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19 UNITED STATES DISTRICT COURT
 20 NORTHERN DISTRICT OF CALIFORNIA

21 OAKLAND DIVISION

22 ORACLE USA, INC., et al.,

23 Plaintiffs,

24 v.

25 SAP AG, et al.,

26 Defendants.

Case No. 07-CV-1658 PJH (EDL)

**DEFENDANTS' OPPOSITION TO
 ORACLE'S MOTION FOR 1292(b)
 CERTIFICATION FOR
 INTERLOCUTORY REVIEW**

Date: N/A

Time: N/A

Courtroom: 3, 3rd Floor

Judge: Hon. Phyllis J. Hamilton

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24
25
26
27
28

TABLE OF CONTENTS

	Page
I. INTRODUCTION	1
II. ARGUMENT	2
A. Standard for Certifying Interlocutory Appeal	2
B. Oracle Does Not Seek to Certify a “Controlling Question of Law.”	3
C. Oracle’s Proposed Questions Do Not Present a Substantial Ground for Difference of Opinion	7
D. Immediate Appeal Will Not Materially Advance Termination of the Litigation	9
III. CONCLUSION	12

TABLE OF AUTHORITIES

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
26
27
28

Page(s)

CASES

Aggio v. Estate of Aggio,
No. C 04-4357 PJH, 2006 WL 149006 (N.D. Cal. Jan. 18, 2006)..... 12

Ahrenholz v. Bd. of Trs. of Univ. of Ill.
219 F.3d 674 (7th Cir. 2000)..... 6

Barbaro v. United States ex rel. Fed. Bureau of Prisons,
05 Civ 6998 (DLC), 2008 U.S. Dist. LEXIS 123837 (S.D.N.Y. Feb. 21, 2008)..... 11

Brizzee v. Fred Meyer Stores, Inc.,
CV-04-1566-ST, 2007 U.S. Dist. LEXIS 99155 (D. Or. Dec. 10, 2007) 2, 6, 10, 12

Brockmeyer v. May
361 F.3d 1222 (9th Cir. 2004)..... 10

Casey v. Long Island R.R. Co.,
406 F.3d 142 (2d Cir. 2005)..... 7

Couch v. Telescope Inc.,
611 F.3d 629 (9th Cir. 2010)..... 7, 8

Exec. Software N. Am., Inc. v. U.S. Dist. Ct. for Cent. Dist. of Cal.,
24 F.3d 1545 (9th Cir. 1994)..... 2

Frank Music Corp. v. Metro-Goldwyn-Mayer, Inc.,
772 F.2d 505 (9th Cir. 1985)..... 8

FTC v. Swish Mktg.,
No. C 09-03814 RS, 2010 U.S. Dist. LEXIS 47948 (N.D. Cal. Apr. 14, 2010)..... 10

Georgia-Pacific Corp. v. U.S. Plywood Corp.,
318 F. Supp. 1116 (S.D.N.Y. 1970)..... 9

Hulmes v. Honda Motor Co.,
936 F. Supp. 195 (D.N.J. 1996) 5, 6, 9

In re Bridgestone/Firestone, Inc., Tires Prods. Liab. Litig.
212 F. Supp. 2d 902 (S.D. Ind. 2002) 5

In re Cement Antitrust Litig.,
673 F.2d 1020 (9th Cir. 1982)..... 1, 2, 3, 10

Jarvis v. K2 Inc.
486 F.3d 526 (9th Cir. 2007)..... 8, 9

TABLE OF AUTHORITIES
(continued)

