

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GOOGLE LLC,
Petitioner,

v.

EYESMATCH LTD.,
Patent Owner.

IPR2024-00810 (Patent 8,982,110 B2)

IPR2024-00856 (Patent 8,982,109 B2)

Record of Oral Hearing
Held: September 17, 2025

Before: THOMAS L. GIANNETTI, NEIL T. POWELL, and
MICHAEL CYGAN, *Administrative Patent Judges*.

IPR2024-00810 (Patent 8,982,110 B2)

IPR2024-00856 (Patent 8,982,109 B2)

APPEARANCES:

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1 P R O C E E D I N G S

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3 JUDGE POWELL: Welcome. We are here today for oral
4 argument in IPR2024-00856, which involves U.S. Patent Number 8,982,109
5 B2. I'm Judge Powell, and Judges Cygan and Giannetti join me.

6 Let's start with parties' appearances. Who do we have attending
7 for Petitioner today?

8 MS. ARNER: I'm Erika Arner, lead counsel for Google. Here at
9 the table with me is Xirui Zhang, backup counsel for Google. And
10 representing Google here in the room is Mishima Alam.

11 JUDGE POWELL: Thank you.

12 And for Patent Owner?

13 MR. NELSON: Good morning, Your Honors. My name is Will
14 Nelson, here on behalf of Patent Owner. I am backup counsel, but thank you
15 to the Board, I am proceeding to present the argument today.

16 JUDGE POWELL: We trust you'll handle it superbly.

17 So our hearing order specified 60 minutes of time for each party.
18 Because Petitioner's LEAP request was granted, Petitioner gets an extra 15
19 minutes, so they will have 75 minutes per side for their side. Petitioner will
20 open and may reserve rebuttal time. Patent Owner will follow. I'm going to
21 keep track using the timer here, and I plan to alert you when you're running a
22 little short, but I encourage you to keep track of your own time so that -- in
23 case I forget, really. When you present, if you can tell us which
24 demonstratives and exhibits you're referring to, that's very helpful so that our
25 remote judge knows where to look and for the transcript.

1 One other housekeeping matter. We note that there -- that Patent
2 Owner has objected to certain demonstratives and moved to strike certain of
3 Petitioner's arguments and evidence. We will not rule on that today, but you
4 are welcome to use part of your allotted time as you choose to argue about
5 those issues. And aside from that, though, then anybody can argue, discuss
6 anything that is in the record for the hearing today, and we will, of course,
7 carefully evaluate before we issue our final decisions, any arguments and
8 evidence that were not procedurally proper and would not rely on anything
9 in that vein.

10 Let's see. What else do we have here? I think that's almost
11 everything I have.

12 Let me ask if Patent Owner has any general questions or concerns
13 before I turn it over to Petitioner?

14 MR. NELSON: None, Your Honor. Thank you.

15 JUDGE POWELL: Okay. And Petitioner?

16 MS. ARNER: Ready.

17 JUDGE POWELL: Okay. The last question I have before I let
18 you have the floor is: Would you like to reserve some time and how much?

19 MS. ARNER: Yes. We'd like to reserve 30 minutes for rebuttal,
20 please.

21 JUDGE POWELL: Okay. Sounds good. When you're ready, we
22 are.

23 MS. ARNER: So I -- I'm presenting the Petitioner's
24 demonstratives here in the room. I assume Judge Giannetti has them, as
25 well, or?

1 JUDGE POWELL: Yes, I believe he does, yes.

2 MS. ARNER: Thank you. All right. May it please the Board?

3 JUDGE POWELL: Yes.

4 MS. ARNER: The '109 IPR can be resolved quite simply if the
5 Board agrees that claim construction is not required. Then, there's only one
6 dispute raised by the Patent Owner and that is whether the prior art discloses
7 the varying rate limitation 1H in the '109 Patent. But the petition and its
8 evidence show three different ways in which the prior art and the evidence
9 render Element 1H obvious. Even if the Board determines that claim
10 construction is necessary and adopts the Patent Owner's three-part
11 construction, the case remains straightforward. The Petitioner and the
12 evidence show mirror-mimicking the Claim Element 1C would have been
13 obvious even under that Patent Owner's three-part construction. And plus --

14 JUDGE GIANNETTI: Counsel?

15 MS. ARNER: Yes, sir?

16 JUDGE GIANNETTI: It's Judge Giannetti. So I think, throughout
17 your papers, you talk about certain elements being obvious. Do you think
18 that's the right test or should obviousness be determined under 103 on the
19 claims as a whole? Does it make -- let me put it another way.

20 Is it correct to talk about a particular element being obvious rather
21 than, say, taught by the prior art?

22 MS. ARNER: No. That -- you're correct. The obviousness
23 inquiry is the claim as a whole and I was using that as a shorthand to point
24 out the argument. But you're right. The limitation is disclosed, but the
25 overall claim is obvious over the combined references.

1 JUDGE GIANNETTI: Yes. So as we go forward, you're going to
2 point out to us, I assume, where these elements are taught by the prior art; is
3 that correct?

4 MS. ARNER: Yes.

5 JUDGE GIANNETTI: Okay. Well, I'm going to hold you to that,
6 but you can proceed. Thank you.

7 MS. ARNER: Perfect. And thank you, Judge Giannetti. That
8 reminds me I'd like to share with the Board our plan, which was that I would
9 cover the claim construction issues in the case, and then my colleague, Ms.
10 Zhang, will present on the substantive prior art mappings, including what
11 you just asked about, Judge Giannetti, and any other questions the Board has
12 about the prior art mappings in the petition and evidence.

13 Great. With that, I'll turn to the slides. And on Slide 2, we have
14 the '109 Patent and it's continuation in part the '110 Patent, which is at issue
15 in the hearing that will be argued this afternoon. And it is a continuation in
16 part of and incorporates by reference the '109, so many of the arguments this
17 morning with respect to the '109 will overlap and we understand from the
18 correspondence with the Board and parties prior to the hearing that we
19 should avoid duplication this afternoon. But of course, we can return to
20 anything that the Board wants to discuss later today.

21 So on Slide 3, summary of the '109 Patent, which describes a
22 mirror display device that allows for comparison of appearances, used, for
23 example, in a shopping environment where a camera captures an image, a
24 video camera or an imaging device, and an image control unit processes it
25 and displays it on a mirror display device. And there's a figure, one from the

1 patent is shown here on Slide 3.

2 Slide 4 shows that one of the things the patent talks about in
3 particular is distortion that can be caused when you're using a camera to
4 capture the images. And in Figure 8 of the patent, the camera is depicted
5 above the screen tilted downward towards the user. And the Figure 8
6 explains that, when that configuration is used, there can be distortion in the
7 image depending on where the user is and the angle of the camera. And so it
8 shows in Figure 8, the user standing at three different locations, A, B, and C,
9 and then, it shows below those, the distorted figures that show the
10 increasingly distorted image of the camera capture. And the patent explains
11 that, in order to make things look like a mirror or to mimic a reflection of a
12 mirror, that image is transformed from the video camera to the display.

13 Slide 5 summarizes the grounds of unpatentability here. And as I
14 mentioned earlier, it's very straightforward at this point in the proceeding.
15 The Rosenberg and Nakazawa combination render the claims obvious alone
16 or in combination with Hatanaka or in combination with Tripathi. There are
17 additional grounds and secondary references that are added for many of the
18 dependent claims, but those are not in dispute. And so the Board, there's
19 nothing to resolve there. Claim 1 is the only independent claim, and that's
20 the one that the parties have addressed in the briefing, and that we plan to
21 address today.

22 So to show exactly how simple things are, on Slide 6, we have
23 Claim 1 reproduced and the two limitations of Claim 1 that have been
24 argued disputed here in the proceeding. Mirror mimicking is Claim 1C and
25 varying rates -- varying the rate based on the distance from the user to the

1 screen is 1H, and those are the two elements where the Patent Owner has
2 argued specifically. Now, again, if the Board decides that mirror mimicking
3 does not need to be construed here, the Patent Owner has not disputed that
4 that limitation is disclosed in Rosenberg and Nakazawa combination, and
5 their only dispute with mirror mimicking relies upon the Board construing
6 the claim and adopting their proposed construction. Varying rate then would
7 be the only disputed element where they argue against the prior art. But
8 there, the petition has three different combinations, Rosenberg and
9 Nakazawa alone, or with Tripathi, or with Hatanaka. Three different ways
10 in which that varying rate limitation is met.

11 So I'll turn now to claim construction and the timeline here, just so
12 that we are clear on what the positions of the parties have been and the
13 discussion of claim construction so far. So in the petition, no claim
14 construction was proposed and the petition -- Petitioner contended that none
15 was necessary. The Patent Owner did likewise in the preliminary response.
16 And likewise, in the institution decision, the Board determined that no
17 construction was necessary at that time. After institution, during the
18 deposition of Petitioner's expert, Patent Owner's counsel questioned the
19 expert about a recommended construction that had been put into place by a
20 magistrate judge in the District Court case involving one of the Petitioners.
21 The expert was questioned about whether that changed the positions and the
22 expert -- Petitioner's expert explained that even that construction was
23 consistent with what she had said in her original declaration -- in her original
24 --

25 JUDGE GIANNETTI: Ms. Arner, Judge Giannetti again.

1 MS. ARNER: Yes, sir.

2 JUDGE GIANNETTI: You've characterized the magistrate judge's
3 order as a recommendation?

4 MS. ARNER: Yes.

5 JUDGE GIANNETTI: Is that accurate or was the magistrate
6 judge's referral more than that? Just was it a decision of the court or was it a
7 recommendation to the district judge?

8 MS. ARNER: It was a recommendation. It was not adopted by
9 the judge. As I understand it, objections had not been lodged. The case was
10 stayed shortly after. The recommendation came out about the same time as
11 the institution decisions here and the case was stayed before further
12 undertakings, including the District Court's adoption. None of that
13 happened. And so it is non-final.

14 JUDGE GIANNETTI: Well, I know that in the Eastern District,
15 sometimes magistrate judges are authorized to conduct the case in place of
16 the district judge. And you said that this was a recommendation, so that the
17 magistrate judge was not acting as a district judge in this case; is that right?

18 MS. ARNER: That's my understanding.

19 JUDGE GIANNETTI: Okay. Thank you.

20 MS. ARNER: Thank you.

21 JUDGE CYGAN: Counsel?

22 MS. ARNER: Yes, sir?

23 JUDGE CYGAN: Can you clarify something on your slide?

24 MS. ARNER: Yes.

25 JUDGE CYGAN: The Petitioner's expert stated that -- did you say

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1 that the Petitioner's expert said that the -- their original contentions were
2 consistent with the magistrate judge's recommendations?

3 MS. ARNER: Yes.

4 JUDGE CYGAN: And which -- are we talking about the
5 contentions in the Samsung case or are we talking about the contentions in
6 the IPR?

7 MS. ARNER: So she was asked, "Your declaration that you put in
8 here in the IPR, and the explanations that you gave, and your positions
9 regarding obviousness, in particular in regarding the Rosenberg reference, is
10 that consistent with the claim construction recommendation from the
11 magistrate judge, that three part construction that required mirror mimicking
12 to include reversing the image at appearing at the same size and appearing at
13 double the distance?" That was the line of questioning.

14 And she explained throughout her deposition that it was consistent.
15 And she pointed to -- for sort of explaining how it was consistent, she
16 pointed to her original declaration, which explained the mirror effect, similar
17 to what's in the '109 Patents, that a mirror image includes those three
18 features, the reversing, the double distance, and the same size that she had
19 explained. That's how mirrors work, the mirror effect. And in her
20 background, she had even said Rosenberg explains that. And then she also
21 talked about it in other background references, including Straka, and said,
22 I've already covered all of that.

23 And so one ordinary skilled would've understood when there's a
24 mirror image, as it is in Rosenberg, that it's emulating a mirror, that, in the
25 end, Rosenberg says, it's emulating a mirror, it scales to a life-size image of

1 -- like a traditional mirror, that would've been the same thing as that
2 construction. So that was the consistency she was explaining in her answer.

3 JUDGE CYGAN: And is her testimony limited to the analysis of
4 the prior art, or is it also going to the claim construction?

5 MS. ARNER: So she didn't take a position on what is the proper
6 claim construction. That's not something that Petitioners have put in
7 evidence on. And honestly, it's not something that Patent Owner has put in
8 evidence on here. She was just asked if it was consistent with how she
9 understood the claims to be interpreted when she established her position,
10 the plain and ordinary reasonable construction. But she did not take a
11 position on what is the proper construction.

12 JUDGE CYGAN: So based on that, if originally no claim
13 construction was considered to be necessary by both parties, that puts us
14 back at plain and ordinary meaning, correct?

15 MS. ARNER: Yes.

16 JUDGE CYGAN: And what's the difference between the plain
17 and ordinary meaning and the District Court's claim construction?

18 MS. ARNER: Plain and ordinary meaning versus the District
19 Court's claim construction. So it's a little tricky for me to answer that,
20 because we didn't put in evidence on that. We don't have a declaration
21 explaining that from the point of this ordinarily skilled artisan. What we've
22 argued here is that no construction is necessary, because under any
23 reasonable construction, the prior art teaches it. So whether it is that mirror
24 mimicking needs to be something that emulates a mirror, Rosenberg says it
25 emulates a mirror. So if that's mirror mimicking, we have that. If it is the

1 three parts of the -- what a mirror image is, as the '109 Patent describes,
2 those three features, Rosenberg also said that. If it's something else, if it
3 needs tilt transformation or other things, reasonable constructions are
4 covered.

5 And we rely on the Realtime Data case for that, where the Federal
6 Circuit says, the Board didn't need to construe it beyond looking at what was
7 reasonably likely to be the construction. There, the Board had looked at a
8 dependent claim that gave some meaning to a term in the independent claim,
9 and also the specification that kind of breathed meaning into that term.
10 Similarly here, the 109 specification talks about those three things being part
11 of what makes something look like a mirror image.

12 And so you know, Google hasn't taken a specific position on claim
13 construction. We don't have evidence to support that. You know, Dr.
14 Karam did not opine on the proper claim construction, but rather the
15 consistency across all of those constructions, and the equal mapping to the
16 original combination of Rosenberg and Nakazawa.

17 JUDGE CYGAN: So to the extent that you're asking us to take a
18 position on claim construction that's different from what the District Court
19 took, both in the discussion by the judge, during the Markman hearing, and
20 in the magistrate's judge opinion, are you asking that we draw a distinction
21 because it was not a binding opinion? Is --

22 MS. ARNER: So I think there are actually several reasons why
23 we're -- why the Board doesn't need to construe the claims here. And we
24 have some of that evidence on the slides. If I can -- if it would be helpful, I
25 can look at the slides, or I can -- yes?

1 JUDGE CYGAN: Please.

2 MS. ARNER: Okay. So we -- we've set forth several reasons
3 why. We're not asking the Board to reach a different decision. I mean, the
4 magistrate's judge's decision is non-final. It's a recommendation that was
5 not considered or adopted by the District Court, and that case has been
6 settled, so it never will be. Both parties agree that the Board is not bound by
7 the magistrate judge, and the Patent Owner agrees with that as well, by that
8 recommendation. Or even if it was a final decision by the District Court, the
9 Board is not bound. Neither party has said that that's the case.

10 But more importantly, it's not needed for the reason that I
11 mentioned about the Realtime Data case, that under any reasonable
12 construction, the prior art in the petition and the ground in the petition render
13 the claims obvious, the mirror mimicking piece in particular. But also, the
14 Patent Owner is asking the Board to adopt this construction that was a non-
15 final recommendation by a magistrate judge based on a different record, a
16 different expert, without any actual analysis. The Patent Owner hasn't
17 argued why that's correct. Their Patent Owner's expert hasn't put any
18 evidence into that.

19 So if you look, the Patent Owner only referred on slide 9, the only
20 reason they've given the Board are incorporated by reference from one of the
21 Petitioners in the District Court. And they provided some of the exhibits, or
22 your filings from the District Court here. But they haven't explained or
23 argued why that's right. In fact --

24 JUDGE GIANNETTI: Yes.

25 MS. ARNER: Oh, yes, Judge?

1 JUDGE GIANNETTI: Counsel, I hear your argument, but isn't the
2 issue who had the responsibility of putting forth a claim construction here?
3 Are you familiar with the Cambridge case?

4 MS. ARNER: I am.

5 JUDGE GIANNETTI: And doesn't that place a burden on the
6 Petitioner to explain why the claim construction is wrong, which you haven't
7 done, I think? In putting forth your own construction, and I'm referring to
8 the quote that appears on Page 8, and I'll read it to you.

9 "At a minimum, the petition should have the -- should have
10 explained why the claim -- why the plain and ordinary meaning of the
11 component terms," those are the disputed terms, "should apply in this
12 proceeding, and why the inconsistent positions are warranted, or set forth an
13 alternative means plus function claim construction."

14 Do you believe that you have done that?

15 MS. ARNER: No. I -- the Cambridge case is very different from
16 this case in particular, and the other cases cited by the Patent Owner. In the
17 Cambridge case, the patent, or the Petitioner, told the District Court that the
18 term at issue was a means plus function term, and argued for a means plus
19 function treatment. Which of course, under the Board's rules, requires that
20 there be a construction at the Board. Then they told the Board --

21 JUDGE GIANNETTI: Well, aren't you looking at it a little bit
22 narrowly? I thought that the lesson of the case was that when you take an
23 inconsistent position from the District Court, you have to put forth an
24 explanation as to why we should be looking at your latest position. And isn't
25 that exactly what happened here?

1 MS. ARNER: I don't think so. I think if you read later on Page 8
2 of that opinion, the Board --

3 JUDGE GIANNETTI: I'm on Page 8. Yes.

4 MS. ARNER: Yeah. So at the bottom of -- I'm looking at the
5 bottom of that page, it says that the rules do not prohibit Petitioners. And
6 I'm not saying we're doing it, but prohibit -- Petitioners are not prohibited
7 from even taking inconsistent claim construction positions.

8 JUDGE GIANNETTI: Well, I know. I think the case was --

9 MS. ARNER: Our positions are not inconsistent here.

10 JUDGE GIANNETTI: Well, I think the case was rather generous
11 in that, but it certainly says that if you are going to take inconsistent
12 positions, at a minimum, you have to explain why you did that, and you have
13 to put forth a claim construction, and you've done neither of those.

14 MS. ARNER: So I don't think it says -- it absolutely doesn't say
15 that we have to put forth a claim construction. I think that would contradict
16 many other cases that say that the Petitioner does not have to put in a
17 construction. Even the trial practice guide says the Petitioner does not have
18 to put in a construction --

19 JUDGE GIANNETTI: Well --

20 MS. ARNER: -- in the petition.

21 JUDGE GIANNETTI: The trial practice guide is not -- it is not
22 really binding authority. This case is informative, so it's not technically
23 binding, but it certainly reflects, I think, where the Board stands on this issue
24 right now.

25 MS. ARNER: Sure. So I might -- go ahead.

1 JUDGE GIANNETTI: The claim, just to go back, Page 8 does say
2 that, why the inconsistent positions are warranted, or set forth an alternative
3 means plus function claim construction. So you either have to explain why
4 you're taking these inconsistent positions, or set forth a claim construction.
5 And I don't think you've done either of those, have you?

6 MS. ARNER: We have. Yes, absolutely. So --

7 JUDGE GIANNETTI: How is that?

8 MS. ARNER: So, in the petition, we didn't take an inconsistent
9 position. We said no claim construction was required. At some point --

10 JUDGE GIANNETTI: Well, they took -- but they said that claim
11 construction was required and set forth a construction. Why is that not
12 inconsistent?

13 MS. ARNER: In their patent, on their response?

14 JUDGE GIANNETTI: Well, it doesn't sound consistent to me,
15 when one side says plain and ordinary meaning, and the other side says a
16 three-point construction, a rather detailed three-point construction. That
17 sounds like inconsistency to me; am I right?

18 MS. ARNER: I want to make sure I'm following your timeline.
19 So the petition said, no construction is needed.

20 JUDGE GIANNETTI: Yes.

21 MS. ARNER: The Patent Owner agreed no construction is needed
22 in the preliminary response.

23 JUDGE GIANNETTI: Right.

24 MS. ARNER: And then the institution decision said no
25 construction is needed.

1 JUDGE GIANNETTI: Right.

2 MS. ARNER: Okay. So then in -- after institution, the Patent
3 Owner said construction is needed, and they put in the three-point response.

4 JUDGE GIANNETTI: Right. As the record stands today, though,
5 it seems to me there's an inconsistency in your positions. It may not have
6 surfaced in the initial filings, the pre-institution filings, but as the record
7 stands today, it looks to me like there's an inconsistency; am I right?

8 MS. ARNER: No, there's not. And we actually put in evidence on
9 that in the reply. So in the reply --

10 JUDGE GIANNETTI: Okay.

11 MS. ARNER: -- in -- well, and actually, in the deposition we
12 talked about before, the Patent Owner's expert -- or, sorry, Petitioner's expert
13 was asked whether there was an inconsistency. She was asked the exact
14 question that you're talking about.

15 JUDGE GIANNETTI: Yes.

16 MS. ARNER: Is that three-part -- three-part construction
17 inconsistent with her positions in the petition, in her mapping?

18 JUDGE GIANNETTI: Yes.

19 MS. ARNER: And she said, no. It's consistent. Rosenberg's
20 disclosures describe emulating a mirror using those same three things that
21 the patent does.

22 JUDGE GIANNETTI: This is your expert, right?

23 MS. ARNER: Yes.

24 JUDGE GIANNETTI: Well, we're not bound by your expert's
25 opinions. We can make up our own minds, and the fact that your expert

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1 agrees with your position now doesn't necessarily mean that it's the position
2 the Board has to take.

3 Well, I think I have your position on that, so I don't want to spend
4 more time on it, but it is something that I will take a closer look at when we
5 review the record.

6 MS. ARNER: Well, and here, I would suggest if you're worried
7 about that inconsistency, or the timing, there are -- and we cited in our briefs
8 other Board decisions that explain, so we have the Samsung Select case,
9 where the Petitioner had a construction in the District Court and no
10 construction in the IPR.

11 JUDGE GIANNETTI: Yes. And the Board has had -- the Board
12 has been all over on that --

13 MS. ARNER: Yeah.

14 JUDGE GIANNETTI: -- and having different opinions on it.

15 MS. ARNER: The Cambridge --

16 JUDGE GIANNETTI: I think that was the point of the Cambridge
17 decision, was to provide some clarity. And that's the latest word, as far as
18 I'm aware.

19 MS. ARNER: Okay. Then I would also refer to the Federal
20 Circuit case, which would be binding here, of Axonics, which explains that
21 the Petitioner is able to prevent -- present arguments in response to the
22 Patent Owner's construction. And that's what happened here. To the extent
23 you're saying that we didn't take a claim construction position in the petition,
24 that's totally acceptable, and that's what the Axonics case talks about, is that
25 we can then explain in our reply, and respond to the Patent Owner's position

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1 of bringing in the claim construction, and that's exactly what we did here in
2 the reply. We showed how the evidence and arguments in the petition were
3 consistent and showed that the claims were obvious even under that
4 construction, and Axonics requires us to be able to include those arguments
5 before -- or after the Patent Owner introduces the construction.

6 JUDGE GIANNETTI: Okay. I think I understand your position
7 on that. Thank you.

8 JUDGE POWELL: I'm going to jump in. Sorry.

9 MS. ARNER: Please. No.

10 JUDGE POWELL: We've derailed you a little bit here.

11 MS. ARNER: Fine.

12 JUDGE POWELL: So if we do not reject the magistrate judge's
13 proposed claim construction, if we take that tack and decline to say that's
14 wrong, do we have to do fact findings on the three pieces of the magistrate
15 judge's claim construction to say, yeah, based on that prior art Rosenberg,
16 we think that it's double the distance and constant size? Or can we decline
17 to reject the magistrate judge's claim construction and also omit fact findings
18 on those pieces of the magistrate judge's claim construction?

19 Hopefully, that makes some sense.

20 MS. ARNER: So if you wanted to adopt the construction here, if
21 you decided that construction was necessary, and you wanted to adopt the
22 magistrate's construction, what would you need to do as far as fact finding?

23 JUDGE POWELL: Well, what I'm asking is, if we say we don't
24 have to construe the claims in order to cover our bases, do we then have to
25 say the reason we don't have to construe the claims is because Rosenberg

1 meets the -- those pieces of the magistrate judge's --

2 MS. ARNER: That could --

3 JUDGE POWELL: -- proposed construction, or can we just say,
4 we don't adopt that construction, we don't need to construe the claims, and
5 Rosenberg says it's a mirror and it acts like a mirror, so that's enough?

6 MS. ARNER: Either would work. I mean, the Board has multiple
7 --

8 JUDGE POWELL: Okay.

9 MS. ARNER: -- and there's actually a third reason I would give.

10 JUDGE POWELL: Okay.

11 MS. ARNER: In addition to the prior art teaches it under any
12 reasonable construction, and you can talk about Rosenberg, or you can also
13 say that neither party has put in any evidence or made arguments for the
14 Board to do independent analysis. And instead, what the Patent Owner is
15 asking is that the Board just wholesale adopt whatever analysis was done by
16 that -- in that non-final place. The evidence is different there, too. It was a
17 different expert in that forum, and so I think that would be a third reason that
18 the Board could decide not to construe here --

19 JUDGE POWELL: Okay.

20 MS. ARNER: -- is that neither party has put in any evidence for
21 the Board to consider.

22 JUDGE POWELL: Okay. Thank you.

23 JUDGE CYGAN: Counsel, one question on the District Court
24 proceedings. Your previous co-Petitioner, Samsung, in that case, had made
25 some statements about the claim construction there. Is there any reason that

1 we should or should not ascribe those to you by being a co-Petitioner?

