

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

**IN RE: MAXIM INTEGRATED
PRODUCTS, INC. MDL NO. 2354**

This Document Relates to: All Actions

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§ Master Docket
§ Misc. No. 12-244
§ MDL No. 2354
§ CONTI, District Judge
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SPECIAL MASTER’S REPORT AND RECOMMENDATION
RE: CLAIM CONSTRUCTION

This claim construction Report and Recommendation analyzes the disputed claim terms of United States Patent Nos. 5,805,702 (the “702 Patent”), 5,940,510 (the “510 Patent”), 5,949,880 (the “880 Patent”), 6,105,013 (the “013 Patent”), and 6,237,095 (the “095 Patent”).¹ Defendants collectively filed consolidated claim construction briefing (Defendants are referred to as Opposing Parties and referenced herein as “OPs”). A subset of OPs, Bank of the West, Comerica, Inc. and BMO Harris Bank National Association, filed a separate claim construction brief as to the term “certificate” (the subset is referred to as Joining Parties and referenced herein as “JPs”). Some claim disputes are only relevant to Defendants Starbucks and Groupon (collectively referenced herein as “S/G”), and the other OPs express no opinion regarding those terms. Citation herein is made to the briefing in the action numbered 2:12-mc-00244: Maxim’s Opening Brief (Dkt. 634), OPs’ Responsive Brief (Dkt. 642), Maxim’s Reply Brief (Dkt. 651), JPs’ Responsive Brief (Dkt. 680), Maxim’s Supplemental Brief as to “certificate” (Dkt.

¹ References to column and line numbers of the patents are made as ‘XXX Patent at col:line.

686) and Maxim's Supplemental Brief as to "packet" (Dkt. 687). A claim construction Oral Hearing was held on September 12, 2013.² For the following reasons, the Special Master recommends the constructions set forth below.

BACKGROUND

The five patents-in-suit have priority dates in 1995 and 1996. The patents arose from the development by Dallas Semiconductor (the original assignee subsequently acquired by Maxim) of a product called the "iButton." The iButton was a small portable fob type device. The iButton was a combination of hardware and firmware that allowed merchants, banks and other service providers to provide in a secure encrypted manner a mechanism for a user to perform a variety of secure transactions. One application of the transactions allowed the iButton user to store and transfer data that included "digital cash" so that goods and services could be purchased through the use of the iButton. The technologies asserted by Maxim to infringe include smartphones and software "apps."

The patents have various relationships. The '880 Patent is a divisional of the '510 Patent. The '702 Patent, '013 Patent and '095 Patent all date back to a common provisional application filed September 29, 1995. The regular filing dates for each patent (either directly or through a parent application) all date to January 31, 1996. The '702 Patent, '013 Patent and '095 Patent share a substantially similar specification. The '013 Patent and '095 Patent incorporate by reference the '510 Patent. The '510 Patent and '880 Patent incorporate by reference the '702 Patent.

LEGAL STANDARDS

Claim construction is a matter of law. *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979 (Fed. Cir. 1995). The purpose of claim construction is to resolve the

² References to the Oral Hearing transcript are made as Tr. at xx.

meanings and technical scope of claim terms. *U.S. Surgical Corp. v. Ethicon, Inc.*, 103 F.3d 1554, 1568 (Fed. Cir. 1997). When the parties dispute the scope of a claim term, “it is the court’s duty to resolve it.” *O2 Micro Int’l Ltd. v. Beyond Innovation Tech. Co.*, 521 F.3d 1351, 1362 (Fed. Cir. 2008).

“It is a ‘bedrock principle’ of patent law that ‘the claims of a patent define the invention to which the patentee is entitled the right to exclude.’” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312 (Fed. Cir. 2005) (quoting *Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1115 (Fed. Cir. 2004)). The Court examines a patent’s intrinsic evidence to define the patented invention’s scope. *Id.* at 1313-14; *Bell Atl. Network Servs., Inc. v. Covad Commc’ns Group, Inc.*, 262 F.3d 1258, 1267 (Fed. Cir. 2001). Intrinsic evidence includes the claims, the rest of the specification, and the prosecution history. *Phillips*, 415 F.3d at 1312-13; *Bell Atl. Network Servs.*, 262 F.3d at 1267. The Court gives claim terms their ordinary and customary meaning as understood by one of ordinary skill in the art at the time of the invention. *Phillips*, 415 F.3d at 1312-13; *Alloc, Inc. v. Int’l Trade Comm’n*, 342 F.3d 1361, 1368 (Fed. Cir. 2003).

