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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

ACTIVISION PUBLISHING, INC.,
Plaintiff,
v.
GIBSON GUITAR CORP.,
Defendant.

Case No. CV 08-1653-MRP (SHx)

**Order DENYING Gibson’s Motion
for Reconsideration of the Claim
Construction Order, SUSTAINING
Activision’s Objections to Evidence,
and GRANTING Activision’s Motion
for Summary Judgment**

In this action for declaratory relief, Plaintiff Activision Publishing, Inc. (“Activision”) seeks judgment that its “Guitar Hero” video games and associated peripherals (collectively, “Guitar Hero”) do not infringe U.S. Patent No. 5,990,405 (“the ’405 Patent”). The ’405 Patent is assigned to Defendant Gibson Guitar Corp. (“Gibson”).

Presently before the Court are (1) Gibson’s motion to reconsider the Court’s previous claim construction; (2) Activision’s objections to evidence proffered at the summary judgment hearing; and (3) Activision’s motion for summary judgment of noninfringement.

(1) Gibson’s reconsideration request is DENIED. In explaining its reasons for denial, the Court makes brief statements that clarify, but do not alter, its prior claim construction.¹

¹ In the course of its summary judgment discussion, however, the Court does alter its prior construction of “instrument audio signal,” a term not addressed by Gibson’s motion for reconsideration.

1 (2) Activision’s evidentiary objection to the proffered YouTube video is
2 SUSTAINED.

3 (3) Activision’s summary judgment motion is GRANTED for the reasons
4 explained below. In addition, the motion is GRANTED on the facts stated in (a)
5 Activision’s Statement of Undisputed Facts and Conclusions of Law for Its Motion
6 for Summary Judgment, together with the reasoning stated in (b) Activision’s Brief
7 In Support of Its Motion for Summary Judgment of Noninfringement; (c)
8 Activision’s Reply Brief in Further Support of Its Motion for Summary Judgment
9 of Noninfringement; and (d) Activision’s Response to Gibson’s Amended
10 Statement of Genuine Issues of Material Fact.

11 **I.**

12 **PROCEDURAL HISTORY**

13 In November 2006, Gibson licensed Activision to use Gibson trademarks
14 and trade dress in connection with Guitar Hero’s “custom guitar-controller
15 peripheral.” Second Amended Compl. Exh F. In exchange for those rights,
16 Activision paid Gibson a one-time, fixed license fee to cover the agreement’s term.
17 *Id.* Gibson, in turn, agreed to help promote Guitar Hero. *Id.* The agreement does
18 not refer to patent rights. *Id. See also* Exh. C (Letter to Mary A. Tuck noting the
19 same).

20 On January 7, 2008, Gibson sent a letter requesting that “Activision obtain a
21 license under Gibson’s ’405 patent or halt sales of any version of the Guitar Hero
22 game software . . . and . . . instrument controllers.” *Id.* Exh. B (Letter to Greg
23 Deutch). When Activision requested additional information, Gibson replied on
24 February 18, 2008 with a “Preliminary Claim Chart” comparing the claims of the
25 patent and Guitar Hero, and requesting that Activision respond by February 22,
26 2008. *Id.* at Exh. C (Letter to Mary A. Tuck). Activision sought additional time to
27 respond; and, on March 10, 2008, Activision denied Gibson’s request on ground of
28 noninfringement of any valid claim and noted that “Gibson knew about the Guitar

1 Hero games for nearly three years, but did not raise its patent until it became clear
2 that Activision was not interested in renewing the License and Marketing Support
3 Agreement.” *Id.* at Exh. D (Letter to F. Leslie Bessenger III).

4 On March 11, 2008, Activision filed this action. The operative complaint
5 requests declaratory judgment that (1) Guitar Hero does not infringe the ‘405
6 Patent; (2) that the ‘405 Patent is invalid; (3) Gibson is barred from alleging
7 infringement by an implied license and the doctrines of equitable estoppel and
8 laches; and (4) Activision has not breached its agreement with Gibson. *Id.* ¶¶ 18-
9 60.

10 Thereafter, on March 17 and March 20, 2008, Gibson filed actions in the
11 District Court for the Middle District of Tennessee that also allege infringement of
12 the ‘405 Patent. *Gibson Guitar Corp. v. Wal-Mart Stores, Inc. et al.*, No. 3:08-CV-
13 279; *Gibson Guitar Corp. v. Harmonix Music Systems, Inc. et al.*, No 3:08-CV-294.
14 The Tennessee actions name Guitar Hero retailers. They also allege that “Rock
15 Band,” a Guitar Hero competitor, infringes the ‘405 Patent. The Tennessee actions
16 are presently stayed in favor of this case.

