

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NINTENDO OF AMERICA INC.,
Petitioner,

v.

MOTION GAMES, LLC,
Patent Owner.

Case IPR2014-00164
Patent No. 6,167,607 B1

Before MEREDITH C. PETRAVICK, BRYAN F. MOORE, and
TRENTON A. WARD, *Administrative Patent Judges*.

PETRAVICK, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
Inter Partes Review
35 U.S.C §318(a) and 37 C.F.R. § 42.73

I. INTRODUCTION

Nintendo of America Inc. (“Petitioner”) filed a Petition (Paper 1, “Pet.”) to institute an *inter partes* review of claims 1, 2, 15–17, 25, 26, 34, and 39–41 (“the challenged claims”) of U.S. Patent No. 6,167,607 B1 (“the ’607 patent”). On May 19, 2014, pursuant to 35 U.S.C. § 314, we instituted this trial as to all of the challenged claims on the sole proposed ground under 35 U.S.C. § 103. Paper 12 (“Dec. to Inst.”). Motion Games, LLC (“Patent Owner”) filed a Patent Owner Response (Paper 23, “PO Resp.”), and Petitioner filed a Reply (Paper 28, “Pet. Reply”).

Patent Owner filed a Motion to Exclude on December 10, 2014. Paper 33 (“Mot.”). Petitioner filed an Opposition to Patent Owner’s Motion to Exclude (Paper 38, “Opp.”), and Patent Owner filed a Reply to Petitioner’s Opposition (Paper 42, “Reply to Opp.”).

An oral hearing in this proceeding was held on January 16, 2015. A transcript of the hearing is included in the record. Paper 48 (“Tr.”).

For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1, 2, 15–17, 25, 26, 34, and 39–41 of the ’607 patent are unpatentable.

A. The ’607 Patent

The ’607 patent, titled “Vision Target Based Assembly,” issued on January 2, 2001, based on Application No. 08/487,211, which was filed on June 7, 1995. Application No. 08/487,211 claims priority through a chain of related applications to Application No. 06/262,492, filed on May 11, 1981. Ex. 1001, 1.

The '607 patent relates to methods and systems for fabricating objects using targets applied to the object. *Id.* at Abstract. The '607 patent's specification describes numerous embodiments of using targets to control machines and objects during fabrication processes. One embodiment, depicted in Figure 5, relates to using targets to determine the attitude, shape, or dimension of the object before and after a forming process, and using that information for further handling, assembly, inspecting, or working of the object. *See id.* at col. 2, ll. 42–47. Figure 5 is reproduced below.

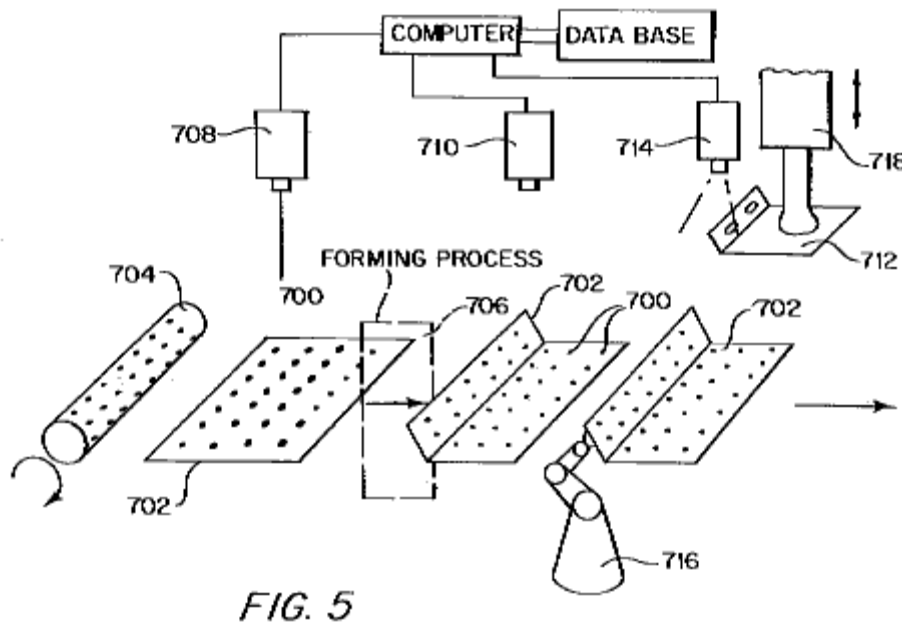


Figure 5 depicts the use of target points 700 over part 702.

Figure 5 shows part 702, such as a metal body panel or aircraft panel, before and after forming process 706. *See id.* at col. 9, l. 62–col. 10, l. 31. Prior to forming process 706, part 702 is imprinted with a dot target pattern on one inch centers through the total width, and camera 708 is used to determine the

patten of targets. *Id.* at col. 10, ll. 7–11. After forming process 706, camera 710 views targets 700 to determine if their pattern has changed in order to determine any irregularities in the forming process and to establish a “new data base” for part 702. *Id.* at col. 10, ll. 15-20. The new data base and target dots on the part then are used in the handling of the part during further forming processes, such as handling by handler 718. *See id.* at col. 10, ll. 23–49.