		Page(s)
1		
2		
3	<i>Keystone Tobacco Co. v. U.S. Tobacco Co.</i> ,	
4	217 F.R.D. 235 (D.D.C. 2003).....	6
5	<i>Kraus v. Bd. of Cnty. Rd. Comm’rs for Cnty. of Kent</i> ,	
6	364 F.2d 919 (6th Cir. 1996).....	10, 12
7	<i>Mackie v. Rieser</i>	
8	296 F.3d 909 (9th Cir. 2002).....	8
9	<i>Mateo v. M/S Kiso</i> ,	
10	805 F. Supp. 792 (N.D. Cal. 1992)	10
11	<i>Matsunoki Group, Inc. v. Timberwork Or., Inc.</i> ,	
12	No. C 08-04078 CW, 2011 U.S. Dist. LEXIS 33178 (N.D. Cal. Feb. 18, 2011)	10
13	<i>Mazzella v. Stineman</i> ,	
14	472 F. Supp. 432 (E.D. Pa. 1979)	11
15	<i>McCabe v. Basham</i> ,	
16	No. 05-CV-73-LRR, 2008 U.S. Dist. LEXIS 81941 (N.D. Iowa Oct. 14, 2008)	7
17	<i>N. Carolina ex. rel. Long v. Alexander & Alexander Servs., Inc.</i> ,	
18	685 F. Supp. 114 (E.D.N.C. 1988).....	7
19	<i>Polar Bear Prods., Inc. v. Timex Corp.</i>	
20	384 F.3d 700 (9th Cir. 2004).....	8
21	<i>Safeway Inc. v. Abbott Labs.</i> ,	
22	No. C 07-05470 CW, 2010 U.S. Dist. LEXIS 61721 (N.D. Cal. June 1, 2010).....	2
23	<i>Shurance v. Planning Control Int’l, Inc.</i> ,	
24	839 F.2d 1347 (9th Cir. 1988).....	2, 10, 12
25	<i>Silver Sage Partners, Ltd. v. City of Desert Hot Springs</i> ,	
26	251 F.3d 814 (9th Cir. 2001).....	7
27	<i>Sonoda v. Amerisave Mortgage Corp.</i> ,	
28	No. C-11-1803 EMC, 2011 U.S. Dist. LEXIS 100275 (N.D. Cal. Sept. 7, 2011).....	10
	<i>United States ex rel. Wilson v. Maxxam, Inc.</i> ,	
	No. C 06-7497 CW, 2009 U.S. Dist. LEXIS 14375 (N.D. Cal. Feb. 9, 2009)	11
	<i>United States v. Woodbury</i> ,	
	263 F.2d 784 (9th Cir. 1959).....	2

1
2
3
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16
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19
20
21
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TABLE OF AUTHORITIES
(continued)

Page(s)

STATUTES

17 U.S.C. § 504 9

28 U.S.C. § 1291 2

28 U.S.C. § 1292 1, 2, 6, 7

35 U.S.C. § 284 9

1 **I. INTRODUCTION**

2 As Oracle admits, interlocutory appeal under 28 U.S.C. § 1292(b) is an exception to the
3 rule against piecemeal appeals, “to be used only in exceptional situations in which allowing an
4 interlocutory appeal would avoid protracted and expensive litigation.” *In re Cement Antitrust*
5 *Litig.*, 673 F.2d 1020, 1026 (9th Cir. 1982). No such “exceptional situation” exists here, and
6 granting Oracle’s motion only serves to unnecessarily prolong this case.

7 The fundamental problem with Oracle’s motion is that despite the Court’s clarifying order,
8 Oracle’s proposed questions for certification continue to mischaracterize the bases for the Court’s
9 9/1/11 Order, requesting appellate review of issues on which the Court never ruled. These
10 proposed questions all relate to whether certain categories of evidence are sufficient to support a
11 “hypothetical” license-fee award and incorrectly presume that Oracle’s trial evidence was
12 objective. But the Court did not, as Oracle’s questions suggest, rule that whole categories of
13 evidence are per se insufficient to value license damages, or that objective value could be proved
14 only by particular kinds of evidence. Rather, the Court found that Oracle failed to offer any
15 evidence of lost licensing opportunities or any objective evidence to support a non-speculative
16 license price, and then held that Oracle was not entitled to actual damages in the form of
17 “hypothetical” license fees. Even if the Ninth Circuit ruled that certain categories of evidence can
18 suffice to price a hypothetical license, this would not result in reversing any part of the Court’s
19 9/1/11 Order. Instead, appellate answers about categories of evidence would be merely advisory.
20 Thus, Oracle’s questions are not “controlling.” And if what Oracle really wants is for the Ninth
21 Circuit to re-analyze whether the evidence Oracle offered at trial was objective, then these
22 questions are not even “questions of law” that can be considered on interlocutory appeal.

23 Moreover, no substantial grounds for difference of opinion exist as to the law governing
24 Oracle’s proposed questions. Ninth Circuit law uniformly supports the Court’s rulings that
25 license-fee-based damages for copyright infringement are available only upon proof of lost
26 licensing opportunities and that objective evidence (including, but not limited to, evidence of
27 “benchmark” transactions) must be offered to establish a license’s value. Oracle’s attempt to
28 manufacture an appeal-worthy controversy by misconstruing the Court’s previous orders and re-

1 arguing the sufficiency of evidence presented at trial fails because the Court correctly applied
2 controlling case law. Relying on inapposite patent law does not further Oracle’s argument.

3 Ultimately, because interlocutory appeal will uselessly impede, rather than materially
4 advance, termination of this long-running dispute, the Court should deny Oracle’s motion. Oracle
5 must either accept the remittitur and end the case or elect a new trial. Given the much narrowed
6 scope of a new trial, it should conclude far earlier than the proposed interlocutory appeal.

