

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

MAXELL, LTD.,

Plaintiff

v.

APPLE INC.,

Defendant.

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

JURY TRIAL DEMANDED



**APPLE INC.'S MOTION TO COMPEL
LICENSING AND NEGOTIATION DOCUMENTS**

TABLE OF AUTHORITIES

	Page
I. INTRODUCTION	1
II. MATERIAL FACTS	1
III. LEGAL STANDARD.....	4
IV. ARGUMENT	5
V. CONCLUSION.....	7

I. INTRODUCTION

Plaintiff Maxell, Ltd. (“Maxell”) is trying to monetize patents in the United States without providing full discovery on their encumbrances, claiming that highly relevant licenses and communications are locked away in Japan with the asserted patents’ previous owner. Maxell offers specious explanations in claiming that it has no practical ability to get such documents, even though the entity that possesses them—Hitachi Ltd.—completely owned Maxell until very recently, *still partially owns*, and recently loaned a key employee to work for Maxell “on assignment.” Maxell claims that it was given only certain files along with the patents assigned to it by Hitachi and that, as a passive recipient of such files, it has no authority to demand anything else—no matter how utterly deficient the transfer was. The result is that Maxell gets the best of both worlds: it can both accuse Apple of infringement and then claim ignorance when it is revealed that many of the very accused components are actually licensed.

The prejudice to Apple is manifest. Apple should not be forced to engage in international and third-party discovery to determine the full extent to which the patents asserted by Maxell have already been licensed to Apple’s suppliers by Hitachi. Maxell should be compelled to fully utilize its obvious practical ability to engage with Hitachi—with which it has a significant and continuing relationship—and provide full discovery.

II. MATERIAL FACTS

Patent and Entity Ownership History: The Plaintiff—Maxell—is the latest assignee of the asserted patents themselves and/or the parent applications from which they stem (the “asserted patents”). All ten asserted patents originated with Hitachi, Ltd. (“Hitachi”). *See* D.I. 111 (Am. Compl.) at ¶ 4. In 2009, Hitachi assigned the asserted patents to its wholly owned

subsidiary, Hitachi Consumer Electronics Co., Ltd. (“HCE”).¹ Am. Compl. at ¶ 4. In 2013, HCE assigned them to Hitachi Maxell, Ltd. (“Hitachi Maxell”). *Id.* Hitachi wholly owned Hitachi Maxell until 2017, when Hitachi sold most of its shares but retained a 15% stake.² Later in 2017, Hitachi Maxell assigned the asserted patents to Maxell due to a reorganization/name change. Am. Compl. at ¶ 4. Around the same time, Hitachi reduced its stake in Hitachi Maxell (later renamed Maxell Holdings, Ltd.), to about 3%, where it currently stands.³

Licensing and Potential Sale of Asserted Patents: While Hitachi owned the asserted patents, it actively licensed them. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Maxell lists Mr. Matsuo as a witness with knowledge about “licensing

¹ See “Hitachi Announces Corporate Split and New Company Establishment Plan for Consumer Business Group,” (https://www.hitachi.com/New/cnews/f_090526a.pdf) (last visited on December 3, 2019).

² See “Notification of Change in Capital Relationship between Hitachi and Hitachi Maxell,” (http://www.hitachi.com/New/cnews/month/2017/03/f_170321a.pdf) (last visited on December 3, 2019) (noting an intention to “keep [a] collaborative relationship”).

³ See “Hitachi drawing down Maxell stake,” (<https://asia.nikkei.com/Business/Markets/Stocks/Hitachi-drawing-down-Maxell-stake>) (last visited on December 3, 2019); Maxell Holdings, Ltd. Integrated Report 2019, (https://www2.maxell.co.jp/ir/pdf/MHD_IR19_E_interactive.pdf) at 66 (last visited on December 3, 2019).

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.