B. Illustrative Claims

Claims 1 and 25 of the '607 patent are illustrative of the claims at issue and read as follows:

1. A method of creating a data base for an object having at least first and second discrete targets thereon in a pattern, said method comprising:

 electro-optically sensing, with an electro-optical sensing means, the pattern of said first target and said second target; and

 using a processing means, creating a data base of said object using said sensed pattern of said first target and said second target, said created data base comprising said sensed pattern of said first and second targets.

25. Apparatus for creating a data base for an object having at least first and second discrete targets thereon in a pattern, said apparatus comprising:

 electro-optical sensing means for sensing the pattern of said first target and said second target; and

 processing means for creating a data base of said object using said sensed pattern of said first target and

said second target, said data base comprising said sensed pattern of said target and second targets.

C. Related Proceedings

The '607 patent is involved in *Motion Games, LLC v. Nintendo Co., LTD; Nintendo of America Inc., Retro Studios, Inc., Rent-A-Center, Inc., and Gamestop Corp.*, No. 6:12-cv-878, filed in the U.S. District Court for the Eastern District of Texas.

Petitioner also filed petitions for *inter partes* review of U.S. Patent No. 7,756,297 B2 (IPR2014-00165) and U.S. Patent No. 7,843,429 B2 (IPR2014-00166). The proceedings in IPR2014-00165 and IPR2014-00166 were terminated due to settlement between the parties.

II. ANALYSIS

A. Claim Construction

Consistent with the statute and legislative history of the America Invents Act (AIA)¹, the Board interprets claims using the broadest reasonable construction in light of the specification of the patent in which they appear. 37 C.F.R. § 42.100(b); *In re Cuozzo Speed Techs., LLC*, 778 F.3d 1271, 1279–81 (Fed. Cir. 2015). Under the broadest reasonable construction standard, claim terms are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007).

¹ Pub. L. No. 112-29, 125 Stat. 284 (2011).

i. “creating a data base of said object”

Claim 1 recites a step of “creating a data base of said object using said sensed pattern of said first target and said second target, said created data base comprising said sensed pattern of said first and second targets.” Claim 25 recites “creating a data base of said object using said sensed pattern of said first target and said second target, said data base comprising said sensed pattern of said first and second targets” as the function of a means-plus-function limitation.

Patent Owner argues that “creating a data base” should be construed to mean “storing as data a sensed pattern representative of a physical object without reference to or knowledge of the object itself” because, according to Patent Owner, during prosecution the plain and ordinary meaning of “creating a data base” was disclaimed explicitly and “creating a data base” was limited to its proposed construction. PO Resp. 8–10. To support its argument, Patent Owner cites to this statement made in an Amendment, filed on May 22, 2000 (Ex. 1005, 318–320, “May 22 Amendment”): “it is the pattern itself which now stands for the object and which is used regardless of a correlation to the actual object, and which is neither disclosed nor made obvious by the Bales paper.” *Id.* at 9. Patent Owner argues that “a construction that disregards an explicit disclaimer is not reasonable, and therefore should not be considered the broadest reasonable construction.” *Id.* at 9–10.

Petitioner argues that the broadest reasonable interpretation of “creating a data base” requires, “at a minimum, storing the sensed data.” Pet. Reply 1–2 (citing Dec. to Inst. 7 (stating that “[c]reating a data base requires, at a minimum, storing the sensed data”)). Petitioner also argues

that the May 22 Amendment does not support Patent Owner's alleged disclaimer (Pet. Reply 5–6). According to Petitioner, the prosecution history and the May 22 Amendment “does not define or limit the ‘database’ to one which does not refer to or have knowledge of the physical object, but rather only states that the ‘data base’ can be used without reference to or knowledge of the physical object itself.” *Id.* at 6 (emphasis original).

Petitioner further argues that neither the claims nor the Specification support Patent Owner's construction, but instead supports a construction of “creating a data base” as requiring, “at a minimum, storing the sensed data.” *Id.* at 1–5.

Regardless of whether “a construction that disregards an explicit disclaimer is not reasonable” (PO Resp. 9–10), under the broadest reasonable construction standard, we are not persuaded that the May 22 Amendment includes the alleged explicit disclaimer. Only “a clear and unmistakable disavowal during prosecution overcomes the heavy presumption that claims terms carry their full ordinary and customary meaning.” *Biogen Idec, Inc. v. GlaxoSmithKline LLC*, 713 F.3d 1090, 1095 (Fed. Cir. 2013) (internal quotation marks omitted); *see Omega Eng'g, Inc., v. Raytek Corp.*, 334 F.3d 1314, 1325 (Fed. Cir. 2003) (requiring that “the alleged disavowing statements to be both so clear as to show reasonable clarity and deliberateness, and so unmistakable as to be unambiguous evidence of disclaimer” (internal citations omitted)).

In the May 22 Amendment, the claims of the '607 patent were amended to include requirements that the object had discrete targets in a pattern; that the pattern was sensed by the sensing means; and that the data base comprised the sensed pattern. *E.g., see Ex. 1005, 323.* The May 22

Amendment also included arguments that the amended claims overcame a rejection under 35 U.S.C. § 103 over the Bales paper.² The pertinent portion of the arguments of the May 22 Amendment is reproduced below.

