

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

VARIA HOLDINGS LLC,
Patent Owner.

IPR2024-01362 (Patent 8,381,974 B2)
IPR2024-01363 (Patent 9,405,947 B2)
IPR2024-01364 (Patent 8,127,984 B2)

Record of Oral Hearing
Held: December 10, 2025

Before KEVIN F. TURNER, NORMAN H. BEAMER, and
MARY C. HOFFMAN, *Administrative Patent Judges*.

IPR2024-01362 (Patent 8,381,974 B2)
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IPR2024-01364 (Patent 8,127,984 B2)

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IPR2024-01362 (Patent 8,381,974 B2)
IPR2024-01363 (Patent 9,405,947 B2)
IPR2024-01364 (Patent 8,127,984 B2)

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P R O C E E D I N G S

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2:02 p.m.

JUDGE HOFFMAN: You may be seated. All right. Good afternoon, all. This is the hearing in IPRs 2024 -- can you hear me?

JUDGE BEAMER: Yeah.

JUDGE HOFFMAN: 2024-01362, 2024-01363, 2024-01364, involving U.S. Patent numbers 8,381,974 B2; 9,405,947 B2; and 8,127,984 B2. I'm Judge Hoffman with both Judges Turner and Beamer appearing remotely. I'd like to welcome both the petitioner and the patent owner.

Starting with appearances for both parties. Who is arguing on behalf of Petitioner today?

MR. RENNER: Thank you, Your Honor. This is Karl Renner from Fish & Richardson, acting on behalf of Petitioner, joined by David Holt who will also be arguing. Would you like me to make appearances or announce appearance for all in the room?

JUDGE HOFFMAN: Yes, please.

MR. RENNER: Okay. Terrific. Ryan Chowdhury is with us, as well as Jonathan Driesslein.

JUDGE HOFFMAN: Okay. Thank you, Mr. Renner.

And who do we have for Patent Owner?

MR. GILMAN: Thank you, Your Honor. Timothy Gilman from Kasowitz on behalf of Patent Owner.

JUDGE HOFFMAN: Okay. Is there anyone else with you today?

1 MR. GILMAN: Yes. With me is Ari Jaffes and Michael Jamal and
2 Steve Klein as well.

3 JUDGE HOFFMAN: Okay. Thank you.

4 Again, welcome to USPTO's Alexandria headquarters. A few
5 housekeeping items before we begin: Recording of any PTAB hearing is
6 prohibited. The court reporter will provide a transcript of the hearing that
7 will become part of the record in the proceeding at a later date. To ensure
8 that the transcript of this hearing is clear, we ask you to speak directly into
9 the microphone when talking and to identify specific slide numbers,
10 numbering in figures, and any other pertinent identifying information when
11 referring to your demonstratives.

12 We have allotted 90 minutes per side per our oral -- per our order
13 setting oral argument. Petitioner will open the argument and may reserve
14 rebuttal time. Patent Owner will then respond to Petitioner's arguments and
15 may reserve surrebuttal time.

16 When you are arguing, please speak slowly. And if you hear another
17 voice, please stop talking so that we do not talk over each other.

18 I will maintain a clock. Our hearing room has a timer that I will set
19 up for each party with the requested time allotment. The light on the clock
20 changes to yellow when you're nearing the end of your time, whether
21 opening or rebuttal. When the light is red, you have run out of time.

22 With that, I'll ask Counsel for Petitioner and Patent Owner, are there
23 any other preliminary matters you'd like to discuss before we get into the
24 arguments?

25 MR. RENNER: No, Your Honor. Did you like to add -- 30 minutes
26 will be the reservation time for us, if you would, please.

1 JUDGE HOFFMAN: Okay. Okay. Mr. Renner, okay, we set that up
2 on the clock. All right. Mr. Renner, you may begin your arguments when
3 ready.

4 JUDGE TURNER: This is Judge Turner. I think maybe that Judge
5 Beamer is having a connection issue. If you can hold just a second, I think
6 he's back.

7 Are you back with us, Judge Beamer?

8 JUDGE BEAMER: Yes.

9 JUDGE HOFFMAN: Okay.

10 JUDGE TURNER: Thank you.

11 JUDGE HOFFMAN: All right. Great. Uh-huh.

12 MR. RENNER: Your Honors, may it please the Board, Karl Renner
13 on behalf of Apple, Petitioner, today. If we could turn to slide 2 in our
14 demonstratives, please. We'll be addressing three patents, and each of the
15 patents, of course, in these proceedings is a continuation of the other.
16 Therefore, they share the specification of one another. Additionally, there's
17 significant overlap Your Honors have surely observed in the issues that are
18 being presented on them and in dispute. Therefore, the consolidation
19 hearing really tracks, I think, the briefing. We appreciate the
20 accommodations of it.

21 As a matter of housekeeping, I just wanted to make -- just make it
22 known that IPR 2024-01362 is the record from which we drew our
23 demonstratives. I just wanted to make that clear for Your Honors. And in
24 the early part of my presentation, I'll be referring to the '974 patent itself, so
25 it may be helpful to navigate to that at your convenience.

1 I will begin our presentation at slide 3. On slide 3, you can see what
2 is effectively a table of contents. It's there to organize the slides for our
3 purposes. Additionally, it does give an insight into how we plan to use the
4 time we have together. And of course, we welcome any comments and
5 questions you may have. I -- I'll be addressing Topic 1. That is the topic
6 relating to the RFID signals and other related terms and the constructions of
7 them. My colleague, David Holt, will join thereafter, and he'll be addressing
8 Topics 2 and 3, relating to the voice call signal claim terms, as well as the
9 operational space terms, just to give some insight into the flow.

10 Now, given the nature of the disputes as they relate to issue 1, which
11 really tidy up into claim construction, I wanted to spend a little bit of time
12 with the patent -- the 74 -- '974 patent, because after all, it's really that patent
13 that we're drawing from in determining whether or not to bring things into
14 the claims through construction that are in dispute. And so we'll be asking
15 you to go to column 1 there, please, for the background section, which is
16 where we'll start the conversation.

17 And in the background section there, you can see it's not a very long
18 background, but it is a very direct, a very focused background. And the
19 focus of the background, really, that speaks to the notion of RFID fobs, these
20 RFID devices -- standalone devices become more prolific. We use them for
21 any manner of things, getting into office buildings or unlocking this or that.
22 There's actually cards that use them. And what's happened is, they've
23 become quite prolific. They've become commonplace, and many different
24 of these keys are used by each person, really. So you end up having a bunch
25 of them, and the patent recognizes that. It says, there's a bunch of these
26 keys. We want to make it more convenient. Well, it just says, there's a

1 bunch of these keys, and that's a problem for users. That's a bit of an
2 inconvenience.

3 And with that in mind, the patent background ends. It ends right
4 there. It doesn't talk about difficulties with RFID technology. It doesn't talk
5 about the technical nuances of it or desires to change that. It's calling for a
6 solution to this stated concern over the difficulty of managing these disparate
7 devices. And so it goes -- the specification follows. And the specification
8 tells us all about a device that unifies, a device that houses the various kinds
9 of RFID device identifiers that might be out there otherwise, so that you can
10 get away from having to manage 19 different devices, and instead, have one
11 device.

12 And that one device, when near to a reader, would be alerted to the
13 fact that it's near to a reader. They call it a "probing signal" ordinarily. And
14 in response, it would be able to serve up the identifiers that would ordinarily
15 have come from those devices that were disparate, those standalone devices.
16 And it would serve up the RFID that they would otherwise have served up.
17 The whole point of the device, really, is to be able to do that, and to do that
18 alongside of other technology. In this case, it's a phone, a mobile
19 communications device. But the point isn't that it's a phone, it's just there's
20 some other communication conduit. And it would switch between those
21 modes, a mode that would allow you to communicate one or the other.

22 But the point is, when in the RFID mode, it would be able to serve up
23 and stand in the shoes of a standalone RFID device no longer needed. But
24 that device is still out there, so they call that emulating. And it's a word that
25 gets used quite a lot. You'll hear a lot about that word.

1 And you'll notice that, again, I haven't really talked about the call for
2 any sort of change to RFID technology, because there really isn't one. This
3 is about taking an existing technology and using tools that can be used to
4 facilitate it. Now, within the specification, there are examples of how you
5 might go about getting there. They follow, and they're -- of course, as usual,
6 they're talked about in the detailed description of the embodiments. It's --
7 column 2 is where you start that conversation off.

8 And if you look at Lines 22 to 38, what you find is a rather extensive
9 conversation there, not really common, about how there are alternatives and
10 examples that are going to be shown. And these are just alternatives and
11 examples after all, it says, it's the author. And they make it very clear that
12 the open-end references are being made to hardware and software
13 alternatives that could exist. Point being, let's not bind ourselves to these
14 examples. That's probably the column -- the comments there. And from
15 this, we can see the applicant expressed its intent that it's leaving to the
16 claims that which the claim state.

17 41, please. Slide 41, you can see Claim 1, a representative claim from
18 this patent. And in this claim, you can see it's a fairly short claim, but it's
19 common of what you see in the claims. This is why they kind of come
20 together on the issues we have. Three steps are articulated here, the first of
21 which you'd receive an instruction to send some sort of RFID data. The
22 second, you got to switch it into the right mode. Make sure you're going to
23 communicate in RFID mode through some sort of switching. And third,
24 you're going to output data called out as RFID transponder data; the data
25 called for as an RFID signal. And that's the extent of it.

1 The claim is representative in part, because it has the words, for our
2 purposes in this issue, that are subject to the construction. And you can find
3 those on slide 21. You can also find them in slide 28, I believe, of the patent
4 owner's demonstratives. But on our slide 21, you can see RFID transponder
5 signals, transponder data, RFID signal. These are the terms that are at the
6 heart of the constructions that are being solicited. And for each, again, Varia
7 proposes essentially the same construction. It's a two-pronged construction.
8 There are two different elements that we'll talk about separately. Look at
9 slide 23, you can see those pictorially identified.

10 On this slide, through construction, you see that Varia is asking -- this
11 time with respect to the word RFID signal or signals, it's asking for these
12 two elements. The first of which is that the signal be emulated -- an
13 emulating signal that is emulating off the output of an RFID-centric device.
14 It makes sense given the nature of what they're trying to accomplish. That
15 would be what they're talking about, the emulating. Second is that doing so
16 would be done -- it would be done without the use of a physical transponder.
17 So whatever you're going to do, don't use a physical transponder, is what
18 they want you to read into the claim. So it has to be emulated. It can't be
19 the actual. It has to be something not generated by a physical transponder.

20 Now, Varia contends that these two elements --

21 Should I pause for a moment? Judge Beamer just disappeared.

22 JUDGE HOFFMAN: Judge Beamer, are you back with us?

23 JUDGE BEAMER: Just hold on. I clicked something else.

24 JUDGE HOFFMAN: Judge Beamer, could you -- are you here?

25 JUDGE BEAMER: I'm here.

26 JUDGE HOFFMAN: Okay. Okay. Continue. Sorry.

1 MR. RENNER: No -- no problem. I'll back up just a click.

2 I'll say slide 23 is where we can find a pictorial image of the
3 constructions that are being advanced across these terms. And really, the
4 constructions that are being advanced, they combine two different
5 limitations. The first of those limitations being emulation, that the patent
6 owner would have you read the term RFID signal, in this case. Or the other,
7 transponder signal. These are the terms that are related to require and -- not
8 just an RFID identifier or a signal, but an emulated signal. And the second
9 being a requirement that it would be generated without the use of a physical
10 transponder device. Varia contends that these two different limitations are
11 appropriately read into the claims based on the intrinsic record. We
12 disagree.

13 To summarize and to go -- what I plan to do is go first through the
14 emulating limitation. I'll talk about where it lacks, we believe, support and
15 where there's actually support in the intrinsic record to suggest it should not
16 be so -- affirmatively not be so construed. Then we'll talk a little bit about
17 how, even if it were construed to include emulating, we believe our prior art
18 meets that in any event. Then we'll turn to the negative limitation, the
19 second one about without the transponder, and we'll go through the same
20 exercise.

21 So as to emulating, Varia indicates the specification. Again, it
22 mentions emulating. Prolifically, it says. It touts the fact that emulating is
23 part of every combined -- every discussion, every embodiment in the
24 specification, and as a consequence, it appears everywhere you would see
25 the words RFID signal or RFID transponder data or signal. But despite their
26 contentions as it relates to the coextensive nature of those words appearing

1 together and the numerosity with which it appears through the specification,
2 you don't see contentions with them that the word emulating is used to
3 define or to otherwise even inform the meaning of the RFID transponder
4 data.

5 There's no indication from them that these words are being equated in
6 any way, vice versa or otherwise. They're just coextensive and frequent.
7 And we've not seen any indication from Varia that there is even attempt at
8 lexicography nor any sort of -- nor any sort of disavowal in the record. On
9 this alone, we believe there's grave concerns over a construction that asks for
10 invocation of limitations from the specification. After all, we'll talk a little
11 later about some federal circuit precedent that we believe that dictates there
12 needs to be more than what they're talking about, which is just a numerous
13 reference to details that are in implementation details in the specification.

14 But that's not the only problem with Varia's argument, as I
15 foreshadowed. They also have a problem because the record -- the intrinsic
16 record has prosecution history and amendments and claim articulations that
17 we believe, actually, counsel against -- directly against reading these terms
18 into the claims now by construction. We see and you'll see that Varia has
19 previously recited these terms and actually withdrawn them from
20 independent claims. And they have dependent claims that otherwise still
21 recite these terms. Slide 25 gets us started in that conversation.

22 And here we see amendments that were made to the independent
23 claim of the '984 patent. And in them, the amendments, you can see they --
24 we've shown you here a picture. It's a small picture down to the right of the
25 slide. What it's intending to do is capture what literally was done in the
26 amendment itself.

1 JUDGE HOFFMAN: We're hearing some feedback. This is -- are all
2 the microphones off other than yours?

3 Go ahead and continue.

4 MR. RENNER: Okay. No problem.

5 JUDGE HOFFMAN: All right.

6 MR. RENNER: And so the amendments they're showing here are
7 literally -- you can see a strikethrough in some language and an underline in
8 others, and that's because, in the form of an amendment during prosecution,
9 this is showing us that the language that existed in the claim when the
10 amendment was made, some of it has been stricken through, removed, and
11 other is being added right now in the paper that's been copied here. And in
12 it, you can see the words, as highlighted, "emulating output of the first data
13 by an active RFID transponder" are words stricken through, meaning they
14 were part of the claim, but through amendment, have been actually removed
15 by the patent owner.

16 Now, what does this mean? This means that Varia clearly knew how
17 to recite the word emulating when it wanted to recite the word emulating.
18 When it wants that feature in, it puts it in. And it also knows -- we can see
19 here, very unusually, it knows how to take that word out. So it knows how
20 to make its claim broad enough to not be encumbered by this term through
21 an amendment that removes the term.

22 Slide 26 shows the same in a different independent claim, 61 of the
23 '947 patent. Here, again, you see Varia showing itself as not wanting
24 emulating to be part of its claim and the '984 and '947 prosecution histories.
25 Therefore, the important -- we believe they offer important guidance as to
26 what the state of the mind is of the inventors and the applicants. But more

1 than that, it's noticed to the public. We all look on this and we try to draw
2 inferences as to what claims mean and what they don't mean. And I see a
3 claim term removed from a claim, I start to draw some pretty strong
4 inferences.

5 Now, we look further than that. We looked at the -- I mentioned
6 existing claims. The existing claims include dependent claims. I don't have
7 them on slides, but if you're in the '974 patent still, I take you to Claim 6 --
8 Claim 6 of that patent. And you'll see in that claim, "emulating." It's still
9 stated. It's also in Claim 9 of the '984 patent, but they're pretty much the
10 same claim the way they were articulated, and the consequences, identical as
11 well. So using Claim 6 as representative, I'll note, importantly, that these
12 claims also -- this particular Claim 6, you can find in it the RFID
13 transponder data term. So not only is the word emulating in this term -- in
14 the claim, but also one of the terms that is subject to the current construction
15 request is also there.

