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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

THE MAGNAVOX COMPANY, a corporation, and SANDERS ASSOCIATES, INC., a corporation Plaintiffs, vs. ACTIVISION, INC., a corporation, Defendant.	No. C 82 5270 JPV MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF DEFENDANT'S MOTION FOR ORDER COMPELLING FURTHER ANSWERS TO INTERROGATORIES Date: September 21, 1984 Time: 1:30 p.m.

TABLE OF CONTENTS

TABLE OF AUTHORITIES

Statutes and Regulations

INTRODUCTION

Defendant Activision, Inc. ("Activision") hereby moves pursuant to Rule 37 of the Federal Rules of Civil Procedure for an order compelling further answers to certain interrogatories served on Plaintiffs The Magnavox Company and Sanders Associates, Inc. ("Magnavox"). For the reasons set forth below, Magnavox' present responses are inadequate, and prevent Activision from discovering the full basis of Magnavox' alleged claims against it.

BACKGROUND

Activision is a California corporation based in Mountain View that designs and manufactures a wide variety of video game cartridges which, when used in combination with a control unit (which Activision does not manufacture) can be played at home on the user's television set. Activision has been sued for allegedly infringing U.S. Patent Re. 28,507 (the "507 patent"), owned by Sanders Associates and licensed to The Magnavox Company. This patent neither mentions nor contemplates anything even resembling the video game cartridges which Activision designs and manufactures.

Magnavox filed its Complaint on September 28, 1982. Activision answered and counterclaimed that it does not infringe the patent, and that the patent itself is invalid and thus unenforceable.

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Over the course of the last year and a half, the parties have engaged in discovery. Among other things, Activision has served four sets of interrogatories on Magnavox, to which Magnavox has filed responses with varying degrees of thoroughness. This Court has already issued one order compelling Magnavox to make further answers to interrogatories. See Court Order dated May 11, 1984.

The trial in this action is less than two months away, and Magnavox has yet fully to disclose the basis of its claim against Activision. Magnavox does not hide behind objections of excessive burden or irrelevance, nor does it raise technical or legal objections. Instead, Magnavox simply fails without objection to answer an interrogatory or sub-part, or objects on the ground that a particular interrogatory is "premature," and thus reserves to itself the right to "alter, amend, supplement or change" its response.

In an effort to convince Magnavox to commit to final responses, or to supplement its responses where necessary, counsel for Activision have used their best efforts to obtain Magnavox' voluntary supplementation of the responses. See Declaration of Marla J. Miller, filed herewith. Although the parties were able to resolve a number of these issues,[1/] several key interrogatories

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1/ Activision and Magnavox, through their attorneys, have reached apparent agreement as to the finality, and, in some cases, supplementation of Magnavox' answers to Interrogatory Nos. 38, 50,

(continued)

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remain incompletely answered. While Magnavox' counsel indicated a willingness to seek further answers from his clients, no responses have been forthcoming. Id. at ¶5. Because the trial date is so close at hand, Activision had no choice but to file this motion to compel final and definitive answers.

The central problem with many of Magnavox' responses to these Interrogatories is that Magnavox has not stated definitively the basis of its claims against Activision. The patent that is the subject of this lawsuit is composed of 64 claims of differing scope, each of which purports to describe some element or combination of elements of the alleged "invention." Magnavox appears to have finally decided to take the position that seven of these claims are allegedly infringed by the Activision games. However, Magnavox has not yet determined finally which of Activision's more than three dozen games infringe which of these seven claims, nor how they do so. It almost goes without saying that without knowing precisely which games allegedly infringe the 507 patent, Activision is prejudiced in the preparation of its defenses and its preparation for trial. And yet, as to Interrogatory Nos. 39(A)(C); 54; 119; 126-127; 130-134; and 184-192, it is still Magnavox' position that

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1/ (FOOTNOTE CONTINUED)

128, and 129. The substance of this agreement is spelled out in a letter from Activision's counsel to Magnavox' counsel dated August 22, 1984, and attached hereto as Exhibit D to the Miller Declaration. In the event that this accord falls through, Activision will immediately move to compel further and/or definitive answers to the above-mentioned interrogatories.

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it is simply not prepared to respond to straightforward questions about the nature of its claims against Activision.

