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| 16 17 18 19 20 21 22 | TECHNOLOGY PROPERTIES LIMITED LLC, PHOENIX DIGITAL SOLUTIONS LLC, and PATRIOT SCIENTIFIC CORPORATION, Plaintiffs, v. LG ELECTRONICS, INC. AND LG ELECTRONICS U.S.A., INC., Defendants. | Case No. 3:12-cv-03880-VC DEFENDANTS LG ELECTRONICS, INC. AND LG ELECTRONICS U.S.A., INC.'S OPPOSITION TO PDS'S MOTION TO COMPEL DISCOVERY FROM LG DATE: June 30, 2015 (by order) TIME: 10:00 AM PLACE: Courtroom 5 JUDGE: Hon. Paul S. Grewal |
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I. INTRODUCTION

"Courts in this district generally do not order defendants to proceed with discovery in patent cases until the plaintiff provides infringement contentions that comply with Patent L.R. 3–1." *Digital Reg of Texas, LLC v. Adobe Systems Inc.*, 2013 WL 633406, at *5 (N.D. Cal. Feb. 20, 2013).

Before demanding discovery and moving to compel, Plaintiffs failed to meet their threshold burden of providing infringement contentions compliant with Patent L.R. 3–1. This is true not only in the present case, but also across the rest of the seven related pending cases filed by the same Plaintiffs on the same asserted patents. In two of these cases—the present case and *Technology Properties Limited LLC et al. v. Samsung Electronics Co., Ltd et al*, Case No. 3:12cv3877-VC (PSG)—LG and Samsung each moved to strike Plaintiffs' infringement contentions on almost identical grounds, and Plaintiffs filed motions to compel against each LG and Samsung (though the relief requested in those motions differs in scope.)

As explained in more detail in LG's Motion to Strike, Plaintiffs' Infringement Contentions attempt to accuse 437 LG end products and a variety of microprocessors in a sweeping manner but fail to "identify specifically where each limitation of each asserted claim is found within each Accused Instrumentality" as required by Patent L.R. 3-1. Although Plaintiffs' infringement charts list seven processors as representative of the rest of the processors in the accused products, Plaintiffs failed to establish why these processors are representative and failed to chart even these seven processors through every element of a single claim.

Despite these defects, to minimize discovery disputes, LG has agreed to produce financial information responsive to Plaintiffs' RFP No. 4 for the products that contain the seven processors. But Plaintiffs are not entitled to such discovery for the rest of the products which have no established relationship to the purported "representative" products and for which Plaintiffs failed to provide any treatment in the infringement charts.

Accordingly, PDS's motion to compel should be denied.

II. FACTUAL BACKGROUND

A. Deficiencies in Plaintiffs' Infringement Contentions

LG described in detail the deficiencies in Plaintiffs' Infringement Contentions in its Motion to Strike the Infringement Contentions [D.I. 80] and will summarize only the relevant information here.

Plaintiffs served their Infringement Contentions on January 20, 2015. The Infringement Contentions purport to accuse 437 LG products, including mobile phones, tablets, TVs, and Bluray players.

Patent Local Rule 3-1(c) requires a patentee to provide "[a] chart identifying *specifically* where *each limitation of each asserted claim* is found within *each Accused Instrumentality*." *Id.* (emphasis added). Despite the extensive list of accused products, Plaintiffs produced only three infringement claim charts, one for each asserted patent. The charts fail to provide the requisite specific identification as to where each claim element is found in every individual accused processor.

The charts only briefly mentioned two of the 437 products without charting either one through the claim elements of any single claim. Instead, the charts focus on accusing the microprocessors contained within the accused LG end products. Plaintiffs' list of the accused products and corresponding processors, included as a separate attachment to the contentions, lists a profusion of processors of different makes and models by more than half a dozen different manufacturers. Each chart lumps "each Accused Microprocessor in each Accused Product" together and purports to accuse them all at once:

On information and belief, each Accused Product listed in the attached list of Accused Products (Ex. A.6), including phones and televisions, contains a microprocessor ("Accused Microprocessors"). http://www.phonescoop.com/; http://pdadb.net/; http://www.gsmarena.com/; see PDSND078576 for datasheets identifying microprocessors. IFF" For example, the Escape contains a Qualcomm MSM8960L. See Ex. A.6 for listings of microprocessors in the Accused Products with information obtained from http://www.phonescoop.com/; http://www.phonescoop.com/; http://www.gsmarena.com/; see PDSLG000001-PDSLG000050; see also PDSND077821-PDSND078576 for datasheets identifying microprocessors."