2 The statements that were made in the District Court proceeding, by
3 their counsel, the positions they took during the Markman hearing, did you
4 in a sense adopt those positions when you became co-Petitioner?

5 MS. ARNER: No, I don't think so. Google wasn't in the -- that
6 proceeding, and Google has a separate District Court case that is now stayed
7 against the Patent Owner. But it doesn't matter, because, you know, the
8 petition's -- Petitioner's positions have been consistent here the entire time
9 that no construction is needed. And to the extent that was something that
10 was urged by the Petitioners here, and in the District Court, Samsung put in
11 a claim construction position, the -- we took the cases we just talked about,
12 allow that, at the Board, and the Cambridge case and others that the Patent
13 Owners cite, they show exact contradictions arguing that it's means plus
14 function in one place, and saying, no, it is not means plus function in
15 another.

16 That's not what happened here, even with respect to Samsung's
17 Petitioner. They said that construction was needed in the District Court,
18 based on the different experts in different proceedings. And they said here,
19 there's no need for the Board to construe. So I would argue that there are no
20 inconsistencies, even if -- even as opposed to -- as applied to Samsung.

21 JUDGE CYGAN: Thank you.

22 MS. ARNER: Just to underscore one of the reasons the Board
23 does not need to construe, we have on slide 10 some of the expert testimony
24 from Patent Owner's expert, who said that they have not reviewed, or they're
25 not putting in any opinion on, or analyzing why the District Court's

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1 construction was correct. So this, I think, goes to that third reason the Board
2 does not need to construe, which is even the Patent Owner's expert here in
3 this proceeding has told the Board, I didn't take a position. I'm not telling
4 you it's right or not. I'm just applying it because it was given to me.

5 And even their counsel, on Slide 11, said he took no position -- no
6 opinion on whether he agreed with the claim construction, and objected as it
7 being outside the scope of his testimony and the IPR whether or not that
8 construction is correct. And so for the Board to now be asked to wholesale
9 adopt it when the Patent Owner's own expert isn't giving the testimony the
10 Board would need to make that analysis, that's another reason it's not
11 required here.

12 JUDGE GIANNETTI: Counsel?

13 MS. ARNER: Yes, sir.

14 JUDGE GIANNETTI: Judge Giannetti.

15 MS. ARNER: Yes, sir.

16 JUDGE GIANNETTI: Don't we have the magistrate judge's
17 rationale? Aren't we free to look at that as support?

18 MS. ARNER: Yes.

19 JUDGE GIANNETTI: All right. Well --

20 MS. ARNER: Yes. And if you do that, it -- the outcome is the
21 same here because --

22 JUDGE GIANNETTI: No.

23 MS. ARNER: -- the evidence in the petition and the declaration
24 from Dr. Karam in the '109 Patents show --

25 JUDGE GIANNETTI: Yes.

1 MS. ARNER: -- that the combination of Rosenberg and Nakazawa
2 render that piece of mirror mimicking obvious as well. They disclose all
3 three pieces of the construction.

4 JUDGE GIANNETTI: Yes. Okay. Thank you.

5 MS. ARNER: With that, I want to leave the rest of the time in our
6 opening to my colleague, who can walk through to Judge Giannetti's
7 question before the specific prior art mappings under both the no
8 construction needed and the magistrate judge's recommendation.

9 Ms. Zhang?

10 MS. ZHANG: Yes. Good morning, Your Honors. May it please
11 the Board. As Ms. Arner mentioned, there's no need to construe here
12 because the prior art teaches the mirror mimicking limitation. Even the
13 Board chooses to adopt the construction. So the next part of our
14 presentation, we'll present the prior art mappings and prior teachings of the
15 disputed limitations, particularly the mirror mimicking limitations and the
16 varying rate limitations. But of course, we're happy to discuss any of the
17 limitations in the prior art teachings of those limitations.

18 And as Ms. Arner mentioned, the Patent Owner has not put forth
19 any arguments that the prior art does not teach this limitation if the Board
20 does not choose to adopt that three part construction. All of their arguments
21 against this for this limitation is based on the three part construction that's in
22 the magistrate judge's recommended construction.

23 The petition shows that Rosenberg and Nakazawa combination
24 teaches the mirror mimicking limitation or more specifically, the Limitation
25 1C. And Rosenberg teaches additional mirror system that mimics a

1 conventional mirror. Rosenberg, as you can see on the slide in -- on the
2 right shows the Rosenberg system. This system has a camera and has a
3 display and has processors and a memory. And this system captures a video
4 image of the user in front of the screen and performs left and right flipping
5 of the image, scales the image, and display the image in the size to appear
6 like a traditional life-size mirror image and this whole system and capturing
7 and transforming make the -- gave the user the impression that he's standing
8 in front of a traditional wall mirror. As you can see here, Rosenberg
9 discloses transforming the images to display a mirror image. The left or
10 right flipping and scaling the image to appear like a traditional life-size
11 mirror are those transformations to present the user a mirror image. And
12 these are the transformation disclosed in the '109 Patent as well.

13 Slide number 17 shows the examples of the transformations
14 disclosed in the '109 Patents and Rosenberg discloses the left to right
15 flipping and the scaling to appear like a traditional life-size mirror image and
16 Rosenberg self-discloses -- going back to Slide number 16, the one
17 embodiment, it has a camera placed on top of a screen and Rosenberg
18 discloses that even if the camera looking at the user, presenting that mirror
19 image, sometimes that -- because the camera is looking at the user from the
20 top, it can have -- it can't present an unnatural perspective and it's desirable
21 to present a realistic mirror image without that perspective. And the petition
22 explained to address Rosenberg's unnatural perspective issue, the Nakazawa
23 reference provides a solution. The petition shows the Nakazawa addresses
24 perspective distortion by providing a correct -- correcting method, correcting
25 the magnification ratios of the images of different parts of the images based

1 on the angle of the camera.

2 On Slide number 18 -- shows the system of the Nakazawa
3 reference. As you can see here on the lower left part of the slide, Nakazawa
4 discloses a digital system that has a display and a camera. It teaches that if
5 the user is using the device to take a picture of the user, if the user is looking
6 directly at a camera, then there is no distortion. But if the user is looking at
7 the display while the camera is capturing any -- capturing an image of the
8 user, there is distortion in the image due to the angle of the camera and the
9 display. And Nakazawa teaches performing --

10 JUDGE GIANNETTI: Counsel, Judge Giannetti. Let me just
11 interrupt you for a second here.

12 MS. ZHANG: Yes, sir.

13 JUDGE GIANNETTI: Now, I recognize that Nakazawa talks
14 about modifying images and solving a particular problem of -- I don't know
15 how I would describe it, but this distortion caused by the position of the
16 camera in relationship to the subject. But what about the other aspects of the
17 three part test? Where are those found in Nakazawa? What -- where does
18 Nakazawa discuss, for example, the two -- 2D -- two times the distance issue
19 or the other issues that are in this proposed construction from the magistrate
20 judge? Where are those in Nakazawa?

21 MS. ZHANG: They're not in Nakazawa.

22 JUDGE GIANNETTI: Put another way -- it seems to be
23 Nakazawa is really addressing a different type of correction, but not the ones
24 that are in the claim construction.

25 MS. ZHANG: Thank you, Your Honor. I can explain it. Right

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1 now, I'm showing you the combinations -- the combination of Rosenberg
2 and Nakazawa and how we rely on Nakazawa.

3 JUDGE GIANNETTI: Yes.

4 MS. ZHANG: But the three-part features -- the three features of a
5 traditional wall mirror image comes from Rosenberg. And I can explain
6 that. Just jumping ahead a little bit.

7 JUDGE GIANNETTI: Okay.

8 MS. ZHANG: I'll show you the slide. Yes. So I -- happy to jump
9 ahead since we are also limited by time.

10 JUDGE GIANNETTI: Yes.

11 MS. ZHANG: Give me one second.

12 JUDGE POWELL: So you know, we would -- if you want to go
13 into your 30 minutes of rebuttal time for your opening, that's fine, too.

14 MS. ZHANG: Thank you, Your Honor.

15 JUDGE POWELL: Yes.

16 MS. ZHANG: Yes. For the -- as we discussed, the Rosenberg and
17 Nakazawa combination teaches this limitation under the three part
18 construction. And as -- we have -- Ms. Arner has explained, Rosenberg
19 teaches scaling to mimic a traditional wall mirror image. And that scaling is
20 not any specific scaling. That scaling is to provide the user a traditional life-
21 size mirror image. And as Dr. Karam has explained in her declaration and
22 we will show you the evidence -- some of the evidence in a later slide, she
23 explained how a POSITA would have understood what is the mirror image.
24 And she --

25 JUDGE GIANNETTI: Well, wait. When you start to say that

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1 person of ordinary skill in the art would've understood, are you saying that it
2 is not taught by Rosenberg? It's not found there. I mean, you can't point me
3 to a page or line with these particular aspects of the claim construction are
4 found?

5 MS. ZHANG: Rosenberg --

6 JUDGE GIANNETTI: You're relying on your expert's declaration
7 to fill in what seems to be lacking in the reference.

8 MS. ZHANG: Thank you, Your Honor. No, we are not filling any
9 gaps in the reference with disclosure. The reference Rosenberg teaches
10 mirror mimicking. That's very clear. It expressly teaches left to right
11 inversion and scaling the image to make the image appear like a traditional
12 wall mirror -- a traditional life-size mirror image. And what this Rosenberg
13 is now saying is it's double the distance, saying that -- it's not saying the
14 words, but the same disclosure, the same embodiment in Rosenberg teaches
15 a POSITA that that mirror image would have the mirroring effect as Dr.
16 Karam explained in her declaration and --

17 JUDGE GIANNETTI: But where is that in the reference? Can
18 you point me to a page and line in the reference?

19 MS. ZHANG: As I said, the Rosenberg reference does not exactly
20 use the same word double the distance and same size.

21 JUDGE GIANNETTI: Yes.

22 MS. ZHANG: But the prior art should be read in view of what's
23 viewed with the background knowledge of how it was -- how it was viewed
24 and understood what is a mirror image. And there's no dispute -- and there's
25 no dispute that a mirror image would have those three features. Dr. Karam

1 explained it. Patent Owner's expert, Dr. Forsyth, explained it in his
2 declaration and the patent specification itself explained what -- a mirror
3 image have those three features. So as the evidence shows everybody here
4 -- the evidence shows the experts agree that the mirror image would have
5 those three features. And that's -- the same words are not expressed in
6 Rosenberg, which I'm happy to show you Paragraph 77. But that's what a
7 POSITA would understood Rosenberg's disclosure.

8 JUDGE GIANNETTI: All right. I have your position on that.
9 Thank you.

10 JUDGE CYGAN: And Counsel, that's -- your position is that
11 those features are inherent in the mirror reflection, correct?

12 MS. ZHANG: No, we are not taking position that is inherently
13 disclosed in Rosenberg. We --

14 JUDGE GIANNETTI: You're not?

15 MS. ZHANG: Sorry, Your Honor.

16 JUDGE GIANNETTI: No. Go ahead. Sorry.

17 MS. ZHANG: Yeah. We have shown you the evidence that once
18 giving our -- once given our Rosenberg disclosure, and that is Rosenberg
19 disclosure in Paragraph 77, when it describes how to present to a user a
20 traditional life-size mirror image, it does the right and left flipping, it does
21 the scaling to present the mirror image as it -- as if it is a real mirror image.
22 And that's how a POSITA would have understood as having the -- those
23 three features.

24 JUDGE CYGAN: So if I can understand correctly, your expert's
25 argument is that Rosenberg would be understood to be teaching, through its

1 disclosure of a mirror and how it presents a mirror, to be teaching those
2 elements that Patent Owner is arguing are in the claim construction?

3 MS. ZHANG: Yeah. Yeah. Give me one second. I'll bring me
4 -- you the --

5 MS. ARNER: I think it would be helpful to look at the slide. If
6 -- forgive us. But the LEAP program allows us a little bit of consultation
7 and we're going to take advantage of that now.

8 MS. ZHANG: Thank you.

9 MS. ARNER: Yes.

10 MS. ZHANG: On the slide shows Paragraph 77. That's
11 Rosenberg's disclosure about displaying a traditional life-size mirror image.
12 It discloses with respect -- with reference to the Figure 5, the embodiment as
13 we have seen in Figure 5, that Rosenberg discloses the camera on top of the
14 screen and to display a traditional mirror image, the Rosenberg discloses that
15 performing the scaling such that it appears like a traditional life-size mirror
16 image, and then that image is left and right inverted prior to display upon the
17 screen.

18 Your Honor, I -- as I understand, your question is whether
19 Rosenberg here -- the embodiments we're relying on here discloses the three
20 part -- the three features in the -- listed in the magistrate judge's
21 recommended construction; is that right?

22 JUDGE CYGAN: Partly. I'm asking whether or not the evidence
23 that you're giving with your expert goes to what Rosenberg would
24 be - understood to teach through its disclosure or whether or not that pertains
25 to what a mirror in general would be -- the properties that it would have.

1 MS. ZHANG: Both are correct. And -- because the expert
2 explained that the -- a POSITA would have understood what is the mirror
3 effect. The mirror effect would have those three properties. And that is the
4 left right inversion, and that is -- that makes the mirror appear as if it
5 captured at the double the distance and appear to be the same size regardless
6 of the user's distance to the mirror. And that's correct. That's a POSITA's
7 background understanding of a mirror image. So how a mirror works.

8 And she also explained in her declaration what's the difference
9 between a camera capture image and a mirror image. And she explained
10 how to transform a capture -- camera-captured image to a mirror image to
11 have those properties. And those are known and discussed in her
12 background section in the declaration. And she understood that as she read
13 the Rosenberg references through the eyes of anyone skilled in the art when
14 the Rosenberg reference or other references teaching mimicking a traditional
15 mirror and those references performs transformations to camera capture
16 images, including flipping and scaling to mimic a traditional mirror image.
17 That would make the image to provide those properties of a mirror effect.

18 And just to give you some background, some of the paragraphs we
19 cited were just discussing her original declaration presented on the screen.
20 Before this slide, I would like to show you this slide as well: Slide 23. In
21 her declaration, when she's describing the mirror effect, that includes the left
22 to right flipping, the double the distance and same size. She discussed it
23 with reference to the Straka background reference. She cited the Straka
24 background reference and -- which says, "A virtual mirror needs to be -- to
25 simulate the properties of a real mirror as accurate as possible." And the

1 -- when standing in front of the mirror at the distance D, the mirror image of
2 oneself would appear exactly the same distance, but behind the mirror. And
3 that reference also teaches that the size of the user in the mirror image
4 remained the same, stayed constant, regardless of the user's distance to the
5 mirror, and they stay the size -- the same size stays as half the height of the
6 user.

7 And she explained these three concepts with the reference to the
8 Straka background reference. And after she discussed these features, right
9 after she discussed the Straka background reference, she says, as shown in
10 the next slide at the top right box, she says, "So too does Rosenberg disclose
11 the digital mirror system that simulates a real mirror." She's -- she -- she's
12 discussing the Rosenberg, like Straka reference, discloses scaling the image
13 and provide a -- so that they appear like traditional life-size mirror images.

14 So that's how she explained how she understood the Rosenberg's
15 disclosure as disclosing the mirror effect, including the three properties.

16 JUDGE GIANNETTI: Can you touch on limitation H?

17 MS. ZHANG: Yes, Your Honor. Thank you. Yeah. I was just
18 about to wrap up this mirror mimicking limitation. For the varying rate
19 limitation, let me change my slide number.

20 So the varying rate limitation is the last limitation. I'm sorry, this
21 is Slide number 27. And I'm reading the varying rate limitation again just to
22 remind us the limitation itself. The varying rate -- the varying rate
23 limitations say, "Vary rate of which the non-ordered steps have performed
24 on the series of images, according to the distance." And then on the non-
25 ordered steps as we have discussed -- as we have shown in the Rosenberg

1 and Nakazawa combination, the non-order steps would include the flipping
2 and the applying the transformation mapping in the resizing the images, so a
3 mirror image can be displayed on the screen.

4 And those non-order steps sometimes we call it an image
5 processing step. As we have shown in the petition, there are three
6 alternative ways to show this varying rate limitation as obvious. We think
7 the Rosenberg and Nakazawa combination already teaches it. But if Your
8 Honor wants to consider the other ground, we have -- alternatively, we have
9 Rosenberg and Nakazawa combined with Hatanaka and the same
10 combination, Rosenberg, Nakazawa combined with Tripathi.

11 I'd like to go through the first round for -- first round looking the
12 Rosenberg and Nakazawa combination for time. In Rosenberg, Rosenberg
13 discloses that system can operate in a dual mode. So there is the mirror-
14 mimicking mode as we talked about, presenting to the user a traditional life-
15 size mirror image. Rosenberg also described that if the user is away from
16 the device, for example, is outside of the vicinity zone, this -- the device can
17 be switched to a digital mirror picture frame state or picture frame mode.
18 And in Rosenberg and combined with Nakazawa, the image processing steps
19 for presenting the mirror image, the user would be performed in the digital
20 mirror state presenting the mirror image the user, but it would not be
21 performed in a digital picture frame state. But whether those steps are
22 performed or not performed, depends on the user's distance to the device.

23 So overall, over a period of time, the system as a whole changes,
24 whether the steps are performed or not performed. And Dr. Karam has
25 explained that the rate of performing those steps refers to the frequency of

1 what the -- of performing the steps. For example --

2 JUDGE GIANNETTI: Counsel, do you think that's a fair analogy,
3 rate versus frequency? In one situation, it's binary whether it's on or off, in
4 the other situation, it's analog, which depends upon the particular rate and
5 that's an analog quantity.

6 Do you think that's a fair comparison that turning the mirror on and
7 off could be considered a variation in the rate of processing?

8 MS. ZHANG: We think her -- we think her opinion is reasonable
9 based on the disclosure in the '109 Patent. When she's looking at the rate of
10 performing those steps, the -- she looked at the '109 Patent and she looked at
11 how the '109 Patent described the rate, is describing it as a fixed interval,
12 like, whether those steps are performed at the fixed interval. And she looks
13 at the rate of here in Rosenberg and combined with Nakazawa, and she
14 understood because of the switching the mode based on the user's distance,
15 the timing interval between whether to perform those steps or not are
16 changes based on the user's distance.

17 JUDGE GIANNETTI: Well, isn't rate sort of a timed quantity,
18 miles per hour or feet per second, an analog quantity, isn't it?

19 MS. ZHANG: In some instances, in some contexts, I think rate
20 can be defined in that, but according to --

21 JUDGE GIANNETTI: Whereas something that's on or off, that's
22 considered usually to be a digital type operation.

23 MS. ZHANG: Yes. And according to her declaration, she
24 explaining and looking at the term, according to the specification of the '109
25 Patent. But also --

1 JUDGE GIANNETTI: Is there anything in the '109 Patent that
2 suggests that on or off processes -- stopping processing or sort of beginning
3 processing would qualify as varying the rate?

4 MS. ZHANG: The '109 Patent that's now disclose the -- that on
5 and off modality.

6 JUDGE GIANNETTI: Okay. Thank you.

7 MS. ZHANG: And we have, just for time, I would like to touch
8 upon the second --

9 MS. ARNER: Take the time.

10 MS. ZHANG: Yeah.

11 JUDGE CYGAN: Counsel, can I follow up on that?

12 MS. ZHANG: Yes, of course.

13 JUDGE CYGAN: It's true that when the -- when Rosenberg is
14 acting in the mirror mode, it's always at the same rate, correct? It's always
15 performing those three processing steps at the same rate?

16 MS. ZHANG: Correct.

17 JUDGE CYGAN: When it's not acting in the mirror mode, it's not
18 really meeting the claim limitations as, you know, operating so it's display
19 and mirror mimicking image. So it seems -- isn't it the case that the only
20 time it's meeting the claim limitations as mimicking a mirror, it has a
21 constant rate?

22 MS. ZHANG: No, Your Honor. I can explain that a little bit
23 more. So the claim did not order steps. I performed on the series of images
24 captured by the camera. And as Dr. Karam explained, that that series of
25 images can be captured over a period of time. And in her declaration, she

1 explained, yes, in the mirror -- digital mirror mode, those steps are
2 performed. And in the digital frame mode, those steps are not performed.
3 But the timing interval between whether to perform those steps changes.
4 The time interval in the mirror state, for example, every five seconds, every
5 two seconds the steps are performed. But when the device start to changing
6 mode, for example, changing to the digital free mode, changing back, that
7 time interval depends on when the user come into the vicinity or not in the
8 vicinity. And that time interval can be every ten seconds or every 15
9 seconds. So the rate overall, the system as a whole operating together,
10 changes the rate of performing those image processing steps.

11 JUDGE CYGAN: Thank you.

12 MS. ZHANG: Thank you, Your Honor. And we do have other
13 alternative combinations for showing the varying rate limitation is obvious
14 over the prior art. On Slide number 29 we're showing the Rosenberg and
15 Nakazawa and Hatanaka combination. As -- the Hatanaka reference teaches
16 a digital system similar to the Rosenberg system. It's used in a camera to
17 capture video content and display that video content to the user in front of
18 the screen.

19 Hatanaka also teaches that if the user is away from the screen,
20 there's no need to display the video content at a high-frame rate or high
21 resolution, and Hatanaka teaches reducing the image processing throughput
22 by reducing, for example, the frame rate or resolution to reduce image
23 processing throughput and to conserve power.

24 And Rosenberg teaches the same -- similar situation where the user
25 moves outside of the vicinity zone, you would want to conserve power and

1 change, for example, to a display mode where the mirror image is not being
2 displayed, the mirror image processing is not being performed. And we
3 have explained the in the petition, and that was given out -- would have been
4 motivated to modify the Rosenberg and Nakazawa ground to reduce image
5 processing throughput when the user is no longer within the vicinity range to
6 conserve power. This is in line with the Rosenberg's desire to make it more
7 efficient, the digital system.

8 JUDGE CYGAN: Counsel, is displaying one of the non-ordered
9 steps?

10 MS. ZHANG: We believe it is when it's in the mirror image. But
11 as Patent Owner has presented a construction that says -- I want to read the
12 construction here, which they urge to adopt. We don't think the construction
13 matters, but I want you to read the construction.

14 In the construction it says, the non-ordered step is one or more.
15 The only thing that added one or more of the steps. It's not the non-order
16 steps. And as far as that we understood in Rosenberg, the display in the
17 mirror mode will be included because it's displaying the mirror image. If it
18 is not in the display mirror image mode, it would display a picture or
19 something else.

20 JUDGE CYGAN: And your motivation depends on the power
21 savings from the display being turned off. That's where your motivation
22 comes from, is that display?

23 MS. ZHANG: Yes. Reducing image processing throughput to
24 conserve power.

25 JUDGE CYGAN: Thank you.

1 MS. ZHANG: Okay.

2 And with that, unless Your Honors have any questions regarding
3 the Tripathi round, I think I would reserve our time for rebuttal.

4 JUDGE POWELL: Sounds good. And you have 23 minutes left.

5 MR. NELSON: One moment, Your Honors. Thank you for
6 bearing with me.

7 JUDGE POWELL: Very good.

8 MR. NELSON: Your Honors, may I please the Board, I am
9 William Nelson. I'd like to reserve ten minutes for surrebuttal if I could,
10 please. Thank you.

11 And I am here on behalf of Patent Owner, Eyesmatch. Turning to
12 Slide 3, This is the '109 Patent. Our briefing and Petitioner discussed what
13 that patent's about so I'll just move forward to get to the disputed issues. I
14 think it's clear from the papers and the presentation you've already heard that
15 really the key issues that are in dispute between the parties here concern the
16 disclosures of Rosenberg and Nakazawa as they pertain to limitation 1C in
17 particular of the '109 Patent, but also as to limitation 1H. And so although
18 there are a lot of grounds here, we can -- we are really focused on the dispute
19 over whether the independent claim, which really affects all the dependent
20 claims, is disclosed or rendered obvious by the Rosenberg-Nakazawa
21 grounds.

22 So -- and as I mentioned, the key limitations here, looking at Slide
23 9, are limitation 1C, applying a transformation mapping to the image such
24 that it appears to mimic a reflection of the mirror, and 1H, varying rate at
25 which the non-ordered steps are performed on the series of images,

1 according to the distance.

2 So there's really three issue, and the Board knows this. First,
3 whether the Board should adopt Petitioner's District Court construction of
4 appears to mimic a mirror, whether the asserted grounds disclose or render
5 obvious limitation 1C, and whether the asserted or rather Claim 1,
6 particularly Claim C, in -- with respect to Judge Giannetti's earlier question,
7 and whether the asserted grounds disclose or render obvious Claim 1, in
8 particular with respect to limitation 1H, the varying rate limitation.

9 So I'll first address the claim construction issue. So it's clear
10 enough from the papers in the presentation that the Petitioner's IPR petition
11 took the position that no terms require construction because the claims
12 encompassed the prior art under any reasonable construction. But in District
13 Court, and I think the timeline here is important. We didn't hear enough
14 about the timeline from the Petitioners here. In District Court, in front of the
15 magistrate judge in Eastern Texas to whom claim construction was referred,
16 and I want to address that issue that we talked about -- that was talked about
17 what when Petitioners were up, which is whether the magistrate judge issued
18 an order or recommendation. You have that in front of you. That's Exhibit
19 2008 in front of you. We submitted that to you. That is an order from the
20 magistrate judge, a claim construction order. I don't know how else to
21 characterize it. It's not characterized as a recommendation to the to Judge
22 Gilstrap. It's a claim construction order. Okay.

