

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

VERIZON CONNECT INC.,
Petitioner,

v.

OMEGA PATENTS, LLC,
Patent Owner.

IPR2023-01162
Patent 8,032,278 B2

Record of Oral Hearing
Held: November 20, 2024

Before BARRY L. GROSSMAN, AMBER L. HAGY, and
BRENT M. DOUGAL, *Administrative Patent Judges*.

APPEARANCES:

ON BEHALF OF THE PETITIONER:

ASHEESH PURI, ESQ.
SASHA RAO, ESQ.
Nixon Peabody
1 Embarcadero Center, 32nd floor
San Francisco California 94111
(415) 984-8200

ON BEHALF OF THE PATENT OWNER:

RYAN SANTURRI, ESQ.
CHRISTOPHER REGAN, ESQ.
DAVID CARUS, ESQ.
Allen, Dyer, Doppelt + Gilchrist, PA
255 S Orange Ave # 1401
Orlando, FL 32801
(407) 841-2330

The above-entitled matter came on for hearing on Wednesday,
November 20, 2024, commencing at 1:00 p.m., via videoconference.

P R O C E E D I N G S

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JUDGE HAGY: All right, good afternoon, everyone. We are convened for oral arguments in IPR2023-01162, which pertains to patentability challenges to US Patent number 8,032,278 B2. The parties before us are Petitioner Verizon Connect Incorporated, and Patent Owner Omega Patents LLC. I am Judge Hagy, and also appearing are Judges Grossman and Dougal. So, let's go ahead and get started with appearances for both parties for those who will be arguing today. So, counsel, if anyone else is attending remotely with you today but will not be speaking, we ask that you please identify them as well. For example, if your client is attending, please identify. And then I also just give you a heads up. Following the hearing, I'm going to ask that everybody stay on the line to confer with the court reporter in case she has any questions about the spelling of names or terms, et cetera. So, let's go ahead and get started with appearances for Petitioner.

MR. PURI: Good afternoon. My name is Ashe Puri and I will be arguing on behalf of Verizon. And joining me is my colleague, Jacqueline Relatores. And my understanding is my client may be on the other line, Eric O'Brien from Verizon.

JUDGE HAGY: Okay, thank you, Mr. Puri. And now for Patent Owner.

MR. SANTURRI: Good afternoon. My name is Ryan Santurri. Also in attendance, but not on camera, are Chris Regan and David Carus.

JUDGE HAGY: Okay, Mr. Santurri, your audio is a little choppy, and then it might cause some problems for us.

1 MR. SANTURRI: We had problems with my main laptop whenever
2 we -- this is sort of backup laptop. If this isn't working, then I may switch to
3 another computer. So, if you're not hearing me well, then I'm briefly. So, I
4 already have another one logged in. I'll just have to relocate.

5 JUDGE HAGY: All right. I'm going to ask the court reporter. Ms.
6 Begley, are you able to understand Mr. Santurri?

7 COURT REPORTER: Not very well. It wouldn't be a clear
8 recording, so probably best to move.

9 JUDGE HAGY: Okay, now let's go ahead and do that so we can hear
10 you clearly.

11 COURT REPORTER: I'm sorry about that.

12 MR. SANTURRI: All right. If you can give me about 30 seconds, I
13 should be able to relocate.

14 JUDGE HAGY: Okay. Gotcha, gotcha, gotcha. I think if I'm
15 recalling correctly, our hearing in the 504 case, we had some technical
16 difficulties as well. I'm not remembering why, but I do remember we had to
17 go off for a little bit.

18 COURT REPORTER: It happens.

19 MR. PURI: That is correct. I was also on that call. I noticed there
20 was an issue there, too.

21 JUDGE HAGY: It's better that we get it worked out upfront. We
22 want to make sure that we can hear everybody, and especially we don't want
23 it to be a struggle for the court reporter.

24 COURT REPORTER: I appreciate that.

25 JUDGE HAGY: Make out what he's saying, but you're the one that
26 has to type every one of those words.

1 MR. SANTURRI: All right. Apologies for the delay. Is that any
2 better?

3 JUDGE HAGY: Much better.

4 COURT REPORTER: Much better.

5 JUDGE HAGY: Mr. Santurri, thank you very much. Thank you very
6 much. Okay, so I didn't quite catch the identification of your colleagues that
7 were attending as well.

8 MR. SANTURRI: Sure. They're both on. Have entered an
9 appearance. It's Chris Regan and Dave Carus.

10 JUDGE HAGY: All right, thank you very much. Okay, so I just
11 wanted to take a quick opportunity to address counsel and their clients
12 before we begin. So, as you know, inter parties review is a contested
13 proceeding. And today's hearing provides you an opportunity for counsel to
14 orally advocate for your positions on the patentability of the challenged
15 claims as raised in the petition. And so, I just want to let you know, we
16 understand that everybody, and then every case that comes before us, the
17 parties have a lot at stake. So, make sure, you know, we do take our role in
18 deciding the dispute seriously. We have reviewed the briefs, the evidence,
19 and we are prepared today with questions. And so, these questions and
20 answers will help us decide the issues. So, in the interest of fairness and due
21 process, of course, we must limit our consideration to the arguments and
22 evidence already presented in the record. And we have the briefs and
23 evidence on our computers. You might note, from time to time, we might be
24 looking away. We are looking at our copy of the slides. We might be
25 looking at our copy of some of the documents in the file. And we may also
26 interrupt you, of course, from time to time to be able to ask you questions

1 that help us resolve the issues and also to keep the hearing on track with
2 time.

3 So, I know you guys know this, but, you know, I'm following some of
4 our standard script just to make sure that, you know, we're clear on
5 everything. I also want to mention that recording of any PTAB hearing is
6 prohibited. So, we have a court reporter on the line, and she will prepare a
7 transcript of the hearing that will become a part of the record. So, to ensure
8 that this transcript is clear, we ask everyone before you speak or as you
9 begin to speak, to identify yourselves, to speak clearly into the microphone,
10 and to make sure that you are muted when you are not speaking. It's also
11 very important as you go through your slides, to identify each time you go to
12 a new slide. Please tell us the slide number that you're on. Even though we
13 can see it, the court reporter needs to be able to note this in the record so that
14 we're clear later. Any numbering and figures or any pertinent identifying
15 information that you are talking about, the more that we can put in the
16 record, the clearer that it will be. And if you encounter any technical
17 difficulties along the way, please let us know. Please reach out to us.

18 Also, this proceeding is being streamed online to enable public
19 attendance. So, if there's anything confidential that you wish to discuss,
20 please notify us first.

21 On the burden. So again, as I noted, we have familiarized ourselves
22 with the record. We remind the parties that the Petitioner does have the
23 ultimate burden of establishing unpatentability by a preponderance of the
24 evidence. So, the Petitioner is going to argue first. Per our hearing order,
25 Paper 27, each side is allotted 60 minutes to argue its case. I will note that
26 we have, this same panel has considered the same patent previously. So, in

1 order to streamline things, you know we can -- I'm urging you to -- cut to
2 the chase. I don't know that you need to take all 60 minutes, but it is
3 available to you. So, the Petitioner will open the argument and may reserve
4 rebuttal time up to half of the total time. The Patent Owner will then have
5 the opportunity to respond and, again, can reserve sur-rebuttal time, up to
6 half.

7 Please remember that your arguments should be limited to the
8 arguments previously presented in the briefs. Please make it clear which
9 claims and challenges you're addressing and then also hold any objections
10 until it is your time to speak. So, if you obviously disagree with something
11 that the other side is saying, save that for your time to speak. And then with
12 regard to objections, we note that both sides have filed objections to some of
13 the other side's demonstratives. So, we will simply take those objections
14 under advisement. You are still free to use the slides and each of you can
15 argue about the content and whatnot. And then in that regard, we remind
16 both parties that demonstratives are not themselves evidence. They are
17 merely an aid to argument. And so, we will base our decision on the actual
18 evidence of record.

19 I will maintain a clock, and I will give each side a warning. You can
20 let me know how much of a warning, but I also urge you to keep your own
21 time because, you know, I'm trying to follow the arguments review, but I
22 will keep a timer. So first, with regard to Petitioner, how much time would
23 you like to reserve for rebuttal?

24 MR. PURI: I believe probably 15 or 20 minutes, I'm guessing.
25 Obviously, it depends on if there are any questions and obviously how

1 quickly I can go through my slide presentation, but I'm anticipating probably
2 15 to 20 minutes.

3 JUDGE HAGY: Okay, how about I give you a -- how about I let you
4 know when you have 20 minutes left?

5 MR. PURI: Yeah.

6 JUDGE HAGY: Okay, so I'll just put you down for 20 and you want
7 to keep talking, of course we're not cutting you off. I mean, it's -- we're just
8 letting you know when it comes time to rebuttal, we're just letting you know
9 that you're going into rebuttal, and it's always your choice to continue
10 speaking. And I'll just go ahead and ask Patent Owner up front. How much
11 time would you like to reserve for rebuttal?

12 MR. SANTURRI: Ten minutes.

13 JUDGE HAGY: Okay, great. All right, with that, let me just get this,
14 get my little timer going. So, does anyone have any questions or are we
15 ready to begin?

16 MR. PURI: Petitioner is ready to begin.

17 JUDGE HAGY: Okay, great. All right, very good, Petitioner. You
18 may begin.

19 MR. PURI: And first thing, would it help if I share the slide deck that
20 I'll be going through so we can follow it at the same time?

21 JUDGE HAGY: Yes, absolutely.

22 MR. PURI: Okay, so I will include a screen share here and hopefully.
23 Sorry. All right, hopefully my screen can be seen here with the full slide
24 deck.

25 JUDGE HAGY: Yes, it looks great. Thank you.

1 MR. PURI: Okay, perfect. I'll be turning first to slide one. And first,
2 thank you to the Board for their time today. We greatly appreciate this
3 opportunity to be able to present our case regarding the matter of US Patent
4 number 8,032,278. Turning to slide two. We will be following an order
5 today over certain parts that we think are in dispute among the parties. And
6 we're mindful of trying to keep our slide deck, our demonstratives, to the
7 point and try to get to the issues quickly. And hopefully we've accomplished
8 that. The first issue will just briefly be giving a little bit of background, as
9 Your Honor had already suggested. This is the second time that the Board
10 has considered this particular patent. The first time was in the Geotab
11 matter. But we'll briefly just go over just some background information
12 here, particularly the parts that are relevant to our arguments today. The
13 '278 Patent has a filing date of July 3rd, 2007, and claims to be a CIP of the
14 259 application, which claims priority within that chain down to the '561
15 Patent. And that's 6,606,561. This is slide three.

16 Turning over to slide four. Each independent claim of the '278 Patent
17 covers or is directed to the same four components: a vehicle positioning
18 position determining device, a wireless communications device, a multi
19 vehicle compatible controller, and a downloading interface. And these are
20 the four components we'll be discussing today. The first instituted ground of
21 unpatentability, turning now to slide 6, is U.S. Patent number 6,756,885 –
22 and that's, we'll call that, moving forward, the Flick '885 Patent -- in
23 combination with U.S. Patent number 6,606,561 to Flick, which we will be
24 calling here Flick '561. The Board instituted review of claims 1 through 22
25 based on the combination of Flick '885 and Flick '561. And, of particular
26 relevance here, the Patent Owner is not disputing that all claim limitations of

1 claims 1 through 22 are disclosed in Flick '885 and Flick '278. Moving on
2 to slide 8.