16 Now, if that term is to be read the way that Patent Owner would have
17 you read that term, you'd have emulating twice in this claim. I think that's
18 strong evidence that there's not an appropriate construction here. More
19 when I look at the independent claim, from which Claim 6 depends, I find
20 another term that's a very important one, another one that is being construed
21 presently: the RFID transponder signal. So again, if both of these terms are
22 supposed to be so clearly read from the intrinsic record as to include the
23 term, why would we need to amend and add it? Why would we have it
24 there? Why would "emulating" appear separately?

25 It wouldn't. We think this reveals, actually, an agreement between the
26 parties that maybe there isn't such a need for construction here or at least not

1 an appropriate use of it. In fact, we think we should honor the words that the
2 patent owner has given us in its claims and not change them through
3 amendments that are in the form of a construction request. And we think
4 this is particularly appropriate when you think about the federal circuit legal
5 context that we have here. And just to give a couple of examples, I'll quote
6 very short passages from Philips, Thorner, and GE Lighting, where the
7 federal circuit has spoken on issues that are highly probative.

8 Philips, maybe I'll start there with claim construction. I'll read a
9 passage. It's -- well, first of all, it's 415 Fed.3d 1303, the 205 -- 2005 en
10 banc opinion. It says, "We have expressly rejected the contention that if a
11 patent describes only a single embodiment or embodiments that are the
12 same, the claims of the patent must be construed as being limited to that
13 embodiment."

14 Thorner goes on -- this is in 2012. It's 669 Fed.3d 1362, tells us, "It's
15 not enough for a patentee to simply disclose a single embodiment or use a
16 word in the same manner in all embodiments." So it doesn't matter how
17 much you use a word or use this word in one way. Patentee, it says, must
18 "clearly express an intent" to redefine the term. Goes on to say, "We do not
19 read limitations from the specification into claims. We do not redefine
20 words. Only the patentee can do that." That, again, was a Thorner case.

21 GE Lighting, it -- we talk about this because of the disavowal. Just in
22 case problem with disavowal -- it's not been alleged here, but in case there's
23 any concerns over it, disavowal requires -- it says that, "The specification or
24 prosecution history makes clear that the invention does not include a
25 particular feature." Clarity seems to be the beacon, right? We want to make
26 sure that the world knows that this term isn't being used the way it otherwise

1 always is used if we're going to give it a different and special kind of
2 meaning. And in this case, we just don't have that.

3 So level setting, we believe that this has not been a showing for -- that
4 justifies in -- for integrating the emulation claim requirement for the term
5 that are in question. But even if it did, as I foreshadowed, we believe that
6 the term is squarely met. The claims are squarely met by the combination.
7 Why is that?

8 So if we turn -- I haven't talked to you yet about our prior art. So if
9 we turn to slide 11 -- this won't be too long, but we'll try look at -- so
10 Willgert reference here. It's the base reference in the combinations that we
11 have before Your Honors, and the structure of this stays integral through
12 those combinations. So we'll just talk using slide 11, if we could, to keep it
13 simple.

14 The reference shows you here, I'll call it two vertical stacks. On the
15 left-hand side, it's got circuitry that relates to transmitter and receiver unit 1
16 for Bluetooth transmissions, non-RFD -- RFID transmissions. And on the
17 right, it has a transponder 1 -- it's transponder 2, sorry, that is used for RFID
18 transmissions. A switch sits atop of the two. So much like you have in the
19 '974 patent, you're going to move and toggle between these two depending
20 on your circumstances and needs.

21 And when you toggle over to the RFID leg, then you have a read from
22 the memory of whatever the RFID that is stored on the device is, in response
23 to a probing signal that might come from a nearby reader. And you serve up
24 what would be information that looks -- is intended to look just like a
25 standalone RFID device, because after all, that's the whole point. And this,
26 just like the other, you're trying to consolidate devices so that you have a

1 more efficient use. And so when you respond to that probing system signal,
2 it's only useful if you do so in a way that makes it look just like the original
3 RFID device. And therefore, per the patent's description, it would be an
4 emulation that is occurring.

5 Now, to be sure, we can return to slide 25, please, and we'll see
6 reference to some prosecution history that's been alluded to and talked about
7 in the record. In the record, there was distinction between -- of the claims --
8 of claims then pending over a reference called Zalewski. And in your record
9 briefing, you're going to see that reference throughout. Their contention is
10 that, in defining the claims over Zalewski or distinguishing Zalewski,
11 somehow that's pertinent to the present combination that's before you. And
12 we would suggest it is not. Zalewski was argued over using the word
13 "emulation."

14 But two things: one, emulation was in the claims when that argument
15 came in. In fact, that's where we -- that's where we first encountered the
16 amendments that we talked to you about earlier. But two, Zalewski is an
17 entirely different animal. Zalewski is as simple as I've got a phone, and in
18 the case I'm going to take an RFID device, I'm going to put the RFID device
19 on the back of the phone. It's going to stay intact. It's going to be the same
20 device it always was. I'm just going to couple it with that phone. That's
21 Zalewski.

22 So in Zalewski, there was never another device onto which the RFID
23 was stored and reproduced for purposes of making it look like an original
24 device. There's a lot of words used in the -- in the arguments that have been
25 tendered, like transponders can't emulate transponders. Whatever that
26 means for us, I don't know. Because for us, we recall the way that the slide

1 11 showed you Willgert, it's not a transponder trying to emulate itself, it's a
2 part of the Willgert structure emulating an original standalone RFID device.
3 So we don't think these arguments are probative or relevant but didn't want
4 to leave that unaddressed.

5 Ultimately, we believe that Willgert is designed to produce output
6 signals that emulate those of an RFID standalone device, and in doing so,
7 that it would actually emulate the output of that device, consistent with what
8 the claims need, even if they were construed in the manner that is requested.
9 And that -- that's what I have to say on the emulation. I'm certainly happy to
10 take questions.

11 JUDGE BEAMER: Counsel?

12 MR. RENNER: Yes, Judge Beamer?

13 JUDGE BEAMER: This is Judge Beamer. The -- does Willgert have
14 the -- you know, you pointed out, you know, in introductory section of the
15 patents -- challenged patents, but you want to get -- you want to have the
16 convenience of having a number of different transponders all packaged in
17 one device.

18 Does Willgert have the capability of more than one thing? In other
19 words, can it open the garage door and also open the car and so on, and so --

20 MR. RENNER: Thank you, Your Honor.

21 JUDGE BEAMER: Okay.

22 MR. RENNER: I hope you can hear me fine. Thanks. Yes, Your
23 Honor. Willgert, what it does is, it has Bluetooth functionality and RFID
24 functionality. Those are the multiple things that it has, and it has the ability
25 to receive an RFID using a right process. It's -- Paragraph 23 describes the
26 right process. It's not clear to me that it stores multiple RFIDs. It's clear to

1 me that it can store different RFIDs. They can be written in because it's a
2 process by which it will write into the memory, the RFIDs. And in that
3 process, as alleged in our petition and as supported by expert testimony, we
4 believe it to be obvious that you're using Willgert. Its intended use is to
5 emulate a device; maybe more, but a device. And therefore it is, in fact,
6 acting in the way that the claim calls for.

7 Thank you, Your Honor.

8 Okay. So if neither any other questions, I will move to the other of
9 the limitations, the negative limitation. Slide 36 is where I would direct your
10 attention, Your Honors. So here, again, we show a second requirement that
11 Varia seeks to have imbued to the terms. And this one is to exclude the use
12 of a physical RFID transponder in generating the RFID signal. So the
13 question is: Does the claim -- in reciting RFID transponder signal or RFID
14 signal, does that demand, in addition, that you would exclude the use of an
15 RFID -- physical RFID transponder in generating that signal? And this is,
16 we believe, an unjustified introduction of limitations on several grounds that
17 transcend those talked about with the last limitation.

18 Here, unlike emulating, you don't even have the prolific, I'll call it,
19 usage throughout the specification. In fact, we would submit to you, you
20 don't have support for this amendment in the specification. What you have
21 in the specification are examples within that spec that don't mention the
22 word transponder. You have examples in that specification that show you
23 some details about how to work, but they don't actually talk about the
24 absence of -- and they don't talk about specifically precluding a transponder.
25 So it's a far cry away from express disclosure of the negative limitation.

1 They just show some examples that happen not to have some technology in
2 it. And we see that supported in the federal circuit context.

3 The Omega Engineering case is a case that speaks to this. But this is
4 not surprising. Negative limitations, we all know they deserve a little extra
5 scrutiny. They deserve -- you have to make sure you've disclosed them
6 affirmatively, expressly. That's what Omega Engineering tells us. In order
7 to show possession of a negative limitation, the specification is said to
8 necessarily and clearly offer that preclusion. It exists in the possession of
9 the author, that it's contemplated for that. Omega Engineering is one of
10 many cases reinforcing this point. And mere examples just aren't enough to
11 satisfy the law. And as noted on Page 8 of the reply and shown on this slide,
12 you can see reference to that case, and it confirms the federal circuit expects
13 to see exactly that. It expects to see a disclosure when adopting a
14 construction that imposes a negative limitation, express disclosure, and we
15 haven't seen even a contention from Varia that there exists such express
16 disclosure.

17 What we have seen is references by them to examples that happen not
18 to have transponders in them, but an example, and remember the earlier --
19 right at the outset of the preferred embodiment section, we see the author tell
20 us there's embodiments that are alternatives. These are merely examples,
21 and with that and no express disclosure, we don't think you have here the
22 makings for a limitation to be imported.

23 And frankly, as I hinted a moment ago, I'm not sure -- in fact, I'm
24 pretty confident if these were amendments that were attempted by them
25 during normal prosecution, I would expect them to see rejections under 112,
26 because after all, Omega Engineering tells us you're supposed to have

1 express disclosure for these. So we shouldn't do -- I would urge that Your
2 Honors don't do through construction that which a patent owner can't do
3 themselves with their own amendment process.

4 Slide 27 is here to explain that in case there's any concerns over
5 inherency, we wanted to button those down as well. There's not been an
6 allegation of inherent disclosure for this. I'm not sure the law would actually
7 recognize inherent disclosure for this given the Omega Engineering, but just
8 to be sure, here you have a slide that shows you some testimony and points
9 you to further testimony from Dr. Ding, Paragraph 29 of Exhibit 1063,
10 which makes clear that in fact, the negative limitation is not inherent here,
11 and that's pretty evident from the prior art as well. There are different ways
12 than precluding a transponder to get to a multi -- or a device that will
13 emulate or otherwise stand in the shoes of a standalone device.

14 There's one final point to make on this. It's when you look back at
15 slide 41, and you see the representative claim. I'll call attention to the fact
16 that the last step is it's merely an -- it's an outputting step. It outputs a data,
17 you know, a signal that's got some data on it. It doesn't tell you how you get
18 to this data or this signal. It just says, I output it. I switch the line of -- you
19 know, I switch the -- in step 2 so that I can use the right circuitry, but it
20 doesn't say anything beyond that, and at that point, it outputs a signal or a
21 signal encoded with data.

22 And I mention this because when you look at what is being asked of
23 us with its negative limitation, notice that it's calling for process. It's
24 speaking to process. It's speaking to, effectively, the generation of the
25 signal, not even a claimed step. So they're asking you to use the label on
26 some data or a signal to speak into the claim details of an unrecited step.

1 Your Honors, that's all I have. I'd be happy to take any questions if
2 you have them. Otherwise, I'll have my colleague join us for topics 2 and 3.

3 JUDGE HOFFMAN: Okay.

4 MR. RENNER: Thank you for your time.

5 MR. HOLT: Thank you, Your Honors. I'd like to jump right into the
6 second issue, which relates to the phrase "voice call signals." If you'll turn
7 to slide 41, you'll see independent claim 1 of the '974 patent. Here, we see
8 the claim is to a mobile communication device capable of voice call
9 communication, and limitation 1.2 recites that the transceiver is "configured
10 to output voice call signals in the first state."

11 And we have similar limitations in the other claims of the other
12 patents related to the term "voice call signals." There's no special definition
13 of this term in the specification. In fact, outside of the claims, this term
14 doesn't exist in the specification, and Patent Owner has introduced no
15 extrinsic evidence that this term would have been given any sort of a special
16 definition by a POSITA.

17 So what do the parties propose here? And you can see this on slide
18 42. On the left is Petitioner's construction, which is that voice call signals
19 "encompass a potential used to convey information relating to a telephone
20 call established for the purpose of transmitting voice rather than data
21 communications." To put this a bit more simply, voice call signals are any
22 signals that are part of a voice call. One example of those signals would be
23 the voice signal itself, the actual part of the voice that is being transmitted
24 between the mobile devices and the users.

25 On the right, you see Patent Owner's construction, which is "transmit
26 and receive signals of a voice call over a network of a wireless network

1 service provider." It's notable that Patent Owner's construction includes all
2 the words of the phrase and then adds more. This belies their position.
3 They're not providing a definition for the term. They're simply impending
4 more limitations to those terms. That should immediately raise red flags. If
5 Patent Owner wanted to add these extra words, they could've amended their
6 claims to include them, but they didn't.

7 For support, Patent Owner looks to one main section of the
8 specification, portions of which we can see on slide 44. As we see in the top
9 highlighted section at left, much of the support Patent Owner turns to is
10 actually in a part of the specification that is a definition for the term
11 "wireless mobile phone."

12 However, tellingly, none of the claims recite a wireless mobile phone.
13 They recite a mobile communication device, and the only claims that
14 actually include the phrase "wireless mobile phone" are dependent claims,
15 and it is an option as between two possible mobile communication devices,
16 the other of which is a personal digital assistant.

17 So the claims are not limited to just this type of mobile
18 communication device, and therefore, there's no basis to read the details of
19 this specific device into the claims. Willgert and Mooney teach the proper
20 construction of voice call signals. There's a diagram of the combination on
21 slide 48. This shows Mooney's Bluetooth headset in communication with
22 Willgert's mobile phone. Willgert's mobile phone receives signals from and
23 transmits signals to the Bluetooth headset through the receiver/transmitter 1.

24 And as we see on slide 49, Mooney tells us that the Bluetooth headset
25 of the combination is used in telephone calls, and these would be like
26 telephone calls made by Willgert's mobile phone. In other words, the signals

1 sent between Willgert's mobile phone and movie's -- Mooney's headset are
2 part and parcel to a voice call, and importantly, they include the voice
3 signals themselves, which are the heart of the voice call.

4 At Page 19 of Patent Owner's surreply, they admit that voice signals
5 are exchanged between the mobile phone and the Bluetooth headset, so
6 under the plain and ordinary meaning of that term, the combination of
7 Willgert and Mooney include a mobile phone with a transceiver that
8 transmits and receives voice call signals.

9 I'll pause here for any questions Your Honors may have about this.

10 JUDGE BEAMER: Counsel, this is Judge Beamer. So I'm looking at
11 the drawing on slide 48. Is there a further assumption that you're embedding
12 all this in a mobile phone, which is something that Willgert says you can do,
13 and so when you look at the preamble, which is talking about -- I need to go
14 back to the claim. The --

15 MR. HOLT: So --

16 JUDGE BEAMER: You want something that's capable of voice call
17 communication. In order to achieve that part of it, you need to have this all
18 in a mobile phone, right, or some other phone? Is that what you're -- is that
19 what you're saying or not?

20 MR. HOLT: I think what I would say, Your Honor, is that a mobile
21 phone is certainly capable of voice call communication, and so the mapping
22 here of the combination of Willgert and Mooney is to the embodiment of
23 Willgert, where it embeds its transmitting hardware that you see in the figure
24 into a mobile phone. I would not go so far as to say that the claims require a
25 mobile phone for the voice call communication. I don't think there's

1 anything in the specification that limits voice call communications to just
2 mobile wireless telephones.

3 JUDGE BEAMER: So you're saying that if you just have the figure
4 on slide 48, it's just a standalone circuit that's not -- it's not in a mobile
5 phone. It's just strictly an RFID communicating with a Bluetooth that you
6 can make a voice call signal -- a voice call somehow using that?

7 MR. HOLT: I would say, Your Honor, in the context of Willgert, the
8 most straightforward way to understand how a voice call communication
9 exists for that piece of prior art is in the context of a mobile phone. I think
10 what I'm trying to say, Your Honor, is that we don't believe necessarily that
11 the concept of a voice call communication exists solely within the context of
12 a mobile phone.

