

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION

ANASCAPE, LTD.

Plaintiff,

v.

MICROSOFT CORPORATION, and
NINTENDO OF AMERICA, INC.,

Defendants.

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Hon. Ron Clark

Civil Action No. 9:06-CV-00158-RC

Oral Argument Requested

**DEFENDANTS' JOINT MOTION FOR PARTIAL SUMMARY
JUDGMENT OF INVALIDITY OF CLAIMS 19-20, 22-23 OF THE '700 PATENT**

DEFS' JOINT MOTION FOR PSJ OF
INVALIDITY OF CLAIMS 19-20, 22-23 OF THE '700 PATENT

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SUMMARY

A time traveler could make a killing in the stock market. The Patent System counterpart is the “inventor” who (1) files a patent application on an idea, (2) sees the industry adopt somebody else’s different idea, (3) submits new claims trying to cover that different idea, and (4) tries to backdate those new claims, pretending it was his idea all along. The Patent Law prohibits such backdating, *see* 35 U.S.C. § 120, but often it is left to the courts to enforce this prohibition.

Here, Mr. Brad Armstrong filed a patent application in 1996 on a certain “six-degrees-of-freedom” (6 DOF) hand-held controller design. (A1-91).¹ A few years later, however, he saw that a leading manufacturer of video game consoles, Sony, had released controllers (during 1998-99) with a very different design. (A124-25, A151-55, A169-72). So, in 2000, Mr. Armstrong filed a “continuation-in-part” patent application (A103)² and in 2002 filed new claims in that application (A105-07) which (as now construed) cover Sony’s 1998-99 controller designs instead of his actual 1996 “invention”—the 6 DOF design. Now, to avoid those same 1998-99 Sony controllers being applied as invalidating prior art, he is trying to backdate his 2002-drafted claims to 1996. (A176). But, as the Patent Office noted when it granted Microsoft’s request for *inter partes* reexamination of the ‘700 Patent (A113-14), that backdating is impermissible because his 1996 patent application did not describe the “inventions” set forth in his 2002-drafted claims. (A115-23).

This Motion seeks summary judgment that: (1) the effective filing date of claims 19-20, 22-23 of the ‘700 Patent is the patent’s actual filing date of November 16, 2000, (2) the 1998-99 Sony controllers are prior art to these claims, and (3) this prior art invalidates these claims.

¹ “A” cites refer to the Appendix accompanying this Motion, whose contents are identified in the accompanying Declaration of Ashley Fogerty and, in part, Declaration of Stephen Bristow.

² He later changed its designation to “continuation.” (A108-09).

UNDISPUTED MATERIAL FACTS

1. In 1998, Sony's Dual Shock controller was placed on sale in the U.S. (A124-25).
2. In 1998, Sony's European patent application entitled "Operating Device for Game Machines," filed by Teiyu Goto et al., was published. (A126-50, "Goto").
3. In September and October, 1999, Sony's next generation controller, Dual Shock 2, was described in various publications. (A151-56).
4. The 1998 Sony Dual Shock and Goto controllers each included all of the structural and functional features of '700 Patent claims 19 and 20 (as construed by the Court). (A200-08, A211-16, A218-22, A224-32).
5. The 1999 Dual Shock 2 included all of the structural and functional features of '700 Patent claims 22 and 23 (as construed by the Court). (A209-10, A216-17, A233-36).
6. In July 1996, Mr. Armstrong filed a U.S. patent application (A1-91) describing a controller having a single input member (a joystick or a trackball) manipulatable in six degrees of freedom (6-DOF) relative to the controller, and every embodiment of that "invention" included that single input 6-DOF member. (*See* A178-91).
7. In August 2000, Mr. Armstrong expressly abandoned this 1996 application (A92-93) and replaced it with a "continued prosecution application" ("CPA"). This Aug. 2000 CPA had no specification and no drawings. (A92-101). Its claims encompassed controllers lacking the 6-DOF single input member. (A96-100).
8. On November 16, 2000, Mr. Armstrong filed another application (A102-03), in which he deleted his 1996 application's express requirement that 6-DOF manipulation be provided by a single input member (but still disclosed no embodiment lacking that feature). (A192-99).
9. In July 2002, Mr. Armstrong cancelled all of the pending claims in his November 16, 2000 application, and replaced them with a new set of claims, including application claims 63-64, 66-67 which are the precursors to the four '700 Patent claims challenged in this Motion. (A105-07). The '700 Patent later issued from this application. (A110).