Claim language guides the Court’s construction of claim terms. *Phillips*, 415 F.3d at 1314. “[T]he context in which a term is used in the asserted claim can be highly instructive.” *Id.* Other claims, asserted and unasserted, can provide additional instruction because “terms are normally used consistently throughout the patent.” *Id.* Differences among claims, such as additional limitations in dependent claims, can provide further guidance. *Id.*

“[C]laims ‘must be read in view of the specification, of which they are a part.’” *Id.* at 315 (quoting *Markman*, 52 F.3d at 979). “[T]he specification ‘is always highly

relevant to the claim construction analysis. Usually, it is dispositive; it is the single best guide to the meaning of a disputed term.” *Id.* (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)); *Teleflex, Inc. v. Ficosa N. Am. Corp.*, 299 F.3d 1313, 1325 (Fed. Cir. 2002). In the specification, a patentee may define his own terms, give a claim term a different meaning that it would otherwise possess, or disclaim or disavow some claim scope. *Phillips*, 415 F.3d at 1316. Although the Court generally presumes terms possess their ordinary meaning, this presumption can be overcome by statements of clear disclaimer. *See SciMed Life Sys., Inc. v. Advanced Cardiovascular Sys., Inc.*, 242 F.3d 1337, 1343-44 (Fed. Cir. 2001). This presumption does not arise when the patentee acts as his own lexicographer. *See Irdeto Access, Inc. v. EchoStar Satellite Corp.*, 383 F.3d 1295, 1301 (Fed. Cir. 2004). “The person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification.” *Phillips*, 415 F.3d at 1313. Although the claims themselves may provide guidance as to the meaning of particular terms, those terms are part of “a fully integrated written instrument.” *Id.* at 1315 (quoting *Markman*, 52 F.3d at 978). Thus, the *Phillips* court emphasized the specification as being the primary basis for construing the claims. *Id.* at 1314-17.

The specification may also resolve ambiguous claim terms “where the ordinary and accustomed meaning of the words used in the claims lack sufficient clarity to permit the scope of the claim to be ascertained from the words alone.” *Teleflex*, 299 F.3d at 1325. For example, “[a] claim interpretation that excludes a preferred embodiment from the scope of the claim ‘is rarely, if ever, correct.’” *Globetrotter Software, Inc. v. Elam*

Computer Group Inc., 362 F.3d 1367, 1381 (Fed. Cir. 2004) (quoting *Vitronics Corp.*, 90 F.3d at 1583). But, “[a]lthough the specification may aid the court in interpreting the meaning of disputed language in the claims, particular embodiments and examples appearing in the specification will not generally be read into the claims.” *Constant v. Advanced Micro-Devices, Inc.*, 848 F.2d 1560, 1571 (Fed. Cir. 1988); see also *Phillips*, 415 F.3d at 1323.

The prosecution history is another tool to supply the proper context for claim construction because a patentee may define a term during prosecution of the patent. *Home Diagnostics Inc. v. LifeScan, Inc.*, 381 F.3d 1352, 1356 (Fed. Cir. 2004) (“As in the case of the specification, a patent applicant may define a term in prosecuting a patent”). The well established doctrine of prosecution disclaimer “preclud[es] patentees from recapturing through claim interpretation specific meanings disclaimed during prosecution.” *Omega Eng’g Inc. v. Raytek Corp.*, 334 F.3d 1314, 1323 (Fed. Cir. 2003). “Indeed, by distinguishing the claimed invention over the prior art, an applicant is indicating what the claims do not cover.” *Spectrum Int’l v. Sterilite Corp.*, 164 F.3d 1372, 1378-79 (Fed. Cir. 1988) (quotation omitted). “As a basic principle of claim interpretation, prosecution disclaimer promotes the public notice function of the intrinsic evidence and protects the public’s reliance on definitive statements made during prosecution.” *Omega Eng’g, Inc.*, 334 F.3d at 1324. However, the prosecution history must show that the patentee clearly and unambiguously disclaimed or disavowed the proposed interpretation during prosecution to obtain claim allowance. *Middleton Inc. v. 3M Co.*, 311 F.3d 1384, 1388 (Fed. Cir. 2002). Statements will constitute disclaimer of scope only if they are “clear and unmistakable statements of disavowal.” See *Cordis*

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