

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

NOKIA CORPORATION,)
)
Plaintiff,)
)
v.)
)
APPLE INC.,)
)
Defendant.)

C.A. No. 09-791 (GMS)

APPLE INC.,)
)
Counterclaim Plaintiff,)
)
v.)
)
NOKIA CORPORATION and NOKIA INC.,)
)
Counterclaim Defendants.)

**NOKIA’S ANSWERING BRIEF IN RESPONSE TO APPLE’S MOTION FOR LEAVE
TO SUPPLEMENT ITS FIRST AMENDED ANSWER AND COUNTERCLAIMS TO
INCLUDE A CERTIFICATE OF CORRECTION**

OF COUNSEL:

Patrick J. Flinn
Peter Kontio
John D. Haynes
Mark A. McCarty
Adam J. Biegel
ALSTON & BIRD LLP
1201 W. Peachtree Street
Atlanta, GA 30309-3424
(404) 881-7000

MORRIS, NICHOLS, ARSHT & TUNNELL LLP
Jack B. Blumenfeld (#1014)
Rodger D. Smith II (#3778)
1201 North Market Street
P.O. Box 1347
Wilmington, DE 19899
(302) 658-9200
jblumenfeld@mnat.com
rsmith@mnat.com

*Attorneys for Nokia Corporation and Nokia
Inc.*

August 16, 2010

TABLE OF CONTENTS

TABLE OF AUTHORITIES	II
INTRODUCTION	1
NATURE AND STAGE OF PROCEEDINGS	2
SUMMARY OF ARGUMENT	3
STATEMENT OF FACTS	4
ARGUMENT	9
I. IF, AS APPLE CONTENDS, NOKIA CANNOT AMEND ITS PLEADINGS TO ADD COUNTS FOR PATENT INFRINGEMENT, THEN APPLE’S MOTION TO SIMILARLY SUPPLEMENT ITS PLEADINGS SHOULD ALSO BE DENIED	9
II. APPLE’S THIRTY-FOURTH COUNTERCLAIM IS BASED ON UNCORRECTED – AND UNCORRECTABLE – PATENT CLAIMS AND SHOULD BE WITHDRAWN	10
CONCLUSION.....	11

TABLE OF AUTHORITIES

Cases

Group One Ltd. v. Hallmark Cards, Inc.,
407 F.3d 1297 (Fed. Cir. 2005) 10, 11

Linear Tech. Corp. v. Micrel, Inc.,
524 F. Supp. 2d 1147 (N.D. Cal. 2005) 11

Novo Indus. v. Micro Molds Corp.,
350 F.3d 1348 (Fed. Cir. 2003) 11

INTRODUCTION

Apple seeks to supplement its counterclaims to add a new, thirty-sixth cause of action against Nokia and assert infringement of U.S. Patent No. 7,383,453 (the “453 patent”) as corrected by a June 8, 2010 Certificate of Correction. Notably, Apple is not withdrawing its thirty-fourth cause of action for Nokia’s alleged infringement of the 453 patent.¹ Instead, Apple contends that the corrected claims of the 453 patent are applicable to Nokia’s alleged acts of infringement on and after June 8, 2010 and that the *uncorrected* claims of the 453 patent are applicable to Nokia’s alleged acts of infringement before June 8, 2010.

The prosecution history of the 453 patent shows that Apple requested the Certificate of Correction to incorporate substantive claim amendments that were necessary for placing the claims in condition for allowance, but were omitted from the 453 patent as issued due to a PTO printing error. In view of the substantive claim limitations added by the Certificate of Correction, Apple in effect seeks to litigate this case as if there were two 453 patents at issue – the uncorrected version of the 453 patent that is the subject of Apple’s thirty-fourth counterclaim and the corrected version of the 453 patent that is the subject of Apple’s new thirty-sixth counterclaim.

Apple’s request to add a count for patent infringement based on the corrected claims, while retaining its count for patent infringement based on the uncorrected claims, demonstrates at least two things. First, having opposed Nokia’s motion for leave to amend its complaint to assert new implementation patents, Apple apparently believes that only Apple – and

¹ Apple’s introductory statement that it “moves for leave to supplement its thirty-fourth counterclaim to include a recently-issued Certificate of Correction” for the 453 patent (D.I. 78 at 1) appears inaccurate given that Apple’s proposed amended pleading contains no amendments to its thirty-fourth counterclaim but adds a new thirty-sixth counterclaim based on the corrected 453 patent claims (D.I. 78-13).

not Nokia – may assert new counts for patent infringement at this stage of the proceedings. Second, Apple apparently considers it necessary to continue to assert uncorrected claims that were *never allowed* by the PTO. Given that Apple requested and relies upon a Certificate of Correction that adds essential limitations to the uncorrected claims, Apple should know that the uncorrected claims suffer from a fatal defect and that Apple’s thirty-fourth counterclaim is based on invalid and unenforceable claims.

