#### UNITED STATES PATENT AND TRADEMARK OFFICE

#### BEFORE THE PATENT TRIAL AND APPEAL BOARD

BUNGIE, INC., Petitioner

v.

WORLDS INC., Patent Owner

Case IPR2015-01319 Patent 8,082,501

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

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#### **TABLE OF CONTENTS**

I.	Introduction	1
II.	Background	4
8	About U.S. Patent No. 8,082,501 (the "501 patent" or "Leahy")	4
ł	The Petition Challenges Claims 1-8, 10, 12, and 14-16 of the '501 Patent	7
(	Petitioner Failed to Conduct a Proper Claim Construction Analysis and oplied Unreasonably Broad Interpretations of the Claim Terms	9
	Petitioners' Grounds of Challenge Rely On Art Already Considered by the SPTO Examiner	12
III	Argument	14
a t	Petitioner's Theories of Invalidity Fail to Identify Each Recited Feature of e Challenged Claims in the Cited References	14
1 ]	Ground 1's Challenge Based on Funkhouser in view of Sitrick Fails to entify all Features of the Independent Claims	14
	Ground 4's Challenge Based on Durward Also Fails to Disclose all Feature Claims 1, 12, and 14	
0	The Petition's Obviousness-Based Challenges Also Fail Due to ortcomings of the Secondary References	32
(	The Petition Fails to Name All Real Parties in Interest	39
IV	Conclusion	48

#### **TABLE OF AUTHORITIES**

#### Cases

Askeladden LLC v. McGhie et al., IPR2015-00122 (PTAB Mar. 16, 2015) (Paper	
34)	47
Atlanta Gas Light Co. v. Bennett Regulator Guards, Inc., IPR2013-00453 (PTAB	)
Jan. 6, 2015) (Paper 88)	40
Gonzalez v. Banco Cent. Corp., 27 F.3d 751 (1st Cir. 1994)	40
In re Translogic Tech., Inc., 504 F.3d 1249 (Fed. Cir. 2007)	9
Loral Space & Comms., Inc. v. Viasat, Inc., IPR2014-00236 (PTAB Apr. 21, 201	4)
(Paper 7)	47
Net MoneyIN, Inc. v. VeriSign, Inc., 545 F.3d 1359 (Fed. Cir. 2008)	28
St. Jude Med., Cardiology Div., Inc. v. Volcano Corp., IPR2013-00258 (PTAB C	)ct.
16, 2013) (Paper 29)	47
Taylor v. Sturgell, 553 U.S. 880 (2008)	40
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Aug. 26, 2013) (Paper 9)	47

#### Statutes

35 U.S.C. § 102(a)	
35 U.S.C. § 312(a)(2)	
35 U.S.C. § 315(b)	
35 U.S.C. § 325(d)	

#### **Other Authorities**

#### Rules

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37 C.F.R. § 42.8(b)(1)	
37 C.F.R. § 42.22(a)(2)	
37 C.F.R. § 42.51(b)(1)(iii)	41
37 C.F.R. § 42.65(a)	
37 C.F.R. § 42.100(b)	9
37 C.F.R. § 42.104(b)(4)	22

#### LIST OF PATENT OWNER'S EXHIBITS

<u>Exhibit</u>	Description
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 Worlds Inc. v. Activision Blizzard, Inc., et al., 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.</i> <i>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," The Dallas Morning News, June 11, 1995
2009	Smith, Gina, "Whole new Worlds on-line," San Francisco Examiner, May 14, 1995

#### I. Introduction

Bungie, Inc. ("Bungie" or "Petitioner") filed the current Petition ("Petition") for *inter partes* review of claims 1-8, 10, 12, and 14-16 of U.S. Patent No. 8,082,501 ("the '501 patent" or "Leahy") on June 1, 2015. In the Petition, Bungie challenges claims 1-6, 12, 14, and 15 of the '501 patent as allegedly anticipated by U.S. Patent No. 5,659,691 issued to Durward *et al.* ("Durward") (Ex. 1008), and challenges claims 1-6, 12, 14, and 15 as allegedly obvious over "RING: A Client-Server System for Multi-User Virtual Environments" authored by Thomas A. Funkhouser ("Funkhouser") (Ex. 1005), in view of U.S. Patent No. 4,521,014 to Sitrick ("Sitrick") (Ex. 1013).

Bungie also challenges claims 7-8, 10, and 16 as allegedly obvious over Funkhouser in view of Sitrick, and Durward, each in view of separate secondary references including Thomas A. Funkhouser, Adaptive Display Algorithm for Interactive Frame Rates During Visualization of Complex Virtual Environments ("Funkhouser '93") (Ex. 1017), 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).

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