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 DEFENDANT'S MOTION FOR PARTIAL SUMMARY JUDGMENT OF SUBJECT MATTER INELIGIBILITY UNDER 35 U.S.C. § 101 FOR U.S. PATENT NOS. 6,928,306 AND 6,329,794

Apple's approach to patent eligibility is a formula for invalidating any patent—that which the Supreme Court warned against. First, identify an abstract concept that is in the same technology area as the claimed inventions such as "combining two sound sources." Next, dismiss all context from the claims as mere conventional "general-purpose computer equipment" or "generic devices" while ignoring unconventional claim elements. And lastly, convert factual issues into legal ones by, for example, defining the claimed inventions by the prior art—failing to even address the non-conventionality arguments that allowed the claims to issue in the first place.

Rather than abstracting the claims beyond recognition and dismissing every limitation as merely conventional (an issue for § 103 not § 101), the law requires evaluating the ordered combination of elements, as a whole, to determine whether it implicates "the concern that drives" the abstract idea exception—*i.e.* undue pre-emption. *Alice Corp. Pty. V. CLS Bank Int'l*, 134 S. Ct. 2347, 2354, 189 L.Ed. 2d 296 (2014). "[B]ecause essentially every routinely patent-eligible claim" involves an abstract idea, the question is whether the patent claims the abstract idea itself or only a patentable *application* of that idea. *Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335 (Fed. Cir. 2016).

At bottom, Apple's Reply (Dkt. 464) ("Reply") does not address the language of the individual claims of the '306 and '794 Patents, fails to address the distinctions made by Maxell regarding Apple's alleged analogous precedent, and simply glosses over the evidence showing that the claims recite novel and inventive concepts in an unconventional manner. Accordingly, Apple's Motion should be denied.

I.   The claims of the '306 Patent satisfy both steps of the eligibility inquiry.

Apple argues that the'306 Patent's claims are directed to the abstract idea of "combining sounds from two or more sources." Reply at 1. While the technology area may be characterized

that way at a stratospheric level, the patent claims are clearly not *directed to* that over-generalized idea. At most, they recite an application of that idea to a concrete, technical solution for mobile phones.

The claims do not preempt every way of combining two sound sources. *First,* they are directed specifically to the problem of indiscriminate and disruptive notifications of an incoming call on a mobile device. *Second,* they choose specific sounds sources and sound generation protocol unique to digital audio production (as Apple recognizes: "e.g., FM, PCM, and MIDI", Reply at 2) for generating unique ringing sounds on a mobile device. *E.g.,* '306 Patent at 434-5:18. *Third,* they recite a specific way of generating a ringing sound in a mobile device, based on when the signal comes in, to account for limited memory availability. *Id.* at 6:11-15. *Fourth,* the specification describes concrete examples (on a physical, not abstract, mobile phone) demonstrating how those ringing sounds are generated on a mobile device (e.g., using FM, PCM, and MIDI sound sources ('306 Patent at 4:34-6:34, Figs. 1, 16, 17A-C)) and how they are used to combine the two sources of sound data (e.g., mixing the sounds to producing a ringing melody and announcement of the caller's name, *id.* at 8:48-9:58). In short, the '306 patent does not "monopolize every potential solution to the problem" of combining sounds from two or more sources. *See DDR Holdings,* 773 F.3d at 1259. Nor do the claims patent the "result" of combining sounds rather than a specific way of doing so. The claims recite a way to generate a notification on a mobile device when a call is received using multiple sound sources or sound generation protocol. The claims are clearly directed to "the means or method of producing a certain result" rather than to "the result or effect produced." *See McRO, Inc. v. Bandai Namco Games Am. Inc.,* 837 F.3d 1299, 1314 (Fed. Cir. 2016); *see also Affinity Labs of Texas, LLC v.*

DIRECTV, LLC, 838 F.3d 1253, 1258 (Fed. Cir. 2016) (striking claims "untethered to any specific or concrete way of implementing").

For the foregoing reasons, claims 12 and 15 of the '306 Patent are not directed to an abstract idea. Instead, they are directed to a specific solution to a technical problem, which raises no concerns of undue preemption or of patenting ends rather than means. The eligibility analysis ends there, and Apple's refusal to even address the technological improves noted in Maxell's opposition and in the specification (Reply at 2) underscore this point.

The claims are also patent eligible, however, because they recite an inventive concept. Apple's approach to step 2 of the inquiry is circular—strip the claim of all verbiage and context, characterize them generally as the abstract idea Apple erroneously contends the claims are "directed to," and conclude that the claims recite nothing more than conventional components to accomplished the idea. *See* Reply at 3. Needless to say, that approach is insufficient. Even where "the limitations of the claims, taken individually, recite generic computer, network, and Internet components, none of which is inventive by itself," "an inventive concept can be found in the nonconventional and non-generic arrangement of known, conventional pieces." *Bascom Global Internet Services, Inc. v. AT&T Mobility LLC,* 827 F.3d 1341, 1350 (Fed. Cir. 2016). Here, contrary to Apple's fiction that "Maxell advances nothing more than unsupported attorney arguments" (Reply at 2), expert testimony establishes that the recited combination of elements was "non-conventional and non-generic" at the time of patenting. *See* Maxell's Opp. at 9-11 (citing Dr. Maher's Expert Report throughout). Ultimately, the ordered combination of elements are directed to specific improvements to existing technology, just like the inventive claims in *Bascom.* Further, the claims recite an inventive concept under the "technological arts test" applied in *DDR* because they affect an improvement in the operation of handsets by changing the

way those handsets typically work. *DDR.* 773 F.3d at 1257-58. The '306 Patent's claims thus recite an inventive concept.

II.   The claims of the '794 Patent satisfy both steps of the eligibility inquiry.

Apple's eligibility analysis for the '794 Patent follows the same broken formula. Apple maintains that the claims are directed to "using generic, functional devices to automate what was previously performed by a human." Reply at 4. Once again, Apple has failed to establish how a human could "send a power consumption reduction instruction" to a function device. This is different from manually forgoing use of a particular function and/or turning off a device— concepts which extend well beyond the scope of the claims. Regardless, claims 1 and 14 do not preempt the oversimplified characterization that Apple urges.

As an initial matter, the claims do not preempt every way of stopping lower priority function devices based on battery capacity. Instead, they provide a specific implementation of a solution that addresses the technical problem of powering down a device in a controlled manner, by incorporating a "capacity detector" in the "power supply circuitry" and sending "power consumption reduction instruction[s]" to lower priority components in accordance with specific instructions or metrics. *See e.g.,* '794 Patent at 1:55-62, claim 1 and 14. Accordingly, the claims do not simply recite the idea of stopping lower priority devices based on battery capacity. Instead, they recite using specific metrics by way of a capacity detector and a series of power reduction instructions to improve the functionality of a device itself.

Nor are the claims merely directed to the "result" of selectively stopping lower priority devices. Instead, the claims recite a way of prioritizing functions within a device by assigning priority values, detecting battery capacity, and using these metrics to reduce power consumption by issuing instructions to those components. '794 Patent at Claims 1, 14. This inventive concept is rooted within the power supply circuitry and the "non-conventional and non-generic

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS
Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS
Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS
Sync your system to PACER to automate legal marketing.

fastcase
Smarter legal research.