UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SONY COMPUTER ENTERTAINMENT AMERICA LLC and MICROSOFT CORPORATION INC., Petitioner

v.

ADC TECHNOLOGY INC., Patent Owner.

Case No. CBM2015-00026 Patent 6,193,520

PETITIONERS' REPLY TO PATENT OWNER'S RESPONSE

PURSUANT TO 37 C.F.R. § 42.120

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I. INTRODUCTION

Patent Owner's Response (Paper 12, "POR") does not legitimately challenge the fact that the prior art references render claims 8-14 ("the Challenged Claims") of the '520 Patent obvious. Instead, Patent Owner attempts to establish an earlier priority date for the Challenged Claims, but does not fundamentally dispute that the inventor was not in possession of the claimed invention as of the earlier date because none of Patent Owner's prior patent applications ever actually or inherently disclosed the "clock means" limitation of the Challenged Claims. Patent Owner also argues, without support or evidence, that certain teachings of the Challenged Claims are absent from the prior art. The law, evidence, and teachings of the prior art references establish that all the Challenged Claims of the '520 Patent are invalid.

II. THE CHALLENGED CLAIMS ARE ENTITLED TO A PRIORITY DATE OF JULY 2, 1998

The filing date of the '520 Patent – July 2, 1998 – is the applicable priority date for the Challenged Claims because Patent Owner did not actually or inherently disclose the claimed "**clock means** for keeping a predetermined time period after said executing means starts execution of the program or data processing" at any point prior to the '520 Patent application. Exhibit 1001, '520 *Patent* at Claim 8, Fig. 12, col. 11:43-55, 15:32-34 (emphasis added). The '520 Patent claims priority as a continuation-in-part application to U.S. Patent No.

5,775,995 ("the '995 Patent").¹ However, the '995 Patent does not "actually or inherently disclose" the "clock means" recited in the Challenged Claims, and thus the '520 Patent is not entitled to the earlier priority date of any earlier patent(s). *PowerOasis, Inc. v. T-Mobile USA, Inc.*, 522 F.3d 1299, 1306-07 (Fed. Cir. 2008).

Patent Owner does not dispute that the structure corresponding to the function of the claimed "clock means" is a general purpose computer programmed to perform steps S1300, S1310, and S1350 depicted in Figure 12 and described at 11:43-55 of the '520 Patent. POR at 6-9; Paper 6 [Corrected Petition] at 21-22. Patent Owner also does not dispute that these portions of the '520 Patent specification disclosing the claim 8 "clock means" function and its corresponding structure (*i.e.*, Ex. 1001, '520 Patent at Fig. 12 and 11:43-55) are not present in the '995 Patent. Paper 6 [Corrected Petition] at 16-18.

The undisputed lack of disclosure in the '995 Patent of the claim 8 "clock means" function and structure should end the priority date inquiry. Nevertheless, Patent Owner argues that the Challenged Claims are entitled to earlier priority

¹ The '995 Patent, in turn, claims priority as a divisional application to U.S. Patent No. 5,745,744 ("the '744 Patent") that was filed on November 9, 1995, which claims priority as a continuation-in-part application to U.S. Patent No. 5,489,103. The '520 Patent also claims priority to Japanese Patent Application No. 5-108303.

(POR at 1-3) by entirely ignoring the relevant legal inquiry, which is properly stated as follows:

The question is not whether a claimed invention is an obvious variant of that which is disclosed in the specification. Rather, a prior application itself must describe an invention, and do so in sufficient detail that one skilled in the art can <u>clearly conclude that the inventor</u> invented the claimed invention as of the filing date sought.

Lockwood v. Am. Airlines, Inc., 107 F.3d 1565, 1572 (Fed. Cir. 1997) (emphasis added).

