UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC., Petitioner,

v.

QUALCOMM INCORPORATED, Patent Owner.

Cases IPR2018-01250 and IPR2018-01251 Patent 8,447,132 B1

> Record of Oral Hearing Held: October 10, 2019

Before TREVOR M. JEFFERSON, DANIEL J. GALLIGAN, and AARON W. MOORE, Administrative Patent Judges.



APPEARANCES:

DOCKET

ON BEHALF OF THE PETITIONER:

KIM LEUNG, ESQ. TIMOTHY W. RIFFE, ESQ. W. KARL RENNER, ESQ. Fish & Richardson P.C. 1000 Maine Avenue, S.W. Washington, D.C. 20024 202-626-6447

ON BEHALF OF THE PATENT OWNER:

EAGLE ROBINSON, ESQ. DARREN SMITH, ESQ. ERIK JANITENS, ESQ. Norton Rose Fulbright US, LLP 98 San Jacinto Boulevard Suite 1100 Austin, Texas 78701

The above-entitled matter came on for hearing on Thursday, October 10, 2019, commencing at 12:30 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
2	
3	USHER: All rise.
4	JUDGE JEFFERSON: Oh, you may be seated while I get the Judge.
5	JUDGE GALLIGAN: Good afternoon, this is Judge Galligan. Can
6	you hear me?
7	JUDGE JEFFERSON: We can hear you. We about a second away
8	from seeing you.
9	JUDGE GALLIGAN: Thank you.
10	JUDGE JEFFERSON: There we go.
11	JUDGE GALLIGAN: Good afternoon. I'm Administrative Patent
12	Judge Galligan joining from the Texas Regional Office, and before you are
13	Judges Jefferson and Moore, and this is a hearing for two IPRs, IPR2018-
14	1250 and
15	2018-1251 involving U.S. Patent 8,447,132. Petitioner is Apple and Patent
16	Owner is Qualcomm. May I have appearances for each side, please? And
17	please step up to the podium and make sure the light is green.
18	MR. RENNER: Okay, yes, sir. Yes, Your Honor, this is Karl Renner
19	from Fish & Richardson. I'm joined by colleagues, Tim Riffe and Kim
20	Leung, and I guess I'll say it as in before, we'll reserve 30 minutes in terms
21	of our direct for redirect. Thank you.
22	JUDGE JEFFERSON: So 30 minutes for both?
23	MR. RENNER: Yes.
24	JUDGE JEFFERSON: Thank you. Patent Owner?

MR. ROBINSON: Good afternoon, Your Honor, Eagle Robinson for
 Patent Owner. With me are Darren Smith and Erik Janitens, and we'd like to
 reserve 20 minutes for surrebuttal, please.

4 JUDGE GALLIGAN: Thank you. We issued an order in both of 5 these cases. We are having one hearing for both cases and each side will 6 have $1 \frac{1}{2}$ hours of argument, total, so that's 3 hours total of argument time 7 for this hearing. Petitioner, you bear the burden of persuasion in showing 8 that the challenged claims are unpatentable. You will proceed first; Patent 9 Owner may respond. Petitioner, you may have rebuttal time, you reserved 10 30 minutes, and Patent Owner, you may have surrebuttal time. With that, 11 Petitioner, you may begin.

MR. RENNER: And, Your Honors, locally, can we approach withdemonstratives?

14 JUDGE JEFFERSON: Yes. Yes. Thank you.

JUDGE GALLIGAN: Oh, and because I'm remote, please, when
you're presenting, let me know what slide number you're on, and any other
paper, please reference explicitly. Thank you.

18 MS. LEUNG: Yes, Your Honor. May it please the Board, my name 19 is Kim Leung and I, along with my colleagues, Karl Renner and Tim Riffe, 20 are on behalf of Petitioner Apple, Inc. Two IPRs were instituted against the 21 132 Patent, IPR2018-1250 which we'll refer to the 1250 IPR, and IPR2018-22 1251 which we'll refer to as the 1251 IPR. Slide 2, please. So rather than 23 walking step-wise through each ground and claim, we'll try to focus in our 24 limited time together on a subset of the issues that might benefit from a 25 discussion today. For purposes of this discussion, we'll focus on issues 1 to 26 4. If the Board would like us to address any particular issue first, or any of

the other issues, we can certainly do that; please let me know. Otherwise
 we'll proceed in the order listed here in the Table of Contents.

3 Slide 5, please. So let's talk a little bit about the 132 patent. So we 4 see how the first line of this excerpt from the 132 patent, that the 132 patent 5 recognized that techniques for detecting faces and other arbitrary objects and 6 patterns and image are known in the art, and you'll also see as we've 7 highlighted in this particular slide that the 132 patent acknowledged that 8 techniques of dynamic range correction were known, and according to the 132 patent, though, these techniques of dynamic range correction do not take 9 10 into consideration or use of the content of the image, but the record 11 demonstrates that dynamic range correction which considers and uses the 12 content of the image was also well known at the time of the 132 patent.

Slide 7. Specifically the 1250 petition which is based on the
Needham reference establishes that dynamic range correction considers and
uses the content of the image was well known. Needham is about dynamic
range correction using the content of the image which are detected image
features.

18 Slide 8, please. The 1251 petition which includes grounds based on 19 Zhang and Konoplev shows the broad reach of the claims to another type of 20 correction, specifically a correction applying different amounts of blurring to 21 different portions of an image.

Slide 9. Now that we've provided a brief overview of the 132 patent and the grounds and the references, let's go ahead and address the issues. So the first issue we have here by patent owner is whether the prior art discloses the determined correction is matched to the predetermined type of object recited in Claim 1.

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