

EXHIBIT S

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2 EASTERN DISTRICT OF TEXAS
3 LUFKIN DIVISION

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6 MICROSOFT CORP., ET AL * BEAUMONT, TEXAS

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8 VOLUME 1 OF 1, PAGES 1 THROUGH 113
9 REPORTER'S TRANSCRIPT OF CLAIM CONSTRUCTION HEARING
10 BEFORE THE HONORABLE RON CLARK
11 UNITED STATES DISTRICT JUDGE
12 -----

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24 PROCEEDINGS REPORTED USING COMPUTERIZED STENOTYPE;
25 TRANSCRIPT PRODUCED VIA COMPUTER-AIDED TRANSCRIPTION.

1 change, "changes in conductivity."

2 MR. STEVENSON: I think that's what the second half
3 of the sentence says, where it says "allowing a greater flow of
4 electric current through it." And when you're instructing the
5 jury --

6 THE COURT: Well, if it's repetitive -- although
7 that may not be the most elegant way of doing it -- what, I
8 guess, on the merits or scientific objection do you have for me
9 saying it twice?

10 MR. STEVENSON: I don't have a scientific
11 objection. I really have more of an objection of, I don't want
12 to embed an argument into the definition where Microsoft can
13 come back later and argue to the jury that this envisions that
14 we're only encompassing the volume effect. And given that
15 we're putting essentially a redundant term in with the rest of
16 it, my sort of red flags are going off as to why we would do
17 that.

18 THE COURT: All right.

19 All right. Let's take a look at the
20 "pressure-sensitive variable-conductance analog sensor." Now
21 we're getting into the sensor devices.

22 And let me ask Betty to go ahead and put up on the
23 screen some language from the '084 patent which is column 6,
24 lines 53 to 55.

25 Oh, and let me back up just on that last -- I keep

1 forgetting this for the record.

2 The change that defendant would have made to that
3 previous definition would have been: "Pressure-sensitive
4 variable-conductance material" means "a substance that changes
5 in conductivity to allow a greater flow of electric current
6 through it as pressure is applied to it."

7 And I understood from defendant that that would be
8 acceptable to you. Is that correct?

9 MR. JONCUS: Yes, your Honor.

10 THE COURT: And from plaintiff, you thought it was
11 redundant and may allow some confusion and arguments in an
12 attempt by defendant to limit your embodiments.

13 MR. STEVENSON: Right.

14 THE COURT: Okay.

15 All right. Go ahead and put that up there from the
16 '084 patent.

17 And looking at lines 53 to 55, column 6 -- and this
18 is cited. It talks about: "At this point in the disclosure it
19 should be quite clear that the pressure-sensitive
20 variable-conductance material is a very important aspect." I
21 think the same language is included in the '802 patent at
22 column 6, lines 49 to 50.

23 And then we get into the '802 patent --

24 And go ahead and put this up if you would, Betty,
25 the '802 patent, column 2, lines 55 and 59. Oh, okay. You've

1 got them up there. All right, good.

2 In other words, in several places it talks about
3 the present invention or it being -- in the '084 patent at
4 column 6, lines 53 to 55; the '802 patent, column 6, lines 49
5 to 50, both of those talking about how important the
6 pressure-sensitive variable-conductance material is to the
7 sensor. The '802 patent, column 2, lines 55 to 59 talks about
8 the present invention. And the '084 patent, column 8, lines 10
9 to 13 again talking about: "With the present sensor in all
10 embodiments shown and described herein."

11 Now, in light of the Honeywell vs. I.T.T. case, 452
12 F.3d 1312 and the Andersen Corporation vs. Fiber Composites,
13 474 F.3d 1361 -- and both of those are Fed Circuit cases -- how
14 do I -- and I'm asking plaintiff this. How do I define the
15 "P.S.V.C. sensor" without saying it must utilize P.S.V.C.
16 material somehow? In other words, your definition just talks
17 about "an electricity manipulating device for varying
18 electrical output proportional to varying physical force." But
19 all of these patents say how important this material is; and,
20 in fact, some of them even say "the present invention." I've
21 got a 2006 case and a 2007 case from the Fed Circuit with five
22 different Fed Circuit judges plus one visiting judge. How am I
23 supposed to write this without utilizing -- or saying it
24 utilizes P.S.V.C. material?

