

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

WI-LAN INC.,	§	
	§	
Plaintiff,	§	Civil Action No. 6:10-cv-521-LED
	§	Civil Action No. 6:13-cv-252-LED
v.	§	CASES CONSOLIDATED FOR
	§	TRIAL
ALCATEL-LUCENT USA INC.; <i>et al.</i>	§	
	§	JURY TRIAL DEMANDED
Defendants.	§	
	§	

**WI-LAN’S MOTION FOR JUDGMENT AS A MATTER OF LAW
OF NO INVALIDITY**

I. INTRODUCTION

Plaintiff Wi-LAN Inc. (“Plaintiff”) moves for judgment as a matter of law (“JMOL”) on Defendants’ arguments that claims 2 and 5 of U.S. Patent No. 6,381,211 (“the ’211 patent”), claims 2, 5, and 9 of U.S. Patent No. 6,088,326 (“the ’326 patent”), and claim 11 of U.S. Patent No. 6,222,819 (“the ’819 patent”) (collectively, the “Asserted Claims”) are invalid.¹

The asserted claims of the ’211 patent require (in part):

- a first code generator (to generate an orthogonal code);
- a first decoder (to apply the orthogonal code);
- a TDM decoder (for extracting data that has been encoded using TDM techniques);
- a second code generator (to generate an overlay code); and
- a second decoder (to apply the overlay code).

¹ Defendants do not argue that any asserted claim of U.S. Patent No. 6,195,327 (“the ’327 patent”) is invalid, and neither party’s proposed jury verdict form includes any question regarding the validity of the ’327 patent. Mr. Lanning, Defendants’ invalidity expert, testified that he was offering no opinion regarding invalidity of the ’327 patent.

The asserted claims of the '326 and '819 patents require (in part):

- a first code generator (to generate an orthogonal code);
- a first encoder (to apply the orthogonal code);
- a TDM encoder (to apply TDM techniques);
- a second code generator (to generate an overlay code); and
- a second encoder (to apply the overlay code).

Defendants have argued throughout the trial that the claims are anticipated under 35 U.S.C. § 102 and obvious under 35 U.S.C. § 103, but have failed to offer legally sufficient evidence to establish any of these defenses by clear and convincing evidence.

II. LEGAL STANDARDS

A. Standard for Granting Judgment as a Matter of Law

Judgment as a matter of law must be granted when “a reasonable jury would not have a legally sufficient evidentiary basis to find for the party on that issue.” *Mirror Worlds, LLC v. Apple, Inc.*, 784 F. Supp. 2d 703, 710 (E.D. Tex. 2011) (quoting FED. R. CIV. P. 50(a)), *aff'd*, 692 F.3d 1351 (Fed. Cir. 2012). “A court should render judgment as a matter of law when a party has been fully heard on an issue and there is no legally sufficient evidentiary basis for a reasonable jury to find for the party on that issue.” *Reeves v. Sanderson Plumbing Prods., Inc.*, 530 U.S. 133, 149 (2000); *see also* FED. R. CIV. P. 50(a) & (b). In deciding a motion for judgment as a matter of law, the proper inquiry is whether sufficient evidence exists to support non-movant’s claim when the evidence is viewed most favorably to the non-movant. *Id.* at 150.

B. Invalidity Generally

An issued patent is accorded a presumption of validity based on the presumption that the United States Patent & Trademark Office acted correctly in issuing a patent. From the issuance of the patent, it is presumed that a claimed invention is novel, useful, not obvious, and satisfies

the other legal requirements for a valid U.S. patent. 35 U.S.C. § 282; *Microsoft Corp. v. i4i Ltd. P'ship*, 131 S.Ct. 2238, 2245 (2011). It is a bedrock principle of patent law that a party asserting invalidity bears the burden of proving invalidity by clear and convincing evidence. *ICU Med., Inc. v. Alaris Med. Sys., Inc.*, 558 F.3d 1368, 1376 (Fed. Cir. 2009).

III. ARGUMENT

A. No Anticipation Under 35 U.S.C. § 102

1. Legal Standard for Anticipation

Anticipation under 35 U.S.C. § 102 requires that “each element of the claim in issue is found, either expressly or under principles of inherency, in a single prior art reference, or that the claimed invention was previously known or embodied in a single prior art device or practice.” *Amgen, Inc. v. Hoffman-La Roche Ltd.*, 580 F.3d 1340, 1366 (Fed. Cir. 1999); *Minn. Mining & Mfg. Co. v. Johnson & Johnson Orthopaedics, Inc.*, 976 F.2d 1559, 1565 (Fed. Cir. 1992).

