

**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 OMNIBUS SURREPLY TO (1) MICROSOFT CORPORATION'S
MOTION FOR PARTIAL SUMMARY JUDGMENT OF "3-D GRAPHICS
CONTROLLER" CLAIMS [DKT. NO. 203] AND (2) NINTENDO'S MOTION FOR
SUMMARY JUDGMENT OF NON-INFRINGEMENT OF U.S. PATENT NO. 6,906,700
[DKT. NO. 202].**

I. PRELIMINARY STATEMENT

During the claim construction stage of this case, Defendants attempted to import a requirement that any controller infringing the '525 or '700 Patent have a single input member/trackball/handle that is moveable along and/or rotatable about three mutually perpendicular axes into at least eight different claim terms, in some form or fashion, *including* the claim term “3-D graphics controller.”¹ The Court declined to adopt Defendants’ proposed construction. *See* Dkt. No. 182 at 7, 13.

Despite this, Defendants now argue that the Court *partially* adopted their argument, and found that the claim term “3-D graphics controller” requires *one or more* input members that are moveable along and/or rotatable about three mutually perpendicular axes. This argument is not suggested or compelled by any of the Court’s orders. Defendants’ motions on this basis should be denied.

II. ARGUMENT

A. *Defendants Already Tried to Import the Same Improper Limitations into Numerous Claim Terms at Claim Construction, and Failed*

At claim construction, Defendants argued that each of the terms (1) “image controller,” (2) “3-D graphics controller,” (3) “hand operated controller”; (4) “input member,” (5) “first element,” (6) “rotary potentiometer,” (7) “bi-directional proportional sensor,” and (8) “structure/element,” limited the claims to controllers with a single input member that moved on three linear axes and three rotational axes. The Court first found that the “controller” terms, mostly found in the preamble, did not so limit the claims. *See* Dkt. No. 182 at 7 (“However, [the terms “image controller,” “3-D graphics controller,” and “hand operated controller” do] not incorporate the 6 DOF limitation Defendants would impose.”) Based on that ruling, the Court

¹ *See* Dkt. no. 94 at 8 (“image controller,” “3-D graphics controller,” “hand operated controller”); 18 (“input member,” “first element,” “rotary potentiometer,” “bi-directional proportional sensor,” “structure/element”); Dkt. no. 95 at 9 (“image controller,” “3-D graphics controller,” “hand operated controller”); 22 (“input member”); 23 (“element,” “sensor,” “structure”).

found that the other terms did not so limit the claims. *See* Dkt. No. 182 at 13 (13 (“Given the court’s definitions above, there can be no real dispute as to what [the terms ‘input member,’ ‘first element,’ ‘rotary potentiometer,’ ‘bi-directional proportional sensor,’ and ‘structure/element’] mean. For the reasons set out above, the court does not find that these words, in and of themselves, limit the inventions to those having single input members moving in 6 DOF.”)). Therefore, based on the claim construction order, Defendants cannot reasonably contend that their proposed construction was somehow adopted, *sub silentio*, by the Court.

Microsoft even admits the Court did not construe the phrase “3-D Graphics Controller.” *See* Microsoft Reply at n.1. Although Microsoft correctly recognizes that the Court did *not* construe the claim term, Microsoft conveniently ignores that the Court did *not* adopt the claim limitations that Microsoft urged. Instead, Microsoft argues that its construction of “3-D graphics controller” “flows directly” from the Court’s Order. *See* Microsoft Reply at 3. This is incorrect -- a plain reading of the Order suggests that the claim terms “[do] not incorporate the 6 DOF limitation Defendants would impose.” *See* Dkt. No. 182 at 7; *see also id.* at 9 (“While no claim of the ’700 Patent includes the limitations [Defendants] propose. . .”).

B. The Preamble Does Not Limit These Claims

The Court only explicitly addressed the preamble once in its claim construction orders, in its discussion of “economical combination of elements.” There, the Court stated that “it is clear . . . that the preamble phrase ‘economical combination of elements’ is not a claim limitation of claim 32.” *See* Dkt. No. 186 at 14. The Court did not make a similar determination of whether the claim term “3-D graphics controller” limited the claims.

