Bittman, Scott

From: Lindsay, Jonathan
Sent: Wednesday, June 26, 2013 3:16 PM
To: Wieland III, Charles
Cc: Mukai, Robert; Sanok, Jeffrey D.
Subject: IPR2013-00071 - Discovery

Chad,

We are writing to follow up from the June 20, 2013 Order (Paper 25) concerning discovery. In particular, we expect Network-1 Security Solutions, LLC ("Network-1") will immediately produce at least the following documents:

- All deposition transcripts from the prior district court litigations involving the '930 Patent ("the prior '930 Patent Litigations") of the inventors named in the '930 Patent and/or in Provisional App. No. 60/123,688 and of the prosecuting attorney.

- All expert reports and declarations prepared and served on behalf of Network-1 in the prior '930 Patent Litigations in which a construction, interpretation, meaning, or definition of the phrase "low level current," or any other construed term of claims 6 and 9, that was articulated that was different from the proposed claim construction of that term set forth by Network-1 in its Preliminary Response to the Petition for *Inter Partes* Review or where a position was taken on any of the prior art references that are subject to review in this IPR, and all deposition transcripts relating to such reports and declarations, and all drafts of reports and declarations and all communications with such experts concerning the same.

- All deposition transcripts taken in the prior '930 Patent Litigations of any current or former employees or agents of Network-1, Merlot Communications, or BAXL Technologies in which a construction, interpretation, meaning, or definition of the phrase "low level current" was articulated that was different from the proposed claim construction of that term set forth by Network-1 in its Preliminary Response to the Petition for *Inter Partes* Review.

- All non-public briefs concerning any motions for summary judgment of invalidity or non-infringement filed in the prior '930 Patent Litigations in which in which a construction, interpretation, meaning, or definition of the phrase "low level current" was articulated that was different from the proposed claim construction of that term set forth by Network-1 in its Preliminary Response to the Petition for *Inter Partes* Review.

- All communications between Corey Horowitz and Merlot Communications in connection with Network-1's acquisition of the '930 Patent, concerning any potential issues with the validity of the '930 Patent, any potential meanings of any claim terms, or that refer to claim language of any claim of the '930 Patent (See *Cisco* matter at Docket No. 511, p. 23, lines 12-18).

- All documents and electronically stored information, including any correspondence to or from Network-1, Corey Horowitz, or any of the inventors named in the '930 Patent and/or in Provisional App. No. 60/123,688, concerning the scope of the '930 Patent, where a scope was articulated that was inconsistent with the scope set forth by Network-1 in its Preliminary Response to the Petition for *Inter Partes* Review at pages 4-6.

These document fall under the definition of routine discovery under 37 C.F.R. § 42.51(b)(1). For example, Network-1 has changed its proposed claim construction for the term "low level current," and has thus taken an inconsistent position concerning the proper construction of that term, between the prior *D-Link* and *Cisco* litigations, as well as between the D-Link litigation and this IPR proceeding. Specifically, Network-1 argued in *D-Link* that the proper construction for "low level current" is "a detection current too small to sustain operation of the access device." In contrast, Network-1 then took the position in each of the *Cisco* litigation and in this IPR proceeding that the proper construction for "low level

current" was instead "a current at a level that is sufficiently low that it will not (a) operate the access device, or (b) damage an access device that is not designed to accept power through the data signaling pair." These constructions are, by definition, inconsistent, and the respective arguments advanced in their favor would also be inconsistent. Similarly, Network-1 has taken positions relating to that term that is based on a construction adopted by the E.D.Tex. court which was different from the construction proposed by Network-1 in this proceeding. Thus, each of the documents identified above contain information that is inconsistent with a position that Network-1 has advanced during this proceeding. Network-1 has therefore failed to comply with 37 C.F.R. § 42.51(b)(1)(iii).

Additionally, with respect the above-referenced communications by Corey Horowitz, we specifically understand that there were certain email communications by Mr. Horowitz to Merlot Communication in connection with his purchase of the '930 Patent that were alleged by Cisco to show that Mr. Horowitz believed there were various issues with the validity of the '930 Patent. At least and until those communications are produced, as well as any other evidence showing Mr. Horowitz believed there were issues with the validity of the '930 Patent, Network-1 will have failed to comply with 37 C.F.R. § 42.51(b)(1)(iii).

To the extent that Network-1 disagrees, however, that such documents constitute Routine Discovery under 37 C.F.R. § 42.51(b)(1)(iii), then we request that Network-1 agrees to produce each such documents as Additional Discovery pursuant to 37 C.F.R. § 42.51(b)(2)(i).

Please let us know whether you are available for a meet and confer on June 28th to discuss whether you will agree to produce each of these documents and, if not, the basis for Network-1's position so that we can determine if relief should be sought from the Board.

Separately, please confirm that Network-1 has complied with its discovery obligations by serving all other "relevant information that is inconsistent with a position advanced by [Network-1] during the proceeding concurrent with the filing of the documents or things that contains the inconsistency." 37 C.F.R. § 42.51(b)(1)(iii).

Regards,

Jonathan

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