

United States District Court
For the Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

FUJITSU LIMITED,)
)
 Plaintiff,)
)
 v.)
)
 BELKIN INTERNATIONAL, INC.; BELKIN,)
 INC.; D-LINK CORPORATION; D-LINK)
 SYSTEMS, INC.; NETGEAR, INC.; ZYXEL)
 COMMUNICATIONS CORPORATION; and)
 ZYXEL COMMUNICATIONS, INC.,)
)
 Defendants.)
)

Case No.: 10-CV-03972-LHK

ORDER GRANTING IN PART AND
DENYING IN PART MOTIONS FOR
SUMMARY JUDGMENT

Plaintiff Fujitsu, Ltd. (“Fujitsu”) brings this action for patent infringement against Defendants Belkin International, Inc. (“Belkin”); D-Link Corp. and D-Link Systems, Inc. (“D-Link”); and Netgear, Inc. (“Netgear”) (collectively, “Defendants”).¹ Before the Court are three fully-briefed motions: (1) Fujitsu’s Motion for Summary Judgment and Summary Adjudication of Infringement of U.S. Patent No. Re. 36,769 (“the ’769 Patent”), ECF No. 255 (“Infringement Mot.”); (2) Defendants’ Motion for Summary Judgment of Invalidity, ECF No. 259 (“Invalidity Mot.”); and (3) Defendants’ Motion for Summary Adjudication of No Willful Infringement and No

¹ This action was originally also brought against Defendants Zyxel Communications Corp. and Zyxel Communications, Inc. (“Zyxel”). On September 10, 2012, Fujitsu and Zyxel filed a stipulation of dismissal with prejudice. ECF No. 293.

1 Active Inducement, ECF No. 261 (“Willfulness Mot.”). The Court held a hearing on all three
2 motions on September 20, 2012. Having considered the parties’ submissions and argument and the
3 relevant law, and for the reasons discussed below, the Court GRANTS IN PART and DENIES IN
4 PART Fujitsu’s Motion for Summary Judgment and Summary Adjudication of Infringement;
5 DENIES Defendants’ Motion for Summary Judgment of Invalidity; DENIES Defendants’ Motion
6 for Summary Adjudication of No Willfulness; and DENIES Defendants’ Motion for Summary
7 Adjudication of No Active Inducement.

8 I. BACKGROUND

9 A. The ’769 Patent

10 The invention of the ’769 Patent relates to a “card type input/output interface device” and to
11 systems that use such a device to facilitate communication between an electronic device system
12 and an external or peripheral device. At the time of Fujitsu’s claimed invention, small scale
13 portable electronics, such as laptop computers, featured connector ports mounted on the sidewall of
14 the main body for connecting to external devices, such as printers and modems. These various
15 connectors were of different dimensions and specifications and occupied valuable real estate on the
16 sidewall of small scale portable electronics, imposing a significant constraint on the ability to
17 downsize such electronic devices. *See* ’769 Patent, col.1:15-62. The claimed invention sought to
18 address this problem by creating a card-type device that serves as an interface between an
19 electronic device (such as a laptop) and an external device (such as a printer), thereby reducing or
20 eliminating the need for multiple externally mounted connector ports on the sidewalls of the
21 electronic device’s main body. *See id.* col.1:54-62; col.2:1-4; col.7:15-24. At the time, card-type
22 devices were commonly used for memory storage. Known as Integrated Circuit (“IC”) memory
23 cards, these cards could be inserted into a slot in the main body of a portable electronic device and
24 used as an external storage device. *See id.* col.1:18-55. The ’769 patent is the first disclosure of a
25 card-type device that serves not as a memory storage device but rather as an interface device
26 capable of transferring data between an electronic device and an external device.

27 As shown in Figure 1 of the ’769 Patent, the claimed card type input/output interface device
28 consists of three main components: (1) a first connection part on one end (“first data interface

1 unit”) for transferring data between a main body of an electronic device and the card type input/out
2 interface device; (2) a second connection part on the opposite end (“second data interface unit”) for
3 transferring data between an external device and the card type input/output interface device; and
4 (3) a circuit connecting the first interface and second interface units (“data transfer circuit”). *See*
5 ’769 Patent, col.2:5-15. An electronic device accommodating this card type input/output interface
6 unit may include a single slot formed in the main body rather than incorporate multiple connector
7 ports on its sidewalls, thereby facilitating downsizing of the electronic device. *See id.* col.2:1-5.

8 The ’769 patent discloses three embodiments of the card type input/output interface device.
9 The first two embodiments disclose a wireless card interface device, while the third embodiment
10 discloses a wired connection. In the first two embodiments, the card type input/output interface
11 device is configured to send and receive data at the second data interface wirelessly via a radio
12 transmitter/receiver unit and an antenna. *See id.*, col.3:18-col.5:41 (first embodiment); col.5:42-
13 col.6:29 (second embodiment). In the third embodiment, the card type input/output interface
14 device is configured to send and receive data at the second data interface through a cable using
15 various types of standard connectors. *See id.* col.6:31-7:43.

16 The claims of the ’769 patent can be divided into three categories: (1) “device” claims
17 directed to the “card type input/output interface device” itself (*e.g.*, asserted claims 2, 4, 8, 9, 14,
18 41); (2) “system” claims directed to a system comprised of the card interface device and an
19 “external device” to which the card interface device connects (*e.g.*, asserted claims 47 and 48); and
20 (3) “electronic system” claims directed to an electronic system comprised of the card interface
21 device, an “electronic device,” and an “external device” (*e.g.*, asserted claims 20 and 27). *See First*
22 *Am. Compl.* (“FAC”) ¶ 17, ECF No. 102. Fujitsu originally asserted 32 of the 86 claims in the
23 ’769 patent, but then subsequently reduced the number of asserted claims to 21, and now asserts
24 only 10.

25 **B. Prosecution History**

26 The ’769 Patent is a reissue of U.S. Patent No. 5,357,091 (“the ’091 Patent”), which was
27 filed on April 30, 1992, claiming priority over a Japanese application filed in April 1991. The ’091
28 Patent was issued on October 18, 1994. Two years later, on October 18, 1996, Fujitsu filed a

1 reissue application, in which it canceled all independent claims of the '091 Patent, added 18
2 additional claims, and rewrote the dependent claims to depend on new independent claims 38 and
3 39. After considering more than thirty references during the reissue proceedings, the U.S. Patent
4 and Trademark Office ("PTO") allowed the '769 Patent to issue on July 11, 2000. *See* FAC Ex. A.

5 The '769 Patent was reexamined in response to independent *ex parte* requests from Fujitsu
6 in 2005 and Belkin in 2006 ("Belkin Reexam I"), which the PTO consolidated into a single
7 reexamination proceeding involving review of more than 180 prior art references. On September
8 29, 2007, the PTO initially rejected all claims of the '769 Patent. Decl. of Seth B. Herring in Supp.
9 of Defs.' Mot. for Summ. Adjudication of No Willfulness and No Active Inducement ("Herring
10 Decl.") ¶ 23 & Ex. V at FUJ0002983. One year later, on September 26, 2008, the PTO issued a
11 final rejection of similar claims. *Id.* Ex. V at *3425. Finally, the PTO issued a reexamination
12 certificate on December 8, 2009, in which it canceled six claims and allowed 41 additional claims.

13 On March 3, 2011, Belkin filed a second request for *ex parte* reexamination on March 3,
14 2011 ("Belkin Reexam II"), which the PTO granted on May 25, 2011. On March 14, 2012, the
15 PTO issued an office action confirming 63 of the 86 claims, including the 10 claims Fujitsu is
16 presently asserting in this action, but canceling the other 23 claims, 8 of which had previously been
17 asserted in this case, including independent claims 38 and 39. *See* Herring Decl. Ex. W at
18 BLKN37242. On April 12, 2012, Fujitsu submitted a response in which Fujitsu cancelled the 23
19 rejected claims. On August 21, 2012, the PTO issued an *Ex Parte* Reexamination Certificate,
20 thereby concluding the reexamination proceeding.

21 C. The Accused Products

22 The accused products include 57 card interface devices. Of those card interface devices, 47
23 are wireless cards that comply with the 802.11 standards, and 10 are wired cards that include an
24 Ethernet connector. Decl. of Thomas E. Garten in Supp. of Fujitsu's Mot. for Summ. J. and
25 Summ. Adjudication of Infringement ("Garten Decl.") ¶¶ 3, 7. The accused products also include
26 136 wireless access points and routers ("external devices"), *id.* ¶¶ 5, 15; and 14 network kits, which
27 consist of one wireless card interface device and one wireless router or access point device that are
28 bundled together and offered for sale in a single package, *id.* ¶¶ 4-5. In addition, Fujitsu accuses

1 Defendants of inducing infringement by encouraging use of the accused wireless access points and
2 routers with 19 different third-party wireless card interface devices that allegedly meet the card-
3 related limitations of claims 20, 27, 47, and 48. *Id.* ¶¶ 6-7.

4 **D. The Asserted Claims**

5 Fujitsu is asserting ten claims of the '769 Patent: independent claims 41 and 47, and
6 dependent claims 2, 4, 8, 9, 14, 20, 27, and 48.

7 **1. Claims 2, 4, 9, 14, and 41**

8 Fujitsu seeks summary judgment that Defendants' accused card interface devices directly
9 infringe claims 2, 4, 9, 14, and 41, which are all "device" claims directed to the "card-type
10 input/output interface device" itself. Fujitsu also seeks summary adjudication that certain third-
11 party cards meet each and every limitation of claims 2, 4, 9, 14, and 41.

12 Dependent claims 2, 4, 9, and 14 depend from claim 38, which recites the following:

13 A card type input/output interface device for operatively connecting an electronic
14 device to an external device, comprising:

- 15 a card, to be inserted into a slot provided in the electronic device;
- 16 a first data interface unit, provided on one end of the card, for coupling to the
17 electronic device to transfer input information to the electronic device and
18 output information from the electronic device when the card is inserted into
19 the slot;
- 20 a second data interface unit, provided on an opposing end of the card, for
21 coupling to the external device to transfer the output information to the
22 external device and the input information from the external device; and
- 23 a data transfer circuit, incorporated with the card, in response to the input
24 information being received by the second data interface unit, for transferring
25 the input information to the first data interface unit and, in response to the
26 output information being received by the first data interface unit, for
27 transferring the output information to the second data interface unit.

28 '769 Patent, col.10:61-11:14.

Claim 2 recites:

A card type input/output interface device as claimed in claim 38, wherein said
second data interface unit comprises radio transmitter/receiver means for
transferring the data between said external device and the card type input/output
interface device through a radio communications channel.

'769 Patent, col.7:65-8:3.

1 Claim 4 recites, “A card type input/output interface device as claimed in claim 2, wherein
2 said second data interface unit comprises an antenna coupled to said radio transmitter/receiver
3 means.” ’769 Patent, col.8:9-12.

4 Claim 9 recites:

5 A card type input/output interface device as claimed in claim 38, wherein:

6 said card has a projection in which said second data interface unit is provided;
7 said first data interface unit is located in a first end portion of said card and said
8 second data interface unit is located in a second end portion opposite said
9 first end portion; and
10 a thickness of said second end portion of said card including said projection is
11 greater than a thickness of said first end portion of said card.

12 ’769 Patent, col.8:24-36.

13 Claim 14 recites, “A card type input/output interface device as claimed in claim 9, wherein
14 said second data interface unit comprises a connector formed in said projection for electrically
15 connecting the card type input/output interface device to said external device.” ’769 Patent,
16 col.8:55-59.

17 Independent claim 41 recites the following:

18 A card type input/output interface device for operatively connecting an electronic
19 device to an external device, comprising:

20 a card, to be inserted into a slot provided in the electronic device;
21 a data connector for transferring input information to the electronic device and
22 output information from the electronic device when the card is inserted into
23 the slot;
24 a wireless data transmitter/receiver for transmitting the output information to the
25 external device and for receiving the input information from the external
26 device via a wireless communication channel; and
27 a data transfer circuit, in response to receiving the input information by the
28 wireless data transmitter/receiver, for transferring the input information to
the data connector and, in response to receiving the output information by
the data connector, for transferring the output information to the wireless
data transmitter/receiver,

wherein the data connector, the wireless data transmitter/receiver and the data
transfer circuit are incorporated with the card.

’769 Patent, col.11:54-12:8.

2. Claims 20, 27, 47, and 48

1 Fujitsu seeks summary adjudication that Defendants’ accused card interface devices and
2 certain third-party cards satisfy the card-related limitations of claims 20, 27, 47, and 48. Fujitsu
3 also seeks summary adjudication that use of Defendants’ accused card interface devices and certain
4 third-party wireless card interface devices with any of Defendants’ accused wireless access points
5 or routers in the United States constitutes direct infringement of claims 20, 27, 47, and 48.

6 Claims 47 and 48 are “system” claims directed to a system comprised of the card interface
7 device and an “external device” to which the card interface device connects. Independent system
8 claim 47 recites as follows:

9 A system, to be operatively connected to an electronic device, comprising:
10 an external device providing a peripheral function for the electronic device;
11 a card interface, operatively connected to the external device via a wireless
12 communication channel, to be inserted into a slot provided in the electronic
13 device;
14 a data connector for transferring input information to the electronic device and
15 output information from the electronic device when the card interface is
16 inserted into the slot;
17 a wireless data transmitter/receiver for transmitting the output information to the
18 external device and for receiving the input information from the external
19 device via the wireless communication channel; and
20 a data transfer circuit, in response to receiving the input information by the
21 wireless data transmitter/receiver, for transferring the input information to
22 the data connector and, in response to receiving the output information by
23 the data connector, for transferring the output information to the wireless
24 data transmitter/receiver,
25 wherein the data connector, the wireless data transmitter/receiver and the data
26 transfer circuit are incorporated with the card.

’769 Patent, col.13:19-44.

21 System claim 48 depends from claim 47 and recites, “A system according to claim 47,
22 wherein the wireless data transmitter/receiver transmits the output information to the external
23 device and receives the input information from the external device via a radio communication
24 channel.” ’769 Patent, col.13:45-48.

25 Dependent claims 20 and 27 are “electronic system” claims directed to an electronic system
26 comprised of the card interface device, an “external device,” and an “electronic device.” Both
27 claims 20 and 27 depend from independent claim 39, which recites as follows:

28 An electronic system, comprising:

1 an electronic device, provided with a slot thereof;
2 an external device providing a peripheral function for the electronic device;
3 a card, inserted into the slot of the electronic device, for coupling the electronic
4 device to the external device;
5 a first data interface unit, provided on one end of the card, for coupling to the
6 electronic device to transfer input information to the electronic device and
7 output information from the electronic device;
8 a second data interface unit, provided on an opposing, end of the card, for
9 coupling to the external device to transfer the output information to the
10 external device and the input information from the external device; and
11 a data transfer circuit, incorporated with the card, in response to the input
12 information being received by the second data interface unit, for transferring
13 the input information to the first data interface unit and, in response to the
14 output information being received by the first data interface unit, for
15 transferring the output information to the second data interface unit.

16 '769 Patent, col.11:15-36.

17 Electronic system claim 20 recites: "An electronic system as claimed in claim 39, wherein:
18 said second data interface unit comprises first radio transmitter/receiver means for transferring the
19 data between said external device and said card type input/output interface device through a radio
20 communications channel." '769 Patent, col.9:37-48.

21 Electronic system claim 27 recites:

22 An electronic system as claimed in claim 39, wherein:

23 said card has a projection in which said second data interface unit is provided;
24 said first data interface unit is located in a first end portion of said card and said
25 second data interface unit is located in a second end portion opposite said
26 first end portion; and
27 a thickness of said second end portion of said card including said projection is
28 greater than a thickness of said first end portion of said card.

'769 Patent, col.10:7-18.

Defendants contend that all nine claims for which Fujitsu seeks summary judgment of
infringement, as well as claim 8 (the only asserted claim not at issue in Fujitsu's summary
judgment motion), are invalid as either anticipated or obvious in light of the prior art, and
accordingly move for summary judgment of invalidity.

E. *Markman* Order

The Court issued a Claim Construction Order on February 3, 2012, following a tutorial and
Markman hearing. ECF No. 232. Although the parties originally briefed eight disputed claim

1 terms, the Court adopted the parties' stipulation as to the construction of six of the eight disputed
2 terms as follows:

- 3 (1) "card" and "card interface" are to be given their ordinary and customary meaning;
- 4 (2) "data interface unit" is to be construed as "a unit for buffering or receiving/transmitting
5 data";
- 6 (3) "data transfer circuit" is to be construed as "a circuit for transferring data";
- 7 (4) "slot" is to be given its ordinary and customary meaning;
- 8 (5) "to be inserted into a slot provided in the electronic device" is to be given its plain
9 meaning; and
- 10 (6) "wireless data transmitter/receiver" is to be construed as "electronics that can send and
11 receive data wirelessly."

12 ECF No. 232 at 4. The Court construed the remaining two disputed claim terms as follows:

- 13 (7) "edge term" is to be given its plain and ordinary meaning; and
- 14 (8) "providing a peripheral function for the electronic device" is to be given its plain and
15 ordinary meaning.