In the present invention, an object is provided with at least first and second targets thereon which are in a pattern. This pattern may be known (targets dots on one inch centers) or unknown (for example applied to the object at random locations). Whatever the pattern, *it is the pattern which is then sensed electro-optically, and this sensed pattern then becomes a data base for the object. This pattern data base can then be used in a number of ways, such as to handle the object or to track changes made to the object, all without reference to or knowledge of the physical object itself. . . .*

The Bales paper does not disclose the use of discrete targets in a pattern as a data base. . . . The suggested data base that the Examiner proposes would be obvious from the Bales paper is one which merely correlates targets to the object, which in the present invention there is no such correlation (though it could be done for additional reasons, as noted in certain dependent claims, but this would be another, different, data base.) *Rather, it is the pattern itself which now stands for the object and which is used regardless of a correlation to the actual object, and which is neither disclosed nor made obvious by the Bales paper.*

Ex. 1005, 319–320 (emphases added).

As can be seen from the above, the May 22 Amendment states that the data base is created from the sensed pattern of the discrete targets and states that it could be *used* without reference to or knowledge of the object itself or *used* regardless of a correlation to the actual object. Thus, we are not persuaded by Patent Owner that the May 22, 2000 Amendment clearly

² BALES ET AL., NASA TECHNICAL PAPER 1819, MARKING PARTS TO AID ROBOT VISION (Apr. 1981).

and unmistakably disclaims a data base that stores the sensed pattern with reference to or knowledge of the physical object itself.

We are persuaded by Petitioner that the broadest reasonable construction in light of the Specification of “creating a data base of said object” requires, at a minimum, storing the sensed pattern of the first and second targets. This construction is consistent with the language of the claims, themselves, and with the Specification.

Independent claims 1 and 25 recite that the data base is created using the sensed pattern of the first and second targets and that the data base “compris[es] said sensed pattern of said first and second targets.” Thus, the language of the claims themselves requires storing the sensed pattern of said first and second targets in the data base. We see nothing in the language of claims 1 and 25 that additionally requires that the sensed pattern is stored without reference to or knowledge of the object, itself, or additionally requires that the sensed pattern is later used without reference to or knowledge of the object, itself. Claims 1 and 25 also contain no requirements as to how the data base is used in further processing the object or precludes using the data base in further processing that requires reference to or knowledge of the object, itself.

We also see nothing in the Specification that requires that the sensed pattern be stored in the data base without reference to or knowledge of the object, itself. Although Patent Owner argues that the ’607 patent “teaches multiple data bases; some requiring correlation between observed points and known targets, and some do not” and extolls the benefits of a non-correlated data base, Patent Owner does not provide any specific citation as to where the ’607 patent discloses a non-correlated data base or the extolled benefits.

PO Resp. 4–6. Patent Owner, however, does cite to column 10, lines 7–31, as disclosing, generally, storing data related to the arrangement or configuration of targets on an object. *See id.* at 4–5.

Contrary to Patent Owner’s argument, column 10, lines 7–31, of the Specification of the ’607 patent do not support Patent Owner’s proposed construction, but instead support Petitioner’s proposed construction. The cited passage states that, after a forming process, camera means 710 again monitors targets 700 to sense the new pattern and to “establish the new data base for the part.” Ex. 1001, col. 10, ll. 15–20. The ’607 patent then describes that the data base then can be used for further handling and assembling processes. *See id.* at col. 10, ll. 15–58. Contrary to Patent Owner’s argument, the further handling and assembling processes may require reference to or knowledge of the object itself. *See* col. 2, ll. 42–50 (“The location of the targets after forming are then determined. From this determined location, the attitude, shape, or dimensions of the object or portions thereof are also determined. Depending upon the determined data, the handling, [assembling], inspecting, or working the object is then effected.”); col. 1, ll. 52–54 (“To use targets one must know the part feature database relative to the target points on the part.”). This is consistent with a construction of “creating a data base of the object” as requiring, at a minimum, storing the sensed pattern of the first and second targets.

Given the above, we determine that the broadest reasonable construction in light of the Specification of “creating a data base of said object” requires, at a minimum, storing the sensed pattern of the first and second targets and does not preclude that the sensed pattern is stored with reference to or knowledge of the object, itself.

ii. “processing means” and “processing means for creating a data base of said object using said sensed pattern of said first target and said second target, said data base comprising said sensed pattern of said first and second targets”

Claim 1 recites “a processing means” in a step of creating a data base of said object using said sensed pattern of said first target and said second target. Claim 25 recites “processing means for creating a data base of said object using said sensed pattern of said first target and said second target, said data base comprising said sensed pattern of said first and second targets.”

Petitioner argues that the “processing means” should be interpreted as means-plus-function language under 35 U.S.C. § 112, sixth paragraph.³ Pet. 4. Petitioner argues that the corresponding structure is a “computer.” *Id.* Patent Owner, likewise, indicated during oral hearing that the claimed processing means are equivalent to a general purpose computer. *See* Tr. 35–36 (Patent Owner’s counsel stated: “All you are doing is sticking data into a database.”)

These limitations are in “means-plus-function” form. The sixth paragraph of § 112 governs the scope and meaning of means-plus-function claim limitations. This paragraph provides:

An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim *shall be construed to cover the corresponding*

³ Section 4(c) of the AIA, re-designated 35 U.S.C. § 112, sixth paragraph, as 35 U.S.C. § 112 (f). Because the ’607 patent has a filing date prior to September 16, 2012, the effective date of the AIA, we refer to the pre-AIA version of 35 U.S.C. § 112.

structure, material, or acts described in the specification and equivalents thereof.

