#### **PUBLIC VERSION**

UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, D.C.

Order No. 33: Denying Respondent Nintendo's Motion For Summary Determination of Invalidity of the '983 Patent Under 35 U.S.C. §§ 102 and 103

On February 27, 2009, respondents Nintendo Co., Ltd. and Nintendo of America, Inc. (Nintendo) filed a motion for summary determination of invalidity of asserted claims 1-3, 8, 11-13 and 18-20 of U.S. Patent No. 7,139,983 (the '983 patent) under 35 U.S.C. §§ 102 and 103. (Motion Docket No. 658-26.)

On March 11, 2009, complainant Hillcrest Laboratories, Inc. (Hillcrest) filed an opposition to Motion No. 658-26.

On March 11, 2009, the staff filed its response in support of Motion No. 658-26.

On March 20, 2009, Nintendo filed a motion for leave to file a reply in support of Motion No. 658-26. (Motion Docket No. 658-36.) Neither Hillcrest nor the staff filed a response to Motion Docket No. 658-36. For good cause shown, Motion Docket No. 658-36 is granted.

On March 30, 2009, Hillcrest filed a sur-reply. Hillcrest's sur-reply was not accompanied by a motion seeking leave to file said sur-reply. Neither the Commission's Rules nor the administrative law judge's ground rules permit a party to file a reply brief or sur-reply brief as a matter of right. Although Hillcrest's sur-reply did not include a motion for leave, the

administrative law judge will nevertheless consider Hillcrest's sur-reply in deciding the merits of Motion No. 658-26 as no party opposed the sur-reply.

A party is entitled to summary determination only if there are no genuine issues of material fact and that party is entitled to judgment as a matter of law. See Commission rule 210.18(b). As this administrative law judge has previously stated in Certain Set-Top Boxes and Components Thereof, Inv. No. 337-TA-454 (Set-Top Boxes):

Summary determination may be rendered only "if pleadings and any depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to summary determination as a matter of law." Commission Rule 2 10.18(b). It is appropriate when the relevant, material facts are so clear and beyond dispute that a hearing on the matter at issue would serve no useful purpose and the movant is entitled to judgment as a matter of law. See Certain Recombinant Ervthropoietin, No. 337-TA-28 1, 1989 WL 608775 (U.S.I.T.C.), at \*82, Initial Determination (Jan. 10, 1989).

When deciding a motion for summary determination, "the administrative law judge must accept all evidence presented by the non-movant as true, must view all of the evidence in the light most favorable to the non-movant and must draw all justifiable inferences in favor of the non-movant." Certain Lens-Fitted Film Packages, Inv. No. 337-TA-406, Order No. 7 at 3 (July 10, 1998) (denying summary determination that patent in suit was unenforceable due to alleged inequitable conduct before the PTO). Any doubt as to the existence of a genuine issue of material fact must be resolved in favor of the non-moving party. See id.; Certain Coated Optical Waveguide Fibers and Products Containing Same, Inv. No. 337-TA-401, Order No. 6 at 3 (July 28, 1998) (denying a motion for summary determination of non-infringement).

Summary determination is improper where "the record contains facts which, if explored and developed, might lead the Commission to accept the position of the non-moving party." <u>Id.</u> Moreover, if an administrative law judge uses faulty legal analysis when applying law to the facts in a motion for summary determination, a reversal is required. <u>See Film Packages</u>, Order No. 7, at 4, citing <u>Howes v. Medical Components</u>, Inc., 744 F.2d 483,487-88 (Fed. Cir. 1985; <u>Certain Condensers. Parts Thereof and Products Containing Same, Including Air Conditioners for Automobiles</u>, Inv. No. 337-TA-334, Views of the Commission at 3,4 (Nov. 25, 1992); <u>Coated Optical Waveguide Fibers</u>, Order No. 6 at 3.