16 ECF No. 232 at 22.

17 **II. SUMMARY JUDGMENT STANDARD**

18 Summary adjudication is appropriate if, viewing the evidence and drawing all reasonable
19 inferences in the light most favorable to the nonmoving party, "the movant shows that there is no
20 genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law."
21 Fed. R. Civ. P. 56(a); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322-23 (1986). At the summary
22 judgment stage, the Court "does not assess credibility or weigh the evidence, but simply determines
23 whether there is a genuine factual issue for trial." *House v. Bell*, 547 U.S. 518, 559-60 (2006). A
24 fact is "material" if it "might affect the outcome of the suit under the governing law," and a dispute
25 as to a material fact is "genuine" if there is sufficient evidence for a reasonable trier of fact to
26 decide in favor of the nonmoving party. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248
27 (1986). Mere conclusory, speculative testimony in affidavits and moving papers is insufficient to
28

1 raise genuine issues of fact and defeat summary judgment. *See Thornhill Publ'g Co. v. GTE Corp.*,
2 594 F.2d 730, 738 (9th Cir. 1979).

3 The moving party bears the initial burden of identifying those portions of the pleadings,
4 discovery, and affidavits that demonstrate the absence of a genuine issue of material fact. *Celotex*
5 *Corp.*, 477 U.S. at 323. Where the moving party will have the burden of proof on an issue at trial,
6 it must affirmatively demonstrate that no reasonable trier of fact could find other than for the
7 moving party, but on an issue for which the opposing party will have the burden of proof at trial,
8 the party moving for summary judgment need only point out “that there is an absence of evidence
9 to support the nonmoving party’s case.” *Id.* at 325; *accord Soremekun v. Thrifty Payless, Inc.*, 509
10 F.3d 978, 984 (9th Cir. 2007). Once the moving party meets its initial burden, the nonmoving
11 party must set forth, by affidavit or as otherwise provided in Rule 56, “specific facts showing that
12 there is a genuine issue for trial.” *Liberty Lobby*, 477 U.S. at 250 (internal quotation marks
13 omitted). If the nonmoving party’s “evidence is merely colorable, or is not significantly probative,
14 summary judgment may be granted.” *Id.* at 249-50 (internal citations omitted).

15 **III. FUJITSU’S MOTION FOR SUMMARY JUDGMENT AND SUMMARY**
16 **ADJUDICATION OF INFRINGEMENT**

17 Fujitsu seeks summary judgment or adjudication regarding 57 card interface devices (47
18 wireless cards and 10 wired cards), 136 wireless access points and routers, and 14 network kits.
19 Infringement Mot. at 6; Garten Decl. ¶¶ 7, 11, 13, 15. Specifically, Fujitsu seeks the following: (1)
20 summary judgment that Defendants’ accused card interface devices directly infringe claims 2, 4, 9,
21 14, and 41; (2) summary adjudication that certain third-party cards meet each and every limitation
22 of claims 2, 4, 9, 14, and 41; (3) summary adjudication that Defendants’ accused card interface
23 devices and certain third-party cards satisfy the card-related limitations of claims 20, 27, 47, and
24 48; (4) summary adjudication that use of Defendants’ accused card interface devices and certain
25 third-party wireless card interface devices with any of Defendants’ accused wireless access points
26 or routers in the United States constitutes direct infringement of system claims 47 and 48, and that
27 such use in combination with a laptop constitutes direct infringement of electronic system claims
28

1 20 and 27; and (5) summary judgment that Defendants’ network kits directly infringe system
2 claims 47 and 48. *Id.* at 1.

3 Summary judgment of infringement requires a two-step analysis. “First, the claims of the
4 patent must be construed to determine their scope. Second, a determination must be made as to
5 whether the properly construed claims read on the accused device.” *Pitney Bowes, Inc. v. Hewlett-*
6 *Packard Co.*, 182 F.3d 1298, 1304 (Fed. Cir. 1999) (internal citations omitted). To find
7 infringement, “the court must determine that every claim limitation is found in the accused device.”
8 *Playtex Prods., Inc. v. Procter & Gamble Co.*, 400 F.3d 901, 909 (Fed. Cir. 2005). The
9 determination of infringement is generally a question of fact. *Lockheed Martin Corp. v. Space*
10 *Sys./Loral, Inc.*, 324 F.3d 1308, 1318 (Fed. Cir. 2003). As the patentee, Fujitsu bears the burden of
11 proving infringement by a preponderance of the evidence. *See Cybor Corp. v. FAS Techs., Inc.*,
12 138 F.3d 1448, 1467 (Fed. Cir. 1998).

13 **A. Defendants’ Motion to Strike Third-Party Cards and 3 Belkin Products**

14 Before proceeding to the merits of Fujitsu’s motion for summary judgment and summary
15 adjudication of infringement, the Court first addresses Defendants’ objection to and motion to
16 strike evidence relating to three Belkin products and 19 third-party cards, which Defendants assert
17 were never identified in Fujitsu’s original Infringement Contentions (served March 3, 2011) or
18 Amended Infringement Contentions (served February 2, 2012), nor ever disclosed during fact
19 discovery.² ECF No. 267, Defendants’ Opposition to Fujitsu’s Mot. for Summ. J. and Summ.
20 Adjudication of Infringement (“Infringement Opp’n”) at 5-9.

21
22 ² Fujitsu filed an Administrative Motion for Leave to File an Opposition to Defendants’ “Motion to
23 Strike” Three Belkin Products and Non-Party Cards. ECF No. 280. Defendants opposed. *See*
24 ECF No. 286. Fujitsu argues that Defendants were required to separately notice their motion to
25 strike and that Defendants’ failure to do so deprived Fujitsu of the opportunity to fully respond.
26 However, Defendants’ objection to and motion to strike Fujitsu’s untimely disclosed evidence was
27 properly raised in their opposition to Fujitsu’s motion for summary judgment and summary
28 adjudication of infringement, consistent with Civil Local Rule 7-3, which requires that “[a]ny
evidentiary or procedural objections to the motion must be contained within the [opposition] brief
or memorandum,” which may not exceed 25 pages. Civ. L.R. 7-3(a). Fujitsu had an opportunity
to, and did, respond to Defendants’ evidentiary objection and motion to strike in Fujitsu’s reply
brief. Accordingly, Fujitsu is not entitled to file a separate opposition, and its administrative
motion for leave to do so is therefore DENIED.

1 As for the three Belkin products—models DX-WEGRTR, AWGR54, and F5D7132—these
2 accused models were clearly disclosed in Fujitsu’s February 2, 2012 Amended Infringement
3 Contentions. *See* Decl. of Thomas E. Garten in Supp. of Fujitsu’s Reply in Supp. of Mot. for
4 Summ. Judgment and Summ. Adjudication of Infringement (“Garten Reply Decl.”) Ex. 3, Belkin
5 Appendix A at 6, 12. Accordingly, Defendants’ motion to strike these three products is without
6 basis and is DENIED.

7 As for the 19 third-party cards, however, the Court agrees with Defendants that Fujitsu has
8 not adequately complied with this District’s Patent Local Rules. The 19 third-party cards consist of
9 5 Buffalo cards, 6 Cisco cards, 8 Linksys cards, 1 Sohaware card, and 1 TrendNet card. *See*
10 Garten Decl. ¶¶ 6-7. Patent Local Rule 3-1 requires that within 14 days after the initial case
11 management conference, the patentee must serve on each opposing party a “Disclosure of Asserted
12 Claims and Infringement Contentions,” identifying “[s]eparately for each asserted claim, each
13 accused apparatus, product, device, process, method, act, or other instrumentality (“Accused
14 Instrumentality”) of each opposing party of which the party is aware.” Patent L.R. 3-1(b). The
15 identification of Accused Instrumentalities must be “as specific as possible,” and should include
16 the “name or model number, if known.” *Id.* For claims of indirect infringement, the Infringement
17 Contentions must include “an identification of any direct infringement and a description of the acts
18 of the alleged indirect infringer that contribute to or are inducing that direct infringement. Insofar
19 as alleged direct infringement is based on joint acts of multiple parties, the role of each such party
20 in the direct infringement must be described.” Patent L.R. 3-1(d).

21 There is no dispute here that neither Fujitsu’s original Infringement Contentions nor
22 Amended Infringement Contentions identifies these 19 third-party cards by manufacturer, product
23 name, or model number. *See generally* Garten Reply Decl. Exs. 2 [original Infringement
24 Contentions] & 3 [Amended Infringement Contentions]. Rather, Fujitsu asserts that it complied
25 with Patent Local Rule 3-1(d) because, “In its contentions, Fujitsu clearly stated that use of
26 Defendants’ external devices with cards sold by others infringes the system claims and provided
27 exemplary claim charts showing the use of the external devices with cards sold by others.”
28

1 Fujitsu’s Reply in Support of Its Mot. for Summ. J. and Summ. Adjudication of Infringement
2 (“Infringement Reply”) at 15 n.4.

3 Fujitsu’s Infringement Contentions do, indeed, provide a general description of the alleged
4 inducement. For example, in its Infringement Contentions against D-Link, Fujitsu describes
5 “Systems Including a Third Party Card Interface Device and a D-Link External Device,” and
6 provides a representative claim chart. *See* Garten Reply Decl. Ex. 2 D-Link at 6. Fujitsu identifies,
7 however, only one representative card interface device. Moreover, the representative card interface
8 device identified is simply a Netgear RangeMax Wireless PC Card, Model No. WPN511, which is
9 one of Netgear’s accused devices. *Id.* For each contention of inducement against each Defendant,
10 Fujitsu simply identifies one accused card interface device manufactured by a different Defendant,
11 not a card interface device manufactured by a third party not party to this suit.

12 This level of disclosure is insufficient. Under the Patent Local Rules of this District, a
13 patentee’s Infringement Contentions must identify the alleged third-party direct infringers in order
14 to allege indirect infringement. *See* Patent L.R. 3-1(d); *see, e.g., Life Techs. Corp. v. Biosearch*
15 *Techs., Inc.*, No. 12-00852, 2012 WL 1831595, at *1 (N.D. Cal. May 18, 2012) (granting
16 patentee’s motion to amend infringement contentions to add the newly discovered identities of
17 alleged direct infringers for purposes of alleging indirect infringement, which was necessary in
18 order for patentee to comply with this District’s Local Patent Rules); *Bender v. Maxim Integrated*
19 *Prods., Inc.*, No. 09-01152, 2010 WL 1135762, at *3 (N.D. Cal. Mar. 22, 2010) (plaintiff failed to
20 comply with Patent Local Rule 3-1(d) where plaintiff’s infringement contentions did not specify
21 any third party and did not describe any acts committed by a third party that would suggest direct
22 infringement). The Court agrees with Defendants that Fujitsu was required to identify these third-
23 party cards in its Infringement Contentions, so as to put Defendants on notice of the alleged direct
24 infringement supporting Fujitsu’s claims of indirect infringement.

25 The Court also agrees with Defendants that it is too late for Fujitsu to amend its
26 Infringement Contentions to comply with the Patent Local Rules, and that to allow such
27 amendment would unduly prejudice Defendants. A patentee must seek leave of the Court to amend
28 its Infringement Contentions and may do so only “upon a timely showing of good cause,” which

1 may include: “(a) a claim construction by the Court different from that proposed by the party
2 seeking amendment; (b) recent discovery of material, prior art despite earlier diligent search; and
3 (c) recent discovery of nonpublic information about the Accused Instrumentality which was not
4 discovered, despite diligent efforts, before the service of the Infringement Contentions.” Patent
5 L.R. 3-6. To determine if good cause exists, the Court considers: (1) whether the moving party
6 was diligent in amending its contentions, and (2) whether the non-moving party would suffer
7 prejudice if the motion to amend were granted. *Acer, Inc. v. Tech. Props. Ltd.*, Nos. 5:08-00877,
8 5:08-00882, 5:08-05398, 2010 WL 3618687, at *3 (N.D. Cal. Sept. 10, 2012); *accord O2 Micro*
9 *Int’l Ltd. v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1366-67 (Fed. Cir. 2006) (citation
10 omitted).

11 Here, Fujitsu has not sought to amend its infringement contentions, but instead has sought
12 summary adjudication of infringement based on these 19, untimely disclosed third-party cards.
13 Defendants assert that the only discovery Fujitsu provided about these 19 third-party products “was
14 a handful of manuals among a nearly 30,000-page document dump 45 minutes past midnight *after*
15 the fact discovery deadline.” Infringement Opp’n at 7. Defendants further assert that these third-
16 party products were disclosed for the first time in Fujitsu’s expert report, served May 4, 2012, after
17 the close of fact discovery. *Id.* As a result, Defendants have been deprived of an opportunity to
18 conduct fact discovery on these third-party cards. The deadline for fact and expert discovery has
19 passed, the deadline for filing dispositive motions has passed, and this case is set for a final pretrial
20 conference on November 1, 2012, and for trial on November 26, 2012. The Court finds that
21 Defendants would be significantly prejudiced if Fujitsu were allowed to proceed with its claims
22 based on these 19 third-party cards. Accordingly, Defendants’ motion to strike the portions of Dr.
23 Williams’ Declaration and expert report that rely on these third-party products for alleged
24 infringement is GRANTED.

25 In light of this ruling striking all evidence related to the 19 third-party cards: (1) Fujitsu’s
26 motion for summary adjudication that these third-party cards meet each and every limitation of
27 claims 2, 4, 9, 14, and 41 is DENIED; (2) Fujitsu’s motion for summary adjudication that these
28 third-party cards satisfy the card-related limitations of claims 20, 27, 47, and 48 is DENIED; and

1 (3) Fujitsu’s motion for summary adjudication that use of these third-party cards with any of
2 Defendants’ accused wireless access points or routers in the United States constitutes direct
3 infringement of claims 20, 27, 47, and 48 is DENIED.

4 **B. Defendants’ Card Interface Devices**

5 The Court now turns to Fujitsu’s summary judgment motion with respect to Defendants’
6 accused card interface devices. In support of its infringement claims, Fujitsu has submitted: (a)
7 Defendants’ responses to Fujitsu’s Requests for Admission; (b) the declaration of Dr. Williams
8 (“Williams Infringement Decl.”) and accompanying tear-down photographs of the accused
9 products; (c) Dr. Williams’ expert report on infringement (“Williams Infringement Rep.”); and (d)
10 product manuals and other documentation for certain accused products. *See, e.g.*, Garten Decl. ¶ 8.
11 The Court follows the parties’ lead in addressing claims 41, 47, and 48 together; addressing the
12 common limitations of claims 2, 4, 9, 14, 20, and 27 together; and finally addressing the projection
13 limitation of claims 9, 14, and 27 together.

14 **1. Claims 41, 47, and 48**

15 Defendants have conceded that the accused card products meet all the limitations of claims
16 41, 47, and 48. *See* Infringement Opp’n at 25. Specifically, Defendants have admitted
17 infringement in their responses to Fujitsu’s Requests for Admission, and Defendants’ expert does
18 not dispute that each of Defendants’ accused cards meet every limitation of these claims.
19 Defendants’ only defense is a bare assertion that “to the extent that the Court allows Fujitsu to rely
20 on constructions other than those ordered by the Court, then Defendants’ products would not
21 infringe under those constructions.” *Id.* However, Defendants offer no explanation as to *why* their
22 products would not infringe under any alternative constructions, and they do not even identify
23 which claim terms they believe are dispositive. In any event, the Court rejects Fujitsu’s proposed
24 construction of “card” and “slot,” as discussed in the section on invalidity below. Accordingly,
25 Fujitsu’s motion for summary judgment that Defendants’ accused card interface devices directly
26 infringe claim 41, and for summary adjudication that Defendants’ accused card interface devices
27 satisfy the card-related limitations of claims 47 and 48, is GRANTED.

28 **2. Claims 2, 4, 9, 14, 20, and 27**

1 Fujitsu seeks summary judgment that the accused card interface devices infringe claims 2,
2 4, 9, and 14, which all depend from claim 38, and summary adjudication that the accused card
3 interface devices satisfy the card-related limitations of electronic system claims 20 and 27, both of
4 which depend from claim 39. Claims 2, 4, 9, 14, 20, and 27 all require “a card,” “a first data
5 interface unit,” “a second data interface unit,” and “a data transfer circuit.” Claims 2, 4, and 20
6 additionally require a “radio transmitter/receiver means,” while claims 9, 14, and 27 additionally
7 require a “projection.” Most of these limitations are not in dispute. However, Defendants advance
8 three reasons why Fujitsu is not entitled to summary judgment of infringement of these claims: (1)
9 the “first data interface unit” and “second data interface unit” are not provided for on “opposing
10 end[s]” of the accused cards, as is required by all claims; (2) the accused cards do not disclose a
11 second data interface unit that is located entirely “within” the projection, as is required by claims 9,
12 14 and 27; and (3) the accused cards do not disclose a “radio transmitter/receiver means,” as is
13 required by claims 2, 4, and 20. The Court addresses these arguments in turn.

14 **a. Data Interface Units**

15 Defendants argue that Fujitsu relies on improper claim constructions of the claim terms
16 “data interface unit,” “provided on one end of the card,” and “provided on an opposing end.”
17 Defendants also argue that Fujitsu has failed to meet its evidentiary burden. The Court begins with
18 Defendants’ claim construction arguments.

19 First, Defendants argue that Fujitsu has advanced an improper claim construction of “data
20 interface unit” that is contrary to the Court’s construction. *See* Infringement Opp’n at 11-13.
21 Defendants represent that Fujitsu’s infringement analysis employs a construction of “data interface
22 unit” meaning “a unit for buffering and receiving/transmitting data,” whereas the Court’s
23 construction of the term is “a unit for buffering or receiving/transmitting data.” *Id.* at 12.
24 However, Defendants fail to explain how this purported claim construction dispute impacts
25 Defendants’ non-infringement defense.³ Defendants appear to be arguing that the “or” in the
26

27 ³ Defendants argue that under the Court’s construction of “data interface unit,” both the HP
28 82950A and Mizutani references disclose a “first data interface unit” and a “second data interface
unit,” *see* Infringement Opp’n at 12-13, but Defendants did not make this argument in their motion

1 construction is an “exclusive or” (i.e., one or the other, but not both), rather than a “logical or” (i.e.,
2 either or both). There is no basis for this construction, and Defendants offer none. The Court’s
3 construction of “data interface unit” is not “a unit for buffering or receiving/transmitting data, but
4 not both.” Thus, presumably any card that satisfies the narrower limitation of “a unit for buffering
5 *and* receiving/transmitting data” also satisfies the broader limitation of “a unit for buffering *or*
6 receiving/transmitting data.”

