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

MAXELL, LTD., Plaintiff, v. APPLE INC., Defendant.	Case No. 5:19-cv-0036-RWS **JURY TRIAL DEMANDED** [redacted]

APPLE'S OPPOSITION TO MAXELL'S MOTION FOR LEAVE TO FILE A SUR-REPLY IN FURTHER OPPOSITION TO APPLE'S RENEWED MOTION TO COMPEL INFRINGEMENT CONTENTIONS COMPLIANT WITH PATENT RULE 3-1(G)

Maxell's strategy with source code in this case—from the beginning—has been plain and simple: use the "software limitation" allowance of P.R. 3-1(g) to obfuscate (at best) or hide (at worst) Maxell's infringement contentions. Infringement contentions are the guiding light in patent cases like this one. They cabin the scope of discovery. *See Connectel, LLC v. Cisco Sys., Inc.*, 391 F. Supp. 2d 526, 527-28 (E.D. Tex. 2005). They inform the scope of a defendant's invalidity contentions. *Id.*; P.R. 3-3(a). They cabin the scope of infringement expert reports. *Biscotti Inc. v. Microsoft Corp.*, No. 2:13-CV-01015-JRG-RSP, 2017 WL 2267283, at *3 (E.D. Tex. May 24, 2017). And like they inform the scope of invalidity contentions, they inform the scope of invalidity expert reports. *See Upsher-Smith Labs. v. Pamlab, LLC*, 412 F.3d 1319, 1322 (Fed. Cir. 2005). P.R. 3-1(g) allowed Maxell to delay giving infringement contentions for "software limitations" and though Apple has been fighting for such contentions now for months, it still has not received them. This is despite two Apple motions to compel, one swiftly-rejected Maxell motion for an extension of time, eight briefs (D.I. 123, 145, 154, 207, 214, 284, 299, 306), one hearing, and two court orders (D.I. 204, 223).

The Court's previous substantive order on Maxell's failure to comply with P.R. 3-1(g) (D.I. 204) was a very simple (and correct) one: Maxell's first attempt to comply with P.R. 3-1(g) widely missed the mark, and Maxell must correct this failure to give Apple fair notice of the source code on which it intended to rely to show infringement. The Court was explicit in how Maxell needed to comply. But Maxell could not muster compliance. As such, the prejudice to Apple's ability to understand Maxell's infringement contentions continues with opening expert reports due Thursday absent any extension of the schedule.[1]

Now Maxell seeks to continue its campaign of shirking compliance with P.R. 3-1(g), and the Court's prior order on this issue, by requesting a sur-reply. Indeed, with no new substantive arguments because Apple's reply raised none, Maxell scrapes the bottom of the barrel to waste pages lobbing baseless, *ad hominem* attacks against Apple and its counsel. None of what Maxell's motion for leave presents is good cause for a sur-reply.

First, Apple did not raise any new arguments in Reply, and "the impact of the infringement contentions on Apple's invalidity expert reports[,]" D.I. 312 at 2, is not one. According to Apple's opening brief: "Requiring Apple's experts to formulate their invalidity opinions . . . without the full picture of Maxell's infringement contentions . . . would defeat the purpose of the Local Patent Rules: . . . ." D.I. 284 at 6. That Maxell only waved its hands in its opposition, D.I. 299 at 6 ("Apple's motion has no bearing on invalidity."), does not warrant a "do-over."

Second, no further explanations from Maxell about the "textual descriptions in [Maxell's] infringement contentions" and Apple's engineers' understanding of code citations are warranted.

[1] The parties agreed to expedite briefing on this issue, and the Court graciously accepted that agreement. D.I. 287. Maxell claims that its sur-reply will not endanger this schedule, but its new and inflammatory arguments necessitate a response from Apple, which it has tried its best to do on the Court's original schedule on this issue.

D.I. 312 at 2. Maxell had a full opportunity to (and did) make such arguments and present evidence to the Court in its Opposition. Apple's Reply does not cite any new portions of Maxell's infringement contentions or testimony. Replying to Maxell's Opposition does not, as appears to be Maxell's position, warrant a sur-reply. And it certainly does not justify Maxell's entirely new citations to its Complaint and the *Markman* transcript as purported evidence for its compliance with P.R. 3-1(g) (D.I. 313 at 2); these are arguments it could have made in its Opposition.

Third, the relief Apple seeks (standing alone) does not create good cause. D.I. 312 at 2. Apple fully presented that request in its Renewed Motion, D.I. 284 at 5-7, and Maxell fully responded, D.I. 299 at 6-7. Apple presents no new (or different) request for relief in Reply.

Finally, Maxell's *ad hominem* attacks on Apple's May 1 proposal for source code review also provide no good cause. Subsequent to Chief Judge Gilstrap's April 20 order regarding source code review in view of COVID-19, Standing Order Regarding Pretrial Procedures in Civil Cases Assigned to Chief District Judge Rodney Gilstrap During the Present Covid-19 Pandemic, at ¶ 20, Apple investigated the feasibility of allowing third-parties [redacted]—Apple's crown jewel intellectual property, its source code, and the protections such unprecedented access would require. Apple offered this extraordinary solution to Maxell *as soon as possible*. But Maxell's argument is just mudslinging: Apple's motion concerns disclosures Maxell made *on March 13* for source code produced before February 12; that Maxell may not have had normal access to review Apple source code *after March 16* has no bearing on the question of whether Maxell's March 13 SSIC complied with P.R. 3-1(g) and the Court's order.

At bottom, the Court's Standing Order permits Apple's Opening Motion and Maxell's Opposition. D.I. 287. And the Court specifically allowed Apple to file a Reply, in lieu of a hearing,

so that Apple—as the moving party—could respond to Maxell's Opposition. Apple did not understand the Court's order as an invitation for yet more briefing from Maxell (or Apple) or for Maxell to ambush Apple with new arguments to jam Apple in view of the agreed schedule.

Accordingly, Apple respectfully requests that the Court deny Maxell's motion for leave to file a sur-reply. But if the Court is inclined to accept Maxell's sur-reply, Apple respectfully requests leave to file a response of the same length, attached hereto as Exhibit 1.

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/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
O'MELVENY & MYERS LLP
400 S. Hope Street
Los Angeles, CA 90071
Telephone: 213-430-6000
Facsimile: 213-430-6407

Marc J. Pensabene (*Pro Hac Vice*)
mpensabene@omm.com
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.

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