1 George C. Lombardi (*pro hac vice*)
   glombardi@winston.com
2 WINSTON & STRAWN LLP
   35 West Wacker Drive
3 Chicago, IL 60601-9703
   Telephone: (312) 558-5600
4 Facsimile: (312) 558-5700

5 E. Danielle T. Williams (*pro hac vice*)
   dwilliams@winston.com
6 WINSTON & STRAWN LLP
   300 South Tryon Street, 16th Floor
7 Charlotte, NC 28202
   Telephone: (704) 350-7700
8 Facsimile: (704) 350-7800

9 Michael S. Elkin (*pro hac vice*)
   melkin@winston.com
10 WINSTON & STRAWN LLP
   200 Park Avenue
11 New York, NY 10166
   Telephone: (212) 294-6700
12 Facsimile: (212) 294-4700

Dustin J. Edwards (*pro hac vice)*
dedwards@winston.com
WINSTON & STRAWN LLP
800 Capitol St., Suite 2400
Houston, TX 77002-2925
Telephone: (713) 651-2600
Facsimile: (713) 651-2700

Diana Hughes Leiden (SBN: 267606)
dhleiden@winston.com
WINSTON & STRAWN LLP
333 S. Grand Avenue, 38th Floor
Los Angeles, CA 90071-1543
Telephone: (213) 615-1700
Facsimile: (213) 615-1750

13 *Attorneys for Defendants*
   BANK OF AMERICA CORPORATION
14 and BANK OF AMERICA, N.A.

15   **UNITED STATES DISTRICT COURT**

16   **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

17 NANTWORKS, LLC, a Delaware
   limited liability company, and
18 NANT HOLDINGS IP, LLC, a
   Delaware limited liability company,
19
              Plaintiffs,
20
          vs.
21
   BANK OF AMERICA
22 CORPORATION, a Delaware
   corporation, and BANK OF
23 AMERICA, N.A., a national banking
   association,
24
              Defendants.
25

Case No. 2:20-cv-07872-GW-PVC

DEFENDANTS BANK OF AMERICA CORPORATION AND BANK OF AMERICA, N.A.'S OPENING CLAIM CONSTRUCTION BRIEF FOR THE SECOND ROUND OF CLAIM CONSTRUCTION

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27

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1

TABLE OF CONTENTS

1

TABLE OF AUTHORITIES

2

Page(s)

3

Cases

4

27

28

ii

I.   INTRODUCTION

As this Court previously recognized, the asserted patents claim a particular and allegedly novel way of identifying an object in an image solely by using its visual appearance (e.g., color or shape). Dkt. 145 at 1–2, 16–17. However, in its recent filings and discovery responses, NantWorks continues to expand the scope of the asserted claims far beyond the alleged novelty identified as the "present invention" in the patents' specification. All this despite making statements in *inter partes* review ("IPR") proceedings that amount to clear prosecution disclaimers.

Claim construction is appropriate in such situation. The Court should reject NantWorks's proposed "plain and ordinary meaning" constructions—constructions NantWorks seeks to use to improperly capture claim scope that it either disclaimed during prosecution or never claimed in the first place—and instead, adopt Bank of America's proposed claim constructions, which (1) have clear and consistent support in the entire intrinsic record and (2) align with the Court's findings and conclusions in the first round of claim construction. Thus, Bank of America submits its opening brief for a second round of claim construction to hold the scope of the asserted claims to this unequivocal intrinsic evidence as the Court did in its previous rulings.

II.   BACKGROUND

In November 2020, NantWorks filed a Complaint against Bank of America, in relevant part, for infringement of eight patents. *See* Dkts.1, 40. Bank of America petitioned for IPR proceedings challenging the validity of each of the asserted patents. *See* Dkt. 174 at 3; 174-4 (Ex. 4). The Court conducted one round of claim construction, which culminated in claim construction orders at the end of 2021. Dkts. 145, 153. In February 2022, NantWorks dismissed its claims regarding the '030 and '038 patents with prejudice. Dkts. 166, 171. In early 2022, the Patent Trial and Appeal Board ("PTAB") declined to institute IPR proceedings as to the '897 and '278 patents, but instituted proceedings as to the '529, '004, '036, and '252 patents. Ex. A (IPR2021-01388, Paper 11 (Decision Denying Institution)); Ex. B (IPR2021-01389, Paper 10

1   (Decision Denying Institution)); Ex. C (IPR2021-01081, Paper 15 (Decision Granting

2   Institution)); Ex. D (IPR2021-01332, Paper 9 (Decision Granting Institution)); Ex. E

3   (IPR2021-01304, Paper 10 (Decision Granting Institution)); Ex. F (IPR2021-01333,

4   Paper 9 (Decision Granting Institution)). In early 2023, the PTAB issued its final written

5   decisions regarding those four patents, upholding the validity of the challenged claims.

6   Dkts. 182-1 (IPR2021-01081, Paper 46 (Final Written Decision)), 182-2 (IPR2021-

7   01333, Paper 40 (Final Written Decision)), 187-1 (IPR2021-01304, Paper 42 (Final

8   Written Decision)), 187-2 (IPR2021-01333, Paper 35 (Final Written Decision)). Bank

9   of America has appealed those decisions. Therefore, six patents remain in the case

10 pending appeal.[1]

11   NantWorks accuses the mobile check deposit functionality of Bank of America's

12 mobile app of infringing the six patents. The asserted patents, however, do not describe

13 or even mention banking and mobile check deposit. Rather, they claim a particular way

14 of identifying an object in an image solely by using its visual appearance (e.g., color or

15 shape). *See, e.g.*, Dkt. 111-4 ('532 patent), Abstract, 1:63–2:5. This involves using a

16 mobile device to take a picture of the object of interest, comparing the visual

17 characteristics (which the patents also refer to as "parameters" or "features")

18 decomposed from that object image with those of known objects in a database to

19 recognize the object, and then providing information about the recognized object to the

20 user. *Id.*, e.g., at Abstract, 1:63–2:5, 2:33–60, 4:37–48, 10:6–15. As the Court noted in

21 its initial claim construction order, the '529 patent, which is illustrative as to all the

22 asserted patents, "uses data characteristics to identify an object from a plurality of

23 objects in a database" such that the "'object can be identified solely by its visual

24 appearance[,]'" as opposed to "[t]raditional methods for linking objects to digital

25 _____

26 [1] All of the asserted patents claim priority to and incorporate U.S. Patent No. 7,016,532
    ("the '532 patent") and its Application No. 09/992,942 ("the '942 application"). *See*
27 Dkt. 40-1 ('529 patent), 1:4–21; Dkt. 40-2 ('252 patent), 1:4–22; Dkt. 40-5 ('036
    patent), 1:4–17; Dkt. 40-6 ('897 patent), 1:4–28; Dkt. 40-7 ('278 patent), 1:4–25; Dkt.
28 40-8 ('004 patent), 1:4–25.

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