10. On July 13, 2007, the Patent Office granted Microsoft's Request for Reexamination of the '700 Patent. (A113-14). In this preliminary ruling, the Patent Office found that none of the claims of the '700 Patent was entitled to be backdated from the application's actual filing date of November 16, 2000. (A115-23).

ISSUES PRESENTED

1. Whether November 16, 2000 is the effective filing date of claims 19-20 and 22-23 of the '700 Patent?
2. Whether the 1998-99 Sony controllers are prior art to these patent claims?
3. Whether the 1998-99 Sony controllers anticipate (invalidate) these patent claims?

ARGUMENT

I. LEGAL STANDARDS

A motion for summary judgment shall be granted if "there is no genuine issue of material fact and [the] moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c); *Vehicular Tech. Corp. v. Titan Wheel Intern. Inc.*, 212 F.3d 1377, 1381 (Fed. Cir. 2000). Once the claims have been construed by the Court, often no genuine issue of material fact remains on what the prior art discloses, thus permitting summary judgment of anticipation under 35 U.S.C. § 102. *See, e.g., Liebel-Flarsheim Co. v. Medrad, Inc.*, 481 F.3d 1371 (Fed. Cir. 2007).

Patents are presumed valid, 35 U.S.C. § 282, and invalidity must be proven with "clear and convincing" evidence. *Liebel-Flarsheim*.

II. THE 1998-99 CONTROLLERS ARE PRIOR ART TO CLAIMS WITH A NOV. 16 (OR AUG. 4), 2000, EFFECTIVE FILING DATE

To anticipate a patent claim, a reference first must be early enough to qualify as "prior art." Any product on sale in the U.S. before the claim's "critical date"—namely, one year before the claim's effective filing date—is prior art. *See* 35 U.S.C. § 102(b). Also, any design published anywhere before that critical date is prior art. *See id.* And, any design published anywhere before a claim's "date of invention" is prior art, even if it was published less than one year before the effective filing date. *See* 35 U.S.C. § 102(a).

Here, assuming that the challenged patent claims have a November 16, 2000 effective filing date (the patent's actual date of filing), or even an August 4, 2000 effective filing date (the date of the "CPA"), each of the 1998 Dual Shock, 1998 Goto, and 1999 Dual Shock 2 controllers qualifies as prior art: the first by being on sale in this country before the claims' critical date, and the other two by being published before the critical date and/or before any "date of invention" established by Anascape. (*See* Undisputed Material Facts Nos. 1-3, *supra*).

III. AS CONSTRUED, THESE CLAIMS COVER THE 1998-99 CONTROLLERS

To anticipate a patent claim, a reference must be shown to include all the limitations of the claim. *In re Donohue*, 766 F.2d 531, 534 (Fed. Cir. 1985). As these claims have been construed by the Court, the 1998 Sony controllers contained each of the structural and functional elements of claims 19-20, and the 1999 Sony controller contained each such element of claims 22-23. (*See* Undisputed Material Facts Nos. 4-5, *supra*).³

Anascape is not expected to deny that these patent claims cover the Sony controllers. Indeed, that likely was Anascape's goal, as it drafted these claims only after Mr. Armstrong had obtained Sony's controllers. (A164-75; *see also* A157-59). Instead, Anascape seeks to pre-date this art by backdating these 2002-drafted patent claims to 1996.

³ In addition to claiming a controller having a prior art design, these claims also recite the use of that controller's output signals in a particular way. For example, they require that each of the controller's second and third movable elements be "structured to activate two bi-directional proportional sensors providing outputs at least in part controlling objects and navigating a viewpoint." (A111 at col. 37, lines 22-32). (Emphasis added). Although these use limitations must be met to prove infringement, as a matter of law they cannot distinguish the prior art. This is because a game designer's decision to use these outputs to both control objects and navigate a viewpoint does not dictate any particular structure in the claimed controller that could distinguish it from prior art controllers. *See* Manual of Patent Examining Procedure ("MPEP") § 2114 ("apparatus claims must be structur-ally (sic) distinguishable from the prior art" and the "manner of operating the device does not differentiate apparatus claim from the prior art") (A238) and cases cited therein.