13 In Willgert, it would exist because it's in a mobile phone, but the
14 claims don't say that you have to have a mobile phone to have a voice call
15 communication, and we know that because the dependent claims include a
16 choice between a personal digital assistant and a mobile wireless phone.

17 So even the claims of the patents themselves would encompass
18 other types of devices that the patent or patents and their specification
19 assume are capable of voice call communications, but we're not looking to
20 those other types of devices. Here in this particular combination, we are in
21 fact applying a mobile telephone.

22 JUDGE BEAMER: Okay. Thank you.

23 MR. HOLT: Any other questions?

24 JUDGE HOFFMAN: I'm not seeing any more questions.

25 MR. HOLT: Okay. All right. Then we can move to the third and
26 final issue, which relates specifically to the claims of the '947 patent, which

1 we can see on slide 52. As we see here, limitation 1.4 recites that "the RFID
2 signal is output in response to the mobile communication device determining
3 the mobile communication device is in an operational space of the RFID
4 reader based upon receipt of the RFID probing signal."

5 If we look to the specification of the '947 patent, we can see some
6 helpful description to understand what this means. We have the relevant
7 figure on slide 6, which is figure 2, and this is the figure with which the
8 patent describes this particular functionality, and the description for it is at
9 column 5, Lines 1 through 14 of the patent, the -- in this case, the '947
10 patent.

11 And not to be pedantic, but this is very short. There's only a few
12 sentences, so I'll just read those very quickly. "For the embodiment, one
13 RFID, e.g. an access key/identifier, such as an employee number, may also
14 be selected/designated as a default RFID, the output of which may be
15 emulated in a passive manner.

16 "That is, the selected/designated default RFID will be outputted
17 automatically whenever device 102 is within the proximal presence, or more
18 specifically, the operational space, of an intended RFID reader.
19 Accordingly, device 102 monitors for probing signals of an intended RFID
20 reader 120, or a type of RFID readers 120, to determine whether a" -- "a
21 device 102 is within the operational space of such an RFID reader 120," and
22 they refer here to block 205.

23 This description, in other words, is that if the communication device
24 detects a probing signal from an RFID reader, it has determined that it is
25 within the operational space of such an RFID reader, and this is confirmed in
26 figure 2 on slide 6. When you look at block 205, it simply asks the question,

1 have I detected an RFID reader? Again, the specification tells us that it
2 makes that determination based on any time that it receives a probing signal.
3 That's exactly what happens in the prior art and the combination of Willgert
4 and Mooney.

5 On slide 54, we see particularly relevant disclosure from Willgert
6 from Paragraph 17. It says, "The transponder is thus adapted to receive a
7 query signal sent from a" subtly -- a -- "a suitably known communicator and
8 therewith reflect the received signal while modulating the signal with a pulse
9 train."

10 It's only responding when it receives a query signal, and this was
11 explained in greater detail in the petition itself at Page 24. The
12 query/transponder signal also represents a probing signal because receipt of
13 the signal by the RFID transponder 2 causes it to perform an appropriate
14 action based on the signal type of the query transponder signal, e.g.
15 reflecting by the modulator 4 if the received signal is a read signal or
16 decoding the signal and entering into memory if the received signal is a
17 write signal.

18 That is, the query/transponder signal instructs the RFID transponder to
19 perform an action which a POSITA would have understood and found
20 obvious probes the RFID transponder 2 to perform a corresponding action.
21 Thus, unlike the prior art that was distinguished during prosecution, Willgert
22 is not responding to any signal that it receives. It is specifically identifying a
23 query signal and responding when it receives that query signal. That's
24 exactly what's described in the patent in column 5 and in figure 2, and
25 because the Willgert-Mooney combination does exactly what the
26 specification does, it also does what the claims say.

1 Any questions?

2 JUDGE HOFFMAN: Not hearing any questions.

3 MR. HOLT: All right.

4 JUDGE BEAMER: I'm sorry. Sorry, Counsel, could you repeat the --
5 why you distinguished the prior art that was cited during the prosecution?

6 MR. HOLT: Yes. During the prosecution history, the applicant had
7 submitted a declaration from an expert that specifically talked about the
8 prior art, and specifically, it was the Zalewski reference. And it described
9 the Zalewski reference as having a transponder that will turn on whenever it
10 has a sufficient RF field available to power it, and it will automatically try to
11 respond, is how the declaration characterized that reference.

12 And the issue that was being identified by that expert was that the
13 transponder in the reference was responding to any given signal, so there
14 was no detection or determination being made. It was simply that it was
15 receiving an RF signal, and as long as that RF signal was large enough, high
16 enough, of great enough magnitude, to power the transponder, the
17 transponder would try to respond.

18 Willgert is different than that, because Willgert only responds in the
19 presence of a query signal. It is detecting a query signal, and therefore, just
20 like the patent, when it does detect a query signal, it is by definition within
21 the operational space of an RFID reader.

22 Did that answer your question, Judge Beamer?

23 JUDGE BEAMER: Yes. Thank you.

24 MR. HOLT: All right. If there's no other questions, then I reserve the
25 rest of our time.

1 JUDGE HOFFMAN: All right. Thank you very much, Mr. Holt. I
2 don't see any more questions from the panel, and I will add 16 minutes back
3 to your time to account for some of the technical difficulty that we had
4 earlier.

5 MR. HOLT: Thank you, Your Honor.

6 JUDGE HOFFMAN: Gives you 46 minutes.

7 Mr. Gilman, how much time would you like to reserve for rebuttal?

8 MR. GILMAN: If I could please reserve 15 minutes, Your Honor?

9 JUDGE HOFFMAN: Sure. All right. You may begin your
10 arguments when you're ready.

11 MR. GILMAN: Okay. Thank you, Your Honor. May it please the
12 board, Timothy Gilman from Kasowitz on behalf of Patent Owner Varia. As
13 Petitioner pointed out when they began their presentation, we have three
14 patents that are all in the same family, that all have the same title, the same
15 abstract, and the same field of invention, and we'll start to get into that in a
16 minute.

17 But I think that it's helpful to start with slide 3 of our presentation and
18 talk initially about what the purpose -- what the challenge being confronted
19 by the inventions were and what the patents were doing to purportedly
20 overcome what that challenge was.

21 And just as a matter of procedure, we for our base case references in
22 these proceedings picked the '984 patent, which -- the disclosures are largely
23 identical across the families. That is the first patent in the family, the first
24 patent to issue, which is why we went with it. To the extent that there are
25 differences that are relevant, I'll try to point that out on the record between
26 the three different proceedings and the three different patents.

1 As the patents at issue state, and we talked about this -- we heard a
2 little bit about this in Petitioner's presentation, there was a challenge in the
3 prior art using RFID tags, RFID transponders, fobs, they're referred to in a
4 lot of different ways, but that each fob was for a particular application, for a
5 particular door or particular key that you needed to use, a particular credit
6 card, and that as these RFID transponders started to become more prolific,
7 users were forced to carry more and more of these devices. It became more
8 and more cumbersome, and the patentee hoped to solve this problem by
9 streamlining them by being able to get around the problem of having to carry
10 multiple RFID transponders.

11 We -- I think it -- it's worth quickly touching on -- I'm going to slide 5
12 of our presentation, and I don't think that there's a disagreement between the
13 two sides, but this hasn't been, I think, as fleshed out as might be helpful in
14 terms of background in, what is an RFID transponder? What is the baseline
15 of the art that was being improved upon here?

16 And this is -- there are a couple of different points in the record where
17 it's pretty clearly laid out. This -- slide 5 of our presentation is from the --
18 their principal Willgert reference, but an RFID transponder is a reflector at
19 heart. That's the way that it's characterized in Willgert and some of the other
20 references. When a signal comes in, it reflects it back, adding some
21 modulation with the identity code of what it does.

22 Each device has one code. Returns one code at a time. I think this
23 was addressed during the principle presentation. You may be able to
24 reprogram it like a hotel keycard. You can program it for a different room,
25 but it's always one room at a time, one code, and that's all it can do. That's

1 what a transponder does. It just responds when it's in the -- within the
2 probing signal.

3 As used in the art, as used in Willgert, for example, this is the type of
4 transponder that it's talking about, and we'll get into Willgert, and we'll get
5 into comparing Willgert to the claims, but that it's this baseline technology
6 of a transponder with a single code that's automatically reflected whenever
7 it's in the energizing field of the probing signal.

8 On slide 6, there's another one of Petitioner's references, Exhibit 1011,
9 Freund reference, which also characterizes it similarly in terms of, what is an
10 RFID transponder? What is a tag? What is a fob? It's a chip that's
11 energized by the probing signal and reflects back to the reader that energy
12 with whatever the identifier is, the single identifier that it's been
13 programmed with.

14 There are two types of transponders that are discussed in these
15 references. Just very briefly, there's passive and active. The only difference
16 is where they get their power from. They function in the exact same way. A
17 passive RFID transponder has no power source. It's actually energized by
18 the probing signal and then reflects it back. An active RFID transponder has
19 a battery to help boost that return signal, but it's still just reflecting back and
20 sending the single signal back to the reader to help identify the card,
21 whatever the application is, a key.

22 The Freund reference goes in and gives us the example. You might
23 need -- the passive type are very good for very close-proximity transactions.
24 If you can actually tap a lock, if you can tap a credit card reader, you don't
25 need an external power source. You can just use the signal itself to power
26 the reflection.

1 E-ZPass is the example that it gives for why you might need an active
2 one because as a car is traveling, if it's going to be 20 or 40 feet during the
3 interaction, you need to boost the return signal to make sure it gets back, but
4 otherwise, they work the same way. It's just a question of the range of the
5 return signal. Going to --

6 JUDGE BEAMER: Counsel --

7 MR. GILMAN: Yes?

8 JUDGE BEAMER: Counsel, I'm thinking of a key fob for my car. I
9 thought that was just sending it without receiving some sort of request,
10 which is a form of active.

11 MR. GILMAN: So I think that there -- if I understand Your Honor's
12 question, there are a couple things that usually go on on a key fob, right?
13 There's the -- you can push the button and actually send a signal to unlock
14 the car. When you're in your car, and you're able to start the ignition, it's
15 because there's an RFID transaction going on with your key fob.

16 From personal experience, I know that there is a battery that helps
17 boost that return signal to the steering column so that it knows it's there, but
18 one of the things with the key fob is if that battery dies, it also functions in a
19 passive mode. If you actually put the key fob next to the steering column, it
20 lets you turn on and start the ignition as well.

21 But that ignition function is a -- I think a very good textbook example
22 of an RFID action, and I think that's one of the examples that's in the
23 specification, is specifically car keys as one of the RFID technologies that's
24 being used.

25 JUDGE BEAMER: Okay. Thank you.

26 MR. GILMAN: Oh, thank you, Your Honor.

1 On slide 7, if you go to slide 7 of our presentation, this is the
2 declaration of Petitioner's expert, Dr. Ding. I -- again, it's just to show, you
3 know -- to make sure that we're all on the same page as to what the
4 background technology is, a transponder, it's activated by the probing signal
5 and just reflects back a unique ID based on being energized being in the
6 field.

7 If we go back to slide 2 of our presentation, this is the background
8 technology that's being addressed by the three patents that are issued in these
9 proceedings and how they purport to overcome this. You know, there is this
10 challenge that each device has to be unique.

11 I think is -- that's raised during Petitioner's main presentation. You
12 know, if you have 11 key cards, could you just put that in a device? Well,
13 no. You couldn't just put 11 different codes in one phone because you
14 would need 11 different transponders in a phone. It wouldn't -- it would
15 become unwieldy. It wouldn't work. None of the art talks about doing
16 things that way.

17 The solution that underpins the three patents that are at issue here is --
18 you know, it's in the titles phrased as "emulated radio frequency
19 identification." It's talked about in the abstract as emulating the output of an
20 RFID transponder. And the field of the invention, and I'll get into this more
21 during claim construction, but on slide 2, there's one of these "the present
22 invention" statements of the specification where the present invention is
23 related to also this emulated radio frequency identification aspect of it.

24 And I'll get into this specifically with claim construction, but the core
25 of the invention of these three patents at issue is emulating what a
26 transponder does, and for this particular application, leveraging some of the

1 infrastructure of a smartphone to do so or a PDA to do so, so you're not
2 starting from scratch. It's not just the idea of emulation, full stop, but the
3 idea of doing it in this specific environment, which is why you have this
4 issue with voice call signals and also doing the RFID emulation.

5 I -- if we go to slide 3 of our presentation, this focus on emulation is
6 shown throughout the specification, the detailed description of the
7 embodiments. Again, "Embodiments of the present" invasion -- excuse me,
8 "present invention include an emulated RFID method." It's not just one
9 embodiment. It's every embodiment. Again, the "present invention"
10 language, and I think the quotation that's at the bottom of slide 3 from the
11 specification, it's emulating the RFID transponder.

12 And that, I think, tees up a lot of what the claim construction disputes
13 are, is this idea of -- how does this idea of the focus on emulation then
14 inform how we construe and apply the claims that are at issue? Slide 4 of
15 our presentation, Dr. Shamos, professor at Carnegie Mellon University, an
16 expert in these types of remote identification or remote payment systems,
17 you know, summed it up, having reviewed the intrinsic record, that the crux
18 of the invention is having the device behave as if it were an RFID
19 transponder, but without the actual physical RFID transponder. The actual
20 transponder of the art had limitations, had a single ID, would not be able to
21 be used in the dynamic way of being able to present multiple different
22 identifications, being able to do things dynamically, choose one as a default,
23 choose other ones you could select on the fly, have menus when you're in a
24 probing area. Because the transponder itself is just a reflector and the patent
25 was trying to improve upon that technology.

1 JUDGE BEAMER: Counsel, are you saying that the claims require
2 these were more advanced?

3 MR. GILMAN: I'm sorry, Your Honor. Could you please repeat
4 that?

5 JUDGE BEAMER: Well, you have here one or more. Which, for
6 instance, one or more, do the claims require the "or more" or it's just one?

7 MR. GILMAN: For -- oh, for the -- some of the dependent claims
8 require second signals. Some of the independent claims, it is phrased as one
9 or more. But I think if we go into the context of the claims, if we go to slide
10 8 of our presentation, I think the -- this is Claim 1 of the '984 patent of the
11 first patent to issue, and the one that it -- the -- a lot of the prosecution
12 history addressed this claim. So I think it's helpful to focus on this
13 exemplary claim.

14 It is -- I think that the -- as shown here, the overall context of the
15 claim, it's reciting a transceiver that's configured to output an RFID
16 transponder signal in the second stage when it's activated by the query
17 signal. And this context of you're having a transceiver that you're changing
18 to be able to do the role of what a transponder traditionally did, sets the table
19 for, how are you going to interpret it? What did these RFID transponder
20 signal terms mean, in this context, given this intrinsic record?

21 Turning to slide 9.

22 JUDGE HOFFMAN: I'm sorry. Can you make that point again? I
23 think I didn't follow. I just didn't follow you.

24 MR. GILMAN: Okay.

25 JUDGE HOFFMAN: If you could just repeat.

1 MR. GILMAN: So this is -- so the idea of the transponder is, it's a
2 single code that's reflected back when you're in the energizing field and there
3 were drawbacks that were noted by the prior art. The way that the claim is
4 structured, is that you're having a transceiver -- a transmitter receiver
5 structure in the '984 patent, there are different predicate structures in the
6 other patents, too, with a transmitter or other communication circuitry. But
7 you have a transceiver that outputs a transponder signal in the claims. And
8 that's a very intentional choice for all of the claims, and I think the
9 prosecution history helps illuminate what's going on with this -- I'll jump to
10 that in a second, of what does it mean to have a transceiver that outputs the
11 transponder signal. And especially in the context of wanting to emulated
12 RFID.

