

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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NINTENDO CO., LTD. and  
NINTENDO OF AMERICA INC.,  
Petitioners,

v.

GAMEVICE, INC.,  
Patent Owner.

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Case IPR2023-00643  
U.S. Patent No. 10,391,393

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**PATENT OWNER'S PRELIMINARY RESPONSE**

**Table of Contents**

|      |                                                                                                                                  |    |
|------|----------------------------------------------------------------------------------------------------------------------------------|----|
| I.   | PRELIMINARY STATEMENT .....                                                                                                      | 1  |
| II.  | THE BOARD SHOULD DENY INSTITUTION UNDER<br><i>GENERAL PLASTIC</i> (35 U.S.C. § 314(a)) .....                                     | 3  |
| III. | THE BOARD SHOULD DENY INSTITUTION UNDER<br><i>ADVANCED BIONICS</i> (35 U.S.C. § 325(d)) .....                                    | 8  |
|      | A. Gamevice Previously Presented to the Office the Same Art that<br>Nintendo’s Petition Raises .....                             | 9  |
|      | B. Nintendo Fails to Demonstrate Any Material Error in the<br>Office’s Consideration of the Previously Presented Art.....        | 11 |
| IV.  | THE BOARD SHOULD DENY INSTITUTION UNDER<br><i>FINTIV</i> (35 U.S.C. § 314(a)) .....                                              | 17 |
|      | A. Factor 1: The parties’ ongoing district court litigation favors<br>denial of institution.....                                 | 18 |
|      | B. Factor 2: The jury trial date favors denial of institution .....                                                              | 20 |
|      | C. Factor 3: The significant investment by the court and the parties<br>in parallel litigation favors denial of institution..... | 20 |
|      | D. Factor 4: The overlap in issues raised in the Petition and district<br>court favors denial of institution .....               | 22 |
|      | E. Factor 5: The identity of the parties favors denial of institution.....                                                       | 24 |
|      | F. Factor 6: Other factors favor denial of institution.....                                                                      | 24 |
| V.   | CONCLUSION.....                                                                                                                  | 27 |

## I. PRELIMINARY STATEMENT

Gamevice respectfully requests that the Board exercise its discretion to deny institution under 35 U.S.C. §§ 314(a), 325(d), to avoid needlessly expending the Board's and parties' resources on this proceeding. This Petition is Nintendo's second against the '393 Patent, which it waited until the very last day under 35 U.S.C. § 315(b) to file. Nintendo filed its first petition *more than three years ago* against the same claims 1–7 *based on identical prior art references* and substantially similar grounds. The Board denied institution of Nintendo's first petition after addressing its merits in the analysis of *Fintiv* factor 6. As explained below, Nintendo does not have an adequate explanation for the nearly three years' gap between the filing of its first petition and this Petition—Nintendo has apparently taken its time to use Gamevice's and the Board's criticisms of its first petition as a roadmap to modify the grounds presented in this Petition. Nintendo has needlessly caused the Board to expend its resources evaluating not only Nintendo's first petition on the merits before denying institution, but also Nintendo's IPR petitions against a different patent in the same patent family—U.S. Patent No. 9,126,119—even though Gamevice did not maintain the '119 Patent in litigation against Nintendo.

Further, as explained below, all five of Nintendo's applied references are ones that the Examiner considered and rejected before allowing the '393 Patent.

Nintendo fails to demonstrate any material error in the Examiner's consideration.

Nintendo's argument that Gamevice misled the Examiner by failing to disclose Nintendo's IPR petitions against the '119 Patent is wrong because the Examiner identified as reasons for allowance limitations in the '393 Patent's claims that are not present in the '119 Patent's claims.

Lastly, five of the seven challenged claims of the '393 Patent have already been ruled invalid in co-pending district court litigation. Of the remaining two claims, claims 5 and 6, Gamevice is not asserting claim 5 against Nintendo in the litigation, so determining its patentability here will not aid in resolving the parties' underlying dispute. With respect to claim 6, the parties have spent years developing the co-pending litigation's evidentiary record that will be put to the jury. Even under the slower schedule to trial that Nintendo has proposed to the district court, the jury will render its invalidity verdict months before any final written decision here—a consequence of Nintendo's choice to wait until the very last day to file the Petition. Moreover, Nintendo's attempted *Sotera* stipulation includes an apparent typographical error, and as written fails to confirm that it will not pursue before the jury the same grounds as in the Petition or any grounds that could have reasonably been raised in the Petition. *See Pet.*, at 85.

In sum, duplicating effort in this proceeding over the initial examination of the '393 Patent, Nintendo's first petition before the Board, and the co-pending

district court litigation to determine the patentability of only one claim of any importance is an abject waste of the Board's and parties' resources. The Board should use its discretion to deny institution.

