UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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NINTENDO OF AMERICA, INC. and NINTENDO CO., LTD.,
Petitioner

v.

BABBAGE HOLDINGS, LLC
Patent Owner

_____

Case IPR2015-00568
Patent 5,561,811

_____

BABBAGE HOLDINGS, LLC'S PRELIMINARY RESPONSE TO PETITION FOR *INTER PARTES* REVIEW, PER 37 C.F.R. §42.107

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Pursuant to 37 CFR §42.107, Patent Owner, Babbage Holdings, LLC, submits this Preliminary Response to the Corrected Petition for *Inter Partes* Review (the "Petition") of claim 7 in U.S. Patent No. 5,561,811 (the "'811 patent," **Exhibit 1001**).

The '811 patent is the subject of IPR2014-00954 ("the '954 IPR"). Trial was instituted there on December 15, 2014 (the "Institution Decision") (**Exhibit 2008**).

I. SUMMARY OF PRELIMINARY RESPONSE

Petitioner Nintendo of America, Inc. was served with the complaint in the related district litigation on October 11, 2013. The Petition here was filed January 14, 2015, more than one year later. As a threshold matter, and because Petitioner's request for joinder is not yet granted, the Petition is time-barred. *See*, 35 U.S.C. §315(b) (*inter partes* review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner …is served with a complaint alleging infringement of the patent); 37 C.F.R. §42.101(b).

Turning to the merits, the Petition here does mirror the arguments and evidence that the Board relied upon in determining that petitioners in the '954 IPR had demonstrated a reasonable likelihood they would prevail in establishing that

claim 7 is obvious over Yoshino and Greanias. That said, the Board's earlier determination should be reconsidered in view of the additional arguments herein.

In particular, the Board's earlier Institution Decision did not consider explicitly the phrase "under the control of multiple users of a computer system" within the context of the last two steps in claim 7, each of which include the identical phrase "input events from input devices." Claim terms must be construed in context, not as single elements in isolation. *See Hockerson-Halberstadt, Inc. v. Converse, Inc*., 183 F.3d 1369, 1374 (Fed. Cir. 1999); *ACTV, Inc. v. Walt Disney Co*., 346 F.3d 1082, 1088 (Fed. Cir. 2003). Because claim 7 recites a "method" that describes a set of operations involving "at least one application program under the control of multiple users," it follows logically that the "input events" recited in the last two clauses of the claim necessarily come from at least two separate "input devices" being operated concurrently by different "users." If it were otherwise, the "application program" could not be said to be "under the control of multiple users" of the computer system, let alone "for displaying a visual response of said application program to said input events on a shared display." Importantly, this notion of "input events from input devices" that are "under the control of multiple users" concurrently is not possible in the Greanias prior art, which the undisputed evidence establishes works with only with

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