

PUBLIC VERSION

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

**CERTAIN AUTOMATED MEDIA LIBRARY
DEVICES**

Inv. No. 337-TA-746

REMAND INITIAL DETERMINATION ON VIOLATION OF SECTION 337

Chief Administrative Law Judge Charles E. Bullock

(March 26, 2013)

Appearances:

For the Complainant Overland Storage, Inc.

Sean Cunningham, Esq.; and Erin Gibson, Esq. of DLA Piper LLP (US) from San Diego, CA

Brent Yamashita, Esq.; and Robert Buergi, Esq. of DLA Piper LLP (US) from Palo Alto, CA

[

]

For the BDT Respondents

James B. Altman, Esq.; and David P. Nickel of Foster, Murphy, Altman & Nickel, PC from Washington, DC

Anton Handel, Esq.; and Gabriel Hedrick, Esq. of Handal & Associates from San Diego, CA

TABLE OF CONTENTS

| | | |
|------|--|----|
| I. | BACKGROUND | 1 |
| II. | RELEVANT LAW | 2 |
| A. | Infringement..... | 2 |
| 1. | Literal Infringement..... | 2 |
| 2. | Doctrine of Equivalents | 2 |
| 3. | Indirect Infringement | 3 |
| a) | Induced Infringement..... | 3 |
| b) | Contributory Infringement..... | 4 |
| B. | Domestic Industry | 4 |
| 1. | Economic Prong..... | 5 |
| C. | Validity | 5 |
| 1. | Anticipation (35 U.S.C. § 102) | 6 |
| 2. | Obviousness (35 U.S.C. § 103)..... | 7 |
| III. | THE '766 PATENT | 9 |
| A. | Validity | 9 |
| 1. | Anticipation..... | 9 |
| a) | Prior Knowledge or Use Under § 102(a) | 9 |
| b) | On Sale Bar Under § 102(b) | 10 |
| i) | IBM 3570 Tape Library Documents..... | 10 |
| (1) | Claim 1..... | 10 |
| (a) | Controller Configured to Partition..... | 11 |
| (2) | Claim 2..... | 11 |
| (a) | Command Queuing | 12 |
| (3) | Dependent Claims 3 and 7-9..... | 13 |
| ii) | IBM 7331 and 7336 Tape Library Documents | 13 |
| (1) | Claim 1..... | 14 |
| (a) | Controller Configured to Partition..... | 14 |
| (2) | Claim 2..... | 15 |
| (a) | Command Queuing | 15 |
| (3) | Dependent Claims 3 and 7-9..... | 17 |
| iii) | IBM 3494 Documents..... | 17 |
| (1) | Claim 1..... | 17 |
| (a) | Readable in all Drives..... | 18 |
| (2) | Claim 2..... | 19 |
| (a) | Readable in all Drives..... | 19 |
| (b) | Command Queuing | 20 |
| (3) | Dependent Claims 3 and 7-9..... | 21 |
| 2. | Obviousness Under § 103 | 21 |
| a) | 3570 Tape Library and Documents..... | 22 |
| b) | 7331 and 7336 Tape Libraries and Documents | 24 |
| c) | The '090 Patent..... | 25 |

| | | |
|-----|--|----|
| IV. | THE '581 PATENT | 27 |
| A. | Claim Construction Issue | 28 |
| B. | Direct Infringement | 29 |
| 1. | Claim 10 | 29 |
| a) | “A media element library comprising:” | 29 |
| b) | “a housing” | 30 |
| c) | “an opening in a portion of said housing” | 30 |
| d) | “a linear array” | 30 |
| e) | “media element cells in fixed position with respect to said housing” | 30 |
| f) | “wherein an end of the magazine is adjacent to said opening” | 33 |
| g) | “a moveable cell coupled to said end of said magazine adjacent to said opening, wherein said moveable cell is manually moveable towards said opening” | 33 |
| h) | Conclusion | 37 |
| 2. | Claim 12 | 37 |
| 3. | Claim 16 | 38 |
| a) | “A media element magazine comprising:” | 38 |
| b) | “a linear array” | 41 |
| c) | “media element cells in fixed relative position;” | 41 |
| d) | “at least one movable cell coupled to one end of said linear array such that said at least one movable cell is manually movable towards a doorway upon installation in a media element library.” | 43 |
| e) | Conclusion | 45 |
| C. | Indirect Infringement | 45 |
| D. | Domestic Industry – Economic Prong | 46 |
| 1. | Plant and Equipment | 48 |
| 2. | Labor and Capital | 49 |
| 3. | Exploitation of the Patents at Issue, Including Engineering, Research and Development, or Licensing | 50 |
| 4. | Conclusion | 51 |
| V. | CONCLUSIONS OF LAW | 51 |
| VI. | REMAND INITIAL DETERMINATION | 52 |

LIST OF ABBREVIATIONS

The following abbreviations may be used in this Initial Determination:

| | |
|-------------|--|
| CDX | Complainant's demonstrative exhibit |
| CPX | Complainant's physical exhibit |
| CX | Complainant's exhibit |
| CIB | Complainant's initial post-hearing brief |
| CRB | Complainant's reply post-hearing brief |
| Dep. | Deposition |
| JX | Joint Exhibit |
| PHB | Pre-hearing brief |
| RDX | Respondents' demonstrative exhibit |
| RPX | Respondents' physical exhibit |
| RX | Respondents' exhibit |
| RIB | Respondents' initial post-hearing brief |
| Tr. | Transcript |

PUBLIC VERSION

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, D.C.

In the Matter of

**CERTAIN AUTOMATED MEDIA LIBRARY
DEVICES**

Inv. No. 337-TA-746

REMAND INITIAL DETERMINATION ON VIOLATION OF SECTION 337

Chief Administrative Law Judge Charles E. Bullock

(March 26, 2013)

Pursuant to the Notice of Investigation, this is the Remand Initial Determination in the matter of Certain Automated Media Library Devices, Investigation No. 337-TA-746.

For the reasons stated herein, the undersigned has determined that there is no violation of section 337 with respect to claims 10, 12, and 16 of U.S. Patent No. 6,353,581. The undersigned has also determined that there is no violation of section 337 with respect to claims 1, 2, 3 and 7-9 of U.S. Patent No. 6,328,766 as these claims are invalid as anticipated. The undersigned has further determined that the economic prong of the domestic industry requirement has been satisfied for U.S. Patent No. 6,353,581.

I. BACKGROUND

On June 20, 2012, the undersigned issued an initial determination finding no violation of section 337 with respect to any of the asserted claims. On August 20, 2012, the Commission determined to review the final initial determination in part. On October 25, 2012, the Commission determined to remand the Investigation to the undersigned with respect to “the ’766 patent to make findings regarding invalidity under 35 U.S.C. §§ 102 and 103 that are consistent with the Commission’s determination that the IBM documents related to the IBM 3570, 7331, 7336, and 3494 tape libraries qualify as ‘printed publications’ under 35 U.S.C. §102, and to issue a final initial remand determination (“RID”) on invalidity of the asserted claims of the ’766 patent.” *Certain Automated Media Library Devices*, Inv. No. 337-TA-746, Comm’n Order: Remand of Investigation, at 2 (Oct. 25, 2012) (“First Remand Order”). The Commission also determined to remand the Investigation with respect to the ’581 patent “to make findings regarding the economic prong of the domestic industry requirement under 19 U.S.C. §§ 1337(a)(3)(A), (B), and (C) that are consistent with the Commission’s findings that Overland has sustained its burden of showing that at least its NEO 2000, 2000e, 4000, and 4000e tape libraries practice one or more claims of the ’581 patent, and to issue a RID on the economic prong of the domestic industry requirement for the ’581 patent.” *Id.*

On November 8, 2012, Overland filed a petition for reconsideration of the Commission’s determination that the BDT Respondents did not infringe claims 10, 12, and 16 of the ’581 patent in light of the Commission’s determination that the accused products meet its modified construction of the term “linear array.” On December 11, 2012, after considering the matter, the Commission granted Overland’s petition for reconsideration and further remanded the Investigation to the undersigned “to make all findings regarding direct infringement and, if

necessary, indirect infringement, of claims 10, 12, and 16.” *Certain Automated Media Library Devices*, Inv. No. 337-TA-746, Comm’n Order: Granting Overland’s Petition for Reconsideration and Further Remanding Investigation, at 4 (Dec. 11, 2012) (“Second Remand Order”).

II. RELEVANT LAW

A. Infringement

In a section 337 investigation, the complainant bears the burden of proving infringement of the asserted patent claims by a preponderance of the evidence. *Spancion, Inc. v. Int’l Trade Comm’n*, 629 F.3d 1331, 1349 (Fed. Cir. 2010). This standard “requires proving that infringement was more likely than not to have occurred.” *Warner-Lambert Co. v. Teva Pharm. USA, Inc.*, 418 F.3d 1326, 1341 n.15 (Fed. Cir. 2005).

1. Literal Infringement

Literal infringement is a question of fact. *Finisar Corp. v. DirectTV Grp., Inc.*, 523 F.3d 1323, 1332 (Fed. Cir. 2008). “Literal infringement requires the patentee to prove that the accused device contains each limitation of the asserted claim(s). If any claim limitation is absent, there is no literal infringement of that claim as a matter of law.” *Bayer AG v. Elan Pharm. Research Corp.*, 212 F.3d 1241, 1247 (Fed. Cir. 2000).

2. Doctrine of Equivalents

Where literal infringement is not found, infringement nevertheless can be found under the doctrine of equivalents. Determining infringement under the doctrine of equivalents “requires an intensely factual inquiry.” *Vehicular Tech. Corp. v. Titan Wheel Int’l, Inc.*, 212 F.3d 1377, 1381 (Fed. Cir. 2000). The Supreme Court has described the essential inquiry of the doctrine of equivalents analysis in terms of whether the accused product or process contains elements

identical or equivalent to each claimed element of the patented invention. *Warner-Jenkinson Co., Inc. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 40 (1997). The Federal Circuit applies two articulations of the test for equivalents, as one phrasing may be more suitable for particular fact patterns or technologies:

Under the insubstantial differences test, “[a]n element in the accused device is equivalent to a claim limitation if the only differences between the two are insubstantial.” Alternatively, under the function-way-result test, an element in the accused device is equivalent to a claim limitation if it “performs substantially the same function in substantially the same way to obtain substantially the same result.”

Voda v. Cordis Corp., 536 F.3d 1311, 1326 (Fed. Cir. 2008) (citations omitted). In *Warner-Jenkinson*, the Supreme Court noted that the doctrine of equivalents is subject to several limitations, including applying the doctrine to individual elements of a claim and not to the invention as a whole. *Warner-Jenkinson*, 520 U.S. at 29.

3. Indirect Infringement

Indirect infringement may be either induced or contributory. Direct infringement must first be established in order for a claim of indirect infringement to prevail. *BMC Res. v. Paymentech*, 498 F.3d 1373, 1379 (Fed. Cir. 2007).

a) Induced Infringement

Section 271(b) of the Patent Act provides: “Whoever actively induces infringement of a patent shall be liable as an infringer.” 35 U.S.C. § 271(b) (2008). To establish liability, the patent holder must prove that “once the defendants knew of the patent, they ‘actively and knowingly aid[ed] and abett[ed] another’s direct infringement.’” *DSU Med. Corp. v. JMS Co., Ltd.* 471 F.3d 1293,1305 (Fed. Cir. 2006) (en banc) (citations omitted). A finding of induced infringement requires “evidence of culpable conduct, directed to encouraging another’s

infringement, not merely that the inducer had knowledge of the direct infringer's activities." *Id.* at 1306. Although § 271(b) requires knowledge that the induced acts constitute patent infringement, the Supreme Court has held that liability will also attach when the defendant is willfully blind. *Global-Tech Appliances, Inc. v. SEB S.A.*, 131 S. Ct. 2060, 2068-2069 (2011). The burden is on the complainant to prove that the respondent had the specific intent and took action to induce infringement. *DSU*, 471 F.3d at 1305-06. Intent may be proven by circumstantial evidence. *Lucent Tech., Inc. v. Gateway, Inc.*, 580 F.3d 1301, 1322 (Fed. Cir. 2009).

b) Contributory Infringement

Under 35 U.S.C. § 271(c), the seller of a component especially designed for use in a patented invention may be liable as a contributory infringer, provided the component is not a staple article of commerce suitable for substantial non-infringing use. *Ricoh Co., Ltd. v. Quanta Computer Inc.*, 550 F.3d 1325, 1337 (Fed. Cir. 2008). In a section 337 case, a complainant alleging contributory infringement must show: (1) there is an act of direct infringement in violation of section 337; (2) the accused device has no substantial non-infringing uses; and (3) the accused infringer imported, sold for importation, or sold after importation within the United States, the accused components that contributed to another's direct infringement. *Spanion*, 629 F.3d at 1353.