Defendants argue that the Court *did* explicitly address this point, by construing the term “3-D”. Although the Court can, of course, interpret its own claim construction Order, Anascape disagrees with Defendants’ interpretation of the Court’s Order. The term “3-D” appears throughout the specification of the ’700 Patent, as recognized by Nintendo. *See* Dkt. No. 95 at 8 (“The term ‘3D’ appears through the ’700 specification Thus, the term ‘3D’ as used in the ’700 specification is synonymous with 6DOF.”) In light of the presumed lay juror understanding

of the term “3D” -- which evokes 3-D cinema, instead of games played on a flat-screen 2-D television -- construing that term could provide context to the jury in reading the specification, or in reviewing the intended use of the claimed apparatus. *See* Ex. 48;² *cf. Adv. Med. Optics, Inc. v. Alcon, Inc.*, 361 F. Supp. 2d 370, 397 (D. Del. 2005) (“Because the preamble does no more than define the context in which the invention operates, the body of the claim sets out the complete invention, and the preamble is not necessary to give life, meaning and vitality to the claim.” (citation and quotation omitted)).³

C. *If the Court Chooses to Revisit Claim Construction, the Claims Do Not Require a One or More Input Members Moveable on Three Linear Axes and Three Rotational Axes, as Defendants Contend*

For all the same reasons that were argued at claim construction, neither “3-D graphics controller” -- nor the numerous other terms cited by Defendants -- require that the claimed controllers, or any component thereof, move on three linear axes and three rotational axes.⁴ The Patent Office suggested as much in the December 16, 2002, notice of allowance for the ’700 Patent. *See* Ex. 49 at 2 (noting that claims 39-42, which contain the same “3-D graphics controller” preamble (*see* Ex. 48 at 5), require four rotary potentiometers for “rotational

² Mr. Armstrong explained this concept during the prosecution of the ’700 Patent: “In the claims the use of the wording ‘3-D graphics’ is intended to mean or be defined as imagery displayed by a television or the like and the imagery has depth Thus ‘3-D graphics’ mimic our three dimensional world but may be displayed on a two dimensional screen. No special equipment (e.g. 3-D glasses or the like) is required to view ‘3-D’ graphics as displayed by a television.” *See* Ex. 48 at 23.

³ Microsoft’s citation to *Catalina Mktg. Int’l v. Coolsavings.com*, 289 F.3d 801, 808 (Fed. Cir. 2002), does not materially help its position. In that case, the Court found that the preamble at issue was *not* a claim limitation. Furthermore, the Federal Circuit has noted in *Phillips v. AWH Corp.* that in a case, like this, where the specification discloses *multiple* advantages, the Court should not burden the claims, or the preamble, with any one of those advantages. *See Phillips*, 415 F.3d 1303, 1326-27 (Fed. Cir. 2005) (*en banc*) (“The fact that the written description of the [patent] sets forth multiple objectives to be served by the baffles recited in the claims confirms that the term ‘baffles’ should not be read restrictively to require that the baffles in each case serve all of the recited functions.”).

⁴ Nintendo misconstrues Anascape’s arguments in its reply. *See* Nintendo Reply Br. at n.1. Claim 14 requires a controller with claimed structure that is capable of providing six axes of control, but does not require input members that move on three linear axes and three rotational axes. Furthermore, claim 5 of the ’525 Patent does not even require structure that provides six axes of control. Instead, claim 14 of the ’525 Patent only requires an input member moveable on two axes, and does not require the multiple axes of control listed in claim 14 of the ’700 Patent. Furthermore, as noted in Anascape’s response, the Wii Remote is moveable on three linear axes and three rotational axes, despite Nintendo’s assertion to the contrary. *Compare* Nintendo Reply Br. at 2 (citing Anascape’s Resp. Br. at n.10) *with* Anascape’s Resp. Br. at n.10.

movement,” suggesting movement on four rotational axes). For the reasons stated in Anascape’s Response at 10-12, even if the Court were to consider the preamble as a limitation, it does not require the detailed structural limitations that Defendants urge.⁵

Microsoft criticizes Anascape for not importing various limitations from the specification, including a “focus on input members,” no specific reference to movement along three linear and three rotational axes, and no requirement that the controllers actually control graphics along three linear and three rotational axes. *See* Reply 3-4. In short, the asserted claims do not include the limitations that Microsoft proposes. While some claims, like claim 5 of the ’525 Patent, specifically included references to input members, no such limitations appear in the asserted claims of the ’700 Patent. Other claims, like claim 4 of the ’525 Patent, claim an input member operable on six axes, while the asserted claims of the ’700 Patent, such as claim 14, only require structure that is capable of providing six axes of control. Finally, as explained below, even if the preamble were to be construed as a claim limitation, the claims do not require *actual* control of graphics to infringe the claim, only the *capability* to do so.