7 **II. ARGUMENT**

8 **A. Standard for Certifying Interlocutory Appeal.**

9 28 U.S.C. § 1292(b) provides a limited exception to the rule that an appellate court should
10 not review a district court ruling until entry of final judgment. 28 U.S.C. § 1291. The statute
11 allows a district court to exercise discretion and certify a non-final order for immediate appeal if
12 there is: (1) a “controlling question of law,” (2) on which there are “substantial grounds for
13 difference of opinion,” and (3) resolution of which would “materially advance the ultimate
14 termination of the litigation.” *In re Cement*, 673 F.2d at 1026. Because Section 1292(b)
15 derogates from the usual final-judgment rule and runs contrary to the strong federal policy against
16 piecemeal appeals, a district court must “strictly” construe the statute’s requirements and allow
17 certification only “when exceptional circumstances warrant it.” *Safeway Inc. v. Abbott Labs.*, No.
18 C 07-05470 CW, 2010 U.S. Dist. LEXIS 61721, at *6 (N.D. Cal. June 1, 2010).

19 Even if these three factors are met, a district court possesses unreviewable discretion to
20 deny certification. *See Exec. Software N. Am., Inc. v. U.S. Dist. Ct. for Cent. Dist. of Cal.*, 24
21 F.3d 1545, 1550 (9th Cir. 1994) (stating that district court’s decision as to 1292(b) certification is
22 “unreviewable”); *Brizzee v. Fred Meyer Stores, Inc.*, CV-04-1566-ST, 2007 U.S. Dist. LEXIS
23 99155, at *8 (D. Or. Dec. 10, 2007) (“Even when all three statutory criteria are satisfied, district
24 court judges have ‘unfettered discretion’ to deny certification.”). And even if a district court
25 grants certification, the court of appeals must exercise its own discretion to determine whether to
26 permit the appeal. *See Shurance v. Planning Control Int’l, Inc.*, 839 F.2d 1347, 1348 (9th Cir.
27 1988); *United States v. Woodbury*, 263 F.2d 784, 788 (9th Cir. 1959).

1 **B. Oracle Does Not Seek to Certify a “Controlling Question of Law.”**

2 In offering what it claims to be “controlling questions” meriting certification, Oracle
3 ignores the Court’s actual post-judgment rulings and poses questions as to whether certain
4 categories of evidence are sufficient to obtain “copyright damages based upon the amount a
5 willing buyer would reasonably have had to pay a willing seller under a hypothetical license.”¹
6 Mot. at 1. A “question of law” is “controlling” only if resolving the question on interlocutory
7 appeal “could materially affect the outcome of litigation in the district court.” *In re Cement*, 673
8 F.2d at 1026. Oracle’s questions are not “controlling” because the Court’s grant of judgment as a
9 matter of law and a new trial limited to lost profits and infringers’ profits (or remittitur) still will
10 stand regardless of the Ninth Circuit’s answers. As a result, immediate appeal will not affect the
11 outcome of the litigation, other than to needlessly delay it.

12 **Judgment as a Matter of Law (“JMOL”).** The Court granted JMOL on two separate
13 grounds—Oracle is not entitled to “hypothetical” license fees as actual damages because:
14 (1) Oracle failed to prove that it actually lost any licensing opportunities,² and (2) even if
15 “hypothetical” license fees were recoverable absent proof of lost licensing opportunities, Oracle
16 failed to offer *any* objective (let alone sufficient) evidence upon which to calculate a non-
17 speculative license price.³ ECF No. 1081 at 10-15. Resolving Oracle’s proposed questions would
18 not affect *either* basis for the Court’s grant of JMOL and thus do not qualify as “controlling.”

19 *First*, Oracle’s questions do not address the first basis for the Court’s order—that, as a

20 _____
21 ¹ Oracle’s three proposed questions for certification are: “(1) Whether copyright damages
22 measured by the amount a willing buyer would have paid a willing seller for a hypothetical
23 license to the rights infringed are sufficiently established by evidence of: (a) the infringer’s
24 contemporaneous projections of the profits it would realize from use of the rights, (b) the
25 copyright owner’s contemporaneous evidence valuing the business it would lose if it licensed
26 those rights, and (c) reliable expert testimony as to the fair market value of a hypothetical license
27 to the rights, based upon that evidence. (2) Whether a jury’s assessment of the fair market value
28 of the rights infringed may be set aside as speculative when based upon such objective evidence.
(3) Whether a jury’s verdict falling within the reasonable range of hypothetical-license damages
established by such objective evidence, may be set aside as excessive.” Mot. at 1-2.

26 ² The Court found that Oracle failed to offer any “evidence of the type on which plaintiffs
27 ordinarily rely to prove that they would have entered into such a license” and that the evidence
instead confirmed that Oracle “would not ever license to anyone.” ECF No. 1081 at 10-11, 14.

