

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT DELAWARE**

ARENDI S.A.R.L.,)	
)	
Plaintiff,)	C.A. No. 13-919-JLH
)	
v.)	JURY TRIAL DEMANDED
)	
GOOGLE LLC,)	
)	
Defendant.)	

**LETTER TO THE HONORABLE JENNIFER L. HALL FROM DAVID E. MOORE
REGARDING EVIDENCE OF *INTER PARTES* REVIEW**

OF COUNSEL:

Robert W. Unikel
John Cotiguala
Matt Lind
PAUL HASTINGS LLP
71 South Wacker Drive, Suite 4500
Chicago, IL 60606
Tel: (312) 449-6000

Robert R. Laurenzi
Chad J. Peterman
PAUL HASTINGS LLP
200 Park Avenue
New York, NY 10166
Tel: (212) 318-6000

Ginger D. Anders
MUNGER, TOLLES & OLSON LLP
601 Massachusetts Avenue NW, Suite 500E
Washington, D.C. 20001
Tel: (202) 220-1100

Vincent Y. Ling
MUNGER, TOLLES & OLSON LLP
350 S. Grand Avenue, 50th Floor
Los Angeles, CA 90071
Tel: (213) 683-9100

Dated: April 20, 2023

David E. Moore (#3983)
Bindu A. Palapura (#5370)
Andrew L. Brown (#6766)
POTTER ANDERSON & CORROON LLP
Hercules Plaza, 6th Floor
1313 N. Market Street
Wilmington, DE 19801
Tel: (302) 984-6000
dmoore@potteranderson.com
bpalapura@potteranderson.com
abrown@potteranderson.com

Attorneys for Defendant Google LLC

April 20, 2023

Dear Judge Hall:

Google respectfully requests rulings from the Court before trial as to the scope of evidence and argument regarding *inter partes* review (“IPR”) No. IPR2014-00208 that the parties can present to the jury. Based on correspondence between the parties on April 19, 2023, it has become clear that both Arendi and Google want the jury to hear about the IPR to some extent. However, the parties vigorously dispute what evidence and arguments about the IPR are permissible and for what purposes the jury can properly consider the IPR. In particular:

- Google wants to introduce high-level evidence about the IPR (without delving into the prior art grounds or rulings that are not relevant) for the narrow purpose of showing objective evidence of Google’s good faith belief that the ’843 Patent was invalid, which is critical for defending against Arendi’s allegation of post-suit willfulness.
- Arendi apparently wants to introduce detailed substantive evidence about the IPR (including Google’s prior art grounds there and rulings on each ground) to make misleading arguments that the Patent Office and Federal Circuit have already considered and confirmed the validity of the ’843 Patent, and/or that Google has already tried but failed to invalidate the patent.

There can be no genuine dispute that the Patent Trial and Appeal Board’s (“PTAB”) Final Written Decision is probative of Google’s belief of invalidity, which in turn is directly relevant to Arendi’s claim of willfulness; the Federal Circuit has so held. *Eko Brands, LLC v. Adrian Rivera Maynez Enters., Inc.*, 946 F.3d 1367, 1377–79 (Fed. Cir. 2020). And as other courts have found, final IPR determinations are highly probative of that narrow issue and, if introduced for that limited purpose, admissible over any minimal risk of prejudice or confusion. *See, e.g., Contour IP Holding, LLC*, 2021 WL 75666, at *8 (N.D. Cal. Jan. 8, 2021); *see also K-Tec, Inc. v. Vita-Mix Corp.*, 696 F.3d 1364, 1376 (Fed. Cir. 2012) (noting trial court discretion to admit Patent Office proceedings). By contrast, Arendi seeks to use the IPR to introduce irrelevant, highly prejudicial, and confusing evidence that risks unduly influencing the jury’s consideration of invalidity.