13 You know, briefly on slide 9, there are three different grounds for
14 each of the petitions. They largely center around Willgert. There's a slight
15 difference in the claims that are impacted by the different grounds that
16 obviously may be relevant to the decision here. But if we turn to slide 10,
17 you know, starting with Willgert, the background of Willgert, it wants to be
18 able -- because sometimes you use Bluetooth for identification, sometimes
19 you use RFID for identification. It wanted to have a single unit that's
20 capable and has the flexibility of doing both. But it -- it's very clear that the
21 way that it's constructed and all the embodiments, you take a transponder,
22 and you put a transponder inside the unit to function as a transponder. That's
23 the core of what Willgert is doing.

24 If we turn to slide 11, the embodiments it describes figures 1 and
25 figure 2 of including the transponder 2 in accordance with a so-called RFID
26 system. And it's clear in Paragraph 17 that the transponder 2 is of the kind

1 known per se. This is just a traditional prior transponder that's being put
2 inside a device that also has Bluetooth. They share an antenna. They share
3 some of the other components, but this is a transponder functioning as a
4 transponder.

5 Turning to slide 12. There is a high-level reference to doing this in --
6 within a telephone -- within a mobile phone. I think, Judge Beamer, as you
7 pointed out, and I'll get to in the more substantive arguments on the grounds,
8 that's not really explored in the petition about how the telephony actually
9 interfaces with the RFID or with the Bluetooth functionality. The three
10 paragraphs here don't give you any detail on how you would integrate these
11 with an existing phone architecture, or how they would overlap or not
12 overlap. And again, in Paragraph 31, it -- it's clear that in Willgert's
13 implementation that the transponder is still functioning as a transponder in a
14 classical sense in the Willgert implementation.

15 JUDGE BEAMER: Counsel, going back to your figure 1 of the
16 Willgert, which shows in the transponder section, there's control logic. And
17 then over on the left-hand side, there's a control unit, which is not indicated
18 as part of the transponder. But then I see in Paragraph 16 -- I'm sorry,
19 Paragraph 19 of Willgert, it says that, "The function of the control on units 3
20 is thus" -- can be "included in the function of control circuit 6."

21 So isn't -- this seems, to me, to be touching on what the patents
22 describe as leveraging components in the device through sharing between
23 the RFID function and the voice call function seems to be more than just
24 plunking an off-the-shelf transponder into the device. It's -- it seems to me
25 to be something quite different.

1 MR. GILMAN: So I think Your Honor is right there, is -- I think that
2 what Your Honor had cited is the extent of the discussion of how you might
3 be able to have some combination of what's the control function of 3 and
4 structure 6. I think the more important point is that the overall structure 2,
5 the modulator for what's going to be reflecting the signal, is a traditional
6 transponder hardware. It's a traditional transponder approach. It's acting as
7 a transponder with a single code that can be written. I believe, as the -- as
8 Willgert references it, what 3 can do is it -- if there's a receipt signal that you
9 want to write the memory, like when you have your hotel key card and you
10 want to program it, that -- that's the function of 3, that there's the
11 programming, the actual functioning of the device for giving a signal for
12 being used for RFID is for, is the modulator is what's going to return the
13 signal. And that's not being used any way different than a transponder is
14 used in any of the prior art approaches as well.

15 And I do think in all of the descriptions of Willgert, if we go to slide
16 11, for example, in Paragraph 14 of Willgert, it -- it's very clear that it's keep
17 -- still keeping separate the receiver/transmitter for the Bluetooth
18 functionality from the transponder of the RFID signal, which I think, again,
19 reinforces the background of the inventions of the patents at issue here.
20 There's a difference between a transponder and a transceiver or
21 receiver/transmitter, and that part of the invention and part of the core of the
22 invention of the patents at issue here is using the transceiver to emulate, or
23 using the transceiver to send a transponder signal as opposed to having a
24 transponder send a transponder signal to overcome the limitations of what a
25 transponder can do.

1 The Mooney reference on slide 13. The problem being addressed by
2 Mooney is that when you had wireless phones that didn't have Bluetooth
3 capabilities and you wanted to use a Bluetooth headset, it's basically a jack
4 that would plug into the phone jack, and then extend into a Bluetooth
5 interface so you could use some Bluetooth devices.

6 Slide 14 showing the figure from Mooney and a little bit more detail
7 from the abstract about what's being claimed. It's just -- it's plugging into
8 the headset jack. The telephony application, the conventional wireless
9 phone 2 is just the standard functionality. It's not -- the Bluetooth isn't being
10 used for any actual call functions, for any actual telephony functions, it's just
11 for the audio interchange between the wireless device and the Bluetooth
12 headset that you want to use.

13 Briefly on slide 15, Holloway, in many ways, is similar to Willgert. It
14 talks about wanting to take a smart card that has some sort of RFID
15 functionality and add it to a phone. And again, it -- as shown in figure 1, it
16 takes a transponder, the chip, the smart card chip. Portion 16 and 17, it puts
17 them into the phone and they're still being used in the same way. They still
18 have all the limitations of transponder and they're still functioning as a
19 transponder.

20 And if we turn to slide 16, again, this is Petitioner's expert, Dr. Ding,
21 characterizing, again, Willgert and Holloway, that they're both describing
22 RFID transponder hardware being added to a mobile phone and then
23 ultimately functioning in a -- as a transponder would in those circumstances.

24 If we can move to slide 21, the two principal claim construction
25 disputes for the board. There -- there's a third term that for -- we have
26 proposed a construction for the wireless mobile phone limitation, where we

1 took a definitional statement from the specification. I think that's relatively
2 straight forward. I don't think that's the crux of the party's dispute here, but I
3 do think that is a -- that's a term for which there is a definitional statement in
4 the specification, so I don't think it's all -- it's really contested that that's the
5 proper construction if the board construes the term.

6 For voice call signals, you know, there are two parts of the
7 construction that we've proposed: the transmit and receive signals of a voice
8 call, and that over network of a wireless network service provider.

9 Petitioner focused a lot on that second point. I think it's actually the first
10 point. That's the crux of this dispute between the parties, is whether the
11 voice call signals have to be a voice call, have to be a call between two
12 parties that are exchanging a voice call.

13 If we turn to the next slide, 22, of our presentation, the patents are
14 entitled to RFID emulation, but they're clear that the primary function of the
15 device that they're starting with, that they're going to add. The RFID
16 emulation 2 is -- it's a communication device. It's made to facilitate a user to
17 communicate with another user. I don't think there's a dispute by that, and
18 that a voice call signal is the transmit or received portions of the voice call,
19 what's being exchanged between the two users.

20 In the embodiments that are discussed in the specification in the claims, this
21 is a wireless unit so that they are going over a wireless network service
22 provider system. But I think the more important point is that they're going
23 from one user to another. That's a call. A call is not from your headset to
24 your phone. If you're listening to something, the call is between two users.
25 That -- that's what the call is. And that's the primary function of the device
26 that -- that's recited in the claims.

1 The -- turning to slide 23. This is reinforced by the testimony from
2 Dr. Shamos, again, the expert in a lot of these payment systems and wireless
3 systems. You know, it -- it's not trying to read in an unusual meaning to this
4 term of voice call signal is the signal that's carrying the voice call between
5 the two users.

6 If we turn to slide 24, and this is from the declaration of Dr. Ding,
7 Petitioner's expert, what he does for voice call signals, and again, what he
8 does for the RFID transponder emulation signals, his general approach is,
9 you break it down into constituent words, and then you look up dictionary
10 definitions of those words, and then you reassemble it. And then that's his
11 starting point for what his constructions of the terms are.

12 You know, I think this is -- you know, we brief this as not the proper
13 approach under Philips. The intrinsic record is where you should start,
14 where you should read, what you should consult. You shouldn't start to
15 chop up the terms and you should -- definitely shouldn't start with extrinsic
16 references, even if there are dictionaries that the intrinsic record should be
17 controlling for what this term means. But when Dr. Ding does this towards
18 the middle of his discussion of it, okay, if voice calls include a telephone
19 call, okay, that sounds consistent with what we're saying. The call is the
20 call. It's going between two users.

21 He then has this dictionary definition of signal means a potential use
22 to convey information that's -- that -- that's a little bit, sort of, broader and
23 less definite and a little less clear what he means by that. But then as he
24 wraps things up, his conclusion is that a voice call signal is a potential for to
25 use to convey information relating to a telephone call. So it's -- he's moving
26 beyond the telephone call itself. He's saying it's information that's somehow

1 relates to the telephone call in order to then set up Petitioner's argument
2 about reading the Bluetooth headset signal on the voice call limitation.

3 If we go to slide 27, this construction is problematic. The -- you
4 know, the voice call is the interchange -- interaction between the two users.
5 This is now information relating to such a call as we began to bring up
6 during the deposition of Petitioner's expert, his definition seems to include
7 anything related to a voice call such as bills or maybe a call log. It leads to
8 results that don't make sense in the context of the intrinsic record here.
9 They're not the signals that are actually carrying the voice call between two
10 users.

11 If you go back to slide 25, this led to a lot of, sort of, redefinitions on
12 the fly during the deposition that the voice call signal, it's for the purpose of
13 transmitting voice. But then it could also just be about information related
14 to that voice call, not necessarily the voice call itself.

15 And then to get around the fact that it appeared that he was reading on
16 things like telephone bills and call logs that there should be some sort of
17 same session requirement or contemporaneous requirement read in. And I
18 think the fact that he had to keep back filling in more and more limitations to
19 try to make the construction make sense, just reinforce that it can't be the
20 proper construction of, voice call signal is a signal related to a voice call. So
21 it's either transmitting or receiving the voice call; a call is between two users.
22 That's -- and that's ultimately not met by any references that Petitioner is
23 relying on.

24 JUDGE BEAMER: Counsel, if I'm taking the Willgert's Bluetooth
25 combination that Petitioner is relying on with the assumption that it's in the
26 context of a mobile telephone of some sort. And I make a telephone call and

1 I'm listening -- I'm using the headset to talk and listen. Why isn't the signal
2 that's going to the headset the voice call signal?

3 MR. GILMAN: So the -- it is -- it's related to the voice call signal.
4 And that's why Petitioner phrased things that -- the way that they have. The
5 voice itself is not what's sent between the two phones. There's a specific
6 modulation, a specific encryption, a specific way that signals are exchanged
7 between the two phones and it's not the signal that they're pointing to. Some
8 of the information is decoded, reformatted, and then sent to the headset in a
9 way that recreates, ultimately, the voice that came into one end of the phone,
10 but it's not the signal that's being exchanged between the two users, between
11 the two phones, between the two devices. It's on the sender transmit side.

12 Turning to slide 28, unless there are other questions on the
13 construction for the voice call signal, I was going to jump into the RFID
14 transponder signal terms. The -- there are a number of different ways that
15 it's phrased. I don't think that there's a lot of disputes that these terms should
16 be construed consistently across the different cases. And, you know, I think
17 that the core of the dispute is what we've been talking about, is a transceiver
18 that sends an RFID transponder signal or other communication devices that
19 send an RFID transponder signal in this context, can that include a
20 transponder itself or do you need an emulation component? And do you
21 need an emulation component that replaces what the transponder would've
22 been in the prior art?

23 And again, turning to slide 29, you know, we looked at Claim 1 of the
24 '984 patent previously. Again, you have a transceiver that's being used to
25 send the transponder signals after the intrinsic record that we just, you know
26 -- again, to explore.

1 But if we turn to slide 33, you know, the intrinsic record of what these
2 patents cover, you know, it's not -- this isn't a question of the -- is there one
3 embodiment that talks about emulation? Is there one example that uses
4 emulation of a transponder? This is the title of the patents. This is what the
5 abstract says the inventions are directed to. You're emulating the output of
6 an RFID transponder. That's the whole point of what's trying to be
7 addressed by the inventions here.

8 If we turn to slide 34, you know, throughout the specification, you
9 know, every embodiment talks about emulating an RFID transponder, and
10 the detailed description of the invention too. It's not just individual
11 embodiments. There are a lot of descriptions where it says the present
12 invention is and gets into the emulation of an RFID transponder signal. The
13 totality of this record we're not -- it's not trying to read a given preferred
14 embodiment into the claims. This is what are the patents directed to, what is
15 the public on notice of? If the title that says RFID emulation, if the abstract
16 that says RFID emulation, the preferred -- the detailed description of the
17 embodiment, these definitional statements of the present invention is --
18 provide that function of telling the public that these patents are directed
19 towards emulation of an RFID transponder.

20 JUDGE HOFFMAN: Counsel, but the fact that you used emulation in
21 the title -- or I'm sorry, the patent owner used emulation in the title, okay,
22 and in the spec, but it's not in the claims which Petitioner raised. Can you
23 respond to that? Oh, and I'm sorry. It's not in the independent claim, but it
24 is in -- it is in Independent Claim 6.

25 MR. GILMAN: So that -- yeah. I think that the first point, just to be
26 clear, is that I think it's Claim 9 of the '984 patent and Claim 6 of the '974

1 patent do include emulation in the dependent claims as well. And so I think
2 at a minimum, you know, the -- all the prosecution history start statements
3 about emulation, all of the distinguishing in -- of Zalewski, all the
4 distinguishing of a transponder apply at a minimum to those claims, those
5 two claims.

6 If we go -- I think it helps to look. If we look at slide 37 and
7 understand how the claims got to where they ended up. Initially, there were
8 the claims that were explicitly recited, emulation consistent with the title, the
9 abstract, everything that the patent was phrasing it. As you know, these
10 patents are about emulation, RFID emulation. And when phrased that way,
11 which is now still what those two dependent claims include. The first two
12 statements from the prosecution history here from Exhibit 1002 at 236. A
13 transponder can't emulate a transponder because it that -- the whole point of
14 emulation is, it's something else appearing to be acting as -- serving in the
15 role as what you're emulating. A transponder can't emulate a transponder.
16 Merely having an RFID transponder is not what this invention is about.

17 If we then go to slide 25 of Apple's presentation, when the claim was
18 amended. And I think that the prosecution history the examiner was
19 struggling with, okay, what are the boundaries of this emulation then? I
20 don't know if I'm comfortable using this to distinguish the Zalewski
21 reference. So the claim was amended as shown in -- on slide 25, this is
22 getting close to the final language that was ultimately allowed for the '984
23 Claim 1. What the patentee did was, they changed what was recited in the
24 claims as a component for performing the RFID function to explicitly say it's
25 a transceiver. The transceiver outputting the first data in the -- in a format of
26 the -- that would be recognized by the RFID reader that was later then

1 specifically amended to be in an -- in the RFID transponder signal format or
2 as an RFID transponder signal. So the patentee went back and rewrote the
3 claims to specifically lay out what our position is what that emulation is. It's
4 taking one structure of the transceiver and using it to replace and look to the
5 reader like it's a transponder.

6 And that is what emulation is. It's rephrased. They did take the word
7 emulation out of the claim. They left it in the dependent claims so it came
8 off of that. It was taking emulation out of the independent claims wasn't
9 meant to broaden the claims, that wouldn't have made sense in trying to
10 overcome a rejection that you wouldn't broaden the claims. That -- I think
11 the clear intent here from what the patentee was doing is that they're trying
12 to more specifically show to the examiner, what do we mean when we say
13 "emulation"? It's this. It's using a transceiver to look like a transponder, and
14 to send a transponder signal, even though it's not a transponder.

15 And then if we go back to slide 37 of our presentation, this last
16 quotation from the prosecution history, from Page 197 of Exhibit 1002,
17 that's the applicant's statement when it made the very amendment we just
18 talked about. So this is the applicant in real time saying, why did they make
19 this amendment? What did they mean by it?

20 It was, again, to distinguish Zalewski as having a separate component,
21 the transponder. The emphasis here was in the applicant's original
22 submission to the patent office to. And that amended Claim 1, which, again,
23 gets very close to then how the '984 Claim 1 issued, uses a transceiver,
24 eliminating the element taught by Zalewski. It eliminates the transponder by
25 using a transceiver to look like a transponder, by using the transceiver to
26 send the RFID transponder signal. And you no longer have a transponder

1 itself in the device. That's what the patentee said, that amendment that
2 Petitioner pointed to and that we just looked at, was meant to emphasize.
3 That it's trying to claim a device that does not have a transponder, but is able
4 to fulfill that role and that function for RFID communications.

