Caltech of intent to use an earlier date, let alone what that date might be. Moreover, with regard to antedating, only the last date of a range of dates is considered. *See Oka v. Youssefye*, 849 F.2d 581, 584 (Fed. Cir. 1988).

C. Dr. Davis's unavailability remains suspect

Petitioner falsely claims Caltech disputes the authenticity of Dr. Davis's Fulbright scholarship. Opp. 9-10. Rather, Petitioner's assertion of Dr. Davis's unavailability strains credulity considering that (1) Dr. Davis knew of his Fulbright responsibilities by at least February 2017, *a year before the Reply materials were due*; (2) Dr. Frey asserts that his declaration efforts took "very little time" (EX1265, ¶¶41); (3) Dr. Davis testified that Petitioner's counsel conducts most of the drafting of witness testimony (EX2066 12:6-7); and (4) Dr. Davis remains available for deposition in the U.S (EX1273 ¶3).

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