7 Second, Defendants’ principal argument here concerns not the first and second “data
8 interface units” themselves, but rather the location of said units on the accused cards. Defendants
9 argue that Fujitsu’s infringement analysis ignores the requirement that the respective data interface
10 units be “provided on” opposing “end[s]” of the card, relying instead on an improper construction
11 that permits only a “portion” of the data interface unit to be located on an end. Under a proper
12 claim construction, Defendants posit, none of the accused products infringe because the data
13 interface unit on the accused cards extends past the mid-point of the card (i.e., “the 50-yard line”),
14 and thus are only partially provided, not fully “provided,” “on one end of the card.”

15 Defendants’ efforts to defeat summary judgment of infringement by manufacturing an
16 untimely claim construction argument and recanting on their previous admissions are not
17 persuasive. Defendants admitted in their responses to Requests for Admission that each of the
18 accused cards “comprises a first data interface unit, provided on one end of the card, . . . within the
19 meaning of claim 38.” *See* Garten Decl. Ex. 2 [Belkin RFA Nos. 4.01-4.76]; Ex. 4 [D-Link RFA
20 Nos. 4.01-4.02]; Ex. 7 [Netgear RFA Nos. 4.01-4.72]. Defendants have not sought, and this Court
21 has not granted, leave to withdraw or amend these admissions, and they are thus binding. *See* Fed.
22 R. Civ. P. 36(b) (“A matter admitted under this rule is conclusively established unless the court, on
23 motion, permits the admission to be withdrawn or amended.”); *Tillamook Country Smoker, Inc. v.*
24 *Tillamook Cnty. Creamery Ass’n*, 465 F.3d 1102, 1111-12 (9th Cir. 2006) (“[T]he parties are
25 bound by such admissions.”). Defendants maintain that they have not sought leave to withdraw or
26 amend their admissions because their admissions were premised upon applying the Court’s actual

27
28 for summary judgment of invalidity, and the argument has no bearing on the question of
infringement.

1 construction, and they reserved the right to modify, supplement, or change their positions should
2 Fujitsu attempt to take inconsistent positions regarding the meaning and scope of the '769 Patent.
3 Infringement Opp'n at 13. Defendants further argue that their admissions are non-binding because
4 Fujitsu has now taken a position contrary to the Court's claim construction of the term "data
5 interface unit." *Id.* But Fujitsu is not taking a position contrary to the Court's claim construction
6 of the term "data interface unit," which did not include any limitations as to location or size. The
7 claim construction issue that Defendants raise now—for the first time on summary judgment—
8 concerns the limitation "provided on one end," not "data interface unit." Moreover, Fujitsu's
9 contentions regarding the "first data interface unit" have not changed since the beginning of this
10 case. Fujitsu identified the same circuitry at issue now in its original March 2011 infringement
11 contentions, in its February 2012 supplemental infringement contentions, and in Dr. Williams'
12 May 2012 expert report. *See* Garten Reply Decl. Exs. 2 & 3; ECF No. 257, Decl. of Tim A.
13 Williams in Supp. of Fujitsu's Mot. for Summ. J. and Summ. Adjudication of Infringement
14 ("Williams Infringement Decl.") ¶¶ 45-47. Thus, there is no reason Defendants should not be
15 bound by their admissions pursuant to Federal Rule of Civil Procedure 36(b).

16 In any event, even if Defendants were not bound by their Rule 36(b) admissions,
17 Defendants' new claim construction argument is unsupported by the intrinsic record. The plain
18 meaning of the term "provided on one end" does not imply an additional limitation that the object
19 to be provided must not extend past a 50-yard line. Reading the phrase in the context of claim 38
20 as a whole, it is clear that the '769 Patent claims a card type input/output interface device
21 comprising a card, a first data interface unit on one end of the card, a second data interface unit on
22 the opposing end of the card, and a data transfer circuit connecting the two data interface units. *See*
23 '769 Patent, col.10:61-11:14. Thus, the plain meaning of the claim language is directed towards
24 the location of the two data interface units in relation to one another, each on opposing ends of the
25 data transfer circuit. Nothing in the claim language suggests that the patent limits the size of the
26 respective data interface units.

27 Defendants argue that their position is supported by the specification, disregarding the fact
28 that their own expert Dr. Brody testified that his "50-yard line" construction is based exclusively

1 on the plain meaning of the claim language. *See* Garten Reply Decl. Ex. 4 at 62:4-63:9. In their
2 opposition brief, Defendants point to Figure 1 of the '769 Patent—described as a “perspective view
3 of a first embodiment”—which Defendants argue plainly shows the first data interface unit on one
4 end of the card and a second data interface unit on the opposing end, with neither data interface
5 unit touching the 50-yard line. Meanwhile, Defendants attack Fujitsu’s reliance on Figure 3A of
6 the specification, which Fujitsu argues would be improperly excluded under Defendants’
7 specification. Defendants attempt to distinguish their reliance on Figures 1 and 9 from Fujitsu’s
8 reliance on Figure 3A by asserting that the former two figures depict physical layout or
9 dimensions, whereas the latter figure depicts only functional connectivity as a block diagram.
10 Infringement Opp’n at 14-15.

11 Defendants are right that the Federal Circuit “has repeatedly cautioned against overreliance
12 on drawings that are neither expressly to scale nor linked to quantitative values in the
13 specification.” *Krippelz v. Ford Motor Co.*, 667 F.3d 1261, 1268 (Fed. Cir. 2012) (citing *Nystrom*
14 *v. TREX Co.*, 424 F.3d 1136, 1149 (Fed. Cir. 2005); *Hockerson-Halberstadt, Inc. v. Avia Grp. Int’l,*
15 *Inc.*, 222 F.3d 951, 956 (Fed. Cir. 2000); *In re Wright*, 569 F.2d 1124, 1127 (C.C.P.A. 1977)).
16 However, while Fujitsu’s reliance on Figure 3A is misplaced, Defendants’ reliance on Figures 1
17 and 9 fares no better. The Court finds nothing in the patent indicating that Figures 1 and 9 are
18 drawn to scale or linked to quantitative values of size. “[I]t is well established that patent drawings
19 do not define the precise proportions of the elements and may not be relied on to show particular
20 sizes if the specification is completely silent on the issue.” *Hockerson-Halberstadt*, 222 F.3d at
21 956. Moreover, it is equally well established that “patent coverage is not necessarily limited to
22 inventions that look like the ones in the figures. To hold otherwise would be to import limitations
23 onto the claim from the specification, which is fraught with ‘danger.’” *MBO Labs., Inc. v. Becton,*
24 *Dickinson & Co.*, 474 F.3d 1323, 1333 (Fed. Cir. 2007) (quoting *Phillips v. AWH Corp.*, 415 F.3d
25 1303, 1323 (Fed. Cir. 2005) (en banc)); *see also Arlington Indus., Inc. v. Bridgeport Fittings, Inc.*,
26 632 F.3d 1246, 1254 (Fed. Cir. 2011) (“[D]rawings in a patent need not illustrate the full scope of
27 the invention.”). “Limiting claims from the specification is generally not permitted absent a clear
28 disclosure that the patentee intended the claims to be limited as shown.” *MBO Labs.*, 474 F.3d at

1 1334 (citing *Phillips*, 415 F.3d at 1323). Defendants point to no such clear disclosure that the
2 inventors intended to limit the claims of the '769 Patent to the spatial configurations depicted in
3 Figures 1 and 9.

4 In sum, the Court finds no support for imposing a limitation that the data interface unit not
5 extend beyond the 50-yard line of the card. Defendants' claim construction is therefore rejected.

6 Finally, Defendants also argue that Fujitsu has failed to meet its evidentiary burden with
7 respect to each of the accused cards. Defendants contend that Fujitsu's expert, Dr. Williams,
8 provided only a "narrative description" with conclusory opinions and no analysis, addressing only
9 so-called "representative" cards for each Defendant. Defendants contend that Dr. Williams'
10 analysis does not support summary judgment of infringement, as Dr. Williams himself
11 acknowledged that there are structural differences in each of the accused cards, warranting
12 individualized analysis of each accused product.

13 Fujitsu defends the sufficiency of Dr. Williams' report, pointing to Dr. Williams' repeated
14 assurances that he analyzed each accused device individually, and that his analysis applies to each
15 and every accused device. Reply at 11. In addition, Mr. Williams provided a tear-down analysis
16 for 55 accused cards, and attached to his report approximately 12 tear-down photographs for each
17 card. *See Williams Infringement Decl.* ¶ 4 & Ex. B (providing 4 exemplary tear-down photos for
18 each accused card). Moreover, because the cards at issue comply with various standards, such as
19 the PC Card Standard, the 802.11 standards, and the Ethernet standard, Fujitsu contends that many
20 of the cards therefore have the same or similar characteristics for purposes of Mr. Williams'
21 infringement analysis, allowing him to present his conclusions in summary form. *Infringement*
22 *Reply* at 12.

23 Although the Court rejects Defendants' claim construction argument, the Court agrees that
24 Fujitsu has failed to meet its evidentiary burden on summary judgment for all accused cards except
25 Belkin F5D7010, D-Link DWL-G630, and Netgear WG511, the only cards for which Dr. Williams
26 identified all relevant limitations. *See Williams Infringement Decl. Ex. A* [Williams Infringement
27 *Rep.*] ¶¶ 46 (first data interface unit), 66 (second data interface unit). Fujitsu's expert, Dr.
28 Williams, explains in his infringement report that for each of the accused cards, the "first data

1 interface unit” includes a physical connector, the traces connecting the physical connector and the
2 main chip, and one or more bus buffers located in the main chip. Williams Infringement Decl. ¶¶
3 37, 46, 55. However, his tear-down photographs of each accused card device are not annotated in
4 any way and do not identify any of the components that he states comprise the “first data interface
5 unit” and the “second data interface unit.” Based on this report alone, in which Dr. Williams states
6 his opinions in conclusory fashion without performing limitation-by-limitation analysis as to each
7 accused card, the Court is unable to say that no reasonable jury could find that Fujitsu had failed to
8 prove satisfaction of the “data interface unit” limitations by a preponderance of the evidence.⁴ See
9 *Innovation Toys, LLC v. MGA Entm’t, Inc.*, 637 F.3d 1314, 1319 (Fed. Cir. 2011); *TechSearch,*
10 *L.L.C. v. Intel Corp.*, 286 F.3d 1360, 1372 (Fed. Cir. 2002). To carry its burden of proof on a
11 motion for summary judgment of infringement, a patentee must show infringement “literally or
12 equivalently for each limitation; general assertions of facts, general denials, and conclusory
13 statements are insufficient” *TechSearch*, 286 F.3d at 1372; see *Moore U.S.A., Inc. v. Standard*
14 *Register Co.*, 229 F.3d 1091, 1112 (Fed. Cir. 2000). On this record, the Court is unable to grant
15 Fujitsu summary judgment of infringement of claims 2, 4, 9, 14, 20, and 27 with regard to all
16 accused cards. Whether Fujitsu is entitled to summary judgment of infringement as to Belkin
17 F5D7010, D-Link DWL-G630, and Netgear WG511 can only be resolved after the Court considers
18 Defendants’ remaining two arguments, discussed below. As to all other accused cards, the motion
19 is DENIED based on insufficient evidence that the “data interface unit” limitations are met.

20 **b. Projection (claims 9, 14, and 27 only)**

21 Defendants argue that Fujitsu’s motion for summary judgment of infringement should also
22 be denied as to claims 9, 14, and 27 because the accused cards lack the “projection” limitation of
23 those claims. Claims 9, 14, and 27 require a card device wherein (1) said card has a projection, (2)
24 in which said second data interface unit is provided, and (3) wherein the thickness of said second
25 end portion of said card including said projection is greater than a thickness of said first end
26

27 ⁴ Although Dr. Williams analyzed certain representative products, he did not analyze the same
28 representative products for every limitation, and thus the Court is unable to conclude that Fujitsu
has met its burden of proof for any given representative product.

1 portion of said card. *See* '769 Patent, col.8:26-27, 34-36. Claim 14 depends from claim 9 and
2 further requires “a connector formed in said projection.” Only the 10 wired cards are accused of
3 infringing claim 14.⁵ The parties stipulated that “projection” means “a portion of the card that
4 extends away from a surface of the card.” ECF No. 164 (“Am. Joint Claim Construction
5 Statement”).

6 As with the “data interface unit” limitations, Defendants’ argument with respect to the
7 “projection” limitation is twofold. First, Defendants argue that Fujitsu relies on an improper claim
8 construction that ignores the plain-language requirement of the claims that the second data
9 interface unit be provided entirely, and not just partially, within the projection. Second,
10 Defendants challenge the sufficiency of Fujitsu’s proffered evidence.

11 Defendants advocate for a construction that requires the second data interface unit to be
12 contained entirely, and not just partially, within the projection. Under such a construction,
13 Defendants maintain, the accused cards do not infringe claims 9, 14, and 27, because not all of the
14 circuitry that comprises the second data interface unit is contained entirely within the projection.
15 *See* Brody Rep. ¶¶ 122-25. For each of the accused cards, only the antenna (for wireless cards) or
16 the connector (for wired cards), plus additional circuitry, is located within the projection. *Id.*
17 Other circuitry, such as the buffers in the main chip, is located outside of the projection toward the
18 middle of the card. *Id.* Fujitsu does not dispute this characterization of the accused cards.
19 Infringement Mot. at 22-23. Thus, the only dispute is one of claim construction.

20 The Court agrees with Defendants that the plain meaning of the claim language requires the
21 second data interface unit to be provided entirely within the projection. Claim 9 plainly requires “a
22 projection *in which* said second data interface unit *is provided.*” ’769 Patent, col.8:26-27
23 (emphases added). Thus, if a mere connector on its own does not constitute a second data interface
24 unit, as Fujitsu argues, and the connector is all that is provided within the projection, then the
25 limitation is not met. The construction issue here is different than the one previously discussed

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27 ⁵ Defendants do not challenge the “connector formed in said projection” limitation of claim 14 in
28 their opposition or in Dr. Brody’s report. *See generally* Infringement Opp’n; Garten Decl. Ex. 10
[Brody Rep.]. Dr. Williams opines that this limitation is satisfied in each of the accused wireless
cards. *See* Williams Infringement Decl. ¶¶ 115-18; Williams Infringement Rep. ¶¶ 182-85.

1 with regard to the location of the first data interface unit “provided on one end of the card.” As the
2 Court explained, “end” as used in the claims is a relative term referring to placement of the two
3 data interface units in relation to one another. Thus, a first data interface unit can be entirely
4 “provided” on one “end” of the card even if the first data interface unit extends beyond the
5 midpoint of the card. By contrast, a “projection” as used in the claims is a clearly defined
6 structure, and thus the grammatical syntax, “in which,” and the plain meaning of “provided,”
7 require that the second data interface unit be provided within the projection.

8 Fujitsu’s argument that Defendants’ construction would improperly read out disclosed
9 embodiments is not persuasive. Fujitsu argues that the specification depicts connector-shaped
10 projections that are “only large enough to accommodate a connector socket,” pointing specifically
11 to Figures 7B-7C, 9B-9C, 10B-10C, and 11B-11C. Infringement Mot. at 22. Fujitsu adds, without
12 citation to any support, that “[t]he connector-shaped projections are not large enough to contain []
13 additional components” that “may be included in a second data interface (*e.g.*, a buffer).” *Id.* But
14 Fujitsu cites nothing in the specification that supports this conclusion. Fujitsu also argues that,
15 because a data interface unit *may* include both a unit for buffering and a unit for
16 receiving/transmitting data, claim 9 must be construed to include cards where the buffer extends
17 beyond the projection. This argument, too, is unavailing. While the presence of a buffering unit in
18 addition to a transceiving unit does not remove a card from the claim scope, the data interface unit
19 limitation is satisfied by the presence of only one of the two.

20 Because Fujitsu admits that not all of the circuitry that comprises the second data interface
21 unit is provided entirely within the projection on each of the accused cards, Fujitsu’s motion for
22 summary judgment of infringement of claims 9, 14, and 27 is DENIED as to all accused cards.

23 **c. “Radio Transmitter/Receiver Means” (claims 2, 4, and 20**
24 **only)**

25 Defendants argue that Fujitsu’s motion for summary judgment of infringement should also
26 be denied as to claims 2, 4, and 20 because the accused cards lack the “radio transmitter/receiver
27 means” limitation of those claims. Claims 2 and 20 recite a “radio transmitter/receiver means for
28 transferring the data between said external device and the card type input/output interface device

1 through a radio communications channel.” ’769 Patent, col.7:67-8:3. The parties agree that this
2 limitation is a means-plus-function limitation as defined by 35 U.S.C. § 112, ¶ 6.⁶ See ECF No.
3 164 at 2. Claim 4 depends from claim 2 and further recites “an antenna coupled to said radio
4 transmitter/receiver means.”⁷ ’769 Patent, col.8:12-13.

