

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

Anascape, Ltd.,

Plaintiff,

v.

Microsoft Corp., and
Nintendo of America, Inc.,

Defendants.

Civil Action No. 9:06-cv-158-RC

JURY TRIAL REQUESTED

**ANASCAPE, LTD.'S AMENDED SUR-REPLY TO DEFENDANTS' JOINT MOTION
FOR PARTIAL SUMMARY JUDGMENT OF INVALIDITY OF
CLAIMS 19-20, 22-23 OF THE '700 PATENT [DKT. NO. 205]**

I. ANASCAPE'S AMENDED SUR-REPLY

Anascape files this amended sur-reply to lodge objections to Defendants' Joint Reply's (Docket No. 227) "replacement evidence"—namely, the Declaration of John D. Vandenberg (Microsoft's attorney in this litigation) and Exhibits 1-3 attached to the Joint Reply. Due to inadvertence, Anascape's original sur-reply did not lodge objections to this "replacement evidence."¹

Anascape hereby objects to Exhibits 1-3 as they (i) are not authentic, (ii) are comprised of inadmissible hearsay, and (iii) were not timely disclosed under this Court's Scheduling Order. *See, e.g., Fowler v. Smith*, 68 F.3d 124, 126 (5th Cir.1995) ("Evidence on summary judgment may be considered to the extent not based on hearsay or other information excludable at trial."); Fed. R. Civ. P. 56(e); F.R.E. 901. In particular, none of the Exhibits has been properly authenticated by a person with knowledge of their authenticity or otherwise. Defendants also attempt to use these documents to prove the truth of the matter asserted therein, and no exception to the hearsay rules apply (e.g., that the Official U.S. Playstation Magazine was published on a particular date, that "ldrel...@my-deja.com" "went down to a stationary store on campus and picked up a copy of the latest Official US PlayStation Magazine" on a particular date, and that the "Grandia" game was on sale on a particular date). Anascape also objects to these Exhibits because they were not timely disclosed. Anascape is also unable to locate them in Defendants' invalidity contentions or in Defendants' invalidity experts' report. This late disclosure has prejudiced Anascape, because Anascape cannot now, with trial a little over a month away and discovery closed, undertake discovery relating to these Exhibits.

Anascape also objects to Mr. Vandenberg's declaration, as Mr. Vandenberg is not competent to testify, nor does he have personal knowledge, as to: (i) the workings of the Internet

¹ Anascape filed its original sur-reply on March 20, 2008 (Docket No. 232), at least four days early. Anascape now files, on March 24, 2008, its amended sur-reply. The amended sur-reply is being filed within L.R. CV-7(f)'s five day sur-reply deadline (i.e., the amended sur-reply is being timely filed within the deadline to file the sur-reply). In the event this Court does not view Anascape's amended sur-reply as proper, Anascape respectfully requests that this Court allow it to seek leave to file its amended sur-reply.

Archive (e.g., whether it comprises “automatically downloaded,” “date stamped,” and “stored” information in an electronic database); (ii) the authenticity of documents obtained from the Internet Archive; (iii) the advertising deadlines for the Official U.S. PlayStation Magazine and whether “it was important to the publisher, Ziff Davis, for this information to be accurate”; (iv) the workings (e.g., storage, retrieval, generation of date field) of Usenet postings and Google Groups’ on-line service; and (v) the authenticity of documents obtained from Usenet postings and Google Group’s on-line service.

For these reasons Anascape requests that this Court accord no weight to the “replacement evidence” attached to Defendants’ Joint Reply.

II. PRELIMINARY STATEMENT

Defendants did not, and cannot, address the fundamental problem with their Invalidity motion: the question of written description support is a *fact issue* for the jury, and Anascape has presented evidence such that a reasonable jury could find, based on the original ’525 Application, that Armstrong possessed the asserted claims of the ’700 Patent. As such, the Court should deny Defendants’ Motion in its entirety.

III. ARGUMENT

A. *A Reasonable Jury Could Find That Claims 19-20 and 22-23 Are Supported by Armstrong’s 1996 Application*

Defendants do not dispute that they must establish that every reasonable jury would find, by clear and convincing evidence, that the written description requirement was not met to prevail on their priority date argument, or that the issue of specification support is a question of fact for the jury. *See* Pls.’ Resp. Br. at 4-5 (citing *Noelle v. Lederman*, 355 F.3d 1343, 1348 (Fed. Cir. 2004); *Cordis Corp. v. Medtronic AVE, Inc.*, 339 F.3d 1352, 1364 (Fed. Cir. 2003)). Furthermore, Defendants do not dispute that some scope of the claims is supported by the written description. Thus, the jury must consider the fact-intensive question, informed by the understanding of one skilled in the art, of whether the same disclosure that supports *some* scope of the claims supports the *entire* scope of the claim. *See Bilstad v. Wakalopulos*, 386 F.3d 1116,

