

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

**MAXELL, LTD.,**

**Plaintiff,**

**vs.**

**APPLE INC.,**

**Defendant.**

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



**JURY TRIAL DEMANDED**

**DEFENDANT APPLE INC.'S REPLY IN SUPPORT OF  
ITS MOTION FOR PARTIAL SUMMARY JUDGMENT  
LIMITING MAXELL'S CLAIM FOR DAMAGES FOR  
THE '999, '498, '493, AND '317 PATENTS UNDER 35 U.S.C. § 287(A)  
AND  
FOR NO ENHANCED DAMAGES UNDER 35 U.S.C. § 284**

Maxell has not identified a single dispute of material fact to counter Apple’s showing that it is entitled to summary judgment on Maxell’s claimed damages notice date under § 287(a), or its claim for enhanced damages under § 284. Maxell nevertheless asks the Court to forego making these decisions before trial by improperly passing to Apple the burden of proving actual notice, and contradicting Federal Circuit precedent by predicating an enhanced damages decision on a jury finding of willful infringement. Maxell’s arguments are meritless.

**I. MAXELL CANNOT MEET ITS BURDEN OF PROVING THAT IT GAVE APPLE ACTUAL NOTICE AS § 287(A) REQUIRES**

**A. Maxell Presented No Record Evidence Of Any “Specific Charge Of Infringement” By A “Specific Accused Product” In [REDACTED]**

To survive summary judgment, Maxell needed to show that its [REDACTED] had an “affirmative communication of a specific charge of infringement by a specific accused product or device.” *Amsted Indus. Inc. v. Buckeye Steel Castings Co.*, 24 F.3d 178, 187 (Fed. Cir. 1994).

It didn’t. What Maxell did present— [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]—confirms that Maxell never provided a *specific* communication of *infringement* in June 2013. That Apple could [REDACTED]

[REDACTED] matters none; neither this sentence nor the letter ever suggests that any Apple product is *infringing* any Maxell patent, and that is what the law requires. *Amstead*, 24 F.3d at 187.

[REDACTED]

[REDACTED]

[REDACTED] D.I. 368-04 (Ex. C) at APL-MAXELL\_00712197-198, does not help Maxell. “[M]ere ‘notice of the patent’s existence or ownership’ is not ‘notice of the infringement,’” and is insufficient to satisfy § 287. *Gart v. Logitech, Inc.*, 254 F.3d 1334, 1345 (Fed. Cir. 2001).

Like the letters found insufficient for actual notice in *Amsted* and *Massachusetts Inst. of Tech. v. Abacus Software, Inc.*, the “message being conveyed” by [REDACTED] was at most “an offer to license the technology, not that the patentee believes that the recipient is currently using the technology and infringing.” No. 5:01-CV-344, 2004 WL 5268125, at \*3 (E.D. Tex. Sept. 29, 2004). Maxell’s attack on the standard applied in *Amstead* and *MIT* mischaracterizes Federal Circuit precedent. In *Gart*, the court did not suggest that merely mentioning licensing was a specific charge of infringement. Instead, it found that the letter’s combination of alleging a specific product practiced specific claims with urging the defendant to investigate whether a license was “needed” made clear that the proposed license was “to insulate a licensee from infringement charges.” 254 F.3d at 1346. Similarly, *SRI Int’l, Inc. v. Advanced Tech. Labs., Inc.*, 127 F.3d 1462 (Fed. Cir. 1997), found that a letter offering a license for a patent and identifying “the activity that is believed to be an infringement” of that patent could be found to be a “proposal to abate the infringement.” *Id.* at 1470. And *Ralston Purina Co. v. Far-Mar-Co, Inc.*, 772 F.2d 1570 (Fed. Cir. 1985) addressed what type of notice triggers an affirmative duty of due care under the now-inapplicable *Underwater Devices* standard for willful infringement, *id.* at 1577, not whether the notice was sufficient to start damages under § 287(a).