3 And the reason why it's not challenged is in fact that these elements
4 are all met within these two references. This is on slide 8. I'm showing
5 Figure 1, which depicts the multi vehicle compatible controller that is
6 described in the '885. In this particular embodiment, it shows three of the
7 four elements or claim elements that I had previously discussed, which is
8 here, which in the center of the screen is depicted in red, a box as a multi
9 vehicle compatible controller. There is also a wireless communications
10 device, which is depicted in blue, and a receiver, which is the downloading
11 interface. This is just one example in our brief.

12 JUDGE GROSSMAN: Excuse me?

13 MR. PURI: Yes.

14 JUDGE GROSSMAN: This is Judge Grossman. I just want to get
15 clear for the record, I don't think there's any dispute on this, but I haven't
16 seen a specific statement assuring us of this. But all of these, the Flick
17 name, they're all the same person that the in the reference Flick's are exactly
18 the same person as the inventor Flick. And I don't think there's any dispute
19 as to that, but I haven't. We've all referred to the Flick references and, and
20 that we call it the '278 Patent. But the Kenneth E. Flick who is the named
21 inventor in the '278 is exactly the same person. The Kenneth Flick, that's
22 the inventor on the references that you're citing.

23 MR. PURI: That is exactly correct.

24 JUDGE GROSSMAN: Thank you.

25 MR. PURI: Slide 9 shows the combination. Now we've picked or I'm
26 sorry, it shows the Flick '885 with the '278 Patent. And as you can see here,

1 the Flick '885 which predates the '278, the figure 1 was incorporated almost
2 identically into the '278 without the inventor actually disclosing the source
3 of this figure to the USPTO. And as you can see here, the same
4 embodiment, nearly the same appears in the '278. You have the controller,
5 you have the wireless communications device, you have the downloading
6 interface, and you have the vehicle data bus. Next --

7 JUDGE HAGY: On that point about they didn't disclose the source of
8 the figure. But I mean the Flick '885 is identified in column 2 of the '278
9 Patent. Right? Where it talks about a multi vehicle control system is
10 describing '885. Right?

11 MR. PURI: Correct.

12 JUDGE HAGY: So, I mean that was certainly mentioned to the
13 examiner.

14 MR. PURI: That is correct. My point was what they didn't disclose
15 was actually they had the same figure, and they incorporated that into '278.
16 But you are correct. This particular patent was referenced in the
17 specification. Next --

18 JUDGE GROSSMAN: And Mr. Puri, when you say it's the same
19 figure, it's really there's, there's differences between the figures. They, they
20 have the same four components that you according to your argument as
21 you've highlighted in the same colors that that refer to the different four
22 components in the claim that was on your earlier slide. But yes, they have.
23 Your point is they have the same four components but there certainly are
24 differences in the figures, physical differences in the figures. They're not the
25 copy. They didn't copy one figure and put it into the other.

1 MR. PURI: That is correct. There are some differences with it for
2 relevant part and just to be clear, we're referring to three out of the four that
3 appear in this figure. The fourth part, the GPS, is disclosed as we'll get to in
4 the '561. But you are correct, Your Honor. And in this final. This
5 particular embodiment. This is from the '561 Patent. This includes the
6 GPS. And this is the only feature added to the '278 as far as the claim
7 language is concerned. And certainly, this exists in the prior art because it's
8 in the '561. And as we'll discuss later, it's also GPS was nothing new as of
9 the July 2007 priority date of the '278 Patent. Next, the '561 Patent is prior
10 art due to a defect in the priority chain of the '278 Patent. Here. This is
11 from the '278 Patent. This is slide 12. It refers in the related US application
12 data to a CIP and through the chain at the very end, it identifies the '561
13 Patent.

14 JUDGE DOUGAL: Counsel, this is Judge Dougal. Can you clarify a
15 little bit? Just go back one slide, please?

16 MR. PURI: Sure.

17 JUDGE DOUGAL: So, this is bugging me a little bit. You keep on
18 using this word defect. Are you just saying it's a CIP. And it follows the
19 rules of CIP, CIPs generally, and you're calling that a defect or is there an
20 actual defect in the priority chain?

21 MR. PURI: I probably -- maybe I should be more clear. It's not so
22 much. I think you're correct. It's a CIP. It claimed new matter in there. So,
23 in this regard it's not a defect. However, I would note that originally in
24 litigation, the other side was referring to priority all the way through the
25 '561. So maybe we carried this point forward as a defect, but in reality it's a

1 CIP that claims new matter that is not present in the '561. So, the way you
2 phrased it was correct.

3 JUDGE DOUGAL: Okay, thank you.

4 MR. PURI: In the institution decision of the Board, the Board had
5 determined that Flick '885 and Flick '561 qualify as prior art because one,
6 during a reexamination of the '278 Patent, the Office had determined that the
7 earliest priority date of the '278 Patent is its filing date of July 3rd, 2007.
8 And the Patent Owner did not appeal the Office's priority date finding. The
9 '561 Patent was never previously presented to the Office.

10 JUDGE GROSSMAN: Mr. Puri, this is Judge Grossman. If we go
11 back to your previous slide, I just want to make it clear when you were
12 referring to the institution decision, the one the -- it was a slide or there it is,
13 the one you say the Board determined that they qualify as prior art. I don't
14 think we make any determinations in the decision to institute. All we do is
15 we made a decision that there was a reasonable likelihood. That wasn't a
16 finding of fact, if that's what you were suggesting that we did in our decision
17 to institute. It was, as we stated it, that there was a reasonable likelihood
18 that it's going to qualify as prior art. But I don't think we've made that final
19 decision at the institution stage. But you're right, that's where we are now.
20 But it's not a finding of fact that's binding on us at this point or binding on
21 you. I mean it's still an open issue that has to be decided in determining
22 patentability.

23 MR. PURI: Thank you for the clarification. I'll be mindful of that.
24 Due to the priority chain, I will avoid using the defect word, but due to the
25 fact that it is a CIP and claims new matter and isn't entitled to the priority
26 date of the '561, the '561 does qualify as prior art and we've cited case law

1 and why they are estopped from challenging now any earlier priority date.
2 And up until the time the Petitioner filed its IPR petition, the Office had
3 never considered the '561 Patent as prior art because no party had ever
4 presented it, the reference of the parent, as prior art. Now, one of the issues
5 I'm going to segue into is what we assume is a 325(d) challenge. But more
6 importantly, what we've seen is they're -- Omega has made new arguments
7 in both its slides, in its demonstratives, as well as in its sur reply. Now,
8 there are two arguments that were made for the first time in the sur reply,
9 both of which we believe should be rejected. First, and as I just mentioned,
10 there are two arguments in its sur reply which we assume are an attempt to
11 revisit the 325(d) challenges.

12 First, Patent Owner asserts that Flick '561 was before the initial
13 examiner, and I've cited the reference to the sur reply at page two. And just
14 for the record, this is slide 16. And number two, Patent Owner asserts that
15 Flick '561 is cumulative of these four references that I cite here, Barrard,
16 Monselle, Coffee, and Knockherd. Again, the first time this was raised was
17 in the sur reply at pages 3 and 4. As a preliminary matter, we would say
18 these apparent 325(d) challenges are untimely because they should have
19 been raised prior to institution. The deadline was as shown in 325(d) should
20 have been made prior to institution in determining -- in the Board
21 determining whether to institute, and we cited case law here where the Board
22 had indicated that they would not consider these arguments. More
23 importantly, it was also made in a reply and there's case law that we cited in
24 our objections that say it was untimely.

25 But even more importantly, we think that this is a diversion for
26 several reasons that we'll get to. First, the standard is not before the initial

1 examiner under 325(d). The standard is whether the reference was
2 previously presented to the Office as prior art and that did not occur here.
3 The second part of this, the *Advanced Bionics* test is you look at under
4 Factor 2 whether the arguments overlap and in this case during the initial
5 examination and in all the prior reexaminations, the Office was never asked
6 to consider Flick '885 with Flick '561 and also any combination of a
7 reference disclosing a multi vehicle compatible controller, a downloading
8 interface, and a wireless communication device with another reference
9 disclosing a GPS receiver.

10 The Patent Owner has devoted a significant number of slides, 14 in
11 fact, and their argument is that the multi vehicle data bus -- that references
12 were considered previously involving a multi vehicle data bus controller
13 plus GPS. Again, that's not the issue and there are two issues with that.
14 One, the issue is whether the Patent Office had considered arguments with
15 three of these disclosures or components with a reference of a GPS receiver.
16 Patent Owner does not challenge or dispute the fact that this sort of
17 combination has never been considered before and more. And also, just as
18 importantly, the fact that the Patent Owner is referring to a multi vehicle
19 data bus controller is not the same as a multi vehicle compatible controller.
20 And those arguments were presented by Patent Owner as referenced in the
21 Board's decisions. And again, we would urge that, one, these arguments are
22 untimely; and, two, these arguments were never presented previously.

23 JUDGE HAGY: Counsel, so leaving aside 325(d) because I'm
24 noticing -- I was looking back at what Patent Owner is arguing and even if
25 we leave aside 325(d) seems like Patent Owner -- and I will ask Patent
26 Owner this as well -- it seems like Patent Owner is arguing that it should be

1 persuasive to us in our obviousness analysis that previous examiners have,
2 and previous Board decisions and appeals from these reexaminations have,
3 concluded that the claims are not obvious over what Patent Owner is
4 characterizing as similar cumulative art. So even leaving aside 325(d), can
5 we consider these other proceedings and the outcomes as persuasive in our
6 analysis of non-obviousness? And if not, why not?

7 MR. PURI: Thank you for the question. So, the prior reexaminations,
8 the challenge was always that the prior art was missing a multi-vehicle
9 compatible controller or a downloading interface or both. This is the first
10 time we have a reference that Patent Owner is not challenging that has all
11 three components in there: a multi-vehicle compatible controller, a
12 downloading interface, and a wireless communication device and combined
13 with a GPS receiver. So, when looking at the prior reexaminations and all
14 the previous arguments that were made, the challenge always was made, and
15 this is again reflected in the Board's decisions as well as the reexamination
16 units' decisions, that these elements were not present. So, I would say there
17 is no persuasive value because the arguments always were these elements
18 are missing. And, alternatively, look at the secondary considerations
19 because these elements were missing. In light of these missing elements, we
20 have a different fact pattern here where Patent Owner is not challenging that
21 the multi-vehicle compatible controller, downloading interface and wireless
22 communication are present in the '885 and that the only thing that is being
23 presented here is would it have -- would one have been motivated to add a
24 GPS receiver to that particular combination? So, the arguments are
25 completely distinct.

1 Next, and this segues exactly to what I was just mentioning, the
2 motivation to combine. The standard for motivation to combine -- this is
3 slide 21 -- is a motivation to combine prior art references can come from the
4 prior art reference itself, the knowledge of those skilled in the art or the
5 nature of the problem to be solved. And we've addressed these factors in our
6 briefing as well as briefly in this slide or in these demonstratives. Slide 22
7 refers to the background of the invention of the '885 and the background of
8 the invention in the '561, both prior references. Both of these patents are all
9 directed to the same problem of deterring vehicle theft using vehicle security
10 systems. In fact, they're both prominently stated right at the very beginning
11 of the background of the invention in the '885 Patent. It explains, first
12 sentence of the background of the invention, vehicle security systems are
13 widely used to deter vehicle theft, prevent theft of valuables from a vehicle,
14 deter vandalism and to protect vehicle owners and occupants.
15 Correspondingly in the '561 Flick '561, it also states prominently at the start
16 of the background of the invention that motor vehicles such as passenger
17 cars, trucks, buses, fleet vehicles, et cetera, are widely used and knowing the
18 locations of such vehicles is often desired.