D. Neither Mr. Armstrong’s Hindsight Testimony Nor the File History Affect the Functional Limitations of Claim 19

The “active language” of claim 19 -- as characterized by Nintendo -- does not change Anascape’s position. This is just another *IPXL* argument in disguise.⁶ As noted by other courts, active language in an apparatus claim merely goes to the *capability* of the apparatus, and does not import an actual method step required to infringe the claim. *See Yodlee Inc. v. Cashedge, Inc.*, 05-CV-1550-SI, 2006 U.S. Dist. LEXIS 86699, at *13 (N.D. Cal. Nov. 29, 2006) (“The

⁵ Unsurprisingly, for purposes of proving invalidity, Defendants take the *opposite* position, and allege that the Goto reference and the Sony Dual Shock Controller, which do *not* have input members moveable on three linear axes and three rotational axes, meet the “3-D Graphics Controller” preamble. *See* Ex. 34 (attached to Anascape’s Response Brief).

⁶ Although Nintendo may wish otherwise, *see* Nintendo’s Reply Br. at n.2, the Court should consider the effect of its construction on the definiteness of these claims. If the Court adopts Nintendo’s construction, the claims would likely be found indefinite under *IPXL*, as urged by Defendants’ experts. *See* Ex. 50 at ¶¶ 59-60; Ex. 51 at 1, 173-74. The Federal Circuit has found that, to respect the presumption of validity, courts should avoid constructions that result in a finding of indefiniteness. *See Exxon Research & Eng’g Co. v. United States*, 265 F.3d 1371, 1375 (Fed. Cir. 2001).

claims simply use active language to describe the *capability* of the apparatuses; they do not claim the activity itself.”).⁷ Thus, these limitations are simply functional limitations, and are met by each of the accused products. This is confirmed by Nintendo’s claim construction brief, which echoes Anascape’s interpretation. *See* Dkt. No. 95 at 34 (“Asserted claims 19 and 26 of the ’700 Patent contain the term ‘navigating a viewpoint.’ Specifically, these claims require a controller having sensors ‘to allow controlling objects and navigating a viewpoint.’”); *see also* Dkt. No. 94 at 30 (incorporating Nintendo’s brief as to this term).

At Mr. Armstrong’s deposition, Defendants questioned him as to whether he would have changed the language of claim 19, in hindsight. This testimony does not affect the meaning or scope of the claims. *See Voice Techs. Group, Inc. v. VMC Sys., Inc.*, 164 F.3d 605, 616 (Fed. Cir. 1999) (“[T]he inventor can not by later testimony change the invention and the claims from their meaning at the time the patent was drafted and granted.”). Furthermore, Nintendo’s pseudo-prosecution history estoppel argument is a non-starter. Mr. Armstrong did not amend his claim 19 to *narrow* the scope of that claim or to avoid prior art; rather, Mr. Armstrong merely clarified that the claim was not governed by § 112 ¶ 6. *See* Nintendo Reply Ex. 1 at 2.⁸ In fact, Mr. Armstrong states in his remarks that he “believes the claim amendments requested herein make no change to the scope of the claims.” *See id.* Nintendo has not pointed to any case law where such statements were somehow found to limit the scope of associated claims. Instead,

⁷ Courts considering similar issues have found functional limitations even though the claims use “active” language. *See Toshiba Corp. v. Juniper Networks, Inc.*, 03-CV-1035-SLR, 2006 U.S. Dist. LEXIS 44348, at *13 (“communicates with,” “uses,” “stores,” “transfers,”) (*see* Ex. 52 -- patent-at-issue with active words underlined); *Yodlee*, 2006 U.S. Dist. LEXIS at *15-17 (“presents,” “invokes,” “provides”) (*see* Ex. 53); *Collegenet, Inc. v. XAP Corp.*, 442 F. Supp. 2d 1036, 1063 (D. Or. 2006) (“automatically populating”); (*See* Ex. 54); *see also Collaboration Props., Inc. v. Tandberg ASA*, 05-CV-1940-MHP, 2006 U.S. Dist. LEXIS 42465, at *17-18 (N.D. Cal. June 22, 2006) (noting that claim 1 of the patent-at-issue in *IPXL* contained the active language “causing” and “enabling,” and was *not* found as indefinite, as “the claims require capability, but not actual use”) (*see* Ex. 55). Furthermore, the above analysis is relevant, even if Nintendo tees up the “functional limitation” issue as one of noninfringement, instead of invalidity.

