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November 8, 2017

BY CM/ECF & HAND DELIVERY

The Honorable Richard G. Andrews
U.S. District Court for the District of Delaware
U.S. Courthouse
844 North King Street
Wilmington, DE 19801

Re: *Acceleration Bay LLC v. Activision Blizzard, Inc. et al.*
D. Del., C.A. No. 16-453-RGA, 16-454-RGA, 16-455-RGA

Dear Judge Andrews:

Pursuant to Local Rule 7.1.2(b), Plaintiff Acceleration Bay writes to submit the Federal Circuit's recent decision in *MasterMine Software Inc. v. Microsoft Corp.*, 2016-2465, 2017 WL 4872706 (Fed. Cir. Oct. 30, 2017), subsequent authority bearing on the parties' Joint Claim Construction Brief (Phase 1), and specifically Terms 38, 39 and 40. (C.A. 16-453, D.I. 281) (C.A. 16-454, D.I. 254) (C.A. 16-454, D.I. 250).

In *MasterMine Software*, the Federal Circuit reversed a district court's finding of patent invalidity under 35 U.S.C. § 112 ¶ 2. The Federal Circuit clarified and limited its holding in *IPXL Holdings, LLC v. Amazon.com, Inc.*, a case of first impression, where the Federal Circuit held that a single claim covering both an apparatus and a method of use of that apparatus is indefinite under 35 U.S.C. § 112 ¶ 2. 430 F.3d 1377 (Fed. Cir. 2005). In *MasterMine Software*, the Federal Circuit explained that, "[t]he concern underlying [its] holding in *IPXL Holdings* was that claiming both an apparatus and method of using the apparatus within a single claim can make it 'unclear whether infringement ... occurs when one creates a[n] infringing] system, or whether infringement occurs when the user actually uses [the system in an infringing manner].'" 2017 WL 4872706 at *4. The Federal Circuit stated that in its subsequent cases it explained that, "apparatus claims are not necessarily indefinite for using functional language." *Id.* at *5. The Federal Circuit narrowed the applicability of *IPXL Holdings* even further finding that apparatus claims that use functional language, including *active verbs* such as "*presents a set of user-selectable database fields,*" "*receives from the user a selection of one or more of the user-selectable database fields,*" and "*generates a database query as a function of the user selected database fields,*" are not invalid. *Id.* at *7 (emphasis added). The Federal Circuit reasoned that these active verbs "do not explicitly claim the user's act of selection, but rather, claim the system's capability to receive and respond to user selection." *Id.*

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Similarly here, the claims asserted by Acceleration Bay (and Terms 38-40), are definite and not invalid under *IPXL Holdings*, as further confirmed by *MasterMine Software*.

A copy of the *MasterMine Software* decision is attached at Exhibit A for the Court's convenience.

Respectfully,

/s/ Philip A. Rovner

Philip A. Rovner (#3215)

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cc: All Counsel of Record (Via ECF Filing, Electronic Mail)

Attachment

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