5 We go back to Slide 36. Again, just a little more context from the
6 specification in the intrinsic record. It -- this whole ability to emulate RFID,
7 to use a transceiver instead of a transponder to do it, or to -- is what enables
8 the benefits that are recited in the patent specification. You can now select
9 what code you want to return. When you're in a reader field, you can have a
10 menu of RFID options in one device, with one set of hardware, and not be
11 limited to a transponder that only can return a single signal anytime it's in a
12 field. You can have -- the user be able to select or designate a default to be
13 used for a passive thing that just want to be able to tap your phone and
14 always have one code up. But you can also, on the fly, change what you're
15 using and select from a menu if you're in a reader field.

16 And these are all things that are -- would be impossible with a
17 transponder, because a transponder is the only -- is only a single use, single
18 code reflection. The transceiver and doing it with other types of hardware,
19 other types of signaling structures within the smartphone, is what enables the
20 invention to achieve its goals. And what the patentee is telling in the
21 specification of how you achieve the ability to present different signals for
22 different contexts and actually be able to have the 11 different tags in a
23 single phone, which you couldn't do by -- just by taking 11 transponders and
24 putting it in one device.

25 The -- turning to slide 38, there are still the dependent claims that
26 recite the emulation. You know, I think that there are a couple implications

1 of this one is that, at a minimum, these require an emulating structure to be
2 able to be within the scope of these claims. And the transponder is not
3 emulating a transponder. But it also -- this isn't a situation where Petitioner
4 is saying there's some sort of claim differentiation argument or some sort of
5 other issue going on with our proposed construction. Our proposed
6 construction is consistent with the dependent claim here. And yeah, it also is
7 defining the RFID transponder signal as an emulated signal because it's
8 coming from a transceiver in Claim 1, but that's consistent with Claim 9
9 here, which is a second signal, which is a specific type of way of setting up
10 the RFID emulated signal as a passive reader for the second signal, sort of,
11 the default of what you want it just to be able to use if you just tap it, you
12 know, as you go through the Metro or tap it as you're checking out of a -- at
13 a checkout counter.

14 So it -- it's not -- there is, understandably, a little bit of tension in the
15 fact that they took out the emulation word from the independent claims. But
16 in the context of how they explained it to the patent office at the time and the
17 context of keeping it in the dependent claims, they weren't trying to broaden
18 the claim. And if anything, they were trying to more rigorously show what
19 emulation was. And it seems a little backward now to say, well, no, they
20 actually broadened the claim by doing that, by requiring a transceiver to
21 send the transponder signal somehow that no longer is emulation, and now
22 things that don't emulate can now be on the claim. And a transponder can
23 now be a transceiver for purposes of the grounds that they've raised.

24 Looking at slide 39. Again, this is Dr. Shamos, the Carnegie Mellon
25 professor, looking at the intrinsic record to construe what the RFID
26 transponder signal terms mean, and came to the similar conclusion of that,

1 that these are an attempt to embody the concept of emulation that's recited in
2 the patent. And the whole point of the patent is to not have a transponder
3 that you -- using a transponder get -- vitiates any of the benefits of the
4 patents, because the whole point is to be able to do multiple different return
5 signals, depending on the context and being able to combine multiple cards
6 and multiple access devices and multiple payment systems and multiple
7 loyalty programs and the other types of applications that are recited in the
8 specification.

9 It -- on slide 40, Petitioner's expert, Dr. Ding, at times seems to agree
10 that the patent is focused on an emulated RFID method, noting that my order
11 that is frequently mentioned; the specification of the embodiments. But then
12 on slide 41, again, what he does when he approaches claim construction is to
13 break it down to its constituent terms, try to get a dictionary definition for
14 each of those terms, and then reassemble it into what he's saying it should be
15 interpreted for context of this claim, which again, we posit is just the wrong
16 approach, you know, in general.

17 But when he does that, he -- again, he broadens signal to be any
18 potential use to convey information. RFID, which we see in the art and we
19 see in the references and we see in the specification, is a known term of art.
20 RFID is a specific type of communication. He then broadens to all
21 technologies that use radio waves because if you expand out the acronym,
22 radio frequency identification, and look at each word individually, it's
23 anything that deals with radio waves for identification.

24 And then he comes up -- reassembling this together to come up with
25 this composite that it's a potential use to convey information using radio
26 waves, which is completely separated from the problem being addressed by

1 the patents at issue here. The way that they're described, the way that the
2 embodiments and the invention are described. Again, the title of the patent,
3 the abstracts, the entire intrinsic record.

4 And turning to slide 42, you know, the -- of course, there's always a
5 little bit of tension of you shouldn't try to limit the claims to a specific
6 embodiment. You know, this is not anywhere close to that line of cases.
7 This is, you know, Columbia University, if you're consistently using the
8 terminology in a specific way. And I don't think in the Columbia University
9 case you were even in a situation where the title recited the important
10 feature, but the abstract recited it, where the detailed description of the
11 embodiment had a "the present invention is" statement that included the
12 relevant technological aspect that a person of ordinary skill in the art,
13 looking at this intrinsic record, would understand that these patents are
14 directed towards RFID emulation and we construe the claims, construe the
15 term a transceiver outputting a RFID transponder signal consistent with that
16 intrinsic record, which is an emulation of a transponder that doesn't use a
17 transponder.

18 It's not a question of disclaimer. It's not a question of lexicography. It
19 really is what -- what's the plain and ordinary meaning of the way it
20 presented in the claims in light of this intrinsic record, which is how that --
21 we have approached it how Dr. Shamos approached it and which explicitly
22 is not how Dr. Ding approached it supporting petition -- excuse me.
23 Petitioner's position.

24 On slide 43, just briefly, there was this new argument that was
25 introduced in petitioner's reply and in the reply declaration of Dr. Ding about
26 functional emulation. Dr. Ding's Declaration Exhibit 2009 -- oh, sorry.

1 Exhibit -- sorry. 1063. You know, the -- this is a term. It's not in the
2 intrinsic record. Functional emulation. It's not in any of the prior art
3 references. It's not in the petition. It's the late exhibit of their expert in his
4 reply declaration without a citation to any supporting material, which is -- I
5 think this is not competent evidence of what the definition of a -- of
6 emulation or the RFID transponder signal terms are. And even if it were
7 considered, it can't outweigh the intrinsic record that we've just been
8 discussing.

9 Turning to slide 46. The applicability of these claim limitations and
10 some of the issues around determining just laying out on slide 46 what
11 claims are impacted by each of these terms and the different arguments that
12 have been raised in the petitions and responses.

13 Starting -- going in order, starting with the voice call limitation; slide
14 48. It's at least Grounds 1A and 2. The petition, I think it's pretty clear, tries
15 to map voice call signals to the Bluetooth headset communication that's
16 going on when Willgert's phone -- and it -- when it's paired with a Bluetooth
17 headset, that is not the signal that's carrying the call between the users. It's --
18 and therefore the order of reference can't disclose that limitation.

19 On slide 50, the way that Petitioner has presented their case, this is
20 their combination of Willgert and Mooney. There's no disclosure of where
21 any telephony is occurring. There's no disclosure of where a call is
22 occurring. You know, there -- this idea that the Bluetooth headset has some
23 voice signal that ultimately might be re-encoded and resent as part of the
24 send and transmit function of the phone, that's a separate signal. That's a
25 separate communication. That's a separate exchange between the two users.
26 That's not what's being done with the Bluetooth headset itself.

1 Again, slide 51, Dr. Shamos looked at this. Agrees with this analysis
2 and this conclusion that the Bluetooth communication is not a voice call
3 signal. It's not a call and I think there's no dispute that if the Panel were to
4 adopt the construction that we've provided, that at least on slide 53, at least
5 the illustrated claims would not be unpatentable, if that definition were
6 adopted. Or any definition that required a call between two users.

7 For the RFID transponder signal terms, this affects every claim and
8 every ground that's at issue as Dr. -- on slide 54, as Dr. Shamos explained,
9 there is no ability for Willgert or Willgert with Mooney or Willgert and
10 Mooney in any of the other references for Ground 2 -- they don't emulate an
11 RFID signal because they use a transponder to send a transponder signal.
12 They don't emulate a RFID transponder signal so that they --

13 JUDGE BEAMER: Counsel, could you go back to slide 47? I don't
14 understand that entry next to voice call signals where you dismiss certain
15 claims.

16 MR. GILMAN: So these are claims -- if I have the mapping, right,
17 these are claims that are not subject to Ground 1B. I think there is a dispute
18 as to whether Ground 1B -- where petitioners have raised a separate or
19 purported to raise a separate theory regarding Willgert alone. But they did
20 not challenge these claims under that Theory 1B. So the -- it -- under their
21 Ground 1A, the combination of Willgert and Mooney, given our voice call
22 signals, proposed construction, at least these claims would not be
23 unpatentable.

24 I will briefly address the -- this Ground 1B argument they've raised
25 because their position is that Willgert says you could do Willgert on a
26 phone. Therefore, there is telephony that's going on somewhere. You know,

1 that -- we don't think that that's a well-argued -- that's a well-presented or
2 that's -- that carries the burden to show unpatentability. They don't go
3 through element by element for any of the claims. They don't actually have
4 any examples of it. So we think voice call signals, if the board were to adopt
5 our construction, would render every claim not unpatentable. But there is
6 this issue of Ground 1B, which they've raised a separate argument for.

7 JUDGE BEAMER: Okay. Thank you.

8 MR. GILMAN: I think going back to slide 55, the Willgert-Mooney
9 combination that Petitioners have advanced there is a transponder that's
10 being used to do the transponder function and send the transponder signals.
11 So we -- that -- that's outside the scope of the claims that we proposed to
12 construe them. It's not emulation and it's not emulation that does not use a
13 physical transponder. Slide 56. I don't think there's a dispute here. This is
14 from Petitioner's expert, Dr. Ding, just agreeing that this combination
15 includes RFID transponder 2 and so it would be outside the scope of the
16 patent under our proposed construction.

17 On -- turning to slide 57. The -- this issue of functional emulation that
18 was raised in the reply -- in the reply declaration, it wasn't applied to
19 Willgert, so I don't think it has ever been raised for the independent claims
20 of the three patents that are at issue here. So I don't think it actually is
21 grounds for any -- to challenge the patentability of any of the claims for any
22 of the patents. There -- because there's been no actual coherent theory
23 advanced for the independent claims of functional emulation.

24 The -- it has been discussed in terms of Holloway, but Holloway,
25 again, still uses the same type of transponder as Willgert does. The same
26 type of conventional prior art. I think it's smart card in that case versus

1 transponders that's described in Willgert. But as Dr. Ding recognized in his
2 declaration, they're both taking transponders and putting them into phones.

3 You know, the slide 58 -- this idea of what is emulation. And I think
4 to avoid this very dispute is why we included in our construction that
5 emulation means emulation in the context of a transceiver outputting a
6 transponder signal means you -- it's a different device. You don't have a
7 transponder and Dr. -- Dr. Ding in his deposition seems to agree that
8 emulation means you have a different -- it's a different thing. It's something
9 acting as, it's something mimicking, it's something that's stepping into the
10 role as it's not the thing itself. It can't emulate itself. I think as Dr. Shamos
11 put it -- agreed in his declaration, right? A transponder can't emulate a
12 transponder.

13 There was -- on slide 59 for the two dependent claims that did recite
14 emulation in the Claim 9 of the 984 patent in claim six of the '974 patent,
15 there was a little bit of verbiage in the petition about emulation there, but it
16 was clear from the way Petitioner presented it that it's a passive RFID
17 transponder that they're saying is doing the emulation step there. So the
18 RFID transponder is emulating an RFID transponder. I think, regardless of
19 the claim construction on the broader terms, that are issued; the RFID
20 transponder signal terms; that this does not carry Petitioner's burden. A
21 transponder can't function exactly as it does and be emulating itself, I think,
22 under any construction of the terms in this case.

23 In slide 60 -- and it summarizes some of the key evidence to support
24 this point that a transponder cannot emulate a transponder. The prosecution
25 history when the claims did have explicitly emulation in the claims, an RFID
26 transponder is not a component that emulates an output of an active RFID

1 transponder, being itself an RFID transponder. I think this is just the plain
2 language of what emulation means.

3 Dr. Ding in his deposition -- emulation means you're using a different
4 device to do the function and Dr. Shamos in his declaration as well, in
5 Exhibit 2004, again, points out, you can't -- a transponder can't emulate
6 itself. The whole point of emulation is you're doing a different structure to
7 do that role. And the intrinsic record, again, reinforces why having a
8 transceiver do that role opens up a whole new world of capabilities that you
9 couldn't have with a transponder because the transponder is limited to
10 having a single programmed return signal that goes out. And by having the
11 transceiver do it, you can have multiple codes stored on one device. You
12 can choose which one to do. You can choose to actively push it out. You
13 can choose to passively respond with a specific one in different
14 circumstances.

15 And I think, again, with the question of -- I think that's been raised by
16 the board. Is there a difference between the transponders when they're
17 integrated into these devices in the prior art versus when they're -- I think the
18 way the petitioner has phrased it, a standalone there. I think that's -- I -- I'm
19 not sure where that comes from. I don't think there is a standalone
20 transponder. I think the way that the patents at issue actually characterize
21 the prior art is the transponder can be incorporated in a car key. It can be
22 incorporated in a garage door opener. That -- those are some of the
23 examples that are given in the specification. So emulating the transponder,
24 it's not a question of is it a transponder that's now put on a car or is it a
25 transponder that has put in a phone? It's is it a transponder at all? That's the
26 distinction that the patentee was trying to make. It's not -- you're not

1 emulating something by -- this idea that there's an original device or a
2 standalone device and you're emulating it by taking the same transponder
3 component and using it in the same way as a transponder in a device. That's
4 not emulation. That's just using it in the same function that it's done before.

5 And the -- that approach to it, I think is contradicted by the intrinsic
6 record, which is already talking about multifunction devices that have a
7 transponder as being in the prior art. That's not the distinction that was
8 being made. It was a question of do you have a transponder at all? Because
9 in any application, if it's a multifunction device, the transponder returns one
10 code at a time, and that's all that it can do.

11 I do want to turn to slide 66 and address the determining limitation.
12 This is a limitation that's found in all of the independent claims of the '947
13 patent. So it implicates all of the claims that have been challenged in that
14 patent. It -- it's not implicated for the other two patents that are at issue in
15 these proceedings. So this is unique to the '947.

16 The determining step. And I'll go back in a minute to the
17 specification, but the determining step is a consequence of the emulation
18 that's taught in the specification. If you're not using a transponder, you need
19 some additional level of intelligence to tell the system when it should output
20 the signal. The transponder is just a reflector. If the probing signal comes
21 in, it sends it back. The response. That doesn't happen if you're using a
22 transceiver instead. You need some level of intelligence -- an extra step
23 that's going on in that context to be able to determine --

24 And here it is on slide 66 in the context of Claim 1 of the '947 patents.
25 There are now three discreet steps. You receive the probing signal, the
26 query signal that comes in. And then there's the determining step before --

1 and it's flipped around in the way that it's phrased in the claim, but there's a
2 determining step and then the output step. And you need to have those three
3 different steps because you now -- you detect the signal and then you decide
4 what you want to do and then you do it as opposed to just reflecting the
5 signal back, which is what was done in the prior art.

6 The slide 67, in trying to read transponders onto this '947 Claim 1,
7 you know, petitioner in their reply were very clear that the determining step
8 is automatically satisfied by the other -- by the receiving and then the
9 outputting step as their '947 reply brief at 24. And I think again, the
10 emphasis here was in the original from Petitioner, the final sentence, "In the
11 context, determining function is satisfied by receipt of the RFID probing
12 signal without further processing."

13 So I think it's pretty clear that they're just reading the determining step
14 out of their claim. They're saying you don't -- if you do the receipt step, then
15 you're automatically doing the determining step with no other analysis and
16 no other presentation. And the reason they have to do that is because of the
17 transponder of the prior art doesn't have to do that determining step. Doesn't
18 do that determining step. It automatically reflects.