28 ³ The Court found that Oracle offered only subjective evidence in the form of “what
Oracle would have demanded” for a license. ECF 1081 at 11, 14.

1 threshold matter, Oracle cannot recover actual damages for copyright infringement in the form of
2 a “hypothetical” license because it failed to offer any evidence that it actually lost licensing
3 opportunities. Instead, Oracle’s questions focus on whether certain categories of evidence may be
4 “sufficient” to calculate an objective, non-speculative hypothetical license price, once entitlement
5 to lost license fees is proven. *See* Mot. at 1-2. Thus, a ruling on Oracle’s questions would not
6 affect the Court’s holding that Oracle is not entitled to recover actual damages in the form of
7 “hypothetical” license fees for failure to establish lost licensing opportunities. The parties still
8 would proceed to a new trial limited to lost profits and infringer’s profits.

9 Contrary to Oracle’s suggestion, the Court’s 9/16/11 Order did not “clarify” that the sole
10 basis for the Court’s grant of JMOL was Oracle’s failure to offer evidence sufficient to value the
11 hypothetical license. *See* Mot. at 2, 13. The 9/16/11 Order addressed only the question that
12 Oracle previously sought to certify for interlocutory appeal, which mischaracterized the basis for
13 the Court’s *second* JMOL holding. The Court clarified that it did not hold that hypothetical
14 license damages must be quantified through “evidence of actual licenses it entered into or would
15 have entered into for the infringed works, and/or actual ‘benchmark’ licenses” ECF No.
16 1088 at 2. Rather, it held that the evidence Oracle offered at trial was insufficient to “establish an
17 objective, non-speculative license price,” having found that *all* of the evidence Oracle offered in
18 support of calculating a “hypothetical” license price was subjective. *Id.* (stating that Oracle
19 “failed to provide objective evidence of what a willing buyer would have paid” or any other
20 objective “evidence sufficient to allow the jury to assess fair market value without undue
21 speculation”). The Court did not purport to reiterate all the ways in which Oracle failed to prove
22 its entitlement to a hypothetical license remedy, including Oracle’s failure, as a threshold matter,
23 to offer evidence that it actually lost any licensing opportunities. As a result, there is no merit to
24 Oracle’s claim that its questions “control” the Court’s grant of JMOL.

25 *Second*, Oracle’s revised questions continue to mischaracterize the second basis for the
26 Court’s grant of JMOL—that Oracle failed to offer any objective evidence sufficient to establish a
27 non-speculative license price. The Court held that the particular evidence that Oracle presented at
28 trial, in the form of “purported value of the intellectual property as a whole, . . . self-serving

1 testimony from its executives regarding the price they claim they would have demanded in an
2 admittedly fictional negotiation, and . . . the speculative opinion of its damages expert, which was
3 based on little more than guesses about the parties' expectations," was insufficient to "establish an
4 objective, non-speculative license price." ECF No. 1081 at 11, 17. The Court did not, as Oracle's
5 proposed questions suggest, rule that whole categories of evidence are per se insufficient to value
6 license damages or that "objective value could be proved only by particular kinds of evidence."
7 Mot. at 1, 5. Nor did the Court rule that an award based on certain categories of evidence or
8 falling "within the reasonable range of hypothetical-license damages established" by these
9 categories of evidence must be set aside as speculative and/or excessive. *Id.* at 2.

10 Because Oracle's proposed questions are not presented by this case, they are inappropriate
11 to certify for interlocutory appeal. *See Hulmes v. Honda Motor Co.*, 936 F. Supp. 195, 209
12 (D.N.J. 1996) (denying certification where "Plaintiff has asked this court to certify for
13 interlocutory appeal a question that it did not decide"); *In re Bridgestone/Firestone, Inc., Tires*
14 *Prods. Liab. Litig.*, 212 F. Supp. 2d 903, 907 (S.D. Ind. 2002) (denying certification where party
15 "mischaracterize[d]" court's ruling "[i]n an effort to make this issue a question of law"). A ruling
16 by the Ninth Circuit that certain categories of evidence can suffice to price a hypothetical license
17 would not alter the Court's holding that the purely subjective evidence Oracle presented at trial
18 failed to support a non-speculative license amount. Instead, this ruling would simply be an
19 advisory opinion that, in the abstract, a copyright owner may support a non-speculative license-
20 based damages amount with objective evidence falling into the categories Oracle lists. Thus,
21 Oracle's proposed questions are not "controlling"; they are purely academic.

