

RECORD OF ORAL HEARING  
UNITED STATES PATENT AND TRADEMARK OFFICE  
- - - - -  
BEFORE THE PATENT TRIAL AND APPEAL BOARD  
- - - - -

MICROSOFT CORPORATION  
Petitioner  
v.  
SURFCAST, INC.  
Patent Owner  
- - - - -

Cases IPR2013-00292, IPR2013-00293, IPR2013-00294,  
and IPR2013-00295  
Patent 6,724,403  
Technology Center 2100  
- - - - -

Record of Oral Hearing  
Hearing Held: July 10, 2014

Before: MICHAEL P. TIERNEY, JONI Y. CHANG, MATTHEW R. CLEMENTS,  
*Administrative Patent Judges.*

The above-entitled matter came on for hearing on  
Thursday, Thursday, July 10, 2014, at 2:02 p.m., Hearing Room  
A, at the U.S. Patent and Trademark Office, 600 Dulany  
Street, Alexandria, Virginia.

1 APPEARANCES:

2  
3 ON BEHALF OF THE PETITIONER:

4  
5 JEFFREY P. KUSHAN, ESQ.

6 JOSEPH MICALLEF, ESQ.

7 WONJOO SUH, ESQ.

8 SCOTT BORDER, ESQ.

9 RICK CEDEROTH, ESQ.

10 Sidley Austin LLP

11 1501 K Street, N.W.

12 Washington, D.C. 20005

13 202-736-8914

14  
15 STACY QUAN

16 ANDY CULBERT

17 Microsoft Corporation

18  
19 ON BEHALF OF THE PATENT OWNER:

20  
21 RICHARD G.A. BONE, ESQ.

22 VLP Law Group LLP

23 2225 E. Bayshore Road, Suite 200

24 Palo Alto, CA 94303

25 650-419-2010

1           ON BEHALF OF THE PATENT OWNER (Continued):

2  
3           JAMES M. HEINTZ, ESQ.

4           GIANNI MINUTOLI, ESQ.

5           KATHRYN RILEY GRASSO, ESQ.

6           DLA Piper

7           One Fountain Square

8           11911 Freedom Drive, Suite 300

9           Reston, Virginia 20190

10          703-773-4148

11          OVID SANTORO, CEO

12          TOM DECHAENE, CFO

13          SurfCast, Inc.

1                   P R O C E E D I N G S

2   (2:02 p.m.)

3           JUDGE TIERNEY: Welcome, everyone. This is  
4 today's hearing for IPR 2013-00292, 293, 294 and 295. If the  
5 parties would introduce themselves, starting with the  
6 Petitioner first.

7           MR. KUSHAN: Yes. Jeff Kushan, Sidley Austin, and  
8 my partner, Joe Micallef. And with us we have several  
9 counsel from Microsoft as well as a couple of our associates,  
10 Wonjoo Suh and Scott Border from Sidley, and Stacy Quan and  
11 Andy Culbert from Microsoft.

12          JUDGE TIERNEY: Welcome.

13          MR. KUSHAN: And, I'm sorry, Rick Cederoth from  
14 the firm as well.

15          JUDGE TIERNEY: And from the Patent Owner.

16          MR. BONE: I am Richard Bone, lead counsel for  
17 Patent Owner SurfCast. My backup lead counsel is Jim Heintz  
18 from DLA Piper.

19          Behind me are Ovid Santoro, inventor of the '403  
20 patent and the chief executive officer of SurfCast  
21 Corporation; Tom Dechaene, chief financial officer of  
22 SurfCast Corporation, and colleagues from DLA Piper, Katy  
23 Riley Grasso and Gianni Minutoli.

24          JUDGE TIERNEY: Welcome. For today's hearing do  
25 the parties have any order that they would want to go in?

1 Have the parties conferred on this issue?

2 MR. KUSHAN: I think in your order you set out the  
3 sequence we are supposed to follow.

4 JUDGE TIERNEY: Yes, but do the parties have any  
5 changes?

6 MR. KUSHAN: No.

7 MR. HEINTZ: We have not conferred. We plan on  
8 following the default order, Your Honor.

9 JUDGE TIERNEY: That works well for me. All  
10 right. If the parties would begin then, starting with the  
11 Petitioner first.

12 MR. KUSHAN Sure. Thank you.

13 JUDGE TIERNEY: And do you wish to reserve any  
14 time today?

15 MR. KUSHAN: Yes. We are going to try to reserve  
16 about a third of our time. I think there are some logistics  
17 that we will go through in the hearing, but our intent is to  
18 reserve about a third of the time we are allotted for  
19 rebuttal.

20 Your Honors, this case presents a fact pattern  
21 which, when you look at the conduct of the Patent Owner  
22 throughout the proceeding, tells a story.

23 And here what I want to do is walk through just at  
24 a high level the things that we think are notable about the  
25 sequence of arguments that you have seen come in. And then

1 I am going to turn it over to my partner Jim Micallef to go  
2 through the individual grounds of unpatentability.

3 The Board found the claims unpatentable for a  
4 variety of reasons, anticipation and obviousness over the  
5 prior art.

6 In response to that determination, the Patent  
7 Owner came in and presented arguments, many of which were  
8 based on constructions that they advanced, which you do not  
9 adopt in your decision to institute trial.

10 Along with that they filed an amendment, a first  
11 amendment, where they again sought to present through their  
12 amendment different meanings of their claims, but not all of  
13 the issues that were engaged in the decision that instituted  
14 trial.

15 We responded to that amendment. We responded to  
16 their arguments. And in response to that, they came back  
17 with a second amendment. And in their second amendment, you  
18 know, we responded in the first amendment that the first  
19 amendment was insufficient. It didn't address the  
20 patentability issues we had raised with the original claims.

21 We also pointed out new defects that had been  
22 introduced into the written description. The second  
23 amendment did not cure those problems with patentability, did  
24 not cure the issues that we had raised with the patentability  
25 over the prior art. And we also flagged, in response to that

1 second amendment, additional new written description defects.

2 So after two claim amendments, in addition to  
3 that, Patent Owner has suggested, in addition to all of those  
4 efforts to work around the claim language, that you now  
5 abandon the construction standard you used as set forth in  
6 your rule.

7 When we step back and look at that sequence as a  
8 whole, what we take away from it is a very clear message that  
9 the prior art is very strong, and we think that the grounds  
10 that you instituted on have been fully supported by the  
11 record of evidence and there is not sufficient evidence to  
12 change your decision now.

13 As we go through the argument today, I want to  
14 flag one administrative issue. At the end of the briefing,  
15 the Patent Owner suggested that they would like to present  
16 arguments on the broadest reasonable construction standard  
17 and why you should not follow it.

18 In the sequence of the briefing, we may actually  
19 have to address that before we hear it. So what we will try  
20 to do when we address our rebuttal, we will address some of  
21 our views on that standard.

22 But, to the extent we have time left after they  
23 have made their arguments that we haven't heard yet on  
24 broadest reasonable construction, we would ask for a little  
25 bit of latitude to come in at the very end and address that

1 one issue.

2 I will leave it to my partner now to go through  
3 the grounds of patentability.

4 MR. MICALLEF: Good afternoon. Joe Micallef for  
5 the Petitioner Microsoft. I am going to go through the  
6 grounds for patentability and then, when I get through them  
7 and if there are no more questions at that point, I will  
8 reserve whatever time we have left for our rebuttal.

9 So the patentability issues involve four primary  
10 references: Duhault II, Chen, the MSIE Kit publication and  
11 the Duperrouzel patent.

12 The Board instituted this trial on seven separate  
13 grounds. I will walk through them in order except I will do  
14 5 and 7 together at the end because they are similar.

15 First, just a quick bit on the '403 patent. It  
16 discloses an array, or grid of tiles, an array of tiles in  
17 the claims, as it is expressed, linked to various information  
18 sources, including a website, for example, and refresh rates  
19 are used to periodically refresh the information.

20 There are three independent claims. I am not  
21 going to spend a lot of time on them here because I don't  
22 think that the arguments are claim-specific for the most  
23 part, but I did want to stop on one part of the specification  
24 that appears to be somewhat relevant to the arguments being  
25 made, and that is column 9, where this "when selected"



1 language appears.

2 This is column 9, I have slide 9 on the screen,  
3 column 9, beginning at line 25: "When a tile is selected,  
4 whether by mouse click or otherwise, the tile instantly  
5 provides the user with access to the underlying information."

6 And I will note that at a different portion of the  
7 patent in column 8, the patent points out that the underlying  
8 information is the information that is displayed in the tile,  
9 the information to which the tile gives a view.

10 Now, underneath that paragraph are two examples of  
11 this kind of access that the '403 patent puts out. The first  
12 one is clicking on a tile will cause the tile to refresh.

13 So that's an example of, when selected, the tile  
14 provides access to the underlying information.

15 The second example here -- there is really a  
16 couple examples but they are very similar -- it is double  
17 clicking on the tile in one embodiment will cause the tile to  
18 resize or get bigger and thereby provide additional access to  
19 the underlying information, or in another embodiment you  
20 could double click on the tile and the tile will enlarge to  
21 the whole display.

22 Okay. So let me talk about, and I will run  
23 through these, let me talk about the first ground, ground 1,  
24 that Duhault anticipates a number of claims in the '403  
25 patent.

1           The Duhault patent discloses a grid of video  
2 images in a system that has two tuners. The patent states  
3 that the tuners can be assigned to different portions of the  
4 grid. For example, in the example I have here on slide 14,  
5 column 3, it states that one tuner would refresh images 142  
6 through 149, and then the other tuner would refresh at a full  
7 motion video rate image 141, and the patent states that the  
8 user can select which one to be given the full motion video,  
9 among other things.

10           The Board instituted on Duhault 2, pointing to  
11 exactly that functionality, that the user can select a video  
12 image, and, for example, receive periodic full motion video  
13 in the selected tile.

14           So what did the Patent Owner respond after  
15 institution on this ground? The first argument they made in  
16 their response at page 36, and I am on slide 16, they assert  
17 that this is an argument based on the Board's construction,  
18 and they say that the video images of Duhault II are not  
19 tiles, because they are not assigned individual refresh  
20 rates.

21           The first problem with that, Your Honors, is  
22 that's not the Board's construction. They ask the Board to  
23 adopt the assigned individual refresh rates, and the Board in  
24 the institution decision explicitly declined to adopt that.

25           I have here on slide 17 the portion of the

1 institution decision that says that, and below that is the  
2 Board's actual interpretation of tile.

3 Now, the second argument is sort of similar. The  
4 Patent Owner says that Duhault II video images are not tiles  
5 as construed by the Board, again, they write, because they  
6 are not selectable to provide access to an information  
7 source. However, once again, that is not the Board's  
8 interpretation. They ask --

9 JUDGE TIERNEY: Let's stop there. You say that's  
10 not the Board's interpretation. That was the Board's  
11 interpretation based upon the record at that time.

12 Are you saying the Board will have to maintain  
13 that position at this time even though the evidence has  
14 changed in the record?

15 MR. MICALLEF: As I understand the rules, the  
16 Board can revisit the interpretation, the rules of the Board.

17 However, as I understand the law of claim  
18 interpretation, claim interpretation is supposed to be based  
19 on the intrinsic record, the words of the claim,  
20 specification and the file history.

21 The only thing they have provided -- and obviously  
22 those things have not changed since the date of the  
23 institution decision -- the only information they have  
24 provided to add to that record since the institution decision  
25 are the opinions of a paid litigation expert.

1           Now, there is nothing wrong with being a paid  
2   litigation expert, we all use them, but that is, as we all  
3   know, extrinsic evidence. And it is, I would submit to you,  
4   the least persuasive type of extrinsic evidence because it is  
5   not objective in any way. At least a dictionary is written  
6   by somebody who doesn't have an interest in the litigation.

7           But whether or not, even if they put up a  
8   dictionary it wouldn't matter because the law of the Federal  
9   Circuit is pretty clear. You cannot use the extrinsic  
10  evidence to contradict the intrinsic record.

11          The Board has construed these claims based on the  
12  intrinsic record. They haven't identified anything in the  
13  intrinsic record that makes the Board's interpretation not  
14  the broadest reasonable interpretation consistent with that  
15  specification.

16          And I would submit that their asking you to alter  
17  your interpretation based on nothing but expert testimony is  
18  just an invitation to error.

19          Did I answer your question?

20          JUDGE TIERNEY: I would appreciate it if you could  
21  focus on the intrinsic evidence rather than just having what  
22  the Board said it was deciding on a preliminary record.

23          MR. MICALLEF: Absolutely. Let me do that right  
24  now then, Your Honor.

25          Let me just jump ahead, Your Honor. So let's look

1 at that interpretation of tile, the Board's interpretation of  
2 tile, and in particular the specific language that we were  
3 talking about.

4 The Board chose this language: When selected,  
5 provides access to an information source.

6 And that language right there is almost directly  
7 out of column 9 of the specification, which says when a tile  
8 is selected, whether by mouse click or otherwise, the tile  
9 instantly provides the user with access to the underlying  
10 information.

11 So right away it is clearly the Board's  
12 interpretation is consistent with the specification. Is it  
13 reasonable? Well, I think the fact that it is so consistent  
14 confirms it is reasonable, but they have never argued it is  
15 not reasonable.

16 So is it the broadest reasonable interpretation  
17 consistent with the specification? Well, certainly according  
18 to them it is because they say the other interpretation  
19 distinguishes the prior art.

20 So I think we have confirmed that what the Board  
21 has done with tile is to adopt the broadest reasonable  
22 interpretation consistent with the specification. That's the  
23 rule. That's the law. And I think that should be the end of  
24 it, that that's the proper interpretation.

25 So if I go back, if I can find my place on

1 Duhault. So, again, they make this argument. They say it is  
2 the Board's interpretation. It was not at the time and it is  
3 not at least as of today.

4 The next argument they make is that the video  
5 images of Duhault are not persistent. Again, they argue that  
6 in their preliminary papers and the Board declined to adopt  
7 that.

8 The only other argument they make on most of the  
9 claims is that in Duhault there is some image from the video  
10 stream being displayed before that image gets selected and  
11 moves into full motion video.

12 But I questioned Mr. Santoro, one of the  
13 inventors, on exactly that, and I questioned him about tiles  
14 in the context of the '403 patent, and he agreed with me that  
15 the tiles disclosed in the patent, they do the same thing.  
16 They show you, give you a view of the information source  
17 before being selected and then, when selected, they give some  
18 other access to it.

19 So this argument is completely inconsistent and  
20 would distinguish everything disclosed in the specification.

21 Finally, there were a handful of dependent claims  
22 that they argued in their response are distinguishable from  
23 Duhault but they didn't have any evidence to support that, so  
24 our expert of course argued otherwise.

25 So the preponderance of the evidence there goes

1 one way, and we would submit Duhault renders all of those  
2 claims anticipated.

3 So let me go to ground 2, anticipation of the Chen  
4 patent of a number of claims. Chen discloses a grid of what  
5 Chen calls instruments, which give a view of information from  
6 a remote industrial process. And I am on slide 25 in the  
7 presentation. The instruments are refreshable on a periodic  
8 basis.

9 And as the Board found in the institution  
10 decision, Chen discloses that individual instruments may be  
11 selected or unselected. And when they are selected, they  
12 provide the user the ability to record the information feed  
13 from the remote information sources and, therefore, satisfy  
14 the "when selected" language of the Board's tile  
15 interpretation.

16 Now, Patent Owner makes two arguments. First of  
17 all, they argue without any evidentiary support that the  
18 portions of Chen relied on by the Board are from disparate  
19 references and, therefore, under Net Moneyin, that can't be  
20 anticipation.

21 But I think that's an overstatement of the law, as  
22 we argued in our brief, but even aside from that Dr. Karger  
23 has confirmed that all of those portions that the Board  
24 relies on are from the preferred embodiment of Chen, so  
25 that's incorrect.

1           Next they make this argument, well, I guess it is  
2 really two arguments, that the Chen instruments are not  
3 persistent and they don't satisfy the when selected.

4           Once again, persistence is not a requirement of  
5 the claim. And the portion of Mr. Weadock's declaration that  
6 the Patent Owner cites actually says neither of those things.  
7 And we pointed out in our papers that Dr. Karger confirmed  
8 that the instruments are, in fact, persistent in Chen.

9           Now, as far as when selected, there doesn't seem  
10 to be any disagreement that for a selected instrument in Chen  
11 the user has the ability to record information from the  
12 remote information source.

13           And we submit that under the broadest reasonable  
14 interpretation, if you are provided the ability to record  
15 information from an information source, you have been  
16 provided access to that information source.

17           And that is what the Board has found, and I think  
18 under the broadest reasonable interpretation there is really  
19 no way around that.

20           Okay. Let me move up to ground 3, which is the  
21 combination of Chen and the password functionality of MSIE  
22 Kit rendering claim 29 obvious. That's the only claim at  
23 issue on this ground.

24           Claim 29 essentially adds the password to the  
25 tiles of claim 22. Now, the Board's rationale for this



1 interpretation is that all this combination is doing is  
2 putting together known elements for their known purpose to  
3 achieve predictable results.

4 And I point that out for a reason. The reason is  
5 that, in response, the Patent Owner does not dispute that.  
6 They don't dispute that all we are doing here is taking known  
7 elements, using them for their known purposes, and achieving  
8 predictable results.

9 So the Board's rationale for that combination is  
10 undisputed and should be the end of the matter. However, the  
11 Patent Owner does say that these two pieces of prior art are  
12 directed towards very different purposes. That's their  
13 argument. And they rely on three paragraphs from their  
14 expert, Mr. Weadock, in his Exhibit 2004.

15 So let's just take a look at those. The first two  
16 paragraphs -- and I'm on slide 36 -- 108 and 109 are a little  
17 puzzling, because it seems that Mr. Weadock is confused.

18 Here he says I can't tell what from MSIE Kit you  
19 want to combine with the instruments of Chen. Of course, in  
20 our petition, in Dr. Karger's report, in the Board's  
21 institution decision, it was the password functionality.

22 So it is clear that Mr. Weadock is a little  
23 confused there.

24 The other paragraph they cite, 111, is in some  
25 ways more interesting and perhaps more important here.

1 Mr. Weadock is of the opinion that when two prior art  
2 references are directed to the same problem in the art, that  
3 that is not sufficient reason to combine those two prior art  
4 references.

5 And there is no question that he agrees that these  
6 two prior art references are directed to the same problem. I  
7 asked him that.

