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 8 and SAMSUNG ELECTRONICS AMERICA, INC.

9
 10 UNITED STATES DISTRICT COURT
 11 NORTHERN DISTRICT OF CALIFORNIA

12 TECHNOLOGY PROPERTIES LIMITED
 13 LLC, PHOENIX DIGITAL SOLUTIONS
 14 LLC, and PATRIOT SCIENTIFIC
 CORPORATION,

15 Plaintiffs,

16 v.

17 SAMSUNG ELECTRONICS CO., LTD.
 18 and SAMSUNG ELECTRONICS
 AMERICA, INC.,

19 Defendants.

CASE NO. 3:12-CV-03877-VC (PSG)

**SAMSUNG ELECTRONICS CO., LTD.’S
 AND SAMSUNG ELECTRONICS
 AMERICA, INC.’S OPPOSITION TO
 PDS’S MOTION TO COMPEL
 DISCOVERY**

DATE: June 30, 2015
 TIME: 10:00 AM
 PLACE: Courtroom 5
 JUDGE: Hon. Paul S. Grewal

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1 Defendants Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc.
 2 (collectively, “Samsung”) respectfully submit this opposition to Plaintiff Phoenix Digital
 3 Solutions LLC’s (“PDS”) motion to compel discovery (“Motion”).

4 **I. INTRODUCTION**

5 PDS’s Motion, hastily filed on the heels of Samsung’s Motion to Strike Plaintiffs’
 6 Infringement Contentions (“Motion to Strike”), only seeks to resolve one of Samsung’s several
 7 objections to the discovery at issue. Specifically, Samsung’s fundamental objection to PDS’s
 8 requests, which it has clearly and repeatedly asserted, is the following: PDS’s definition of
 9 “Accused Products” is overbroad and unduly burdensome because it purports to sweep in nearly
 10 800 Samsung products for which PDS failed to provide infringement contentions in compliance
 11 with Patent Local Rule 3-1.¹ As such, PDS’s requests for documents related to all such products
 12 is improper, and its Motion should be resolved in accordance with the outcome of Samsung’s
 13 Motion to Strike. Notably, PDS admits that the parties have not engaged in any meaningful
 14 discussion regarding the relevance and scope of its document requests beyond the issue of the
 15 proper scope of the term “Accused Products,” and that such other objections are not at issue in its
 16 Motion to Compel. Indeed, PDS states that “the parties will work in good faith to resolve
 17 Samsung’s objections to RFP Nos. 4 and 6-12 after the Court has decided the issue regarding the
 18 scope of Accused Products.” *See* Motion at 11; Bumgardner Decl., ¶ 18. Thus, PDS’s Motion
 19 does not seek an Order requiring production of “all responsive documents” for the enumerated
 20 requests, and Samsung respectfully requests that any Order issued by the Court be limited to the
 21 scope of accused products so that the parties can then discuss the remaining objections in order to
 22 resolve them without further motion practice.

23 Separately, PDS also requests an order compelling Samsung to produce certain documents
 24 from the related International Trade Commission Investigation, Inv. No. 337-TA-853 (the “853
 25 Investigation”), which concluded in 2014 and involved one of the three patents at issue in this
 26

27 ¹ PDS’s requests seek various types of financial and technical information for Samsung’s “Accused
 28 Products” – which is defined by PDS to mean “those products identified in Plaintiffs’ Initial Infringement
 Contentions and any subsequent or Amended Infringement Contentions.”

1 case. Samsung properly objected to producing such information for two reasons: (1) the
2 requested documents relate to numerous microprocessors and Samsung products for which
3 Plaintiffs failed to provide proper infringement contentions; and (2) the requested documents
4 include third party information designated “confidential” under the terms of the ITC Protective
5 Order and cannot be produced without consent of the third parties. As explained below, Samsung
6 previously produced (in April 2015) technical documents from the 853 Investigation to the extent
7 they pertain to products using one of the eight microprocessors identified in Plaintiffs’
8 Infringement Contentions. However, in order to resolve this dispute, Samsung agrees to produce
9 most of the remaining documents requested from the ITC case, but without prejudice to its
10 position that documents relating to products for which Plaintiffs have not provided adequate
11 infringement contentions should not be the subject of discovery in this case and are not properly
12 at issue in this case. Samsung will complete such production by July 3, 2015, thus mooted the
13 majority of PDS’s Motion with respect to Request Nos. 1-3 concerning the ITC documents.
14 Samsung, however, does not plan to produce third-party confidential information without consent
15 (although it expects to obtain consent from two chip manufacturers soon, and has requested
16 consent from the two named inventors of the patents-in-suit, who have thus far failed to provide
17 consent).