23 And in prior to the institution of this decision in December,
24 Petitioners -- Petitioner Samsung had already taken the position in the
25 District Court that is inconsistent with the position they took in the petition.

1 They said in the District Court, that appears to mimic a reflection of a mirror
2 of Limitation 1C, has to not only just sort of, in some sense, mimic a mirror
3 or look like a mirror. It has to do some very specific things. It has to --

4 JUDGE GIANNETTI: Counsel, let me just briefly -- do you attach
5 any significance to the fact that it was Samsung and not Google that made
6 this representation? What's your take on that?

7 MR. NELSON: None whatsoever. There is no significance to that
8 for you. At all relevant times, when Petitioners took these positions, they
9 were co-Petitioners. Samsung as a Petitioner with Google took as a joint
10 position, no claim construction is required. In the District Court, Samsung
11 took the opposite position, okay? They don't get out of jail free by having
12 dropped a particular Petitioner at the last moment. That position was taken
13 by Petitioners as a group, at the same time that one of the Petitioners was --

14 JUDGE GIANNETTI: Do you think that dropped is a fair
15 characterization of what happened? I mean, didn't you reach an agreement
16 with them?

17 MR. NELSON: We did reach an agreement with them, and I don't
18 presume to --

19 JUDGE GIANNETTI: It made it sound like you're
20 (INDISCERNIBLE) to the Petitioner here, the -- you reached a settlement
21 agreement with Samsung, right?

22 MR. NELSON: And, candidly, I think they were smart to do so,
23 given what we see here. So -- but at all relevant times when these positions
24 were being taken, these were co-Petitioners, and there's no reason to excuse
25 Google now that it is the last one left standing for not having come before

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1 this Board with at least some explanation of why it had taken inconsistent
2 positions.

3 And this position, as we see in Exhibit 2,009 on Slide 14, was
4 taken before the institution decision. It's not just that we got this -- we
5 learned this only in the claim construction order. In September, long before
6 you instituted, Petitioners were taking this position in District Court saying,
7 this claim is narrow, this limitation is narrow, and you should construe it as
8 such. And that's, in fact, looking at Slide 15, what the District Court did,
9 adopting substantially -- completely the Petitioners' construction that
10 required this double distance, same size requirement. I'm going to refer to it
11 as the double distance, same size requirement. They've called it the three-
12 part construction, but we are talking about the same thing in this respect.

13 So the only change the magistrate judge made in his claim
14 construction order was to change approximately double the distance and
15 approximately the same size to roughly double the distance and roughly the
16 same size. That's certainly not what we advocated for in District Court, that
17 adopted Samsung's position.

18 So --

19 JUDGE CYGAN: Counsel, can I ask you a couple questions about
20 your position --

21 MR. NELSON: Yes.

22 JUDGE CYGAN: -- in the District Court? I believe you were in
23 the Markman hearing, presenting the case?

24 MR. NELSON: Yes.

25 JUDGE CYGAN: In the Markman hearing, you had given a

1 couple of reasons why you thought this claim construction was not
2 correct. -I'd like to give you an opportunity to explain why we should treat
3 that differently when you had a different opinion before on it. If you could
4 particularly address the non-covered embodiments argument that you made
5 in front of the District Court, and why that isn't relevant to us now.

6 MR. NELSON: So -- yes. In that -- before the District Court, the
7 Patent Owner -- myself or the Patent Owner did argue that there were other
8 embodiments disclosed in the specification of the '109 Patent, in which the
9 same size feature was not maintained. It said -- the particular disclosure -- I
10 could go find it if we need to, but I think you probably know where it is,
11 since you're asking me the question. It sort of says, in this instance, the user
12 would be somewhat smaller or slightly smaller than they would normally
13 appear in the mirror. And we absolutely made that argument.

14 I think this is tied into the larger question or the larger issue that
15 you heard Petitioners discuss, which is, well, didn't you fail to support this
16 construction before the Board? And so let me first address the issue of the
17 -- or apparent inconsistency between our positions in District Court here.
18 We left that District Court proceeding with an order that said what the
19 claims mean, how they should be construed. And it's black-letter law that
20 the claim should be construed the same way for infringement and validity.
21 It's not a -- the claim is not as the Federal Circuit has said, a nose of wax to
22 be twisted one way for invalidity and the other for infringement. We lost. I
23 get it. The consequences of that are what we are addressing now.

24 Here, having lost the claim construction dispute in the District
25 Court, advocating for really more of a plain meaning argument -- and that's

1 what we did say. Plain meaning, it looks like a mirror. It looks to someone
2 as if they're looking at their reflection. That's what we said. We lost that.
3 The consequences of that are what we're dealing with here. And here, the
4 notion that we have not advocated or presented evidence as to why this
5 claim construction order should be adopted here is not understandable to me.
6 Let me just sort of walk through some of that.

7 We presented the Petitioner's analysis before the District Court as
8 an exhibit, the responsive claim construction brief in Exhibit 2,009, and said
9 it should be adopted here, for the same reasons the magistrate judge found it
10 persuasive. And we presented the magistrate judge's ordinance as -- and
11 said, for those reasons, it should be adopted. I just don't understand the
12 notion that we haven't supported that claim construction here. We identified
13 that the trial practice guide, which is informative, not binding, nonetheless
14 says that parties should submit a prior claim construction determination as
15 soon as it is available, and that the Petitioners resisted our efforts to do so.
16 We said, you need to see this. You need to be aware of this as you assess
17 this. We pointed out --

18 JUDGE GIANNETTI: Counsel --

19 MR. NELSON: Yes, sir.

20 JUDGE GIANNETTI: -- Counsel, it's Judge Giannetti. So I have
21 a question. I'm going back to the Cambridge Mobile decision, which I think
22 you cited in your papers, and which we -- I discussed with Ms. Arner. Ms.
23 Arner pointed out that Cambridge Mobile seems to say that it's okay to take
24 inconsistent positions in the District Court and before the Board. But what
25 do you say to that argument?

1 MR. NELSON: I don't think that that's what Cambridge says.
2 And I think that Cambridge says that you could do such a thing, but at a
3 minimum, you would have to come explain why it is you have taken
4 inconsistent positions, and why they don't matter. And of course, the
5 Petitioners did not do that at any time. In the reply, they do, and I'll address
6 that as a separate issue in just a moment. But in their petition, at all times
7 prior to institution, they never told this Board why there was a narrow
8 construction sought and obtained prior to institution for this limitation, and
9 why there was no construction required for your work to assess the same
10 claims.

11 So I don't think that Cambridge says it's just fine. I think
12 Cambridge says you need to come forward and explain why. They didn't do
13 that. But there's many other cases or decisions from the Board prior to
14 Cambridge, which as you said, is designated informative, equally faulting
15 Petitioners for this kind of thing, of sort of taking inconsistent positions and
16 not coming forward. That's KioSoft, that's OrthoPediatrics as well.

17 JUDGE GIANNETTI: Well, I think Cambridge Mobile is the
18 latest support on that, and it is informative, so, you know, we can cite non-
19 binding, non-precedential decisions on both sides of the issue. But
20 Cambridge Mobile is probably the latest and the most authoritative word
21 from the Board on this.

22 MR. NELSON: Agreed, Your Honor. Agreed. So --

23 JUDGE CYGAN: Counsel, just following up on that, just a little
24 bit more. To the extent that your difference in position now than the one
25 you took in front of the District Court is because you lost that argument for

1 claim instruction there. As your colloquy just sort of explained, the Board is
2 not bound by District Court construction. We need to be able to explain
3 what the difference is. One concern is that now we have arguments that
4 were made in the District Court telling us that construction is really not
5 appropriate, with some grounding in the specification, but we have no
6 further reasoning on that.

7 So we have a District Court claim construction that we can't simply
8 apply without giving some reason why we're applying it, but we also have
9 no reason why these arguments you previously made are not appropriate any
10 more. So I didn't know if you had anything more to say on that construction,
11 other than the fact that that construction was completed and it came out a
12 different way.

13 MR. NELSON: So Your Honor, I would disagree that we didn't
14 present the bases for the construction and say that they should be controlling
15 here. We said that in our papers. We pointed specifically to the -- and I
16 -- here, I'm on Slide 17, and I'll soon turn to Slide 18. We pointed to the
17 sections of the specification that Petitioner Samsung relied upon to obtain
18 the double distance, same size construction of the District Court. We said it
19 should be controlling here as well. We did do that. We -- and again, and
20 looking at Slide 18, we pointed out to the Board the parts of the specification
21 relied upon by the Petitioner, Petitioner Samsung, in the District Court and
22 said that should be controlling here, too.

23 So -- and here is Exhibit 2,009, which is at Pages 13, 14, which is
24 cited explicitly in our Patent Owner's response saying, here -- here's what
25 they said about why a narrow construction is appropriate. We agree it

1 should be controlling here. We said that. So if the question is, did we put it
2 in our own words and say, you know, here all this is, we didn't. We said, no,
3 here's the reasoning that Petitioners came forward with, and here's what the
4 District Court judge or the magistrate judge found persuasive. They should
5 be controlling here too, not only for what they say, but importantly because
6 of what they say, but also for all of the other reasons that we identified in our
7 petition, such as the Federal Circuit's pronouncement or statement in the
8 source search text case, that it's axiomatic that claims are construed the same
9 way for invalidity and infringement.

10 And I wanted to quickly turn to Slide 23 before I move back.
11 There's a reason the Markman standard is the same now, in the District
12 Court and here. And as the -- said in the federal register, by maintaining
13 consistency among the various proceedings, the integrity, predictability, and
14 reliability of the patent system is thus enhanced. We cannot have, and
15 should not have, a situation in which, in District Court, a Petitioner gets their
16 infringement test in a very narrow claim construction, but at the same time
17 tells you, invalidate these claims brought under this broad construction.
18 There's a reason why the claim construction standard is the same. Applying
19 those same standards, you should reach the same result.

20 JUDGE POWELL: So assuming we decide that Petitioner would
21 have done better to tell us about their District Court claim construction
22 position, is there any material consequence associated with that, other than
23 we should construe the claim the way the magistrate judge construed it?

24 MR. NELSON: Yes, there is, Judge Powell, and let me move
25 ahead, if I may, to Slide 34 of the presentation. I can turn back to the claim

1 construction if we need to. But you asked if there was a consequence.
2 There is absolutely a consequence. The consequence is a failure of proof.
3 The Petitioners have failed to show or even address how the Rosenberg-
4 Nakazawa combination discloses or renders obvious the double distance,
5 same size requirement of Limitation 1C. They've failed. The only time that
6 is addressed is in the reply, which is as we --

7 JUDGE POWELL: Okay. So this folds into the motion to strike.

8 MR. NELSON: That's right, sir. That's right.

9 JUDGE POWELL: All right.

10 MR. NELSON: The rules are clear. You have to come forward
11 with your grounds and your claim constructions in your petition. They knew
12 about this claim construction. They didn't say anything about it. They got
13 institution. And they're stuck with the arguments they made. And there is a
14 failure of proof. And I can --

15 JUDGE GIANNETTI: Counsel, why don't you just assume that
16 that evidence is going to come in, and I don't -- I'm not signaling any
17 decision that the panel has made on the motion. But just so that we have
18 your views on where the case stands, if we were to deny your motion to
19 strike, I would appreciate you giving your views on why, if we accept the
20 magistrate's -- if we don't accept the claim construction, you -- excuse me.

21 If we do accept the claim construction, I'd like you to respond to
22 Petitioner's argument that it doesn't make a difference, because Rosenberg
23 and the other references still meet the limitations of the claim. I don't know
24 if that's clear, but basically, I'd like to hear your views on the merits of their
25 argument.

1 MR. NELSON: I understand it perfectly, Your Honor. If I could
2 be indulged just two minutes before I turn to that --

3 JUDGE GIANNETTI: Sure.

4 MR. NELSON: Thank you.

5 I just want to -- before turning to the merits and I understand your
6 request to move to the substance, the kinds of things that Petitioners have
7 said about what they've done, you heard today, and you've seen in -- the in
8 the papers, well, the Board doesn't need to construe mirror mimicking, since
9 the prior art expressly disclose as mimicking a mirror.

10 That's simply tautological, right? We need to know what
11 mimicking a mirror is to know whether or not that's true. And the proposals
12 are very different. And the proposals, as I'll show you in the next slide, lead
13 to very different results, depending on which construction is applied.

14 The Board is not bound by a magistrate judge's construction. I
15 agree with that. However, for the reasons that I previously explained that it
16 should be highly persuasive to you as to what should be applied here, both in
17 terms of the merits, the substance of what was said, and in terms of the
18 equities, in terms of why we are doing this here.

19 Thank you. Was there a question, Judge Giannetti? I'm sorry.

20 JUDGE GIANNETTI: No. I'm sorry. I just --

21 MR. NELSON: Okay. Okay. And we've heard this again and
22 again, Petitioner's IPR position is not inconsistent with Samsung's
23 construction and no construction is necessary to resolve the disputes before
24 the Board.

25 So turning to Slide 21, both of those propositions are just flatly

1 wrong. Of course, those positions, that no construction's necessary, it's just
2 mimicking a mirror and the construction in the District Court that requires
3 double the distance, same size, regardless of user movement. Of course
4 they're inconsistent. I mean, we can see it just by looking at one disclosure
5 of Rosenberg, the key reference here. I mean, we all sort of agree that
6 Nakazawa was a bit of a side show in view of this construction. You heard
7 Counsel for Petitioner say that. It's what Rosenberg teaches, right?

8 When Rosenberg says, "In traditional mirror emulation mode," and
9 this is Paragraph 27 of Rosenberg Exhibit 1005, "the digital mirror is
10 operative to replicate the performance of a standard household mirror,
11 providing the user with a left-right reversed frontal image of himself or
12 herself when standing before the mirror."

13 So what are we to make of that? Well, under Petitioner's original
14 position in the IPR or still the position in the IPR, no construction is
15 necessary, which is really just saying, apply the plain meaning. I didn't
16 understand that back and forth about, well, no construction is needed. I
17 mean, you still have to read the words and know what they mean. So if
18 there's no construction, it's the plain meaning of the term.

19 Well, there's an open question: Does that disclose mimicking a
20 mirror? Under the construction that Petitioners advanced and obtained in the
21 District Court, it's a much more difficult question. We think it doesn't show
22 it, but it's much more difficult, right? We have to find in -- you have to find,
23 in order to find that Rosenberg somehow discloses or renders this obvious,
24 something that would show that here we are saying, double distance, same
25 size under that construction. It's much, much harder. And we think it's not

1 there at all. And so of course these positions are inconsistent. Of course,
2 they are.

3 JUDGE GIANNETTI: Now, Counsel, as I understand their
4 position, I think they have, I wouldn't say conceded, but they -- I think they
5 agreed with me in my question that it isn't explicitly shown there. And there
6 was some discussion with Judge Cygan about implicit showings, but they do
7 rely heavily on expert testimony.

8 So would you comment on why we should or should not believe
9 the testimony of their expert that the person of ordinary skill in the art would
10 understand the language in Rosenberg as certainly, if not implying,
11 suggesting to a person of ordinary skill in the art that these additional factors
12 in the claim construction are present as a consequence of the discussion of a
13 mirror-like presentation in Rosenberg? Is that clear? Was my question
14 clear?

15 MR. NELSON: Yes. And I'm turning to that now. And that really
16 is, I think, the heart of the earlier question, too. Let's discuss what
17 Rosenberg actually says, how a person's still --

18 JUDGE GIANNETTI: Yes.

19 MR. NELSON: -- in the art would interpret it. So --

20 JUDGE GIANNETTI: Right.

21 MR. NELSON: -- I -- I'm going to start then on Slide 39 of our
22 presentation, which you said, well, their expert explained it. We disagree
23 that she did. Their expert in deposition deployed an analogy to explain what
24 she'd done and why her analysis makes sense. And I think the analogy is
25 illustrative of why they failed, both in the petition and in the reply to

1 establish that the Rosenberg reference discloses, or teaches, or somehow
2 would lead a person skilled in the art of the double distance, same size
3 requirement.

4 She said, let me give you -- maybe to give you some more
5 clarification, if you say, office furniture, it could be a chair or a desk, but it's
6 still office furniture. So this -- the claim construction is comprised with my
7 opinion applied to it. It's my -- the plain and ordinary meaning can be
8 broader, but my opinion on that is still consistent with this. That's what she
9 says she did. She says, look, I showed you office furniture and that's
10 consistent with there being a desk or a chair, but that's not the test.

11 If the District Court construction is applied here, if you adopt that
12 construction and imposed the double distance, same size requirement, their
13 job is not to prove that Rosenberg discloses office furniture. It has to
14 disclose a chair or a desk. It doesn't do so. And so let me turn to that. They
15 didn't ever show that. They --

16 JUDGE GIANNETTI: Well, Counsel, let me just take this another
17 step. I believe their argument, and I think it's consistent with the law, is that
18 the patent that was read, that the prior art is read in from the point of view of
19 a person of ordinary skill. So -- and a person of ordinary skill would
20 understand that when Rosenberg talks about emulating a mirror or whatever,
21 it's all in the particular language, that it would automatically -- or to a person
22 of ordinary skill, suggest these other features.

23 I think that's their position and -- because I think they recognize
24 that it's not explicit in -- explicitly taught by the reference, but a person of
25 ordinary skill in the art is going to understand it to be there.

1 MR. NELSON: I believe that is their position, Your Honor. I --

2 JUDGE GIANNETTI: What's wrong with that?

3 MR. NELSON: Well, I will just note, before moving on, it's late.

4 It's not -- that theory was never disclosed until the reply and this argument

5 that somehow it was disclosed in the petition and the expert's declaration in

6 the first instance really is a little bit of sleight of hand.

7 There was a Slide 23 from Petitioners that --

8 JUDGE GIANNETTI: Did you have a chance to cross examine

9 the expert on that issue?

10 MR. NELSON: We did. That's correct.

11 JUDGE GIANNETTI: Okay.

12 MR. NELSON: Yep.

13 JUDGE GIANNETTI: So what's your complaint here?

14 MR. NELSON: So --

15 JUDGE GIANNETTI: That it was late?

16 MR. NELSON: It was -- it absolutely was contrary to the

17 guidance from the Board that you may not make new arguments, and present

18 new evidence, and reply that could have been brought --

19 JUDGE GIANNETTI: But what about the merits of the argument?

20 I hear your procedural argument --

21 MR. NELSON: Yeah.

22 JUDGE GIANNETTI: -- but I'd like to hear --

23 MR. NELSON: Yes.

24 JUDGE GIANNETTI: -- comments on the merits.

25 MR. NELSON: Okay. So first of all, with reference -- I'll ask you

1 when you turn back to this to turn to Petitioner's Slide 23, where they
2 presented some discussion from the background of the expert's declaration,
3 particularly a discussion of a Straka reference.

4 JUDGE GIANNETTI: Okay.

5 MR. NELSON: And they say, look, we said it all along that a
6 Petitioner would read Rosenberg's disclosure of, hey, we're mimicking or
7 emulating a mirror, and they would see double distance, same size, because
8 they knew about Straka. First of all, that argument was never made in the
9 petition. That --

10 JUDGE GIANNETTI: I -- counsel, I know that your argument is
11 that it came late, but I want your comment on the merits of it. What do you
12 think of that?

13 MR. NELSON: It doesn't work, Your Honor.

14 JUDGE GIANNETTI: Why not?

15 MR. NELSON: It -- the petition or rather their -- Rosenberg itself,
16 really -- and I'm turning to Slide 54 of our presentation, Petitioners, for the
17 first time in their reply, say, look, a person of skill in the art would -- who
18 knew all this about -- who knew about the double distance, same size
19 requirement would know that when Rosenberg says, double distance, same
20 -- or when Rosenberg says, I'm sort of emulating a mirror, that -- that's really
21 disclosing double distance, same size. They say they would know it.

22 The problem is that nothing they actually point to in Rosenberg
23 says that and nothing in their expert's declaration connects those dots or
24 explains why they would understand Rosenberg to be saying when it says,
25 emulate a mirror, that it's really saying, do double distance, same size in

1 addition to flipping. That's -- and let me walk -- let me walk through --

2 JUDGE GIANNETTI: So let me just see if I understand your
3 position. So you say that this is an opinion and you recognize that the expert
4 did render this opinion, but you say it's not supported by the record and
5 therefore we shouldn't give it any weight? Is that oversimplifying it or did I
6 get that generally right?

7 MR. NELSON: I think that is a great top level summary, Judge
8 Giannetti.

9 JUDGE GIANNETTI: Okay.

10 MR. NELSON: And if I could review some of the evidence --

11 JUDGE GIANNETTI: All right.

12 MR. NELSON: -- there. So really the Petitioners here rely on
13 Paragraphs -- I can show you here on Slide 54, Paragraphs 27, 38, and 77 of
14 Rosenberg saying that the transformations mimicking a mirror provide such
15 well known features. Well, let's look at each of those in turn.

16 Here's Paragraph 27 of Rosenberg on Slide 55. And the point here
17 is, again and again, except for one place and I'll address Paragraph 77 in
18 turn, except for in one place, Rosenberg, again and again, tells the person of
19 skill in the art exactly what they mean by emulating a traditional mirror and
20 exactly what they mean by emulating a traditional mirror is left-right
21 inversion. Nothing more. Again, and again, Rosenberg says, yeah, we have
22 a traditional mirror-at-mimicking mode, a traditional mirror or a digital
23 mirror mode that emulates a traditional mirror. It says, again and again,
24 what we're doing there is we're flipping an image and it goes no further.

25 So for instance here in Paragraph 27, relied upon by Petitioners,

1 "Rosenberg teaches that the digital mirrors operative to replicate the
2 performance of a standard household mirror, providing the user with a left-
3 right reversed frontal image of himself or herself." No disclosure of
4 maintaining the same size or appearing -- the user appearing at double the
5 distance. And there is no opinion from Dr. Karam on their side that this
6 teaches it anyways. This is all just about left-right inversion.

7 Paragraph 26 of Rosenberg says the same thing. It's not cited by
8 them. I understand why. Paragraph 26 says, again and again, if I could just
9 read that to you, "In a traditional mirror mode of an embodiment of the
10 present invention, the real-time images are streamed video images captured
11 by a camera mounted on the display. The real-time streamed video images
12 being a left-right inverted representation of the video signal captured by the
13 camera." And it goes on to explain how the left-right inversion process is
14 technically accomplished. And that's what Rosenberg says is mimicking a
15 mirror --

16 JUDGE GIANNETTI: So Counsel, I don't think that quite answers
17 my question, though. I mean, yes, I think we agree that flipping the image is
18 what Rosenberg is concentrated on. But what about the idea that a person of
19 skill in the art or even a person who's ever looked in a mirror before would
20 observe the same size, double distance features that you mentioned. That
21 -- that's a widely known characteristic of a mirror. It doesn't take a Ph.D. to
22 understand that. Anyone who's looked in a mirror would be able to observe
23 that.

24 MR. NELSON: So the -- if I understand your question, why would
25 -- is why wouldn't a person of skill in the art reading those disclosures of

1 left-right flipping also say, okay, I've also -- this is also telling me I need to
2 do double distance, same size; is that the question? Well --

3 JUDGE GIANNETTI: Yes, and while Rosenberg -- I think we can
4 agree that Rosenberg focuses on this particular aspect, the flipping aspect.

5 MR. NELSON: So --

6 JUDGE GIANNETTI: Why wouldn't a person of ordinary skill or
7 even an ordinary observer see that these other features were characteristic of
8 a mirror?

9 MR. NELSON: We've explained that in our papers, Your Honor.
10 Rosenberg in fact teaches away from those characteristics of a mirror
11 beyond simple left-right inversion. Rosenberg, and this is in our papers as
12 well as in our expert's declaration, Rosenberg teaches embodiments in which
13 the user is permitted to approach the mirror without any change in their size.
14 In other words, the image is frozen and the image is no longer appearing to
15 be double the distance at the same size, because the user wants to inspect
16 themselves.

17 And so it says here, "This will allow the user to examine their
18 frozen image in detail. This is particularly useful for a user who wishes to
19 change his or her distance and/or location with respect to the mirror to get a
20 better view of his or image, but not have the image change as the user
21 moves." That is directly contrary to the double distance, same size
22 requirement, because what it's teaching is that you may want to get really
23 close and have no change, to really inspect -- I do that every morning, right,
24 to make sure I'm looking good, to really inspect your face. And it says,
25 "With a traditional optical mirror, such an act would cause the reflective

1 image to change."

2 So Rosenberg is affirmatively telling you, you shouldn't do that.

3 You shouldn't do double-distance, same-size. That's the first reason a person
4 skilled in the art wouldn't see that.

5 JUDGE CYGAN: And, Counselor, sorry, is Rosenberg saying
6 that's the -- its only embodiment is that freeze feature or is it a number of
7 -- one of other different options?

8 MR. NELSON: There are other embodiments, including this, sort
9 of, standard mirror emulation mode, right? But as we've mentioned, that
10 never says anything other than left-right inversion, at the risk of repeating
11 myself there. The times it discusses anything like this double-distance,
12 same-size requirement, says it's teaching away.

13 JUDGE CYGAN: I'd like to untangle your teaching away
14 argument from, I guess, the conventional knowledge in the art argument. It
15 would seem to me if Rosenberg teaches one of a number of different
16 options, it's not really teaching away so much as it's presenting different
17 options and saying that either one of them might be appropriate. So it may
18 not be teaching away in that sense.

