

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PLR WORLDWIDE SALES LIMITED,
Petitioner

v.

FLIP PHONE GAMES, INC.,
Patent Owner

IPR No. IPR2024-00209

Patent No. 9,427,662

PATENT OWNER'S PRELIMINARY SUR-REPLY

EXHIBIT LIST

Exhibit	Description
2001	Playrix's Exchange of Proposed Terms and Claim Elements for Construction, served January 30, 2024
2002	U.S. Publication No. 2006/0205510 to Lauper et al. ("Lauper")
2003	Joint Claim Construction Statement in <i>Flip Phone Games Inc. v. PLR Worldwide Sales Limited</i> , No. 2:23-cv-00139-JRG (E.D. Tex.), Dkt. 71.
2004	Declaration of Henry H. Houh, Ph.D., in Support of Playrix's Proposed Claim Constructions

Rather than relying on the Petition’s analysis of § 325(d), Petitioner’s Reply flouts the Board’s rules regarding new argument by including an entirely new position on discretionary denial. But, at bottom, similar art was considered during the ’662 Patent’s prosecution history. On the claim construction issue, Petitioner’s Reply wholly ignores the constructions Petitioner proposes at the district court for claim terms, which the Petition does not address—thus dooming its analysis. And Petitioner’s attempt to justify its inconsistent positions with respect to the definiteness of the claims of ’662 Patent fails, including because it ignores that Petitioner’s expert at the district court has made plain his opinion that it is unclear what the scope of the claims of the ’662 Patent is meant to cover.

I. Discretionary Denial is Warranted Under § 325(d)

Petitioner’s Reply argument regarding § 325(d) is improper new argument, which should not be considered. *See* Consolidated Trial Practice Guide (“TPG”) at 73 (“Petitioner may not submit new evidence or argument in reply that it could have presented earlier...”). That this is a new argument is evidenced by the fact that the Petition already included a section addressing § 325(d). *See* Petition at 73. Therein, Petitioner asserted, in mere boilerplate, that “[n]one of the cited references contain a substantially similar disclosure of a mobile game with dynamically updated hot spots represented in-game as ***non-promotional background objects***, as is disclosed in the combinations described in the Grounds presented herein.” Petition at 73

(emphasis added). At most, this boilerplate contention is directed to claim language in a *different* patent, U.S. Patent No. 8,688,089, the parent of the '662 Patent—which is absent from the claims of the '662 Patent. The Petition thus did not address any relevant claim language of the '662 Patent nor relevant prior art in its analysis of § 325(d), and the argument presented in the Petition is thereby irrelevant to the '662 Patent. Nonetheless, Petitioner should be limited to that argument and cannot replace it with entirely new argument on reply. TPG at 73.

Petitioner's wholly new argument that the references asserted in the Petition are distinguished from the art considered during prosecution because “they disclose ‘displaying an object in the designated non-promotional location’ ‘based on coordinate information’” (Reply at 2) fails in any event. As previously discussed, none of Ho, Jiau, Aoki, or Kim (or any combination thereof) describes “designating a non-promotional location in-game associated with activating the hot spot based on [] coordinate information” that was previously *downloaded* from a server to the mobile communication device (POPR at 29–35)—let alone “displaying an object” at that location (as based on the *downloaded* coordinate information).

Petitioner argues that Ho's “in-game characters” are designated in locations in Ho's game “based on coordinate information.” Reply at 2. But like the Chu reference considered during prosecution, which simply described mapping “game objects” to a “coordinate system” generally, Ho never describes that its “interactive

information element” is located in-game based on “coordinate information” **downloaded** to the mobile device. POPR at 30–31. And Petitioner’s contention that some modified version of Ho (in view of Aoki or Kim) may download such information is, tellingly, supported only by Dr. Zagal’s conclusory statement parroting Petitioner’s argument—which is entitled no weight. Petition at 27 (citing Ex. 1003, ¶¶ 122–123); *see* POPR at 32, 35–44. Petitioner’s alternative argument that Ho is “unlike Chu” because “Ho discloses discrete objects, not just game components like a ‘pit stop location’” (Reply at 2) is also incorrect. Chu describes discrete objects, such as a “treasure chest.” *See* POPR at 15–16, 31.

