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15 UNITED STATES DISTRICT COURT
 16 NORTHERN DISTRICT OF CALIFORNIA
 17 SAN JOSE DIVISION

19 HTC CORPORATION, HTC AMERICA,
 20 INC.,

21 Plaintiffs,

22 v.

23 TECHNOLOGY PROPERTIES
 24 LIMITED, PATRIOT SCIENTIFIC
 CORPORATION, and ALLIACENSE
 25 LIMITED,

26 Defendants.

Case No. 5:08-cv-00882 PSG

**OPPOSITION TO PLAINTIFFS'
 MOTION TO CORRECT THE
 JUDGMENT PURSUANT TO RULE 60(a)
 OR, IN THE ALTERNATIVE, TO
 AMEND THE JUDGMENT PURSUANT
 TO RULE 59(e) (Dkt. No. 674)**

Complaint Filed: February 8, 2008
 Trial Date: September 23, 2013

Date: December 10, 2013
 Time: 10:00 a.m.
 Place: Courtroom 5, 4th Floor
 Judge: Hon. Paul S. Grewal

INTRODUCTION

1
2 Defendants agree that the Judgment entered on October 3, 2013 (“Judgment”) (Dkt. No.
3 655) should be amended to include the provisions of the Court’s September 19, 2013 Order
4 granting the parties’ Joint Request to Dismiss All Claims Relating U.S. Patent No. 5,530,890
5 Under F.R.C.P. 41(a)(2) (“Joint Request to Dismiss”) (Dkt. No. 594). Defendants object,
6 however, to Plaintiffs’ attempt to transform this Court’s grant of *partial* summary judgment
7 relating to the ’890 patent, followed by a *joint* request to dismiss the remaining claims relating to
8 the ’890 patent, into a *total* victory “in favor of Plaintiffs.” Plaintiffs did not prevail on all claims
9 relating to the ’890 patent, thus the Judgment should not be altered to inaccurately state that they
10 did.

BACKGROUND

11
12 On September 17, 2013, the Court granted Plaintiffs’ motion for partial summary
13 judgment with respect to the ’890 patent, holding that Defendants could not recover for any
14 alleged infringement of the ’890 patent prior to the issuance of its reexamination certificate in
15 March, 2011. *See* Dkt. No. 585 (the “Partial Summary Judgment Order”). The Partial Summary
16 Judgment Order was just that – it only *partially* disposed of the claims relating to the ’890 patent.
17 *Id.* The Partial Summary Judgment Order did not preclude a finding of infringement of the ’890
18 patent after March 2011, and Plaintiffs thus did not obtain the complete relief sought in their
19 declaratory judgment Complaint: an order declaring that Plaintiffs did not infringe any claims of
20 the ’890 patent. Nor did Plaintiffs obtain a ruling that the ’890 patent was invalid. Likewise, the
21 Partial Summary Judgment Order did not dispose of Defendants’ counterclaims seeking an
22 injunction prohibiting Plaintiffs from engaging in further acts infringing the ’890 patent.

23 Plaintiffs’ products accused of infringing the ’890 patent did not generate revenue in the
24 United States in 2011 or thereafter. *See* Joint Request to Dismiss, p. 1. Accordingly, in light of
25 the Partial Summary Judgment Order, Defendants could not establish entitlement to damages for
26 infringement of the ’890 patent under 35 U.S.C. § 284. *Id.* The parties subsequently met and
27 conferred and agreed that, absent the availability of damages, it would not be worthwhile to
28 further pursue claims relating to the ’890 patent. Because the Partial Summary Judgment Order

1 only *partially* disposed of the claims relating to the '890 patent, the parties negotiated the Joint
2 Request to Dismiss, which the parties submitted on September 18, 2013 and was signed by the
3 Court the next day. *See* Dkt. No. 594.

4 Pursuant to the Joint Request to Dismiss, the Court ordered as follows:

5 1. Because Defendants cannot establish entitlement to damages in the present action
6 based on the Summary Judgment Order, the Court hereby **DISMISSES** the Fifth Claim
7 for Relief in HTC's First Amended Complaint (seeking a declaration that HTC does not
8 infringe any valid and enforceable claim of the '890 patent), and Count IV of Defendants'
9 Answer and Counterclaim (alleging infringement of the '890 patent), subject to the
10 conditions of this Order.

11 2. This Order shall not affect any other claim or counterclaim asserted in the present
12 action, and shall not impair any rights of Defendants or HTC to challenge on appeal any
13 pretrial ruling by the Court for which an appeal is permissible including, without
14 limitation, any challenge to the Summary Judgment Order's application of the intervening
15 rights doctrine.