**II. THE BOARD SHOULD DENY INSTITUTION UNDER *GENERAL PLASTIC* (35 U.S.C. § 314(a))**

The Board should deny institution under 35 U.S.C. § 314(a) based on the Board's precedential *General Plastic* decision. According to *General Plastic*, the Board considers seven factors when deciding whether to exercise its discretion to deny institution of a follow-on petition after the Board's denial of one or more first-filed petitions on the same patent:

1. whether the same petitioner previously filed a petition directed to the same claims of the same patent;
2. whether at the time of filing of the first petition the petitioner knew of the prior art asserted in the second petition or should have known of it;
3. whether at the time of filing of the second petition the petitioner already received the patent owner's preliminary response to the first petition or received the Board's decision on whether to institute review in the first petition;
4. the length of time that elapsed between the time the petitioner learned of the prior art asserted in the second petition and the filing of the second petition;

5. whether the petitioner provides adequate explanation for the time elapsed between the filings of multiple petitions directed to the same claims of the same patent;
6. the finite resources of the Board; and
7. the requirement under 35 U.S.C. § 316(a)(11) to issue a final determination not later than 1 year after the date on which the Director notices institution of review.

*General Plastic Industrial Co., Ltd. v. Canon Kabushiki Kaisha*, IPR2016-01357, Paper 19, at 15-16 (Sept. 6, 2017) (§ II.B.4.i). As discussed below, all seven factors favor denial of institution here.

With respect to factor 1, Nintendo Co., Ltd. and Nintendo of America Inc. previously filed a petition in IPR2020-01197 directed to the same claims 1-7 of the '393 Patent as they challenge in this Petition. *See Nintendo Co., Ltd. v. Gamevice, Inc.*, IPR2020-01197, Paper No. 3, at 5 (June 26, 2020). Contrary to Nintendo's position, *see Pet.*, at 83, the parties and the Board substantively addressed the merits of Nintendo's petition in the first proceeding, which Nintendo has used as a roadmap to modify its current Petition.

For example, in its patent owner preliminary response, Gamevice explained how Nintendo's grounds lacked merit under its analysis of *Fintiv* factor 6. *See Nintendo*, IPR2020-01197, Paper No. 7, at 11-16. Gamevice provided six different criticisms of Nintendo's proffered grounds and positions—(1) the Office had

already considered the art that Nintendo cited in its petition, (2) the '393 Patent is not merely a hash of the '119 Patent, (3) the prior '119 IPRs are not relevant to the '393 Patent and collateral estoppel does not apply because not only are the patents and claims different, the specific grounds are also different, (4) Nintendo applied the wrong claim construction standard, (5) Nintendo adopted inconsistent claim construction positions for “confinement structures” between the first petition and then-pending ITC litigation, and (6) Nintendo failed to inform the Board or apply other claim construction positions from the then-pending ITC litigation. *See id.*

Similarly, the Board addressed the merits of Nintendo’s petition in its decision denying institution. *See Nintendo*, IPR2020-01197, Paper No. 13, at 19-21. For example, the Board pointed out that although “the '393 patent’s claims share some of the same claim limitations addressed by the Board previously in the '119 patent’s IPRs,” “there are quite a few differences between the ['393 and '119] patents.” *Id.*, at 20-21. The Board identified some claim limitations of the '393 Patent that would not implicate issue preclusion or collateral estoppel over the '119 IPRs. *See id.*, at 21.

For these reasons, Nintendo’s cited Director Decision, *Code200, UAB v. Bright Data Ltd.*, IPR2022-00861, Paper 18 at 6 (PTAB Aug. 23, 2022), is inapposite. Instead, here, Nintendo has apparently used Gamevice’s and the Board’s criticisms of its first petition as a roadmap to modify the grounds

presented in this Petition. Although the grounds presented here apply the same references as Nintendo's first petition, the grounds and arguments are not identical to those presented in Nintendo's first petition, *e.g.*, *compare* Pet., at 8 *with Nintendo*, IPR2020-01197, Paper No. 3, at 5, raising concerns of abuse of the IPR process through repeated attack of Gamevice's '393 Patent, *see General Plastic*, IPR2016-01357, Paper 19, at 17-18. Thus, contrary to Nintendo's position, the first factor here favors denial of institution.

With respect to factor 2, Nintendo's Petition here applies the same prior art as its first petition. *See id.* Thus, at the time of filing of the first petition Nintendo knew of the prior art asserted in this Petition. This factor strongly favors denial of institution.