19 For example, should a vehicle be stolen, it would be beneficial to
20 know the vehicle's location so that authorities could promptly and accurately
21 be directed to retrieve the vehicle. Indeed, the tracking system could plot the
22 getaway path of the thief. Turning to the '278 Patent again, the same
23 problem of deterring vehicle theft using vehicle security systems is stated
24 right at the beginning of the background of the invention. In fact, it's
25 identical to what I just read in the '561. I don't need to repeat it again, but it
26 does provide the same language.

1 JUDGE GROSSMAN: Mr. Puri, just so the record's clear, just to
2 make reference to the fact that you're on your slide 23.

3 MR. PURI: Thank you. Yes, for the record, that is correct. This is
4 slide 23. Next, the '561 states a clear reason for adding GPS to a vehicle
5 security system to track a stolen vehicle. This is slide 24. And again, this
6 comes from the same exact passage that I had read from both the '561 and
7 the '278 that talk about should a vehicle be stolen, it would be beneficial to
8 know the vehicle's location so that authorities could be promptly and
9 accurately directed to retrieve the vehicle. Indeed, the tracking system could
10 plot the getaway path of the thief. So, the motivation comes directly from
11 the prior art, the '561. And again, the '561 further adds in the summary of
12 the invention right at the very beginning, in view of the foregoing
13 background, it is therefore an object of the invention to provide a vehicle
14 tracking unit and related methods that permit ready interfaces to devices in
15 the vehicle, such as those devices which may be part of an existing vehicle
16 security system.

17 Now, while I also explain how the motivation comes directly from the
18 '561, additionally, one can also look to the '885 further leading towards the
19 combination because it states prominently in the background of the
20 invention, again, that vehicle security systems are widely used to deter
21 vehicle theft. Again, there's additional language here on preventing theft
22 and that the sensors may detect movement of the vehicle within the vehicle
23 or within the vehicle. Flick admits that GPS was a known solution for
24 tracking stolen vehicles prior to July 2007, within the '561 Flick '561.
25 Apologies. This is slide 27. And this is the motivation comes from persons
26 of ordinary skill.

1 Flick himself states and cites to another prior reference, the '844
2 Patent, and says quote, US Patent number 5,223,884 discloses a tracking
3 system including a control center and a mobile unit installed in the vehicle.
4 The mobile unit may send security warnings to the command center via a
5 wireless transceiver. Physical information for the vehicle is determined
6 using a GPS receiver at the vehicle. The '844 Patent, which itself is entitled
7 Vehicle Tracking and Security System, has a filing date of April 17th, 1992,
8 and an issuance date of June 29th, 1993, and prominently states that the
9 invention is a vehicle tracking and security system which allows immediate
10 response in case of vehicle theft.

11 JUDGE GROSSMAN: Mr. Puri, this is Judge Grossman. Let's go
12 back to the previous slide that you just had up. We have a lot of Flick's in
13 this case and I just want to make sure that it's clear when you're making your
14 argument. Go to the next slide. The one that you had up just a minute ago.
15 Yeah. Up in the heading you say Flick admits. I want to make clear. Make
16 sure the record is clear. Which Flick are you talking about admitting? Are
17 we talking about the Flick '278 or you talk about there were some other
18 Flick's going on? And I think it'd be helpful to make sure that we don't just
19 refer to it as Flick because we've got, I think four different or more Flick's
20 that are at issue.

21 MR. PURI: You are correct that I'll make sure I identify specifically
22 which Flick I'm referring to in slide 27 where I say Flick admits I'm referring
23 to the statements he made in the Flick '561 Patent.

24 JUDGE HAGY: Right.

25 JUDGE GROSSMAN: Thank you.

1 JUDGE HAGY: I will also note that a similar statement appears in
2 the '278, Flick '278.

3 MR. PURI: That is correct.

4 JUDGE HAGY: And I mean there, as we would expect, there's a lot
5 of overlap of disclosure because '278 is a CIP from the '561. So there is --
6 so it's really in both, if that helps.

7 MR. PURI: And along that line, other persons of skill have also
8 stated that GPS was a known solution for tracking stolen vehicles prior to
9 July 2007. In this case, we've included some excerpts from Dr. Azim
10 Eskandarian's declaration. This is slide 28 where he also cited to prior art
11 technologies predating July 2007, which involves specifically several
12 commercial systems that existed that involved using vehicle tracking
13 technology to address vehicle security problems.

14 Now, Patent Owner has challenged the motivation to combine. We,
15 Verizon, or Petitioner argue that these arguments should be rejected. In
16 slide 29, we have identified previously a statement made that was from
17 Patent Owner's expert Joseph McAlexander III who disputed that a person
18 of ordinary skill would be motivated to combine the prior art Flick patents,
19 in this case Flick '885 plus Flick '561, because according to Mr.
20 McAlexander he says GPS in vehicles was relatively new as of July 3rd,
21 2007. I've quoted him and identified the paragraph in slide 29 where he said
22 at the time of the invention of the '278 Patent, GPS in vehicles was
23 relatively new. Now we understand in Patent Owner's sur reply Patent
24 Owner retracted Mr. McAlexander's statements and instead offers a new
25 argument or explanation that Mr. McAlexander had actually intended to
26 state that GPS in vehicles was relatively new to commercial products at the

1 time of the invention. And in their sur reply at page seven they say, quote,
2 the point Mr. McAlexander made was commercial products implementing
3 GPS tracking in vehicles were relatively new at the time of the invention.

4 Now several -- we have several responses to that argument. First, the
5 argument is legally unsound. The test for motivation to combine is not
6 based on the commercial availability of a prior art reference. The motivation
7 to combine can come from the prior art reference itself, the knowledge of
8 those skilled in the art or the nature of the problem to be solved citing to
9 acoustic technology. Next, in fact, GPS was commercially available in
10 vehicles prior to July 2007. As I had previously cited to Dr. Azim
11 Eskandarian's declaration, he had presented extensive evidence of
12 commercial vehicle systems using GPS prior to July 2007, including GM's
13 OnStar, Mercedes Benz's Tele Aid and Ford RESCU, even citing to an
14 article from 1996 about the OnStar system using GPS and we've also
15 included cites to the other systems as well on slide 31.

16 Finally, as far as the secondary considerations is concerned, the --
17 firstly, Patent Owner is not entitled to a presumption of nexus. The standard
18 is obviousness is ultimately a legal determination and a strong showing of
19 obviousness may stand in the face of considerable evidence of secondary
20 considerations. Here we're citing to a case that the Board had cited to in its
21 institution decision *ZUP, LLC v. Nash Manufacturing*. We Petitioner
22 believe there is a very strong showing of obviousness for the reasons we've
23 stated.

24 JUDGE HAGY: I have a question counsel. On the previous slide
25 you're talking about not a presumption of nexus but isn't -- I mean I'm
26 reading this. I think what this is saying is that even if there is considerable

1 evidence of secondary considerations, which I'm assuming includes nexus,
2 even then that might not be enough. So, in other words, nexus is not the
3 pivotal tipping point of either it's obvious or not obvious, that even a
4 showing of nexus and secondary considerations, a strong showing of
5 obviousness, could still prevail even when there's a nexus. I'm saying that
6 horribly.

7 MR. PURI: You said it very well and that is correct. And perhaps the
8 title should not have been on this particular slide. It was probably a segue
9 into the next few arguments. But what Your Honor had stated is absolutely
10 correct. However, if leaving that aside, which we do believe firmly that
11 there is a strong, very strong showing of obviousness, and whether or not
12 nexus exists or not, the strong case of obviousness should overcome or
13 trump the issues here about any of these secondary considerations that have
14 been argued by Patent Owner here. Nevertheless, we will address them
15 because they were presented. But surely, we think that the analysis could
16 stop right there based on the obviousness, the strength of the obviousness
17 arguments.

18 However, as far as the nexus is concerned, the standard that is laid out
19 in *Demaco vs Von Langsdorff* licensing, this is slide 34, quote when the
20 thing that is commercially successful is not coextensive with the patented
21 invention. For example, if the patented invention is only a component of a
22 commercially successful machine or process, the patentee is not entitled to a
23 presumption of nexus. And the factor that is laid out in *Fox Factory* and
24 also cited by the Board in a precedential opinion, *Lectrosonics vs Zaxcom*, is
25 that an infringing product does not establish co-extensiveness with the
26 claimed invention if the product includes critical unclaimed features.

1 Turning to slide 35, Patent Owner has relied on a jury finding of
2 infringement in a prior jury trial involving Omega patents versus CalAmp as
3 evidence of co-extensiveness with the claimed invention. Again, some of
4 this was addressed in the Board's prior decision. So, my purpose here isn't to
5 repeat things that have already been presented. I know Your Honor had
6 previously mentioned this was presented. So, we will just point out that one
7 of the factors in vacating the jury's damage award in CalAmp, the Federal
8 Circuit determined that significant unclaimed features exist in the accused
9 CalAmp products, citing to the product's three axis accelerometer and hard
10 braking, cornering and impact detection and an onboard alert engine PET as
11 evidence of unclaimed features.

12 Accordingly, Patent Owner is not entitled to a presumption of nexus
13 due to these significant unclaimed features. Next, the evidence that Patent
14 Owner had always presented was that it was linked to a single feature
15 existing in the prior art. And this in part goes back to Your Honor's question
16 before about the prior reexaminations. Because the arguments that were
17 consistently being made previously was that the evidence of non-
18 obviousness was linked to a multi vehicle compatible controller. But that is
19 not in dispute here because it does exist admittedly in the prior art Flick '885
20 reference. The standard here, secondary considerations evidence may be
21 linked to an individual element of the claimed invention or to the inventive
22 combination of known elements in the prior art. This is slide 36. Objective
23 evidence of non-obviousness lacks a nexus if it exclusively relates to a
24 feature that was known in the prior art. And again, as I just mentioned,
25 Patent Owner's evidence of non-obviousness lacks a nexus because it's

1 always been tied to the multi vehicle compatible feature that was known in
2 the prior art. Here --

3 JUDGE HAGY: Yeah, I have a question for you.

4 MR. PURI: Sure.

5 JUDGE HAGY: So, in the fifth reexamination, the Board reversed
6 the examiner's findings of unpatentability of -- I think it was some of the
7 claims, it was not all the challenged claims reversed -- and relied on a Board
8 decision involving a different Flick patent, but went through all of this
9 evidence of secondary considerations and found that there was a nexus and
10 that these secondary considerations did outweigh the evidence of
11 obviousness. So what weight, if any, should we give that other decision by
12 the Board?

13 MR. PURI: I think the challenge there was, there were two decisions.
14 One was in the second reexam and the other one was in the fifth re-exam.
15 And if I recall, the fifth re-exam, where they deferred to the first Board's
16 decision of secondary considerations, was based on the arguments and art
17 that was presented there specifically about the reference missing the multi
18 vehicle compatible controller. So what I understand the Board did in that
19 last reexamination was they relied on a prior decision of secondary
20 considerations that came from arguments that were specifically tied to the
21 multi vehicle compatible controller, and deferred to that decision in the fifth
22 reexamination without actually evaluating whether or not that decision was
23 premised on what was before the prior art and the arguments that were made
24 at that time.

25 That argument and what the Board did in that reexamination shouldn't
26 apply here because one, the prior art is different and two, the arguments that

1 were relied on, including in the declarations from Mr. McAlexander were
2 premised on something that doesn't apply here. So, I would argue that those
3 decisions are inapplicable here because they were based on a significant
4 distinction over the prior art references. I hope I answered that question. Do
5 you have any follow up?