17 Gibson’s previous firm, Stroock & Stroock & Lavan LLP (“Stroock”),
18 litigated this case through claim construction. Anticipating Activision’s summary
19 judgment motion, Stroock requested post-claim construction discovery to protect
20 Gibson’s interests. The Court allowed discovery. Activision complied, providing
21 Gibson information about Guitar Hero, as well as Guitar Hero-related information
22 proprietary to third-party system providers. Tel. Stat. Conf. Tr. (Oct. 8, 2008); Stip.
23 and Order on Sched. for Disc. and Briefing in Conn. with Motion for Summ. J.
24 (Oct. 15, 2008).

25 Stroock’s client, Gibson, then ceased responding to Stroock’s requests for
26 information. Due to Gibson’s lack of cooperation, Activision could not obtain all
27 the discovery it sought to prepare for its summary judgment motion. Tel. Stat.
28 Conf. Tr. (Dec. 2, 2008); Sched. Conf. Hearing Tr. at 5-7 (Jan. 5, 2009).

1 Finding good cause shown in papers filed under seal to protect the attorney-
2 client privilege, the Court subsequently allowed Stroock to withdraw as counsel for
3 Gibson. Withdrawal Hearing Tr. (Dec. 15, 2009).

4 Before allowing withdrawal, the Court itself attempted—on several
5 occasions—to contact Gibson’s then-interim general counsel. The Court also
6 instructed Stroock to make additional efforts to ensure its client would comply
7 with the duties imposed by this litigation. Stroock represented that it did so. Tel.
8 Stat. Conf. Tr. (Dec. 2, 2008); Tel. Stat. Conf. Minutes (Dec. 2, 2008) (noting the
9 name of Gibson’s general counsel); Withdrawal Hearing Tr. at 4:19-5:5, 7:18-22
10 (Dec. 15, 2009) (Stroock attorney explaining his repeated efforts to contact
11 Gibson).²

12 Activision did not oppose the withdrawal so long as the summary judgment
13 schedule was not altered. The Court agreed that altering the schedule would
14 unfairly delay the proceedings and prejudice Activision. Therefore, Activision filed
15 its summary judgment motion while Gibson still remained unresponsive. Tel. Stat.
16 Conf. Minutes (Dec. 2, 2008); Summ. J. Mot. (Dec. 10, 2008); Withdrawal
17 Hearing Tr. (Dec. 15, 2008); Sched. Conf. Hearing Tr. at 10:20-11:-12:7 (counsel
18 for Activision discussing the difficult position in which Gibson’s lack of
19 cooperation put Activision).

20 New counsel for Gibson entered this litigation shortly thereafter. Gibson
21 then requested additional discovery from Activision. Gibson used Activision’s

22
23 ² Instead of timely contacting Stroock or the Court, Gibson’s general counsel—the
24 same counsel that was previously interim had been hired permanently—left a
25 voicemail for the Court’s clerk. That voicemail represented that Gibson had a
26 misunderstanding about the withdrawal hearing time, despite efforts by the Court
27 and Stroock. *See* Tel. Stat. Conf. Tr. (Dec. 2, 2008); Withdrawal Hearing Tr. (Dec.
28 15, 2008). This voicemail was left shortly before the Clerk of the Court returned to
her office following Stroock’s withdrawal hearing. Sched. Conf. Tr. at 8:2-9:6
(Jan. 5, 2009) (Clerk of the Court reading summary of communications into
record).

1 anticipatory legal arguments about the doctrine of equivalents as a hook for
2 requesting additional fact discovery from Activision. Sched. Conf. Hearing Tr. at
3 20:8-22:13 (counsel for Gibson making this argument); Withdrawal Hearing Tr. at
4 8:13-9:23 (counsel for Activision explaining why the position in which Gibson put
5 Activision required anticipatory legal arguments). Gibson also used the post-claim
6 construction introduction of a new version of Guitar Hero—to which Gibson had
7 access even before it was introduced to the market—to seek further fact discovery,
8 notwithstanding Gibson’s earlier lack of discovery cooperation. *Id.* at 23:16-24:15;
9 *id.* at 25:14-19 (counsel for Activision explaining that Gibson had received a
10 version of the new game “even before . . . it was formally introduced to the market
11 because . . . we want to be upfront about it”).