With respect to factor 3, the Board denied institution of Nintendo's first petition on January 12, 2021, *see Nintendo*, IPR2020-01197, Paper No. 13, and denied Nintendo's rehearing request on March 31, 2022, *see Nintendo*, IPR2020-01197, Paper No. 17. In other words, a full year passed after the Board denied rehearing on Nintendo's first petition before Nintendo filed this Petition. This factor again strongly favors denial of institution.

With respect to factor 4, Nintendo's first petition filed on June 26, 2020, relied on the identical references as this Petition filed on March 6, 2023. *See Nintendo*, IPR2020-01197, Paper No. 3, at 5. In other words, Nintendo learned of

the prior art asserted in this Petition at least about *three years* before it filed the Petition. This factor again strongly favors denial of institution.

With respect to factor 5, Nintendo's explanation for the three years' gap between the filing of its first petition and this Petition is not only inadequate but also disingenuous. Nintendo argues that it delayed the filing of its Petition to the very last day under § 315(b) to allow the district court to resolve its pending motions for summary judgment in its favor, and further, to allow the district court to rule on Nintendo's challenge that claim 12 of the '393 Patent is indefinite. *See* Pet., at 84. This rationale does not explain a three-year delay. Moreover, Nintendo's logic is flawed. If conserving the Board's resources were truly Nintendo's motive, Nintendo could conserve them even more by allowing the district court to decide the remaining issues related to the '393 Patent, given that it already forced the district court to expend resources evaluating the merits of the '393 Patent. The reality is: Nintendo couldn't care less about conserving the Board's or the district court's resources—its filing strategy reflects its intent to learn from Gamevice's positions, the Board's rulings, and the district court's rulings, and map out its optimal strategy across the different forums to invalidate the claims of the '393 Patent. Nintendo's actions give rise to precisely the sort of “roadmap” concern underpinning the *General Plastic* factors. *See General Plastic*, IPR2016-01357, Paper 19, at 17.

With respect to factors 6 and 7, as discussed above, the Board has previously expended its resources evaluating not only Nintendo's first petition on the merits before denying institution, but also the '119 IPRs even though Gamevice did not maintain the '119 Patent in litigation against Nintendo. Contrary to Nintendo's position, *see* Pet., at 85, although the Board in denying the first petition stated that "there appears to be some strength to the merits of Petitioner's challenges," it stopped short of finding Nintendo's first petition as reasonably likely to lead to unpatentability of any claim of the '393 Patent, *see Nintendo*, IPR2020-01197, Paper No. 13, at 19-21, much less describe it as presenting compelling evidence of unpatentability, *cf.* USPTO Memorandum, Interim Procedure for Discretionary Denials in AIA Post- Grant Proceedings with Parallel District Court Litigation ("Guidance Memo") (June 21, 2022). These factors also favor denial of institution.

In sum, the Board should exercise its discretion under 35 U.S.C. § 314(a) to deny institution of this Petition based on the Board's *General Plastic* decision.

### **III. THE BOARD SHOULD DENY INSTITUTION UNDER *ADVANCED BIONICS* (35 U.S.C. § 325(d))**

The Board should deny institution under 35 U.S.C. §325(d) at least because Nintendo (1) presents the same art previously considered by the Office but (2) fails to demonstrate that the Office erred in a manner material to the patentability of the challenged claims. *See Advanced Bionics, LLC v. MED-EL Elektromedizinische*

*Geräte GmbH*, IPR2019-01469, Paper 6, at 8-9 (PTAB Feb. 13, 2020); *Becton, Dickinson & Co. v. B. Braun Melsungen AG*, IPR2017-01586, Paper 8 (PTAB Dec. 15, 2017) (“*Becton Dickinson*”).

**A. Gamevice Previously Presented to the Office the Same Art that Nintendo’s Petition Raises**

Nintendo does not dispute that part (1) of the Board’s two-part framework under *Advanced Bionics* is satisfied. *See* Pet., at 80-82 (conceding that “Gamevice identified the art . . . to the Examiner,” and failing to present any analysis under *Becton Dickinson* factors (a), (b), or (d)). Indeed, during examination of the application for the ’393 Patent, Gamevice presented, and the Office considered, *all five references* that Nintendo applies in its four asserted grounds. *See* Pet., at 8. The Examiner submitted a “list of references cited by the Applicant and considered by the Examiner,” in which the Examiner acknowledged the Applicant’s information disclosure statement (“IDS”) and indicated that he had considered, *inter alia*, all five references cited therein. *See* Ex. 1009, at 92 (Cite No. 28 (Schoenith, Ex. 1005)), 96 (Cite No. 36 (Willner, Ex. 1003); Cite No. 41 (Hirschman, Ex. 1007)), 97 (Cite No. 1 (Park, Ex. 1004)), 98 (Cite No. 5 (Kessler, Ex. 1006)). In a first Office Action, the Examiner confirmed that he had considered the Applicant’s IDS listing the five references:

***Information Disclosure Statement***

2. The information disclosure statement (IDS) submitted on 12/21/18 was acknowledged. The submission is in compliance with the provisions of 37 C.F.R. 1.97. Accordingly, the information disclosure statement is being considered by the examiner.