Rather than analyze what is actually disclosed in the '995 Patent, Patent Owner argues that the Challenged Claims are entitled to a priority date no later than November 9, 1995 because, during the original prosecution of the '520 Patent, claims 8-10 and 12 of the '520 Patent were rejected under the doctrine of double patenting over the '995 Patent. Ex. 1015, '520 Patent File History at May 9, 2000 Office Action, pp. 2-3; *see also* Ex. 1014, '995 Patent. This is not the proper analysis for determining priority. Patent Owner makes no effort to show possession based upon either actual or inherent disclosure in the '995 Patent as required by the proper legal standard. *Lucent Techs., Inc. v. Gateway, Inc.,* 543 F.3d 710, 719-20 (Fed. Cir. 2008) (means-plus-function claims not entitled to priority to earlier application when corresponding structure was not disclosed in the earlier application); *see also Lockwood,* 107 F.3d at 1572 ("One shows that one is 'in

possession' of *the invention* by describing *the invention*, with all its claimed limitations, not that which makes it obvious.") (emphasis added). Patent Owner's minimal statements regarding priority fail to satisfy the Patent Owner's burden to prove priority to an earlier application. *PowerOasis, Inc.*, 522 F.3d at 1305-06.

Notably, Patent Owner gives much weight to the notion that the Examiner purportedly found "common subject matter" between the '995 Patent and the '520 Patent, and purportedly found that the claims of the '520 Patent were "fully disclosed" in the '995 Patent. However, the Examiner did not find that the claim 8 "clock means" limitation of the '520 Patent application was "common subject matter" to the '995 Patent and did not specifically find that the claim 8 "clock means" structure and function of the '520 Patent application was disclosed in the '995 Patent. Rather, the Examiner's statements were limited only to the following "common subject matter": "The communication system for transmitting at least one of the program, the data, and a combination of the program and data (such as software of video games or karaoke music) from the host facility to a communication terminal device." Ex. 1015, '520 Patent File History at May 9, 2000 Office Action, p. 3. This affirms the fact that in the double patenting rejection of the '520 Patent application, the Examiner did not give any specific consideration to the claim 8 "clock means" limitation that is new to the '520 Patent.

The double patenting rejection issued against claims 8-10 and 12 of the '520 Patent is insufficient to satisfy the Patent Owner's burden of proving priority. Because the '995 Patent does not disclose the clock means function or structure corresponding to the clock means function of the Challenged Claims, the Challenged Claims are not entitled to the priority date of the '995 Patent or to the 1995 priority date of the '744 Patent to which the '995 Patent claims priority as a divisional application. Therefore, the 1996 Nishio publication discussed in the Corrected Petition (at 1, 56-68, 73-77) is prior art under 35 USC §102(b).

III. MR. KITCHEN'S DECLARATION IS CONSISTENT WITH THE PRIOR ART OF RECORD

Patent Owner attempts to disparage Mr. Kitchen's obviousness analysis by arguing that the Challenged Claims are entitled to priority back to November 9, 1995. POR at 3-6. As discussed above, Patent Owner is wrong and the Challenged Claims are not entitled to priority before July 2, 1998.

Patent Owner also argues that Tsumura's description of the state of the prior art is "inconsistent" with the state of the art as set forth in Mr. Kitchen's background. POR at 3-6. It is unclear what "inconsistencies" Patent Owner contends exist between the one paragraph of Tsumura's "Description of the Prior Art" cited by Patent Owner (*i.e.*, Tsumura at 2:20-38) and the "State of the Art" set forth in Mr. Kitchen's declaration. Tsumura was filed December 30, 1994 and claims priority to an abandoned application that was filed February 18, 1993. In contrast to Mr. Kitchen's declaration, Tsumura's description of the prior art (including the paragraph in Tsumura (at 2:20-38) cited by Patent Owner) focuses on how, as of February 1993, "the games themselves are presently designed for use only by the player or players using [a] specific game terminal" where "[u]p to now, little thought has been given to the possibility of more than one player, each in a different location, participating in the same game." Ex. 1003, Tsumura at 3:3-7; see also id. at 2:36-38 ("A player using [a commercial game] machine cannot therefore freely select the game of his choice and can play only the game for which the machine has been programmed."). Mr. Kitchen's declaration focuses on "the progression of the industry from freeware, to try-before-you-buy software, to video game rentals in hotel rooms," and how "it would have been obvious to one skilled in the art as of the Filing Date [of the '520 Patent (i.e., July 2, 1998)] to evolve the measurement and control of software usage to include the ability to disable functionality of the software based upon the time elapsed after transmission." Ex. 1011, *Kitchen Decl.* at ¶43. It is unsurprising that the two descriptions are different. They are not, however, inconsistent. For example, both Tsumura and Mr. Kitchen describe how networked delivery of game programs was known at least by 1993. Ex. 1003, *Tsumura* at 1:24-31, Ex. 1011, *Kitchen Decl.* at ¶41.

