EXHIBIT 1



UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA

ALTRIA CLIENT SERVICES, LLC, et al.,) Civil Action) No. 1:20-cv-00393-LO-TCB Plaintiffs,) June 10, 2022) 9:13 a.m. v. RAI STRATEGIC HOLDINGS, INC., et al., Defendants.

> DAY 2 - MORNING SESSION TRANSCRIPT OF JURY TRIAL PROCEEDINGS BEFORE THE HONORABLE LEONIE M. BRINKEMA, UNITED STATES DISTRICT COURT JUDGE

APPEARANCES:

For the Plaintiffs:

Maximilian Antony Grant, Esq.

Latham & Watkins LLP (DC) 555 11th Street, NW Suite 1000 Washington, DC 20004-1304 202-637-2200 Email: Max.grant@lw.com

Clement Joseph Naples, Esq.

Latham & Watkins, LLP 885 Third Avenue 25th Floor New York, NY 10022 212-906-1200 Email: Dement.naples@lw.com

Gregory K. Sobolski, Esq.

Latham & Watkins, LLP 505 Montgomery Street Suite 2000 San Francisco, CA 94111-6538 202-637-2267 Email: Max.grant@lw.com



- 1 it's just a more clear description what have we mean by "blind"
- 2 versus "through."
- During your work designing e-cigarettes have you .3
- encountered blind holes? 4
- 5 Oh, yes. Yeah, we use all kinds of geometric features to
- 6 design all of our products, so blind holes, protrusions, ribs,
- 7 all of those things are commonly used in the industry.
- And you mentioned the prosecution history, and the jury's 8 Q.
- heard a lot about that. Would you remind them what a 9
- 10 prosecution history is?
- 11 Right, so the patent file prosecution history, again, is
- 12 the back-and-forth between the applicant, in this case Philip
- Morris, and the Patent Office, right, so they're discussing 13
- 14 language and terminology and things that need to be defined more
- precisely in order to get the patent approved. 15
- 16 Did Philip Morris discuss the blind hole requirement
- 17 during the '911 Patent prosecution history?
- 18 Yes, and actually by looking at some prior art, they
- 19 defined what a blind hole means.
- 20 0. Tell the jury about the history of the blind hole
- 21 requirement in the '911 claims.
- 22 So originally in the patent application, the words "blind
- 23 hole" were not in there, but if you can see on the screen, what
- I've added is some discussion of a prior art called Rose. I 24
- 25 think you saw an image of the Rose patent before.



So what happened is the patent examiner objected saying that Rose disclosed cavity, and in Philip Morris's argument to the Patent Office they defined what defines "non-blind." In this case they're saying that the spaces are open or on the sides, which means these features are non-blind. So basically they're defining what "blind" means, which means a space that has -- that is not open around the side.

Furthermore, they followed saying basically what the patent examiner wrote is the opposite of what is claimed, so, in other words, they defined in their own words during the patent application process what "blind" what "blind hole" represents.

- Did the patent examiner point to something in the Rose Q. patent that he contended was a cavity?
- He did, yes. If you remember the picture from Rose it's got sort of these fingers that are inside the cavity, and, again, they argued that because it had open sides, it was non-blind.
- Did Philip Morris make those arguments about spaces with open sides being non-blind more than once to the Patent Office?
- They did, yes, multiple times. Α.
- How are Philip Morris's arguments to the Patent Office 0. about blind holes relevant to your opinion here?
- Well, again, Claim 1 of the claim language has the term "blind hole," so it limits itself to the geometric features of the patent to a blind hole.



1

2

.3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

- does not infringe Claim 1 of the '911 Patent.
- 2 THE COURT REPORTER: (Reporter requests clarification.)
- .3 BY MR. MAIORANA:

1

- Please summarize for the jury your opinion regarding why 4 0.
- 5 the Vuse Alto does not infringe Claim 1 of the '911 Patent.
- 6 So the Vuse Alto does not infringe Claim 1 of the '911
- 7 Patent because it doesn't meet two key requirements. One is it
- does not have a blind hole. As I've shown you that rib, which 8
- 9 is designed purely to hold the gasket in place, has open sides
- 10 so it cannot form a cavity or a blind hole.
- 11 In addition, even if one were to assume it were a cavity
- 12 or a blind hole and took proper cross-sectional dimensions, the
- 13 largest dimension would not fall within the range of 0.5 or
- 14 1 millimeter. It's actually almost three times larger than what
- 15 would be in the claim limitation.
- 16 Did you consider whether the Vuse Alto infringes 0.
- 17 dependent claims 2, 11, and 12?
- I did, yes. 18 Α.
- 19 What opinions did you reach as to those claims? Q.
- 20 So it had a little bit of a discussion about sort of Α.
- 21 independent claims rather than dependent claims. In this
- 22 patent, Claim 1 is the independent claim, right, and then these
- other asserted patents [sic], 2, 11 and 12 are dependent claims, 23
- meaning they rely upon every requirement of Claim 1 and then 24
- 25 they add in some other additional feature or technology, right,