25 MR. STEVENSON: The answer there is that there are

1 two embodiments, as we've discussed at length so far today, the
2 surface area embodiment and the changing volume embodiment; and
3 either embodiment can accomplish the invention.

4 Addressing Andersen and Honeywell, both of those
5 cases only involved one embodiment; and in those cases the
6 patent owner was trying to read much more broadly than the only
7 embodiment he disclosed.

8 For instance, in Honeywell, that was a fuel filter
9 case. The invention there was a composite material that
10 prevented fuel filters from wearing out because of static
11 electricity created in little microscopic holes. And the only
12 disclosure in the patent was using that for a fuel filter;
13 however, the patentee had, I think, "fuel system component" in
14 his claims and then at infringement time tried to read it much
15 more broadly away from the "fuel filter" and the Federal
16 circuit said: No, that's not appropriate. You had one
17 embodiment; you only taught how to do it for one embodiment.

18 Likewise, in Andersen, that was a fiber -- excuse
19 me -- a resin case for making resin boards and rails. In that
20 one the patent said clearly that you require, after extruding
21 this resin, to put it in extrudated pellet form and then
22 basically remelt it; and the patent, in fact, distinguished
23 prior art using that advantage, using that methodology.

24 So, when you compare those two cases, Honeywell and
25 Andersen, which involved one and only one embodiment and some

1 use of that embodiment to overcome prior art, to this case,
2 which involves two embodiments -- increasing surface area
3 effect and variable conductivity due to volume changes -- it's
4 apples and oranges. And what we're saying in this case is,
5 don't read out one of the two independent mechanisms for
6 accomplishing a sensor that is pressure dependent.

7 THE COURT: But can you show me a single figure in
8 any of these patents or a single paragraph in any of the
9 specification where the surface area effect is discussed by
10 itself? Now, in each of those -- each of the ones that I saw
11 and each of the diagrams that I saw, you've got the
12 pressure-sensitive variable-conductance material; and it is
13 quite clear that it is a material that has these little
14 particles embedded into it that will change its internal
15 conductivity as pressure is applied to it. And then they say:
16 And in addition, you may get more effect from the fact that it
17 spreads out. And that's true. I mean, that's a fact. And he
18 could also say that it will also be more squished or, you know,
19 all kinds of things might happen to it. I don't see a single
20 place where you talk about -- or these patents talk about -- at
21 least I haven't found them -- where it just talks about surface
22 effect as though you took a sheet of copper or steel, which I
23 don't think anyone skilled in the art is going to consider as a
24 P.S.V.C. material, and just laid it on a contact grid.

25 MR. STEVENSON: Your Honor, could we go back to our

1 slide, slide 5 --

2 THE COURT: Sure.

3 MR. STEVENSON: -- with the figure from the patent?

4 THE COURT: But keep in mind -- and you did this in
5 your brief. But that bottom area there that you're trying to
6 tell me -- I mean, it's numbered 36 in most of the figures; and
7 36, in every single place in the specification, says "the
8 P.S.V.C. material 36." It's not just some sheet of copper or
9 steel. Now, you can take the numbers away and you can take
10 away the description and then say, "Oh, I could read this to be
11 something else"; but that's not what the patents say.

12 MR. STEVENSON: Well, you're right. In every
13 figure -- I agree with the court -- it shows that convex apex
14 as being 36 P.V.C. [SIC] material.

15 THE COURT: P.S.V.C. material, right.

16 MR. STEVENSON: P.S.V.C., sorry.

17 But what is important is that it is a separate and
18 different electromechanical effect. In other words, it doesn't
19 matter that --

20 THE COURT: But it always says it also has -- it
21 also has that additional surface effect. And the real problem
22 I'm having -- because when I was first looking at it, I was
23 thinking, okay, they've got this. But if that was just a sheet
24 of copper that someone is pushing down there to get greater
25 contact -- and, actually, copper is probably not the best

1 example --

2 MR. STEVENSON: Right.

3 THE COURT: -- because once you've got --

4 MR. STEVENSON: It's too conductive.

5 THE COURT: It's so conductive. But you could
6 have, I don't know, a semiconductor. I'm not sure. I'm not an
7 engineer.

8 But the idea of just being able to increase surface
9 contact without it being what is known as a P.S.V.C. material,
10 I don't see that embodiment in there; and that's what I'm
11 asking you for is, give me your best shot at where do I look to
12 that to put that in the opinion.