19 If we go to slide 55 of their presentation, you know, that they -- in the
20 -- in their -- and in their principal presentation here today, they made much
21 of the fact that there is this -- the way that it's described in the specification
22 is that you can have a default RFID output automatically when you're in the
23 probing signal. This is what was quoted on their slide on slide 55 of that
24 presentation. They read actually a little bit broader because the next
25 Paragraph -- the very next paragraph of the patent specification says how

1 this happens automatically and it includes the three steps of receiving,
2 determining and then outputting.

3 And the fact that it happens automatically in this context, you know,
4 without user intervention doesn't mean that you're skipping a step. The
5 device has to be configured to still do the determining step in order to make
6 the output happen, in order to look like a passive transponder signal that
7 you're returning. Because you're not -- because you're not merely reflecting
8 it the way that an actual transponder would do.

9 On slide 68, again, we have Dr. Shamos's analysis of these claims and
10 points out this very flaw of the way that Petitioners have presented their case
11 and the prior art that they've relied on, that the -- there's this separate
12 determining stuff that's in the claims for the '947 patent and that's nowhere
13 actually presented in Petitioner's theories of the case. They look at receiving
14 and outputting and that they try to say that that's enough for a determining
15 step or that some determining step must necessarily be happening.

16 But again, that just officiates the limitation and reads it out of the
17 claim. That can't be the right application of determining -- it wouldn't be the
18 right construction, the term determining, to read out of the claim. It can't,
19 through application of the language, basically read it out of the claim either.
20 They essentially just have not met their burden of inducing evidence to show
21 that any of the prior art that they've relied upon does that determining step
22 and therefore for the '947, all of their challenge grounds should fail as well.

23 Claim -- sorry, Slide 69. Again, Dr. Shamos goes through this in
24 much more detail in his declaration, but that a transponder reflecting a signal
25 doesn't involve any intelligence, doesn't involve a separate determining step,
26 doesn't have to and wouldn't, and therefore all the grounds and all the art on

1 which Petitioners have relied would not be able to disclose or perform this
2 determining step

3 And turning to slide 71; the prosecution history for the '947 patent.
4 So this is going to be Exhibit 1002 in the '947 case and Exhibit 1009 in the
5 other cases. The patentee distinguishes Zalewski on this determining step
6 and made clear that -- or in the passage at the bottom of slide 71; this is from
7 Page 35 of Exhibit 1002 in the '947 case; that because Zalewski is a
8 transponder, it automatically assumes that it's within the operational space of
9 a reader anytime it's energized. Anytime it's powered on. Anytime it detects
10 this probing signal.

11 It doesn't determine if it's in the -- excuse me. Operational space of an
12 RFID reader at all. The passage above it explains accordingly in the middle
13 of that -- of the quoted language, "As previously described, the passive
14 RFID transponder described in the Zalewski will either obtain sufficient
15 energy from a nearby electric field of power on or remain off."

16 There's no separate determining step of it detects -- senses the field, is
17 energized by the field and determines whether or not to output the signal. If
18 it receives it, it sends it out. That's how a passive transponder works. That's
19 how all transponders works, is that they reflect the energy. And therefore
20 the only reason you would need to do this determining step is if you don't
21 have a transponder. But regardless of how those terms -- the RFID
22 transponder signal terms are construed by the board, the claims do require
23 the determining step. That's just not done by a transponder. So the
24 transponder art would not be able to render unpatentable under the claims of
25 the '947 patent under any construction.

26 Claim -- this --

1 JUDGE BEAMER: Counsel, are you saying that if an ordinary
2 transponder receives an RFID signal from just any RFID station, it will send
3 -- it will send its code? Or doesn't it need to determine that it's the right
4 RFID signal that it's receiving before it sends back its code?

5 MR. GILMAN: So any RFID device will be energized by a specific
6 type of probing signal and will only reflect back if it's the right type of
7 probing signal going in. The determining step of the '947 patent isn't
8 determining that it's the right signal coming in. It's determining that you're
9 in the operational space. It's are you close enough that you want to be able
10 to send back a signal? The prior art transponders, if it's the right signal
11 coming in, will just reflect it back automatically.

12 The problem with the claimed inventions of the patents at issue is
13 they're not using a transponder. They're using a transceiver. And so you
14 want to make sure for -- going to Metro turnstiles, you know, you want to
15 make sure that you're only energizing the one turnstile that's closest to you
16 where you're in the right space for as opposed to everyone that your phone
17 might be able to detect at one time. So that's why the determining step in the
18 context of the claims is specific to when you don't have a transponder that's
19 only going to reflect energy that's close enough to it and has enough energy.
20 You need to be able to make a determination is this the right time to send out
21 my RFID transponder signal code or not within the context of the claim
22 dimensions?

23 But that -- I know Petitioner raised that. That that's really what was
24 going on in Zalewski -- is Zalewski would be energized by any signal.
25 That's not -- Zalewski is a conventional transponder. It's only going to be
26 energized by the right type of signal coming in. That's not what was

1 discussed in the prosecution history. That's not what it -- was at issue. And
2 that's not -- the determining step is specifically tied in the claim to
3 determining you're in the operational space. It's a -- the physical parameter.
4 It's not the type of signal that's coming in, which again, would not be
5 implicated in the prior transponder applications.

6 And just turning to slide 72. You know, Petitioner's final reply point
7 on this, is that because you haven't construed the term determining and
8 because you haven't tried to argue for disclaimers that you can't distinguish
9 the prior art -- and I think that this also applies to their arguments around the
10 RFID transponder signal terms too, that somehow, if you don't have a
11 disclaimer or you don't have a disclaimer argument, you can't show that
12 you're not unpatentable. And I think that just turns the analysis on its head.

13 You know, none of these terms are questions of disclaimer and for the
14 determining step, it's not a question of even claim construction. It's just a
15 question of, do they do a determining step or not? And in their reply, they
16 say they're not offering a separate determining step. They're saying anytime
17 you receive it, the determining step must be satisfied as well.

18 That's not -- that doesn't carry their burden. That's not the proper
19 analysis and that doesn't show that these claims are unpatentable for the
20 '947. And more broadly for the RFID signal terms, it's not a question of
21 disclaimer -- of disclaiming transponder. It's a question of when you read
22 this specification, this intrinsic record that's top-to-bottom talking about
23 emulation -- when you see claim structure that it's a transceiver that's
24 sending out the transponder signal, the prior art that says emulation means it
25 you don't have a transponder -- but even once you take the emulation claim
26 out, that the whole point of having a transceiver send the transponder signals

1 is so that you don't have a transponder in it. That's just the plain and
2 ordinary construction of these terms in that context.

3 And it's not a separate argument that somehow they disavowed claim
4 scope that otherwise would've been appropriate in this intrinsic record. And
5 so we're not in the world of disclaimer, but you can -- it's still a -- you know,
6 a -- why the claims of the patent at issue aren't rendered unpatentable by the
7 art that they've raised. If they don't -- they just don't read that -- the art that
8 they've raised doesn't satisfy all the limitations of those claims. We don't
9 have to prove some disclaimer standard just to distinguish prior art.

10 I talked about this a little bit earlier. Claim -- or sorry, slide 74. This
11 Ground 1B, that petitioner has raised, too. I don't I don't know if Judge
12 Beamer is frozen.

13 Oh, okay. The Ground 1B that they've raised is --

14 JUDGE BEAMER: I can hear -- I can hear you even if the video feed
15 is frozen --

16 MR. GILMAN: Okay. Thank you, Your Honor.

17 The Ground 1B that they've raised is that if you just look at Willgert
18 alone, allegedly because of positions that we've taken in the litigation,
19 because Willgert has telephony disclosed at a high level, therefore that you
20 can just look at that and you can meet all of the limitations of the
21 independent claims as well.

22 You know, this isn't -- I think one of the challenges in responding to
23 this is it's not actually fleshed out in their petition what they mean by this.
24 There's no example. There's no illustrations of where the telephony signals
25 are in the standalone Willgert obviousness theory that they've raised or how
26 they overlap with the RFID signals. The idea of raising it based on a claim

1 construction that they don't agree with, the recent decisions, that's not a
2 proper basis in the first instance for -- to raise on a petition. But in any
3 event, just the short argument, the fact that Willgert itself has three short
4 paragraphs that just basically say telephone without saying a whole lot of
5 how does it even integrate? Do you need to do any processing of the
6 telephone side? Would you need to overlap any of the components or not?
7 Doesn't raise to meet their burden and doesn't show on the limitation by the
8 limitation that any of the challenge claims are rendered unpatentable by the
9 art that they've raised.

10 And I think as we showed -- or if we turn to slide 79, for example --
11 and this gets back to Your Honor's earlier question that why is there
12 distinguishing for the telephone call signals for some claims, but not all? It's
13 because they have raised this argument about Ground 1B for some of the
14 claims, not all of the claims. But at a minimum, it's -- I don't think it's
15 disputed that it -- if the board were to adopt our construction for a voice call
16 signal, at a minimum, the grounds that aren't in 1B would all be rendered --
17 would all be defeated, and that at least those remaining claims would be not
18 unpatentable.

19 Regarding Ground 2 that Petitioner have raised as well, it purportedly
20 builds on Ground 1. So any deficiencies for the independent claims of
21 Ground 1 aren't remedied by Ground 2. Ground 2 only addresses some of
22 the dependent claims as shown in this chart. As discussed in Petitioner's
23 submissions to the board. And so if -- they don't remedy on the RFID
24 transponder signal limitations, they don't remedy the shortcomings of the
25 voice call signal limitations or the determining limitations, too. So the

1 arguments that we've presented today would also defeat that ground the
2 petitioner has raised.

3 And just on slide 82, for example, the Ground 2 combination that
4 Petitioner has presented has the same transponder that we saw on Ground
5 1A. The same approach to arguing the independent limitations. And so if
6 the independent limitations aren't satisfied for Ground 1A, they would not be
7 satisfied for Ground 2 either, and all of the claims at issue would not be
8 unpatentable as well.

9 And again, there's on slide 83, and I think we might have touched on
10 this before, but it's not -- I don't believe it's disputed. I think this is a portion
11 from Petitioner's expert, Dr. Ding, who agrees that there -- there's an RFID
12 transponder that's incorporated in the prior art. That's the prior art that
13 they're looking at. It's an actual physical RFID transponder that's being used
14 as part of a broader device being used in the way that RFID transponders
15 historically were, including as part of multifunction devices, like car keys or
16 garage door openers.

17 That's not what the patents at issue here were directed to. That's not
18 how they improved upon the prior art. That's not how their claim, and that's
19 not what the intrinsic records supports in terms of construing their scope.
20 And under a proper scope, all of the grounds the petitioner raised should be
21 denied and the patents found not unpatentable.

22 Pending any further questions from Your Honors, I'll reserve the
23 remainder of my time.

24 JUDGE BEAMER: So throughout your presentation, you emphasized
25 the ability of the patents to emulate multiple different transponders as
26 opposed to the prior art references that the transponders are just able to

1 emulate one thing. Or not even the way -- you don't say emulated, but just
2 able to do one thing. But I -- I'm not sure, is that argument in the briefs? I
3 don't really remember that.

4 MR. GILMAN: I believe it was discussed in going through the
5 specification and the nature of the invention. I can see if I can come up with
6 some specific cites for Your Honor in our sur-reply time. But I believe that
7 it -- I don't believe that that's a new argument. I believe that that's the core
8 to the way that the invention is described in the specification, is that by
9 doing the emulated method by using a transceiver, is that you can present
10 multiple RFIDs through a menu.

11 I believe if we go to slide 34, for example. And here it cites to our
12 sur-reply at Page 8, but portions of the specification. And this is the '984 for
13 the line numbers that are specifically referenced, so this will be in all of the
14 specifications.

15 That -- see if this is the right -- sorry, slide 36. Which I'll -- which
16 refers to the sur-reply at Page 8. That you're able to provide this list of
17 RFIDs stored in the device as opposed to having a single RFID in there from
18 the transponder. And the user is able to select one of the RFIDs and instruct
19 the device to output a selected RFID, which again is only -- you're only able
20 to do because you're not a transponder. Because you don't have a single
21 code that you can return.

22 But you're a transceiver that you can send whatever signals you want.
23 And therefore you can have a menu and you can have stored as many
24 different codes as you want, and you can select on the fly how you want to
25 respond.

1 But I believe that to Your Honor's original question, I believe the sur-
2 reply at Page 8, and I'll see if there are additional citations that directly
3 address your point as well.

4 JUDGE BEAMER: Okay. Thank you.

5 MR. GILMAN: Thank you, Your Honors.

6 JUDGE HOFFMAN: Thank you, Mr. Gilman.

7 Okay. Mr. Renner, you now have 46 minutes for your rebuttal and let
8 me know when you'd like to begin and I'll start the timer.

9 MR. RENNER: Thank you, Your Honor.

10 Just a moment.

11 Okay, may it please the board -- okay, ready.

12 Thank you, Your Honor.

13 Judge Beamer, I think you put your finger on a couple of the points.
14 One being the last comment made. I don't believe that was an argument that
15 was fairly developed in the record. You'll notice that the citations were all
16 to the sur-reply and they were at that just citations to the evidence, not even
17 arguments.

18 But nevertheless, I'll point out two things. One is that the primary --
19 the independent claims, they don't call for more than one RFID signal or
20 more than one emulation of anything. And you'll notice that, and I think we
21 may have been talking a little about that earlier in the conversation, that if
22 you have, like Willgert does, a device that, yes, it has its -- a transponder in
23 it, but it is written into and it's written into with an RFID, so it is emulating
24 some other external RFID.

25 And that's explained in our petition and supported by expert
26 declaration explanation. That this is a device in the combination that is

1 acting as a surrogate for another device, an RFID device, when it's in
2 operation. And when it gets close to a reader, there is a decision made.
3 There is a discernment made that it's close to that reader. You'll notice in the
4 Willgert discussion, figure -- slide 7 shows you the -- I believe the right
5 hardware. But it shows you a switch that sits above and atop the two
6 different sets of circuitry that would be implicated by Willgert.

7 And that switch is activated by decision making that includes decision
8 making on the idea that it is close to a reader, receives a probing signal, and
9 then makes a decision that would lead to the output of the kinds of signals
10 we're talking to. So that last argument with respect to whether or not there's
11 a determination, we believe that the record's pretty clear that we've alleged
12 that. And we think it actually is there in the combination today.

13 Your Honor, as for just shading between those two different points,
14 the notion of there being multiple different RFIDs. It's not only the case
15 there's written into one time. In the original petition we also alleged the
16 obviousness of since you can receive one, you can receive many. This isn't
17 something that's outside of Willgert's scope. And when you get to the
18 dependent claims where there is a actual further detailing of the need for
19 more than one RFID, we bring in Holloway just to make the point super
20 clear. We think that Willgert gets you there, but we bring in a secondary
21 reference and in it, you have a wallet and my colleague will talk more about
22 the fact that wallet has multiple RFIDs and it can switch between them, so
23 you can service indeed a switching between the RFIDs emulating any which
24 one that you need as you're encountering the reader that is within the
25 proximity that's appropriate for a probing signal.

1 There were contentions offered in my colleague's presentation on the
2 notion reminding us that they are using plain and ordinary meaning. They
3 are trying to say to us that these terms ought to be divorced of what would
4 be the common meaning, the sidewalk meaning, and instead be interpreted
5 the way they've asked us to interpret them. When we look at the case law on
6 how construction is done, we see that there is room for construction, of
7 course, moving away from the common meaning, if you will, of claim terms.

8 That's the whole point of claim construction. I hope you don't hear us
9 say otherwise. But here what you have is a complete divorcing of what
10 these claim terms mean. Claim terms in question, again I'll say is about the
11 end product. The subject of a process. It's a signal, right. A signal. RFID
12 signal. And what they're asking you to put into that signal through their
13 claim construction, both terms by the way, are processes. Processes not
14 articulated. Modifications of processes that are unarticulated. In the
15 negative limitation sense, you have a generating -- unclaimed generating
16 process that's now said to be narrowed to generating without the use of the
17 transponder.

18 Even the emulating step. You're talking about the use of RFID signals
19 in terms of its emulating. Now, we happen to meet that with our claim, our
20 prior art. But again, this is why resist and this is why we contend that there
21 is no appropriate construction here under the circumstances.

