

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPROVAL BOARD

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APPLE, INCORPORATED, :

 Petitioner, :

v. : CASE No's. IPR2016-00754

PERSONALIZED MEDIA : And IPR2016-00755

COMMUNICATIONS, LLC, :

 Patent owner. :

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Videotaped Deposition of THOMAS J. SCOTT, JR.

Washington, D.C.

Friday, February 17, 2017

9:09 a.m.

Reported by: Cassandra E. Ellis, RPR

Job No.: 18148

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1 Deposition of THOMAS J. SCOTT, JR., held at
 2 the offices of Kirkland & Ellis LLP, 655 15th Street
 3 Northwest, Suite 1200, Washington, D.C. 20005,
 4 pursuant to agreement, before Cassandra E. Ellis,
 5 Certified Court Reporter - WA, Certified Shorthand
 6 Reporter - HI, Registered Professional Reporter,
 7 Certified Livenote Reporter, Realtime Systems
 8 Administrator and Notary Public of The District of
 9 Columbia.
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1 **A P P E A R A N C E S**
 2
 3 ON BEHALF OF PETITIONER APPLE:
 4 JOEL R. MERKIN, ESQUIRE
 5 KIRKLAND & ELLIS LLP
 6 601 Lexington Avenue
 7 New York, New York 10022
 8 (212) 446-4663
 9 joel.merkin@kirkland.com
 10
 11
 12 ON BEHALF OF PATENT OWNER PMC:
 13 DOUGLAS J. KLINE, ESQUIRE
 14 GOODWIN PROCTER LLP
 15 901 New York Avenue, Northwest
 16 Washington, D.C. 20001
 17 (202) 346-4059
 18 Dkline@goodwinlaw.com
 19
 20
 21 ALSO PRESENT: Joseph E. Ellis, CLVS
 22

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1 **C O N T E N T S**
 2 EXAMINATION OF THOMAS J. SCOTT, JR. PAGE
 3 By Mr. Merkin 6
 4
 5
 6
 7 **E X H I B I T S**
 8 (Attached to the Transcript)
 9 THOMAS J. SCOTT, JR. Deposition Exhibit PAGE
 10 Previously Marked
 11 Exhibit 2020 Thomas J. Scott, Jr. Declaration 13
 12 In IPR2016-00754
 13 Exhibit 2024 Thomas J. Scott, Jr. Declaration 13
 14 In IPR2016-00755
 15
 16
 17
 18
 19
 20
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 22

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1 **P R O C E E D I N G S**
 2 **THE VIDEOGRAPHER:** Good
 3 morning. This is the beginning of
 4 disc number one in the deposition
 5 of Thomas Scott, taken in the
 6 matter of Apple, Incorporated,
 7 versus Personalized Media
 8 Communications, LLC, with Case
 9 Numbers IPR2016-00754 and
 10 IPR2016-00755, held in the United
 11 States Patent and Trademark Office
 12 before the Patent Trial and Appeal
 13 Board.
 14 Today's date is February
 15 17th, 2017, and the time on the
 16 monitor is 9:09 a.m. My name is
 17 Joseph Ellis, the certified legal
 18 video specialist, the court
 19 reporter is Cassandra Ellis, and
 20 we are here with Transperfect
 21 Legal Solutions.
 22 If counsel would please

1 identify themselves, and whom they
 2 represent, after which the court
 3 reporter will swear in the witness
 4 and you may proceed.
 5 MR. MERKIN: Joel Merkin, of
 6 Kirkland and Ellis, on behalf of
 7 petitioner, Apple.
 8 MR. KLINE: Doug Kline, of
 9 Goodwin, on behalf of patent
 10 owner, PMC, and the witness.
 11 THOMAS J. SCOTT, JR.
 12 having been sworn, testified as follows:
 13 EXAMINATION
 14 BY MR. MERKIN:
 15 Q Mr. Scott, good morning.
 16 A Good morning.
 17 Q Can you please state your full
 18 name for the record?
 19 A Thomas J. Scott, Junior.
 20 Q Thank you for joining us today.
 21 I understand that you've been deposed
 22 several times, previously; is that