19 Is -- I wanted to get to the point to distinguish between whether or
20 not you're saying that there's no evidence showing that this doubled the
21 distance, doubled the size, is a conventional property of a mirror versus the
22 fact -- versus the argument that nothing of evidence shows that one of
23 ordinary skill in the art would understand that Rosenberg is teaching this.
24 Because I think the former may be foreclosed with some of the previous
25 arguments that they made.

1 MR. NELSON: Yep. So I think Counsel for Petitioners said, and I
2 agree, that there's -- neither expert has disputed that the optical properties of
3 the conventional mirror were known. I think there was even some testimony
4 it's been known since, I don't know, Archimedes or somebody from long
5 ago. That's not in dispute. So we don't dispute that a person of skill in the
6 art would read these disclosures and be aware of that property of a
7 conventional mirror.

8 The point we have made, and the argument we have made, is that
9 first, a person of skill in the art who read Rosenberg would not see the
10 importance of implementing a double-distance, same-size requirement. And
11 Dr. Forsyth addresses that directly both in his declaration and in deposition.
12 That of course, this was known, but I look at these references, they don't talk
13 about it. Some of them teach directly away from it. Nakazawa probably
14 knew about it, but he doesn't mention it, or reference it, or discuss the
15 importance of doing it. Rosenberg doesn't do it. The other references that
16 we'll talk about later today talk about emulating a mirror, but don't ever
17 disclose the importance or the necessity of doing this double-distance, same-
18 size requirement. So a person of skill in the art would not have realized the
19 importance of doing so to generate a -- what the '109 Patent calls a
20 "convincing mirror experience."

21 Any contrary view is just the words of their expert who said, well,
22 of course they would know. Well, again, we've established it, but it's not
23 disclosed any of these references, the double-distance, same-size
24 requirement is never said. And to the extent that Rosenberg talks about it, it
25 says, we should do some things where you can get closer to the mirror so it's

1 not exhibiting the double-distance, same-size requirement.

2 I hope that's responsive to your question.

3 JUDGE CYGAN: Just to clarify. So one of ordinary skill in the
4 art would think within the background of a mirror having certain properties.
5 But when they would look at Rosenberg, the specific way that Rosenberg
6 discusses the mirror, they would not rely on their background knowledge of
7 those properties. They would- be focused instead on the specifics of what
8 Rosenberg is saying. And to the extent that Rosenberg says a mirror, they
9 wouldn't bring in sort of their background knowledge on what a mirror has
10 because of the circumstances of Rosenberg that you -- that you're detailing
11 for us today?

12 MR. NELSON: It's -- it is that, but it is also that one of skill in the
13 art would not realize the importance of implementing these features in a
14 digital mirror system, right? In other words, they would see that Rosenberg
15 says digital mirror. They would see that Rosenberg tells the reader exactly
16 what a digital mirror is, which is inversion of the image. And they would
17 not say, well, of course, he's obvious --

18 I mean, there's really two flavors of this argument, both in our
19 view and proper. One is that a person of skill in the art reading this would
20 say, aha. When Rosenberg says left -- emulate a traditional mirror, he's
21 really saying, create a digital mirror system that does double-distance, same-
22 size, despite the absence of any disclosure in Rosenberg of how to do that.

23 JUDGE CYGAN: But Counselor, isn't it fair to say on that point --

24 MR. NELSON: Yeah?

25 JUDGE CYGAN: -- that Rosenberg -- if it's known at the time

1 what the properties of a mirror are, why would Rosenberg have to detail all
2 the different properties of a mirror in their specification?

3 MR. NELSON: That's a fair question. But why does Rosenberg
4 tell you the one thing that he's doing is left-right inversion rather than the
5 more complicated optical manipulations required by the construction?

6 JUDGE CYGAN: Okay.

7 MR. NELSON: So he does tell you what he thinks he's doing, and
8 it's left-right inversion, right? So a person of skill in the art reading that
9 would not understand him to say -- to be -- to that to say, oh, he's also doing
10 obviously the double-distance, same-size. Both because it's not disclosed,
11 because he says What's enough, which is just left-right inversion. And as
12 our expert has explained, a person in the art would not realize the
13 importance of doing so. And so the total absence of that disclosure in
14 combination with an affirmative statement about what it really is, as well as
15 the other modes in which the image is not being treated in a distinct, same-
16 size manner, means that it would not occur to a person of skill in the art to
17 say, ah, he's teaching me the double-distance, same-size requirement here.

18 The other flavor of this argument that showed up at the last second,
19 and hasn't been fully developed, is that somehow a person of skill in the art
20 would find it obvious to implement double-distance, same-size in view of
21 Rosenberg and Nakazawa. That's a new argument not made before, but
22 that's taking it even a step further. That well, a person of skill in the art
23 would read Rosenberg, read these disclosures, and say, well, that's just not
24 good enough. I should modify Rosenberg to implement these things. There
25 -- it's a brand new argument not made before, except for the reply, is made

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1 in a single sentence. I don't think there's any support for the same reasons
2 I've articulated.

3 JUDGE CYGAN: Okay.

4 JUDGE POWELL: Could you --

5 MR. NELSON: Yes?

6 JUDGE POWELL: Could you -- just as I asked Patent Owner,
7 could we go on to the rate issue?

8 MR. NELSON: I was just going to turn to the rate issue, Your
9 Honor.

10 JUDGE POWELL: Okay. Thank you very much.

11 MR. NELSON: Okay. This is Limitation 1H, varying the rate at
12 which the non-ordered steps are performed on the series of images according
13 to the distance. The -- there was a construction before the District Court at
14 this term, that was discussed by Petitioner varying the rate at which one or
15 more non-ordered steps are performed on the series of images. I don't think
16 anything other than the plain meaning of this language is necessary to show
17 you that Petitioners have failed to show that this claim is rendered obvious
18 or disclosed by Rosenberg, Nakazawa, or Hatanaka, or Tripathi. And let me
19 just turn to that.

20 So someone, one judge asked a question, well, what are the non-
21 ordered steps that is displaying the image a non-ordered step? The plain
22 language of the claims tells you that's not the case. The claim tells you to
23 obtain a digital image from a camera. Then it describes three operations
24 performed on the obtained image: flipping the image, applying a
25 transformation mapping to the image, and resizing the image. All those

1 occur necessarily after the camera has obtained an image, of course, under
2 the plain meaning of the claim language.

3 Step 1E is displaying the image on the monitor, after performing
4 the flipping transformation, mapping, and resizing. That's not a non-ordered
5 step. That's an ordered step. That has to occur after the transformation steps
6 have occurred. So the non-ordered steps are these image-processing steps.
7 And the claim tells you that, right? The claim says you're varying the rate at
8 which the non-ordered steps are performed on the series of images. So it
9 -- it's these steps that are -- whose rate of performance is varied.

10 As you know, given the questions you've asked, Rosenberg
11 discloses something very different, which is turning on or off the mirror
12 emulation mode when a person is no longer detected in front of the screen,
13 and it goes to either a digital frame or just turned off. I mean, the -- those
14 are the possible embodiments there. But it is not anymore capturing images,
15 doing some manipulation of them, and then displaying them of the user. It's
16 not doing that at all. It's not performing those steps at all, let alone varying
17 their rate.

18 So the theory that you heard is that switching between these modes
19 sort of -- one mode where I think Petitioner, in the traditional mirror mode,
20 agreed that it's a fixed rate in Rosenberg. It's just running through these
21 steps, then displaying the images to a mode where it's just turned off, and not
22 doing those steps at all, is varying the rate of performing steps based on the
23 user assistance. Because one of the things that Rosenberg discloses, as you
24 know, is this proximity sensor that says, if you're within eight meters it will
25 turn on, if you're not, it will turn off. I don't disagree that that's doing

1 something based on the distance, but it is not varying the rate at which the
2 steps of image processing are being performed. They're either being
3 performed at a fixed rate or they're turned off.

4 And we can look at the plain language of the claims again. The
5 claim requires varying the rate at which non-ordered steps are performed on
6 the series of images. During Rosenberg's off mode, there are no images
7 being obtained from a camera, there are no images being displayed after
8 performing image-processing steps. So literally this limit -- nothing about
9 this claim is being performed in the turned-off state. There's no image being
10 obtained from a camera, there's no flipping, there's no applying, there's no
11 resizing. It's just turned off. It is not varying the rate. And the claim tells
12 you, you have to vary the rate at which the non-ordered steps are performed
13 on the series of images, not just varying the rate at which the steps are
14 performed so that you could say, as Petitioners do, well, when it's off, it's not
15 performing any steps. When it's on, it's performing steps, clearly varying the
16 rate.

17 That's not what the claim says. The claim says, you have to vary
18 the rate at which the non-ordered steps are performed on the series of
19 images. Those images obtained from the camera. It's not happening in the
20 off mode. And frankly, their theory proves too much. Any television that
21 could be turned off when you walk away would be varying the rate at which
22 image-processing steps are performed. And that's not what this claim
23 means. And neither Rosenberg nor Nakazawa actually discloses what the
24 claim requires, which is varying the rate at which these steps are performed
25 on images. Nowhere in Rosenberg. It doesn't even get close. As Petitioners

1 have conceded, Rosenberg discloses a fixed rate that image processes.

2 Okay. Now in her deposition, Petitioner's expert contended, well,
3 no, you need to see these as a super mode. They're all the same mode as part
4 of some super mode. There's no support for that in the papers, it's just her
5 say-so. There is no super mode, and a person of skill in the art would not
6 have regarded turning off the system as part of a mode. It's just a different
7 mode of operation.

8 Now, Grounds 2 and 4 add Hatanaka to Rosenberg and Nakazawa.
9 First, the -- we've -- as we've already established, Rosenberg has nothing to
10 do with varying the rate of image performance steps. Hatanaka discloses
11 reducing image data-related processing throughput, such as by reducing the
12 frame rate or the resolution of encoding and decoding, in order to save
13 power. So there's a change to frame rate, a change to possibly a change to
14 resolution as part of an encoding process.

15 Reducing the frame rate or resolution of a video stream does not
16 disclose or render obvious the -- varying the performance of recited
17 processing steps. That change to the resolution of an image -- a series of
18 images, or the frame rate, says nothing about the processing steps and
19 whether their rate is varied. And in fact, as our expert has opined, and this is
20 unrebutted by Petitioner's expert, a person of skill in the art would have
21 known that these variations in coding parameters, changing the resolution,
22 changing the frame rate of the video that's going to be displayed, don't imply
23 anything about whether the processing steps are being varied in the rate at
24 which they're being applied. You could apply an encoding to change the
25 resolution or the frame rate at a fixed rate in an encoding step. Nothing

1 about that implies changing the rate of processing. So this doesn't disclose
2 it. What the claim requires at all. And so of course, there would be no
3 motivation to combine these because they're about two different things, first
4 of all. And not -- even combined, they would not achieve the claimed
5 invention. They achieved something different.

6 Now, Tripathi -- if you'll pardon me for just one second. Tripathi
7 is relied upon in combination with Rosenberg and Nakazawa for Grounds 3
8 for limitation, 1H. Tripathi discloses adjusting the display frame rate in
9 response to content type. There's a determination by the system of whether
10 what is on the screen is what it calls static or dynamic, and it can vary the
11 display rate typically when it sees that the content is static, because it's not
12 as important to have a high frame rate for static content. And the argument
13 that's made by Petitioner is, well, this clearly shows changing the rate or
14 varying the rate of processing -- the image processing steps. It doesn't do so
15 at all. First of all, the assumption that is built into Petitioner's argument, as
16 made explicit in the deposition, is that when Tripathi is discussing dynamic
17 content, it's talking about a user moving in some way, backward and forward
18 so that you'll -- and the distance will -- of that user will change. And so
19 you'll want to vary the processing rate there. Tripathi says nothing about
20 that. That is an assumption made by their expert who said, well, you have to
21 detect dynamic content. You have to have the distance there. It should be
22 part of it.

23 Your Honors, there is not a single disclosure in Tripathi of doing
24 anything based on a perceived distance to a user or any other object in the
25 screen. That is entirely supplied by Petitioner's expert without basis,

1 because what Tripathi actually tells you, here in -- on Slide 89, Tripathi tells
2 you that the dynamic content it's talking about is not a user and their distance
3 but scrolling motions on a screen, page changing motions on a screen,
4 zooming or other common vector motions in at least a portion of the display
5 content. There's no discussion with Tripathi of a user's distance changing,
6 just talking about this kind of onscreen activity. No disclosure whatsoever.
7 That is invented by the Petitioner's expert. So Tripathi doesn't disclose it,
8 neither does Rosenberg, neither does Hatanaka. And there -- for -- there
9 would be no motivation to combine, not only because they are teaching
10 different things, but with respect to Tripathi, Rosenberg concerns power
11 savings when there's no-one in front of the screen. Tripathi concerns power
12 savings, when something is going on in the screen. There's no reason, no
13 suggestion to a person skilled in the art why these would be combined. And
14 our expert has explained why here on Slide 93 and it's Exhibit -- paragraph
15 531. With that, I'll stop. Thank you.

16 JUDGE POWELL: Okay. Thank you. We have 23 minutes left.

17 MS. ARNER: Thank you, Judge Powell. Once again, I will
18 address our rebuttal positions for claim construction and some of the
19 allegations regarding purported inconsistency. And then I'll turn it over to
20 Ms. Zhang to rebut on the specific teachings of the references. I'd like to
21 start because I'm really concerned with something Judge Giannetti said
22 earlier, which was it sounded like there was a perceived inconsistency in the
23 positions taken by the Petitioners. And Patent Owner has taken pains to cast
24 that in some sort of nefarious light. And I just want to make sure the record
25 is clear on how there is not an inconsistency here. I'd like to turn to Exhibit

1 1004, which is the Karam declaration filed with the petition. And I'm
2 looking in particular at her Paragraphs 42 and 43. I won't read them to
3 preserve the time, but I commend them to the Board where at the time of
4 petition filing Dr. Karam, the Petitioner's expert, took the position driven by
5 the '109 Patent itself, starting in Paragraph 42, that the three features that we
6 keep talking about are well-known, meaning of a mirror image to a person of
7 ordinary skill. Based, not just on Karam, whatever she said in her reply, but
8 right here she explains the patent says that's what it was. As Judge Giannetti
9 said, there's not a Ph.D. required.

10 The patent in Column 2 says, "A mirror effect, a mirror image has
11 these three features." It's different from a camera image. The Patent
12 Owner's expert, as the Patent Owner's counsel acknowledged, said, those
13 have been known for millennia. And Dr. Karam said in her testimony at the
14 time of the petition that those were well known, this mirror effect was well
15 known. She talked about the patent, she talked about the background
16 reference Straka, and she talked about Rosenberg in particular. And I will
17 read that part in Paragraph 43 where she says, "So too does Rosenberg
18 disclose a digital mirror system that simulates a real mirror," citing passages
19 in Rosenberg. "Rosenberg discloses scaling real-time video images captured
20 by the camera so that they appear like traditional life-size mirror images,"
21 citing Paragraph 77 in Rosenberg. And the "So too" refers to her
22 immediately prior discussion of Straka, which shows specifically the
23 transformations of double distance and same size, just like Figure 5B of the
24 patent, which is just immediately before that.

25 So those positions have been clear. Petitioners have been honest

1 and open about that. The position taken in the petition is that the
2 construction was not needed, which is the same construction that the Patent
3 Owner took. The same day they said that to the Board that in the District
4 Court, they proposed a construction. So to the extent Patent Owner's
5 counsel or Patent Owner is accusing Petitioners of gamesmanship here,
6 everything that they are accusing the Petitioner of applies equally. Their
7 -- they did propose a construction on the same day they filed their
8 preliminary response proposing no construction. Patent -- Petitioner agrees,
9 no construction was required, but I just wanted to clarify the inconsistency
10 was not there. And we are not simply relying on Dr. Karam later self-
11 servingly say, oh yeah. My understanding of how a mirror works is
12 consistent with that three-part recommendation -- or three-part construction.
13 She was going back to her own declaration at the petition time where she
14 said that much. So I don't think there's anything really to question there, but
15 I wanted to be very clear that that sequence of events happened in that order.

16 JUDGE GIANNETTI: Counsel, I hear your argument -- it's Judge
17 Giannetti. I hear your argument based upon the expert declarations, but
18 what's your best argument about why we shouldn't give weight to the
19 magistrate's order?

20 MS. ARNER: I would say there, honestly what the Patent Owner
21 said in their opening I think kind of exposed the problem with their
22 argument in trying to tell the Board to construe. As I understand it, the
23 question, I think, came from Judge Cygan about why did you tell the District
24 Court it was wrong and you're telling us here to adopt it? And they tried to
25 explain that they changed their position or why. At the same time, their

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1 expert told the Board the evidence that was put into the Board was no
2 position on that. And so the Board does not have the benefit of anyone
3 being able to cross-examine Patent Owner's expert on that topic, because he
4 said he hadn't thought about it, he hadn't analyzed it, and he -- and Patent
5 Owner's counsel objected when we tried to cross-examine on it and said it
6 was outside the scope. So to the --

7 JUDGE GIANNETTI: So as I understand it, what you seem to be
8 saying is that the record that we're looking at is different than the record that
9 was before the magistrate judge?

10 MS. ARNER: Yes. They're different experts, first of all, which
11 they acknowledge. They put in the District Court expert, but that is not the
12 expert here. And also it's incomplete. It's not just different --

13 JUDGE GIANNETTI: Yes.

14 MS. ARNER: -- it's incomplete.

15 JUDGE GIANNETTI: But it's still out there and --

16 MS. ARNER: It is, absolutely.

17 JUDGE GIANNETTI: -- we have to consider that.

18 MS. ARNER: Yes, absolutely.

19 JUDGE GIANNETTI: Whether it came in late in the proceeding
20 or early in the proceeding or whatever positions the parties took, we still
21 have to deal with that magistrate's order.

22 MS. ARNER: One hundred percent. And I think you hit the nail
23 on the head with, regardless, if it is final, you don't even need to decide
24 because they agree that even if it was final, you're not bound by it, first of
25 all. But to your point, Judge Giannetti, you do need to explain, perhaps

1 under the most recent memo that was issued, if there's a different approach
2 taken. And here, you're exactly right, the record is different. It is a different
3 expert. And I -- my understanding is it's non-final. I don't think you have to
4 resolve that to point out that it's a different expert. But also the record
5 before the Board is incomplete because the expert who is before the Board,
6 Dr. Forsyth, specifically said he hadn't opined on it. And Petitioner's
7 counsel was not allowed to cross-examine it because it was said to be out of
8 scope. I think those are the reasons I would give.

9 JUDGE GIANNETTI: Well, Counsel, I'm glad that you
10 mentioned yesterday's memo. And maybe I'm putting you on the spot, but
11 do you have any arguments about why we -- how we should deal with that?

12 MS. ARNER: Sure. And you're not putting us on the spot. I think
13 it came out yesterday. It applies, arguably, to all the cases now. It didn't
14 have a limitation. Our position is that it doesn't apply here, because my
15 understanding is that the magistrate's judge was a recommendation and not a
16 final order from the District Court. The District Court had not adopted it.
17 But even if it is a final adjudication, I think there is ample reason for the
18 Board to point out why construction is not needed here. You're not
19 necessarily saying that that construction is wrong because no-one's given
20 you any evidence here to decide that. But you are saying it's different, it's
21 not required here, because the evidence hasn't been here -- been put in and
22 the expert is different. I think that's all that that memo requires.

23 JUDGE GIANNETTI: All right. Thank you.

24 JUDGE CYGAN: Counsel, just to be clear, when you're saying
25 that there's no construction required still --

1 MS. ARNER: Yes.

2 JUDGE CYGAN: -- you're still arguing that your position meets
3 their construction. So even under their construction --

4 MS. ARNER: 100 percent.

5 JUDGE CYGAN: -- Rosenberg still teaches it.

6 MS. ARNER: Yes.

7 JUDGE CYGAN: And that's the reason why it's not required?

8 MS. ARNER: That's right. Yes. And that, I think, you know, we
9 walked through -- I'll leave it to Ms. Zhang to walk through exactly how it
10 meets the three-part construction. But you're right, I think it relies heavily
11 on the evidence I just talked about, Rosenberg saying, this is what would've
12 been understood by someone of skill in the art. And there, I would point you
13 to the Anacor Pharmaceuticals case where the Federal Circuit said
14 specifically that it was fine for a reply declaration to introduce arguments
15 and even evidence about how one of skill and art would've interpreted the
16 -- understood the words of the claim.

17 That's exactly what we have here, where the mirror -- the term
18 mirror effect or mirror image, mimicking a mirror, is understood to have
19 those three properties. And it's not just our reply or Dr. Karam saying it, it's
20 the patent itself and it's the Patent Owner's expert, that one ordinary skill in
21 the art would have appreciated those features when you say a mirror, back to
22 Judge Giannetti's point. And of course, that is the test for obviousness is
23 how one of skill in the art would have understood the terms in the claim in
24 the prior art.

25 Okay. So then, my last point I wanted to make in rebuttal and then

1 I'll turn it over to Ms. Zhang on the substance, is on the inconsistent
2 positions. I won't harp on it, but you, I hope, understand how the positions
3 have not been inconsistent. I will go back to the Axonics case though and
4 just point out -- I want to make sure, because the timeline was emphasized
5 quite a bit by the Patent Owner. And both parties on September 13th, at
6 least, when they put in the joint claim construction to the District Court,
7 knew what the positions were.

8 They filed it together. That's the day the Patent Owner preliminary
9 response was filed with no mention of it. So to the extent that they are
10 criticizing Petitioner for never raising it, they didn't do it either. It wasn't
11 necessary because both parties said no construction is needed and it was just
12 positions in the District Court at that point, and they were not inconsistent.
13 But what I want to show you in the Axonics case is something that the
14 Federal Circuit specifically called out as a concern in this exact fact pattern,
15 which is the opportunity for sandbagging by a Patent Owner.

16 And the Board -- the Federal Circuit -- and even there, the Patent
17 Owner in Axonics argued, oh, but the Petitioner had to put their positions in
18 the petition because they knew about them.

19 And the Federal Circuit said, no, they do not. They do not have to
20 argue all different alternative constructions in the petition. They are allowed
21 to come in and reply and explain or address Patent Owner's constructions
22 when they're raised in the Patent Owner response. That's just what happened
23 here. And the court said, it's especially important because what Patent
24 Owners could do is at the time of filing their preliminary response, they
25 could see a winning claim construction position in their view based on a

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1 position taken elsewhere, which apparently they think it is their winning
2 claim construction position, and withhold it.

3 Not say it at the preliminary response, allow institution, allow
4 estoppel to attach to that Petitioner and then spring it on the Petitioner in the
5 Patent Owner response, say they don't get to reply to it, and then win for the
6 Patent Owner. And that that kind of sandbagging cannot happen. And that's
7 exactly what the Federal Circuit warranted against and said was improper in
8 Axonics, and that is why the timeline is very important, I agree, but not just
9 for the Petitioners here, also for the Patent Owners.

10 I want to save, unless there are questions on any of those points,
11 the rest for Ms. Zhang to address the three-part construction and a couple of
12 --

13 JUDGE POWELL: So on that last point, are you saying, perhaps
14 I'm paraphrasing too much, but Petitioner certainly did nothing worse than
15 what Patent Owner did? Is that a fair characterization of the --

16 MS. ARNER: Their positions were the same. At least on
17 September 13th, they both knew what the District Court constructions were
18 and neither one said anything to the Board until after institution.

19 JUDGE POWELL: Okay. Thank you. And I'll leave you to
20 transition then.

21 MS. ARNER: Okay.

22 MS. ZHANG: Thank you, Your Honors. As Miss -- Ms. Arner
23 mentioned, if the Board choose to adopt that construction, and we have
24 shown in the petition, plenty of evidence how our Rosenberg and Nakazawa
25 ground renders obvious the mirror-mimicking limitation under the three part

1 construction. In the petition, we have explained how Rosenberg discloses
2 flipping and scaling -- and for flipping feature, we described it in Page 19
3 and 20 to -- page 19, 21. And we described the double the distance feature
4 based on Rosenberg's disclosure about the scaling to mimic a traditional life-
5 size mirror image. And that is in Page 21 to 22.

6 And regarding the same size, not only we describe that scaling
7 feature in page 21 to 22, we discussed that in the limitation -- resizing
8 limitation that the Patent Owner does not dispute. And when we discuss the
9 resizing limitation, we explain the differences between camera captured
10 images and mirror images, how and why, and resizing is important to make
11 sure the image mimic a mirror image.

12 And in those sections of the petition we have cited to Dr. Karam's
13 declaration, her background discussion about the three features of
14 conventional mirror images, and how she understood Rosenberg disclosing
15 those features. That is Paragraph 41 to 52, and more specifically the
16 paragraphs we cited today, 41 to 47. And when she discussed the particular
17 limitations, the flipping, and that is from paragraph 20 -- 122 to 123. And
18 when she talk --

19 JUDGE GIANNETTI: Counsel, let me ask you a broad question
20 here. Well, we all know that there are prohibitions in our cases and in our
21 practice guide against using expert testimony to fill gaps in references, right?
22 And I -- you're probably familiar with that, that we don't allow that. Why is
23 your case not -- doesn't fall in that category of using expert testimony to fill
24 gaps in Rosenberg?