12 Further, the discovery that Gibson—after the Court had assured Activision
13 that summary judgment proceedings would not be delayed by Stroock’s
14 withdrawal—would further prejudice Activision by requiring Activision to have its
15 third-party system providers available for depositions on extremely short notice.
16 The Court nevertheless allowed Gibson to depose Activision’s own employee(s).
17 Sched. Conf. Tr. at 7:2-11; *id.* at 47:2-9 (the Court advising Gibson that Activision
18 was ordered to make witnesses available for deposition; that Gibson could “ask
19 some questions outside of” what Activision had agreed to address, subject to any
20 objections by Activision; and reminding Gibson that it was “not in a position . . . to
21 start taking broad discovery because of what Gibson has done thus far”).

22 After this additional discovery, Gibson submitted an opposition to
23 Activision’s summary judgment motion. At the same time, Gibson requested that
24 the Court reconsider its claim construction. Gibson limited its request to the term
25 “musical instrument,” one of the two terms construed in the Court’s construction of
26 September 16, 2008.

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1 The Court heard oral argument on Activision’s motion for summary
2 judgment on February 17, 2009. Oral argument was not heard on the motion to
3 reconsider claim construction.

4 **II.**

5 **RECONSIDERATION STANDARD**

6 Under the local rules, parties may request reconsideration of a prior ruling
7 upon “a manifest showing of a failure to consider material facts presented to the
8 Court before such decision.” L.R. 7-18. A reconsideration request shall not “in any
9 manner” repeat a prior argument. *Id.*

10 **III.**

11 **RECONSIDERATION DISCUSSION**

12 Gibson cannot meet the “manifest showing” standard. The Court allowed the
13 parties two rounds of briefing, held a technology tutorial, and had a hearing. *See*
14 Cl. Const. at 1. The Court considered all arguments and materials presented by the
15 parties. The Court’s claim construction was carefully considered and detailed. *See*
16 *also* Sched. Conf. Tr. at 49:24-50:2 (the Court reminding counsel for Gibson that
17 “quite an extensive argument [was had] at the *Markman* hearing . . . very
18 extensive”).

19 Gibson also violates the rule against repeating prior arguments. For example,
20 the reconsideration arguments that Gibson’s new counsel makes about “bypass
21 mode” were addressed to this Court by Gibson’s prior counsel. Gibson’s new
22 counsel revives the arguments by applying them to its own unwarranted
23 construction of “musical sounds”—a term which the Court has not yet construed.
24 *See* Reconsid. Req. at 7; Cl. Const. at 8 n.7, 10 n.10, 16-17, 18, 19.

25 Nevertheless, because Gibson’s present counsel did not have the benefit of
26 participation in the prior proceedings, the Court clarifies some basic points that
27 Gibson contends are in error.

28

1 **A. The claim construction does not exclude the preferred embodiment.**

2 Gibson agrees with the Court’s basic construction of the term “musical
3 instrument”: “an instrument that is capable of making musical sounds, and either
4 directly, or indirectly through an interface device, producing an instrument audio
5 signal representative of those sounds.” Instead, Gibson objects to what it
6 characterizes as “additional” limitations it purports to find in the Court’s exposition
7 of its reasoning. Cl. Const. Order at 7; Reconsid. Req. at 1.

8 Gibson’s new position—perhaps in contravention of its previous position,
9 Cl. Const. at 9 n.9³—is that an unamplified electric guitar does not make “musical
10 sounds.” Reconsid. Req. at 5. It is true that, since an electric guitar is the preferred
11 embodiment, a construction of “musical sounds” that excludes the preferred
12 embodiment is likely to be incorrect. The Court did not violate this principle.

13 First, the Court never purported to construe “musical sounds,” a term that
14 appears in both the claims and the specification. ’405 Patent cl.1; *id.* at col.2:1

15 _____
16 ³ Gibson’s Gembar Decl.—Gembar is one of the named inventors on the ’405
17 Patent—declared for claim construction that an electric guitar’s pickup captures
18 the actual waves made by the vibrations of an electric guitar’s strings, and merely
19 “amplifies” them to be “converted” by a speaker. The declaration does note that
20 the speaker’s ultimate output differs in quality from sounds amplified by a
21 microphone alone. Gembar Decl. at ¶ 10. To say that the end result—generated by
22 capturing the actual waves, amplifying them, and converting them—can be
23 “musical,” but the original sounds are not “musical,” strains the imagination.

24 Further, there is an obvious tension—if not irreconcilable conflict—between
25 Gibson’s representation that an electric guitar’s unamplified sounds are not
26 musical and its position, explained below, that every sound is potentially musical.
27 *Compare* Reconsid. Req. at 5 (“Contrary to the Order, an electric guitar does not,
28 by itself, generate “musical sounds” as that term is used in the ’405 Patent.”) *with*
Summ. J. Hearing Tr. at 56:25-57:23 (counsel for Gibson representing that any
sound can be musical depending on context).