ARGUMENT

Each interrogatory at issue and the corresponding response is set forth below, followed by a discussion of the inadequacy of the response. Where a series of interrogatories are at issue, a representative example and response are set forth, and the complete series of interrogatories is attached in appendices to this Memorandum.

INTERROGATORY NO. 39(A), (C):

> For each of the claims identified in response to Interrogatory No. 38, set forth in detail the manner in which the claim has been infringed by Activision, including:
>
> A. The activities of Activision which constitute infringement;
>
> C. Identify each television game cartridge made, used and/or sold by Activision which constitutes an infringement of the claim either by itself or in combination with a television game console; . . .

RESPONSE TO INTERROGATORY NO. 39 (A), (C):

> Plaintiffs are at this time unable to fully state what contentions they will make at trial as to the subject matter of Interrogatory 39. [emphasis added] This interrogatory seeks information as to plaintiffs' contentions with regard to infringement of the Re. 28,507 patent. Plaintiffs have not completed their discovery as to the television game products manufactured, used, and/or sold by Activision, so they have been unable to fully formulate their contentions as to infringement. Plaintiffs hereinafter state their contentions as they are presently best able to determine them in light of the information presently available to them; they specifically

reserve the right to alter these contentions when more complete information becomes available. To the extent interrogatory 39 presently requires any further response than that given hereinafter, plaintiffs object to the interrogatory as premature.

A. The making, using, selling, and offering for sale of the following Activision television game cartridges:

Tennis	Ice Hockey
Boxing	Fishing Derby
Dolphin	Keystone Kapers
Decathalon	Stampede
Grand Prix	Barnstorming
Sky Jinks	Enduro
Pressure Cooker	

C. As presently advised, plaintiffs contend that the manufacture, use, and/or sale of the following Activision game cartridges in combination with a television game console and, where appropriate, a television receiver, constitutes an act of infringement of the stated claim of U.S. Patent Re. 28,507.

Claim 25: Tennis, Ice Hockey, Fishing Derby, Dolphin, Stampede, Pressure Cooker.

Claim 26: Tennis, Ice Hockey, Boxing, Fishing Derby, Pressure Cooker.

Claim 51: Tennis, Ice Hockey, Boxing, Fishing Derby, Dolphin, Stampede, Pressure Cooker.

Claim 52: Tennis, Ice Hockey, Boxing, Fishing Derby, Pressure Cooker.

Claim 60: Tennis, Ice Hockey, Boxing, Fishing Derby, Dolphin, Keystone Kapers, Decathalon, Stampede, Grand Prix, Barnstorming, Sky Jinks, Enduro, Pressure Cooker.

Claim 61: Tennis, Ice Hockey, Fishing Derby.

Claim 62: Tennis, Ice Hockey.

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ARGUMENT REGARDING INTERROGATORY NOS. 39(A), (C):

At this advanced stage in this litigation, with less than two months before the trial is due to commence, Magnavox cannot fairly claim that it has not yet determined which Activision game cartridges allegedly infringe which claims of the 507 patent. This issue of the specific details of the alleged infringement is the core of Magnavox' lawsuit against Activision. Magnavox certainly has had ample opportunity to examine the Activision game cartridges "to fully formulate their contentions." Activision simply must know the scope of Magnavox' claim against it.[2/]

The Federal Rules of Civil Procedure require no less. Rule 26(b)(1) provides, in relevant part, that "Parties may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action, whether it relates to the claim or defense of the party seeking discovery or to the claim or defense of any other party . . . ." (Emphasis added). Moreover, for the purposes of moving for an order to compel answers

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2/ It cannot be said that because depositions of two Activision game designers are still outstanding that Magnavox is unable to determine which games infringe which claims. Those depositions were noticed on March 2, 1984 pursuant to Fed. R. Civ. P. 30(b)(6) (deposition of a corporation), and the schedule of matters to be examined at those depositions was explicitly limited to thirteen specific Activision game cartridges alleged to infringe the 507 patent. The depositions were not noticed to determine whether other Activision games infringed the 507 patent. Moreover, Magnavox has itself admitted that it needs to "examin[e]" the game cartridge to determine whether a game allegedly infringes the 507 patent. See Magnavox Response to Interrogatory No. 41, subscribed and dated May 8, 1984. Game cartridges, of course, can be (and have been) obtained from Activision, or readily from any number of toy or department stores.

to interrogatories under Fed. R. Civ. P. 37(a), an "evasive or incomplete answer is to be treated as a failure to answer." Fed. R. Civ. P. 37(a)(3).

