

UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,  
Petitioner

v.

BILLJCO LLC,  
Patent Owner

CASE: IPR2022-00131  
U.S. PATENT NO. 8,639,267

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**PATENT OWNER'S NOTICE OF REQUEST TO FILE MOTION TO  
STRIKE, OR ALTERNATIVELY TO SUBMIT ADDITIONAL EVIDENCE,  
PURSUANT TO 37 C.F.R. §§ 42.20 AND 42.21**

## I. INTRODUCTION

Apple, Inc. ("Petitioner") filed its Petition requesting *inter partes* review of claims 1, 5, 13, 20, 21, 29, 30, 34, 42, and 49 ("the Challenged Claims") of U.S. Patent 8,639,267 ("267 Patent"). In support of its Petition, Petitioner submitted the declaration of Dr. Thomas La Porta. (EX1002, "Original Declaration"). BillJCo, LLC ("Patent Owner") deposed La Porta regarding his Original Declaration. EX2009. Patent Owner filed its Patent Owner Response, and Petitioner filed its Reply thereto relying heavily on a Supplemental Declaration by La Porta. (EX1012, "Supplemental Declaration").

The Reply and Supplemental Declaration raise arguments, opinions, and evidence not previously identified in the Petition or Original Declaration. Although Petitioner hopes to disguise them mere rebuttal to the Patent Owner Response, the new arguments and evidence in the Supplemental Declaration and Reply are not that. Instead, they pertain to issues that should have been part of Petitioner's Petition, and therefore their late disclosure is improper and should be stricken.

Pursuant to 37 C.F.R. § 42.21(a), for the reasons discussed herein, Patent Owner hereby requests authorization to file a motion to strike La Porta's Supplemental Declaration. Patent Owner further requests authorization to file a motion to strike all arguments in Petitioner's Reply based on La Porta's Supplemental Declaration. In the alternative to the relief sought in the aforementioned motions,

Patent Owner further requests authorization to submit additional evidence with its sur-reply in response to the Petitioner's reply.

## II. Relevant Law

It is well established that the petition for institution of an IPR must include all necessary arguments and evidence to support the challenge. "It is of the utmost importance that . . . the initial petition identify 'with particularity' the 'evidence that supports the grounds for the challenge to each claim.'" *Intelligent Bio-Sys., Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1369 (Fed. Cir. 2016) (quoting 35 U.S.C. § 312(a)(3)). The petition must also identify "the relevance of the evidence to the challenge raised, including identifying specific portions of the evidence that support the challenge." 37 C.F.R. § 42.104(b)(4)-(5). This duty to present all arguments and evidence in the initial petition is because, "[u]nlike district court litigation—where parties have greater freedom to revise and develop their arguments over time and in response to newly discovered material—the expedited nature of IPRs bring with it an obligation for petitioners to make their case in their petition to institute." *Intelligent Bio-Sys.*, 821 F.3d at 1369.

The Federal Circuit has repeatedly affirmed the Board's rejection of matter raised for the first time in a reply. For example, in *Wasica Fin. GmbH v. Cont'l Auto. Sys., Inc.*, 853 F.3d 1272 (Fed. Cir. 2017), the Federal Circuit affirmed the Board's ruling that an obviousness challenge was "insufficiently precise and

underdeveloped" because the petition "offered only a conclusory and sweeping allegation," while the reply argued that POSITA would have looked to a different passage and would have modified the prior art. *Id.* at 1285-1287. Similarly, in *Ariosia Diagnostics v. Verinata Health, Inc.*, 805 F.3d 1359 (Fed. Cir. 2015) the Federal Circuit affirmed the Board's rejection of a reply that relied on portions of a prior art reference not previously identified in the petition or accompanying declarations. *Id.* at 1364, 1367–68

Once the Board identifies new issues presented for the first time in a reply, neither the Board (nor the Federal Circuit, on appeal) need parse the reply brief to determine which, if any, parts of that brief are responsive and which are improper. *See Office Patent Trial Practice Guide*, 77 Fed.Reg. 48,756, 48,767, at p. 74 (Aug. 14, 2012) (Board noting "it will not attempt to sort proper from improper portions of the reply"). As such, the presentation of new issues in a reply, even if other parts of the reply are not improper, warrant striking of the entire reply.

In addition to striking the Supplemental Declaration because it includes numerous arguments and identifies new evidence, several of the opinions in the Supplemental Declaration should also be stricken because La Porta contradicts his testimony in the Original Declaration and his deposition testimony. It is well-established in district court litigation that "[w]hen a party has given clear answers to unambiguous questions which negate the existence of any genuine issue of material

fact, that party cannot thereafter create such an issue with an affidavit that merely contradicts, without explanation, previously given clear testimony" and a court may simply disregard the affidavit. *Delaware Valley Floral Group, Inc. v. Shaw Rose Nets, LLC*, 597 F.3d 1374 (Fed. Cir. 2010). Applying the same logic, the Board has similarly found it proper to disregard a declaration that contradicts the declarant's earlier testimony. *See SPTS Techs. Ltd. v. Plasma-Therm LLC*, No. IPR2018-00618, 2019 WL 4020200, at \*6 (PTAB Aug. 26, 2019) (citing *Quest Integrity USA, LLC v. Cokebusters USA Inc.*, 924 F.3d 1220, 1232 (Fed. Cir. 2019)).

### **III. The Supplemental Declaration And Reply**

The Supplemental Declaration and Reply purport to merely be in response to the Patent Owner Response. They are not, however. Instead, La Porta offers numerous new opinions, such as claim construction and motivations to modify the prior art, that are improper at this juncture. La Porta further, in hopes of filling in several gaps in his obviousness opinions, identifies previously uncited portions of the prior art to support his claims of obviousness. So too, La Porta offers arguments as to how the cited prior art supposedly discloses several claim limitations under Patent Owner's fully supported common and ordinary meaning of the words, which he disregarded in his Original Declaration. La Porta further offers several opinions that, without justification, merely contradict his previous testimony that, as understood in the computer science arts, the meaning for "privilege" as recited in the

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