UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE, INC., Petitioner,

v.

IMMERSION CORPORATION, Patent Owner.

> Case IPR2016-01603 Patent 8,581,710 B2

Record of Oral Hearing Held: November 16, 2017

Before MICHAEL R. ZECHER, BRYAN F. MOORE, and MINN CHUNG, *Administrative Patent Judges*.

APPEARANCES:

ON BEHALF OF THE PETITIONER:

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The above-entitled matter came on for hearing on Thursday, November 16, 2017, commencing at 1:31 p.m., at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.

1	P R O C E E D I N G S
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3	JUDGE ZECHER: Please be seated. All right. Good afternoon. I'm
4	Judge Zecher. I have with me my colleagues, Judge Bryan Moore and Judge
5	Minn Chung. He's attending remotely from San Jose.
6	This is a hearing for Case IPR Number 2016-1601603. The patent at
7	issue is Patent Number 8,581,710.
8	In our order for trial hearing, we authorized the parties 30 minutes of
9	oral argument in total. Petitioner will present their case first because they
10	carry the burden of persuasion. They can reserve time for rebuttal. At
11	which point, patent owner will present their case. And if petitioner has any
12	rebuttal time remaining, they can use the remainder of that time.
13	I'd like to begin by asking the parties to introduce themselves. Let's
14	start with petitioner. And just a friendly reminder, if you can come to the
15	microphone when you speak so Judge Chung can hear you.
16	MR. WILLIAMS: Good afternoon, Your Honors. Rob Williams with
17	DLA Piper for petitioner, Apple. With me today is James Heintz with DLA
18	Piper and Ken Moore from Apple.
19	JUDGE ZECHER: Okay. Thank you. Patent owner?
20	MR. FLEMING: Yes, Your Honor. I'm Mike Fleming representing
21	patent owner. And I also have with me Richard Birnholz, who will be
22	presenting the argument today.
23	MR. BIRNHOLZ: Good afternoon, Your Honors.
24	JUDGE ZECHER: Good afternoon. Thank you. All right. So we'll
25	turn the floor over to petitioner. And if you'll let us know how much rebuttal
26	time you'd like to reserve, I'll go ahead and note that.

MR. WILLIAMS: Thank you, Your Honors. I'd like to reserve about
 half of my time, 15 minutes.

3 JUDGE ZECHER: 15 minutes. Okay. You may begin.

4 MR. WILLIAMS: Good afternoon. Once again, Rob Williams with
5 DLA Piper speaking for petitioner, Apple.

Let's begin with Slide 2, please. There are two instituted grounds in
this IPR, and both rely on Martin as the primary reference. Martin is another
patent owned by patent owner, Immersion, and it ensures the same
specifications as the '356 Patent, which Your Honors may recall from last
month's hearing.

Turn to Slide 3. Claim 1 is the only independent claim at issue today.
And there's only one limitation in dispute, and that's the "otherwise"
limitation.

Now, the Board previously determined that a reference need not
disclose the "otherwise" limitation to invalidate the claim, so it is undisputed
that Martin invalidates Claim 1 under the Board's interpretation. Regardless,
Martin clearly discloses the "otherwise" condition as we'll discuss today.

On Slide 4, I've highlighted the two conditions of Claim 1 in two different colors. First in green, if the user input is recognized and the command is determined, a first haptic effect is generated. The second condition in orange is "otherwise" and a second haptic effect generated.

And I'd like to note at the outset that there's nothing in Claim 1 that requires any particular first haptic effect or any relationship between the first haptic effect and the command. All that's required is that some first effect be generated when the conditions are satisfied and a different second effect be generated when the conditions are not satisfied.

Turn to Slide 5. The two conditions of Claim 1 are both clearly
 illustrated in Figure 8. In Martin in Figure 8, the controller first monitors an
 input device, such as a touchpad, and obtains input signals, such as the
 position and pressure of the user's touch.

Slide 6, Figure 8. In Figure 8, the next step is that the controller
accesses the memory at Step 54, which stores associations between user
inputs and corresponding functions or commands and corresponding tactile
sensations or haptic effects. And Martin teaches that those associations may
be stored in a table, such as the table at Figure 9.

10 The next step, Step 55, the controller attempts to find user input in the 11 table and an identifier will determine the corresponding command and tactile 12 sensation.

On Slide 7, I've included Figure 9, which is an exemplary table of associations between inputs, functions, and tactile sensations. And in this particular example highlighted in green, an input on input, Device 7 at the location, Location 1, with a pressure of Pressure 1, is associated with the command Function 1 and haptic effect Sensation 20.

JUDGE ZECHER: Counsel, can I ask you a question? So I know in
reading the briefs there's some arguments made about various input devices
in this figure, as well as some functions, particularly the search function.
But from my understanding, the highlighted portion you have in green here,
that was your position that you articulated in the petition, correct?

MR. WILLIAMS: That's correct, Your Honor. Martin discloses a
number of different embodiments, in which differently numbered input
devices are monitored in different embodiments. For example, in one
embodiment, the one that petitioner relied upon, the controller monitors

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