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ESET, LLC and ESET, SPOL. S.R.O.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

FINJAN, INC.,

Plaintiff,

v.

ESET, LLC, et al.,

Defendants.

Case No. 3:17-cv-0183-CAB-BGS

**MOTION FOR ADDITIONAL
DISCOVERY AND ISSUANCE OF
LETTER OF REQUEST**

Judge: Hon. Bernard G. Skomal

AND RELATED COUNTERCLAIMS.

Pursuant to Fed. R. Civ. P. 28(b)(2)(A), Defendants ESET, spol. s.r.o. and ESET, LLC (collectively, “ESET”) make this application to the Court to permit a second deposition of Shlomo Touboul on topics that were previously stayed, as well as for issuance of a Letter of Request, in the form attached as Exhibit A. The Letter of Request is to be issued pursuant to the Hague Convention on the Taking of Evidence Abroad in Civil and Commercial Matters (the “Hague Convention”). The letter seeks the assistance of the Israeli Center Authority for The Hague Evidence Convention to compel the deposition of Mr. Touboul, who is living in Israel and is a named inventor on one or more of the patents asserted in this action.¹ The deposition will take place at a mutually agreeable location in Israel to provide testimony under oath concerning matters in this case.²

I. BACKGROUND

On May 7, 2018, this Court stayed discovery as to U.S. Patent No. 7,975,305 (“the ’305 patent”). On July 23, 2018, Mr. Touboul was deposed in this action. In view of the stay, ESET did not question Mr. Touboul regarding the ’305 patent. Following ESET’s examination, Finjan introduced the ’305 patent as an exhibit. ESET objected to the exhibit – and each of the following questions regarding the ’305 patent – as being outside the scope of the direct examination and in violation of the Court’s order for the stay.³ ESET did not join Finjan in violating the Court’s order by questioning the witness about the ’305 patent.

Also, in view of the stay, ESET had not yet served amended invalidity contentions to address newly asserted claims of the ’305 patent, nor had ESET consulted its expert to address potential issues to be explored during deposition of the inventors of the ’305 patent. ESET also did not invest additional time or effort in preparing to take Mr.

¹ Following a number of meet-and-confer sessions, the parties agreed to avoid Hague service for Moshe Rubin, another witness living in Israel, and are working cooperatively to schedule his deposition.

² To the extent the Israeli authorities permit, and the parties can agree on a time, date, and method, ESET is also amenable to a remote deposition of Mr. Touboul.

1 Touboul's deposition relating to '305 patent. Now that the stay is lifted and discovery is
2 open as to the '305 patent, ESET seeks to depose Mr. Touboul on discrete topics
3 concerning the '305 patent.

4 This dispute arose on November 10, 2020, when Finjan's counsel refused service
5 for Mr. Touboul and stated they would oppose ESET's request to examine him on topics
6 that were previously stayed. Specifically, as part of the meet and confer process, counsel
7 for Finjan stated that while Finjan's counsel previously represented Mr. Touboul, they
8 refused to accept service stating that he was no longer represented by Finjan's counsel.
9 Thus, in order to serve Mr. Touboul, who lives in Israel, ESET must use the Hague
10 Convention. Also, despite no longer representing Mr. Touboul, counsel for Finjan stated
11 that Finjan would oppose this request because Mr. Touboul had already been deposed,
12 notwithstanding that he had not been questioned about the '305 patent nor was counsel
13 for ESET required to make such inquiries in light of the stay.

14 II. LEGAL STANDARD

15 Leave of court or a stipulation of the parties is required if the deponent has already
16 been deposed once in the case. Fed. R. Civ. P. 30(a)(2)(A)(ii). "The Federal Rules of
17 Civil Procedure treat service under the Hague Convention as the primary means of
18 serving a defendant located in a country which ... is a signatory to the Hague
19 Convention." *Wright v. Old Gringo Inc.*, No. 17-cv-1996-BAS-NLS, 2018 U.S. Dist.
20 LEXIS 125491, at *3 (S.D. Cal. July 26, 2018) (citing *Volkswagenwerk*
21 *Aktiengesellschaft v. Schlunk*, 468 U.S. 694, 706 (1988)).

22 III. ARGUMENT

23 Leave to depose Mr. Touboul regarding discrete topics concerning the '305 patent
24 is especially appropriate where, as here, discovery regarding the '305 patent was stayed
25 at the time of Mr. Touboul's first deposition. Indeed, during the June 14, 2018 status
26 conference, this Court expressly acknowledged that ESET was not required to pursue
27 that discovery:
28

1 Okay. Basically the Court's position on this and the order is
2 that to the extent the parties wish to jointly pursue discovery on
3 the '305 for economic and efficiency reasons, particularly with
4 regard to international discovery, the stay is lifted for that
5 purpose. **It doesn't require that you do the discovery.** And
6 if there's an objection to discovery that is being sought in that
7 scope and you don't want to do it and the other side does, you
8 can come back to me on that as opposed to the magistrate judge
9 since it's my order, and I'll decide whether or not it's
10 appropriate.

