

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner
v.

DH INTERNATIONAL LTD.,
Patent Owner

Case No. IPR2025-00172
Patent No. 9,022,294

**PETITIONER'S AUTHORIZED RESPONSE TO PATENT OWNER'S
REQUEST FOR DIRECTOR REVIEW**

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
I.	PO’S NEW “ACTIVATION CUE” ARGUMENT MISCHARACTERIZES THE BOARD’S CONSTRUCTION AND THE CLAIM LANGUAGE.....	1
A.	PO’S NEW CONSTRUCTION MISINTERPRETS THE CLAIMS	2
B.	PO’S FIRST CHALLENGE IS AN IMPROPER NEW ARGUMENT	4
II.	PO IGNORES THE BOARD’S THOROUGH ANALYSIS ON THE ADMISSIBILITY OF <i>SUGA</i>.....	5
A.	PO REPEATS ITS UNSUPPORTED AND CONCLUSORY ARGUMENTS REGARDING THE BOARD’S STATUTORY AUTHORITY TO ALLOW SUBMISSION OF AN UPDATED TRANSLATOR’S AFFIDAVIT	7
B.	THE BOARD DID NOT IMPROPERLY SHIFT BURDEN TO THE PO	9
II.	PO’S CONFLICTING, UNSUBSTANTIATED ARGUMENTS REGARDING “CLOSE PROXIMITY” DO NOT WARRANT DIRECTOR REVIEW.....	10
A.	PO’S NEW CONSTRUCTION OF “CLOSE PROXIMITY” CONFLICTS WITH ITS PRIOR POSITIONS.....	11
B.	PO’S EVIDENCE OF LEGAL ERROR IS CONTRADICTORY AND CONFLICTS WITH THE RECORD.....	13
III.	CONCLUSION.....	14

TABLE OF AUTHORITIES

CASES

<i>Handi Quilter v. Bernina Int’l</i> , IPR2013-00364, Paper 10 (PTAB Sept. 13, 2013) .8	
<i>Hengdian Group DMEGC Magn. Co. v. Hitachi Metals, Ltd.</i> , IPR2017-01312 (PTAB Jan. 3, 2018)	8
<i>TSMC v. DSS Tech. Mgmt</i> , IPR2014-01030, Paper 11 (PTAB Feb. 3, 2015).....	8

STATUTES

35 U.S.C. § 318	1
-----------------------	---

I. INTRODUCTION

Patent Owner’s (“PO”) Request for Director Review (“Request”) turns on critical misunderstandings of the law and mischaracterizations of the record. As PO correctly notes—but then promptly disregards—Requests for Director Review of the Board’s final decision under 35 U.S.C. § 318 shall be limited to decisions presenting (a) an abuse of discretion, (b) important issues of law or policy, (c) erroneous findings of material fact, or (d) erroneous conclusions of law. PO does not establish that any of these threshold requirements are met. Instead, the Request misinterprets the record to raise improper new arguments and re-raises arguments the Board correctly rejected for lacking legal and factual support. Critically, PO fails to identify any reason for the Director to disturb the Board’s correct and well-reasoned conclusions.

I. PO’S NEW “ACTIVATION CUE” ARGUMENT MISCHARACTERIZES THE BOARD’S CONSTRUCTION AND THE CLAIM LANGUAGE

PO argues that the Board “committed a legal error by failing to properly apply the facts to the construed claim term ‘activation cue.’” Request, 9. According to PO, “[t]he Board properly constructed (sic) the ‘activation cue’ to require switching state and *cause the second data conveyance operation to initiate data conveyance over*

the second communication link.”¹ *Id.* at 3. It then argues that *Gorsuch*’s “beacon signal cannot function as an ‘activation cue,’ as *data transfer cannot be initiated when the state changes upon reception*, as required by the claims.” *Id.* at 8.

At its core, this is a new claim construction argument that mischaracterizes the Board’s construction and the claims. PO seeks to add an additional function to the Board’s construction of “activation cue”—that the activation cue *initiates* a data conveyance. But the claim language is unambiguous that (1) the activation cue causes the device to place a switching element into one of two states, (2) the *user initiates a data conveyance* via a control device, and (3) the data is conveyed via a first or second communication link, depending on the state. Ex. 1001, Claim 1. Consistent with this claim language, the Board found that, upon receiving an “activation cue,” the phone “assigns the switching element . . . to a first (activated) state *to allow a cell phone user to initiate a first data exchange* . . . over a first communication link.” FWD, 18-19.