1123 (Fed. Cir. 2004) (quoting *In re Smythe*, 480 F.2d 1376, 1382 (C.C.P.A. 1973)).² This turns on the understanding of one of skill in the art, in light of the particular disclosure of the '525 Application -- analogies to unicycles or other unrelated art do not inform this analysis. *See id.* Defendants have not shown, by clear and convincing evidence, that every reasonable jury would necessarily find that the claims were not supported by the '525 Application.³ Instead, under *Bilstad*, and in light of the opinions of Dr. Howe,⁴ the evidence cited in Anascape's response, and Figure 47 of the '700 Patent,⁵ a reasonable jury could find that Mr. Armstrong had possession of the claimed inventions. *See Pls.' Resp. Br. at 5-7.*⁶

Furthermore, under *Bilstad*, Mr. Koshiishi's testimony is relevant to show how one of ordinary skill in the art would interpret the disclosure of the patent. A jury, when faced with Mr. Koshiishi's testimony, would come to the conclusion that one of ordinary skill in the art would readily understand that Armstrong's disclosure, which indisputably includes the figures examined by Mr. Koshiishi, effectively disclosed the variations of controllers discussed by Mr.

² Defendants criticize Anascape for not addressing each of the cases they addressed in their Motion. In keeping with the spirit of the Federal Rules, and the local rules of this District, including the page limits on response briefs to Motions for Summary Judgment, Anascape has succinctly addressed the crux of Defendants' argument, and has provided evidence and argument sufficient to deny Defendants' requested relief. To do so, Anascape did not choose to burden the Court with commentary on every case cited by Defendants. Similarly, Defendants did not provide any commentary on *Scimed*, *Noelle*, *Honeywell*, or *Cordis* in their reply, even though these were cited in the section of Anascape's response brief addressing validity.

³ Thus, Defendants have not carried their initial burden of production under Fed. R. Civ. P. 56(c). Additionally, Anascape cited throughout its brief to numerous facts in the record that support Anascape's position. If the Court sees any technical defect in Anascape's submissions (e.g., a fact not cited in Anascape's Response to List of Undisputed Material Facts, but cited later in Anascape's brief), Anascape respectfully requests that the Court allow it to correct any such defect.

⁴ In light of Dr. Howe's testimony, a reasonable jury could find that the claims are supported by the original '525 Application. *See In re Bendectin Prods. Liab. Litig.*, 732 F. Supp. 744, 749 (E.D. Mich. 1990) ("When confronted with a 'classic battle of the experts, the jury must decide the victor.'") (quoting *Ferebee v. Chevron Chem. Co.*, 736 F.2d 1529, 1535 (D.C. Cir. 1984)).

⁵ Figure 47 shows controller structure that, if connected to circuitry, would comprise a controller operable in only two degrees of freedom.

⁶ Anascape understands that, in the concurrent reexamination, the Patent Office has come to the preliminary conclusion that Anascape is not entitled to a priority date of July 5, 1996. However, Anascape has not yet responded to that office action. Anascape is confident that, given an opportunity, it will convince the Patent Office that it is entitled to that priority date, for the same reasons that the examiner of the '700 Patent found that the claims were entitled to that priority date.

Koshiishi. *See* Pls.’ Resp. Br. at 7 (citing Ex. 5, Koshiishi Tr. at 85:18-86:23; 88:18-24; 89:12-93:6; 93:22-94:14; 94:16-95:12).

Because the asserted claims are entitled to a priority date of 1996, the Dual Shock and Dual Shock 2 controllers do not anticipate any of the asserted claims, as Defendants have provided no evidence that those controllers were released after 1996. *See* Defs.’ Joint MSJ at 2.

B. The Court’s Claim Construction Order is Relevant and Helpful in Deciding the Written Description Issue

Although, theoretically, the issues of claim construction and specification support are not coextensive, they involve a similar analysis. In particular, this Court has repeatedly recognized that the specification plays a key role in the construction of claim terms, especially under recent Federal Circuit and Supreme Court case law. *See* Dkt. No. 182 at 3-4, 9. Furthermore, in this case, the Court examined the specification in determining that the patentee did not, through the specification, disclaim embodiments that did not have a single input member moveable on three linear and three rotational axes. *See* Dkt. No. 182 at 10 (“While the thrust of the discussion is to incorporate the claimed advantages into a 6 DOF controller, nothing in the specification disclaims other variations.”).

