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 28 GOOGLE TECHNOLOGY INC.,  
 sued under its former name GOOGLE INC.

UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION

OVERTURE SERVICES, INC., a Delaware Corporation,

Plaintiff,

vs.

GOOGLE INC., a California Corporation,

Defendant.

No. C02-01991 JSW

**JOINT REPORT, CASE  
 MANAGEMENT STATEMENT, AND  
 [PROPOSED] ORDER**

1 Plaintiff Overture Services, Inc. (“Overture”) and defendant Google Technology Inc.  
2 (“Google”) jointly submit this combined Report, Case Management Statement, and  
3 [Proposed] Order and request that the Court adopt it as its Case Management Order in this  
4 case.

5 **I. DESCRIPTION OF THE CASE**

6 **A. Underlying Events**

7 Overture is a Delaware corporation headquartered in Pasadena, California that  
8 describes itself as offering pay-per-click search engines and advertising services for  
9 computer networks, including the Internet. Overture is the owner of a number of patents that  
10 cover technologies, devices, and systems for pay-per-click searching and advertising. One of  
11 those patents is at issue here: United States Patent No. 5,269,361 (“the ‘361 patent”),  
12 entitled “System and Method for Influencing a Position on a Search Result List Generated by  
13 a Computer Network Search Engine.”

14 Google is a California corporation headquartered in Mountain View, California that  
15 describes itself as offering search engines and advertising services for computer networks,  
16 including the Internet.

17 **B. Disputed Factual and Legal Issues**

18 The parties do not intend any description in this Joint Case Management Statement of  
19 any issue of law, or fact, or both, to constitute an admission or to be otherwise probative of  
20 any matter in dispute. The parties agree that no statement or omission herein shall constitute  
21 a waiver of any of either party’s claims or defenses to any issue. Each party acknowledges  
22 that disputed issues in addition to those described below may arise in this case.

23 Overture alleges, and Google denies, that Google is directly infringing, inducing  
24 infringement by others, and/or contributorily infringing the '361 patent, and that Google's  
25 infringement is willful. Overture seeks a permanent injunction, damages, attorneys' fees and  
26 costs.

27 Google alleges, and Overture denies, that Google does not and has never infringed,  
28 contributorily infringed, or induced others to infringe any claim, properly construed, of the

1 '361 patent. Google further alleges, and Overture further denies, that the '361 patent is  
2 invalid based at least on Overture's prior public use of the claimed invention, and that the  
3 '361 patent is unenforceable based at least on Overture's inequitable conduct during the  
4 prosecution of the patent application that led to the grant of the '361 patent.

5 Pursuant to the Local Patent Rules, the parties have identified twelve terms found in  
6 the claims of the '361 patent for which the proper construction is disputed.

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8 **C. Other Disputed Factual Issues (Service of Process, Jurisdiction,  
and Venue)**

9 There are no disputed factual issues regarding service of process, personal  
10 jurisdiction, subject matter jurisdiction, or venue.

11 **D. Service**

12 All parties have been served.

13 **E. Additional Parties**

14 At the present time, the parties do not intend to join any additional parties.

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16 **II. ALTERNATIVE DISPUTE RESOLUTION**

17 **A. Consent to Jurisdiction of Magistrate Judge for Trial**

18 The parties do not consent to the jurisdiction of a United States Magistrate Judge for  
19 trial.

20 **B. Assigned Alternative Dispute Resolution Processes**

21 The parties have selected mediation as an alternative ADR process and have agreed to  
22 use a private mediator for this purpose. Pursuant to the Court's March 31, 2003 Scheduling  
23 Order, the parties are scheduled to complete private mediation on or before September 22,  
24 2003.

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1 **III. DISCLOSURES**

2 **A. Discovery Plan**

3 The parties agree to the following discovery plan:

4 **1. Discovery limits**

5 The parties previously agreed that the presumptive limit on the number of depositions  
6 should be increased to 15 per party, exclusive of expert depositions. The parties also  
7 expressly reserved their rights to seek further modifications to discovery limitations,  
8 including additional depositions, as warranted.

9 Google proposes that, in light of information learned through discovery, the  
10 presumptive limit on the number of depositions now be increased to a total of 20 per party,  
11 exclusive of expert depositions. The face of the patent-in-suit lists ten inventors. Overture  
12 has revealed, in discovery, that it has petitioned the U.S. Patent and Trademark Office to add  
13 two additional inventors, which would bring the total to twelve. Moreover, in response to  
14 interrogatories, Overture has stated it is unable to provide anything beyond the barest  
15 information regarding each purported inventor's role in the conception and reduction to  
16 practice of the claimed inventions. As such, Google now believes that it may be necessary to  
17 take the depositions of most or all of the named inventors. In light of this development,  
18 Google respectfully requests that the Court increase the presumptive limit on non-expert  
19 depositions to 20 per party.

20 Overture opposes any further increase in the presumptive limit on the number of  
21 depositions. Overture also objects to Google's characterization of Overture's discovery  
22 disclosures. In response to Google's interrogatories, Overture has provided detailed  
23 descriptions of the conception and reduction to practice of the claimed inventions.