5 “Construction of a means-plus-function limitation involves two steps. First, the court must
6 identify the claimed function. Second, the court must identify the corresponding structure in the
7 specification that performs the recited function.” *Chicago Bd. Options Exch., Inc. v. Int’l Sec.*
8 *Exch., LLC*, 677 F.3d 1361, 1367 (Fed. Cir. 2012) (citing *Applied Med. Res. Corp. v. U.S. Surgical*
9 *Corp.*, 448 F.3d 1324, 1332 (Fed. Cir. 2006)). To prove infringement of a means-plus-function
10 claim, the patentee must show that the accused product performs the claimed function using a
11 structure identical or equivalent to the structure identified by the Court’s construction. *CytoLogix*
12 *Corp. v. Ventana Med. Sys., Inc.*, 424 F.3d 1168, 1178 (Fed. Cir. 2005).

13 The parties agree here that the claimed function is “transferring data between the external
14 device and the card type input/output interface device through a radio communications channel.”
15 ECF No. 164 at 2. The parties further agree that the corresponding structure described in the
16 specification comprises “at least radio transmitter/receiver unit 12-2, frequency modulator 12c,
17 frequency demodulator 12d, amplifiers 12e and 12h, band-pass filter 12f, and antenna sharing
18 device 12g.”⁸ *Id.* To show that each of the accused wireless cards meets the “radio

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20 ⁶ 35 U.S.C. § 112, ¶ 6, provides: “An element in a claim for a combination may be expressed as a
21 means or step for performing a specified function without the recital of structure . . . in support
22 thereof, and such claim shall be construed to cover the corresponding structure . . . described in the
23 specification and equivalents thereof.” Section 112 ¶ 6 “represents a *quid pro quo* by permitting
inventors to use a generic means expression for a claim limitation provided that the specification
indicates what structure(s) constitute(s) the means.” *Atmel Corp. v. Info. Storage Devices, Inc.*,
198 F.3d 1374, 1381 (Fed. Cir. 1999).

24 ⁷ Defendants do not challenge the “antenna coupled to said radio transmitter/receiver means”
25 limitation of claim 4 in their opposition or in Dr. Brody’s report. See generally Infringement
26 Opp’n; Garten Decl. Ex. 10 [Brody Rep.]. Dr. Williams opines that this limitation is satisfied in
each of the accused wireless cards. See Williams Infringement Decl. ¶¶ 101-07; Williams
Infringement Rep. ¶¶ 154-60.

27 ⁸ The parties further agree that the specification discloses an alternate embodiment with the
28 structure comprising at least “radio modulator 15, frequency modulator 15c, amplifiers 15e and
15k, antenna sharing device 15g, radio demodulator 16, band-pass filter 15f, and frequency
demodulator 15d.” ECF No. 164 at 2-3.

1 transmitter/receiver” means-plus-function claim limitation, Fujitsu offers the opinion of its expert,
2 Dr. Williams, who opines that (1) each accused wireless card contains a radio transmitter/receiver
3 unit, a frequency modulator, a frequency demodulator, amplifiers, a band-pass filter, and an
4 antenna sharing device; and (2) these components are connected in the same way as the
5 corresponding structure disclosed in the ’769 Patent. *See* Williams Infringement Decl. ¶¶ 93-100;
6 Williams Infringement Rep. ¶¶ 146-53.

7 Defendants offer no rebuttal evidence to the contrary. Nor do Defendants appear to dispute
8 that the accused wireless cards perform the claimed function of “transferring data between the
9 external device and the card type input/output interface device through a radio communications
10 channel.” Rather, Defendants’ sole argument against summary judgment is that Fujitsu has
11 proffered insufficient evidence that the required corresponding structure for the transceiver means
12 is found in any of the accused wireless cards. *See* Infringement Opp’n at 23-25.

13 The Court is not convinced. While infringement is typically a question of fact for the jury
14 to decide, a court may nonetheless “determine infringement on summary judgment ‘when no
15 reasonable jury could find that every limitation recited in the properly construed claim either is or
16 is not found in the accused device.’” *Innovention Toys*, 637 F.3d at 1319 (quoting *Bai v. L&L*
17 *Wings, Inc.*, 160 F.3d 1350, 1353 (Fed. Cir. 1998)). As the patentee and the movant, Fujitsu bears
18 the initial burden of showing a *prima facie* case for summary judgment, but if Fujitsu meets that
19 burden, “then the burden of production shifts to the nonmovant to present specific evidence
20 indicating there is a genuine issue for trial.” *Air Turbine Tech., Inc. v. Atlas Copco AB*, 410 F.3d
21 701, 708 (Fed. Cir. 2005) (citing *Liberty Lobby*, 477 U.S. at 250). Here, Fujitsu has presented
22 competent expert testimony in support of its infringement contention, and Defendant has countered
23 with nothing that would create a genuine issue of fact. While Defendants are correct that “[t]o
24 establish infringement under § 112, ¶ 6, it is insufficient for the patent holder to present testimony
25 ‘based only on a functional, not a structural, analysis,’” *CytoLogix*, 424 F.3d at 1178 (quoting
26 *Alpex Computer*, 102 F.3d at 1222), Dr. Williams’ report was not deficient in this manner. Dr.
27 Williams’ opinion that each accused wireless card includes circuitry identical to the corresponding
28 structure disclosed in the ’769 Patent was informed, in part, by the fact that: (1) the structures

1 disclosed in the patent are “high-level components that would be found in any standard-compliant
2 wireless interface card device,” Williams Infringement Decl. ¶ 97; *see* Williams Infringement Rep.
3 ¶ 150; and (2) the wireless cards comply with the 802.11 standards, and in order to do so, each card
4 must include a radio transmitter/receiver unit, a frequency modulator and demodulator, amplifiers,
5 and a band-pass filter, Williams Infringement Decl. ¶ 97; Williams Infringement Rep. ¶ 150.
6 However, Dr. Williams did not stop there. Rather, Dr. Williams stated that his conclusions were
7 confirmed by: (3) his tear-down analysis of each accused wireless card, which confirmed that each
8 card includes both an antenna sharing device and radio transceiver circuitry that implements the
9 requirements set forth in the 802.11 standards, Williams Infringement Decl. ¶¶ 98, 100; Williams
10 Infringement Rep. ¶¶ 151, 153; and (4) his review of the available technical documentation
11 concerning the radio transceiver components found in the wireless cards, which also confirmed that
12 the cards include circuitry identical to the corresponding structure disclosed in the ’769 patent,
13 Williams Infringement Decl. ¶ 99; Williams Infringement Rep. ¶ 152. Under Ninth Circuit law,
14 “[e]xpert opinion is admissible and may defeat summary judgment if it appears the affiant is
15 competent to give an expert opinion and the factual basis for the opinion is stated in the affidavit,
16 even though the underlying factual details and reasoning upon which the opinion is based are not.”
17 *Walton v. U.S. Marshals Serv.*, 492 F.3d 998, 1008 (9th Cir. 2007) (quoting *Bulthuis v. Rexall*
18 *Corp.*, 789 F.2d 1315, 1318 (9th Cir. 1985) (per curiam)); *cf. Novartis Corp. v. Ben Venue Labs.*,
19 *Inc.*, 271 F.3d 1043, 1051 (Fed. Cir. 2001) (“We look to regional circuit law for the applicable
20 standard controlling the factual foundation necessary to support an expert’s opinion, which is not a
21 matter peculiar to patent law.”). Dr. Williams’ opinion sufficiently establishes prima facie support
22 for this limitation.

23 In *Lucent Techs., Inc. v. Microsoft Corp.*, 544 F. Supp. 2d 1080, 1090-91 (S.D. Cal. 2008),
24 the district court found that a patentee’s expert’s declaration was sufficient to survive summary
25 judgment, where the infringement analysis was based “both on the implications of compliance with
26 the [MPEG-2 or VC-1] standard and on review of the product source code as applied to the Court’s
27 construction.” 544 F. Supp. 2d at 1090-91. While recognizing that “standards compliance is not
28 necessarily equivalent to an infringement analysis for claims under section 112 ¶ 6,” the court

1 nevertheless noted that “analysis of standards implemented by a product may be relevant to
2 infringement and provide support for the patentee’s position, provided that standards compliance
3 does not replace the ultimate legal standard for infringement.” *Id.* at 1091. Here, Dr. Williams’
4 uncontroverted analysis of the accused cards’ implementation of the 802.11 standard is buttressed
5 by his uncontroverted tear-down analysis of the accused products and review of the available
6 technical documentation. In the face of this uncontroverted evidence, no reasonable jury could find
7 that the “radio transmitter/receiver means” limitation is not found in the accused wireless cards.

8 Accordingly, in light of the Court’s ruling with respect to the “data interface unit”
9 limitation above, Fujitsu’s motion for summary judgment that Defendants’ accused card interface
10 devices infringe claims 2, 4, and 20 is therefore GRANTED as to Belkin F5D7010, D-Link DWL-
11 G630, and Netgear WG511 only. The motion is DENIED as to all other accused cards.

12 **C. Defendants’ Wireless Access Points and Routers**

13 Fujitsu also seeks summary adjudication that use of Defendants’ accused cards with the
14 accused wireless access points and routers constitutes an act of direct infringement of system
15 claims 47 and 48, and that such use in combination with a laptop constitutes direct infringement of
16 electronic system claims 20 and 27. Infringement Mot. at 9. Fujitsu contends there is no dispute
17 that: (1) the accused wireless access points and routers “provid[e] a peripheral function for the
18 electronic device,” and thus are “external devices” within the meaning of system claims 47 and 48
19 and electronic system claims 20 and 27; (2) a laptop is an “electronic device” within the meaning
20 of electronic system claims 20 and 27; and (3) the accused wireless cards satisfy the card-related
21 elements of claims 20, 27, 47, and 48.

22 With respect to claims 47 and 48, Defendants offer no non-infringement defense, as
23 discussed above. Accordingly, Fujitsu’s motion for summary adjudication that use of Defendants’
24 accused cards with the accused wireless access points and routers constitutes an act of direct
25 infringement of system claims 47 and 48 is GRANTED.

26 With respect to claims 20 and 27, Defendants offer no non-infringement defense
27 independent of its arguments concerning the card-related limitations of those claims, discussed
28 above. Accordingly, for the reasons discussed above with respect to the accused cards, Fujitsu’s

1 motion for summary adjudication that use of Defendants’ accused cards with the accused wireless
2 access points and routers and with a laptop constitutes direct infringement of electronic system
3 claim 20 is GRANTED as to Belkin F5D7010, D-Link DWL-G630, and Netgear WG511, and
4 DENIED as to all other accused products. Fujitsu’s motion for summary adjudication that use of
5 Defendants’ accused cards with the accused wireless access points and routers and with a laptop
6 constitutes direct infringement of electronic system claim 27 is DENIED as to all accused products.

7 **D. Defendants’ Network Kits**

8 Finally, Fujitsu seeks summary judgment that Defendants’ network kits directly infringe
9 claims 47 and 48, which, as previously discussed, are both system claims. The 14 accused network
10 kits⁹ consist of one wireless card interface device and one wireless router or access point device,
11 which are bundled together and offered for sale in a single package. As discussed above,
12 Defendants offer no non-infringement defense to claims 47 and 48. Thus, Fujitsu’s motion for
13 summary judgment that Defendants’ network kits directly infringe claims 47 and 48 is GRANTED.

14 **IV. DEFENDANTS’ MOTION FOR SUMMARY JUDGMENT OF INVALIDITY**

15 Defendants move for summary judgment of invalidity of all asserted claims, specifically
16 seeking summary judgment that: (1) claims 41, 47, and 48 of the ’769 Patent are invalid as
17 anticipated under 35 U.S.C. § 102(a) and (b) in light of the ARLAN 450 interface card reference
18 (“ARLAN”), or alternatively invalid as obvious under 35 U.S.C. § 103(a) in light of ARLAN and
19 Murakami; (2) claims 2, 4, 8, 20, 41, 47, and 48 of the ’769 Patent are invalid as anticipated under
20 § 102(b) in light of the Mizutani reference, or alternatively are invalid as obvious under § 103(a) in
21 light of Mizutani and Murakami; (3) claims 2, 4, 8, 20, 41, 47, and 48 of the ’769 Patent are invalid
22 as anticipated under § 102(b) in light of the Murakami reference, or alternatively are invalid as
23 obvious under § 103(a) in light of Murakami in combination with ARLAN, Mizutani, or HP
24 82950A; and (4) claims 9, 14, and 27 of the ’769 Patent are invalid as anticipated under § 102(b) in
25 light of the HP 82950A reference, or alternatively are obvious in light of HP 82950A and
26 Murakami.

27 _____
28 ⁹ At issue in this motion are 3 Belkin network kits, 8 D-Link network kits, and 3 Netgear network
kits. Garten Decl. ¶ 13.

1 Patents are presumed to be valid. 35 U.S.C. § 282(a). A party challenging the validity of a
2 patent bears the burden of proving invalidity by clear and convincing evidence. *Pfizer, Inc. v.*
3 *Apotex, Inc.*, 480 F.3d 1348, 1359 (Fed. Cir. 2007). As with infringement, “[b]oth anticipation
4 under § 102 and obviousness under § 103 are two-step inquiries.” *Medichem, S.A. v. Rolabo, S.L.*,
5 353 F.3d 928, 933 (Fed. Cir. 2003) (citations omitted). The first step is claim construction. *Id.*; *see*
6 *Amazon.com, Inc. v. Barnesandnoble.com, Inc.*, 239 F.3d 1343, 1351 (Fed. Cir. 2001) (“A claim
7 must be construed before determining its validity just as it is first construed before deciding
8 infringement.”) (quoting *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 996 n.7 (Fed. Cir.
9 1995) (Mayer, J., concurring), *aff’d*, 517 U.S. 370 (1996)). The second step is a comparison of the
10 properly construed claim to the prior art. *Medichem*, 353 F.3d at 933.

11 A. Claim Construction

12 Although the parties stipulated that “card” and “slot” should carry their plain meanings, the
13 parties now disagree over the content of each term’s “plain meaning.” “A determination that a
14 claim term ‘needs no construction’ or has the ‘plain and ordinary meaning’ may be inadequate
15 when a term has more than one ‘ordinary’ meaning or when reliance on a term’s ‘ordinary’
16 meaning does not resolve the parties’ dispute.” *O2 Micro Int’l Ltd. v. Beyond Innovation Tech.*
17 *Co.*, 521 F.3d 1351, 1361 (Fed. Cir. 2008). Accordingly, the Court has a duty to resolve the
18 parties’ dispute concerning the scope of these claim terms. *Id.* at 1361-62; *see also Jack Guttman,*
19 *Inc. v. Kopykake Enters., Inc.*, 302 F.3d 1352, 1361 (Fed. Cir. 2002) (“District courts may engage
20 in a rolling claim construction, in which the court revisits and alters its interpretation of the claim
21 terms as its understanding of the technology evolves.”).

22 A claim term is generally “construed in accordance with the ordinary and customary
23 meaning [it] would have to one of ordinary skill in the art in light of the specification and the
24 prosecution history” at the time of the invention. *Aventis Pharma S.A. v. Hospira, Inc.*, 675 F.3d
25 1324, 1329 (Fed. Cir. 2012) (citing *Phillips*, 415 F.3d at 1312). In construing disputed terms, the
26 court looks first to the claims themselves, read in context, for “[i]t is a ‘bedrock principle’ of patent
27 law that ‘the claims of a patent define the invention to which the patentee is entitled the right to
28 exclude.’” *Phillips*, 415 F.3d at 1312 (quoting *Innova/Pure Water, Inc. v. Safari Water Filtration*

1 Sys., Inc., 381 F.3d 1111, 1115 (Fed. Cir. 2004)). Importantly, however, “the person of ordinary
2 skill in the art is deemed to read the claim term not only in the context of the particular claim in
3 which the disputed term appears, but in the context of the entire patent, including the
4 specification.” *Id.* at 1313; *see also Markman*, 52 F.3d at 979 (“Claims must be read in view of the
5 specification, of which they are a part.”). Because the specification must contain a description of
6 the invention sufficiently clear “to teach and enable those of skill in the art to make and use the
7 invention,” *Phillips*, 415 F.3d at 1323, the specification is “‘always highly relevant’” and
8 “[u]sually [] dispositive; it is the single best guide to the meaning of a disputed term,” *id.* at 1315
9 (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)); *accord Eon-*
10 *Net LP v. Flagstar Bancorp*, 653 F.3d 1314, 1320 (Fed. Cir. 2011).

11 The court should also consider, if it is in evidence, the patent’s prosecution history, which
12 consists of the complete record of proceedings before the United States Patent and Trademark
13 Office (“PTO”) and includes the prior art references cited during the examination. *Phillips*, 415
14 F.3d at 1317. Although the prosecution history is generally less useful than the specification for
15 claim construction, the prosecution history nevertheless “can often inform the meaning of the claim
16 language by demonstrating how the inventor understood the invention and whether the inventor
17 limited the invention in the course of prosecution, making the claim scope narrower than it
18 otherwise would be.” *Id.* For example, “where the patentee has unequivocally disavowed a certain
19 meaning to obtain his patent, the doctrine of prosecution disclaimer attaches and narrows the
20 ordinary meaning of the claim congruent with the scope of the surrender.” *Omega Eng’g, Inc. v.*
21 *Raytek Corp.*, 334 F.3d 1314, 1324 (Fed. Cir. 2003).