(emphasis added).

For a computer-implemented means-plus-function claim limitation under 35 U.S.C. § 112, sixth paragraph, the specification must disclose a specific algorithm used by the computer to perform the recited function. *Function Media, LLC v. Google, Inc.*, 708 F.3d 1310, 1318 (Fed. Cir. 2013); *In re Katz*, 639 F.3d 1303, 1315 (Fed. Cir. 2011); *Aristocrat Techs. Australia Pty Ltd. v. Int'l Game Techs., Inc.*, 521 F.3d 1328, 1333 (Fed. Cir. 2008). A narrow exception to this rule applies if the function is a generic function, such as “processing,” “receiving,” and “storing,” and can be performed by any general-purpose computer without special programming. *In re Katz*, 639 F.3d 1303, 1316 (Fed. Cir. 2011).

We determine that the “processing means” is a limitation in means-plus-function form and is construed to cover the corresponding structure described in the '607 patent and equivalents. The function of the “processing means” is “creating a data base for an object using said sensed pattern of said first target and said second target.” As discussed above, we determined that creating a data base requires, at a minimum, storing the sensed pattern. Storing the pattern is a generic function that can be achieved by any general purpose computer without special programming. Therefore, it is not necessary for the '607 patent to disclose more than a general purpose computer, such as a specific algorithm for creating the object's data base. *See In re Katz*, 639 F.3d at 1316. The '607 patent describes a computer storing target pattern data. Ex. 1001, col. 12, ll. 24–26; *see id.* at Fig. 5.

Given the above, we construe the claimed “processing means” as requiring a general purpose computer, or equivalents thereof.

B. Obviousness Ground

Petitioner argues that claims 1, 2, 15–17, 25, 26, 34, and 39–41 are unpatentable under 35 U.S.C. § 103(a) over Hay and Haas. Pet. 17–59.

Section 103 forbids issuance of a patent when “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.”

KSR Int’l Co. v. Teleflex Inc., 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations, including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, and (3) the level of skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966); *see also KSR*, 550 U.S. at 407 (“While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”)

i. Overview of Prior Art

a. Hay

Hay is a U.S. patent titled “Position Detecting Apparatus” and issued on December 9, 1980. Ex. 1002, 1. Figure 1 of Hay is illustrative and reproduced below.

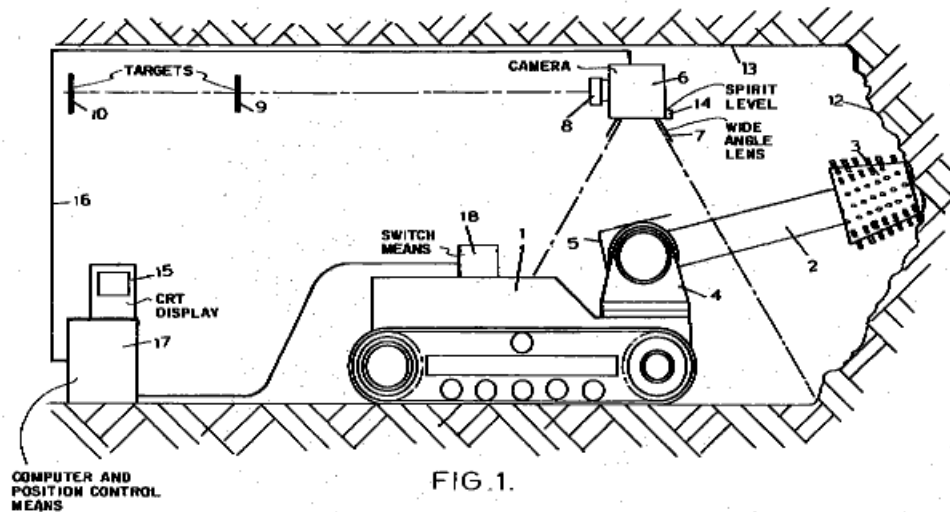


FIG. 1.

Figure 1 depicts a tunneling machine incorporating a position detecting apparatus.

Figure 1 depicts a tunneling machine incorporating the position detecting apparatus. Ex. 1002, col. 1, ll. 36–38. The position detecting apparatus includes computer 17 remote from the machine, target plane 5 attached to boom 2, and camera 6 positioned to view target plane 5. *Id.* at col. 2, l. 65–col. 3, l. 3, col. 3, ll. 13–15, col. 3, ll. 33–38, claim 1. Target plane 5 includes lines of radiation emitting LEDs defining target points at their intersections or, alternatively, includes target point source LEDs. *Id.* at col. 1, ll. 43–47, col. 2, ll. 7–9, col. 6, ll. 10–12, Fig. 2. Camera 6 is “preferably a solid-state device” with a “two dimensional array of radiation sensitive elements.” *Id.* at col. 3, l. 67–col. 4, l. 8. Camera 6 views target plane 5 and generates signals indicative of the position of the target points on the focal plane of the camera. *See id.* at col. 3, l. 50–col. 4, l. 8. Computer 17 receives and stores the generated signals. *Id.* at col. 1, ll. 28–30; col. 4, ll. 13–34.

b. Haas

Haas is U.S. patent titled “Apparatus and Method for Analyzing a Golf Swing and Displaying Results” and issued on January 30, 1979. Ex. 1003, 1. Figure 1A of Haas is reproduced below.