Lastly, Patent Owner states: "[U]nless the cited art actually discloses each of the claim limitations, Applicant does not believe that Mr. Kitchen's declaration should be used to reconstruct the invention based on an 'obvious to combine' mindset using 20 years of hindsight." POR at 6. Patent Owner's argument is nothing more than unsupported attorney argument and should be afforded no weight in light of the uncontradicted testimony of Mr. Kitchen. Additionally, as set forth in the Corrected Petition and as discussed in detail below, the cited art discloses each of the claim limitations, whether taken alone or in combination for each of the instituted grounds.

IV. CLAIM CONSTRUCTION

A. "Interference Means"

Patent Owner does not dispute Petitioner's proposed and adopted construction of the claim 8 "interference means." POR at 7. Patent Owner instead argues that the separately claimed limitations of "means for deleting . . . ," "means for blocking the view . . . ," "means for invalidating . . . ," and " means for preventing sound . . ." in dependent claims 11-14 need not be construed because that would result in "five different constructions." *Id.* Patent Owner is wrong – one independent claims and four dependent claims, all of which are themselves means plus function claims reciting specific functions, should have five different constructions because a dependent claim must further limit the claim from which it depends. 35 U.S.C. §112, ¶4 ("[A] claim in dependent form shall ... specific a further limitation of the subject matter claimed."). Moreover, the separate and

additional use of the term "means for" and recitation of a specific function in dependent claims 11-14 creates a rebuttable presumption that 35 USC §112, ¶6 applies. Net MoneyIN, Inc. v. VeriSign, Inc., 545 F.3d 1359, 1366 (Fed. Cir. 2008). It bears noting that the functions recited in dependent claims 11-14 are more specific than the function recited in independent claim 8 and, therefore, require a more specific structure. Thus, a proper construction must identify the specific function recited in the dependent claims and the corresponding structure in the specification for actually performing those specific functions. *Williamson v.* Citrix Online, LLC, 739 F.3d 1339, 1347 (Fed. Cir. 2015) (In enacting 35 USC §112, ¶6, "Congress struck a balance in allowing patentees to express a claim limitation by reciting a function to be performed rather than by reciting structure for performing that function, while placing specific constraints on how such a limitation is to be construed, namely, by restricting the scope of coverage to only the structure, materials, or acts described in the specification as corresponding to the claimed function and equivalents thereof."); Asyst Techs., Inc. v. Empak, Inc., 268 F.3d 1364, 1369 (Fed. Cir. 2001) ("Structural features that do not actually perform the recited function do not constitute corresponding structure and thus do not serve as claim limitations."); Generation II Orthotics, Inc. v. Med. Tech., Inc., 263 F.3d 1356, 1364 (Fed. Cir. 2001) ("When construing the functional statement in a means-plus-function limitation, we must take great care not to impermissibly

limit the function by adopting a function different from that explicitly recited in the claim.").

This is what Petitioner has done. Accordingly, the additional "means for" limitations of claims 11-14 should be construed as set forth in the Corrected Petition and adopted by the PTAB in the CBM Institution Decision for the '520 Patent. Paper 6 [Corrected Petition] at 22-24; Paper 10 [Institution Decision] at 10.

B. "at least one of the program, the data, and a combination of the program and data"

As set forth in the Corrected Petition, Patent Owner has taken contradictory positions regarding the meaning of "at least one of the program, the data, and a combination of the program and data." Paper 6 [Corrected Petition] at 28-32. In this proceeding, Patent Owner appears to abandon the constructions it proffered in related inter partes reexamination Control Nos. 95/001234 and 95/001237 (i.e., that "the applied reference must teach a system capable of transmitting separate 'program' and 'data,' and also a 'combination of program and data'" (see Ex. 1024, Reexam 95/001234 Patent Owner Appeal Br. at 7)) and now agrees that Petitioners' construction of the term is proper. Paper 6 [Corrected Petition] at 29-32, POR at 8. Namely, "at least one of the program, the data, and a combination of the program and data" should be construed to mean "a program, or data, or a combination of the program and data" (POR at 8 (emphasis added)) or, put another way, "the program and/or the data" (Paper 6 [Corrected Petition] at 28 (emphasis

original)). Patent Owner does not dispute that the prior art teaches the limitation under this construction as set forth in the Corrected Petition.