8 I also asked him this question, and I am now  
9 looking at slide 38, and on top, of course, I have a quote  
10 from the Supreme Court's opinion in KSR in 2007: "Under the  
11 correct analysis, any need or problem known in the field of  
12 endeavor at the time of invention and addressed by the patent  
13 can provide a reason for combining the elements in the manner  
14 claimed."

15 Well, I basically asked Mr. Weadock that on  
16 cross-examination: "And so would you agree that any need or  
17 problem in the field and addressed by the patent at issue  
18 here can provide a reason to combine?" Answer: "No."

19 Mr. Weadock is not allowed to make up his own law.  
20 He is applying his view of what obviousness is and not the  
21 Supreme Court's view. And I submit that all of his  
22 obviousness opinions have to be rejected because of that. He  
23 is just not allowed to apply his own law.

24 JUDGE TIERNEY: Are you saying his underlying  
25 facts are to be rejected because his conclusions of law are

1 incorrect?

2 MR. MICALLEF: Well, obviousness is a conclusion  
3 of law and he has conclusions about things being non-obvious.  
4 So I am saying that his opinions on non-obviousness should be  
5 rejected because he is applying the wrong analysis.

6 JUDGE TIERNEY: I understand you are saying his  
7 ultimate conclusions, but what you need to look at as  
8 findings of act, is it expert testimony as a fact finder.

9 MR. MICALLEF: I agree with that, Your Honor. I  
10 agree with that. I am merely pointing out his misuse of the  
11 law, misapplication of the law.

12 JUDGE TIERNEY: We are familiar with the case law.

13 MR. MICALLEF: Okay. So I will move to ground 4,  
14 that the MSIE Kit publication anticipates a number of claims.

15 MSIE Kit, of course, discloses that, the Microsoft  
16 Internet Explorer kit discloses various aspects of Internet  
17 Explorer 4.0. The most relevant here, the Active Desktop  
18 item functionality that was in that software.

19 And Active Desktop items are tiles that can be  
20 displayed on the desktop, that can be linked to various  
21 websites or other files and could include hyperlinks or hot  
22 spots that would permit the user to click on a portion or  
23 even all of the Active Desktop item to receive more  
24 information from the linked file.

25 MSIE Kit expressly says that by default Internet

1 Explorer lays out new Active Desktop items on a 3-by-2 grid.  
2 And the ability to click on a link and open up a new browser  
3 window was the functionality that the Board pointed to in the  
4 institution decision for finding that Active Desktop items  
5 satisfied the tile interpretation in 4.

6 Now, the Patent Owner's response to this was that  
7 the Active Desktop items themselves do not provide access to  
8 an information source when selected. Their view appears to  
9 be that the hyperlinks or hot spots provide the access to the  
10 information source.

11 And right away I think I need to point out there  
12 is a bit of confusion here on the part of Patent Owner. The  
13 patent says that the underlying information of the  
14 information source is the stuff disclosed in the tile.

15 Now, the patent also says that an information  
16 source can be almost any digital or analogue source of  
17 information. So an information source could be the stuff in  
18 the tile. It could also be a linked page or it could also  
19 be, for example, all of the servers for CNN's website, under  
20 the broad description of information source.

21 But I want to point out here, and then I will show  
22 you why, with an Active Desktop item, selecting it  
23 immediately gives the user the ability to access the  
24 information in the Active Desktop item, but also can, if it  
25 is selected in the appropriate way, give the user immediate

1 access to a linked web page, which would be yet another  
2 information source, or perhaps the same one depending on how  
3 one defined it.

4 Why do I say that? For example, I think the  
5 Patent Owner seems to be -- well, let me just start here.  
6 This is Dr. Karger's explanation, further explanation of what  
7 happens when that click -- when that link is clicked. And as  
8 he points out, the disclosure that said if you click on a  
9 link or hot spot and you get a new web browser, which is what  
10 the Board relied on in the institution decision, that  
11 disclosure necessarily means that the item itself has been  
12 selected, either previously or by the click.

13 Otherwise, the system would not know to activate  
14 that link. It would think that the mouse click was directed  
15 towards something beneath the Active Desktop item or above  
16 it.

17 Only when the focus has been moved to the Active  
18 Desktop item will the system understand that that click at  
19 that coordinate means activate the link at that coordinate.

20 So clearly this kind of functionality both selects  
21 the link or demonstrates at the very least that the item has  
22 been selected, just the fact that you actually get the  
23 browser.

24 The portion of the MSIE Kit that we pointed to and  
25 that the Board relied on also notes that hot spots can be in

1 an Active Desktop item.

2 Now, hot spots were well known in the art. They  
3 were a part of HTML. And it was well known that you could  
4 define a hot spot, in an Active Desktop item, anywhere on the  
5 item or even on the entire item.

6 So, in other words, a hot spot would also be a  
7 type of link and a user could define it on the entire item so  
8 that no matter where the user clicked on the Active Desktop  
9 item, the linked file would be accessed.

10 So, again, another teaching of when selected  
11 providing access to the information source.

12 We pointed out that MSIE Kit also notes that  
13 Active Desktop items can be selected not just by a mouse  
14 click but by what is called keyboard navigation, that is  
15 using the tab or the shift/tab keys. And I think the  
16 difference is just tab goes one direction and the shift/tab  
17 goes the other.

18 When an Active Desktop item is tabbed to, it is  
19 indicated that it is selected by a border, a one-pixel  
20 border, and at that point, as the MSIE Kit explains, the user  
21 has the ability to tab through the links of the item and  
22 activate, using the enter key, activate one if he or she  
23 desires.

24 So, again, the item can be selected by the tab key  
25 and at that moment the user has the ability to manipulate the

1 information displayed in the Active Desktop item. This is  
2 undisputed.

3 And that ability to manipulate the information  
4 displayed in the item demonstrates that the user at that  
5 point has been provided access to the associated information  
6 source which is displayed in the item.

7 MSIE Kit also discloses what is called a single  
8 click mode. And in this mode, when the user rolls the mouse  
9 cursor over the Active Desktop item, the Active Desktop item  
10 is selected without a click.

11 Just moving the cursor over it selects the item  
12 and then a click can select a link or a hot spot within the  
13 item. So, again, immediately upon mousing over, the user has  
14 the ability to activate a link in that item that demonstrates  
15 that the user has been provided access to the information.

16 Let me move on to Duperrouzel, which is actually  
17 ground 6. I am going to jump ahead, and this will be slide  
18 68. And then I will come back to grounds 5 and 7. I think  
19 this is more efficient.

20 So Duperrouzel discloses a specialized browser  
21 that displays four panes, each linked to a separate website,  
22 each having an individually-assigned, actually, refresh rate  
23 and a number of individual controls.

24 The Board found that the panes of Duperrouzel  
25 satisfy the tile interpretation because they can be selected

1 and maximized so that additional information could be  
2 accessed or viewed by the user.

3 Now, the Patent Owner doesn't agree that  
4 maximization satisfies the provision of access. But there is  
5 a couple of problems with that argument.

6 First of all, I will point out that their own  
7 expert has submitted a declaration in this proceeding where  
8 he stated, here at the bottom on slide 73, he states: "There  
9 is no requirement that the only access to information must be  
10 the result of selecting the tile."

11 So here he is agreeing there is nothing wrong with  
12 having a little bit of access before selection and then more  
13 access after selection. There is no limitation in the  
14 patent.

15 But as I indicated earlier on, this selection and  
16 access functionality that is selecting a tile and getting it  
17 to be maximized or resized is disclosed in the '403 patent as  
18 well in column 9, where it specifically says you can double  
19 click these tiles, and some of them are configured so that  
20 they will just get bigger and others are configured so that  
21 they will expand to fit the whole display.

22 So this is the exact example of providing access  
23 that the patent provides.

24 Finally, I will note that Duperrouzel also  
25 discloses for each pane a refresh button, where the user can



1 select that pane by clicking a button and cause that  
2 particular website to refresh.

3 And, again, that's the same selection  
4 functionality that the patent, '403 patent discloses in  
5 column 9. So, again, that functionality has got to be within  
6 the scope of the claim.

7 So now let me go to grounds 5 and 7. And this  
8 would be slide 56. Now, I am going to do these together  
9 because they are very similar and they deal with the same  
10 claims. 5, of course, is a combination of the MSIE Kit and  
11 the Brown patent, which is a Microsoft patent which disclosed  
12 the Active Desktop. And ground 7 deals with the Duperrouzel  
13 and the Brown patent.

14 The claims at issue are all dependent claims. Two  
15 of them deal with mobile phones. Two of them deal with  
16 PDA's. The Board's analysis of these claims was very  
17 similar. For all of the relevant combinations the Board's  
18 rationale was, again, that all we are doing here is we are  
19 combining known elements for their known purpose to achieve  
20 unpredictable results.

21 And, again, the Patent Owner does not dispute that  
22 rationale. The Patent Owner doesn't say these were unknown  
23 elements or new purpose or unpredictable results. So the  
24 Board's analysis is undisputed.

25 In fact, the only thing the Patent Owner says in

1 response to these, to all of these combinations, and this  
2 one, slide 60, is the one sentence that they put in their  
3 Patent Owner response to these grounds, is that the MSIE Kit  
4 and Duperrouzel patent do not discloses tiles, and that Brown  
5 doesn't either. That was their argument.

6 I think we have shown that is incorrect. But I  
7 want to emphasize that because they have not taken on the  
8 Board's obviousness analysis.

9 The only other thing I would point out is that  
10 their expert, Mr. Weadock, asserted this position. He looked  
11 at the passage in Brown which expressly says, hey, you can do  
12 my invention on hand-held devices, and which we -- which the  
13 Board relied on, and which we argue is an express suggestion  
14 to take Active Desktop and put it on mobile phones and PDA's.

15 His argument, he picks on that word invention, and  
16 says, well, that's not the invention of Brown. Active  
17 Desktop is not the invention of Brown.

18 So I submit that that is irrelevant, first of all,  
19 that the statement is still a suggestion to take Active  
20 Desktop items and put them on a phone or a PDA whether or not  
21 Brown's invention is that.

22 And, in fact, the Board essentially found as much.  
23 This is slide 63, page 33 of the institution decision. Brown  
24 teaches methods and systems for creating Active Desktop  
25 components. Brown further teaches that the Active Desktop

1 scheme can be implemented on hand-held devices.

2 So Mr. Weadock is disagreeing expressly with the  
3 Board, I think, on that point. But even more than that he is  
4 dead wrong about Brown. This is figure 6 of Brown. It is  
5 how you make new Active Desktop items.

6 And at the bottom of this figure I have put the  
7 description of Brown, figure 6. Figure 6 illustrates a  
8 dialogue window for creating a desktop component in  
9 accordance with the present invention.

10 The invention of Brown involves the creation of  
11 Active Desktop items. So that's exactly what his invention  
12 is. And Mr. Weadock is just dead wrong on that, factually  
13 wrong.

14 So with that, Your Honor, unless you have  
15 questions about our case on the seven grounds, I am going to  
16 reserve the rest of our time for rebuttal and for opposition  
17 to the motion to amend.

18 JUDGE TIERNEY: Okay. Does the Panel have any  
19 questions? Judge Clements, any questions?

20 JUDGE CLEMENTS: No questions from me.

21 JUDGE TIERNEY: At this time we will hear from the  
22 Patent Owner.

23 MR. MICALLEF: Thank you.

24 MR. HEINTZ: Good afternoon, Your Honor. I am Jim  
25 Heintz. I represent SurfCast. And I will first today talk

1 about the four prior art references discussed by Mr.  
2 Micallef.

3 And then I will go and present our conditional  
4 amendments. And, if time permits, I will address briefly  
5 some of the claim construction issues, to the extent we don't  
6 address them beforehand, and I will also talk about the  
7 application of the BRI in this proceeding.

8 JUDGE TIERNEY: Just out of curiosity, why you  
9 don't bring up claim construction first? Don't you want to  
10 properly construe the claim and then apply the art to the  
11 claim?

12 MR. HEINTZ: I think it makes sense to do it, Your  
13 Honor, as we go through the prior art. I think it will  
14 become clear. The issues are sharper with the prior art in  
15 focus at that point.

16 So let me start, Your Honor, with Duhault II. I  
17 will ask you to turn to slide 25 of your presentation. The  
18 first and most important thing, Your Honor, about Duhault II  
19 is that it is not, in fact, prior art to the '403 patent.

20 That's because we have shown that the conception  
21 occurred before the effective date of the Duhault II  
22 reference, and we have also shown diligence throughout the  
23 entire required diligence period.

24 On slide 26, I will start first by addressing  
25 conception. The principal issue on conception raised by

1 Microsoft is whether the Patent Owner's evidence of  
2 conception has been corroborated.

3 Now, the standard for corroboration is a rule of  
4 reason standard, and that's from the Price case, cited in our  
5 brief.

6 Moving to slide 28. Your Honor, we passed up  
7 before we began today several binders, or a binder showing  
8 several exhibits we will talk about. I will ask you if you  
9 wouldn't mind to turn to that now.

10 In particular, you will see at Tab 9 that we have  
11 come forward with an inventor's notebook. We have come  
12 forward with multiple e-mails from the Patent Owner. And in  
13 particular, if you look at Tab 14, there is a March 1999  
14 e-mail that includes, attached to it, a description of the  
15 SurfCast invention.

16 And you will notice in that e-mail, Your Honor,  
17 the e-mail states, this is from Mr. Santoro, that he wants to  
18 get something to Pennie. And Pennie & Edmonds were the  
19 patent attorneys for SurfCast who actually prepared and filed  
20 the provisional application that constitutes the constructive  
21 reduction to practice here.

22 Now, Your Honor, beyond that -- I'm sorry?

23 JUDGE TIERNEY: Which exhibit was that?

24 MR. HEINTZ: It should be Exhibit 2067, which  
25 would be Tab 14 in your binder.

1           Beyond that, Your Honor, at Tab 7 in the binder,  
2   which is Exhibit 2009, we have a letter from one of the  
3   patent attorneys at Pennie & Edmonds that states, that  
4   references a -- and that's a couple of pages back. May I  
5   have the binder? I'm sorry, it is the second page in.

6           You will see a reference there to a potential  
7   patent application that is based upon the disclosure that you  
8   presented at Pennie & Edmonds, and the date is cited there.

9           That letter, Your Honor, is very significant.  
10   That's a recognition that the attorneys at Pennie & Edmonds  
11   had had a presentation made by Mr. Santoro about the  
12   invention.

13          And you will also note that Mr. Santoro's  
14   declaration indicates, and that's Exhibit 2005, if you want  
15   to see that I can do it, but, very briefly, Mr. Santoro  
16   states that that white paper that was attached to the e-mail  
17   we just talked about was among the materials presented to  
18   Pennie & Edmonds at that day.

19          Your Honor, that corroboration is more than  
20   sufficient under the rule of reason. In fact, in similar  
21   circumstances the Board found, and this is the Cuozzo case,  
22   IPR2012-001. The final decision is at paper 59, pages 23 to  
23   24, that an attorney's letter that corroborated receipt of an  
24   invention disclosure was sufficient corroboration.

25          So we believe that when you look at the evidence

1     that we have adduced, which is the white paper from the  
2     March -- I'm sorry, the white paper from the e-mail, the  
3     inventor's notebook, the letter from the Pennie attorneys,  
4     that you will conclude that the evidence of conception is  
5     complete and that the evidence of conception has been  
6     corroborated and, therefore, Patent Owner has established  
7     conception.

8             Now, Your Honor, I will turn to slide 29 and I  
9     would like to talk for a few moments about diligence.

10            JUDGE CLEMENTS: Mr. Heintz, if I may, before we  
11     move on, is Patent Owner claiming a certain conception date  
12     or is it just claiming it came before a certain date?

13            MR. HEINTZ: Your Honor, we are claiming before  
14     the Duhault II reference, which was June 29, 1999. We would  
15     also say that at least by -- I have to be careful here, but  
16     by the date of the letter that we referenced earlier, which  
17     was Exhibit 2009, Tab 7 in the binder we handed out, that  
18     conception was complete by that date.

19            Moving on to diligence, Your Honor. I'm on slide  
20     29 now. Diligence is evaluated under the same rule of reason  
21     standard that conception is evaluated under.

22            And the first thing you will note, Your Honor, is  
23     we have produced a detailed logbook from the prosecuting  
24     attorney, the attorney who prepared the provisional  
25     application, that's Dr. Richard Bone, and that's Exhibit 2035

1 and that's Tab 10 in the binder I've handed out.

2 We have a detailed logbook from Dr. Bone that  
3 discloses his activities throughout the diligence period.  
4 And, again, we are talking from June 29, which is the Duhault  
5 II effective date, through the filing of the provisional  
6 application at the end of October in 1999.

7 I will go on to slide 31 now. Now, you will see  
8 throughout Exhibit 2035 entries from Dr. Bone's logbook, such  
9 as the one we show on the bottom half of the screen. And you  
10 can see on the top half of slide 31, what we have is an  
11 excerpt from invoices that were presented to SurfCast by  
12 Pennie & Edmonds.

13 The invoices are Exhibit 2010, which is at Tab 8  
14 of your binder. And the logbook itself, again, is Exhibit  
15 2035, which is at Tab 10.

16 Now, you can see that these entries from the  
17 logbook match the entries on the invoices precisely. And so  
18 we believe that that clearly corroborates the evidence of  
19 diligence that we have adduced through the introduction of  
20 Dr. Bone's logbook.

21 Now, Microsoft has raised a couple of issues with  
22 respect to this diligence showing. One of them is that these  
23 entries don't say anything, for instance, about refresh rates  
24 or tiles. And we don't contest that, Your Honor, but we  
25 don't believe that that is required under the rule of reason.



1           These entries are all directed toward working on  
2   the one project that Mr. Bone had for Santoro at the time.  
3   Dr. Bone's only work for SurfCast, and this is in his  
4   deposition testimony, was work on the patent application.

5           So the fact that, for instance, we see revisions  
6   to draft of patent on the top of slide 31, don't say anything  
7   about grid, grids or tiles or refresh rates or anything else,  
8   is because that's not the kind of thing that people put in  
9   time entries on invoices.

10          That doesn't mean that the application that Dr.  
11   Bone was working on wasn't related to tiles and refresh rates  
12   because that's evident from the application itself that was  
13   filed, which is, of course, in the record.

14          Now, Your Honor, I am going to jump over to slide  
15   33 now. So we put together, and that's Exhibit 2052 in your  
16   materials, and if you care to look at it that's at Tab 13 in  
17   your binder, a detailed calendar, essentially, showing the  
18   activity on a nearly daily basis.