B. Domestic Industry

In a patent-based complaint, a violation of section 337 can be found "only if an industry in the United States, relating to the articles protected by the patent . . . concerned, exists or is in the process of being established." 19 U.S.C. § 1337(a)(2). Under Commission precedent, this "domestic industry requirement" of section 337 consists of an economic prong and a technical

prong. *Certain Stringed Musical Instruments and Components Thereof*, Inv. No. 337-TA-586, Comm'n Op. at 12-14, 2009 WL 5134139 (U.S.I.T.C. Dec. 2009). The complainant bears the burden of establishing that the domestic industry requirement is satisfied. See *Certain Set-Top Boxes and Components Thereof*, Inv. No. 337-TA-454, Final Initial Determination at 294, 2002 WL 31556392 (U.S.I.T.C. June 21, 2002) (unreviewed by Comm'n in relevant part).

1. Economic Prong

Section 337(a)(3) sets forth the following economic criteria for determining the existence of a domestic industry in such investigations:

(3) For purposes of paragraph (2), an industry in the United States shall be considered to exist if there is in the United States, with respect to the articles protected by the patent, copyright, trademark, mask work, or design concerned –

- (A) significant investment in plant and equipment;
- (B) significant employment of labor or capital; or
- (C) substantial investment in its exploitation, including engineering, research and development, or licensing.

Given that these criteria are listed in the disjunctive, satisfaction of any one of them will be sufficient to meet the economic prong of the domestic industry requirement. *Certain Integrated Circuit Chipsets and Prods. Containing Same*, Inv. No. 337-TA-428, Order No. 10, Initial Determination (unreviewed) (May 4, 2000).

C. Validity

A patent is presumed valid. 35 U.S.C. § 282; *Microsoft Corp. v. i4i Ltd. P'ship*, 131 S. Ct. 2238, 2242 (2011). A respondent who has raised patent invalidity as an affirmative defense has the burden of overcoming this presumption by clear and convincing evidence. *Microsoft*, 131 S. Ct. at 2242. Since the claims of a patent measure the invention at issue, the

claims must be interpreted and given the same meaning for purposes of both validity and infringement analyses. *Amazon.com, Inc. v. Barnesandnoble.com, Inc.*, 239 F.3d 1343, 1351 (Fed. Cir. 2001). As with an infringement analysis, an analysis of invalidity involves two steps: determining the scope of the claim and comparing the properly construed claim with the prior art to determine whether the claimed invention is anticipated and/or rendered obvious.

1. Anticipation (35 U.S.C. § 102)

A patent may be found invalid as anticipated under 35 U.S.C. § 102(a) if “the invention was known or used by others in this country, or patented or described in a printed publication in this country, or patented or described in a printed publication in a foreign country, before the invention thereof by the applicant for patent.” 35 U.S.C. § 102(a). A patent may be found invalid as anticipated under 35 U.S.C. § 102(b) if “the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States.” 35 U.S.C. § 102(b). Under 35 U.S.C. § 102(e), a patent is invalid as anticipated if “the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent.” 35 U.S.C. § 102(e). Anticipation is a question of fact that must be established by clear and convincing evidence. *Tessera, Inc. v. Int’l Trade Comm’n*, 646 F.3d 1357, 1366 (Fed. Cir. 2011) (citing *Sanofi-Synthelabo v. Apotex Inc.*, 550 F.3d 1075, 1082 (Fed. Cir. 2008)).

Under 35 U.S.C. § 102, a claim is anticipated and therefore invalid when “the four corners of a single, prior art document describe every element of the claimed invention, either expressly or inherently, such that a person of ordinary skill in the art could practice the invention without undue experimentation.” *Advanced Display Sys., Inc. v. Kent State Univ.*, 212 F.3d

1272, 1282 (Fed. Cir. 2000), *cert. denied*, 532 U.S. 904 (2001). A finding of inherent anticipation “is appropriate only when the reference discloses prior art that must *necessarily* include the unstated limitation.” *King Pharm., Inc. v. Eon Labs, Inc.*, 616 F.3d 1267, 1274 (Fed. Cir. 2010) (emphasis original). To be considered anticipatory, the prior art reference must be enabling and describe the applicant’s claimed invention sufficiently to have placed it in possession of a person of ordinary skill in the field of the invention. *Helifix Ltd. v. Blok-Lok, Ltd.*, 208 F.3d 1339, 1346 (Fed. Cir. 2000).

2. Obviousness (35 U.S.C. § 103)

Under 35 U.S.C. § 103, a patent may be found invalid for obviousness if “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” 35 U.S.C. § 103(a). Because obviousness is determined at the time of invention, rather than the date of application or litigation, “[t]he great challenge of the obviousness judgment is proceeding without any hint of hindsight.” *Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 655 F.3d 1364, 1375 (Fed. Cir. 2011).

When a patent is challenged as obvious, the critical inquiry in determining the differences between the claimed invention and the prior art is whether there is a reason to combine the prior art references. *KSR Int’l Co. v. Teleflex, Inc.*, 550 U.S. 398, 417-418 (2007). In *KSR*, the Supreme Court rejected the Federal Circuit’s rigid application of the teaching-suggestion-motivation test. *KSR*, 550 U.S. at 415. The Court stated that “it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the

elements in the way the claimed new invention does.” *Id.* at 418. The Court described a more flexible analysis:

Often, it will be necessary for a court to look to interrelated teachings of multiple patents; the effects of demands known to the design community or present in the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue. . . . As our precedents make clear, however, the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.

Id. The Federal Circuit has since held that when a patent is challenged as obvious, based on a combination of several prior art references, “the burden falls on the patent challenger to show by clear and convincing evidence that a person of ordinary skill in the art would have had reason to attempt to make the composition or device, or carry out the claimed process, and would have had a reasonable expectation of success in doing so.” *PharmaStem Therapeutics, Inc. v. ViaCell, Inc.*, 491 F.3d 1342, 1360 (Fed. Cir. 2007) (citations omitted). The reason to attempt “need not always be written references but may be found within the knowledge and creativity of ordinarily skilled artisans.” *Ortho-McNeil Pharm., Inc. v. Mylan Lab., Inc.*, 520 F.3d 1358, 1365 (Fed. Cir. 2008).

Obviousness is a determination of law based on underlying determinations of fact. *Star II*, 655 F.3d at 1374. The factual determinations behind a finding of obviousness include: (1) the scope and content of the prior art, (2) the level and content of the prior art, (3) the differences between the claimed invention and the prior art, and (4) secondary considerations of non-obviousness. *KSR*, 550 U.S. at 399 (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966)). These factual determinations are referred to collectively as the “*Graham* factors.” Secondary

considerations of non-obviousness include commercial success, long felt but unresolved need, and the failure of others. *Id.* When present, secondary considerations “give light to the circumstances surrounding the origin of the subject matter sought to be patented,” but they are not dispositive on the issue of obviousness. *Geo. M. Martin Co. v. Alliance Mach. Sys. Int’l.*, 618 F.3d 1294, 1304-06 (Fed. Cir. 2010). A court must consider all of the evidence from the *Graham* factors before reaching a decision on obviousness. For evidence of secondary considerations to be given substantial weight in the obviousness determination, its proponent must establish a nexus between the evidence and the merits of the claimed invention. *W. Union Co. v. MoneyGram Payment Sys. Inc.*, 626 F.3d 1361, 1372-73 (Fed. Cir. 2010) (citing *In re GPAC Inc.*, 57 F.3d 1573, 1580 (Fed. Cir. 1995)).

III. THE ’766 PATENT

On remand, the Commission ordered the undersigned to determine:

(1) whether any of the IBM documents related to the IBM 3570, 7331, 7336 and 3494 teach or suggest a controller that is configured to partition media elements and drives in the infringing manner; (2) whether any of those documents teach or suggest the command queuing feature of claim 2; and (3) if necessary, whether there is sufficient evidence to support combining the respective IBM document with the IBM tape libraries and/or the ’090 patent to render obvious the asserted claims of the ’766 patent.

First Remand Order at 3.

A. Validity

1. Anticipation

a) Prior Knowledge or Use Under § 102(a)

In the Initial Determination, the undersigned found that the BDT Respondents failed to prove that the IBM tape libraries anticipated the ’766 patent under 35 U.S.C. § 102(a). *Certain Automated Media Library Devices*, Inv. No. 337-746, Int. Det. at 40-41 (June 20, 2012) (“ID”).

Specifically, the undersigned determined that the BDT Respondents failed to offer clear and convincing evidence that the IBM tape libraries were known or used in a manner accessible to the public before the '766 patent was filed. ID at 40-41. On review, the Commission did not address the undersigned's findings related to § 102(a). *See generally Certain Automated Media Library Devices*, Inv. No. 337-746, Comm'n Op. at 18-37 (Oct. 31, 2012).

b) On Sale Bar Under § 102(b)

i) IBM 3570 Tape Library Documents

The Commission determined that the 3570 Hardware Announcement, 3570 Operator Guide, and 3570 Hardware Reference were publicly available before the critical date of the '766 patent and therefore qualify as prior art. Comm'n Op. at 18-21. The BDT Respondents contend that the 3570 Operator Guide and 3570 Hardware Reference (collectively, the "3570 documents") anticipate claims 1-3 and 7-9 of the '766 patent.¹ Overland disputes that the 3570 documents disclose every limitation in independent claims 1 and 2.

(1) Claim 1

The dispute between the parties regarding whether the 3570 documents anticipate claim 1 centers on whether the documents disclose a controller "configured such that a subset of said plurality of media elements and a subset of said plurality of media element drives are available for read/write access by a first one of said plurality of host computers and are unavailable for read/write access by a second one of said plurality of host computers."²

¹ The BDT Respondents do not cite to the 3570 Hardware Announcement or argue that the Hardware Announcement anticipates any claims of the '766 patent.

² Overland does not contest that the 3570 documents anticipate the following limitations of claim 1: "a plurality of media element drives;" "a plurality of media element storage locations;" and "a moveable carriage adapted to transport media elements from at least one of said media element storage locations to at least one of said media element drives." (See CIB at 71-72.) Additionally, the undersigned found that the 3570 tape library, in itself, discloses "a plurality of media elements, all of which are readable in each of said plurality of media element drives," "a plurality of host computers," and "a controller coupled to said plurality of media element drives, said moveable carriage, and said plurality of host computers." See ID at 43-44; Comm'n Op. at 36 (affirming the undersigned's

(a) Controller Configured to Partition

The BDT Respondents contend that the 3570 documents teach a user how to configure the IBM 3570 tape library to achieve a partitioned library. (RIB at 59.) Overland argues that the 3570 documents do not disclose a controller that is configured to partition because the documents do not discuss the role of the controller in the split configuration process. (CIB at 73.)

This limitation of claim 1 requires that the controller is configured to partition, *i.e.*, maintain the allocation of storage locations and subsets of media elements. *See* ID at 50, *aff'd by* Comm'n Op. at 36. There is no dispute between the parties that the 3570 documents explain how the 3570 tape library can be configured to achieve two discrete partitions. (RIB at 58; Jestice, Tr. at 1793:3-1794:13 (admitting that the 3570 documents describe how to turn on the partitioning option).) Having the ability to partition, however, does not mean that the controller is configured to partition. The BDT Respondents have not cited to any evidence, nor do they even argue that the 3570 documents disclose a **controller** configured to partition. (*See* RIB at 58-59.) The undersigned therefore finds that the BDT Respondents have not proven by clear and convincing evidence that the 3570 documents disclose this limitation of claim 1. Accordingly, because all of the limitations of claim 1 are not disclosed in the 3570 Hardware Reference or the 3570 Operator Guide, claim 1 is not invalid as anticipated by those references.

(2) Claim 2

The dispute between the parties regarding whether the 3570 documents anticipate claim 2 centers on the command queuing limitation, *i.e.*, “receiving a plurality of data manipulation commands from said plurality of host computers coupled to said media element library queuing

factual findings related to the IBM tape libraries). These claim elements are also expressly disclosed in the 3570 Operator Guide and 3570 Hardware Reference. (*See* RX-121 at 1, 3, 7, 67, 80; RX-542 at 1, 3, 6.)

said plurality of data manipulation commands in a memory of said media element library; and sequentially performing said data manipulation.”³

(a) Command Queuing

The BDT Respondents argue that the 3570 documents “make it clear that the [3570 tape library can] receive data manipulation commands from host computers in normal operation.” (RIB at 67-68 (citing RX-6C at Q/A 241-45; RX-4 at Q/A 126-33; RX-121 at 61).) The BDT Respondents further argue that when the IBM 3570 tape library receives multiple commands, the later received commands will be put into a queue and performed sequentially after the first command is completed. (*Id.* at 68, 71.)