22 Further, Oracle's arguments in support of its proposed questions demonstrate that these
23 questions are not even "questions of law." Although Oracle frames its questions in terms of
24 abstract categories of evidence, Oracle devotes much of its brief to rearguing its specific trial
25 evidence, including whether the evidence showed the parties' "expectations" and whether
26 Oracle's damages expert, Paul Meyer, offered reliable trial testimony valuing a lost license fee.
27 *See* Mot. at 10-17. If what Oracle actually seeks is appellate review of the Court's finding that
28 the evidence Oracle offered at trial was subjective, its proposed questions are not "questions of

1 law.” Indeed, this appears to be Oracle’s ultimate objective, but it is well settled that under
2 section 1292(b), a “question of law” means a “pure question of law,” “not a mixed question of
3 law and fact or an application of law to a particular set of facts.” *Brizzee*, 2007 U.S. Dist. LEXIS
4 99155, at *10-11; *Keystone Tobacco Co. v. U.S. Tobacco Co.*, 217 F.R.D. 235, 238-39 (D.D.C.
5 2003) (denying certification, as “crux of an issue decided by Court [was] fact-depend[er]nt” and
6 appellate review “could only result in the court of appeals improperly wading into the factual
7 pond of an ongoing matter”). Certification is appropriate only where a party seeks review of “an
8 abstract legal issue,” *Brizzee*, 2007 U.S. Dist. LEXIS 99155, at *11, not simply a court’s
9 “application of the governing law to the relevant facts of this case.” *Hulmes*, 936 F. Supp. at 210
10 (“Section 1292(b) was not designed to secure appellate review of ‘factual matters’ or of the
11 application of the acknowledged law to the facts of a particular case, matters which are within the
12 sound discretion of the trial court.”); *Ahrenholz v. Bd. of Trs. of Univ. of Ill.*, 219 F.3d 674, 676-
13 77 (7th Cir. 2000). Analyzing whether Oracle’s evidence is objective or subjective requires the
14 Ninth Circuit to undertake the same fact-intensive review that this Court carried out to evaluate
15 the parties’ post-judgment motions. Questions requiring such analysis are not “questions of law”
16 appropriate for interlocutory appeal.

17 **New Trial.** Oracle’s proposed questions have even less bearing on the Court’s grant of a
18 new trial, which rested on the Court’s discretionary determination that “the \$1.3 billion verdict is
19 contrary to the weight of the evidence.” ECF No. 1081 at 3-4, 17. After observing weeks of trial,
20 the Court found that the damages award failed to reflect Defendants’ actual use of the works at
21 issue, as required by Ninth Circuit law, and improperly was based on “evidence of the purported
22 value of the intellectual property as a whole, . . . self-serving testimony from [Oracle] executives
23 regarding the price they claim they would have demanded in an admitted fictional negotiation,
24 and . . . the speculative opinion of [Oracle’s] damages expert, which was based on little more than
25 guesses about the parties’ expectations.” *Id.* at 17. Such evidence not only was insufficient to
26 support an award of actual damages, but also resulted in a verdict that “grossly exceeded the
27 actual harm to Oracle in the form of lost customers.” *Id.* Just as with its rulings on JMOL, the
28 Court’s new trial order would not be affected by the Ninth Circuit’s answers regarding what

1 categories of evidence theoretically suffice to support an actual damages award. Further, because
2 the Court’s new-trial order was an exercise of judicial discretion, reviewed on appeal with
3 extreme deference, *see Silver Sage Partners, Ltd. v. City of Desert Hot Springs*, 251 F.3d 814,
4 818-19 (9th Cir. 2001), the low probability of reversal makes an immediate appeal extremely
5 unlikely to advance the ultimate termination of the litigation. Such an appeal would not present a
6 “controlling question of law,” but instead only a routine question of judicial discretion. *See, e.g.,*
7 *Casey v. Long Island R.R. Co.*, 406 F.3d 142, 147 (2d Cir. 2005) (holding that court’s grant of
8 new trial based on finding that “a monetary verdict is not supported by the evidence but rather is
9 so high as to shock the judicial conscience . . . is not a question of law as to which an immediate
10 interlocutory appeal is appropriate under § 1292(b)"); *McCabe v. Basham*, No. 05-CV-73-LRR,
11 2008 U.S. Dist. LEXIS 81941, at *4-5 (N.D. Iowa Oct. 14, 2008) (holding that because
12 “excessiveness of a verdict is basically, and should be, a matter for the trial court which has had
13 the benefit of hearing the testimony and of observing the demeanor of witnesses and which knows
14 the community and its standards,” “court’s decision to order a partial new trial . . . on the issue of
15 damages is, by its very nature, a particularly poor candidate for interlocutory review”).