11 June 14, 2018 Hearing Transcript at 9:20-10:4 (emphasis added); *see also* May 7, 2018
12 Order, D.I. 251 at 4 ("As to the '305 patent, any other pending and further proceeding
13 related to the '305 patent are STAYED until the issuance of the Board's decision.").
14 Thus, regardless of whether Finjan chose to ignore the stay and question Mr. Touboul
15 following ESET's examination, the order staying discovery as to the '305 patent
16 remained in place and ESET was under no obligation to question the witness regarding
17 the stayed '305 patent. *See Coleman v. Newsom*, No. 2:90-cv-0520 KJM DB P, 2020
18 U.S. Dist. LEXIS 107238, at *14 (E.D. Cal. June 17, 2020) (recognizing the
19 "unremarkable proposition that any party bound by a court order may not act unilaterally
20 in violation of that order but, instead, must seek relief from the court that issued the
21 order."). Indeed, "[d]isregard of [a court] order would undermine the court's ability to
22 control its docket ... and reward the indolent and the cavalier." *Johnson v. Mammoth*
23 *Recreations, Inc.*, 975 F.2d 604, 610 (9th Cir. 1992). Finjan now seeks to be rewarded
24 for its cavalier attitude toward the Court's stay order by seeking to preclude ESET from
25 now properly questioning Mr. Touboul about the '305 patent. Such attempts "would
26 undermine the court's ability to control its docket" and are improper. *Id.*

27 The purpose of the stay was to allow the parties to avoid incurring additional cost
28 associated with discovery concerning the '305 patent. Accordingly, when the stay

1 issued, counsel for ESET, ESET's experts, and ESET itself stopped such work. Left
2 uncompleted at that time was ESET's amended invalidity contentions, analysis of the
3 newly asserted claims (including analysis of priority dates, whether there was
4 specification support for the newly asserted claims, and whether any aspect of the newly
5 asserted claims were obvious in light of the prior art, all matters that would be relevant
6 to an inventor deposition), and any discussions with its expert regarding the scope of any
7 inventor deposition relating to the '305 patent. In light of the stay, when Mr. Touboul
8 was deposed in this action, ESET did not question him regarding the '305 patent.
9 Indeed, for ESET to have invested additional time or effort in preparing to take Mr.
10 Touboul's deposition relating to '305 patent would have defeated the purpose of the
11 stay. Instead, now that discovery is open as to the '305 patent, it is appropriate to depose
12 Mr. Touboul on issues limited to the '305 patent despite his prior deposition regarding
13 other topics. *Cypress Semiconductor Corp. v. GSI Tech., Inc.*, No. 13-cv-02013-JST,
14 2014 U.S. Dist. LEXIS 142858, at *8 (N.D. Cal. Oct. 7, 2014) (noting that when a
15 partial stay is granted to a subset of patents in a multi-patent infringement action, "there
16 is a risk of duplicative discovery because all of the patents subject to a potential stay
17 overlap," and "[s]o long as the case proceeds in part and is stayed in part, the parties risk
18 duplication as a result of overlapping patents, witnesses, and issues"); *Doe v. Indyke*, No.
19 20cv00484 (JGK) (DF), 2020 U.S. Dist. LEXIS 168258, at *18 (S.D.N.Y. Sept. 14,
20 2020) ("a partial stay could lead to duplicative depositions, as, once the partial stay is
21 lifted, [defendant] would be *entitled* to question any witnesses (including Plaintiff) who
22 may have already been deposed during the pendency of the partial stay") (emphasis
23 added); *Peck Ormsby Constr. Co. v. City of Rigby*, No. CIV. 1:10-545 WBS, 2012 U.S.
24 Dist. LEXIS 36178, at *18-19 (D. Idaho Mar. 15, 2012) (recognizing that "[d]uplicative
25 discovery efforts are extremely likely" in the event of a partial stay); *Quad/Tech, Inc. v.*
26 *Q.I. Press Controls B.V.*, No. 09-2561, 2010 U.S. Dist. LEXIS 147548, at *2 n.1 (E.D.
27 Pa. June 9, 2010) ("The parties may very well have to re-depose certain witnesses after
28 the stay on Count I is lifted."); *Trs. of the Plumbers & Pipefitters Nat'l Pension Fund v.*

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