## IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

GODO KAISHA IP BRIDGE 1,	)
Plaintiff,	) C.A. No. 16-290-MN
	) JURY TRIAL DEMANDED
v.	)
OMNIVISION TECHNOLOGIES, INC.,	) PUBLIC VERSION
Defendant.	)

## LETTER TO THE HONORABLE MARYELLEN NOREIKA FROM DAVID E. MOORE, ESQUIRE

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## **VIA ELECTRONIC FILING**

The Honorable Maryellen Noreika U.S. District Court for the District of Delaware J. Caleb Boggs Federal Building 844 North King Street Wilmington, DE 19801

**PUBLIC VERSION** 

Re: Godo Kaisha IP Bridge 1 V. OmniVision Technologies, Inc. C.A. No. 16-290-MN (D. Del.)

Dear Judge Noreika:

Defendant OmniVision Technologies, Inc. ("OmniVision") respectfully submits this letter brief in response to Plaintiff Godo Kaisha IP Bridge 1's ("Godo") opening letter (D.I. 129). Godo served 97 RFP's at the tail-end of fact discovery and now seeks to mischaracterize OmniVision's responses by incorporating them without its prefacing objections. Exs. F-G, N-W.<sup>1</sup>

Godo's Demand for Foreign Sales and Profits Should be Denied - First, Godo is not entitled to foreign sales discovery under a direct infringement theory because OmniVision's activities outside the U.S. do not constitute "sales" within the U.S. Under U.S. patent law, no infringement occurs when an accused product is made and sold in another country. Microsoft Corp. v. AT&T Corp., 550 U.S. 437, 441 (2007); Carnegie Mellon Univ. v. Marvell Tech. Grp., Ltd., 807 F.3d 1283, 1306 (Fed. Cir. 2015). A court has previously granted summary judgment of no infringement for foreign sales by OmniVision based on their similarity to sales in Halo under this reasoning. Ziptronix, Inc. v. OmniVision Techs., Inc., No. C 10-05525-SBA, slip op. at 13-14 (N.D. Cal. Mar. 2, 2015) ("Ziptronix Order," Ex. A); Halo Elecs., Inc. v. Pulse Elecs., Inc., 769 F.3d 1371, 1378-81 (Fed. Cir. 2014) (concluding defendant had not sold or offered to sell within the U.S. accused products manufactured, shipped, and delivered abroad). There can be no damages relating to OmniVision image sensors made and sold abroad as these sales fall outside the jurisdiction of U.S. patent law. See generally Ziptronix Order; Carnegie Mellon, 807 F.3d at 1306. Godo also has not provided any evidence that OmniVision's image sensors sold overseas are imported into the U.S. Thus, OmniVision's foreign sales may not be taken into account in any reasonable royalty determination and are not relevant to the case.

**Second**, Godo is not entitled to foreign sales discovery under an indirect infringement theory because it has provided no support for these claims in its pleadings or after over a year of discovery. To establish indirect infringement and entitlement to foreign sales discovery, Godo must first prove that "there is a third-party direct infringement for which [OmniVision] is indirectly responsible" and that OmniVision had the requisite intent and/or knowledge. *Power Integrations, Inc. v. Fairchild Semiconductor Int'l, Inc.*, 711 F.3d 1348, 1371 (Fed. Cir. 2013):



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Kyocera Wireless Corp. v. Int'l Trade Comm'n, 545 F.3d 1340, 1353-54 (Fed. Cir. 2008). But, even with the benefit of extensive discovery, Godo has not been able to identify *any* third-party direct infringement that OmniVision is indirectly responsible for. See, e.g.,

Godo has not identified a single customer OmniVision knows of that incorporates the accused image sensors into products that are subsequently sold in or imported into the U.S., any OmniVision acts that allegedly contribute to or induce third-party infringement in the U.S.

evidence that the accused sensors eventually make their way back into the U.S. Nor can it—OmniVision does not track its customers' subsequent handling of the accused sensors or whether those sensors eventually enter the U.S. This is a fishing expedition that should not be indulged.

Third, Godo's demand for purchase, supply, manufacture, pricing, and rebate agreements should be denied because, as adjudicated in this District, such agreements do not constitute "sales." Collabo Innovations, Inc. v. OmniVision Techs., Inc., C.A. No. 16-197-JFB-SRF, D.I. 214, slip op. at 8, aff'd, D.I. 254 (D. Del. June 4, 2018) (Ex. C) (denying-in-part motion to compel foreign sales discovery, including "documents reflecting 'design wins' from U.S. customers, as well as supply or framework agreements, forecasts, quotations, estimates, general business agreements, and price negotiations" because they "are not equivalent to a sale or offer to sell, and do not result in a binding agreement to buy or sell a product. . . these documents do not contain the essential, binding terms of a buy/sell agreement.") (internal citations omitted); Collabo, D.I. 254, slip op. at 4 (D. Del. Aug. 8, 2018) (Ex. D) (affirming report and recommendation and noting that "the 'design win' does not constitute a sale or an offer to sell."). The agreements are therefore not relevant to the issues in this case.