22 Finally, the court is also authorized to consider extrinsic evidence in construing claims,
23 such as “expert and inventor testimony, dictionaries, and learned treatises.” *Markman*, 52 F.3d at
24 980. While the court may look to sources extrinsic to the patent and prosecution history, such
25 evidence is considered “less significant than the intrinsic record” and “less reliable than the patent
26 and its prosecution history in determining how to read claim terms.” *Phillips*, 415 F.3d at 1317-18
27 (internal quotation marks and citation omitted). Thus, while extrinsic evidence may be useful in
28 claim construction, ultimately “it is unlikely to result in a reliable interpretation of patent claim

1 scope unless considered in the context of the intrinsic evidence.” *Id.* at 1319. Any expert
2 testimony ““that is clearly at odds with the claim construction mandated by the claims themselves,
3 the written description, and the prosecution history”” will be significantly discounted. *Id.* at 1318
4 (quoting *Key Pharms. v. Hercon Labs. Corp.*, 161 F.3d 709, 716 (Fed. Cir. 1998)).

5 “Because the claims of a patent measure the invention at issue, the claims must be
6 interpreted and given the same meaning for purposes of both validity and infringement analyses.”
7 *Amazon.com*, 239 F.3d at 1351 (citing *SmithKline Diagnostics, Inc. v. Helena Labs. Corp.*, 859
8 F.2d 878, 882 (Fed. Cir. 1988)). ““A patent may not, like a ‘nose of wax,’ be twisted one way to
9 avoid anticipation and another to find infringement.”” *Id.* (quoting *Sterner Lighting, Inc. v. Allied*
10 *Elec. Supply, Inc.*, 431 F.2d 539, 544 (5th Cir. 1970) (internal citation omitted)).

11 1. “Card”

12 Whereas Defendants have always maintained that no construction of “card” is necessary,
13 Fujitsu argued during the *Markman* proceedings that the term should be construed as “[1] a thin
14 device (approximately 10 mm or less in thickness for the portion of the card to be inserted into a
15 slot) that, [2] when inserted, resides substantially within the electronic device and [3] is exposed to
16 the external environment.” ECF No. 168 at 17. Fujitsu later abandoned these three specific
17 limitations, stipulating that “card” should be construed to have its ordinary and customary
18 meaning. Fujitsu now seeks a construction of “card” to mean an “IC-type card,” contending that a
19 person of ordinary skill in the art would understand the plain meaning of “card” as claimed in the
20 ’769 Patent to be an IC-type card. ECF No. 270, Fujitsu’s Response to Defs.’ Mot. for Summ. J. of
21 Invalidity (“Invalidity Opp’n”) at 5; *see* ECF No. 272, Decl. of Dr. Tim A. Williams in Supp. of
22 Fujitsu’s Resp. to Defs.’ Mot. for Summ. J. of Invalidity (“Williams Invalidity Decl.”), Ex. A
23 (“Williams Invalidity Rep.”) ¶¶ 188-90, 349, 353. Fujitsu argues that “Defendants advance an
24 interpretation of ‘card’ that is virtually limitless, encompassing cartridges, any PCB [printed circuit
25 board], and any device containing a PCB,” thus ignoring the context of the ’769 Patent. Invalidity
26 Opp’n at 5.

27 Here, the claim terms themselves do not include any universal thickness or size limitations
28 applicable to all “cards,” and both parties’ experts agree that a person of ordinary skill in the art in

1 1991 would understand the plain meaning of “card” to include not only IC cards, but also internal
2 expansion boards, also known as printed circuit boards (“PCBs”). Indeed, Fujitsu’s own expert
3 explained that, in 1991, “the term ‘card’ was sometimes used to refer generically to PCBs and
4 sometimes used to refer to an IC-type card.” Invalidation Opp’n at 5; Williams Invalidation Rep. ¶ 188.

5 Nonetheless, Fujitsu argues that a person of ordinary skill in the art reading the term “card”
6 in light of the specification and prosecution history would understand “card” to mean “IC-type
7 card.” The specification of the ’769 Patent does make several references to IC cards. First, in
8 discussing the “Background of the Invention,” the specification discusses IC memory cards and IC
9 memory cards that have processors for processing data, noting that such IC cards had been
10 developed to facilitate the downsizing of laptop computers. ’769 Patent, col.1:19-21; 1:10-26;
11 1:41-44. The specification notes that these IC memory card-type devices have exemplary
12 dimensions of 85.6 x 54.0 x 3.3 mm, and are “inserted into slots of electronic device systems, such
13 as word processors and personal computers.” *Id.* col.1:45-48. Immediately following the
14 description of the invention’s background, the specification provides a “Summary of the
15 Invention,” which notes, “It is a general object of the present invention to provide a card type
16 input/output interface device in which the above disadvantages are eliminated. A more specific
17 object of the present invention is to facilitate down-sizing of the main body of an electronic device
18 system by means of a card type input/output interface device, which is inserted into a slot formed
19 in the main body.” *Id.* col.1:65-2:4. Elsewhere in describing the preferred embodiments of the
20 invention, the specification continues to make comparisons or references to IC cards. *See id.*
21 col.3:32-34 (“The connection part 1 comprises a connector 18 formed on a single side or both
22 opposing sides of the card 4, as in the case of conventional IC cards.”); *id.* col.7:2-5 (“When the
23 card is 3 mm thick, the projection 42a is designed to have a thickness of approximately 6 mm.
24 Thus, the total thickness is equal to approximately 9 mm – 10 mm. This thickness does not
25 degrade the performance of the IC cards.”); *id.* col.7:28-31 (“[T]he use of radio transmitter/receiver
26 units can provide the card type input/output devices having a thickness almost the same as the
27 thickness of conventional IC memory cards and IC cards.”).

1 The prosecution history sheds only limited light on the matter. Fujitsu argued during
2 reexamination, and the Examiner accepted, that the '769 Patent is distinguishable from certain
3 prior art references such as Japanese Patent Application Publication No. S61-212140 ("Mizutani")
4 because Mizutani discloses a cartridge 16.8 mm thick, rather than a card. *See* ECF No. 271, Decl.
5 of R. Jason Fowler in Supp. of Fujitsu's Opp'n to Defs.' Mot. for Summ. J. of Invalidity ("Fowler
6 Decl."), Ex. 3 at FUJ0002374-*75. However, as Dr. Williams explains, various characteristics
7 distinguish a "cartridge" from a "card." *See* Williams Invalidity Rep. ¶¶ 171-72. Thus, Fujitsu's
8 disavowal of "cartridges" is not dispositive of Fujitsu's argument now that "card" as used in the
9 '769 Patent is limited to "IC-type cards."

10 Fujitsu is correct that claim terms are not interpreted "in a vacuum, devoid of the context of
11 the claim as a whole." *Kyocera Wireless Corp. v. Int'l Trade Comm'n*, 545 F.3d 1340, 1347 (Fed.
12 Cir. 2008). As noted above, the claim language itself, read in the context of the specification, is
13 paramount in ascertaining the ordinary and customary meaning of a claim term, as understood by a
14 person of ordinary skill in the art at the time of the invention. *See Phillips*, 415 F.3d at 1312-13.
15 At the same time, however, the Federal Circuit has recognized that "there is sometimes a fine line
16 between reading a claim in light of the specification, and reading a limitation into the claim from
17 the specification," the latter of which is strongly disfavored. *Kyocera Wireless*, 545 F.3d at 1347
18 (quoting *Comark Commc'ns, Inc. v. Harris Corp.*, 156 F.3d 1182, 1186 (Fed. Cir. 1998)). For
19 example, in *Aventis Pharma S.A. v. Hospira, Inc.*, 675 F.3d 1324 (Fed. Cir. 2012), the patentee
20 acknowledged that the term "perfusion" as normally understood in the art did not include an eight-
21 hour stability limitation, but nonetheless argued for such a limitation, explaining that "based on
22 how the term is used in the context of the '561 patent, the claimed 'perfusion' must demonstrate at
23 least hours of stability." 675 F.3d at 1330. The Federal Circuit rejected the patentee's attempt to
24 import an eight-hour stability limitation to the claim term "perfusion," reiterating the "stringent
25 standard for narrowing a claim term beyond its plain and ordinary meaning." *Id.*

26 In general, a claim term will be interpreted more narrowly than its ordinary meaning under
27 only two circumstances: "(1) when a patentee sets out a definition and acts as [its] own
28 lexicographer, or (2) when the patentee disavows the full scope of a claim term either in the

1 specification or during prosecution.” *Thorner v. Sony Computer Entm’t Am. L.L.C.*, 669 F.3d
2 1362, 1365 (Fed. Cir. 2012). Neither of those circumstances exists here.

3 “To act as its own lexicographer, a patentee must ‘clearly set forth a definition of the
4 disputed claim term’ other than its plain and ordinary meaning.” *Id.* (quoting *CCS Fitness, Inc. v.*
5 *Brunswick Corp.*, 288 F.3d 1359, 1366 (Fed. Cir. 2002)). “[T]he patentee must ‘clearly express an
6 intent’ to redefine the term.” *Id.* “This clear expression need not be in *haec verba* but may be
7 inferred from clear limiting descriptions of the invention in the specification or prosecution
8 history.” *Aventis Pharma*, 675 F.3d at 1330. However, “[i]t is not enough for a patentee to simply
9 disclose a single embodiment or use a word in the same manner in all embodiments,” nor is it
10 “enough that the only embodiments, or all of the embodiments, contain a particular limitation” to
11 limit a claim term more narrowly than its ordinary meaning. *Thorner*, 669 F.3d at 1366. Here,
12 Fujitsu’s repeated reference to conventional IC memory cards in discussing the background of the
13 invention and the preferred embodiments falls far short of “clearly set[ting] forth a definition” of
14 “card” different from its plain and ordinary meaning. *Id.* at 1365. Fujitsu therefore did not act as
15 its own lexicographer with respect to the term “card.”

16 Likewise, a patentee’s disavowal of claim scope, either in the specification or during
17 prosecution, must be clear in order to narrow a claim term beyond its ordinary and customary
18 meaning. “The patentee may demonstrate intent to deviate from the ordinary and accustomed
19 meaning of a claim term by including in the specification expressions of manifest exclusion or
20 restriction, representing a clear disavowal of claim scope.” *Teleflex, Inc. v. Ficosa N. Am. Corp.*,
21 299 F.3d 1313, 1325 (Fed. Cir. 2002); *see also Home Diagnostics Inc. v. LifeScan, Inc.*, 381 F.3d
22 1352, 1358 (Fed. Cir. 2004) (“Absent a clear disavowal in the specification or the prosecution
23 history, the patentee is entitled to the full scope of its claim language.”). “Mere criticism of a
24 particular embodiment encompassed in the plain meaning of a claim term is not sufficient to rise to
25 the level of clear disavowal.” *Thorner*, 669 F.3d at 1366; *see Epistar Corp. v. Int’l Trade Comm’n*,
26 566 F.3d 1321, 1335 (Fed. Cir. 2009) (holding that even a direct criticism of a particular technique
27 did not rise to the level of clear disavowal). Similarly, “even where a particular structure makes it
28 ‘particularly difficult’ to obtain certain benefits of the claimed invention, this does not rise to the

1 are openings in the exterior of the electronic device.” Invalidation Opp’n at 9. In addition, Fujitsu
2 argues that “the IC-type cards described in the patent were all inserted into this type of slot.” *Id.*

3 Defendants argue that the ordinary and customary meaning of “slot” is simply “an
4 opening.” ECF No. 285-1, Defs.’ Corrected Reply to Fujitsu’s Resp. to Defs.’ Mot. for Summ. J.
5 of Invalidation (“Invalidation Reply”) at 2. Defendants argue that there is no basis for limiting “slot” to
6 a particular location. The PTO recently concluded that the plain meaning of a “slot” to a person of
7 ordinary skill in the art includes “a groove, slit, or aperture for receiving or admitting something[,]”
8 which in this case is a card . . .,” and that Fujitsu “failed to act as [its] own lexicographer . . . to
9 define the term ‘slot’ in a manner contrary to its ordinary meaning.” Wyde Decl. Ex. 30 at
10 BLKN0037243.

11 The Court agrees with Defendants that Fujitsu’s proposed construction is supported by
12 neither the specification nor the prosecution history. First, Fujitsu’s construction of “slot” as
13 limited only to slots on the exterior of the electronic device violates the doctrine of claim
14 differentiation, which instructs that limitations added to a term in dependent claims are
15 presumptively not to be read into that term as used in independent claims. *See Acumed LLC v.*
16 *Stryker Corp.*, 483 F.3d 800, 806 (Fed. Cir. 2007). Claim 38 merely describes “a card, to be
17 inserted into a slot provided in the electronic device.” ’769 Patent col.10:64-65. Dependent claims
18 78, 79, 80, and 84, which depend from claim 38, add the external limitation: “wherein the slot
19 comprises an opening formed in a sidewall of a main body of the electronic device.” *See, e.g.*,
20 ’769 Reexam. Certificate col.4:54-56 (claim 78). An opening formed in a sidewall is an opening in
21 the exterior of the electronic device. Thus, under the doctrine of claim differentiation, it would be
22 improper to import the limitation of a slot comprised of an “opening in the exterior of the
23 electronic device” into the claim term ‘slot.’ *See Karlin Tech., Inc. v. Surgical Dynamics, Inc.*, 177
24 F.3d 968, 972 (Fed. Cir. 1999) (holding it improper to read the limitation in the dependent claims
25 “into the independent claim[s] from which they depend”); *accord Allvoice Computing PLC v.*
26 *Nuance Comm’ns*, 504 F.3d 1236, 1247-48 (Fed. Cir. 2007).

27 Nor does anything in the prosecution history overcome the presumptive construction under
28 the principles of claim differentiation. *See Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d

1 1473, 1480 (Fed. Cir. 1998). To the contrary, the prosecution history supports Defendants’ plain
2 meaning construction. Fujitsu’s original patent *did* include the limitation “in the exterior of the
3 electronic device,” as the original claim 38 recited “a slot provided in *an external wall* in the body
4 of the electronic device.” ECF No. 176-6 at 15. However, Fujitsu then filed a broadening reissue
5 application, advising the PTO that its original claims were too narrow. In response to the PTO’s
6 rejection of Fujitsu’s reissue application, Fujitsu amended claim 38 by deleting the “external wall”
7 and “body” limitations so that it recited more broadly “a slot provided in the electronic device.”
8 ECF No. 176-8 at 1-2. The Court agrees with Defendants that Fujitsu’s deletion of “external wall”
9 from independent claim 38, and later inclusion of the “opening formed in a sidewall” limitation in
10 dependent claim 78, strongly suggest that the plain meaning of the term “slot” as used in the ’769
11 Patent is not confined to the exterior of an electronic device.

12 Fujitsu argues that it disavowed internal slots, such as those that accept internal PCI cards,
13 during reexamination proceedings. “When the patentee makes clear and unmistakable prosecution
14 arguments limiting the meaning of a claim term in order to overcome a rejection, the courts limit
15 the relevant claim term to exclude the disclaimed matter.” *SanDisk Corp. v. Memorex Prods., Inc.*,
16 415 F.3d 1278, 1286 (Fed. Cir. 2005). The standard for a “clear disavowal,” however, is a high
17 one. “An ambiguous disclaimer . . . does not advance the patent’s notice function or justify public
18 reliance, and the court will not use it to limit a claim term’s ordinary meaning.” *Id.* at 1287. Here,
19 Fujitsu’s specific statement during reexamination was that “Arlan fails to disclose, teach, or
20 suggest, ‘a card, inserted into the slot of the electronic device. . . . The Arlan 450 device is
21 installed by inserting the card into a connector on the motherboard. Therefore, the Arlan 450
22 device is not inserted into a slot and does not teach or suggest ‘a card, inserted into the slot of the
23 electronic device.’” Fowler Decl. Ex. 3 at FUJ0002403; Williams Invalidity Rep.” ¶ 354 (internal
24 citation omitted). This statement does not rise to the level of a “clear disavowal” of internal slots,
25 as an equally reasonable interpretation of Fujitsu’s statement is that Fujitsu was narrowly
26 disclaiming “installation” into a “connector on the motherboard” as opposed to “insertion” of a
27 card into an internal slot generally. While “[a] patentee’s statement during reexamination can be
28 considered during claim construction, in keeping with the doctrine of prosecution disclaimer, . . .

1 [t]here is no ‘clear and unmistakable’ disclaimer if a prosecution argument is subject to more than
2 one reasonable interpretation, one of which is consistent with a proffered meaning of the disputed
3 term.” *O1 Communique Lab., Inc. v. LogMeIn, Inc.*, 687 F.3d 1292, 1297 (Fed. Cir. 2012)
4 (internal quotation marks and citations omitted). Fujitsu’s disavowal of a card that must be
5 “installed by inserting the card into a connector on the motherboard” does not amount to a “clear
6 disavowal” of all interior slots.

7 Accordingly, the Court declines to adopt Fujitsu’s proposed construction of “slot” as
8 limited to “an opening in the exterior of the electronic device.” Instead, the Court agrees with
9 Defendants that “slot” should be construed to mean simply “an opening.”

10 **B. Anticipation**

11 A patent claim is invalid by reason of anticipation if “the invention was known or used by
12 others in this country, or patented or described in a printed publication in this or a foreign country,
13 before the invention thereof by the applicant for patent.” 35 U.S.C. § 102(a). A claim is
14 anticipated under § 102, and thus invalid, “if each and every limitation is found either expressly or
15 inherently in a single prior art reference.” *Bristol-Myers Squibb Co. v. Ben Venue Labs., Inc.*, 246
16 F.3d 1368, 1374 (Fed. Cir. 2001) (internal quotation marks and citation omitted); *accord Eli Lilly*
17 *& Co. v. Zenith Goldline Pharm., Inc.*, 471 F.3d 1369, 1375 (Fed. Cir. 2006). Put simply, “[t]hat
18 which infringes, if later, would anticipate, if earlier.” *Peters v. Active Mfg.*, 129 U.S. 530, 537
19 (1889). To anticipate, the prior art reference must also “enable one of ordinary skill in the art to
20 make the invention without undue experimentation.” *Orion IP, LLC v. Hyundai Motor Am.*, 605
21 F.3d 967, 975 (Fed. Cir. 2010) (quotation marks and citation omitted).