INTERROGATORY NO. 54:

Referring to Paragraph 11 of the Complaint, set forth in detail the basis for the allegations that the alleged infringements, inducements to infringe and contributory infringements were:

A. Willful; and

B. With full knowledge of United States Letters Patent Re. 28,507.

RESPONSE TO INTERROGATORY NO. 54:

Plaintiffs are presently unable to state all the acts, facts, and circumstances which support the referenced allegations because they have not yet completed their discovery of defendant as to that matter. [Emphasis added] However, prior to the filing of the complaint in this action, plaintiff Magnavox informed Activision of its need for a license under the patent in suit, but Activision continued its acts of infringement without taking such a license up until the time the complaint was filed.

ARGUMENT REGARDING INTERROGATORY NO. 54:

This incomplete response was provided by Magnavox in February, 1983. Since that time, there has been ample opportunity for extensive discovery. In a telephone conversation with counsel for Activision, Magnavox' attorney has suggested, but will not confirm, that the complete and final answer to this interrogatory should reference the deposition testimony of a particular witness. See Miller Decl. ¶4, and Exhibit D thereto. This compromise would be satisfactory to Activision if Magnavox would commit to the completeness of the response.

INTERROGATORY NO. 98(D):

With regard to the decision to reissue U.S. Patent 3,659,284:

D. Describe in detail the circumstances under which the decision was made; . . .

RESPONSE TO INTERROGATORY NO. 98(D):

Plaintiffs object to paragraph D of this interrogatory as vague and indefinite; it is impossible to ascertain the nature or scope of the information being requested.

ARGUMENT REGARDING INTERROGATORY NO. 98(D):

This interrogatory is neither vague nor indefinite. In a letter to Magnavox' attorney dated July 27, 1984 from attorneys for Activision, attached hereto as Exhibit A to the Miller Declaration, Activision made clear that this interrogatory seeks to discover what prompted the persons identified in this interrogatory to seek re-issue of the 284 patent--i.e., to seek approval from the U.S. Patent Office to revise the first version of the patent that is alleged to be infringed by Activision in this lawsuit. In a subsequent telephone conversation with Activision's attorneys, counsel for Magnavox suggested, but would not confirm, an additional and final answer to this interrogatory that Magnavox would limit itself to the matters set out in the Reissue Oath for the patent. See Miller Decl. ¶4, and Exhibit D thereto. This additional answer would be satisfactory to Activision if Magnavox would commit to the finality of this answer. Because Magnavox has not, Activision must seek an order compelling a further, final response.

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INTERROGATORY NO. 100(E) :

> With regard to the examination and prosecution of the application on which Reissue Patent 28,507 issued:
>
> E. Identify any prior art other than the references cited on the face of the reissue patent which was considered the prosecution of the application and determined not to be material to the examination of the application; . . .

RESPONSE TO INTERROGATORY NO. 100(E) :

> E. Plaintiffs object to this interrogatory as vague and indefinite.

ARGUMENT REGARDING INTERROGATORY NO. 100(E) :

This Interrogatory is neither vague nor indefinite. In a letter to Magnavox' attorney dated July 27, 1984, from attorneys for Activision, attached hereto as Exhibit A to the Miller Declaration, Activision made unmistakably clear, as had co-counsel four months earlier, the response called for by this Interrogatory. Indeed, in a subsequent conversation with attorneys for Activision, Magnavox' attorney demonstrated his understanding of this Interrogatory by suggesting, but not confirming, an additional and final answer. See Miller Decl. ¶4 and Exhibit D thereto. This suggested answer would be satisfactory to Activision if Magnavox would commit to it; because Magnavox has not, Activision must seek an order compelling a further, final response.

INTERROGATORY NO. 108 :

> If the answer to INTERROGATORY NO. 107 is other than an unqualified negative, identify each such discussion, including:
>
> A. Identification of each person involved in the discussion, including the relationship of each such person to Magnavox and/or Sanders;

B. The date and place of the discussion;

C. The circumstances under which the discussion was held;

D. The substance of the discussion;

E. Any action taken by Magnavox and/or Sanders as a result of the discussion;

F. Identify all persons having knowledge of the subject matter of parts A through E of this interrogatory;

G. Identify all communications relating to the subject matter of parts A through F of this interrogatory; and

H. Identify all documents which refer or relate in any way to the subject matter of parts A through G of this interrogatory.

