IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS WACO DIVISION

| PARKERVISION, INC., | § |
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| Plaintiff, | § |
| | § |
| V. | § |
| | § |
| REALTEK SEMICONDUCTOR CORP., | § |
| | § |
| Defendant. | § |
| | § |
| | § |

NO. 6:22-cv-01162-ADA

DISCOVERY ORDER

Issue: Whether ParkerVision must redact its Infringement Contentions, produce documents underlying its Infringement Contentions, and disclose the third party source of the schematics included therein.

Defendant's Position:

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ParkerVision contends the schematics in its preliminary infringement contentions are from a third party and contain confidential information of both a third party and itself. However, ParkerVision provides no basis for its claim of proprietary confidential information. The parties have met and conferred and ParkerVision refuses to provide a redacted version that can be shared with Realtek's in-house counsel. Further, ParkerVision refuses to disclose the identity of the third party.

ParkerVision's confidentiality designation on its preliminary infringement contentions is improper.

First, the confidentiality designation is arbitrary. ParkerVision already put some of the exact same schematics in the public domain, including them in its Opposition to Realtek's Motion to Dismiss and a second complaint filed against Realtek. *See* Dkt. 56 at 13. *See also*

ParkerVision, Inc. v. Realtek Semiconductor Corp., 6:23-cv-00374-ADA, Dkt. 1 at 19-21, 24-27, 30-33.

Second, ParkerVision has failed to meet its burden to establish confidentiality. *See*, *e.g.*, *340b Holdings*, *LLC v. Bobo*. 1:20-CV-197-RP, 2020 WL 9720461, at *2 (W.D. Tex. Apr. 15, 2020). In *Arigna Tech. Ltd. v. Samsung Electronics Co. et al.*, Arigna refused "to allow Defendants to share the contentions with third parties, despite Arigna accusing third party components from [third party suppliers] of infringement." Disc. Order, Case No. 6:21-cv-943-ADA (Feb. 23, 2022) at 2. Like ParkerVision, "Arigna's refusal [was] based on its unsupported claim that its contentions are confidential" and, like ParkerVision, Arigna refused to "identify *what*, specifically, is confidential or *whose* confidential information is at issue, despite repeated requests by Defendants." *Id.* (emphases in original). Here, ParkerVision makes similar, unsubstantiated assertions that its "contentions are properly marked 'confidential" seemingly on the sole basis that the "process" used to generate the schematics "takes months" and "is expensive." Such are not proper grounds for claiming confidentiality.

Regardless, even if the third party schematics are confidential (they are not) ParkerVision can serve a redacted version. Indeed, in *Arigna*, Judge Albright ordered just that. *Arigna* at 5. There is no reason why ParkerVision cannot provide the same here.

Third, the result of ParkerVision's refusal to serve redacted contentions is to deny Realtek's in-house counsel from assessing the infringement contentions. Instead, ParkerVision puts Realtek in an impossible position by giving an ultimatum—Realtek's in-house counsel cannot access the contentions unless Realtek agrees that the schematic accurately describes the accused chip shown in the schematics—an impossible concession for Realtek to make without first seeing the contentions themselves. And unlike in *Arigna*, where the defendants sought redacted contentions to share with *third parties* accused of infringement, ParkerVision's refusal is even more egregious—here, Realtek merely seeks redacted contentions to share with *the party* accused of infringement.

Finally, there is no basis for ParkerVision to withhold the name of the third party. To the contrary, ParkerVision's refusal to disclose prejudices Realtek's ability to defend itself. In particular, if the third party is a foreign entity, Realtek will seek leave to serve letters rogatory now to ensure that it is able to obtain discovery from this third party during the discovery period.

Requested Relief:

Order that "Responding Party serve a copy of its preliminary infringement contentions with confidential information redacted, produce documents underlying its preliminary infringement contentions, and disclose the third party source of the schematics included therein."

Plaintiff's Position:

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ParkerVision's contentions are properly marked "confidential" and Realtek's in-house counsel does not need to see them to assess infringement.

One cannot look at a chip and see its components/configuration. So ParkerVision had a third-party reverse engineer a Realtek chip and generate numerous schematics. ParkerVision used some of these schematics in its contentions.

Reverse engineering requires taking numerous images using an electron microscope, removing a chip layer, and repeating the process over multiple layers. Skilled individuals use software to line up images and generate schematics.

The chip portions that were chosen for analysis and resulting layout of the schematics are proprietary to ParkerVision and its vendor. These schematics are not published or otherwise publicly available. Thus, the schematics are confidential – with the exception of a few portions of a few schematics. Specifically, ParkerVision disclosed a few portions in litigation with Realtek after Realtek complained that it could not understand ParkerVision's Complaints. ParkerVision is not claiming that these few portions are confidential. The contentions, however, contain images and annotations/discussions of *other undisclosed schematics*. Thus, the contentions are properly marked "confidential."

The problem here is of Realtek's own making. ParkerVision proposed a compromise: if Realtek confirmed that Realtek's actual schematics are the same as ParkerVision's schematics, Realtek's in-house counsel can view the contentions. Realtek refused. Instead, Realtek asserts that it is impossible to do a comparison because Realtek cannot see ParkerVision's schematics. Not so. Realtek's outside counsel/disclosed experts can readily compare the schematics.

Indeed, Realtek's request is a slippery slope. A party could use the same argument in discovery to request the opposing party produce any/all confidential documents with redactions so that the party's employees can assess the case.

Further, Realtek's complaint that ParkerVision is "deny[ing] Realtek's in-house counsel from assessing the infringement contentions . . ." is nonsense. Realtek's in-house counsel does not need ParkerVision's contentions. Realtek has <u>actual</u> schematics for its chips. Realtek's outside counsel can use actual schematics to explain ParkerVision's contentions to its client. Notably, Realtek does not claim that it cannot assess infringement with its own schematics.

Realtek cites *Arigna* to support its request. But this case actually hurts Realtek. In *Arigna*, the infringing product was a component from a third-party vendor used in Defendants' products. Thus, Defendants themselves did not know the configuration/operation of the component that was being accused and, without contentions, the Defendants couldn't determine how they were infringing. Plaintiff was ordered to produce redacted contentions. Here, the infringing products are *Realtek's <u>own</u> chips* for which it has <u>actual</u> schematics and,

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thus, its outside counsel can explain how Realtek is infringing without Realtek having contentions. Moreover, in *Arigna*, the Court ordered that "Arigna does <u>not</u> need to produce documents underlying its preliminary infringement contentions or disclose the sources of diagrams therein at this time." *Arigna*, 5 (emphasis added).

Additionally, Realtek's claim that it needs the reverse-engineering firm's identity to subpoen them is a red herring. Infringement will be based on Realtek's *actual* schematics. The reverse-engineering firm does not have information relevant to this case.

<u>Requested Relief</u>:

Order that "Realtek's motion is denied. ParkerVision does not need to serve a copy of its preliminary infringement contentions with confidential information redacted. ParkerVision also does not need to produce documents underlying its preliminary infringement contentions or disclose the third-party source of the schematics at this time."

Court's Order:

After reviewing the briefing, the applicable law, and the Parties arguments addressed at the discovery hearing held on July 19, 2022, the Court ORDERS the following:

ParkerVision shall provide redacted versions of ParkerVisions infringement contentions no later than August 2, 2023;

Defendant's remaining requested relief is DENIED.

IT IS SO ORDERED.

SIGNED this 27th day of July, 2023

DÈREK T. GILLILAND UNITED STATES MAGISTRATE JUDGE