

RECORD OF ORAL HEARING

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC. and AUGUST HOME, INC.,
Petitioner,

v.

MARK W. KILBOURNE,
Patent Owner.

IPR 2019-00233
Patent 7,373,795 B2

Oral Hearing Held: January 30, 2020

Before GEORGE R. HOSKINS, RICHARD H. MARSCHALL, and
JASON W. MELVIN, *Administrative Patent Judges*.

IPR 2019-00233
Patent 7,373,795 B2

APPEARANCES:

ON BEHALF OF THE PETITIONER:

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ALSO PRESENT:

MATT CLEMENTS
Apple Inc.

PAGE HESLIN
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The above-entitled matter came on for hearing on Thursday, January 30, 2020, commencing at 1:30 p.m., at the U.S. Patent and Trademark Office, 600 Dulany Street, Alexandria, Virginia.

PROCEEDINGS

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3 JUDGE HOSKINS: Good afternoon, everyone. We're here today to
4 receive oral argument in Inter Partes Review Number 2019-00233, the
5 challenged patent here is U.S. Patent Number 7,373,795. Our Petitioner
6 today is Apple Inc., and August Home, Inc. And our Patent Owner is Mark
7 W. Kilbourne, who also happens to be the solely-named inventor on the
8 challenged 795 Patent.

9 So, with that let me ask Counsel to make their entries today, and also
10 make whatever other introductions of the people in the hearing room, they
11 care to make. And we'll start with Counsel for Petitioner, please.

12 MR. HYNDS: Good afternoon, Your Honors. My name is Joe
13 Hynds, I'm with the Rothwell Figg Firm, and I'm representing Petitioners
14 Apple and Assa Abloy. With me here today is Jen Nock from the Rothwell,
15 Figg firm, and also here today is Matt Clements from Apple, and Page
16 Heslin from Assa Abloy.

17 JUDGE HOSKINS: Thank you, and welcome.

18 MR. HYNDS: Thank you.

19 JUDGE HOSKINS: And Counsel for Patent Owner?

20 MR. McAUGHAN: Yes, Your Honors. Thank you. My name is Bob
21 McAughan, I'm with McAughan Deaver in Houston Texas, and I represent
22 Mr. Mark Kilbourne, the Patent Owner.

23 JUDGE HOSKINS: Thank you. And welcome, Mr. McAughan. I
24 forgot to introduce you to your panelists today. So, my name is George
25 Hoskins. Obviously, I'm participating remotely. My colleagues there in the

1 room are Judge Richard Marschall, he's in the center chair; and Judge Jason
2 Melvin, to Judge Marschall's left.

3 Before we turn to argument, I want to raise just one preliminary issue,
4 so that we all understand what's in play. This is Patent Owner's motion to
5 exclude where the Patent Owner identified a number of arguments and
6 evidence raised in the Petitioner's reply, that in the Patent Owner's view
7 exceeds the proper scope of reply. The Patent Owner has withdrawn the
8 motion, but asked us to nonetheless consider the merits of whether the
9 challenged subject matter is a proper scope for reply.

10 Given that the issue has been briefed fully, and there's no time issue
11 here, we are going to go ahead and consider that issue of whether Petitioner's
12 reply is or is not within the scope of our rules of proper reply to the Patent
13 Owner's response. So, feel free to argue it. Petitioner, if you want to
14 address it, feel free to address it; and Patent Owner, if you want to address it
15 feel free to address it. It's still a live issue. Are there any questions on that
16 front?

17 MR. HYNDS: I have no questions on that front, Your Honor.

18 MR. McAUGHAN: No, Your Honor.

19 JUDGE HOSKINS: Okay. Thank you. So, under the trial hearing
20 order, each side has 60 minutes, Petitioner, Mr. Hynds, you can reserve time
21 if you want. And do you want to reserve time for rebuttal?

22 MR. HYNDS: Yes, Your Honor. I'd like to reserve 20 minutes for
23 rebuttal.

24 JUDGE HOSKINS: Okay. My colleague, Judge Marschall, is going
25 to keep time there for you in the room. I think there's a clock, where you
26 can kind of keep track on where you are. And just one final reminder before

1 we begin, please, when you're using your demonstrative exhibits and the
2 slides, please try to refer to the slide number when you turn to a particular
3 slide. It helps clear up the record, and it helps me to follow, because I'm
4 working off of the computer screen, and it's different than the projection
5 screen there in the room.

6 So, with those preliminary remarks, let me just make sure there are no
7 kind of procedural questions, before we turn to arguments. So, Mr. Hynds?

8 MR. HYNDS: The only procedural issue I have, Your Honors, I have
9 some paper copies of the slides, if I can hand them up, and how many copies
10 would you guys --

11 JUDGE HOSKINS: That will be great, thank you. Yeah.

12 Mr. McAughan, do you have any questions before we start argument?

13 MR. McAUGHAN: No, Your Honor.

14 JUDGE HOSKINS: Okay. Thank you very much. So, Mr. Hynds,
15 feel free to proceed when you're ready.

16 MR. HYNDS: Okay. Good afternoon again, Your Honors. This IPR
17 was instituted on two grounds. The first ground relates to claims 11 through
18 15 and 17 of the 795 Patent, and the second ground relates to dependent
19 claim 16. And both of these grounds are based on the combination of Padiak
20 and Anderson, and I'm referring to slide 2.

21 Before I jump into the issues, I just wanted to do a brief overview of
22 the challenged 795 Patent and the Padiak and Anderson references. So, I'm
23 going to refer to slide number 3, which has several figures of the 795 Patent.

24 The 795 Patent is directed to an electronic deadbolt adaptor that can
25 be attached to a preexisting deadbolt. The splined stem which is shown in
26 purple, attaches on one end to the tail piece of a preexisting deadbolt lock,

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