



August 6, 2015

VIA E-FILE

The Honorable Richard G. Andrews
United States District Judge
J. Caleb Boggs Federal Building
844 N. King Street
Unit 9, Room 6325
Wilmington, DE 19801-3555

FILED UNDER SEAL—ATTORNEYS' EYES ONLY

Re: Delaware Display Group, LLC, et al. v. LG Electronics, Inc., et al.,
C.A. No. 13-cv-2109-RGA

Dear Judge Andrews:

For over six months, the LG Defendants ("LG") ignored their obligations to produce documents in this case. LG's production of core technical documents on October 22, 2014, was deficient, and they produced no documents between that time and July 22, 2015, even though Plaintiffs' Requests for Production were served on December 12, 2014. Despite multiple conferences, LG waited until the August 10 hearing was imminent to finally begin its production of documents. But Plaintiffs have reviewed these belated productions, and they fail to cure the numerous deficiencies in LG's production of essential information. Furthermore, LG has not sufficiently answered Plaintiffs' interrogatories. These disputes are unquestionably ripe. Plaintiffs request that, at the August 10 conference, the Court compel LG to produce the following categories of documents and provide complete interrogatory answers, as follows.

LG's Failure to Produce Technical Documents

- Core technical documents for each Accused Product
- Specifications for BLUs and BLU components within the Accused Products
- Documents showing testing of LCMs, BLUs, and BLU components

LG failed to produce core technical documents for each of the Accused Products and has produced only *de minimis* technical documents in response to Plaintiffs' document requests. LG admits that it possesses additional highly-relevant core technical documents, yet LG continues to withhold them, claiming that alleged third-party confidentiality issues remain months after the documents were due. **REDACTED**

On September 22, 2014, Plaintiffs served on LG their Initial Identification of Asserted Patents and Accused Products ("Initial Identification"). The Accused Products include liquid crystal display ("LCD") products such as televisions, monitors, mobile phones, and tablets, and the infringing features are found within the liquid crystal module ("LCM") and the backlighting unit ("BLU") in those display products.

Paragraph 2(b) of the Scheduling Order required LG to produce core technical documents by October 22, 2014. But LG failed to produce documents that showed "the structure and operation" of the infringing features of the Accused Products. For example, LG did not produce specifications for the BLUs within the Accused Products. Instead, LG purported to require

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Plaintiffs to travel to LG's counsel's offices in D.C. or Houston to inspect computer-aided design (CAD) files, and demanded that the CAD files be treated as "source code" with higher levels of protection than what is provided by the protective order. With the upcoming hearing imminent, on August 3rd LG provided the CAD files for inspection at a third-party site in Dallas. Plaintiffs have inspected those files and confirmed that they are not sufficient to show the structure and operation of the infringing features (nor do the CAD files warrant any higher level of confidentiality than other confidential documents under the protective order). Though the CAD files are inadequate as core technical documents, the manner in which LG has produced them interferes with Plaintiffs' ability to use these files. To the extent that LG continues to refuse to allow Plaintiffs to have usable electronic versions of the CAD files, Plaintiffs reserve their right to raise this issue with the Court.

Despite LG's deficient production, Plaintiffs served on November 21, 2014, Initial Claim Charts with as much detail as possible based upon the limited documents that LG produced.

On December 12, 2014, Plaintiffs served their First Set of Requests for Production on LG. See **Exhibit A**. Request Nos. 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24, and 27 call for highly-relevant technical documents that demonstrate the design, structure, operation, and functionality of the infringing features of the Accused Products. For example, Request Nos. 16, 17 and 18 ask for technical specifications for each BLU, light guide, and sheet/film within each Accused Product. Further, Request No. 19 asks for documents showing testing of the LCMs and BLUs within the Accused Products, which LG has also failed and refused to produce.

On March 30, 2015, Plaintiffs served their Supplemental Identification of Asserted Patents and Accused Products ("Supplemental Identification"), which identified additional LCMs that are made and sold by LG. Of the over 1200 additional LCMs identified, LG has produced only about 25 additional product specifications, and those specifications are of the same insufficient detail as LG's original core technical document production.