13 MR. STEVENSON: Well, the court has already
14 highlighted columns 8 and 9, remember; and that's where it is.
15 It's also in this figure. And the reason that it is a separate
16 embodiment is, in this figure it doesn't matter for the
17 increasing surface area whether or not this flexible conductor
18 is variable according to how much you squish it or not variable
19 because the surface area effect with the circuit traces below
20 and the increasing contact patch is a different
21 electromechanical phenomenon that causes pressure-sensitive
22 sensor to be built.

23 THE COURT: But isn't that -- all right. Here's
24 what I'm saying -- is, that's a device. You put pressure on
25 the device, and the device changes. And the other one is the

1 material. As you put pressure on the material, the material
2 changes. I don't see, unless you've got what I'll call the
3 P.S.V.C. material that will change conductivity internally as
4 you put pressure on it in there somewhere in the device, how
5 you can have one of these sensors because, otherwise, all
6 you've got is a sensor that is using a mechanical surface
7 effect and not a pressure-sensitive material. I guess that's
8 the differentiation I'm making, and that's what you've got to
9 help me on because that's where I am right now in looking at
10 this.

11 MR. STEVENSON: Okay. I have a couple responses to
12 that. The first is, I think it's sort of common sense
13 understanding that the fact that this is a flexible conductive
14 material causes the surface area effect regardless of whether
15 it is a variable conductor. So, you can say: Which is the
16 icing on the cake? Is one the cake and one the icing, or do
17 you flip it over? Just kind of depends on if you view the
18 glass half-empty or half-full.

19 Secondly, though, we think the law is pretty clear
20 that you shouldn't read out an embodiment of the patent, an
21 alternative embodiment, without very good cause, i.e., clear
22 disavowal of subject matter. Nothing in the prosecution
23 history, nothing in the spec that disavows that.

24 Third, though, the trump card here that I think --
25 especially for the word "sensor" as opposed to "material," the

1 trump card is claim differentiation. And I've got a couple
2 slides on that which I think illustrate the point pretty
3 dramatically.

4 Slide 20, please.

5 First, a quick slide on case law; and I know the
6 court is already familiar with it. But basically when you've
7 got a dependent claim that adds a limitation to an independent
8 claim, the strong presumption is that that limitation isn't
9 present in the independent claim. That's Modine Manufacturing.
10 There's a host of other cases, and we cited several in our
11 brief.

12 Although you can overcome the presumption, it has
13 got to be clear and persuasive evidence. Now let's see how
14 that applies to patents in this case.

15 Slide 21, please.

16 THE COURT: All right. Which --

17 MR. STEVENSON: This is the '991 patent,
18 your Honor.

19 THE COURT: All right, the '991 patent.

20 MR. STEVENSON: And it's claim 23.

21 THE COURT: Okay.

22 MR. STEVENSON: And claim 23 is an independent
23 claim so, therefore, by law, must be broader than the dependent
24 claim. And it says it is "a game control comprising a housing,
25 a plurality of depressible electricity manipulating devices";

1 and then it says1: "At least one of said electricity
2 manipulating devices is a pressure-sensitive
3 variable-conductance sensor." That's the independent claim.
4 Now, our contention is that that covers either a sensor that
5 uses the surface area effect, could cover a sensor that does
6 the volume effect or a sensor that does both simultaneously.

7 If you look to the dependent claim, though, that
8 gives a lot of input as to what the sensor means. The
9 dependent claim 31 says -- and, remember, the dependent claim
10 has got to be narrower -- that the "sensor includes
11 pressure-sensitive variable-conductance material."

12 The fact that the patent owner said that the
13 "sensor includes pressure-sensitive variable-conductance
14 material" means, by definition, that the independent claim when
15 it says "sensor" is not limited to having pressure-sensitive
16 variable-conductance material.

17 THE COURT: Now, say that again. You're saying
18 that because there are a number of different claims, that when
19 the patentee says that "the invention is" or "every embodiment
20 of the invention has," that then you can have claims that don't
21 include that?

22 MR. STEVENSON: I'm actually saying it more
23 strongly than that. The flavor of claim differentiation you've
24 articulated is there is just two different words. What I'm
25 saying is, by operation of presumption because it's dependent

1 versus independent claims -- let me explain.