Absent a specific infringement charge against a “specific accused product,” Maxell resorts to arguing that [REDACTED] [REDACTED] D.I. 420 at 6. But a simple review of the letter shows that is incorrect, [REDACTED] [REDACTED] D.I. 368-04 (Ex. C) at APL-MAXELL\_00712194. This distinguishes the [REDACTED] from the letters in the cases Maxell cites. In *Funai Elec. Co., Ltd. v. Daewoo Elecs. Corp.*, 616 F.3d 1357 (Fed. Cir. 2010), identifying two specific models of accused products was sufficient. *Id.* at 1373. In

*Philippi-Hagenbuch, Inc. v. W. Tech. Servs. Int'l, Inc.*, No. 12-1099, 2015 WL 5725248 (C.D. Ill. Sept. 30, 2015), asserting that the defendant was “offering for sale water tanks that may incorporate features similar to those found in [patentee’s] water tanks” was sufficient. *Id.* at \*2. In *Optis Wireless Tech., LLC v. Huawei Techs. Co.*, No. 2:17-cv-00123-JRG-RSP, 2018 WL 3375192 (E.D. Tex. July 11, 2018), accusing specific technologies of infringing and enclosing a spreadsheet correlating plaintiff’s purported standard essential patents to applicable standards was sufficient. *Id.* at \*6. The [REDACTED] has none of this specificity.

Finally, comparing the [REDACTED] to the [REDACTED] [REDACTED] shows that counsel understood how to provide actual notice and confirms that the [REDACTED] was insufficient. Unlike the [REDACTED], the [REDACTED] contained a specific charge of infringement—“[REDACTED] [REDACTED]”—[REDACTED]. D.I. 368-07 (Ex. F) at MAXELL\_APPLE0108194.

**B. Maxell Has Not Met Its Burden of Proving It Is Entitled to Earlier Dates**

*Apple* never needed to “establish” that other meetings between Maxell and Apple “are inadequate to support actual notice for the subject patents.” D.I. 420 at 10. Maxell, not Apple, “bears the burden of proving compliance” with Section 287’s notice requirements. *Nike, Inc. v. Wal-Mart Stores, Inc.*, 138 F.3d 1437, 1446 (Fed. Cir. 1998). And Maxell identified no evidence that it is entitled to damages before the dates Apple concedes. Maxell’s bare references to [REDACTED] [REDACTED] (D.I. 420 at 10) are devoid of even a suggestion that [REDACTED]. Speculating there may have been such a charge is not *evidence* that can stave off summary judgment in Apple’s favor. *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986).

## **II. MAXELL IS NOT ENTITLED TO ENHANCED DAMAGES UNDER § 284**

### **A. The Issue is Ripe for the Court’s Decision**

Maxell has no credible argument against the Court deciding this issue now. It “agrees there is no requirement that a jury must consider willfulness before the district court may exercise its discretion to enhance damages.” D.I. 420 at 11. And it accedes to *Exergen Corp. v. Kaz USA, Inc.*, where the Federal Circuit affirmed the district court’s denial of enhanced damages without any consideration of willful infringement by the jury. 725 F. App’x 959, 971–72 (Fed. Cir. 2018). Even if willfulness and enhanced damages are “*separate*” inquiries, D.I. 420 at 11, when the undisputed facts show no egregious misconduct that is required for enhanced damages, a jury willfulness finding is simply irrelevant. D.I. 368 at 11.

Maxell is dead wrong as a matter of law that “the Court can award enhanced damages based on a jury finding of willful infringement.” D.I. 420 at 11. Enhanced damages require “egregious behavior”; basic willfulness is not enough. *Eko Brands, LLC v. Adrian Rivera Maynez Enters., Inc.*, 946 F.3d 1367, 1378 (Fed. Cir. 2020). *WesternGeco L.L.C. v. ION Geophysical Corp.*, 837 F.3d 1358 (Fed. Cir. 2016), did not hold to the contrary, but rather set forth the parameters of the jury’s willfulness consideration. *Id.* at 1362. *Eko Brands* precludes Maxell’s attempt to interpret *WesternGeco* as extending to the § 284 decision.

### **B. There is No Dispute of Material Fact to Preclude Summary Judgment in Favor of Apple**

Maxell devotes the remainder of its opposition to factors that may be considered by the Court in deciding whether to enhance damages under *Read Corp. v. Portec, Inc.*, 970 F.2d 816 (Fed. Cir. 1992). This is a concession that the enhancement question is ripe. Although analyzing the *Read* factors is not required when deciding enhanced damages, *Presidio Components, Inc. v. Am. Tech. Ceramics Corp.*, 875 F.3d 1369, 1382 (Fed. Cir. 2017), Maxell’s discussion of the

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