

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

IRONWORKS PATENTS, LLC,)
)
 Plaintiff,)
)
 v.)
)
APPLE, INC.)
)
 Defendant.)
)

Civ. No. 10-258-SLR

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MEMORANDUM OPINION

Dated: June 12, 2017
Wilmington, Delaware


ROBINSON, Senior District Judge

I. INTRODUCTION

On March 31, 2010, plaintiff MobileMedia Ideas LLC (“MMI”) filed suit against defendant Apple, Inc. (“defendant”), alleging infringement of a number of patents including U.S. Patent No. RE 39,231 (“the ‘231 patent”). As part of an extensive motion practice, on November 8, 2012, the court construed the relevant claim terms of the ‘231 patent and granted summary judgment of noninfringement in favor of defendant. (D.I. 461 at 45) The court denied reconsideration (D.I. 539, 540), and the parties went to trial on the other patents-in-suit in December 2012. (See, e.g., D.I. 506 (verdict sheet)) After post-trial briefing, and the court’s memorandum opinion and order (D.I. 539, 540), the parties appealed to the Federal Circuit. (D.I. 548, 550) The Federal Circuit construed the ‘231 patent and vacated and remanded the court’s finding of noninfringement. *MobileMedia Ideas LLC v. Apple Inc.*, 780 F.3d 1159, 1181 (Fed. Cir. 2015) (“Consistent with the specification, ‘controlling the alert sound generator to change a volume of the generated alert sound’ by the ‘control means’ encompasses both stopping and reducing the volume of the alert sound as recited in dependent claims 2 and 3, respectively.”). The court held a five-day jury trial from September 12-18, 2016 on infringement, validity, and damages of claims 12 and 2 of the ‘231 patent. On September 20, 2016, the jury returned a verdict that defendant’s iPhone infringes claims 12 and 2 of the ‘231 patent. (D.I. 704 at 2) The jury determined that the asserted claims are not invalid as obvious or for indefiniteness. (D.I. 704 at 2-3) As a consequence of this infringement, the jury awarded MMI damages of \$3 million. (D.I. 704 at 4) After post-trial briefing was complete, Ironworks Patents LLC (“Ironworks”)

acquired rights in the '231 patent and was substituted as the plaintiff; MMI withdrew from this matter.¹ (D.I. 734)

Presently before the court are the following motions: (1) Ironworks' renewed motion for judgment as a matter of law or motion for a new trial with respect to damages (D.I. 712); (2) Ironworks' motion for an award of prejudgment and postjudgment interest (D.I. 713); and (3) defendant's renewed motion for judgment as a matter of law or motion for a new trial with respect to validity, infringement, and damages (D.I. 714). The court has jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

II. BACKGROUND

The '231 patent, entitled "Communication Terminal Equipment and Call Incoming Control Method," was filed under U.S. Application No. 09/571,650 on December 13, 1995, claiming priority to an application filed in Japan on December 19, 1994. The '231 patent originally issued on November 30, 1998 as U.S. Patent No. 5,995,852 and was reissued on August 8, 2006. As part of related litigation against other defendants in other courts, on February 10, 2011, Research In Motion, Ltd. requested an *ex parte* reexamination of the '231 patent.² In a reexamination certificate that issued April 3, 2012, claims 1, 11, 13-16, and 18-23 were cancelled; claims 2-4, 8, 12, and 17 were amended and determined to be patentable; claims 5-7, 9 and 10 were determined to be patentable as dependent on an amended claim, and new claims 24-29 were determined to be patentable. ('231 patent, *ex parte* reexamination certificate at 1:20-29)

The patent teaches communication terminal equipment and a method for stopping or reducing the volume of an alert sound for an incoming call on a telephone.

¹ The court refers to MMI and Ironworks collectively as ("plaintiff") except where a specific reference (e.g. "an MMI employee" and "an MMI license") is necessary.

² See File Wrapper, U.S. Application No. 90/011,482, "Receipt of Orig. Ex Parte Request by Third Party" (Feb. 10, 2011).

(‘231 patent, abstract) Conventionally, a “call incoming on a telephone is informed by means of an alert sound,” but the alert sound “does not stop ringing before a user effects [a] next operation.” (‘231 patent, 1:17-20) A user who cannot respond to a call incoming has only the option to forcibly disconnect the incoming call, turn off the telephone, or allow the alert sound to continue ringing. (‘231 patent, 1:20-25) The first two options, forcibly disconnecting the incoming call or turning off the telephone, may give the person on the call origination side an “unpleasant feeling because [he or she] can notice that the circuit was broken off intentionally” or may give the person the impression that the telephone network has failed. (‘231 patent, 1:26-30, 39-42) Moreover, a user who turns off the power may forget to turn the power back on and miss the next incoming call. (‘231 patent, 1:37-39) On the other hand, the third option, allowing the alert sound to continue ringing, may disturb the user or other persons in the surroundings. (‘231 patent, 1:3-33)

In light of these problems, the invention aims “to provide a communication terminal equipment which is superior in selecting and handling properties for users” (‘231 patent, 1:43-46) It teaches a telephone in which an alert sound muting or volume reducing function is allotted to a key. (‘231 patent, 2:2-5; 4:40-42; 5:12-17) When the telephone receives an incoming call, the user can use a predetermined operation, such as depressing a key for a short time, to prompt the “alert on/off controller” to stop generation of the alert sound. (‘231 patent, 3:36-48) Alternatively, the alert sound may be reduced. (‘231 patent, 4:40-42)

Claims 2, 3, 4, and 12 are at issue. During reexamination, claim 12 was amended to recite as follows:

12. A communication terminal for informing a user of a received call from a remote caller by an alert sound, comprising:
 - an alert sound generator for generating the alert sound when the call is received from the remote caller;

control means for controlling said alert sound generator; and means for specifying a predetermined operation by the user, wherein when said alert sound generator is generating the alert sound and said means for specifying said predetermined operation is operated by the user, said control means controls said alert sound generator to change a volume of the generated alert sound only for the received call, without affecting the volume of the alert sound for future received calls, while leaving a call ringing state, as perceived by the remote caller, of the call to the terminal from the remote caller unchanged,

further comprising:

RF signal processing means for transmitting and/or receiving radio waves; and

an antenna for transmitting and/or receiving said radio waves, wherein said communication status between said apparatus and said remote caller is established by said transmitted and/or received radio waves.

('231 patent, *ex parte* reexamination certificate, 2:11-39)

Reexamined claims 2, 3, and 4 are all dependent from claim 12. Reexamined claim 2 adds the limitation that the "control means controls the state of said alert sound generator to stop the sound." Reexamined claim 3 adds the limitation that the alert sound generator reduces the volume of the sound. Finally, reexamined claim 4 adds the limitation "where said predetermined operation is an operation depressing a predetermined operation key."

III. STANDARD OF REVIEW

A. Renewed Motion for Judgment as a Matter of Law

The Federal Circuit "review[s] a district court's denial of judgment as a matter of law under the law of the regional circuit. *WBIP, LLC v. Kohler Co.*, 829 F.3d 1317, 1325 (Fed. Cir. 2016) (citation omitted). In the Third Circuit, a "court may grant a judgment as a matter of law contrary to the verdict only if 'the record is critically deficient of the minimum quantum of evidence' to sustain the verdict." *Acumed LLC v. Advanced Surgical Servs., Inc.*, 561 F.3d 199, 211 (3d Cir. 2009) (citing *Gomez v. Allegheny*

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