Set Top Boxes, Order No. 8, at 7-8 (May 3 1,2001). In <u>Certain Condensers</u> cited in said Order No. 8, <u>supra</u>, Commission Opinion at 3 read:

In considering a motion for summary determination facts are to be viewed in the light most favorable to the nonmovant, Whittaker COT. v. UNR Industries. Inc., 91 1 F.2d 709, 15 USPQ 2d 1742 (Fed. Cir. 1990), and all reasonable inferences are to be drawn in the nonmovant's favor. United States v. Diebold. Inc., 369 U.S. 654,655 (1962), Martin v. Barber, 755 F.2d 1564,1566,225 USPQ 233,234 (Fed. Cir. 1985). Where inferences contrary to those drawn by the trier of fact might be permissible, a genuine issue as to the ultimate fact is raised and summary judgment is improper. United States v. Diebold, at 655. In addition, faulty legal analysis in applying the law to the facts on motion for summary determination requires reversal. Howes v. Medical Components, Inc., 814 F.2d 638, 2 USPQ2d 1271, 1273 (Fed. Cir. 1987).

### (emphasis added)

Asserted claim 1, which Nintendo argues is representative of all the independent claims, states:<sup>1</sup>

- 1. A method for providing a user interface on a television comprising the steps of:
  - [a] displaying a plurality of objects associated with selectable media items at a first level of magnification on said television;
  - [b] receiving a first selection input;
  - [c] zooming in, based on said first selection input, on at least one of said plurality of objects associated with said selectable media items by progressively scaling and displaying on said television said at least one of said plurality of objects associated with said selectable media items to provide a visual impression of movement of said at least one of said plurality of objects associated with said selectable media items toward an observer;
  - [d] displaying on said television, after said zooming step, said at least one of said plurality of objects associated with said selectable media items at a second level of magnification, wherein said second level of magnification is greater than said first level of magnification;
  - [e] receiving a second selection input;

<sup>&</sup>lt;sup>1</sup> The bracketed letters have been added for ease of reference.

- [f] zooming out, based on said second selection input, from said at least one of said plurality of objects associated with said selectable media items by progressively scaling and displaying on said television said at least one of said plurality of objects associated with said selectable media items to provide a visual impression of movement of said at least one of said plurality of objects associated with said selectable media items away from said observer:
- [g] and displaying on said television, after said zooming step, said plurality of objects associated with said selectable media items at said first level of magnification

Nintendo argued that under Hillcrest's proposed claim constructions, asserted claims 1-3, 8, 11-13, and 18-20 of the '983 patent are invalid under 35 U.S.C. §§ 102 and 103 in light of United States Patent No. 6,577,350 (the '350 patent), the Pad++ system (Pad++) and Nintendo's own N64 Extreme-G video game (Extreme-G). (Motion No. 658-26 at 1.) With the exception of the preambles, Nintendo argued that asserted independent claims 1, 11, and 18 essentially include the same limitations. (See id. at 3.)

With regard to the '350 patent, Nintendo argued that the '350 patent anticipates all the asserted claims of the '983 patent. (Id. at 7.) Specifically, Nintendo argued that the '350 patent is prior art under 35 U.S.C. § 102(e) because the '350 patent issued from an application filed on December 21, 1998, which is more than two years prior to the filing of the application that matured into the '983 patent (Id. at 6-7); that the '350 patent's description of a method and system for presentation of channel, program, and broadcast information for a multiple channel television broadcast system meets the language of the preamble of asserted independent claim 1 requiring a "method for providing a user interface for television" (Id. at 7); that the disclosure of a method and apparatus for visually connecting a displayed program and an electronic program guide (EPG) in the '350 patent satisfies the preamble of asserted independent claim 11 requiring

"[a]n interactive program guide system" (<u>Id.</u> at 16); and that the '350 patent's disclosure of ROM 37 and systems comprising computer programming and data files stored within memory and accessible by the CPU satisfies the preamble of asserted independent claim 18 requiring "[a] tangible computer-readable medium containing instructions embedded thereon." (<u>Id.</u> at 16-17.)

