IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

ARENDI S.A.R.L., Plaintiff, v. LG ELECTRONICS, INC., et al., Defendant.	**PUBLIC VERSION** **DECEMBER 7, 2020** C.A. No. 12-1595-LPS
ARENDI S.A.R.L., Plaintiff, v. APPLE INC., Defendant.	C.A. No. 12-1596-LPS
ARENDI S.A.R.L., Plaintiff, v. BLACKBERRY LIMITED, et al., Defendant.	C.A. No. 12-1597-LPS
ARENDI S.A.R.L., Plaintiff, v. MOTOROLA MOBILITY LLC f/k/a MOTOROLA MOBILITY, INC., Defendant.	C.A. No. 12-1601-LPS

ARENDI S.A.R.L., Plaintiff, v. SONY MOBILE COMMUNICATIONS (USA) INC. f/k/a SONY ERICSSON MOBILE COMMUNICATIONS (USA) INC., Defendant.	C.A. No. 12-1602-LPS
ARENDI S.A.R.L., Plaintiff, v. GOOGLE LLC, Defendant.	C.A. No. 13-919-LPS
ARENDI S.A.R.L., Plaintiff, v. OATH HOLDINGS INC., et al., Defendant.	C.A. No. 13-920-LPS

LETTER TO THE HONORABLE LEONARD P. STARK RESPONDING TO DEFENDANTS' MOTION TO STRIKE PORTIONS OF DR. SACERDOTI'S REPORT

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Dear Chief Judge Stark,

Defendants' motion addresses two distinct issues, both of which fail to identify any prejudice to support seeking to strike portions of Dr. Sacerdoti's validity report. Throughout discovery, Arendi identified the summer of 1997 as the time of conception of the '843 invention, and Dr. Sacerdoti's opinion is consistent with those assertions. Defendants cannot now claim surprise or belated disclosure. Nor do Defendants suffer prejudice from Dr. Sacerdoti's partial use of a single document to confirm his opinion. That document is consistent with evidence produced in this case and was promptly disclosed to defendants when identified by Arendi's counsel.

I. Background:

A. Written Discovery

On October 23, 2013 in response to Defendants' First Set of Interrogatories, Arendi stated that "Atle Hedløy conceived of the inventions claimed by claims of the '853 Patent Family at least as early as the summer of 1997. . ." Arendi's position has not changed. (Defs' Ex. B, 10/23/2013 Resp. to Def. Interrogatory No. 2). As a part of its interrogatory response, Arendi also identified [redacted] which Dr. Sacerdoti relies upon to reach his conclusion. The folder includes invention prototype files last modified in July of 1997.

B. Deposition Testimony

Inventor Atle Hedløy was deposed over the course of five days in late October and early November of 2019 in his individual and corporate capacities. Over the course of those depositions, Mr. Hedløy consistently answered Defendants' questions regarding the date he conceived the '843 invention. Time and again, he identified the conception date "as early as the summer of 1997" and more specifically "July of 1997." [redacted].

C. Opening Invalidity Reports

On August 7, 2020, Defendants Apple, Google, Motorola and LG each served expert reports challenging the validity of the asserted claims. Without fail, each expert recites his or her understanding that Arendi contends that the '843 patent was conceived as early as the summer of 1997. [redacted]). Each expert contended that Arendi had failed to show proof of conception in the summer of 1997 or diligent reduction to practice thereafter. In order for Defendants' experts to offer an affirmative opinion that conception *did not* occur during the summer of 1997, each expert must have *necessarily* considered whether conception occurred during a period that encompassed July 6, 1997.

D. Rebuttal Validity Reports

On October 20, 2020, Arendi served Defendants with the Expert Report of Dr. Earl Sacerdoti Regarding Validity of U.S. Patent No. 7,917,843. *See e.g.* Defs' Ex. A. Therein, Dr. Sacerdoti opined the patented invention was conceived of no later than July 6, 1997. [redacted]. He based his opinion on several factors: Mr. Hedløy's deposition testimony, software development files evidencing reduction to practice and showing last modified dates of July 6 and 8 of 1997, conversations with Mr. Hedløy, and a note Mr. Hedløy wrote describing his invention in preparation for a meeting with a Norwegian patent agent. [redacted]. With the exception of the last document, Defendants have possessed all of these same references since before the close of fact discovery. The note in which Mr. Hedloy describes his invention ("the Tandberg note") was inadvertently excluded from previous productions and was supplied to Defendants promptly after Arendi became aware of the oversight.

E. Discovery and Disclosure Efforts

Mr. Hedløy maintains separate file directories to segregate files related to work and his family's private life. Mr. Hedløy maintains a directory at [redacted] in which he saves [redacted] For example, [redacted]

Arendi's document production efforts for this lawsuit included a comprehensive search and review of documents in the [redacted].

Despite Mr. Hedløy's persistent efforts and practice to the contrary, the Tandberg note had been accidentally saved to Mr. Hedløy's personal directory. Mr. Hedløy only discovered this document was in his personal directory in the course of preparing for a conversation with Arendi's validity expert, Dr. Sacerdoti, concerning Mr. Hedløy's invention. The filing error was discovered on or about October 7, 2020. Mr. Hedløy emailed the file to Arendi's counsel on that same day. After re-collecting the file to ensure preservation of metadata, the file was produced to defendants on October 20, 2020.

In the process of responding to the instant motion, Arendi conducted further investigation which revealed that the Tandberg note was also included as an attachment to a privileged email communication from 2014 that Arendi collected during email discovery. (Only three of seven parties to the motion to strike, Google, Apple and Motorola, sought email discovery). During email review, the email was coded as privileged, and as a part of the email's document family, the attachment – though non-privileged -- was inadvertently excluded from production as well.

This email was one of thousands that Arendi reviewed and produced and the Tandberg note was one among tens of thousands of documents reviewed and produced in this case. The Tandberg note was certainly not intentionally withheld from Defendants. That document supports Arendi's efforts to swear behind an earlier priority date—but is entirely consistent with other evidence – and Defendants have identified no conceivable benefit to Arendi in withholding it.

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