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Via E-Mail (fumiaki-esaka@maxell.co.jp, kenji-nakamura@maxell.co.jp, yukihiro-takemoto@maxell.co.jp, hideyuki-kuwajima@maxell.co.jp)

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       Re: Hitachi Patent Assertions

Dear Sirs,

This letter follows up on our meeting of January 28, 2015, and is in further response to Hitachi's correspondence of September 8, 2014, to Apple regarding U.S. Patent Nos. 5,396,443, 8,311,389, 6,748,317, 6,898,078, and 8,214,459. As discussed below, Apple has reviewed each of the patents identified by Hitachi Maxell, and does not believe that a license is necessary for these patents. Apple's positions on each patent are summarized below.

1. **U.S. Pat. No. 5,396,443 (the '443 patent)**

The '443 patent expired in October of 2013. Hitachi alleges that certain features of the iPhone 4/5 series and iPad / iPad2 / iPad mini series infringe claim 1. Specifically, Hitachi argues that the display in these devices is set to a non-power saving state if a user finger is detected near the screen during a power saving state and that the screen is set in the power saving state if the user finger is distant from the screen for a predetermined period of time. For at least the reasons set forth below, Apple does not believe it needs a license to the '443 patent.

As Apple has explained before, the accused devices do not detect the "approach" of a user's finger. The touch screen detects "touch" or contact. Therefore, the claimed "detecting means" is not present. Hitachi argues that touch falls within the scope of the claimed detecting means because there is a special case in which distance is equal to zero. This argument fails on several grounds. The ordinary meaning of detecting approach does not encompass detecting contact. The specification makes this distinction repeatedly referring to when the user associated medium "approaches **or** comes in contact" with the detecting means as distinct alternatives throughout the description. *See e.g.,* Abstract ("sensor for detecting the approach **or** contact"); ("approach **or** contact detection sensor"); ("an approach detection type **or** a contact detection type tablet"); ("which can effect **both** the approach detection **and** the contact detection"); ("the approach or contact detection function are **both** used").   It also flies in the face of Hitachi's amendment to

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claim 1, which deleted "or comes in contact with" for the phrase "at least approaches." Accordingly, the claims are limited to the approach-detecting function, not contact detection.

During our meeting, Hitachi alternatively argued that it believed that an iPhone would react to the approach of a user's finger without contact with the touch screen. We have not been able to replicate this use case, and instead confirmed that the iPhone touch screen is designed to recognize touch, not approach – if Hitachi has evidence to the contrary, we would gladly review it and provide a response. However, based on the evidence produced to date, we maintain that iOS devices do not include any "detecting means for detecting whether a user-associated medium at least approaches" the device.

In addition, as Apple previously explained, the temporary dimming of the screen before an iOS device automatically locks is a user interface feature designed to alert the user that the device is about to lock. Touching the screen at this point prevents the device from auto-locking. However, once in the locked mode, touching the screen does not put the device back into normal operation as required by the claim; the Home button or the sleep/wake button must be pressed. Hitachi argues that because, with the lower brightness, the screen consumes less power, the short period when the screen is dimmed before auto-locking a device, what Hitachi calls the "dim state," corresponds to the "power saving state" of the claims. Hitachi further argues that the "intention for incorporating the elements of the patented invention does not excuse infringement under 35 USC 271(a)." However, Hitachi misapprehends Apple's argument.

The temporary dimming of the screen brightness is not a "dim state" or "power saving state" as the claims require because it is not a "state" at all; it is a user interface feature. The claims require a "power saving state," which cannot reasonably be construed to cover all downward change in power consumption during the operation of the device. For example, when a user receives a call, more power is consumed due to the vibration mechanisms or the production of ringing signals through the audio circuitry. Similarly when data is being transmitted, more power is consumed by the radio components than when there is not. This does not mean that when a phone call is being received or data is being transmitted an iPhone is in a "non-power saving state" but once the ringing or vibrating stops or data is no longer being transmitted, the phone is in "a power saving state." This interpretation is inconsistent with the written description of the '443. The "power saving state" and "non-power saving state" have to be states designed and intended for saving power or not, and cannot be defined to correspond to just any functionality that results in changes in power consumption. Thus, it is not a matter of the intention for incorporating a claim element; to satisfy the claimed element, there has to be a state intended for saving power. The temporary dimming of the screen to indicate that the phone is about to auto-lock is not a "power saving state" as required by the claims, and thus there is no infringement.

