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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

PAGEMELDING, INC.,

No. C 11-06263 WHA

Plaintiff,

v.

**ORDER DENYING MOTION FOR  
SANCTION OF DISMISSAL**

ESPN, INC.,

Defendant.

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**INTRODUCTION**

In this patent action involving customized web pages, defendant requests that the action be dismissed as a sanction for plaintiff's alleged failure to cure inadequate infringement contentions. Both sides move for fees and costs on the briefing. For the reasons explained below, the motions are **DENIED**.

**STATEMENT**

This action's background has been described in prior orders (Dkt. Nos. 38, 48, 56, and 71). In brief, plaintiff PageMelding, Inc. is the owner of United States Patent No. 6,442,577. The '577 patent "enables internet service and content providers to form mutually beneficial collaborations wherein website content is customized in accordance with those collaborations." Plaintiff asserts that examples of defendant ESPN's infringement include, but are not limited to, defendant's ESPN3 and WatchESPN websites.

1 On August 3, 2012, PageMelding served its infringement contentions pursuant to Patent  
2 Local Rule 3-1. ESPN subsequently filed a motion to compel PageMelding to provide more  
3 detail in its infringement contentions. At a November 16 hearing, the undersigned granted  
4 PageMelding an opportunity to cure the alleged deficiencies by serving amended infringement  
5 contentions.

6 Following service of PageMelding’s amended infringement contentions, ESPN filed the  
7 instant motion for a sanction of dismissal. ESPN contends that PageMelding’s amended  
8 infringement contentions: (i) fail to identify the specific web pages it accuses of infringement;  
9 (ii) improperly rely on activity by one product to allege infringement against both products; and  
10 (iii) fail to identify the software and hardware associated with the alleged infringement.

11 **ANALYSIS**

12 **1. LEGAL STANDARD.**

13 Patent Local Rule 3-1(c) requires “[a] chart identifying specifically where each limitation  
14 of each asserted claim is found within each Accused Instrumentality, including for each  
15 limitation that such party contends is governed by 35 U.S.C. § 112(6), the identity of the  
16 structure(s), act(s), or material(s) in the Accused Instrumentality that performs the claimed  
17 function.”

18 The patent local rules are designed “[to] make the parties more efficient, to streamline the  
19 litigation process, and to articulate with specificity the claims and theory of a plaintiff’s  
20 infringement claims.” Rule 3-1 “takes the place of a series of interrogatories that defendants  
21 would likely have propounded had the patent local rules not provided for streamlined discovery.”  
22 *Bender v. Maxim Integrated Prods., Inc.*, No. 09-CV-01152, 2010 WL 1135762, at \*2 (N.D. Cal.  
23 Mar. 22, 2010) (Judge Illston). To satisfy Rule 3-1, a “plaintiff [must] compare an accused  
24 product to its patents on a claim by claim, element by element basis for at least one of each  
25 defendant’s products[;] . . . reverse engineering or its equivalent are required.” *Network Caching*  
26 *Tech. LLC v. Novell, Inc.*, No. 02-CV-012079, 2002 WL 32126128, at \*3–4 (N.D. Cal. Aug. 13,  
27 2002) (Judge Walker).

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1 “If a party fails to obey an order to provide discovery, the court may dismiss the action,  
2 ‘rendering a judgment by default against the disobedient party.’” *In re Exxon Valdez*, 102 F.3d  
3 429, 432 (9th Cir. 1996) (citing FRCP 37(b)(2)). “Dismissal, however, is authorized only in  
4 ‘extreme circumstances’ and only where the violation is ‘due to willfulness, bad faith, or fault of  
5 the party.’” *Ibid*.

6 Before imposing the harsh sanction of dismissal, the district court must weigh  
7 several factors: (1) the public’s interest in expeditious resolution of litigation;  
8 (2) the court’s need to manage its dockets; (3) the risk of prejudice to the  
9 party seeking sanctions; (4) the public policy favoring disposition of cases on  
10 their merits; and (5) the availability of less drastic sanctions. . . . Due process  
11 concerns further require that there exist a relationship between the sanctioned  
12 party’s misconduct and the matters in controversy such that the transgression  
13 “threaten[s] to interfere with the rightful decision of the case.”

14 *Anheuser Bush, Inc., v. Natural Beverage Distribs.*, 69 F.3d 337, 348 (9th Cir. 1995) (citations  
15 omitted). The Federal Rules also authorize lesser sanctions for failure to heed a discovery order,  
16 including the sanction of preclusion. FRCP 37(b)(2)(A)(ii).

## 17 2. PRECLUSION AND COMPULSION.

18 ESPN has identified several deficiencies in PageMelding’s infringement contentions.  
19 These deficiencies persist despite PageMelding being allowed an opportunity to amend and a  
20 clear warning that it would not be allowed to amend a second time. From the present record,  
21 however, the extent to which PageMelding could cure these deficiencies using publicly available  
22 information is unclear. It further appears that the adequacy of certain disclosures may hinge on  
23 claim construction. The Court is also mindful that less drastic sanctions than dismissal remain  
24 practicable.