Nintendo further argued that the '350 patent's disclosure of an EPG that includes call letters and logos for the television channels and sets of rectangular boxes containing the titles of programs available on those stations immediately next to the station letters and logos meets limitation [a] of the asserted independent claims (Id. at 8); that limitations [b] and [e] are met by the '350 patent's description of a method for indicating the selection of a different level of detail by depressing a predetermined button to either "zoom out" or "zoom in" (Id. at 10-11); and that limitations [c] and [f] are met by the '350 patent's description stating that "[u]nlike prior EPGs which typically present EPGs in one format, the present invention provides a zoom between a variety of formats or levels of detail such that the user can visually follow the process of transitioning between EPGs." (Id. at 11-12.) Nintendo additionally argued that limitations [c] and [f] are disclosed in Figure 10 and the following paragraph from the '350 patent, which states:

The zoom transitions the EPG from a first level of detail to a second level of detail. For example, the first level of detail may reflect a higher level of detail than the second level of detail or vice versa. The different levels of detail may reflect additional stations shown or programming times, or both. Thus, for example, if the second level of detail is greater than the first level of detail, the font size, the program title areas the areas spanned by certain periods of time may be reduced to fit the additional information.

(<u>Id.</u> at 12); and that the '350 patent is replete with language that discloses movement while zooming (<u>Id.</u> at 13).

Nintendo also argued that the '350 patent satisfies limitations [d] and [g] of the asserted

independent claims by explicitly disclosing that greater or lesser levels of detail are shown after zooming in and out and that the number of selection items associated with an object can change as magnification levels change. (<u>Id.</u> at 14-15.) Further, Nintendo argued that the '350 patent meets all the limitations of the asserted dependent claims. (<u>Id.</u> at 17-19.)

With regard to Pad++, Nintendo argued that the Pad++ development tools<sup>2</sup> consist of a set of concrete software tools which would allow an interface designer to create a zooming graphical user interface that would anticipate each of the asserted claims of the '983 patent. (Id. at 19.) Specifically, Nintendo argued that the features, functions and various implementations of interfaces constructed with Pad++ were documented in a number of publications and illustrated in video recordings and java applets prior to the filing of the '983 patent (Id. at 20); that because Pad++ was known and used by others for years before the filing of the '983 patent it is prior art under 35 U.S.C. § 102(a) (Id.); that Pad++ meets the requirements of the preamble of asserted independent claims1 and 11 because it was built as a platform and method for implementing navigation interfaces for, among other things, interactive set-top cable boxes and that a navigation interface on an interactive set-top cable boxes would inherently be a guide to the programming available from television networks which are media providers (Id. at 20, 25).

Nintendo further argued that Pad++ meets the requirements of the preamble of asserted independent claim 18 because Pad++ discloses a tangible device containing instructions which are readable by a processing unit (<u>Id.</u> at 26); that Pad++ satisfies limitation [a] because it enables the display of multiple objects on a screen, each of which may be hierarchically associated with

<sup>&</sup>lt;sup>2</sup> Pad++ is a software programming framework developed by researchers at New York University and the University of New Mexico. (See Motion No. 658-26, Stmt. Facts at ¶ 33)

categories of electronic information, and may be represented by graphics, images, portals, and hypertext markup language (HTML) (Id. at 20-21); that the ability of Pad++ to receive a selection input from a user via an input device, like a mouse, meets the requirements of limitations [b] and [e] (Id. at 23); that Pad++ satisfies limitations [c] and [f] because in Pad++ after a user makes a selection with an input device, the interface can "zoom in" or "zoom out" on a particular object by progressively enlarging or reducing the object and any associated items, causing the object and items to appear to move smoothly toward or away from the user (Id. at 23-24); that Pad++ meets limitation [d] because after zooming in on an object, Pad++ displays the object at a second level of hierarchal detail (Id. at 24); and that Pad++ meets limitation [g] because after zooming out on an object, Pad++ displays the object at a first level of hierarchal detail (Id. at 25).

