

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner

v.

S.M.R INNOVATIONS LTD and Y.M.R TECH LTD,
Patent Owners

Inter Partes Review Case No. IPR2024-01048
U.S. Patent No. 10,547,648

AUTHORIZED RESPONSE TO DIRECTOR REVIEW REQUEST

Patent Owner's ("PO") Director Review Request ("Request") should be denied because the Board (1) properly interpreted the claims, finding steps 1(b) and 1(d) may be performed in any order (and even simultaneously—a dispositive finding the Request wholly ignores); and (2) properly explained why Petitioner's prior art is sufficient even under PO's incorrect interpretation.

I. THE BOARD APPLIED A CORRECT CLAIM INTERPRETATION

The Board properly rejected PO's backdoor claim construction, which requires step 1(b) ("identifying one or more available devices") be performed before step 1(d) ("signaling the one or more available devices."). As a preliminary matter, neither party has proposed express constructions. *See* Paper 8 (Institution Decision) at 10. Nevertheless, PO advocated an implicit construction that "claim 1(d) cannot be performed before claim 1(b) is performed." Paper 6 (Preliminary Response) at 6. The Board correctly rejected PO's position and determined "that no express claim construction is necessary" to institute review. Paper 8 at 10, 18.

In its Decision, the Board relied on the general rule that method steps are not ordinarily construed to require a specific order of performance unless the claims or specification directly or implicitly require that specific order. Paper 8 at 18 (citing *Altiris, Inc. v. Symantec Corp.*, 318 F.3d 1363, 1369-70 (Fed. Cir. 2003)). The Board analyzed the claim language and intrinsic record and found that (1) nothing in the express claim language precludes performing step 1(d) before step 1(b); (2) nothing

in the specification or prosecution history mandates a specific order; and most importantly, (3) nothing in the record compels steps 1(b) and 1(d) be “mutually exclusive.” *Id.* at 18-19. PO challenges points one and two above in its Request, arguing that step 1(d) deriving antecedent basis from step 1(b) compels a specific order. *See* Paper 11 at 6-8. While its arguments are misplaced as explained below, PO ***entirely ignores*** point three, which is dispositive. Because there can be no order mandated of steps that may be performed simultaneously, ignoring the Board’s simultaneity finding is fatal to PO’s Request.

Altiris, Inc. v. Symantec Corp. cited by the Board at institution is instructive. There, the Federal Circuit reversed a lower court’s construction that mandated a “setting” step occur between two other recited steps. 318 F.3d at 1369. It first analyzed the claim language and found nothing indicating the steps needed to be in a specific order, contrasting the claims in *Loral Fairchild Corp. v. Sony Elec.’s Corp.*, 181 F.3d 1313 (Fed. Cir. 1999) in which a second step was physically dependent on completing a first step. *Id.* The Federal Circuit then analyzed the remaining intrinsic record, finding no “statement that this order is important, [no] disclaimer of any other order of steps, or any prosecution history indicating a surrender of any other order of steps.” *Id.* at 1371. On this record, the Federal Circuit concluded that the “setting” step can occur “before, after, ***simultaneously with***, or between any of the other steps[.]” *Id.* at 1369 (emphasis added).

Like *Altiris, Inc.*, nothing in the claim language or intrinsic record of the '648 Patent foreclose that steps 1(b) and 1(d) may occur in any order or even simultaneously. Nothing in the claim language compels sequencing these steps. The specification does not identify any benefits to performing step 1(d) after step 1(b). Nor does the file history surrender mutual performance of these steps. The claims here fall within the general rule that “[u]nless the steps of a method actually recite an order, the steps are not ordinarily construed to require one.” *Id.*; see also *Cybersettle, Inc. v. Nat.’l Arbitration Forum, Inc.*, 243 Fed.Appx. 603, 609 (Fed. Cir. 2007) (even if “comparison and testing steps logically cannot begin until an offer and a demand are received...that does not mean that the ‘receiving’ steps must be completed before the comparison and testing steps begin” because these steps “**can occur concurrently with** the receipt of multiple demands and offers”) (emphasis added); *Niazi Licensing Corp. v. St. Jude Med. S.C., Inc.*, 30 F.4th 1339, 1351-52 (Fed. Cir. 2022) (finding sequential or simultaneous performance sufficient).