1 correct?
 2 A Yes.
 3 Q You submitted a declaration
 4 regarding secondary considerations in
 5 IPR2016-754 and 755; correct?
 6 A That is correct.
 7 Q It's the same declaration in
 8 both of those IPR proceedings; is that
 9 correct?
 10 A Yes.
 11 Q You are the general counsel of
 12 PMC; correct?
 13 A That is correct.
 14 Q You've been the general counsel
 15 of PMC since April 2014; correct?
 16 A That's correct.
 17 Q When did you join PMC?
 18 A April 1, 2014.
 19 Q So you didn't hold any other
 20 positions at PMC prior to general
 21 counsel; correct?
 22 A I've never been an employee

1 before, no.
 2 Q Prior to joining PMC you were
 3 an attorney at Goodwin Procter, a law
 4 firm; correct?
 5 A Yes.
 6 Q How long were you an attorney
 7 at Goodwin Procter, approximately?
 8 A I joined Goodwin Procter in
 9 April -- well, April 23rd, 2007, and I
 10 left on March 31, 2014.
 11 Q As an attorney of Goodwin
 12 Procter you represented PMC?
 13 A Yes.
 14 Q When did you start representing
 15 PMC?
 16 A Sometime prior to September
 17 11th, 1987, and after August 31st, 1985.
 18 Q Have you separately represented
 19 Mr. John Harvey?
 20 A Yes.
 21 Q When did you start representing
 22 Mr. Harvey?

1 A In 1979, while I was employed
 2 at the law firm, in New York, of Cooper
 3 Dunham Clark Griffin and Moran, I
 4 represented Mr. Harvey in his personal
 5 capacity.
 6 Q Were those for matters outside
 7 the scope of PMC?
 8 A Well, PMC didn't exist, at the
 9 time.
 10 Q Outside the scope of PMC or
 11 PMC's predecessor companies?
 12 A Well, neither of them existed,
 13 at that time. It was Mr. Harvey in a
 14 personal capacity.
 15 Q Generally speaking, what types
 16 of matters did you represent Mr. Harvey
 17 on?
 18 A Oh, I mean, I actually
 19 testified to this before, but I'll just
 20 roughly repeat, Mr. Harvey was, in 1979 a
 21 officer in the Hambros Bank, and as I
 22 say, my prior testimony is, which was

1 closer in time is probably -- is the best
2 source of what that was, of what
3 happened.

4 He -- he was going to leave
5 Hambros Bank to take a position with a
6 startup that was going to manufacture
7 a patented product. And he asked me
8 to review the patent, and answer
9 certain questions he had about it,
10 which I did.

11 And then, when he was going
12 to take the position, the owner of the
13 company decided that he did not wish
14 to hire Mr. Harvey and so he -- he
15 didn't take that position. He left
16 Hambros and, thereafter, he had a
17 number of different proposals that he
18 was making to media companies, and I
19 helped him with some of those.

20 Q With regard to your
21 representation of PMC, prior to being
22 general counsel of PMC, did you represent

1 from PMC?

2 A No.

3 Q Do you receive compensation
4 from PMC, aside from a salary?

5 A No.

6 Q Do you have any shares in PMC?

7 A No.

8 Q Any units of ownership in any
9 PMC entities?

10 A No.

11 Q Do you receive any compensation
12 from PMC, aside from your annual salary?

13 A No, not monetary, anyway. It's
14 a great place to work.

15 Q Aside from monetary
16 compensation, is there other forms --

17 A No. I mean, I just -- just the
18 enjoyment of working with the Harveys,
19 who are wonderful people.

20 Q I'm going to hand you a pair of
21 declarations, these are what I will
22 represent to you as identical

1 PMC with regard to patent prosecution
2 matters?

3 A Yes.

4 Q Did you represent PMC outside
5 of patent prosecution matters?

6 A Well, I represented them in a
7 number of different circumstances,
8 contracts and license agreements that
9 they entered into, I advised them with
10 respect to that and, you know, certain
11 proceedings that they brought in the --
12 in the International Trade Commission and
13 district court I advised them with
14 respect to that.