RESPONSE TO INTERROGATORY NO. 108:

Mr. Williams discussed the game he observed during the taking of his deposition on March 22, 23, and 26, 1976. Copies of the appearance pages are attached hereto as Exhibit D. Plaintiffs are unable to supply the remaining information requested in this interrogatory because they are unable to determine for themselves whether any additional discussion occurred.

ARGUMENT REGARDING INTERROGATORY NO. 108:

Magnavox' counsel, James T. Williams, is the Mr. Williams referred to in these Interrogatories. In a telephone conversation preceding the filing of this Motion, Magnavox' counsel suggested, but would not confirm, an additional and final answer to this interrogatory, which answer would be satisfactory if Magnavox would commit to it. See Miller Decl. ¶4 and Exhibit D thereto. Because Magnavox has not confirmed the additional answer, Activision seeks an order compelling it to do so.

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INTERROGATORY NO. 119:

Did Magnavox and/or Sanders ever consider reissuance of U.S. Patent 3,728,480 in view of U.S. Patent 2,857,661 (Althouse)?

RESPONSE TO INTERROGATORY NO. 119:

Plaintiffs are presently unable to ascertain that either plaintiff ever made any such consideration.

ARGUMENT REGARDING INTERROGATORY NO. 119:

At the time Magnavox responded to this Interrogatory nearly one year ago, it claimed inability to answer it, even though the Interrogatory poses a straightforward question within Magnavox' firsthand knowledge about the decision to seek reissue of a patent relevant to this lawsuit. Magnavox still has not answered definitively one way or the other.

INTERROGATORY NO. 126:

For each combination of the games identified in response to Interrogatory No. 38 of Defendant's First Set of Interrogatories to Plaintiffs (namely, "Fishing Derby", "Boxing", "Tennis" and "Ice Hockey") and the consoles identified in response to Interrogatory No. 50 of Defendant's First Set of Interrogatories to Plaintiffs (namely, the Atari VCS Model 2600, the Sears Tele-Game Video Arcade, and the combination of the Colecovision game console and the Expansion Module 1) which plaintiffs contend constitutes an infringement of Claim 25 of the United States Patent Re. 28,507, identify the elements which plaintiffs contend correspond to the following elements of the claim:

A. A hitting symbol;

B. Means for generating a hitting symbol;

C. A hit symbol;

D. Means for generating a hit symbol;

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E. Coincidence between said hitting symbol and said hit symbol;

F. Means for ascertaining coincidence between said hitting symbol and said hit symbol;

G. A distinct motion imparted to said hit symbol upon coincidence; and

H. Means for imparting a distinct motion to said hit symbol upon coincidence.

(PARTIAL) RESPONSE TO INTERROGATORY NO. 126:

Plaintiffs are at this time unable to supply all the information requested in Interrogatory 126. Plaintiffs have not completed their discovery as to the television game cartridges manufactured, used, and/or sold by Activision, and the television game consoles with which those cartridges are used, and are thus unable to fully state what contentions they will make at trial as to the subject matter of this interrogatory. Plaintiffs object to this interrogatory as premature.

However, in order to advance the progress of this action, plaintiffs further respond to interrogatory 126 as follows while reserving the right to alter, amend, supplement or change the response after discovery is completed and prior to trial. Each response refers to the combination of the indicated Activision television game cartridge and the Atari VCS Model 2600, the Sears Tele-Game Video Arcade, the Colecovision game console with the Coleco Expansion Module 1, or the Coleco Gemini television game console.

[Response continues; See Appendix A.]

ARGUMENT REGARDING INTERROGATORY NO. 126-127, 130-134, 184-192:

Through Interrogatory Nos. 126-127, 130-134 and 184-192, Activision seeks to discover precisely whether and how each Activision game cartridge allegedly infringes which claims of the 507 patent. This series of interrogatories was designed so that each breaks down an element of an allegedly infringed claim of the 507 patent. (The complete set of this interrogatory series and

responses is attached hereto as Appendix A.) For each one of its responses to this series of Interrogatories, Magnavox makes the identical opening statement professing inability to answer whether or how Activision infringes the patent that is the sole basis for this lawsuit. This is inexcusable. By this time Magnavox should be able to state fully and without qualification what contentions it will make at trial as to whether and how each Activision game cartridge allegedly infringes the 507 patent, and Activision is entitled to know in a timely fashion what those contentions are.