18 **II. LEGAL STANDARD**

19 “The overriding principle of the Patent Local Rules is that they are designed [to] make the
20 parties more efficient, to streamline the litigation process, and to articulate with specificity the
21 claims and theory of a plaintiff’s infringement claims.” *Bender v. Maxim Integrated Prods., Inc.*,
22 2010 WL 1135762, at *2 (N.D. Cal. March 22, 2010) (citing *Intertrust Techs. Corp. v. Microsoft*
23 *Corp.*, No. 01-1640, 2003 U.S. Dist. LEXIS 22736, at *6 (N.D. Cal. Nov. 26, 2003)). “[P]laintiff
24 bears the burden of providing infringement contentions that specify the location of every claim
25 element within the accused products, so that the Court can make a principled decision on whether
26 discovery will proceed.” *Bender*, 2010 WL 1135762, at *2.

27 Moreover, courts in this district generally do not order defendants to proceed with
28 discovery in patent cases until the plaintiff provides infringement contentions that comply with

1 Patent L.R. 3-1. *Digital Reg of Texas, LLC v. Adobe Sys. Inc.*, 2013 WL 633406, at *5 (N.D. Cal.
2 Feb. 20, 2013); *Bender*, 2010 WL 1135762, at *2 (declining to order defendant to proceed with
3 discovery due to plaintiff's failure to meet burden under Patent L.R. 3-1.).

4 **III. ARGUMENT**

5 **A. The Scope of Samsung Products Subject to Request Nos. 4 and 6-12 Should** 6 **Be Determined by Plaintiffs' Infringement Contentions and in Accordance** 7 **with Samsung's Motion to Strike**

8 PDS's Motion, with respect to Request Nos. 4 and 6-12 in its Second Set of RFPs, was
9 filed only after Samsung moved to strike its Infringement Contentions for failure to comply with
10 P.L.R. 3-1. The thrust of its Motion seeks to resolve the same issue raised in the Motion to Strike
11 – which is a determination of which (if any) Samsung products have been properly accused of
12 infringement in this case, such that those products may be the subject of discovery. This is a
13 threshold inquiry that is particularly critical here given that PDS has merely identified, but not
14 accused, nearly 800 Samsung products for which it now seeks extensive and burdensome
15 financial and technical discovery. As a court in this district explained in *Bender v. Maxim*,
16 “plaintiff[s] bear the burden of providing infringement contentions that specify the location of
17 every claim element within the accused products, so that the Court can make a principled decision
18 on whether discovery will proceed.” *Bender*, 2010 WL 1135762, at *2. In *Bender*, the Court
19 stated it would “not order defendant to produce proprietary schematics for over 200 products
20 based on an assumption” after determining that plaintiff's infringement contentions failed to
21 satisfy P.L.R. 3-1. *Id.*

22 Samsung's position on Plaintiffs' deficient infringement contentions is set forth in detail
23 in its Motion to Strike. By way of summary, Plaintiffs' Infringement Contentions are largely
24 based on the operation of the microprocessors contained within Samsung's products, yet Plaintiffs
25 fail to adequately chart any one microprocessor against all of the limitations of any one asserted
26 claim. In addition, Plaintiffs only identify eight microprocessors in their claims charts, and then
27 merely state that these microprocessors are representative of the processors contained in
28 approximately 800 Samsung products listed in an attached “Exhibit A” to the contentions.
Contrary to well-established authority, Plaintiffs improperly make this conclusory allegation on