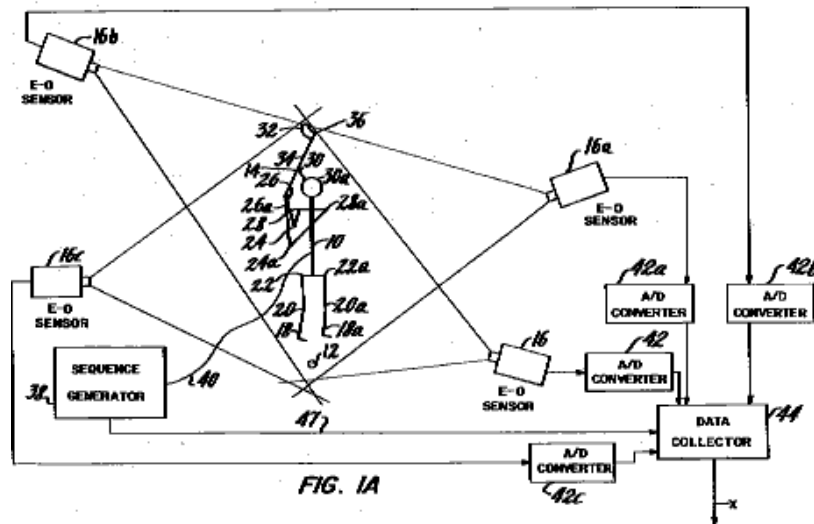


Figure 1A depicts an embodiment of the system of Haas.

Figure 1A depicts an embodiment of the system for analyzing a golf swing and displaying results. *Id.* at col. 4, ll. 52–53. A plurality of light sources, such as light source 18, are affixed to golfer 10 and golf club 14. *Id.* at col. 5, ll. 1–6. Electro-optical sensors 16, 16a, 16b, 16c view golfer 10 and golf club 14 (*id.* at col. 4, ll. 55–61) and output data defining the position of the light sources (*id.* at col. 1, ll. 38–41, col. 4, ll. 55–61). Data collector 44 receives and stores the output data. *Id.* at col. 5, ll. 28–31. The stored data is used to generate a representation of the golfer on a display for analysis of the golfer’s swing. *See id.* at col. 1, ll. 38–57.

ii. Independent Claim 1

Petitioner alleges that claim 1 is unpatentable as obvious over the combination of Hay and Haas. Pet 17–20, 23–25, 27–32. Petitioner argues that Hay discloses most of the limitations of method claim 1 (*id.* at 17–20, 27–32) and that, in particular, Hay discloses the step of creating a data base of the object using the sensed pattern (*id.* at 19 (citing Ex. 1002, col. 1, ll. 28–34, col. 4, ll. 13–33)). Petitioner admits that Hay’s four target points, which are on the same target plane, may not be considered discrete and relies upon Haas to cure any deficiency. Pet. 17–18. Petitioner argues that using discrete targets, as disclosed in Haas, instead of Hay’s target points on a target plane would be a simple substitution of known elements to obtain a predictable result. *See* Pet.18, 25; Ex. 1006 ¶ 66.

Patent Owner argues that Hay and Haas fail to render claim 1 obvious because neither Hay nor Haas discloses the step of creating a data base of the object when the step is construed, as proposed by Patent Owner, to require storing as data a sensed pattern representative of a physical object without reference to or knowledge of the object itself. PO Resp. 10–24.

Patent Owner’s argument fails from the outset because it is not based upon the broadest reasonable construction. As discussed above in section II(A)(i–ii), the broadest reasonable construction of “creating a data base of said object” requires, at a minimum, storing the sensed pattern of the first and second targets and of “processing means” requires a general purpose computer or equivalent. Claim 1, thus, requires, at a minimum, storing the sensed pattern of the first and second targets using a general purpose computer, or equivalent. As Petitioner points out, Hay discloses computer 17 storing signals indicative of the positions of the target points on

the focal plane of the camera array. *See* Pet. 19 ((citing Ex. 1002, col. 1, ll. 28–34, col. 4, ll. 13–33), 34–36. Hay, thus, meets the claimed step of “creating a data base,” when given its broadest reasonable construction.

Upon review of Petitioner’s evidence and analysis, and taking into account Patent Owner’s additional arguments, discussed below, we determine that Petitioner has shown by a preponderance of the evidence that claim 1 is unpatentable under 35 U.S.C. § 103 over Hay and Haas.

iv. Independent Claim 25

Likewise, Petitioner alleges that claim 25 is unpatentable as being obvious over the combination of Hay and Haas. Pet. 17–20, 23–25, 42–53. Petitioner argues that Hay discloses most of the limitations of claim 25 (*id.* at 17–20, 42–53) and that, in particular, Hay discloses the processing means for creating the data base of the object (*id.* at 19 (citing Ex. 1002, col. 1, ll. 28–34, col. 4, ll. 13–33)). Petitioner admits that Hay’s four target points, which are on the same target plane, may not be considered discrete and relies upon Haas to cure any deficiency. Pet. 17–18. Petitioner argues that using discrete targets, as disclosed in Haas, instead of Hay’s target points on a target plane would be a simple substitution of known elements to obtain a predictable result. *See* Pet. 18, 25; Ex. 1006 ¶ 66.