A. PO’s New Construction Misinterprets the Claims

PO initially quotes the Board’s construction of “activation cue,” and then attempts to rewrite it. As the Request correctly quotes, the Board construed the term “as a data communication received by a cellular phone from an external source and recognized by the cellular phone *as an activation cue that causes the data*

¹ All emphases added unless noted otherwise.

conveyance switching element to be assigned its first (activated) state.” FWD, 20.

The Request then insists that the Board’s construction also contains an unwritten limitation—that the activation cue “must switch state *and cause the second data conveyance operation to initiate data conveyance over the second communication link.*” Request, 3. This limitation is not found in the Board’s holding.

To support its revised construction, PO points to Claim 1(h)(ii), which it contends describes the function of receiving an activation cue. Claim 1(h)(ii) reads:

[1(h)(ii)] if said switching element is in said second state, a second data conveyance operation **will be initiated** through the instrumentality of said second data transceiver for sending data from said electronic circuit to the second external data exchange **device over said second communication link.**

Request, 3 (quoting ’294 Patent, Claim 1(h)(ii); emphasis in original).

Claim 1(h)(ii) does not support PO’s new construction for two reasons. First, PO has it backwards. The switching element is placed in a *first state* upon receipt of an activation cue, but Claim 1(h)(ii) describes the operation in a *second state*.

Second, receiving the activation cue does not cause a data conveyance to be initiated as PO contends. Claim 1(h)(i) describes initiating a first data conveyance “upon said *control device being selectively triggered by the user to issue said invariable activation command*[,]” when the switching element is in the first state. ’294 Patent, Claim 1(h)(i); FWD, 17, 57-58. Thus, the claims distinguish between:

(1) *the phone* receiving an activation cue, which changes the switching element's state; and (2) *the user* triggering an invariable activation command, which initiates data conveyance. The Request improperly conflates these concepts.

Based upon that conflation, PO contends that “[t]he claims require that a data transfer be initiated when the state changes upon receipt of ‘the activation cue.’”

Request, 7 (emphasis in original). But neither the Board's construction nor the claim language imposes such a requirement. *See* FWD, 20; *see also* '294 Patent, Claim 1.

Because PO mischaracterizes the Board's construction and misunderstands Claim 1, it has failed to show any error on the Board's part.

B. PO's First Challenge is an Improper New Argument

This construction of “activation cue” proposed by PO is an improper new argument. Per the PTAB's guidelines, “[t]he Director will not consider new evidence or new arguments not part of the official record.” <https://www.uspto.gov/patents/ptab/decisions/director-review-process>.

PO now argues that “[t]he claims require that a data transfer be initiated when the state changes upon receipt of ‘the activation cue.’” Request, 7. However, PO never meaningfully presented this argument on the record.² The Request does not

² PO improperly attempted to introduce a similar argument for the first time during Oral Argument. *See* Hearing Transcript (Paper 30), 27:3-30:21; 36:14-38:20. When asked by the Board where in the record this argument was made, PO pointed to the

cite to, and Petitioner could not locate, such an argument in PO's briefing. Instead, the dispute concerning "activation cue" centered solely on whether the "activation cue" must be intended as a predetermined indicator. FWD, 14. The rules do not permit PO to relitigate an entirely new construction after the FWD issues.

II. PO IGNORES THE BOARD'S THOROUGH ANALYSIS ON THE ADMISSIBILITY OF *SUGA*

PO next re-raises its challenge to the corrected translator affidavit for *Suga*, which the Board has twice rejected—at institution and in its FWD—and which the Director has implicitly rejected in response PO's prior request for Director Review, following institution. Order Denying Director Review of Institution Decision (Paper 14), 2. PO contends that "[t]he IPR was improperly instituted, relying on an improper reference, as no indication of the validity of the translation was in the record at the time of institution[.]" Request, 13. PO is wrong.

argument in the POR on page 9 defining "activation cue" as a predetermined indicator. *Id.*, 37:2-17. Judge Easthom pointed out that this newly proposed argument contradicted PO's other statements and is not supported by the claim language—"But I mean, even what you [PO] just read, it says that the activation cue is designed so that it will initiate some further connection. I don't see where there has to be a connection established. And I was trying to look in the claim for that." *Id.*, 37:26-38:3. Further, PO admitted its argument does not apply if its claim construction was rejected, which it was. *Id.*, 37:18-25.