Ex. 1009, at 75; *see id.* at 74 (checking box for attachment 2, information disclosure statement filed on December 21, 2018).

In addition, the Examiner later entered into the record a Notice of References Cited, in which the Examiner based on his own searching identified Schoenith's prior patent application publication. *See* Ex. 1009, at 31; Ex. 1005, at 1 (“(65) Prior Publication Data”).

Under *Becton Dickinson* factor (a), Nintendo's asserted art and the prior art involved during examination are not merely similar; they are ***identical***, i.e., there are ***no material differences***. Similarly, under *Becton Dickinson* factor (b), Nintendo's asserted art and the prior art involved during examination are not merely cumulative of each other; they are ***identical***. Finally, because Gamevice's position is not based on “the same or substantially the same . . . arguments previously [being] presented to the Office,” but rather that the ***identical art*** was

previously presented to the Office, *Becton Dickinson* factor (d) is irrelevant to the analysis. See *Becton Dickinson*, IPR2017-01586, Paper 8, at 17-18, 23-24.

**B. Nintendo Fails to Demonstrate Any Material Error in the Office’s Consideration of the Previously Presented Art**

“If, after review of factors (a), (b), and (d), it is determined that the same or substantially the same art or arguments previously were presented to the Office, then [*Becton Dickinson*] factors (c), (e), and (f) relate to whether the petitioner has demonstrated a material error by the Office.” *Advanced Bionics*, IPR2019-01469, Paper No. 6, at 10. *Becton Dickinson* describes these factors as follows—“(c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection”; “(e) whether petitioner has pointed out sufficiently how the examiner erred in its evaluation of the asserted prior art;” and “(f) the extent to which additional evidence and facts presented in the petition warrant reconsideration of the prior art or arguments.” *Becton, Dickson*, Paper 8 at 17–18 (§ III.C.5, first paragraph).

With respect to *Becton Dickinson* factor (c), the ’393 Patent’s examination record shows that the Examiner evaluated Nintendo’s applied references but (correctly) made the decision that they were not material to the ’393 Patent’s challenged claims’ patentability. The Examiner expressly stated in the first Office Action that “the information disclosure statement [citing Nintendo’s five

references] is being considered by the examiner.” Ex. 1009, at 75; *see* Ex. 1009, at 92, 96-98. But rather than rely solely on the Applicant’s information disclosure statement, the Examiner also conducted two independent prior art searches and entered two Notices of References Cited. *See* Ex. 1009, at 31, 81. For example, on the same day as the list of references cited by the Applicant and considered by the Examiner, *see* Ex. 1009, at 90-99, he also entered a first Notice of References Cited in which he identified six other references based on his own prior art searching, *see* Ex. 1009, at 81. The Examiner’s action shows that he gave due consideration to all references made of record in the examination of the application leading to the ’393 Patent.

Moreover, contrary to Nintendo’s assertion that the Examiner did not consider Nintendo’s applied references, *see* Pet., at 80, the Examiner *independently uncovered* Schoenith’s prior patent application publication during his second prior art search:

|                                   |   |                                                  |                 |                                                              |                    |                   |
|-----------------------------------|---|--------------------------------------------------|-----------------|--------------------------------------------------------------|--------------------|-------------------|
| <i>Notice of References Cited</i> |   | Application/Control No.<br>16/230,186            |                 | Applicant(s)/Patent Under<br>Reexamination<br>Townley et al. |                    |                   |
|                                   |   | Examiner<br>JASON T YEN                          |                 | Art Unit<br>3715                                             | Page 1 of 1        |                   |
| U.S. PATENT DOCUMENTS             |   |                                                  |                 |                                                              |                    |                   |
| *                                 |   | Document Number<br>Country Code-Number-Kind Code | Date<br>MM-YYYY | Name                                                         | CPC Classification | US Classification |
| *                                 | A | US-20160147359-A1                                | 05-2016         | Helmes; John Franciscus Marie                                | G06F3/0416         | 345/173           |
| *                                 | B | US-20150018101-A1                                | 01-2015         | Schoenith; John M.                                           | A63F13/98          | 463/37            |