⁸ Furthermore, Mr. Armstrong prosecuted these patents without the assistance of prosecution counsel. Mr. Armstrong’s remarks were made in response to a *notice of allowance*, and not to an office action rejecting any of the claims. In and of themselves, these amendments do not justify any sort of estoppel argument such as to limit the written scope of the claim.

Nintendo only cites to *Ormco* and *Fantasy Sports*, where some of the accused products only infringed the accused apparatus claims if they were modified by the end user. Here, the accused products meet the functional limitations of claim 19 out-of-the-box, without any further modification.⁹ As a result, *Ormco* and *Fantasy Sports* are inapposite.¹⁰

Furthermore, Anascape has provided ample evidence that the controllers meet the functional limitations.¹¹ Plaintiff's retained expert, Dr. Howe,¹² has examined the controllers, used the controllers with actual games, and has reviewed deposition testimony and documents about the structure and functional capabilities of the controllers, and found that these limitations were met. *See* Anascape's Resp. Br. at 13-14 (and evidence cited therein). The materials

⁹ Under *Fantasy Sports*, this supports a finding of infringement. *See Fantasy Sports*, 287 F.3d 1108, 1118 (Fed. Cir. 2002) ("Accordingly, in order to infringe the '603 patent, the code underlying an accused fantasy football game must be written in such a way as to enable a user of that software to utilize the function of awarding bonus points for unusual plays such as out-of-position scoring, without having to modify that code.")

¹⁰ To the extent that *Storage Computer Corp. v. Veritas Software Corp.*, relied on by Nintendo, requires that the functional limitations actually be performed to prove infringement, it is contrary to established precedent. 3:01-CV-2078, 2004 U.S. Dist. LEXIS 3887 (N.D. Tex. Mar. 12, 2004). Other courts have repeatedly held that to show infringement of an apparatus claim containing functional language, the patentee must only prove that the accused device contains the recited structure and is *capable* of performing the claimed functions. *See Key Pharm. Inc. v. Hercon Lab. Corp.*, 981 F. Supp. 299, 310 (D. Del. 1997), *aff'd*, 161 F.3d 709 (Fed. Cir. 1998); *Canon Comp. Sys., Inc. v. Nu-Kote Int'l, Inc.*, 134 F.3d 1085, 1089 (Fed. Cir. 1998); *Cyril Corp. v. Intel Corp.*, 846 F. Supp. 522, 536 (E.D. Tex. 1994); *aff'd*, 42 F.3d 1411 (Fed. Cir. 1994); *Collaboration Props.*, 2006 U.S. Dist. LEXIS 42465 at *18; *Yodlee*, 2006 U.S. Dist. LEXIS 86699 at *11. The underlying rationale is recognized by century-old Supreme Court precedent. *Roberts v. Ryer*, 91 U.S. 150, 157 (1875) ("[T]he inventor of a machine is entitled to the benefit of all the uses to which it can be put, no matter whether he had conceived the idea of the use or not.").

Furthermore, in *Storage*, the defendant did not argue that that the customers actually needed to perform a "snapshot copy" to infringe, and instead only responded that Plaintiff had no evidence that any customers *actually* configured Volume Manage 3.x to support a software RAID 5 volume. *See id.* at n.4. Thus, the plaintiff presumably never had a chance to respond as to whether the *capability* of performing the snapshot copy, assuming that RAID 5 was appropriately configured, was sufficient to prove infringement of the asserted claim.

¹¹ Of course, for their *invalidity* MSJ, Defendants did not attempt to show how its evidence provided "clear and convincing" evidence of meeting the same functional limitations. *See* Ex. 57 at 2, A228-29. Defendants cannot have it both ways: because Defendants already represented to the Court that the Sony Dual Shock Controller meets these claim elements, the Court should find that the accused products meet these claim elements for the same reasons.