22 **1. Whether ARLAN 450 anticipates claims 41, 47, and 48**

23 The ARLAN 450 wireless interface card (“ARLAN”), manufactured by Telesystems SLW,
24 is an internal expansion board, i.e., a device for upgrading or expanding the capabilities of a
25 desktop computer. Williams Invalidity Rep. ¶¶ 59-66. ARLAN is a complete wireless
26 communication card designed to work with IBM PC/AT compatible computers and provides these
27 PCs with access to a wireless network within or between buildings without the need for cables.
28 ECF No. 262, Decl. of Joshua S. Wyde in Supp. of Defs.’ Mot. for Summ. J. of Invalidity (“Wyde

1 Decl.”), Ex. 6 at 1. Typical applications for ARLAN include creating wireless Local Area
2 Networks (LANs) and PC-to-host connections. *Id.* Ex. 6 at 2. It is undisputed that the ARLAN
3 card was manufactured and sold as of 1989 and thus constitutes prior art. *Id.* Ex. 14 at 26:5-26:25,
4 30:2-31:8, 47:13-48:13. The PTO considered publications about ARLAN, though not the ARLAN
5 system itself, during reexamination.

6 Fujitsu argues that ARLAN does not anticipate claims 41, 47, or 48 because: (1) ARLAN
7 does not disclose a “slot;” (2) ARLAN does not disclose a “card;” and (3) ARLAN does not
8 disclose a card to be “inserted into a slot.” Invalidity Opp’n at 10-12. The Court concludes that
9 there is a genuine dispute of material fact at least as to whether ARLAN discloses a “slot” and
10 whether ARLAN discloses a card to be “inserted into a slot.” As noted above in construing the
11 term “slot,” Fujitsu distinguished ARLAN based on the fact that it “is installed by inserting the
12 card into a connector on the motherboard,” and thus “fails to disclose, teach, or suggest, ‘a card,
13 inserted into the slot of the electronic device.’” Williams Invalidity Rep. ¶ 354. Fujitsu’s expert Dr.
14 Williams further explains that the ARLAN device is merely inserted into an ISA connector, which
15 is not itself a “slot” within the scope of the ’769 Patent. *Id.* ¶ 366. Moreover, Dr. Williams opines
16 that, unlike insertion into a slot as disclosed in the ’769 Patent, “installation of an internal
17 expansion board [onto a connector on a motherboard] . . . is cumbersome and results in a semi-
18 permanent installation of the device.” *Id.* ¶¶ 365, 367; *see id.* ¶¶ 361-72. Dr. Williams’ opinions
19 create a genuine issue of material fact, and thus Defendants’ motion for summary judgment of
20 invalidity based on the ARLAN reference is DENIED.

21 **2. Whether Mizutani anticipates claims 2, 4, 8, 20, 41, 47, and 48**

22 Iwoa Mizutani’s Japanese Patent Application 1985-51934, titled “Transmitting Apparatus
23 and Transmitter-Receiver” (“Mizutani”), was published on September 20, 1986, as Publication No.
24 1986-212140, over three years before the ’769 Patent’s priority date. Wyde Decl. Ex. 18 at
25 JIC0002854; *id.* Ex. 2, No. 11.05 [Fujitsu’s Responses to Requests for Admission Nos. 1-47].
26 Mizutani discloses a “transmission and reception device . . . to be directly inserted into a cartridge
27 slot of a personal computer” to allow for wireless radio transmission and reception of data between
28 the computer and an external device. Wyde Decl. Ex. 18 at JIC0002854.

1 Fujitsu argues that Mizutani does not anticipate claims 2, 4, 8, 20, 41, 47, or 48 because
2 “Mizutani teaches a cartridge, not a ‘card.’” Invalidity Opp’n at 13. With respect to claim 8 only,
3 Fujitsu additionally argues that Mizutani does not anticipate for failure to disclose an antenna that
4 is an edge portion of the device. *Id.* at 15. The Court agrees that there is a genuine dispute of
5 material fact at least as to whether Mizutani discloses a “card.” Mizutani specifies that the
6 “[t]ransmission and reception device 10 is designed to have the same outer dimensions as those of
7 a cartridge to be inserted into a cartridge slot of personal computer 11” Mizutani at 2;
8 Williams Invalidity Rep. ¶ 50. Specifically, Mizutani explains that the cartridge “has width W of
9 109mm, height H of 16.8mm, and length L of no less than 44mm.” Mizutani at 2; Williams
10 Invalidity Rep. ¶ 50. Fujitsu’s expert Dr. Williams explains in his report that there were several
11 significant distinctions between cards and cartridges, as understood by one of ordinary skill in the
12 art in April 1991, and that a skilled artisan would not understand a cartridge to be subsumed within
13 the plain and ordinary meaning of “card.” *See* Williams Invalidity Rep. ¶¶ 171-93. Based on
14 Fujitsu’s evidence, a reasonable jury could find that Mizutani failed to disclose a “card.”
15 Accordingly, summary judgment of invalidity based on the Mizutani reference is DENIED.¹¹

16 3. Whether Murakami anticipates claims 2, 4, 8, 20, 41, 47, and 48

17 Japanese Publication JP 64-8495 of Japanese Application 62-162277, published on January
18 12, 1989 to Junzo Murakami (“Murakami”), lists a publication date of December 1, 1989 on its
19 face, and is thus prior art. *See* Wyde Decl. Ex. 22. Murakami is directed to a “portable electronic
20 apparatus” with a keyboard, a display, and a slot for loading “a plurality [] of card type electronic
21 circuits.” Wyde Decl. Ex. 22 at FUJ0000064; Williams Invalidity Rep. ¶¶ 43-48. Murakami
22 provides several examples of different possible card type electronic circuits, which can give the
23 electronic apparatus differing functionalities, including “radio message communication [via]
24 transceiver.” Wyde Decl. Ex. 22 at FUJ0000061-62; Williams Invalidity Rep. ¶¶ 45-46.

25
26 ¹¹ The Court does not rely on Defendants’ arguments regarding the Nukata reference raised at the
27 September 20 hearing on the summary judgment motions. Accordingly, Fujitsu’s Administrative
28 Motion for Leave to File Motion to Strike Defendants’ New Arguments Raised at Summary
Judgment Hearing in Support of Their Motion for Summary Judgment of Invalidity is DENIED as
moot. *See* ECF No. 304.

1 Murakami was disclosed to the PTO with an English abstract but was otherwise not substantively
2 considered by the PTO in any reexamination proceeding for the '659 Patent.

3 Unlike the other prior art references at issue in Defendants' motion, Fujitsu does not dispute
4 that Murakami discloses "a card to be inserted into a slot provided in an electronic device." *See*
5 Wyde Decl. Ex. 2, 20.15 at 117:10-15. Fujitsu also admits that Murakami discloses the same
6 layout "with a first data interface unit, provided on one end of the card, for coupling to an
7 electronic device" and a "second data interface unit, provided on an opposing end of the card, for
8 coupling to an external device," *id.* Ex. 2, 15.16 at 56:17-23, 16.16 at 67:15-20, and admits that the
9 card communicates wirelessly with an external device, *id.* Ex. 2, 22.11, at 137:1-6. Rather, Fujitsu
10 argues only that: (1) Murakami does not anticipate claims 2, 4, 8, 20, 41, 47, or 48 because it does
11 not disclose a data transfer circuit that transfers data "in response to" the data being received by the
12 second data interface unit, Invalidity Opp'n at 16; *see* Wyde Decl. Ex. 2, 23.12 at 144:27-28; and
13 (2) Murakami is not an enabling reference.

14 "In response to." Claims 2, 4, 8, 20, 41, 47, and 48 all require the following limitation: "a
15 data transfer circuit, incorporated with the card, *in response to* the input information being received
16 by the second data interface unit, for transferring the input information to the first data interface
17 unit and, *in response to* the output information being received by the first data interface unit, for
18 transferring the output information to the second data interface unit." '769 Patent, col.11:8-14
19 (emphases added). Pursuant to the parties' stipulation, the Court construed "data transfer circuit"
20 as "a circuit for transferring data." Fujitsu does not dispute that Murakami discloses a "circuit for
21 transferring data." However, the parties now seek construction of "in response to." Fujitsu argues
22 that the data transfer circuit in Murakami does not automatically transfer data "in response to" the
23 data being received by the second data interface unit, as the patent claims require, but rather only in
24 response to a user key stroke. Invalidity Opp'n at 16-17; Williams Invalidity Rep. ¶¶ 136-38.
25 Fujitsu argues that the plain meaning of the "in response to" clause requires a direct cause-and-
26 effect relationship, and that "if the data is transferred in response to anything other than receipt of
27 that data then it does not satisfy this claim limitation—whether that additional event constitutes
28 human intervention or the action of some other component." Invalidity Opp'n at 18. Thus, under

1 this plain meaning construction of “in response to,” Fujitsu argues that Murakami does not
2 anticipate.

3 Defendants dispute Fujitsu’s plain-meaning construction, arguing that Fujitsu is in fact
4 improperly imposing limitations on the term “data transfer circuit” not supported by the claim
5 language, specification, or prosecution history. Defendants appear to argue that the phrase “in
6 response to” should be construed simply to mean “after.” Because these are “comprising” claims
7 not limited exclusively to the structure disclosed in the patent, Defendants argue, the presence of an
8 additional step, such as human intervention, is irrelevant. Invalidity Reply at 11 (citing *Mars Inc.*
9 *v. H.J. Heinz Co.*, 377 F.3d 1369, 1376 (Fed. Cir. 2004)).

10 Having considered the parties’ arguments, the Court agrees with Fujitsu that a person of
11 ordinary skill in the art, reading the ’769 Patent in light of the intrinsic evidence, would construe
12 the “in response to” clause as connoting a cause-and-effect relationship rather than a straight
13 temporal sequence. The claim language recites a specific relationship between the receipt of
14 information and its transfer, i.e., the information is transferred “in response to” its receipt. As Dr.
15 Williams explains, this relationship is significant to the ’769 Patent, because the nature of the
16 invented card is an interface that facilitates communication between a computer and an external
17 device providing a peripheral function. Williams Invalidity Rep. ¶ 96. The automatic transfer of
18 data facilitates such communication. *Id.*

19 The Federal Circuit recently affirmed this precise construction of “in response to”
20 appearing in a grammatically analogous claim. *See Am. Calcar, Inc. v. Am. Honda Motor Co.*, 651
21 F.3d 1318, 1339-40 (Fed. Cir. 2011). In *American Calcar*, the claim at issue recited: “1. A system
22 for use in a vehicle comprising: . . . a processing element for determining based on the at least one
23 measure a vehicle condition for which a selected service of the vehicle is needed, the processing
24 element identifying one of the plurality of providers *in response to* the vehicle condition” *Id.*
25 at 1324. The Federal Circuit agreed with the district court that “[i]n response to’ connotes that the
26 second event occur in reaction to the first event. The language of the claim itself suggests that
27 when a vehicle condition is detected, the processing element identifies a provider automatically as
28 opposed to requiring further user interaction.” *Id.* at 1340. Likewise here with respect to the ’769

1 Patent, the language of the claim itself suggests that when the input information is received by the
2 second data interface unit, the data transfer circuit transfers the data to the first data interface unit,
3 and vice versa. The claim language suggests that this data transfer occurs automatically as opposed
4 to requiring further user interaction. *See id.* Furthermore, the claim construed in *American Calcar*
5 was also a “comprising” claim, and thus Defendants’ “comprising” argument is unavailing.

6 Accordingly, the Court construes the phrase “in response to” in the relevant claims as
7 requiring a cause-and-effect relationship between the receipt of input information by the second
8 data interface unit and the transfer of such information to the first data interface unit.

9 Turning to the question of anticipation, the Court finds that Fujitsu has presented admissible
10 evidence that, under this construction, Murakami does not anticipate because it does not disclose
11 the “in response to” limitation. According to Dr. Williams, Murakami explains that when
12 receiving wireless data, the radio message transceiver demodulates the message, and “[t]he
13 demodulated signal is stored in the memory 47 as the receiving message.” Wyde Decl. Ex. 22
14 [Murakami] at FUJ0000072; Williams Invalidity Rep. ¶ 137. When the message is received, a
15 buzzer sounds to let the user know that a message has been received. The message, however,
16 remains in memory 47 after the buzzer sounds until (a) the card is inserted into the electronic
17 device (if it is not already inserted), and (b) the user makes a key stroke. Wyde Decl. Ex. 22
18 [Murakami] at FUJ0000072; Williams Invalidity Rep. ¶ 137. If the user does not make the
19 appropriate key strokes, then the data will never be transferred to the first data interface unit.
20 Williams Invalidity Rep. ¶ 138. Thus, Dr. Williams opines that Murakami does not disclose a data
21 transfer circuit that transfers data to the first data interface unit “in response to” the receipt of input
22 information by the second data interface unit.

23 In their Reply, Defendants present a new argument that, even under Fujitsu’s proposed
24 construction of “in response to,” Murakami still discloses a data transfer circuit because data
25 received at the second data interface unit is transferred to memory (47), which is a type of
26 “buffering” and thus is a component of the first data interface unit. Reply at 12. Fujitsu filed an
27 Administrative Motion for Leave to File Motion to Strike New Arguments Raised in Defendants’
28 Reply in Support of their Motion for Summary Judgment of Invalidity, or in the Alternative, to

1 Supplement the Record (“Administrative Motion”). *See* ECF No. 297. Fujitsu’s Administrative
2 Motion was not filed until September 13, 2012, twenty-eight days after Defendants filed their
3 reply, and is thus untimely under Civil Local Rule 7-3(d)(1). Nonetheless, because Defendants’
4 argument that the memory in Murakami is a buffer, if credited, would be case dispositive, and
5 because Fujitsu would otherwise have no opportunity to respond, the Court GRANTS Fujitsu’s
6 Administrative Motion to the extent it seeks to supplement the record in response to Defendants’
7 Murakami argument. In all other respects, Fujitsu’s Administrative Motion is DENIED.

8 In its supplemental response brief, Fujitsu points to the 1988 IEEE Standard Dictionary of
9 Electrical and Electronics Terms, which defines “buffer” as: “A device in which data are stored
10 temporarily, in the course of transmission from one point to another; used to compensate for a
11 difference in the flow of data, or time of occurrence of events, when transmitting data from one
12 device to another.” ECF No. 297-5, Decl. of Jason Fowler, Ex. S2. Fujitsu argues that memory 47
13 in Murakami does not constitute a “buffering component” because, as Dr. Williams explained, the
14 information stored in memory 47 may never be transferred but rather may reside in the memory
15 indefinitely, if no intervening user action is ever taken to retrieve the data. ECF No. 297-2 at 6.

16 Based on the foregoing, the Court determines that Fujitsu has successfully raised a genuine
17 issue of material fact as to whether Murakami discloses the “in response to” limitation of claims 2,
18 4, 8, 20, 41, 47, and 48. As such, Defendants’ motion for summary judgment of invalidity based
19 on Murakami is DENIED, and the Court need not separately address Fujitsu’s enablement
20 argument at this time.

21 **4. Whether HP 82950A anticipates claims 9, 14, and 27**

22 Hewlett-Packard’s HP 82950A Modem Owner’s Manual Series 80 (Jan. 1982) (“HP
23 82950A”) was sold a decade before the ’769 Patent application. The HP 82950A Modem is
24 described as a modem “interface module” that provides data communications capability for HP
25 Series 80 personal computers by connecting directly to the telephone line via a cable. Williams
26 Invalidity Rep. ¶ 72. According to Defendants, HP 82950A was one of many interface cards that
27 were designed to be inserted into the slot of a Hewlett-Packard Series 80 computer to provide
28

1 connectivity to external devices. Wyde Decl. Ex. 19. HP 82950A was disclosed to the PTO but
2 was not substantively considered by the PTO in any reexamination proceeding.

3 Fujitsu argues that HP 82950A does not anticipate claims 9, 14, or 27 because: (1) HP
4 82950A does not disclose a “card;” and (2) HP 82950A does not disclose a card to be “inserted into
5 a slot.” Invalidity Opp’n at 10-12. The Court concludes that there is a genuine dispute of material
6 fact at least as to the “card” limitation. Dr. Williams opines that the manuals and websites relating
7 to HP 82950A describe it as a “module,” never referring to it as a “card,” and further opines that
8 one of ordinary skill in the art would identify HP 82950A not as a card, but as a cartridge, based on
9 its physical characteristics. Williams Invalidity Rep. ¶¶ 561-64. In light of this material dispute,
10 Defendants’ motion for summary judgment of invalidity based on HP 82950A is DENIED.

