

1 UNITED STATES DISTRICT COURT
 2 FOR THE DISTRICT OF DELAWARE
 3
 4 M2M SOLUTIONS, LLC, : CA NO. 12-30, 12-31
 5 : 12-32, 12-33, 12-34
 6 Plaintiff, : September 12, 2013
 7 :
 8 v. : 9:00 o'clock a.m.
 9 :
 10 SIERRA WIRELESS AMERICA :
 11 INC., et al., :
 12 :
 13 Defendants. :
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 15
 16
 17 TRANSCRIPT OF MARKMAN HEARING
 18 BEFORE THE HONORABLE RICHARD G. ANDREWS
 19 UNITED STATES DISTRICT JUDGE
 20
 21
 22 APPEARANCES:
 23
 24 For Plaintiff: BAYARD, P.A.
 25 BY: RICHARD D. KIRK, ESQ

1 -and-
 2 FOLEY & LARDNER
 3 BY: MARC C. HENSCHKE, ESQ
 4
 5
 6 For Defendants: MORRIS, NICHOLS, ARSHT & TUNNELL
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1 For Defendant Cinterion Wireless
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 12 -and-
 13 K&L GATES
 14 BY: MICHAEL J. BETTINGER, ESQ
 15 For Defendants Novatel and Enfora
 16
 17
 18
 19 Court Reporter: LEONARD A. DIBBS
 20 Official Court Reporter
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 2 P R O C E E D I N G S
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 4 (The proceedings occurred at 9:10 o'clock a.m. in open
 5 court as follows:)
 6
 7 THE COURT: Good morning. Please be seated.
 8 This is a Markman Hearing in the matter of M2M
 9 Solutions LLC v. Sierra Wireless America Inc., Civil Action No.
 10 12-30, plus the next four consecutively numbered cases.
 11 Mr. Kirk.
 12 MR. KIRK: Good morning, your Honor.
 13 Richard Kirk from the Bayard firm for the Plaintiff,
 14 M2M Solutions. I'm joined by Marc Henschke from Foley &
 15 Lardner.
 16 Mr. Henschke has been before your Honor several times
 17 in this case.
 18 THE COURT: Good morning, Mr. Henschke.
 19 MR. HENSCHKE: Good morning, your Honor.
 20 THE COURT: So we have lots of defendants. I'm not
 21 entirely sure who the people are sitting over there on that
 22 side.
 23 But, so -- Mr. Blumenfeld.

1 into the claim than some other cases?

2 MR. BETTINGER: Right.

3 THE COURT: But what I really didn't understand is, is
4 there some hard and fast rule about this, or is it more of the
5 ordinary skill in the art of judging, to figure out what you
6 should do with a particular term, is my question?

7 MR. BETTINGER: Yes. I don't know that there is a hard
8 and fast rule, but what there is, is references to means in the
9 spec.

10 Put them now into that category. Hey, wait a second.
11 This requires a second look.

12 THE COURT: Well, what about the cases that Mr.
13 Henschke cited in his brief?

14 And, you know, he did -- and I forget now whether it
15 was that term or the module term, I think it may have been the
16 module term -- but, you know, he said they cite one minute order
17 from a Judge in California, you know, here's a laundry list of
18 cases.

19 Does he have the proportions of the judge's finding? I
20 mean was he right, that's that what the case -- the law that's
21 out there, the lay of the land?