IV. SECTION 120 STRICTLY RESTRICTS BACKDATING OF PATENT CLAIMS

As explained above, to determine the body of “prior art” against which to measure a patent claim, one first must determine the effective filing date of that patent claim. Under 35 U.S.C. § 120, to backdate a patent claim from the patent’s actual filing date (here, November 16, 2000) to the filing date of an earlier application, each application in an unbroken chain leading back to that earlier application must include a written description of the later-claimed “invention.” *See, e.g., Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1572 (Fed. Cir. 1997) (“Each application in the chain must describe the claimed features.”). The later-claimed invention must be either expressly described in the application, or necessarily present. *Tronzo v. Biomet, Inc.*, 156 F.3d 1154, 1159 (Fed. Cir. 1998). The written description of the later-claimed “invention” must be complete, *Lockwood*, 107 F.3d at 1572 (written description must describe “the invention, with all its claimed limitations” (emphasis in original)), unambiguous, *Hyatt v. Boone*, 146 F.3d 1348, 1354 (Fed. Cir. 1998), specific, *Purdue Pharma L.P. v. Faulding Inc.*, 230 F.3d 1320, 1323, 1326-27 (Fed. Cir. 2000), and equally broad as the later claim, *Gentry Gallery, Inc. v. Berkline Corp.*, 134 F.3d 1473, 1478-80 (Fed. Cir. 1998).

Often, as here, an alleged inventor files a patent application describing a certain feature as being a non-optional part of his alleged invention, only later to change his mind and seek broader patent claims that omit that feature. Those broader patent claims cannot be backdated because they claim a different invention. *See, e.g., In Re Curtis*, 354 F.3d 1347, 1355-56 (Fed. Cir. 2004) (where ancestor application described its invention as dental floss coated with microcrystalline wax (“MCW”), it did not provide the written description required for backdating of later-filed claims that more broadly recited “a coating of at least one material capable of increasing the coefficient of friction”); *Tronzo v. BioMet, Inc.*, 156 F.3d 1154, 1159-60 (Fed. Cir. 1998) (where ancestor application disclosed the invention as being a cup with a certain shape, and the only references in the specification to different shapes were describing the prior art, a later-filed claim covering cups of any shape was not entitled to the earlier application’s filing date); *cf. PIN/NIP v. Platte Chem. Co.*, 304 F.3d 1235, 1247-48 (Fed. Cir.

2002) (later-filed claim not requiring a mixture of chemicals was invalid under the written description requirement where “nothing in the specification indicates that the invention is anything other than a mixture of two chemicals,” even though the specification described prior art techniques that mixed no chemicals); *Gentry Gallery*, 134 F.3d at 1479-80 (Fed. Cir. 1998) (where an applicant’s specification described a certain arrangement of objects as “an essential element of his invention,” a later-filed claim not requiring that arrangement was invalid under the written description requirement).

Because this backdating issue typically turns on the indisputable contents of patent applications, summary adjudication is common. *See, e.g., TurboCare Div. of Demag Delavel Turbomachinery Corp. v. General Electric Co.*, 264 F.3d 1111, 1119-20 (Fed. Cir. 2001).

V. THESE ‘700 PATENT CLAIMS CANNOT BE BACKDATED TO 1996 BECAUSE THAT APPLICATION DESCRIBED A DIFFERENT “INVENTION”

The Patent Office was correct to find that the ‘700 Patent claims cannot be backdated.

The “invention” described in the 1996 application was expressly limited to a type of controller that has a single input member (e.g., trackball or joystick) manipulatable by a user’s hand in six degrees of freedom (6 DOF) relative to the controller. (*See* A178-91). The same single input member can be moved on three axes (up/down, left/right, forward/backward) and also rotated on each axis. This 6-DOF member was a required, non-optional element of each embodiment of the alleged 1996 invention. It was required by all of the application’s claims (A47-50), and by its Abstract (A51), and by its Summary of the Invention (A6-12). The 1996 application was so adamant that this 6-DOF member was essential to its alleged invention, that it disclaimed a prior art controller as “functionally and structurally deficient” because it lacked this 6-DOF single input member:

The Chang controller does not have a single input member such as one ball or one handle which can be operated (causing representative electrical output) in six degrees of freedom. Nor can any one Chang input member be manipulated (moved) relative to a reference member on the controller in six degrees of freedom. Thus, the Chang device is functionally and structurally deficient.

(A5; *see also* A4).

As the Court found in its *Markman* ruling, “there are references in the [‘525 Patent] specification to controllers with less than 6 DOF.” (Dkt. No. 182 at 10.) But, each such reference in the 1996 application was to prior art controllers—not to the application’s alleged invention. For example, as noted, the 1996 application criticized prior art controllers, such as Chang, for lacking its “invention’s” 6-DOF single input member. (A4-5). Similarly, in defining the class of “joystick-type” controllers manipulatable in “up to 6 DOF” (A10), the application was describing the entire class of joystick controllers existing in 1996. In contrast, when describing the “invention” or “embodiments” of the “invention,” the 1996 application consistently described a controller having a 6-DOF input member (sometimes supplemented with a secondary input member such as the collet shown in Fig. 4 (A55)).