 Moreover, the patent itself refers to the “musical sounds that would be made . . .
by a specific musical instrument”—which is not the same as musical sounds that
are made by a system only after processing an arbitrary signal from a musical
instrument. *See* ’405 Patent at col. 2:1-2.

1 (“[M]usical sounds that would be made during the pre-recorded concert by a
 2 specific musical instrument.”). In illustrating a different point, the Court did
 3 suggest that the clicking of the “play” button on a stereo would probably not be
 4 “musical” within the meaning of the ’405 Patent. Cl. Const. at 11 n.11. The Court
 5 also observed that both parties appeared to concede that the sound of an
 6 unamplified electric guitar is a “musical sound.” *Id.* at 9 n.9. But nowhere did the
 7 Court ever purport to construe “musical sounds.” Indeed, the term was not before
 8 the Court. Cl. Const. at 1.

9 Second, Gibson’s arguments misread the Court’s “musical instrument”
 10 construction, which comes from the specification. Cl. Const. at 9. The construction
 11 and specification treat as separate requirements (1) that a musical instrument be at
 12 least “capable of making musical sounds” and (2) that a musical instrument meet
 13 the additional “instrument audio signal” limitations. A musical instrument must
 14 both be capable of making musical sounds—whatever a musical sound may be—
 15 and produce an instrument audio signal that is representative of those sounds—that
 16 is, the sounds the instrument is capable of making.⁴

17 Indeed, the electric guitar is the prototypical musical instrument under this
 18 Court’s construction. According to Gibson’s new expert, proffered in opposition to
 19 summary judgment, an electric guitar’s strings create sound waves that are the
 20 sound made by the musical instrument. Freeman Decl. at 5 ¶ 25. A “pickup” then
 21 captures those sound waves and transmits them, through a signal representative of
 22 those sounds. *Id.* at ¶¶ 24-25. The expert opines that the actual acoustic sounds are
 23 “tinny,” *id.* at ¶¶ 17, 25—but that does not change the fact that those waves
 24 constitute the actual sounds, made by the electric guitar, and those sounds are

25
 26 _____
 27 ⁴ It may be that musical instrument need not actually make those precise sounds, so
 28 long as it is capable of making them under some circumstances and some actual
 sound is made and represented. The Court’s claim construction may not
 necessarily foreclose this possibility. *See* Cl. Const. at 10 n.10, 10-12.

1 represented by an outgoing signal—no matter whether those sounds are what
 2 listeners hear. *See also* Reconsid. Req. at 8 (quoting Activision’s expert on a
 3 similar point); ’405 Patent at col. 2:64-67 (“A musical instrument, such as a guitar .
 4 . . having one or more pick-ups or other transducers that will generate electrical
 5 audio signals, when the guitar is played, at an instrument audio output . . .”).

6 **B. The claim construction properly finds disavowal.**

7 Gibson mistakenly states that the Court was confused about the prior art
 8 ’129 Patent. It was not. The Court found that the ’405 patent “disavows certain
 9 types of devices that have been used in the ’129 Patent and other virtual reality
 10 systems.” Cl. Const. Order at 14 (emphasis added). The ’405 Patent specification
 11 distinguishes the ’129 Patent and other virtual reality systems, such as the prior art
 12 discussed in the ’129 Patent, because they did not involve the “actual operation of
 13 a musical instrument.” Cl. Const. at 15-16. The disavowals were clear and included
 14 criticism of the prior art that lacked the relevant features of the ’405 Patent. *Id.* at
 15 14 (citing *AstraZeneca AB v. Mut. Pharm. Co.*, 384 F.3d 1333, 1339-40 (Fed. Cir.
 16 2004)).

17 The relevant points are that the ’405 Patent disavows systems that either (1)
 18 lack “actual operation of a musical instrument” or (2) use virtual reality-type
 19 control devices.⁵ *See also* Reconsid. Opp. at 17-20 (elaborating on the Court’s
 20 reasons for finding disavowal).

21 **IV.**

22 **SUMMARY JUDGMENT STANDARD**

23 Summary judgment is appropriate “if the pleadings, the discovery and
 24 disclosure materials on file, and any affidavits show that there is no genuine issue
 25 as to any material fact, and that the movant is entitled to judgment as a matter of
 26 _____

27 ⁵ Gibson also asserts that the ’129 Patent is distinguished because it does not
 28 discuss controlling music. This representation is, as Activision bluntly states,
 “blatantly false.” Activision Opp. to Reconsid. at 15-17.