Apple has also provided prior art that invalidates the asserted claim, including U.S. Patent No. 5,189,393 to Charles Hu ("Hu"). Hitachi argues that the Hu reference does not anticipate claim 1 of the '443 patent because it does not disclose "an information processing apparatus" and because it discloses detecting motion, not whether a user-associated medium at least approaches the housing of the apparatus. These distinctions fail. First, the "information processing apparatus" language is only found in the preamble of the claim, which are not typically limiting. Further, the specification describes broadly what is meant by an information processing apparatus, and includes things such as "household furniture." The Hu reference discloses that its sensors can be used for activating lights "or other apparatus." This disclosure is broad enough to teach or
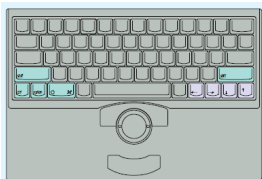
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suggest the use of the Hu system with an information processing apparatus. Second, Hitachi's distinction based on motion detection is also inapplicable. The operation of the sensors of Hu are exactly the type of "detecting" operation claimed in the '443 patent. Hu discloses using ultrasonic sensors to receive ultrasonic waves and an infrared sensor to detect heat. These are precisely the types of sensors encompassed by the "detecting means" of the '443 patent. *See* claim 28 ("wherein said detecting means includes a temperature sensor … by utilizing a detected change of a temperature …"); claim 17 ("wherein said detecting means is a transmission pen type ultrasonic system tablet and said user-associated medium is a stylus pen having an ultrasonic oscillation function.") That Hu may use the detected signals to infer motion does not distinguish the actual disclosed sensors from the sensing means in the '443 patent. Thus, Hu invalidates at least claim 1 of the '443 patent.
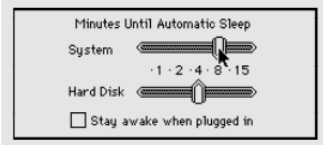
In addition, based on Hitachi's argument that detecting "approach" encompasses detecting touch, the '443 patent is invalid over a large volume of prior art information processing systems with a power savings mode. Apple's own notebooks pre-dating the 1992 priority date of the '443 patent included power savings features that would anticipate the claims of the '443 patent if broadly read to cover touch as a measure of approach. For example, the Apple Macintosh PowerBook 140, released for sale more than one year before the October 1992 priority date of the '443 patent, included an "Automatic sleep" mode that anticipates claim 1 of the '443 patent:

	Claim 1	Hitachi's Assertion	Prior Art - Macintosh PowerBook 140
A	1. An information processing apparatus comprising:	The phone is an information processing apparatus and has following elements.	"Macintosh User's Guide for Macintosh® PowerBook™ computers"
B	a housing;	As shown in figure 1, the phone has a housing.	3. Raise the display to a comfortable viewing angle. You can adjust the angle of the display at any time. Getting Started at 4.