Overland disputes the BDT Respondents’ assertion and insists that the 3570 documents do not mention command queuing. As evidence that command queuing is not disclosed in the 3570 documents, Overland points to the fact that Dr. Hospodor needed weeks to plan and test his demonstration of command queuing at the hearing. (CRB at 27 (“If the manuals described how to perform the method steps, then Dr. Hospodor presumably would not have needed weeks to perform his work.”).)

The undersigned finds that the BDT Respondents have not proven by clear and convincing evidence that the 3570 documents disclose command queuing. The BDT Respondents have not pointed to any portion of the 3570 documents as disclosing command queuing. Indeed, the developer of the IBM 3570 tape library and author of the portion of the

³ Overland does not contest that both the 3570 Hardware Reference and the 3570 Operator Guide expressly anticipate the following limitations of claim 1: “pre-allocating subsets of media elements present in said media element library to servicing requests from respective ones of a plurality of host computers so that no subset contains the same media element as another subset;” “pre-allocating subsets of media element drives present in said media element library to servicing requests from respective ones of said plurality of host computers so that no subset contains the same media element drive as another subset;” “wherein all media elements are readable in each of said media element drives” and “wherein a subset of said media elements and a subset of said media element drives are available for read/write access by a first one of said plurality of host computers and are unavailable for read/write access by a second one of said plurality of host computers.” (CIB at 73-74.)

documents cited by the BDT Respondents, Mr. Jesionowski, admits that queuing is not discussed in the documents. (See RX-4 at Q/A 110, 129 (“Q. Is this queuing capability expressly discussed in the 3570 documentation? A. No.”); *see also* RX-542 at 12-14; RX-121 at 64-65.)⁴

Accordingly, because neither the 3570 Hardware Reference nor the 3570 Operator Guide expressly disclose command queuing, the undersigned finds that claim 2 of the ’766 patent is not invalid as anticipated based on those documents.

(3) Dependent Claims 3 and 7-9

Claim 3 and claims 7-9 depend from independent claim 1 of the ’766 patent. Because the undersigned has found hereinabove that the 3570 documents do not anticipate independent claim 1, dependent claim 3 and dependent claims 7-9 are also not anticipated by the 3570 documents. *See Callaway Golf Co. v. Acushnet Co.*, 576 F.3d 1331, 1344 (Fed. Cir. 2009) (a dependent claim cannot be invalid because of anticipation or obviousness unless the independent claim from which it depends was also found invalid).

ii) IBM 7331 and 7336 Tape Library Documents

The Commission determined that the 7331 Operator Guide, 7331 Installation Guide, 7331 Service Guide, 7331/7336 Device Drivers Installation and User Guide, 7336 Hardware Announcement, and 7336 Setup Guide were publicly available before the critical date of the ’766 patent and therefore qualify as prior art. *See* Comm’n Op. at 18-21. The BDT Respondents contend that the 7331 Installation Guide, 7331 Operator Guide, and 7336 Setup Guide (collectively, the “7331 and 7336 documents”) each anticipate claims 1-3 and 7-9 of the ’766 patent.⁵ (See RIB at 58 (citing RX-250, RX-251, RX-257).) Overland disputes that the 7331 and

⁴ The BDT Respondents do not argue that the 3570 documents inherently anticipate claim 2 of the ’766 patent.

⁵ The BDT Respondents do not argue that the 7331/7336 Device Drivers Installation and User Guide, *i.e.*, RX-258, anticipates any of the limitations of claims 1-3 or 7-9 of the ’766 patent. (See RIB 48-71.) The 7331 Service Guide, *i.e.*, RX-252, and the 7336 Hardware Announcement, *i.e.*, RX-256, are only alleged to anticipate a single limitation

7336 documents disclose every limitation in independent claims 1 and 2.

(1) Claim 1

The sole dispute between the parties regarding whether the 7331 and 7336 documents anticipate claim 1 centers on the purported disclosure of a controller “configured such that a subset of said plurality of media elements and a subset of said plurality of media element drives are available for read/write access by a first one of said plurality of host computers and are unavailable for read/write access by a second one of said plurality of host computers.”⁶

(a) Controller Configured to Partition

The BDT Respondents contend that this limitation is satisfied because the 7331 and 7336 documents disclose how to configure the tape libraries to partition. (RIB at 58.) Overland disputes the BDT Respondents’ assertion, arguing that the documents “do not discuss the alleged role of any controller in the ‘split configuration’ process, nor is there any disclosure or suggestion of the configuration of any such controller required by this portion of the claims.” (CIB at 68.)

The BDT Respondents’ entire argument as to whether this limitation of claim 1 is disclosed in the 7331 and 7336 documents consists of the repeated assertion that the tape libraries can be configured to do partitioning. While the evidence cited by the BDT Respondents demonstrates how to partition the 7331 and 7336 tape libraries such that drives are available to one host and unavailable to others, there is no indication that the controller plays a role in partitioning the tape library. (*See, e.g.*, RX-251 at 746IBM00004370-76, 746IBM00004454-58.)

of claim 1 and no limitations of claim 2. (*See* RIB at 55, 64-70.)

⁶ Overland does not contest that the 7331 and 7336 documents anticipate the following limitations of claim 1: “a plurality of media element drives;” “a plurality of media elements, all of which are readable in each of said plurality of media element drives;” “a plurality of media element storage locations;” “a moveable carriage adapted to transport media elements from at least one of said media element storage locations to at least one of said media element drives;” “a plurality of host computers;” and “a controller coupled to said plurality of media element drives, said moveable carriage, and said plurality of host computers.” (*See* CIB at 67-68.)

Accordingly, the undersigned finds that the BDT Respondents have not proven by clear and convincing evidence that the 7331 or 7336 documents disclose a “controller . . . configured such that a subset of said plurality of media elements and a subset of said plurality of media element drives are available for read/write access by a first one of said plurality of host computers and are unavailable for read/write access by a second one of said plurality of host computers.” Because the BDT Respondents have not proven that every limitation of claim 1 is anticipated by the prior art documents, the undersigned finds that claim 1 of the ’766 patent is not invalid as anticipated by the 7331 and 7336 documents.

(2) Claim 2

The only dispute between the parties is whether the 7331 and 7336 documents disclose “queuing said plurality of data manipulation commands in a memory of said media element library; and sequentially performing said data manipulation.”⁷

(a) Command Queuing

The BDT Respondents argue that the 7331 Installation Guide and the 7336 Setup Guide disclose command queuing because the documents acknowledge that there will be times when the hosts attempt to send commands at the same time.⁸ (RIB at 69.) According to the BDT Respondents, the only possible responses to simultaneous commands in the 7331 and 7336 systems are either queuing commands or returning an error condition. Because the 7331 and

⁷ Overland does not contest that the following limitations of claim 2 are expressly anticipated by the 7331 and 7336 documents: “pre-allocating subsets of media elements present in said media element library to servicing requests from respective ones of a plurality of host computers so that no subset contains the same media element as another subset;” “pre-allocating subsets of media element drives present in said media element library to servicing requests from respective ones of said plurality of host computers so that no subset contains the same media element drive as another subset;” “wherein all media elements are readable in each of said media element drives” and “wherein a subset of said media elements and a subset of said media element drives are available for read/write access by a first one of said plurality of host computers and are unavailable for read/write access by a second one of said plurality of host computers.” (See CIB at 69.)

⁸ The BDT Respondents do not argue that the 7331 Operator Guide, *i.e.*, RX-251, anticipates the command queuing limitation of claim 2. (See RIB at 68-71.)

7336 systems do not have error conditions, the BDT Respondents argue this means that commands must be queued. (*Id.*)

Overland disputes that the 7331 Installation Guide and the 7336 Setup Guide disclose this limitation of claim 2, arguing that the statement that “two jobs can be run simultaneously from two host systems” does not demonstrate that simultaneous commands will be queued and performed sequentially. (CIB at 69; CRB at 26-27.)

The undersigned finds the evidence offered by the BDT Respondents to be problematic. The BDT Respondents do not identify where either the 7331 Installation Guide or the 7336 Setup Guide discloses “queuing said plurality of data manipulation commands in a memory of said media element library; and sequentially performing said data manipulation.” Instead, the BDT Respondents cite to the witness statements of their expert, Alan Smith, and of IBM engineer Brian Goodman. (*See* RIB at 71 (citing RX-6C at Q/A 521-527; RX-9 at Q/A 15, 16, 65-79, 93-110.) Neither Dr. Smith nor Mr. Goodman identify the portion of the 7331 Installation Guide or the 7336 Setup Guide that allegedly discloses the sequential performance of queued commands. (*See* RX-6C at Q/A 526 (stating that Goodman testified commands would be performed sequentially); *see generally* RX-9 at Q/A 93-110.) In fact, Mr. Goodman testified that command queuing is not disclosed in the 7331 and 7336 documents. (Goodman, Tr. at 1026:23-1027:6 (“Command queuing is not something that you would advertise in a document because it is not something that the customer would need to be aware of or do anything in particular with.”).) In light of the foregoing, the undersigned finds that the BDT Respondents have not provided clear and convincing evidence that either the 7331 Installation Guide or 7336 Setup Guide discloses this limitation of the ’766 patent. Accordingly, claim 2 of the ’766 patent is not invalid as anticipated by those documents.

(3) Dependent Claims 3 and 7-9

Claim 3 and claims 7-9 depend from independent claim 1 of the '766 patent. Because the undersigned has found hereinabove that the 7331 and 7336 documents do not anticipate independent claim 1, dependent claims 3 and 7-9 are also not anticipated by the 7331 and 7336 documents. *See Callaway Golf*, 576 F.3d at 1344 (a dependent claim cannot be invalid because of anticipation or obviousness unless the independent claim from which it depends was also found invalid).

iii) IBM 3494 Documents

The Commission determined that the IBM 3494 Operator Guide and 3494 Guide to Sharing and Partitioning were publicly available before the critical date of the '766 patent and therefore qualify as prior art. *See Comm'n Op.* at 18-21. The BDT Respondents contend that the 3494 Operator Guide anticipates claims 1-3 and 7-9 of the '766 patent.⁹ Overland disputes that the 3494 Operator Guide discloses certain limitations in independent claims 1 and 2.

(1) Claim 1

The sole dispute between the parties is whether the 3494 Operator Guide discloses the “plurality of media elements, all of which are readable in each of said plurality of media element drives” limitation of claim 1.¹⁰

⁹ The BDT Respondents previously argued, and the Commission found, that the 3494 Guide to Sharing and Partitioning also qualified as prior art. The BDT Respondents, however, only argue that the 3494 Operator Guide anticipates every limitation of claim 1 and 2 of the '766 patent. (*See* RIB at 48-71 (identifying the portions of the 3494 Operator Guide, *i.e.*, RX-280, that disclose each limitation of claim 1 and claim 2, but only arguing that the 3494 Guide to Sharing and Partitioning, *i.e.*, RX-539, discloses the seventh and eighth limitations of claim 1).)

¹⁰ Overland does not contest that the 3494 Operator Guide expressly anticipates the following limitations of claim 1: “a plurality of media element drives;” “a plurality of media element storage locations;” “a moveable carriage adapted to transport media elements from at least one of said media element storage locations to at least one of said media element drives;” “a plurality of host computers;” “a controller coupled to said plurality of media element drives, said moveable carriage, and said plurality of host computers;” and “wherein said controller is configured such that a subset of said plurality of media elements and a subset of said plurality of media element drives are available for read/write access by a first one of said plurality of host computers and are unavailable for read/write access by a second one of said plurality of host computers.” (CIB at 77-79; RIB at 48-59 (citing RX-280 at §§ 1.0-1.2, 1.5.2, 2.3, Figs. 3, 19).)