Ex. 1009, at 31; *see* Ex. 1005, at 1 (“(65) Prior Publication Data”). This fact is important—it shows that, far from being misled by Gamevice on the references’

significance as Nintendo contends, *see* Pet., at 80-82, the Examiner performed an independent evaluation of at least Schoenith and determined for himself that Schoenith is not material to the challenged claims' patentability. The Examiner also explained why he made this determination in his accompanying Notice of Allowability, including in it an Examiner's statement of reasons for allowance. *See* Ex. 1009, at 24-30. There, the Examiner identified the specific claim limitations of independent claim 1 that "are not anticipated or made obvious over *the prior art of record* in the Examiner's opinion":

"a rigid structural bridge disposed between and secured to the pair of confinement structures, the rigid structural bridge comprising a passageway between the pair of confinement structures, *the passageway promotes electrical communication between the communication link of a first confinement structure of the pair of confinement structures and the computing device, the passageway further promotes electrical communication between the communication link of a second confinement structure of the pair of confinement structures and the computing device;*" and

"a pair of electronic game control modules, each electronic game control module of the pair of electronic game control modules is secured to and interacts with a corresponding confinement structure of the pair of confinement

structures, *each electronic game control module in electronic communication with the communication link of its corresponding confinement structure*, wherein each electronic game control module is a separate and distinct structure from each of their corresponding confinement structures, forming no structural portion of their corresponding confinement structures, and in which *each of the pair of confinement structures are separate and distinct structures from the structural bridge, forming no structural portion of the structural bridge.*”

*Id.*, at 2-4 (emphasis added).

With respect to *Becton Dickinson* factors (e) and (f), Nintendo fails to point out *specifically how* the Examiner erred in his evaluation of Nintendo’s asserted references. *See Advanced Bionics*, IPR2019-01469, Paper No. 6, at 21 (“Petitioner must demonstrate that the Examiner erred in the evaluation of the prior art, for example, by showing that the Examiner misapprehended or overlooked specific teachings in the relevant prior art such that the error by the Office was material to the patentability of the challenged claims.”); *see id.*, at 8-9 n.9. Instead, Nintendo generally argues that Gamevice misled the Examiner by failing to disclose Nintendo’s IPR petitions against a different patent—the ’119 Patent—to the Office during examination of the application for the ’393 Patent. *See Pet.*, at 80-82.

Nintendo further argues that issue preclusion forecloses many of the issues related

to the patentability of the '393 Patent's claims because of the Board's prior findings in the '119 IPRs. *See, e.g., Pet.*, at 19-20, 41.

Contrary to Nintendo's position, Gamevice was not required to submit Nintendo's '119 IPR petitions to the Office, nor did Gamevice's failure to do so mislead the Examiner in any way. *See Pet.*, at 80-82. The '119 Patent's claims do not include several of the limitations of the '393 Patent's challenged claims that the Examiner identified as reasons for allowance over the prior art of record, including for example the claim limitations emphasized above. *Compare* Ex. 1012 ('119 Patent), at claim 1 *with* Ex. 1001 ('393 Patent), at claim 1; *see* Ex. 1009, at 25-29. Naturally, Nintendo's '119 IPR petitions do not address the claim limitations appearing only in the '393 Patent that the Examiner expressly opined patentably distinguished the '393 Patent's claims from the prior art of record. *See* Ex. 1009, at 25-27.

For example, in contrast to independent claim 1 of the '393 Patent, which recites that “[a] *passageway promotes electrical communication between the communication link of a first confinement structure of the pair of confinement structures and the computing device, the passageway further promotes electrical communication between the communication link of a second confinement structure of the pair of confinement structures and the computing device,*” claim 1 of the '119 Patent merely recites “a conduit between the pair of control modules”

without any of the additional limitations recited in claim 1 of the '393 Patent.

Similarly, in contrast to independent claim 1 of the '393 Patent, which recites that ***“each electronic game control module [is] in electronic communication with the communication link of its corresponding confinement structure,”*** the claims of the '119 Patent do not even contemplate that its “confinement structures” have their own corresponding “communication links.” Instead, claim 1 of the '119 Patent only recites a single “communication link” provided by a “communication port,” a claim term that does not appear in the '393 Patent’s claims. As another example, independent claim 1 of the '393 Patent recites that ***“each of the pair of confinement structures are separate and distinct structures from the structural bridge, forming no structural portion of the structural bridge.”*** This limitation is entirely missing from the '119 Patent’s claims.