22 MR. BETTINGER: I'll get to module, because that is a
23 bit of a different argument first, but the current law is the
24 Williamson case out of the Central District of California, Judge
25 Mott, so that is my --

1 THE COURT: Well, that's the minute order that you
2 cited.

3 MR. BETTINGER: That's not the minute order. It's a
4 24-page Markman Order.

5 THE COURT: Well, no, no. But they just call -- that's
6 what they call --

7 MR. BETTINGER: Right.

8 THE COURT: -- but I agree with you.

9 MR. BETTINGER: We'll agree with that in some detail.

10 THE COURT: Right. When you read them, they look just
11 like things other people call memorandum opinions.

12 MR. BETTINGER: Yes, your Honor. And that's the way
13 we do it in California.

14 But, so, you'll see in that that Judge Mott relied upon
15 -- acknowledges all the cases that say "module," that talk about
16 module. There are a number in Texas, there is a Kansas case,
17 there is a Southern District of New York, and there is a Georgia
18 case, I believe, that are the ones that say, Hey, look, for
19 purposes of this case, module we are going to say has some
20 meaning.

21 In the Williamson case, the Judge takes all those into
22 account and says, No, it doesn't. It really is just a generic
23 term and it should be added to that list.

1 They really don't supply any meaning, they're sort of like black
2 holes. Mechanism is one.

3 Can you go to the next slide?

4 We'll preview that, but I'll get -- let me get to that.

5 THE COURT: All right.

6 MR. BETTINGER: It requires one more point on this, but
7 that's the issue. There is module.

8 Should module be added to that list?

9 I want to talk to you about where the Patent Office is
10 on this. They recently, as referenced in the opinion, the
11 Patent Office has recently added that term to its list.

12 THE COURT: The nonce list?

13 MR. BETTINGER: The list of nonces.

14 So there's just one -- because it's a little bit of a
15 different argument, that -- that argument was on module itself.

16 This is on, you know, have we overcome the presumption. That's
17 what MIT requires.

18 THE COURT: Right. No, no, that's... yes. That's what
19 I got from your briefs.

20 MR. BETTINGER: And if we -- if we have overcome the
21 presumption, the case still isn't over, because you have to go
22 back and say, Okay, now it is a 112-6, what is the disclosed
23 structure?

24 All we're trying to do is first overcome the
25 presumption so that --

1 THE COURT: Okay. Well, does MIT the help you, because
2 I mean part of it is, I think, let's say interface.

3 I understand you're saying programmable interface is
4 something different, but if it said an interface means,
5 interface means, and the claim said interface, and everybody was
6 agreed that people of ordinary skill in the art understood what
7 an interface was, the fact that it said interface means
8 throughout the specification would make no difference, right?

9 MR. BETTINGER: I don't think you would overcome the
10 presumption in that situation.

11 THE COURT: All right.

12 MR. BETTINGER: I would still make the argument, but I
13 don't --

14 THE COURT: No, no, no.

15 MR. BETTINGER: -- think that overcomes the presumption
16 if it just interface means.

17 THE COURT: Okay. And, so, here -- your point, which
18 is hard for me to evaluate -- but your point is programmable
19 interface means -- it's, essentially, not a term that people of
20 ordinary skill understand?

21 MR. BETTINGER: That's correct.

22 THE COURT: All right.

23 Even on that level -- forget the -- you know, not

1 understood that term, whatever is written, other than yours and
2 Mr. Henschke's persuasive arguments, is there any actual way for
3 me to figure that out?

4 MR. BETTINGER: Well, there is one alternative, I
5 think, for your Honor.

6 If you provide a definition in this case, what needs to
7 be set -- what it needs to be is a distinction that the
8 interface, itself, is programmable.

9 If you are going to go beyond and say, Look, I don't
10 think you rebutted the presumption, or even if you have, there's
11 going to be sufficient structure. Then from a definitional
12 standpoint, at least what this is requiring is a programmable
13 interface separate and apart from a programmable communicator.

14 THE COURT: So that's what you don't like about the
15 plaintiff's definition, because it says, A hardware interface
16 with an associated management software, though, that doesn't
17 necessarily mean that it's programming the interface?

18 MR. BETTINGER: Correct. There's a fudge factor built
19 into their definition that allows them, when you're at the
20 processor level to say, Oh, look, the processor is doing some
21 kind of programming, and, look, the interface is part of that.

