IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

PERCEPT TECHNOLOGIES, INC., Plaintiff, v. MAGIC LEAP, INC., Defendant.	**C.A. No. 22-25-RGA**

DEFENDANT'S ANSWERING CLAIM CONSTRUCTION BRIEF

OF COUNSEL:

Bryan Wilson
MORRISON & FOERSTER LLP
755 Page Mill Road
Palo Alto, CA 94304
(650) 813-5600
bwilson@mofo.com

Diek O. Van Nort
MORRISON & FOERSTER LLP
425 Market Street
San Francisco, CA 94105
(415) 268-7000
dvannort@mofo.com

YOUNG CONAWAY STARGATT
& TAYLOR, LLP

Anne Shea Gaza (No. 4093)
Samantha G. Wilson (No. 5816)
Rodney Square
1000 North King Street
Wilmington, DE 19801
(302) 571-6600
agaza@ycst.com
swilson@ycst.com

Attorneys for Defendant Magic Leap, Inc.

Dated: December 13, 2022

TABLE OF CONTENTS

Page

I. REPRESENTATIVE CLAIMS 1

II. AGREED-UPON CONSTRUCTIONS 1

III. DISPUTED CONSTRUCTIONS 2

IV. ARGUMENT 3

- A. "dynamic eye tracking mechanism" ('113 Patent) 3
- B. "media focals" ('929 Patent) 3
- C. optical/perceptual parameter based operating system" ('113 Patent) 6
- D. "the eye sensor activating the circuitry responsive to eye motion of a user" ('929 Patent) 10

TABLE OF AUTHORITIES

Page(s)

Cases

Abbott Lab'ys v. Andrx Pharms., Inc.,
452 F.3d 1331 (Fed. Cir. 2006).....4

CCS Fitness, Inc. v. Brunswick Corp.,
288 F.3d 1359 (Fed. Cir. 2002).....8, 11

Ekchian v. Home Depot, Inc.,
104 F.3d 1299 (Fed. Cir. 1997).....8, 11

Helmsderfer v. Bobrick Washroom Equip., Inc.,
527 F.3d 1379 (Fed. Cir. 2008).....6

Johnson Worldwide Assocs. v. Zebco Corp.,
175 F.3d 985 (Fed. Cir. 1999).....6, 9, 11

Medicines Co. v. Mylan Inc.,
No. 11-CV-1285, 2012 WL 3234282 (N.D. Ill. Aug. 6, 2012) 9

N. Telecom Ltd. v. Samsung Elecs. Co.,
215 F.3d 1281 (Fed. Cir. 2000).....11

Ormco Corp. v. Align Tech. Inc.,
498 F.3d 1307 (Fed. Cir. 2007).....11

Phillips v. AWH Corp.,
415 F.3d 1303 (Fed. Cir. 2005) (en banc).....4, 8

Thorner v. Sony Comput. Ent. Am. LLC,
669 F.3d 1362 (Fed. Cir. 2012).....6

Statutes

35 U.S.C. § 103.....11

35 U.S.C. § 112.....1, 3

("Magic Leap" or "Defendant") hereby provides its answering claim construction brief. Defendant's proposed and agreed-upon constructions set forth below are provided without any waiver of or prejudice to its right to argue that any or all claims of the asserted patents are invalid, including under 35 U.S.C. § 112 and including, without limitation, on the basis of any construction proposed by or agreed to by Defendants. For example, and without limitation, Defendant reserves the right to argue that any or all claims of U.S. Patent No. 8,696,113 are invalid under § 112, at least because the parties' agreed-upon construction of "dynamic eye tracking mechanism" (*infra* Section II) invokes means-plus-function treatment under § 112(6), and the specification fails to recite corresponding structure.

I. REPRESENTATIVE CLAIMS

The parties agree that Claim 1 of U.S. Patent No. 8,696,113 (the "'113 Patent") is representative for the terms in dispute of the '113 Patent and that Claim 7 of U.S. Patent No. 9,010,929 (the "'929 Patent") is representative for the terms in dispute of the '929 Patent. *See* Plaintiff's Opening Claim Construction Brief at 1.