In its analysis under § 325(d), Nintendo fails to even address these claim limitations, much less show that the Examiner misapprehended or overlooked specific teachings in the relevant prior art such that the error by the Office was material to these claim limitations. To satisfy its burden under *Becton Dickinson* factor (e), it is not sufficient for Nintendo to merely point to its proposed Grounds’ mapping of claim limitations to applied references. *See Advanced Bionics*, IPR2019-01469, Paper No. 6, at 9 (“If reasonable minds can disagree regarding the purported treatment of the art or arguments, it cannot be said that the Office erred

in a manner material to patentability. At bottom, this framework reflects a commitment to defer to previous Office evaluations of the evidence of record unless material error is shown.”). Moreover, with respect to these claim limitations, Nintendo is incorrect to rely on supposed issue preclusion to demonstrate material error, *see, e.g.*, Pet., at 30-31, 33-37 (Ground 1), because, as explained above, these claim limitations of the ’393 Patent do not appear anywhere in the ’119 Patent’s claims.

In sum, the Board should exercise its discretion under 35 U.S.C. § 325(d) to deny institution of this Petition based on the Board’s *Advanced Bionics* decision.

#### **IV. THE BOARD SHOULD DENY INSTITUTION UNDER *FINTIV* (35 U.S.C. § 314(a))**

The Board should deny institution under 35 U.S.C. § 314(a) based on the six factors identified in the Board’s precedential *Fintiv* decision. According to *Fintiv*, “[w]hen the patent owner raises an argument for discretionary denial under *NHK* due to an earlier trial date, the Board’s decisions have balanced [six] factors,” including:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;

4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board's exercise of discretion, including the merits.

*Fintiv*, IPR2020-00019, Paper 11, at 5-6. As discussed below, all six *Fintiv* factors favor denial of institution here.

**A. Factor 1: The parties' ongoing district court litigation favors denial of institution**

Under the first *Fintiv* factor, the Board may consider whether a stay exists or is likely to be granted if a proceeding is instituted. *Id.* Here, due to Nintendo's deliberate choice to delay filing the Petition, there is no reasonable possibility of a stay of the district court litigation in favor of this proceeding. To date, Nintendo has not requested the district court to stay the litigation. Nintendo has informed the district court that it will seek to stay the district court litigation if this proceeding is instituted, but by then the trial will be even closer, the parties will be well into the expert report stage, and a stay would be even more unlikely.

Further, the district court has invested significant resources on the merits of the litigation and thus is unlikely to stay the litigation. After the parties engaged in claim construction proceedings, including claim construction discovery, briefing,

and a *Markman* hearing, the district court issued its claim construction order in January 2023. *See* Ex. 1028. In addition, the court has ruled on Nintendo's motion for summary judgment of invalidity and Gamevice's related motion for reconsideration. *See* Ex. 2001. After those rulings, in addition to claim 6 of the '393 Patent, Gamevice continues to assert in the litigation five claims from a different patent—U.S. Patent Nos. 9,808,713—that Nintendo is time-barred from challenging through IPR. The district court is unlikely to stay litigation of that patent in view of this proceeding. Also, Gamevice's motion for summary judgment of infringement of claim 6 of the '393 Patent and four claims of the '713 Patent is already pending. *See* Ex. 2002. Briefing on Gamevice's motion is scheduled to be completed by August 28, 2023, and a hearing is set for September 21, 2023. Thus, the district court will have at least evaluated if not ruled on Gamevice's motion before the Board's institution decision (*i.e.*, before November 10, 2023). Moreover, under the parties' competing schedules for the litigation, by the time of the Board's institution decision the parties will have completed fact discovery, with jury trial only about 5–8 months away. *See* Ex. 2003, at 2-4.

Under these circumstances, the district court is unlikely to stay the litigation because one remaining asserted claim of the '393 Patent is subject to an IPR proceeding. Instituting the Petition here will thus only result in unnecessary

inefficiency and duplication of efforts. Thus, the first *Fintiv* factor favors denial of institution. *See NHK Spring*, IPR2018-00752, Paper 8, at 19-20.

**B. Factor 2: The jury trial date favors denial of institution**

Under the second *Fintiv* factor, “[i]f the court’s trial date is earlier than the projected statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under *NHK*.” IPR2020-00019, Paper 11, at 9. Here, the parties have proposed competing case schedules, with jury trial scheduled for April 22, 2024, under Gamevice’s proposal and July 8, 2024, under Nintendo’s proposal. *See Ex. 2003*, at 4. Accordingly, the trial would occur 4–7 months before any final written decision would be due (*i.e.*, November 10, 2024), which weighs against institution. *See NHK Spring*, IPR2018-00752, Paper 8, at 20 (denying institution where trial was set to begin six months before the final written decision due date). Thus, the second *Fintiv* factor strongly favors denial of institution.

**C. Factor 3: The significant investment by the court and the parties in parallel litigation favors denial of institution**

The third *Fintiv* factor “is related to the trial date factor, in that more work completed by the parties and court in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced, a stay may be less likely, and instituting would lead to duplicative costs.” IPR2020-00019, Paper 11, at 9-10.