Counsel for Magnavox has suggested, but will not confirm, that Magnavox' present responses to Interrogatories 126-127, 130-134, and 184-192 reflect Magnavox' final position as to whether and how each Activision game allegedly infringes the 507 patent. See Miller Decl. ¶4 and Exhibit D thereto. However, counsel for Magnavox expressly would not state that there were no other Activision game cartridges which might at some later date be added to the list of infringing games. Activision seeks a Court order compelling Magnavox to commit to its answers to these Interrogatories finally, once and for all, and without disclaimers.

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INTERROGATORIES NOS. 138-139:

INTERROGATORY NO. 138:

> Identify all portions of the subject matter described in U.S. Patent 3,728,480 which Magnavox and Sanders contend are not prior art with regard to United States Patent Re. 28,507.

RESPONSE TO INTERROGATORY NO. 138:

> This interrogatory has been limited by defendant to the portions of U.S. Patent 3,728,480 enumerated in this

determined that there is one additional portion in the 480 patent (column 7, line 15 to column 8, line 22) about which Activision must learn Magnavox' position. Counsel for Activision have conveyed this request to counsel for Magnavox, who neither refused nor assented to provide further response. In the event that Magnavox does not respond, Activision requests this Court to order it to do so.

INTERROGATORY NO. 140(G):

With regard to the invention of means for denoting coincidence when a dot generated by one dot generator is located in the same position on a television screen as a dot generated by another dot generator, as claimed in Claim 13 of U.S. Patent 3,728,480:

Identify all prototypes, laboratory models, breadboard circuits and other physical embodiments of the invention made prior to May 27, 1969, including the following:

(1) A concise description of each;

(2) The date(s) each was made;

(3) The person(s) who constructed each;

(4) All persons having access to each prior to May 27, 1969; and

(5) The present location and condition of each.

RESPONSE TO INTERROGATORY NO. 140(G):

The earliest written record relating to the work done on television games by employees of plaintiff Sanders Associates of which plaintiffs are presently aware that shows or refers to any means for denoting coincidence between a dot generated by one dot generator is located in the same position on a television screen as a dot generated by another dot generator are a page of handwritten notes dated May 23, 1967 (Sanders Deposition Exhibit 23, page 23) and prepared by William Harrison under the direction and at the suggestion of Ralph H. Baer, and laboratory notebook entries dated May 24, 1967

(Sanders Deposition Exhibit 16, pages 44 and 45) made by William Harrison under the direction and at the suggestion of Ralph H. Baer. Additional drawings showing such circuitry and references to such circuitry are dated June 14, 1967 (Sanders Deposition Exhibit 23, page 81) July 18, 1967, (Sanders Deposition Exhibit 16, page 78) September 12, 1967 (Sanders Deposition Exhibit 16, page 89, Sanders Deposition Exhibit 9, pages 89 and 90), each of which was prepared by William Harrison under the direction and at the suggestion of Ralph H. Baer. The suggestion for such circuitry was made by Ralph H. Baer in approximately May 1967. Apparatus including such circuitry (Sanders Deposition Exhibit 28) was first constructed during the period May - June 1967.

ARGUMENT REGARDING INTERROGATORY NOS. 140-152(G):

By Court order dated May 11, 1984, Magnavox was compelled to answer these Interrogatory Nos. 140-152, each of which concerns the circumstances surrounding the alleged invention of each claim that is the subject of the 507 patent, and the alleged invention of each claim of a related, relevant patent. (The complete set of this interrogatory series and responses is attached hereto as Appendix B.) Although Magnavox has answered these Interrogatories in part, it has failed entirely to respond to Paragraph (G) which seeks the identification and particulars, including present location, of all prototypes or other physical models of these alleged inventions. Activision seeks a court order to remedy this failure to answer.

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CONCLUSION

For the foregoing reasons, Activision requests that this Court order Magnavox to make further and definitive responses to the Interrogatories referred to above.

DATED: August 24, 1984.

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