25 MS. ZHANG: There's no gaps in Rosenberg, Your Honor.

1 Respectfully, we have shown Rosenberg in Paragraph 77 and elsewhere
2 throughout its disclosure, disclosing mimicking a traditional life-size mirror
3 image. It doesn't use the magic words of double the distance, but it discloses
4 scaling and specifically to disclose a traditional life-size mirror image. And
5 that mirror image -- the POSITA knows, and people would know that those
6 mirror image -- images have those three features, flipping, and resizing
7 -- sorry, flipping, same size, and double appear to the user at double the
8 distance. So Rosenberg disclosed it in a different way, not using the
9 -- exactly the same words, but it still discloses a traditional life-size mirror
10 image. There's no gap filling. And we are relying expert declaration
11 testimony to show you how a POSITA would have understood the
12 disclosure of the prior art references --

13 JUDGE GIANNETTI: Okay. Isn't that the argument that's made
14 in every gap-filling case, that person of ordinary skill in the art can
15 understand that this -- to be suggested by the disclosure and provide expert
16 testimony to that effect? And how does your case differ from those cases?

17 MS. ZHANG: This is different. First of all, the patent says there
18 are three features. In the background section it discloses those three
19 features, and the expert is looking at the patent, and looking at the claims,
20 and looking at the prior art based on the background disclosure as well.

21 JUDGE GIANNETTI: Well, is it fair to have the expert rely on
22 what the Patent Owner or the patentee perceives as being relevant to the
23 invention? Aren't you holding against the Patent Owner work that the Patent
24 Owner -- admissions, if you will, of the Patent Owner? I mean, why is that
25 fair?

1 MS. ZHANG: Yes. And because they described it as the
2 background information, and that is --

3 JUDGE GIANNETTI: Yes.

4 MS. ZHANG: -- what is known -- what was known, as their
5 expert admitted that, no -- everybody knows a POSITA would have
6 understood those three features. And we can hold it to them because it was
7 known in the prior art. The Straka reference expressly teaches --

8 JUDGE GIANNETTI: Yes.

9 MS. ZHANG: -- that as well.

10 JUDGE GIANNETTI: But that's a reference that was not cited in
11 your grounds; is that right?

12 MS. ZHANG: No, it was used as a background reference to show
13 a POSITA's background knowledge and understanding of Rosenberg
14 disclosure.

15 JUDGE GIANNETTI: All right, I'll have to take a look at that.
16 Thank you.

17 MS. ZHANG: Thank you, Your Honor. And I do like to address a
18 couple points that Patent Owner made regarding Rosenberg's disclosure.
19 They argue that Rosenberg only disclosed a simple mirror inversion. It
20 doesn't disclose a double the distance and same size features, but we
21 disagree. Rosenberg does disclose left and right inversion, but it also -- that
22 does not detract the Rosenberg disclosure. Elsewhere, for example,
23 Paragraph 77, disclosed scaling the image before the display to make it
24 appear in a size like a traditional life-size mirror image.

25 And Patent Owner also even take a step further to say Rosenberg

1 teaches away. As Your Honor mentioned that teaches away is a more strict
2 standard. You need to look at the prior art and see if the prior criticize,
3 discredit, or otherwise discourage the solution claimed. There's no
4 discouragement here. In Rosenberg it talks about different embodiment.
5 Some embodiments are preferred. Some are not. And Rosenberg
6 recognized that the embodiment that have the camera on top have some
7 unnatural perspective. But still Rosenberg discloses left or right inversion
8 and scaling the image to appear like a traditional life-size mirror image.

9 And if you look more closely at their teaching away argument,
10 they're relying on the image freeze feature in Paragraph 39, and Paragraph
11 39 does not teach away. It teaches an optional feature that is a user
12 selectable feature that the user can proactively engage and disengage, and
13 going back to the mirror display mode. So that does not teach away from
14 Rosenberg teaching of traditional mirror mimicking.

15 And what we are concerned about is their doctor, their expert
16 testimony, too. Dr. Forsyth took the opinion that Rosenberg considered
17 double the distance and same size features as less important. Well, in the
18 background section, he agreed that those are the three features that a person
19 of ordinary skill in art would have understood as a mirror image would have.
20 But still he considered -- relying on Paragraph 39, he took the view that
21 those -- Rosenberg would not -- did not consider those two features as
22 important, and Paragraph 39 teaches away. That contradicts his earlier
23 testimony in the declaration, recognizing those three features we know. And
24 that also contradicts the prior art, the background section in the patent
25 specification explaining those three features we know, and contradicts the

1 prior art Francois background and Straka reference teaching those features
2 we know. And a camera-captured images needs to be transformed to have
3 those features.

4 And regarding the varying rate limitation, I do have a couple points
5 I want to address. First of all, regarding the Rosenberg dual-operation mode,
6 that Patent Owner, I remember hearing Patent Owner's counsel said,
7 Rosenberg is simply turning off the system in the -- when it's not displaying
8 the mirror image. And that is not correct. In Rosenberg when it's -- it
9 teaches different modes of operation. When it stops displaying the mirror
10 image, it also is -- it -- it's still working. The system is not off. It's still
11 capturing the images to detect the user and to see whether the user is in front
12 of the screen. And once the user comes in front of the screen within the
13 vicinity range, as Rosenberg teaches, then you turn on the mirror mode.
14 And that's the point I want to make in response to their argument.

15 In any event, we have the alternative back -- backup ground
16 relying on Hatanaka. Hatanaka expressly discloses changing the frame rate
17 or changing the resolution when the user is not in front of the screen to
18 reduce image processing through -- proven to conserve power.

19 Now, you heard that Patent Owner argued that Hatanaka is about
20 encoding processing or decoding processing, but they're limiting Hatanaka
21 to the particular approach or the specific approach it is taking there. But
22 Hatanaka is still in a relevant field of image processing, and they're not
23 addressing the combination Petitioner has presented in the petition.

24 In a similar vein, when they are addressing Tripathi, they're not
25 looking at the combination. They're addressing the Tripathi's teaching

1 individually. They mentioned that Tripathi does not teach the distance
2 aspect of the claims, but the distance aspect of claim come from Rosenberg.
3 And when Rosenberg's distance changes, the content type changes, we
4 -- and that results in the dynamic content, and that results in a change of the
5 display rate and image processing rate.

6 And does Your Honor have any questions?

7 JUDGE CYGAN: Counsel, yes. If we would agree with Patent
8 Owner on their construction of the non-ordered steps, what would be the
9 reason for combining Tripathi?

10 MS. ZHANG: Yes. I'd like to address that, too. In Rosenberg,
11 Rosenberg teaches that you would display based on the user's distance,
12 right? So in using in the Rosenberg and Nakazawa ground, the non-ordered
13 steps include the flipping, the scaling, the transformation. And it's
14 performed based on the user's distance. But when the -- and Dr. Karam gave
15 different examples in her declaration. If the user is outside of the vicinity
16 zone, that means the content that Rosenberg system will display is just a
17 background image or a picture image. That is static content. That doesn't
18 require a high display frame rate for the user. So that change -- so in
19 Rosenberg combined with Nakazawa and Tripathi, the frame -- the rate of
20 the non-ordered steps reduced in view of Tripathi's teaching.

21 But if the user comes in to the vicinity range, and if the user is
22 moving towards or away from the screen, in Rosenberg system, that would
23 generate dynamic content. And that is because Rosenberg's system is
24 captured -- the camera is capturing the video and presenting the video to the
25 user. So if the user is within the vicinity range, that means that that content

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1 is dynamic. And then Rosenberg combined with Nakazawa and Tripathi's
2 teaching would tell -- was giving -- argue once you adjust the frame rate to
3 capture the high quality dynamic content.

4 But the user is just standing in front of the screen without moving.
5 The distance is now changing. That content would be static. And that -- in
6 that instance, the combination would render obviously reducing the display
7 frame rate and also the image processing rate. And for those reasons, we
8 submit that the claims are unpatentable over the grounds in -- presented in
9 the petition. Thank you.

10 JUDGE CYGAN: Thank you.

11 JUDGE POWELL: So we retained Petitioner's counsel for about
12 an extra minute there. I'm going to -- I'm going to award Patent Owner an
13 extra minute as well.

14 MR. NELSON: I appreciate that. I do not plan to use it, but we'll
15 see if -- maybe I'll be surprised.

16 JUDGE POWELL: Who knows how many questions we might --

17 MR. NELSON: That's right. That's absolutely right. So I won't
18 say no at the outset.

19 JUDGE POWELL: Okay.

20 MR. NELSON: Thank you, Your Honor. First, A couple of -- a
21 couple of things to respond to the suggestion I heard from Petitioner's
22 counsel that perhaps Patent Owner was sandbagging or had not been
23 forthcoming with the Board here. First of all, with respect to the notion that
24 our Patent Owner's preliminary response proposed no construction necessary
25 and proposed a construction to the District Court, that's half right, but only

1 half right. And the other part is the most important, which is where they're
2 wrong.

3 The construction -- you can look at this in Exhibit 2009 at Page 12,
4 the construction opposed -- proposed by Patent Owner in District Court for
5 appears to mimic a mirror is, "Appears to mimic the image that would've
6 reflected from a mirror." Essentially, the plain meaning, which is what we
7 said here, no constructions required.

8 We didn't propose different or inconsistent constructions. They
9 did. We said the same thing both times. We absolutely, once Petitioners
10 moved forward and obtained their construction in District Court, we brought
11 it to this court's attention as we're required to do. And as, frankly,
12 Petitioners resisted when we tried to bring it to the Board.

13 So the other point about sandbagging that I heard was Axonics
14 -- and I believe I've told the Court already, I was part of that briefing on
15 behalf of Axonics. Know that case pretty well. Nothing to do with what's
16 going on here. Axonics concerned the situation as described in colorful
17 terms by Petitioner's counsel where a Patent Owner knew what they were
18 going to say, but waited -- it -- and unbeknownst to the Petitioner sprung a
19 new claim construction position they didn't spring in the preliminary
20 response. And so of course under, sort of, I guess, general fairness rule that
21 the decision is yeah, you can respond to that in your Patent Owner's or your
22 Petitioner's reply. That's not what happened here, but Petitioners knew all
23 along what construction they had proposed. Nothing to do with Axonics.
24 Axonics says explicitly, if there's a new construction from the Board or the
25 Patent Owner, yeah, they can respond.

1 That's not what happened here. It didn't address the situation
2 where Petitioner knew what their position was, why they were going to say
3 they didn't infringe in District Court. They knew it the whole time.

4 JUDGE CYGAN: Counsel, can I probe you with a question on
5 this? If Petitioners had one claim construction they presented in District
6 Court and then they looked at their contentions in this IPR, and they said,
7 because of the nature of the prior art, we don't feel we need to give a claim
8 construction. As your opposing counsel mentioned earlier, you know, when
9 they say there's no construction, they mean -- they say it meets it under any
10 construction, which would be fair to say it meets it under the construction
11 that they had been talking about it at the District Court. So is it really a case
12 where they have changed position on it, or is it a case where they're -- - they
13 felt they didn't need to have a position and now they're responding to your
14 particular construction afterwards? Can you address that?

15 MR. NELSON: Well, I can't speak to their motivations, but I can
16 just speak to what happened and I can speak to what happened in connection
17 with what appears to be the operative rules, which is that you could take a
18 different position. You could change your mind, but you need to explain to
19 the Board in your petition why you're taking different positions in District
20 Court and before the Board, they didn't do that. They didn't do that. They
21 had every opportunity to. That institution decision didn't issue until mid
22 -- or sorry, that institution decision was mid-December. The claim
23 construction issued before that or just around the same time. I think
24 actually, if I think back, institution was just prior to the District Court's
25 decision. They didn't --

1 JUDGE CYGAN: But what would be deficient in an explanation,
2 if their explanation is we don't need it, because the reference has whatever it
3 needs to have. What would be wrong with that explanation as varying from
4 the position they took before?

5 MR. NELSON: So analytically, I think there's two issues there.
6 One, there's a failure of proof under the operative rules. They were required
7 to come forward with their proof in their petition. They didn't do that for
8 this construction. They say they do. They say it's not inconsistent, but they
9 didn't do that. They -- they've -- that's why there's a reply that makes this
10 kind of gap filling argument. Hey, look at Straka, look at Francois, look at
11 them. They tell you what a person's skilled in the art would know.

12 And frankly, I -- I'm not going to belabor the point because I -- we
13 want to get to the merits. That is gap filling. You will search the petition
14 and the declaration of Dr. Karam in this case, in vain for reference to Straka,
15 as to how it informs the understanding of a person skilled in the art when
16 reading Rosenberg. It doesn't say that you will look in that Section 1C in the
17 petition, it never cites to those sections of the background of expert
18 declaration. Never does.

19 Only now, later, have they done it. So there's an issue -- one
20 reason, there's no unpatentability here in our view is there's a failure of proof
21 in the petition under the operative rules here. They didn't show it. Can't
22 show it. With respect to the second question, what's the impact if we allow
23 them to say in reply? I mean, candidly it to me, the answer is what I
24 mentioned in the original presentation. Which is even the belated attempt to
25 show this does not show that the -- a person skilled in the art, reading

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1 Rosenberg would understand it to be disclosing the double distance, same
2 size requirement.

3 So you know, I think that's responsive to your question, but it
4 really is two things. They failed their burden, in the first instance, because
5 they did not come forward with an explanation or even a description of the
6 inconsistency. Even though there was one. And even granting them the
7 ability to do this, they haven't shown you how Rosenberg would be
8 understood to disclose this. On --

9 JUDGE GIANNETTI: Counsel, just one more question --

10 MR. NELSON: Sure.

11 JUDGE GIANNETTI: -- the Straka reference background. Did
12 you have a chance to cross-examine their expert on that?

13 MR. NELSON: Yes. That's --

14 JUDGE GIANNETTI: So why should we be concerned about you
15 being prejudiced? It sounds like you've had a full and fair opportunity to
16 challenge it, even apart from the timing issue, which, you know, we hear you
17 on that. But in terms of prejudice to you, you've cross examined and had
18 your chance to make whatever arguments you want to make, as you
19 obviously are doing that today.

20 MR. NELSON: To me, the issue or the focus of these should not
21 be on whether we were prejudiced because we --

22 JUDGE GIANNETTI: Why not?

23 MR. NELSON: Well, the issue is whether they complied with this
24 Board's rules as expressed in both in the practice guide and cases like
25 Cambridge.

1 JUDGE GIANNETTI: Well, the Board rules are designed to avoid
2 prejudice to parties, among other things. And I'm just trying to see why -- I
3 hear you're complaining about the -- and obviously the rules are important,
4 but I'm trying to factor in the fact that you had a full and fair opportunity to
5 challenge this. Now, you want us to overlook evidence that you had a
6 chance to argue. It wasn't -- it may have come late in the proceeding, but
7 you certainly had a chance to respond to it.

8 MR. NELSON: Well, we had the opportunity prior to the
9 Petitioner's reply to ask questions about Straka, even though it wasn't in any
10 part of the petition. Now, having seen that, the entire part of their case now
11 relies on Straka, which was never the case before, and is gap filling. I mean,
12 it's precisely the kind of gap filling that Axonics says you can't do, right? To
13 come up with a new prior art reference that maybe you had in your
14 background. But now say this is the one that really tells you that the claims
15 are invalidated.

16 I think we were prejudiced by that. We had an opportunity just to
17 ask an expert questions. We had never seen, until the reply, a full-blown
18 direct use of Straka as saying, okay, well, this really discloses the double
19 distance, same size requirement. And so a person with skill in the art would
20 really be combining what they know about from Straka with Rosenberg and
21 Nakazawa. So I do think we are prejudiced by that, but I think the --

22 JUDGE GIANNETTI: Well, the issue isn't whether you're
23 prejudiced by Straka. Straka might be good. If it might support their
24 argument. It might not. We'll have to look at that. The question is, have
25 you had an opportunity, a full and fair opportunity to respond to it? And

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1 then it looks to me like you did. You had a chance to cross examine and
2 make arguments before us and make arguments before the hearing.

3 MR. NELSON: So --

4 JUDGE GIANNETTI: I don't quite see your argument that you're
5 prejudiced by the proceedings. You may be prejudiced by the evidence, but
6 that's always the case, right?

7 MR. NELSON: So I -- if I take your example too, it's a logical
8 conclusion then, any Petitioner may in their reply pull up a new argument
9 based on art that was never discussed in connection with the limitation and
10 say why (INDISCERNIBLE).

11 JUDGE GIANNETTI: I don't think that's the logical conclusion
12 because I do think that there is a fair -- there is a right to reply.

13 MR. NELSON: So there are limits.

14 JUDGE GIANNETTI: There are limits to it, right.

15 MR. NELSON: Yeah. And --

16 JUDGE GIANNETTI: Obviously, you're permitted to make a fair
17 response to an argument that's presented. So I -- you know, I don't think that
18 your hypothetical, if you want to call it that, was really apt. All right. Well,
19 thank you. I have your position.

20 MR. NELSON: Very good. Thank you. With respect to the
21 varying the rate, I'm going to need that minute, Your Honor. I apologize.
22 Respect to varying the rate.

23 JUDGE POWELL: Let's -- we already burned that minute, but
24 let's just keep it clear.

25 MR. NELSON: So with respect to varying the rate and the

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1 discussion of Rosenberg you heard from Petitioner. You heard something
2 that is false about Rosenberg, which is that Rosenberg's off mode is still
3 capturing images at determinate distance. That's not true. Rosenberg
4 discloses a proximity sensor, not a camera. There is no disclosure in
5 Rosenberg of the camera operating in the off mode in the display mode.
6 You can look at Paragraph 25 of Rosenberg. That's just a false
7 representation about what Rosenberg says.

8 Hatanaka, it remains unrebutted that Hatanaka's encoding changes
9 can be done with a fixed rate. We heard nothing back from Counsel on that.

10 With that, I'll stop. Thank you.

11 JUDGE POWELL: Thank you both for your time this morning -
12 it's afternoon, I guess - and for attentively addressing our questions.

13 And we also want to thank Petitioner for participating in our LEAP
14 program.

15 Ms. Zhang gave a very composed argument and showed thorough
16 knowledge of the record.

17 With that, the case is submitted and we will go off the record.

18 (Whereupon, the above-entitled matter went off the record at 12:25
19 p.m. and resumed at 1:30 p.m.)

20 JUDGE POWELL: Please sit. Welcome back. We are here this
21 afternoon for oral argument in IPR2024-00810, and that involves U.S. Patent
22 Number 8,982,110B2.

23 And, with that, we will again have appearances from Petitioner.

24 MS. ARNER: Well, Your Honors, Erika Arner, lead counsel for
25 Google. I'm joined here at counsel table by Xirui Zhang, backup counsel for

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1 Google, and also in the room with us is Google representative Mishima

2 Alam. Thank you.

3 JUDGE POWELL: Thank you.

4 MR. NELSON: Thank you, Your Honor. William Nelson on
5 behalf of the Patent Owner Eyesmatch. I am backup counsel, but for this
6 one as well the Board has authorized me to proceed. Thank you.

7 JUDGE POWELL: Yes. I am Judge Powell, belatedly, and I'm
8 joined by Judges Cygan and Giannetti.

9 So this afternoon's hearing involves a patent that is - patent and an
10 Inter Partes Review that's somewhat related to this morning's hearing about
11 the IPR2024-00856. There's some overlap between issues in those two
12 cases. As we discussed briefly this morning, to the extent you want to
13 streamline your arguments, you don't need to feel compelled to, but consider
14 them on the record.

15 And I guess the other thing I would say, of course, is, but with the
16 qualification that it's your time, so use it as you prefer. We're happy to hear
17 anything again.

18 As with this morning, Petitioner will have 75 minutes, Patent
19 Owner will have 60, and we'll start of course with Petitioner and go to Patent
20 Owner after that. I think you all are familiar with all the other general
21 provisions.

22 With that out of the way, let me ask if Patent Owner has any
23 special questions or concerns about this one?

24 MR. NELSON: None, Your Honor, and understood about
25 streamlining the presentation.

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1 JUDGE POWELL: Okay. Thank you. And Petitioner?

2 MS. ARNER: No. Thank you.

3 JUDGE POWELL: Okay. Well, I think we're almost ready. Of
4 the 75 minutes, would you like to reserve some for rebuttal?

5 MS. ARNER: Yes. We'll reserve 30.

6 JUDGE POWELL: Okay.

7 MS. ARNER: Thank you.

8 JUDGE POWELL: That sounds good. And with that, you may
9 proceed whenever you're ready - set up and ready to go.

10 MS. ARNER: May it please the Board. The '110 IPR can be
11 resolved simply, similar to the '109 IPR discussed this morning if the Board
12 determines that no claim construction is needed. The Patent Owner has only
13 disputed the obviousness showing with respect to one limitation, which is
14 the adaptive transformation different point of view limitation in 1C, 1E.
15 Under - without a construction, the Patent Owner has not raised any
16 arguments that the claims are not rendered obvious there.

17 Even if the Board determines to construe the claims and adopts the
18 Patent Owner's through part construction, the petition and evidence show
19 that the mirror tracking mode limitation, 1F, would have been obvious even
20 under the three part construction based on the evidence and arguments put
21 forth in the petition.

22 Like this morning, we plan to divide the argument where I will
23 address the claim construction issues to the extent they have not already
24 been addressed in the '109 argument, and then I will turn it over to Ms.
25 Zhang to cover the substantive matters.

1 Turning to Petitioner's slides. On Slide 2, the relationship between
2 the '109 and '110 Patents is shown. The '110 Patent incorporates the '109
3 Patent by reference. It is a continuation in part. And that was noted even by
4 the Board in its institution decision where several parts of the '109 figures
5 and specification were included in a discussion of the '110 Patent and its
6 technology and claims.

7 Slide 3 shows that overlap and also some distinctions with the '110
8 Patent. So here, again, the '110 Patent includes the example of a camera that
9 is tilted downwards above a user, and that the image captured by the camera
10 is transformed to mimic a reflection of a mirror. And it shows the
11 differences in the distortion in Figure 8 that can occur from that tilt and from
12 the elevation of the camera, and the resulting need for image transformations
13 if it's going to reflect a mirror or mimic a mirror.

14 The '110 Patent also adds additional disclosure and figures, and
15 one of those is a tracking functionality. The patent explains that those
16 camera captured images, in addition to transforming them to make a mirror
17 like image, they can also be used to track the user in a field of view of the
18 camera before transformation to mimic the mirror. And so in the claims
19 here, the language is slightly different, but the arguments have been the
20 same for the mirror mimicking element.

21 I'll return to the timeline of the claim construction. I won't belabor
22 it because I feel that that is pretty duplicative from this morning. I will point
23 out one thing though, if I may, because it sounds like, whether based on the
24 memo which came out recently or not, that the Board feels it needs to
25 consider and perhaps address the magistrate judge's recommended order

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1 from the District Court. So I just wanted to point something out in that order
2 and call something to the attention of the Board.

3 So Patent Owner mentioned it. It is Exhibit 2008 in the record
4 here, and on page 14, as Patent Owner mentioned, the proposed
5 constructions for mirror mimicking are shown and Patent Owner's - or
6 sorry, excuse me. Yeah. Patent Owner, Plaintiff's construction there was -
7 appears to mimic the image that would have reflected from a mirror, i.e.,
8 from a reflective surface. And so that reflective surface language was
9 added. It's not claim language. And later on page 18 of the paper, the
10 magistrate judge rejected that as being overly broad and that would
11 encompass, for example, what a person might see when looking at a car
12 window.

13 And so for Patent Owner's proposed construction that was put forth
14 at the District Court on the same day as the patent of preliminary response
15 was filed, arguing for no construction, there was also that additional i.e.,
16 phrase that later was addressed by the magistrate judge in the order. And so
17 to the extent the Board is wanting to consider the magistrate judge's
18 reasoning, I wanted to be sure that that was called to the Board's attention.

19 Turning to Slide 5, again, mirror tracking mode. I won't go
20 through these detail - these reasons in detail because the same things apply.
21 The reasons that the construction is not required here of the mirror - mirror
22 tracking element in claim '110, there is, in - the claims rendered obvious
23 even if the three part construction is incorporated or under any reasonable
24 construction. The Patent Owner has not, again, presented claim construction
25 analysis. Their expert, again, took no position. And both parties agree that

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1 the Board is not bound by the magistrate's recommendations. Those are the
2 reasons listed on Slide 5.

3 The next few slides, 6, 7, 8 walk through the three part
4 construction and how the Patent Owner's expert did not address it. And so
5 that is the same as this morning. One difference is the disputed limitation
6 aside from the claim construction position, which if the Board does not
7 construe the claims, this is the only thing in dispute. And that is whether the
8 prior art of record renders obvious the claims, including the adaptive
9 transformation mapping element and the Board has - or the Patent Owner
10 has encouraged the Board to adopt the construction that was put forth. And
11 that's shown here on Slide 9, the claim language, the Patent Owner's
12 proposal of this claim language, and then no construction is needed.

13 It's not necessary to construe it here. The Patent Owner has not
14 argued in the papers here that the claim construction makes any difference to
15 the obviousness case. So there's no reason to construe it. Patent Owner has
16 also not explained why they said to the District Court it should be this, and
17 that they said to the Board, no construction needed in their preliminary
18 response. But in any event, they haven't presented any claim construction
19 evidence here on why that would be the correct construction. And so it
20 remains the Petitioner's position that, you know, there's been additional
21 reason here, which is they haven't explained why it would be relevant.