“Specifically, if, at the time of the institution decision, the [ ] court has issued substantive orders related to the patent at issue in the petition, this fact favors denial.” *Id.* Similarly, this factor favors denying institution when substantive milestones have passed. *See Intel Corp. v. VLSI Tech. LLC*, IPR2020-00106, Paper 17, at 9 (P.T.A.B. May 5, 2020) (denying institution where final infringement and invalidity contentions had been served, and close of fact and expert discovery were approaching within the next two months).

Here, the resources expended by the court and the parties in relation to the district court litigation favor denial of institution. As explained above with respect to factor 1, by the time of the Board’s institution decision the court and the parties will have already invested significant resources in the district court litigation, including at least for: (1) claim construction discovery, briefing, and a *Markman* hearing; (2) Nintendo’s motions for summary judgment of invalidity, Gamevice’s related motion for reconsideration, and related briefings and hearings; (3) Gamevice’s pending motion for summary judgment of infringement, and related briefing and hearing; and (4) completion of fact discovery.

Moreover, the parties have spent years developing the co-pending litigation’s evidentiary record that will be put to the jury. Specifically, Gamevice previously asserted the ’393 Patent in now-terminated U.S. International Trade Commission (“ITC”) investigation 337-TA-1197. The evidentiary record

developed during the years-long ITC investigation, which included a bench trial, a decision on the merits, and requests for Commission review, forms the basis of the parties' infringement and invalidity contentions in the district court litigation.

Ex. 2003, at 2 (“Also, in light of the prior ITC litigations, the parties . . . agreed that materials exchanged during the ITC litigations and *inter partes* review proceedings would satisfy the infringement and invalidity contentions called for under the local patent rules.”). In sum, like the second factor, the third *Fintiv* factor strongly favors denial of institution. *See Fitbit*, IPR2020-00772, Paper 14 at 17.

Although the district court's and the parties' investment weighs heavily in favor of denying institution, Nintendo also did not file its petition expeditiously and cannot excuse its delay. Where “the evidence shows that the petitioner did not file the petition expeditiously,” that may also favor denial. *Fintiv*, IPR2020-00019, Paper 11, at 11-12. In district court, Gamevice filed its amended complaint asserting the '393 Patent against Nintendo on March 7, 2022. Nintendo waited a full year to file its Petition, until the very last day under § 315(b). Nintendo's unnecessary delay further favors denial of institution.

**D. Factor 4: The overlap in issues raised in the Petition and district court favors denial of institution**

Under the fourth *Fintiv* factor, “if the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in

the parallel proceeding, this fact has favored denial.” *Fintiv*, IPR2020-00019, Paper 11, at 12. In its Petition, Nintendo’s attempted *Sotera* stipulation includes an apparent typographical error:

Importantly, if this IPR is instituted, Nintendo will not pursue the same invalidity grounds against the challenged claims of the ’393 patent in the parallel litigation on [*sic*] any grounds that could have been reasonably raised in this petition. That ends the inquiry, and institution cannot be discretionarily denied. Ex. 1025, 7.

Pet., at 85.

In the absence of a proper *Sotera* stipulation, Nintendo apparently remains free to raise the same or substantially the same claims, grounds, arguments, and evidence in the district court litigation as presented in the Petition. In addition, because validity of the ’393 Patent will be tried to a jury along with the related ’713 Patent, and Nintendo has not said that it will refrain from pursuing invalidity positions with respect to the ’713 Patent based on the same art that is the subject of its stipulation, even if Nintendo corrects its *Sotera* stipulation, it will still be presenting the same evidence to the district court. Thus, currently, the fourth *Fintiv* factor also favors denial of institution. *Fintiv*, IPR2020-00019, Paper 11, at 12-13.

**E. Factor 5: The identity of the parties favors denial of institution**

Under the fifth *Fintiv* factor, the Board may consider “whether the petitioner and the defendant in the parallel proceeding are the same party.” *Fintiv*, IPR2020-00019, Paper 11, at 13. Here, the parties are the same. Patent Owner Gamevice is the plaintiff in the district court litigation, and the Nintendo Petitioners are the defendants in the district court litigation. *See* Ex. 2003, at 2. Thus, the fifth *Fintiv* factor favors denial of institution. *Intel Corp. v. VLSI Tech. LLC*, IPR2020-00112, Paper 15, at 13 (P.T.A.B. May 19, 2020).