II. AGREED-UPON CONSTRUCTIONS

The parties have agreed on the construction of the following terms for the purposes of this proceeding[1]:

[1] Defendant originally proposed a construction for the "lens", "cell phone", and "MP3 player" terms (*see* D.I. 43). The parties now agree that, for the purposes of this proceeding, these terms should be afforded their plain and ordinary meaning.

Claim Term	Agreed Construction
"dynamic eye tracking mechanism" ('113 Patent: claims 1, 12)	mechanism for dynamically tracking the characteristics of the eye, including, for example, ciliary, pupil, corneal, retina, lens, iris, or eye lid measurements, blinks, squints, gaze direction, or eye movement
"a lens" ('929 Patent: claims 7, 10; '113 Patent: claims 1, 12)	plain and ordinary meaning
"cell phone" ('929 Patent: claim 7)	plain and ordinary meaning
"MP3 player" ('929 Patent: claim 7)	plain and ordinary meaning

III. DISPUTED CONSTRUCTIONS

The parties dispute the constructions of the following terms:

Claim Term	Plaintiff's Proposed Construction	Defendant's Proposed Construction
"media focals" ('929 Patent: claim 7)	utilizing the eyewear for its intended purpose and enhancing that use by using imaging techniques to improve the vision of the user	circuitry that uses imaging techniques to improve the vision of the user

Claim Term	Plaintiff's Proposed Construction	Defendant's Proposed Construction
"optical/perceptual parameter based operating system" ('113 Patent: claims 1, 12)	plain and ordinary meaning	operating system, not including a conventional mobile operating system such as Android or iOS, in which optical parameters and perceptual parameters are measured and used as inputs, controls, or feedback elements
"the eye sensor activating the circuitry responsive to eye motion of a user" ('929 Patent: claims 7, 10)	plain and ordinary meaning	the eye sensor making the inactive circuitry become active, in response to eye motion of a user

IV. ARGUMENT

A. "dynamic eye tracking mechanism" ('113 Patent)

Defendant reserves the right to argue that "dynamic eye tracking mechanism" in the asserted claims of the '113 Patent is a means-plus-function limitation under § 112(6), based on the agreed-upon construction of this term (*supra* Section II); and further that the claims are indefinite at least because the specification does not recite corresponding structure.

B. "media focals" ('929 Patent)

The parties agree that the media focals use "imaging techniques to improve the vision of the user," as recited by the specification. *See, e.g.,* '929 Patent, 1:51-53. The parties' proposed constructions differ in whether they recite that the media focals are a physical component ("circuitry," Defendant's construction); or a combination of actions ("utilizing …" and "enhancing …", Plaintiff's proposed construction).

Defendant's proposed construction is the one rooted in the intrinsic evidence, including "the words of the claims themselves". *Abbott Lab'ys v. Andrx Pharms., Inc.*, 452 F.3d 1331, 1336 (Fed. Cir. 2006) (quoting *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996)); *Phillips v. AWH Corp*., 415 F.3d 1303, 1312, 1316-17 (Fed. Cir. 2005) (en banc). The claims recite "eyewear" comprising a "frame member"; and "circuitry within the frame member" that "provides any of a cell phone, ***media focals***, and an MP3 player" (emphasis added). Plaintiff's Opening Claim Construction Brief at 1. By the claim language itself, media focals are a noun, like the neighboring cell phone and MP3 player, that can be provided by the claimed circuitry. Defendant's proposed construction of the media focals as "circuitry" tracks the specification's description of media focals as circuitry. For example, the '929 Patent describes "eyewear" that "could look like see-through glasses." '929 Patent, 2:40-54. The eyewear includes "digital circuitry 106" and "frames 108." *Id*. The specification explains that "through the use of the circuitry 106 within the eyewear," the eyewear "is actually a media focal." '929 Patent, 2:49-51. For example, in a "preferred embodiment," the circuitry 106 is "placed within the frame 108 of the eyewear." '929 Patent, 2:45-47, 3:15-20. The specification gives examples of circuitry 106: eye sensors, capacitive sensors, or "some other type of sensor," such as eye movement sensors or digital cameras. '929 Patent, 3:20-27.