To balance the significant probative value of the IPR for willfulness and further reduce the minimal countervailing risks, Google requests (1) cabining the evidence about the IPR to the attached proposed stipulation of facts (Ex. A) to be read and/or provided to the jury, and (2) providing the jury with the attached limiting instruction (Ex. B).

I. Background

Arendi filed this suit on May 22, 2013. *See* D.I. 1. Shortly thereafter, on December 2, 2013, Google filed an IPR Petition at the PTAB, challenging the validity of the ’843 Patent. *See* IPR2014-00208, Pet. (Paper 1). On June 11, 2014, the PTAB instituted IPR on one of four grounds: obviousness over Pandit (U.S. Patent No. 5,859,636) alone. *Id.*, Inst. Dec. (Paper 8) at 15–18.¹

On June 9, 2015, the Patent Office issued its IPR Final Written Decision, holding that the Asserted Claims of the ’843 Patent were unpatentable as obvious over Pandit. *Id.*, Final Written Dec. (Paper 33) at 15. Notably, it found that Pandit taught all of the limitations of the Asserted

¹ The PTAB issued its Institution Decision before *SAS Institute, Inc. v. Iancu*, 138 S. Ct. 1348 (2018) which required institution of all claims on all grounds raised in an IPR petition

The Honorable Jennifer L. Hall
April 20, 2023
Page 2

Claims *except for* performing a search using “first information” (a telephone number) but that it was “common sense” that a subroutine in Pandit would search for duplicate telephone numbers to determine if a potential new contact had already been entered. *Id.* at 9–10. Arendi appealed on the “single question” of “whether the Board misused ‘common sense’ to conclude that it would have been obvious to supply a missing limitation in the Pandit prior art reference to arrive at the claimed invention.” *Arendi S.A.R.L. v. Apple Inc.*, 832 F.3d 1355, 1361 (Fed. Cir. 2016).

On August 10, 2016, the Federal Circuit reversed the IPR Final Written Decision. Importantly, Arendi did not challenge—and the Federal Circuit Decision did not disturb—any of the Patent Office’s findings regarding Pandit’s disclosures. Rather, the court held that “common sense is typically invoked to provide a known *motivation to combine*, not to supply a missing claim limitation,” and “cannot be used as a wholesale substitute for reasoned analysis and evidentiary support, especially when dealing with a limitation missing from the prior art references specified.” *Id.* at 1361–62 (emphasis in original). In other words, common sense alone could not supply the “search” limitation missing from Pandit. However, Google was not foreclosed from arguing (as it does for some of its prior art grounds for trial) that a non-estopped reference discloses the “search” limitation and, together with Pandit, renders the Asserted Claims invalid as obvious.

II. IPR Evidence Should Only Be Admitted for the Narrow Purpose of Willfulness

Evidence of the PTAB’s Final Written Decision and the fact that the Federal Circuit reversed it only on a legal basis not relevant to trial is critically relevant to Google’s defense against Arendi’s charge of willfulness, and it is admissible for that limited purpose. As the parties agree, a jury analyzing willfulness can consider the defendant’s subjective belief regarding the invalidity of the asserted patent. *See* D.I. 452 (Proposed Jury Instructions) at 31–32. Indeed, willfulness requires a finding that the defendant “deliberately or intentionally infringed,” and the Federal Circuit has expressly approved as “correct” an instruction directing the jury to consider belief in invalidity. *Eko*, 946 F.3d at 1379; *C.R. Bard Inc. v. AngioDynamics Inc.*, 979 F.3d 1372, 1380 (Fed. Cir. 2020) (for willfulness, “the question of whether [defendant] reasonably believed that the asserted claims were invalid was a question of fact for the jury”). Hence, admissibility of the IPR’s outcome for willfulness purposes turns on Fed. R. Evid. 403 balancing.