Nintendo also argues that Pad++ anticipates the asserted dependent claims of the '983 patent. (See id. at 26-28.)

With regard to the Extreme-G video game,<sup>3</sup> Nintendo argued that Extreme-G anticipates each of the asserted claims of the '983 patent. (<u>Id.</u> at 28.) Specifically, Nintendo argues that Extreme-G is prior art under 35 U.S.C. §102(b) because it was released and on sale in 1997, which is more than one year before the application that would mature into the '983 patent was filed; that the main game menu screen provides a graphical interface displayed on a television as required by the preamble of claim 1 (<u>Id.</u>); that Exteme-G discloses a user interface used in connection with interactive television program guide systems that satisfies the requriements of the preamble of independent claim 11 (<u>Id.</u> at 30); that the preamble of independent claim 18 is

<sup>&</sup>lt;sup>3</sup> Extreme-G is a motorcycle racing game for the Nintendo 64 game console. (Motion No. 658-26, Stmt. Facts at ¶ 61.)

satisfied because the Extreme-G is played on a game console consisting of a computer-readable medium (Id.); that as required by limitation [a], the main game menu of Extreme-G displays four objects representing categories of selectable game options, which are comprised of graphical features representing media content at a first level of magnification (Id. at 28-29); that limitations [b] and [e] are satisfied because Extreme-G allows a user to make a selection using the game controller associated with the N64 console (Id. at 29); that Extreme-G discloses limitations [c] and [d] because in response to a user's selection of one of the four objects displayed on the main menu, the selected item zooms in until it reaches a second level of magnification with three selectable items representing content from a media provider (Id. at 29); and that Extreme-G discloses limitations [f] and [g] because in response to a user selecting the "b" button on the game controller, the original item is zoomed out until the original item selected is again displayed at the first level of magnification (Id. at 30). Nintendo also argued that the asserted dependent claims of the '983 patent are anticipated by Extreme-G. (Id. at 31.)

In addition, Nintendo argued that to the extent the '350 patent, Pad++, and Extreme-G do not each anticipate the asserted claims of the '983 patent, that when taken together they render the asserted claims of the '983 patent obvious. (Id. at 31.) Specifically, Nintendo argued that the '983 patent combined conventional techniques to obtain a predictable result; that user interfaces for television, together with zoom features, were well known in the prior art (Id. at 32); that Pad++ provided the actual tools from which such an interface could be built (Id.); that the published literature expressly suggests that Pad++ could be used to build such an interface for set-top cable boxes (Id.); and that when combined with the teachings of the '350 patent, the Pad++ plainly suggests and enables a person of ordinary skill to construct a zoomable graphical

user interface for television (<u>Id.</u>). Nintendo also argued that there was substantial motivation in the prior art to apply user interfaces for computers to user interfaces for televisions (<u>Id.</u> at 33); that a person of ordinary skill would recognize the advantage of zooming in a computer interface and would be readily able to use Pad++ to implement zooming in a television interface (<u>Id.</u> at 34); and that the alleged invention simply takes the zooming technique known in computers and uses it to improve a similar interface (<u>Id.</u>).

The staff argued that the asserted claims of the '983 patent were anticipated by the '350 patent. Specifically, the Staff argued that the '350 patent qualified as prior art under 35 U.S.C. 102(e) because it was filed before the date of invention of the '983 patent (Staff at 5); that the EPG disclosed in the '350 patent is a user interface on a television as required by the preamble of claim 1 of the '983 patent and an interactive programing guide system as required by the preamble of asserted claim 11 (Id. at 7); that the disclosure in the '350 patent that a CPU may be used to process data to control the display of EPGs and that the CPU executes code stored prefereably in ROM to perform certain system functions satisfies the preamble of asserted independent claim 18 (Id. at 8); and that Figures 8 and 11, which show a user-selectable program title area displayed adjacent to the television station logos on an EPG, along with the disclosure in the '350 patent of an EPG that displays television station logos at a first level of detail and that allows a user to view a variety of programs by selecting the corresponding program area of the EPG, meets the requirements of limitation [a] of the '983 patent (Id. at 9-10).