**F. Factor 6: Other factors favor denial of institution**

Finally, the Board may consider “other circumstances that impact the Board’s exercise of discretion, including the merits.” *Fintiv*, IPR2020-00019, Paper 11, at 14-16. In this regard, Nintendo deliberately omits material information from its submissions to the PTAB and, further, mischaracterizes the circumstances surrounding U.S. Patent No. 9,126,119 (“the ’119 patent”), the ’393 patent, and IPR2018-01521 and IPR2018-01522 (“the ’119 IPRs”), to make it appear that Nintendo’s petition is stronger than it really is, and to mask the fact that the district court is better situated to resolve the complex issues involved here. Nintendo’s petition is misleading in at least six different ways.

First, as explained above with respect to the analysis under § 325(d), all the art that Nintendo asserts in its petition was already submitted to, and considered

by, the Patent Office before granting the '393 patent. Thus, all the art cited in Nintendo's petition had already been fully considered by the Office before granting the '393 patent. Thus, Nintendo's petition at best presents a close call, and more likely a difficult position for Nintendo to win at trial.

Second, to the PTAB, Nintendo (mis)characterizes the '393 patent as merely a rehash of the '119 patent. *See* Pet., at 21. But that is *not* what Nintendo told the district court. There, by contrast, Nintendo complains that the '393 patent has been specifically crafted for assertion against Nintendo taking into consideration the lessons learned from a previous ITC investigation, and that the '393 patent should not benefit from its priority claim to the '119 patent. *See* Ex. 2001, at 2-3. Thus, contrary to Nintendo's assertions, a decision to hold the '393 patent's claims unpatentable does not follow from the Board's decision in the '119 IPRs.

Third, Nintendo overstates the relevance of the '119 IPRs to this proceeding. Nintendo suggests that the Board should invalidate the claims of the '393 patent because it previously held certain claims of a *different patent*, the '119 patent, unpatentable in the '119 IPRs. *See, e.g.,* Pet., at 19. But not only are the patents and claims different, the specific grounds are also different. *Compare Nintendo Co., Ltd. v. Gamevice, Inc.*, IPR2018-01521, Paper No. 34, at 7 (Mar. 10, 2020); *Nintendo Co., Ltd. v. Gamevice, Inc.*, IPR2018-01522, Paper No. 34, at 7 (Mar. 10, 2020) *with* Pet., at 8. Moreover, Nintendo falsely claims that Gamevice is

collaterally estopped by the PTAB's decision in the '119 IPRs. *See* Pet., at 1, 19, 22-23, 25, 27, 35, 43, 52. But in addition to the different patent, claim terms, and grounds at issue in the '119 IPRs, there the Board applied the broadest reasonable interpretation ("BRI") standard. *See* Ex. 1011 at 8. By contrast, the *Phillips* claim construction standard governs Nintendo's current Petition. *See* 37 C.F.R.

§ 42.100(b). Thus, the issues in Nintendo's current Petition are not the same as those in the '119 IPRs for multiple reasons. Further, in the '119 IPRs, Gamevice did not offer any claim constructions of its own or litigate any of Nintendo's proposed constructions. *See, e.g., Nintendo Co., Ltd. v. Gamevice, Inc.*, IPR2018-01521, Paper 34 at 8 (PTAB Mar. 10, 2020). Thus, Nintendo's proposed constructions were not actually litigated there.

In view of these complexities (in part of Nintendo's own making), it is the district court, not the PTAB, that is better situated to resolve the parties' dispute with respect to the asserted invalidity grounds. In deciding the issues overlapping with Nintendo's petition, the district court will benefit from a live trial with multiple witnesses, detailed post-trial briefing, and appeals to Federal Circuit, all unencumbered by the PTAB's stricter page limits. Because the merits of the grounds raised in Nintendo's petition are not just a close call, but suspect in the first instance, the final *Fintiv* factor also favors denial of institution. *Fintiv*, IPR2020-00019, Paper 11, at 14-15.

In sum, the Board should exercise its discretion under 35 U.S.C. § 314(a) to deny institution of this Petition based on the Board's *Fintiv* decision.

**V. CONCLUSION**

For the foregoing reasons, the Board should deny institution.

Respectfully submitted,

Date: August 10, 2023

By: /Joshua L. Goldberg/

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**CERTIFICATE OF COMPLIANCE WITH WORD COUNT**

Pursuant to 37 C.F.R. § 42.24(d), the undersigned certifies that this Patent Owner's Preliminary Response complies with the type-volume limits of 37 C.F.R. § 42.24(b)(1), because it contains 5,988 words, according to the word-processing system used to prepare this Preliminary Response, excluding the words in the Table of Contents, Certificate of Compliance with Word Count, and Certificate of Service, as set forth in 37 C.F.R. § 42.24(a)(1).

Respectfully submitted,

Date: August 10, 2023

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**CERTIFICATE OF SERVICE**

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