2 An independent claim is always broader, always,
3 than the dependent claim that depends upon it because the
4 dependent claim, under the rules of patents and the canons of
5 patents, must add limitations to the independent claim and,
6 therefore, must make it narrower. So, anything in a dependent
7 claim is necessarily, if you look to the Venn diagram, a subset
8 of the independent claim.

9 In claim 23 of the '991 patent, we have a
10 "pressure-sensitive variable-conductance sensor." That's the
11 term, and it's called that. But then in the narrower dependent
12 claim 31, it says the pressure-sensitive
13 variable-conductance -- that "sensor includes
14 pressure-sensitive variable-conductance material." Well,
15 therefore, the strong presumption is that the sensor does not
16 necessarily incorporate a limitation or requirement in and of
17 itself in the independent claim that you've got to have
18 pressure-sensitive variable-conductance material; it's
19 optional.

20 And then when we get to the dependent claim,
21 number 31, we further narrow the scope of 23 to say, oh, those
22 sensors in 23, let's narrow them down to where you've got to
23 have the pressure-sensitive variable-conductance material in
24 them.

25 And as Modine tells us, this is a strong

1 presumption in the patent law that can only be overcome by very
2 clear and very persuasive evidence; and we don't have that
3 evidence in this case. There is no prosecution history on this
4 point. There is no statement in the specification that
5 restricts the invention down. There is no disavowal of subject
6 matter. And, therefore, it is clear that "sensor" is a broader
7 term than "material."

8 THE COURT: All right. Let me hear defendant's
9 response. And be sure you're either at one microphone or the
10 other. You can either pull that one over or step to -- I mean,
11 it's there for your use; and I think if you'll raise it, it
12 will pick up your voice pretty well.

13 MR. JONCUS: Okay. Well, I'm here now; so, I'm
14 going to just use this one.

15 If you could switch to my slides.

16 I have two responses. There is a legal response
17 and also a factual response as specific to this example that
18 counsel pointed out. The first is that claim differentiation
19 is trumped by a clear statement as to what the invention is.
20 Andersen Corp explains that powerful evidence in "the written
21 description...overcome any presumption arising from the
22 doctrine of claim differentiation."

23 An old case, O.I. Corp., says present invention
24 language -- when you say "my present invention is X," that
25 trumps any argument of claim differentiation.

1 And then the last case I have there is the
2 Honeywell case which says: "The public is entitled to take the
3 patentee at his word." When the patentee says, "My invention
4 is X," claim differentiation cannot make it any broader.

5 And I would add to that list the Curtiss-Wright
6 case that we cited in our brief, 438 F.3d 1374. It said claim
7 differentiation "can not broaden claims beyond their correct
8 scope."

9 So, the scope here is what the patentee said in the
10 present invention statements that your Honor has referred to.

11 If we could go to slide --

12 THE COURT: Okay. And I think you said something
13 about a factual distinction, also. What is that?

14 MR. JONCUS: A factual distinction is -- counsel
15 pointed to claim 31 and claim 23. Well, claim 31 -- I don't
16 have a slide on this, your Honor. But claim 31 does not depend
17 solely on claim 33. Claim 31 depends on claim 30, which
18 depends on claim 28; and all of those other intermediate claims
19 add limitations. So, claim differentiation does not come into
20 play when you have multiple limitations added by multiple
21 claims. 31 depends on 30, which depends on 28, which depends
22 on 23. So, 30 -- 31 is not just adding the element
23 "pressure-sensitive variable-conductance material." It also
24 has the other additional limitations in claims 30 and 28.

25 And also claim 31, in addition to the P.S.V.

1 material, it also says "includes an ASIC." So, it itself adds
2 two limitations, whatever an ASIC is and the pressure-sensitive
3 variable-conductance material.

4 So, claim differentiation doesn't apply in this
5 context that counsel pointed out to you. Moreover, legally,
6 claim differentiation as a doctrine cannot expand the scope of
7 the patent beyond -- scope of the claim beyond what is
8 described in the spec. Under Phillips that is very, very solid
9 law.

10 THE COURT: Let me ask plaintiff. That looks like
11 the strongest argument I've seen so far on that. Do you have
12 any other examples of what you say is claim differentiation?
13 And obviously this is -- in this field of law, there seems to
14 be constantly dueling canons of construction where you have
15 equal and opposite forces at each other and the court has to
16 figure out which set of cases and which rule applies. But do
17 you have any other --

18 MR. STEVENSON: I do.

19 THE COURT: -- examples?

20 And I guess the other question I'd have to look at
21 was the -- well, the parties have agreed that like terms are
22 defined the same throughout the patents, which I really
23 appreciated. It makes things a lot easier and makes a lot of
24 sense since it is the same inventor.