16 **C. Oracle’s Proposed Questions Do Not Present a Substantial Ground for**
17 **Difference of Opinion.**

18 Oracle also fails to show that a substantial ground for difference of opinion exists as to the
19 law governing its proposed questions. To determine if a “substantial ground for difference of
20 opinion” exists under section 1292(b), “courts must examine to what extent the controlling law is
21 unclear.” *Couch v. Telescope Inc.*, 611 F.3d 629, 633 (9th Cir. 2010). Such grounds typically
22 exist only where “the circuits are in dispute on the question and the court of appeals of the circuit
23 has not spoken on the point, if complicated questions arise under foreign law, or if novel and
24 difficult questions of first impression are presented.” *Id.* “That settled law might be applied
25 differently does not establish a substantial ground for difference of opinion.” *Id.*; *see also N.*
26 *Carolina ex. rel. Long v. Alexander & Alexander Servs., Inc.*, 685 F. Supp. 114, 116 (E.D.N.C.
27 1988) (denying request where party raised only “dispute with the application of facts to existing
28 and well-settled law”). “A party’s strong disagreement with the Court’s ruling is not sufficient

1 for there to be a ‘substantial ground for difference.’” *Couch*, 611 F.3d at 633-34.

2 Here, there are no substantial grounds for difference of opinion; clear Ninth Circuit
3 precedent establishes (which Oracle acknowledges) that recovering lost license fees requires
4 offering objective evidence sufficient to calculate a non-speculative license price. *See Jarvis v.*
5 *K2 Inc.*, 486 F.3d 526, 534 (9th Cir. 2007); *Polar Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700,
6 709 (9th Cir. 2004); *Mackie v. Rieser*, 296 F.3d 909, 917 (9th Cir. 2002); Mot. at 4. The Ninth
7 Circuit rejects license awards based only on subjective evidence. *See Mackie*, 296 F.3d at 917;
8 *Frank Music Corp. v. Metro-Goldwyn-Mayer, Inc.*, 772 F.2d 505, 513-14 (9th Cir. 1985)
9 (upholding refusal to award license damages where plaintiffs offered “no disinterested testimony”
10 in support of alleged damages). Applying this controlling law, the Court held that the subjective
11 evidence Oracle offered at trial could not support an “objective non-speculative license price.”
12 ECF No. 1081 at 11 (citing *Jarvis*, 486 F.3d at 534; *Polar Bear*, 384 F.3d at 709; *Mackie*, 296
13 F.3d at 917); *see also* ECF No. 1088 at 2. Having decided, on multiple grounds, that Oracle was
14 not entitled to recover actual damages in the form of a lost license fee, the Court then properly
15 determined that the \$1.3 billion award grossly exceeded the only evidence of actual harm, in the
16 form of lost customers. ECF No. 1081 at 17. Oracle’s claim that the Court should have come to a
17 different conclusion in applying this “settled law . . . does not establish a substantial ground for
18 difference of opinion.” *Couch*, 611 F.3d at 633-34.

19 In an attempt to manufacture substantial grounds for difference of opinion, Oracle argues
20 that “the Court’s Orders incorrectly interpreted this body of law by requiring that this objective
21 value could be proved only by particular kinds of evidence”—namely, “prior actual license
22 transactions or ‘benchmark licenses’”—and cannot be proven through other categories of
23 evidence, including “the parties’ contemporaneous projections of defendants’ anticipated profits
24 or plaintiffs’ anticipated losses.” Mot. at 5-6. But as the Court explained in its 9/16/11 Order, it
25 did not hold as a matter of law that whole categories of evidence are necessary or insufficient to
26 establish an objective, non-speculative license price. *See* ECF No. 1088 at 2. Rather, the Court
27 found that *none* of the evidence (regardless of category) that Oracle offered at trial to support its
28 license fee calculation was objective, and thus held as a matter of law that Oracle failed to offer

1 evidence sufficient to establish a non-speculative license price. *See id.* The Court also observed
2 that Oracle had not offered the usual “objective evidence of benchmark transactions, such as
3 licenses previously negotiated for comparable use of the infringed work, and benchmark licenses
4 for comparable use of comparable works,” ECF No. 1081 at 11, which is “one way” in the Ninth
5 Circuit to “establish an objective, non-speculative license price.” ECF No. 1088 at 2. Because
6 the Court’s 9/1/11 Order did not “restrict the scope of [the] objective evidence” adequate to
7 establish a non-speculative license price, Oracle’s claim that it “conflicts with precedent” fails.
8 Mot. at 4; *see also Hulmes*, 936 F. Supp. at 209 (denying certification where plaintiff
9 misconstrued order as not applying controlling law).