6 JUDGE HAGY: I think so. But I went back and looked at it again
7 and it was at first, I thought that in the fifth reexam they were kind of relying
8 back on what had happened in the second reexam, but I actually think they're
9 relying on an appeal in a completely different reexam involving patent
10 6,346,876. It's the same panel. And so, then I pulled that one up and that
11 decision did go through the evidence of secondary considerations in great
12 detail. Now, it was a different patent, it was different prior art, but that is
13 what they were relying on. And I just, I found that interesting.

14 MR. PURI: Yeah.

15 JUDGE HAGY: But yes, I mean, I understand your answer, which is
16 that they're weighing the evidence against a different combination of prior
17 than we have before us. But that being said, if a previous panel found that
18 there was a nexus regard, I mean, I don't think that whether there was a
19 nexus does depend on the prior art combination. It just depends on the
20 weight that the panel is going to give this other evidence. So, what, if any,
21 deference, if you will, should we give to the fact that a prior panel of the
22 Board has found a nexus between this evidence of secondary considerations
23 and the CalAmp product?

24 MR. PURI: And we'll certainly get into some of the underlying issues
25 that we had with the evidence that was relied upon, including from the
26 CalAmp case, the trial, what was actually presented in the jury verdict and

1 what was found there. So as a starting point, I would say there were
2 significant issues from what we saw in the CalAmp case that was being
3 relied on for secondary considerations that wasn't properly addressed. But I
4 would also point out that if the secondary considerations does depend on
5 what elements is there or not, including specifically here, where I refer to the
6 nexus relating to features that were not known in the prior art.

7 So, if the arguments that were presented and considered there were
8 based on elements that, had the Board had those prior references presented
9 those second, there would not have been a nexus found. And so, I do think
10 that there are some challenges with what was presented there versus what is
11 presented here. So, the secondary consideration evidence has to be taken
12 into account with what prior art you're looking at and what elements are
13 known or not known.

14 JUDGE HAGY: Okay. And I have you, you're a little under 17
15 minutes left in your argument. Just wanted to let you know that.

16 MR. PURI: Okay.

17 JUDGE HAGY: According to my timer, maybe you're keeping your
18 own.

19 MR. PURI: I think you're correct. I have 34 minutes that I've spent
20 and another 15 minutes, I guess, or less. But I'll wrap it up right now. The
21 evidence is again we would say the evidence of commercial success has
22 always been linked to a single feature existing in the prior art. Those were
23 the arguments that Omega had made every single reexamination that was
24 before the Board and including Mr. McAlexander's proffered evidence
25 where he said the CalAmp product would have had limited value if it wasn't
26 for this multi vehicle compatibility. And two, he also stated that the product

1 allowing the multi vehicle compatibility is something that was highly
2 valuable and it would have limited value if they did not provide that aspect.
3 And again, even in a submission of a declaration to the Office, he further
4 said the infringing CalAmp products would have limited value if it were not
5 for the multi vehicle compatibility.

6 So what happened in the CalAmp case is completely different than the
7 prior art and the secondary considerations here because it is undisputed that
8 the multi vehicle compatibility is in the prior art reference. Question five of
9 the jury verdict. Again, this goes back to the statement I was previously
10 making about what was actually presented to the Board and what has been
11 considered what I'm sorry, Omega is relying on here, that question five of
12 the jury verdict in CalAmp regarding non obviousness covered four patents.
13 The '278 Patent, the prior art Flick '885 Patent, another multi vehicle
14 compatible controller patent, and a data bus patent with the vehicle tracking
15 device, all of which were found to be infringed by the same CalAmp
16 products. Patent Owner again does not link any individual element or
17 combination of elements of the '278 Patent to the jury's finding of
18 commercial success. And so that evidence that has been considered does not
19 apply here.

20 JUDGE GROSSMAN: Mr. Purry, it's Judge Grossman. Just your
21 previous comments were based on your slide 39, is that correct?

22 MR. PURI: That is correct.

23 JUDGE GROSSMAN: Thank you.

24 MR. PURI: And finally, or I believe finally, that there may be one
25 conclusion at the end. Omega's licensing evidence has limited value here.
26 Omega is relying on \$71 million in royalties that were collected, some of

1 which on the six license agreements with my understanding there are
2 actually others, too. But leaving that part Aside, of the six license
3 agreements that they cited as secondary considerations, two of them did not
4 involve a license to the '278. The other four involve licenses to three or
5 more of the prior art cited in the petition, including some that were
6 incorporated by reference that we included in our petition.

7 Patent Owner's damage expert, Mr. Tregillis, did not attempt to
8 apportion the value of the '278 from any of the other license patents and
9 Patent Owner has not shown that any of these licenses were entered into due
10 to the merits of the claimed invention. Finally, Patent Owner has not
11 defined the relevant market of the claimed invention. The relevant market is
12 taken into account both when you're considering commercial success by
13 which patentee can be demonstrate commercial success shown by significant
14 sales in a relevant market. Additionally, the market position of the licensees
15 is also a factor in determining the strength of the licensing evidence. Patent
16 Owner has not defined the relevant market of the claimed invention in any of
17 these circumstances. And finally --

18 JUDGE GROSSMAN: Mr. Puri.

19 MR. PURI: Yes.

20 JUDGE GROSSMAN: What do you mean by the market position on
21 your previous slide 41?

22 MR. PURI: So, in this particular case they were looking at the
23 position. One, they were looking at whereas I understand the licensees are
24 situated in a particular relevant market and they're saying the strength of the
25 licensing evidence you take into account how the licensees are positioned
26 within the market. So, if they're I believe it's first or fifth you look at these

1 sort of factors in terms of licensing evidence. The issue that we're facing is
2 if you don't know what the market is, you can't define what their position is
3 of the licensees. And because the license agreements were all focused on
4 data bus patents, they were focused on tracking. But that's not. Those are
5 markets that are far broader than what we understand the '278 Patent is
6 directed to. So, if you can't identify those licensees including from those six
7 licenses that identified where those licensees situate within the market
8 because you don't identify what the market is, you can't then determine what
9 their position is because you haven't properly identified the market.

10 JUDGE GROSSMAN: May I then make an assumption that
11 argument and that paragraph on slide 41 about market position from the
12 almost what 30-year-old district court case that there aren't any Federal
13 Circuit cases that say anything similar?

14 MR. PURI: That is likely correct. Now obviously we do the best we
15 can to research and try to find things and sometimes it's a little bit of a
16 challenge. But this particular one caught my attention obviously.

17 JUDGE GROSSMAN: Thank you.

18 MR. PURI: Again, Patent Owner cites to the jury verdict from
19 CalAmp as evidence of copying. But again, this evidence is insufficient
20 because the jury verdict covered four different patents and the jury's finding
21 of copying is not specific to any patent or accused product.

22 So, in conclusion, Patent Owner concedes that all limitations of claims
23 1 through 22 are met in Flick '885 and Flick '561. What we believe or
24 assume to be these 325(d) challenges should be rejected. Because what was
25 previously considered in terms of the prior art was not what's being
26 considered today. A person of ordinary skill would be motivated to combine

1 Flick '885 and Flick '561 because they address the same problem of
2 deterring theft in vehicle security systems. And fourth Patent Owner's
3 evidence of secondary considerations is weak and cannot overcome the
4 strong evidence of obviousness. And for these reasons, Petitioner
5 respectfully requests that the Board cancel claims 1 through 22 of the '278
6 Patent. And on that note, I think I have eight minutes instead of the 15 to 20
7 minutes that I thought I was going to have, probably even more. And I'll
8 close our opening.

9 JUDGE HAGY: Okay. Thank you very much, Mr. Puri. Okay,
10 counsel for Patent Owner, I have you down for, you want 10 minutes to
11 reserve for rebuttal. So, I will let you know when you have 10 minutes left.
12 And with that, you're free to begin.

13 MR. SANTURRI: Thank you, Your Honor. Again, Ryan Santurri, on
14 behalf of the Patent Owner, let me see if I can share my slide presentation
15 with the board. Thank you. Should have the slide number one of our
16 demonstratives. Is that right?

17 JUDGE HAGY: Yes.

18 MR. SANTURRI: Perfect. Okay. Thank you, Your Honor. And you
19 know, with, of course, with your reference before about how I probably
20 don't need to plow some of the same ground as we did in the GEOTAB
21 proceeding, I think there are probably some things that I can, I can move
22 through relatively quickly. It's pretty obvious that the Board has spent a lot
23 of time with the record and based on the questions that we had that you've
24 had so far. So just to sort of bring us up to speed to where we are, and I'm
25 looking at slide two of our demonstratives. Originally there were three
26 grounds that Petitioner submitted. One was the Flick '885 Patent with the

1 Flick '561 Patent. And then there were two additional grounds. One using
2 the Lewis reference for anticipation, and then a second or a third, I guess
3 ground with Lewis plus the Underdahl reference. Now, their reply
4 responded to -- their reply in response to our response for institution
5 withdrew those additional grounds. So, I think all of the argument today is
6 just based on ground one, which is the Flick '885 and Flick '561.

7 So, there's been some discussion about whether these references were
8 before an examiner previously. On slide 3 we start to address that issue.
9 Primarily, we've argued since the beginning that the combinations presented
10 by the Petitioner are duplicative of what was seen in prior both not only the
11 initial prosecution, but a number of additional reexaminations and of course
12 the IPR that we have and there has been some debate over whether these two
13 references were before the examiner, for example, in the initial examination
14 and moving forward. Certainly, we have contended, and I think the Board
15 agreed at least initially in its institution decision, that the '885 was before the
16 examiner. It is in the background of the invention. It is I believe listed as a
17 cited reference. But there has been a question mark as to whether the '561
18 Patent was also before the examiner or at least a question mark from
19 Petitioner. Now the --

20 JUDGE GROSSMAN: Mr. Santurri, before we get into the issue of
21 what was before the examiner, a somewhat more basic issue for me. Is there
22 any dispute in the chain of priority as to whether these are references or is it
23 Patent Owner's position that yes, they're available as references? They were
24 before the examiner and even if they were, they don't show what's being
25 claimed. But my question is much more basic. Are they even available?

1 Do you dispute that they're available as references or do you concede that
2 they're available as references?

3 MR. SANTURRI: Your Honor, we do concede that these references
4 are available. I don't think certainly the '885 was the '561 as Mr. Puri noted.
5 There was a prior reexamination where it was identified as prior art as a CIP
6 with some additional matter in it. And there was my recollection is we did
7 not dispute it at the time. We didn't dispute. So, I don't think that there's a
8 dispute now. No, Your Honor, I think that those references are before the,
9 are both properly before the Board.

10 JUDGE GROSSMAN: Thank you.

11 MR. SANTURRI: Now the, in terms of ... now in terms of where we
12 are, you know, I think that one thing that I'm going to address in a minute is
13 sort of get into the '561 in more detail as to whether that patent or
14 comparable patents were before the Board during the initial prosecution and
15 all the reexaminations because I do think that that is an important component
16 of it. But you know, in terms of an overview, you know, the position that
17 we have taken from the beginning is that the combination of the multi
18 vehicle compatible controller that works on the data bus as presented in the
19 '885, which of course is in the background of the '278 has been there for
20 every, for the prosecution and every reexam, plus a reference that simply
21 supplies GPS has been considered every time this patent has been
22 considered, whether during the initial prosecution or during any of the
23 reexaminations.

24 So, you know, from the outset, in the preliminary, in our POPR as
25 well as in the subsequent responses, Omega has consistently taken the
26 position that these references are cumulative to what has been before the

1 examiner and the Board on multiple occasions. And you know, certainly we
2 argue that point in combination with secondary considerations, which
3 obviously we have a much different view of them than the Petitioner. We
4 believe that secondary consideration evidence doesn't get much better than
5 what we have in this case simply because we have a long line of, we have
6 multiple trials, we have favorable testimony talking about the need for this
7 sort of technology in the market. We have testimony from multiple
8 individuals, multiple inventors, both Mr. Flick and the inventor of another of
9 the prior art patents from one of the reexams, Mr. Suman, as well as an
10 expert who was involved in Omega's trials. And in the reexams, Mr.
11 McAlexander, all talking about the fact that there, that there was no
12 motivation to combine these two known technologies at the time.