Defendants now make the same claim-construction argument with a different flavor -- despite the claim construction ruling, Defendants maintain that the specification of the ’525 Application limits supportable claims to those that require a single input member moveable on three linear and three rotational axes. Because the specification relied on by the Court is substantially similar to the ’525 Application, a reasonable jury could come to a similar written description conclusion, and find that the disclosure of the ’525 patent does not exclude controllers without a single input member moveable on three linear and three rotational axes.⁷

⁷ For the same reasons, a reasonable jury need not find, by clear and convincing evidence, that the 1996 Application’s disclosure *requires* a single input member moveable on three linear axes and three rotational axes.

C. Defendants Have Not Shown that Armstrong's CPA Practice was Improper

In Defendants' Motion, they claim that Armstrong's CPA did not "bridge the gap" because it included matter that was not supported by the original '525 Application. *See* Defs.' MSJ at 7-9. In Anascape's Response, Anascape showed how the original '525 Application did not limit supportable claims to those that had a single input member moveable on three linear axes and three rotational axes. Furthermore, Anascape noted that Defendants had not shown that, as a matter of law, even if the claims were not so supported, this would somehow break the priority chain of the '700 Patent. *See* Pl.'s Resp. Br. at 8 n.4 (citing MPEP § 2163.06, 37 C.F.R. § 1.118, Ex. 37 at ¶¶ 50-52). Furthermore, Mr. Fiorito, Defendants' PTO expert, admits that the '700 Patent was "correctly filed," which also supports a finding that the CPA practice was proper (i.e., Mr. Fiorito's statement that the '700 Patent was correctly filed as a continuation-in-part of the '525 Application suggests that the priority chain between the original '525 Application and the '700 Application had not been broken). *See* Ex. 44 at ¶ 199. Thus, this Court, and a reasonable jury, could find that Armstrong's CPA practice was proper.⁸

Now, Defendants suggest, for the first time and without citing any applicable case law, that CPA practice is *per se* improper, because a CPA, by definition, does not include a specification and drawings. This argument is unpersuasive for several reasons. First, the PTO found Armstrong's CPA proper and issued the '700 Patent as a continuation. Second, MPEP § 201.06(d) indicates that "[a]ny new specification filed with the CPA will not be considered part of the original application papers[.]" *See* Ex. 45 at 200-33 (emphasis in original). It is nonsensical to think that, as Defendants would have this Court believe, Armstrong's CPA was defective because it did not include something (i.e., a specification) that would not be considered by the PTO. Third, CPAs do not need (and do not have) specification and drawings because they

⁸ For substantially the same reasons, *Tronzo* does not control the analysis, as a reasonable jury could find that the specification is not limited to controllers with a single input member that move on three linear axes and three rotational axes. In fact, Microsoft cited to *Tronzo* during its claim construction briefing, and the Court did not adopt Microsoft's proposed construction. *See* Dkt. No. 94 at 4. Furthermore, although the specification criticizes the *Chang* reference, as noted in Anascape's Response, it did so for multiple reasons (including the use of optical encoders, for instance), not just the reason cited by Defendants. *See* Pls.' Resp. Br. at 6-7.

“utilize the file jacket and contents of the *prior application, including the specification, drawings and oath or declaration from the prior application[.]*” *Id.* at 200-30 (citing 37 C.F.R. § 1.53(d)(2)(iv)) (emphasis added).⁹ Thus, the CPA does not prevent the asserted claims from having a 1996 priority date.

D. Anascape Requests that the Court Consider the Expert Opinions Attached to Its Response

Anascape attached expert reports to its Response Brief that reflect the opinions of its retained experts. *See* Exs. 3, 4, 30, and 37. Anascape has attached declarations to this brief showing that those reports reflect the current opinions of Anascape’s retained experts. *See* Exs. 38, 40, and 42 (*see also* Exs. 39, 41, and 43 (CVs of those experts)). Anascape respectfully requests that the Court consider those expert reports as proper summary judgment evidence, and as reflecting the anticipated trial testimony of Anascape’s retained experts.

IV. CONCLUSION

Anascape respectfully requests that the Court deny Defendants’ Motion.

⁹ *See also* 3 Pat. L. Fundamentals § 15:7 (2d ed.) (“The advantage of filing a continuation or division as a continued prosecution application is that such application utilizes the file jacket and contents of the prior application, including the specification, drawings, and oath or declaration from the prior application and will be assigned the application number of the prior application.”) (citing 37 C.F.R. § 1.53(d)).

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Respectfully submitted,

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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) on March 24, 2008. As such, this motion was served on all counsel who have consented to electronic service. Local Rule CV-5(a)(3)(A).

/s/ Anthony M. Garza
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