Petitioner filed a Translation Certification for the English language translation of *Suga* with the Petition. Exhibit 1005, 20. At institution, the Board found the Translation Certificate to be non-compliant with 37 C.F.R. § 42.63(b) and ordered Petitioner to file a compliant affidavit within 10 business days. Institution Decision (Paper 8), 18 n.6. Petitioner complied. Petitioner's Opposition to the Motion to Exclude (Paper 25), 3. It is uncontested that Exhibit 1017 contains the corrected affidavit and the identical English language translation submitted with the petition. FWD, 79. Nonetheless, PO re-argued the affidavit issue at the Hearing and the Board again rejected the argument, noting that "[o]n July 2, 2025, Petitioner complied with our order and filed a Translation Certification executed subject to the penalty of perjury warning under 18 U.S.C. § 1001 in accordance with 37 C.F.R. § 42.63(b). Exhibit 1017, 20." FWD, 79.

Among the many issues with PO's position is that, "[a]s a general matter, a request for Director Review of a final decision is not an opportunity to raise issues related to the Board's decision on institution, for example, whether a petition meets the reasonable likelihood standard or how the Board exercised the Director's institution discretion." <https://www.uspto.gov/patents/ptab/decisions/director-review-process>. The argument here is worse—not only was this argument raised to and rejected by the Board twice, but PO previously requested Director review of the same issue. Patent Owner's Request for Director Review of a Decision to Institute

(Paper 12), 8-12. The Director correctly rejected this request. Order Denying Director Review of Institution Decision, 2. PO provides the Director no reason to change course now. But, even if the Director were not to summarily deny this re-argument as improper, PO's arguments still fail on the merits.

A. PO Repeats Its Unsupported and Conclusory Arguments Regarding the Board's Statutory Authority to Allow Submission of An Updated Translator's Affidavit

PO first contends that the Board erred by allowing a corrected affidavit certification after institution and by accepting the form of the corrected affidavit. Without legal authority, PO insists that Petitioner should have been required to submit the updated affidavit before institution and that Exhibit 1017 (*Suga* with the corrected affidavit) should have "referenced" Exhibit 1005 (*Suga*). Request, 10-11. These same arguments were presented to the Board, who correctly found them "empty, unsupported, [and] conclusory":

Patent Owner is left with the following empty, unsupported, conclusory arguments:

1. ***A new affidavit filed after institution establishes that the Board improperly instituted an IPR*** having a single ground based on an unsubstantiated non-prior art reference. Mot. 2-3;

...

3. The fact that the translation with the replacement affidavit, ***Exhibit 1017, does not reference Exhibit 1005*** further supports that Exhibit 1005, relied on by the Board in its institution decision (paper 44), is

improperly relied upon, unsubstantiated prior art. There is no evidence in the IPR that Exhibit 1005 is prior art because it fails to comply with 37 C.F.R. § 42.63. *Id.*;

FWD, 80. PO does not identify any factual or legal error in the Board's analysis. Instead, it merely repeats the same unsupported arguments. Request, 10-11.

PO then pivots to contrasting *Hengdian Group DMEGC Magn. Co. v. Hitachi Metals, Ltd.*, IPR2017-01312 (PTAB Jan. 3, 2018), with the present case. Request, 11-12. PO declares that this comparison is instructive as “[t]he Board and Petitioner rely on the *Hengdian* IPR for support for their actions.” Request, 11. But the Board did not solely rely on *Hengdian*. It cited multiple other decisions recognizing the Board's authority to permit supplemental affidavits where the translator did not sign the original affidavit:

The Board has routinely allowed parties to submit supplemental affidavits to correct affidavits that were not compliant with 37 C.F.R. § 42.63(b). ***In fact, the Board has consistently allowed parties to submit compliant affidavits with changed declarants in instances where the translator did not sign the original affidavit.*** Mot. Opp. 2–3 (citing *TSMC v. DSS Tech. Mgmt*, IPR2014-01030, Paper 11, 3 (PTAB Feb. 3, 2015) (*compare* Ex. 1004 with Ex. 1012) (granting motion to file supplemental information in the form of sworn declaration of Japanese-speaking attorney under 18 U.S.C. § 1001 as a substitute for manager's declaration); *Handi Quilter v. Bernina Int'l*, IPR2013-00364, Paper 10, 2 (PTAB Sept. 13, 2013) (*compare* Ex. 1005 dated June 17, 2013 with

Sub. Ex. 1005 dated Sep. 18, 2013) (substituting translator declaration for manager's declaration)). ***That is precisely what happened here.***

FWD, 83-84. Thus, factually distinguishing *Hengdian* does not undermine the Board's thorough reasoning. PO fails to address, let alone rebut, the decisions relied on by the Board where a party was allowed to submit a compliant affidavit under materially similar circumstances to this case.

B. The Board did not Improperly Shift Burden to the PO

PO's contention that the Board improperly shifted the burden of proof from Petitioner to PO is likewise legally and factually deficient. Request, 13. Although PO does not identify the specific issue to which it believes the burden applies, the Request appears to challenge the burden associated with *Suga*'s admissibility. This assumption is supported by the procedural posture. PO's Motion to Exclude sought exclusion of the *Suga* exhibits (Exhibits 1005 and 1017), and the Board denied this motion in the FWD. *See* Motion to Exclude (Paper 24), 1-7; FWD, 77-84.

In a motion to exclude, “[t]he moving party has the burden of proof to establish that it is entitled to the requested relief.” 37 CFR § 42.20(c). Because PO moved to exclude *Suga*, it bore the burden of establishing inadmissibility. PO failed to carry that burden because, as the Board determined, its entire reasoning “is based on the faulty and unsupported proposition that the Translation Certification filed with Exhibit 1017 does not comply with 37 C.F.R. § 42.63(b).” FWD, 78. The Board

supported its finding with a detailed explanation of why each of PO's arguments were without merit. FWD, 80-84.

In any event, even if Petitioner bore the burden of establishing *Suga's* admissibility, that burden was satisfied. As discussed above, Petitioner demonstrated that the Board possessed the legal authority to permit an updated translator's certificate. Petitioner's Opposition to the Motion to Exclude, 2-4. Petitioner provided multiple PTAB decisions where a different affiant signed the corrected affidavit to support the admissibility of *Suga*. *Id.*, 2-3. Petitioner also confirmed that the English-language translation originally submitted with Exhibit 1005 was identical to the translation included with Exhibit 1017. *Id.*, 4; Hearing Transcript, 14:15-15:9. The Board found the cited decisions and the un rebutted fact that the *Suga* exhibits were identical as persuasive and ultimately agreed with Petitioner's position. FWD, 79-80, 83-84.

Accordingly, PO fails to identify any erroneous finding of fact, erroneous conclusion of law, or abuse of discretion warranting Director Review.

II. PO'S CONFLICTING, UNSUBSTANTIATED ARGUMENTS REGARDING "CLOSE PROXIMITY" DO NOT WARRANT DIRECTOR REVIEW

PO advances two arguments relating to dependent claims 8 and 16. Both blatantly mischaracterize the record and fail for lack of evidence. PO argues the Board "committed legal error be [*sic*] invalidating claims 1-20 when the Petitioner

failed to identify where in *Suga* and *Gorsuch* ‘a close proximity’ and ‘a range’ are both described or ‘close proximity’ is described as being closer or within ‘a range.’” Request, 13-14. At the outset, any alleged error with respect to dependent claims 8 and 16 could not extend to claims 1-7, 10-15, or 17-20. Nevertheless, PO’s allegation that the *Suga-Gorsuch* combination fails to disclose “a close proximity” is wrong.

A. PO’s New Construction of “Close Proximity” Conflicts with Its Prior Positions

The Request presents a new argument here after reversing course from the arguments it previously presented to the Board regarding its proposed definition of “close proximity.” Dependent claim 8 recites:

where the cellular phone is conveyed toward *a close proximity* of the first external data exchange device and *within a range to receive* the activation cue to initiate the wireless data exchange.

’294 Patent, Claim 8. Claim 16 is materially identical.

