

EXHIBIT A

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

MAXELL, LTD.

§

V.

§

No. 5:19CV36-RWS

§

SEALED

§

APPLE INC.

§

ORDER ON MOTION TO COMPEL

The following motion has been referred to the undersigned United States Magistrate Judge for decision in accordance with 28 U.S.C. § 636:

Maxell, Ltd.’s Opposed Motion to Compel (Docket Entry # 197).

The Court, having carefully considered the relevant briefing, is of the opinion the motion should be **GRANTED IN PART and DENIED IN PART**. Apple’s request for costs and fees is denied.

I. BACKGROUND

Plaintiff Maxell, Ltd. (“Maxell”) filed its complaint for patent infringement against Apple Inc. (“Apple”) on March 15, 2019. The First Amended Complaint for Patent Infringement (“FAC”) alleges Apple infringes ten patents related to mobile device technology under theories of direct infringement, induced infringement, willful infringement, and contributory infringement. Docket Entry # 111. Maxell alleges that various aspects of Apple’s iPhone, iPad and Mac products infringe the asserted patents, including: cameras; navigation capabilities; authentication systems; telecommunications techniques; video streaming; “do not disturb” functionality; power management technologies; and smartwatch integration. *See* Docket Entry # 171 at p. 1.

The FAC alleges that since at least June 2013, Apple has been aware of Maxell’s patents and has had “numerous meetings and interactions regarding its infringement of these patents.” Docket

Entry # 111, ¶ 5. According to the FAC, these meetings included Apple’s representatives being provided with detailed information regarding Maxell’s patents, the developed technology, and “Apple’s ongoing use of the patented technology.” *Id.* The FAC alleges Maxell believed the parties “could reach a mutually beneficial solution and to that end considered a potential business transaction and continued to answer multiple inquiries from Apple over the course of several years, including communicating with Apple as recently as late 2018.” *Id.* Maxell alleges Apple elected not to enter into an agreement and did not license Maxell’s patents; rather, Apples continued, and continues today, to make, use, sell, and offer for sale Maxell’s patented technology without license. *Id.* For each patent, the FAC further states “Apple will thus have known and intended (since receiving such notice) that its continued actions would actively induce and contribute to actual infringement” of certain claims of each patent. *See, e.g., id.*, ¶¶ 30, 44, 59, 72, 89, 102, 115, 132, 145, 160.

On March 16, 2020, District Judge Schroeder entered an order extending the deadline to complete all fact depositions to April 21, 2020 and the deadline for initial expert reports to April 28, 2020. Docket Entry # 232. The dispositive motions deadline is currently June 30, 2020, and jury selection and trial are scheduled October 26, 2020. *Id.*

II. MAXELL’S MOTION TO COMPEL

Maxell filed its opposed motion to compel on February 14, 2020, requesting the Court order Apple to 1) produce all relevant technical documents related to the accused features and functionalities of the accused products, 2) produce all non-source code documents made available on the source code computers, 3) provide a fulsome response to Maxell Interrogatory No. 9, 4) produce the eleven additional license agreements requested by Maxell, 5) produce all relevant buyer

surveys, owner surveys, and owner studies, and 6) produce the prior litigation documents requested by Maxell.

Pursuant to the parties' agreement, Apple filed an expedited "preliminary response" on February 20, 2020. Docket Entry # 199. District Judge Schroeder referred the motion to the undersigned on February 26, 2020. Two days later, Apple filed its response to Maxell's motion to compel, combining its preliminary response and the "present supplement in a single document." Docket Entry # 205 at n. 1.

Maxell filed its opposed motion for sanctions on March 5, 2020, wherein it requests the Court preclude Apple from using the discovery it failed to timely produce, including discovery produced after January 31, 2020; deem certain accused products/components and source code to be representative of all versions of that product as detailed in the chart contained in the motion; and assess monetary sanctions. Docket Entry # 210 at p. 1. According to Maxell, in the final stages of discovery, it is "having to work through documents and source code that *continue* to be produced instead of preparing for depositions and expert reports."¹ *Id.* (emphasis in original).

Noting it is not clear from the motion for sanctions which documents addressed in Maxell's motion to compel are still at issue, in its March 19, 2020 Order Denying Hearing on Motion to Compel and Reserving Ruling on Motion for Sanctions to Later Date, the Court ordered Maxell to file a reply to Apple's response to Maxell's motion to compel, clearly setting forth the documents still at issue. Docket Entry # 236 at pp. 2, 5. On March 26, 2020, Maxell filed its reply as ordered.

¹ Both parties have informed the Court they believe a hearing would be helpful to the resolution of the motion for sanctions. Maxell requests the Court hold a telephonic hearing. Given the seriousness of the relief requested in the motion for sanctions, Apple requests that motion be heard by the Court in person. The Court has previously indicated its agreement with Apple that, to the extent warranted after a review of all of the relevant briefing, an in-person hearing could be scheduled later in the case without impacting the overall case schedule and without any prejudice to Maxell. *See* Docket Entry # 236 at p. 5. As this time, the Court intends to schedule an in-person hearing when safe to do so.

Docket Entry # 244. Apple filed a surreply on March 31, 2020. Docket Entry # 258.

According to Maxell's April 6, 2020 "Report Regarding Maxell Ltd.'s Motion to Compel" ("supplemental report"), which the Court received as it was preparing to enter this order, Maxell and Apple held an additional meet and confer on April 2 to discuss the status of each issue raised in Maxell's motion and were able to resolve some of the issues raised therein. Docket Entry # 266. Apple filed its "Responsive Report" on April 7, 2020, addressing the status of certain issues which Apple asserts Maxell "mischaracterized" in its report. Docket Entry # 268. On April 8, Maxell filed a supplement to its supplemental report. Docket Entry # 270.

III. APPLICABLE LEGAL STANDARDS GOVERNING DISCOVERY

"The goal of discovery is to maximize relevant, nonprivileged matter while avoiding excess, non-relevant or privileged information." *Drake v. Capital One, National Association*, No. 4:16-CV-00497, 2017 WL 1319560, at *1 (E.D. Tex. April 10, 2017). Federal Rule of Civil Procedure 26(b) provides that the permissible scope of discovery includes "any nonprivileged matter that is relevant to any party's claim or defense and proportional to the needs of the case, considering the importance of the issues at stake in the action, the amount in controversy, the parties' relative access to relevant information, the parties' resources, the importance of the discovery in resolving the issues, and whether the burden or expense of the proposed discovery outweighs its likely benefit. Information within this scope of discovery need not be admissible in evidence to be discoverable." *Matter of AET, Inc., Ltd.*, No. 1:10-CV-51, 2018 WL 4201264, at *2 (E.D. Tex. June 8, 2018) (quoting FED. R. CIV. P. 26(b)(1)).

The Court's Discovery Order for Patent Cases requires the parties, without waiting discovery requests, "produce or permit the inspection of all documents, electronically stored information, and

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.