Turning briefly to PO’s substantive argument, PO insists that antecedent basis alone compels sequencing these steps. Paper 11 at 6-8 (citing *Hytera*; *Wi-Lan*; and *Medtronic*). None of PO’s cited authority aligns with the facts here. In both *Hytera* and *Wi-Lan*, sequencing was inherent because the method steps recited an exclusive one-to-one relationship. The *Hytera* claims required preparing to transmit in “a

timeslot” and then determining whether “the timeslot” is desired. *Wi-Lan* similarly claimed “produc[ing] modulated data symbols” and then “combin[ing] the modulated data symbols.” In each case, a second step exclusively acts on the result of the first step.¹ The steps here, in contrast, are non-exclusive. Steps 1(b) and 1(d) simply require that at least one device is both identified as available and signaled to indicate available media.² The claims do not preclude identifying or signaling additional unavailable devices, and there is no logical reason a device must be identified as available before being signaled.

II. THE BOARD DID NOT RELY ON A NEW MAPPING

PO argues that the Board abused its discretion by concluding the prior art is sufficient even if PO’s incorrect interpretation were adopted, suggesting this was a new theory not advanced by the Petitioner. Paper 11 at 5-6. PO effectively asks the Director to bar Boards from explaining why an argument in a Preliminary Response, even if accepted, fails to defeat institution. PO provides no support limiting Boards so severely. “[T]he Board may resolve an issue the parties put in dispute by making findings supported by the evidence, regardless of whether any party advocated for that particular expressed finding.” *Corephotonics, Ltd. v. Apple Inc.*, 84 F.4th 990,

¹ *Medtronic* is further off base. There, physical characteristics of the claimed device mandated a specific order, and the specification ascribed benefits to that order.

² The file history exchange PO cites reinforces this point. Rather than impose any specific order, as PO alleges, the applicant merely clarified that at least one device is both identified as available and signaled. Ex. 1002, 261-65.

1011-12 (Fed. Cir. 2023). The Board may “resolve the factual disputes underlying obviousness that were presented to it by the parties” and that “its findings differed slightly from what was proposed by the petitioner...do[es] not constitute error.” *Id.*

The Board’s discussion here relied on the identical grounds, identical art, and identical embodiments presented in the Petition to find that Zhang satisfies even PO’s interpretation. This is not a “new” theory. The Board properly addressed and resolved PO’s theories as it was authorized to do. *Corephotonics, Ltd.*, 84 F.4th at 1011-12; *Genzyme Therapeutic Products Ltd. Partnership v. Biomarin Pharma. Inc.*, 825 F.3d 1360, 1366 (Fed. Cir. 2016); *Anacor Pharma., Inc. v. Iancu*, 889 F.3d 1372, 1380-81 (Fed. Cir. 2018); *see also 3Shape A/S v. Align Tech., Inc.*, IPR2020-01622, Paper 22 at *4-5 (PTAB Dec. 7, 2021) (rejecting rehearing, citing Fed. Cir. in *In re NuVasive, Inc.* that “explicitly states that the Board is not limited to citing only portions of the prior art brought to its attention”); *Atlas Copco Tools and Assembly Sys.’s LLC v. Wildcat Licensing WI LLC*, IPR2020-00892, Paper 35 at *7 (PTAB Feb. 9, 2021) (“Identifying additional support in the record for a presented theory of obviousness does not and could not have added a new theory of obviousness”).³

³ PO also challenges the Board’s “guidance” regarding independent claim 19. The Board based its decision to institute on claim 1, not claim 19. Paper 8 at 23 (addressing remaining grounds simply “as guidance” to “promote a streamlined trial”). Accordingly, claim 19 is irrelevant to PO’s request to vacate institution.

Respectfully submitted,

Dated: February 20, 2025

BY: /s/ Paul R. Hart

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COUNSEL FOR PETITIONER

CERTIFICATE OF SERVICE ON PATENT OWNER
UNDER 37 C.F.R. § 42.105

Pursuant to 37 C.F.R. §§ 42.6(e) and 42.105, the undersigned certifies that on February 20, 2025, a true and correct copy of the foregoing Authorized Response to Director Review Request was served electronically on counsel for Patent Owner at the following address:

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