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

MAXELL, LTD.,

Plaintiff,

Case No. 5:19-cv-00036-RWS

JURY TRIAL DEMANDED

APPLE INC.,

Defendant.

MAXELL, LTD.'S OPPOSED MOTION FOR LEAVE TO SUPPLEMENT INFRINGEMENT CONTENTIONS TO ADD NEWLY RELEASED PRODUCTS

Within the past month, Apple Inc. ("Apple") has commercially released new products that Maxell believes operate in substantially the same way for purposes of infringement as prior models of the iPhone, Apple Watch, and iPad that are already included in Plaintiff Maxell, Ltd.'s ("Maxell") Infringement Contentions. Maxell seeks leave to supplement its infringement contentions to add the newly released products, for which good cause exists. Apple opposes this request, but Apple's opposition has nothing to do with the merits of Maxell's request. Instead, Apple's opposition is part of its ongoing attempt to delay the case and obstruct Maxell's ability to hold Apple accountable for years of willful infringement.

Setting aside Apple's gamesmanship, good cause exists to grant Maxell leave to supplement its infringement contentions to add the newly released products.

I. Relevant Facts

Pursuant to the Docket Control Order (D.I. 46), Maxell served its P.R. 3-1 and 3-2 Disclosure of Asserted Claims and Infringement Contentions on June 12, 2019. More than three months later, Apple released the following new products: iPhone 11, iPhone 11 Pro, iPhone 11 Pro Max, Apple Watch Series 5, and iPad 10.2 (collectively, "Newly Released Products").



Apple made the new iPhone 11, iPhone 11 Pro, iPhone 11 Pro Max, and Apple Watch Series 5 available in stores and for delivery on September 20, 2019. *See* Exhibit A (Apple press release regarding iPhone and Apple Watch). Apple made the new iPad 10.2 available in stores and for delivery on September 30, 2019. *See* Exhibit B (Apple press release regarding iPad).

Upon announcement of the Newly Released Products, Maxell reviewed publicly available materials and determined that the Newly Released Products likely operate in substantially the same way for purposes of infringement as prior models of the devices previously charted by Maxell. Based on its determination, Maxell reached out to Apple within days of the new iPhone and Watch release and informed Apple that Maxell intends to move the Court for leave to supplement its infringement contentions to add the Newly Released Products. Exhibit C (September 23, 2019 Letter Maxell to Apple). In order to provide Maxell sufficient time to evaluate the Newly Released Products themselves, Maxell stated that it would provide Apple with the supplementation on or before October 31, 2019. During a teleconference held on October 4, 2019, Apple indicated that it would oppose Maxell's motion for leave.

II. Argument

A. Good cause exists to add the Newly Released Products to Maxell's Infringement Contentions.

There is good cause for permitting Maxell leave to amend its infringement contentions. Courts consider four factors in determining whether good cause exists for supplementing infringement contentions: (1) the explanation for the party's failure to meet the deadline; (2) the importance of the matter that would be excluded; (3) the potential prejudice to the opposing party; and (4) the availability of a continuance to cure any prejudice. *S&W Enters., LLC v. SouthTrust Bank of Alabama, NA*, 315 F.3d 533, 536 (5th Cir. 2003); *see also Motion Games, LLC v. Nintendo Co.*, No. 6:12-cv-00878, 2015 WL 1774448, at *2 (E.D. Tex. Apr. 16, 2015).



Maxell could not have included the Newly Released Products in its originally served infringement contentions. The iPhone 11, iPhone 11 Pro, iPhone 11 Pro Max, Apple Watch Series 5, and iPad 10.2 were not yet released (or even announced) when Maxell's infringement contentions were due on June 12, 2019. *See* Exhibits A, B. Once such products were announced, Maxell diligently reviewed the technical specifications regarding the products that were made publicly available and ordered the new products for evaluation. Even before the release of the iPad 10.2, Maxell informed Apple of its intent to supplement its infringement contentions, and offered to provide such supplement within a month of the release of the new iPad.

The importance of adding the Newly Released Products to the case is self-evident. The new products infringe the asserted patents in the same way that the previously charted products infringe the asserted patents. If Maxell is not permitted to add the products to the case, Maxell will have no choice but to file a second case on the same asserted patents and infringement theories in order to ensure that Apple is not profiting from infringement of Maxell's products through the introduction of new products. It is in the interest of judicial and party economy to enable the parties to fully resolve their dispute with respect to the asserted patents in a single action.

Furthermore, given Maxell's determination that the newly released products operate in substantially the same way for purposes of infringement as previously charted models, Maxell does not expect that its supplement will substantially alter Maxell's infringement theories as set forth in its initial contentions. Given the foregoing, granting Maxell's motion for leave would not prejudice Apple. Because Apple will suffer no prejudice, there is no need to cure the prejudice. Were such a need justified, there is ample time in the case to cure such prejudice, as claim construction briefing has yet to begin. Therefore, Apple has sufficient time to address any issues raised by the supplemental claim charts, particularly in view of the fact that Maxell's infringement theories are not expected to change.



B. Apple's Opposition is Meritless and Obstructionist.

When asked for the basis of its opposition, Apple indicated it does not oppose the idea of adding newly released products to the case. Apple also did not state it opposes the motion on any basis found in the factors set forth in *S&W Enterprises*, *LLC v. SouthTrust Bank of Alabama*, *NA*. 315 F.3d 533 (5th Cir. 2003). Instead, Apple stated it is opposed to this motion because it does not believe **this** Court should hear the infringement claims against the new Apple products. Apple stated it believes only a court in the Northern District of California may hear this case.

Apple's conduct with respect to this motion shows Apple's true intent: to delay any efforts to move this case forward to an ultimate resolution of the case on its merits. It helps explain Apple's discovery misconduct throughout this case, as well—Apple continues to deliberately withhold relevant, discoverable materials in order to frustrate Maxell's prosecution of Apple's infringement. Indeed, Apple stated at the meet and confer that it intends to move the Court to stay all proceedings until the Court issues an order on the motion to transfer. From the start, Apple had no intention of litigating this case as it is required to do, no intention of complying with its discovery obligations, and no intention of accepting this Court's authority.

This is especially plain here, where the newly released Apple products are virtually certain to be added to the case whether it is pending in the Eastern District of Texas or the Northern District of California. Apple's opposition is meritless and very clearly obstructionist.

III. Conclusion

Apple's Newly Released Products were not publicly released at the time Maxell served its initial infringement contentions. Upon their release, Maxell has worked diligently to evaluate the new products, determine they are appropriately included in the case, and apprise Apple of its intent to add the new products to the case. Maxell has further agreed to provide such supplemental claim charts no later than October 31, 2019. Given the fact that Maxell does not anticipate its requested



supplementation will alter its infringement theories, and given the current stage of the case, there is good cause to permit Maxell leave to supplement. For these reasons, and those set forth above, Maxell respectfully requests that the Court grant Maxell's motion for leave.

Dated: October 7, 2019

By: /s/ Jamie B. Beaber

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