10 Oracle’s arguments premised on patent law also fail to create substantial grounds for
11 difference of opinion as to the correct legal standard in this copyright case. As this Court has
12 recognized, a reasonable royalty under patent law and a “hypothetical” license under copyright
13 law are different remedies. *See, e.g.*, ECF No. 1081 at 12. Whereas the Patent Act requires that
14 damages be “in no event less than a reasonable royalty for the use made of the invention by the
15 infringer,” 35 U.S.C. § 284, the Copyright Act permits recovery of actual damages only upon
16 proof that the infringement caused the asserted loss. *See* 17 U.S.C. § 504(b). As a result, each
17 area of law developed its own rules for calculating its respective remedy. Courts apply the factors
18 from *Georgia-Pacific Corp. v. U.S. Plywood Corp.*, 318 F. Supp. 1116, 1119-20 (S.D.N.Y. 1970)
19 to determine the amount of a patent-law reasonable royalty, but apply the objectivity rule to price
20 a “hypothetical” license in copyright law. *See Jarvis*, 486 F.3d at 534. Oracle fails to identify a
21 single copyright case that does what it seeks to do here—import evidentiary standards from the
22 reasonable royalty context into the “hypothetical license fee” context.

23 **D. Immediate Appeal Will Not Materially Advance Termination of the Litigation.**

24 Oracle fails to show that an immediate appeal will materially advance the termination of
25 this litigation. An early appeal now would serve only to interrupt and prolong the district court
26 proceedings by years, and undoubtedly would be followed by additional appeals. By contrast,
27 denying interlocutory appeal and following the path set by the Court’s 9/1/11 Order will
28 materially advance ultimate termination of the litigation: Oracle may either (1) accept the

1 Court’s remittitur (the quickest way to resolve the case), or (2) elect a new trial, which, given its
2 limited scope, could be concluded much earlier than an interlocutory appeal.

3 Whether an appeal “materially advances” termination of a litigation “is linked to whether
4 an issue of law is ‘controlling’ in that the Court should consider the effect of a reversal by the
5 Ninth Circuit on the management of the case.” *Mateo v. M/S Kiso*, 805 F. Supp. 792, 800-01
6 (N.D. Cal. 1992), *abrogated on other grounds by Brockmeyer v. May*, 361 F.3d 1222 (9th Cir.
7 2004). As Oracle acknowledges, a court should certify an interlocutory appeal only when doing
8 so “would avoid protracted and expensive litigation.” *In re Cement*, 673 F.2d at 1026. By
9 contrast, if an appeal “delay(s) resolution of the litigation, it should not be certified.” *Matsunoki*
10 *Group, Inc. v. Timberwork Or., Inc.*, No. C 08-04078 CW, 2011 U.S. Dist. LEXIS 33178, at *5
11 (N.D. Cal. Feb. 18, 2011) (denying certification where trial would be done in approximately five
12 months); *Sonoda v. Amerisave Mortgage Corp.*, No. C-11-1803 EMC, 2011 U.S. Dist. LEXIS
13 100275, at *6 (N.D. Cal. Sept. 7, 2011). Thus, if “interlocutory review would . . . carry with it a
14 greater risk for delay than its promise for ultimate savings of both time and resources,” denial of
15 certification is appropriate. *FTC v. Swish Mktg.*, No. C 09-03814 RS, 2010 U.S. Dist. LEXIS
16 47948, at *6 (N.D. Cal. Apr. 14, 2010). Consistent with these principles, courts have denied
17 certification if trial in the district court likely would conclude before resolution of the appeal.
18 *See Shurance*, 839 F.2d at 1348 (refusing to hear certified interlocutory appeal in part because
19 appellate decision might come after scheduled trial date and thus delay resolution); *Kraus v. Bd.*
20 *of Cnty. Rd. Comm’rs for Cnty. of Kent*, 364 F.2d 919, 922 (6th Cir. 1996) (denying certification
21 where “only a few days would be required for a jury trial and final disposition of the case in the
22 district court . . . which would avoid a piecemeal appeal,” in contrast to the “many months” that
23 would pass before appeal on Sixth Circuit’s “congested docket”).

24 Similarly, given how “time-consuming and expensive” the appeals process is, courts have
25 found that certifying an interlocutory appeal will not materially advance termination of a
26 litigation if it would result in multiple appeals, as opposed to a single appeal that would result
27 from denying certification. *Brizzee*, 2007 U.S. Dist. LEXIS 99155, at *13-15 (holding that
28 certification would not materially advance litigation since it “will result in an appeal of a limited

1 issue with the virtual assurance of a second appeal to the Ninth Circuit, followed by the
2 possibility of one or two trials”); *see also United States ex rel. Wilson v. Maxxam, Inc.*, No. C
3 06-7497 CW, 2009 U.S. Dist. LEXIS 14375, at *34 (N.D. Cal. Feb. 9, 2009) (denying
4 certification where, “if the appeal were to fail, the termination of the litigation would be delayed,
5 and the Court of Appeals would be burdened with a second appeal”).