25 I take it that I don't have to get into the idea

1 that, well, in the '991 patent it is a different invention than
2 the words that -- and now are used slightly differently,
3 because he had greater experience, than they were in the '084
4 and the '802?

5 MR. STEVENSON: Correct. Correct. The same
6 term --

7 THE COURT: Does defendant agree with that, also?

8 MR. JONCUS: Yes, your Honor.

9 THE COURT: Okay. That makes it easier. So, go
10 ahead and give me some other examples.

11 MR. STEVENSON: Addressing your Honor's point,
12 before I give the examples -- and I've got slides on them.
13 Interestingly, Andersen versus Fiber Composite on claim
14 differentiation mentions prosecution history. In there they
15 had a terrible prosecution history problem. They used, in the
16 prosecution history, basically the limitation to be read in
17 about the pellets and extrudate to overcome prior art
18 references. And, as a result, that was held in that case,
19 combined with what was in the specification, to be enough to
20 overcome the claim differentiation presumption. However, we
21 don't have a prosecution history issue here; so, there is no
22 presumptively -- evidence to overcome that presumption.

23 But now going on to your question, your Honor, if
24 we could go to our slides, please, and specifically slide 30.
25 This is the '991 patent again, claims 11 and 12. So, we'll

1 sidestep the issue of whether, if you have intermediate
2 dependent claims, it matters. Candidly, your Honor, it doesn't
3 matter. Whether the claims telescope down in two steps, three
4 steps, four steps, or five steps, the net result is that the
5 dependent claim is always narrower than the independent claim,
6 regardless of whether there are any intermediate steps.
7 However, just for an example for the court, to further rebut
8 Microsoft's point, I look at -- I ask the court to turn to 11
9 and 12 of the '991 patent.

10 Claim 11 is a method claim, and the last step of it
11 says "providing variable action intensity of the game imagery
12 at least in part controlled by pressure-sensitive variable
13 conductance of one of said buttons."

14 In the dependent claim 12 -- directly depends off
15 of 11 -- it says, as a narrowing, "providing for said buttons
16 to depress pressure-sensitive variable-conductance material."
17 So, what that tells us is, if you were talking about a button
18 or a sensor that is controlling a game through the
19 pressure-sensitive variable-conductance phenomenon, that it is
20 much broader than just using the pressure-sensitive
21 variable-conductance material.

22 So, this is another example of claim
23 differentiation that overcomes Microsoft's prophestation that
24 you -- the other example I gave telescopes down too many times;
25 although, I don't really think the number of times the

1 dependents telescope down matters anyway.

2 THE COURT: All right. Any other examples in
3 either the claim language or specification? I mean, I'm
4 telling you. Give me your best argument now because you can
5 obviously tell from my questions, you know, the concern I have
6 on this particular issue.

7 MR. STEVENSON: All right.

8 THE COURT: So, this is your opportunity to give me
9 your best shot on it.

10 MR. STEVENSON: I will. I've got a couple more
11 arguments, then.

12 THE COURT: Well, I want right now, I think, more
13 example on this -- show me --

14 MR. STEVENSON: Okay. Another example I can give
15 the court is, on the '991 patent, if you look at claim 29. I
16 don't have a slide on this one --

17 THE COURT: Okay.

18 MR. STEVENSON: -- because I didn't think the
19 telescoping argument would come up.

20 Claim 29 -- you recall we looked at claim 23; and
21 claim 23, the independent claim that we looked at a little
22 while ago, discusses pressure-sensitive variable-conductance
23 sensors, one of the elements. Claim 29 depends directly from
24 claim 23, again no telescoping problem. And it says, at the
25 bottom: "and said sensors include pressure-sensitive

1 variable-conductance material." Of course, if the court
2 requires the sensor to include pressure-sensitive
3 variable-conductance material, that part is redundant; and,
4 again, claim differentiation would apply there, as well.

5 Those are the examples I've been able to pick up.
6 And I would say to the court that I think that not the quantity
7 of the examples but at least the quality of the examples is
8 paramount and dispositive because, again, we're trying to
9 figure out what the inventor intended by the words and what a
10 person of ordinary skill in the art would take away from the
11 words. I think a person of ordinary skill in the art looking
12 at this would come to the clear conclusion that "sensor" is a
13 broader term than "material."