1 “information and belief” and without any showing of “how” the eight microprocessors allegedly
2 are representative. *Silicon Labs., Inc. v. Cresta Tech. Corp.*, No. 5:14-cv-03227-PSG, 2015 WL
3 846679, at *2 (N.D. Cal. Feb. 25, 2015) (“in order to rely on a claim that one accused product
4 represents another for purposes of Rule 3-1(c), a patentee must do more than state as much. A
5 patentee must state **how**.”) (emphasis original); *Solannex, Inc. v. MiaSole, Inc.*, 2013 WL
6 1701062, at *3 (N.D. Cal. April 18, 2013) (finding that a plaintiff cannot simply conclude that
7 something exists or occurs based “on information and belief.”). Thus, Plaintiffs may not pursue
8 discovery in this action with respect to products which they have failed to adequately accuse in
9 their Infringement Contentions. And while Samsung maintains that Plaintiffs have failed to
10 adequately accuse any products, at most this action should be limited to the products containing
11 one of the eight specifically identified microprocessors (and only after Plaintiffs comply with
12 Rule 3-1 for these processors, should they be given leave to do so).

13 Importantly, Samsung long ago produced almost 90,000 pages of technical documents
14 related to certain products identified in Plaintiffs’ Infringement Contentions pursuant to P.L.R. 3-
15 4(a). Specifically, while Samsung maintains that such contentions are deficient, Samsung
16 nevertheless acknowledged that eight microprocessors were identified in the claim charts (even
17 though none were fully charted), and in good faith Samsung produced schematics, interface
18 documents, user guides, service manuals and other technical documents related to the
19 approximately 70 Samsung products identified in Exhibit A to Plaintiffs’ Infringement
20 Contentions that contain one of the eight processors identified. This pertinent fact is not at all
21 clear from PDS’s Motion. Notably, between Samsung’s April 21, 2015 P.L.R. 3-4 production
22 and the date of this Opposition, Plaintiffs have never contacted Samsung to raise any issue with
23 the scope or purported inadequacy of that production. This fact undermines both PDS’s claims of
24 purported prejudice due to Samsung’s alleged “delay” in producing relevant documents as well as
25 PDS’s self-serving statement that it is “hampered in its ability to proceed with depositions and
26 other preparations for trial until Samsung produces” discovery. Notably, PDS has not served a
27 single Rule 30(b)(6) deposition notice in this case to date, and despite claiming that the operation
28 of the microprocessors are the focus of its infringement contentions, Plaintiff waited until June 3

1 and 4, 2015, to serve seven third party subpoenas on the microprocessor manufacturers listed in
2 their infringement contentions across the various Related Cases – more than six months after the
3 CMC, and only three months before the close of fact discovery. Any concerns that Plaintiffs have
4 about the progress of this case, or their purported inability to move forward with depositions, is of
5 Plaintiffs' own making.

6 Finally, as noted above, PDS admits that it has not engaged in any meaningful discussion
7 regarding the relevance and scope of the requests beyond the issue of the proper scope of
8 Accused Products, and that such objections are not at issue in the instant Motion to Compel.
9 Instead, PDS's Motion confirms that "the parties will work in good faith to resolve Samsung's
10 objections to RFP Nos. 4 and 6-12 after the Court has decided the issue regarding the scope of
11 Accused Products." See Motion, at 11; Bumgardner Decl., ¶ 18. Thus, PDS's Motion does not
12 seek an Order requiring production of "all responsive documents" for the enumerated requests,
13 and Samsung respectfully requests that any Order issued by the Court be limited to the scope of
14 accused products so the parties can discuss the remaining objections as contemplated by PDS.