22 THE COURT: No. I mean I think I understand.

23 MR. BETTINGER: So thinking that we might get to this
24 point in the argument, I do think, if we're going to go with the
25 definition, what needs to be clear in that definition is, this

1 is a separately programmed interface. And that is consistent
2 with everything in the patent, the specification.

3 And it would be consistent with the distinction of the
4 Hayes '312 patent, which is just to have an interface that is an
5 electrical connection between two devices is not enough. It has
6 to be programmable.

7 THE COURT: And, so, basically, the argument in favor
8 of your position is, again, just kind of -- and I'm
9 characterizing and you don't have to accept my characterization,
10 obviously -- it's just, essentially, the plain meaning. So
11 programmable interface, that must be an interface that can be
12 programmed.

13 MR. BETTINGER: Yes. I would go one step further, and
14 just make clear that that program is separately from the
15 communicator, itself.

16 THE COURT: Well, where are you getting the separately
17 from?

18 MR. BETTINGER: Because then it's being culled out in
19 distinguishing the Hayes reference. It would be a required
20 element that that interface be programmable.

21 THE COURT: Well --

22 MR. BETTINGER: That's how they overcame the Hayes
23 '312.

1 MR. BETTINGER: All right.

2 Let me go back.

3 (Pause)

4 So the Hayes patent. That's the Hayes patent. It's
5 called the '312.

6 THE COURT: Right. I get that.

7 MR. BETTINGER: All right.

8 And then in looking at this connector 180 -- and this
9 is the patentee's language -- this is the plaintiff coming in --
10 the connector 180, the argument was that that's a programmable
11 interface. That's what the examiner said.

12 They said, No, no, no. 180 is only an electrical
13 connection between two devices. That is -- does not meet the
14 requirements of our patent, because it does not suggest that the
15 connector is programmable.

16 THE COURT: Right. But that's -- that doesn't exactly
17 address the point as to whether it's separately programmable,
18 does it?

19 MR. BETTINGER: It has to be programmable.

20 THE COURT: Well, no, no. Right.

21 So what it sounds to me like what you're arguing for
22 that is, that if you have a programmable interface with a
23 programmable communications device, or whatever the term is,
24 that you need to have two separate programs -- two programs?

25 MR. BETTINGER: Well, you need to do something to

1 program the interface, as opposed to just programming it --

2 THE COURT: Well, no, no. By something to program the
3 interface, that doesn't necessarily mean that that same thing
4 can't also be a programming the communications device.

5 MR. BETTINGER: Fair enough.

6 But what I'm getting at is the point that programming
7 the device is not enough --

8 THE COURT: No, no, no.

9 MR. BETTINGER: -- i.e., specific programming of the
10 interface.

11 THE COURT: No, no. I think actually -- and you and I
12 actually understand each other now I think -- you're saying the
13 interface needs to be able to be -- well, maybe not separately,
14 but directly programmed.

15 And I'm saying, Well maybe you need -- maybe that's the
16 plain meaning of that sort of phrase -- but that doesn't mean
17 that whatever the programming is, it can't also be programming
18 something else.

19 MR. BETTINGER: You're correct. It's not exclusive.

20 But it has to be inclusive of the interface.

21 Can I turn briefly to the processing module?

22 THE COURT: Okay. Sure.

23 MR. BETTINGER: Okay. And the difference on that is --

1 propose is just unworkable.
2 If you stick it back in, in -- in the -- in the claim,
3 itself, in that particular part of the language, and it just
4 becomes -- if you can just move forward?