19          And you will see on slide 33, you will see it on  
20   slide 34, slide 35 and slide 36, that we have put together a  
21   substantial showing, showing evidence of activity throughout  
22   the diligence period all of the way up through October 29,  
23   the filing of the provisional application.

24          Again, we believe that under the rule of reason,  
25   when you look at this evidence and the supporting exhibits,

1 we have got, in addition to Dr. Bone's activity on this  
2 chart, we have activity by other attorneys at Pennie &  
3 Edmonds, Brett Lovejoy, for instance, Andrew Gray, other  
4 attorneys who were working on the SurfCast patent application  
5 at Pennie, and those come from invoices, again, which were  
6 directed toward SurfCast, and we have got various e-mails  
7 from the inventors to each other as well as other people,  
8 their attorneys and so on and so forth.

9 With this evidence, Your Honor, we feel we have  
10 done more than enough to meet the evidence of diligence under  
11 the rule of reason.

12 JUDGE TIERNEY: Let's go back to conception. We  
13 have your e-mails and we have a notebook and then we have  
14 exemplary description in SurfCast's document.

15 But, for example, in example 2023, do we have  
16 specific dates given for what dates the conception is? I am  
17 looking at a copy of the notebook at the moment.

18 MR. HEINTZ: Oh, the inventor's notebook. What  
19 you have is testimony from Mr. Santoro that -- well, there is  
20 a date, at least a month date on the first page of the  
21 notebook.

22 JUDGE TIERNEY: I understand the first page.

23 MR. HEINTZ: Right.

24 JUDGE TIERNEY: There is a page saying January  
25 1999. The other pages, however, what you are trying to cite

1 to, are they dated?

2 MR. HEINTZ: They are not, Your Honor.

3 JUDGE TIERNEY: And what evidence we have that, we  
4 are trying to beat a date of prior to June 28, 1999.

5 MR. HEINTZ: Yes, Your Honor.

6 JUDGE TIERNEY: What evidence do I have that the  
7 particular pages you are citing to are prior to June 28,  
8 1999?

9 MR. HEINTZ: You have the testimony of  
10 Mr. Santoro, but that is the extent of the testimony.

11 JUDGE TIERNEY: I am looking for their  
12 corroboration.

13 MR. HEINTZ: I understand that. I think when you  
14 look at what is in that notebook and then compare it to what  
15 is in the white paper that's attached to the Exhibit 2067  
16 e-mail, you will see that that information, there is a high  
17 degree of correspondence between that information. Okay.

18 And so at least as of the date of Exhibit 2067, I  
19 think you can see that possession of that material was  
20 established.

21 And then we have -- and, again, I understand that  
22 Exhibit 2067 is an e-mail between the two inventors, but then  
23 you do have corroboration from the attorney in the letter of  
24 Exhibit 2009 that states that a presentation was made.

25 And so when you look at the continuum throughout

1 this period, you can see that, I think, we have established  
2 diligence under the rule of reason, particularly --

3 JUDGE TIERNEY: Diligence? I'm going to  
4 conception.

5 MR. HEINTZ: I'm sorry, conception, Your Honor.  
6 Particularly when you look at the Cuozzo case where they, you  
7 know, my recollection of that case is there was an invention  
8 disclosure statement by an inventor, and the Board declared  
9 -- sorry, declined to give -- to find that that document  
10 corroborated conception as of that date.

11 But because that invention disclosure was  
12 referenced in a letter from an attorney, the Board decided  
13 that as of the date of the reference by the attorney they  
14 would accord as a finding of conception.

15 JUDGE TIERNEY: So let's walk through this. We  
16 have our e-mails that have dates.

17 MR. HEINTZ: You are right, Your Honor.

18 JUDGE TIERNEY: We have an attachment to the  
19 e-mail that has a date.

20 MR. HEINTZ: Yes, Your Honor.

21 JUDGE TIERNEY: The notebook, the pages have a  
22 date for one page, and the other pages do not.

23 MR. HEINTZ: Correct.

24 JUDGE TIERNEY: For conception I understand you  
25 are saying the e-mails and attachments. But how do I give a

1 date to the notebook pages that are undated?

2 MR. HEINTZ: I think you have to do it by  
3 inference. You can see the materials in the e-mail that is  
4 dated, and I think you will see that those materials in the  
5 e-mail correspond to what you see in the notebook.

6 JUDGE TIERNEY: All right. If I give credit to  
7 the e-mails, the ideas contained in those e-mails for those  
8 particular dates, how do I go to a notebook that is undated  
9 and say that the ideas that go beyond that which is in the  
10 e-mails had that specific date and was not done after the  
11 fact?

12 MR. HEINTZ: I take your point, Your Honor, and I  
13 think that we can prevail just on the e-mail of Exhibit 2067.

14 JUDGE TIERNEY: Thank you.

15 MR. HEINTZ: All right. Are there any other  
16 questions regarding either conception or diligence? All  
17 right.

18 Then I would like to discuss -- sorry, then I  
19 would like to discuss Duhault II on the merits. And for that  
20 I would like to turn to slide 38 if we could.

21 So what we have here, Your Honor, is the same  
22 drawing that Mr. Micallef went through in his presentation.  
23 And I think we agree on the facts over here.

24 What we have on slide 38 is nine, what they call  
25 video images in the Duhault II patent, and those images

1 update at some rate that is not discussed in the patent.

2 But what seems to be certainly undisputed is there  
3 are two tuners in the patent. The first tuner updates  
4 certain of those video images, for instance, 141 through 144.  
5 The second tuner updates the remaining images, whatever else  
6 is displayed, in this case 145 to 149. That's before any  
7 selection.

8 Now, there is no discussion in the Duhault II  
9 patent, other than the statement that it updates at a  
10 periodic rate, as to what is going on and how often those  
11 things receive updates. Of course, a periodic rate is not  
12 something that is defined in the patent and it has multiple  
13 meanings.

14 Some people use periodic to mean exactly every 30  
15 seconds. Other people in normal conversation, for instance,  
16 can say, well, I mow my lawn periodically. That's not a  
17 predetermined or predefined rate or anything else. That just  
18 means I am going to mow it when it needs to be mowed.

19 This time of year I don't need to mow it very  
20 often. In the spring I need to mow it a lot. In the winter  
21 I don't mow it at all.

22 So what we find lacking in particular for the  
23 Duhault II patent is any disclosure of the requirement in  
24 claim 1 of assigning refresh rates to tiles. And claim 1  
25 requires assigning a first rate to a first tile and a second

1 rate to a second tile. There is no such assignment of rates  
2 disclosed in Duhault II anywhere.

3 In fact, Dr. Karger -- sorry, Mr. Weadock has  
4 opined that what is very likely happening here is that the  
5 tuners are updating those video images to which they are  
6 assigned in the pool at whatever rate can be done.

7 And, of course, there are various kinds of tuners  
8 discussed in Duhault, but none of those tuners are disclosed  
9 as providing any particular update rate.

10 I will note, for instance, that one of the types  
11 of tuners that is talked about in Duhault II has to do with  
12 satellite communications. There is no discussion anywhere  
13 about how quickly a satellite, you know, a satellite tuner  
14 can move between channels, and so there is no discussion of  
15 any rate in Duhault of assigning rates to these tiles as  
16 required in claim 1.

17 JUDGE TIERNEY: Walk me through again why periodic  
18 refresh is not an assigned rate.

19 MR. HEINTZ: Sure. What Duhault says is these --  
20 I will call them a pool, if you will. So there is a pool of  
21 these video images that one of the tuners updates.

22 It says that this pool is updated at the periodic  
23 rate. Okay. What Mr. Weadock has discussed in his  
24 declaration is that what that very well may mean is that the  
25 tuner goes through sort of an order, right, maybe 141, 142,

1 143, 144, and then does that again, at whatever speed it is  
2 capable of operating at.

3 That's not assigning a rate to one of the four  
4 tiles in the pool. And it is certainly not assigning a rate  
5 to the other three.

6 JUDGE TIERNEY: And why not?

7 MR. HEINTZ: Well, the first thing is it is not  
8 necessarily even any kind of any rate. It could just be, you  
9 know, a periodic rate. It could just mean from time to time.  
10 It could mean intermittent.

11 In fact, I looked at yesterday, in fact, at the  
12 American Heritage Dictionary. Intermittent could mean --

13 JUDGE TIERNEY: Well, that's intermittent. What  
14 does periodic mean?

15 MR. HEINTZ: Periodic could mean intermittent.  
16 Okay. But, more importantly, there is no concept of  
17 assigning anything to video image 141. There is nothing that  
18 says I want video image 141 to update at any particular rate.

19 So the fact that it just gets updated at some time  
20 does not in and of itself mean that there has been an  
21 assignment of a rate to that video image as required by claim  
22 1.

23 JUDGE TIERNEY: And you are saying one would  
24 typically set something as a periodic, that person is not  
25 actually selecting a period to refresh, that you are saying



1 it is something that is just random, random assignment?

2 MR. HEINTZ: It is not random but it depends upon  
3 whatever rate the tuner happens to update at. So if it takes  
4 a minute for a particular tuner to update video image 141 and  
5 then for whatever reason it takes two minutes before it is  
6 able to get to 142, and then maybe 10 seconds later it is  
7 able to tune in and update video image 143, what we are  
8 saying is that's not an assignment of a rate to those tiles.

9 JUDGE TIERNEY: Why not, because are you saying  
10 the mere fact the person has to say I want this time, rather  
11 than here is a time that I can use?

12 MR. HEINTZ: What we are saying is that the tuner  
13 will update them at some point, but I haven't assigned any  
14 rate to that tile.

15 The tile -- I'm sorry, I'm saying the wrong word.  
16 Video image. The video image is just going to update at some  
17 point, but nobody has said that I want it to update at any  
18 particular time or any particular rate. It will update  
19 whenever the tuner gets around to updating it, at whatever  
20 time interval that might be.

21 The other issue, Your Honor, is that there is no  
22 assignment. Nobody is saying, yeah, I want tile 141 to  
23 update, you know, on the fifth iteration of the tuner or  
24 anything like that.

25 Again, there is just no disclosure in Duhault II

1 of updating at a particular rate and assigning these rates to  
2 the tiles as required by claim 1.

3 JUDGE TIERNEY: And could you direct me to the  
4 column and line where the patent discusses assignment?

5 MR. HEINTZ: It is in claim 1, Your Honor.

6 JUDGE TIERNEY: I understand claim 1. The column  
7 and line where that term assignment is defined in the patent.

8 MR. HEINTZ: There is actually quite extensive  
9 discussion on this.

10 (Pause)

11 JUDGE TIERNEY: Don't worry. If you can't find  
12 it, I can find it later.

13 MR. HEINTZ: I'm sorry. But I can tell you  
14 generally what it says. There is a lot of discussion in the  
15 patent about the fact that bandwidth is very limited.

16 And in that sense there is a fairly lengthy  
17 discussion about, in one of the embodiments, about assigning  
18 priorities to these tiles and assigning the refresh rate or  
19 the retrieval rates by these prior arts.

20 (Pause)

21 MR. HEINTZ: Your Honor, if I could, I will come  
22 back to that.

23 So, Duhault II we believe is not anticipated, does  
24 not anticipate any of the claims of the 40 -- oh, yes claim 1  
25 requires assigning a refresh rate. The other independent

1 claims require that the tiles have information presented to  
2 them and information retrieved for them in accordance with a  
3 rate.

4 Again, there is no rate which is being set for  
5 this. We believe in Duhault II what you see is a rate --  
6 what you see is that when the tuner is able to get the  
7 information as presented, but there is no express assignments  
8 of any rate at any time.

9 JUDGE TIERNEY: Can you show me where the other  
10 claims require such a rate?

11 MR. HEINTZ: Sorry. Judge Clements?

12 JUDGE CLEMENTS: Yes, before we move on, it  
13 discloses in column 4 a second tuner being used to implement  
14 the full motion video.

15 Would it be your position that full motion video  
16 doesn't connote a rate?

17 MR. HEINTZ: No, Your Honor, that's -- I am glad  
18 you brought that up. That is one instance where -- the one  
19 instance we can find in Duhault where there is some rate.

20 However, that is only for one, one of the video  
21 images. So if you select 141, 141 gets implemented at --  
22 gets updated at a full motion rate.

23 Even conceding that that is an assigned rate,  
24 every other video image, 142 through 149 in figure 1 there,  
25 gets updated by the remaining tuner, the one that is not

1 updating 141.

2 And, again, that is just -- there is no disclosure  
3 of any particular rate being selected for that tuner.

4 Quite frankly, Duhault II is silent as to how  
5 those update rates -- how those other video images in that  
6 pool get updated once one of the images is selected for full  
7 motion. So it is the same problem.

8 The claims require, claim 1, for instance, is  
9 assigning a refresh rate to a first tile and assigning a  
10 refresh rate to a second tile. When one of the Duhault  
11 images is selected, there is still no assignment of a rate to  
12 a second tile.

13 JUDGE TIERNEY: Does claim 22 require assignment?

14 MR. HEINTZ: It does not, Your Honor. Claim 22,  
15 though, does require that the information be presented to the  
16 tile and the tile be updated in accordance with a refresh  
17 rate or a retrieval rate.

18 JUDGE TIERNEY: Can you explain how  
19 periodically not meets that limitation?

20 MR. HEINTZ: Again, you know, because we are  
21 talking about anticipation here, not just obviousness, we  
22 believe that the ambiguity in the term periodic is not  
23 sufficient to establish that.

24 There is no inherency that when you say a periodic  
25 rate means, for instance, once every 30 seconds, as opposed

1 to whenever the tuner is able to get to that video image, we  
2 think for that reason there is no anticipation of claims 22  
3 or 46.

4 JUDGE TIERNEY: 22 refers to a first retrieval  
5 rate and a second retrieval rate. And if it is retrieving at  
6 the rate that the tuner is capable of, isn't that a  
7 retrieval rate?

8 MR. HEINTZ: I'm sorry. I missed the last part of  
9 your question, Your Honor.

10 JUDGE TIERNEY: You are saying the tuner,  
11 periodically means just as fast as the tuner is capable of.  
12 But isn't that in itself a rate?

13 MR. HEINTZ: We don't think so, Your Honor,  
14 because, again, we don't see any assignment. We don't see  
15 any rate that the tile is being updated in accordance with.

16 In other words, nobody is saying -- I think what  
17 Dr. Karger tried to testify to in deposition was that if you  
18 knew, for instance, that the tuner could update once every  
19 minute, then that there would be some software setting that  
20 would say I'm going to expect an update from the tuner once  
21 every minute and then I am going to go ahead and update the  
22 video image with that information from the tuner.

23 As Doctor -- sorry, Mr. Weadock explained at his  
24 deposition, that's not the way these things necessarily  
25 operate. And so we believe for that reason that there is no

1 anticipation of 22 or 46.

2 JUDGE CLEMENTS: Mr. Heintz, if we agree with your  
3 claim construction of the refresh rate, which you have urged  
4 should encompass -- well, would there be any problem then  
5 with the tuner cycling through round robin the other eight or  
6 nine channels being an assignment of a rate?

7 MR. HEINTZ: I don't think so, Your Honor, and  
8 here is why: Unlike the example in the '403 patent that  
9 talks about having a tile that is providing access to a word  
10 document update, when a disk write to the word document  
11 occurs, here there is no sort of express -- no disclosure of  
12 any express provision in the software that says I am going to  
13 specifically choose that as the time, as the rate at which I  
14 am going to update this tile.

15 Again, there is a lot of ways in which this  
16 implementation can occur. Duhault II says nothing beyond the  
17 fact that the tiles will be refreshed periodically.

18 JUDGE CLEMENTS: Thank you.

19 MR. HEINTZ: Okay. I would like to go on to slide  
20 15. Now I am going to discuss the Chen reference.

21 We believe that the Chen reference does not  
22 anticipate any claim of the '403 patent because Chen's  
23 instruments do not, when selected, provide access to  
24 information sources.

25 I will go to slide 16 now. In its petition,

1 Microsoft only alleged that Chen's instruments could be  
2 selected and that this is accessed information because it  
3 allows the user to record data.

4 Now, that argument, Your Honor, is what Mr.  
5 Micallef discussed here today. And we disagree with it for  
6 the simple reason that being able to record the data is not  
7 itself providing access to data.

8 The data that is going to be recorded, when the  
9 user selects that option in a Chen instrument, is the data  
10 that the user currently has available to him in the display  
11 on the instrument.

12 So when you select the record option, at most the  
13 data that is going to be recorded is going to be made  
14 available for access maybe at some future date. And the  
15 problem with that argument is you do not access that data at  
16 a future date by selecting one of Chen's instruments.

17 If we can go on to slide 17. In order to access  
18 the data that has been recorded, and you can see this in  
19 figure 12-B at the bottom of slide 17, you are required to go  
20 to a menu and select the file, and those are on the right in  
21 window 240, in which the data resides.

22 So when you actually get access to the data that  
23 has been recorded, that is happening by selecting a menu  
24 item, not by selecting one of these instruments. And so we  
25 don't -- for that reason, the assertion that being able to

1 record data because the instrument has been selected, is not  
2 selecting the instrument to provide access to the data as  
3 required by the court's construction, or access to an  
4 information source.

5 Let me go back to slide 16. The second issue  
6 raised by Microsoft, and this happened in their reply brief  
7 so we haven't had a chance to address it, but in their reply  
8 Microsoft notes that there is also this ability to turn on  
9 something called "marking mode." And that permits the user,  
10 as it shows on the bottom of the slide, to add marks to the  
11 data stream that is going to be recorded.

12 Again, the same issue is present with the marking  
13 option. What is going to happen is you are going to get  
14 access -- you are going to record those marks along with the  
15 data but, in order to access any of that information, you  
16 will again go, as we saw back in slide 17, that you have to  
17 select the recorded data from one of these menus in order to  
18 display it.

19 Selecting one of these files from a menu system is  
20 not selecting the instrument, the alleged tile, in order to  
21 get access to the information. So when the instrument is  
22 selected, you are not providing access to information, to an  
23 information source. You already have access to the  
24 information source. And the amount of access you have is not  
25 changing.



1           I would like to go on to slide 19. Now I want to  
2   discuss the MSIE Kit reference. The MSIE Kit does not  
3   disclose tiles that, when selected, provide access to an  
4   information source. And that's because these links and hot  
5   spots that may be displayed in Active Desktop items are  
6   properties of the information that is in the item, rather  
7   than the item itself.

8           Let's go to slide 20. This is one of the few  
9   examples that we have, Your Honor, of one of these displays  
10   of Active Desktop items. And so what Microsoft has said is,  
11   let's assume for a second that that weather map that is  
12   displayed near the top of slide 20, there are what I believe  
13   are weather systems depicted over various parts of that map.