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[D.I. 79-5, May Decl., Ex. G-1 at 1; see also D.I. 79-7 and 79-9, May Decl. Exs. G-2 at 1, G-3 at 1] (emphasis added).

The charts largely rely "on information and belief," knowledge of a person of ordinary skill in the art, and generic articles and Wikipedia for conclusory statements about general technology.

Apart from "each Accused Microprocessor in each Accused Product," the charts identify seven specific processors: Qualcomm MSM8960, Qualcomm MSM8660, Qualcomm MSM8260, Qualcomm MSM7227, TI OMAP4430, TI OMAP4460, and TI OMAP4470. None of these processors, however, is charted through every element of a single claim. For certain claim elements, the allegations as to these processors also rely on "information and belief" [*see, e.g.,* D.I. 79-5, May Decl., Ex. G-1 at 15-16, 18-19], knowledge of a person of ordinary skill in the art [*id.,* G-1 at 11, 16], or generic evidence [*id.,* G-1 at 15, 19].

Although the charts purport to rely on the seven identified processors as "representative" of the rest, the charts openly state that this attempt is based solely on "information and belief"—"[t]his chart provides some examples of such operation that, *on information and belief, are representative* of the operation of the processors in each of the Accused Products." [May Decl., Exs. G-1, G-2, G-3 at 1, respectively] (emphasis added).

In addition, the Infringement Contentions purport to accuse products that were first released after the respective August 8, 2012 and June 25, 2013 expirations of the '749 and '890

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¹ See, e.g., D.I. 79-5 through 79-9, May Decl., Exs. G-1 at 1, 4-5, 17-20, 23 ('336 elements 6.a, 6.b, 6.c, 6.f, 6.g and 9.b); G-2 at 1, 11, 20, 23-24, 27, 32, 35, 41-43, 47, 50, 53-54, 56, 59-60, 63, 65, 67-68, 72-73, 82, 85-86, 89, 95, 98, 104-106, 109, 112, 115, 117, 119-120, 122-123, 126-127 ('890 elements 1.a, 1.b, 1.c, 1.f, 1.g, 1.i, 1.j, 1.k, 1.l, 1.m, 1.n, 1.o, 7.b, 9.b, 9.c, 9.d, 9.e, 11.a, 11.b, 11.c, 11.d, 11.e, 11.f, 11.g, 11.i, 11.k, 11.l, 11.m, 11.n, 11.o, 11.p, 12.b, 13.b, 17.b, 19.b, 19.c, 19.d, and 9.e); and G-3 at 1, 3, 8, 15, 24, 45, 54, 63, 65, 70, 74, 84, 88-89, 92, 96, 99, 104, 106 ('749 elements 1 (preamble), 1.a, 1.b, 1.c, 1.d, 1.e, 1.f, 1.g, 1.h, 1.i, 1.j, 1.k, 1.l, 9.d, 9.e, 43 (preamble), 43.a, 43.b and 59 (preamble)).

³ D.I. 79-5 and 79-7, May Decl., Ex. G-1 at 10-11, 16-20 ('336 elements 6.d, 6.e, 6.g and 9.b); Ex. G-2 at 1, 5, 50, 67, 113, 117 ('890 elements 1.b, 1.c, 7.b, 11.c, 12.b and 17.b)).]

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Patents. Further still, a large number of the accused products LG has never made, sold, used, or imported into the United States.

B. The Parties' Meet-and-Confer Process regarding the Deficiencies in Plaintiffs' Infringement Contentions and LG's Production of Financial Information

LG first raised the deficiencies in the Infringement Contentions as early as February 2015.

