1 2 3 4 5 6 7 8	IRELL & MANELLA LLP Morgan Chu (70446) MChu@irell.com Benjamin W. Hattenbach (186455) BHattenbach@irell.com C. Maclain Wells (221609) MWells@irell.com 1800 Avenue of the Stars, Suite 900 Los Angeles, California 90067-4276 Telephone: (310) 277-1010 Facsimile: (310) 203-7199  Attorneys for Defendant DEMARAY LLC			
9	UNITED STATES DISTRICT COURT			
10	NORTHERN DISTRICT OF CALIFORNIA			
11	SAN JOSE DIVISION			
12				
13	APPLIED MATERIALS, INC.,	)	Case No. 5:20-cv-05676-EJD	
14	Plaintiff,	)	DEMARAY LLC'S OBJECTION TO APPLIED MATERIALS' REPLY	
15	VS.	)	EVIDENCE EVIDENCE	
16	DEMARAY LLC,	)	The Honorable Edward J. Davila	
17	Defendant.	) )	Hearing Date: November 12, 2020 Hearing Time: 9:00 a.m.	
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Defendant Demaray LLC ("Demaray") hereby objects under N.D. Cal. Local Rule 7-3(d)(1) to new evidence submitted in reply by Plaintiff Applied Materials, Inc.'s ("Applied") in support of Applied's Motion for Preliminary Injunction. Dkt. No. 14 ("Motion"). Applied improperly waited until submitting its reply and corrected reply (Dkt. Nos. 26 ("Reply"), 28 ("Corrected Reply")) to submit the vast majority of the evidence on which it now purports to base its Motion, including all seven fact declarations on which it relies and, as an example, an Applied employment agreement submitted as support for its meritless licensing/ownership allegations. See, e.g., Dkt. Nos. 26-6, 8, 10, 12, 14. It is well-established in this district that "new evidence cannot be attached to a reply." Lam Research Corp. v. Schunk Semiconductor, 2014 WL 1995799, at \*2 (N.D. Cal. May 15, 2014) (declining to consider new evidenced attached to reply in support of motion); see also Tovar v. U.S. Postal Serv., 3 F.3d 1271, 1273 n.3 (9th Cir. 1993) ("To the extent that the [reply] brief presents new information, it is improper."). The Court should strike Applied's untimely purported evidence. **BACKGROUND** 

## I.

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On September 1, 2020, Applied filed its Corrected Declaratory Judgement Complaint and three days later filed its Motion, attaching a single attorney declaration and exhibits A-J that its cites in support of arguments relating to convenience of the parties. See Dkt. Nos. 14-2 through 14-11; Motion at 17-18. Demaray's Opposition responded to the arguments and evidence that Applied's Motion timely raised.

Recognizing that the arguments in its opening brief had been soundly refuted, Applied—the movant for a preliminary injunction—attempted a near-complete evidentiary redo in its *Reply brief*. With that Reply, Applied submitted *four brand new fact declarations*, one from Applied itself and three from the defendants in the earlier-filed cases in Texas, Intel and Samsung. See, e.g., Dkt. Nos. 26-8, 10, 12, 14. Applied also submitted an employment agreement and an email communication that Applied could have, but did not, submit with its opening filing. See Dkt. Nos. 26-6, 27-02. In

<sup>&</sup>lt;sup>1</sup> Applied has submitted confidential and non-confidential versions of the declarations and submitted certain of the declarations again in its Corrected Reply. All copies should be stricken.



its opening brief, Applied confirmed that it is coordinating with Intel and Samsung. Dkt. No. 14 at 12, n. 3. Thus, each piece of evidence offered was either in Applied's possession or Applied had access to it at the time of its opening filing. In case that was not bad enough, on October 14, Applied filed a "Corrected" Reply with which it submitted *three additional, brand new declarations* from other new witnesses at various Samsung entities. *See*, *e.g.*, Dkt. No. 28-10 through 28-12.

All seven of Applied's reply declarations are from new witnesses who submitted no declaration attached to Applied's opening filing. Each makes multiple new assertions that Applied argues support its Motion.