14          And I believe the argument is that, if there are  
15   links in that image that is there, that the user can select  
16   that link and then be brought to -- a browser window will  
17   open and some information will be displayed. Maybe it is a  
18   local television weather station, news operation, something  
19   like that, but some other document is going to open up.

20          The problem, Your Honor, with this theory is that  
21   these hot spots are in the information that is being  
22   displayed -- sorry, the links to these hot spots are in the  
23   information that is being displayed by the item, not a  
24   property of the item itself.

25          So, for instance, if one were to take an item and

1 point it at a website or a portion of a website that had no  
2 links on it, then one would not be able to click on the item  
3 and get access to any information. Nothing would happen.

4 In fact, on slide 22, you can see an excerpt from  
5 a deposition we submitted. This is Mr. Joseph Belfiore, who  
6 is Microsoft's 30(b)(6) witness in the parallel litigation.

7 He was asked precisely that question: If I went  
8 to a website without any links visible in it, and I clicked  
9 on that Active Desktop item, he was asked what would happen?  
10 His answer was: Nothing.

11 Now, Microsoft has taken issue with this and they  
12 have interpreted this testimony to mean, well, Mr. Belfiore  
13 was talking about after an item was resized.

14 You can see in the testimony, Your Honor, that he  
15 wasn't asked about resizing. We were talking about defining  
16 a new item, pointing it at some source that didn't have any  
17 links present into it, and having it size on the particular  
18 size that would fill almost the entire screen.

19 If that website, to which the item points, had no  
20 links, you would get no access to any information. Nothing  
21 would happen. And that we think is an important distinction.

22 You know, it really comes down to, in a sense,  
23 that the information, the target that the '403 patent tiles  
24 are going to provide access to, are a property of the tile  
25 and not a property of the information that is in the tile.

1           Now, I would like to jump to slide 21. And you  
2   can see that the MSIE Kit reference indicates that that is  
3   the case.

4           In the first citation, from page 177 of the Kit  
5   reference, we see the "information in desktop items often  
6   includes hyperlinks or hot spots, so users can click a  
7   designated area." That's the information in the item.  
8   That's not the item itself.

9           And the second quote, again, is consistent with  
10   that. You are clicking a link inside an item. You are not  
11   selecting the item itself.

12           Now, I would like to contrast that with one of the  
13   examples in the SurfCast patent that I think goes a long way  
14   to explaining this difference.

15           Let's go to slide 23. This is figure 6 of the  
16   '403 patent. And what is immediately apparent on the first  
17   line, and this is an embodiment, Your Honor, on which the  
18   grid of tiles is going to be implemented as an HTML document.

19           You can see that the first line is an HREF that  
20   points to a "tile2 target.htm" document.

21           An HREF, of course, is a well-understood tag and a  
22   hypertext markup language document. And an HREF is  
23   essentially the thing that creates a link that we are all  
24   familiar with when we see the rendering of an HTML document  
25   through a browser.

1           So it is the same issue, you know, we have here an  
2   HREF that is assigned -- this is this tile. Whenever the  
3   tile is selected anywhere, this HREF is going to have a  
4   browser window open. It is going to be a new browser window.  
5   And you can see that by the "TARGET='new'" line underneath  
6   it.

7           And so what's going to happen is, associated with  
8   the tile itself is this "tile2 target.htm" information. None  
9   of this has anything to do with what is being displayed in  
10   the tile. What is being displayed in the tile is defined by  
11   this source line.

12          So what we are saying is, independent of what is  
13   displayed in the tile, the tile can be selected, and, when  
14   selected, will provide the user with access to the "tile2  
15   target.htm" file. This is precisely the opposite of what  
16   happens in Active Desktop items.

17          If I point an Active Desktop item to a web page  
18   without a link, nothing happens. I don't get access to  
19   anything. And that's because these links and these hot spots  
20   in the Active Desktop items are not properties of the items.  
21   They are properties of whatever information the item happens  
22   to be pointing to.

23          We think that difference is significant, Your  
24   Honor. Nonetheless, significant or not, it is a distinction  
25   and that precludes any finding of anticipation here.

1           Now, I want to make one other point before we move  
2 on. Mr. Micallef talked about these hot spots. Again, it is  
3 a very similar distinction. The hot spots are in the  
4 information that is displayed in the item here. They have  
5 tried to analogize this CLICKMAP function we see in figure 6.

6           The CLICKMAP, again, is a function, a property of  
7 the tile. What happens when you click on one of these areas  
8 that's defined in a tile is completely defined by the tile  
9 and it is irrespective of whatever information is being  
10 displayed in the tile as a result of that source information.

11           So even if we had a situation where for some  
12 reason that "excalibur.til," that t-i-l file, that defines  
13 the source, if the source information were unavailable and  
14 there were no way to even display any image at all in the  
15 tile, clicking on the tile itself will bring you to the  
16 "target.htm" document.

17           And if you hit one of those CLICKMAP areas it will  
18 do whatever those arguments define. Again, it is a property  
19 of the tile. It is independent of the information in the  
20 tile, which is the opposite of MSIE Kit.

21           Now, there is a second issue that we would like to  
22 raise with MSIE Kit, and that has to do with the  
23 overlapping -- the question of whether or not tiles can  
24 overlap.

25           This is a claim construction issue that is

1 relevant to claim 1. We believe that claim 1 when properly  
2 construed means -- which requires partitioning the display  
3 into an array of tiles, we believe that partitioning by its  
4 nature excludes overlapping.

5 And so we will go to slide 24. And I just want to  
6 point your attention to the bottom half of the slide, which  
7 is a citation out of MSIE Kit.

8 Now, MSIE Kit explains that by default things are  
9 arranged in a 3-by-2 array of tiles. It then explains that  
10 as more items-- I'm sorry, I said tiles, I did it. It says  
11 that the Active Desktop items are arranged in a 3-by-2 array.

12 But MSIE Kit also explains that, as more items are  
13 added to the desktop, they start to overlap each other.

14 So Microsoft's argument is, if I define an array  
15 of items, such that they are non-overlapping, and I have  
16 necessarily partitioned the display into an array of tiles,  
17 and we disagree with that because the partitioning, the mere  
18 fact that the items don't overlap does not mean that the  
19 display is partitioned.

20 If I take these two pieces of paper and lay them  
21 on the podium in front of me, that doesn't mean, the mere  
22 fact that they are not overlapping at this moment, doesn't  
23 mean that I have partitioned this podium in any way.

24 If I do something like add this microphone stand,  
25 that prevents me from having the papers overlap, now I have

1 partitioned. All right. And because these Active Desktop  
2 items are not prevented from overlapping in any way, we  
3 believe there is no partitioning under a proper construction  
4 of claim 1.

5 JUDGE TIERNEY: Look at claim 3 of the '403  
6 patent. Can you explain why the words non-overlapping are  
7 used?

8 MR. HEINTZ: Your Honor, claim 3, I understand  
9 this to be a claim differentiation argument. Claim 3  
10 includes other limitations besides the non-overlapping.

11 JUDGE TIERNEY: Well, why do we need the words  
12 non-overlapping if partitioning distinguishes overlapping?

13 MR. HEINTZ: I think this is one of these  
14 instances where perhaps there was a little bit of  
15 carelessness in the prosecution. But because there are other  
16 limitations in claim 3, we believe that the Doctrine of Claim  
17 Differentiation doesn't apply.

18 JUDGE TIERNEY: Just to confirm my understanding,  
19 reading the patent, you have not defined the word  
20 partitioning with a specific definition?

21 MR. HEINTZ: We have not defined it with a  
22 specific definition but we believe the plain and ordinary  
23 meaning is that they become -- that they are divided. And,  
24 in fact, I will --

25 JUDGE TIERNEY: But then you would have us read

1 out the words non-overlapping in claim 3?

2 MR. HEINTZ: I believe those words are superfluous  
3 and that the real limitation in claim 3 is elsewhere.

4 If you would indulge me for a moment, I would like  
5 to -- slide 11, if we could.

6 So here we have what we believe is the plain and  
7 ordinary meaning of non-overlapping -- sorry, this is the  
8 claim language from claim 1. Slide 13. I apologize, Your  
9 Honor.

10 Slide 13 has the definition of partitioning and  
11 then we see that that is "the act or process of dividing  
12 something into parts." And this is particularly significant,  
13 Your Honor, because when we asked Dr. Karger, Microsoft's  
14 paid litigation expert, about this, Dr. Karger admitted that,  
15 if I divide a room into two rooms, doesn't that mean that the  
16 rooms are non-overlapping? And, of course, Dr. Karger agreed  
17 with that.

18 It is the plain and ordinary meaning of the word  
19 partition. If you partition something you will not have  
20 things overlapping.

21 JUDGE TIERNEY: I am looking at partition  
22 definition 1-A, "dividing something into parts." The fact  
23 that they are overlapping doesn't mean that they are not  
24 already divided into parts. They just overlap. They are  
25 still in parts.



1           MR. HEINTZ: Well, if you think about it in terms  
2 of a room, if the room isn't partitioned such that, for  
3 instance, you had a common dining room and kitchen.

4           JUDGE TIERNEY: I understand the analogy to a  
5 room, but we are talking here software with the display. I  
6 am trying to understand how that term, dividing something  
7 into parts, dividing the screen into parts, why it --

8           MR. HEINTZ: I understand what you mean. So,  
9 again, we are talking now about a display. A display is by  
10 definition a two-dimensional thing. So if you have got the  
11 two-dimensional thing partitioned, you are going to prevent  
12 these things from overlapping. That's what we believe the  
13 division means.

14           If they are allowed to overlap, there is no  
15 partition, there is no division, by virtue of the fact that  
16 they can overlap in a two-dimensional space.

17           JUDGE TIERNEY: By the same definition, if we cut  
18 this piece of paper into pieces, put them on a table, some of  
19 them may overlap but it has been partitioned. It has been  
20 divided into parts.

21           MR. HEINTZ: But what we are talking about is the  
22 display being divided. So if the piece of paper, okay, is --  
23 if in your analogy the piece of paper corresponds to the  
24 display, okay, and you rip it in half, and now, again, we are  
25 talking about two-dimensional space, now you put one on top

1 of the other, they are no longer divided. They are together  
2 because they are overlapping.

3 The analogy I think with the parts is, if I break  
4 it, you know, if I have got different parts and I have them  
5 overlapping-- anyway, Your Honor, I think you get our point.

6 Okay. Now let me go to slide 39 and we will talk  
7 about the Duperrouzel patent. So, again, Duperrouzel does  
8 not disclose tiles because the panes of Duperrouzel do not,  
9 when selected, provide access to an information source.

10 Now, let's go to slide 40. This is the same image  
11 you saw before that Mr. Micallef put up. And what we see  
12 here are the four panes of Duperrouzel. And it is a little  
13 difficult to make out from this figure, I admit, but what you  
14 see on each of these four panes are slide bars. And those  
15 slide bars can be used to reposition the image.

16 So that, for instance, in the upper left-hand pane  
17 you see the words "KatieSo." Okay. And you can use the  
18 slide bar across the bottom, if you like, to see what comes  
19 after the letter "o" in this.

20 Now, what Microsoft has alleged is the fact that I  
21 can hit one of the controls in one of these panes, and in  
22 particular -- it is very difficult to make out -- button 240  
23 is the maximize button. Okay. If I hit the maximize button,  
24 what Duperrouzel explains is that I will now have a single  
25 pane on the whole screen, essentially. It will take over the

1 entire display.

2 So two things. Number 1, selecting that 240  
3 button is not selecting the pane. If I hit anywhere else in  
4 the pane I am not going to be getting a maximize function.  
5 So I am selecting a button in a menu on the pane, not the  
6 pane itself.

7 Number 2, the user can already, if he wants to,  
8 see what else is on that page by using those slide bars.  
9 Now, this is important to understand.

10 Mr. Micallef analogized this disclosure to the  
11 '403 patent. And he talked in particular about the passages  
12 that say that you can double click one of the tiles in the  
13 '403, and that by doing so you get an expanded tile that fits  
14 the entire screen or some portion of it.

15 But if you take a look at figure 4 of the '403  
16 patent, and that's the specific figure in which, this line  
17 that Mr. Micallef was citing to, there are no scroll bars  
18 here.

19 So in figure 4 there is no way to, for instance,  
20 see, if you look on the upper left-hand side, tile 402, if  
21 you want to see what is on to the right of the butterfly,  
22 there is no way to do so without selecting the tile and then  
23 having that tile selection provide you access. By selecting  
24 the tile you are able to achieve something you couldn't have  
25 achieved before.

1           With the slide bars in Duperrouzel you can go  
2   ahead and see what is to the right of the letter "o" by using  
3   the slide bars.

4           This illustrates an important point. Microsoft  
5   has been arguing, and for something I don't quite fully  
6   understand, that to the extent that there is some amount of  
7   access that occurs by virtue of the fact that the tiles of  
8   the '403 do refresh and do present some updating of  
9   information, that somehow that means that selecting the item  
10   doesn't qualify as providing an access, or that they found  
11   some issue with this.

12          What I think is clear when you think about what  
13   the '403 patent is teaching is there will always be some  
14   amount of access by virtue of the fact that the tiles update.  
15   That's the main point.

16          The '403 is an improvement upon known GUI items,  
17   like an icon, which don't have any ability to update. They  
18   are just static. So the fact that an access occurs is, of  
19   course, one of the very properties of the tile that is  
20   discussed in here.

21          But that doesn't mean that I don't provide access  
22   when I click on one of these things and call some application  
23   out that I am going to get a display where I can see more  
24   information.

25          JUDGE CHANG: I have a question.

1 MR. HEINTZ: Yes, Judge Chang.

2 JUDGE CHANG: Maybe I am a little confused. When  
3 you say when selected, I am looking at the claim  
4 construction, when selected, so you are reading that phrase  
5 to mean that you have to click on some portion of the tile?

6 MR. HEINTZ: No, we believe that whenever -- and I  
7 am not -- I don't know if the question is directed  
8 specifically toward clicking, okay, we don't say there is any  
9 specific action that has to constitute selection.

10 JUDGE CHANG: So when you say when selected, why  
11 can't I -- when I just point to something, I can select it?  
12 I don't have to -- I mean, I can use a toolbar to select. I  
13 can use whatever to select. Right?

14 MR. HEINTZ: Right.

15 JUDGE CHANG: So it just may be the way you have  
16 described in the patent is a different way of selecting than  
17 in the prior art. But where does the claim language provide  
18 how exactly you have to select?

19 MR. HEINTZ: Well, we don't believe that the claim  
20 language or the Board's interpretation or, in fact, our own  
21 preferred interpretation ever limit the ways in which tiles  
22 can be selected.

23 The point I was trying to make is, if you look,  
24 for instance, at figure 4 of the '403 patent, right, the user  
25 has no ability to do anything with that butterfly image until

1     whatever the selection action is occurs. Okay.

2             If we are going to use, for instance, a right  
3     click as our example of selection, okay, right clicking will,  
4     as described in the patent, call an application program and  
5     then the butterfly image and the sun and whatever else to the  
6     right and underneath will be visible to the user, and the  
7     user then can go off and do what he does.

8             But as soon as he makes that selection, now there  
9     is more access than what he had before.

10            Now, again, it is true that that butterfly image  
11     may update, so there is some amount of access that's there,  
12     but now I have got more access because I have selected it.

13            With the Duperrouzel patent you have already got  
14     access because you have those slide bars there. If I -- what  
15     I am going to be able to do with those slide bars is see  
16     whatever is on the extent of that web page that is in the  
17     upper left-hand pane.

18            Whether it is maximized, by maximizing it, I  
19     haven't given it any more access, because I am still only  
20     going to see and only have access to whatever information is  
21     on that pane.

22            So we don't think -- there are sort of two parts  
23     to this argument. First, we don't think that there is any  
24     additional access or that selecting provides access.

25            JUDGE CHANG: So when you say maximizing, I

1 wouldn't see the image like, see that "KatieSo," I wouldn't  
2 see the whole entire document? So whatever is after "S-o"  
3 when I maximize it, would that show up?

4 MR. HEINTZ: Yeah, we --

5 JUDGE CHANG: Okay. Then wouldn't more  
6 information be accessed when I select a certain button?

7 MR. HEINTZ: We believe that you already have  
8 access to it because --

9 JUDGE CHANG: I don't have access to after "S-o."  
10 If I don't click on any of the slide bar buttons, I don't  
11 know what is after "S-o." Right?

12 MR. HEINTZ: Right, but you have the --

13 JUDGE CHANG: So once I select it, I would know  
14 more about what is after "S-o." Isn't that more access to  
15 the information then?

16 MR. HEINTZ: What we are saying, Your Honor, is  
17 that you already have the ability, you have that slide bar  
18 available to you, and so if you want to see what is to the  
19 right of the "o" you can --

20 JUDGE CHANG: My point is, if I use a slide bar,  
21 that is my "when selecting," so, therefore, that action,  
22 wouldn't it read on when selected?

23 MR. HEINTZ: No, Your Honor, because you are  
24 selecting a slide bar.

25 JUDGE CHANG: No, not really, because you just

1 told me that, in your claims, when selected, you really don't  
2 have any mechanism or restriction on how you select the image  
3 or the tile. Right? You can right click. You can do  
4 whatever.

5 MR. HEINTZ: Yes, Your Honor.

6 JUDGE CHANG: Here by applying it, that is when  
7 selected, right, that's my action of selecting, isn't it?

8 MR. HEINTZ: We don't believe it is. That's  
9 selecting the slide bar.

10 JUDGE CHANG: Okay.

11 MR. HEINTZ: Okay. With the SurfCast tiles, you  
12 can select -- whatever the selection operation is, you can  
13 select the tile as a whole, and doing so provides you access.

14 Here you are selecting either a maximize button or  
15 one of these slide bars. You are not selecting the alleged  
16 tile, the pane, of Duperrouzel.

17 JUDGE CHANG: Okay. Well, I guess we can move on.  
18 But by moving that slide bar, that's my selection. When I am  
19 clicking a certain button to maximize that so that I can get  
20 more access or the information after the "S-o," that's  
21 selection, isn't it?

22 MR. HEINTZ: We don't believe it is because it --  
23 well, it is selection, but it is not selecting the, in this  
24 case, the pane or the alleged tile.

25 JUDGE CHANG: If you maximize that particular



1 pane, it gives me more access that is shown in that pane,  
2 right?

3 MR. HEINTZ: Well, again, we believe that you  
4 already have the access by virtue of the fact that the scroll  
5 bars are there.