5 This is their proposed definition. When you put it
6 back in the claims, it becomes redundant, and under, Abbott
7 Labs, you know, the whole purpose of this is to help the jury,
8 and it's like --

9 THE COURT: Well, that's one of the purposes. That's
10 not the only purpose.

11 MR. BETTINGER: I leave it to your Honor.

12 But if that is the definition, that's going to be how
13 the first claim looks, it's --

14 MR. HENSCHKE: Nobody is suggesting that that's how it
15 should be.

16 MR. BETTINGER: Okay. Well, then, let me then move to
17 the argument itself.

18 THE COURT: Okay.

19 MR. BETTINGER: Here's the difference here.

20 This claim module, this claim's processing module, and
21 our position on this is, the term "module" has now entered the
22 lexicon in patent law of the words mechanism, element, and
23 device, which the Federal Circuit has, in a number of cases --

24 THE COURT: And that's what you said that Judge Mott
25 said in Williamson?

1 MR. BETTINGER: Yes.

2 So let me turn to that. If you could go to Slide 86,
3 please?

4 This is the Williamson case. In preparing for this, it
5 was clear that the Westlaw cite that was made, was not to the
6 September 24 Markman.

7 I do have a copy of that for the Court's convenience.

8 THE COURT: All right. Sure.

9 MR. BETTINGER: And, as I mentioned, this was September
10 of 2012, which is the most recent pronouncement that we've been
11 able to see on this point, and full acknowledgement that there
12 are other cases that have, prior to this, found -- found that
13 the term "module," does not have enough structure to -- that you
14 can't overcome the 112-6, can't overcome the presumption that
15 there's no 112-6.

16 What we've done here is at Pages 24 and 25 of the
17 decision, we've taken out -- there are three parts to Judge
18 Mott's decision that he looks at.

19 The first is module, and we're in the same situation in
20 this case.

21 Where the term "module" is used, does that mean 112-6
22 should apply?

23 Is there -- if means doesn't, but do you rebut the

1 So he concludes that module is simply a generic
2 description for software or hardware that performs a specified
3 function.

4 And says, In this case, that is the conclusion in which
5 I draw with module, therefore, I -- the presumption is rebutted,
6 and I am going to look at this as a 112-6, because you've only
7 used the term "module".

8 But the Judge then goes on, in the next part of the
9 decision, to refer to the Ranpak v. Storopak. It's an
10 unpublished decision out of the Federal Circuit where the term
11 was settable control module, and with that --

12 THE COURT: How much of the fact that that's a
13 15-year-old Federal Circuit unpublished decision -- I mean
14 haven't we, you know, defining whatever weight it had in 1998,
15 isn't it kind of losing weight as time goes on?

16 MR. BETTINGER: Well, each one of these cases is going
17 to be somewhat fact dependent, just by the nature of the beast.

18 He refers to it as, Look, it's out there, it is a
19 Federal Circuit decision, it did address this issue, it did
20 address it in the context of rebutting a 112-6.

21 What was at issue was a settable control module and,
22 again, these are fact specific type cases.

23 In this particular one what it's saying is, Look, we're
24 not trying to break new ground here. The Federal Circuit, in
25 the past -- it's the only Federal Circuit case that we're aware

1 of where the term "module" has been at issue. These are all
2 District Court cases otherwise.

3 But then the third thing that Judge Mott cites to is
4 the Supplementary Examination Guidelines for determining
5 compliance with 35, USC 112, and these are the guidelines for
6 the Patent Office that were published in February of 2011,
7 where they've addressed these nonces.

8 THE COURT: Well, so, at least for the '010 patent that
9 was issued before these guidelines, right?

10 MR. BETTINGER: February of 2011. I'm sorry. I'm not
11 --

12 THE COURT: Well, the older of the two patents -- thank
13 you -- were issued quite a bit of time before this, right?

14 MR. BETTINGER: Yes.

15 THE COURT: I guess the other one issued in 2011 --
16 '12?

17 MR. BETTINGER: 2012, January.

18 THE COURT: Right, right. A few days before the
19 lawsuit.

20 MR. BETTINGER: Right. Definitely.

21 THE COURT: All right.

22 MR. BETTINGER: So -- so we looked for guidance,
23 because, you know, look, there are establish terms that the