The staff further argued that the '350 patent discloses limitations [b] and [e] by teaching

<sup>&</sup>lt;sup>4</sup> The staff did not analyze the other prior art references cited by Nintendo in Motion No. 658-26 nor Nintendo's argument that the asserted claims of the '983 patent are obvious.

that if a viewer requests to view an alternate level of detail the user depresses a predetermined button on the remote control to either zoom in or zoom out (<u>Id.</u> at 11); that limitations [c] and [f] are satisfied by: (1) the '350 patent's disclosure that a user depressing a predetermined button on a remote control can cause a zoom function to be initiated in the EPG that progressively enlarges or reduces all or part of the objects displayed in the EPG, (2) Figures 8 and 10 of the '350 patent which show a sequence of images showing objects, such as television station logos and program title areas, displayed in the EPG being progressively enlarged or reduced when the user intiates the zoom function, and (3) statements in the specification which disclose that an animated zoom is performed between a displayed image and the EPG (<u>Id.</u> at 12-13); and that the '350 patent discloses limitations [d] and [e] in Figures 11-13 and in teachings that state that the zoom function transitions the EPG from a first level of detail to a second level of detail and that the first level of detail may reflect a higher level of detail than the second level of detail or vice versa (<u>Id.</u> at 14-15). The staff also argued that the asserted dependent claims of the '983 patent are anticipated by the '350 patent. (<u>Id.</u> at 15-17.)

Hillcrest argued that Nintendo failed to prove that the asserted claims of the '983 patent are anticipated or made obvious by the '350 patent, Pad++, and/or Extreme-G. (Hillcrest at 1.) Moreover, Hillcrest argued that Motion No. 658-26 should be denied because there exist genuine issues of material fact and Nintendo has not shown that the asserted claims of the '983 patent are invalid under 35 U.S.C. §§ 102 and 103 as a matter of law. (Id.)

At the outset, Hillcrest argued that Nintendo's adoption of Hillcrest's proposed claim constructions only for purposes of their Motion No. 658-26 was improper. In particular, Hillcrest argued that the Federal Circuit in <u>Dana Corp. v. American Axle &Mfg, Inc.</u>, 279 F.3d 1372 (Fed.

Cir. 20002) held that it was legal error to grant summary judgment of invalidity based on a claim construction that the movant merely stipulates to for purposes of the motion only. (Hillcrest Surreply at 2-3.) Hillcrest also argued that several district courts have similarly held it improper to rely on stipulated claim constructions for purposes of invalidity only, noting that under Federal Circuit case law claims must be construed the same for both invalidity and infringement. (Id. at 3-5.) Further, Hillcrest argued that the parties strongly dispute the proper claim constructions of the limitations in the asserted claims of the '983 patent. (Id. at 5.)

With regard to the '350 patent, Hillcrest noted that the '350 patent was considered by the Patent Examiner during prosecution of the '983 patent and thus Nintendo's burden to prove invalidity is particularly heavy. (Id. at 6.) Substantively, Hillcrest argued that the '350 patent does not meet limitation [a] because the '350 patent does not disclose each object having selectable media items rendered on or proximate to the objects. (Id. at 7.) Rather, Hillcrest argued that the '350 patent discloses at most only one media item located on or proximate each station logo. (Id.) Additionally, Hillcrest argued that Figure 10 of the '350 patent does not disclose any selectable media items and Figure 11 of the '350 patent does not disclose multiple selectable media items on or proximate each station logo. (Id.) In support, Hillcrest relied on its expert Norman who stated in his expert report that because only one associated media item can be said to be proximate each corresponding station logo in Figure 11, Figure 11 does not satisfy Hillcrest's construction of "objects associated with selectable media items," which requires each object having selectable media items rendered on or proximate to the objects. (Id. at 8.)