NATURE AND STAGE OF PROCEEDINGS

On October 22, 2009, Nokia filed a complaint against Apple, alleging that Apple has infringed ten patents that have been declared essential to various wireless communication standards (D.I. 1). Apple filed its answer and counterclaims on December 11, 2009, asserting infringement of thirteen patents – including the 453 patent – and bringing six non-patent claims against Nokia (D.I. 14). Subsequently, on February 19, 2010, Apple amended its answer and counterclaims to dismiss four of its patent infringement claims as well as its non-patent claim for unfair competition under California state law, and to add an antitrust claim under Section 2 of the Sherman Act and include Nokia Inc. as an additional defendant (D.I. 21).

On May 24, 2010, Apple moved to consolidate this action with the parties’ stayed Delaware action, C.A. No. 09-1002-GMS, and two unrelated Delaware actions brought by Apple against HTC, one of which is stayed (D.I. 47, 48). Since then, Apple has filed a third action against HTC in Delaware, *Apple Inc. v. High Tech Computer Corp., et al.*, C.A. No. 10-544 (D. Del. filed June 21, 2010), and stated that it intends to add this new action to its pending motion to consolidate (Declaration of Coby S. Nixon (“Nixon Dec.”), Ex. 1 at 6 n.4). On June 29, 2010, Apple moved to transfer a case pending in the Western District of Wisconsin, *Nokia Corp. v. Apple Inc.*, Civil Action No. 10-CV-249, to this Court for consolidation (*id.*).

Through its various efforts at consolidation, Apple seeks to create a single proceeding involving a total of at least 59 patents.

On July 1, 2010, Nokia filed a motion for leave to amend its complaint against Apple to add claims for the infringement of three implementation patents as well as claims for declaratory judgment based on Apple's repudiation of the benefits of Nokia's F/RAND commitment (D.I. 67, 68). On July 19, 2010, Apple filed its opposition to Nokia's motion for leave to amend, alleging in relevant part that adding new patent claims would complicate and delay resolution of the case, and thereby unduly prejudice Apple (D.I. 72).

On July 30, 2010, Apple filed its Motion for Leave to Supplement its First Amended Answer and Counterclaims (D.I. 78). Despite opposing Nokia's motion, Apple seeks to add a thirty-sixth cause of action to its counterclaims against Nokia to allege infringement of the 453 patent as corrected by a June 8, 2010 Certificate of Correction (D.I. 78-13 at ¶¶ 253-58).

On August 3, 2010, Nokia moved to stay Apple's patent infringement counterclaims, including Apple's counterclaim for alleged infringement of the 453 patent, pending *ex parte* reexamination proceedings in the PTO (D.I. 80, 81).

SUMMARY OF ARGUMENT

1. Apple's motion to supplement its counterclaims, like Nokia's motion to amend its complaint, seeks to add a count for patent infringement to the litigation. These motions should be treated alike. Apple would have the Court deny Nokia its proposed amendments, but grant Apple leave to supplement, even though its amendments are similar to Nokia's and were requested at substantially the same time. Nokia maintains that its motion is timely and that granting Nokia leave to amend would not prejudice Apple. In the event the Court denies Nokia's motion, however, Nokia respectfully requests that for reasons of fairness and consistency, the Court also deny Apple's motion.

2. Apple's thirty-fourth counterclaim is based on uncorrected claims of the 453 patent that fail to include limitations essential to placing the claims in condition for allowance. Thus, Apple continues to assert patent claims that were never allowed by the PTO. Because the omitted claim limitations cannot be discerned from the 453 patent itself, the Court does not have authority to retroactively correct the asserted claims. Apple's thirty-fourth counterclaim is therefore based on invalid and unenforceable claims and should be withdrawn.