At trial, Defendants presented only four prior art references to demonstrate invalidity: the Tiedemann article (DX-124), the IS-95-A standard (DX-149), the Gitlin patent (DX-148), and the Gilhousen '652 application (DX-150). Despite having asserted that certain claims are invalid because they were anticipated, Defendants did not meet their burden to show anticipation under clear and convincing evidence. Because Defendants have failed to demonstrate that each and every element of any Asserted Claim is found in a single prior art reference, Plaintiff is entitled to judgment as a matter of law that the Asserted Claims are not invalid because of anticipation. For example, the only allegedly anticipatory reference argued at trial by Defendants was Tiedemann. But Defendants failed to demonstrate legally sufficient evidence that Tiedemann anticipates any asserted claim.

2. *Tiedemann Does Not Anticipate Claim 9 of the '326 Patent or Claim 11 of the '819 patent.*

Defendants have presented no evidence that Tiedemann, the only allegedly anticipating reference argued, anticipates Claim 9 of the '326 Patent or Claim 11 of the '819 patent by teaching each and every limitation of those claims. To the contrary, Mr. Lanning expressly admitted that Tiedemann does not disclose every element of '326 claim 9 because it does not teach applying an overlay code to a paging channel. 7/12/13 Morning Session 62:5–11. In addition, Mr. Lanning expressly testified that Tiedemann does not disclose every claim element of '819 claim 11 because it does not disclose a TDM encoder for the traffic channels. *Id.* Defendants have not proposed a jury finding of invalidity as to these claims.

3. *Tiedemann Does Not Anticipate Claim 2 of the '326 Patent, Claim 5 of the '326 Patent, Claim 2 of the '211 patent, or Claim 5 of the '211 patent.*

Similarly, Defendants have failed to produce legally sufficient evidence that the Tiedemann reference discloses, among other things, TDM techniques or overlay codes, as required by Claim 2 of the '326 patent, Claim 5 of the '326 Patent, Claim 2 of the '211 patent, and Claim 5 of the '211 patent. As one example, each of the asserted claims of the '326, '819, and '211 patents require “TDM techniques,” which the Court construed to require allocation “based on one or more characteristics associated with the data item.” However, in his discussion of the Tiedemann reference, Mr. Lanning simply offers conclusory testimony that Tiedemann satisfies this requirement of the Court’s construction without offering any explanation or support from the reference. 7/12/13 Morning Session 42:22–43:14, 48:1–10.

B. No Obviousness Under 35 U.S.C. § 102

1. *Legal Standard for Obviousness*

Obviousness under 35 U.S.C. § 103 requires some motivation to combine the prior art references. *See KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007). In particular, there

must be a reason that a person of ordinary skill in the art would combine the different elements in the fashion claimed. *Id.* at 418. This requires “some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006); *see also KSR*, 550 U.S. 418.

Defendants have failed to demonstrate legally sufficient evidence that would permit a jury to conclude by clear and convincing evidence that the prior art references, even when considered in the particular combinations argued by Defendants, meet all claim elements. For example, among other missing claim limitations, Defendants failed to prove that the IS-95-A reference teaches overlay codes or TDM techniques²; that the Tiedemann reference contains overlay codes or discloses TDM techniques³; that the Gitlin reference discloses orthogonal codes⁴, TDM techniques, or overlay codes⁵; or that Gilhousen ’652 teaches TDM techniques⁶. In sum, no combination of these references argued by Defendants at trial discloses each and every claim limitation of any Asserted Claim.

Defendants have further failed to present legally sufficient evidence of a “motivation to combine” the reference pairings argued by Defendants at trial, and instead simply rely upon a conclusory statement that a person of ordinary skill would be motivated to combine various references. 7/12/13 Morning Session 66:6–23, 68:10–17. Each of these failures to offer legally

² 7/12/13 Morning Session 80:25–81:3 (admitting that IS-95-A does not disclose overlay codes).

³ In addition, as Wi-LAN objected during the hearing, the IS-95 reference (separate from the IS-95-A reference) was beyond the scope of Mr. Lanning’s expert reports and may not be relied upon as prior art, either alone or as an improper combination with the Tiedemann reference.

⁴ 7/12/13 Morning Session 84:22–85:1 (admitting failure to testify how the Gitlin reference disclosed orthogonal codes).

⁵ *Id.* at 66:9–12 (admitting that Gitlin does not disclose overlay codes).

⁶ *Id.* at 83:10–14(admitting that Gilhousen ’652 does not anticipate).

sufficient proof is fatal to Defendants' case, and Plaintiff is entitled to judgment as a matter of law that the Asserted Claims are not invalid for obviousness.

IV. CONCLUSION AND PRAYER

For the reasons stated above, Plaintiff Wi-LAN Inc. respectfully requests that the Court grant its Motion for Judgment as a Matter of Law that Defendants have failed to offer legally sufficient evidence, much less clear and convincing evidence, that any Asserted Claim is invalid.

Dated: July 12, 2013

Respectfully submitted,

By: /s/ David B. Weaver

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CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a). As such, this document was served on all counsel who are deemed to have consented to electronic service on this the 12th day of July, 2013.

/s/ David B. Weaver
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