Hillcrest further asserted that Nintendo's expert, Balakrishnan, conceded that subsequent programs on each channel in Figure 11 of the '350 patent are spaced farther away than

completely unrelated programs on unrelated channels. (Id. at 9.) Hillcrest also noted that Norman completely disagreed with Balakrishnan that an item can be considered "proximate" or "near" an object merely because they are in the same row. (Id. at 10.) Hillcrest also argued that the '350 patent does not teach a plurality of objects associated with selectable media items, because it fails to disclose multiple media items associated with each object capable of being selected by the user. (Id. at 14.) Hillcrest further argued that the '350 patent does not disclose displaying a plurality of objects, because it does not display two or more graphical features representing genres or categories of media items. (Id. at 16.) On this point, Hillcrest noted that although the parties' proposed constructions of objects is practically the same, the parties and their experts still dispute whether one of ordinary skill would consider the station logos and abbreviations shown in the '350 patent to be graphical objects. (Id. at 18.)

Hillcrest also argued that the '350 patent fails to disclose limitation [d] because it fails to disclose after the zooming in step, one or more navigation objects displayed on the television at a second level of hierarchical detail that is greater than the first level of hierarchical detail in which the objects were previously displayed. (Id. at 19.) Specifically, Hillcrest argued that its expert Dr. Norman explained that the '983 patent makes clear that the zooming step can include changes to the appearance, position, grouping, shape, size, color, design, orientation, text labels, and visibility of the navigation object, while Nintendo contends that the limitation should be construed as simply making an object appear optically larger. (Id. at 19.)

Hillcrest further argued that the '983 specification consistently defines magnification as an increase in hierarchical detail. (<u>Id.</u> at 20.) With regard to Figures 12 and 13 of the '350 patent, which Nintendo alleges disclose limitation [d], Hillcrest argued that Figure 13 does not display

graphical objects associated with media items at a second level of magnification because it does not contain a single reference to media programming and Figure 12 does not disclose selectable media items rendered on or near a graphical object because there is no programming information displayed proximate to teh station letters and abbreviations. (Id. at 21.) Further, Hillcrest argued that the '350 patent actually provides less detail after the alleged zooming in step because fewer stations and timeslots are displayed in the zoomed in mode. (Id. at 22.) In support, Hillcrest relies on its expert Dr. Norman, who opined that the zooming in process disclosed in the '350 patent does not result in an increased level of hierarchical detail. (Id.)

With respect to the Pad++, Hillcrest argued that the Pad++ does not anticipate any of the asserted claims of the '983 patent. Specifically, Hillcrest argued that Nintendo does not rely on a single reference to show anticipation, but rather impermissibly relies on samples from various articles and applications (<u>Id.</u> at 28); that when reviewed individually, no single embodiment contains all the limitations of the asserted independent claims (<u>Id.</u> at 29); that Pad++ alone cannot anticipate the '983 patent because Pad++ is a set of developer's tools, not an application (<u>Id.</u>); that Pad++ is not in and of itself a graphical user interface (<u>Id.</u>); and that while applications built from Pad++ could possibly embody the '983 disclosure, Pad++ itself cannot (<u>Id.</u>).

With regard to Extreme-G, Hillcrest argued that Extreme-G does not anticipate the asserted claims of the '983 patent. Specifically, Hillcrest argued that Extreme-G does not disclose limitation [a] because the icons displayed by the main game menu are not "objects" in that they do not represent genres or categories of media items (Hillcrest at 28); that even assuming the menu icons were objects, the Extreme-G does not disclose selectable media items rendered on or proximate to the objects (<u>Id.</u> at 28); and that the limited text and graphics shown

in Nintendo's illustration 3 are plainly not selectable items and certainly not media items (<u>Id.</u> at 29). Hillcrest also argued that the Extreme-G does not disclose limitation [g] in that the Extreme-G does not disclose objects nor selectable media items. (<u>Id.</u>) Additionally, Hillcrest argued that the Extreme-G does not disclose limitation [d] because as argued above Hillcrest contends that the Extreme-G does not disclose objects. (<u>Id.</u>)