STATEMENT OF FACTS

The 453 patent, entitled "Conserving Power by Reducing Voltage Supplied to an Instruction-Processing Portion of a Processor," issued on June 3, 2008 from U.S. Application No. 11/213,215, filed on August 25, 2005 (Nixon Dec., Ex. 2). On February 26, 2008, after presenting 63 claims for examination during two and a half years of prosecution, the applicant for the 453 patent filed a "Request for Continued Examination" to cancel all prior claims and submit 21 new claims (*id.*, Ex. 3). The new claims were numbered 64 through 84 and included 3 independent claims – claims 64, 71, and 78 (*id.*).

On April 8, 2008, the PTO issued a Notice of Allowance and a Notice of Allowability that allowed claims 64 through 84 subject to 3 documents attached to the Notice of Allowability: (i) an Interview Summary; (ii) an Examiner's Amendment; and (iii) a 9-page fax dated March 26, 2008 (*id.*, Ex. 4). According to the Interview Summary, the examiner contacted the applicant's representative by telephone on March 20, 2008 "with proposed changes for independent claims 64, 71, and 78, and suggested cancelling omitted claim 48, *upon which the application is put in condition for allowance*" (*id.*) (emphasis added). The examiner further explained in the Interview Summary that the 9-page fax dated March 26, 2008 was submitted by applicant's representative to cancel claim 48 and incorporate the examiner's proposed changes

for claims 64, 71, and 78 (*id.*). In the Examiner's Amendment, the examiner stated that the application had been amended in accordance with the 9-page fax (*id.*).

The 9-page fax attached to the Notice of Allowability recited the following amendments to independent claims 64, 71 and 78, with strikethroughs indicating deletions from, and underlining indicating additions to, the claims presented in the applicant's February 26, 2008 Request for Continued Examination:

64. (Currently Amended) An instruction-processing system with ~~minimal~~ minimized static power leakage, the instruction-processing system comprising:

a core with instruction-processing circuitry;

an area coupled to the core;

a core voltage provided to the core; and

an area voltage provided to the area;

wherein in a normal operation mode:

a clock signal to the core is active;

the core voltage is a first value that is sufficient to maintain the state information of the instruction-processing circuitry;

the core is active;

the area voltage is a second value that is sufficient to maintain the data stored in the area; and

the area is active;

wherein in a first power-saving mode that ~~is~~ can be exited upon receipt of an interrupt signal:

the clock signal to the core is inactive;

the core voltage is ~~equal to or greater than the first value~~ sufficient to maintain the state information of the instruction-processing circuitry; and

the area voltage is ~~equal to or greater than the second value~~ sufficient to maintain the data stored in the area;

wherein in a second power-saving mode that can be exited upon receipt of a signal that is not an interrupt signal:

the clock signal to the core is inactive;

the core voltage is less than the first value; and

the area voltage is equal to or greater than the second value sufficient to maintain the data stored in the area.

...

71. (Currently amended) A method for minimizing static power leakage in an instruction-processing system, wherein the instruction-processing system comprises a core with instruction-processing circuitry, an area coupled to the core, a core voltage provided to the core, and an area voltage provided to the area, the method comprising:

entering a normal operation mode by:

providing a clock signal to the core;

providing the core with a core voltage ~~that is equal to~~ a first value that is sufficient to maintain the state information of the instruction-processing circuitry;

providing the area with an area voltage ~~that is equal to~~ a second value that is sufficient to maintain the data stored in the area;

entering a first power-saving mode by:

disabling the clock signal to the core;

providing the core with a core voltage that is sufficient to maintain the state information of the instruction-processing circuitry~~equal to or greater than the first value;~~ and

providing the area with an area voltage that is sufficient to maintain the data stored in the area~~equal to or greater than the second value;~~

exiting the first power-saving mode upon receipt of an interrupt signal;

entering a second power-saving mode by:

disabling the clock signal to the core;

setting the core voltage to a value less than the first value; and

providing the area with an area voltage that is ~~equal to or greater than the second value~~ sufficient to maintain the data stored in the area; and

exiting the second power-saving mode upon receipt of a signal that is not an interrupt signal.

...