(a) Readable in all Drives

The BDT Respondents contend that it is undisputed that the 3494 Operator Guide discloses using multiple tapes with each of the libraries. (*See* RIB at 51-52 (citing RX-280 at § 1.5.2, Fig. 19).) In Overland's view, the 3494 documents do not anticipate this limitation of claim 1 because the media elements of the 3494 tape library were not readable in each of the media element drives. (CIB at 79.) Specifically, Overland argues that when the 3494 tape library was partitioned, one partition included a tape drive subsystem and the other partition included a 3590 tape drive subsystem that was used to support a Virtual Tape Server ("VTS"). (*Id.*) Because the tapes in the VTS did not physically exist, Overland contends that they were not readable by the drives in the non-VTS partition (*i.e.*, a 3490 or 3590 tape subsystem). (*Id.*)

The undersigned finds Overland's arguments regarding this claim term unpersuasive. Overland, in its prehearing brief, did not dispute that the 3494 documents disclosed this limitation and first raised this argument in post-hearing briefing. (*See* Overland PHB at 112-117; CIB at 79.) Under Ground Rule 8.2, issues that are not raised in the pre-hearing brief are deemed abandoned. (*See* Order No. 2 at 12.) In addition, Overland only relies on the testimony of Mr. Fisher, who admitted that the two partitions in the 3494 tape library can be physical 3590 tape drives.¹¹ (Fisher, Tr. at 1123:24-1124:3 ("The VTS is separate. It is not partition 2. It hooks to drives that are in partition 2, but it is not part of partition 2.")) Finally, the 3494 Operator Guide contemplates the use of the same drive, and consequently compatible tapes, because it warns of problems (*e.g.*, incompatibility) that arise when different drives are used. (*See* RX-280 at 746IBM00006689-6694 ("The 3590 High Performance Cartridge Tape is only compatible with [sic] 3590 High Performance Magnetic Tape Subsystem. The 3590 and 3490E

¹¹ Mr. Fisher testified that one partition would have a 3490 tape drive and/or a 3590 tape drive and the other partition would have a 3590 drive.

tape cartridges are mutually incompatible.”).) The undersigned therefore finds that the 3494 Operator Guide discloses the “plurality of media elements, all of which are readable in each of said plurality of media element drives” limitation of claim 1. Accordingly, because Overland does not contest the 3494 Operator Guide’s disclosure of the other elements of claim 1, the undersigned finds that the 3494 Operator Guide anticipates claim 1 of the ’766 patent.

(2) Claim 2

The dispute between the parties regarding the anticipation of claim 2 centers on whether the 3494 Operator Guide discloses the “wherein all media elements are readable in each of said media element drives” and “queuing said plurality of data manipulation commands in a memory of said media element library; and sequentially performing said data manipulation” limitations of claim 2.¹²

(a) Readable in all Drives

The parties agree that this limitation recites the same requirement as the “readable in each of said plurality of media element drives” limitation of claim 1. (*See* CIB at 79; RIB at 66.) Accordingly, for all the reasons set forth hereinabove in Section III.A.1.b.iii.1., the undersigned finds that the 3494 Operator Guide discloses the limitation “wherein all media elements are readable in each of said media element drives.”

¹² Overland does not contest that the 3494 Operator Guide expressly anticipates the following limitations of claim 2: “pre-allocating subsets of media elements present in said media element library to servicing requests from respective ones of a plurality of host computers so that no subset contains the same media element as another subset;” “pre-allocating subsets of media element drives present in said media element library to servicing requests from respective ones of said plurality of host computers so that no subset contains the same media element drive as another subset;” “wherein a subset of said media elements and a subset of said media element drives are available for read/write access by a first one of said plurality of host computers and are unavailable for read/write access by a second one of said plurality of host computers;” and “receiving a plurality of data manipulation commands from said plurality of host computers coupled to said media element library.” (CIB at 80-81; see also RX-280 at §§ 3.2, 6.7; RX-7 at Q/A 65-107.)

(b) Command Queuing

The BDT Respondents argue that the 3494 Operator Guide expressly states that concurrent commands are queued and then performed sequentially. (RIB at 69 (citing RX-280 at 3.14 (“The library manager manages the operations queue with a set of priority levels . . . [h]igher priority operations are taken from the queue first. Within a priority level, operations are taken first-in first-out.”)), 71.) Overland disputes that the 3494 Operator Guide discloses that queued commands will be performed sequentially, *i.e.*, that the second command will be implemented after the first command is implemented. (CRB at 27-28.) Overland insists that the 3494 tape library does not execute commands in the order that they are received, and instead executes on a priority based scheme. (*Id.* at 28 (“if dueling commands are sent, the second-received command would be executed first if it was of a higher priority than the first received command”).)

The parties agree that the 3494 Operator Guide expressly discloses command queuing. (*See* CIB at 80 (arguing that the 3494 tape library performs queued commands based on priority); RIB at 69; RX-280 at 746IBM00006766 (“The Queue pull down . . . allows the operator to display the various types of requests that are in progress or waiting to be performed.”).) Contrary to Overland’s assertion, however, the fact that the 3494 Operator Guide executes commands based on a priority scheme does not mean that the Guide does not also teach the sequential performance of queued commands. In fact, the 3494 Operator Guide states that “[t]he library manager places operation requests in the queue in priorities from 0 to 9” and goes on to explain that “[w]ithin a priority level, operations are taken first-in first-out,” *i.e.*, within a priority level the second command will be implemented after the first command is implemented. (RX-280 at 746IBM00006712; Fisher Tr. at 1150:9-15.) Accordingly, the undersigned finds that

the 3494 Operator Guide discloses “queuing said plurality of data manipulation commands in a memory of said media element library; and sequentially performing said data manipulation.” Because every limitation of claim 2 is disclosed in the 3494 Operator Guide, the undersigned finds that claim 2 is invalid as anticipated.

(3) Dependent Claims 3 and 7-9

Overland does not dispute that the 3494 Operator Guide discloses the additional limitations of claims 3 and 7-9. (*See* CIB at 77-82; RIB at 60-62.) Dependent claim 3 recites a user configurable memory and the 3494 Operator Guide discloses a control panel with a display that facilitates the storage of the partitioned state in the controller memory. (JX-1 at 11:31-35; RX-280 at § 1.6, 3.2.) Dependent claim 7 of the '766 patent requires that the controller “comprises a plurality of input-output interfaces for coupling to respective ones of said plurality of host computers,” while dependent claim 8 further requires that “said input-output interfaces comprise SCSI interfaces.” (JX-1 at 11:45-50.) The 3494 Operator Guide teaches that SCSI interfaces are used to couple host computers to the 3494 library system. (RX-280.) Finally, dependent claim 9 specifies that the media elements of claim 1 comprise magnetic tape cartridges and the 3494 Operator Guide discloses the use of magnetic tape cartridges. (JX-1 at 11:51-52; RX-280 at § 1.0.) Accordingly, because the additional limitations of the dependent claims are anticipated by the 3494 Operator Guide, the undersigned finds that dependent claims 3 and 7-9 are invalid.

2. Obviousness Under § 103

The undersigned previously found that the IBM 3570 tape library, 7331 and 7336 tape libraries, and 3494 tape library did not disclose a controller configured to partition and that the BDT Respondents did not prove that the prior art tape libraries performed the method of claim 2.

ID at 42-48. Regarding the '090 patent, the undersigned found that neither a controller configured to partition nor command queuing was anticipated by the '090 patent. *Id.* at 48-52. These findings were affirmed by the Commission. Comm'n Op. at 36. On remand, the Commission directed the undersigned to determine "whether there is sufficient evidence to support combining the respective IBM document with the IBM tape libraries and or the '090 patent to render obvious the asserted claims of the '766 patent." *Id.* at 37.

a) 3570 Tape Library and Documents

The BDT Respondents maintain that it is undisputed that the combination of the 3570 tape library with the 3570 documents renders obvious claims 1, 3 and 7-9 of the '766 patent. (RIB at 72.) The BDT Respondents also insist that Overland has admitted that the 3570 documents disclose the steps of claim 2. (*Id.*) In further support of their obviousness contentions, the BDT Respondents set forth arguments related to the obviousness of standalone controllers and reiterate their position regarding the distinction between media element partitioning and media storage location partitioning. (*Id.* at 73-75.)

Overland disputes that the 3570 tape library and related documents render the asserted claims of the '766 patent obvious. (CIB at 74.) Regarding claim 1, Overland contends that "[t]here would be no reason to modify the 3570 or the teachings of its manuals to include ['a controller coupled to said plurality of media element drives'] because it would alter the entire architecture of the library." (*Id.* at 75 ("The decision to use a controller instead of an existing tape processor is not a routine design choice as Dr. Smith claims, but is a complex decision because of financial, mechanical, heat, serviceability, reliability, and power considerations.").) Claim 2 is not obvious, according to Overland, because it requires a narrow set of circumstances

and the BDT Respondents have not provided any reason why a user would have performed these steps on the 3570 library. (*Id.*)

The undersigned has found that the 3570 tape library and 3570 documents, do not individually teach the “controller configured to partition” limitation of claim 1 or the “command queuing” limitation of claim 2 of the ’766 patent. *See* Comm’n Op. at 36; *see also* Section III.A. 1.b.i., *supra*. The BDT Respondents do not cite to any evidence or explain how the 3570 documents combined with the 3570 tape library teach a controller configured to partition.¹³ (*See* RIB at 72.) Instead, the BDT Respondents reiterate arguments regarding limitations the undersigned previously found expressly anticipated by the 3570 tape library and documents. (*See* RIB at 73-75 (setting forth arguments related to the obviousness of standalone controllers and the obviousness of media element partitioning in view of media storage location partitioning); ID at 26-28 (claim 1 is not limited to media element partitioning), 44-45 (the ’766 patent does not require that the controller be physically separate from the components its coupled to).) The BDT Respondents also fail to explain how the 3570 tape library, in combination with the 3570 documents, renders the command queuing limitation of claim 2 of the ’766 patent obvious. All the BDT Respondents offer is a broad citation to Dr. Smith’s expert witness statement.¹⁴ (*See* RIB at 72 (citing RX-6C at Q/A 222-290).) This does not constitute clear and convincing evidence of obviousness.

¹³ The BDT Respondents contend that Overland has conceded the obviousness of the asserted claims, yet they do not identify where Overland allegedly admits that the ’766 patent is rendered obvious by the 3570 tape library and related documents. (*See* RIB at 72.)

¹⁴ The expert witness statement cited by the BDT Respondents offers conclusory assertions of obviousness. For example, regarding the obviousness of command queuing Dr. Smith simply states “it would have been obvious to a person of ordinary skill at the time to use queuing in the IBM 3570 to queue a plurality of data manipulation commands in memory. As previously discussed, queuing was a well-known way to handle multiple requests. Thus, this limitation would have been obvious in light of the IBM 3570 alone, or in combination with any of the prior art that I am testifying about and/or general knowledge in the art at the time.” (RX-6C at Q/A 250.)

Accordingly, the undersigned finds that the BDT Respondents have not proven by clear and convincing evidence that the 3570 tape library and 3570 documents render obvious claim 1 or claim 2 of the '766 patent.

b) 7331 and 7336 Tape Libraries and Documents

The BDT Respondents contend that Overland admitted that independent claims 1 and 2 are obvious in light of the 7331 and 7336 tape libraries and documents. (RIB at 72.) Overland, disputes that claim 2 is invalid as obvious, arguing that the claim requires a specific set of circumstances that would not necessarily occur during the normal and usual operation of the 7331 and 7336 products. (CIB at 71.)

The BDT Respondents have the burden of proving obviousness by clear and convincing evidence but have not cited to any substantive evidence that a controller configured to partition is obvious. All that the BDT Respondents rely on as proof of obviousness are purported admissions in Overland's prehearing brief and expert report. (See RIB at 72 (citing Overland PHB at 88, 94; CX-615C at Q/A 113, 147.) The statements that the BDT Respondents identify do not concede the obviousness of a controller configured to partition. Overland and Mr. Jestice simply state that "it would not be obvious to configure the 7336 into a partitioned state without the 7336 Setup Guide," and that "it would not be obvious to configure the 7331 into a partitioned state without the 7331 Operator Guide and/or Installation Guide." (Overland PHB at 87-88, 94-95; CX-615C at Q/A 113, 147.) Overland has consistently maintained that the 7331 and 7336 documents do not disclose a *controller configured to partition*. (See generally Overland PHB at 88, 95, 99; CIB at 67-71; CRB at 18-28.) Accordingly, because the BDT Respondents have not cited to any evidence or even argued that a controller configured to partition is obvious in view

of the 7331 and 7336 tape libraries and documents, the undersigned finds that claim 1 of the '766 patent is not obvious in view of those tape libraries and documents.