6 This is different from the '403 where there are no  
7 scroll bars, for instance, in the tiles anywhere shown in  
8 figure 4.

9 JUDGE CHANG: You just told me that there is no  
10 restriction in the claim language of how I select it.

11 MR. HEINTZ: That's right, but until the selection  
12 of the tile occurs, there is no access. So there isn't an  
13 existing slide bar there that allows you to go ahead and get  
14 access to any other portion of the butterfly image.

15 JUDGE TIERNEY: We have talked about the butterfly  
16 all day. Can we go back to claim 1. What language of claim  
17 1 is not met by Duperrouzel? Sorry, I can't pronounce it.

18 MR. HEINTZ: Sure. We believe that the panes  
19 themselves are not selectable. I'm sorry, the panes, when  
20 selected, do not provide access to an information source as  
21 the Court's construction of tile implies.

22 JUDGE TIERNEY: Again, so going back to the word  
23 tile.

24 MR. HEINTZ: Yes, Your Honor.

25 JUDGE TIERNEY: But how does it -- okay. So the

1 Board's definition, though, how does it not meet the Board's  
2 definition?

3 MR. HEINTZ: The Board requires that the access be  
4 provided when the tile is selected. And we believe, first,  
5 that you are not selecting -- if you want to call a pane a  
6 tile for a second for the purposes of this discussion -- you  
7 are not selecting the pane or the tile when you select the  
8 maximize button or one of these scroll bars.

9 Second of all, as Microsoft's argument was, you  
10 select the maximize button, and that makes a full screen  
11 display. That's not more access because you already have  
12 that access by using the slide bars. And so there is no  
13 provision of access when the pane or the tile is selected, as  
14 required by the Board's construction.

15 When selected, we believe, if you have the same,  
16 exact access as you did before the selection as after the  
17 selection, we don't believe that meets the Board's  
18 construction because then essentially the when selected  
19 portion of that construction disappears.

20 JUDGE TIERNEY: Can you identify where in the  
21 specification we have definitions which show that this  
22 reference would be excluded, in particular the definition of  
23 tile, the Board's definition of selection, do you have any  
24 definitions in the specification you can direct me to?

25 MR. HEINTZ: I don't think there are explicit

1 definitions here. Remember that tile is a term for which  
2 there has been no plain and ordinary meaning in the art  
3 established.

4 However, I would like to direct the Board's  
5 attention to slide 2. I'm sorry, slide 2 is the Board's  
6 construction. Slide 3.

7 So we talked earlier, Your Honor, about the fact  
8 that the Board's construction largely mirrors what is on the  
9 slide. And when you look at this line you can see -- sorry,  
10 this passage, starting at line 25 of the -- column 9 of the  
11 '403 patent: When a tile is selected, whether by mouse click  
12 or otherwise, the tile instantly provides the user with  
13 access to the underlying information.

14 Those words, we believe, inform the Board's  
15 construction. We believe that when the Board said -- the  
16 Board's construction that reads when selected provides access  
17 to information, when read in light of this teaching of the  
18 '403 patent, that what we are talking about is more access is  
19 provided as soon as the selection operation is made.

20 And so because under the Irdeto Access case, you  
21 have to ascertain the meaning of claim terms from the  
22 specification when they have no plain and ordinary meaning.  
23 You look at this line and you look throughout the '403  
24 patent.

25 The examples Mr. Micallef pointed to earlier are

1 all consonant with this. When you select a tile on the  
2 embodiment, one of the preferred embodiments in which it is  
3 enlarged fill most of the screen, again, you have got more  
4 access immediately upon selecting the tile.

5 The same is true of the embodiment where the image  
6 of the tile fills the entire screen. You now have more  
7 access than you did before.

8 In the Duperrouzel patent you have the same access  
9 because you can use those slide bars to see whatever it is  
10 you wanted to see. You are not prevented from doing  
11 anything. It is available to you.

12 JUDGE CHANG: How I see it is when you are moving  
13 the slide bar, that's when you are selecting, that's the  
14 action of selecting the tile, because here, you say whether  
15 the mouse clicks, it doesn't have to be clicking on the tile  
16 itself. It could be clicking another button or otherwise.

17 So there is no restriction even in that sentence  
18 how you select the tile. So by moving the bar or clicking  
19 another button that is outside of the pane, to maximize it,  
20 that's your action of selecting the tile.

21 MR. HEINTZ: I understand the point you are  
22 making, Your Honor. We believe, we think it is clear, that  
23 selecting one of these things inside of the pane of  
24 Duperrouzel is not selecting the pane.

25 You can click, you know, if mouse click is the

1 selection mechanism, you can click anywhere in the butterfly  
2 image 402 of figure 4 and the tile is selected, not some, you  
3 know, there is not even a control 2 selection.

4 JUDGE CHANG: You are importing a limitation into  
5 the selection of tiles. You have to be clicking something in  
6 the tiles then, in the pane itself. It can't be outside.

7 It cannot be a button or it cannot be a keyboard  
8 that I am programming, like F1 as selecting the first, you  
9 know, tile. Is that what you are saying?

10 MR. HEINTZ: I didn't mean to say that if I did,  
11 Your Honor. I'm not trying to import a limitation.

12 What I'm saying is that the tile can be selected  
13 in our situation. Here you are selecting a button in a pane  
14 or, you know, I think it is a button or a little square.

15 JUDGE CHANG: I mean, it seems like that is what  
16 you are trying to distinguish, you know, the claim 1 from the  
17 prior art.

18 So I'm sorry to get into so much detail because I  
19 think it is a very important point of seeing what your  
20 thoughts are and what your conclusions are.

21 MR. HEINTZ: It is a very important point. And  
22 let me just take a step back, if I may.

23 There is a fundamental distinction between  
24 something like Duperrouzel and the '403 patent, right.

25 JUDGE CHANG: But let's compare it to the claim

1 language itself.

2 MR. HEINTZ: Well, the claim language that we are  
3 talking about is the tile, Your Honor.

4 JUDGE CHANG: Okay. And then look at the  
5 definition. So which part of the definition distinguishes it  
6 from the claim to the prior art?

7 MR. HEINTZ: I think it is the when selected  
8 provides access to information.

9 JUDGE CHANG: Okay. Thank you.

10 MR. HEINTZ: Would you indulge me for a moment,  
11 though?

12 JUDGE CHANG: Sure.

13 MR. HEINTZ: Okay. So the '403 patent and the  
14 tiles that are discussed in there are contrasted with known  
15 GUI elements, such as icons and windows.

16 And in particular what the '403 patent teaches is  
17 that these tiles are going to be a desktop alternative, a  
18 desktop replacement.

19 When you think about how icons work, okay, you  
20 click on an icon in order to launch or to open or to call an  
21 application. So, for instance, if you had an icon for  
22 Microsoft Word, and you wanted access to that application,  
23 you would click on the Microsoft Word icon and then an  
24 application program would open up. Okay.

25 When you look at Duperrouzel's patent there is no

1 application program that is being opened because the  
2 Duperrouzel pane is itself an application. It is a browser.  
3 You are not providing more access in the way that you are  
4 with the '403, where you are going to the information source  
5 and opening up an application.

6 You are just, you know, if you maximize, you are  
7 selecting one of the controls inside the application, okay,  
8 that's not the same thing as selecting the pane, because the  
9 pane is the application.

10 So if you think about what the fundamental  
11 difference between these two things are, I think that  
12 difference has to inform the way you look at this when  
13 selected provides access to information language of your  
14 construction.

15 JUDGE CHANG: Okay.

16 JUDGE TIERNEY: Counsel, just for your  
17 information, there is about a half hour left.

18 MR. HEINTZ: Okay. I am going to go to the  
19 conditional amendment now, Your Honor, and that's at slide  
20 41.

21 Your Honor, I would like, though, to show the  
22 conditional amendment itself, that's at slide 42, the  
23 language of the conditional amendment.

24 You can see that we have added a number of  
25 limitations here to make explicit certain of the things we

1 have been talking about today. So you can see that we now  
2 have an explicit requirement in claim 53, which is a  
3 substitute for 46, that tiles not be permitted to overlap,  
4 that the tiles be persistent from session to session.

5 We have added two wherein clauses. The first  
6 wherein clause includes a requirement that the selection  
7 operation call an assigned application program, and that the  
8 program be different from the program that displays the  
9 tiles.

10 And in the second wherein clause we have got a  
11 requirement for different types of programs that must be  
12 capable of being called when a tile is selected.

13 Now, on slides 43 through 68 of our deck, we show  
14 the support for these amendments in the originally-filed  
15 application. In the interest of time I will just discuss the  
16 ones that I think are being disputed.

17 So let's turn to slide 45. The first issue here  
18 is with the limitation "a grid of tiles that are not  
19 permitted to overlap." Microsoft claims that this is a  
20 negative limitation and so, therefore, can be ignored  
21 essentially.

22 That's not the case, Your Honor. If you have got  
23 a system in which tiles are permitted to overlap, and now you  
24 want to have a system in which tiles are not permitted to  
25 overlap, you must add some functionality to prevent the



1 overlap from occurring.

2 Now, Dr. Karger focused quite a bit on the fact  
3 that, if I have a system in which tiles don't overlap, I  
4 don't need certain functionality, that I need to account for  
5 the fact of what happens when tiles overlap and then are  
6 uncovered.

7 We don't dispute that. But the simple fact is the  
8 mere fact that the tiles are not permitted to overlap  
9 requires additional functionality.

10 So on slide 46 you see that Mr. Weadock gives  
11 examples of what this functionality is. So if you have a  
12 windows system in which windows are not permitted to overlap  
13 and the user is allowed to move them, then you are going to  
14 need, in order to prevent the overlap, where tiles are not  
15 permitted to overlap, you are going to need some kind of test  
16 for overlap and some functionality that is going to reject  
17 the attempted overlap when it occurs.

18 On slide 47 we have another example that Dr.  
19 Karger gave us in his deposition where we have a -- when he  
20 talks about the boundary lines that are sort of enforced  
21 separation between windows. That's a way of doing a windows  
22 system where windows are not permitted to overlap.

23 But in that case the boundaries themselves are  
24 functionality which is not necessary in a system that allows  
25 the windows to overlap. Okay.

1           And, finally, Dr. Karger mentioned another example  
2   of a system where the system itself just lays out the windows  
3   in such a way that they don't overlap and it doesn't allow a  
4   user to move them.

5           Even then you need some functionality to make sure  
6   the windows don't overlap. They aren't just going to be  
7   arranged in a way that they could overlap. You need a  
8   function to make sure that doesn't happen.

9           And the real significance of this, we think, was  
10   brought home in the deposition testimony on 49. We asked Dr.  
11   Karger, after all of these examples that we have discussed,  
12   we asked him to identify a system in which you don't have to  
13   add something to a system where windows are permitted to  
14   overlap.

15          And the best he could do is give us an example  
16   where, if I take -- remove some of the code in the system,  
17   and so the system crashes when a user tries to move the  
18   windows sort of on top of each other, there is a system where  
19   the windows aren't going to be permitted to overlap.

20          Your Honor, we think the absurdity of that example  
21   proves our point. If you are going to have a system in which  
22   windows are not permitted to overlap, you are going to have  
23   to have some additional functionality, and, therefore, the  
24   requirement to that functionality is not a negative  
25   limitation. It is, in fact, a positive limitation. You need

1 something to prevent the windows from overlapping.

2 All right. Let's go on to slide 55. Now, there  
3 was another argument that Microsoft raised about the question  
4 of persistence. And this really comes from the fact that in  
5 the '403 patent, the tile definitions, the information that  
6 defines these tiles is described as residing in a file  
7 system, and you see that as 122 in figure 2 there.

8 And that file system is described as residing in  
9 what the patent calls main memory 112. And the argument that  
10 Microsoft raises is that, well, main memory -- and this is  
11 supported by Dr. Karger -- main memory means essentially RAM.  
12 It is a volatile memory that the computer system uses in its  
13 normal operation. When I shut the computer off at night, the  
14 contents of this RAM are lost.

15 Dr. Karger says, when you see the words main  
16 memory, you understand that you are in a volatile memory and,  
17 therefore, the tiles that are stored in this volatile memory  
18 are not persistent.

19 Well, there are a couple of issues with that.  
20 First, let's go to slide 56. Now, remember the '403 patent  
21 describes the tiles as being stored in the file system. So  
22 we asked Dr. Karger where a file system typically resides.

23 He admits that it is typically on a hard disk.  
24 Now, he says that it could be in a RAM, but typically these  
25 things are on a hard disk.

1           Now, we believe that that admission is significant  
2   because the question, the test for written description  
3   support is whether one of ordinary skill in the art would  
4   reasonably conclude that the inventors had possession of the  
5   subject matter.

6           When we are claiming persistent tiles, if one of  
7   ordinary skill in the art understands that they are stored --  
8   the patent teaches they are stored in a file system. If one  
9   of ordinary skill in the art understands a file system is  
10   typically on a hard disk, a hard disk is a nonvolatile form  
11   of memory, and, therefore, one of ordinary skill in the art  
12   would understand that these tile definitions aren't going to  
13   be lost when the computer is shut off.

14          Let's go to slide 57. We have a definition of the  
15   word "file system." As you can see at the bottom, the very  
16   definition reference drivers that control the disk drives.  
17   The disk drives, of course, are not RAM. They are hard  
18   disks. They are some kind of nonvolatile memory.

19          And on to slide 58, we just show a couple  
20   references that Dr. Karger's position is based on the fact  
21   that main memory means memory that is volatile and doesn't  
22   include anything like a nonvolatile memory like a hard disk.

23          Here we show a couple of patents. They are both  
24   prior to the filing date of the provisional application. And  
25   we see on 53 -- sorry, 58, and again on 59, that both of them

1 reference main memories that include hard disks.

2 So when you look -- and one last point that I hope  
3 will drive this home. We are going to go back to slide 55.  
4 When you look at what is stored in this main memory 122, it  
5 is not just the file system. Okay. We also have in their  
6 the operating system. And we also have application programs  
7 and other things, including the GUI.

8 When you look at that list, it becomes pretty  
9 clear that you are not talking about something that is stored  
10 in the RAM on a computer. As anybody who has ever had to  
11 install an operating system, like Microsoft 95 or 98 at the  
12 time, knows, there is a lot more that's in that operating  
13 system than what you can fit in RAM. You have got to put  
14 that onto a hard disk.

15 In fact, in deposition -- there are exhibits to  
16 this -- we showed Dr. Karger information that said something  
17 to the effect that you had to have hundreds of megabytes of  
18 storage to install these operating systems. Nobody has RAM  
19 in the hundreds of megabytes size at this time frame. It is  
20 just not consistent with what one of ordinary skill in the  
21 art would understand from the patent.

22 Okay. Slide 61. Now, we have here the question  
23 Microsoft raised about whether the support for selecting a  
24 tile calling an assigned application program.

25 Here we see from the originally-filed application,

1 this is the '325 application, that each tile is associated  
2 with a data stream or application program.

3 And if we go on to the next slide, we can see that  
4 the specification teaches that the application resides over  
5 existing applications without replacing any of them, rather  
6 it enables them to be called from the grid itself.

7 Now, Microsoft takes issue with the fact that  
8 there is not an express statement in there that says  
9 selecting a tile calls the application program.

10 You know, again, the standard here is what one of  
11 ordinary skill in the art would reasonably conclude from  
12 reading the application. If selecting the item -- sorry, the  
13 tile, isn't going to call the application program, then what  
14 is?

15 But even more important than that, when you look  
16 at the disclosure of the '403 patent, again, we are talking  
17 about something that is taking properties from existing GUI  
18 items, in particular the icons and the windows, and then in  
19 reality when you think about the disclosure, these are -- and  
20 I think this is reflected in the Board's claim construction  
21 decision somewhere, its initial decision -- they are a  
22 contrast, or in some ways more similar to an icon than a  
23 window.

24 In any event, they are replacing the desktop, and  
25 including the desktop icons. When you have a desktop icon,

1     you can click on it and call an application program like MS  
2     Word. If these tiles are replacing that desktop and those  
3     icons, then, of course, one would understand that selecting  
4     them is going to call an application program. That's why we  
5     believe this limitation is also further support.

6             And, Your Honor, if we go forward through -- up to  
7     slide 79, the other issues that Microsoft raised to support  
8     this are addressed.

9             And I am going to move now to slide 79, very  
10    quickly. Microsoft took issue with the fact that in our  
11    motion we didn't address one particular reference, to the  
12    Myers reference. We took careful heed of the Board's  
13    directive to analyze more of what is in the prior art than  
14    just what is at issue in the grounds of the case.

15            Here we selected 14 references. You will see that  
16    of course we chose the ones on which the Board instituted,  
17    but we took other ones. And in our brief we explained we  
18    looked at, not just this proceeding, we looked at the file  
19    history from the '403, both for the U.S. and the European.  
20    We also went to the parallel litigation.

21            And believe me, Your Honor, Microsoft has a lot of  
22    money digging up prior art. We went through all that prior  
23    art. We took the ones that we thought were the best to look  
24    at, and those were 14 different references.

25            You know, how people choose the most relevant

1 references, there is some subjective nature to this. But we  
2 went out of our way, knowing the Board's construction, to  
3 make sure we did. And, sure enough, despite 14 we didn't  
4 have enough.

5 All right. So let's take a very quick look at  
6 what we talked about on slide 80. You know, we are going to  
7 talk about Myers, the MSIE Kit, and the Kostas reference.

8 I think Myers is the most important reference. So  
9 let's go to slide 82. We didn't analyze the Myers reference  
10 because we believe that the Myers icons are not persistent.  
11 You can see this from the selection we have shown here.

12 In the Myers system what you had are icons that  
13 were coexistent with windows. So when a window was opened  
14 with an application program running in it, you had an icon.  
15 When you closed the window, the icon goes away.

16 That's what is reflected here. When the window is  
17 deleted, the icon is deleted. And so there is no -- and in  
18 the place where these icons are, nothing happens until  
19 somebody opens another window.

20 So the icons aren't being used to open the windows  
21 in Myers, and, in fact, they are not persistent because if  
22 the application isn't running the icon isn't there any more.  
23 So they were very dissimilar from the amended claims for that  
24 reason.

25 Let's go on to slide 84. Here we see that, unlike



1 what Microsoft is alleging for the MSIE Kit and the Kostas  
2 references, where they said they anticipate the amended  
3 claims, Myers is just an obviousness reference.

4 In fact, what Dr. Karger did was combine Myers  
5 with MSIE Kit. Again, you know, that in itself indicates  
6 this Myers was not such a particularly relevant reference.