While Plaintiff's proposed construction adapts language from the specification that is used to describe media focals, that language is not consistent with the context in which the term is used in the asserted claims. As the Federal Circuit has noted, "[T]he claims themselves provide substantial guidance as to the meaning of particular claim terms" and "the context in which a term is used in the asserted claim can be highly instructive." *Phillips*, 415 F.3d at 1314. In the context of the asserted claims, media focals—a type of circuitry located within an eyewear

frame member—cannot reasonably be reinterpreted as two verbs ("utilizing" and "enhancing"), as Plaintiff urges. This attempt to rewrite the claim language would create vagueness and confuse the jury, who would be left to wonder whether and how "utilizing … and enhancing" can be "provided" by the claimed circuitry, and whether an accused product meets such circuitry. Plaintiff's proposed construction is grammatically and logically nonsensical in the claim, particularly in view of the neighboring claim language, which recites that the same circuitry that can provide the media focals can provide a cell phone or an MP3 player.

Plaintiff's proposed construction is additionally unworkable because it recites utilizing the claimed eyewear for its "intended purpose." Plaintiff's proposal would introduce vagueness and confusion regarding whether and how the "intended purpose" limitation is met by an accused product. For example, Plaintiff's proposed construction leaves it to the jury to wonder: by whom the purpose is intended (*e.g.*, by a manufacturer, by an end user); when the purpose must be intended (*e.g.*, at the time of manufacture; at the time of sale; at the time of use); and, if there are multiple intended purposes, which of them the eyewear must be "utilized" for. (Plaintiff's proposed construction would further exacerbate the issue by including "enhancing that use," leaving the jury to speculate what "use" must be "enhanced," and how.) Under Plaintiff's proposed construction, it would be impossible for a jury to determine whether, when, and how an accused product infringes the claim. In contrast, Defendant's proposed construction is the one that can be understood and applied by a jury.

Plaintiff's motivation for trying to construe the media focals as abstract functions, rather than as physical components, is obvious from its briefing. Plaintiff admits it intends to convince the jury that the claimed "circuitry within the frame member" of eyewear, such as glasses, can be applied to circuitry that is not within the frame member at all; and is instead located in a separate

unit, such as a belt pack ("Lightpack"). Plaintiff's Opening Claim Construction Brief at 6. Plaintiff suggests that the '929 Patent specification contemplates an embodiment in which portions of media focals circuitry are located outside the frame member. *See* '929 Patent at 3:44-52; Plaintiff's Opening Claim Construction Brief at 7. Perhaps so. But the patentee opted not to include any such embodiment in the asserted claims, which recite only "circuitry within the frame member". *See Helmsderfer v. Bobrick Washroom Equip., Inc.*, 527 F.3d 1379, 1383 (Fed. Cir. 2008) ("The patentee chooses the language and accordingly the scope of his claims."). This claim language corresponds to the specification's description of a different, "preferred," embodiment, in which "the circuitry 106 would be located somewhere in the frame of the glasses." *See* '929 Patent at 3:15-20; Plaintiff's Opening Claim Construction Brief at 7. Defendant's proposed construction is consistent with this preferred embodiment. Plaintiff's proposed construction appears to be an attempt to confuse the jury into overlooking that, according to the claim itself, the media focals are a physical component—circuitry—that has to be located within the frame member. This attempt at misdirection should not be permitted.

C. optical/perceptual parameter based operating system" ('113 Patent)

As Plaintiff recognizes, the presumption that a claim term is afforded its plain and ordinary meaning is overcome "when the patentee disavows the full scope of a claim term either in the specification or during prosecution." *Thorner v. Sony Comput. Ent. Am. LLC*, 669 F.3d 1362, 1365 (Fed. Cir. 2012); *see also Johnson Worldwide Assocs. v. Zebco Corp*., 175 F.3d 985, 990 (Fed. Cir. 1999). Defendant's proposed construction is based verbatim on the patentee's multiple disavowals of iOS and Android operating systems in the specification; and on statements the patentee made to the United States Patent and Trademark Office ("USPTO") during prosecution to overcome prior art operating systems it now seeks to recapture. In contrast, Plaintiff's proposed construction asks a lay jury to apply plain and ordinary meaning to

specific technical concepts, in an admitted attempt to recapture prior art operating systems it previously disavowed.