15 Q As the current general counsel
16 of PMC you're an employee of the company;
17 correct?

18 A Absolutely, yes.

19 Q PMC currently pays you an
20 annual salary; is that correct?

21 A Yes.

22 Q Do you receive an annual bonus

1 declarations from the two IPR proceedings
2 we're discussing today, aside from the
3 footer, which identifies the IPR
4 proceeding.

5 MR. KLINE: Do you have --
6 thank you.

7 (Previously marked Exhibit
8 No's. 2020 and 2024 were
9 identified for the record.)

10 BY MR. MERKIN:

11 Q So the first declaration I've
12 handed you is PMC Exhibit 2020, in Apple
13 v. PMC, IPR2016-754, the second
14 declaration I've handed you is Exhibit
15 2024, in Apple v. PMC, IPR2016-755. Do
16 you have each of these declarations in
17 front of you?

18 A Yes.

19 Q And these are the declarations
20 that you've submitted in these two IPR
21 proceedings regarding secondary
22 considerations; correct?

1 A Yes, as best I can tell, from a
2 brief review.

3 Q These are the identical
4 declarations that we discussed at the
5 beginning of your deposition --
6 deposition that you submitted in these
7 IPRs; correct?

8 A Well, the ones I submitted were
9 identical, yes.

10 Q For purposes of today's
11 deposition I do want to walk through your
12 declaration. And so are you okay with
13 walking through the PMC Exhibit 2020 from
14 IPR2016-754?

15 A Well, I'll answer any questions
16 you have about either one of them.

17 Q And it's your understanding,
18 correct, that the paragraph numbers in
19 each declaration are the same?

20 A Well, yes, that's what I said,
21 they -- the ones that I submitted were
22 identical.

1 Q Is someone who is not a
2 registered patent attorney, in your view,
3 not as qualified to be able to opine on
4 secondary considerations?

5 A Well, as a general matter, I
6 mean, obviously, people, very different
7 skills and understanding of -- of
8 concepts, and there are many people who
9 are not registered patent attorneys who
10 are very proficient in that subject, but
11 as a general matter, I would say a person
12 who has a deep experience in all aspects
13 of patent practice is better qualified.

14 Q If I can turn your attention to
15 paragraph four of your declaration,
16 starting on page two?

17 A Yes.

18 Q You state that PMC's patent
19 portfolio comprises 97 US patents;
20 correct?

21 A Yes.

22 Q Does PMC have any foreign

1 Q Thank you. If you could please
2 turn to paragraph three on page two of
3 your declaration?

4 A Yes.

5 Q You started that paragraph by
6 stating "as a registered patent
7 attorney"; is that correct?

8 A Yes.

9 Q Do you believe you need to be a
10 registered patent attorney to provide a
11 declaration regarding secondary
12 considerations?

13 A Well, I believe it helps. I
14 mean, obviously many of the jurists who
15 deal with the matter are not, but I
16 believe that a person who has experience
17 in all the areas of patent law practice
18 and deals with obviousness from many
19 different aspects has a better
20 understanding of what indicia demonstrate
21 the non-obviousness of invention, yes, I
22 do.

1 patents?

2 A Well, yes, it -- it has foreign
3 patents. But they're all expired or
4 unenforceable.

5 Q Of the 97 US patents you refer
6 to in paragraph four, are any of those
7 patents expired?

8 A Oh, yes, mm-hmm.

9 Q How many of --

10 A Seven.

11 Q So for the record, 7 of the 97
12 PMC patents --

13 A Right.

14 Q -- are expired; correct?

15 A That's correct. I mean, I --
16 the -- the first one, '490, and then the
17 one issued in 1999, '243, just expired
18 recently.

19 Q Of the 97 PMC patents you
20 reference in paragraph four have any been
21 acquired by PMC?

22 A Well, yes, they -- Mr. Harvey

5 (Pages 14 to 17)

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