But, as now construed by the Court at Armstrong’s urging, claims 19-20, 22-23 of the ‘700 Patent (A111) do not require this 6-DOF member. Instead, they cover at least two types of controllers that were not part of the 1996 application’s description of its “invention”: (1) controllers failing to provide any 6-DOF hand-control movement, and (2) controllers providing 6-DOF hand-control movement, but only via operation of multiple input members. (*Cf.* Dkt. No. 182 at 11). These 2002-drafted claims thus recite a different “invention” than that described in 1996. The disconnect between the 1996 description and the later-drafted claims is so wide that what the 1996 application labeled as “functionally and structurally deficient” (A5)—namely a controller lacking a 6-DOF single input member—is within the scope of the issued claims. To backdate these claims to 1996, giving Mr. Armstrong credit for inventing in 1996 something he did not claim or describe until 2002, would be unjust and contrary to the above case law.

In sum, the Court should rule that claims 19-20, 22-23 of the ‘700 Patent are not entitled to the filing date of the 1996 application.

VI. THESE CLAIMS CANNOT BE BACKDATED TO AUGUST 2000 EITHER

In the alternative, Anascape might seek to backdate these patent claims about three months, from their actual filing date of November 16, 2000, back to August 4, 2000, the day Armstrong abandoned his 1996 application and replaced it with his CPA (A92-101). That three-

months backdating would not help Anascape, however, because Sony's 1998 controllers still would be early enough to qualify as Section 102(b) prior art and Sony's 1999 controller still would be early enough to qualify as Section 102(a) prior art.⁴ But the futility of backdating these claims by only three months is academic, because they are not entitled to be backdated to the CPA.

Mr. Armstrong's August 4, 2000, CPA was not a complete patent application entitled to a filing date. It had no specification and no drawings. Under the Patent Statute, an application without a specification and drawings is incomplete and not entitled to a filing date. *See* 35 U.S.C. §§ 111, 112; *Baxter Int'l, Inc. v. McGaw, Inc.*, 149 F.3d 1321, 1333-34 (Fed. Cir. 1998).

But, the analysis should not stop there. The Court also should consider the Patent Office's pertinent regulations during 2000-2001 concerning CPAs. At that time, the Patent Office allowed a patent applicant to file a CPA (without a specification and drawings), but only if it "discloses and claims only subject matter disclosed in the prior application." 37 C.F.R. § 1.53(d)(2)(ii) (2001) (emphasis added). (A237; see A92). In other words, the Patent Office permitted a CPA only if it had no "new matter." Armstrong's CPA violated this restriction because its claims encompassed controllers lacking the 6-DOF input member required by its ancestor, 1996 application. (A96-100). This broader coverage was "new matter" prohibited by the CPA regulations. *Id.* Therefore, because the CPA was not a complete application entitled to a filing date, and was not even a valid CPA, it cannot provide an effective filing date for later-drafted claims under 35 U.S.C. § 120.

For these same reasons, the August 4, 2000, CPA cannot bridge the gap between Mr. Armstrong's 1996 application—abandoned on August 4, 2000—and his November 16, 2000, application for the '700 Patent. This is another reason why these four claims of the '700 Patent

⁴ There is no evidence that Mr. Armstrong built and tested (*viz.*, actually reduced to practice) a controller having the design claimed in these claims, prior to the publications describing the Dual Shock 2 controller. (*See* A160-61, A176).

cannot be backdated to 1996. *Cf. Zenon Envtl., Inc. v. U.S. Filter Corp.*, 506 F.3d 1370, 1382 (Fed. Cir. 2007) (invalidating patent due to break in chain of disclosure).

CONCLUSION

Based on the indisputable public record in the Patent Office, this Court should grant summary judgment that:

(1) the effective filing date of claims 19-20 and 22-23 of the '700 Patent is November 16, 2000, not July 5, 1996, or August 4, 2000;

(2) with the '700 Patent's effective filing date of November 16, 2000 (or even August 4, 2000), each of the cited 1998-99 Sony controllers (Dual Shock, Goto, and Dual Shock 2) is prior art to claims 19-20 and 22-23 of the '700 Patent;

(3) claims 19-20 of the '700 Patent are anticipated by Goto and Dual Shock; and

(4) claims 22-23 are anticipated by Dual Shock 2.

Dated: February 27, 2008

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CERTIFICATE OF SERVICE

The undersigned certifies that on the 27th day of February, 2008, the foregoing pleading was electronically filed with the Court. Pursuant to Local Rule CV-5, this constitutes service on the Anascape's counsel of record:

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