

**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-00036-RWS

JURY TRIAL DEMANDED

**MAXELL, LTD.'S REPLY IN SUPPORT OF ITS MOTION TO STRIKE
PORTIONS OF DEFENDANT APPLE INC.'S OPENING EXPERT REPORTS
BASED ON UNDISCLOSED OR UNELECTED INVALIDITY THEORIES**

Maxell is not making up rules that contradict this Court's precedent. In *this case*, the parties mutually agreed to the Court's Focusing Order for the purpose of "streamlin[ing] the issues in this case to promote a 'just, speedy, and inexpensive determination' of this action." Apple's argument that it "provided adequate notice" for its invalidity theories is contrary to this stated intent and belied by the facts. Apple's Final Election, in view of its contentions, identified the specific invalidity theories it would rely on for each limitation, intentionally including particular combinations of references for certain limitations and excluding them for others. Now, Apple asks the Court to disregard these theories and the specific notice that was provided and permit Apple to change its invalidity theories and rely on combinations of references that Apple intentionally did not disclose for certain limitations. Apple should not be permitted to engage in such a misleading practice in stark contrast to the intent of the Court's Focusing Order.¹

As to the motivations to combine, it is Apple (not Maxell) that cherry-picks examples in an attempt to show the current opinions were rooted in the contentions. But this sleight of hand is insufficient to satisfy P.R. 3-3(b)'s requirement to disclose the motivation to combine *each* particular combination of prior art. And although Apple states that it is not offering opinions that exceed the scope of its Final Election, its experts rely on charts and other evidence to the contrary. Apple's improper expert opinions must be stricken, and Maxell should be awarded its attorneys' fees and costs for the prejudice it has suffered in addressing the untimely theories.

I. New Opinions on Lack of Enablement/Written Description

The Bims Rpt. Apple argues that "Dr. Bims does not offer an opinion that any claims are invalid due to lack of written description or enablement" because he "merely states that Maxell's interpretation of the claims in its infringement contentions cannot be correct because it is not

¹ *Tech Pharmacy Services, LLC v. Alixa Rx LLC*, 2017 WL 3283325, at *4 (E.D. Tex. Aug. 2, 2017) (adherence to the Rules prevents "loopholes through which parties may practice litigation by ambush").

supported by a written description in the specification and it is not enabled.” Opp. at 2. Whether characterized as an invalidity or claim construction argument, the time to make either has passed. Apple admits the opinion is provided in response to Maxell’s infringement contentions, positions known to Apple prior to serving its invalidity contentions and the claim construction process. Yet, Apple did not raise it until expert reports—impermissible per P.R. 3-3(d). *See PerdiemCo v. Industrack LLC*, Case No. 2:15-cv-00727, D.I. 256 at 5 (E.D. Tex. Oct. 24, 2016) (declining to strike opinions offered by defendant’s rebuttal non-infringement expert because the expert simply adopted the opinions of defendant’s invalidity expert which had been properly disclosed).

The Menascé ’438/’586 Rpt. Apple’s assertion that individual claim elements lack written description does not support its new theory regarding the flow (*i.e.*, order) of the claim elements lacking written description. Opp. at 3. The individual steps and the overall flow are separate considerations. Apple did not mention flow in its contentions. In fact, Apple did not even challenge every step within the flow as lacking written description. Ex. 8 at 127-128. Accordingly, Apple’s identification of a select number of claimed conditions as lacking written description did not provide sufficient notice that it was challenging all claimed conditions (disclosed or not), taken together, as lacking written description.

II. New Motivations to Combine

Apple’s alleged identification of support for its challenged motivations to combine is misleading. In moving to strike, Maxell compared the motivations provided for certain combinations by the expert to the motivations provided for those same combinations in Apple’s contentions. For example, Maxell identified “Application of TDMA system to CDMA device” as a new motivation to combine Nakayama with **Mucke** in Dr. Bims’s Rpt. The quote from its contentions that Apple identified in response (“the known work of Nakayama in the field of TDMA transmission power control...” Opp. at 4), however, was a motivation disclosed with

respect to the combination of Nakayama with **Waldroup**, a different prior art reference. Ex. 20 at 11. Apple cannot mix and match motivations and combinations. Patent Rule 3-3(b) requires the disclosure for **each** obviousness combination: “If a combination of items of prior art makes a claim obvious, **each such combination**, and the motivation to combine **such items**, must be identified.” *Id.* (emphasis added). And for many of the motivations, Apple merely points to generic, boilerplate “motivations” that are not specific to any particular obviousness combination. Opp. at 4-6. This does not comply with P.R. 3-3(b) for the same reason.

