Bittman, Scott

From: Lindsay, Jonathan
Sent: Thursday, September 12, 2013 4:45 PM
To: Wieland III, Charles; Mukai, Robert
Cc: AV1-PRPS
Subject: IPR2013-00071 - Network-1's Discovery Obligations

Chad,

In view of Network-1's Response and Motion to Amend, we are writing to follow up on our June 26, 2013 email regarding Network-1's discovery obligations in this Proceeding. As you know, Network-1 is required to produce all "relevant information that is inconsistent with a position advanced by the party during the proceeding concurrent with the filing of the documents or things that contains the inconsistency." 37 CFR § 42.51(b)(1)(iii).

I. Network-1 Undoubtedly Has Relevant Information that is Inconsistent with Positions it has Advanced, and it Has Refused to Produce Such Information

The only documents that Network-1 has produced to date consist of (i) public pleadings from prior litigations and (ii) one email that was an exhibit in the *Cisco* litigation (which we specifically requested after identifying it as being relevant from the trial transcript). Yet, Network-1, its attorneys, Mr. Horowitz, and Dr. Knox, have all been involved in a series of litigations involving the '930 patent, and it is inconceivable that there are no other documents that are "inconsistent with a position" advanced by Network-1 in this Proceeding. Indeed, based on the public record, it appears that Dr. Knox served as both a non-infringement and invalidity expert in the *Cisco* litigation. As you know, we do not have access to any of Dr. Knox's expert reports from the *Cisco* litigation, and you have not produced any. Nor have you produced any expert reports of the other defendants, which presumably would rebut and/or be inconsistent with Dr. Knox's opinions. We note that the IPR Rules do not limit the production of inconsistent positions to those taken by or authored by Network-1.

Similarly, Network-1 asserts that Secondary Considerations support the non-obviousness of the challenged claims. (See Response, at 53-58). Yet, Network-1 has only identified pieces of evidence that it alleges supports its position. Avaya believes that, especially since invalidity under 35 U.S.C. § 103 was an issue in the prior litigations, there should be documents and information that are inconsistent with Network-1's position. For example, in addition to the expert reports noted above, the prior litigations likely have involved evidence cited in those reports, discovery, and briefing on the issue.

II. It Would Not be Unduly Burdensome for Network-1 to Identify and Produce Documents that Avaya Seeks

We also disagree with Network-1's previously-stated position that it has no obligation to search documents from the prior cases because of the large volume of documents that exist and that it is incumbent upon Avaya to specifically identify potentially inconsistent documents. That burden shifting is inconsistent with the Rules and, frankly, an impossibility given that Avaya has no way of knowing what documents that Network-1 has in its possession, custody, or control. Moreover, these documents were all generated during the course of litigation and the Dovel & Luner firm – the same firm that is counsel of record in this Proceeding – was counsel of record in the prior litigations. Thus, we find that Network-1's position lacks credibility.

III. Network-1 Cannot Refuse to Produce Based on Confidentiality Grounds

Furthermore, Mr. Luner has previously taken the position that a protective order from the prior case would likely prohibit the production of relevant documents in this Proceeding. Again, however, consistent with Network-1's "duty of disclosure" to the PTO, and the rules of this Proceedings, it is Network-1's responsibility to obtain relief from any such

prior protective order. Paragraph 21 of the Protective Order from the *Cisco* litigation specifically authorizes Network-1 to seek such relief:

> 21. This Protective Order shall not prevent the parties from applying to the Court for relief therefrom or modification thereto, or from applying to the Court for further or additional relief by way of protective orders or otherwise, or from agreeing between themselves to modifications of this Protective Order.

(Doc. 107, p. 18). Simply put, it is improper for Network-1 to refuse to produce based on confidentiality grounds. Network-1 withholding material information during this Proceeding could constitute inequitable conduct that renders the '930 patent unenforceable in the underlying district court litigation. If Network-1 has confidentiality concerns in this Proceeding, the IPR rules allow Network-1 to seek an appropriate Protective Order to protect any such information.

Please provide a written response to this email by no later than September 17, 2013 that: (1) indicates when Network-1 will produce additional documents, along with an explanation as to why the documents have not previously been produced, (2) confirms that Network-1, its attorneys, Dr. Knox, Mr. Horowitz, and the inventors, have produced all documents in their possession, custody, or control that include any information "that is inconsistent with a position advanced by [Network-1]" in this Proceeding, (3) confirms that Network-1 is searching documents produced, generated, and advocated by other parties (including the defendants in the prior litigations) and (4) explains the steps taken to locate inconsistent documents.

Regards,

Jonathan

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