22 The grounds for unpatentability in the '110 are different from the
23 '109. So I will walk through those in a bit more detail. The two that we will
24 talk about today are Grounds 1 and 2. Ground 3 was withdrawn by the
25 Petitioners earlier in consultation and, you know, we let that Patent Owner

1 know that as well and the Board. But the Haan and Francois combination
2 and Rosenberg and Park, we will address today. Those are two alternative
3 ways that the claims are rendered obvious. And again, there are several
4 dependent claims and grounds addressing those with additional references.
5 None of that has been disputed. And so although there were many claims
6 and things in the petition, really, it's been narrowed quite significantly. Even
7 more so if claim construction is not required.

8 Here's a copy of Claim 1 on Slide 11 that shows the dispute. And
9 again, it's really just the two limitations. The one we're calling the different
10 point of view or the adaptive transfer - transformation mapping in 1C is
11 given some more detail and the wherein clause in 1E. That's the one
12 element that is disputed by the Patent Owner, other than the mirror tracking
13 mode and limitation 1F with the claim construction argument that they don't
14 dispute that the references render it obvious under the - or render the claim
15 as a whole obvious, including a teaching of mirror tracking without their
16 claim construction position.

17 With that, I will turn it over to Ms. Zhang who will walk through
18 the various limitations or the various mappings to the different references,
19 unless there are questions to that point.

20 MS. ZHANG: Good afternoon. May it please the Board. Ms.
21 Arner mentioned we have three - the petition presented three grounds and
22 we are here to talk about the first ground and second ground, Rosenberg and
23 Park and Haan and Francois combination regarding mirror tracking mode
24 limitation. And we have a similar flow chart here on Slide 13 showing you
25 that one of the reasons that Board need not construe this limitation is that the

1 prior combinations render this limitation obvious regardless. So we'll walk
2 through all those mappings in the obviousness reasonings in the next part of
3 the presentation.

4 As Ms. Arner mentioned - and this is on Slide number 15, as Ms.
5 Arner mentioned, there is some slight difference of the '110 Patent from the
6 '109 Patent. The '110 Patent is a continuation in part of the '109 Patent. It
7 has some additional disclosures. And what I'm showing here on Slide
8 number 15 on the left, is the '110 Patent disclosure of the mirror tracking
9 mode. The '110 Patent discloses the mirror station can be enabled so as to
10 automatically power up. It continues in the next paragraph to describe,
11 "When the system is turned on, before a user stands in front of the mirror,
12 the system operates in an idle mode." And following that, in the next
13 highlighted part, it says, "Once the user enters a specific zone in front of the
14 field of view of the camera, the processor is capable of tracking the user in
15 the recorded image. And based on the tracking the video engine, the
16 processor can calculate each transformation of the image to mimic mirror
17 behavior."

18 Now, this may sound familiar to you because Rosenberg discloses
19 a dual mode operation that we have looked at in it this morning. And on the
20 right, I show a screenshot of Rosenberg disclosure about the dual mode.
21 Rosenberg describes the digital mirror includes a novel proximity sensor for
22 detecting whether the user is present before the mirror. And when the user is
23 within some proximity range, it automatically engages the digital mirror
24 functionality of the present invention. As you can see and compare
25 Rosenberg's disclosure and the '110 Patent specification regarding the mirror

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1 tracking mode, both describe that the device tracks the user, whether the user
2 is in front of device before it turns on its digital mirror functionality.

3 Now, this morning that you had heard from Patent Owner's
4 Counsel that Rosenberg does now teach tracking the user using the camera,
5 and that's not correct. Rosenberg, in this paragraph - in various places,
6 including Paragraph 34, teaches the camera can be used for tracking the
7 user's proximity.

8 MR. NELSON: I'll object. This is related to the earlier proceeding
9 in an attempt to essentially patch the flaws of the earlier presentation. It has
10 nothing to do with disclosures with respect to the '110 Patent.

11 JUDGE POWELL: Your response, Petitioner?

12 MS. ZHANG: Yes. We have explained it in our petition, and I
13 can show you the page number in the declaration.

14 JUDGE POWELL: Okay. Well, how about this. Again, we can
15 sort out after the fact which things are procedurally improper and proper.

16 And I guess I'll also offer Patent Owner, would it cure the problem
17 for you if we afford you the opportunity to discuss this this afternoon?

18 MR. NELSON: Certainly.

19 JUDGE POWELL: And if need be, maybe we can even give you a
20 few more minutes in the interest of fairness.

21 MR. NELSON: I would accept that. Thank you, Your Honor.

22 JUDGE POWELL: Okay.

23 Sorry. Please proceed.

24 MS. ZHANG: Thank you, Your Honor.

25 So as we have seen, the Rosenberg discloses the mirror tracking

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1 mode as described in the '110 Patent. And we have seen that Rosenberg
2 discloses the different transformations disclosed in the '109 Patent and the
3 '110 Patent.

4 The '110 Patent incorporates by reference the disclosure in the '109
5 Patent, and one of the dependant claims expressly recite the different
6 transformations, including the flipping and resizing, and those are the
7 transformations that Rosenberg's digital system performs to present the
8 traditional life-size mirror image to the user.

9 And Rosenberg discloses - teaches that, in that embodiment when
10 the camera's on top of the screen, we have some natural perspective. And in
11 our petition, we have shown that Weskivingyar (PHONETIC) we have
12 combined Rosenberg with a Park reference for resolving that issue.

13 The Park reference also discloses a digital device for presenting a
14 camera-captured image to the user. The device also has a screen and a
15 camera.

16 Park teaches if the device is above or below the user, the image -
17 the resulting image would have some kind of perspective distortion.

18 And, for example, as shown on the right here in Figure 1-A, Park
19 describes that if the device is below the user's face, the user's - the lower
20 part of the user's face would appear wider than the top part of the user's face.
21 But if the device is in front of the mirror, then that would have no distortion.
22 But if the device is above the user's face when it's taking an image, like
23 Rosenberg system, it would have a perspective distortion, and that is the top
24 part of the head. It would be wider than the lower part of the - lower part of
25 the face.

1 So as you can see, Park addresses a similar problem in Rosenberg,
2 and it teaches a perspective distortion correction method that is transforming
3 the image based on the tilt angle of the camera.

4 Park teaches its transformation uses the angle of the camera and
5 applies various parametric input for performing that transformation. And
6 after that transformation Park's image would appear to be captured in front
7 of the user's face, and that's exactly where Rosenberg's embodiment having
8 the - that camera above the screen would benefit from.

9 Rosenberg teaches even - Rosenberg teaches that unnatural
10 perspective is not desirable, and therefore, Weskivingyar would have
11 addressed that perspective distortion by using Park's compensation to
12 display a realistic mirror image as taught by Rosenberg as desirable.

13 And as you can see, Your Honor, Rosenberg and Park discloses all
14 that is needed from the mirror tracking limitation for Claim 1. Rosenberg
15 discloses digital mirror system. It has and -

16 JUDGE GIANNETTI: Counsel, just back up just a second. So are
17 you contending that the slide that we're looking at now showing an
18 adjustment or a transformation based upon the angle at which the user is
19 viewing the camera or the camera is viewing the user - are you contending
20 that is tracking?

21 MS. ZHANG: No, Your Honor. This is from - the camera above
22 the user below the user for the transformation to correct the perspective
23 distortion, that is from Park.

24 The tracking - the mirror tracking mode is from Rosenberg. And
25 this -

1 JUDGE GIANNETTI: But what do you mean by tracking? Does
2 that mean if you're in front of the - Rosenberg's device and you move to the
3 left or you move to the right, the image will track your movements? Is that
4 what you mean by tracking?

5 MS. ZHANG: No, that's not what I mean. Sorry. I'm going back
6 to slide Number 16.

7 JUDGE GIANNETTI: I might have missed that. Would you just -

8 MS. ZHANG: Sorry. Yeah, Slide Number 15.

9 JUDGE GIANNETTI: - give me that again?

10 MS. ZHANG: Yeah. Slide Number 15. Here we are showing the
11 mirror tracking mode as described in the '110 Patent, and as described in
12 Rosenberg.

13 JUDGE GIANNETTI: Okay.

14 MS. ZHANG: Yes.

15 JUDGE GIANNETTI: But -

16 MS. ZHANG: Yeah, go ahead.

17 JUDGE GIANNETTI: Just tell me what - tell me what you mean
18 when you talk about mirror tracking. I see what the '110 Patent says, but
19 what's your - what is your contention about what that means?

20 MS. ZHANG: It means the camera is capturing images of the user
21 to see if the user is in front of the screen, as far as I understood reading the
22 disclosure here based on the '110 Patent.

23 JUDGE GIANNETTI: "Capable of tracking the user in the
24 recorded image."

25 "Once the user enters a specified zone in front of the field, the

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1 processor is capable of tracking the user in the recorded image. Based upon
2 the tracking the video engine of the processor can calculate a transformation
3 of the image to mimic mirrored behavior."

4 To me, tracking suggests that there's some movement on the part
5 of the user that's being tracked by the camera.

6 Is that - am I off on that?

7 MS. ZHANG: As I understand it, it could. Tracking can use
8 different types of technologies for tracking. You could use the camera to
9 detect the user to see any motions, or detect the user's distance.

10 I think this disclosure just simply just goes, you can track the user
11 in the images to see if the user is before the screen is in - as compared to the
12 user not in front of the screen, and then to turn on a mirror in order to
13 perform -

14 JUDGE GIANNETTI: So -

15 MS. ZHANG: - the transformation.

16 JUDGE GIANNETTI: So you're construing it as being the
17 equivalent of detecting the presence of the user; is that fair?

18 MS. ZHANG: For this part of the disclosure, yes.

19 JUDGE GIANNETTI: All right. Thank you.

20 MS. ZHANG: Thank you, Your Honor.

21 And as you can compare with Rosenberg's disclosure, Rosenberg
22 teaches a method of tracking. It uses proximity sensor, and it discloses, in
23 Paragraph 34, using the camera to detect the user's proximity and then turn
24 on the digital mirror functionality.

25 JUDGE GIANNETTI: Right. So you're equating detecting in

1 Rosenberg with tracking in the '110 Patent; is that right?

2 MS. ZHANG: Yes, based on the - yeah, this embodiment of
3 Rosenberg discloses the mirror tracking mode.

4 JUDGE GIANNETTI: All right. Thank you.

5 MS. ZHANG: And I would like to go back to the claim limitation
6 as well. In this claim mirror tracking mode limitation, the full limitation
7 reads, "during mirror tracking mode, the processor utilize the angle of the
8 images captured by the camera and applies per matching input for mapping
9 transformation that changes the imaging perspective of the images captured
10 by the camera."

11 So this whole limitation, we are using the Rosenberg combined
12 with Nakazawa reference. The mirror tracking comes from the Rosenberg
13 reference, which teaches the digital mirror mode, you need to track the user
14 and then turn on the digital mirror mode.

15 But when the processor utilize the angle, the rest of the limitation
16 comes from the Park reference, where we have shown that when skewing,
17 the art would have found it obvious to incorporate Park's distortion
18 correction in Rosenberg's mirror tracking mode to correct the unnatural
19 perspective.

20 And now we also would like to show you how the prior - how this
21 combination meets the three-part construction, so, Your Honor, there's no
22 need to construe based on the prior art presented in this petition.

23 JUDGE GIANNETTI: Counsel, just to go back, if you're equating
24 detecting the image with tracking, why do you need Park? What does Park
25 add?

1 MS. ZHANG: Yes, Your Honor. The Park adds a distortion
2 correction to improve Rosenberg's digital mirror image. So in a tracking
3 mode, I - as we have seen, Rosenberg discloses a dual-mode operation.

4 JUDGE GIANNETTI: Yes.

5 MS. ZHANG: So in order to turn on the digital mirror
6 functionality, Rosenberg teaches you need a sensor to detect whether the
7 user is within the proximity range, and that determines.

8 JUDGE GIANNETTI: I -

9 MS. ZHANG: Yeah.

10 JUDGE GIANNETTI: I understand that. And that is tracking, in
11 your view; is that right?

12 MS. ZHANG: Right. Yeah.

13 JUDGE GIANNETTI: So why do you need Park?

14 MS. ZHANG: Park does not need - we don't need a Park for
15 tracking. We rely on the Rosenberg's disclosure of a dual mode operation
16 for tracking.

17 JUDGE GIANNETTI: Okay. All right. So I guess that's the
18 question I asked you before about this figure of Park. I have the slide
19 number. I'm having trouble picking up your slide numbers. 16, I guess?
20 16? 17. Slide 17, right?

21 So that's not tracking. That's not what you're relying on for
22 tracking the relationship of the camera, I guess, to the user, and how that
23 changes, and how the - Park discloses that the transformations are made to
24 correct for that.

25 That's not tracking, right?

1 MS. ZHANG: But - yes. Yes, that's correct. But also supply
2 teaches the other limitation in this mirror tracking mode limitation 1-F. For
3 example -

4 JUDGE GIANNETTI: Yes.

5 MS. ZHANG: - utilizing the angle of the camera allows the
6 perspective to - transformation to slice parametric input for changing the
7 imaging perspective of the images.

8 JUDGE GIANNETTI: All right. Thank you.

9 MS. ZHANG: In the next portion of our discussion, I think we -
10 slide Number - I'm moving on to Slide Number 20.

11 I would like to show you some evidence to show that Rosenberg
12 and the Park combination also renders the mirror tracking mode limitation
13 under the three-part construction.

14 On Slide Number 20, we have Dr. Karam's declaration submitted
15 with the petition. In her declaration, Dr. Karam described the differences
16 between camera-captured images and mirror images.

17 And she explained, citing various different background references,
18 that camera-captured images need to be transformed to mimic a traditional
19 mirror image.

20 She explained - and we showed some excerpts here. She
21 explained that the camera-captured images needs to be flipped to allow the
22 image to mimic a mirror's reflection.

23 She also explained that the camera-captured images needs to be
24 transformed to match the user's point of view as in the mirror image. In that
25 transformation, she explained the camera-captured images needs to be scaled

1 or have some kind of perspective transformation.

2 And she explained in her declaration, that transformation with the
3 corrected user image based on the camera's distance to the user to match the
4 size of the image that the user would see in the mirror. That's how she
5 understood as mimicking mirror, and she explained it by looking at the
6 camera-captured images, how to transform that camera-captured images to
7 mimic a mirror.

8 And moving on to Slide Number 21, when she describes the
9 Rosenberg's disclosure, she described Rosenberg consistent with that view,
10 that when you transform a camera-captured image to mimic a mirror, that
11 would entail the flipping and scaling to mimic the size of a real mirror
12 image.

13 For example, she explained, similar to the '110 Patent, the digital
14 mirror system described in Rosenberg transforms and resetted the real-time
15 images captured by the camera, and - such that it appears like a traditional
16 (INDISCERNIBLE) mirror image.

17 She also explained that Rosenberg's disclosure performs a left to
18 right inversion and scaling to generate the real-time mirror images to the
19 user. And more specifically, she referred to the '109 and the '110 Patents'
20 background section, and explained that Rosenberg discloses that resizing
21 and flipping to generate the real-time mirror images.

22 Moving on to Slide Number 22, during Dr. Karam's deposition, she
23 was asked about the three-part construction, and she explained that her
24 opinion still applies under the three part construction. And she disclosed
25 that how Rosenberg's disclosure do disclose a mirror tracking mode having

1 those characteristics. And she confirmed that her opinion still applies and
2 her opinion are consistent with this three part construction.

3 And on Slide Number 24, Dr. Karam submitted a reply declaration
4 further explain what - further explain Rosenberg's disclosure based on the
5 three part construction. She cited to the Straka background reference and
6 teaching double the distance and same size features. And after she discusses
7 the Straka reference, she explained how Rosenberg disclosed the same
8 mirror effect. In this disclosure about flipping and scaling the image to
9 appear like a traditional life-size mirror image. And that explanation is on
10 Slide Number 25.

11 So therefore, as you see in the evidence we presented in the
12 petition in the record have shown that Dr. Karam have explained that the
13 camera captured images are different from mirror images, and Weskivingyar
14 understood the camera captured images needs to be transformed to be
15 flipped and scaled to mimic a traditional mirror image. And that is what
16 Rosenberg discloses. And that's what - how she understood. Rosenberg
17 disclosure is consistent with Weskivingyar's understanding of a mirror
18 image and how to transform camera captured images to the mirror images.
19 And therefore, the combination of Rosenberg combined with her perspective
20 distortion discloses the mirror tracking mode limitation.

21 I'd like to move on to the second ground, the Haan and Francois
22 combination, unless Your Honors have any questions for the Rosenberg and
23 Park combination.

24 Moving on to Slide Number 26, Haan discloses a digital mirror
25 system. It discloses a digital mirror system that operates in different modes.

1 First, they disclose that they can be operate in the reflective mode where it
2 operates like a mirror - like a simple mirror. It also discloses a digital
3 display mode where the camera capture images have transformed to display
4 a mirror image to the user. And Haan discloses that the device can smoothly
5 transition between the reflective mode and the display mode.

6 Moving on to Slide Number 27, Haan discloses performs the
7 different transformations for transforming a camera captured image to a
8 mirror image. The two - Haan discloses the two types of transformations
9 that are relevant here. First, Haan discloses performing a rotation
10 transformation. So the device detected the user in front of the device and
11 also detects the angle of the user's face, the orientation of the user's face to
12 the camera. And then based on that angle, Haan discloses, "If the angle is
13 above a certain limit, a certain threshold, you may want to transform the
14 image to have a larger angle, a larger orientation, so the user can see the part
15 the user wants to see more clearly." And it performs another transformation.

16 Park describes that if the user is moving closer to the device to
17 want - to look - take a closer look at a certain area of the image, Park
18 discloses, "You can change the magnification to reset the image so the user
19 can see that area more closely." And those are the two transformations that -
20 sorry. My apologies. Haan reference teaches. Need to correct that. This is
21 the Haan reference teaching that different transformations.

22 And then you can see Haan discloses the mirror tracking mode that
23 performed the various transformations to mimic a mirror. Now you hear
24 from Patent Owner that saying Haan just discloses simple mirror when, for
25 example, in the yellow region, Haan discloses this device operates as a

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1 simple mirror is not performing any transformation. And you'll hear from
2 Patent Owner too and in the green region where - when the transformation
3 is exaggerating the orientation - the user space, it's not a traditional mirror
4 image anymore because it's exaggerated. But Haan discloses that the two
5 operation modes, as we have seen in this slide, Slide Number 26, Haan
6 discloses that there are smooth transitions between the reflective mode and
7 display mode.

8 And in that transition region and going to Slide Number 27, the
9 mirror image is still a traditional mirror image, even if it's transformed,
10 because the user's distance to the camera would have changed. The user's
11 orientation has changed. But even if it has changed, but Haan still performs
12 those transformations to make sure that image appears like a traditional live
13 - traditional mirror image. So there is a smooth transition.

14 Unless Your Honors have any questions, I think I don't have
15 anything to add for the mirror tracking mode for the Haan and Francois
16 combination, and I'll reserve the remaining time for rebut. Thank you.

17 JUDGE POWELL: Thank you.

18 So before you start, I do want to be fair, and you had some
19 concerns that maybe some of that argument went into issues related
20 exclusively to the other IPR. Let me ask how much - we should give you a
21 little more time. Perhaps. How much time?

22 MR. NELSON: 30 seconds.

23 JUDGE POWELL: 30 seconds? Okay.

24 MR. NELSON: 30 seconds will do.

25 JUDGE POWELL: Well, I'll give you - I'll give you a full minute.

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1 And so you have 61 minutes now. And let me ask you then - the second
2 question is, how much time would you like, if any, would you like to
3 reserve?

4 MR. NELSON: I'll reserve 11 minutes.

5 JUDGE POWELL: Okay. That sounds - thank you, Tom.

6 MR. NELSON: Taking the extra minute. May it please the Board.

7 So we are, as Petitioner noted here in this afternoon session, on Slide 3 to
8 discuss the '110 Patent, which is a continuation in part of the '109 that
9 actually incorporates by reference the specific mirror discussion of the '109.
10 And there are indeed, as we look at Slide 5, some similarities not only in the
11 issues, but in the art. For instance, Ground 2, as we see, is Rosenberg again.
12 This time with a slightly different reference to Park. But much of the
13 dispute will be the same again, with respect to whether or not any of the
14 asserted grounds disclose or render obvious the mirror tracking mode of
15 Limitation 1F.

16 So turning to Slide 8, this claim is somewhat different than the
17 claim we looked at earlier, the '109, as has been noted. One of the key
18 limitations for discussion will be, as you heard Petitioner's note, the mirror
19 tracking mode limitation, which recites, "Wherein during mirror tracking
20 mode, the processor utilizes the angle of the images captured by the camera
21 and applies parametric input for a mapping transformation that changes
22 imaging perspective of the images captured by the camera."

23 So the first issue that I'd like to discuss is really the one we
24 discussed earlier today. And I will be brief in discussing it today or this
25 afternoon - whether the Board should adopt Petitioner's District Court

1 construction of mirror tracking mode, which was the same construction,
2 effectively, that was adopted for mimicking a mirror. I - the construction
3 here is a mode of operation in which the user - I'm on Slide 14 - sees their
4 reverse reflection appearing at roughly double the distance from the camera.
5 And the reflection maintains roughly the same size regardless of the user
6 movement. So substantively, it really is the same construction and the
7 parties in the District Court treated it in the same way and made the same
8 arguments. And in fact, the Claim Construction Order from the magistrate
9 judge treats them together and says they should both be construed effectively
10 to have this double distance, same size requirement.

11 I am not going to work through all of the slides that we've already
12 talked through and rehash the briefing that you've already seen. I'll just
13 respond to a couple of things I thought I heard Petitioner say. One,
14 repeatedly, there is this emphasis that our expert, Dr. Forsyth took no
15 position on what the appropriate claim construction was. That's really
16 neither here nor there in this dispute. He applied the claim construction that
17 the District Court came up with, and he in fact did so at our instruction,
18 because this is the construction that Petitioners has had advocated for.

19 And with respect to the suggestion again from Counsel that we've
20 provided no evidence as to why that's the appropriate construction, I just
21 disagree. I'm not going to rehash all of the reasons, but of course we
22 presented their reasoning, why they told the Court, that the term needed to
23 be construed to require double distance, same size. And I would note that
24 there was a kind of an off-road into the question about our construction and
25 adding saying reflective. Well, if you look at the District Court's order, the

1 reasoning, the reasoning that's -

2 JUDGE POWELL: I'm going to stop the clock here and -

3 MR. NELSON: Yeah, let's just make sure -

4 JUDGE POWELL: - stop you. I think Judge Giannetti just
5 disappeared from the screen. Jamel (PHONETIC), do you know -

6 JAMEL: I'll contact -

7 JUDGE POWELL: Okay. Sorry for the interruption, everybody.

8 MS. ARNER: It's better than a fire alarm, which - had happen
9 during - We all had to go outside for it.

10 JUDGE POWELL: Yeah, that would be bad.

11 Okay. Judge Giannetti, are you live and good to go? Well, we
12 can't hear you. I think you might be muted.

13 JUDGE GIANNETTI: I dropped off for a second for some reason.
14 The Comcast internet here in Manhattan has been a little shaky the last
15 couple of days, but I'll - I didn't miss very much, so I think you could just
16 continue and I will review the transcript for the 15 seconds that I missed.

17 JUDGE POWELL: We - you probably missed much less than 15
18 seconds anyway. We will resume.

19 JUDGE GIANNETTI: Yes.

20 MR. NELSON: Certainly not the most important 15 seconds.
21 We'll get to that.

22 JUDGE GIANNETTI: All right. Yes.

23 MR. NELSON: I was just about to point out, Your Honors, that if
24 one looks at Exhibit 2009, the District Court's claim construction order, the
25 reasoning for the District Court's claim construction decision presented on

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1 pages 16 and 17 of his opinion is exactly what we pointed you to here,
2 which is the disclosures in the specification of the '109, saying that prior art
3 attempts to mimic a mirror have not been convincing and here, we're looking
4 at Slide 18. And as the Petitioners argued there, mimicking a mirror's
5 reflection requires more than simply displaying a reverse video image of the
6 user and then pointing out the particular parts of the specification of the '109
7 Patent that describe what else is needed to generate a convincing -

8 JUDGE GIANNETTI: Counsel, let me ask you a question.

9 MR. NELSON: Yes.

10 JUDGE GIANNETTI: It's Judge Giannetti. Now you said that
11 your expert simply applied the claim construction that Petitioner was
12 advancing in the District Court, but that doesn't prevent your expert from
13 also either proposing a separate claim construction or providing an
14 alternative analysis. Why didn't you do that? Why didn't you go that route
15 so that way, we would at least have your position in case we decide that the
16 other claim construction, the one that you're not advancing, was appropriate?

17 MR. NELSON: Yeah. Your Honor, well, there's an element of
18 that that's trial strategy, which I'll just put in my back pocket. But the fact of
19 the matter is that it's not needed here. We have all the expert opinion we
20 need, including Petitioner's expert in the District Court saying that was the
21 appropriate construction. That's one of the exhibits here.

22 JUDGE GIANNETTI: Well, but it wasn't your construction in the
23 District Court. So -

24 MR. NELSON: It was not -

25 JUDGE GIANNETTI: Why not provide an alternative analysis

1 using the construction that you advanced to the District Court?

2 MR. NELSON: Because it's Petitioner's burden to establish
3 unpatentability, not mine. And Petitioner advocated for construction in the
4 District Court that it can't show unpatentability under it. And under the rules
5 that are applicable here, our view is that that petition - that construction is
6 the one that should be applied.

