

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW MEXICO**

STC.UNM,

Plaintiff,

v.

INTEL CORPORATION,

Defendant.

Civil No. 10-CV-01077-RB-WDS

**STC.UNM'S REPLY BRIEF IN SUPPORT OF ITS MOTION FOR
CONSTRUCTION OF THE "TRANSFERRING" STEPS IN CLAIM 6**

Intel's response is unavailing for several reasons. First, Intel ignores the heavy weight of precedential Federal Circuit law that mandates that courts should conduct a rolling claim construction process. STC.UNM's motion cited six different cases holding that claim construction is not a static process, and that courts can construe claim terms at any time. *See* Motion, at 1-2. Intel offered no response to this body of law.

Second, Intel completely misrepresents the parties' previous stipulations. Contrary to Intel's repeated assertion, the parties have not stipulated to an agreed construction for the "transferring" steps in claim 6. *See* Intel Br., at 1, 2 & 4. The parties did agree to a construction for the term "said transferring step" in claim 7, but that stipulated construction merely clarified that the word "said" would make reference to "the first transferring step of claim 6, the second transferring step of claim 6, or both." *See* Intel Ex. A, at 1. Since that agreement in no way addressed the meaning of the "transferring" steps in *claim 6*, those terms have not been subject to an agreed construction by the parties.

In truth, last month STC.UNM asked Intel if it would agree to a proposed construction for the not yet construed "transferring" steps *in claim 6*. Counsel for Intel then inquired: "how do you

propose we present it to the Court, *in the event we disagree with your proposed construction.*” STC.UNM Ex. B (emphasis added). Thus, by opposing the instant motion, Intel is acknowledging that there is a dispute regarding its meaning. According to Federal Circuit law, “[w]hen the parties raise an actual dispute regarding the proper scope of these claims, the court, not the jury, must resolve that dispute.” *O2 Micro Int’l Ltd. v. Beyond Innovation Tech. Co.*, 521 F.3d 1351, 1360 (Fed. Cir. 2008). Moreover, “It is critical for trial courts to set forth an express construction of the material claim terms in dispute, in part because the claim construction becomes the basis of the jury instructions, should the case go to trial. ... It is also the necessary foundation of meaningful appellate review.” *AFG Indus., Inc. v. Cardinal IG Co., Inc.*, 239 F.3d 1239, 1247 (Fed. Cir. 2001). In sum, since the “transferring” steps are key terms, and their meanings are disputed, the Court should construe the terms for the parties.

Intel’s response (at 4) goes on to assert that STC.UNM should have included its arguments for the “transferring” steps in its prior briefing. But based on the fact that the “transferring” steps in claim 6 were not initially identified for construction by the parties, there has not been an opportunity to do so. Further, and as specified in its motion, STC.UNM did not initially believe a construction of the overall “transferring” step in claim 6 was necessary until Intel’s briefing made clear that it was attempting to limit independent claim 6 to be narrower than dependent claim 7, which is a violation of the basic claim construction canons. *See* STC.UNM Br. at 2 (citing *AK Steel Corp.*, 344 F.3d at 1242 (Fed. Cir. 2003) and *Phillips*, 415 F.3d at 1314-15 (Fed. Cir. 2005)).

Lastly, while arguing that the Court need not address the issue, Intel goes on to fill the rest of its response brief with unsupported attorney argument on the claim construction issue itself (at 4-

5). While STC.UNM disagrees with almost all of those statements, the Court need not address them at this time as STC.UNM is now only requesting that the Court add the “transferring” limitations to the list of terms for construction. Briefs on the merits can follow.

Based on the procedural posture of the case, *i.e.*, none of the terms identified by the parties have been construed, and precedent discussed herein, STC.UNM respectfully requests that the Court receive supplemental briefing limited to the “transferring” steps in claim 6.

Dated: December 14, 2011

Respectfully submitted,

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Certificate of Service: I hereby certify that on December 14, 2011, I caused the foregoing to be electronically filed with the Clerk of the Court using the CM/ECF system which will send notification of such filing via electronic mail to all counsel of record.

/s/ Steven R. Pedersen