V. CLAIMS 8, 11, 13, AND 14 ARE OBVIOUS OVER CHERNOW IN VIEW OF TSUMURA

A. Tsumura Teaches the "Clock Means" of Claim 8, as Properly Construed

Patent Owner does not dispute Petitioners' proposed and adopted construction of "clock means." POR at 6-9. Namely, the recited function is "keeping a predetermined time period after said executing means starts execution of the program or data processing." Ex. 1001, '520 Patent at 15:32-34; Paper 6 [Corrected Petition] at 21-22. The disclosed structure for performing the function is a general purpose computer programmed to perform steps S1300 ("read starting time of data use"), S1310 ("read current time and calculate elapsed time"), and S1350 ("second time period elapsed?") depicted in Figure 12 and described at 11:43-55. Paper 6 [Corrected Petition] at 21-22. Yet, Patent Owner argues: "[T]here is no teaching in Tsumura for a clock means to associate a time period with a *start* of execution and to keep a predetermined time period after it starts." POR at 9 (emphasis original). Patent Owner provides no support or analysis for its apparent interpretation and there is no support in the specification for requiring the clock means to "associate a time period with a start of execution."

As set forth in the Corrected Petition, Tsumura teaches the "clock means" of claim 8, as properly construed. *Id.* at 37-39. Namely, Tsumura discloses allocating an amount of "playing time" corresponding to the amount of money a player pays, where the remaining time is "counted down" as the player proceeds with the game. Ex. 1003, *Tsumura* at 9:34-39. Tsumura also discloses that if a user does not pay an additional fee "before a predetermined length of time has elapsed" the game will be discontinued. *Id.* at 9:56-10:4. Tsumura discloses the structure for performing the function as a CPU programmed to calculate the unit time and determine when the predetermined length of time has elapsed. *Id.*

Further, the PTAB has previously determined that Tsumura teaches the claim 8 "clock means." During the prior *ex parte* reexamination proceeding Control Nos. 90/009524 and 90/010666 ("Prior Reexams"), claim 1 was amended to include a "second clock means for keeping a second predetermined time period after said executing means starts execution of the program or data processing" (a limitation that is substantively identical to the "clock means" limitation of claim 8). *Compare* Ex. 1010, *Reexam 90/010666* at Nov. 2, 2011 Appeal Br., pp. 23-24 *with* Ex. 1001, *'520 Patent*, Claim 8. The Examiner rejected amended claim 1 as obvious over Chernow in view of Tsumura, specifically citing Tsumura for teaching the "second clock means" limitation. Ex. 1010, *Reexam 90/010666* at

Apr. 5, 2012 Examiner's Answer, pp. 12-13 (citing Ex. 1003, *Tsumura* at 9:56-65).

On appeal, the PTAB sustained the rejection of claim 1 and stated:

For a teaching of a clock for measuring a predetermined time period *after the executing means starts execution* of the received program or data processing and a teaching of interference means responsive to the clock, the Examiner (Final Action 15) relies on the following passage in Tsumura: "In the case of games like role playing games that can take a long time to play, . . . it would be desirable to incorporate an additional charge facility that would function automatically at fixed intervals during the course of a game. *The CPU's 71 internal clock, for example, could be used to calculate the unit time and to call for the insertion of an additional fee before a predetermined length of time has elapsed, and to cause the game to be discontinued as soon as that length of time has elapsed if the required additional fee has not been paid." <i>Id.* at 9:56-65 (emphasis added). Appellant does not deny that Tsumura describes measuring a predetermined time period after the start of execution of the received program.

Ex. 1010, *Reexam 90/010666* at Jan. 11, 2013 PTAB Decision, p. 36 (emphasis in original decision); *see generally id.* at 33-38. Accordingly, Tsumura teaches the claim 8 "clock means" limitation.