13 And that's really why we look to secondary considerations to try to
14 decipher that, you know, when there's no dispute that multi vehicle
15 compatible data bus controllers were available in the art and GPS tracking
16 was available in the art. And yet for a decade after the sort of the filing of
17 the '561, which in the '885 was earlier, in more than a decade where no one
18 in the industry, no one of skill in the art came up with that combination,
19 whether in a, you know, we don't have any prior art patents for anticipation,
20 despite five reexams and two IPR's, never in the patent world has there been
21 at least known to, known to us or in any of these proceedings a patent that
22 disclosed both that combination and if you look separately in the commercial
23 world where one of skill in the art would be out practicing and putting out
24 commercial products, they didn't come up with anything for nearly a decade
25 after when the Petitioner says this would have been known to one of skill in
26 the art. And so that's really where we're looking at. So –

1 JUDGE GROSSMAN: Mr. Santurri.

2 MR. SANTURRI: Yes, sir.

3 JUDGE GROSSMAN: Let me interrupt. It sounded like you were
4 going to make a transition to a different point. But before we leave that
5 about the critical issues of secondary considerations and motivation to
6 combine, I just want to find, make sure I get a good understanding of what's
7 not in dispute. And Mr. Puri had on his slide 43 his conclusion slide, his
8 first item was that the Patent Owner concedes that all limitations of claims 1
9 through 22 of the challenged patents are met in Flick '885 and Flick '561.
10 And my question is, do you agree with that statement? Do you concede that
11 all the limitations are in the Flick '885 and Flick '561 and that the real issue
12 here is just motivation to combine and whether the secondary considerations
13 are strong enough to overcome the disclosure of all those limitations in prior
14 art references?

15 MR. SANTURRI: I think that's probably true, Your Honor. I think
16 that there were probably some nuanced differences that we could have
17 attacked in the POPR in terms of some of the claim limitations. But I think
18 we basically came to the conclusion that they were -- that they were close
19 enough that it makes more sense to focus on the motivation to combine and
20 the secondary considerations.

21 JUDGE GROSSMAN: Thank you.

22 MR. SANTURRI: Sure. So, turning back to the sort of the initial
23 idea here, the combination of the '885 and the '561 and whether that's been
24 considered before, certainly we have argued that it has been considered time
25 and time again. For example, if we take a look at the, you know, as the
26 Board has found, the '885 was before the initial examiner and every

1 examiner since it's right in the background. And so, I don't think there can
2 be any real dispute there. But ultimately, if we look at, for example, slide
3 nine is where I'm at. We believe that the Board was incorrect in its
4 determination in the instance decision that the '561 was not before the
5 examiner during the initial -- the original prosecution. From our perspective,
6 the fact that it was part of the priority chain, and to reiterate one of the
7 judge's questions from earlier, there is no defect in the priority chain here.
8 We don't know of any -- we've never heard of such a thing. With respect to
9 this priority chain, it is a continuation in part. And so, I understand that they
10 dispute whether there was new matter. And that essentially creates a break
11 from in the context of priority. But there's no technical defect in the way
12 that priority was claimed or done.

13 And now with the '561 we believe that because under MPEP 609.02,
14 the examiner had to consider when considering the '278, the examiner had to
15 consider what was in parent applications as part of that prosecution. So we
16 believe that under that MPEP section it was the '561 was considered. But
17 even if -- even if we -- even if there's a fight to be had there, I think for all
18 intents and purposes, the exact same disclosure was certainly before the
19 examiner because the '623 Patent, the Flick '623 Patent which was also in
20 the priority chain and it was a continuation of the '561. So obviously it had
21 the identical specification that was actually cited by the examiner during the
22 prosecution of the '278.

23 So, I think for all intents and purposes, the content of the '561, the
24 disclosure of the '561 and the '885 were both before the examiner in the
25 original prosecution and every time since then. So, and that really sort of
26 leads into the fact that we have continued to argue that the -- that the

1 presentation here that the combination of the '885 and '561 is cumulative of
2 many other references that have been considered by the examination, the
3 original examiner and all of the reexamination Boards previously.

4 JUDGE HAGY: As counsel for Petitioner pointed out that the
5 problems in the previous reexaminations weren't the strength of the GPS
6 references that I recall but were with regard to the strength of the multi
7 vehicle compatible controller references. So, the fact that there were other
8 GPS references available, I'm not sure how much we can draw from that,
9 but I'd like to actually broaden this a little bit. The Petitioner claimed, Mr.
10 Puri claimed in his argument that what Patent Owner is trying to do here is
11 trying to reargue 325(d). And that is why Patent Owner is bringing up the
12 fact that these references were before the Office previously or similar
13 references were before the Office. So, my question to you is: are you
14 rearguing 325(d) or are you arguing that a different point, and if so, what is
15 the different point in terms of how this binds us in our analysis?

16 MR. SANTURRI: Thank you, Your Honor. I do know you put the
17 same question to Mr. Puri as to me and I think your answer was -- your
18 inquiry to him was very similar to what my answer would have been. I'm
19 not rearguing 325(d). We said at the outset that these were cumulative
20 references in our POPR and obviously the Board instituted nonetheless. So,
21 and I don't think that at this point there's any way you unwind that institution
22 decision. The point of these arguments and the really the next series of
23 slides is the idea that I believe that this Board should take as persuasive
24 evidence if not a level of binding decisions on the Board in terms of in terms
25 of the fact that references like these cumulative with similar disclosures have
26 been considered multiple times and have been rejected. So, for example you

1 know, and I think that part of that issue is if we are looking at the
2 combination proposed by this Petitioner and that is the idea of the multi
3 vehicle compatible controller plus GPS, you know, their position is all you
4 need is GPS. And what was disclosed in the background of the '278 which
5 was the '885 Patent, all you needed was a reference that disclosed GPS in
6 order to find this invalid. And so, our argument is that the '885 in a multi
7 vehicle compatible data bus controller has been present since the '278 was
8 filed and GPS references have been present before the examiner and every
9 Board since that same time.

10 So, what we have now is here we are looking 15, 16 years later, we
11 have 15 plus years hindsight where we are trying to look at essentially
12 adding GPS to what was disclosed in the '278 from the outset, and from my
13 perspective, you know, obviously what's known to one of skill in the art and
14 what they would, you know, whether there's a motivation to combine, that's
15 sort of a theoretical exercise. But here we had an examiner and multiple
16 panels that were looking at these issues. The disclosure of the '885 plus all
17 these GPS references that examiners had before them at a much at a time
18 period much closer to where we are now. Obviously now we have the
19 benefit of 15 years to say, oh this is, this is old technology, everybody knew
20 about this. Of course somebody would have combined these two. But going
21 back to 2007 when it was considered originally, and the various reexams
22 through the 2015, '16, '17, '18, all those time periods, all of those windows
23 of time are closer in time to where we sit now with the benefit of at least five
24 more years' worth of hindsight that we can, that Petitioner can latch onto
25 and use. And so that's really the point that we are making here, is that, is
26 that if their theory is '885 plus GPS, and I believe that that's the one ground

1 they're moving forward on, that was considered in every prosecution of this
2 patent and every reexamination of this patent because the '885 was there and
3 the GPS one or more GPS references were there every time.

4 JUDGE HAGY: Counsel, there is not any prior proceeding,
5 reexamination or otherwise, in which the examiner actually made any
6 findings about that, nor is there a proceeding in which it was presented as
7 such. Yes, I see that it was stated, but can you point anywhere in any of
8 these prior reexams where that was actually found that '885 plus GPS does
9 not work or does not render these claims unpatentable for obviousness?

10 MR. SANTURRI: I agree with Your Honor that there was that. I
11 don't think that any of the -- setting aside the other IPRs, I don't think that
12 any of the other reexams framed it in the way that I am suggesting, framed it
13 as adding GPS to what was already there. I think our point, other than the
14 original prosecution, obviously the original prosecution, the examiner had
15 any combination he wanted to make and that could have included the '885
16 plus the GPS patents that were in the background or were cited references,
17 including these 1, 2, 3, 4, that are of record in this proceeding. So certainly,
18 the examiner in the original prosecution had those all available to him on his
19 plate. He was wide open. There was no Petitioner that was suggesting a
20 certain combination. And that examiner didn't view back in the 2007-2010
21 timeframe, during this prosecution, didn't view this as a compelling
22 combination to make because there was never a combination like it with
23 respect to any of the, any of the original, any of the subsequent reexams. I
24 think that really the only one that would have that you could say expressly
25 they considered something like this was reexamination number four. And
26 I'm happy to slide forward to those slides. But reexamination number four,

1 we know that that reexamination panel, they specifically signed off on
2 having consistent considered both this proceeding and the GEOTAB
3 proceeding and still upheld the claim, the validity of the claim.

4 So obviously that examiner, if he did, in fact, as he wrote down,
5 considered these proceedings, he had the combination of the '885 plus Hunt
6 and the GEOTAB proceeding, and he had the combination of '885 plus '561
7 and this presented by the Petitioners that that reexamination panel
8 considered.

9 JUDGE HAGY: Counsel, can we really draw any inferences that the
10 examiner did not find these combinations compelling by virtue of the fact
11 that the examiner did not on his own make those combinations when they
12 were not made by any of the requesters for reexamination?

13 MR. SANTURRI: Well, I don't, I don't know why. I mean, that's as
14 far as I understand, that's what the exam, the job of the reexamination panel
15 is to do is to take another look at these in light of art that's presented before
16 them, but that certainly they have to look at everything that was done in the
17 past from the, you know, in the initial prosecution. Obviously, they had it.
18 And certainly, in reexam number four, this was, this was highlighted for the
19 examiner and, you know, flagged by the Patent Owner that these other
20 proceedings were ongoing, that these were related proceedings. And he
21 signed off that he had considered those and nonetheless found them valid.

22 I don't know what more a Patent Owner could do other than present
23 everything that they have and trust that the examiner is going to do the best
24 job that they can. So, I mean, I do think that you have to trust that these
25 folks who have been doing this for a long time are looking at this and are

1 recognized, you know, and have all come to a different conclusion to what
2 the board here has done.

3 JUDGE HAGY: Right. I mean, we do have decisions from the
4 Board. For example, typically it comes up in a 325(d) analysis in which
5 they may say, well, the fact that the examiner initialed the reference and said
6 it was considered, you know, that's not necessarily enough to say that it was
7 really addressed. And so, shouldn't something similar apply here? Well,
8 we're not even talking about 325(d). We're talking about you want us to
9 give deference to the fact that no previous examiner on his or her own made
10 this combination, despite the fact that they were listed in the patent or on an
11 IDS? Is that what you're asking us to do?

12 MR. SANTURRI: Yes, Your Honor, because, I mean, I don't know
13 what more a Patent Owner can do other than present all of the art to the -- I
14 mean, ultimately, what you have is a situation where people can continue to
15 file one reexamination after another until they get a favorable panel. I mean,
16 I don't know how a Patent Owner can do anything more than present
17 everything they can. Let the examiners do their job and trust that they have
18 considered all the references as they state they have in terms of confirming
19 validity. I mean, here you have a patent that's been reexamined five times
20 and is now in the second round of IPR's. You know. You know,
21 eventually, I guess eventually they can. They can -- you know, a third party
22 can find somebody that's more sympathetic to their view on it. But
23 certainly, if we look back in time to how panels were looking at this art
24 much closer in time than now, they came to a different conclusion.