Defendant's proposed construction is the correct one for at least three reasons. First, Defendant's proposed construction correctly reflects that "optical/perceptual parameter based" in the claims requires both optical parameters *and* perceptual parameters. This limitation was inserted during prosecution of the '113 Patent by the patentee itself. The claims recited an "optical parameter based operating system", and were rejected based on a prior art reference, Bar-Zeev, that disclosed an optical parameter based operating system. *See* '113 File History, Sept. 18, 2013 Office Action. To overcome the rejection, the patentee amended the claims to instead recite an "optical/<u>perceptual</u> parameter based operating system". *See* '113 File History, Oct. 10, 2013 Office Action Response at 7. The patentee argued to the USPTO that the claims should be allowed because Bar-Zeev "does not disclose" this type of operating system. *Id*. The file history further reflects that, in a telephonic interview with the patent examiner, the patentee presented this narrowing amendment to claim 1 "to distinguish over the prior art and to more clearly define what is meant by optical parameters"; the examiner then indicated that "the proposed amendment appeared to overcome the outstanding rejection based on the prior art of record." *See* '113 File History, Applicant-Initiated Interview Summary dated Oct. 10, 2013. This claim amendment, and the accompanying exchange between the patentee and the patent examiner, is conspicuously absent from Plaintiff's briefing.

Defendant's proposed construction, by reciting "optical parameters and perceptual parameters", correctly captures what the patentee represented to the USPTO: that the claims were allowable over Bar-Zeev after being *narrowed* to recite an "optical/<u>perceptual</u> parameter based" operating system. Defendant's proposed construction is also consistent with the

specification, which describes, *e.g.*, "a new operating system incorporating optical parameters *and* perceptual parameters." '113 Patent, 8:12-17 (emphasis added). Plaintiff's newly manufactured theory that "optical/perceptual parameter based" refers broadly to optical *or* perceptual parameters is nonsensical in view of the file history: this proposal would have the Court conclude that the patentee somehow overcame the Bar-Zeev rejection by *broadening* the operating system limitation underlying that rejection. The file history as described above makes clear that the amendment was not a broadening, but a disavowal of the claim scope (*e.g.*, disavowal of an operating system that is optical parameter based but not perceptual parameter based) that Plaintiff now wishes it could recapture. *See Ekchian v. Home Depot, Inc.*, 104 F.3d 1299, 1304 (Fed. Cir. 1997) ("[B]y distinguishing the claimed invention over the prior art, an applicant is indicating what the claims do not cover").

Second, Defendant's proposed construction is correct because it is the one that conveys to the jury what an "optical/perceptual parameter based operating system" actually is, in view of the intrinsic evidence. *See Phillips*, 415 F.3d at 1316-17; Plaintiff's Opening Claim Construction Brief at 10. Plaintiff concludes, based on nothing more than attorney speculation, that the meaning of this term is "readily understandable and does not require elaborate interpretation." Plaintiff's Opening Claim Construction Brief at 10. Not so. Far from being "readily understandable" to jurors, the term relates to operating systems, which are complex and specialized computer software. While many jurors may have used devices with operating systems, such as smartphones, Plaintiff offers no evidence that mere use of such a device makes an operating system "readily understandable" to the user. Further, the term is fraught with ambiguity; for example, absent a construction by the Court, it is impossible to ascertain how the claimed operating system is "based" on the "optical/perceptual parameters." *See CCS Fitness*,

Inc. v. Brunswick Corp., 288 F.3d 1359, 1366-67 (Fed. Cir. 2002) (plain and ordinary meaning improper "if the term 'chosen by the patentee so deprive[s] the claim of clarity' as to require resort to the other intrinsic evidence for a definite meaning" (citing *Johnson Worldwide*, 175 F.3d at 990)). And the specification expressly states that the claimed operating system is unlike "conventional mobile operating system[s] such as Android or IOS" that jurors may be familiar with. '113 Patent, 8:12-17. Defendant's proposed construction will assist the jury by clarifying, based directly on the language of the specification, that the optical and perceptual parameters are "measured and used as inputs, controls, or feedback elements." '113 Patent, 7:1-6. In fact, this is among the exact same language that the patentee chose to present to the USPTO during prosecution, to illustrate the claimed "optical/perceptual parameters." *See* '113 File History, Oct. 10, 2013 Office Action Response at 8.