## II. <u>LEGAL STANDARDS</u>

Under this Court's local rules, "[i]f new evidence has been submitted in the reply, the opposing party may file and serve an Objection to Reply Evidence...." N.D. Cal. L.R. 7-3(d)(1). This is because "new evidence cannot be attached to a reply." *Lam Research*, 2014 WL 1995799 at \*2; *see also Tovar*, 3 F.3d at 1273 n.3. This Court frequently strikes, or otherwise disregards, new evidence submitted in reply. *Id.*; *see also Tae Youn Shim v. Lawler*, 2019 WL 2996443, at \*7 (N.D. Cal. July 9, 2019) ("With the reply brief filed in support of their motion for partial summary judgment, Plaintiffs submitted fifteen exhibits. While two of these exhibits appear to be duplicates of evidence already in the record, the remainder consist of new evidence that Plaintiffs did not file with their initial motion. 'It is well accepted that ... [the] submission of new facts in [a] reply brief is improper.' The Court therefore **STRIKES** these new exhibits." (citations omitted and emphasis in original)); *Roling v. E\*Trade Secs. LLC*, 860 F.Supp.2d 1035, 1046 (N.D. Cal. 2012) ("As for the Renga reply declaration, the Court shall not consider the testimony on the date the March 2005 fee increase was posted because Mr. Renga could have, but failed to, provide that testimony in his initial declaration.").

## III. <u>OBJECTIONS</u>

Demaray objects to the following untimely material and arguments based thereon, and respectfully requests that the Court strike them:

• The Applied employment agreement of Mukundan Narasimhan. Dkt. No. 26-6



("Exhibit N"). This is "new evidence that [Applied] did not file with [its] initial motion," and "[i]t is well accepted that ... [the] submission of new facts in [a] reply brief is improper." *Tae Youn Shim*, 2019 WL 2996443, at \*7 (striking thirteen exhibits improperly submitted for the first time in reply).

- Applied's communications with Dr. Demaray. Dkt. No. 27-02 ("Exhibit K"). This
  email was in Applied's possession and Applied cites it as support for its new
  arguments regarding subject matter jurisdiction—an issue on which it has the burden
  and should have addressed in its opening filing. This is improper. See Tae Youn
  Shim, cited supra.
- The Declaration of Keith Miller (Dkt. No. 26-14), an Applied employee, who plainly could have, but did not, submit a declaration with Applied's opening submission. See Rodgers v. Chevys Rests., LLC, 2015 WL 909763, at \*5 (N.D. Cal. Feb. 24, 2015) ("[R]aising new facts in a reply brief ... is not permitted").
- The Declarations of Ryan Greuter (Dkt. No. 26-8), Do Hyung Kim (Dkt. No. 26-12), Ross Thompson (Dkt. No. 28-10), Brittany McElmury Dietz (Dkt. No. 28-11), and Terrence Cross (Dkt. No. 28-12), each of whom are employed at a Samsung entity with which Applied is coordinating. *See* Dkt. No. 26-8 (¶¶ 8-14), Dkt. No. 26-12 (¶¶ 9-19), Dkt. No. 28-10 (¶¶ 7), Dkt. No. 28-11 (¶¶ 5-12), and Dkt. No. 28-12 (¶¶ 7-12). Such declarations could have and, if Applied wanted to rely on them, should have, been included in Applied's opening filing. *See Rodgers*, cited *supra*.
- The Declaration of Thomas Herrgott (Dkt. No. 26-10), an Intel employee, who could have, but did not, submit a declaration with Applied's opening submission. This is improper. See Rodgers, cited supra.
- All argument in Applied's Reply (Dkt. No. 26-4)/Corrected Reply (Dkt. No. 28-0) citing,<sup>2</sup> or otherwise relying on, the above-listed improper evidence, including at

<sup>&</sup>lt;sup>2</sup> All page citations to "Reply" herein correspond to both Applied's Reply and Corrected Reply, which Demaray understands to be the same as the redacted version of Applied's Reply.



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1	least:			
2	o Reply at 2-3, lines 25-2 and Reply at 14, lines 19-22	Reply at 2-3, lines 25-2 and Reply at 14, lines 19-22 (citing Exhibit K);		
3	o Reply at 4, lines 6-14 (citing Declarations of Herrgott	Reply at 4, lines 6-14 (citing Declarations of Herrgott, Greuter, Kim);		
4	o Reply at 5, lines 5-10 (citing in part Declaration of M	Reply at 5, lines 5-10 (citing in part Declaration of Miller);		
5	o Reply at 12, lines 16-22 (citing Exhibit N); and	Reply at 12, lines 16-22 (citing Exhibit N); and		
6	o Reply at 14-15, lines 25-11 (citing Declarations of M	Reply at 14-15, lines 25-11 (citing Declarations of Miller, Herrgott, Kim and		
7	Greuter).			
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12	Dated: October 16, 2020 Respectfully submitted, IRELL & MANELLA LLF	•		
13	By: /s/ C. Maclain Wells			
14	C. Maclain Wells	THE DEMARKS I.C.		
15	Attorneys for Defenda	III DEMAKAT LLC		
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