25 JUDGE GROSSMAN: Mr. Santurri.

26 MR. SANTURRI: Yes, sir.

1 JUDGE GROSSMAN: This is Judge Grossman. Is there any
2 evidence in any of these reexams that the chain of priority had been broken
3 and that the references that are now in front of us in this IPR were available
4 as references or was -- did the Office in the reexams, the examiner in the
5 reexams just take the position that no one was challenging the chain of
6 priority? So that the -- those patents, while, yes, they were there. Yes, they
7 may have been cited in the file. They weren't available as references as far
8 as the examiner knew, because they were there was a claim of priority and
9 the examiner normally in this context would not check to see if they
10 qualified as a under in the CIP as a properly claiming the priority of a prior
11 patent or prior application. So that the question is really simply, is there any
12 evidence that these -- the two -- the references that are before us in this IPR,
13 the examiner was aware that those two were available as references or was
14 the examiner merely aware that they were referred to in a claim of priority?

15 MR. SANTURRI: So, Your Honor, I know that the Petitioner, I
16 believe, actually had a slide on this where from a prior -- where they
17 referenced the prior reexamination where the Office had determined the
18 earliest priority date was the filing date. And that was not challenged. So
19 I'm having a hard time remembering which of the different reexams I may I
20 may be able to dig that information up on the fly, but I know that I know that
21 one or more of the reexaminations did find that did find that the earliest
22 priority date with the '278 was its filing date, which the then would make the
23 '561 or its equivalence prior art for that for purposes of that reexamination
24 and any reexamination that followed.

1 JUDGE HAGY: Yeah, counsel, that's correct. The first reexam, an
2 examiner determined that the earliest effective filing date was July 3rd,
3 2007.

4 MR. SANTURRI: Right.

5 JUDGE HAGY: So. Yes, so that was found in the first reexam.

6 MR. SANTURRI: Thank you, Your Honor. You're on top of the
7 record more than I was. I knew I recalled it was one of the reexams. I just
8 couldn't remember which of all of them that it was. So now to try to -- I
9 know I may have gone off course a bit here, we have a number of slides
10 where we and again, this sort of goes to the discussion that we just had. We
11 have had a number of slides where really the only reason that we have
12 provided these all these references are in the record. For example, the
13 Barrard patent, the Monsell patent on slide 14, the Coffee patent, slide 15,
14 the Knockherd patent, all of those were cited references in the original
15 prosecution. And the only reason that we have highlighted them here is
16 simply to say that with every one of those, there was a GPS receiver or a
17 GPS device present in those before the original examiner. And even when
18 you move on to the reexam, there were GPS references, of course, in every
19 one. I mean ultimately, there had to be GPS references in every one of these
20 reexaminations because without a reference to disclosing GPS, you don't
21 have all the elements. And that's, you know, unless there's sort of an
22 argument or an argument that GPS was on its own was obvious to add, there
23 was no basis to move forward. So we have highlighted those. We made
24 reference to a number of these in our filings and all of these reexam
25 prosecution histories are also of record in the case.

1 So, for example, we had the Johnson patent in reexam 1 and Suman
2 and reexam 1 as shown on slide 17. Again, Mr. Suman was actually a, an
3 inventor who submitted a declaration in one of these reexams to
4 acknowledge that one of skill in the art would not have been motivated to
5 combine GPS with multi vehicle data bus controller. We have on, as shown
6 on slide 18, two additional references, Becker and Galvin that had GPS and
7 reexam 1 as well as the reference all in reexam 1. Then as I've shown on
8 slide 20, we had a couple of GPS references, Spower and Chow, in reexam
9 2. Slide 21 shows that there was a Jones reference with GPS in reexam 3.
10 And then we had reexam 5 where both the Lowry and Leitner references
11 were present and had GPS. And this sort of brings me to, just to try to recap
12 because you probably, you know, I know we've covered it and so I'm going
13 to move through this very quickly. But you know, we've had five reexams.
14 For example, the first one, the first one, as shown on slide 23, we had six
15 different grounds for unpatentability and the reexamination panel found
16 them all patentable. Reexam number two. Six grounds that were requested
17 by, I believe, the same requester. So, we had serial reexams for a while and
18 the PTAB ended up reversing, relying on secondary considerations. I know
19 there was some discussion of that and Petitioner's argument with reexam 3.

20 Again, we had multiple grounds for rejection and all the claims found
21 patentable. Reexam 4 as shown on slides 26 and 27. Again, this actually
22 included four different requests and it also added another reference from Mr.
23 Flick, the '551 patent. And this was the reexam that I referenced before,
24 where this examiner or the reexamination panel indicated that they had
25 searched and reviewed both of the IPR proceedings, the GEOTAB and the
26 one that we are currently engaged in. And then, and also made reference to

1 secondary considerations. And then as shown on slide 28. I covered just
2 three exam five where again we had a couple of grounds of rejection that
3 were where the Board reversed the examiner and found and ended up
4 confirming the claims to the 278.

5 And really the sort of, the point of all of that is to say that is that
6 we've, we, you know, we, we think that it's sort of a fundamental unfairness
7 to the idea that you can continue to have the, this what is technically the
8 same body, the same governing board look at the same patent and you know,
9 eventually come to different decisions. We do think that there is, that there's
10 a rationale for not only viewing these other decisions as persuasive but
11 having some level of deference for them. But ultimately sort of setting that
12 aside, you know, in terms whether or not the board views us with any
13 deference or not, you know, I think that we have to really focus a little bit on
14 the motivation to combine and the implications that the secondary
15 considerations have on that. You know, here we had the '278, you know,
16 the express disclosure of '885 with various GPS references from the, from
17 the outset and moving forward. And as shown on slide 31, you know, I
18 understand that the Board said that known problems in the art can serve as a
19 motivation and the Petitioner, you know has, has made arguments over for
20 example that there's similar language in these, in the various Flick patents.
21 But I don't think that that's unexpected.

22 I mean you have the same inventor in multiple fields of automotive
23 technology and he's going to describe his inventions in a pretty consistent
24 way. Certainly, you can expect almost identical discussions in the '561 in
25 the '278 because of course it's a CIP. But I, you know, I think that the
26 Petitioner has sort of argued big picture. The '885 and the '561 were both

1 all about vehicle theft and security. But I don't think that you, you just sort
2 of throw out that as long if it's, if it has to do with security, that's good
3 enough to combine them. You know, the '885 is really directed to control
4 systems for multi vehicle compatibility. Yes, it could do security, it could
5 do remote keyless entry. It could do various functions that could be added
6 and combined with the technology disclosed in the '885.

7 On the flip side, the '561 really focused on tracking and reporting
8 geographic location whether for vehicle security or for many other purposes
9 that one would track a vehicle such as know if you have, if you're a fleet
10 owner and you want to, you know, keep track of where your folks are or
11 your own, your UPS or FedEx and you want to keep track of those vehicles,
12 those were reasons for tracking systems in the '561. Now then, turning to
13 my slide 32.

14 JUDGE GROSSMAN: Mr. Santurri.

15 MR. SANTURRI: Yes, sir.

16 JUDGE GROSSMAN: This is Judge Grossman. Before we move on.
17 And I appreciate your summary of all the extensive background and that's
18 helpful and it's certainly one of the key issues that we need to address, but
19 tell me if I'm wrong, is that there was no prior board decision, no prior
20 reexam where the '278 Patent, the unique, the claims that were unique to the
21 combination of, of elements in the '278 Patent were judged based on
22 evidence of secondary considerations. That all of the secondary
23 consideration discussions in the reexam all involved different patents that
24 had different claims. And this is the first time that we're looking at
25 secondary considerations for the specific claims in the '278 Patent.

1 MR. SANTURRI: I don't think I can agree with that, Your Honor,
2 just because I think that in terms of looking at secondary considerations, I
3 think that those aren't. You don't look at secondary considerations through
4 the lens of the prior art combinations that are being offered. I think you look
5 at secondary considerations through the lens of the '278. And I think that
6 you have, essentially, you have whatever the level of your secondary
7 considerations are as they protect, pertain to the '278 Patent and you have
8 the strength of whatever combined prior art that you, that the Petitioner or
9 anyone is proposing should invalidate the '278. And I, you know, so I think
10 that in that context, the secondary considerations have been where they have
11 been considered.

12 It's always been through the lens of the '278, not through the lens of
13 the prior art. I think that they're sort of, in my mind, they're two different
14 inquiries. How strong are the secondary considerations evidence as it
15 pertains to the patentability of the '278 versus how strong is the claim of
16 invalidity through whatever references that are being suggested by the
17 Petitioner?

18 JUDGE GROSSMAN: Thank you.

19 MR. SANTURRI: So with respect to, you know, I think one of the
20 things, and this is, you know, we have presented evidence from Mr. Flick as
21 well as Mr. Suman, not in this proceeding, but we, you know, but he had a
22 declaration from one of the reexams, both arguing that there was no, at the
23 time of the invention, that there was no motivation to combine these two.
24 And you know, you don't have to take their word for it. That's why we have
25 secondary considerations. Certainly. I think that the fact that we have two
26 people who were inventors of these types of technologies at the time of the

1 '278 filing, both acknowledging that this was not something one of skill and
2 the art would combine, I think is compelling evidence. But, you know, but
3 we have, but we're relying pretty heavily on the motivator. I'm sorry, on the
4 secondary considerations we have now there, you know, we have also
5 presented Mr. McAlexander, who was an expert going back through the, not
6 only the CalAmp case, but, you know, he's been an expert in both of these
7 IPR proceedings, and I believe in some of the reexams as well. So, he's
8 pretty familiar with this art area and with this technology. You know, both
9 of them have noted that you have, you know, we're looking back in time, 17
10 years or so to make this combination.

11 Now there's been, you know, the Petitioner kind of attacked Mr.
12 McAlexander's opinions, argued. Well, he said that GPS was new. It wasn't
13 really new. You know, I think if you look specifically at what their, at their
14 quote, what Mr. McAlexander was referring to was it was relatively new in
15 commercial vehicles, meaning it was -- that comp. That GPS was relatively
16 new on the market. Yes, there was, you know, on the manufacturer side
17 they had OnStar and the Ford System that, you know, that provided those
18 companies with GPS technology on the manufacturer side. But I don't know
19 that those technologies were really being made available to the consumers.
20 And, you know, I think that Petitioners were misunderstood, perhaps the
21 point of us raising these arguments. And so, I'm, you know, so I have a slide
22 34 that sort of addresses this to a certain extent.

23 The point is not that you should have a different test of obviousness.
24 You know, whether you look at prior art versus looking at what was in the
25 commercial world. I think it's a much, I'm arguing a much different point.
26 My point is that if you look at the, you know, the patent world, if you look at

1 people seeking patents, filing patents, nobody until Mr. Flick combined this
2 multi vehicle data bus technology with GPS tracking that we know of prior
3 that prior to 2007, there's certainly no evidence of that here or in any other
4 proceeding. And then if you look on the market side, you also had no one in
5 the market. Those people that were of skill in the art and were out there
6 practicing every day in automotive technology, none of them had this, you
7 know, made this technology available either we had testimony from, and by
8 this technology I mean the combination of multi vehicle data bus and GPS. I
9 mean we had Mr. Flick, we had Mr. McAlexander and both of them testified
10 that there was nothing commercially on the market that reflected these. And
11 certainly, there's no evidence from Petitioner to suggest otherwise.