The BDT Respondents have also failed to offer clear and convincing evidence that command queuing would be obvious to a person of ordinary skill in the art in view of the 7331 and 7336 tape libraries and documents. The BDT Respondents' entire obviousness argument as to claim 2 consists of asserting that "Overland cannot deny the IBM prior art products were capable of performing the claimed steps" and asserting that "Overland admits the user manuals disclose the steps of the method claims." (*See* RIB at 72.) The only evidence that the BDT Respondents cite are the conclusory assertions of their expert witness, Dr. Smith. (*See* RX-6C at Q/A 525, 529.) The undersigned therefore finds that the BDT Respondents have not proven by clear and convincing evidence that claim 2 of the '766 patent is obvious in view of the 7331 and 7336 tape libraries and documents.

c) The '090 Patent

The BDT Respondents argue that claim 1 is invalid because it would be obvious to modify the '090 patent to include a standalone controller.¹⁵ (RIB at 74 (arguing that controller location is simply a design choice (citing Jesionowski, Tr. 983:23-984:5; RX-4 at Q/A 104-107)).) According to the BDT Respondents, the obviousness of this limitation is also apparent from "the general knowledge in the art at the time and/or one or more of the IBM 7331, 7336, and 3494 tape libraries." (*Id.* (citing RX-6C at Q/A 173-176, 734-735).) The BDT Respondents also contend that the use of media element partitioning in the '766 patent would have been obvious in view of the disclosure of media storage location partitioning in the prior art. (*Id.* at 75.)

¹⁵ Although the BDT Respondents generally assert that "[the] '090 patent disclose[s] each and every limitation of every asserted claim," the BDT Respondents have not presented any evidence in their brief, or even argued, that the '090 patent renders claim 2 obvious. (*See generally* RIB at 71-75.)

Overland argues that the '090 patent does not render claim 1 obvious because there is no reason to modify the patent, which indicates that host computers are responsible for partitioning, to have the controller handle partitioning. (CIB at 86.) Overland also argues that claim 2 is not rendered obvious by the '090 patent because "it would not have been obvious to a user to modify the teachings of the '090 patent to create those exact circumstances and to act in the manner required by the claims." (*Id.* at 87.)

The undersigned previously found that the '090 patent teaches "a controller coupled to said plurality of media element drives, said moveable carriage, and said plurality of host computers." *See* ID at 49, *aff'd* by Comm'n Op. at 36. The undersigned also found that claim 1 covers partitioning in general and that the '090 patent discloses partitioning. *See id.* at 26-28, 50; Comm'n Op. at 36. These two limitations are the only limitations of claim 1 that the BDT Respondents argue are rendered obvious by the '090 patent. (*See* RIB at 71-74.) The BDT Respondents, despite carrying the burden of proof, have not cited any evidence or even argued that the '090 patent renders obvious the only limitation of claim 1 that the undersigned found was not anticipated by the '090 patent, *i.e.*, a controller configured to partition. (*Id.*; *see also* ID at 50-51; Comm'n Op. at 36.) The BDT Respondents have also failed to include any evidence or argument that the '090 patent renders *any* limitation of claim 2 obvious. (*See generally* RIB at 71-75.) Nor do the BDT Respondents propose any combinations of the '090 patent with other prior art tape libraries or documents that would render the claims of the '766 patent obvious, let alone provide the motivation behind combining references. *See KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007) (requiring that there still needs to be a "reason to combine known elements in the fashion claimed by the patent at issue.") The undersigned therefore finds that the

BDT Respondents have failed to offer clear and convincing evidence that the '090 patent renders the asserted claims of the '766 patent obvious.

IV. THE '581 PATENT

As noted *supra*, on December 11, 2012, the Commission issued the Second Remand Order which granted Overland's petition for reconsideration and further remanded the investigation. On January 9, 2013, the Commission issued its Revised Opinion. *Certain Automated Media Library Devices*, Inv. No. 337-TA-746, Revised Comm'n Op. (Jan. 9, 2013) ("Revised Opinion"). In the Second Remand Order, the Commission, among other things, found that the accused products meet its revised construction of the term "linear array" as recited in claims 1, 2, 5, 6, 7, 9, 10, 12, and 16.¹⁶ Nonetheless, the Commission affirmed the undersigned's determination in the ID of noninfringement of claims 1, 2, 5, 6, 7, and 9 of the '581 patent because "the mail slot in the Accused Products does not satisfy the 'manually movable towards said door' limitation, and the Commission did not review that finding." Revised Opinion at 45.

However, the Commission also stated that:

The ID did not make findings regarding whether the Accused Products meet the "manually moveable towards said opening" and the "manually moveable towards a doorway" limitations, and other limitations, in claims 10, 12, and 16. The investigation is therefore remanded to the ALJ to make all findings regarding direct in infringement and, if necessary indirect infringement, of claims 10, 12, and 16 that are consistent with this opinion.

Id.

In the Second Remand Order, the Commission further stated:

On remand, in addition to resolving all issues with respect to infringement, the ALJ shall construe the "manually moveable towards said opening" and the "manually moveable towards a doorway" limitations in claims 10, 12, and 16 in accordance with their plain and ordinary meaning as argued in the record, *e.g.*, CIB

¹⁶ In the Revised Opinion, the Commission construed "linear array" to mean "media element storage locations [or cells] arranged in one or more straight lines." Revised Opinion at 38-44.

at 113, 117; RIB at 120-122, 125-126. The ALJ shall include his findings in the same final remand determination (“RID”) to be issued in connection with the Commission Order of October 25, 2012.

Second Remand Order at 4.

A. Claim Construction Issue

In the ID, the undersigned construed the claim term “moveable cell is manually moveable” in claims 10 and 16. This claim term is part of the claim terms discussed by the Commission in the Revised Commission Opinion and Second Remand Order, “manually moveable towards said opening”¹⁷ and “manually moveable towards a doorway.”¹⁸

In the ID, the undersigned stated as follows:

Overland asserts that this claim term should be construed according to its plain and ordinary meaning. (CRB at 41.) Overland states that the BDT Respondents’ proposed construction merely recites the claim term and then adds limitations to the end. (*Id.*) Overland argues that the ’581 patent states that the moveable cell 66 moves through an opening both away from the magazine and toward the magazine. (*Id.* at 42 (citing JX-3 at 6:11-15, 7:12-15, and 7:23-25).) Overland asserts that additional limitations proposed by the BDT Respondents allow movement in only one direction, and therefore contradict the ’581 specification. (*Id.* at 41-42.) Therefore, Overland urges rejection of the BDT Respondents’ proposed claim construction. (*Id.* at 42.)

The BDT Respondents argue that the ’581 patent specification is clear as to what is intended by the claimed phrase. (RIB at 92-93 (citing JX-3 at Abstract, 2:25-29, 4:14-21, 4:56-58, 5:21-25, 5:56-61, 6:11-13, 6:41-43, Fig. 2).) The BDT Respondents state that the pivotable cell can pivot outwardly toward the opening in a direction away from the magazine in order to facilitate access to the input/output location in the pivotable cell. (*Id.* at 92.) The BDT Respondents state that this is the only embodiment shown in the patent. (*Id.*) The BDT Respondents cite to several excerpts from the specification in support of their arguments. (*Id.* at 92-93.)

¹⁷ The full text of this claim term, which is from claim 10, is “said moveable cell is manually moveable towards said opening.” (JX-3 at 8:58-59.)

¹⁸ The full text of this claim term, which is from claim 16, is “one moveable cell is manually moveable through a doorway.” (*Id.* at 9:29-30.)

For the reasons set forth below, this claim term shall be construed according to its plain and ordinary meaning. The BDT Respondents have not justified their claim construction, particularly the clause “in a direction away from the magazine to facilitate user access to the movable cell.” Nothing in the claim language supports their position. Moreover, the specification makes clear that the moveable cell 66 moves through an opening both away from the magazine and toward the magazine. (JX-3 at 6:11-15, 7:12-15, 7:23-25.)

Accordingly, the undersigned hereby construes “movable cell is manually movable” according to its plain and ordinary meaning.

(ID at 69-70.)

Accordingly, in this RID, the undersigned shall construe the claim terms “manually moveable towards said opening” and “manually moveable towards a doorway” according to their plain and ordinary meaning, as directed by the Commission, and consistent with the discussion in the ID set forth above. (Second Remand Order at 4; ID at 69-70.)

B. Direct Infringement

1. Claim 10

Claim 10 reads:

A media element library comprising: a housing; an opening in a portion of said housing; a linear array of media element cells in fixed position with respect to said housing forming a media element magazine, wherein an end of the magazine is adjacent to said opening; and a moveable cell coupled to said end of said magazine adjacent to said opening, wherein said movable cell is manually movable towards said opening.

(JX-3 at 8:49-59.)

a) “A media element library comprising:”

The undersigned found in the ID that the accused products infringe the identical term (preamble) in claim 1 of the '581 patent. (ID at 82.) The Commission did not review or modify that determination in any of its remand opinions or orders. Accordingly, the undersigned

determines that the accused products satisfy the preamble of claim 10, just as they do for the same term in claim 1.

b) “a housing”

The undersigned found in the ID that the accused products infringe the identical term in claim 1 of the '581 patent. (*Id.*) The Commission did not review or modify that determination in any of its remand opinions or orders. Accordingly, the undersigned determines that the accused products satisfy this claim term of claim 10, just as they do for the same term in claim 1.

c) “an opening in a portion of said housing”

The accused products have “an opening in a portion of said housing,” as shown in the record. As Dr. Kazerooni has testified, this is shown in CDX-67 at 27, which shows an opening in a Dell TL2000 where the left magazine has been removed. (*See* CX-7C at Q/A 217.) Accordingly, the accused products satisfy this claim term of claim 10.¹⁹

d) “a linear array”

As noted above, the Commission has already determined that the accused products meet this limitation. (Second Remand Order at 2; Revised Opinion at 44-45.)

e) “media element cells in fixed position with respect to said housing”

Overland states that for the same reasons discussed with respect to claim 1, the accused products have a linear array of media element cells in fixed position with respect to said housing that form a media element magazine. (CIB at 113 (citing CX-7C at Q/A 218, 221, 277-280).) Overland argues that BDT Respondents’ contention that the accused products do not satisfy this limitation because the accused products have “removable magazines” is based on the BDT Respondents’ claim construction that the term “magazine” should include magazines that are

¹⁹ The BDT Respondents did not discuss this term in their post-hearing brief.

readily removable as well as magazines that are not readily removable. Overland states that BDT Respondents do not dispute that the accused products satisfy this limitation if their proposed construction is rejected, as it must be. (CRB at 51-52 (citing CIB at 124-125).) Therefore, Overland argues that the accused products satisfy this claim term. (*Id.* at 52.)

The BDT Respondents argue that the accused products do not meet this claim literally. The BDT Respondents assert that claim 10 is expressly written to cover only fixed magazines, not removable magazines. (RIB at 119-120 (citing JX-3 at claim 10).) The BDT Respondents state that there is no dispute that the accused products have removable magazines that can be unlatched and removed from the housing. (RIB at 120 (citing RX-583C at Q/A 121; JX-23 at 40; RDX-681; *see also* CX-7C at Q/A 192).) The BDT Respondents conclude that the accused products do not literally infringe this requirement. (RIB at 120.)

In the ID, the undersigned construed the term “media element cells in fixed position with respect to said housing” as media element cells (or media element storage locations) “fixed with respect to said housing,” as proposed by the BDT Respondents. (ID at 68-69.) That determination was not reviewed or modified by the Commission in any of its remand opinions or orders. In addition, the undersigned construed the term magazine as “a group of media element storage locations.” (*Id.* at 66.) That determination was also not reviewed or modified by the Commission in any of its remand opinions or orders.

In addition, in construing the term “magazine,” the undersigned rejected Overland’s proposal to limit the term “magazine” to those that are readily removable. In the ID, the undersigned indicated that the term covers magazines that are readily removable and those that are not readily removable. (*Id.* at 65-66.) However, in discussing claim 10, the undersigned stated that “. . . it is also clear from the language of claim 10, which recites ‘a linear array of

media element cells in a fixed position with respect to said housing forming a media element magazine' that the '581 patent also covers magazines that are not readily removable." (*Id.*) That finding was not reviewed or modified by the Commission in any of its remand opinions or orders.

There is no dispute that the accused products have removable magazines that can be unlatched and removed from the housing. (RX-583C at Q/A 121; JX-23 at 40; RDX-681; *see also* CX-7C at Q/A 192).) However, that does not resolve the question as to whether the magazines are "fixed with respect to said housing," as required by claim 10. It is Overland's burden to show by a preponderance of the evidence that this claim term is satisfied by the accused products. Overland argues that the accused products satisfy claims 6 and 7 (CIB at 110-111), which require magazines that are readily removable (ID at 65-66), as well as claim 10 (CIB at 113), which requires magazines that are not readily removable. (ID at 65-66.) Overland has not demonstrated how the accused products can have magazines that are both readily removable as well as not readily removable. Thus, the undersigned finds that Overland has not demonstrated by a preponderance of the evidence that the accused products read on this limitation of claim 10.

