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# UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE PATENT TRIAL AND APPEAL BOARD MICROSOFT CORPORATION Petitioner, V. WORLDS INC., Patent Owner. Trial No. IPR2021-00277 Patent No. 8,082,501

PETITION FOR *INTER PARTES* REVIEW OF U.S. PATENT NO. 8,082,501



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## I. INTRODUCTION

Microsoft Corporation petitions for *Inter Partes* Review ("IPR") of claims 1-8, 10, 12, and 14-16 ("the Challenged Claims") of U.S. Patent No. 8,082,501 ("the '501 patent").

This petition advances a subset of the same grounds that were previously presented and finally decided in IPR2015-01319. EX-1024. Specifically, this petition advances the grounds based on Funkhouser, Sitrick, Wexelblat, and Funkhouser '93 that were fully briefed, orally argued, and finally decided on the merits in a final written decision that found each of the Challenged Claims unpatentable, and this petition does so adopting the claim constructions applied in that earlier decision. *See generally* EX-1024. Indeed, after hearing the entirety of Worlds' responsive arguments and after considering evidence offered by Worlds, including its expert testimony, the Board held that "claims 1–6, 12, 14, and 15 of the '501 patent are unpatentable under 35 U.S.C. § 103(a) in view of' Grounds 1-3 of IPR2015-01319. EX-1024, 63.

Based on a finding that was unrelated to the merits—i.e., that petitioner Bungie, Inc. ("Bungie") was procedurally barred from filing its petition—the Board later vacated its final written decision and terminated the proceeding. *See generally* EX-1025. In doing so, the Board never disturbed its findings on the merits of the grounds presented in IPR2015-01319; they remain sound.



Microsoft—which in no way participated in the previous cases alleging infringement of the '501 patent—has since been sued by Worlds on allegations of infringement based on Minecraft, which is entirely separate and unrelated to the video games earlier accused by Worlds. *Compare* EX-1021, 2-6 (alleging infringement of Minecraft video game) *to* EX-1022, 2-3 (alleging infringement of World of Warcraft and Call of Duty video games). As explained in Section II, *supra*, Microsoft is not barred from filing this petition against the '501 Patent. On the contrary, Microsoft has filed this petition approximately two months of being served the complaint.

Worlds should not be rewarded for choosing to delay assertion of the '501 patent against Microsoft for 8-years after asserting against Activision. Nor should Microsoft be prejudiced by Worlds' delay, which withheld the incentive for Microsoft to earlier bring this IPR. Rather, the PTAB should review under the circumstances to promote efficiency, particularly given the final written decision earlier reached by the PTAB on the grounds advanced by Microsoft in this petition.

Thus, simply applying the same findings and logic earlier endorsed in IPR2015-01319, the Board should again find the Challenged Claims unpatentable.

### A. Overview of the '501 Patent

In a general sense, the '501 patent is directed to a client-server network system for enabling multiple users to interact with each other in a virtual world.



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