7 Finally, on slide 83. Your Honor, so we have  
8 also -- sorry, Your Honor.

9 JUDGE CLEMENTS: Mr. Heintz, is it my  
10 understanding then that, by calls in the proposed amendment,  
11 Patent Owner means launches, instead of merely shifting the  
12 focus to an already launched -- or a launched or already  
13 running application?

14 MR. HEINTZ: The only issue here, Your Honor, is  
15 -- essentially, yes. The issue here is that, you know,  
16 sometimes -- let's take a modern browser application. All  
17 right.

18 If you click on a link, and now you are going to  
19 open a new browser window with something like the latest  
20 version of Internet Explorer. You make a call to that and  
21 you open a new tab in the browser.

22 But with that reservation, essentially yes. You  
23 are going to call an application program and do something  
24 akin to launch.

25 All right. Your Honor, I am almost out of time so

1 I am going to just briefly hit the BRI standard.

2 Now, the argument here is actually pretty simple.

3 The Board has justified the use of the BRI on the ability to  
4 amend the claims. But that ability to amend the claims has  
5 been substantially curtailed both under the law and under the  
6 Board's regulations and through its case law.

7 And we have seen some of the difficulties we have  
8 here today. We have a motion to amend, which in its body  
9 include the amended claims. It must include a discussion of  
10 the prior art in the proceeding and other prior art known to  
11 the Patent Owner.

12 And as we can see, you know, even 14 of those may  
13 not be enough to satisfy everyone. You have to put forth  
14 claim constructions and you have to show support in the  
15 specification.

16 You must do this all in 15 pages of double-spaced  
17 14 point font type. It is a very tight page limit.

18 JUDGE TIERNEY: Counsel, how many pages did you  
19 request for your motion?

20 MR. HEINTZ: We asked the Board during our  
21 discussion on this issue whether we could be permitted to put  
22 the amended claims, the actual listing of the claims in an  
23 appendix. And we were told we could not.

24 JUDGE TIERNEY: How many pages did you request in  
25 total?

1           MR. HEINTZ: Well, we followed the Board's rules,  
2   which are 15 pages.

3           JUDGE TIERNEY: Did you request to have additional  
4   pages other than the 15?

5           MR. HEINTZ: Your Honor, if you are asking me did  
6   we use those words, can we have additional pages, we did not.  
7   We did ask to be permitted to put the claims in an appendix,  
8   which would in effect be additional pages, and we were told  
9   we could not do that.

10          JUDGE TIERNEY: Were you given an opportunity to  
11   file a second amendment, a supplemental amendment?

12          MR. HEINTZ: I'm sorry, Your Honor?

13          JUDGE TIERNEY: Were you given an opportunity to  
14   file a supplemental amendment?

15          MR. HEINTZ: We were given an opportunity to make  
16   certain narrow limitations -- adjustments to the limitations,  
17   that's correct, Your Honor, but we were not allowed to expand  
18   the briefing on that other than to actually just put forth  
19   the support for those couple of narrow limitations.

20          JUDGE TIERNEY: Did you specifically request the  
21   Board go beyond 15 pages? I understand you're saying could  
22   you put your claims in an appendix, that was denied. Did you  
23   ask the Board to go to 20-25 pages?

24          MR. HEINTZ: Your Honor, we did not under that  
25   definition.

1           Okay. I will note, however, that the Board has  
2   indicated that the page limits can prevent -- let's go to  
3   slide 102. Here we have an express statement from the Board,  
4   this is IPR2013-00318, that what the Patent Owner wanted to  
5   do with an amendment wasn't going to be possible because of  
6   the 15-page limit on the claim.

7           So as we have seen this case law, this appeared  
8   very clear to us that this 15-page limit is being used,  
9   together with all of the other requirements, to limit the  
10   ability to amend the claims. And we believe --

11          JUDGE TIERNEY: Counsel, is that decision you are  
12   citing precedential, the IPR2013-00318, paper number 22?

13          MR. HEINTZ: I don't believe it is, Your Honor.

14          JUDGE TIERNEY: Is it binding upon this Board? Is  
15   it binding upon this Panel? Let's be specific. Is it  
16   binding on this Panel?

17          MR. HEINTZ: I don't believe it is. I am just  
18   citing it, Your Honor, as an indication that the Board has  
19   made attorneys aware that this 15-page limit is going to  
20   curtail the ability to amend the claims.

21          In this case we could only amend claims 46 through  
22   -- well, claims 42 through 52, I believe it was. We  
23   weren't -- we could not, given what we thought were the page  
24   requirements and having been denied permission to put the  
25   claim amendments separately, we didn't think we could do any

1 more than that.

2 These have had real effect. In fact, as far as I  
3 know, the Board has only allowed one amendment to date.

4 JUDGE TIERNEY: Let's focus on a specific case.  
5 Can you identify what specific prejudice you suffered in this  
6 particular case?

7 MR. HEINTZ: I believe that as a consequence of  
8 all of those factors I just mentioned, we couldn't amend  
9 claim 1. We could only get one amendment into the allotted  
10 page limit, which we understood we were held to.

11 JUDGE CHANG: Did you present these new  
12 limitations in other proceedings, I mean, in front of the  
13 office, such as reexamination or prior examinations?

14 MR. HEINTZ: No, Your Honor. This proceeding is  
15 the only proceeding I'm aware of at the office involving this  
16 patent.

17 JUDGE CHANG: No, what I am asking is, these new  
18 limitations that you talked about, those two "wherein" clause  
19 and so forth, those limitations, I am just wondering whether  
20 the office has construed these new limitations before?

21 MR. HEINTZ: No, Your Honor. I believe these are  
22 new --

23 JUDGE CHANG: Brand new, okay.

24 MR. HEINTZ: Yeah, no.

25 JUDGE CHANG: Okay.

1 JUDGE TIERNEY: And just to clarify, are you  
2 precluded from filing a reissue application or reexamination?

3 MR. HEINTZ: Am I prepared to?

4 JUDGE TIERNEY: Are you precluded?

5 MR. HEINTZ: Am I precluded? I don't know that  
6 that's the case. There are certain limitations on what one  
7 can do depending on what the Board decides here.

8 But if I wanted to file completely different  
9 limitations, I don't think I am precluded from doing so. I  
10 will note, however, that we are in the middle of a litigation  
11 and so that would have a significant impact on that  
12 litigation.

13 With that, I will conclude, if there are no  
14 further questions.

15 JUDGE TIERNEY: Judge Clements, any further  
16 questions?

17 JUDGE CLEMENTS: No questions from me.

18 JUDGE TIERNEY: Judge Chang?

19 JUDGE CHANG: I'm good. Thank you.

20 MR. HEINTZ: Thank you, Your Honor.

21 JUDGE TIERNEY: Thank you. Counsel for  
22 Petitioner, I believe you have -- it has been a long day --  
23 about 40 minutes. Do you need more?

24 MR. KUSHAN: I don't know that we need 40 minutes.  
25 We will try to be efficient.

1 JUDGE TIERNEY: I'm trying to remember. I think  
2 it ended at 45 minutes after the hour, so technically I guess  
3 you have 45 minutes left. Don't feel you have to use it all,  
4 though.

5 MR. KUSHAN: Okay. I will try not to.

6 So what I'm going to address, I will address two  
7 of the topics and Mr. Micallef will address the third. The  
8 two topics I'm going to cover are the attempt to antedate the  
9 Duhault II reference and some of the written description  
10 issues that we identified relating to their claim amendment.

11 JUDGE TIERNEY: Are we going to have any  
12 discussion about claim construction?

13 MR. KUSHAN: I can -- I will touch on the broadest  
14 reasonable construction standard, if that is what you would  
15 like.

16 JUDGE TIERNEY: Well, just to make a point in  
17 general for the hearing, one of the key points we have been  
18 discussing today is how the references apply to the claims.

19 And one of the questions I have been persistent in  
20 asking is how it applies to the specific claim language we  
21 have and how the claims are defined in this specification  
22 because it has been somewhat apparent we don't have specific  
23 definitions in the spec.

24 So it would be helpful to have a little bit more  
25 discussion as to why the references do or do not apply with

1 the claims and how they are to be construed.

2 MR. KUSHAN: I am going to invite my colleague,  
3 Mr. Micallef, to emphasize that because he was going to  
4 devote most of his time to addressing rebuttal on the  
5 references and how they map to the claim language. It may be  
6 best to do it in that fashion.

7 I will touch on a few of those issues when we are  
8 dealing with the amended language.

9 Before we get to the amended language, let's talk  
10 about the requirements for antedating a reference. It is  
11 very well established, there is black letter law for the  
12 Board, that to antedate a reference the evidence you are  
13 putting forward has to be corroborated. That's the evidence  
14 of conception.

15 The reason you have a corroboration requirement is  
16 you have to demonstrate that that evidence existed in the  
17 form that you are contending as of the date you are saying it  
18 existed. It is a very simple requirement of the Board. It  
19 has been followed for decades in interference practice.  
20 There is really no question about that.

21 When we look at the inventory of evidence that  
22 they put on the table to show their conception, none of that  
23 evidence clears the hurdles that the Board has set for  
24 corroboration.

25 Now, Mr. Heintz has kind of focused on a couple of



1     their exhibits, and I think we can very efficiently home in  
2     on the discussion.

3             There is a bundle of references that are exhibits  
4     that they pointed to that were e-mail communications. Nearly  
5     all of them are e-mail communications between the inventors.  
6     That's not corroboration. It is well established law that  
7     you have to have somebody who is not an inventor corroborate  
8     the evidence.

9             There is one issue that I think was broached in  
10    one of the questions, which is there is the e-mail which  
11    carries a date stamp, and then there is an allegation that  
12    the document in addition to the e-mail also gets the benefit  
13    of that date stamp.

14            We don't see any evidence that has corroborated  
15    those attachments, if they are attachments. The Exhibit  
16    2067, in particular, itself is not corroborated. That  
17    document is, if you look at the document, there is no  
18    testimony advanced by a witness to share that that document  
19    existed at the time.

20            There is no self-authenticating attribute of it.  
21    So there is no authentication. There is no corroboration of  
22    that Exhibit 2067.

23            In the discussion, in defending this, they point  
24    to Exhibit 2009. And if you want to turn to Tab 7 of their  
25    demonstrative you will see Exhibit 2009.

1           And this is 2009. It is a largely-redacted  
2 document. And when you are looking at a document like this  
3 which they are advancing as corroboration evidence, you have  
4 to look to see what the content of the document is to tell  
5 you whether it is corroborative.

6           If you look at the bit that is unredacted on page  
7 2, it is a sentence, a fragment of a sentence that says  
8 "potential patent application that is based upon the  
9 disclosure that you presented at Pennie & Edmonds LLP on  
10 April 15, 1999."

11           There is no evidence, there is nothing in this  
12 Exhibit 2009 that tells us that thing is Exhibit 2067.

13           Now, it is not impossible for them to put on a  
14 witness to tell us what happened at that meeting. There is a  
15 cc here, Paul DeStafano, Esq., who was a lawyer at Pennie &  
16 Edmonds who presumably participated in this meeting.

17           There is no declaration from him explaining this  
18 document. There is nothing. And this document is incapable  
19 of demonstrating on its face that Exhibit 2067 was presented  
20 at a meeting at Pennie & Edmonds on that date.

21           Again, the reason we have a corroboration  
22 requirement is that with the passage of many, many years,  
23 memories of what these documents were, when they were given,  
24 et cetera, fail. That's why we have corroborating witnesses  
25 so that you can have independent proof to demonstrate that

1 the evidence is legitimate.

2 There was another exhibit that they pointed to as  
3 evidence of conception. And this is a notebook from Ovid  
4 Santoro. And, again, as you pointed out, none of the pages  
5 on that notebook are dated except the very front.

6 And, again, this is handwriting that appears on a  
7 notebook. It is not authenticated. It is not corroborated  
8 by any witness. Without a corroboration, you cannot accept  
9 this as evidence of conception.

10 Now, there was a reference to the rule of reason.  
11 The rule of reason is a standard that you use when you have  
12 at least some corroborated evidence of conception and then  
13 you have additional evidence which you can use in conjunction  
14 to fill the gaps.

15 Here it is all gap. There is no skeleton to build  
16 upon of corroborated evidence to prove conception. And that  
17 means there is no evidence that can corroborate a conception.  
18 So that's under one prong of the proof that they have to  
19 establish.

20 And it is their burden of proof to come forward  
21 and show that they antedated that reference with evidence.  
22 This prong of prior corroborated evidence of conception  
23 fails.

24 The second prong of the standard is reasonable  
25 diligence. Now, here the primary bulk of evidence they are

1     advancing is a log notebook and a declaration from Dr. Bone,  
2     who was the person who sponsored and participated in the  
3     preparation of a patent application. That's the testimony.

4             The problem is that Dr. Bone is an interested  
5     party in this proceeding. At his deposition, and you can  
6     look at our Exhibit 20 -- I'm sorry, demonstrative page 103,  
7     he has admitted that he has a stake in the outcome of this  
8     proceeding.

9             Now, why is that significant in the context of  
10    proving diligence? Well, a party who has an interest in the  
11    proceeding has an inherent bias that must be offset by some  
12    corroboration of the evidence he is advancing in his  
13    testimony. And here there is none.

14            I would also like to point out at his deposition  
15    Dr. Bone had no recollection, he testified he had no  
16    recollection of the entries in his log notebook, and he  
17    actually commented at one point that you won't find any  
18    information in that log notebook that reveals attributes of  
19    the claimed invention.

20            The reason that is significant is that means that  
21    you have to look at the log notebook basically as a naked  
22    document and see what it teaches you and proves as a  
23    diligence proof.

24            When we look at that document, that log notebook,  
25    what we see is a lot of activity that does not seem to be

1 related to writing a patent application and preparing it for  
2 filing at the Patent and Trademark Office.

3 More significantly, there are gaps of time. Now,  
4 there was a chart put up of all of the entries in that log  
5 notebook over a period of time, but you have to kind of drill  
6 down into that list of entries and see what was going on with  
7 that activity.

8 Of particular note that we want to flag, and this  
9 is something he acknowledged in his deposition, there were  
10 later-assigned projects that he took on and prioritized ahead  
11 of finishing this patent application. That's something which  
12 in other cases has been found to be a lack of diligence.  
13 There are gaps of 10, 5, 10, 15 days or 5 to 10 days at a  
14 time of no work on the application. And when you are looking  
15 at the diligence standard you have to say, is there a  
16 diligence where there is no -- is it reasonable diligence  
17 against the context of the pressure and time, et cetera.

18 And we believe under the record of that evidence,  
19 which is essentially the only thing that is on the table, is  
20 this log notebook, there is not sufficient evidence that  
21 there was diligence towards reducing the invention to  
22 practice.

23 Now, so when we look at the evidence they have  
24 advanced, we think they have failed to meet their burden of  
25 proof. It is their burden of proof to come forward with

1 sufficient evidence to demonstrate prior conception and  
2 reasonable diligence and reduction to price.

3 And as you look at this evidentiary record, we  
4 think it falls far short of the standard that the Board has  
5 used for each of those criterion.

6 Now, I am going to move on to the written  
7 description issues that we have raised with our amended  
8 claims. Here what we see are essentially two, I want to  
9 focus on two of the amendments in particular.

10 The first of these, Judge Chang, you actually  
11 engaged in a bit of a discussion before about the meaning of  
12 selecting the tile and the significance of that.

13 One of the things we believe was a failure on  
14 their part, and, again, this is their burden of proof to come  
15 forward and show how the written description of their patent  
16 supports these claim amendments.

17 The first clause that I would like to focus on is  
18 the clause that specifies that -- this is their amendment  
19 dealing with the selection of the tile.

20 So the clause that they have advanced to add to  
21 their claim is: Wherein selecting a tile calls an assigned  
22 application program to provide access to information.

23 That clause we have contended is not supported by  
24 the written description of their patent. Now, when they put  
25 on their proof, their evidence to support their written

1 description for that clause, they pointed to two things.

2 The first thing they pointed to was their  
3 provisional application. You can disregard that because that  
4 provisional application is not part of their written  
5 description. They did not incorporate their provisional  
6 application by reference into their actual non-provisional  
7 application. So it is not part of the written description of  
8 this application.

9 The second bit of evidence they put forward were  
10 three clauses from their description. And when we probed the  
11 meaning of those clauses with their expert, their expert  
12 confirmed that none of those three clauses specifically  
13 addressed the question of selection for calling applications.

14 Why is that significant? Well, two reasons.  
15 Mr. Heintz was pointing out earlier that there are many  
16 different ways -- there are different ways other than, well,  
17 you were actually I think, Judge Chang, probing the question,  
18 are there ways of calling an application other than by  
19 selecting a tile.

20 Mr. Heintz suggested it was obvious. The obvious  
21 thing that is meant when you select a tile is it is going to  
22 call an application. Well, obviousness isn't the written  
23 description standard.

24 It is not a question of whether something is  
25 obvious from your written description. What is tested is

1    what did the person of skill understand your description  
2    defined as your invention that you had possession of.

3           Here when you look at the absence of any guidance  
4    to a person of ordinary skill that the only meaning they had  
5    in mind of selecting an application, selecting a tile to call  
6    an application was as they proposed in their claim amendment,  
7    that -- and I will just walk briefly through the three  
8    clauses they put in support of their claim amendment -- there  
9    is an absence of teaching or a guidance to the person of  
10   skill in the art demonstrating that the only way that they  
11   were envisioning calling an application was by selecting a  
12   tile. And this raises a written description problem for  
13   them.

14           When we asked Dr. Weadock at his deposition, and  
15   this is Exhibit, at his second deposition, Exhibit 2089, page  
16   77, lines 7 to 19, we asked Dr. Weadock are there other ways  
17   of calling an application other than selecting a tile? We  
18   asked him, you can still have other ways of selecting an  
19   application, such as a menu or a command line interface,  
20   would you agree with that?

21           And he responded to that question by saying, well,  
22   I don't know about the such as, but if you have a grid of  
23   tiles, I don't see anything in this patent that says you  
24   can't have other ways of calling applications.

25           The simple point about this is their own expert



1 recognizing there are other ways of calling an application  
2 than what they provided here with selecting the tile to call  
3 the application.

4 So you have a universe of possibilities. Then you  
5 have the testimony from their witness explaining that the  
6 passages that are cited in the support of written description  
7 don't necessarily address the question of selecting a tile to  
8 call an application. These are slides 139 to 140 and 141.