16 3. In the event the Federal Circuit reverses the Summary Judgment Order with
17 respect to application of the intervening rights doctrine to the '890 patent, HTC's
18 declaratory judgment claim and Defendants' counterclaim under the '890 patent will be
19 reinstated and proceed unaffected by the dismissal provided in this Order.

20 4. The provisions of this Order shall be incorporated into any final judgment entered
21 in this action.

22 Joint Request to Dismiss, pp. 1-2.

23 Following the jury verdict in Defendants' favor, the Court entered final judgment in
24 Defendants' favor. *See* Dkt. No. 655. The Judgment did not incorporate the provisions of the
25 Joint Request to Dismiss. *Id.*

26 ARGUMENT

27 Plaintiffs' proposed language entering judgment "in favor of Plaintiffs" is inconsistent
28 with the parties' agreement in the Joint Request to Dismiss and is inconsistent with the ultimate
resolution of the claims relating to the '890 patent.

In the Joint Request to Dismiss, the parties agreed that "[t]he provisions of this Order shall
be incorporated into any final judgment entered in this action." The most straightforward way of
effectuating the parties' agreement is to simply incorporate the Order's provisions – verbatim –
into the final judgment. Accordingly, Defendants propose the following:

1 **IT IS SO ORDERED AND ADJUDGED** that:

2 (1) pursuant to the jury verdict filed October 3, 2013 (Dkt. No. 654), judgment with
3 respect to U.S. Patent No. 5,809,336 is entered in favor of Defendants; and

4 (2) pursuant to the Court's Order dismissing U.S. Patent No. 5,530,890 (the "'890
5 patent") entered September 19, 2013 (Dkt. No. 594), judgment with respect to the '890
6 patent is entered as follows:

7 a) Because Defendants cannot establish entitlement to damages in the present
8 action based on the Court's Summary Judgment Order (issued on September 17,
9 2013 (Dkt. No. 585)), the Court on September 19, 2013 DISMISSED the Fifth
10 Claim for Relief in HTC's First Amended Complaint (seeking a declaration that
11 HTC does not infringe any valid and enforceable claim of the '890 patent), and
12 Count IV of Defendants' Answer and Counterclaim (alleging infringement of
13 the '890 patent), subject to the conditions of the September 19, 2013 Order (Dkt.
14 No. 594);

15 b) The September 19, 2013 Order (*id.*) shall not affect any other claim or
16 counterclaim asserted in the present action, and shall not impair any rights of
17 Defendants or HTC to challenge on appeal any pretrial ruling by the Court for
18 which an appeal is permissible including, without limitation, any challenge to the
19 Summary Judgment Order's application of the intervening rights doctrine;

20 c) In the event the Federal Circuit reverses the Summary Judgment Order with
21 respect to application of the intervening rights doctrine to the '890 patent, HTC's
22 declaratory judgment claim and Defendants' counterclaim under the '890 patent
23 will be reinstated and proceed unaffected by the dismissal provided in the
24 September 19, 2013 Order (Dkt. No. 594).

25 It would be improper to go beyond the terms of the parties' agreement in the Joint Request
26 to Dismiss, as adopted by the Court, and characterize the jointly requested dismissal of the
27 remaining claims relating to the '890 patent as being "in favor of Plaintiffs." Plaintiffs merely
28 prevailed on their motion for *partial* summary judgment, thereby avoiding a *portion* of the
infringement claims, as well as the potential for monetary damages. But lack of monetary
damages does not resolve all claims relating to infringement or validity, nor does it resolve
Defendants' claims seeking injunctive relief. *See, e.g. Knorr-Bremse Systeme Fuer*
Nutzfahrzeuge GmbH v. Dana Corp., 383 F.3d 1337, 1340 (2004) (noting defendants "were
found liable for infringement and willful infringement" yet "[n]o damages were awarded, for
there were no sales of the infringing brakes."); *In re Apotex, Inc.*, 49 Fed.Appx. 902, 903 (2002)
(where "there can be no damages because no infringing products have been marketed, the only
relief that is before the district court is equitable in nature"). Indeed, the dismissal of Plaintiffs'
declaratory judgment claim is essentially a victory *for Defendants* because Plaintiffs did not

1 obtain the sought-after declarations of invalidity or non-infringement. Accordingly, the partial
2 dismissal of certain claims, coupled with the voluntary dismissal of the remaining claims relating
3 to the '890 patent should not be mischaracterized as a complete victory "in favor of Plaintiffs."

4 **CONCLUSION**

5 For the foregoing reasons, Defendants respectfully request that the Court modify the
6 Judgment pursuant to the terms of the Joint Request to Dismiss by incorporating the terms of the
7 Joint Request to Dismiss verbatim into the Judgment.

8
9 Dated: November 14, 2013

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