

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

PHILIPS NORTH AMERICA LLC,

Plaintiff,

v.

FITBIT, INC.,

Defendant.

Civil Action No. 1:19-cv-11586-IT

**JURY TRIAL DEMANDED**

**RESPONSE TO FITBIT’S MOTION FOR LEAVE TO SUBMIT SUPPLEMENTAL  
AUTHORITY RELATING TO CLAIM CONSTRUCTION (DKT. 128)**

Because of the reversible error in the California claim construction as to the ‘007 patent, Philips North America, LLC (“Philips”) asked the California Court to convert its interlocutory order to a final judgment under Rule 54 thereby permitting the Federal Circuit to review and correct the error. The Federal Circuit has cautioned time and again against modifying the functional language in a means-plus-function elements, especially to narrow broad functional statements, because such modifications improperly force the claim to be broader than the statutory scope of the claim which narrows it to supporting structure; finding it reversible error. (*See* discussion in Philips’ brief at 3-5, C.D. Cal. Dkt. 110, attached as Exhibit 1.)<sup>1</sup> This Court earlier received the California claim construction order noting that “the court understands Defendant to have **proffered the interlocutory opinion for any persuasive value** it may have and not for any preclusive effect.” (*See* Dkt. 105, emphasis added.) The claim construction order has not changed

<sup>1</sup> This court should also have Philips’ brief on the Rule 54(b) motion as it explains the reasons for seeking to convert the interlocutory order into a final judgment for immediate appeal.

since then—it is still interlocutory. That the California court declined to convert the claim construction to a final judgement merely highlights that it can be reviewed as an interlocutory order, and that **this court need not follow the same error** in claim construction found in the California court’s order.

The California court’s Rule 54 analysis focused on whether there was just reason for delaying entry of final judgment as to the ’007 Patent in view of the similarity of the products at issue—concluding there was reason to delay. Judge Birotte’s characterization of the claim construction order in California as “a final judgment that can be certified for a Rule 54(b) appeal” does not change the fact that the Court elected **not to enter** final judgment at this stage leaving the order interlocutory and maintaining jurisdiction with the district court including for any further interlocutory review. To the extent Fitbit intends to suggest that the California court’s determinations as to the ’007 Patent have preclusive effect in this case, Fitbit invites error. The Federal Circuit applies the law of the regional circuit in determining when issue preclusion applies. *See Sovereign Software LLC v. Victoria’s Secret Direct Brand Management, LLC*, 778 F.3d 1311 (Fed. Cir. 2015). In the First Circuit, issue preclusion only applies where “(1) the issue sought to be precluded in the later action is the same as that involved in the earlier action; (2) the issue was actually litigated; (3) the issue was determined by a **valid and binding final judgment**; and (4) the determination of the issue was essential to the judgment.” *See Rodriguez-Garcia v. Miranda-Marin*, 610 F.3d 756, 770 (1<sup>st</sup> Cir. 2010) (quoting *Ramalto Bros. Printing, Inc. v. El Dia, Inc.*, 490 F.3d 86, 90 (1<sup>st</sup> Cir. 2007)).

The California Claim Construction order is not a “binding final judgment” with respect to the ’007 Patent. When assessing the “finality” of a decision for the purposes of applying issue preclusion, the First Circuit has applied the same standard as applied for the purposes of

appealability and claim preclusion purposes—namely—whether the judgment or order resolves all claims is appealable. *See Lopez & Medina Corp. v. March USA, Inc.*, No. 05-1595, 2009 WL 8633205, \*7 (1<sup>st</sup> Cir. Sept. 22, 2009) (citing *AVX Corp. v. Cabot Corp.*, 424 F.3d 28 (1<sup>st</sup> Cir. 2005)). By the virtue of the Rule 54(b) decision, the invalidity determination in the Central District of California is definitively **not final** and does not preclude this court from making its own decision avoiding the reversible error of the California court.

To the extent Fitbit's submission implies that the California court somehow reaffirmed its claim construction ruling on some new grounds, this is also incorrect. Indeed, Philips presented compelling arguments in its briefing on the motion as to why the claim construction order should be overturned on appeal (Ex.1, pp. 3-5), and the Court did not address these at all in its ruling.

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Dated: January 4, 2021

Respectfully Submitted,

/s/ Eley O. Thompson

Lucas I. Silva (BBO 673,935)

Ruben J. Rodrigues (BBO 676,573)

John Custer (BBO 705,258)

FOLEY & LARDNER LLP

111 Huntington Avenue

Suite 2500

Boston, MA 02199-7610

Phone: (617) 342-4000

Fax: (617) 342-4001

[lsilva@foley.com](mailto:lsilva@foley.com)

[rrodrigues@foley.com](mailto:rrodrigues@foley.com)

[jcuster@foley.com](mailto:jcuster@foley.com)

Eley O. Thompson (*pro hac vice*)

FOLEY & LARDNER LLP

321 N. Clark Street

Suite 2800

Chicago, IL 60654-5313

Phone: (312) 832-4359

Fax: (312) 832-4700

[ethompson@foley.com](mailto:ethompson@foley.com)

*Counsel for Plaintiff*

*Philips North America LLC*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the above document was served on January 4, 2021 on counsel for Defendant via electronic mail.

By: /s/ Eley O Thompson  
Eley O. Thompson