Further, on July 29, 2015, LG admitted that it has technical documents concerning the BLUs and BLU components, yet is continuing to withhold them, allegedly because it lacks "permission" to produce them. And LG maintains that it cannot obtain other technical documents concerning BLUs and BLU components that are allegedly maintained by its suppliers. While LG has yet to produce all of its supplier agreements, it is highly likely that LG has the ability to request key technical documents from its suppliers. Thus, Plaintiffs respectfully ask the Court to order LG to obtain and produce all documents concerning the design, structure, operation, and functionality of the BLUs within the Accused Products.

Plaintiffs recently learned that LG is obstructing similar discovery in the related case against Lenovo. Lenovo's counsel represented that they requested technical documents from LG "over a year ago" but have yet to receive any documents. As of this writing, LG has still not provided core technical documents for each Accused Product. LG's failures, refusals, and delays violate the Court's Scheduling Order and the Local Rules, and Plaintiffs respectfully request that the Court order LG to produce immediately core technical documents for each and every Accused Product, and that LG furnish similar technical documents to Lenovo for production.

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LG's Failure to Produce Financial and Other Documents, and License Agreements

- Financial information on accused LCMs—sales, profits, costs
- Documents demonstrating the relative value of components in Accused Products
- Business plans, forecasts, projected sales, projected profits, budgets
- License agreements
- Supplier agreements
- Identification of customers

Additionally, LG has only produced limited financial information. LG has produced *no financial information* about the accused LCMs at all, including sales, profits, and costs. (Request Nos. 9, 28, and 29). LG produced no business plans, forecasts, projected sales, projected profits, or budgets for the Accused Products (Request No. 31). And LG failed to produce documents demonstrating the relative value of each component within the Accused Products. (Request No. 30). Further, LG has not produced all relevant license agreements (Request Nos. 26 or 31), including, for example, LG's licenses with IP Innovation LLC and Technology Licensing Corporation, Tatung Co., ViewSonic Corp., Positive Technologies Inc., O2Micro International Ltd. and O2 Micro, Inc., Vizio, Inc., Funai Electric Co., Samsung Display Co., Ltd. and Samsung Electronics Co., Ltd., Osram Opto Semiconductors, Sony Corp., and AtratechJapan Corp. Notably, the AtratechJapan agreement involves U.S. Patent No. 7,090,387, which has claims written to "backlight illumination unit[s]" (or BLUs). Given that LG has had more than six months to gather these publicly disclosed agreements and secure whatever consents may be needed to produce them, there is no reason that these license agreements should not have already been produced. LG has failed to produce all supplier agreements, as covered by Request Nos. 26 or 31. These agreements pertain not only to Plaintiffs' development of their damages case, but also to confirm LG's right to obtain documents and information for its suppliers.

LG has not produced any documents that identify customers of the Accused Products, or documents that are exchanged with customers relating to the infringing features of the Accused Products (other than publicly-available manuals or specifications). At least Request Nos. 25, 28, 33, and 34 require production of these categories of documents.

Plaintiffs outlined these issues in considerable detail in an April 3, 2015, letter. The parties met and conferred on July 16, and LG promised a production that would address Plaintiffs' complaints regarding outstanding discovery (aside from the CAD files). But LG failed to resolve the majority of the deficiencies. Plaintiffs respectfully ask the Court to order LG to comply now, and not wait until the deadline for substantial completion of document production.

LG's Deficient Interrogatory Responses

LG has also insufficiently answered several of Plaintiffs' interrogatories. In addition to Plaintiffs' April 3, 2015, letter, Plaintiffs outlined the deficient interrogatory answers in a July 21, 2015, letter. **REDACTED**

REDACTED These responses are improper, and LG should provide full narrative responses.

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Respectfully submitted,

/s/ Brian E. Farnan

Brian E. Farnan

cc: Counsel of Record (via E-Mail)