14 THE COURT: Does this come up in any of the other
15 patents?

16 MR. STEVENSON: The concept is applicable across
17 them. I don't have a claim differentiation example from the
18 other patents; but, of course --

19 THE COURT: All right. What about --

20 MR. STEVENSON: -- because they are all a part of
21 the family, they should be construed consistently.

22 THE COURT: All right. Aside from claim
23 differentiation, are there any other embodiments or examples --
24 and, like I say, I think I've gone through the figures very
25 carefully; and I've tried to go through the specification

1 carefully. Every place I've seen it described seems to talk
2 about the surface effect as an additional add-on when you're
3 using the material that for right now I'm calling the P.S.V.C.
4 material but, just to be clear, the material that has the
5 conductive particles embedded in it and, thus, changes internal
6 conductivity under pressure. If you can point me to some
7 diagram or some part of the specification where that's not
8 correct, I'd like to see it.

9 MR. STEVENSON: The answer -- and to answer one
10 more of your questions, claim 44, the independent claim, and
11 claim 50 of the '991 --

12 THE COURT: '991.

13 MR. STEVENSON: -- similarly have the claim
14 differentiation issue. Claim 50 says: "A game controller
15 according to claim 49" -- which, in turn, depends on 47 which
16 in turn, 46 and then goes all the way back to 44. But it says
17 that the "conductive material is pressure-sensitive
18 variable-conductance material."

19 So, we have a conductive material -- and if the
20 court has this claim in front of it, I don't have a slide.

21 THE COURT: I have it.

22 MR. STEVENSON: I apologize.

23 If you look at claim 48 and sort of walk through
24 it, 48 discusses: "A game control according to claim 47
25 wherein the conductive material is located to contact circuit

1 traces." Okay? That's the surface area effect embodiment.

2 49 further narrows 48 and -- excuse me -- further
3 narrows 47 and says the circuit traces are interdigitated.
4 That's the example we saw of the interlocking fingers.

5 And then 50 importantly we get to, where it says:
6 "A game control according to claim 49 wherein said conductive
7 material is pressure-sensitive variable-conductance material."

8 So, your Honor your question is, do the patents in
9 the claims or in the specification or anywhere say that the
10 conductive material used can optionally be
11 nonpressure-sensitive variable-conductance material. Well, 50
12 says it. Because, again, under claim differentiation if the
13 only change being made is 50 and 50 is saying for the
14 conductive material -- saying it is pressure-sensitive
15 variable-conductance material, that means when it talks about a
16 conductive material, it's not necessarily pressure-sensitive
17 variable.

18 THE COURT: Okay.

19 MR. STEVENSON: Further to your question, I think
20 again looking at the specification as one of ordinary skill in
21 the art would, one of ordinary skill is going to recognize that
22 the surface area effect and the volume compressibility effect
23 are basically different electromechanical effects.

24 THE COURT: Well, I understand that they are
25 different; but, I mean, I'm just saying that in reading the way

1 it is written in the specification -- and you've got your
2 argument here on the claim differentiation, and I'm going to
3 have to look at that very closely. But every single place in
4 the specification and every diagram that I've seen -- and I
5 guess what I'm asking you is, point me to the one that I missed
6 because I easily could have with this number of patents -- the
7 surface effect is phrased in terms of "and an additional effect
8 is thus-and-so."

9 36, what's numbered 36 in all those diagrams,
10 item 36, is always the material that is the flexible material
11 with the embedded conductive elements in it such as carbon.
12 And then, yes, obviously as it presses over more of the area,
13 there is going to be a surface effect. But are there any
14 places in the specification or diagrams that illustrate what
15 you're showing here in claim 50 or -- I'm sorry, not in 50, in
16 the independent claims that you're saying that don't have that
17 material? I mean --

18 MR. STEVENSON: My answer to your question -- which
19 I've given before and I'll reiterate but I think you understand
20 my position -- is that if you look at the figure and you look
21 at the description about it, even though the material affixed
22 to the bottom of that dome-cap is pressure-sensitive variable,
23 everybody understands that for the surface area embodiment, it
24 doesn't have to be. It is just any flexible conductive
25 material.