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	Claim 1	Hitachi's Assertion	Prior Art - Macintosh PowerBook 140
C	a detecting means for detecting whether a user-associated medium at least approaches at least a part of a housing of said apparatus; and	As shown in figure 2, the phone has a projected capacitive touch screen, "Multi-Touch screen", which is a part of the phone. And also, the phone can detect approach of user-associated medium such as a user finger. Therefore, the phone has a detecting means.	"You use the keyboard to type text and numbers, just as you would on a typewriter." User's Guide at 24. **3. Raise the display to a comfortable viewing angle.** You can adjust the angle of the display at any time. Getting Started at 4.
D	a control means for effecting control wherein, if said user-associated medium at least approaches said detecting means, a controlled object is set in a non-power saving state, and wherein, if said user associated medium is distant from said detecting means for at least a predetermined constant period of time, at least a part of said controlled object is set in a power saving state.	As shown in figure 3, "Apple Retina display" is set in a non-power saving state, if approach of a user finger is detected near the screen during a power saving state. And also, the display is set in the power saving state, if the user finger is distant from the screen for predetermined periods during the non-power saving state. Therefore, the phone has a control means.	"Most electronic devices, including other computers you may have used, have two power states: on and off. Macintosh PowerBook computers, however, have three power states: on, sleep, and off." Getting Started at 15. "A working Macintosh PowerBook computer that appears to be off is in one of two power states: sleep (a "resting" state designed to conserve power) or shut down (off)." Macintosh User's Guide at 87. "System sleep is a power-conserving state in which your computer uses only the power it needs to maintain the contents of RAM. A computer in system sleep has a darkened screen and appears to be off, though it is still drawing battery power at a low level. When you're not using the computer, system sleep goes into effect automatically after a time interval that you designate."

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Claim 1	Hitachi's Assertion	Prior Art - Macintosh PowerBook 140
		3. In the "Minutes Until Automatic Sleep" box, drag the slider to set the number of minutes of inactivity before system sleep takes effect. Macintosh User's Guide at 102-3.

Accordingly, Apple's PowerBook 140 anticipates claim 1 of the '443 patent. Moreover, to the extent Hitachi argues that the PowerBook's keyboard is distinguishable from a touch-sensitive input device, by 1992 touch-input devices, including capacitive-sensing keyboards were well known. *See e.g.*, U.S. Patent No. 4,733,222 (issued in 1988); *see also*, U.S. Patent No. 4,290,052 (issued in 1981) (disclosing a touch-pad with "'touch' electrodes, is adhesively fastened to the surface of the transparent, insulative substrate (formed of glass and the like) opposite that surface contactable by user personnel.") Accordingly, using capacitive-sensing touch keyboards in combination with the disclosed Sleep Mode in the PowerBook 140 would render obvious the '443 patent.

2. U.S. Pat. No. 8,311,389 (the '389 patent)

Hitachi alleges that Apple's iPhone 4/5 series and iPad / iPad 2 / iPad mini and iPad Air series infringe claim 5 of the '389 patent based on their ability to download and play rental movies from the iTunes store. The '389 patent has a priority date of December 13, 2000.

Apple's iOS devices do not fall within the scope of the claims of the '389 patent. As previously pointed out by Apple, the claim language requires receiving and recording "audio/video information." Downloading and storing mpeg-encoded digital data files is not receiving and recording audio/video information. The applicants specifically amended the claims to delete "digital" and replace it with "audio/video" information as suggested during and Examiner interview in order to overcome the prior art. The applicants stated that the claims overcome the 103 rejections because "the claims have been amended in the manner indicated/suggested during the examiner interview and Interview Summary" which indicated that such amendments would overcome the prior art. Accordingly, the removal of the "digital" information limitation in favor of the "audio/video" recitation is an unambiguous statement that "digital" information (disclosed in the prior art being overcome) is different and not within the scope of the claimed "audio/video" information. Moreover, the only embodiment disclosed in the specification relates to the recording of broadcasted television signals. If the claims were interpreted to cover downloading data files, enablement and written description invalidity issues would apply.

Further, the claims are invalid over the prior art. As previously stated, U.S. Patent No. 5,400,402 renders the claims obvious as now asserted by Hitachi. While the examiner considered the reference, in the conditions for allowance the examiner stated that the prior art references did not "teach or suggest in detail the disabling of reproduction … where an elapsed time from the recording of the audio/video information is out of the first period even if the audio/video infor-

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