Additionally, Hillcrest argued that Nintendo failed to prove by clear and convincing evidence that the asserted claims of the '983 patent were obvious in light of the '350 patent, Pad++ and Extreme-G. (Hillcrest at 30.) In particular, Hillcrest argued that Nintendo failed to properly analyze any of the factual issues that inform an obviosuness inquiry, such as the scope and content of the prior art, the differences between the prior art and the claims at issue, and the level of ordinary skill in the art (Id.); that at a minimum the scope and content of the prior art and the differences between the prior art and the claims at issue are highly contested (Id. at 31); and that contrary to Nintendo's assertions in its present motion, the level of ordinary skill in the art is also contested (Id.). Hillcrest also argued that while Nintendo claims the '983 patent combined conventional elements to achieve predictable results, none of the prior art references disclose a plurality of objects representing one or more genres or categories of media items, selectable media items rendered on or proximate to the objects, or hierarchical zooming. (Id. at 32.) Also, Hillcrest argued that contrary to Nintendo's argument, simply putting one of the Pad++ embodiments on an interactive set-top cable box would not result in the claimed invention. (Id.) Hillcrest further argued that Nintendo did not demonstrate any general motivation to combine the references to produce the claimed subject matter. (Id. at 33.) Hillcrest additionally argued that secondary considerations, not addressed by Nintendo, weigh in favor of a finding of

nonobyjousness. (Id. at 33-38.)

To anticipate under 35 U.S.C. § 102, a single prior art reference must contain each and every limitation recited in a claim. Finisar Corp. v. DirecTV Group, Inc., 523 F.3d 1323, 1334 (Fed. Cir. 2008). However, "before the factual question of anticipation may be addressed, a court must first properly construe the claims before it." Akamai Tech., Inc. v. Cable & Wireless Internet Services, Inc., 344 F.3d 1186, 1195 n.4. (Fed. Cir. 2003). Here, neither Nintendo nor the staff provide any claim construction analysis as part of their papers in support of Motion No. 658-26. To the contrary, Nintendo and the staff attempt to forgo the necessity of claim construction by allegedly adopting for purposes of Motion No. 658-26 only Hillcrest's proposed claim constructions. The Federal Circuit has stated that a "court may not invalidate the claims of a patent without construing the disputed limitations of the claims and applying them to the allegedly invalidating act." Dana Corp., 279 F.3d at 1376. Here, the record evidence shows that Nintendo and the staff have disputed various claim constructions proposed by Hillcrest for the '983 patent. (See, e.g., Order No. 20 (March 23, 2009).) Given that the parties disagree as to at least some of the limitations of the asserted claims of the '983 patent, the administrative law judge finds it not appropriate to grant Nintendo's Motion No. 658-26. Moreover, as outlined, supra, with respect to Hillcrest's opposition, there are genuine disputes as to material facts that prevent a finding of invalidity on summary determination under 35 U.S.C. § 102. EMI Group North America, Inc. v. Intel Corp., 157 F.3d 887, 891 (Fed. Cir. 1998) (The trier of fact should "assure itself that there is no reasonable version of the facts, on the summary judgment record, whereby the nonmovant could prevail, recognizing that the purpose of summary judgment is not to deprive a litigant of a fair hearing, but to avoid an unnecessary trial."). Accordingly, looking

at the evidence in a light most favorable to non-movant Hillcrest, the administrative law judge finds that Nintendo has failed to prove by clear and convincing evidence that the '350 patent, Pad++, or Extreme-G anticipate the asserted claims of the '983 patent.