11 C. Obviousness

12 A patent is invalid for obviousness “if the differences between the subject matter sought to
13 be patented and the prior art are such that the subject matter as a whole would have been obvious at
14 the time the invention was made to a person having ordinary skill in the art to which said subject
15 matter pertains.” 35 U.S.C. § 103(a). Obviousness is a question of law based on underlying
16 factual findings regarding: (1) “the scope and content of the prior art”; (2) the “differences between
17 the prior art and the claims at issue”; (3) “the level of ordinary skill in the pertinent art”; and (4)
18 any relevant secondary considerations, such as commercial success, long felt but unsolved needs,
19 and the failure of others (known as objective indicia of nonobviousness). *KSR Int’l Co. v. Teleflex,*
20 *Inc.*, 550 U.S. 398, 406 (2007) (quoting *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966));
21 *Finisar Corp. v. DirecTV Grp., Inc.*, 523 F.3d 1323, 1338-39 (Fed. Cir. 2008). Under this
22 framework, “a patent composed of several elements is not proved obvious merely by demonstrating
23 that each of its elements was, independently, known in the prior art.” *KSR*, 550 U.S. at 418. On
24 the other hand, “when a patent ‘simply arranges old elements with each performing the same
25 function it has been known to perform’ and yields no more than one would expect from such an
26 arrangement, the combination is obvious.” *Id.* at 417 (quoting *Sakraida v. Ag Pro, Inc.*, 425 U.S.
27 273, 282 (1976)).
28

1 Defendants argue in the alternative that, even if ARLAN, Mizutani, Murakami, and HP
2 82950A are not anticipatory references, they render the '769 Patent obvious in light of one another.
3 Specifically, Defendants assert that: (1) claims 41, 47, and 48 are obvious in light of ARLAN and
4 Murakami; (2) claims 2, 4, 8, 20, 41, 47, and 48 are obvious in light of Mizutani and Murakami;
5 (3) claims 2, 4, 8, 20, 41, 47, and 48 are obvious in light of Murakami and other prior art,
6 especially Mizutani; and (4) claims 9, 14, and 27 are obvious in light of HP 82950A and
7 Murakami. For each of these combinations, Defendants essentially argue that the references are
8 directed to the same field of endeavor, and thus it would have been obvious to an ordinary artisan
9 to combine their respective teachings.

10 Defendants' obviousness arguments all suffer from the same flaw. Generally, a party
11 asserting obviousness must "demonstrate 'by clear and convincing evidence that a skilled artisan
12 would have been motivated to combine the teachings of the prior art references to achieve the
13 claimed invention, and that the skilled artisan would have had a reasonable expectation of success
14 from doing so.'" *Procter & Gamble Co. v. Teva Pharms. USA, Inc.*, 566 F.3d 989, 994 (Fed. Cir.
15 2009) (quoting *Pfizer, Inc. v. Apotex, Inc.*, 480 F.3d 1348, 1361 (Fed. Cir. 2007)). While
16 Defendants recite this standard summarily for each of their asserted obviousness combinations,
17 they provide virtually no facts or expert testimony supporting their bare, conclusory assertions,
18 aside from noting that the PTO has treated Mizutani, Murakami, and publications related to
19 ARLAN as analogous art without objection from Fujitsu during reexamination proceedings. *See*
20 *Invalidity Reply* at 14. Meanwhile, Fujitsu's expert opines that the combinations would not have
21 been obvious. Specifically, Dr. Williams opines that: (1) ARLAN and Murakami were in different
22 fields of endeavor and were directed to solving different problems, *see Williams Invalidity Rep.*
23 ¶¶ 143-60, 388-404, 418-28; *see also id.* ¶¶ 43-48, 59-66; (2) Mizutani and Murakami were in
24 different fields and directed to solving different problems, *see id.* ¶¶ 143-52, 221-26, 238-42; (3) it
25 would not have been obvious to modify Murakami's data transfer circuit because Murakami
26 teaches away from such a modification, *see id.* ¶¶ 48, 143, 151; and (4) HP 82950A and Murakami
27 were in different fields and directed to solving different problems, *see id.* ¶¶ 43-48, 72-77, 143-60,
28 582-85, 591-92.

1 The Court recognizes that, “while an analysis of any teaching, suggestion, or motivation to
2 combine known elements is useful to an obviousness analysis, the overall obviousness inquiry must
3 be expansive and flexible.” *In re Cyclobenzaprine Hydrochloride Extended-Release Capsule*
4 *Patent Litig.*, 676 F.3d 1063, 1069 (Fed. Cir. 2012) (citing *KSR*, 550 U.S. at 415, 419).
5 Nonetheless, Dr. Williams’ rebuttal opinions are sufficient to create a genuine issue of material fact
6 as to whether ARLAN, Murakami, Mizutani, and HP 82950A are analogous art and whether it
7 would have been obvious to a person of ordinary skill in the art to combine these references. *See*
8 *In re Harris*, 409 F.3d 1339. Summary judgment of invalidity based on obviousness is therefore
9 improper, and Defendants’ motion is DENIED.

10 **V. DEFENDANTS’ MOTION FOR SUMMARY ADJUDICATION OF NO**
11 **WILLFULNESS**

12 Defendants move for summary adjudication of no willful infringement of the ’769 Patent.
13 A finding of willful infringement allows an award of enhanced damages under 35 U.S.C. § 284. *In*
14 *re Seagate Tech., LLC*, 497 F.3d 1360, 1368 (Fed. Cir. 2007). A finding of willful infringement
15 requires more than a showing of mere negligence. Rather, to establish willful infringement, “a
16 patentee must show by clear and convincing evidence that the infringer acted despite an objectively
17 high likelihood that its actions constituted infringement of a valid patent.” *Id.* at 1371. “If this
18 threshold objective standard is satisfied, the patentee must also demonstrate that this objectively-
19 defined risk . . . was either known or so obvious that it should have been known to the accused
20 infringer.” *Id.*; accord *Bard Peripheral Vascular, Inc. v. W.L. Gore & Assocs.*, 682 F.3d 1003,
21 1005 (Fed. Cir. 2012).

22 **A. Seagate’s First Prong: Objective Recklessness**

23 Defendants argue that they are entitled to summary adjudication of no willful infringement
24 because Fujitsu cannot establish by clear and convincing evidence that Defendants were
25 objectively reckless in continuing to sell the accused products after receiving notice of the ’769
26 Patent, given that: (1) the PTO granted three separate reexamination requests for the ’769 Patent,
27 each time finding, by definition, “substantial new questions of patentability” regarding the ’769
28 Patent, and these reexaminations resulted in cancellation of multiple claims of the ’769 Patent that

1 Fujitsu previously asserted against Defendants; (2) Defendants each obtained and relied upon
2 multiple opinions of counsel that the '769 Patent was invalid and thus could not be infringed; and
3 (3) Defendants have “consistently raised credible defenses before and during this litigation,”
4 including during pre-suit negotiations. Willfulness Mot. at 2-3. Fujitsu opposes the motion,
5 arguing that a variety of factors create a genuine issue of fact for the jury, namely: (1) the
6 significance of the fact that the ten asserted claims have survived repeated PTO reexaminations; (2)
7 the reliability of Defendants’ opinions of counsel; and (3) the reasonableness of Defendants’
8 invalidity arguments, which turn on underlying factual findings. ECF No. 273, Fujitsu’s Opp’n to
9 Defs.’ Mot. for Summ. J. and Summ. Adjudication of No Willful Infringement and No Active
10 Inducement (“Willfulness Opp’n”) at 1-3.

11 Generally, an accused infringer is not objectively reckless where it “relies on a reasonable
12 defense to a charge of infringement.” *Spine Solutions*, 620 F.3d at 1319; *see In re Seagate*, 497
13 F.3d at 1374 (“A substantial question about invalidity or infringement is likely sufficient not only
14 to avoid a preliminary injunction, but also a charge of willfulness based on post filing conduct.”).
15 The Federal Circuit has explained that the threshold determination of objective recklessness
16 essentially distills to “whether a defense or noninfringement theory [is] ‘reasonable.’” *Bard*
17 *Peripheral*, 682 F.3d at 1006 (citing *Powell v. Home Depot U.S.A., Inc.*, 663 F.3d 1221, 1236 (Fed.
18 Cir. 2011)). The accused infringer’s subjective state of mind is not relevant to this threshold
19 objective inquiry. *In re Seagate*, 497 F.3d at 1371. Thus, while the second prong of *Seagate* is
20 typically a question of fact for the jury, the first prong “should always be decided as a matter of law
21 by the judge.” *Bard Peripheral*, 682 F.3d at 1008 (citing *DePuy Spine, Inc. v. Medtronic Sofamor*
22 *Danek, Inc.*, 567 F.3d 1314, 1324 (Fed. Cir. 2009)).

23 1. Reexamination Proceedings

24 First, Defendants argue that the fact that the PTO granted three separate reexamination
25 requests for the '769 Patent supports summary adjudication of no willfulness. Several facts are
26 undisputed. The '769 Patent claims priority from a failed Japanese patent application filed by
27 Fujitsu on April 30, 1991, in Japan. On May 18, 2005, Fujitsu itself submitted the '769 Patent for
28 reexamination, admitting as part of its reexamination request that there were “substantial new

1 questions of patentability” for the ’769 Patent. Herring Decl. ¶ 22 & Ex. U at FUJ0000579.
2 Fujitsu cited several references provided by Defendants over the course of the parties’ pre-suit
3 negotiations, including May, Gordon, PCMCIA Standard 1.0, ARLAN, Mizutani, and WaveLAN.
4 *Id.* Ex. U at FUJ0000580-*583. The PTO granted Fujitsu’s request on August 1, 2005, based on 23
5 prior art references not previously considered by the initial Examiner, including some of the
6 references Defendants had provided to Fujitsu during their pre-suit negotiations. *Id.* Ex. U at
7 FUJ0001769.

8 On June 28, 2006, Bryan Cave filed on behalf of Belkin a request for an independent *ex*
9 *parte* reexamination of the ’769 Patent. *See id.* ¶ 23 & Ex. V at FUJ0002750-*88. The PTO
10 granted this request on August 31, 2006, finding that substantial new questions of patentability
11 were raised by seven prior art references, including ARLAN, May, and Gordon, all of which
12 Defendants had provided Fujitsu during pre-suit negotiations. *Id.* Ex. V at FUJ0002944.

13 The PTO later consolidated the Belkin and Fujitsu reexaminations. On September 29,
14 2007, the PTO initially rejected all claims of the ’769 Patent. *Id.* ¶ 23 & Ex. V. Of particular note,
15 among the claims initially rejected were many of the claims asserted or previously asserted in this
16 action: claims 2, 4, 9, 20, 27, 38, 39, 47, and 48. *See id.* Ex. V at FUJ0002990 (claims rejected as
17 anticipated by Inoue), *3018 (rejected as anticipated by Gordon), *3057 (rejected as anticipated by
18 Mizutani), *3058 (rejected as anticipated by ARLAN). One year later, after Fujitsu filed a
19 response to the PTO’s initial action, the PTO issued an office action on September 26, 2008,
20 confirming the patentability of claims 2, 4-18, 20, 22-39, 41-43, 45, 47-49, and 52-54, as well as
21 allowing various new claims, but also rejecting 19 claims. *Id.* Ex. V at FUJ0003425. On April 17,
22 2009, the PTO issued a final action confirming the patentability of 45 claims in the ’769 Patent,
23 including all ten presently asserted in this action, but canceling six claims of the ’769 Patent. *Id.*
24 Ex. V at FUJ0003674.

25 On March 3, 2011, approximately six months after Fujitsu filed this lawsuit, Belkin filed a
26 second request for an independent *ex parte* reexamination of the ’769 Patent. *Id.* ¶ 24 & Ex. W.
27 The PTO granted Belkin’s request, again finding substantial new questions of patentability for
28 claims 2, 4-18, 20, 22-39, 41-43, 45, 47-49, 52-54, and 56-59—in other words, all of the asserted

1 claims in this case, and then some—in light of multiple prior art references, including Inoue, May,
2 and Mizutani. *Id.* Ex. W at BLKN0027980. On March 14, 2012, the PTO again confirmed the
3 patentability of all ten claims presently asserted in this action. *See id.* Ex. W at BLKN037242.
4 However, the PTO also cancelled multiple claims of the '769 Patent, including independent claims
5 38 and 39, which Fujitsu had previously asserted against Defendants in this case, and from which
6 seven of the ten remaining asserted claims depend. *See id.* Ex. W at BLKN0037242. Specifically,
7 claims 38 and 39 were found to be unpatentable over U.S. Patent No. 4,994,963 to Rorden
8 (“Rorden”) in view of Mizutani. *Id.* Ex. W at BLKN 0037250.

9 The significance of these reexamination proceedings on the question of willful infringement
10 is somewhat mixed. The Federal Circuit has held that the PTO’s mere grant of a request for
11 reexamination, “although surely evidence that the criterion for reexamination has been met (*i.e.*,
12 that a ‘substantial new question of patentability’ has been raised, 35 U.S.C. § 303), does not
13 establish a likelihood of patent invalidity.” *Hoechst Celanese Corp. v. BP Chems. Ltd.*, 78 F.3d
14 1575, 1584 (Fed. Cir. 1996). Moreover, the “initial rejection by the [PTO] of original claims that
15 later were confirmed on reexamination hardly justifies a good faith belief in the invalidity of the
16 claims.” *Acoustical Design, Inc. v. Control Elecs. Co.*, 932 F.2d 939, 942 (Fed. Cir.), *cert. denied*,
17 502 U.S. 863 (1991). Applying these two cases, several trial courts have determined that “the grant
18 of a reexamination and interim PTO rejections,” on their own, “are not probative . . . on the
19 question of patentability.” *Krippelz v. Ford Motor Co.*, 675 F. Supp. 2d 881, 895 (N.D. Ill. 2009);
20 *see DataQuill Ltd. v. High Tech Computer Corp.*, No. 08-543, 2011 WL 6013022, at *14-15 (S.D.
21 Cal. Dec. 1, 2011) (holding that a willfulness finding was not precluded by the PTO’s rejection of
22 all of the claims asserted in the suit in a non-final office action, where the claims were later
23 confirmed); *see also Safoco, Inc. v. Cameron Int’l Corp.*, No. 05-0739, 2009 WL 2424108, at *21
24 (S.D. Tex. July 31, 2009) (concluding that the “reexamination of the [patents], alone, do not
25 foreclose Plaintiff’s claims of willful infringement”).

26 On the other hand, however, Defendants point to other trial courts that have held that the
27 substantial new question raised by a reexamination proceeding, while not dispositive, is “one
28 factor” to consider “among the totality of the circumstances.” *Lucent Techs., Inc. v. Gateway, Inc.*,

1 Nos. 07-2000, 02-2060, 03-0699, 03-1108, 2007 WL 6955272, at *7 (S.D. Cal. Oct. 30, 2007); *see*
2 *Plumley v. Mockett*, 836 F. Supp. 2d 1053, 1075 (C.D. Cal. 2010) (“While a substantial question of
3 patentability raised by a reexamination request is not dispositive in a willfulness inquiry, it is
4 certainly relevant.”); *TGIP, Inc. v. AT&T Corp.*, 527 F. Supp. 2d 561, 579 (E.D. Tex. 2007). In
5 *Plumley*, the court found it “[o]f particular note . . . that on their second request for reexamination,
6 Defendants were successful in persuading the PTO to reject various claims as unpatentable in view
7 of prior art.” 836 F. Supp. 2d at 1075. In fact, the *Plumley* Court went so far as to hold that “a
8 patentee’s willful infringement claim fails as a matter of law where the PTO requires amendments
9 to the patent before issuing a reexamination certificate.” *Id.* (citing *TGIP*, 527 F. Supp. 2d at 578-
10 79). Similarly, after a jury finding of willfulness in *TGIP*, the district court granted defendant’s
11 motion for judgment as a matter of law, reasoning that the defendant did not act objectively
12 unreasonably because, among other reasons, the patentee had requested reexamination of one of
13 the asserted patents, and the PTO had granted the request and required amendments to the patent
14 before issuing a reexamination certificate. *TGIP*, 527 F. Supp. 2d at 579.

15 The Court does not agree that the mere grant of a reexamination request or an interim
16 rejection by the PTO precludes a finding of willfulness as a matter of law. Indeed, such a holding
17 would appear to be contrary to *Hoechst Celanese* and *Acoustical Design*, neither of which is cited
18 in either *Plumley* or *TGIP*. At the same time, however, the Court finds the facts of this case
19 distinguishable from *Hoechst Celanese* and *Acoustical Design*. In *Hoechst Celanese*, the
20 defendant’s willfulness defense was predicated solely on the grant of reexamination proceedings.
21 Likewise, in *Acoustical Design*, the claims initially rejected were later confirmed by a final action.
22 Here, by contrast, Defendants rely not on the mere grant of a reexamination request, but rather on
23 the PTO’s interim rejection of all asserted claims, and most notably, its recent cancellation of
24 previously asserted independent claim 38, from which asserted claims 2, 4, 8, 9, and 14 depend,
25 and cancellation of previously asserted independent claim 39, from which asserted claims 20 and
26 27 depend. *See* Garten Reply Decl. Ex. 2 [original Infringement Contentions] at 2 (asserting
27 claims 38 and 39).
28

1 ARLAN, May, and Gordon, which in Bryan Cave’s opinion invalidated all claims of the ’769
2 Patent. *Id.* Ex. R at 40:8-42:2. Bryan Cave prepared an invalidity claim chart showing that all of
3 the currently asserted claims were invalid in view of ARLAN, May, or Gordon, and a version of
4 this claim chart was provided to Fujitsu on March 4, 2004. *Id.* ¶ 8 & Ex. G at FUJ0153847-*890.
5 Based on these opinions, Bryan Cave filed, on Belkin’s behalf, an *ex parte* request for
6 reexamination of the ’769 Patent in June 28, 2006. *See id.* ¶ 23 & Ex. V. After the ’769 Patent
7 emerged from reexamination in 2009, and Fujitsu again demanded that Belkin take a license in
8 May 2009, Belkin again sought the advice of Bryan Cave, who advised Belkin that the examiner
9 had misunderstood the disclosures of several references and that the ’769 Patent was invalid. *Id.*
10 ¶ 19 & Ex. R at 79:25-80:13, 92:8-96:18. During his deposition, Mr. Kurland explained that he
11 communicated his invalidity opinions to Chris Flower, Belkin’s General Counsel, who authorized
12 Bryan Cave to file the second *ex parte* reexamination request on March 3, 2011. *See id.* Ex. R at
13 86:18-25, 92:8-96:16.