Several courts have recognized that evidence of an IPR decision is not just relevant but highly probative of the scienter requirement for willfulness and have admitted it for that limited purposes over any countervailing risks. *See, e.g., Contour*, 2021 WL 75666, at *8 (allowing IPR evidence for willfulness purposes despite otherwise excluding it); *Ericsson Inc. v. TCL Comm’n Tech. Holdings, Ltd.*, 2017 WL 5137401, at *6 (E.D. Tex. Nov. 4, 2017), *rev’d on other grounds*, 955 F.3d 1317 (Fed. Cir. 2020) (“Nothing will prevent [a defendant accused of willful infringement] from telling the jury that it had a good faith belief that the [asserted] patent was invalid,” and a PTAB decision “is evidence of the reasonableness of that belief.”). Even when IPR evidence is excluded “with respect to the merits” of validity, this court has acknowledged that it may nonetheless be admissible “as it relates to intent.” *Hologic, Inc. v. Minerva Surgical, Inc.*, 2018 WL 3348998, at *4 (D. Del. July 9, 2018). Here, there is no material risk of prejudice or confusion for several reasons: the IPR coincided with the period of alleged post-suit willfulness; the IPR is complete; and the basis for the Federal Circuit Decision (use of common sense to gap-fill a limitation missing in asserted prior art) is not at issue. Google would only need to explain, without delving into substantive details, that the IPR Final Written Decision is evidence of

The Honorable Jennifer L. Hall
April 20, 2023
Page 3

Google's reasonable belief in invalidity because it found the Asserted Claims to be obvious, and while the Federal Circuit reversed, it did so only on a legal basis not relevant here.

To minimize any risk of improper use, prejudice, or confusion, Google proposes that the Court read the attached proposed stipulation (Ex. A) into the record, bar any other evidence regarding the IPR, and provide the attached proposed limiting jury instruction (Ex. B). The instruction will eliminate any possible prejudice by informing the jury of the limited purpose for which it can consider the evidence.

III. IPR Evidence and Argument Relating to Validity Should Be Excluded

Arendi, by contrast, seeks to admit extensive evidence about the substance of, and evidence presented in, the IPR proceeding, evidently to persuade the jury that the Patent Office and Federal Circuit have already confirmed the '843 Patent's validity. Without clear guardrails for what evidence and argument about IPR is permissible, therefore, there will be a side show at trial over the merits of Google's IPR petition and the purported implications of the Patent Office and Federal Circuit decisions on the jury's invalidity determination. Those issues have no relevance and are highly prejudicial.

First, none of Google's prior art grounds for trial were at issue in the IPR, so their merits have not been analyzed by the Patent Office or Federal Circuit.² Second, the Federal Circuit only held that the '843 Patent is not invalid over a single-reference obviousness ground: Pandit alone. There was no ruling that the patent is affirmatively "valid" against all other invalidity theories. Any suggestion otherwise on these issues is wrong and designed to put a thumb on the scale for validity. It would be unfair and prejudicial to Google and waste limited trial time to have to rebut these misleading arguments by trying to explain the limitations and differences of IPR proceedings to the jury. This and other courts have regularly excluded IPR evidence when offered for validity purposes. *E.g., Evolved Wireless, LLC v. Apple Inc.*, 2019 WL 1100471, at *3 (D. Del. Mar. 7, 2019); *Contour*, 2021 WL 75666, at *8; *Intell. Ventures II LLC v. FedEx Corp.*, 2018 WL 10638138, at *4 (E.D. Tex. Apr. 26, 2018). The Court should do the same here.

Respectfully,

/s/ David E. Moore

David E. Moore

DEM:nmt/10767855/12599.00040

Enclosure

cc: Clerk of the Court (via hand delivery)
Counsel of Record (via electronic mail)

² Arendi cannot argue to the jury that Google reasonably could have raised the grounds in IPR. As the parties agree, that is an issue of estoppel under 35 U.S.C. § 315(e)(2), which is for the Court to decide before the trial. *See* D I 456 (Arendi Letter on IPR Estoppel); D I 457 (Google Resp.)