78. (Currently amended) A computer-readable medium ~~containing data representing~~ storing code which represents an instruction-processing system with ~~minimal~~ minimized static power leakage, the instruction- processing system comprising:

a core with instruction-processing circuitry;

an area coupled to the core;

a core voltage provided to the core; and

an area voltage provided to the area;

wherein in a normal operation mode:

a clock signal to the core is active;

the core voltage is a first value that is sufficient to maintain the state information of the instruction-processing circuitry;

the core is active;

the area voltage is a second value that is sufficient to maintain the data stored in the area; and

the area is active;

wherein in a first power-saving mode that ~~is~~ can be exited upon receipt of an interrupt signal:

the clock signal to the core is inactive;

the core voltage is sufficient to maintain the state information of the instruction-processing circuitry ~~equal to or greater than the first value~~; and

the area voltage is sufficient to maintain the data stored in the area ~~equal to or greater than the second value~~;

wherein in a second power-saving mode that can be exited upon receipt of a signal that is not an interrupt signal:

the clock signal to the core is inactive;

the core voltage is less than the first value; and

the area voltage is sufficient to maintain the data stored in the
area equal to or greater than the second value.

(*Id.*) As shown above, the amendments proposed and entered by the examiner added substantive limitations regarding, among other things, certain voltage values recited in the claims.

On June 3, 2008, the 453 patent issued with claims 1 through 21 (*id.*, Ex. 2).

Issued claims 1 through 21 of the 453 patent are identical to claims 64 through 84 as presented in the applicant's February 26, 2008 Request for Continued Examination, and fail to include the substantive amendments reproduced above from the applicant's 9-page fax and entered by the April 8, 2008 Examiner's Amendment (*id.*, Exs. 2 & 3). Based on the prosecution history, it is clear that the PTO erroneously printed the claims of the 453 patent without the examiner's amendments which were deemed necessary to put the application in condition for allowance.

Recognizing this error, Apple filed a Request for Certificate of Correction on July 17, 2008 and requested numerous changes to incorporate the examiner's amendments and correct the issued claims (*id.*, Ex. 5). On August 21, 2008, the PTO issued a Response to Apple's Request and indicated that Apple had omitted a change necessary for issued claim 15 (*id.*, Ex. 6). On May 7, 2010, Apple filed a new Request for Certificate of Correction, this time including the change it had previously omitted (*id.*, Ex. 7). On June 8, 2010, nearly six months after Apple filed its counterclaim against Nokia for alleged infringement of the 453 patent, the PTO issued a Certificate of Correction to incorporate the examiner's amendments and correct the issued claims (*id.*, Ex. 8).

Apple now seeks to supplement its First Amended Answer and Counterclaims to add a thirty-sixth cause of action against Nokia and assert infringement of the 453 patent as

corrected by the June 8, 2010 Certificate of Correction (D.I. 78, 78-13). Instead of withdrawing its thirty-fourth cause of action for Nokia's alleged infringement of the 453 patent, Apple contends that the corrected claims of the 453 patent are applicable to Nokia's alleged acts of infringement on and after June 8, 2010, and that the *uncorrected* claims of the 453 patent are applicable to Nokia's alleged acts of infringement before June 8, 2010 (D.I. 78 at 1 & n.1, 78-13).

ARGUMENT

I. IF, AS APPLE CONTENDS, NOKIA CANNOT AMEND ITS PLEADINGS TO ADD COUNTS FOR PATENT INFRINGEMENT, THEN APPLE'S MOTION TO SIMILARLY SUPPLEMENT ITS PLEADINGS SHOULD ALSO BE DENIED

Apple seeks to supplement its counterclaims against Nokia to add a new count for patent infringement (D.I. 78, 78-13). Yet, when Nokia moved to amend its pleadings to add new counts for patent infringement, Apple opposed (D.I. 72). Specifically, Apple argued that adding new patent claims at this stage would complicate and unduly delay the proceedings, and cause undue prejudice to Apple (*id.*, at 6 & 16-17).

Apple cannot have it both ways. If, as Apple contends, it is too late or prejudicial for Nokia to amend its pleadings and add patent claims, then the same goes for Apple. Nokia maintains that its motion to amend is timely and made in good faith, and that Apple would not be prejudiced by Nokia's proposed amendments. Should the Court accept Apple's arguments in opposition, however, Nokia requests that the same standard be applied to Apple's motion and that Apple's motion be similarly denied.