Patent Owner again argues that Hay and Haas fail to render claim 25 obvious because neither Hay nor Haas discloses the processing means for creating a data base of the object when “creating a data base” is construed, as proposed by Patent Owner, to require storing as data a sensed pattern representative of a physical object without reference to or knowledge of the object itself. PO Resp. 10–24.

Patent Owner's argument again fails from the outset because it is not based upon the construction of "processing means for creating a data base of said object" that we adopted above. As discussed above in section II(A)(ii), we construed the "processing means for creating a data base" element of claim 25 as requiring a general purpose computer or equivalent, thereof. As Petitioner points out, Hay discloses computer 17, which stores signals indicative of the positions of the target points on the focal plane of the camera array. *See* Pet. 19 ((citing Ex. 1002, col. 1, ll. 28–34, col. 4, ll. 13–33), 34–36. Hay, thus, meets the claimed processing means for creating a data base of the object, when this claim element is given the construction we adopted above.

Upon review of Petitioner's evidence and analysis, and taking into account Patent Owner's additional arguments, discussed below, we determine that Petitioner has shown by a preponderance of the evidence that claim 25 is unpatentable under 35 U.S.C. § 103 over Hay and Haas.

v. Dependent Claims 2, 15–17, 26, 34, 39, 40, and 41

Patent Owner makes no arguments regarding the additional limitations recited in dependent claims 2, 15–17, 26, 34, 39, 40, and 41. Upon review of the Petitioner's evidence and analysis (Pet. 20–23, 38–42, 53–59), we determine that Petitioner has shown by a preponderance of the evidence that the dependent claims are unpatentable. *See* Dec. to Inst. 11–13 (discussing the disclosures of Hay and Haas with regards to the dependent claims).

C. Patent Owner's Additional Arguments

i. Motivation to Combine

Patent Owner argues that Petitioner's declarant Dr. Welch applied impermissible hindsight analysis in testifying that one of ordinary skill in the art would have been motivated to combine Hay and Haas because Dr. Welch was not able to articulate any motivation to combine the references during cross-examination. PO Resp. 25–26 (citing Ex. 2005). To support its argument, Patent Owner quotes Dr. Welch's statement below:

I think implicit in that is the assumption that a person of ordinary skill needed a reason to combine that. So they would have been motivated to combine if they saw a deficiency that they needed to address . . . What I'm saying is I'm not aware of any specific deficiency that one would need to address. But if one of ordinary skill, themselves, thought there was something they didn't understand or didn't see, they could have easily reached to Haas, or many other things.

Id. at 16 (citing Ex. 2005, 185–186) (emphasis omitted).

Petitioner replies that Patent Owner mischaracterizes Dr. Welch's statement (Pet. Reply 10–11 (citing Ex. 2005, 180–181)) and that Dr. Welch set forth a number of motivations to combine Hay and Haas in his original and reply declarations (Pet. Reply 11). According to Petitioner, correctly characterized, Dr. Welch's statement indicates that a person of ordinary skill in the art "would not even have to look beyond Hay to achieve the inventions of the '607 Patent but that 'if there was something that they didn't see in Hay for some reason, then [Dr. Welch] think[s] Haas probably would have made that more attractive to them if they did.'" Pet. Reply 10–11 (citing Ex. 2005, 180–181).

We are not persuaded by Patent Owner's argument because, as Petitioner argues, it mischaracterizes Dr. Welch's quoted testimony. Upon

review of Dr. Welch’s pertinent cross-examination testimony, we agree with Petitioner that Dr. Welch’s statement indicates that he believes a person of ordinary skill in the art would not have to look beyond Hay to achieve the claimed invention, but that Haas provides further evidence as to the obviousness of the invention. *See* Ex. 2005, 179–87; Ex. 1012 ¶ 20. We, thus, are not persuaded by Patent Owner that Dr. Welch applied impermissible hindsight analysis in testifying that one of ordinary skill in the art would be motivated to combine Hay and Haas.

ii. Field of Endeavor

Patent Owner argues that one of ordinary skill in the art would not have been motivated to combine Hay and Haas because they address different problems in different fields of endeavor. PO Resp. 26. Patent Owner states, “both involve using cameras to observe targets, but the similarities stop there” (*id.* at 27) and argues that “Hay and Haas use different apparatuses, different algorithms, and attempt to solve different problems in highly disparate fields of endeavor” (*id.* at 29).

Petitioner replies that both Hay and Haas are within the computer vision field and that somebody working within that field would have knowledge of both. Pet. Reply 11–12. Petitioner argues that even Patent Owner’s declarant Dr. Bobick admitted that somebody working in the computer vision field would have knowledge of both types of apparatuses. *Id.* at 11 (citing Ex. 1013, 11).

We are persuaded by Petitioner that Hay and Haas are analogous art because both are within the computer vision field of endeavor. *See* Pet. 24; Pet. Reply 11–12. Although Hay and Haas have some differences, both Hay

and Haas are within the computer vision field and both electro-optically sense and store target patterns. *See* Ex. 1006 ¶¶ 64, 67, 70; Ex. 2005, 11–12.

iii. Secondary Considerations

Patent Owner argues that evidence of secondary considerations outweighs Petitioner’s prior art evidence of obviousness. PO Resp. 30–39. Patent Owner argues that Petitioner’s own Nintendo Wii embodies the features of the claims of the ’607 patent and, in particular, embodies the feature of storing the sensed pattern without reference to or knowledge of the object on which the target resides. *Id.* at 31. It is this feature, according to Patent Owner, that is the basis for the success of the Nintendo Wii. *See id.* 35–39.