Referring to Nintendo's argument that the claims in issue are invalid under 35 U.S.C. §103, a party seeking a judgment that a patent is obvious bears the burden of demonstrating that the teachings of the prior art would have suggested the claimed subject matter to one of ordinary skill in the art. <u>Union Carbide Chems. & Plastics Tech. Corp. v. Shell Oil Co.</u>, 308 F.3d 1167, 1188 (Fed. Cir. 2008). While the ultimate determination of obviousness is a matter of law, several factual inquiries underlie this determination. <u>Graham v. John Deere Co.</u>, 383 U.S. 1, 17-18 (1966). These inquiries include the scope and content of the prior art, the level of ordinary skill in the art, the differences between the claimed invention and the prior art, and any objective evidence of nonobviousness. <u>Id.</u>

The administrative law judge finds that Nintendo has failed to provide a full obviousness analysis including any factual support showing the scope and content of the prior art, the level of ordinary skill in the art, or the differences between the claimed invention and the prior art.

Moreover, the factual disputes that plague Nintendo's anticipation arguments also apply with equal force to Nintendo's obviousness arguments. Thus, Nintendo has not provided any argument of how the alleged combination of references would resolve any of the outstanding factual disputes. Hence, the administrative law judge finds that genuine issues of material fact exist and that Nintendo has failed to prove that it is entitled to summary determination of invalidity under 35 U.S.C. § 103 as a matter of law. EMI Group North America, Inc., 157 F.3d at 891. Accordingly, looking at the evidence in a light most favorable to non-movant Hillcrest, the

administrative law judge finds that Nintendo has failed to prove by clear and convincing evidence that the asserted claims of the '983 patent are obvious in light of the '350 patent, Pad++ and Extreme-G.

Based on the foregoing, Motion No. 658-26 is denied.

This order will be made public unless a bracketed confidential version is received no later than the close of business on April 24, 2009.

Paul J. Luckern

Chief Administrative Law Judge

Issued: April 9, 2009

CERTAIN VIDEO GAME MACHINES AND RELATED THREE-DIMENSIONAL POINTING **DEVICES INTERMEDIATES, AND PRODUCTS CONTAINING THE SAME** 

F-202-778-5885

#### **PUBLIC CERTIFICATE OF SERVICE**

I, Marilyn R. Abbott, hereby certify that the attached Public Version Order has been served by hand upon the Commission Investigative Attorney, Christopher G. Paulraj, Esq., and the following parties as indicated on April 30, 2009. following parties as indicated, on

> Marilyn R. Abbott, Secretary U.S. International Trade Commission

500 E Street, SW, Room 112A Washington, DC 20436 For Complainant Hillcrest Laboratories, Inc.: ( ) Via Hand Delivery J. Michael Jakes, Esq. ( ) **∦**ia Overnight Mail Finnegan Henerson Farabow Via First Class Mail & Garrett & Dunner, LLP 901 New York Avenue, NW ( ) Other: Washington, DC 20001 P-202-408-4000 F-202-408-4400 For Respondents Nintendo Co., Ltd. and Nintendo of America, Inc. ) Via Hand Delivery Karin J. Norton, Esq. ) Xia Overnight Mail Covington & Burling LLP ( Y Via First Class Mail 1201 Pennsylvania Avenue NW Washington, DC 20004-2401 ( ) Other: P-202-662-6000

Inv. No. 337-TA-658

# CERTAIN VIDEO GAME MACHINES AND RELATED THREE-DIMENSIONAL POINTING DEVICES INTERMEDIATES, AND PRODUCTS CONTAINING THE SAME

## **PUBLIC MAILING LIST**

Heather Hall	( ) Via Hand Delivery
LEXIS-NEXIS	( ) Via Overnight Mail ( ) Via First Class Mail
9443 Springboro Pike	(🗸 Via First Class Mail
Miamisburg, OH 45342	( ) Other:
Kenneth Clair	( ) Via Hand Delivery ( ) Via Overnight Mail ( ) Via First Class Mail
Thomson West	( ) Via Overnight Mail
1100 Thirteen Street, NW, Suite 200	(🗸) Via First Class Mail
Washington, DC 20005	( ) Other:

(PARTIES NEED NOT SERVE COPIES ON LEXIS OR WEST PUBLISHING)