The undersigned further finds that Overland has not shown that the accused products meet this claim limitation by the doctrine of equivalents, which requires a showing that the differences are insubstantial between the claim term and the accused products. *See Wavetronix LLC v. Integrated Sys.*, 573 F.3d 1343, 1360 (Fed. Cir. 2009) ("A plaintiff can prove equivalence by showing on a limitation-by-limitation basis that the accused product performs substantially the same function in substantially the same way with substantially the same result as each claim

limitation of the patented product.”). The same rationale applies here as applies to the undersigned’s finding that this claim term is not literally infringed.

f) “wherein an end of the magazine is adjacent to said opening”

Overland argues that when the mail slot magazine is inserted into the opening, the front end of the magazine is adjacent to the opening. (CIB at 113 (citing CX-7C at Q/A 218; CDX-67 at 28; CX-189 at 1-8).) Therefore, Overland asserts that the accused products satisfy this limitation. The BDT Respondents do not discuss this limitation in their post-hearing brief.

The undersigned finds Dr. Kazerooni’s testimony persuasive. He testified that the accused products satisfy this limitation by showing that the end of the mail slot is adjacent to the opening. (CX-7C at Q/A 218; CDX-67 at 28.) Accordingly, the undersigned determines that this limitation of claim 10 has been met.

g) “a moveable cell coupled to said end of said magazine adjacent to said opening, wherein said moveable cell is manually moveable towards said opening”

Overland asserts that the accused products satisfy this limitation “just as they do with respect to claim 1.” (CIB at 113.) Overland states that the mail slot (moveable cell) is manually moveable towards the opening. Overland states that, for example, the user manually pushes the mail slot towards the opening. (*Id.* (citing CX-7C at Q/A 222, 281-283; CDX-67 at 29; CDX-68 at 12).)

Overland disagrees with the BDT Respondents’ contention that the accused products’ mail slot moves away from an opening rather than towards it. Overland argues that the BDT Respondents’ contention “boldly mischaracterizes both the undeniable design of the accused products and Dr. Kazerooni’s opinion about them. (CRB at 52 (citing RIB at 125-126).)

Specifically, Overland states that the BDT Respondents’ argument about this limitation is based

on the faulty premise that the “opening” of the accused products is the entire space in which a magazine fits. (*Id.* (citing RIB at 125.) Overland notes that Dr. Kazerooni identifies the “opening” as the space at the front of the housing through which the magazine passes. (CRB at 52 (citing CX-7C at Q/A 217, 222).) Overland asserts that when the accused products’ mail slot is closed, it sits behind the opening and when it is open, it sits in front of the opening. (CX-7C at Q/A 222.) Thus, Overland argues, the entirety of the mail slot passes through the opening when it is moved from the closed position to the open position, and vice-versa. (*Id.* at Q/A 198.) Overland states that, contrary to the position of the BDT Respondents, Dr. Kazerooni does analyze both the act of opening the mail slot and closing the mail slot in connection with this limitation. (*Id.* at Q/A 222.) Nonetheless, Overland asserts that closing the mail slot by itself satisfies the limitation “manually moveable towards said opening.” (*Id.*)

The BDT Respondents assert that the accused products do not literally satisfy this limitation requiring that the moveable cell be “manually moveable towards said opening” when properly construed, *i.e.*, manually moveable towards the opening in a direction away from the magazine to facilitate user access to the moveable cell. (RIB at 120 (citing RX-583C at Q/A 124).) The BDT Respondents assert that even if Overland were correct that the “opening” in the accused products is the open part of the housing where the magazine is mounted, the moveable cell in Dr. Kazerooni’s analysis does not move manually in a direction towards the opening to facilitate user access to the moveable cell. (*Id.* at 120-121 (citing RX-583C at Q/A 127).) Rather, the BDT Respondents state that the drawer of the I/O station in the accused products is moved away from the magazine in a direction to facilitate user access to a tape cartridge. (*Id.*) Thus, in the BDT Respondents’ view, the moveable cell moves away – not toward the opening as Overland defines it – and the accused products do not literally meet this element.

The BDT Respondents state that Overland recognizes “the problem with the claim language” which is why Overland asserts that it is the closing of the mail slot that meets the limitation “manually moveable towards said opening.” (RIB at 121 (citing CX-7C at Q/A 222).) The BDT Respondents argue that Overland’s position cannot be squared with the proper construction of this limitation. (*Id.* at 121 (citing RX-583C at Q/A 127).) The BDT Respondents also assert that Overland’s position cannot be squared with the specification’s use of the word “toward,” which refers to the user pulling the cell away from the magazine to facilitate access to the media element in the cell-to input or output a cartridge. (*Id.* (citing RX-583C at Q/A 127; JX-3 Abstract (“the cell may be moveable so as to extend toward the opening in the housing of the media element library, thereby facilitating user access to a media element stored in a moveable cell”), Fig. 2, 2:25-29 (“[M]ethod comprises delivering a media element to a cell of a media element magazine, moving the cell toward an opening in the media element library and away from other cells in the media element magazine, and removing the media element from the cell.”), 4:14-21, 4:56-58, 5:21-24, 5:56-61, 6:11-13, 6:41-43).) The BDT Respondents assert that the ’581 specification does not once refer to the closing of the moveable cell as manually moving that cell toward an opening. (*Id.* (citing RX-583C at Q/A 127).) Therefore, the BDT Respondents conclude that Overland’s position is incorrect and the accused products do not literally satisfy this claim element. (*Id.*)

As noted above, and in the ID, the undersigned, in construing the claim term “movable cell is manually movable” stated that:

The specification makes clear that the moveable cell 66 moves through an opening both away from the magazine and toward the magazine. (JX-3 at 6:11-15, 7:12-15, 7:23-25.)

Accordingly, the undersigned hereby construes “movable cell is manually movable” according to its plain and ordinary meaning.

(See Section at IV.A.; ID at 70.) In making this determination, the undersigned rejected the BDT Respondents' proposed claim construction, particularly the clause "in a direction away from the magazine to facilitate user access to the movable cell." (*Id.*) Thus, to the extent the BDT Respondents' argument is based on this rejected claim construction, it is not found to be persuasive.

The mail slot magazine in the accused products is a movable media element storage location. (CX-7C at Q/A 198.) It is also a movable cell.²⁰ The remainder of the BDT Respondents' argument is not persuasive. Dr. Kazerooni identifies the "opening" as the space at the front of the housing through which the magazine passes. (*Id.* at Q/A 217, 222.) That evidence comports with the undersigned's earlier determination in the RID that the accused products meet the claim limitation "an opening in a portion of the housing." (See Section IV.B.1.c., *supra*.) When the accused products' mail slot is closed, it sits behind the opening; when it is open, it sits in front of the opening. (See CX-7C at Q/A 222.) Thus, the entirety of the mail slot passes through the opening when it is manually moved from the closed position to the open position, and vice-versa. (*Id.* at Q/A 198.) Therefore, the undersigned finds that the accused products satisfy the term "manually movable toward said opening."

The question remains as to whether the accused products have "a movable cell coupled to said end of said magazine adjacent to said opening." As noted above, Overland asserts that the accused products satisfy this limitation "just as they do with respect to claim 1." (CIB at 113.) However, there is no specific discussion in either Overland's post-trial briefs as to how this particular claim term is satisfied by the accused products. It is Overland's burden to show by a preponderance of the evidence as to how each and every claim term is satisfied by the accused

²⁰ In the ID, the undersigned construed the term "storage location" to be the same as "cell." (ID at 78-81.) This determination was not modified by the Commission.

products. Overland has not done this with respect to this claim term. Accordingly, the undersigned finds that Overland has not shown that this claim term is satisfied by the accused products.

The undersigned further finds that Overland has not shown by a preponderance of the evidence that the differences between the claim term and the accused products are insubstantial. *See Wavetronix*, 573 F.3d at 1360 (“A plaintiff can prove equivalence by showing on a limitation-by-limitation basis that the accused product performs substantially the same function in substantially the same way with substantially the same result as each claim limitation of the patented product.”). Accordingly, the undersigned determines that the accused products do not satisfy this claim term under the doctrine of equivalents.

h) Conclusion

Since the undersigned has determined that the accused products do not satisfy each and every element of claim 10, claim 10 is not infringed.

2. Claim 12

Claim 12 depends from independent claim 10. Because the undersigned has determined that claim 10 is not infringed, dependent claim 12 is also not infringed. *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1328-29 n.5 (Fed. Cir. 2008) (“A conclusion of noninfringement as to the independent claims requires a conclusion of noninfringement as to the dependent claims.”); *Monsanto Co. v. Syngenta Seeds, Inc.*, 503 F.3d 1352, 1359 (Fed. Cir. 2007) (“One who does not infringe an independent claim cannot infringe a claim dependent on (and thus containing all the limitations of) that claim.”); *Wahpeton Canvas Co. v. Frontier, Inc.*, 870 F.2d 1546, 1553 (Fed. Cir. 1989) (“It is axiomatic that dependent claims cannot be found infringed unless the claims from which they depend have been found to have been infringed.”).

3. Claim 16

Claim 16 reads:

A media element magazine comprising: a linear array of media element cells in fixed relative position; and at least one movable cell coupled to one end of said linear array such that said at least one movable cell is manually movable towards a doorway upon installation in a media element library.

(JX-3 at 9:24-31.)

a) “A media element magazine comprising:”

Overland notes that the preamble of claim 16 recites “[a] media element magazine comprising.” Overland argues that a preamble is limiting if it is essential to understand the limitations in the body of the claim. (CIB at 116.) Overland asserts that the preamble of claim 16 is essential to understanding the “cells in fixed relative position” and “movable cell” limitations in the claim body. Overland states that this is so because the “cells in fixed relative position” limitation describes cells that are fixed relative to the magazine containing them, and the “movable cell” limitation in the claim body describes a cell that is movable with respect to the magazine containing it. (*Id.* at 116 (citing CX-7C at Q/A 236, 238, 295, 297).) Overland argues that without the magazine recited by the preamble of claim 16, the claim body has no point of reference with which to describe the recited cells as relative or movable. Overland states that the accused products satisfy the limitation of the preamble for the reasons described above in connection with the third limitation of claim 1. (*Id.* at Q/A 235, 294.)

The BDT Respondents assert that the accused products do not infringe claim 16 of the ’581 patent. The BDT Respondents argue that Overland has erroneously incorporated by reference arguments Overland made with respect to claims 1 and 10 when claim 16 is, in fact, different from claims 1 and 10 because claim 16 recites different limitations than claims 1 and

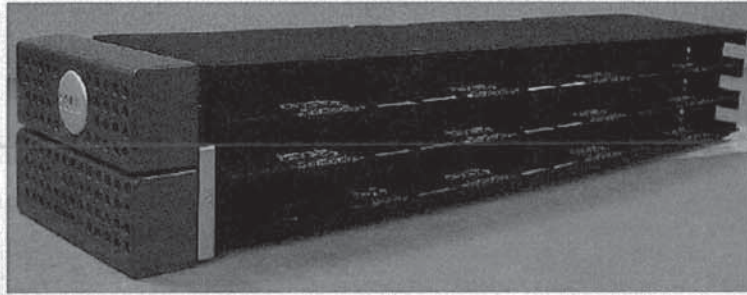
10. The BDT Respondents state that “[a]t the very least, infringement of claim 16 should rise and fall with claims 1 and 10.” (RIB at 125.) The BDT Respondents argue that the preamble of claim 16 recites only a “magazine,” not a media library. (*Id.* at 125-126.)

The first issue to be determined is whether or not the preamble is a limitation. “In general, a preamble limits the invention if it recites essential structure or steps, or if it is “necessary to give life, meaning, and vitality” to the claim. *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1305 (Fed. Cir. 2002). Conversely, a preamble is not limiting “where a patentee defines a structurally complete invention in the claim body and uses the preamble only to state a purpose or intended use for the invention.” *Rowe v. Dror*, 112 F.3d 473, 478 (Fed. Cir. 1997). Here, the preamble of claim 16 is essential to understanding the “cells in fixed relative position” and “movable cell” limitations in the claim body. More specifically, the “cells in fixed relative position” limitation describes cells that are fixed relative to the magazine containing them, and the “movable cell” limitation in the claim body describes a cell that is movable with respect to the magazine containing it. (CX-7C at Q/A 236, 238, 295, 297.) Without the magazine recited by the preamble of claim 16, the remainder of the claim has no point of reference with which to describe the recited “cells” as relative or movable. Accordingly, the preamble is determined to be limiting.