Petitioner replies that Patent Owner provides insufficient evidence to establish a nexus between the success of the Nintendo Wii and the claims of the ’607 patent. Pet. Reply 13–14.

Factual inquiries for an obviousness determination include secondary considerations based on evaluation and crediting of objective evidence of nonobviousness. *Graham*, 383 U.S. at 17–18. To be relevant, evidence of nonobviousness must be commensurate in scope with the claimed invention. *In re Kao*, 639 F.3d 1057, 1068 (Fed. Cir. 2011). Thus, to be accorded substantial weight, there must be a nexus between the merits of the claimed invention and the evidence of secondary considerations. *In re GPAC*, 57 F.3d 1573, 1580 (Fed. Cir. 1995). “Nexus” is a legally and factually sufficient connection between the objective evidence and the claimed invention, such that the objective evidence should be considered in determining nonobviousness. *Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 1392 (Fed. Cir. 1988).

We are not persuaded by Patent Owner's argument because it is not commensurate with the scope of the claims. Patent Owner's argument is based upon the claims of the '607 patent requiring a feature of storing the sensed pattern without reference to or knowledge of the object on which the target resides. As discussed above in section II(A)(i), the claims of the '607 patent require no such feature.

Further, even if the claims required such a feature, Patent Owner's evidence is insufficient to establish that the Nintendo Wii includes such a feature. Patent Owner relies upon the Declaration of Dr. Bobick to establish a nexus between the claims of the '607 patent and the success of the Nintendo Wii. In testifying the Nintendo Wii is a commercial embodiment of the '607 patent, Dr. Bobick, however, states that his opinion is based upon only limited amounts of information provided in the related district court proceeding and that he reserves the right to amend or change his opinions. Ex. 2007 ¶ 84. Dr. Bobick, further, states that his opinion is based upon Exhibit 2012, which is a chart detailing Patent Owner's preliminary infringement contentions in the related district court proceeding. *Id.* ¶ 86. Exhibit 2012 is nothing more than attorney argument that the Nintendo Wii infringes the claims of the '607 patent and an insufficient basis for establishing a nexus between the success of the Nintendo Wii and the claims of the '607 patent. In order to establish a proper nexus, Patent Owner must offer "proof that the sales were a direct result of the unique characteristics of the claimed invention-as opposed to other economic and commercial factors unrelated to the quality of the patented subject matter." *In re Huang*, 100 F.3d 135, 140 (Fed. Cir. 1996).

C. Motion to Exclude

Patent Owner filed a Motion to Exclude portions of the Reply Declaration of Dr. Francis Welch and corresponding portions of Petitioner's Reply. Mot. 1. Specifically, Patent Owner argues for exclusion of paragraphs 10–21 of Dr. Welch's Declaration and corresponding sections II–IV of Petitioner's Reply. *Id.*

As the movant, Patent Owner has the burden of proof to establish that it is entitled to the requested relief. *See* 37 C.F.R. § 42.20(C). For the reasons discussed below, we deny Patent Owner's Motion to Exclude.

i. Under Federal Rule of Evidence ("FRE") 403

First, Patent Owner essentially argues that paragraphs 10–21 and Appendix D of Dr. Welch's Reply Declaration are improper rebuttal evidence which should have been presented with the Petition. Mot. 2–4, 10–11; Reply to Opp. 3, 4–5; *see also* Paper 35 (Petitioner's Notice of Objection to Reply Brief Materials arguing the same sections of the Reply and paragraphs of Dr. Welch's Reply Declaration exceed the permissible scope of reply). Patent Owner further argues that these paragraphs and sections should be excluded under Federal Rule of Evidence 403 because Patent Owner and its declarant did not have an opportunity to address this testimony. Mot. 10. According to Patent Owner the probative value is outweighed by the alleged undue delay in filing. Petitioner counters that these paragraphs of Dr. Welch's Reply Declaration and sections of its Reply should not be excluded because they are responsive to arguments raised in Patent Owner Response and the supporting evidence in Dr. Bobick's Declaration. Reply to Opp. 2–5.

We are not persuaded that paragraphs 10–21 of Dr. Welch’s Reply Declaration and sections II-IV of the Reply should be excluded as inadmissible under FRE 403. At the outset, Patent Owner’s argument is improper. A motion to exclude is neither a substantive sur-reply, nor a proper vehicle for arguing whether a reply or supporting evidence is of appropriate scope. *Zynga Inc. v. Personalized Media Commc’ns, LLC*, IPR2013-00162, slip op. at 3 (PTAB Aug. 28, 2013)(Paper 16), *Berk-Tek LLC v. Belden Tech., Inc.*, IPR2013-00057, slip op. at 3 (PTAB Oct. 31, 2014) (Paper 39).