Third, Defendant's proposed construction will avoid confusing jurors with respect to conventional operating systems. Defendant's proposed construction avoids confusion by clarifying, based on language taken verbatim from the specification, that the claimed operating system does not include "a conventional mobile operating system such as Android or iOS." '113 Patent, 8:12-17. While negative claim limitations such as this are generally disfavored in claim construction, they are "permissible when [] justified by clear disavowal or disclaimer." *Medicines Co. v. Mylan Inc.*, No. 11-CV-1285, 2012 WL 3234282, at *15 (N.D. Ill. Aug. 6, 2012). Here, clear disavowal is repeatedly found in the specification, which emphasizes in multiple places what the claimed operating system is *not*: for example, the specification states, in describing a device architecture, that the architecture "can be utilized with a conventional mobile operating system such as Android or IOS *or* with a new operating system incorporating optical parameters and perceptual parameters". '113 Patent, 8:12-17 (emphasis added). The

specification continues, explaining that a system simulator can be used to test apps or lenses "with various types of operating systems including iOS, Andr[oi]d, *and* general purpose or optimized optical/perceptual operating systems." '113 Patent, 13:21-25 (emphasis added). The purpose of this language is clear: to separate "conventional" operating systems such as Android and iOS, which were in the prior art, from the purportedly "new" optical/perceptual based operating system. As discussed above, during prosecution of the '113 patent, the patentee relied on this allegedly novel operating system to overcome prior art rejections and ultimately obtain allowance. *See, e.g.,* '113 File History, Oct. 10, 2013 Office Action Response.

Defendant's proposed construction clarifies for the jury the distinction between the claimed operating system, and other operating systems, such as Android, that jurors might be familiar with. This construction is necessary because Plaintiff has already indicated its intention to blur that distinction, to its advantage. For example, Plaintiff apparently intends to argue that the claimed operating system is met by operating systems based on Android. Plaintiff's Opening Claim Construction Brief at 10-11. The Court should adopt Defendant's proposed construction to clarify the issues for the jury.

D. "the eye sensor activating the circuitry responsive to eye motion of a user" ('929 Patent)

Defendant's proposed construction of this term is the one that will limit jury confusion with respect to "activating." If Plaintiff's proposed construction of plain and ordinary meaning is adopted, the jury will be left to wonder whether the claimed eye sensor can be "activating" circuitry if that circuitry has already been activated.[2] Thus the plain and ordinary meaning would

[2] The dictionary definitions for "activate" cited in Plaintiff's Opening Claim Construction Brief only highlight the ambiguity that the jury would have to resolve. For example, a definition from Dictionary.com, cited by Plaintiff, defines "activate" as "to make active; <u>cause to function or</u>

render the claim unclear, such that the plain and ordinary meaning no longer controls. *N. Telecom Ltd. v. Samsung Elecs. Co.*, 215 F.3d 1281 (Fed. Cir. 2000) (citing *Johnson Worldwide*, 175 F.3d at 990-91). Further, plain and ordinary meaning is inappropriate when the intrinsic evidence shows that "the patentee distinguished that term from prior art on the basis of a particular embodiment" or "expressly disclaimed subject matter." *CCS Fitness*, 288 F.3d at 1366-67; *see also Ekchian*, 104 F.3d at 1304. The patentee did just that in an ancestor application in the same patent family, Appl. No. 11/245,756 (the "'756 application"). The '929 patent claims priority to the '756 application; the patent applicant's statements to the USPTO during prosecution of the familial '756 application are thus "relevant" evidence in the claim construction of the '929 Patent. *Ormco Corp. v. Align Tech. Inc.*, 498 F.3d 1307, 1314 (Fed. Cir. 2007).

