IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS TEXARKANA DIVISION

MAXELL, LTD.,

Plaintiff

Civil Action NO. 5:19-cv-00036-RWS

v.

JURY TRIAL DEMANDED

APPLE INC.,

Defendant.

APPLE INC.'S REPLY IN SUPPORT OF ITS MOTION TO COMPEL INFRINGEMENT CONTENTIONS COMPLIANT WITH PATENT RULE 3-1(G) OR, IN THE ALTERNATIVE, TO PRECLUDE MAXELL'S RELIANCE ON <u>SOURCE CODE FOR INFRINGEMENT</u>

In opposition to Apple's motion to compel compliance with Rule 3-1(g), Maxell

submitted its entire Supplemental Infringement Contentions (SIC), arguing that "[e]ven a cursory review will establish how detailed and thorough they are." D.I. 145 at 7 n.5. No doubt Maxell hopes to sway the Court with the sheer length of its SIC. But the SIC's volume reflects neither thoroughness nor specificity. Even a cursory inspection reveals thousands of pages of source code file and folder names, indiscriminately copied and pasted across multiple claim elements, all without any specific citations or further explanation. Nothing in these pages describes with specificity how the source code of any accused product infringes any claim element.

For example, in its Motion, Apple identified the "mixing or culling" steps of U.S. Patent No. 8,339,493 and the "processor" steps of U.S. Patent No. 10,084,991. Maxell does not dispute that it invoked Rule 3-1(g) for the claims of both patents. *See* D.I. 145 at 2. Maxell's 1,080-page SIC for the '493 patent claims is found in Appendix 3. More than **580 pages** comprise substantially overlapping lists of source code folders and file names:

Claim element 1.b: pp. 72-117 (46 pages)	Claim element 5.e: pp. 539-585 (47 pages)
Claim element 1.d: pp. 135-181 (47 pages)	Claim element 6.b: pp. 629-687 (59 pages)
Claim element 1.f: pp. 200-245 (46 pages)	Claim element 10.b: pp. 759-804 (46 pages)
Claim element 4.b: pp. 292-350 (59 pages)	Claim element 10.d: pp. 822-868 (47 pages)
Claim element 5.b: pp. 422-467 (46 pages)	Claim element 10.e: pp. 880-925 (46 pages)
Claim element 5.d: pp. 487-532 (46 pages)	Claim element 10.f: pp. 933-978 (46 pages)

These bulk listings fail to identify "location of the [claimed elements] in the source code." *Michael S Sutton Ltd. v. Nokia Corp.*, No. 6:07-CV-203, 2009 WL 9051240, at *2 (E.D. Tex. Feb. 13, 2009). Nor does the rest of Appendix 3 provide any explanation as to how any actual source code allegedly infringes Maxell's claims. Claim element 1(d) begins with several pages of conjecture about how Apple's software operates based on "information and belief"—

allegations copied from Maxell's original contentions. Appendix 3 at 128-134. But with all of

Find authenticated court documents without watermarks at <u>docketalarm.com</u>.

the source code having been made available to Maxell months ago, Maxell cannot continue to rely on "information and belief" and was required to supplement its contentions to identify the specific algorithms that it alleges to perform the claimed steps, *e.g.*, "mixing or culling signal charges . . . to provide pixel lines only at pixel intervals of K1 pixels." *See* Apple's Mot, D.I. 123 at 3-4. The failure to do so leaves Maxell free to allege that undisclosed combinations of algorithms from a 47-page list of source code files "mix" or "cull" to arrive at undisclosed N and K1 values¹—precisely the type of "litigation by ambush" prohibited by Rule 3-1(g).

The 1,102-page SIC for the '991 patent in Appendix 6 fares no better. Claim elements 1.f, 1.g, 1.h, 8.f, 8.i, 8.j, and 8.k each contain more than 70 pages of source code file names and folders totaling **507 pages**. *See* Appendix 6 at 154-226, 232-303, 307-378, 638-710, 769-841, 847-918, 922-993. For claim element 1.f, Maxell provides pages of screenshots allegedly showing that the "processor pauses the displaying of the first digital information and renders the camera operative." Appendix 6 at 138-154. But without identifying what algorithm(s) "pauses the displaying . . . and renders the camera operative," Maxell's expert would be permitted to use any combination of code from different file folders to allege performance of the claim steps.²

Having relied on Rule 3-1(g) to demand source code from Apple, Maxell cannot now decide to ignore that rule for its own tactical advantage. *Zix Corp. v. Echoworx Corp.*, No. 2:15-CV-1272-JRG, 2016 WL 3410367, at *1 (E.D. Tex. May 13, 2016). P.R. 3-1(g) requires Maxell to disclose how the source code allegedly infringes the claims—Maxell cannot circumvent this requirement by generating thousands of pages of repeated file and folder name listings.

¹ Maxell cites a table of exemplary values in its opposition, but tries to reserve the right to rely on "similar numbers" or completely "different values of K1." Appendix 3 at 134-35. ² Maxell's misleading claim that it cited only a small portion of the produced code fails to count the source code folders cited in full. D.I. 145-1. A single folder can contain up to 27,000 files. Apple's Mot, D.I. 123 at 2.

Dated: December 4, 2019

DOCKE⁻

ALARM

/s/ Luann L. Simmons

Luann L. Simmons (*Pro Hac Vice*) lsimmons@omm.com **O'MELVENY & MYERS LLP** Two Embarcadero Center 28th Floor San Francisco, CA 94111 Telephone: 415-984-8700 Facsimile: 415-984-8701

Xin-Yi Zhou (*Pro Hac Vice*) vzhou@omm.com Anthony G. Beasley (TX #24093882) tbeasley@omm.com **O'MELVENY & MYERS LLP** 400 S. Hope Street Los Angeles, CA 90071 Telephone: 213-430-6000 Facsimile: 213-430-6407

Laura Bayne Gore (*Pro Hac Vice*) lbayne@omm.com **O'MELVENY & MYERS LLP** Times Square Tower, 7 Times Square New York, NY 10036 Telephone: 212-326-2000 Facsimile: 212-326-2061

Melissa R. Smith (TX #24001351) melissa@gilliamsmithlaw.com **GILLIAM & SMITH, LLP** 303 South Washington Avenue Marshall, Texas 75670 Telephone: (903) 934-8450 Facsimile: (903) 934-9257

Attorneys for Defendant Apple Inc.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on December 4, 2019.

/s/ Melissa R. Smith Melissa R. Smith