9 In the interest of time, you can review that,  
10 those three passages. We think it demonstrates that there is  
11 not a clarity in their description that leads you to believe  
12 they had possession of this particular way of calling an  
13 application that would support their claim amendment.

14 The second amendment is a bit complicated and I  
15 will make it simple. They want to add the word "persistent"  
16 into their claims. But what they are really doing by the  
17 addition of the word persistent is they are trying to couple  
18 it to their proposed definition of persistent.

19 So, in essence, they are putting a word into the  
20 claim and then asking you to say that word means this  
21 specific meaning. And if you go to 98, so the lower box is  
22 what they are proposing in their claim amendment as a  
23 definition of the word persistent.

24 What they are proposing is that, with respect to a  
25 tile, persistent means that at least three attributes of the

1 tile are stored.

2 The problem is that their patent disclosure  
3 doesn't say that is what persistent means. What their patent  
4 says is simply persistent means that these various things in  
5 the metabase, which includes many other things other than  
6 these three attributes of tiles, are preserved from session  
7 to session.

8 So under the written description law that deals  
9 with genus and subgenus claims, they are trying to redefine  
10 persistent as being a subgenus, where the only thing they  
11 have got described in their patent is the generic concept of  
12 saving the attributes of the interface elements.

13 So what we see here is, by their definition of  
14 persistent, a lack of support. This is essentially creating  
15 new matter, which is the mirror image of a lack of written  
16 description. And we believe that change would be unsupported  
17 by the written description.

18 JUDGE CHANG: What happens if we define persistent  
19 to be one of ordinary skill in the art and not adopt their  
20 claim construction, would that be a 112, still have a 112  
21 support problem?

22 MR. KUSHAN: Well, I think the root of their  
23 problem is if they want to have their claim be limited to  
24 this set of attributes being persistent, they should have  
25 proposed a claim amendment that put that in.

1           What they are doing is they are essentially trying  
2   to become their own lexicographer.

3           JUDGE CHANG: I understand that. I am just saying  
4   that if we look at this amendment and look at that phrase and  
5   just adopt an ordinary meaning of persistent and not adopting  
6   all of those limitations, would that still have a 112 support  
7   problem?

8           MR. KUSHAN: I think it would.

9           JUDGE CHANG: Why is that?

10          MR. KUSHAN: Well, I think the challenge we have  
11   is that these patents get taken out of these proceedings and  
12   then they have to be construed. And what we would wonder is,  
13   if the Board were to find a meaning that was different than  
14   what they proposed, we would end up with a bit of uncertainty  
15   when we go to construe that claim in litigation.

16          And my understanding is that the persistent  
17   reference here is a little bit confusing in and of itself  
18   because it is really not telling you at all what attributes,  
19   whether it is the grid being preserved, whether it is the  
20   tiles being preserved, what attributes of the tile need to be  
21   preserved.

22          JUDGE CHANG: So you are, actually you are arguing  
23   about indefiniteness then?

24          MR. KUSHAN: Yes, it is introducing something  
25   which doesn't lend itself to an easy, you know,

1 interpretation.

2 JUDGE CHANG: Do you allege that in your  
3 opposition?

4 MR. KUSHAN: Well, in our opposition we addressed  
5 essentially what they propose, and this is something we  
6 understand to be a requirement when they come forward with  
7 their claim amendment. They have to advance their  
8 interpretation of the amended term.

9 So we have dealt directly with that. So we didn't  
10 address the question of whether you disassociate it from that  
11 proposed definition.

12 JUDGE CHANG: Okay. Thank you.

13 MR. KUSHAN: I am going to turn it over to Mr.  
14 Micallef to deal with some of the prior art issues and also  
15 the claim construction point you raised.

16 MR. MICALLEF: Thank you. I just want to make  
17 sure, Your Honor, that I get to what you were interested in.  
18 So I wasn't sure if you wanted to hear about claim  
19 interpretation, because we think at this point the Board's  
20 interpretations are just fine. That's what we are dealing  
21 with. Or did you have specific questions I can answer about  
22 the grounds?

23 JUDGE TIERNEY: I would appreciate having a lineup  
24 of the claim limitations, and how the art met it, because it  
25 appeared that we at times were discussing certain features

1 and having to go to the claim construction, which was not  
2 immediately apparent.

3 But let us hear from you as to why, the broadest  
4 reasonable interpretation, I assume you are going to say it  
5 was the correct standard, right?

6 MR. MICALLEF: I really want to talk a little bit  
7 about the motion to amend. But I will talk about the  
8 broadest reasonable interpretation standard. But I want to  
9 be very quick about it, that there is no question, as the  
10 Board has already found I think in one opinion, there is a  
11 specific grant of authority under the statute to adopt that  
12 standard. It was exercised. It was exercised after a notice  
13 and a comment period.

14 And so it is accorded -- well, it's the law of the  
15 land and it is supposed to be afforded a certain amount of  
16 deference, not only before the Board but before the Federal  
17 District courts.

18 There is no argument here that it was implemented  
19 in any kind of improper manner. There is no argument here  
20 that it was inconsistent with the statutory scheme. There is  
21 no argument here that the office exceeded its rulemaking  
22 authority.

23 More than that, they have never said the Board's  
24 interpretations are not reasonable. They have never said  
25 that the Board's interpretations aren't consistent with the

1 specification. They have some other views of it, but that  
2 doesn't mean that the Board's interpretations are  
3 inconsistent.

4 Indeed, at one point they are actually, and only  
5 one point, they are asking for a much broader interpretation  
6 on the refresh rate and retrieval rate, but they don't have  
7 any argument on those claim elements. So that's sort of a  
8 moot issue.

9 And, as Your Honor pointed out, they filed two  
10 motions to amend. So what they are asking you for is the  
11 Phillips standard and the chance to amend.

12 Well, they don't get that. So I think the Board  
13 is on solid ground upon the broadest reasonable  
14 interpretation standard.

15 JUDGE TIERNEY: Being a little more particular  
16 about what I was talking about earlier, for example, could  
17 you go ahead and discuss the use of the word periodic and  
18 contrast it with assigning a first refresh rate, which is  
19 recited in claim 1?

20 MR. MICALLEF: Yes.

21 JUDGE TIERNEY: And also claim 22, which has a --  
22 in accordance with the first retrieval rate, and why periodic  
23 would read on or not read on those limitations.

24 MR. MICALLEF: Sure. And I don't think I have Dr.  
25 Karger's specific paragraphs here, but I think they are

1 applying an unnatural reading of periodic, and certainly not  
2 what somebody in this art would apply.

3 I think their experts started talking about  
4 periodic as it might be used in financial transactions and  
5 some unrelated contexts, which is certainly not the way to  
6 interpret claims, but it is also not the way to interpret  
7 prior art in a given field.

8 Dr. Karger says that disclosure in Duhault II  
9 means that there is a recurring time interval used to update  
10 the various video images. And, in fact, I would point out,  
11 and I can pull it up if Your Honor would like to see it, but  
12 claim 10 in Duhault II says that the rates are assigned --  
13 are user configurable.

14 I don't think that it is reasonable to assume that  
15 a user would configure some sort of, frankly, nonperiodic  
16 rate if they are going to configure a rate. It is not going  
17 to be just whenever it is raining or when I need to cut the  
18 grass.

19 The only rational, the only reasonable  
20 interpretation to that disclosure in that patent is that we  
21 are talking about a current time interval. And so that would  
22 be a refresh rate because that's the recurring time interval  
23 that would be used to paint up a new frame onto the video  
24 image and also to obtain that video image from whatever  
25 source, data transmission or file, whatever source is feeding

1 the Duhault video II image.

2 Did I answer your question, Your Honor?

3 JUDGE TIERNEY: Yes. And I am assuming from what  
4 you are saying that, based upon Duhault claim 10, where it is  
5 user configurable, one of ordinary skill in the art reading  
6 that would immediately envision that you could assign a rate?

7 MR. MICALLEF: Well, that, and also, Your Honor,  
8 the fact that the rate is used to actually change the video  
9 images confirms that it has been assigned.

10 The Patent Owner seems to suggest that there has  
11 to be some kind of file somewhere that says it or something  
12 like that. And I believe they have now given up on the  
13 individually assigned, but that's not what the claim says.  
14 It just says assigned.

15 And you can assign things generally, for example,  
16 but also I think, like I said, the fact that it is  
17 implemented, which is what Duhault expressly says in that  
18 passage I put up from column 3 of Duhault II, the fact that  
19 it is implemented confirms that it is assigned to those  
20 tiles.

21 JUDGE TIERNEY: And then going to claim 22, the  
22 term first retrieval rate and second retrieval rate, again, I  
23 believe you are telling me that the first rate and second  
24 rate, being user configurable, also being periodic, would  
25 meet such a limitation?



1           MR. MICALLEF: It would satisfy those limitations.  
2   And I would point out, Your Honor, there are dependent claims  
3   in the '403 patent which say that the rates are different,  
4   which of course means that the two rates in the independent  
5   claim can be the same, although I think Duhault II says that  
6   they can be different as well. Okay?

7           So with the time I have left, I would like to just  
8   deal with a couple of issues on the motion to amend. And the  
9   first one is the fact that Judge Clements touched on, and  
10   that is this interpretation of this phrase calling an  
11   application.

12           And Your Honors may recall that they never  
13   provided an interpretation of that phrase, even though the  
14   Board's opinions in the past, including CBS, expressly say  
15   that in a motion to amend the Patent Owner should do that,  
16   particularly for language that is new, claim language that is  
17   new. And this is new claim language.

18           So in their motion they didn't, as we pointed out  
19   in our opposition, they didn't provide any interpretation for  
20   this language at all. We argued that that meant the motion  
21   should be denied under the Law of Four in our opposition.

22           And in their reply this is what they said, and I'm  
23   looking at slide 107 of our presentation, they pointed to  
24   Mr. Weadock's declaration and said that he confirms that all  
25   these terms would be understood by those of ordinary skill in

1 the art. And they cite to his declaration, Mr. Weadock's  
2 declaration, Exhibit 2081, paragraphs 7 to 49.

3 Now, that sentence is dealing with more than just  
4 to call the application. And from those paragraphs, there  
5 are only two paragraphs that deal with calling an  
6 application. It is 30 and 31 and I have it up on the slide.

7 And if you read them you will see that Mr. Weadock  
8 never says that a person of ordinary skill in the art would  
9 understand what it means, and he certainly never says what a  
10 person of ordinary skill in the art would understand it to  
11 mean.

12 All those paragraphs do is go to their view of  
13 what written description support exists for that language.

14 So they failed to interpret this language in their  
15 motion. Even after we complained about it in our opposition,  
16 they again failed to provide an interpretation in their  
17 reply.

18 And I submit to you, I bring this up first because  
19 it is very important because they are now relying on that  
20 language to attempt to distinguish the prior art. Let me  
21 show you.

22 Let's go to the Myers reference. I don't have to  
23 remind the Board of the requirements. Mr. Heintz did. They  
24 were supposed to treat, at least in some way, the prior art  
25 that they were aware of, that they knew about. They knew

1 about Myers. It was cited in our original papers. And they  
2 didn't deal with it at all.

3 Now, in our opposition -- in their motion they  
4 didn't deal with it. They ignored it.

5 In our opposition, we pointed out that Dr.  
6 Karger's declaration, which we submitted with our opposition,  
7 established that Myers discloses or would have made obvious  
8 all of the elements of the proposed substitute claims.

9 Now, this is important because what, in fact, Dr.  
10 Karger said, and what I have on the screen in slide 116, is a  
11 portion of it. In the section where he treats Myers, he says  
12 specifically the proposed claims are not patentable over  
13 Myers. This is his opinion and this is what we submitted in  
14 our opposition.

15 What did they say in response to that? This is  
16 all they say -- and this is slide 117 in our  
17 demonstratives -- all they say is that Myers is less  
18 relevant. They never argue about whether the substitute  
19 claims are patentable over Myers. They never say that. They  
20 just say it is less relevant.

21 Their burden is to show patentability. I don't  
22 have to show that. I don't have to show unpatentability,  
23 right? It is their motion. They have to show patentability.  
24 That means they have to show those claims are novel over  
25 Myers, and all the other prior art, and nonobvious over

1 Myers. And they didn't do that, even in their reply.

2 In fact, all they did -- well, I think they have  
3 two arguments, so let me deal with them, about why Myers is  
4 less relevant.

5 The first one is they say that our expert, Dr.  
6 Karger, admitted on cross examination -- and I am at slide  
7 118 -- that Myers icons cannot be used to call assigned  
8 application programs.

9 That is not accurate. The passages they cite I  
10 have on the right here. When they asked him about that, he  
11 said, his answer was, well, that gets to the ambiguity of  
12 call.

13 And this is why it was so important that they  
14 didn't interpret it, because as Judge Clements correctly  
15 pointed out, there are a couple different possible  
16 definitions of call. Does it mean launch? Does it mean  
17 change the focus to? Does it mean either, or does it mean  
18 something else?

19 Your Honors, they have not said, even today, I  
20 heard Mr. Heintz up here, he wouldn't even come down off the  
21 fence. They had an obligation to tell us and the public what  
22 it means, and they won't do it even under direct questioning  
23 from the Board.

24 And yet here they are saying that somehow Myers  
25 doesn't disclose that, when they won't even tell us what it

1 means.

2 I will point out, though, that Dr. Karger said,  
3 well, there is an ambiguity of call, but in Myers, if you  
4 click on the icon and start typing, and there is his  
5 language, he says that particular window will become a  
6 listener, and now I start typing, that application program is  
7 now going to be called.

8 So they are absolutely incorrect when they say  
9 that Dr. Karger said you couldn't call an application program  
10 with the icons in Myers. The testimony is right there on our  
11 slide. It is the Karger transcript at -- well, it is on the  
12 slide, page 118.

13 Now, the other thing I will point out is that  
14 their expert has never said that sapphire -- sapphire is the  
15 Myers paper -- that the icons cannot call an application.  
16 What he says is they are not selectable to run an  
17 application.

18 He avoids using the word call and he never  
19 disputes what Dr. Karger said, that if you click on the icons  
20 in Myers and start typing, that will call an application  
21 program. Okay. They are avoiding telling us and telling the  
22 public and telling the Board what this phrase means.

23 Now, the only other argument that they have is  
24 that -- and you heard Mr. Heintz say it, and this was their  
25 excuse for not treating Myers at all, is that the icons in

1 Myers are not persistent.

2 Well, what I have up here is Dr. Karger's -- part  
3 of Dr. Karger's opinion. It is paragraph 341 from his  
4 Exhibit 1110. He said that, to the extent one could read  
5 Myers as saying the icons are not persistent, it would have  
6 been obvious to modify Myers to make them persistent.

7 That opinion is undisputed. They have never  
8 disputed that it would have been obvious, because they have  
9 never tried to show that their proposed substitute claims are  
10 patentable over Myers. And they haven't showed it because  
11 now the only evidence in this case is that those claims are  
12 unpatentable for obviousness over Myers.

13 I will touch on MSIE Kit briefly, and then there  
14 is one more reference that I really want to get to. MSIE Kit  
15 we have said also renders the claims unpatentable. It  
16 clearly discloses non-overlapping Active Desktop items.

17 We also pointed out in our papers that there is a  
18 control that can be set by an administrator that is disclosed  
19 in MSIE Kit that prevents a user from moving the Active  
20 Desktop items once they are displayed.

21 So the ability to display non-overlapping Active  
22 Desktop items in a 3-by-2 grid, in fact, and make them unable  
23 to overlap is disclosed.

24 It also discloses, as we pointed out, I won't go  
25 through the selection again. I went through that enough.

1 But MSIE Kit discloses that various applications can be  
2 called by selecting links or hot spots in the Active Desktop  
3 item, including Internet Explorer 4, Netscape browser,  
4 Outlook Express, and Net Meeting, which is a chat  
5 application.

6 So, again, MSIE Kit renders these claims  
7 unpatentable, these substitute claims. One more.

8 JUDGE TIERNEY: Just going back. You used the  
9 word non-overlapping. Claim 1 and 22, as presented, prior to  
10 any amendment, do not require non-overlapping on its face.

11 We had mentioned earlier to the Patent Owner about  
12 claim differentiation. What is your position on claim  
13 differentiation between claims, say, 3 and 1?

14 MR. MICALLEF: Well, I don't think they have the  
15 law right on claim differentiation. I think actually there  
16 are various flavors of claim differentiation, or forms, I  
17 mean, there are strong forms and there are weak forms. It is  
18 a canon of claim interpretation really.

19 And so I think that that claim -- and I have  
20 actually argued this to the District Court in this case -- I  
21 think that that claim indicates that the -- acts as some kind  
22 of disclaimer or amendment by the Patent Owner. That claim  
23 indicates that the independent claims are not so limited.

24 JUDGE TIERNEY: So you would not -- the position  
25 taken by Patent Owner was the words non-overlapping in claim

1     3 were superfluous. You would disagree?

2           MR. MICALLEF: Yeah, I think there is a  
3     presumption, I think the Federal Circuit says that there is a  
4     presumption that every word in a claim is meaningful. And I  
5     think that presumption could be honored here.

6           JUDGE TIERNEY: And that presumption has not been  
7     rebutted?

8           MR. MICALLEF: I have seen nothing to rebut it,  
9     no, I don't think so. Okay.

10          The other reference we pointed to as far as  
11     patentability of the proposed substitute claim is the Kostas  
12     reference, which is a PCT application that displays a grid of  
13     non-overlapping tiles, each linked with an information source  
14     that can be refreshed.

15          In their motion to amend, and also in their reply  
16     brief, they make essentially the same argument. They say  
17     that the two wherein clauses of the proposed substitute claim  
18     53, the independent claim, are not satisfied by Kostas.

19          But look at what they don't say. They say Kostas  
20     does not disclose the two wherein clauses. They never argue  
21     that those clauses would not have been obvious in view of  
22     Kostas. That argument is not in their motion to amend and it  
23     is not in their reply brief.

24          In fact, Dr. Karger in his declaration in support  
25     of our opposition made exactly that argument. First, I will



1 show you first this slide 133, paragraph 35 of his Exhibit  
2 1110. He points out that even if you -- he says it does  
3 disclose the wherein clause but, even if you don't agree with  
4 me, it would have been obvious.

5 So the Patent Owner ignored that in the Patent  
6 Owner's papers. Now, Mr. Weadock, he did say something about  
7 that in his paragraph 92 in the new declaration. But look  
8 what he says. He says he doesn't agree that Dr. Karger has  
9 made a persuasive case. He says Active Desktop did not work  
10 that way. Chen did not work that way. Sapphire did not work  
11 that way.