24 It was Google that originally insisted on the current limit of 15 depositions per party.  
25 At that time, Google was aware of at least the ten inventors named on the face of the patent-  
26 in-suit. Nevertheless, Google chose to proceed with a limitation of 15 depositions.  
27 Moreover, Google has taken only three depositions so far in this case. Thus, it is premature  
28 for Google to seek an increase in the presumptive limit of 15 depositions. Overture sees no

1 reason to depart from that limit at this point in discovery, and respectfully requests that the  
2 Court decline Google's request to increase the deposition limit.

3 The parties do not at this time anticipate requiring specific relief from any other  
4 discovery limitations, but respectfully reserve their rights to seek such relief, including  
5 additional depositions, by stipulation or by application to the Court as warranted.

## 6 2. Discovery and claim construction schedule

7 The Court set the following claim construction schedule in its scheduling order of  
8 March 31, 2003:

9 Event	Patent Local Rule	Proposed Date
10 Last Day for Overture to File Opening Claim 11 Construction Brief and Supporting Evidence	Patent L.R. 4-5	8/8/03
12 Last Day for Google to File Responsive 13 Claim Construction Brief and Supporting 14 Evidence	Patent L.R. 4-5	8/22/03
15 Last Day for Overture to File Reply Claim 16 Construction Brief and Rebuttal Evidence	Patent L.R. 4-5	9/3/03
17 Last Day to Complete Mediation Before a 18 Private Mediator	N/A	9/22/03
19 Last Day for Simultaneous Exchange of 20 Proposed Exhibits for Claim Construction 21 Prehearing Conference and Claim 22 Construction Hearing	N/A	10/10/03
23 Technology Tutorial for Court and Claim 24 Construction Prehearing Conference (if 25 desired by the Court separate from the Claim 26 Construction hearing)	N/A	10/15/03 2:00 p.m.
27 Claim Construction Hearing	Patent L.R. 4-6	10/22/03 2:00 p.m.

1 In addition to the foregoing claim construction schedule, Overture proposes the  
 2 following discovery and pre-trial schedule. Google opposes Overture's schedule, and  
 3 respectfully requests that the Court defer the setting of post-claim construction dates until  
 4 after the claim construction ruling is served, at which point further case management dates  
 5 can be addressed in the context of the case management conference that the Court has  
 6 already indicated it will conduct after issuing the claim construction ruling. *See* Order  
 7 Granting Stipulated Request at 2 (May 29, 2003). Google notes that Overture has not  
 8 proposed dates certain, but dates that are relative to an as-yet unfixed date, the date on which  
 9 the claim construction ruling is served. Google and counsel for Google are unable to  
 10 evaluate whether the proposed dates are reasonable, because it is impossible at this time to  
 11 determine where those dates fall relative to holidays, pre-trial deadlines and trial dates in  
 12 other cases, and other pre-existing commitments. For these reasons, Google believes it is  
 13 appropriate to continue to defer the setting of further case management deadlines until after  
 14 the claim construction ruling is served. However, if the Court concludes that it is appropriate  
 15 to set further dates now, Google requests that the Court set a briefing schedule for a motion  
 16 to bifurcate the issue of willfulness for separate trial.

<b>Event</b>	<b>Patent Local Rule</b>	<b>Proposed Date</b>
Service of Claim Construction Ruling by Court		To be determined by the Court
Last Day for Overture to Serve Final Infringement Contentions	Patent L.R. 3-6(a)	30 days after service of the Claim Construction Ruling
Last Day for Google to Serve Final Invalidity Contentions	Patent L.R. 3-6(b)	50 days after service of the Claim Construction Ruling

Event	Patent Local Rule	Proposed Date
Last Day for Google to Provide "Willfulness" Discovery	Patent L.R. 3-8	50 days after service of the Claim Construction Ruling
Non-Expert Discovery Cut-Off	N/A	120 days after service of the Claim Construction Ruling
Last Day to Disclose Affirmative Experts ( <i>i.e.</i> , any expert who will testify on an issue for which the disclosing party bears the burden of proof)	N/A	3 weeks after Non-Expert Discovery Cut-Off
Last Day to Disclose Rebuttal Experts ( <i>i.e.</i> , any expert who will offer evidence intended solely to contradict or rebut an Affirmative Expert on the same subject matter disclosed by the Affirmative Expert)	N/A	6 weeks after Non-Expert Discovery Cut-Off
Expert Discovery Cut-Off	N/A	9 weeks after Non-Expert Discovery Cut-Off
Last Day to File Dispositive Motions	N/A	13 weeks after Non-Expert Discovery Cut-Off
Pre-Trial Conference	N/A	22 weeks after Non-Expert Discovery Cut-Off

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**IV. TRIAL SCHEDULE**

**A. Trial Date**

Overture requests that trial be set approximately one month after the Pre-Trial Conference. Google proposes that the parties and the Court address the trial date after the claim construction ruling, for the reasons expressed above.

**B. Trial Length**

The parties expect that the trial will last approximately 15 days.

