IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

AGIS SOFTWARE DEVELOPMENT LLC,	§	
	§	
Plaintiff,	§	
	§	**Civil Action No. 2:17-CV-513-JRG**
v.	§	**(LEAD CASE)**
	§	
HUAWEI DEVICE USA INC., *et al.*,	§	
	§	
Defendants.	§	

	§	
AGIS SOFTWARE DEVELOPMENT LLC,	§	
	§	
Plaintiff,	§	**Civil Action No. 2:17-CV-516-JRG**
	§	**(CONSOLIDATED CASE)**
v.	§	
	§	
APPLE INC.,	§	
	§	
Defendant.	§	

DEFENDANT APPLE INC.'S REPLY IN SUPPORT OF ITS MOTION FOR SUMMARY JUDGMENT THAT U.S. PATENT NO. 7,630,724 IS NOT INCORPORATED INTO U.S. PATENT APPLICATION NO. 14/027,410

TABLE OF AUTHORITIES

Pages

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TABLE OF EXHIBITS

Exhibit Number	Description
Ex. 1	U.S. Patent No. 9,408,055
Ex. 2	U.S. Patent No. 9,445,251
Ex. 3	U.S. Patent No. 9,467,838
Ex. 4	U.S. Patent No. 9,749,829
Ex. 5	U.S. Patent Application No. 14-027,410
Ex. 6	U.S. Patent No. 7,301,728
Ex. 7	U.S. Patent No. 7,630,724
Ex. 8	The New Oxford American Dictionary (excerpt) (2001)
Ex. 9	Case IPR2018-00817 Institution Decision
Ex. 10	Case IPR2018-00819 Institution Decision
Ex. 11	Case IPR2018-00818 Institution Decision

The '410 application did not expressly and clearly incorporate the '724 patent. Tellingly, in its opposition, AGIS ***never actually recites*** the incorporation statement at issue: "The method and operation of communication devices used here are described in ***U.S. Pat. No. 7,031,728 which is hereby incorporated by reference*** and U.S. Pat. No. 7,630,724." (Ex. 5[1] ¶ 5 (emphasis added).)

First, AGIS contends that the '410 application uses the words "incorporated by reference" (Dkt. No. 259 ("Opp.") at 3), but that is not enough. As AGIS concedes, an incorporation statement must demonstrate "clear intent to incorporate" and must "clearly identify the referenced patent."[2] The incorporation statement here uses the words "which"—referring to the ***preceding*** '728 patent—and "is," indicating that incorporation is ***singular*** (*i.e.*, only the '728 patent is incorporated). Apple highlighted these facts in its opening brief (*see* Mot. at 3), which AGIS wholly ignored in its opposition. There is no "clear intent" to incorporate the '724 patent, nor does the incorporation statement "clearly identify" the '724 patent as being incorporated by reference.

Second, AGIS argues that the '728 and '724 patents are identified in the "Cross Reference to Related Applications" of the '410 application and that Apple's interpretation of the incorporation statement "would render [the Related Applications section] superfluous" (Opp. at 3-4), but that argument makes little sense. The "Related Applications" section (Ex. 5 ¶ 1) merely identifies all related applications, and the incorporation statement (*id*. ¶ 5) indicates the related '728 patent is incorporated. A list of related applications is immaterial to incorporation; mere reference does not incorporate anything. *In re De Seversky*, 474 F.2d 671, 674 (C.C.P.A. 1973).[3]

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[1] Exs. 1-11 were filed with Apple's opening brief (Dkt. No. 226, "Mot.").

[2] (*See* Opp. at 3 (citing 37 C.F.R. § 1.57(b) [*sic*]).) 37 C.F.R. § 1.57(c) requires "a clear intent to incorporate" and "clear[] identif[ication of] the referenced patent."

[3] AGIS's reliance on its cited cases (*see* Opp. at 4) is misplaced. In *Callaway Golf Co. v. Acushnet Co.*, the Federal Circuit considered whether two different embodiments within a referenced patent were both incorporated. 576 F.3d 1331, 1347 (Fed. Cir. 2009). *Callaway* did not address whether the referenced patent itself was sufficiently incorporated and does not change the result here. And

Third, AGIS's reliance on "expert opinion" does not defeat summary judgment. As the case AGIS cites explains (*see* Opp. at 6), incorporation by reference is a question of law, and "[t]he opinion of an expert does not convert a question of law into a question of fact." *Apple Inc. v. Samsung Elecs. Co., Ltd.*, No. 12-cv-630-LHK, 2014 WL 252045, at *23 (N.D. Cal. Jan. 21, 2014); *see also Biscotti Inc. v. Microsoft Corp.*, No. 2:13-cv-1015-JRG-RSP, 2017 WL 2526231, at *2 (E.D. Tex. May 11, 2017) ("Whether a host document incorporates material by reference is purely a question of law.").

Finally, the Court should reject AGIS's argument that any alleged ambiguity in the incorporation statement defeats summary judgment. (*See* Opp. at 4-5.) AGIS's arguments rely on irrelevant state contract law. (*See id.*) This is not an issue of contract law; it is a legal issue—properly decided by the Court—arising out of patent law. *Biscotti*, 2017 WL 2526231, at *2. Patent law requires that an incorporation statement must be "express and clear," and must leave "***no reasonable doubt*** about the fact that the referenced document is being incorporated . . . ." *Northrop Grumman Info. Tech., Inc. v. United States*, 535 F.3d 1339, 1344 (Fed. Cir. 2008) (emphasis added). ***At most***, reasonable doubt exists as to whether the '410 application incorporated the '724 patent by reference. That alone warrants summary judgment that the '724 patent was ***not*** incorporated by reference into the '410 application.

Summary judgment will simplify potential issues for trial concerning the priority date of four of five patents-in-suit. For at least the foregoing reasons, Apple's motion should be granted.

Husky Injection Molding Sys. Ltd. v. Athena Automation Ltd. just gives an example of a statement that could incorporate multiple patents. 838 F.3d 1236, 1241 n.2 (Fed. Cir. 2016) ("***All cross-referenced patents and application[s]*** referred to in this specification are hereby incorporated by reference.") (emphasis added). Instead of using similar language, the '410 application explicitly incorporated only the '728 patent, and *Husky Injection Molding* does not change the result here.

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