12 That's all he says. No analysis. No explanation  
13 of why. He never disputes Dr. Karger's opinions that this  
14 functionality would have been within the level of ordinary  
15 skill and that there would have been a motivation to employ  
16 the functionality.

17 Again, this is not my burden. I don't have to  
18 show they are unpatentable. They have to show this is  
19 patentable. And this is the only evidence they could get,  
20 just these statements without any explanation, and they don't  
21 even cite it. One more.

22 JUDGE TIERNEY: You have five minutes remaining.

23 MR. MICALLEF: Okay, Your Honor. And this is  
24 slide 135. This is Dr. Karger's -- and we cited this in our  
25 opposition -- this is Dr. Karger's paragraph 314. This is

1 the second wherein clause, where he says even if you don't  
2 agree with me that it is disclosed in Kostas, it would have  
3 been obvious.

4 Nothing. Radio silence on this one. Mr. Weadock  
5 does not dispute it. They don't have any evidence to dispute  
6 that either.

7 So these claims on this record, clearly it is not  
8 even close. They are not patentable. They haven't provided  
9 the evidence to carry their burden.

10 I am willing to spend the next five minutes  
11 answering questions, Your Honor, or I am willing to give it  
12 back to the Board.

13 JUDGE TIERNEY: Any questions, Judge Chang?

14 JUDGE CHANG: I'm good.

15 JUDGE TIERNEY: Any questions, Judge Clements? I  
16 believe I read lips as saying no further questions.

17 JUDGE CLEMENTS: None from me.

18 MR. MICALLEF: Okay. Thank you.

19 JUDGE TIERNEY: Thank you. Patent Owner, you have  
20 15 minutes left for rebuttal. Should you require more time,  
21 please let us know. We have covered a lot of ground today.

22 MR. HEINTZ: Okay. So the first thing I want to  
23 address is the discussion about Dr. Bone's logbook entries.  
24 And in particular Mr. Micallef mentions the fact that some of  
25 these entries, he says you can't tell what is going on.

1           And so some of the things he is complaining about,  
2   about these logbook entries, are such like there are entries  
3   in Dr. Bone's logbook that say things like prior art  
4   research.

5           Now, next to that entry is the client matter  
6   number to which that pertains. That's for the SurfCast  
7   patent. And so the clear import of that is that he was doing  
8   prior art research for the SurfCast patent application.

9           There is another argument they have raised. They  
10   did this at his deposition. They said, were you drafting the  
11   application as you were doing this research? Of course Dr.  
12   Bone's answer was I may not have been physically writing  
13   words that were going to be in the application on a piece of  
14   paper, but all of these activities are part of writing an  
15   application, doing your research.

16           Doing research in preparation for writing an  
17   application is diligent activity. In fact, the Scott v.  
18   Koyama case that we have cited in our briefs, right, that  
19   case involved a gentleman who was going out and scouting  
20   sites for a factory, a factory which was going to be used to  
21   practice the invention. That was clearly preparation for the  
22   activity. And that constituted diligence.

23           At a minimum, if you say that prior art research  
24   to the application is not drafting the application, it is at  
25   least preparation for drafting the application. And that's

1 all that the rule of reason requires.

2 Now, there is a discussion about -- I'm sorry?

3 JUDGE CHANG: Oh, I don't have any question, but I  
4 do have a question now that you have stopped.

5 MR. HEINTZ: All right.

6 JUDGE CHANG: Now, when you say research for  
7 drafting the application, I mean, is there any more detail  
8 than that? I mean, you can't just generally say, hey, I am  
9 preparing for an application or researching something,  
10 because in the case law you just mentioned it is researching  
11 for a specific thing.

12 So did you, in your declaration, did you -- or the  
13 notebook, present more detail than just research?

14 MR. HEINTZ: The particular detail, Your Honor, is  
15 the client matter number for which that entry pertains. The  
16 client matter number, Dr. Bone testified, and you can see it  
17 on the invoices themselves, was the client matter number for  
18 writing the application.

19 So if you see, even if the word research alone  
20 were there, and this is being charged to the matter for  
21 drafting the application, we think that's a pretty clear  
22 indication that the research has to do with preparing to  
23 draft the application.

24 I mean, Dr. Bone wouldn't be charging his client,  
25 I think this is, you know, clear under the rule of reason,

1 Dr. Bone wouldn't be charging his client for researching  
2 mortgage rates for a refi on his house. This was work for  
3 the application.

4 I don't think -- the rule of reason doesn't  
5 require that every specific detail of the activity be  
6 disclosed. If Dr. Bone doesn't say I researched U.S. Patent  
7 Number 1234567 for the issue of whether or not it was known  
8 in the art to refresh a tile or provide access to  
9 information, you don't need that, okay.

10 I think the rule of reason is satisfied by an  
11 explanation of activity that was directed toward a particular  
12 matter, and that matter was identified by the matter number  
13 in the logbook.

14 JUDGE CHANG: Okay. Thank you.

15 MR. HEINTZ: Mr. Micallef also talked about the  
16 concept of selecting a tile. And one of the themes that they  
17 have been hitting is the idea that because there is some  
18 other way that -- sorry, the idea of selecting a tile to call  
19 on an application program.

20 And what Mr. Micallef argued is that Mr. Weadock  
21 admitted that there are other ways to call an application  
22 program besides selecting a tile to do so. That is of no  
23 moment.

24 Clearly an icon on a desktop can be used to call  
25 an application program. But that wasn't the only way an

1 application program could be called. The Windows 95 system  
2 had a start menu. You could open the start menu, go to the  
3 program selection, and pick your program that way and call  
4 it. That doesn't mean that the icon wasn't calling the  
5 application program.

6 So the fact that there are ways other than a tile  
7 to call an application program doesn't mean there is not  
8 support for selecting an icon, or a tile in this case, to  
9 call an application program.

10 The specification says the tiles call an  
11 application program, and the specification says that these  
12 tiles are replacement for icons, desktop replacement for --  
13 desktop replacement including the icon functionality.

14 So, again, the standard here isn't limited to  
15 express. We don't need in haec verba support. We have  
16 implied and we have inherent. Here we think the clear  
17 implication is that selecting a tile will call an assigned  
18 application program to provide access to information.

19 And this raises another point. There was a  
20 discussion about Dr. Karger's testimony on slide 118 of  
21 Microsoft's slide deck. And I will ask you if you wouldn't  
22 mind to turning your attention to that.

23 All right. So on slide 118 we see Dr. Karger  
24 says: If I click on an icon in order to turn that window  
25 into the listener, you can see that as a step towards calling

1 an application program.

2 So, again, if I make a particular window a  
3 listener, and now I start typing, now I start typing, that  
4 application program is going to be called.

5 It is not selecting the icon that calls the  
6 application program. It is well known in this art. The  
7 operating system is going to decide where user input is going  
8 to go.

9 So if you want to say that you can select on one  
10 of those Myers icons, that alone doesn't call the application  
11 program. That tells the operating system where to send the  
12 input.

13 As Dr. Karger himself has testified, when you  
14 start typing, the application program gets called, because  
15 now it has got to process the typing. So the selection of  
16 the Myers icon doesn't call the application program. The  
17 typing or some other form of user input, that is what calls  
18 the application program.

19 There was also a discussion of the fact that --  
20 the allegation that there wasn't enough user support for our  
21 construction of persistence.

22 I would like to point the Board's attention to  
23 figure 5. And figure 5 -- sorry, of the '403 patent. And in  
24 figure 5 we see that, among the things that are stored,  
25 include 504, the target address. Okay. So now we have what

1 is going to happen when the application -- I'm sorry, when  
2 the tile is selected.

3 And now I will ask the Board to turn its attention  
4 to figure 12 of the '403 patent. And figure 12 we see what  
5 is going to be stored for the grid. Now, it is absolutely  
6 true that the application talks about the grid and tiles  
7 together. It is a grid of tiles. Those two things are very  
8 closely interwoven.

9 But what we see now is the storage of the grid,  
10 which is also in the file system, and if you look at 1216 you  
11 will see a tile list. And in the tile list, this is, again,  
12 the storage of the grid, the grid stores, when that is stored  
13 it includes the address of the tile, its refresh rate and its  
14 position.

15 So the '403 patent expressly discloses that all  
16 three things that we attributed to what the word "persistent"  
17 means are stored. And, as we discussed earlier, they are  
18 stored in a nonvolatile memory, such as a hard disk.

19 Your Honor, with that I will ask if there are any  
20 further questions?

21 JUDGE TIERNEY: I do have a couple questions.

22 MR. HEINTZ: Yes, Your Honor.

23 JUDGE TIERNEY: I am looking at the Duperrouzel  
24 reference. I am looking at figure 2. It is on slide 40 of  
25 your demonstratives. I just have a quick question.



1           Could those screens on that figure be considered  
2 mini screens?

3           MR. HEINTZ: This is on 42 of our demonstratives?

4           JUDGE TIERNEY: I believe.

5           MR. HEINTZ: I'm sorry.

6           JUDGE TIERNEY: This is what I am looking at, so  
7 if anyone wants to follow along.

8           MR. HEINTZ: Okay. I'm with you, Your Honor.

9           JUDGE TIERNEY: Okay. Could these be considered  
10 mini screens?

11          MR. HEINTZ: Mini screens?

12          JUDGE TIERNEY: Yes.

13          MR. HEINTZ: I don't think so. I'm not exactly  
14 sure what you mean by mini screens.

15          JUDGE TIERNEY: So is that term mini screens not  
16 definite then in the art? I am trying to understand it  
17 myself.

18          MR. HEINTZ: Well, I will admit, Your Honor, I'm  
19 not one of ordinary skill in the art, but it is not a term of  
20 which I am familiar with off the top of my head.

21          JUDGE TIERNEY: I'm just looking at your  
22 conception document, the exemplary description in e-mails,  
23 and one of the quotes there from the document 2036 was: "I  
24 want a really simple but functional front page," dot, dot,  
25 dot, "I want everything at my fingertips. I want

1   bookmarkers" -- well, there is a spelling typo -- "yes, all  
2   on one page in my face all the time, so everything I want,  
3   buttons or mini screens on one page." And you are citing  
4   that for showing array of tiles?

5           MR. HEINTZ: Yes, that's one of the early  
6   documents that -- I'm not going to say the date on the  
7   record, but that is an early document.

8           But I think as the evolution occurred, by the time  
9   you got to the document attached to the e-mail, that thing  
10   was being called -- that term was replaced with the term  
11   tile.

12          JUDGE TIERNEY: That's what I am trying to  
13   understand. If we are having trouble figuring out what mini  
14   screens means, how can I say that shows conception for array  
15   of tiles?

16          MR. HEINTZ: I understand. It is not that  
17   discussion alone that gets you there. I think when you get  
18   to the March 19th description, you will see that the  
19   properties of tiles that we have been discussing, including,  
20   as the Board has construed, the idea that you are going to  
21   select a tile to provide access to information, those  
22   concepts are in that large document.

23          We are not contending that, in the e-mail to which  
24   you are referring, conception was complete at that date.

25          JUDGE TIERNEY: But you are relying upon it for

1 showing part of your conception?

2 MR. HEINTZ: Yes, Your Honor, but the idea is  
3 really it is a continuum. And by the time the March e-mail  
4 was written, and certainly by the time of -- by the time the  
5 March e-mail was written, we had conception as shown in that  
6 document.

7 JUDGE TIERNEY: The reason I am asking is we  
8 walked through how the notebook didn't have specific dates.  
9 I am looking at, actually just to clarify, I am looking on my  
10 screen at Exhibit 2065. You have a chart there and you have  
11 three different columns identifying where conception can be  
12 established.

13 At the first column on the far left was Claim  
14 Element. The second column is Exemplary Description in  
15 E-Mails. The third column would be Exemplary Description in  
16 Notebook. The fourth column is Exemplary Description in  
17 SurfCast Document.

18 Earlier we discussed how the notebook didn't have  
19 specific dates other than maybe page 2 of the exhibit with  
20 the January heading.

21 The exemplary e-mails, I was looking for maybe  
22 being a little more specific and that is why I was asking  
23 about mini screens, how to interpret that, because I wanted  
24 to have a little interpretation there, and now I am backing  
25 up to the Exemplary Description in SurfCast Document, for

1 conception, is where I guess I will focus on here, unless you  
2 would like to direct me elsewhere.

3 MR. HEINTZ: I admit, Your Honor, I am having  
4 problems catching up to you right now. You are referring to  
5 Exhibit 2052, is that right?

6 JUDGE TIERNEY: 2065.

7 MR. HEINTZ: 2065.

8 JUDGE TIERNEY: If you need, I can pull it up on  
9 my screen and you can come around and look at it.

10 MR. HEINTZ: If you just give us a moment, we will  
11 go get it. I'm sorry, I don't have it with me.

12 JUDGE TIERNEY: If you would like to approach the  
13 Bench, I need to be clear. Feel free to come around and you  
14 can take a look at my screen.

15 MR. HEINTZ: Should I come around, or just in  
16 front? I will come this way.

17 MR. KUSHAN: If you want, I have it here, if you  
18 want to look at it.

19 MR. HEINTZ: Okay.

20 JUDGE TIERNEY: There you go.

21 MR. MICALLEF: Your Honor, we can put it on the  
22 screen, if you would like. We just found it.

23 JUDGE TIERNEY: Exactly. I just would like to  
24 have it so you understand what I'm directing your attention  
25 to.

1           In this document, what I was understanding -- this  
2   is to help guide the Board -- my understanding of where  
3   conception may be found. That's how I was interpreting the  
4   document, the exhibit.

5           Column 1 on the far left was showing the claim  
6   limitations. Column 2 is e-mails, that are exemplary  
7   description in e-mails, and that's where I saw the mini  
8   screen. And then in the continuum, as we are talking now,  
9   continuum, the notebook, but the notebook lacks specific  
10   dates other than January on page 2.

11          And then we are defaulting back to the attachment,  
12   I believe, to the e-mail would be the exemplary description  
13   in SurfCast document. Is that correct?

14          MR. HEINTZ: Yes, Your Honor, that's correct.

15          JUDGE TIERNEY: So I just want to read through  
16   this. If the e-mails themselves don't show conception and it  
17   is part of the continuum, they are just more forming a, I  
18   guess the word continuum, a reasonable how it got -- the  
19   progression occurred?

20          MR. HEINTZ: Yes.

21          JUDGE TIERNEY: We look at the notebook to make  
22   sure, again, this is what was ongoing, but then you need to  
23   really rely upon the third document, the one on the far  
24   right, the SurfCast document, to show true conception. Is  
25   that correct?

1 MR. HEINTZ: Correct, Your Honor.

2 JUDGE TIERNEY: Thank you. I just wanted to  
3 clarify that.

4 The other point I did have today was, we did have  
5 a discussion, just briefly albeit, about the term overlapping  
6 and claim differentiation.

7 Do you believe that claim differentiation applies  
8 between claim 3 and claim 1? That's question 1. Question 2  
9 would then be, if it does apply, has it been rebutted?

10 MR. HEINTZ: Well, I would answer that question,  
11 Your Honor, that claim differentiation doesn't apply because  
12 there are additional limitations in claim 3 that are not  
13 found in claim 1, even under our construction of  
14 partitioning.

15 To the extent there has been any rebuttal of that,  
16 I think the '403 patent, and I will direct your attention to  
17 column 4, starting at line 55. This is in the Summary of the  
18 Invention section.

19 And we see that line 55 reads: "The present  
20 invention comprises a method executed by a computer under the  
21 control of a program stored in computer memory, said method  
22 comprising the steps of: partitioning a visual display of a  
23 computer into an array of tiles in a non-overlapping  
24 configuration."

25 That's a statement of the present invention. And

1 the Federal Circuit case law is replete with examples of  
2 where that statement has been used to limit a claim even if  
3 the claim language itself doesn't include everything that is  
4 described as what the present invention is.

5 A great example that we have cited in our briefs  
6 is the Honeywell case. That case, as Your Honor may recall,  
7 involved a fuel system component, as the claim language, and  
8 the present invention there was described as a fuel filter.

9 And what the Federal Circuit held was that because  
10 it was described in the Summary of the Invention section as  
11 the present invention, the claim language a fuel filter --  
12 sorry, a fuel system component was limited to a fuel filter,  
13 because that's what the patentee told the public the  
14 invention was.

15 So that's why I think that passage in the Summary  
16 of the Invention section does rebut any -- to the extent  
17 claim differentiation applies or not -- it is rebutted by  
18 that passage.

19 JUDGE TIERNEY: I see your time is up. If you  
20 would like to make a brief summary, a conclusory statement,  
21 or however you would like to use the last couple of minutes.

22 MR. HEINTZ: Thank you, Your Honor. I think when  
23 you look at the evidence you will see that, number 1, Duhault  
24 II has been antedated under the rule of reason.

25 Duhault II, in any event, is not anticipatory,

1    which is the only ground here, because there is ambiguity in  
2    what those claim terms mean.

3           I think MSIE Kit does not show selecting an Active  
4    Desktop item in the way the claims require that a tile, when  
5    selected, provides access because none of those things inside  
6    the Active Desktop item are properties of the tile or are  
7    properties of the Active Desktop item. It is completely  
8    dependent upon what you happen to choose to display there.

9           Chen, you know, as we discussed in detail, you are  
10   not selecting the actual instrument in Chen. And, more  
11   importantly, recording information is not providing access to  
12   information. You only get access when you choose a menu  
13   item.

14          And I think with that I will conclude, Your Honor.

15          JUDGE TIERNEY: Judge Clements, any further  
16   questions?

17          JUDGE CLEMENTS: No further questions from me.

18          JUDGE TIERNEY: Judge Chang?

19          JUDGE CHANG: I'm good. Thank you.

20          JUDGE TIERNEY: All right. Then unless there are  
21   any questions from counsel, I thank everyone. That concludes  
22   our hearing today for IPRs 2013-00292, 293, 294 and 295.

23          Thank you very much.

24          (Whereupon, at 5:02 p.m., the hearing was  
25   concluded.)



Case IPR 2013-00292  
Patent 6,724,403

PETITIONER:

Jeffrey Kushan  
[jkushan@sidley.com](mailto:jkushan@sidley.com)

Joseph Micallef  
[jmicallef@sidley.com](mailto:jmicallef@sidley.com)

PATENT OWNER:

Richard Bone  
[rbone@vlplawgroup.com](mailto:rbone@vlplawgroup.com)

James Heintz  
[292\\_IPR\\_DLAteam@dlapiper.com](mailto:292_IPR_DLAteam@dlapiper.com)