In any event, the mere fact that Dr. Welch’s Reply Declaration includes evidence that was not discussed specifically in the Petition is insufficient to establish the impropriety of such evidence, much less inadmissibility under the FRE. The very nature of a reply is to respond to the opposition, which in this case is the Patent Owner Response. *See* 37 C.F.R. § 42.23(B). Patent Owner argues that Petitioner should have been aware that Patent Owner might propose a claim construction based upon an alleged prosecution history disclaimer when it filed its Petition, and therefore, should have included its corresponding arguments and evidence in its Petition. *See* Mot. 3. Patent Owner’s argument is unreasonable. The need for relying on evidence not previously discussed in the Petition may not exist until a certain argument has been raised in the Patent Owner Response. Patent Owner’s proposed claim construction was raised for the first time in these proceedings in Patent Owner Response. The Reply complies with 37 C.F.R. § 42.23 as it only responds to arguments raised in Patent Owner’s Response. *See* Paper 36.

ii. Under FRE 402

Patent Owner argues that paragraphs 10–14 and Appendix D of Dr. Welch’s Reply Declaration amount to improper opinions that there is insufficient written description and/or enablement to support the claims of the ’607 when construed as proposed by Patent Owner and should be excluded under FRE 402 as irrelevant. Mot. 4–6; Reply to Opp. 4.

Petitioner counters that paragraphs 10–14 and Appendix D is relevant because they rebut Patent Owner’s claim construction argument and “goes directly to how the claims should be interpreted based on the written description of the ’607 patent.” Opp. 4.

We are not persuaded that paragraphs 10–14 and Appendix D of Dr. Welch’s Reply Declaration should be excluded as irrelevant under FRE 402. Paragraphs 10–21 of Dr. Welch’s Reply Declaration and sections II-IV of the Reply were submitted appropriately to respond to Patent Owner’s claim construction argument and evidence presented in its Response.

iii. Under FRE 702 or 703

Patent Owner argues that paragraphs 15–21 of the Dr. Welch’s Reply Declaration contradict Dr. Welch’s cross-examination testimony and, therefore, should be excluded under FRE 702 and 703. Mot. 7–9. Patent Owner also argues that Appendix D of Dr. Welch’s Reply Declaration should be excluded because it is conclusory expert testimony unsupported by any documentation. *Id.* at 6. Petitioner counters that Patent Owner’s argument goes to the weight of the evidence rather than to its admissibility (Reply to Opp. 5–6) and disputes that Dr. Welch’s Reply Declaration is contradictory or conclusory (*id.* at 7–9).

We are not persuaded that paragraphs 15–21 and Appendix D of Dr. Welch’s Reply Declaration should be excluded under FRE 702 and 703. Patent Owner’s arguments go to the weight of the evidence in question rather than its admissibility. There is a strong public policy for making all information filed in a non-jury, quasi-judicial administrative proceeding available to the public, especially in an *inter partes* review, which determines the patentability of claims in an issued patent. It is within the Board’s discretion to assign appropriate weight to evidence. *See e.g., In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 13598, 1368 (Fed. Cir. 2004) (“[T]he Board is entitled to weigh the declarations and conclude that the lack of factual corroboration warrants discounting the options expressed in the declarations.”)

iv. Procedural Deficiency

Patent Owner’s Motion to Exclude also is deficient procedurally. A party challenging the admissibility of evidence with a motion to exclude “must object timely to the evidence.” Office Trial Practice Guide, 77 Fed. Reg. 48,756, 48,767 (Aug. 14, 2012). Section 42.64(b)(1) of our Rules requires that “[o]nce a trial has been instituted, any objection must be served within five business days of service of evidence to which the objection is directed.” As Patent Owner, itself, points out, Patent Owner’s Motion to Exclude is based upon objections, which were untimely served. *See id.* at 1; *see* Opp. 1–2. Patent Owner did not request that the Board waive or suspend the requirement of 37 C.F.R. § 42.64(b)(1) prior to filing the late objections. In as much as Patent Owner does so now in its Motion to Exclude, Patent Owner’s request is denied. Patent Owner’s Motion to Exclude proffers no showing of good cause as to why the late service of the objection should be

excused (37 C.F.R. § 42.5(c)(3)), other than to argue that Petitioner suffered no prejudice. *See* Mot. 1; Opp. 1–2; Reply to Opp. 1–2.

In addition, 37 C.F.R. § 42.64(c) requires that “[t]he motion must identify the objections in the record in order and must explain the objections.” Office Trial Practice Guide, 77 Fed. Reg. at 48,767. In the Motion to Exclude, Patent Owner states that “Motion Games served corresponding objections on Nintendo on November 10, 2014,” but does not identify the corresponding objections in the record.

III. CONCLUSION

We conclude that Petitioner has demonstrated by a preponderance of the evidence that claims 1, 2, 15–17, 25, 26, 34, and 39–41 are unpatentable under 35 U.S.C. § 103(a) over Hay and Haas.

We deny Patent Owner’s Motion to Exclude.

This is a Final Written Decision of the Board under 35 U.S.C. § 328(a). Parties to the proceeding seeking judicial review of this decision must comply with the notice and service requirements of 37 C.F.R. § 90.2.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that claims 1, 2, 15–17, 25, 26, 34, and 39–41 of U.S. Patent No. 6,167,607 B1 are *unpatentable*; and

FURTHER ORDERED that Patent Owner’s Motion to Exclude is *denied*.

IPR2014-00164
Patent 6,167,607 B1

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