15 **B. Samsung Has Produced, or Will Produce, the ITC Documents Sought in**
16 **Request Nos. 1-3, Subject to Third Party Confidentiality Obligations**

17 PDS also seeks certain documents from the 853 ITC Investigation, which was initiated by
18 Plaintiffs and involved only one of the three patents asserted in this action (U.S. Patent No.
19 5,809,336). The 853 Investigation concluded in March 2014 when the full Commission
20 determined there was no violation of Section 337 by Samsung (or any of the other respondents,
21 many of whom are defendants in the Related Cases). *Certain Wireless Consumer Electronics*
22 *Devices and Components Thereof*, Inv. No. 337-TA-853, Comm'n Op. at 1 (March 21, 2014).
23 This determination was based on a finding of non-infringement of the asserted '336 patent claims.
24 *Id.* Following the expiration of Plaintiffs' deadline to appeal the determination to the Federal
25 Circuit (which Plaintiffs did not do), the parallel district court actions in the Northern District of
26 California, which had been stayed pending completion of the ITC proceedings, were all
27 reassigned to Judge Chhabria and the cases were related. (Docket Nos. 14-16).

28 PDS then served its First Set of RFPs, Nos. 1-3, which seek: (a) documents produced by

1 Samsung in the 853 Investigation; (b) Samsung's interrogatory and request for admission
2 responses in the investigation; and (c) deposition transcripts from the investigation. Motion, at
3 12-14. PDS acknowledges that Samsung already has produced such documents to the extent they
4 relate to products identified in Plaintiffs' Infringement Contentions that contain one of the eight
5 microprocessors referenced in the claim charts. Motion at 14. This position is consistent with
6 Samsung's objections to the sufficiency of Plaintiffs' contentions first articulated in March 2015,
7 and repeatedly thereafter. While Samsung maintains that discovery in this action should be
8 limited in accordance with the scope of products properly accused and in compliance with P.L.R.
9 3-1, Samsung nevertheless agrees to produce the remaining requested documents from the ITC
10 Investigation in order to resolve this dispute (subject to third party confidentiality obligations,
11 discussed below). By doing so, however, Samsung does not agree that such documents relating
12 to products that are not properly at issue in this case are relevant or subject to further discovery.

13 Separately, as PDS correctly notes in its Motion, Samsung has objected to the production
14 of documents and information from the 853 Investigation to the extent they contain confidential
15 information of third parties that is subject to the ITC Protective Order. Samsung has requested
16 consent to produce such information from the third parties it is aware of, and will supplement its
17 production upon receipt of such consent. Samsung will complete its production of these
18 remaining ITC documents (subject to third party confidentiality) by July 3, 2015.

19 **IV. CONCLUSION**

20 For the foregoing reasons, Samsung respectfully requests that the Court deny PDS's
21 Motion to Compel. Samsung will produce responsive documents for the scope of products
22 determined to be properly accused in connection with Samsung's Motion to Strike. In this regard,
23 Samsung maintains that such products should be limited at most to the Samsung products
24 containing one of the eight microprocessors identified in Plaintiffs' Infringement Contentions,
25 and that Samsung should be required to produce additional documents as to any product only on
26 the condition that Plaintiffs (if permitted to do so by the Court) serve amended claim charts for
27 each microprocessor as detailed in Samsung's Motion to Strike.

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Dated: June 29, 2015

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

TECHNOLOGY PROPERTIES LIMITED
LLC, PHOENIX DIGITAL SOLUTIONS
LLC, and PATRIOT SCIENTIFIC
CORPORATION,

Plaintiffs,

v.

SAMSUNG ELECTRONICS CO., LTD.
and SAMSUNG ELECTRONICS
AMERICA, INC.,

Defendants.

CASE NO. 3:12-CV-03877-VC (PSG)

**[PROPOSED] ORDER DENYING PDS'S
MOTION TO COMPEL DISCOVERY**

DATE: June 30, 2015

TIME: 10:00 AM

PLACE: Courtroom 5

JUDGE: Hon. Paul S. Grewal

1 Plaintiff Phoenix Digital Solutions LLC’s (“PDS”) Motion To Compel Discovery, came
2 on for hearing on June 30, 2015, in the above-titled Court. After consideration of the pleadings
3 and memoranda filed by the parties with respect to PDS’s Motion To Compel Discovery, and
4 after hearing the arguments of counsel, no good cause appearing, it is hereby ordered, adjudged
5 and decreed:

6 PDS’s Motion To Compel Discovery is DENIED.

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9 **IT IS SO ORDERED.**

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11 Dated: _____

HON. PAUL S. GREWAL

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