6 Oracle incorrectly argues that immediate appeal will materially advance the termination
7 of the litigation because “reversal of the Court’s decision . . . would avoid the ‘needless expense
8 and delay’ of re-trying the case.” Mot. at 18-19 (citation omitted). Not so. As explained above,
9 because the questions that Oracle seeks to certify for interlocutory appeal are not “controlling,”
10 resolving them in Oracle’s favor would not affect the holdings in the Court’s 9/1/11 Order and
11 would not avoid a new trial limited to lost profits and infringers’ profits. Instead, such an
12 appeal—to what is objectively the most congested court of appeals in the country—would result
13 only in the unnecessary delay of the inevitable new trial.⁴

14 Even if Oracle could avoid retrial by prevailing on appeal, certification still is not
15 warranted. Courts consistently hold that the extraordinary procedure of interlocutory appeal is
16 not justified simply because prevailing on appeal would avoid a second trial, as this “is true with
17 respect to virtually every case in which a trial court has made a legal ruling either before or during
18 trial that is reversed on appeal.” *Barbaro v. United States ex rel. Fed. Bureau of Prisons*, 05 Civ
19 6998 (DLC), 2008 U.S. Dist. LEXIS 123837, at *4 (S.D.N.Y. Feb. 21, 2008); *Mazzella v.*
20 *Stineman*, 472 F. Supp. 432, 436 (E.D. Pa. 1979) (“[T]he savings that would result from the
21 possible avoidance of an unnecessary [s]econd trial is not so significant as to warrant allowance
22 of an immediate appeal.”). Because the parties have already completed discovery and much of
23 the preparation required for a lost/infringers’ profits trial, the time and resources that would be
24 expended for retrial are minimal compared to those required for the first of what inevitably would
25 be several appeals. This case is distinguishable from exceptional cases in which early appeal was

26 ⁴ The median time from notice of appeal to disposition in the Ninth Circuit is estimated at
27 16.3 months, the longest in all of the thirteen judicial circuits. *See U.S. Courts of Appeals—*
28 *Median Time Intervals In Months In Cases Terminated After Hearing or Submission, by Circuit,*
During the 12-Month Period Ending September 30, 2010, [http://www.uscourts.gov/uscourts/](http://www.uscourts.gov/uscourts/Statistics/JudicialBusiness/2010/appendices/B04Sep10.pdf)
[Statistics/JudicialBusiness/2010/appendices/B04Sep10.pdf](http://www.uscourts.gov/uscourts/Statistics/JudicialBusiness/2010/appendices/B04Sep10.pdf) (last checked Sept. 27, 2011).

1 warranted to materially advance termination of the litigation. *See, e.g., Aggio v. Estate of Aggio*,
2 No. C 04-4357 PJH, 2006 WL 149006, at *2 (N.D. Cal. Jan. 18, 2006) (holding that interlocutory
3 appeal would materially advance termination of litigation because there remained “a significant
4 amount of work necessary to litigate the case to its conclusion, including trial preparation . . .”).

5 In light of the significant delay that interlocutory appeal would cause, the better approach
6 (assuming that Oracle rejects the remittitur) is to promptly proceed to the Court-ordered new trial.
7 Given its limited scope, this new trial should take no more than eight trial days (jury selection
8 through closing arguments) and, the Court’s calendar permitting, could be concluded soon—
9 certainly before any interlocutory appeal could be resolved. At the close of the trial, the parties
10 could appeal all issues at once, avoiding a piecemeal appeal and the delay inherent in serial
11 appeals. These circumstances compel denial of Oracle’s certification request. *See Shurance*, 839
12 F.2d at 1348 (refusing to hear interlocutory appeal where appellate decision might come after
13 scheduled trial date); *Kraus*, 364 F.2d at 922; *Brizzee*, 2007 U.S. Dist. LEXIS 99155, at *13-15.

14 **III. CONCLUSION**

15 Oracle’s proposed questions for certification meet none of Section 1292(b)’s
16 requirements, and permitting interlocutory appeal only would prolong this already protracted
17 dispute. This is, and properly has always been, a case about alleged lost profits and infringers’
18 profits for copyright infringement. The appropriate next step is Oracle accepting the Court’s
19 remittitur or, if Oracle insists, a short, focused new trial. Oracle’s motion should be denied.

20 Dated: October 7, 2011

JONES DAY

21 By: /s/ Tharan Gregory Lanier

Tharan Gregory Lanier

22
23 Counsel for Defendants
SAP AG, SAP AMERICA, INC., and
24 TOMORROWNOW, INC.