B. Chernow and Tsumura Are Properly Combinable

First, Patent Owner appears to argue that because Challenged Claims 8, 11, 13-14 are purportedly entitled to a priority date of November 9, 1995, and Mr. Kitchen's obviousness determination was not based on this date, Chernow and

Tsumura are purportedly not combinable. POR at 10. As discussed in Section II *supra*, none of the Challenged Claims are entitled to priority before July 2, 1998. Patent Owner does not otherwise disagree with the fact that Chernow and Tsumura are properly combinable and that one of skill in the art would have been motivated to combine them.

Indeed, during the Prior Reexams (where the Examiner relied upon a May 10, 1993 priority date for the '520 Patent claims), the Examiner found that it would have been obvious to combine Chernow and Tsumura to render invalid now canceled claim 1 (which identically includes all of the limitations of claim 8 of the '520 Patent) and found that one of skill in the art would have been motivated to do so:

It would have been obvious to one of ordinary skill in the art at the time of invention to implement the software distribution system of Chernow with blocking/interfering with software execution with an additional clock which counts after the execution means starts and ultimately allows for interference of the execution means base[d] on its count as found in Tsumura's teaching. This implementation would have been obvious because one of ordinary skill in the art would be motivated: 1) by the desirability to incorporate an additional charge facility (Tsumura: column 9, line 58) to expand the usage of the type of games/software/data (Tsumura: column 9, lines 56-60, ...) ; 2) to make software or game usage commercially viable by used by terminals (Tsumura: column 3, lines 26-40); 3) to further the goals of

selling and distributing software (Tsumura: column 1, line 65 to column 2, line 2); and 4) by both Chernow and Tsumura teaching transmitting data from a distribution center with known elements being combinable in known ways to produce predictable results.

Ex. 1010, *Reexam 90/010666* at Apr. 5, 2012 Examiner's Answer, pp. 13-14. On appeal, the PTAB sustained the rejection of claim 1, finding that Patent Owner had not identified any error in the Examiner's rationale for combining the teachings of Chernow and Tsumura or shown that the combined teachings fail to satisfy the claim requirements. *Id.* at Jan. 11, 2013 PTAB Decision, pp. 32-38.

Second, without any further analysis, Patent Owner states: "Mr. Kitchen's declaration correlates Chernow's lease period with the predetermined time period, which totally dismisses that Claim 8 recites 'a clock means . . .' and 'the interference means'' Patent Owner mischaracterizes the opinions of Mr. Kitchen and the manner in which Chernow and Tsumura are combined to render claim 8 obvious. Ex. 1011, *Kitchen Decl.* at ¶¶72-79. One cannot show nonobviousness by attacking references individually where, as here, the rejection is based on a combination of references. *In re Keller*, 642 F.2d 413, 426 (C.C.P.A. 1981).

The substantively undisputed opinions of Mr. Kitchen, in addition to the PTAB's prior determinations, support a finding that the combination of Chernow and Tsumura renders claim 8 obvious.

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C. Claims 11, 13, and 14 Are Obvious Over Chernow in view of Tsumura

Patent Owner primarily argues: "Mr. Kitchen's declaration does not appear to address the limitation recited in [Claims 11, 13, and 14] with respect to Tsumura and Chernow." POR at 11, 12. However, as set forth in Section IV of Mr. Kitchen's declaration, Mr. Kitchen's obviousness analysis is with respect to claims 8, 11, 13, and 14. Ex. 1011, *Kitchen Decl.* at Section IV (entitled "Claims 8, 11, 13 and 14 would have been obvious in light of Chernow in combination with Tsumura"), ¶¶72-79. Further, as set forth in Mr. Kitchen's declaration, Mr. Kitchen opines: "it would have been obvious to one of skill in the art as of the Filing Date [July 2, 1998] to combine Chernow and Tsumura." Ex. 1011, *Kitchen Decl.* at ¶74. Patent Owner fails to provide any evidence to the contrary and fundamentally does not dispute that Chernow and Tsumura are properly combinable or that one of skill in the art would have been motivated to combine them.

With respect to claim 13, Patent Owner additionally argues that the Board has already determined that Chernow does not teach "said interference means comprises means for invalidating an operation on said input device." POR at 11 (citing Ex. 1010, *Reexam 90/010666* at Jan. 11, 2013 PTAB Decision, p. 32). Petitioners acknowledged the PTAB's prior determination when construing the limitation in question. Paper 6 [Corrected Petition] at 23-24. Accordingly,

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Petitioners rely on Tsumura for teaching the limitation of claim 13, not Chernow. *Id.* at 42.