Apple also claims that several of the challenged motivations are “merely expanding” upon motivations previously identified. But this is not true; Apple is adding entirely new motivations. *See* Mot. at 5-6. And it is these new motivations that Maxell seeks to strike. Thus, contrary to Apple’s assertion, Maxell seeks only to enforce P.R. 3-3(b).²

III. New Invalidity Theories

Menascé re ’438 Patent. By adding “i.e., an attachment” in brackets, Apple attempts to retroactively add support for its new “attachment” theory where no support existed in its original contentions. Opp. at 8. Apple did not characterize Yamazaki’s “second screen” as “an attachment,” and the original citations pointed to a different embodiment. Further, Apple’s supposed support for its “‘dialog’ format” argument supports instead a competitive game theory Maxell is not seeking to strike. *Id.* at 9; Mot. at 7.

Bederson re ’306 Patent. A boilerplate statement in Apple’s contentions that “each prior art reference disclosed...may be combined with (1) information known to” a POSITA is not sufficient to support Apple’s current assertion that claim 15 is invalid as obvious over Borland in combination with the knowledge of a POSITA. Ex. 8 at 89. As explained by Maxell, the

² Apple further asserts that “Maxell...never identified any deficiencies in Apple’s invalidity contentions.” Opp. at 8. It is unclear how Apple believes Maxell should have identified missing motivations to combine in Apple’s invalidity contentions. Maxell had no notice that Apple would rely on such motivations until it received the expert reports.

supporting chart only set forth obviousness theories based on Borland in view of other prior art, not on Borland in combination with the knowledge of a POSITA. Mot. at 8.

Menascé (Schiffer + Kirkup), Bederson (Asmussen + Allen), Menascé (Flynn + Nonogaki), Bims (Mucke + Nakayama / Waldroup + Mucke), Paradiso (Cyberguide + Hayashida). Apple provided claim charts for obviousness combinations. In these charts, Apple specifically identified the prior art/combinations that it was relying upon for each claim limitation (*e.g.*, in its chart combining Schiffer with Kirkup for the '586 Patent (Ex. 11), for claim 1(c), Apple identified Schiffer in view of de la Hueriga, and Kirkup, but for claim 1(d), Apple identified Schiffer only). Further, Apple bargained for Maxell cutting down its claims to 20 in exchange for specifically identifying the combinations it would rely on at trial. Now, Apple asserts that it can rely on combinations that were not specifically disclosed (*e.g.*, Schiffer in view of Kirkup for claim 1(d)) so long as the art was generally charted. Apple should not be permitted to engage in such a misleading practice. Where it identified in its contentions, on a limitation-by-limitation basis, the combinations it intended to rely upon, it should not now be permitted to rely on combinations it previously chose not to disclose. Apple explicitly took positions, put Maxell on notice of these specific combinations, and Maxell reasonably relied on them. After leading Maxell away from particular theories, Apple cannot now inject them back into the case. Apple should not be permitted to rely on obviousness combinations for any claim limitations not disclosed in its invalidity contentions.³ This would be like permitting Maxell to change its election of claims such that Maxell can now elect an independent claim where it had previously elected only a dependent claim because the elected claim is a combination of the two claims.

³ See *Freeny v. Fossil Grp., Inc.*, No. 2:18-cv-00049, 2019 WL 8688586, at *2 (E.D. Tex. July 25, 2019) (striking expert's reliance when a claim chart was provided but Kurple was not listed as an obviousness combination); *Cywee Grp. Ltd. v. Samsung Elecs. Co.*, No. 2:17-CV-140-WCB, 2018 WL 4100760, at *2 (E.D. Tex., July 2, 2018) ("Local Patent Rule 3-3(b)...calls for disclosure of combinations, not just references, and thus does not expect the patentee to consider every possible combination of the references disclosed.").

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