On March 9, Plaintiffs served their Second Set of Requests for Production ("RFPs") of

[D.I. 81-6, Bumgardner Decl., Ex. 5.] Plaintiffs attempted to defend the adequacy of their Contentions but never attempted to remedy the deficiencies. [D.I. 81-7, Bumgardner Decl., Ex. 6.]

Documents, including RFP No. 4 at issue on this motion. LG served objections, including based on the deficiencies in Plaintiffs' Infringement Contentions.

Initially, in response to Plaintiffs' question regarding the scope of financial information LG would produce for the accused products, LG informed Plaintiffs that it would produce unit sales volume information for the accused LG products with the seven processors identified in Plaintiffs' infringement charts. [D.I. 81-14, Bumgardner Decl., Ex. 13.] On June 15, the parties met and conferred regarding these issues, deficiencies in Plaintiffs' Infringement Contentions, and LG's prospective Motion to Strike. [D.I. 79-1, May Decl. ¶ 10.] LG restated its position that Plaintiffs' Infringement Contentions are deficient and that it intended to move to strike. But to streamline discovery disputes, LG will produce the financial information requested in RFP No. 4 (to the extent requested information exists) for the accused LG products containing the seven processors identified in Plaintiffs' infringement charts.

On June 15, LG filed its Motion to Strike. [*Id.*] On June 16, PDS filed its Motion to Compel.

III. LEGAL STANDARD

parties more efficient, to streamline the litigation process, and to articulate with specificity the claims and theory of a plaintiff's infringement claims." *Bender v. Maxim Integrated Products, Inc.*

"The overriding principle of the Patent Local Rules is that they are designed [to] make the

2010 WL 1135762, at *2 (N.D. Cal. March 22, 2010) (citing Intertrust Techs. Corp. v. Microsoft

Corp., No. 01-1640, 2003 U.S. Dist. LEXIS 22736, at *6 (N.D. Cal. Nov. 26, 2003)). "[P]laintiff bears the burden of providing infringement contentions that specify the location of every claim element within the accused products, so that the Court can make a principled decision on whether discovery will proceed." *Bender*, 2010 WL 1135762, at *2.

Courts in this district generally do not order defendants to proceed with discovery in patent cases in response to infringement contentions that fail to comply with Patent L.R. 3–1. *Digital Reg of Texas*, 2013 WL 633406, at *5 (denying patentee's motion to compel production of documents); *see also Bender*, 2010 WL 1135762, at *2 (declining to order defendant to proceed with discovery due to plaintiff's failure to meet burden under Patent L.R. 3-1).

IV. ARGUMENT

PDS is not entitled to demand discovery on products beyond the discovery LG agreed to produce on the products with the seven processors identified in the infringement charts, because PDS has failed to meet its "burden of providing infringement contentions compliant with Patent L.R. 3-1." *Bender*, 2010 WL 1135762, at *2; *Digital Reg of Texas*, 2013 WL 633406, at *5.

In fact, as detailed in LG's Motion to Strike, PDS has failed to meet this burden as to a single accused product. Both the allegations regarding "each Accused Microprocessor in each Accused Product" and the seven listed processors fail to identify where each limitation of each asserted claim is found within each processor. The allegations premised on "information and belief," unsupported opinions of persons of ordinary skill in the art, and generic public articles and Wikipedia are conclusory and cannot carry Plaintiffs' burden under Patent L.R. 3-1. *See, e.g., Solannex, Inc. v. MiaSole, Inc.*, 2013 WL 1701062, at *3 (N.D. Cal. April 18, 2013) (allegations based on "information and belief" do not satisfy Patent L.R. 3-1); *Bender*, 2010 WL 1689465, at *4 ("[m]erely alluding to the fact that any electrical engineer would understand the infringement contentions is not sufficient"); *Shared Memory Graphics LLC v. Apple, Inc.*, 812 F. Supp. 2d 1022, 1026 (N.D. Cal. 2010) (vague and conclusory statements "fall short of the specificity required by Local Rule 3-1").