1 And, therefore, that combined with what's said in
2 the claims leads you to the conclusion that these are two
3 distinct embodiments. And once you are into two distinct
4 embodiments, the law is extremely clear that you've got to have
5 a Markman construction that recognizes that either embodiment
6 is within the scope of the claims and you don't have to have
7 both or a mandatory one or it is just limited to one. Over and
8 over again, that's what the case law says.

9 And I think when you combine claim differentiation
10 with a basic -- you know, our own understanding and common
11 sense about how these things work in the diagrams and how they
12 are described in the patent, it doesn't matter that the
13 patentee didn't say, "And, oh, by the way, let me tell
14 everybody what they already know. For the surface area
15 embodiment, you don't really need to have a
16 variable-conductance material; you just need to have a flexible
17 conducting material."

18 THE COURT: Well, I mean, the flip to that are the
19 cases that talk about you're supposed to state what you've got
20 and, when it is very clearly stated, that's what you have. I
21 mean --

22 MR. STEVENSON: That's right.

23 THE COURT: -- again, we're back into the canons
24 going each way.

25 All right. Let me hear from defendant. Plaintiff

1 THE COURT: Okay. All right. I think what we're
2 going to do is take a recess for lunch. I'll ask you to be
3 back at -- let's take about an hour and a half. It's -- well,
4 1:30. I'll ask you to be back at 1:30, and we'll start in with
5 the remaining claims. We'll be in recess until then.

6 [RECESS, 11:53 A.M. TO 1:30 P.M.]

7 [DISCUSSION OFF THE RECORD.]

8 THE COURT: Okay. I think the next one we're on to
9 is "flexible material." And I guess defendant wants it to be
10 the --

11 Yes?

12 MR. JONCUS: I think we agreed that there was no
13 construction necessary for that, your Honor, in --

14 THE COURT: Oh, okay.

15 MR. JONCUS: -- the Second Revised Joint Claim
16 Construction Statement that was filed on July 31st, that and
17 also -- so, that would be group 5.

18 Group 6, group 7, and group 11, we don't need to
19 argue about anymore.

20 THE COURT: All those hours I spent on that. Okay.

21 MR. JONCUS: I'm sorry.

22 THE COURT: No. That's no problem. That actually
23 makes it much easier. I'm getting pretty tired today, too.

24 So, just to be very clear on this, then, no
25 construction is needed on the claim term "flexible material."

1 Is that right from plaintiff?

2 MR. McLEROY: That's right.

3 THE COURT: And defendant?

4 MR. JONCUS: Correct.

5 THE COURT: And then, six, you said the one where
6 it says: "said surface with an apex is flexible, deforming
7 with additional physical pressure to flatten and cause
8 additional surface area of contact to provide changes in
9 electrical conductivity in said sensor," no construction
10 necessary on that one?

11 MR. JONCUS: Correct.

12 THE COURT: All right. You're handling all of my
13 questions really quick because that's one of the questions I
14 was going to ask, is why we were --

15 All right. Seven?

16 MR. JONCUS: "Sheet," no issue with that.

17 THE COURT: No issue on "sheet."

18 And then what's the next one that was agreed?

19 MR. JONCUS: Eleven, which was "snap-through."

20 THE COURT: Okay, "snap-through."

21 So, then we're down to group 8, which is the
22 means-plus-function?

23 MR. JONCUS: Correct.

24 THE COURT: Okay. Well, good. Well, you got to
25 just about where I was thinking we ought to be anyway on those

1 and as I had mentioned before -- and I still don't have any
2 good idea or word on my trial schedule other than it is -- for
3 some reason, everyone has suddenly decided that September and
4 October is a good time to go to trial. I'll probably be in
5 contact with you if we're going to need to move that date or
6 shift it around a little bit on that second one. I'm just
7 trying to give you a "heads up." I will try not to do that,
8 but I'm not getting any -- Judge Parker might know how to force
9 these people to settle, but it looks like I'm going to get a
10 lot of people going to trial in the next two months.

11 But with that, I again appreciate very much your
12 being here and you are excused and we are in recess.

13 [PROCEEDINGS CONCLUDED, 2:29 P.M.]

14 COURT REPORTER'S CERTIFICATION

15 I HEREBY CERTIFY THAT ON THIS DATE, AUGUST 31,
16 2007, THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE RECORD OF
17 PROCEEDINGS.

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409/654-2891