UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SONY CORPORATION, Petitioner,

v.

FUJIFILM CORPORATION, Patent Owner.

> Case IPR2017-00618 Patent 7,355,805 B2

Record of Oral Hearing Held: September 25, 2018

Before JO-ANNE M. KOKOSKI, JEFFREY W. ABRAHAM, and MICHELLE N. ANKENBRAND, *Administrative Patent Judges*.

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APPEARANCES:

ON BEHALF OF THE PETITIONER:

RICHARD F. GIUNTA, ESQUIRE Wolf, Greenfield & Sachs, PC 600 Atlantic Avenue Boston, MA 02210

ON BEHALF OF THE PATENT OWNER:

NEIL P. SIROTA, ESQUIRE Baker Botts LLP 30 Rockefeller Plaza New York, NY 10112

The above-entitled matter came on for hearing on Tuesday, September 25, 2018, commencing at 1 p.m., at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.

	P R O C E E D I N G S
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2	JUDGE KOKOSKI: You can be seated. Good afternoon. Today we
3	will hear arguments in IPR2017-00618 Sony Corporation v. Fujifilm
4	Corporation concerning U.S. Patent No. 7,355,805. I'm Judge Kokoski.
5	Judge Abraham is here with me and Judge Ankenbrand is joining us
6	remotely. At this time we'd like counsel to introduce yourselves, also let us
7	know who you have with you, beginning with Petitioner.
8	MR. GIUNTA: Good afternoon, Your Honors. Rich Giunta from
9	Wolf, Greenfield for the Petitioner Sony. I'm joined by my colleague, Marc
10	Johannes.
11	MR. SIROTA: Good afternoon. Neil Sirota of Baker Botts for Patent
12	Owner Fujifilm, and with me is Albert Boardman from Baker Botts.
13	JUDGE KOKOSKI: Thank you. Before we begin, I'd like to remind
14	the parties that whatever's projected on the screen will not be viewable by
15	Judge Ankenbrand. When you refer to an exhibit on the screen please state
16	the slide or page number to which you are referring for the record. This also
17	is important for clarity in the transcript.
18	Consistent with our Hearing Order, each party has 60 minutes to
19	present their arguments. Petitioner will proceed first, and may reserve time
20	for rebuttal. How much time would you like to reserve, if any?
21	MR. GIUNTA: We'd like to reserve 15 minutes, Your Honor.
22	JUDGE KOKOSKI: Fifteen?
23	MR. GIUNTA: Fifteen, yes. And we're going to split the argument
24	so could we set the timer for 35 minutes so I don't eat into Mr. Johannes's
25	time.

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1 JUDGE KOKOSKI: Sure.

2 MR. GIUNTA: Thank you.

3 JUDGE KOKOSKI: Okay. You can begin when you're ready. 4 MR. GIUNTA: Thank you, Your Honor. The Petition identified four 5 grounds. In grounds two and three each had two bases. Your Honors 6 originally instituted only grounds one to three and for grounds two and three 7 you instituted only on basis one. Those three originally instituted grounds 8 are what we plan to focus on today. Your post-SAS order also instituted 9 ground four and for grounds two and three, basis two. We will rest on the 10 papers on those grounds.

Slide 3. Fujifilm's Patent Owner Response makes three arguments that apply to all the originally instituted grounds. They allege that the art fails to meet a unique servo stripe identifier as recited in claim 1, shifting a pair of non-parallel stripes as recited in claim 2 and encoding as recited in claims 3 and 10. I will address those three arguments.

Patent Owner Response also makes three additional ground specific arguments alleging that a POSA would not have been motivated to combine Hennecken with Albrecht II, that Hennecken teaches away from the combinations and that Hennecken alone allegedly does not meet the converting encoded data steps in claims 3 and 10. Mr. Johannes will address those arguments.

Slide 4. So I want to start with the issue of whether Hennecken's
servo stripe number uniquely identifies a servo stripe. This is the sole
missing limitation argument Patent Owner Response makes for claim 1.

Turn to slide 5. Before diving into the issue I want to provide a bit of
technology background. So first, there's no dispute that the terms servo

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stripe, servo track and servo band all mean the same thing. These terms are
 used interchangeably in the art and in the trial papers and we will use them
 interchangeably today.

4 Slide 6. The technology issue relates to coarse transverse positioning 5 for magnetic tapes. Tapes typically have a number of data bands. On slide 6 6 we have the prior art Fasen reference that has data bands 101 to 104. Data is 7 written to the tape by a write head and read from the tape by a read head. 8 The tape has servo bands that provide identifying information that the read 9 head uses to find the data it wants to read. Coarse transverse positioning, 10 which is also sometimes called gross transverse positioning, refers to 11 aligning the head over the desired data band to read data from it. Each data 12 band typically has a plurality of data tracks. Fine transverse positioning 13 refers to aligning the read head over a particular track within the data band.

14 So conventionally, fine positioning was performed using pairs of non-15 parallel stripes. The spacing between the pairs varies across the width of the 16 tape and it's used to determine which data track the read head is positioned 17 over. Now the most straightforward way to identify different servo tracks 18 for coarse transverse positioning is to just give each a unique identifier, just 19 like a house has a unique house number, but that requires a complicated 20 servo write head capable of writing separate data to each servo track. Given 21 that, alternative techniques like Fasen's were developed that use non-unique 22 servo patterns. Now while these techniques use a simpler servo write head 23 they require a more complicated read process in which data from multiple 24 servo tracks must be compared because the servo data in any track does not 25 uniquely identify the track.

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Slide 7. The purported invention in the '805 patent is embedding

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