Case 4:17-cv-03745-PJH Document 43 Filed 10/05/17 Page 1 of 13 (Counsel listed on signature page) UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA FISHER-PRICE, INC. and MATTEL, INC., Case No. 4:17-cv-03745-PJH Plaintiffs, v. JOINT CASE MANAGEMENT DYNACRAFT BSC, INC., **STATEMENT** Defendant.



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Plaintiff Fisher-Price, Inc. and Mattel, Inc. ("Fisher-Price") and Defendant Dynacraft BSC, Inc. ("Dynacraft") hereby submit their Joint Case Management Statement in advance of this Court's October 12, 2017 Initial Case Management Conference.

JOINT STATEMENT

- 1. Jurisdiction and Service: This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338 (a) (federal question and patent). There are no issues as to personal jurisdiction or venue. All Parties have been served.
- 2. Facts: This is a patent infringement action alleging infringement of United States Letters Patent Nos. 7,222,684 entitled "System, Apparatus, and Method for Providing Control of a Toy Vehicle" which issued on May 29, 2007 (the "684 patent"); 7,487,850 entitled "Children's Ride-On Vehicles Having Improved Shifter Assemblies" which issued on February 10, 2009 (the "850 patent"); 7,621,543 entitled "Blow-Molded Wheels Having Undercut Treads, Methods for Producing the Same, and Children's Ride-On Vehicles Including the Same" which issued on November 24, 2009 (the "543 patent"), and 7,950,978 entitled "System Apparatus and Method for Providing Control of a Toy Vehicle" which issued on May 31, 2011 ("the '978 patent"). The patents cover various safety features of ride-on vehicles for children. The '684 and '978 patents generally relate to speed control for a ride-on vehicle, which allows for smoother acceleration. The '850 patent generally relates to a shifter design, which allows for safely shifting the ride-on vehicle from, for instance, forward to reverse. The '543 patent relates to a design and manufacturing technique for the wheels of the ride-on vehicle. The Complaint was filed on January 17, 2017, and alleges that certain Dynacraft ride-on vehicles, including a Disney Princess Carriage ride-on vehicle, infringe these patents under 35 U.S.C. § 271.

| Dynacraft denies Fisher-Price's allegations and asserts several defenses, including: (a) that |
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| Dynacraft does not infringe any of the patents, either literally or under the doctrine of |
| equivalents, and that the patents are invalid and/or unenforceable under 35 U.S.C. §§ 102-103 |
| and 112. Specifically, the '684 patent is anticipated and rendered obvious by U.S. Patent No |
| 5,859,509 (Bienz), U.S. Patent No. 4,634,941 (Klion), and U.S. Patent No. 5,994,853 (Ribbe) |
| The '978 is anticipated and rendered obvious by U.S. Patent No. 5,859,509 (Bienz), U.S. Paten |
| No. 4,634,941 (Klion), and U.S. Patent No. 5,994,853 (Ribbe). The '543 patent is anticipated |
| and rendered obvious by U.S, Patent Pub. No. 2005/0056474 (Damon), U.S. Patent No |
| 5,924,506 (Perego), U.S. Patent No. 4,513,981 (DeGraaff), U.S. Patent No. 3,910,332 (Feller) |
| and the Plastic Blow Molding Handbook by Norman Lee. And the '850 patent is anticipated and |
| rendered obvious by U.S. Patent Pub. No. 2005/0056474 (Damon) and U.S. Patent Pub. No |
| 2005/0087033 (Chi) |

- **3. Legal Issues**: The key legal issues concern the following subjects:
 - a. Whether the defendant infringes the patents-in-suit;
 - b. Whether the defendant willfully infringes the patents-in-suit;
 - c. Whether the claims of the patents-in-suit are invalid because they fail to satisfy the requirements of 102 (lack of novelty), 103 (obvious over the prior art), and 112 (lack of written description, lack of enablement, and/or claims fail to particularly point out and distinctly claim the subject matter applicants regard as their invention);
 - d. If liability is found, what amount of damages is appropriate;
 - e. If liability is found, whether an injunction should issue preventing future infringement.



| 4. Motions : There are no pending motions. Dynacraft, however, anticipates filing petitions |
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| for inter-partes review challenging the validity of all four patents-in-suit no later than the Case |
| Management Conference currently scheduled for October 12, 2017. In connection with those |
| IPR petitions, Dynacraft also plans to file a motion to stay this case pending the resolution of its |
| IPR petitions. It is Dynacraft's position that the anticipated IPR petitions may resolve all issues |
| in this case and, therefore, this Court should stay this matter pending those IPRs in order to |
| conserve the time and resources of the Court and the parties. It is Fisher-Price's position that any |
| motion to stay would be premature at least until decisions on institution in any IPRs are issued |
| If this case proceeds during the IPR process or resumes after the IPR process is completed, it is |
| anticipated that there may be motions for summary judgment or partial summary judgment filed |
| by one or more of the Parties and a motion to amend the complaint to assert additional infringing |
| products. |

Amendment of Pleadings: The deadline for amending the pleadings should be March 1,

The Parties reserve the right to seek permission to amend the pleadings to add additional Parties and/or claims as may be warranted upon further discovery in this action.

6. Evidence Preservation: The Parties certify that they have reviewed the Guidelines Relating to the Discovery of Electronically Stored Information and confirm that they have met and conferred (telephonically) pursuant to Fed. R. Civ. P. 26(f) regarding reasonable and proportionate steps to preserve evidence relevant to the issues reasonably evident in this action. To that end, the parties propose the Electronic Discovery Protocol attached to this Statement as Exhibit A.



7. Disclosures: The Parties will exchange initial disclosures pursuant to Rule 26(a)(1) no later than October 26, 2017.

8. Discovery:

The parties have not conducted any discovery to date.

The parties have agreed that they will not serve any formal discovery requests until at least October 13, 2017. The parties do not propose any other limits or modification to the discovery rules at this time.

The parties have not identified any discovery disputes at this time.

Plaintiffs anticipate that discovery will be needed with respect to its cause of action for infringement and to Dynacraft's defenses, including the following topics: (a) the accused infringing products and the identity of other products which infringe; (b) Dynacraft's contentions of non-infringement and invalidity under title 35 of the Patent Code; (c) Dynacraft's sales and financial information relevant to the infringing products; (e) Dynacraft's marketing of the infringing products; (f) Dynacraft's patent licensing policies and licenses for in- and outlicensing; and (g) Dynacraft's awareness of the patents-in-suit and whether it copied any of Fisher-Price's ride-on designs; and (h) Dynacraft's contentions that Fisher-Price is not entitled to the relief it requests.

In addition to the above matters, Dynacraft anticipates that discovery will be needed on the following topics: (a) conception, development, and commercialization of the claimed inventions; (b) prosecution of the asserted patents; (c) construction of disputed claim terms; (d) prior art and the validity of the asserted patents; (e) licensing of the asserted patents; and (f) patent marking.

The Parties propose that the Electronic Discovery Protocol attached to this Statement as Exhibit A governs the timing and scope of ESI production.



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