¹² Anascape has attached declarations from its experts in its Amended Surreply to Defendant's Joint MSJ of Invalidity, Dkt. No. 236. Anascape incorporates Exs. 38-43 of that Surreply by reference, which includes those declarations and associated CVs. Anascape respectfully requests that, in light of these declarations, the Court consider the expert reports attached to Anascape's Omnibus Response as competent summary judgment evidence of those experts' possible testimony at trial.

reviewed by Dr. Howe and cited in his report further support such a finding. *See id.* Additionally, by viewing exemplar products,¹³ especially when used with the titles and consoles reviewed by Dr. Howe, a reasonable jury could find that the thumbsticks, directional pads, and accelerometers of the accused products are capable of controlling objects and navigating viewpoints, thereby meeting the functional limitations of claim 19.¹⁴

E. Based on Anascape's Construction, Anascape Does Not Assert Indirect Infringement, but Has Presented Sufficient Evidence to Support a Verdict Based on Doctrine of Equivalents.

Under Anascape's construction of claim 19, the game controllers alone infringe the asserted claims of the '700 Patent, and indirect infringement is not an issue. If the Court indulges Defendants' argument -- that they did not raise at claim construction -- that Anascape must prove the functional limitations of claim 19 as if they were method steps, then, at the Court's request, Anascape would show that Defendants induced these actions, by citation to the deposition testimony, games, and game manuals referred to in Dr. Howe's expert report, and by reference to the evidence attached to Anascape's Omnibus Response brief. *See, e.g.,* Anascape's Resp. Br., Ex. 3 at ¶¶ 26-30, 78, Ex. 21, Ex. 22. Furthermore, as explained in the Response, Anascape has presented sufficient evidence to support a verdict based on the doctrine of equivalents.

III. CONCLUSION

Anascape respectfully requests that the Court deny Defendants' Motions.

¹³ It is certainly relevant that a *directional pad* may be used to navigate viewpoints and control objects, in determining whether thumbsticks and accelerometers are capable of performing similar actions. If a structure activating a set of four unidirectional outputs can be used to control objects and navigate viewpoints, a reasonable jury could find that a structure activating two bi-directional sensors has similar capabilities.

¹⁴ Nintendo argues that Anascape's PICs do not adequately identify the structure that meets the second element and third element of claim 19. Anascape disagrees. As shown in Ex. 56, Anascape identified the two thumbsticks as meeting this structure for the GameCube and Wii Classic Controller connected to the Wii Remote Controller, and identified the thumbstick on the Nunchuk and the accelerometer of the Wii Remote for the Wii Nunchuk Controller connected to the Wii Remote Controller. As required by P.R. 3-1(c), the PICs "identif[ies] specifically where each element of each asserted claim is found within each Accused Instrumentality." Furthermore, if Defendants had timely raised this argument at claim construction -- that claim 19 actually requires proving method steps -- Anascape would have had the opportunity to respond to any adverse ruling under P.R. 3-6. Defendants' failure to raise this issue earlier effectively waives any argument based on Anascape's infringement contentions.

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Respectfully submitted,

McKOOL SMITH PC

/s/ Douglas A. Cawley

Douglas A. Cawley

Lead Attorney

Texas State Bar No. 04035500

dcawley@mckoolsmith.com

Theodore Stevenson, III

Texas State Bar No. 19196650

tstevenson@mckoolsmith.com

Anthony M. Garza

Texas State Bar No. 24050644

agarza@mckoolsmith.com

Jason D. Cassady

Texas State Bar No. 24045625

jcassady@mckoolsmith.com

McKool Smith PC

300 Crescent Court, Suite 1500

Dallas, Texas 75201

Telephone: (214) 978-4000

Telecopier: (214) 978-4044

Sam Baxter

Texas State Bar No. 01938000

sbaxter@mckoolsmith.com

McKool Smith PC

104 E. Houston Street, Suite 300

P.O. Box 0

Marshall, Texas 75670

Telephone: (903) 923-9000

Telecopier: (903) 923-9099

Robert M. Parker
Texas State Bar No. 15498000
rmparker@pbatyler.com
Robert Christopher Bunt
Texas State Bar No. 00787165
rcbunt@pbatyler.com
Charles Ainsworth
Texas State Bar No. 00783521
charley@pbatyler.com
Parker, Bunt & Ainsworth P.C.
100 E. Ferguson Street, Suite 1114
Tyler, Texas 75702
Telephone: (903) 531-3535
Telecopier: (903) 533-9687

**ATTORNEYS FOR PLAINTIFF
ANASCAPE, LTD.**

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing document was filed electronically in compliance with Local Rule CV-5(a) on March 25, 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
Anthony M. Garza