14 D-Link obtained an opinion of counsel on March 31, 2004, from E. Robert Yoches of
15 Finnegan Henderson Farabow Garrett & Dunner LLP regarding Fujitsu’s defective reissue
16 declaration. *See* Herring Decl. ¶ 12 & Ex. K. The opinion concluded that if Fujitsu failed to file a
17 reissue declaration, the claims are invalid, and that if Fujitsu filed the reissue declaration it
18 provided D-Link, then the claims may be invalid, “although the issue is less clear in the law.”
19 Herring Decl. Ex. K at DKUS746377. On August 30, 2004, D-Link received an additional opinion
20 of counsel from Mr. Yoches, opining that the ’769 Patent was invalid in view of the prior art. *Id.*
21 ¶ 13 & Ex. L. Finally, after the ’769 Patent emerged from reexamination in 2009, and Fujitsu
22 again demanded that D-Link take a license in September 2009, D-Link obtained two additional
23 opinions of counsel from Mr. Yoches in 2011. By that time, D-Link had already ceased sales of
24 any products into the U.S. *See* ECF No. 53-3, Decl. of Chia Yu Chang in Supp. of D-Link’s Mot.
25 to Dismiss for Lack of Personal Jurisdiction, ¶ 8. In any event, Mr. Yoches opined that the ’769
26 Patent was invalid in light of the prior art before the PTO during the reexamination proceedings,
27 and also opined that routers and other external devices should not be part of the case because there
28 was no indirect infringement of the ’769 Patent. *See* Herring Decl. ¶¶ 14-15 & Exs. M & N. D-

1 Link asserts that it “reviewed and relied on these opinions.” Willfulness Mot. at 7. However, D-
2 Link’s evidence on reliance is weak. D-Link points to an excerpt from the deposition transcript of
3 A.J. Wang, but Mr. Wang is quoted only as saying, “D-Link Systems is relying on Bob Yoches’
4 opinion on March 31st, 2004 that this patent at this stage had a legal defect and the patent is
5 invalid.” Herring Decl. ¶ 20 & Ex. S. This bare, conclusory assertion of reliance is insufficient to
6 establish that any such reliance was reasonable. The only other evidence to which D-Link points is
7 an excerpt from the deposition transcript of Robert Lin stating, “Our counsel found American
8 patent legal opinion on this patent and the report came that the patent was invalid. Based on this
9 report we continue our product development.” Herring Decl. ¶ 21 & Ex. T at 95:24-96:2.
10 However, D-Link provides no evidence that Mr. Lin or anyone else at D-Link reviewed Mr.
11 Yoches’ various opinions or independently determined that it was reasonable to rely on them.
12 Moreover, as Fujitsu points out, D-Link’s 30(b)(6) designee on the topic of opinions of counsel
13 could not confirm when D-Link received the letter and had never seen the opinion letters himself.
14 *See* Garten Opp’n Decl. Ex. 26 at 104:8-107:25. Thus, there is a genuine issue of fact as to
15 whether D-Link relied on Mr. Yoches’ opinions at all.

16 An accused infringer’s reasonable reliance on advice of counsel that the asserted patent is
17 invalid, unenforceable, or not infringed is “crucial to the analysis” of willfulness, but is not
18 necessarily dispositive. *In re Seagate Tech.*, 497 F.3d at 1369; *see also Finisar*, 523 F.3d at 1339
19 (holding that “a competent opinion of counsel concluding either [non-infringement or invalidity]
20 would provide a sufficient basis for [the defendant] to proceed without engaging in objectively
21 reckless behavior with respect to the [asserted] patent”). While “[f]avorable opinions of counsel
22 normally present a well-grounded defense to willfulness, [] the protection they afford is not
23 absolute.” *Acumed*, 483 F.3d at 810. “Those cases where willful infringement is found despite
24 the presence of an opinion of counsel generally involve situations where opinion of counsel was
25 either ignored or found to be incompetent.” *Id.* (quoting *Read Corp. v. Portec, Inc.*, 970 F.2d 816,
26 828-29 (Fed. Cir. 1992), *abrogated on other grounds by Markman*, 52 F.3d 967. “That an opinion
27 is ‘incompetent’ must be shown by objective evidence.” *Read Corp.*, 970 F.2d at 829. An opinion
28 may be incompetent if it lacks an adequate foundation, for example, if the attorney who prepared it

1 failed to look into the necessary facts. *Id.* (citing *Datascope Corp. v. SMEC, Inc.*, 879 F.2d 820,
2 828-29 (Fed. Cir. 1989), *cert. denied*, 493 U.S. 1024 (1990)). Likewise, an opinion may be
3 incompetent on its face if it contains “merely conclusory statements without discussion of facts or
4 obviously present[s] only a superficial or off-the-cuff analysis.” *Id.* (citing *Underwater Devices,*
5 *Inc. v. Morrison-Knudsen Co.*, 717 F.2d 1380, 1390 (Fed. Cir. 1983)). Because the patentee must
6 prove willfulness by clear and convincing evidence, the patentee bears the burden of showing that
7 the opinion of counsel on which the defendant relies is incompetent. *See In re Katz Interactive*
8 *Call Processing Patent Litig.*, Nos. 07-1816, 07-2322, 2009 WL 8635161, at *19 (C.D. Cal. May
9 1, 2009) (citing *In re Seagate*, 497 F.3d at 1371).

10 Here, Fujitsu’s attempt to discredit Defendants’ favorable opinions of counsel by faulting
11 them for addressing only invalidity and not non-infringement is without support in the case law. In
12 fact, the Federal Circuit has outright rejected this logic, expressly holding that “a competent
13 opinion of counsel concluding either that [the defendant] did not infringe the [asserted] patent *or*
14 that it was invalid would provide a sufficient basis for [the defendant] to proceed without engaging
15 in objectively reckless behavior with respect to the [asserted] patent.” *Finisar*, 523 F.3d at 1339
16 (emphasis in original); *see also Graco, Inc. v. Binks Mfg. Co.*, 60 F.3d 785, 793 (Fed. Cir. 1995)
17 (“There is no requirement that an opinion *must* address validity to negate a finding of willful
18 infringement”) (emphasis in original).

19 Thus, Netgear and Belkin have presented strong evidence that they reasonably relied on
20 competent opinions of counsel that the ’769 Patent is invalid, a factor that weighs in favor of the
21 objective reasonableness of their conduct. D-Link’s evidence of reliance on advice of counsel is
22 weaker, and thus this factor does not weigh in favor of the reasonableness of D-Link’s conduct.

23 3. Reasonableness of Defenses

24 Third, and finally, Defendants argue that they are entitled to summary adjudication because
25 they have consistently raised credible defenses, both during pre-suit negotiations, and throughout
26 this litigation. A defendant’s credible defense to alleged infringement can support a finding of no
27 willfulness. *See, e.g., Black & Decker, Inc. v. Robert Bosch Tool Corp.*, 260 Fed. App’x 284, 291
28 (Fed. Cir. 2008) (unpublished) (“Under [the *Seagate*] standard, . . . credible invalidity arguments

1 demonstrate the lack of an objectively high likelihood that a party took actions constituting
2 infringement of a valid patent.”); *see also Advanced Fiber Techs. (AFT) Trust v. J & L Fiber*
3 *Servs., Inc.*, 674 F.3d 1365, 1377-78 (Fed. Cir. 2012) (affirming district court’s summary judgment
4 of no willfulness based, in part, on defendant’s “compelling non-infringement and invalidity
5 arguments,” even while altering the district court’s claim construction and consequently vacating
6 summary judgment of noninfringement and remanding); *Spine Solutions*, 620 F.3d at 1319
7 (upholding the jury’s verdict of nonobviousness, while finding that the accused infringer raised a
8 ‘substantial question’ of obviousness sufficient to defeat the charge of willfulness); *Cohesive*
9 *Techs., Inc. v. Waters Corp.*, 543 F.3d 1351, 1374 & n.4 (Fed. Cir. 2008) (finding that a
10 sufficiently close question of proper claim construction foreclosed a finding of willfulness);
11 *ResQnet.com, Inc. v. Lansa, Inc.*, 533 F. Supp. 2d 397, 420 (S.D.N.Y. 2008), *vacated in part on*
12 *other grounds*, 594 F.3d 860 (Fed. Cir. 2010), (finding no willfulness because “[defendant’s]
13 arguments [of non-infringement and invalidity] were substantial, reasonable, and far from the sort
14 of easily-dismissed claims that an objectively reckless infringer would be forced to rely upon”);
15 *TGIP*, 527 F. Supp. 2d at 579 (no willful infringement because defendant’s invalidity defense was
16 not objectively unreasonable, even though it ultimately did not prove that defense by clear and
17 convincing evidence).

18 Here, Defendants have raised invalidity arguments that are not patently meritless on their
19 face. Indeed, Defendants have even been successful in convincing the PTO to reject several of the
20 claims of the ’769 Patent as unpatentable in light of the prior art. Furthermore, while the Court
21 denies Defendants’ motion for summary judgment of invalidity, the Court recognizes that
22 Defendants have raised significant invalidity arguments that are worthy of jury consideration.

23 That said, Defendants’ anticipation and obviousness arguments, at this point, turn on
24 questions of fact for a jury to decide. The Federal Circuit has explained that “[i]n considering the
25 objective prong of *Seagate*, the judge may when the defense is a question of fact or a mixed
26 question of law and fact allow the jury to determine the underlying facts relevant to the defense in
27 the first instance, for example, the questions of anticipation or obviousness.” *Bard Peripheral*, 682
28 F.3d at 1008. In *Bard Peripheral*, the Federal Circuit remanded for the trial court to determine the

1 objective reasonableness of the defendant’s defenses of inventorship, inadequate written
2 description, obviousness, and anticipation, instructing the lower court to “determine, ‘based on the
3 record ultimately made in the infringement proceedings,’ whether a ‘reasonable litigant could
4 realistically expect’ those defenses to succeed.” *Id.* In light of *Bard Peripheral*, the Court
5 determines that it would be more appropriate to decide the legal issue of willfulness with the
6 benefit of the jury’s factual findings on anticipation and obviousness.

7 **B. *Seagate*’s Second Prong: Subjective Intent**

8 Defendants further argue that, even if their actions were objectively reckless, there is no
9 evidence showing that Defendants either knew or should have known that there was a high risk of
10 infringement. In light of the outstanding issue of objective reasonableness under prong one, the
11 Court does not agree with Defendants that the second prong of *Seagate* can be resolved on the
12 present record. While Defendants argue that they lacked subjective intent because they relied on
13 advice of counsel, Fujitsu questions the reasonableness of Defendants’ reliance on their advice of
14 counsel in light of the reexamination’s confirmation of the asserted claims. Thus, in light of the
15 foregoing, Defendants’ motion for summary judgment of no willfulness is DENIED.

16 **VI. DEFENDANTS’ MOTION FOR SUMMARY ADJUDICATION OF NO ACTIVE**
17 **INDUCEMENT**

18 **A. Legal Standard**

19 Defendants also move for summary adjudication of no active inducement of infringement
20 of the ’769 Patent. Pursuant to 35 U.S.C. § 271(b), “[w]hoever actively induces infringement of a
21 patent shall be liable as an infringer.” To prevail on a claim for active inducement under § 271(b),
22 a patentee bears the burden of proving by a preponderance of the evidence: (1) direct infringement;
23 and (2) that the alleged infringer knowingly induced infringement and possessed specific intent to
24 encourage another’s infringement. *See Warner-Lambert Co. v. Teva Pharms. USA, Inc.*, 418 F.3d
25 1326, 1341 n.15 (Fed. Cir. 2005). A patent holder must prove that once the alleged infringer knew
26 of the patent, “they ‘actively and knowingly aid[ed] and abet[ed] another’s direct infringement.’”
27 *DSU Med. Corp. v. JMS Co., Ltd.*, 471 F.3d 1293, 1305 (Fed. Cir. 2006) (en banc) (quoting *Water*
28 *Techs. Corp. v. Calco, Ltd.*, 850 F.2d 660, 668 (Fed. Cir. 1988)) (emphasis in *Water Techs.*;

1 alterations in *DSU*). Mere “knowledge of the acts alleged to constitute infringement” is not
2 enough. *Warner-Lambert Co. v. Apotex Corp.*, 316 F.3d 1348, 1363 (Fed. Cir. 2003); *DSU*, 471
3 F.3d at 1305. That is to say, ““mere knowledge of possible infringement by others does not amount
4 to inducement; [rather,] specific intent and action to induce infringement must be proven.”” *DSU*,
5 471 F.3d at 1305 (quoting *Warner-Lambert*, 316 F.3d at 1364) (internal citation omitted).

6 **B. Discussion**

7 As discussed above, the Court has already granted Fujitsu summary judgment of
8 Defendants’ infringement of claims 41, 47, and 48. Thus, Fujitsu has proven direct infringement,
9 and the only issue in dispute is whether Fujitsu has raised a genuine issue of material fact that
10 Defendants possessed the requisite specific intent to induce direct infringement. Defendants argue
11 that the same evidence on which they rely for their willfulness defense—namely, their reliance on
12 competent opinions of counsel that the ’769 Patent is invalid, the multiple reexamination
13 proceedings and the resulting cancellation of certain claims, and their various invalidity defenses—
14 precludes Fujitsu from meeting its burden of proving specific intent to induce by a preponderance
15 of the evidence.

16 While these defenses to Fujitsu’s willfulness claims are also relevant to inducement, “a lack
17 of culpability for willful infringement does not compel a finding of non-infringement under an
18 inducement theory.” *Broadcom Corp. v. Qualcomm Inc.*, 543 F.3d 683, 699 (Fed. Cir. 2008).
19 Unlike the objective determination of reasonableness in a willfulness analysis, which is a matter
20 best decided by the Court, the issue of specific intent for purposes of inducement is “a factual
21 determination particularly within the province of the trier of fact.” *Id.* at 700. Furthermore, a
22 patentee’s burden of proof is lower for inducement than for willfulness. Whereas a patentee bears
23 the burden of proving willfulness by clear and convincing evidence, a patentee need only establish
24 inducement by a preponderance of the evidence.

25 While Defendants rely on the same evidence for their inducement motion as they did for
26 their willfulness motion, Fujitsu points to other evidence that must be considered as part of the
27 totality of the circumstances. In particular, Fujitsu relies on the fact that: (1) Fujitsu provided
28

1 Defendants with notice of infringement approximately nine to ten years ago;¹² (2) Defendants
2 distributed marketing materials and user manuals affirmatively instructing users to combine
3 accused external devices with allegedly infringing cards and made no effort to delete these
4 instructions after being contacted by Fujitsu, *see* Decl. of Thomas E. Garten in Supp. of Fujitsu’s
5 Opp’n to Defs.’ Mot. for Summ. Adjudication of No Willful Infringement and No Active
6 Inducement (“Garten Willfulness/Inducement Decl.”), Exs. 16-25; and (3) each of the Defendants
7 made opening offers to license the ’769 Patent, suggesting they did not think their invalidity
8 defenses were strong.¹³ Courts have held that knowledge of the patent combined with instructions
9 to customers on how to infringe can demonstrate specific intent to infringe. *See, e.g., i4i Ltd.*
10 *P’ship v. Microsoft Corp.*, 598 F.3d 831, 851-52 (Fed. Cir. 2010); *Mformation Techs., v. Research*
11 *in Motion Ltd.*, 830 F. Supp. 2d 815, 842 (N.D. Cal. 2011) (denying summary judgment of no
12 inducement and finding an issue of triable fact when defendants had knowledge of the patent
13 before the suit and had also instructed customers with regard to use of the accused product.). For
14 example, in *i4i*, the Federal Circuit found that the instruction materials and internal e-mails
15 showing Microsoft’s knowledge of the patent was evidence that Microsoft intended the product to
16 be used in an infringing manner and that it knew the product would be used in such a manner, thus
17 supporting the jury’s finding of inducement. *i4i*, 598 F.3d at 851-52.

18 Fujitsu need only prove inducement by a preponderance of the evidence, not clear and
19 convincing evidence. The Court determines that Fujitsu has raised a genuine issue of material fact
20 as to whether Defendants had specific intent to induce infringement, notwithstanding evidence of
21 Defendants’ opinions of counsel of invalidity, the reexamination proceedings, and the credibility of
22 their invalidity defenses generally. Defendants’ motion for summary judgment of inducement is
23 therefore DENIED.

24 VII. CONCLUSION

25
26 ¹² Fujitsu provided Netgear notice on March 19, 2002 (ECF No. 264 at 2-5); D-Link notice on
27 November 7, 2003 (ECF No. 264-4 at 2-3); and Belkin notice on November 7, 2003 (ECF No. 264-
28 6 at 2-3).

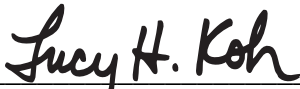
¹³ Belkin and D-Link made offers in 2003, soon after receiving Fujitsu’s infringement charts, *see*
ECF No. 264-7 at 85-86 (Belkin); ECF No. 264-5 at 20-26 (D-Link); and Netgear made an offer in
2004, *see* ECF No. 264-2 at 46.

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For the foregoing reasons, the Court GRANTS IN PART and DENIES IN PART Fujitsu's motion for summary judgment and summary adjudication of infringement; DENIES Defendants' motion for summary judgment of invalidity; DENIES Defendants' motion for summary adjudication of no willfulness; and DENIES Defendants' motion for summary adjudication of no active inducement.

IT IS SO ORDERED.

Dated: September 28, 2012



LUCY H. KOH
United States District Judge