12 And why does that matter? Because I think that when we're looking
13 at secondary considerations and the idea that you can have market forces and
14 the desire in the market to present new technologies, desirable technologies,
15 the fact that the market didn't even tune into this technology until, you know,
16 four or five years after Mr. Flick filed for patents on it says a lot about it
17 because you had A, you had nothing on the patent side and B, you had
18 nothing on the, on the commercial side to show that someone in this field
19 back then was actually practicing, you know, would be motivated to
20 combine what are two admittedly known technologies.

21 And so, you know, turning to Exhibit 35, this is, you know, this
22 holding from one of the reexams is something that we have focused on
23 considerably. The fact that there have been jury verdicts in litigation,
24 including verdicts attesting to secondary considerations. And you have, the
25 Federal Circuit has affirmed infringement of the '278 in particular by the
26 CalAmp products. Now I know that this Board is aware of it and certainly

1 we've cited in our briefing, but you know that certainly we are, we are
2 required to consider any evidence of secondary considerations because
3 we're, you know, I ultimately we're trying to, you know, give us a better
4 view on would somebody really have combined these two technologies back
5 then rather than just, you know, is can we find an expert we can pay to say
6 that.

7 And that's why we have focused so much on, on this issue. And I
8 know that the nexus and coexistence or co-extensiveness of the claims and
9 the products are a point of contention, though I don't think that they should
10 be because I believe, you know, as I'll focus on here in a moment, I think
11 that the evidence is one sided in this regard. You know, the *Polaris* decision
12 said that we have to presume that there's a nexus for secondary
13 considerations when we can show that the patented technology is embodied
14 by a specific product. And I believe that we have shown that here and I
15 believe there's no evidence to the contrary. And I'll start with the products
16 we're talking about. We're talking about these. They were referred to as
17 LMU, location messaging units. In CalAmp parlance, their products a jury
18 found, you know, at the time, 917,000 units had infringed the '278 patent.
19 And I will say for the, for the Board, I think that this was after the second
20 trial. I think the first trial you had about half of those number of units,
21 maybe a little bit more.

22 And so, the timing between the first two trials was only a couple years
23 and they basically doubled their sales on that. So, you know, there was a,
24 you know, we believe that certainly the significant sales of these units is a
25 big factor here. Now a case that was cited by the Petitioner, I believe may
26 be cited by, certainly was cited by the Petitioner in their presentation, is this

1 *Demarco Corp. v. F. Von Langsdorff Licensing*, the idea that if the patented
2 invention is only a component of a commercially successful machine or
3 product or process, then you can't necessarily presume co-extensiveness.
4 But here the '278 is not, is not just a component of some larger, larger
5 machine. The '278 Patent claimed the entire product. And so, it claimed a
6 unit that had GPS and multi vehicle data bus controller within a housing is
7 actually even more specific to particular claims that were specific to actually
8 including that technology within a single housing. And that is exactly what
9 the CalAmp LMU's were. And we have slide 40. You know, Mr.
10 McAlexander, who I mentioned was an expert in the underlying trials, had
11 given opinions then and now about the fact that these, these products were,
12 you know, basically the entirety of this product was claimed by the '278
13 Patent. This, all the independent claims, you know, and have R2, a multi
14 vehicle compatible tracking unit with, you know, that is for a data bus
15 throughout the vehicle. And they have, the Petitioner has cited no evidence
16 to suggest otherwise. There's not a single test, there's no testimony, there's
17 no rebuttal evidence offered by their expert. There is nothing to contradict
18 these statements.

19 JUDGE HAGY: Well, counsel, I have a question. I mean. Well,
20 first, I'm not sure how Petitioner, I guess, I mean, are you suggesting the
21 Petitioner should have gone and gotten these CalAmp products and done its
22 analysis in order to provide rebuttal evidence. But what they did do is they
23 pointed to the Federal Circuit decision in which the Federal Circuit said that
24 there is no question that there were conventional components that are not
25 inventive aspects of the '278 Patent that were in accused products. And so,

1 they relied on that finding by the Federal Circuit. So, I mean that's at least
2 some rebuttal. Do you disagree?

3 MR. SANTURRI: I do. First, I would say that yes, I believe that they
4 had an obligation to offer a rebuttal testimony. They submitted a
5 supplemental declaration from their expert after they received our
6 experiment -- expert's testimony and saw our position on this. And
7 certainly, he could have, in fact, I mean heck, he could have looked at the
8 same documents that we -- that that were in this, you know, that were filed
9 in this case. I mean for example, we had the commercial requirements, we
10 had specifications, we had marketing materials. All of that was filed in this
11 particular case. So, their expert could have looked at it and could have
12 offered some opinion that there's some other feature. Secondly, and this has
13 me jumping ahead a bit, but I think, I think that I can always back up if I
14 need to. But I did address this specifically. Let me see if I can find my slide
15 on it. The -- so at my slide 50.

16 So there's an argument by Petitioner that there are these significant or
17 in other places they refer to them as critical unclaimed features. And our
18 argument is that who says they're significant or critical? They don't have it.
19 The Federal Circuit doesn't. You can search the Federal Circuit's decision,
20 and it doesn't say that these unclaimed features are significant or critical. It
21 just says that there are unclaimed features. And in fact, what I believe that
22 the Federal Circuit was saying is that the feature driving value is not solely
23 the -- not solely multi vehicle compatibility, I think is what the Federal
24 Circuit was saying. It said that's not the only aspect of this device. There
25 are other aspects of it. And therefore, the Federal Circuit reversed and
26 remanded for further fact development on whether there are unclaimed

1 features that impact the value of the of the device or whether the jury came
2 to the right conclusion.

3 You know, and it is important to point out that that decision by the
4 Federal Circuit didn't have anything to do with secondary considerations or
5 co-extensiveness. This was on the question of apportionment of damages
6 and whether the actual number that the jury came up with the \$5 that they
7 came up with per unit, whether that \$5 was tied specifically to the features of
8 each of these devices versus other unclaimed features. They wanted further
9 development of the record. It went back and the case ended up settling. So
10 we don't have. There was no additional evidence at the time developed. But
11 I do think that that Federal Circuit in some ways actually helps my
12 argument. They said that the specifically to the two multi vehicle
13 compatible multi vehicle compatibility. And I agree that part of the value
14 also relates to the part of it relates to the GPS tracking. And so, you know,
15 that argument there with the Federal Circuit is not solely the multi vehicle
16 compatibility. Sure. It related to the patents where that was basically what
17 was being claimed. But for the '278 it claimed not only multi vehicle
18 compatibility but also the GPS tracking side.

19 Now the Federal Circuit also mentioned a couple of other features that
20 they claimed are that it suggested may be sources of value such as the three-
21 axis accelerometer and other reporting features. But we presented testimony
22 from Mr. McAlexander that these other features that Petitioner has stated as
23 a through attorney argument are significant are all provided by \$1.26, a part
24 that comes off the shelf for \$1.26. There's no evidence suggesting that these
25 other features that were sort of nominal features provided by some generic
26 part have any have any impact on the actual value or the co-extensiveness of

1 the claims. And so again I circle back to the to our position that are did
2 these products have other features? They did. We've offered testimony that
3 those other features were pretty irrelevant and were pretty generic and the
4 Petitioner has done nothing to contradict that. And so, if --

5 JUDGE HAGY: Okay counsel, I just want to let you know that you
6 are going into your rebuttal time now.

7 MR. SANTURRI: That's fine.

8 JUDGE HAGY: FYI.

9 MR. SANTURRI: I appreciate that. Thank you, Your Honor. So,
10 from our perspective, we believe that we have evidence of record that shows
11 that the claimed features are those that were of import. The Petitioner has
12 cited to the Federal Circuit's decision where it said that there were other
13 unclaimed features, features not described as critical or significant, just that
14 there were other features. And we addressed those through testimony that
15 these other features were pretty irrelevant and were pretty generic. And
16 Petitioner had the opportunity but failed to do anything with that. And so,
17 we believe that we have proven that the that the only and I should point out
18 for example in the I'm looking at slide 49 *Fox Factory vs. SRAM*, the Federal
19 Circuit recognized that simply because you had unclaimed features doesn't
20 mean that you don't presume a nexus. Those features have to rise to a level
21 of importance for which the Petitioner offers no evidence here. So, I think
22 that is really where we are on this point.

23 JUDGE HAGY: Okay, so leaving aside, so that has to do with nexus,
24 Petitioner also raised the point that Patent Owner had not established a
25 relevant market or market share in order to put these sales into context as an
26 indication of commercial success. What's Patent Owner's response to that?

1 MR. SANTURRI: Thank you, Your Honor. Well, I would, I
2 respectfully disagree with that if I can step back a few slides, because we
3 did, in fact, let me see if I can find the slides that address this. You know,
4 we had, so we had, we actually had testimony from an expert who, you
5 know, who drew his opinions based upon evidence from that CalAmp case
6 that the market was what drove the development of these products, that there
7 was considerable testimony from CalAmp that these were market driven
8 product decisions, that there weren't, that these devices weren't otherwise
9 available, that the market wanted these, that this provided them with the sort
10 of a unified solution that did both data bus and GPS, and that was why they
11 pursued this. In fact, we had, at slide number 41, we make reference to Mr.
12 Tregillis testimony where he highlighted the actual commercial
13 requirements. The whole reason for developing these products was because
14 they saw the sort of the combination of the data bus plus the GPS tracking
15 cellular as a value add that customers were interested in.

16 And if we look at slide 42 again, Mr. Tregillis had cited to testimony
17 where they had heard from a number of customers in the, in the general
18 market, all of whom wanted this, this technology. And so we believe that
19 the, you know, the technology, the, you know, sort of the market was for
20 was for the products that combined these two technologies. Frankly, there's
21 no evidence in the record of anyone other than the, you know, at the time,
22 there was no one other than CalAmp that actually was offering this sort of
23 combined technology without a license to it. So, you know, I think that we
24 do have significant evidence of the market need. And you know, it's slide
25 43, the reference to sales driven requests. So, I do think we address the fact

1 that we have, that there was a market for these and that there were
2 considerable sales within that market of this merged technology.

3 We also had testimony about the fact that they hadn't come up with
4 alternative designs, there weren't ways around this technology. And we
5 even had testimony where the CalAmp's internal business folks admitted that
6 they didn't have a good way to get around infringement of at least claim 13
7 of the '278 Patent. So, we think that we have this covered from multiple
8 angles. I'm going to skip forward because I know that we're, I know that
9 we're short on time, you know, slide 47 sort of to go to address Your Honor's
10 question a little bit more. We also made reference to the press releases
11 where they were, you know, touting this, you know that you're as the leading
12 provider of these products and this is a, you know, this was a new unit that
13 was being released on the market. And honestly, I'm not sure that there were
14 a whole lot of folks that there weren't folks that had any real competition to
15 this in the industry.

16 But I think that you have to as the Federal Circuit is recognized, we
17 cite in slide 48 *Spectra Analytics v. Cordis* that the view of folks competitors
18 in the marketplace, how they view this invention is part of it. You know, I
19 know that the Petitioner has sort of tried to attack the, I think they've tried to
20 attack the issue of secondary considerations kind of piecemeal. Well, they
21 don't really, you know, this isn't really good evidence of copying, or this isn't
22 really good evidence of licensing and this, that and the other. But I think
23 you have to look at the whole picture. The fact that you had folks in the
24 marketplace recognizing that this was technology that was needed. We have
25 considerable sales of them. We had ultimately had a federal jury finding
26 that these, that the '278 and other patents now I know that the Petitioner has

1 made. Let's see if I had a slide on that. The Petitioner has sort of argued
2 that well there were other patents involved and so it wasn't this slide were
3 other patents involved. And so, it doesn't really matter. But recognize the
4 other patents involved were. You'd almost argue that they were kind of a
5 subset of the '278.