The next question to be resolved is whether the accused products satisfy this limitation of claim 16. Overland relies on the following testimony of Dr. Kazerooni as support:

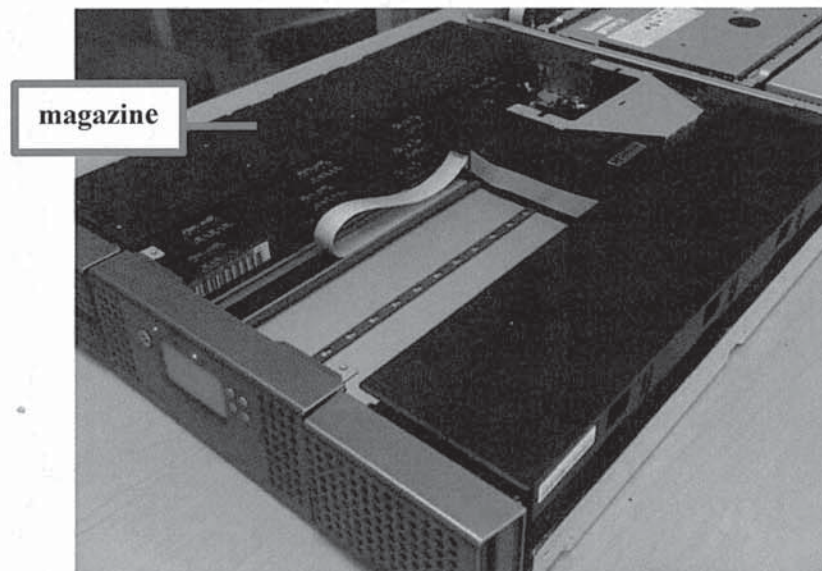
Question: The third limitation of claim 1 recites “a media element magazine comprising (1) a linear array of a plurality of media element storage locations which are fixed with respect to said housing during library operation.” How do the FlexStorII 2-U-based libraries [the representative of the accused products] meet that limitation?

Answer: Each *library* contains a *media element magazine* with three rows of slots each, as shown in the Dell TL2000/TL4000 User's Guide. JX-40, page 4-33, which shows a photograph of the *left magazine* of the Dell TL 2000 after it has been removed from the *library*.



Each of the twelve slots can contain one tape cartridge, a media element, and the lower slot is a mail slot.

CDX-67, page 14, shows the *left magazine* of a Dell TL2000 as it is normally located inside the *tape library*:



A tape cartridge is in the lower left slot, the mail slot.

Each *magazine* is fixed with respect to the housing during *library* operation. For example, one must unlock the *magazine* to remove it from the *library*.

(CX-7C at Q/A 192 (emphasis added).)

The testimony of Dr. Kazerooni makes clear, as noted above, that there is a distinction between a “library” and a “magazine.” For example, in the last sentence of the above-quoted testimony, Dr. Kazerooni indicates that “one must unlock the ‘magazine’ to remove it from the ‘library.’” (*Id.*) Thus, his testimony asserts that the “magazine” is a part of the “library,” and that a “magazine” is therefore not the same as a “library.” However, the preamble in claim 1 refers to “[a] media element *library* comprising:” whereas the preamble to claim 16 refers to “[a] media element **magazine** comprising:.” (JX-3 at 8:7, 9:24 (emphasis added).) Thus, BDT Respondents are correct that the language of the two preambles is different. However, it is clear that Dr. Kazerooni’s testimony supports Overland’s claim that the accused products have a media element **magazine**. (CX-7C at Q/A 192.) Therefore, the undersigned finds that Overland has proven by a preponderance of the evidence that the accused products satisfy the claim term “[a] media element magazine comprising:.”

b) “a linear array”

As noted above, the Commission has already determined that the accused products meet this limitation. (Second Remand Order at 2; Revised Opinion at 44-45.)

c) “media element cells in fixed relative position;”

Overland argues that this claim limitation is met for the reasons described in connection with the third limitation of claim 1. (CIB at 117 (citing CX-7C at Q/A 236-237, 295-297.)) The BDT Respondents argue that because the language of claims 1 and 16 are different, Overland has improperly relied on its claim 1 testimony to support its infringement contention with respect to this term in claim 16. (RIB at 125 -126.)

In its argument regarding the preamble to claim 16, Overland states that the preamble of claim 16 is essential to understanding the “cells in fixed relative position” limitation in the claim

body because the “cells in fixed relative position” limitation describes cells that are fixed relative to the magazine containing them. (CIB at 116.) Overland is also apparently arguing that the term “media element cells in fixed relative position” in claim 16 is the same as the term “media element cells in fixed position with respect to said housing” in claim 10 because, in both instances, Overland relies on essentially the same testimony of Dr. Kazerooni in support of its position that the accused products infringe the third term of claim 1. (*Compare* CIB at 107 with CIB at 113.) However, in the discussion above with respect to the term “media element cells in fixed position with respect to said housing” in claim 10, the undersigned determined that the accused products do not meet this claim term. (*See* Section IV.B.1.e., *supra*.) For this same reason, Overland has not shown by a preponderance of the evidence that the claim term “media element cells in fixed relative position” in claim 16 is infringed by the accused products. Accordingly, the undersigned finds that the accused products do not satisfy the term “media element cells in fixed relative position” in claim 16.

For the same reasons, the undersigned finds that the accused products do not satisfy this limitation under the doctrine of equivalents. More specifically, the undersigned has determined that the differences between the claim term and the accused products are not insubstantial for the same reasons discussed above with respect to literal infringement. *See Wavetronix*, 573 F.3d at 1360 (“A plaintiff can prove equivalence by showing on a limitation-by-limitation basis that the accused product performs substantially the same function in substantially the same way with substantially the same result as each claim limitation of the patented product.”).

- d) **“at least one movable cell coupled to one end of said linear array such that said at least one movable cell is manually movable towards a doorway upon installation in a media element library.”**

Overland asserts that this term is satisfied by the accused products because the accused products have an opening through which the mail slot passes. Overland argues that the mail slot is manually movable towards the doorway at least when a user closes the mail slot by manually pushing it into the magazine and library through the doorway, as described in connection with the fourth limitation of claims 1 and 10. (CIB at 117 (citing CX-7C at Q/A 238).)

Overland disagrees with the BDT Respondents’ argument that Overland’s expert, Dr. Kazerooni, has not addressed the “doorway” of claim 16 because the “doorway” is simply the part of the “opening” described by claim 10 that is occupied when the door of claim 1 is in its closed position. (CRB at 52 (citing CX-7C at Q/A at 238, 297).) Overland asserts that Dr. Kazerooni’s analysis of claims 1 and 10 expressly describes at length the accused products’ door, the opening, their relationship to each other, and their relationship to the accused products’ mail slot. (*Id.* at 52-53 (citing CX-7C at Q/A 186-191, 199-204, 222-224).)

With respect to this claim term, the BDT Respondents argue that claim 16 is different from claims 1 and 10. For example, the BDT Respondents assert that claim 16 recites a “doorway,” whereas claims 1 and 10 recite a “door” and an “opening.” (RIB at 125.) The BDT Respondents argue that the accused products do not have a “door” and, thus, do not have the “doorway” of claim 16. (*Id.* (citing RX-583 at Q/A 154).)

The BDT Respondents argue that the movement of the movable cell is described with reference to a doorway “upon installation” in a media element library. The BDT Respondents assert that the “doorway” in claim 16 must be formed in a housing of the media element library, such that when the claimed magazine is “installed,” the movable cell can be made “movable

towards” the doorway. However, the BDT Respondents state, since Overland argues that the “door” is part of the magazine, there is no “doorway” in the housing of the accused products when the magazine is not inserted in the housing. (*Id.* (citing RDX-692; RX-583 at Q/A 154-155).) Therefore, the BDT Respondents argue that because the accused products do not have a “doorway,” they do not satisfy the limitation that a “movable cell” is “manually movable towards a doorway.” (*Id.* (citing RX-583 at Q/A 154-155).) For these reasons, the BDT Respondents assert that the accused products do not infringe claim 16.

It must first be determined whether the accused products satisfy the claim term “at least one movable cell coupled to one end of said linear array.” As noted above, Overland asserts that the accused products satisfy this limitation for the reasons described in connection with the fourth limitation of claims 1 and 10. (CIB at 117.) However, there is no specific discussion in either of Overland’s post-hearing briefs of how this particular claim term is satisfied by the accused products. It is Overland’s burden to show by a preponderance of the evidence as to how each and every claim term is satisfied by the accused products. Overland has not done this with respect to this claim term. Accordingly, the undersigned finds that Overland has not shown that this claim term is satisfied by the accused products.

With respect to the next claim term, the undersigned rejects the BDT Respondents’ contention that the accused products do not have a “door.” In the ID, the undersigned construed the term “door” to be “a structure movable to create or block an opening.” (ID at 68.) In the ID, the undersigned also determined that the accused products have a “door.” (*Id.* at 83-85.) These two determinations were not modified by the Commission in any of its remand orders or opinions. The opening created or blocked by the door can also be referred to as a “doorway” because the “doorway” is simply the part of the “opening” described by claim 10 that is occupied

when the “door” is in its closed position. With respect to claim 10, the undersigned has determined that the movable cell is “manually movable toward said opening.” (See Section IV.B.1.g.) Thus, with respect to this claim term, the undersigned determines that the accused products satisfy the term “. . . one movable cell is manually movable towards a doorway. . .”.

e) Conclusion

Since the accused products do not satisfy each and every element of claim 16, claim 16 is not infringed.

C. Indirect Infringement

Overland alleges that the BDT Respondents indirectly infringe the asserted claims. (CIB at 119-121; CRB at 52-53.) The undersigned has found hereinabove that the accused products do not directly infringe any of the asserted claims. Overland, therefore, cannot prove that the BDT Respondents induce infringement of any of the asserted claims. See *i4i Ltd. P’ship*, 598 F.3d at 851 (“To prove inducement, the patentee must show direct infringement.”); *Cross Med. Prods., Inc. v. Medtronic Sofamor Danek, Inc.*, 424 F.3d 1293, 1312 (Fed. Cir. 2005) (“‘In order to succeed on a claim of inducement, the patentee must show, first that there has been direct infringement,’ and ‘second, that the alleged infringer knowingly induced infringement and possessed specific intent to encourage another's infringement.’”). Similarly, because Overland has not shown that the accused products directly infringe the asserted claims, Overland cannot show contributory infringement. *Spanion*, 629 F.3d at 1353 (to prove contributory infringement, a complainant must show an act of direct infringement in violation of 337).

Accordingly, Overland has failed to show that the BDT Respondents indirectly infringe the ’581 patent.

D. Domestic Industry – Economic Prong

Overland submits that product-by-product allocations are possible using the revenue-based allocation method relied upon by its expert, Mr. Kalbfleisch. (CRB at 66 (citing CX-2C at Q/A 47, 49, 57; CX-45C).) Overland asserts that one can use data supplied in Exhibit CX-45C and use the percentage of fiscal year 2010 product revenue attributable to each individual NEO product to allocate expenditures related to that product. (*Id.* at 66-67 (citing CX-2C at Q/A 47, 49, 57; CX-45C).)

In response to the BDT Respondents' contentions, Overland argues that investments in service and repair for the NEO 2000, 4000, and 8000 are properly included in its domestic industry calculations because investments in post-sale service and repair activities can satisfy the economic prong of the domestic industry requirement. (*Id.* at 64.) Overland also contends that partitioning features are within the firmware on every NEO product and expenditures directed to optional product features may be used to satisfy the domestic industry requirement. (*Id.* at 65.)

The BDT Respondents do not dispute the financial data provided by Overland. (*See generally* RIB at 163-65.) The BDT Respondents, however, argue that Overland improperly considered investments in the NEO 2000, 4000, and 8000 because manufacturing and investments with respect to those products ceased prior to the filing of the Complaint in this Investigation. (*Id.* at 164 (citing Kalbfleisch, Tr. at 489:5-490:16).) Additionally, the BDT Respondents claim that the NEO 2000, 2000e, 4000, 4000e, and 8000 are not capable of utilizing the partitioning feature without the addition of a library partitioning option or partitioning key and therefore asserts that investments in products that do not practice and are incapable of practicing the '766 patent should not be included in the domestic industry analysis. (*Id.* at 164-65.)

