1	UNITED STATES OF AMERICA UNITED STATES DISTRICT COURT
2	CENTRAL DISTRICT OF CALIFORNIA WESTERN DIVISION
3	WESTERN DIVISION
4	HONORABLE MARIANA R. PFAELZER, SENIOR UNITED STATES DISTRICT JUDGE PRESIDING
5	SENIOR UNITED STATES DISTRICT SUDGE PRESIDING
6	THE CALIFORNIA INSTITUTE OF )
7	TECHNOLOGY, ) CERTIFIED COPY
8	PLAINTIFF, ) CV 13-07245 MRP
9	VS. )
10	HUGHES COMMUNICATIONS, ) INC., et al., )
11	DEFENDANTS.
12	)
13	
14	
15	REPORTER'S TRANSCRIPT OF PROCEEDINGS
16	MONDAY, APRIL 7, 2014 P.M. SESSION
17	LOS ANGELES, CALIFORNIA
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21	SHERI S. KLEEGER, CSR 10340
22	FEDERAL OFFICIAL COURT REPORTER 312 NORTH SPRING STREET, ROOM 402
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LOS ANGELES, CALIFORNIA; MONDAY, APRIL 7, 2014
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                            P.M. SESSION
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                 THE CLERK: Calling item No. 1, The
6
7
    California Institute of Technology versus Hughes
8
    Communications, Inc., et al.
                Counsel, please state your appearances.
9
10
                MR. ASPERGER: Good afternoon, Your Honor.
11
                 Jim Asperger, of Quinn Emanuel, appearing on
    behalf of Cal Tech.
12
13
                And, Your Honor, with me is Mark Tung, who
14
    is on this case from our Silicon Valley office. He is
15
    in the process of submitting an application to be
    admitted, so isn't formerly admitted or on the case
16
17
    yet, but will be.
                THE COURT: That's fine.
18
19
                MR. ASPERGER: He is the person who is
20
    intimately familiar with the technology.
2.1
                THE COURT: All right. That's good.
22
                MR. MARCUS: Good afternoon, Your Honor.
23
                 David Marcus from the Wilmer Hale firm on
24
    behalf of defendants.
2.5
                With me at counsel table is Matt Hawkinson
```



1 from my firm. 2 Also here is Kim Jessett from our client. 3 THE COURT: All right. Now, let me start by saying to you, my mind's open about what we're going to 4 5 So this a really important discussion we're having, and you can say whatever you want about how you want to 6 7 proceed. 8 The only thing is that I do have -- you already know this. I do have this procedure in mind 9 10 where you don't get -- and this has happened many times before, where you don't get damages up front. 11 12 discovery we will put off. And whatever else you want 13 to say about how you want to proceed is all right with 14 me. We'll just discuss it. Now, maybe I should start with you, 15 16 Mr. Tung, or you Mr. Asperger, one of the other of you. 17 Let me, if one or the other who is going to 18 answer the questions come up there. 19 MR. ASPERGER: Your Honor, I'll go ahead and 20 start. And then if you have any questions about the 2.1 patents or technical questions, Mr. Tung will --22 That's fine. THE COURT: 23 I do want to know about the technology. 24 That's what I would like to know, to begin with.



2.5

Then why don't I let Mr. Tung

MR. ASPERGER:

1 give you an explanation. 2 THE COURT: Let's do that. 3 Now, this not for wan of trial, Mr. Tung. This is just not at my papering. I just don't -- I 4 5 mean, I appreciate the significance of it. But I don't know -- I'm not sure what I'm looking at. So if you 6 7 would tell me, I'd be glad. 8 Certainly, Your Honor. MR. TUNG: So if I understand what you want me to 9 10 address, it's the context of the technology and what --11 certainly not its applications, but within the context 12 in which the issues fall. 13 So these patents all belong to a single 14 family. And they address a method of encoding, a method 15 and apparatus for encoding signals. So in a communication --16 17 THE COURT: That I do know. 18 MR. TUNG: Okay, great. 19 So in communication systems the objective is 20 to get information from one place to another, and information is often coded in the form of bits of ones 2.1 22 and zeroes. And so as part of that process, there is an 23 encoding process that in this case these patents deal 24 with building redundancy into your signal. 2.5 So one of the challenges of a communication



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