7 I'm not required to explore alternatives for them. They had a
8 burden to show unpatentability. They advanced an inconsistent claim
9 construction position. In our view, they can't show unpatentability in that
10 position. Our expert is not required to do -

11 JUDGE GIANNETTI: Well, doesn't that really put us in a position
12 where the dispositive issue here is which claim construction we pick?

13 MR. NELSON: So I'm not certain that it's dispositive here. The -
14 their -

15 JUDGE GIANNETTI: Well, because of the Petitioner's position
16 that they win either way, right?

17 MR. NELSON: Well, we're not going to accept Petitioner's
18 position they win either way at face value. We've got to look into that.

19 JUDGE GIANNETTI: Yes.

20 MR. NELSON: Our view is they don't. Beyond that, and this was
21 sort of left off the map, is the question of whether there was motivation to
22 combine these references in any event. And we've explained why there
23 wasn't.

24 JUDGE GIANNETTI: Yes.

25 MR. NELSON: And this isn't an anticipation case; this is an

1 obviousness case. And they are saying that the combination of either Haan
2 and Francois or Rosenberg and Park would disclose or render obvious these
3 claims, and our view is they haven't shown that.

4 So I don't think it's correct to say for either of those two reasons
5 that if you don't adopt the District Court's claim construction, Patent Owner
6 loses here. I just disagree with that.

7 I hope I responded to your question, Judge Giannetti.

8 JUDGE GIANNETTI: Well, I know what your position is, but
9 thank you.

10 MR. NELSON: Thank you. So I - I'm going to go right to
11 Ground I and the substance of Ground I which is the combination of Haan
12 and Francois. And with respect in particular here to Limitation 1(f), the
13 mirror tracking mode limitation that - that's in dispute here, the important
14 thing to understand - actually, I apologize. I don't want to mix the streams
15 here.

16 You asked, Judge Giannetti, Petitioner a question about yesterday's
17 guidance; or maybe it was Judge Powell. I'm not - someone asked the
18 Petitioner about yesterday's guidance about claim construction, and part of
19 the answer I heard from Petitioner was that, well, they're just different
20 records.

21 The record for claim construction from AWH v. Phillips is what's
22 in the specification. Petitioners in the District Court relied heavily on those
23 specification passages from the '109 Patent to support their construction. It's
24 not a different record that we are faced with here. The same specification
25 disclosures, if Petitioner was adamant that they required that construction in

1 the District Court, they require them here.

2 Now turning to Ground I and Haan, we heard from Petitioner today
3 that Haan discloses aspects or discloses the mirror tracking mode of the
4 claims. It does not. I want to be clear about this. Haan does not disclose a
5 mirror operating in the millennia-old fashion that you've heard so much
6 about today, that there's double distance, same size in a digital embodiment.
7 Haan actually discloses a mirror device that is operating contrary to a
8 conventional mirror. It's different.

9 And we can look at this here and the key figure for mirror tracking
10 mode. You heard a lot about the rotational aspects of Haan, that Haan can
11 use a bunch of different cameras to essentially create an image where a
12 person is looking to the side when they're actually sort of facing the device.
13 That's not what the mirror tracking mode construction requires. The mirror
14 tracking mode construction, that we say should be applied here, requires an
15 image that appears to be roughly double the distance and the same size
16 regardless of user movement, so the key disclosure of Haan that relates to
17 that actually discloses something very different. And this is the Figure 8
18 here on Slide 27 of our demonstratives where Haan teaches in Paragraph 75
19 that Figure 8 illustrates an exemplary relation between the magnification
20 and/or the image and the distance, D , in centimeters to the mirror.

21 And I - I've actually got a better slide that I'm going to advance to
22 that I think explains the problem with Haan. Right here at Slide 49, Haan's
23 disclosure of how it manipulates an image to magnify it or resize it is
24 absolutely orthogonal to the double distance, same size requirement. Haan
25 describes here, as we've seen already in Figure 8, describes an exemplary

1 relation between the magnification of the - M , the image, and the distance,
2 D , in centimeters to the mirror. That's actually shown here: Here's distance
3 D in centimeters; here is magnification of the image under the system of
4 Haan.

5 The very next paragraph said - states, "for distances, D , larger than
6 the threshold value, for instance, in this example, 35-centimeters distance,
7 the magnification is kept at a fixed value of, in this example, one. This can
8 be done, for instance, by using the device as a simple mirror, i.e., not
9 displaying the image on the display device but using the device in reflective
10 mode."

11 So that mode where Haan says, yeah, I'm a mirror, is not doing any
12 digital manipulation of an image at all. It's just turned off, and you are
13 seeing a physical reflection. That's not a disclosure of a system that takes
14 images and transforms them so that they appear to be double the distance,
15 same size regardless of movement. That part of it, this, what they had it in
16 yellow where the magnification is one, meaning one times the magnification
17 that would otherwise be there, is not disclosing any kind of digital
18 manipulation at all. It's a reflective mirror.

19 Haan goes on to say, "Well, for smaller distances, there's two
20 things that I'm teaching." Haan teaches, one, as the viewer moves his head
21 or torso closer to the display screen, an enlarged image is displayed, i.e.,
22 with a magnification larger than one. So that is actually teaching something
23 very different than what an mirror would do. They're actually exaggerating,
24 making the face bigger so you can see it. That's not teaching double
25 distance, same size. Frankly, it's teaching away.

1 The second thing that Haan says I can do in my digital mirror is,
2 again, not double distance, same size. It's very different. It says, "There can
3 in embodiments," I think it meant embodiment, "there can be a range of
4 distances from which the magnification factor is less than one." In other
5 words, this goes down. Why would you do that? This would be useful
6 when a hat is tried on. A normal mirror would show the face but only part
7 of the hat. The double distance, same size requirement would mean if you
8 approached with your hat, you would not be able to see your hat normally
9 using the - a conventional mirror. Haan says, I'm doing something
10 different. Haan says -

11 JUDGE CYGAN: Can I ask you on the -

12 MR. NELSON: Yes.

13 JUDGE CYGAN: On your graph on Figure 8?

14 MR. NELSON: Yes.

15 JUDGE CYGAN: When it's at one magnification, that - that's the
16 normal mirror. That's the double distance, double size, right?

17 MR. NELSON: Yes.

18 JUDGE CYGAN: The claim construction from the District Court
19 that you had a long discussion about ended up being that everyone accepted
20 it was roughly the same. At what point in that graph are we away from
21 "roughly"? Because there's certainly some point where it's double distance,
22 and your argument is that once you get on the slope, you don't have the
23 double distance anymore, and that's the only part where you have the
24 transformation. But it seems like there may be some point where you're still
25 on the slope, and it's still "roughly" double distance.

1 How does that work?

2 MR. NELSON: So - thank you. Thank you, Judge Cygan. Two
3 things to note: The first is that I know I've said it, but I want to be clear that
4 the disclosure in Haan of 1(x) magnification is not a digital image at all. It's
5 a physical reflection, and our claims require manipulating images to create
6 that effect. So there is nothing in Haan that says, I will manipulate an image
7 to be one. The second part of that: Petitioners have focused hard once they
8 understood from our expert that, in fact, Haan is actually disclosing a
9 physical mirror at magnification of one on smooth transition between two
10 regions. And so what you heard today is sort of a combination of their
11 expert and attorney argument saying, well, everyone would know that the
12 smooth transition would have to be that there's a moment, not disclosed in
13 Haan, but some moment where it's at double the distance, same size because
14 of smooth transition. That's not what Haan actually discloses. That's
15 reading a lot into a single sentence about a smooth transition that's just
16 supplied by their expert and attorney argument. It -

17 JUDGE CYGAN: But back to my question, isn't there a point in
18 that graph where it's "roughly" double distance, double size? Because your
19 magnification is very small at that point.

20 MR. NELSON: There is certainly no evidence in that regard from
21 the people whose burden it is to show that. I don't think it does disclose
22 roughly the same size. It discloses the closer you get, the more I'm going to
23 magnify. I'm not aware in that disclosure, which is the only thing that Haan
24 says about this, of, okay, well, I see roughly there. I disagree.

25 JUDGE CYGAN: But I was just mainly focusing on the claim

1 construction, which we don't have much for in this proceeding, so I wanted
2 to get your take on what the bounds of “roughly” are in the District Court's
3 view, because that was something which you had presented the idea that,
4 you know, it can't be close to it, you know?

5 MR. NELSON: Yeah.

6 JUDGE CYGAN: So where do you fall out on that, and why is it
7 unreasonable, I guess, for us to take a look at this in view of the District
8 Court's claim construction and not find it's “roughly”?

9 MR. NELSON: Well, so there's - that's a two-parter. Where do I
10 fall out? I mean, I think the judge's construction of “roughly” was intended
11 to replace “approximately,” which we said in the - for the District Court, it's
12 clear that there are embodiments that are smaller than that; and
13 “approximately” doesn't give us any guidance, and he substituted “roughly.”
14 I'm not sure it gives any more guidance. I think ultimately that's - for
15 infringement at least, it's the finder of facts' determination to make is it
16 roughly or not.

17 And for - and validity, I think the same is true; you must find that
18 this somehow discloses “roughly” the same size in the digital phase, and I
19 don't think it does. It's telling you that when we switch to digital, we are
20 going to be not doing double distance, same size. We are either going to
21 magnify or whatever the - shrink, I guess is the word I'm looking for, the
22 image. I don't see roughly in there at all.

23 The notion that smooth transition suggests it may be there, again,
24 that's the opinion of their expert and the attorney who just presented the
25 argument. I don't - we don't believe there's any disclosure of that from a

1 digital transformation here.

2 JUDGE POWELL: I have a question about Figure 8 there.

3 MR. NELSON: Yes.

4 JUDGE POWELL: If I said, I'd like to consider that figure
5 generally to scale, because it shows numbers, it's graphing arguably a
6 mathematical relationship, would you have any objection to that?

7 MR. NELSON: I -

8 JUDGE POWELL: Do you understand the question?

9 MR. NELSON: Not -

10 JUDGE POWELL: And so -

11 MR. NELSON: Not perfectly. I have to say it.

12 JUDGE POWELL: And so let me take it a different way. If I took
13 a ruler out and drew some lines on there and I said, well, I think in a 34, the
14 magnification is approximately 1.05, would you respond and say, well, the
15 prior art doesn't say that anything in there is to scale so you can't do that?

16 MR. NELSON: I would say two things now that - and thank you
17 for the clarification, Your Honor. There's no evidence like that before the
18 Board of - the people whose burden it was to do that haven't done that.

19 I would also say that this technique both in the specifics and writ
20 large is absolutely contrary to double distance, same size. It - finding a
21 disclosure in Haan of the double distance, same size requirement being
22 implemented in a digital device is really stretching what Haan actually says.
23 At every turn, Haan says, I'm going to do something different when I'm in
24 digital mode. So I - that would be my response.

25 JUDGE POWELL: Okay. Okay. Thank you.

1 MR. NELSON: So Haan in no way teaches any aspect of the
2 double distance, same size requirement. How -

3 JUDGE CYGAN: Can I stop you with one more question?

4 MR. NELSON: Yes, of course.

5 JUDGE CYGAN: On the claim construction again?

6 MR. NELSON: Yes.

7 JUDGE CYGAN: In Limitation 1(f), the mirror tracking mode is
8 going to apply the parametric input to change the imaging perspective.
9 When you change the imaging perspective, you're not going to be an exact
10 mirror anymore, correct?

11 MR. NELSON: That's - so the discussion in Haan that's shown is
12 essentially stitching an image that allows you to see a profile view. That's
13 not a mirror view. That's correct.

14 JUDGE CYGAN: Can you explain that in your patent, about how
15 that operates if you start with sort of a - the default mirror image with the
16 double distance, and then you apply the mapping transformation on top of
17 that? Or is it sort of, the mapping transformation is - results in the mirror,
18 the mirroring itself? I know this was discussed a little bit in the District
19 Court. I wanted to really get a - some clarity on that.

20 MR. NELSON: Sure. The claim says, during - let's look at the
21 claim language so that we can all be on the same page. "During mirror
22 tracking mode, the processor utilizes the angle of the images," and it goes on
23 from there. Those are two separate kinds of requirements. The - I - we
24 don't believe, and we've never argued that the claim should be read such that
25 mirror tracking mode is only or limited to utilizing angle of the images and

1 applying parametric input for a mapping transformation that changes
2 imaging perspective, right? You could mimic a mirror or be in mirror
3 tracking mode and create a double distance same size, without performing
4 some kind of perspective correction, right?

5 Rosenberg, for instance, tells you that. Rosenberg says, yeah,
6 when the camera's up above your head, it's not perfect, but it's relatively
7 effective as a - to mimic a mirror. So I think that they are really two
8 separate things here. During that mode, where the device is tracking you
9 and is presenting you as if you're in a mirror, under the District Court's
10 construction, the processor's doing some other things too, including
11 changing this imaging perspective.

12 JUDGE CYGAN: So based on that, what is exactly the problem
13 with Haan that it's applying a different perspective to it, applying some
14 magnification? If it sort of is adding that on the mirror mode, and I know
15 that you mentioned that there's, you know, digital mirror mode on that, but
16 when you're just at that point of being very close, you know, you're roughly
17 at the point of being, you know, double the distance, what is - what's the
18 harm relative to the claim that there's some magnification when the claim
19 permits some change from the, you know, strict mirror response? I'm trying
20 to get the difference that you're -

21 MR. NELSON: Judge Cygan, if I understand your question, and
22 correct me if I don't, the only way you can get there is by believing that
23 mirror or assuming that mirror tracking mode can be a physical mirror,
24 right? That - because the only thing that's in Haan that looks like a
25 conventional mirror, is in fact a conventional mirror, a physical one. So

1 there's - as I've said, there's not a discussion of the software mirror, the
2 digital mirror of Haan creating an image that is double distance, same size.
3 What Haan discloses about changing imaging perspective is this business of,
4 I'm going to - I can present you a side view of that. So - and I don't think
5 anyone is contended or it's an appropriate read of mirror tracking mode that
6 can be meant by a physical mirror. I mean, the folks didn't purport to invent
7 physical mirrors. They invented a system that can emulate one digitally.

8 JUDGE CYGAN: Thank you.

9 MR. NELSON: So I walked through Haan and explained our
10 position that it really doesn't disclose anything like the double distance, same
11 size requirement at all. In fact, it's telling - teaching, you should do
12 something very different than that when you're in this digital mode.
13 Francois, for its part, is a simple handheld mirror simulation device. It's -
14 you can see a picture of it here in there. There really is no disclosure in
15 Francois of any kind of image transformation that would generate double
16 distance, same size images. And in fact, it just sort of says it's a close
17 approximation of what the user would see on the screen surface it were - if
18 it were a real mirror. That's the extent of it. It doesn't even really explicitly
19 disclose image inversion at all. So, I mean, I guess the picture shows you
20 the images inversion, but it doesn't describe doing that, nor does it describe
21 any form of transformation that would lead to a double distance, same size.

22 It just says, we simulate a real mirror. That's it. Similar to
23 Rosenberg, it just sort of says, looks like a mirror. So I want to be brief
24 about this next part, which is, the petition itself never addresses the double
25 distance, same size requirement. I know that they've said they did, they've

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1 stitched together some pieces of a background declaration. That declaration
2 is never tied together with how mirror tracking mode is disclosed or
3 rendered obvious by any limitation, never. That's sort of backfilling from
4 stuff they said in the original declaration.

5 But importantly, and you saw it in Petitioner's presentation, for the
6 first time, the Petitioners in their reply, the Petitioners came forward with
7 new prior art that they positioned as background up. This is Straka. Straka
8 was not part of Dr. Karam's original declaration. It was not an exhibit to the
9 petition.

10 It is a - it is a little different than in this respect from what we
11 heard about this morning, where Straka was background art to the '109 in the
12 original petition. This is new art that is provided for the first time in reply to
13 explain why a personal skill in the art would know that Haan and Francois,
14 or the same argument as made for Rosemary Park (PHONETIC), that would
15 know that when these guy - when these references are talking about mirrors,
16 digital mirrors, that they're disclosing double distance, same size. That is
17 absolutely the kind of thing that even the Axonics case makes clear. Is
18 impermissible here. That part -

19 JUDGE GIANNETTI: Counsel, why isn't that a fair response to
20 your asserted claim construction?

21 MR. NELSON: It is not a fair response to our asserted claim
22 construction, because -

23 JUDGE GIANNETTI: Why?

24 MR. NELSON: - because it is their claim construction. It's not
25 ours. It is theirs. They knew about this at the time.

1 JUDGE GIANNETTI: Well, when you say it's theirs, it was theirs
2 in the District Court, but it wasn't theirs here, was it?

3 MR. NELSON: That's correct, Your Honor. At - for months prior
4 to institution, they knew about their construction. They knew about Straka,
5 because they included it in the '109. They knew about this art and they
6 could have brought - come forward with it in the petition. And they did not.
7 This is not a case where they're simply just responding to something we've
8 said. This was their claim construction position, which they could have
9 brought to -

10 JUDGE GIANNETTI: In the District Court. But you - it was
11 your claim construction position in the proceeding. So why isn't it a fair
12 response to an argument that you made in this proceeding?

13 MR. NELSON: Well, Axonics tells you the same thing, Judge
14 Giannetti. That is not to say - this is from Axonics and Medtronic, and I'm
15 on Slide 40, we have held that a petition may not in reply rely on new prior
16 art to teach a claim limitation. This is new prior art. They're telling you,
17 here's some new prior art that fills the gaps in our proof. You read Straka,
18 you see that there's the double distance, same size requirement. That is
19 exactly what Axonics says you cannot do, Your Honor. And they've done it.

20 JUDGE CYGAN: Counsel, can I follow up on that? Can you
21 explain to me why Straka is filling a gap as opposed to Straka explaining
22 what one of our skill in the art would know, one of which being permissible
23 of the other one, perhaps not?

24 MR. NELSON: Understood. So as we've talked about today,
25 there's no real dispute that these optical properties were known that, that's

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1 how a conventional physical mirror works. What's missing is a disclosure,
2 at least until the '109 Patent and the '110 Patent, is a disclosure of how you
3 do that. And first of all, to the extent that the Petitioners are relying on the
4 disclosures of the '109 Patent, as showing this is well known and obvious,
5 really that's hindsight bias because, of course, the '109 Patent and the '110
6 tell you we're the first to have implemented a system that creates this effect,
7 right? That's what the disclosure is about.

8 Two, apart from relying on the patent, which is improper, apart
9 from relying on Straka, which is improper, all that Petitioners have really
10 come forward with is a general statement that we all agree that this is a well-
11 known encounter.

12 And that's not enough, particularly in view of the disclosures here
13 to explain why a personal skill in the art would see - either see Haan
14 disclosing such a thing, but it clearly doesn't teach you something very
15 different, or why a person of skill in the art be motivated to say, well, I could
16 do it with Haan, right? I could build it into Haan, right? Every reference
17 we've seen so far teaches something - doing something different, except
18 Straka.

19 Straka says, here's how to do this, right? Straka says, you know,
20 we - when you do this, you want double distance, same size. But that's
21 improper, because that is brought in for the first time. Just saying that it was
22 known in the art, isn't enough to show why a person who's skilled in the art
23 would understand these references, to be disclosing that same thing when -

24 JUDGE CYGAN: Could you be a little more specific about which
25 portion of Straka you think crosses the line into some sort of a gap filling, as

1 opposed to explaining the background knowledge of the art?

2 MR. NELSON: It's this - I'm turning to Slide 36 of our
3 presentation. It's the supplemental declaration of Dr. Karam and the reliance
4 on Straka's Figures A and Figures 4A and Figure 2, which they contend
5 present the double distance, same size requirement as a conventional
6 property of mirrors. So it's it right there. That's the improper part.

7 JUDGE CYGAN: How is that not an expert attesting to what one
8 of our only skill in the art knows what a mirror does, which I think you said
9 a number of times is sort of not really an issue, that everyone is - sort of
10 knows what that is? What is the problem with Straka coming in, even at this
11 point, and saying, yes, that's what a person of art in the skill in the art
12 understands in the background for what a mirror does?

13 MR. NELSON: Well, it's prejudicial for one thing. We - when
14 we took the deposition of their expert, Straka wasn't in this IPR. Straka was
15 no part of this. We had no opportunity other than just asking her about it,
16 inspecting the '109, what she needed of it, but it wasn't part of this case. So
17 allowing it in now so that they can make a new set of arguments to fill gaps
18 in their proof, is highly prejudicial.

19 JUDGE GIANNETTI: Well, but didn't you have the right to take
20 the deposition of the, was it a reply declaration in which it was cited?

21 MR. NELSON: That's right.

22 JUDGE GIANNETTI: Well, you could have taken the deposition.
23 The rules won't - the rules permit that. So you've passed up an opportunity.

24 MR. NELSON: I understand the point, Your Honor.

25 JUDGE GIANNETTI: Yes.

1 MR. NELSON: I query whether that excuses or relieves the
2 prejudice that Axonics and other cases talk about where if you show up with
3 new art to try and explain a reference, or explain why there's unpatentability
4 in your reply, you can't do that, even under Axonics. It's not simply replying
5 to an argument that we made. It's bringing in new evidence. And under the
6 operative rules that should govern this proceeding, it's improper.

7 JUDGE CYGAN: But not all new evidence is created equally.
8 How - evidence which is gap filling, which is trying to fill something which
9 was not being pointed to in the prior art, is - isn't that a different matter from
10 what we see here in Straka, which is simply explaining when this reference
11 says it acts as a mirror, this is what one skilled in the art understands to act
12 as a mirror?

13 MR. NELSON: It is gap filling when the art itself that is actually
14 the asserted grounds, don't - not only don't disclose on their face this
15 property of a mirror, but actually say, I'm going to do something different.
16 So it is gap filling when you come forward with new art that says, look, this
17 would be easy to do. Everybody knew about it. And that's what they're
18 doing here. So I disagree that it's just, well, I'm just telling you what a
19 personal skill in the art would know, right? It's telling - it's essentially
20 adding Straka to this combination.

21 JUDGE CYGAN: Although to be fair, there's nothing in this
22 Paragraph 23 that is talking about either of the primary references and why
23 we should view them differently. This is simply saying, this is the term
24 that's being used. This is the understanding of the term in the prior art. I'm
25 still struggling to see why that's not appropriate.

1 MR. NELSON: Well, I've shown you one paragraph, of course, in
2 their reply, they rely explicitly on Straka, as showing you why a person with
3 skill in the art would understand this to teach Haan and Francois and
4 Rosenberg and Park, to be teaching the records. I can show you - I can find
5 that for you if you'd like. It's not - I can't put all the paragraphs on a slide.

6 JUDGE CYGAN: So we should be - we should be focusing on
7 that issue when we look at the other parts of Straka, not particularly this one
8 here in the slide, correct?

9 MR. NELSON: The primary reliance on Straka is for those figures
10 and the teaching of the double distance, same size requirement, and its
11 implementation in the digital system, which is not present in anything else
12 that they would come forward with.

13 JUDGE CYGAN: Thank you.

14 JUDGE GIANNETTI: Now, Counsel, I have an Axonics question,
15 which I think you've indicated you're thoroughly familiar with the record in
16 that case. Wasn't the problem in that case the opportunity to respond to a
17 claim construction that was presented in a Patent Owner response? And
18 doesn't the case say that was the problem, the - that there was a lack of
19 opportunity to respond?

20 MR. NELSON: It does, but it also -

21 JUDGE GIANNETTI: Didn't you have an opportunity to respond
22 to this citation of Straka?

23 MR. NELSON: We did. But what I was going to say before you
24 carried on with your question was Axonics is a different fact pattern.
25 Axonics was an instance where Patent Owner came with a new construction

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1 that nobody had any opportunity to address prior to -

2 JUDGE GIANNETTI: Right.

3 MR. NELSON: - Patent Owner's response. This is different.

4 This was their construction, which they knew about and didn't tell you about.

5 So I agree with everything you said, Judge Giannetti.

6 JUDGE GIANNETTI: So your concern isn't lack of opportunity to
7 respond, because you obviously had that. Your concern is that they should
8 have brought this forth earlier. And I guess the answer to that is, well, was it
9 a fair response to your position on claim construction?

10 MR. NELSON: Is that a question, Your Honor? I -

11 JUDGE GIANNETTI: Yes. That's what I'm saying. Did I get that
12 right? Is that what your complaint is here? That - not that you didn't have
13 an opportunity to respond to it, but that it was not a fair response to your
14 decision.

15 MR. NELSON: I disagree that the chance to ask their expert about
16 Straka prior to their providing new argument in the reply about what Straka
17 disclosed and why it mattered was a fair opportunity. The rest, I agree with.

18 JUDGE GIANNETTI: Well so you had a chance to cross-
19 examine the expert on this issue, right?

20 MR. NELSON: Uh-huh.

21 JUDGE GIANNETTI: And you had a chance to present argument
22 on that issue, right, in your reply?

23 MR. NELSON: In our sur reply, that's - yes, that's correct.

24 JUDGE GIANNETTI: Sur reply.

25 MR. NELSON: Yes.

1 JUDGE GIANNETTI: So where's the prejudice here?

2 MR. NELSON: The prejudice is the very kind, in our view of
3 sandbagging, that Axonics itself was concerned about. This was a
4 construction they knew about that they did not mention or discuss or even
5 attempt to show in their petition. It was left to us to bring it to the Board's
6 attention that there was this alternative claim construction, which result, in
7 our view, in a failure of proof. The fact that a Petitioner can, at the last few
8 rounds of briefing, throw in a - some additional art and say, here's why it -

9 JUDGE GIANNETTI: Well, it's background. It's background.
10 And I - you call it art and it's background art. I think we should make that
11 distinction. Because - yeah.