The allegation that the seven identified processors can represent the rest is pure speculation and an attempt to circumvent the local rules because they are made solely on "information and belief." A patentee relying on "representative" products is required to show how they are similar to the "represented" products. *See Silicon Labs., Inc. v. Cresta Tech. Corp.*, No. 5:14-cv-03227-PSG, 2015 WL 846679, at *1 (N.D. Cal. Feb. 25, 2015). PDS did not even attempt this showing. To the contrary, even a cursory look at the contentions and publicly available information about the accused processors reveals that at least some of the "represented" processors differ in design from the "representative" ones. [*See* D.I. 80-9, May Decl., Ex. E as compared to D.I. 79-5, Ex. G-2 at 1 (the "represented" ARM1136 processor has only one core, in contrast to PDS's allegation that the claim requires the "representative" processor to have two).]

Accordingly, under the precedent in this district, LG has no obligation to produce

Accordingly, under the precedent in this district, LG has no obligation to produce discovery for any of the purportedly accused products. *Digital Reg of Texas*, 2013 WL 633406, at *5; *Bender*, 2010 WL 1135762, at *2. Such discovery would not only be irrelevant but also burdensome, given Plaintiffs' attempt to accuse 437 LG products with significantly deficient contentions.

To minimize discovery disputes, however, LG will produce the requested financial information for the accused LG products containing the seven processors identified in Plaintiffs' infringement charts. But for the remaining purportedly accused products, lack of sufficient infringement contentions precludes this discovery. *Id*.

Finally, PDS's claimed prejudice from "looming discovery deadlines" is of Plaintiffs' own making. PDS had years to prepare proper contentions. LG provided Plaintiffs with a detailed description of the deficiencies in Plaintiffs' contentions and legal authority for its position in February 2015. Because the burden to satisfy Patent L.R. 3-1 is on Plaintiffs, contrary to PDS's claims, LG was not required to move to strike before objecting to this discovery. For four months, Plaintiffs have done nothing to cure the deficiencies and justify the requested discovery.

V. CONCLUSION

Based on the above, PDS's Motion to Compel should be denied.

| 1 | Dated: June 26, 2015 | FISH & RICHARDSON P.C. |
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| 3 | | By: /s/ Olga I. May Olga I. May |
| 4 | | Attorneys for Defendants LG ELECTRONICS, INC. and LG ELECTRONICS U.S.A., INC. |
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| 14 15 | UNITED STATES D NORTHERN DISTRIC SAN JOSE I | CT OF CALIFORNIA | |
| 16 | TECHNOLOGY PROPERTIES LIMITED LLC, | Case No. 3:12-cv-03880-VC | |
| 17 | PHOENIX DIGITAL SOLUTIONS LLC, and PATRIOT SCIENTIFIC CORPORATION, | [PROPOSED] ORDER DENYING | |
| 18 | Plaintiffs, | PLAINTIFF PDS'S MOTION TO COMPEL DISCOVERY FROM LG | |
| 19 | V. | DATE: June 30, 2015 (by order) TIME: 10:00 AM | |
| 20 21 | LG ELECTRONICS, INC. AND LG ELECTRONICS U.S.A., INC., | PLACE: Courtroom 5 JUDGE: Hon. Paul S. Grewal | |
| 22 | Defendants. | JODGE. Holl. I auf 3. Glewar | |
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| 1 | Having carefu | lly considered Plair | ntiff Phoenix Digital Solutions LLC ("PDS")'s Motion to |
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| 2 | Compel Discovery fro | om Defendants LG | Electronics, Inc. and LG Electronics U.S.A., Inc. and the |
| 3 | parties' arguments wi | th regard to that mo | otion, this Court DENIES the motion. |
| 4 | IT IS SO ORI | DERED. | |
| 5 | D.A. WED | 2015 | |
| 6 | DATED: | , 2015 | HONORABLE PAUL S. GREWAL |
| 7 | | | UNITED STATES MAGISTRATE JUDGE |
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