Namely, Chernow discloses that the user's keyboard is deactivated (i.e., invalidating operation) under certain circumstances. See, e.g., Ex. 1002, Chernow at 8:11-12. Chernow also discloses that "[a]t the conclusion of the term of use, the software renders itself unusable or erases itself from the user's disk." Id. at 5:16-19. Chernow, however, does not disclose how the software "renders itself unusable" or that the keyboard is deactivated for this purpose. Instead, Chernow is combined with Tsumura, which discloses that a user can pay for an "amount of time" (Ex 1003, Tsumura at 9:34-39) to play a downloaded game, after which the game will pause and the user will be prompted to insert an additional fee (id. at 9:65-10:4). Tsumura also specifically discloses that the input device is only enabled once a user has paid an appropriate amount of money. Id. at 9:24-29 ("Since the insertion of a suitable coin or coin into the machine will enable key input, it will now be possible for, the player to use input keys 73 to select the game he or she wishes to play...."). As such, Tsumura discloses a CPU for disabling the operation of an input device after an amount of time has elapsed and the game is paused. Accordingly, the combination of Chernow and Tsumura teach the limitation of claim 13, as properly construed, and Patent Owner does not dispute the same.

With respect to claim 14, Patent Owner states that Chernow in view of Tsumura "merely teach that there are audio units to enable the game to proceed" and therefore does not teach the limitations of claim 14. POR at 12. Patent Owner does not provide a meaningful distinction between the prior art and the claimed invention. Chernow discloses that software, such as a game, is executed on a user's computer. Ex. 1002, Chernow at 4:68-5:19. Similarly, Tsumura discloses that a "game is [] played with the help of the data processing device 37." Ex. 1003, Tsumura at 5:15-16; see also id. at 6:47-51 (game data is "accessed by the data processing device 37 in order to play the game"). Further, Tsumura discloses that the "output [of data processing device 37] is connected to the display and sound production device (not shown in the drawing) by way of an output terminal 38" (Ex. 1003, Tsumura at 6:10-14) and that "38 is an output terminal which outputs both display and audio signals to externally connected visual display and audio units to enable the game to proceed" (id. at 4:50-52). Thus, the combination of Chernow and Tsumura teach generating predetermined sounds in accordance with the progress of execution of the program or data processing, as required by claim 14.

Further, the PTAB has already determined that Chernow teaches the "means for preventing said sound generating means from generating the sound" of claim 14. Ex. 1010, *Reexam 90/010666* at Jan. 11, 2013 PTAB Decision, p. 47 (citing to *id*. at Apr. 5, 2012 Examiner's Answer, p. 56).

As Patent Owner does not raise any other issues with respect to the application of Chernow in view of Tsumura to claims 8, 11, 13, and 14, Petitioners respectfully request that the Board cancel these claims.

VI. CLAIMS 9 AND 10 ARE OBVIOUS OVER CHERNOW IN VIEW OF TSUMURA IN FURTHER VIEW OF KATO

Without support, PO argues: "Kato fails to remedy Chernow and Tsumura's failure to disclose 'a second clock means ...' and 'alarms [sic] means'." POR at 13. PO's unsubstantiated statement rings hollow. As set forth in the Petition, Kato teaches the limitations in question and it would have been obvious to combine Chernow, Tsumura, and Kato. Paper 6 [Corrected Petition] at 67-72.

Additionally, the Examiner in the Prior Reexams has already determined that Kato teaches the "clock means" and "alarm means" limitations of claim 9 (which are identical to the limitations of now canceled dependent claim 2). Ex. 1010, *Reexam 90/010666* at July 6, 2011 Final OA, pp. 28-29, 30-31. For example, the Examiner found: "Kato demonstrated that it was known at the time of invention to count a short time period in order to provide an alarm before an action (Kato: page 28, last line to page 29, line 3)." *Id.* at p. 28; *see also id.* at Apr. 5, 2012 Examiner's Answer, pp. 25-26, 29-30; Ex. 1009, Kato at 28-29. Patent Owner did not previously refute that Kato teaches the "clock means" and "alarm means"

limitations of the dependent claims. Ex. 1010, *Reexam 90/010666* at Jan. 11, 2013 PTAB Decision, pp. 45, 47; *Id.* at Nov. 2, 2011 Appeal Br., pp. 18, 20. On this record, the PTAB determined that claims 2 and 3, which are identical to claims 9 and 10 (respectively) except that claims 2 and 3 include an additional "clock means" limitation, are obvious over the combination of Chernow, Tsumura, and Kato. *Id.* at Jan. 11, 2013 PTAB Decision, p. 48; *also compare id.* at Nov. 2, 2011 Appeal Br., pp. 23-24 *with id.* at pp. 25-27. The same should hold true here.