22 And yet again, in the negative limitation, I ask, where is the actual
23 support in the specification? Remember the Omega Engineering case? The
24 line of cases there it asks for this. And for good reason. We still don't hear
25 anything from the patent owner on this. You're not hearing anything and
26 you pointing to a specific disclosure. A some sort of a we are proclaiming to

1 the world that the way to do this is to exclude a transponder. They simply
2 don't give you that kind of disclosure here. And therefore, again, we would
3 contend that those claim amendments aren't sustainable, even if they were
4 put in in normal process.

5 As for the plain meaning of emulation, using a different device to do
6 the function is something that was talked about in my colleague's
7 presentation direct, which is why Willgert has done the job here. That's why
8 also Holloway does the job here. Recall, in each case we have those devices
9 emulating the output. That which was done by a typical transducing -- or
10 sorry, transponding RFID device. So standalone RFID devices do exist.
11 Standalone, you know, we talk about tags. We talk about these kinds of
12 devices. When they encounter passively, or actively, encounter passively a
13 reader, they excite, they energize, and in response they return the ID. That's
14 how they work.

15 So when you have devices like what we've proposed here with
16 Willgert, you're having a device that is coded with one of these IDs. It's not
17 a -- it's a -- it's the version of an ID that's out there in the world, a transducer
18 or transponder device. And when it comes upon a reader, what does it
19 produce? It produces the ID. What does that look like? That looks like
20 emulation. Holloway all the more. Holloway's got the whole wallet, so it's a
21 -- it's exactly what we're talking about.

22 We heard concerns expressed by Opposing Counsel over what he
23 characterized as the limited disclosure by Willgert --

24 JUDGE BEAMER: Question, Counsel.

25 MR. RENNER: Please.

1 JUDGE BEAMER: Just to clarify, you're not relying on Holloway for
2 any of the independent claims, right?

3 MR. RENNER: No, no, Your Honor. No. We were -- I was
4 mentioning Holloway to make the point that when you get to the claims that
5 are more narrowed and that speak, arguably, toward the need for more than
6 one RFID, we have Holloway in -- formally in the rejection of the grounds
7 that are here for you on this consideration.

8 We'd heard Counsel complain and offer concerns over what he
9 characterized as the limited disclosures by Willgert on control logic and
10 integration into the mobile device. Two observations, or I guess the primary
11 observation being that I call attention to the fact that the patent itself is
12 enormously limited in this regard. We're asking a lot more of the prior art, I
13 would believe, than we are of the claims or the disclosure in the prior art
14 itself.

15 The claims call again for nothing more than receiving a request for an
16 RFID piece of data, switching the control logic so that you end up enabling
17 output of a signal that would have this. And Your Honors may recall that
18 you received arguments from the patent owner pre-institution declining to
19 narrow the term transceiver in the way that they then had asked for it to be
20 narrowed so that you could try to work in some of the limitations we're
21 talking about now, and inviting the patent owner to offer arguments as to
22 why the circuit, a transceiver, would be narrowed through construction if
23 that was appropriate.

24 And we haven't heard anything since the ID came down in that. So
25 we don't have a narrow transceiver that we're talking about. We're talking
26 about transceiver and I think rightly it went out it's a broad term. It's a term

1 that could well be broadly interpreted, not to necessarily exclude a
2 transponder. Patent Owner did not take up the offer. It dropped the
3 argument and left these terms unbounded. So when we think about a lack of
4 disclosure, it's a lack of disclosure of what? Of what's claimed? No. The
5 claim is a broad claim and that's how they wanted their claims to read, and
6 that's what the hearing and we believe gives us.

7 As for the prosecution history, we heard a lot of intent read into that
8 today. But I would maybe ask Your Honors to -- well, I would just observe
9 that we've spent some time in that prosecution history and it was hard to read
10 that intent out of it. The -- using a transceiver to look like a transponder,
11 that was perhaps not quite as clear from that history, nor the -- nor consistent
12 with the claim, frankly. And nothing in the claim says more than using a
13 transceiver to -- says anything about that looked like a transponder. To this
14 point, the prosecution history that the patent owner had said -- pardon me,
15 that the amendments during prosecution were meant to show what emulation
16 was.

17 But we note that we're left with a claim where we're being asked to
18 push a lot of material into that claim in support of what was supposedly
19 thought to be attempted through that exchange with the examiner. There
20 were a lot of amendments there and I would submit to Your Honors that
21 there was intentionality of those amendments. And when you read the claim
22 as it's emerged from that, you don't see the details that we're talking about.
23 Why? I can imagine that they weren't intended, frankly. But for whatever
24 the reason, we, the public, look at the patents, we try to understand what
25 their meaning is, and we try to understand when we're inside or outside of
26 them, both for prior art sake and infringement purposes.

1 It's an important function, the notice function, and here somehow it's
2 failing badly according to the patent owner. I don't know that I agree. I
3 think that we are -- we're doing just fine. The claims are what they are and
4 we leave arguments to arguments unless there's a very clear, as the federal
5 circuit case law that I'd earlier read into the record tells us to do, indication
6 that you should narrow something. Clearer still with a negative limitation
7 that we have proposed before us here.

8 So I will read yet another, just because in sitting back and looking
9 through, as we were hearing the presentation, looking at cases, cited by
10 cases. The Chef America case. Again, we have the federal circuit telling us
11 that we interpret the claims as written, not as a patent owner had wanted
12 them written, you know. Thus, in accordance with our settled practice, we
13 construe the claim as written, not as the patentees wish they had written it.
14 Repeatedly we see consistently recognized that the courts may not redraft
15 claims, whether to make them operable, sustain their validity, what it may
16 be. That's just not the function. It's the patent owner's function.

17 We heard patent owner characterize the non disclaimed disclosures,
18 for instance in the title. And it just struck me when I was, you know,
19 witnessing, that reading them carefully, the title itself "Emulating RFID."
20 It's not emulating the specific hardware or not, or eliminating the hardware.
21 These references are not as specific as the patent owner would have us
22 believe, even if they were as dominant in a claim construction context,
23 which they are not.

24 Why does Willgert not describe a transponder as the patent owner
25 defines? Well, the patent owner says that transponders are single use, but
26 that's not what Willgert tells us. And that's not how we have interpreted

1 Willgert appropriately. And nor is it how the record has us seeing Willgert.
2 Willgert doesn't just reflect a signal. That's how patent owner has defined it
3 today, but that's not what's happening in Willgert.

4 In Willgert we see in the Paragraph I referenced earlier to Your
5 Honors, 22 I think it is, but -- or. In 23. Paragraph 23, we have Willgert
6 telling us. Here Willgert writes in it receives information. It writes in
7 information. So it can be reconfigured. Why is that? It's because Willgert
8 is being used to store RFID information so that its decision making tree can
9 then trigger on nearness to a reader and it can emulate, yes emulate, what
10 would be a nearby -- a -- an RFID device that has the ID that it now is coded
11 with. You can read -- you can write more into Willgert. This is what our
12 expert tells us. It's obvious that you'd be able to have the capacity in
13 Willgert to do this. But even if you didn't, at least the independent claims
14 are absolutely met. And we have evidence that suggests that it goes further
15 than that.

16 I'll -- as I'm looking here, I'll reemphasize the idea that Willgert also
17 has circuitry that is not just a conventional transponder in the following way.
18 And I think maybe, Judge Beamer, some of your questioning earlier had
19 gotten to this a bit. It's sharing circuitry. It's sharing circuitry in the same
20 way that the patent is talking about sharing circuitry. The two different
21 kinds of transmissions that are available in Willgert and in the patent, they're
22 frankly a -- an amalgamation of circuitry. And it creates the functionality of
23 a transponder. It creates the opportunity to put an RFID out and return it to a
24 reader that's looking for it. But arguably it's not itself even limited to what
25 they're trying to make a transponder into.

1 Functional emulation. I wanted to touch upon that. This notion of
2 functional emulation. That argument is not new. I want to make sure we're
3 understanding what their argument is. It's a primary argument put forward
4 in the petition. It's been labeled. It's been labeled as functional emulation,
5 because it's an easy descriptive way of talking about something. But Ground
6 1A, out of the box, the petition noted that the telephone provided by
7 Willgert-Mooney, that combination, that it involves a transponder being
8 implemented within a phone. And that renders obvious the notion of
9 outputting identity information that emulates RFID transponder output.

10 Well, that's the notion of functional emulation. What you're doing is
11 you're functionally producing that which would be normally thought to exist
12 on -- from a RFID transponder device that would as, you know, being
13 emulated. So this is a concept that was also talked about with respect to the
14 other of the elements or the other of the grounds. Ground 2, for instance, in
15 the Holloway teachings where you had that smartphone emulating the
16 functionality of a smart card in the same concept. Page 84 of Limitation 6.2
17 in the petition, you can see noted there that the phone provided by the
18 Willgert, Mooney, Holloway, Pitroda combination, it emulates functionality
19 of an RFID smart card, for instance. And this is the concept we're talking
20 about.

21 That interpretation of Holloway is confirmed by patent owner's expert
22 who in deposition confirmed that the incorporation of that chip, RFID chip,
23 within the smartphone, that it allows the smartphone to function as an RFID
24 smart card, and to thereby function emulate -- functionally emulate the RFID
25 smart card. So this is the same, again, concept that we're talking about.
26 Exhibit 1064, Page 63, if it's helpful, Lines 10 through Page 64, Line 2.

1 And he testified then that the mobile phone becomes an RFID smart
2 card by including that RFID smart card chip. Even if it were a new
3 argument, Axiom tells us it would be a proper new argument. Look at how
4 the claim constructions have come in and how they've evolved. And we are
5 allowed to respond to the claim construction arguments. But the reality is
6 we don't think it's an argument. We think this is something that sticks from
7 the very beginning.

8 The determining step. I guess I've talked to this already. We've
9 gotten to the switch above in the prior art -- the combination we've got.
10 You've got a knowledge base there because you have to understand whether
11 or not you're going to switch into the logic that is going to give you the
12 opportunity to output the -- to output the signal that you want for an RFID.

13 So from the standpoint of the RFID signals, I'm happy to take
14 questions. I'll otherwise ask my colleague to come in to give some rebuttal
15 remarks on the remainder.

16 Any questions on that?

17 Thank you, Your Honors, for your time.

18 JUDGE HOFFMAN: Thank you, Mr. Renner.

19 MR. HOLT: I'll pick up very quickly on the point that my colleague
20 was making.

21 If you look, for instance at our slide 45, you'll see a -- an excerpt from
22 the file history of the '984 patent. And I think this demonstrates the type of
23 arguments we saw in the prosecution history over and over again, with
24 respect to a couple of different references. But here it's the Cooper
25 reference. And it says, "Appellant notes initially that Cooper at no point

1 teaches or suggests that its" headset utilizes -- or "handset," excuse me,
2 "utilizes the same hardware to transmit both Bluetooth and RFID data."

3 And so the distinction there, as it was with Zalewski, is that there is
4 independent hardware that exists and is simply tacked on and that
5 distinguishes the invention, which has shared hardware. But the patent
6 itself, for instance, if you were to look at figure -- I believe it's one. Yes.
7 Figure 1 shows that the RFID portion does not have to completely overlap
8 from a hardware or software perspective with what existed in the phone on
9 its own.

10 And so the fact that there are some aspects of hardware in the Willgert
11 and Mooney combination that are separated out, like the modulator and the
12 control logic, which, as Judge Beamer correctly noted, can be integrated into
13 the control logic six, is not in and of itself an indication that this is
14 commensurate with the prior art that was distinguished during the
15 prosecution history. And again, to my colleague's kind of final point there,
16 the emulation here as demonstrated in the Holloway reference, is that the
17 capacity of this device to be able to take the role of a number of different
18 possible RFID devices that would operate in isolation on their own,
19 demonstrates that emulation is not in and of itself something that must be
20 separate from a transponder, however you want to define that.

21 As to the voice call signal limitation. Toward the end I believe Judge
22 Beamer asked a pertinent question, which is how is a voice signal not part of
23 a voice call signal. And I believe my colleague started talking about certain
24 modulation and certain encryption that makes up the signal that's exchanged
25 between the phones, and specifically between the phone and a base station.

1 And I'll note first and foremost that the idea of modulation and
2 encryption exists nowhere on this record. There's no evidence of it. But let's
3 engage with it for a second. It starts to make very little sense and fall apart
4 when you imagine, for instance, that the other device is not another mobile
5 device, but is instead a land based line, like a traditional PSTN type of
6 device, which is something that their own POR on Page 18 acknowledges as
7 a possibility here. That signal that then gets to the other device, which is
8 different than a mobile wireless phone, is going to be a completely different
9 signal than the one that they've defined here with their construction.

10 That's not a signal that is over a network of a wireless network service
11 provider. So does that mean that as soon as that signal then crosses over
12 outside of a wireless network service provider and doesn't have that same
13 modulation and encryption, it's no longer a voice signal? That just doesn't
14 make -- or a voice call signal, excuse me. I -- that just doesn't make a lot of
15 sense. The voice call signal is, when we look at the patent itself, and this is
16 even in the definition of mobile wireless phone, it says it's facilitating a user
17 in communicating with another user. So it's not simply the signal between
18 devices. It is facilitating communications between users.

19 Well, what are those communications? Those communications are
20 voice signals. That is the entire point of this. You only have a voice call if
21 you have voice signals. And a part of that chain in the Willgert-Mooney
22 combination is voice signals that are received by the Bluetooth headset and
23 transmitted to that user's wireless device, and then onto the remainder of
24 whatever system is being used for that particular voice call.

25 I'd also note briefly that if you were to take the definition that was
26 provided by the patent owner here and just plug it straight into the claims, it

1 would create redundancies that don't make very much sense. So their
2 definition, as we were just looking at, was transmit and/or receive signals of
3 a voice call over a network of a wireless network service provider. But
4 when you plug that into, for example, Independent Claim 94 -- Independent
5 Claim 1 of the '947 patent, which is on slide 52 of our demonstratives, it
6 would be that wherein the transmit and/or receive signals of a voice call over
7 a network of a wireless network service provider is output over a wireless
8 network and within a radio frequency range, and so on and so forth.

9 It creates the redundancy of the wireless network that's recited in
10 limitation of 1.5 of that independent claim. And I'll note that that limitation
11 just says a wireless network. It doesn't say what type of wireless network.
12 And so that type of wireless network should not be read into the phrase
13 "voice call signal" as Patent Owner is requesting. Pause.

14 Is there any questions with respect to the voice call signal?

15 Okay. And finally, just a couple of notes on the determining. On
16 slide 67 of Patent Owner's demonstratives, there was a -- I think a
17 misinterpretation of the petitioner reply. You'll see, at left, the excerpt from
18 the petitioner reply, and the patent owner was suggesting that receipt alone
19 of anything effectively would be meeting this. But our point was, it was
20 receipt of something specific, an RFID probing signal. That is, as I noted in
21 the opening arguments, this system, Willgert and Mooney, together have the
22 capacity of determining between types of signals that are received by the
23 communication circuitry. It's not just any type of signal that will cause the
24 Willgert RFID response signal to be sent. It is specifically an RFID probing
25 signal. And I believe I heard my colleague suggest that that's true of all

1 passive transponders, and that was true of the arguments made during
2 prosecution.

3 But the part of the declaration provided on slide 71 actually leaves out
4 a very important part of that declaration that completely contradicts what my
5 colleague was saying just there. In trying to distinguish Zalewski -- and this
6 is on Page 35 of Exhibit 2009. There is a discussion of Zalewski and how it
7 operates with respect to sufficient energy to power on about -- almost at the
8 bottom of the page right after footnote 6, it says, "This is evident considering
9 that the passive RFID transponder described in Zalewski may turn on and
10 attempt to transmit an RFID signal in the presence of an electric field that is
11 not provided by an RFID reader." That's the distinction that was being
12 made. The expert in that instance was suggesting that Zalewski will take
13 any type of RF energy that is sufficient to turn it on and will attempt to
14 respond to it by modulating that signal and reflecting it back.

15 That's not what happens in Willgert and Mooney. In Willgert, what
16 happens is the device determines specifically that it is an RFID probing
17 signal, and because it is an RFID probing signal, and not some other type of
18 signal, like, for instance, a right signal, it modulates and responds. That is
19 the determination. That is what is consistent with step 205 and figure 2 of
20 the patent.