Petitioner argues Jiau’s “object ... having a hot spot link” is designated in locations in Jiau’s game “based on coordinate information,” and that Jiau is thus distinguishable from the references considered during prosecution. Reply at 2–3. But, like the references considered during prosecution, Jiau never describes that its “object ... having a hot spot link” is located in-game based on “coordinate information” **downloaded** to the mobile device. POPR at 34–35. Indeed, the Petition fails to demonstrate that the “fx, fy, fz” positions identified in the “lot file” of Jiau specify “coordinate information” for the “object ... having a hot spot link”—as opposed to the overall virtual “lot” itself, as described by Jiau. *See* POPR at 34. And Dr. Zagal’s conclusory statement parroting Petitioner’s otherwise unsupported argument (Ex. 1003, ¶176) is insufficient. *See* POPR at 35–44.

II. Inconsistent Claim Construction Positions Doom the Petition

In Reply, Petitioner argues its positions in the Petition and at the district court are “not inconsistent” because “[t]hough the outer boundaries” of the term “‘non-promotional’ objects” “*may* be indefinite ... they are clearly in-game objects that no user would expect to be used for promotional objects.” Reply at 4 (emphasis added). Petitioner’s argument is misguided and fails.

First, Petitioner’s argument is, again, focused on a claim element in a different patent, U.S. Patent No. 8,688,089, the parent of the ’662 Patent. The claims of the ’662 Patent, in contrast, do not recite any “non-promotional object,” but rather “a non-promotional *location*.” *E.g.*, Ex. 1001, at 14:59–63 (emphasis added). Second, at the district court, Petitioner contends that the term “non-promotional” in the ’662 Patent *is* indefinite (not “may” be). *See* Ex. 2003 at 14. And Petitioner’s expert at the district court, Henry Hough, testified that the use of “non-promotional” in the claims means that a POSITA “would not understand the scope” of the claims. Ex. 2004, ¶ 48. This position is plainly inconsistent with Petitioner’s and Dr. Zagal’s statements to the Board. Petition at 11; Ex. 1003, ¶¶ 79–80. More critically, it demonstrates that Petitioner cannot shoulder its burden with respect to element 1[d] (“displaying an object at the designated non-promotional location”), the only element Petitioner relies upon to urge that § 325(d) denial is improper.

Additionally, at the district court, Petitioner contends that the term “hot spot” should be construed according to Petitioner’s proposed construction. *See* Ex. 2003 at 13. This construction is, again, plainly inconsistent with Petitioner’s and Dr. Zagal’s statements to the Board. Petition at 11; Ex. 1003, ¶¶ 79–80. And tellingly, Petitioner’s Reply fails to address this undisputed inconsistency in any way—likely because the Petition fails to demonstrate that any cited prior art reference discloses the claim term according to Petitioner’s proposed construction. POPR at 26–28.

Petitioner’s cited authority does not support its inconsistent positions. Petitioner cites to *dicta* in the Supreme Court’s *Nautilus* decision regarding indefiniteness. But *Nautilus* addresses the standard for indefiniteness, not whether a Petitioner may urge that a claim term is indefinite at the district court after having told the Board that the claim term did not require construction. In *Western Digital Corp. v. SPEX Techs., Inc.*, the petition was based on constructions urged by the patent owner in related district court litigation. IPR2018-00082, Paper 11 at 12 (P.T.A.B. Apr. 25, 2018). Similarly, in *Philip Morris Products, S.A. v. Rai Strategic Holdings, Inc.*, the petitioner relied on the patent owner’s constructions to argue the claims were unpatentable. IPR2020-00921, Paper 13 at 42 (P.T.A.B. Aug. 5, 2021). In contrast, the Petition never refers to, let alone relies on, any constructions urged by the Patent Owner in any related district court litigation. Rather, here, Petitioner *alone* is the source of each inconsistency. *E.g.*, Ex. 2003 at 13, 14, 16.

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Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Patent Owner's Preliminary Sur-Reply has been served electronically via email upon the following:

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