As explained in the Petition, the *Suga-Gorsuch* combination teaches that “a user device *must be in proximity to the W-LAN hub*, i.e., *within the coverage region 613* shown in annotated Fig. 5, below, to receive a beacon frame and subsequently transmit data with a W-LAN hub 611.” Petition (Paper 1), 61. In response to the Petition’s mapping, PO argued that “close proximity” should be construed as meaning one meter or less. POR, 11. The Board rejected that construction, noting the lack of support in the intrinsic record and that PO had

“advanced alternative and inconsistent constructions” in other proceedings. FWD, 25. The Board defined “close proximity” in functional terms to mean “*within a range to receive the activation cue to initiate the wireless data exchange[.]*” FWD, 26 (emphasis in original). Applying this construction, the Board found that the *Suga-Gorsuch* combination mapped in the Petition teaches Claims 8 and 16. FWD, 63-67.

PO now advances a new theory—that the “clear meaning” of “close proximity” is “that the range is less than close proximity.” Request, 14. This argument is nonsensical, unsupported by the specification, and contradicts previous positions taken by PO. For example, PO insisted in the POR that “[c]lose proximity is also *within a limited range* through a corresponding direct link.” POR, 48. Now that the trial has concluded in Petitioner’s favor, PO argues the opposite—that “a range” must somehow be narrower than, and exclusive of, a “close proximity.” Request, 14.

PO’s shifting and inconsistent claim interpretations should be rejected. Its unsubstantiated, contradictory argument is insufficient to warrant Director Review and must be rejected. PO’s related argument that “Petitioner failed to identify where in *Suga* and *Gorsuch* ‘a close proximity’ and ‘a range’ are both described or ‘close proximity’ is described as being closer or within ‘a range’” is premised on its unsubstantiated assertion that the claims require as much, and must be rejected for the same reason. Request, 13-14. The only constants in this proceeding are

Petitioner's interpretation, its mapping to the *Suga-Gorsuch* combination that indisputably teaches this limitation, and the Board's well-reasoned adoption of Petitioner's interpretation and factual bases.

B. PO's Evidence of Legal Error is Contradictory and Conflicts with the Record

Second, PO argues the Board "committed a legal error by adopting an unsupported definition of 'close proximity' that *required movement of the cellular phone within a range to receive the activation cue*[" Request, 14. The Board did no such thing. The Board expressly stated that the term is "not [defined] by limiting the physical distance between the devices" and found the plain meaning of "close proximity" is "*within a range to receive the activation cue to initiate the wireless data exchange*[" FWD, 26 (emphasis in original). The Board made no mention of "required movement." PO is simply incorrect.

Although premised on a nonexistent construction, PO appears to advocate that the claim language itself lacks written description support, arguing that "nothing in the patent supports a cellular phone within a range to receive an activation cue has to be moving....i.e., cellular phone conveyed toward a close proximity." Request, 14. In the same breath, PO argues the exact opposite, stating, "the plain meaning of 'close proximity' is a distance, *as supported by the claim that it requires movement towards an object*." Request, 14. While irrelevant because the Board's construction of the plain meaning of "close proximity" does not require movement, PO's

inconsistent arguments demonstrate its misunderstanding of both the record and the Board's reasoning in the FWD. The Board's claim interpretation is consistent with the plain language of the claims, and its well-reasoned adoption of Petitioner's interpretation and factual bases are sound.

III. CONCLUSION

For all the reasons set forth above, the Director should decline to disturb the Board's correct and well-reasoned Final Written Decision.

Respectfully submitted,

By: /s/ Paul R. Hart
Paul R. Hart, Reg. No. 59,646

COUNSEL FOR PETITIONER

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

Pursuant to 37 C.F.R. §§ 42.6(e) and 42.105(b), the undersigned certifies that on May 26, 2026, a complete and entire copy of this Petitioner's Authorized Response to Patent Owner's Request for Director Review was served on Patent Owner via email.

Robert P. Hart (robert@addyhart.com)
Meredith Martin (meredith@addyhart.com)
Gregory B. Gulliver (gbgulliver@addyhart.com)
litigation-dkt@addyhart.com

BY: /s/ Paul R. Hart
Paul R. Hart, Reg. No. 59,646

COUNSEL FOR PETITIONER