

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

BUNGIE, INC.,  
Petitioner

v.

WORLDS INC.,  
Patent Owner

---

Case IPR2015-01325  
Patent 8,145,998

---

**PATENT OWNER WORLDS INC.'S  
PRELIMINARY RESPONSE**

## TABLE OF CONTENTS

I. Introduction.....	1
II. Background.....	4
a. About U.S. Patent No. 8,145,998 (the “998 patent” or “Leahy”).....	4
b. The Petition Challenges Claims 1-3, 7-8, and 11-20 of the ‘998 Patent.....	7
c. Claim Construction.....	10
d. Petitioners’ Grounds of Challenge Rely On Art Already Considered by the USPTO Examiner .....	11
III. Argument .....	13
a. Petitioner’s Theories of Obviousness Fail to Consider Each Recited Feature, and Fail to Establish a Reason for the Alleged Modification of Durward .....	13
i. Durward’s Purpose is to Limit Data Communications in a Virtual Reality Network.....	13
ii. Petitioner’s Proposed Combination is Not Supported by Evidence, and Marathon’s View-Switching Feature is Not Compatible with Durward’s Reduced Data Communications Scheme .....	14
iii. Even if Combinable, Durward, Tracey, and Marathon Fail to Disclose all Relied-upon Features .....	20
b. Petitioner’s Challenges Also Fail to Establish Obviousness of the Dependent Claims .....	21
c. The Challenge of Ground 4 Fails to Establish Obviousness of Claim 19.....	22
d. The Petition Fails to Name All Real Parties in Interest .....	24
IV. Conclusion .....	32

## TABLE OF AUTHORITIES

### Cases

<i>Askeladden LLC v. McGhie et al.</i> , IPR2015-00122 (PTAB Mar. 16, 2015) (Paper 34) .....	31
<i>Atlanta Gas Light Co. v. Bennett Regulator Guards, Inc.</i> , IPR2013-00453 (PTAB Jan. 6, 2015) (Paper 88) .....	24
<i>Gonzalez v. Banco Cent. Corp.</i> , 27 F.3d 751 (1st Cir. 1994) .....	25
<i>In re Translogic Tech., Inc.</i> , 504 F.3d 1249 (Fed. Cir. 2007) .....	10, 25
<i>KSR Int’l Co. v. Teleflex Inc.</i> , 550 U.S. 398 (2007) .....	17
<i>LG Display Co., Ltd. v. Innovative Display Technologies LLC</i> , IPR2014-01092 (PTAB Jan. 13, 2015) (Paper 9) .....	17
<i>Taylor v. Sturgell</i> , 553 U.S. 880 (2008) .....	25

### Statutes

35 U.S.C. § 312(a)(2) .....	24, 31
35 U.S.C. § 325(d) .....	13

### Other Authorities

Office Patent Trial Practice Guide, 77 Fed. Reg. 48756 (Aug. 14, 2012) .....	10, 25
--	--------

### Rules

37 C.F.R. § 42.8(b)(1) .....	24, 31
37 C.F.R. § 42.51(b)(1)(iii) .....	26
37 C.F.R. § 42.65(a) .....	16
37 C.F.R. § 42.100(b) .....	10

...

## LIST OF PATENT OWNER'S EXHIBITS

<u>Exhibit</u>	<u>Description</u>
2001	Transcript of Conference Call of July 23, 2015
2002	“Exhibit 1” to Exhibit 2001 (Software Publishing and Development Agreement, dated April 16, 2010)
2003	Proof of Service in <i>Worlds Inc. v. Activision Blizzard, Inc., et al.</i> , Case No. 1:12-cv-10576 (D. Mass.)
2004	Letter dated November 13, 2014, from Worlds’ litigation counsel to Activision’s litigation counsel
2005	Patent Owner’s First [Proposed] Set of Requests for Production of Documents and Things to Petitioner (Nos. 1-6)
2006	Claim Construction Order dated June 26, 2015 in <i>Worlds Inc. v. Activision Blizzard, Inc., et al.</i> , Case No. 1:12-cv-10576 (D. Mass.)
2007	Complaint in <i>Worlds Inc. v. Activision Blizzard, Inc., et al.</i> , Case No. 1:12-cv-10576 (D. Mass.)
2008	Copilevitz, Todd, “Here’s a chat room worth talking about,” <i>The Dallas Morning News</i> , June 11, 1995
2009	Smith, Gina, “Whole new Worlds on-line,” <i>San Francisco Examiner</i> , May 14, 1995
2010	Amended Complaint in <i>Worlds Inc. v. Activision Blizzard, Inc., et al.</i> , Case No. 1:12-cv-10576 (D. Mass.)
2011	Proof of Service of Amended Complaint in <i>Worlds Inc. v. Activision Blizzard, Inc., et al.</i> , Case No. 1:12-cv-10576 (D. Mass.)

## I. Introduction

Bungie, Inc. (“Bungie” or “Petitioner”) filed the current Petition (“Petition”) for *inter partes* review of claims 1-3, 7-8, and 11-20 of U.S. Patent No. 8,145,998 (“the ’998 patent” or “Leahy”) on June 1, 2015. In the Petition, Bungie challenges claims 1-3, 7, 8, 11, 12, 16, 18, and 20 of the ’998 patent as allegedly obvious over three references, including U.S. Patent No. 5,659,691 issued to Durward *et al.* (“Durward”) (Ex. 1008), an article entitled *Touring Virtual Reality Arcades* by David Tracey (“Tracey”) (Ex. 1025), and a manual for the computer game Marathon (“Marathon”) (Ex. 1021).

In Grounds 2-3, Bungie also challenges claims 13-15 and 17 as allegedly obvious over Durward in view of Tracey and Marathon, further in view of separate secondary references, including U.S. Patent No. 5,021,976 to Wexelblat *et al.* (“Wexelblat”) (Ex. 1020), and U.S. Patent No. 5,777,621 to Schneider (“Schneider”) (Ex. 1019). Finally, in Ground 4, Bungie challenges claim 19 as allegedly obvious over Durward in view of “A Software Architecture for the Construction and Management of Real-Time Virtual Worlds” by David Pratt (“Pratt”) (Ex. 1027).

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.