Paper No. 16 Date: June 5, 2020

### UNITED STATES PATENT AND TRADEMARK OFFICE

### BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE, INC., Petitioner,

v.

UNILOC 2017, LLC, Patent Owner.

IPR2019-00700 (Patent 8,406,116 B2) IPR2019-00701 (Patent 8,018,877 B2)<sup>1</sup>

Record of Oral Hearing Held: May 21, 2020

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Before SALLY C. MEDLEY, JEFFREY S. SMITH and JOHN F. HORVATH, *Administrative Patent Judges*.



### **APPEARANCES:**

### ON BEHALF OF THE PETITIONER:

BRIAN K. ERICKSON, ESQ. JEFF R. COLE, ESQ. DLA Piper, LLP (US) 401 Congress Avenue, Suite 2500 Austin, Texas 78701

JAMES M. HEINTZ, ESQ. DLA Piper, LLP (US) One Fountain Square 11911 Freedom Drive, Suite 300 Reston, Virginia 20190

MARC M. BREVERMAN, ESQ. Apple, Inc. 1 Apple Park Way Stop 169-2Nyj Cupertino, California 95014

### ON BEHALF OF THE PATENT OWNER:

BRETT A. MANGRUM, ESQ. Etheridge Law Group, PLLC 2600 East Southlake Boulevard, Suite 120-324 Southlake, Texas 76092

The above-entitled matter came on for hearing on Thursday, May 21, 2020, commencing at 1:00 p.m., EDT, by video.



1 2	PROCEEDINGS
3	JUDGE MEDLEY: Good afternoon. This is the combined hearing
4	for IPR 2019-00700 involving U.S. Patent No. 8,406,116 and IPR 2019-
5	00701 involving U.S. Patent No. 8,018,877.
6	At this time, we'd like the parties to please introduce themselves for
7	the record beginning with the Petitioner.
8	MR. ERICKSON: Thank you. This is Brian Erickson with DLA
9	Piper on behalf of Petitioner, Apple. May I have permission of the Board to
10	address the Board while seated?
11	JUDGE MEDLEY: Yes, that's fine.
12	MR. ERICKSON: Thank you. With me by video conference is Jim
13	Heintz from DLA Piper and joining us via the public telephone access is
14	Marc Breverman, in-house counsel at Apple, and Jeff Cole also at DLA
15	Piper.
16	JUDGE MEDLEY: And you will be presenting arguments?
17	MR. ERICKSON: Yes, I will. Thank you.
18	JUDGE MEDLEY: Okay. Great.
19	And for Patent Owner, who do we have?
20	MR. MANGRUM: Good afternoon, Your Honors. This is Brett
21	Mangrum with the Etheridge Law Group representing the Patent Owner,
22	Uniloc and I will be
23	JUDGE MEDLEY: Okay.
24	MR. MANGRUM: presenting on behalf of Patent Owner today
25	and there will be no one else joining on behalf of Patent Owner.
26	JUDGE MEDLEY: Okay. Thank you everyone.



1	So as you know from the order that we sent out, each party will have
2	45 minutes total time to present arguments. Petitioner, you will proceed first
3	and may reserve some of your argument time to respond to arguments
4	presented by Patent Owner. Thereafter, Patent Owner will respond to
5	Petitioner's presentation and may reserve argument time for surrebuttal.
6	Petitioner, do you counsel for Petitioner, do you wish to reserve
7	some of your time to respond?
8	MR. ERICKSON: Yes, Your Honor. I would like to reserve 20
9	minutes.
10	JUDGE MEDLEY: Okay. And I might not, you know, keep you up
11	to date, so if I'm engrossed in what you're saying, so just keep track of
12	your time. Okay?
13	MR. ERICKSON: Understood. Thank you, Your Honor.
14	JUDGE MEDLEY: Okay. Thank you. You may begin when you're
15	ready.
16	MR. ERICKSON: May it please the Board. I intend to proceed as
17	outlined on Slide 2 of Petitioner's demonstratives. Specifically, I'll provide
18	a very brief overview of the patents and then I'll step through each of the
19	three contested issues in the IPR, one for each of the three asserted grounds.
20	Turning to Slide 3, the challenged patents are part of a very large
21	patent family that's broken into a couple of sub-groups. The first sub-group
22	is referred to by the challenged patent as the "P2P application" and the
23	challenged patents are all directed to new matter, specifically matter that was
24	added to overcome what's called NAT traversal techniques. But as
25	established in the challenged grounds, these NAT traversal techniques were
26	already well-known and, in fact, had been standardized long before the



1	challenged patents had been filed.
2	Turning to Slide 4, this presents Figure 2 of the challenged patents
3	and the highlighting here is to illustrate that the '116 Patent, the claims are
4	directed primarily to functions or actions that are occurring at the server and
5	that is in the left column here shown highlighted in Figure 2.
6	Turning to Slide 5, we have the '877 Patent and this is again Figure 2
7	of the challenged patents and you see the highlighting shows that the claims
8	are directed primarily to actions or functions that are occurring on the
9	initiating mobile device.
10	Turning to the asserted grounds on Slide 6, all claims are obvious over
11	the combination of Kirmse and Chambers. Turning to Slide 7, we've
12	produced Claim 1 of both challenged patents on Slide 7 and highlighted the
13	language in dispute. I've quoted a sub portion of the first limitation that's in
14	dispute. You can see that I've left off some of the language that is not
15	disputed in the claims. So the relevant dispute is focused on the language,
16	the request to allocate, "to use in a data exchange session with a
17	participating mobile device."
18	So that's a portion of the first claim limitation. I have not included
19	the language that is uncontested such as the fact that the communication is
20	received at a server, it's sent from a mobile device, what's being allocated is
21	an address and port of the server. There's no dispute there. The only
22	dispute with respect to Ground 1 is whether that communication is a request
23	to allocate. Again, there's no dispute about any other limitation of any other
24	challenged claim. There's no dispute that the combination would have been
25	obvious to a person of ordinary skill.
26	Turning to Slide 8, Kirmse clearly discloses a request, for example a



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