As an initial matter, the undersigned rejects the BDT Respondents' arguments that Overland improperly included certain products in its domestic industry analysis. Even though Overland stopped manufacturing the NEO 2000, 4000, and 8000 in 2009, Overland's domestic industry analysis is based on financial data after 2009, for example, from fiscal year 2010. (See CX-2C; CX-43C; CX-12; CX-45C; CX-44C; CX-39C; CX-460C; CX-602C; CX-40C; CX-41C; CX-42C; Kalbfleisch, Tr. at 489:24-490:7.) Thus, because Overland's analysis is based on data from 2010 and not earlier, it does not improperly include money spent on the NEO 2000, 4000, and 8000. For example, Overland's investment in labor for 2010 would relate to those products it manufactured in 2010 – *i.e.*, the NEO 200s, 400s, 2000e, 4000e, and 8000e – and would not include money spent on manufacturing the NEO 2000, 4000, and 8000 because those products were not manufactured in 2010. The only exception would be labor costs associated with technical support, sales and marketing, and service and warranty, which properly include costs related to the NEO 2000, 4000, and 8000 because they were still sold and serviced in 2010. (See CX-45C.) In addition, as long as the partitioning feature is included in the NEO 2000, 2000e, 4000, 4000e, and 8000, they can properly be included in the domestic industry analysis. See *Certain Microlithographic Machines and Components Thereof*, Inv. No. 337-TA-468, Int. Det. at 366 (Jan. 29, 2003).

The following chart represents Overland's NEO products and their respective percentages of total fiscal year 2010 product sales revenue:

| Product | FY 2010 Product Sales Revenue | Percent of FY 2010 Total NEO Product Sales Revenue |
|-----------|-------------------------------|--|
| NEO 2000 | [|] |
| NEO 2000e | [|] |
| NEO 4000 | [|] |
| NEO 4000e | [|] |

| Product | FY 2010 Product Sales Revenue | Percent of FY 2010 Total NEO Product Sales Revenue |
|--------------------------------|-------------------------------|--|
| NEO 8000e ²¹ | [] | [] |
| NEO 200s/400s | [] | [] |
| Total, All NEO Products | [] | [] |

(CX-45C.) Overland's revenue-based allocation method has been accepted by the Commission in other investigations and thus, the undersigned finds it appropriate here. *See, e.g., Certain Laminated Floor Panels*, Inv. No. 337-TA-545, Order No. 17 at 3-4 (Mar. 2, 2006); *Certain Ground Fault Circuit Interrupters and Prods. Containing Same*, Inv. No. 337-TA-739, Comm'n Op. at 74-81 (Apr. 27, 2012).

1. Plant and Equipment

Overland claims that it invests a total of [] in plant, machinery, and equipment for the NEO products. (*See* CIB at 156; CX-2C at Q/A 67, 78.) Overland asserts that as of September 2010, it leased space for its headquarters and manufacturing facilities in the United States at a cost of about [] each year, of which [] is allocated to the NEO products. (*Id.* (citing CX-2C at Q/A 63-65; CX-43C).) Overland also claims that the allocated annual lease amount for its other facilities in the United States is [] (*Id.* (citing CX-2C at Q/A 47-51, 66, 79; CX-45C).) Thus, Overland argues that as of September 2010, it has invested a total of [] annually in leases, plus utilities and taxes, for United States plants and facilities allocated to the NEO products. (*Id.* (citing CX-2C at Q/A 67; CX-43C).) Overland also allocates [] in annual investments in machinery and equipment for the NEO products, which includes annual computer equipment costs of [] machinery and equipment costs of [] leasehold improvements of [] and furniture and fixture

²¹ Overland does not distinguish between revenue generated by the NEO 8000 and revenue generated by the NEO 8000e. (*See* CRB at 67.) Exhibit CX-45C, however, only lists product revenue for the NEO 8000e. (*See* CX-45C (listing fiscal year 2010 revenue for the NEO 8000e as [])) The evidence therefore shows that the NEO 8000 did not generate any revenue for fiscal year 2010 and thus, is not included in the chart.

expenditures of []. (*Id.* (citing CX-2C at Q/A 75-78; CX-12).) As noted above, the BDT Respondents do not dispute the financial data provided by Overland. (*See generally* RIB at 163-65.)

Overland invested a total of about [] in plant, machinery, and equipment for the NEO products in 2010. (*See* CX-2C at Q/A 67, 78; CX-43C; CX-12.) The Commission previously determined that “Overland has sustained its burden of showing by a preponderance of the evidence that at least its NEO 2000, 2000e, 4000, and 4000e tape libraries practice one or more claims of the ’581 patent.” *See* Notice of Comm’n Decision Remanding the Investigation as to U.S. Patent Nos. 6,328,766 and 6,353,581; Extension of Target Date (Oct. 25, 2012); *see also* Comm’n Op. at 53 (Oct. 31, 2012). Therefore, using Overland’s revenue-based allocation method, []²² of its investment in plant and equipment for 2010 – [] – should be allocated to the ’581 patent. The undersigned finds that this investment in plant and equipment is significant and that Overland has therefore satisfied the economic prong of the domestic industry requirement for the ’581 patent under 19 U.S.C. § 1337(a)(3)(A).

2. Labor and Capital

Overland claims that its total annual labor and capital investment in the United States allocated to its domestic industry products is more than [] (CIB at 161.) This total investment in labor and capital includes investments in U.S. manufacturing employees, payments to Hon Hai for assembly, investments related to hardware and software engineering, technical support, sales and marketing, service and warranty, and other activities. (*Id.* at 157-161 (citing CX-2C at Q/A 38, 41, 43, 45, 52, 54, 57, 60-62, 81-82; CX-39C ; CX-41C; CX-42C; CX-

²² The NEO 2000, 2000e, 4000, and 4000e tape libraries account for [] of fiscal year 2010’s total NEO product sales revenue. (CX-45C.)

603C).) BDT does not dispute the financial data provided by Overland. (*See generally* RIB at 163-65.)

Overland's total investment in labor and capital for the NEO products in 2010 was about [] (*See* CX-2C at Q/A 45, 52, 54, 81-82, 38, 60-62, 41, 43, 57; CX-39C; CX-460C; CX-602C; CX-40C; CX-41C; CX-42C.) Of that investment, [], *i.e.*, [] is attributable to the '581 patent. The undersigned finds this to be a significant employment of labor and capital and thus, Overland has satisfied the economic prong of the domestic industry requirement for the '581 patent under 19 U.S.C. § 1337(a)(3)(B).

3. Exploitation of the Patents at Issue, Including Engineering, Research and Development, or Licensing

Overland argues that it has invested about [] in research and development in the United States for the NEO products in fiscal year 2010. (CIB at 161 (citing CX-2C at Q/A 68-71; CX-44C).) In fiscal year 2011, Overland forecasts that it will invest about [] in research and development in the United States with respect to the NEO products. (*Id.* (citing CX-2C at Q/A 72-74).)

Again, the BDT Respondents do not dispute the financial data provided by Overland, but contends that Overland's reliance on its alleged investments in research and development is improper because Overland fails to specifically allocate the alleged investments. (RIB at 163-65 (citing JX-52C at 42:18-43:11; Kalbfleisch, Tr. at 509:11-20, 511:1-512:22; CX-603C).)

As discussed above, the undersigned rejects the BDT Respondents' arguments that Overland failed to properly allocate its investments. Overland's total investment in research and development for the NEO products in 2010 was [] (*See* CX-2C at Q/A 71; CX-44C.) Thus, [] of this investment – [] – is allocated to the '581 patent. The undersigned finds this investment in research and development to be significant and therefore Overland has

satisfied the economic prong of the domestic industry requirement for the '581 patent under 19 U.S.C. § 1337(a)(3)(C).

4. Conclusion

For the reasons set forth above, the undersigned finds that Overland has satisfied the economic prong of the domestic industry under 19 U.S.C. § 1337(a)(3)(A), (B), and (C) for the '581 patent.

V. CONCLUSIONS OF LAW

1. The asserted claims of U.S. Patent No. 6,328,766 are invalid under 35 U.S.C. § 102 for anticipation.
2. The asserted claims of U.S. Patent No. 6,328,766 are not invalid under 35 U.S.C. § 103 for obviousness.
3. The accused products do not infringe claims 10, 12, and 16 of U.S. Patent No. 6,353,581.
4. The BDT Respondents do not induce infringement of the asserted claims of U.S. Patent No. 6,353,581.
5. The BDT Respondents do not contribute to the infringement of the asserted claims of U.S. Patent No. 6,353,581.
6. The economic prong of the domestic industry requirement has been satisfied for U.S. Patent No. 6,353,581.

VI. REMAND INITIAL DETERMINATION

Based on the foregoing, it is the Remand Initial Determination of the undersigned that there is no violation of section 337 with respect to claims 10, 12, and 16 of the '581 patent and claims 1, 2, 3 and 7-9 of the '766 patent.²³

The undersigned hereby CERTIFIES to the Commission this Initial Determination, together with the record of the hearing in this investigation consisting of the following: the transcript of the evidentiary hearing, with appropriate corrections as may hereafter be ordered; and the exhibits accepted into evidence in this investigation as listed in the attached exhibit lists.²⁴

The Secretary shall serve a public version of this Initial Determination upon all parties of record and the confidential version upon counsel who are signatories to the Protective Order (Order No. 1) issued in this Investigation.

Pursuant to 19 C.F.R. § 210.42(h), this Initial Determination shall become the determination of the Commission unless a party files a petition for review pursuant to 19 C.F.R. § 210.43(a) or the Commission, pursuant to 19 C.F.R. § 210.44, orders on its own motion a review of the Initial Determination or certain issues therein.

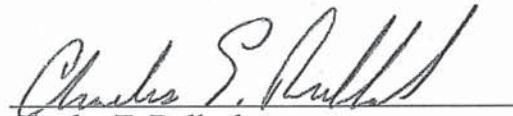
Within ten days of the date of this document, the parties shall submit to the Office of Administrative Law Judges a joint statement regarding whether or not they seek to have any portion of this document deleted from the public version. The parties' submission shall be made by hard copy and must include a copy of this Initial Determination with red brackets indicating

²³ Arguments made on brief which were otherwise unsupported by record evidence or legal precedent have been accorded no weight. Additionally, any arguments from the parties' pre-hearing briefs incorporated by reference into the parties' post-hearing briefs are stricken, unless otherwise discussed herein, as an improper attempt to circumvent the page limits imposed for post-hearing briefing.

²⁴ The pleadings of the parties filed with the Secretary are not certified as they are already in the Commission's possession in accordance with Commission rules.

any portion asserted to contain confidential business information to be deleted from the public version. The parties' submission shall include an index identifying the pages of this document where proposed redactions are located. The parties' submission concerning the public version of this document need not be filed with the Commission Secretary.

SO ORDERED.



Charles E. Bullock
Chief Administrative Law Judge

**IN THE MATTER OF CERTAIN AUTOMATED MEDIA LIBRARY
DEVICES**

**337-TA-746
Remand**

CERTIFICATE OF SERVICE

I, Lisa R. Barton, hereby certify that the attached **Public Version Remand Initial Determination On Violation Of Section 337** has been served upon the following parties via first class mail and air mail where necessary on **APR 23 2013**.



Lisa R. Barton, Acting Secretary
U.S. International Trade Commission
500 E Street, SW, Room 112A
Washington, DC 20436

FOR COMPLAINANT OVERLAND STORAGE, INC.:

Sean Cunningham, Esq.
DLA PIPER LLP
401 B Street, Suite 1700
San Diego, CA 92101

() Via Hand Delivery
(☒) Via Overnight Mail
() Via First Class Mail
() Other: _____

**FOR RESPONDENTS BDT AG, BDT-SOLUTIONS GmbH & CO. KG, BDT
AUTOMATION TECHNOLOGY (ZHUHAI FTZ) CO., LTD., BDT de Mexico, S. De R.L.
de C.V., BDT PRODUCTS, INC. :**

James B. Altman, Esq.
FOSTER, MURPHY, ALTMAN & NICKEL, PC
1899 L Street, NW, Suite 1150
Washington, DC 20036

() Via Hand Delivery
(☒) Via Overnight Mail
() Via First Class Mail
() Other: _____

**IN THE MATTER OF CERTAIN AUTOMATED MEDIA LIBRARY
DEVICES**

**337-TA-746
Remand**

PUBLIC MAILING LIST

Lori Hofer, Library Services
LEXIS - NEXIS
9473 Springboro Pike
Miamisburg, OH 45342

() Via Hand Delivery
() Via Overnight Mail
(☒) Via First Class Mail
() Other: _____

Kenneth Clair
THOMSON WEST
1100 – 13th Street NW
Suite 200
Washington, DC 20005

() Via Hand Delivery
() Via Overnight Mail
(☒) Via First Class Mail
() Other: _____