II. APPLE’S THIRTY-FOURTH COUNTERCLAIM IS BASED ON UNCORRECTED – AND UNCORRECTABLE – PATENT CLAIMS AND SHOULD BE WITHDRAWN

The prosecution history of the 453 patent demonstrates that the uncorrected claims, as published by the PTO in error, fail to include substantive claim amendments deemed necessary to put the claims in condition for allowance. Although Apple asserts that the uncorrected claims were never rejected by the PTO (D.I. 78 at 3), it conspicuously fails to assert that such claims were ever allowed. The uncorrected claims are fatally flawed and the 453 patent as asserted in Apple’s thirty-fourth counterclaim is invalid and unenforceable.² Apple practically concedes as much by requesting and relying on the June 8, 2010 Certificate of Correction.

Further, the Court lacks the authority to add the essential amendments to the 453 patent and retroactively correct the uncorrected claims. A district court may retroactively correct a PTO error in a patent “only if the error is evident from the face of the patent.” *Group One Ltd. v. Hallmark Cards, Inc.*, 407 F.3d 1297, 1303 (Fed. Cir. 2005) (citing *Novo Indus. v. Micro Molds Corp.*, 350 F.3d 1348, 1357 (Fed. Cir. 2003)). Here, the prosecution history of the 453 patent reveals that certain claim limitations were required to be added as a condition for allowance, but a reader of the 453 patent could not determine what limitations are missing simply by reading the patent. In such circumstances, the Court does not have authority to correct the 453 patent. *See Group One*, 407 F.3d at 1302-03 (affirming district court’s determination that patent was invalid because court could not correct a PTO printing error that left out essential claim language required by the examiner during prosecution); *Linear Tech. Corp. v. Micrel, Inc.*,

² If Apple is granted leave to supplement, Nokia will vigorously defend against Apple’s thirty-sixth counterclaim as well. Nokia denies that it has infringed any valid claim of the 453 patent as corrected or uncorrected.

524 F. Supp. 2d 1147, 1155-56 (N.D. Cal. 2005) (holding that court could not correct PTO printing error that omitted amended claims from a reexamination certificate, even though the content of the missing claims was clear from the public record, because the way to correct the error was not clear on the face of the patent).

Because the uncorrected claims of the 453 patent suffer from a fatal defect that the Court is powerless to correct, Apple should withdraw its thirty-fourth counterclaim rather than continue to assert invalid and unenforceable claims.

CONCLUSION

As stated above, Apple cannot have it both ways. Either all parties should be granted leave to add counts for patent infringement or neither party should be granted such leave. Should the Court determine that it would be inappropriate to grant Nokia's motion for leave to amend its complaint (D.I. 70), Apple's motion for leave to supplement its counterclaims (D.I. 78), which seeks similar relief, should likewise be denied.

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ Rodger D. Smith II

OF COUNSEL:

Patrick J. Flinn
Peter Kontio
John D. Haynes
Mark A. McCarty
Adam J. Biegel
ALSTON & BIRD LLP
1201 W. Peachtree Street
Atlanta, GA 30309-3424
(404) 881-7000

August 16, 2010
3716127

Jack B. Blumenfeld (#1014)
Rodger D. Smith II (#3778)
1201 North Market Street
P.O. Box 1347
Wilmington, DE 19899
(302) 658-9200
jblumenfeld@mnat.com
rsmith@mnat.com

*Attorneys for Nokia Corporation and
Nokia Inc.*

CERTIFICATE OF SERVICE

I hereby certify that on August 16, 2010, I caused the foregoing to be electronically filed with the Clerk of the Court using CM/ECF, which will send notification of such filing to:

Richard L. Horwitz, Esquire
David E. Moore, Esquire
POTTER ANDERSON & CORROON LLP

I further certify that I caused to be served copies of the foregoing document on August 16, 2010, upon the following in the manner indicated:

Richard L. Horwitz, Esquire
David E. Moore, Esquire
POTTER ANDERSON & CORROON LLP
Hercules Plaza – 6th Floor
1313 North Market Street
Wilmington, DE 19801

VIA ELECTRONIC MAIL

William F. Lee, Esquire
Mark D. Selwyn, Esquire
WILMERHALE
60 State Street
Boston, MA 02109

VIA ELECTRONIC MAIL

Kenneth H. Bridges, Esquire
Michael T. Pieja, Esquire
Brian C. Kwok, Esquire
WONG, CABELLO, LUTSCH, RUTHERFORD
& BRUCCULERI, LLP
540 Cowper Street
Palo Alto, CA 94301

VIA ELECTRONIC MAIL

/s/ Rodger D. Smith II

Rodger D. Smith II (#3778)