6 I mean you had other patents that claimed for example tracking
7 systems, GPS tracking systems or you had and you had patents that related
8 to multi vehicle compatibility. But the '278 was really the patent that sort of
9 merged those technologies. And so, the fact that there were other patents
10 involved that had a subset of what was within the '278. I don't think that the
11 fact that there were other patents involved undercuts our argument here
12 because like I said, they had the claim. If you look at the claims of the other
13 related patent, the other related patents that were involved, they basically
14 had a subset of the functionality that was within the '278 which sort of rolled
15 it all together. So, we've pointed to commercial success. There was, the
16 jury had found copying and we have licenses. I will pull that up. It is true
17 these are multiple portfolio licenses. But Mr. Tregillis did provide testimony
18 that I think the Petitioner filed where he, you know, said yes, either these
19 were portfolio licenses none of them were individually to the '278. But
20 eventually the '278 Patent was the only patent left standing amongst some of
21 these portfolio licenses. And folks still continue to pay the license, the same
22 license fee. And so, I think that speaks volumes that you've had licenses that
23 were in existence for a decade and even when you get to sort of the end of
24 that license and the only thing left is the '278 folks are still paying on that
25 license.

1 So just to summarize, we think that the similar analogous cumulative
2 combinations have been, have been presented and available to the original
3 prosecution and multiple reexaminations. And we have, you know, yet none
4 of them have come to find invalidity other than the GEOTAB proceeding,
5 obviously, which this Board is aware of. You know, we think that there's
6 considerable evidence of secondary consideration and we think that we've
7 established the presumption and that the Petitioner did nothing to rebut it.
8 So, we think the Board has to essentially, you have to certainly have to give
9 some credibility and some weight to the secondary considerations. And we
10 think that given all of the various pieces of evidence we have on secondary
11 considerations that I believe are unrebutted, that those secondary
12 considerations set a bar that this combination that's, you know, that could
13 have been presented many times or could have been considered many times
14 in the past and you know, it's just not. I don't think the combination here is
15 enough. I think that our secondary considerations outweigh it and that the
16 Board ought to confirm patentability in this proceeding.

17 JUDGE HAGY: All right, thank you, Counsel. You have -- we will
18 give you one minute for your sur rebuttal. Essentially you had a little bit
19 less than that, but we'll give you one minute left for your sur rebuttal. Okay,
20 so Petitioner, I have you down as having eight minutes left.

21 MR. PURI: Thank you, Your Honor.

22 JUDGE HAGY: Begin when you're ready.

23 MR. PURI: I would like to just segue into this last point about the
24 relevant market that you asked because I do believe his answer, the counsel's
25 answer, where he defined it as a data bus and GPS market, you know,
26 highlights the issues over the relevant market where they've been

1 distinguishing the '278 Patent is the fact that it's different from a data bus
2 and a GPS patent, but it's about a multi vehicle compatible controller. And
3 so, that is different than just a data bus patent. And that's part of the issues
4 we've been addressing with the license agreements as well as what occurred
5 in CalAmp because they're grouping in this broad category of data bus and
6 GPS. And under that definition, does it include OnStar? Does it include
7 Mercedes? Does it include Ford? How big is that market and what falls
8 within a data bus and GPS? And that's part of the problem with even the
9 license agreements. They lumped \$71 million under this category of data
10 bus and GPS without tying it specifically to the relevant market of the
11 claimed invention.

12 The second issue I wanted to quickly address on page nine of Omega
13 slide deck, they refer to MPEP 609.02. And based on that MPEP provision,
14 Omega states that the examiner did consider Flick '561. But what that
15 provision actually states is, when filing a continuation application that
16 claims benefit under 35 U.S.C. 120 to a parent application, it will not be
17 necessary for the applicant to submit an information disclosure statement in
18 the continuing application that lists the prior art cited by the examiner and
19 the parent application that's different than the parent application actually
20 qualifying as prior art. And I wanted to point that out that the MPEP
21 provision is different than what they cited it for.

22 I also wanted to address Judge Grossman's question where he had
23 mentioned about the Office where they made a finding of the priority date.
24 The Office. I don't believe counsel had answered the second part of Judge
25 Grossman's question, but the part about the prior art in the priority chain was
26 never actually considered. And so, the patent Office has never considered

1 this '561 Patent. And then fourth, when asked about the secondary
2 considerations being evaluated, whether it's in light of the prior art or in the
3 lens of the '278 Patent, opposing Omega's counsel had mentioned that you
4 look at it in the lens of the '278 Patent without regard to the prior art. But as
5 I had originally stated at the beginning and citing to the institution decision
6 the case law that was specifically cited, you do have to weigh it in light of
7 the prior art and the strength of the prior art. That's issue number one. And
8 then issue number two that I had also mentioned is you do look at the nexus
9 in light of what elements they're pointing to as the point of novelty. And in
10 this case in light of the prior art, all of the elements were met and that's
11 undisputed. So, the prior art actually is very important in considering this
12 analysis.

13 And then finally I did want to mention, I know Your Honor had also
14 mentioned about the Federal Circuit decision and I did want to just mention
15 that I did look back and the point of the Federal Circuit decision in that
16 second I'm sorry, the Board decision, when they discussed the secondary
17 considerations, that particular argument there involved two references,
18 Lightner and Lowry. And one of the arguments there that Omega had made
19 was that the multi vehicle compatible controller and the downloading
20 interface were missing. Now, there was never any finding that all these
21 elements were met in the prior art. And two, when the Board had moved
22 over and shifted to the secondary consideration's argument, it was without
23 making a finding as to these elements being disclosed.

24 So, the first part I would mention again is that what we have here is
25 different than what was presented to the Board in that specifically, the Board
26 never indicated that the downloading interface, which is what Omega had

1 challenged there, was ever disclosed. And two, it goes back again to the jury
2 verdict that was relied on and the finding of infringement. Again, a finding
3 of infringement is not an indication of co-extensiveness. That's a different
4 argument. And two, the issue that we addressed with the jury verdict was
5 tied with four different patents with no indication about the secondary
6 considerations being linked specifically to the '278 Patent. And those are
7 the main points I just wanted to address.

8 JUDGE GROSSMAN: Mr. Puri.

9 JUDGE HAGY: You had made an argument about blocking patents
10 and the significance of how that could weigh in in the consideration of the
11 secondary considerations here. For example, the products, if they infringe
12 the '885 Patent, which is a prior patent, an earlier patent, how does that
13 impact our analysis of secondary considerations? Can you explain your
14 point on the blocking patents?

15 MR. PURI: I don't recall making a point. I'm sorry, about the
16 blocking patents was that if that was a statement, I'm not sure I would have
17 remembered or triggered something. I don't recall making that point, but if I
18 did, I apologize, but I don't have that particular.

19 JUDGE HAGY: I recalled that from the briefing. I don't think that
20 you've made that today. I thought I recalled that from the briefing, but I
21 could be conflating this with the 504 case.

22 MR. PURI: Possibly, I don't recall making that.

23 JUDGE HAGY: Okay.

24 JUDGE GROSSMAN: Mr. Puri, this is Judge Grossman. I have one
25 question for you, but you mentioned as you were just closing, that the jury
26 verdict covered four different patents, including the '278, and that the jury's

1 finding was of copying wasn't specific to any one product. That was your
2 slide 42. And one of the points that Patent Owner made, Mr. Santurri's
3 argument was on his slide 55, that Mr. Tregillis has some testimony in here
4 that while there may have started out as four patents that were being
5 licensed, apparently it somehow ended up that only one was remaining in the
6 license. And that was the '278 Patent. And even though we went from four
7 patents to one, the licensees continued to pay the full royalty rate.

8 What effect of that evidence should suggest that we should still come
9 to your conclusion that the license 71 million was not significant to the '278
10 Patent? When Mr. Tregillis points out that it appears that the '278 Patent
11 carried the entire amount of license payments.

12 JUDGE HAGY: And I just want to interrupt. Counsel, your time is
13 up, but we would like you to answer the judge's question and briefly
14 conclude.

15 MR. PURI: Sure. I think his argument was I believe slightly
16 different. What he said was it continued at the end. The first thing I would
17 mention is that these patents was a very large number of patents. So, in the
18 six patents as opposed to Omega's counsel had mentioned were data bus
19 patents and GPS patents. And within each there were dozens and dozens
20 and dozens of patents that were included in these two categories. And as I
21 understand their argument is that after all those patents expired, the '278
22 Patent was left.

23 Now was the license agreements because there were dozens of patents
24 that somebody was getting as part of this licensing deal. There was never
25 any sort of itemization as to if there are dozens of patents here that are
26 directed to the data bus and the. In other words, it was never apportioned.

1 So, we don't know exactly what portion of the 71 million was directed
2 towards that versus all the other dozens of patents that were included in
3 these licensing portfolio.

4 So there's no way we can show. There was no way that they showed
5 that this licensing was strictly based on the '278 Patent as opposed to it just
6 having some additional life at the end of these their patents.

7 JUDGE HAGY: Thank you, counsel, your time is concluded. Patent
8 Owner, I had you down as having honestly under a minute, but we certainly
9 will give you a minute to have the last word here.

10 MR. SANTURRI: Thank you, Your Honor. I'll try to make two
11 points quickly. One, Mr. Puri said something along the lines of proving that
12 the infringement verdict doesn't prove co-extensiveness. I disagree. I think
13 the *Polaris* case basically says that if you can show a product embodies the
14 claimed features and it's coextensive, then you presume nexus. We have a
15 jury finding and then the Federal Circuit confirming that those products did
16 in fact embody the claimed features, all of them.

17 So, I think that we went on that and I think that, you know, I just sort
18 of reiterate the fact that, you know, we think that there that we had the
19 evidence to show a presumption in nexus. And they offered no rebuttal
20 other than pointing to the Federal Circuit, which I really don't think saves,
21 you know, carries the day for them. So, based upon the primarily, the
22 secondary considerations, but all the argument we've made, we think that the
23 claim should be confirmed as patentable.

24 JUDGE HAGY: Okay. Thank you, counsel. I'll turn it over to the
25 judges. Did you have anything else before we wrap this up?

1 JUDGE GROSSMAN: This is Judge Grossman, I have no further
2 questions.

3 JUDGE HAGY: Okay. All right. So, then that concludes the
4 arguments for the case. And we thank you both for appearing before us
5 remotely today. We will take this case under advisement and issue our
6 decision in due course. And with that, we are now officially off the record.
7 But before we terminate the call, I'd like to throw it over to our court
8 reporter to see whether she has any questions about the spelling of any
9 names or terms, et cetera.

10 COURT REPORTER: Thank you, Your Honor. I am good to go.
11 I've got all the spellings. Thank you.

12 JUDGE HAGY: All right. Thank you for that. So, with that, we are
13 adjourned. Thank you, guys, again, and have a great Thanksgiving next
14 week.

15 MR. SANTURRI: Thanks, you too, Your Honor.

16 JUDGE HAGY: Thank you.

17 MR. PURI: Thanks.

18 JUDGE HAGY: All right. Bye, everyone.

19 COURT REPORTER: Bye. We are off the record at 3:14.

20 (Whereupon, the proceedings at 3:14 p.m. were concluded.)

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PETITIONER:

Asheesh Puri
Sasha Rao
NIXON PEABODY LLP
apuri@nixonpeabody.com
srao@nixonpeabody.com

PATENT OWNER:

Ryan Santurri
Christopher Regan
David Carus
ALLEN, DYER, DOPPELT + GILCHRIST, P.A.
rsanturri@allendyer.com
cregan@addmg.com
dcarus@allendyer.com