**V. PRE-CLAIM CONSTRUCTION DISPOSITIVE MOTIONS**

The parties disagree about a proposal Google has raised regarding the filing of summary judgment motions before the claim construction hearing. The parties respective positions on this issue are described below.

**A. Google’s Position**

Google is considering filing an early motion for summary judgment based on its inequitable conduct defense and counterclaim. Two depositions that are potentially relevant to this motion are set for today, July 18, 2003, and next Wednesday, July 23, 2003. Google anticipates that it may be able to file a motion for summary judgment that could be heard in conjunction with the claim construction hearing that is set for October 22, 2003.

Although Google has not yet determined that it definitely will file an early motion on the inequitable conduct issue, Google requests that the Court adopt the following schedule, which would apply if either party files a dispositive motion prior to the claim construction hearing:

<b>Event</b>	<b>Date</b>
Last Day for the Parties to File Early Dispositive Motions	8/29/03

Event	Date
Last Day to File an Opposition to any Early Dispositive Motions that are Filed	9/19/03
Last Day to File a Reply to any Opposition to any Early Dispositive Motions that are Filed	10/3/03
Hearing on any Early Dispositive Motions that are Filed	10/22/03 (a.m.), 10/23/03, or at the Court's convenience

The filing of any early dispositive motion would be without prejudice to the filing party's right to file further dispositive motions on other bases at a future date. Google believes that this proposal is consistent with the Court's standing orders. Although paragraph 9 of the Court's general standing order states that all issues for summary judgment should ordinarily be contained in one motion, paragraph 12(b) of the Court's standing order for patent cases specifically contemplates that multiple dispositive motions may be appropriate in patent cases, and invites the parties to submit proposals for the grouping and timing of such motions. Although the Court's standing order for patent cases directs that such proposals be submitted *after* the claim construction ruling, given that Google is considering filing a dispositive motion *before* the claim construction hearing, Google believes that it is prudent for it to propose a schedule for that motion now. Google has proposed a briefing schedule for its possible early dispositive motion that is slightly longer than the default briefing schedule for motions, because the parties would also be briefing claim construction issues in this approximate time period.

#### **B. Overture's Position**

Overture opposes Google's attempt to combine the claim construction proceedings with a summary judgment motion on its allegations of inequitable conduct. Google suggests that the summary judgment hearing should be scheduled *for the same day* as the claim construction hearing. However, Google has not provided any legitimate reason to justify this

1 change of schedule. Rather, it appears that this scheduling maneuver is intended to confuse  
2 the claim construction analysis with Google's allegations of inequitable conduct.

3 Contrary to Google's explanations, its proposal also is inconsistent with both the  
4 Court's general Standing Order and the Court's Standing Order for Patent Cases.

5 The Court's Standing Order requires that all issues for summary judgment shall be  
6 contained in one motion. This rule ensures efficient summary judgment proceedings, and  
7 prevents either party from harassing the other party with multiple dispositive motions.  
8 Google plans to circumvent this provision by filing one summary judgment motion before  
9 the claim construction hearing, while reserving the right to file additional summary judgment  
10 motions after the claim construction hearing. Yet Google has not provided any reason to  
11 justify multiple summary judgment motions. Accordingly, Google should be limited to one  
12 summary judgment motion consistent with the Court's Standing Order.

13 Google also attempts to circumvent the Court's Standing Order for Patent Cases,  
14 which requires that the parties propose a schedule for dispositive motions *after* issuance of  
15 the claim construction ruling. Again, it appears that Google's suggestion of an early  
16 summary judgment motion is intended merely to cast Overture in a bad light during the claim  
17 construction proceedings.

18 For these reasons, Overture respectfully requests that the Court limit Google to a  
19 single summary judgment motion to be filed after the claim construction ruling.

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1 Dated: July 18, 2003

By: s/ Charles M. McMahon

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9 Dated: July 18, 2003

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Attorneys for Defendant  
GOOGLE TECHNOLOGY INC., sued  
under its former name GOOGLE INC.

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1 Good cause appearing, the Court hereby adopts the jointly proposed portions of the  
2 foregoing joint statement..

3 Google's request that the presumptive limit on depositions be increased to 20 per  
4 party, exclusive of expert depositions is:

5  GRANTED.

6  DENIED.

7 The Court further:

8  ADOPTS Overture's proposed schedule for post-claim construction dates.

9  DEFERS the setting of any post-claim construction dates until after a claim  
10 construction order has been served.

11 The Court further:

12  ADOPTS Google's proposed schedule for early dispositive motions.

13  DECLINES to adopt at this time a schedule for early dispositive motions.

14 SO ORDERED.

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16 Dated: \_\_\_\_\_

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17 Hon. Jeffrey S. White  
18 United States District Judge  
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**DECLARATION OF CHARLES M. McMAHON**

I, Charles M. McMahon, declare that prior to filing the above Joint Report, Case Management Statement, and [Proposed] Order, I sent it to Michael S. Kwun for his review, and he authorized me to file the Joint Report, Case Management Statement, and [Proposed] Order on his behalf.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 18th day of July 2003 at Chicago, Illinois.

s/ Charles M. McMahon  
Charles M. McMahon