RECORD OF ORAL HEARING

U.S. PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.
Petitioner,

v.

UNILOC 2017 LLC,
Patent Owner.

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IPR 2019-01377
Patent 7,136,999 B1

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Oral Hearing Held: October 21, 2020

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Before JENNIFER S. BISK, MIRIAM L. QUINN, and CHRISTOPHER C. KENNEDY, *Administrative Patent Judges.*

APPEARANCES:

ON BEHALF OF THE PETITIONER:

       LARISSA S. BIFANO, ESQUIRE
       JAMES M. HEINTZ, ESQUIRE
       JONATHAN HICKS, ESQUIRE
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ON BEHALF OF THE PATENT OWNER:

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The above-entitled matter came on for hearing on Wednesday, October 21, 2020, commencing at 1:38 p.m. EDT, by video/by telephone.

1   P R O C E E D I N G S

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3   MR. HICKS : (in progress) the security key is not going to always be

4   updated every time the two devices are in each other, and that's quoted by

5   other disclosures in the Varad reference which refer to example, the key

6   update routine being implemented manually. Moving on, so as to the key

7   update routine, specifically that is the crux of Patent Owner's argument.

8   Under that interpretation, there's the requirement that the security key has to

9   always be updated because if there is a single incident of where this key is

10   not updated. Varad discloses using the phone's key for both the short-range

11   link, its infrared link, and it's modem link because as noted in the institution

12   decision and in other papers, Varad expresses disclosures that (inaudible)

13   update the (inaudible) of this modem (phonetic).

14   JUDGE BISK: Can you point me to the portion of Varad that

15   describes the key update procedures performed manually?

16   MR. HICKS: Yes, it's in column 5, that same paragraph, beginning at

17   column 4, paragraph 62 to column 5, lines approximately 31, and that

18   specific disclosure is (inaudible) into that paragraph.

19   JUDGE BISK: Say it again. Where is the manual update in that

20   paragraph? That's a long paragraph.

21   MR. HICKS: I apologize. It's at the very end. It looks like

22   (inaudible) lines 30 and (inaudible).

23   JUDGE BISK: Okay, so, yes. So I've read that, and I understand that

24   that portion of Varad is describing how you can have the key update routine

25   implemented, but it doesn't say that it is optional to not do it; it just says

1   each time. So you're saying that because there is a description that you

2   could do it manually that you could then not do it at all?

3   MR. HICKS: I think the inference is that for -- consistent with

4   Varad's expressed disclosures that a security key is updated (inaudible) as

5   opposed to -- or at the time the two devices are in communication of the

6   direct communication's link. That the key update routine does not always

7   update over expressed to (inaudible) the security key as Patent Owner

8   alleges.

9   JUDGE BISK: I have a question. Even if this does -- let's say it does

10   update the security key every time it's in direct communication, it says,

11   though, that it uses that key again when it's in the second communication

12   link, right?

13   MR. HICKS: That's correct. So even in the scenario, and to be clear

14   Petitioner does not dispute Varad's disclosures updating its security keys

15   consistent with the language as suggestion by Varad so very frequently, but

16   what --

17   JUDGE BISK: So do you -- I'm just trying to make sure the

18   Petitioner is pointing to the right thing. So does the Petition include that

19   updated security key as the authentication information in the claim?

20   Because it seems to me that what this portion from column 4:62 through,

21   you know, wherever that paragraph ends, what it's talking about is a

22   particular embodiment where first in a direct connection there may be like a

23   temporary pin that was manually put in by the user, but then (inaudible) for

24   like an initial authentication, then after that if it satisfies that authentication,

25   it's at base and refreshes a new key. But what we need to know is, what is

26   the Petition pointing to as the first authentication information that's

1 exchanged? Are you talking about the very first maybe temporary

2 authentication that happens with the manually put in pin, or are you talking

3 about the key that's then refreshed, and then used over and over? And does

4 the Petition make that clear?

5   MR. HICKS: Yes, Your Honor. So the Petition does align disclosure

6 at 4:13 through 21 that that refers to that initial first key exchange, you

7 know, for example as at page 17 of the Petition. You know, to answer your

8 question as to whether it also relies on that subsequent (inaudible)

9 Petitioner's position (inaudible) that even that initial security key is not

10 necessarily updated, but if the Board disagrees otherwise, Petitioner does

11 cite to the disclosures where that key is updated and then that subsequent

12 security key is going to be used for the modem link, and then at any point

13 when entering time, for example, it's assuming that the update routine does

14 not run then that same security authentication information is going to be

15 used.

16   JUDGE BISK: Can you show me where in the Petition that it points

17 to that, using that refreshed or updated key where -- because I see it's

18 pointing to -- on page 17 of your Petition, I see it pointing to 4:62 to 67, and

19 4:13 to 21, and I'm just trying to see where you point to the other disclosure.

20   MR. HICKS: Your Honor, I am not seeing -- that same question,

21 pages 17 and 18, are in the (inaudible) authentication that that was certainly

22 explained. The citation starts at column 4, lines (inaudible) to 21 are raised.

23 I don't think this is the citation only to (inaudible) at column 4, line 67. You

24 know, with that, Your Honor, I realize -- I apologize, but we are at 22

25 minutes, I believe now --

26   JUDGE BISK: Oh. Yes.

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