In the '756 application, the '929 patentee prosecuted claims that featured an analogous limitation: "the eye sensor for activating the circuitry responsive to a movement of an eye of the user." In response to an Office Action that rejected the claims under 35 U.S.C. § 103, the patentee argued to the USPTO that a prior art eye positioning system (Anderson) could not meet this limitation because the prior art "<u>is not</u> for 'activating the circuitry responsive to a movement of an eye of the user'". '756 File History, Oct. 25, 2007 Office Action Response at 9 (emphasis in original). In its Office Action response, the patentee explained its distinction between the claims and the prior art: "in order for the [prior art] eye-positioning system 150 to function, the circuitry must be presently activated prior to use. <u>As such, the circuitry must already be activated before the eye-sensing device '156' detects eye movement and before the feedback</u>

<u>act</u>" (emphasis Plaintiff's). But rather than resolving the meaning of "activating" in the claims, the definition presents the same ambiguity: whether causing a component to function or act requires that the component is not already functioning or acting.

device '158' instructs the fluid dispensers 14, 16 to administer fluid to the user's eye." *Id.* at 8-9 (emphasis in original).

Plaintiff now speculates as to the "main thrust" of the patentee's arguments to the USPTO, and to what the patentee may have been "referring to" in distinguishing the prior art. Plaintiff's Opening Claim Construction Brief at 13. But the patentee's words in its Office Action response speak for themselves. The patentee "describe[d] with particularity" for the examiner—underlining for emphasis—that the prior art could not "activate the circuitry responsive to a movement of an eye," as recited in the claims, because the circuitry has "already be[en] activated" before the device detects the eye movement. *Id.* at 8-9 (emphasis in original). The patentee's own distinction is precisely what Defendant's proposed construction will clarify for the jury. Plaintiff's proposed construction of plain and ordinary meaning would only leave the jury to wonder whether or not the claimed eye sensor can "activate" circuitry that has already been activated. The Court should construe this term according to Defendant's proposed construction, which clarifies to the jury that the patent applicant has already answered that question in the negative, in its own representations to the USPTO.

OF COUNSEL:

Bryan Wilson
MORRISON & FOERSTER LLP
755 Page Mill Road
Palo Alto, CA 94304
(650) 813-5600
bwilson@mofo.com

Diek O. Van Nort
MORRISON & FOERSTER LLP
425 Market Street
San Francisco, CA 94105
(415) 268-7000
dvannort@mofo.com

Dated: December 13, 2022

YOUNG CONAWAY STARGATT
& TAYLOR, LLP

/s/ Samantha G. Wilson
Anne Shea Gaza (No. 4093)
Samantha G. Wilson (No. 5816)
Rodney Square
1000 North King Street
Wilmington, DE 19801
(302) 571-6600
agaza@ycst.com
swilson@ycst.com

Attorneys for Defendant Magic Leap, Inc.

29957216.1

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on December 13, 2022, a copy of the foregoing document was served on the persons listed below in the manner indicated:

BY EMAIL

Tracy L. Pearson
Rolando Diaz
DUNLAP BENNETT & LUDWIG PLLC
1509 Gilpin Avenue, Ste. 2
Wilmington, DE 19806
tpearson@dbllawyers.com
rdiaz@dbllawyers.com

William W. Flachsbart
Robert Greenspoon
Mark Magas
DUNLAP BENNETT & LUDWIG PLLC
333 N. Michigan Ave., Suite 2700
Chicago, IL 60601
wflachsbart@dbllawyers.com
rgreenspoon@dbllawyers.com
mmagas@dbllawyers.com

YOUNG CONAWAY STARGATT
& TAYLOR, LLP

/s/ Samantha G. Wilson
Anne Shea Gaza (No. 4093)
Samantha G. Wilson (No. 5816)
Rodney Square
1000 North King Street
Wilmington, DE 19801
(302) 571-6600
agaza@ycst.com
swilson@ycst.com

Attorneys for Defendant Magic Leap, Inc.