VII. CLAIMS 12 AND 14 ARE OBVIOUS OVER CHERNOW IN VIEW OF TSUMURA IN FURTHER VIEW OF NISHIO

Patent Owner primarily argues that Nishio is "impermissible prior art." POR at 13. As set forth in Section II *supra*, Patent Owner is wrong and Nishio is prior art under 35 USC §102(b).² Without support or analysis, Patent Owner also states that Nishio does not teach the limitations of claims 12 and 14. POR at 13. Patent Owner's facially and substantively baseless allegations are controverted by the express teaching of Nishio. Paper 6 [Corrected Petition] at 72-76. Specifically, Nishio discloses that after the user reaches the usage limit, a display prevention device overlays image patterns over a displayed video signal, while continuing to

² Patent Owner's priority argument also fails for at least claim 14 because claim 14 was not subject to a double patenting rejection over the '995 Patent. Ex. 1015, '520 *Patent File History* at May 9, 2000 Office Action, p. 3.

output the normal audio signal (i.e., blocking the view on the screen). *See, e.g.*, Ex. 1007, *Nishio* at p. 9(¶1), p. 10(¶9), Fig. 7. Nishio also discloses that after the user reaches the usage limit, the audio signal may be turned "off" (thereby preventing sound), while the image signal continues normally. *See, e.g., id.* at p. 14(¶7), p. $15(\P\P13-14)$, Fig. 13.

VIII. CLAIMS 8-11 AND 13-14 ARE OBVIOUS OVER OKAMOTO IN VIEW OF TSUMURA

Patent Owner vaguely states: "As discussed above, Tsumura fails to teach the limitations in Claims 8-11 and 12-14." POR at 14. It appears that the only "limitation" Patent Owner contends is missing from Tsumura, as it is applied in the combination of Okamoto and Tsumura, is with respect to the "clock means" limitation. As discussed in Section V.A *supra*, Tsumura teaches the claim 8 "clock means" limitation, as properly construed, and the PTAB has already determined the same. Okamoto in view of Tsumura render claims 8-11 and 13-14 obvious. Paper 6 [Corrected Petition] at 43-55.

IX. CLAIMS 8-9, 11-12, AND 14 ARE OBVIOUS OVER OKAMOTO IN VIEW OF NISHIO

Patent Owner argues only that Nishio is "impermissible prior art." POR at 14. As set forth in Section II *supra*, Patent Owner is wrong and Nishio is prior art

under 35 USC §102(b).³ Okamoto in view of Nishio render claims 8-9, 11-12, and

14 obvious. Paper 6 [Corrected Petition] at 55-67.

X. CONCLUSION

Based on the foregoing, Petitioners request that the Board cancel claims 8-14 of the '520 Patent.

Date: January 5, 2016

Respectfully submitted, ERISE IP, P.A.

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³ Patent Owner's priority argument also fails for at least claims 11 and 14 because these claims were not subject to a double patenting rejection over the '995 Patent. Ex. 1015, '520 Patent File History at May 9, 2000 Office Action, p. 3.

CERTIFICATE OF SERVICE ON PATENT OWNER <u>UNDER 37 C.F.R. § 42.105(a)</u>

Pursuant to 37 C.F.R. §§ 42.6(e) and 42.105(b), the undersigned certifies that on January 5, 2016, a complete and entire copy of Petitioner's Reply was served by electronic mail to Counsel for Patent Owner at the addresses identified below:

John E. Whitaker Marcia Tunheim Whitaker Law Group Seattle Tower 1218 Third Avenue Suite 1809 Seattle, WA 98101 john@wlawgrp.com

Respectfully submitted,

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