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

MAXELL, LTD., *Plaintiff*, v. APPLE INC., *Defendant*.	Case No. 5:19-cv-00036-RWS **JURY TRIAL DEMANDED**

MAXELL, LTD.'S SURREPLY TO APPLE INC.'S MOTION FOR PARTIAL SUMMARY JUDGMENT OF SUBJECT MATTER INELIGIBILITY UNDER 35 U.S.C. § 101 FOR U.S. PATENT NOS. 6,748,317, 6,430,498, AND 6,580,999

Apple's Reply (Dkt. 452) ("Reply") still does not address the claim language of the individual claims, still does not follow the Federal Circuit's criteria for determining whether user interface patents are directed to abstract subject matter, and still does not address the myriad evidence showing that the claims recite novel and inventive concepts relating to new technological environments. Accordingly, Apple's Motion should be denied.

As an initial matter, Apple's Reply relies on an extremely misleading claim about the common specification that needs to be corrected. As stated by Apple, the common specification:

> explains that its "portable terminal" is "low in performance" and uses existing, generic hardware "devices"—a "display device," "input device," "memory device," "device for data communication," "device for getting location information," and "device for getting direction information."—"just like those of **ordinar**y portable telephones." '317 at 2:62-3:1, 9:42-59, Fig. 10.

Reply at 3 (emphasis in Reply); *see also id*. at 1, 4 (quoting the same passage). But Apple has deceptively reordered the words used by the specification. In fact, this quoted passage makes clear that the inventions are accomplished by **adding** unconventional devices to existing devices:

> In order to achieve the above objects, the portable terminal of the present invention with the function of walking navigation is provided with data communication, input, and display devices just like those of ordinary portable telephones and PHS terminals, **as well as** a device for getting location information and a device for getting direction information denoting the user's present place.

'317 Patent at 2:62-3:1. Thus, opposite to Apple's misleading statement, the Navigation Patents claim inventions that are **not** accomplished using an ordinary portable terminal.

Ultimately, the claimed inventions allow a portable terminal to more accurately present navigation information to a user within existing constraints on GPS (and similar devices) by using a novel combination of components paired with a user interface. *See* '317 Patent at 29:64:65 ("the portable terminal is assumed to be low in performance just like a portable telephone and a PHS"). While each of the Navigation Patents claims a different solution, the solutions improve existing devices: they do not fix the known limitations of GPS itself, but

instead allow portable terminals to remedy these limitations by using such devices as "a device for getting direction information denoting an orientation of [the] portable terminal" in a novel combination with additional hardware including, for example, a device for getting location information. *See* '498 Patent at Claim 10 (on which Claim 13 depends). It is in this context that Dr. Rosenberg testified that the invention did not recite improvements in the underlying devices, with the clarification that the **combination** was a new arrangement that enabled new navigation functionality:

> Q. Going one-by-one, the patent doesn't make any improvements to the GPS technology, correct?
>
> A. Well, I think that could be taken out of context. It does utilize a specific arrangement of technologies and user interface display to make GPS technologies applicable and usable and useful for walking navigation.

Reply at Ex. R (Rosenberg Dep. Tr.) at 25:18-25 (objection omitted). Apple is wrong to jump from statements about individual components to stating that "[t]he Navigation Patents therefore disclose no technological improvements." Reply at 4. This is simply incorrect.

I. APPLE DOES NOT JUSTIFY ITS USE OF A REPRESENTATIVE CLAIM

Apple has failed to show that Claim 1 of the '317 Patent is representative for two reasons: it never carried its burden to make a *prima facie* case demonstrating inventiveness and it did not address the substantial and legally relevant claim language-based distinctions shown in Maxell's Opposition. Apple entirely ignores this Court's repeated guidance that "the representativeness inquiry must be 'directly tethered to the claim language.'" *See, e.g.*, *PPS Data*, 404 F. Supp. 3d. at 1031. Instead, Apple merely points to "terminal disclaimer," a "common specification," and then makes the conclusory statement that it had "analyzed language from all five asserted claims." Reply at 5. This is insufficient to carry Apple's burden. The claims have different recited combinations of hardware and have different user interfaces tied to different

functionalities enabled by that hardware, but Apple has not tethered any argument **about representativeness** to these different claim requirements in the claim language of the Navigation Patents.

Accordingly, because Claim 1 of the '317 Patent has not been shown to be representative, Apple's arguments regarding the claim limitations of Claim 1 of the '317 Patent do not apply to any other challenged claim. This means that Apple's arguments regarding Claim 17 of the '317 Patent, Claim 3 of the '999 Patent, and Claims 3 and 13 of the '498 Patent are insufficient to prove invalidity by clear and convincing evidence as a threshold matter. *See CXT Sys.*, 2019 U.S. Dist. LEXIS 51915 at *13-15.

II. *ALICE* STEP-ONE

The challenged claims of the Navigation Patents succeed at *Alice* step-one because they "require a specific, structured graphical user interface paired with a prescribed functionality directly related to the graphical user interface's structure that is addressed to and resolves a specifically identified problem in the prior state of the art." *Data Engine*, 906 F.3d at 1009-10. As detailed in Maxell's Opposition, the challenged claims are directed to improving the navigation abilities of portable terminals, and do so by pairing new recited structures with new features of the claimed user interfaces. Opposition at 7-12 (detailing the pairing between the user interfaces and the claimed structure). As such, the challenged claims are "directed to a specific asserted improvement to the functionality of the [portable terminal] system itself." *Uniloc USA*, 957 F.3d at 1309. This is a patent-eligible improvement to existing devices.

Apple is incorrect when it tries to distinguish the framework for user interfaces established by the Federal Circuit by merely declaring that the Navigation Patents' claimed user interfaces are not "specific." Reply at 2-3. On the contrary, the claim language requires that very specific aspects be included in the recited user interfaces, for example:

- The "display displays said route and displays a direction of movement by the arrow" and "displays said route with a bent line using symbols denoting starting and ending points and displays symbols denoting said present place on said route" ('317 at Cl.17);

- A "full route from said starting point to said destination is shown with a bent line that is distinguished between starting and ending points and said present place is shown with a symbol on said line to supply said route guidance information as said walking navigation information" ('498 Patent at Cl. 10, on which Cl. 13 depends);

- The "direction from said present place to the location of said another portable terminal is displayed with the distance information [and] using the symbols denoting the said present location and said location of another portable terminal" ('999 at Cl. 3).

The claimed user interfaces are therefore not just any user interface—for example, the claims do not recite that a user interface, any user interface, should be used without specifying novel aspects—but rather have specific display requirements relating to distance, route, and orientation, all of which are paired with the improved functionality of the claimed portable terminals. *See* Opposition at 7-12; *Data Engine*, 906 F.3d at 1009-10. Indeed, this is why different hardware combinations are claimed by the challenged claims: different combinations of hardware devices enable different claimed features of the user interfaces. *Id*.

Accordingly, the Navigation Patents are patent eligible at *Alice* step-one according to the Federal Circuit's guidance for when user interfaces are directed to particular applications and not abstract concepts. There is no need to proceed to *Alice* step-two.

III. *ALICE* STEP-TWO

But even if the Court finds that the challenged claims of the Navigation Patents are directed to an abstract concept (which they are not), then it is still inappropriate to find that the challenged claims lack an inventive concept, because Apple has failed to prove that the technological environments which the claims recite were merely well-understood, routine, and conventional. Apple ignores that "an inventive concept can be found in the non-conventional and non-generic arrangement of known, conventional pieces." *BASCOM Global Internet Servs. v.*

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