12 MR. NELSON: I agree that it is positioned as background art. I
13 don't agree that that's how it's used in this IPR. They are telling you this
14 supplies - this art shows you - supplies what was missing in Haan and
15 Francois. Shows you -

16 JUDGE GIANNETTI: Okay.

17 MR. NELSON: - and supplies what was missing in Rosenberg
18 and Park. I don't think it's just that -

19 JUDGE GIANNETTI: Well, I guess that's an issue for us to
20 decide, whether it's background art or whether it's gap filling. And we'll
21 have to - we'll have to decide then.

22 MR. NELSON: I think that's fair, Your Honor. Okay.

23 JUDGE CYGAN: Counsel, just before we move on from Axonics,
24 hasn't the Federal Circuit said that the Petitioner is under no burden to
25 present every possible claim construction in the petition?

1 MR. NELSON: They're under no burden to present every possible
2 claim construction but they are probably under a burden to present when
3 they advocated for in District Court. I think that's where I draw the
4 distinction.

5 JUDGE CYGAN: What's - what is the issue with Petitioner
6 treating it as something which does not need to be addressed in detail?
7 Because under any possible reading of it. I think that's part of the thing I'm
8 struggling with here is that's clear, you know - I mean, there's - Axonics
9 wasn't really about a Petitioner sandbagging, and Petitioner doesn't have to
10 present every possible claim construction. If there is a claim construction
11 which they know about, they don't have to present it. I'm not sure what the
12 difficulty is for them to say it doesn't matter which claim construction. We
13 could come up with, you know, two possible ones, at least from the District
14 Court proceedings. We don't need to present both of those, under any of the
15 ones that have been considered, we think that our art is going to teach that.
16 So why isn't that a fair way of approaching it?

17 MR. NELSON: That sounds fair to me, but that wasn't what
18 happened here, Your Honor. And I think the Cambridge Telematics case is
19 informative here as well. It makes very clear you are to, in your petition,
20 explain why - if there is an inconsistency or why there is one. That didn't
21 happen here. So what you said sounds fine, but that's not what happened
22 here. And the presence of not only additional art, but a supplemental
23 declaration from their expert in reply, I think is fairly demonstrative that
24 there's a problem with their initial proof. So I don't have a problem with the
25 scenario you described. It's just not what happened here. Thank you.

1 So on the merits, I'll - if I could, not - as we pointed out, not only
2 does Haan teach something very different from the double distance, same
3 size requirement of traditional mirror and not only does Francois remain
4 silent about those properties, our experts pointed out that Haan actually
5 includes errors that anybody that did have this knowledge about the way a
6 mirror works would regard as this is not a reliable reference. So our expert
7 made that point. We've also - as I already addressed, Francois itself doesn't
8 disclose anything really other than a picture that's showing simple inversion
9 of the mirror - of the user's image.

10 Now, on motivation to combine, I wanted to speak to that
11 generally. First of all, it's certainly our position that neither Haan nor
12 Francois actually discloses what the mirror tracking mode construction from
13 the District Court would require and the construction that we think should be
14 applied here. But there's more to than that. So even the combination
15 wouldn't disclose or render obvious limitation.

16 But there's no motivation to combine either. Haan doesn't suggest
17 or tell you that mimicking a mirror with Fidelity to a conventional mirror is
18 advisable. It says, I - I'm going to do something different, right. So a
19 person with skill wouldn't be motivated to do that. But there's more to it
20 than that, and this is addressed in our Patent Owner's response as well.
21 Francois is a handheld mirror device. It's a little device with a single camera
22 above it. Haan is a very complicated stationary system that has multiple
23 cameras and is stitching multiple images together.

24 Haan is really directed to taking these physically placed cameras
25 and stitching them together in a way that allows you to do this kind of image

1 perspective change. But as our expert has pointed out, combining that with
2 Francois's small handheld mirror system, would - a person skilled in the art
3 would regard that as impractical, cumbersome, and difficult to do. It's not
4 clear that they could do it. And this is our expert in his declaration at
5 Paragraphs 94 and onward. So there really isn't a real problem in actually
6 combining these two references beyond just neither one of them tells you
7 that a - emulating a conventional mirror is desirable or even possible.
8 They're really quite different technical systems.

9 And in fact, Francois says really doing it - really doing any kind of
10 mirror emulation in a handheld is geometrically impossible, right. And so
11 the notion that a person skilled in the art would look at that and say, well,
12 what I can do is I can take this multiple camera, big system, from Haan and
13 combine them. I think this is unsupported by the evidence. I am running
14 short on time. I did want to cover briefly Rosenberg and Park. I think we've
15 discussed Rosenberg and this is Ground 2, and we're not discussing Ground
16 3 yet.

17 I think we've discussed Rosenberg at great length. And you've
18 heard the competing views and you've seen that Petitioners in particular are
19 placing a great deal of weight on this Paragraph 77 of - there, where it -
20 there is this one off-line that says, well, "It's a digital mirror with a displayed
21 size and scaling such that it appears like a traditional life-size mirror image."
22 That's really what they put their weight on to say, well, a person with skill in
23 the art, I mean, being aware of Straka, would know that what they're really
24 saying is that you are implementing double the distance, same size. Of
25 course, as our expert - as we pointed out in our papers right after that,

1 Rosenberg again tells you exactly what he means by that, which by mirror in
2 the relation, which is just left, right inversion.

3 There is a - and I wanted to address Park as well, because Park is
4 the new thing here. Park is tilt correction. Park describes a system in which
5 perhaps you've got a mobile phone and it's sort of - you're holding it lower
6 than your face or higher than your face and what Park is doing is correcting
7 that so you have a more head-on image. That really has nothing to do with
8 the mirror mimicking that is the subject of the construction of mirror
9 tracking mode that we proposed here.

10 It - it's a different kind of perspective change. But it - and so it
11 doesn't disclose anything that Rosenberg doesn't. There's a deeper problem
12 though, there - as we pointed out in our papers, there would be no reason
13 and no motivation to combine Park and Rosenberg to achieve the claims. In
14 particular, Park is - as I've just described, dedicated or devoted to tilt
15 correction, that essentially nobody wants to see the top of the head, they
16 want to see your face. So we'll make - we'll kind of rotate the image so it
17 looks a little bit more like you're looking straight at the camera.

18 Rosenberg discusses that same problem in conjunction with its
19 Figure 5 in which the camera in Rosenberg is placed not behind the screen,
20 as most of the embodiments of Rosenberg are - so Rosenberg, most of the
21 embodiments say, the best way to do this is to put the camera right behind a
22 semi-transparent screen, right at roughly high level. That's the best way. It
23 says, also for Figure 5, you can put it at the top of the screen as well. All
24 right. That would, as Petitioners have pointed out, create some distortion
25 effect from a mirror. Like it would not be exactly like a mirror because it

1 would be a somewhat top-down view.

2 But Rosenberg in Paragraph 27 doesn't say that's a problem,
3 doesn't say we should do something about it. Rosenberg says, "Placing the
4 camera at the top produces an effective image." And that's a quote, an
5 effective image. "But the vantage point will simply be slightly higher."
6 Rosenberg identifies no problem that a person with skill in the art would
7 look to Park to solve. It says, my approach with the top-down camera's good
8 enough. It would not motivate a person with skill in the art to say, what I
9 need to do is combine with Park to get an imaging perspective change.
10 Rosenberg says, what I've done is good enough. And if there's no further
11 questions, I'll stop.

12 JUDGE POWELL: Okay. I think we're good. Thank you.

13 You have 42 minutes.

14 MS. ARNER: Thank you.

15 JUDGE POWELL: Yes.

16 MS. ARNER: I'd like to start with the Cambridge Mobile
17 Telematics case briefly. We talked about it this morning, but it was also
18 mentioned just now. I think Judge Giannetti pointed out to me earlier that
19 what I was talking about on page 8 in that opinion was dicta. It was when
20 the Board said, our rules do not prohibit Petitioners from taking inconsistent
21 positions before the Board and the District Court. But Judge Giannetti
22 correctly pointed out that what the decision was, however, was that you can't
23 argue means-plus-function in one place and not means-plus-function in the
24 other, That those inconsistent positions were not okay.

25 I wanted to make sure we were clear about why Cambridge Mobile

1 Telematics still does not apply here, and it's not just because of that
2 paragraph that I like and read, but because of the means-plus-function claims
3 that were involved there. The Petitioner specifically said in the District
4 Court that these claims require means-plus-function - or means-plus-
5 function language. And then they came into the - in the PTAB and they did
6 not propose a construction. Instead, they argued they are not means-plus-
7 function. And that violated the rules.

8 And that cited on that page 8 that you were looking at, Judge
9 Giannetti, the Board there noted in the informative decision Rule
10 42.104(b)(3) which says specifically that if there are means-plus-function
11 claims, the construction of the claim must identify.

12 And that is different. There is a special rule in the Board's rules for
13 means-plus-function claims. And so that is, I think, a - still a reason that
14 Cambridge Mobile Telematics does not govern here, because we don't have
15 that inconsistency. We don't have an inconsistency at all, but certainly not
16 one that would rise to the level of a violation of that specific rule.

17 I also point out the difference between dicta, which that paragraph
18 that I love which is correct is, and the holding. Because that's really what
19 the Patent Owner is doing with the Axonics case. They're trying to cite
20 Axonics for the point that you can't raise new prior art or rationale or
21 grounds in your reply evidence. But that is a statement that's made that
22 we're not disputing. But that's not what Axonics was about, and that's not
23 what is happening here. Axonics was instead part of a long line of cases,
24 including the SAS Institute case, Ericsson, Hamilton Beach, Qualcomm, all
25 cited by the Axonics case by the Federal Circuit that says, "The Petitioner

1 must be afforded a reasonable opportunity in reply to present argument and
2 evidence under the new construction that has been proposed."

3 That's really what Axonics is about. And to the extent that the
4 Petitioner, sorry, that the Patent Owner is arguing that it was not their
5 construction or they didn't bring it in - I think they did admit it is their
6 construction in this proceeding. They're arguing that the Petitioner knew
7 that that was the claimed construction position at the time the petition was
8 filed. There is nothing in the record to show that.

9 What is in the record shows that on the date the joint - at least by
10 the date the joint claim construction statement was filed, both parties knew
11 of their construction positions. There isn't anything in the record, and I
12 honestly don't know the date on which the Petitioners knew that that was
13 going to be one of the Petitioner's positions in District Court. But to try and
14 use that to show that there was inconsistency on the behalf of the Petitioner,
15 there's nothing that shows that.

16 And even if there were, the Federal Circuit rejected just that type
17 of argument in the Axonics case. There, they noted that the Patent Owner
18 argues that "Axonics clearly anticipated the two input claim construction and
19 should have presented argument and evidence under the construction in the
20 petition." And the Federal Circuit said, no, that is not right. That - they
21 said there is no regulation that - or the - that the regulation that governs the
22 content of the petition does not direct a Petitioner to raise, address, and apply
23 alternative possible constructions. So I think the Axonics case is squarely on
24 point here. We are allowed to introduce a reply argument and also new
25 evidence in the reply. And when the - in order to reply to the claim

1 construction position.

2 As for the gap filling arguments, you know, that was also
3 contradicted by Federal Circuit case law. And I would point to the Anacor
4 Pharmaceuticals case there which is in the briefing. There, the Federal
5 Circuit noted that "new evidence is to be expected in IPRs and is okay as
6 long as the Patent Owner can respond." And that is certainly what happened
7 here, as Judge Giannetti pointed out. Importantly, Anacor talked about the
8 fact that there was no surprise to the Patent Owner, that it was fine that the
9 reply came in with two new references to evidence the background
10 knowledge of a person of ordinary skill reading the art. There, the
11 background knowledge had to do with what would have been predictable or
12 reasonable success in the pharmaceutical context. Here, in the '110, to the
13 extent the Straka reference was introduced with the reply and the reply
14 declaration to explain how one of ordinary skill would have read the word
15 mirror.

16 It is not like the cases - there are others that the Patent Owner
17 cited to try and show there's gap filling. The Haag-Streit case, the gap filling
18 was that the new background art introduced an alternate claim mapping.
19 That it introduced the possibility of a fixed resistor versus a variable resistor
20 in the original mapping. And so although it was argued to be background
21 art, it actually changed the mapping from what the petition had. And the
22 Lenovo case which they also rely on as gap filling, had to do with the
23 Petitioner trying to prove the status of prior art in the reply that they had not
24 made as part of their prima facie case in the petition.

25 That is certainly not what we have here with the reply declaration

1 or with, you know, the Straka reference in particular. It's perfectly
2 acceptable, and in fact, to be expected under Federal Circuit precedent
3 Anacor and Axonics. And we haven't heard any Federal Circuit law other
4 than the one informative decision from the Board, the Cambridge case. And
5 that's quite different with the means of this function.

6 And then I'd also like to, on the claim construction topic, respond
7 to the point that was made that the record is the same here because Philips
8 applies. We agree that the claim construction standard is the same, but the
9 record is not the same. The evidence is different. The evidence is different
10 because there are different experts. And to your point earlier, Judge
11 Giannetti, it is a problem. It's not just a - you can just read what it says. It
12 is a problem of fundamental fairness here, the Petitioner, because that was
13 not - the expert here said he did not opine on whether the claim construction
14 was right.

15 The Patent Owner's counsel shut down that line of questioning.
16 There was no opportunity for the Petitioner to depose about that claim
17 construction. Why is that claim construction right, expert in the IPR? That
18 was not a possibility. Meanwhile, the Patent Owner, as Judge Giannetti
19 noted earlier, was able to. And, in fact, at length deposed the Petitioner's
20 expert about that topic.

21 And so to the Anacor case, the Federal Circuit's point about no
22 surprises? This is certainly one where the fairness, fundamental fairness is
23 off. Here, there was obviously no surprise to the Patent Owner. They were
24 able to depose the Petitioner's expert, argue about it in our sur reply, argue
25 about it here today. Meanwhile, the Petitioner was not afforded the same

1 opportunity to depose that evidence because they didn't put any in. And so I
2 would, again, contend here that the claim construction is not needed. The
3 Board has an incomplete record at best, and I'll turn it over to Ms. Zhang,
4 unless there are questions on those points? Okay. Great.

5 MS. ZHANG: Thank you, Your Honors. Just to follow up on the
6 gap filling aspect, we would like to note again that the Petitioner's grounds
7 and evidence render the claims obvious under either construction, either -
8 regardless of the construction. As we have shown you, the Rosenberg in
9 combinations teaches the flipping and scaling to mimic a traditional mirror
10 image. We don't need the Straka reference for filling in any limitation in the
11 claims. The Straka reference was provided in the supplemental declaration
12 to provide a further helpful background for the claim construction.

13 And like - I'd like to address Patent Owner's argument on
14 motivation to combine as well. And if you look at the Patent Owner
15 response, when Patent Owner argues about there's no motivation to combine
16 Rosenberg and Park reference, their argument is that Rosenberg teaches
17 away from incorporating this property. And by property, they mean a three-
18 part construction. The double the distance in same size. Their motivation to
19 combine argument is based on that construction. They didn't make
20 arguments without that construction. And their argument is that Rosenberg
21 teaches away from those properties and Park does not teach those properties
22 at all. It does not address our combination where we explained that the
23 Rosenberg system can benefit from Park's distortion correction.

24 JUDGE POWELL: So do I understand correctly then, that Park
25 really isn't cited for the double the distance and constant size aspect?

1 MS. ZHANG: That is correct. Because the Rosenberg teaches the
2 flipping and the scaling to achieve those three properties under the
3 construction. And Park's perspective transformation improves Rosenberg's
4 system to provide a more realistic mirror image. And that satisfies the
5 mirror tracking mode limitation because the mirror tracking mode resizes
6 transformation mapping, and that changes the perspective of the image. And
7 transformation mapping includes multiple transformations, including
8 Rosenberg's flipping transformation scaling and Park's perspective
9 transformation.

10 JUDGE POWELL: So although it's arguably just extra - an
11 abundance of caution on Patent Owner's part, the arguments about whether
12 Park supplies any of the District Court claim construction elements is really
13 not germane here to your argument anyway. Is that fair?

14 MS. ZHANG: That's fair. Yeah. It's not addressing our
15 combination.

16 JUDGE POWELL: Okay.

17 MS. ZHANG: And I won't need to - I don't want to reiterate their
18 teaching away argument doesn't apply because it's based on a wrong
19 embodiment. Rosenberg still teaches mirror mimicking. And if we consider
20 that argument again about teaching away, it should be used about a
21 modification or obviousness modification. But here, we are - we're showing
22 you how a POSITA would have understood Rosenberg's disclosure. The
23 teaching away argument shouldn't apply here about a POSITA's
24 understanding of a reference.

25 And you heard a lot about the Haan ground. And I would like to

1 make just one point about Patent Owner's argument and their expert's view
2 that Haan discloses a gross error. And that is not true. As our expert has
3 explained, that - Dr. Forsyth, Patent Owner's expert - explanation based on
4 the occlusion test as he was he discussed that fact in the declaration doesn't
5 apply here. And then she explained why in her second declaration. She
6 explained in her second declaration that contrary to Dr. Forsyth's obligation,
7 the POSITA would recognize that omitting occlusion effect is a readily
8 accepted approximation. We are talking about using - transforming camera
9 images to mimic a mirror image.

10 And the claim construction here that Patent Owner is focusing on
11 talks about presenting the user his own reflection in the double the - appear
12 to be double the distance and same size. It's about the user's own reflection.
13 It's not about anything that's in the background in 3D geometric space. And
14 that's what Dr. Forsyth was focusing on when he was talking about the
15 occlusion effect. It's about the objects in the background that the claim
16 construction does not even talk about.

17 And the patents themselves do not talk about that either. The
18 patents talk about the transformation including flipping, resizing, and
19 scaling. And those are the transformation disclosed in the prior art. As
20 presented in the petition and evidence, Rosenberg discloses flipping and
21 scaling and Park discloses a perspective transformation. And that is all that
22 needed for meeting the mirror tracking mode limitation in claim one.

23 And to conclude, we hope we have shown you - the petition and
24 evidence in the record have shown you we have met our burden to prove that
25 the Petitioner's ground and prior art render the challenge of claims obvious.

1 Thank you, Your Honors.

2 JUDGE POWELL: Thank you. Ten minutes left.

3 MR. NELSON: Thank you, Your Honor. I do note that although I
4 said I wanted to respond to the point about Rosenberg, I neglected to do so.
5 I - I'll do so briefly with the time that I have. If there's something they want
6 to say, that's fine, too. I know that - so -

7 JUDGE POWELL: I'll check with them.

8 MR. NELSON: Yeah. So the - what we heard about Rosenberg
9 was that, well, Rosenberg discloses that the proximity sensor or the motion
10 sensor could also be a camera. That's fine. It doesn't change the point that I
11 made, which is that it is false that there's in that mode of operation for
12 Rosenberg in which it's powered down - powered off, because there's no
13 user detected that it's performing image processing. It's not. It's either off,
14 it's displaying a wallpaper, but it's not running through any form than this
15 processing steps. And that was my point there. Let's leave it at that.

16 With respect to the rebuttal argument we just heard, on the
17 discussion of Cambridge Informatics, I would suggest that reading
18 Cambridge Informatics is saying, this really only applies if you had a means-
19 plus-function claim construction, not any other time that you have an
20 inconsistent construction, is a somewhat strained and narrow reading. I
21 think most practitioners would read that case a little more broadly about
22 what a Petitioner's obligations are, and I'll leave it at that.

23 On Axonics and more discussion about - from Counsel of
24 Petitioner about fundamental fairness. If I understood Petitioners, they are
25 the aggrieved parties here if I understood the argument, because they were

1 the ones that were surprised and had no opportunity to explore the claim
2 construction. I mean, that's just the light by the facts, right? It was their
3 construction in the first instance. Yes, we proposed it here, because they
4 didn't do what they were supposed to do. Of course we proposed it. But the
5 fundamental fairness point really raises a higher level question, which is, if
6 the Board doesn't adopt this construction, essentially it will permit
7 Petitioners to have pursued the invalidity of the claims under a much broader
8 meaning of that claim term, mirror tracking mode, than they did in District
9 Court with respect to non-infringement.

10 That's the fundamental fairness point that seems to call for the
11 same construction being applied in both instances. So with respect to the
12 merits, with respect to Straka, I heard Straka's position is just, well, it's just
13 additional helpful background for the claim construction. It's not exactly
14 how it's used in the Petitioner's reply. It's not used as helpful background for
15 a claim construction. It's used to provide what we feel we've shown has
16 been missing in all these references, which is the explicit disclosure of the
17 very requirement Petitioners said was inherent in the mirror tracking mode.
18 That's what it's being used for.

19 On the motivation to combine point, I heard Petitioner's Counsel
20 say the only motivation to combine argument for Rosenberg and Park was
21 based on the claim construction and the purported teaching way. We
22 certainly made that argument. We did, and we think it's a valid argument.
23 But at our Patent Owner response on page 40, you will find, we explain that
24 Rosenberg, of personal skill in the art, we have no motivation to combine
25 Rosenberg and Park. Not because of the teaching away point, but because

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1 Rosenberg says, you don't need to do any image distortion correction. This
2 is an effective image. That's in our petition, right?

3 And to echo Judge Giannetti's point from earlier this morning,
4 motivation to combine is not as to limitations, is to combine the references
5 to achieve the claimed invention. And we explained exactly why personal
6 skill only art would not be motivated. Not only because the references don't
7 disclose the mirror mode and don't teach it, but because these references are
8 orthogonal. The problem of distortion from a top down view that
9 Petitioner's claim of personal skill in the art being motivated to correct, is
10 described in Rosenberg as being not a problem. There's no motivation to
11 combine.

12 JUDGE POWELL: Yeah. I think earlier you might have said
13 Rosenberg says it's good enough.

14 MR. NELSON: It's an effective image. That's right. That's the
15 point.

16 JUDGE POWELL: Okay.

17 MR. NELSON: And so there is more to the motivation to combine
18 issue than that. On Haan, I'm happy to rest on the record. It says what it
19 says.

20 JUDGE CYGAN: Okay. Counsel, just one follow up on the claim
21 construction fairness. You - if I understand correctly, you have a case
22 stayed between you and the current Petitioner, correct?

23 MR. NELSON: No. That case has been dismissed last week as a
24 result of settlement with Samsung?

25 MS. ARNER: No.

1 MR. NELSON: But -

2 MS. ARNER: The Google case as Petitioner.

3 MR. NELSON: Ah, the Google -

4 MS. ARNER: Sorry to interrupt.

5 MR. NELSON: Yes.

6 MS. ARNER: But I think that's what you said, current Petitioner.

7 So I felt like you were saying the -

8 MR. NELSON: Thank you. It's a little late in the afternoon. I
9 understand your question. Oh, yes, there is a current case with Google as
10 Petitioner.

11 JUDGE CYGAN: I mean, my concern with the fairness issue is
12 that there is construction in the Samsung District Court case. The case that
13 stayed right now, I mean, they're - assuming your patent is held valid. You
14 know, they're free to go ahead and construe it differently than the District
15 Court in Samsung, and they're free to construe it differently than how we're
16 going to construe it in this case. So I think there's at some limitation on the
17 amount of fairness that we can apply here with that other proceeding still out
18 there.

19 MR. NELSON: Well, I appreciate that, Your Honor. But I think
20 the question is probably directed to - best directed to the declaratory
21 judgment counter claimants here. Are they going to say that the construction
22 that's required for this term when they're accused of infringement requires
23 this double distance, same size requirement at the same time they're telling
24 you, don't worry about that, it just means what it says?

25 JUDGE CYGAN: Isn't it more correct that our focus really has to

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1 be on the most accurate claim construction we have on the complete record,
2 as opposed to some of those issues which are more out of control of this
3 body?

4 MR. NELSON: I think you have all the record you need. You
5 have the arguments that Petitioners made in the District Court. You have
6 them say - saying here, you have not heard them once today say that claim
7 construction isn't right. Not once. We said it is right. We say it should be
8 applied. Not once have you heard them say, that's not how a person of skill
9 how we understand this term. Not once.

10 JUDGE CYGAN: Counsel, are you going to say the claim
11 construction from the District Court is the correct one, or are you going to
12 say that you're not contesting it, because it's the one that was found to be
13 correct?

14 MR. NELSON: It's - it was the one adopted by a District Court at
15 Petitioner's urging.

16 JUDGE CYGAN: Okay.

17 MR. NELSON: And it should be applied here.

18 JUDGE CYGAN: Thank you.

19 JUDGE POWELL: Okay. So Patent Owner's Counsel offered - I
20 think he talked for maybe 60 seconds about Rosenberg with respect to image
21 processing. And I think that actually probably harkens back to the - to her
22 case this morning, IPR 2024-00856. So if you'd like a minute or three
23 perhaps for sur-rebuttal on that point, I'll offer that to the Petitioner.

24 MS. ARNER: No, we corrected the point, which is, it's not just the
25 proximity sensor in the (INDISCERNIBLE) in this part.

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1 JUDGE POWELL: Okay.

2 MS. ARNER: It's also here.

3 JUDGE POWELL: Very good. So I think we've covered the
4 waterfront then. Thanks to everyone, for all counsel provided very
5 professional, thoughtful arguments today and were very attentive to our
6 questions, which is - makes us feel happy.

7 With that, the case is submitted, and we will once again go off the
8 record and ask the court reporters if they have any questions.

9 (Whereupon, the above-entitled matter went off the record at 3:25
10 p.m.)

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