Fourth, Godo's claims of relevance to commercial success should be dismissed because Godo fails to satisfy the threshold requirement of identifying a nexus between the asserted patents' claimed inventions and OmniVision's foreign sales. See Afros S.P.A. v. Krauss-Maffei Corp., 671 F. Supp. 1402, 1419 (D. Del. 1987) (produced "sales data does not, standing alone, establish commercial success because it lacks the requisite nexus to the claimed invention."); Am. Standard, Inc. v. Pfizer Inc., 722 F. Supp. 86, 140 (D. Del. 1989) ("gross sales figures . . . are insufficient evidence by themselves to show commercial success of the claimed invention without demonstrating that a nexus exists between the sales and the merits of the claimed invention."); FlowRider Surf, Ltd. v. Pac. Surf Designs, Inc., No. 15-cv-1879, 2016 U.S. Dist. LEXIS 153560, at \*11 (S.D. Cal. Nov. 3, 2016).

In sum, the foreign sales discovery that Godo seeks is not "relevant to any party's claim or defense," as required by Rule 26(b)(1). Godo's demand for discovery into OmniVision's foreign activities should be denied. See FlowRider, 2016 U.S. Dist. LEXIS 153560, at \*19-20 (denying motion to compel discovery regarding defendant's foreign sales and offers to sell that result in foreign sales); Finjan, Inc. v. Blue Coat Sys., No. 5:13-cv-03999-BLF, 2014 U.S. Dist. LEXIS 148438, at \*5-6 (N.D. Cal. Oct. 17, 2014) ("To be clear, by precluding discovery on foreign sales, the court is relying on the fact that [defendant] cannot be held liable under United States patent law for extraterritorial activity.") (emphasis added); Calif. Inst. of Tech. v. Broadcom Ltd., No. 2:16-cv-03714, slip op. at 6 (C.D. Cal. Oct. 6, 2017) (Ex. E) (denying motion to compel defendants to produce worldwide revenue for sales of accused chips where defendants manufactured and delivered the accused chips abroad, despite defendants' marketing presentations and activities in the U.S.); Univ. of Florida Research Found., Inc. v. Rapid Mobile Techs., Inc., No. 13-cv-61120, slip op. at 7-8 (S.D. Fla. Dec. 23, 2013) ("For now, discovery of



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Finally, the burdensome nature of Godo's request far exceeds any potential relevance or need. For example, Interrogatory No. seeks 18 categories of information for *every* sale that OmniVision has made since 2008, and RFP Nos. 48-52, served approximately a month before fact discovery closed, seek *all* agreements concerning *any* actual or contemplated purchase, price, supply, rebate, and manufacture of OmniVision's sensors. Ex. V; Ex. H. Godo has known since at least March 2018 that OmniVision would not be providing foreign sales discovery. Ex. H at 7. Godo's choice to wait until now to raise this issue should not be rewarded.

Godo's Demand for Identification of End Customers Should be Denied — OmniVision cannot produce what it does not possess. While some OmniVision customers may subsequently import and sell products incorporating OmniVision's image sensors in the U.S., OmniVision has no specific knowledge or control over any such importations or sales. Nor does OmniVision track its customers' subsequent handling of the accused image sensors or whether those sensors eventually enter the U.S. See, e.g.,

Also,

Godo distorts *Apeldyn Corp. v. AU Optronics Corp.*, which ordered the defendant to produce sales and technical documents for the accused products—not the end customer data that it did not possess. No. 08-568-SLR, 2010 WL 11470585, at\*1 (D. Del. Apr. 12, 2010).

<u>Godo's Demand for "Sales and Support Interactions with Customers" Should be Denied</u> — Godo's discovery requests do not merely seek "sales and support interactions with customers." Rather, Interrogatory No. 12 seeks the identification of six individuals for each of ten subject matter areas, while RFP Nos. 53-70 seek all of Ray Cisneros, John Li, and Vincent Chew's documents and communications concerning the purchase, price, supply, rebate, or manufacture of any accused products over 12 years. These discovery requests, some served less than a month before close of fact discovery, are unduly burdensome and not proportional to the needs of the case. D.I. 128 at 117:5-11 ("To the extent that there are document issues that still exist, . . . I expect you to have met and conferred and to deal with them and to ask something that is reasonable given where we are in this case and the need to move things along."). Given time frame in which to provide its responses, OmniVision has reasonably cited its initial disclosures, which identify several individuals, in response to Interrogatory No. 12. Ex. J, K. Godo has yet to identify the specific "highly relevant" Messrs. Li and Chew documents that it supposedly needs, both in its opening letter and during the parties' meet and confers, despite multiple requests by OmniVision that it so elucidate. Ex.L at 2.

OWT Did Not Assert the Mori Patent Family in its Collabo Invalidity Contentions — OmniVision has repeatedly represented that it did not assert the Mori Patent Family as prior art in the Collabo case, both during the Parties' meet and confers and in its Responses to Godo's First Set of RFAs. Zang Decl. at ¶¶2, 26-27; Exs. L, M. Also, Godo has no evidence of "copying" the asserted patents as there is no mention of any patent in Godo's cited documents, nor evidence of any relationship between the cited publications and any claims of an asserted patent. Godo's motion to compel related to RFP's 13-40 should be denied.

Godo's Requests from the N.D. Cal. Litigation is Overbroad —Godo's RFP's 45-47 sought all documents produced by OmniVision, all depositions and their exhibits, and all documents cited in OmniVision's responsive damages contentions in the N.D. Cal. Action and thus its overbroad demands should be denied. This overbreadth is mirrored in Godo's First Set of RFP's requesting all documents from the Collabo and Ziptronix litigations. OmniVision has requested a narrowed set of requests on the Parties' meet and confer and Godo has refused.



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Respectfully,
/s/ David E. Moore
David E. Moore

DEM:nmt/6015101/43303

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