21 Am I communicating with an RFID device? Yes. Okay. Then I
22 respond automatically. That's what Willgert does.

23 Any questions about that, Your Honors?

24 JUDGE BEAMER: So I think that I asked this before, but are you
25 saying that any RFID produced signal will trigger Willgert, or does it have

1 to be the one that corresponds to whatever Willgert is programmed to
2 respond to?

3 MR. HOLT: I don't believe that there is evidence on this record, and
4 certainly not disclosure specifically in Willgert, that suggests that it would
5 only be the RFID reader that is specifically associated with the ID that's
6 been programmed into that device.

7 Presumably, the probing signal that is being talked about in Willgert is
8 a specific type of probing signal. But nonetheless, the key is that -- and
9 again, this is consistent with the patent itself. The question is: Am I
10 receiving a probing signal from an RFID reader as opposed to some other
11 type of RF signal? If I am, then I'm going to try to respond to it by
12 modulating.

13 So I don't believe that the patent makes a distinguish -- distinction
14 between whether what I'm getting is an RFID reader of the specific ID or an
15 RFID reader of some other RFID reading system. It simply asks, have I
16 received an RFID reading signal? Yes. Automatically attempt to modulate.
17 And again, we see that in figure 2. And I would argue that that's exactly
18 what Willgert is showing.

19 JUDGE BEAMER: Okay. Thank you. This seems like kind of a
20 security problem. The problem, I can walk off to someone and send them a
21 probing signal to find out what they're sending back.

22 MR. HOLT: I understand, Your Honor. And I would agree, and I
23 would argue that we hear about these types of security issues with devices
24 that exist today. And so while there may be security issues with this
25 potentially, that -- that's not the -- those security issues are not addressed in
26 the patent itself, much less in the claims. And so while that may exist, and

1 I'm not saying that it does, because it's possible that Willgert assumes that a
2 PHOSITA would account for that. But the level of security in the Willgert-
3 Mooney device is certainly no worse than the security that's described with
4 respect to the patent.

5 Okay. If there's no further questions, I will see the remainder of our
6 time.

7 JUDGE HOFFMAN: All right. Thank you very much, Mr. Holt.

8 MR. GILMAN: Thank you again, Your Honors.

9 Starting with slide 41 of our presentation, the petitioners raises the --
10 this approach about using a sidewalk meaning of terms when you approach
11 claim construction. That is essentially what they've done, as exemplified in
12 their -- in Dr. Ding's declaration with Chevron.

13 Slide 41. What they seem to mean is that you take the term out of
14 context. You isolate each individual word and you get a dictionary
15 definition of each word. I think that's what they meant by sidewalk
16 approach. And that's definitely what their expert did.

17 And then I think the federal circuit has said, again and again, that's not
18 the right approach to claim construction. You don't isolate words out of
19 context. You don't ignore the intrinsic record. You don't try to come up
20 with what does this word mean -- this term or this word mean in isolation,
21 and then see if it's changed by the specification or the intrinsic record. You
22 look at the intrinsic record first, you see how the term is used, and you
23 garner its meaning to a person of ordinary skill in the art from that record.

24 The -- we heard a number of new cases today that weren't cited in the
25 petition or listed in the slides, Chef America and GE Lighting. So with -- we
26 might not be able to fulsomely respond to those specific cases right now, but

1 I think, as we've gone through the record, if we could turn to our slide 29,
2 what we're trying to understand is, what is the plain and ordinary meaning of
3 a transceiver configured to output RFID transponder signals? In the context
4 of an intrinsic record, where the title talks about RFID emulation, where the
5 abstract mentions RFID emulation, where the field of invention says RFID
6 emulation, the detailed description has. The present invention is language
7 referring to RFID emulation. And then the claim context itself, of having
8 one structured transceiver, that's outputting a signal that's normally from
9 another structured transponder. What is the plain and ordinary meaning of
10 that?

11 And as we presented in the papers that we discussed today, the whole
12 point of the invention is to be able to share what would normally be RFID
13 transponder signals without a transponder, that you're having one structure,
14 you're leveraging infrastructure that's already within the phone, such as a
15 transceiver, and you're doing that to be able to present a signal and overcome
16 the limitations of the prior art, overcome the restriction to only being able to
17 output one signal at a time.

18 The -- looking at the prosecution history on slide 37. What we had
19 looked at before, the final prosecution history quote from Exhibit 1002, sets
20 in the context after they took out the word "emulation" from the claim, and
21 they got very close to what issued as '984 Claim 1, that the distinguishing of
22 the prior art for having a transponder and that the new Claim 1 language,
23 having a transceiver that outputs an RFID transponder signal, is meant to
24 obviate the need for a transponder. That's what the patentee told the patent
25 office. That's what the patentee told the world. That's why they restructured

1 the claim to recite transceiver and recite outputting an RFID transponder
2 signal. And that's what the patent office ultimately issued.

3 That we -- if we go to slide 28, you know, there are a number of
4 different ways that it's phrased in the different patents, but I don't think it's
5 ever been challenged by Petitioners that these should all be construed
6 consistently and similarly, that it's all about outputting an RFID transponder
7 signal from a structure that's not an RFIP -- RFID transponder.

8 Judge Beamer brought up this question about it, does the -- do the
9 independent claims require and recite more than one RFID -- requirement
10 for more than one RFID transponder code to be programmed in? And some
11 of the -- some of the dependent claims do, the independent claims do not
12 require it. But the whole point of the invention is that you're enabling a
13 structure that can do it. And that's what's recited in claim -- in the
14 independent claims.

15 When we talked about this, that the ability to select an RFID
16 transponder, the ability to toggle between one and set one as a default is the
17 whole purpose of the invention throughout our response Pages 2 to 4, 36 to
18 37, in terms of the selecting limitations, specifically pages from our surreply.
19 So this is not a new argument, but this is the -- this -- it has always been
20 approximately the invention itself is the ability to do this and to come --
21 overcome the limitations of what transponders were able to do as recited in
22 the background of the invention.

23 This idea that Willgert -- you can program a different single-use RFID
24 code; I don't think that that's in dispute. I mean, I think that -- like my hotel
25 key card, you can program it, you can set one code, and then you're using
26 that one code for the rest of the time that you're using the card until you

1 reprogram it using another machine. And that's exactly what Willgert says.
2 It's functioning as a transponder. It does have a memory that, if you send the
3 right reset code, you can program it with a different ID, a different key to
4 use to open a door, but it's still using one at a time, and it's still functioning
5 as a transponder does.

6 JUDGE HOFFMAN: I'm still -- I'm sorry to -- just give me one
7 minute. Would you mind -- would you mind just taking a brief pause?

8 MR. GILMAN: Of course, Your Honor.

9 JUDGE HOFFMAN: Okay. So we'll just be off the record until
10 maybe about five minutes.

11 (Whereupon, the above-entitled matter went off the record at 4:46
12 p.m. and resumed at 4:47 p.m.)

13 JUDGE HOFFMAN: All right. Mr. Gilman, you can continue --

14 MR. GILMAN: All right. Thank you --

15 JUDGE HOFFMAN: -- on the record. Thank you.

16 MR. GILMAN: -- thank you, Your Honor.

17 If we could turn to slide 5. It's wrapping up the point on Willgert and
18 its transponder. You know, Willgert itself says what it is. It's a reflector.
19 You know, this is consistent with all the other portions of the prior art and
20 all the other record evidence that we -- we've looked at a transponder as a
21 reflector. It's encoded so that it reflects a signal with a unique identifier.
22 That's what Willgert's doing. And that you can pre-program it with a
23 specific signal to return as part of the reflection. But it's still a transponder
24 acting as a transponder.

25 This new argument that I think that came out today, that they don't
26 seem to be saying that their prior emulates a transponder. They're saying

1 their prior art emulates different kinds of devices or uses of transponders that
2 you're emulating a smart card by taking the transponder out of it and using it
3 for the exact same function in a different device. That's somehow
4 emulation.

5 I -- there's not record support of -- for this other than -- at most
6 testimony of Dr. Ding that this idea of emulation is, you can take a
7 component and do it exactly the same way that that component always
8 functions. But because you're putting in another device, that's now
9 somehow emulation. If anything, you're emulation -- emulating the device,
10 you're not emulating a transponder. It's still a transponder. And that's the
11 whole point of the invention of the patents that are issued, to get away from
12 a transponder because of its intrinsic and inherent limitations for how you
13 want to have a wallet full of different IDs, of different cards, of different
14 credit cards, access cards, and so forth.

15 The point about functional emulation -- you know, first of all, this --
16 the term functional emulation was never raised in the petition -- in any of the
17 petitions. It's not -- even as a concept, it was never part of any of the
18 challenges, especially not for the independent claims. That -- this was a new
19 concept that was raised, with due respect to colleagues that this was a new
20 concept that was raised in Dr. Ding's reply declaration, and in the reply for
21 the petition that is made up just from expert testimony, with no citation to
22 any art or any other record evidence that recognizes this kind of concept of
23 what's called functional emulation. This is just a new argument that was
24 presented in reply. In any event, it was not raised. Even the reply was not
25 raised for the independent grounds. It addresses Holloway, which is not

1 raised for any of the independent claims, so it cannot challenge the
2 patentability of any the independent claims.

3 I do want to talk quickly about the determining argument that
4 Petitioners have raised for the '947 patent. I think -- I don't know if we can
5 pull up Exhibits 1002 from the '947 case, from the 362 proceedings. But the
6 argument they're advancing here, and that they've advanced their petition, is
7 the exact argument that the patent office considered and rejected in deciding
8 to issue the claims.

9 On Page 11 of the -- excuse me. Sorry. Page 95 of the file history,
10 Exhibit 1002, in the '947 proceedings, the applicant specifically said that the
11 patent office argued that the step of determining if a mobile communication
12 device is in the operational space of an RFID reader can be encompassed by
13 an RFID responding to interrogation signals. Applicant respectfully
14 disagrees. In making such an argument, the patent office has completely
15 ignored an element of Claim 61. And that's exactly what's going on here.
16 The patent office then went on to recognize that the applicant was correct
17 here on Page 41, where the notice of allowance specifically noted this
18 determining step as being part of what distinguished the claimed inventions
19 from the prior art.

20 Looking at the -- our slide 67, the arguments Petitioner put forward
21 explicitly is that satisfying other limitations, satisfying the receiving
22 limitation necessarily and always then satisfies the determining step and
23 therefore carries the burden on proving the determining step is satisfied.

24 On -- in their requirement, Petitioner said, well, you have to look
25 beyond receiving. You have to say, in context, the determining function is
26 satisfied by receipt of an RFID probing signal without further processing.

1 It's not just the receipt of the signal, it's the receipt of a probing signal. But
2 that's exactly what the limitation is, receiving by the mobile communication
3 device a radio frequency identification, RFID probing signal, from an RFID
4 reader.

5 The -- their specific language on what they're relying on is just a
6 separate limitation. And they're -- what they've advocated for in their
7 petition, and they're applying here today, is that merely by satisfying the
8 receiving limitation, you're necessarily -- they've necessarily carried their
9 burden on the determining step. And that's just not the case. They have to
10 separately show each limitation to satisfy the prior -- by the prior art. And
11 they have it. They're relying just on other limitations to show the
12 satisfaction of the determining step.

13 And the reason is the same reason that the patents were allowed in the
14 patent office, because their theory on the determining step was already
15 rejected by the patent office, that this -- the ability for an RFID transponder
16 to respond to a query signal. It doesn't involve you're receiving and you're
17 outputting. You don't have to do the separate determining step. That's only
18 required if you're using a transceiver to do the work, and you need to make
19 the determination about what to do. You need additional intelligence rather
20 than just outputting. If you receive the right query signal, you send back the
21 response that you're supposed to send back.

22 Just a couple of final points on the voice call signal limitation. Again,
23 the term itself, regardless of how it's construed, but especially as we posted
24 it it should be construed. It's a call. It's a call, which is between two users in
25 the -- who has to be going between the two devices of the two users, and the
26 Bluetooth signal that they're pointing to simply doesn't do that. It's between

1 the headset and their phone. They don't actually point to the signal that's
2 being carried between the two different users.

3 And so we've offered what we believe is a -- the plain and ordinary
4 meaning in the context of the specification, that the voice call signal is the
5 signal that calls the transmit or receive signals of the call. They had Dr.
6 Ding walk through this a little bit earlier. I had Dr. Ding say it's related to
7 the call. Doesn't have to be the call itself, but the claim says the voice call
8 signal. And so we believe it's appropriate to restrict it, however construed or
9 not construed, to be limited to the signal that's -- that is the call itself. And
10 that's what they pointed to in the prior art and therefore they put -- fail to
11 carry of their burden on those claims as well.

12 This is a final point on slide -- on Holloway -- maybe starting on slide
13 63. It -- this idea of Holloway, and maybe Holloway does emulation even if
14 Willgert doesn't. Holloway is the same approach as Willgert, as Dr. Ding
15 recognized in his declaration. They're both taking a transponder, putting it
16 into a phone, using it for the same transponder function. It was done,
17 originally, either in a smart card or another application.

18 It's functioning just like it would do if it were still in the original
19 packaging. It's -- as Dr. Shamos explained, it's still a single chip that sends a
20 single signal in response. If we look at Page 64, Dr. Ding's deposition
21 testimony, he acknowledges that Holloway doesn't say anything different.
22 He tries to read in a broader teaching from Holloway, from a lack of
23 disclosure -- Holloway doesn't say anything other than you're taking this
24 RFID chip, and you're putting it in the phone.

25 And as Dr. Shamos explained, that means it's -- you assume that it's
26 functioning the same as it would be before you put it in the phone. Dr. Ding

1 says, well, it is not clear. Maybe you could do it other ways, but there's no
2 record evidence of any other way that's taught by Holloway other than the
3 transponder being used for a transponder function the same way it was being
4 done in the prior art, which, again, is the exact same aspect that was being
5 distinguished and trying to be overcome by the inventions of the patents that
6 are issued here.

7 Is there any questions from Your Honors?

8 JUDGE HOFFMAN: I do have one last question for you. I
9 appreciate you stopping at your time. Did you want to respond to
10 Petitioner's raising of the *Omega* case, and that reading in a negative
11 limitation into the claim isn't supported by the spec?

12 MR. GILMAN: Well, I think that there are two aspects of that. One
13 is that -- and maybe it's a matter of interpretation about whether a transceiver
14 that's outputting an RFID transponder signal, whether it's reading in a
15 negative limitation to say that that has to be something different than a
16 transponder.

17 But I think, in any event, the prosecution history that we looked at
18 after the claim was updated, I think it was Page 37 -- or sorry, slide 37, the
19 bottom quotation from the prosecution history is -- I think is a clear
20 disclosure of what is meant by the way that the claim was amended in the
21 way that it was phrased, which is to not have a transponder there. That the
22 whole point of having a transceiver that sends a signal is that it's not a
23 transponder, whether that's a negative limitation or whether that's -- they
24 don't carry their burden by pointing to a transponder for the transceiver
25 limitation, maybe as a matter of semantics, but I think it's clear. And the

1 notice function was satisfied with that. That is not within the scope of the
2 claims.

3 JUDGE HOFFMAN: Okay. Are there any further questions from the
4 panel? Okay. I'm not seeing any.

5 Counsel, thank you very much.

6 Thank you very much, Mr. Gilman. Appreciate that.

7 MR. GILMAN: Thank you, Your Honor.

8 JUDGE HOFFMAN: We appreciate both of your levels of
9 preparedness today. I think it was very helpful for the panel, and we'll take
10 this case under advisement and issue our final written decision in due course.
11 The panel will be leaving now, but please remain in the room to confer with
12 the court reporter to ensure that there are no questions regarding the spelling
13 of names or terms.

14 Thank you again.

15 (Whereupon, the above-entitled matter went off the record at 4:59
16 p.m.)

IPR2024-01362 (Patent 8,381,974 B2)
IPR2024-01363 (Patent 9,405,947 B2)
IPR2024-01364 (Patent 8,127,984 B2)

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