25 This order concludes that, under the circumstances, a sanction of dismissal is  
26 unwarranted. For the specific deficiencies raised by ESPN, this order provides additional detail  
27 and guidance below. In some instances, PageMelding shall be strictly limited to the specific  
28 disclosures contained in its amended infringement contentions. In other instances, this order  
construes ESPN’s request as a motion to compel specific disclosures.

### A. Identification of Infringing Products.

ESPN first contends that PageMelding failed to heed the admonition that PageMelding  
must specifically identify each individual web page it accuses of infringement. PageMelding

1 responds that doing so is impossible because ESPN's website is updated to add and to remove  
2 web pages on an ongoing basis, and because ESPN forms different web pages for the same  
3 address. In its reply brief, ESPN abandons this objection, which shall be deemed withdrawn.

4 ESPN simultaneously advances a more nuanced objection. The problem, ESPN also  
5 asserts, is that PageMelding is unwilling in its infringement contentions to specify something  
6 like "domain espn.go.com/watchespn and all subdomains thereof." Instead, PageMelding refers  
7 to examples of alleged infringement that it has witnessed and hedges on the remainder, stating  
8 that "[a]ll known instances of infringement via the WatchESPN webpages . . . are pages within  
9 the domain http://espn.go.com/watchespn." ESPN complains that PageMelding's wording  
10 leaves it free to accuse "any one of hundreds of web pages under the domain espn.go.com" based  
11 on claim charts that only refer to *examples* from within "espn.go.com/watchespn."

12 PageMelding's use of example web pages and ambiguous wording in its infringement  
13 contentions is problematic, but it does not merit the extreme sanction of dismissal. Although  
14 ESPN attempts to disclaim its initial objections, the underlying practical issue remains:  
15 PageMelding cannot exhaustively identify the allegedly infringing web pages. For this reason,  
16 ESPN's reliance on *Oracle America, Inc. v. Google Inc.*, No. 10-3561, 2011 WL 4479305, at  
17 \*1–2 (N.D. Cal. Sept. 26, 2011), is misplaced. There, Oracle failed to specifically identify  
18 several phone models running Android that it later contended were infringing. Those models  
19 actually existed at the time Oracle served its infringement contentions and could have been  
20 identified. Here, PageMelding cannot confidently identify particular web pages or subdomains  
21 because they may not exist from one day to the next. In its opposition, PageMelding does not  
22 address ESPN's further concern that PageMelding could enlarge its infringement contentions to  
23 cover 'all of ESPN' based on the ambiguous wording.

24 Given that PageMelding has already had the opportunity to amend, identification of  
25 infringing web pages by a few representative examples is inadequate. This order holds that  
26 PageMelding's infringement contentions shall be limited to pages within the domain  
27 "espn.go.com/watchespn." Given the particular circumstances of the alleged infringement, this  
28 limitation provides specificity sufficient to satisfy the local rule. ESPN also concedes that this

1 limitation would be acceptable to it and that the limitation would encompass both WatchESPN  
2 and ESPN3, the two ESPN “products” identified in PageMelding’s infringement contentions.

3 **B Contentions Based on WatchESPN vs. ESPN3.**

4 ESPN contends that although PageMelding has accused two distinct “products” or  
5 “online services” of infringement — WatchESPN and ESPN3 — PageMelding’s claim charts  
6 rely only on activity from ESPN3. Specifically, PageMelding uses the same URLs to refer to  
7 infringement by both products.

8 PageMelding responds that WatchESPN infringement occurs via co-branding, and  
9 ESPN3 infringement occurs via the delivery of separate audio/video content. These alleged  
10 infringements can exist separately or on the same web page, and PageMelding provides  
11 examples of alleged WatchESPN infringement that does not rely on ESPN3. In its reply brief,  
12 ESPN does not address PageMelding’s responses to its objection.

13 Upon review, it appears that the infringement contention charts address separate  
14 infringements by separate products. This order holds that they are sufficient under the local rule.

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16 **C. Identification of Infringing Hardware.**

17 Discovery in this action is ongoing, and ESPN has not yet produced confidential technical  
18 information to PageMelding regarding ESPN’s network of servers. Nevertheless, according to  
19 ESPN some information about ESPN’s servers is publicly available, such as the domain names  
20 and IP addresses of those servers. ESPN faults PageMelding for not identifying the accused  
21 hardware by IP address and/or domain name, as well as for not addressing the roles of such  
22 identified servers in the alleged infringement.

23 PageMelding responds that it cannot confidently identify the hardware at issue based on  
24 publicly available information. This is because an IP address can correspond to multiple items  
25 of hardware, such as when a router with a public IP address communicates with multiple internal  
26 pieces of hardware with private IP addresses. In its reply brief, ESPN lists the public  
27 information that it believes would be sufficient to identify the hardware at issue.

28 Again, dismissing the action as a sanction would be unwarranted. PageMelding’s

1 disclosures are inadequate, but it is not clear that PageMelding can supply the specificity  
2 requested by ESPN. PageMelding is therefore **ORDERED** to supplement its infringement  
3 contentions to identify the hardware associated with each claim limitation (*c.f.* Br. 11–12). For  
4 any “servers or groups of servers” that PageMelding accuses of infringement, PageMelding must  
5 identify: “(i) at least one associated IP address; (ii) the function that the server performs; (iii) the  
6 owner of the domains associated with the server; and, (iv) what PageMelding contends is the role  
7 of that server — if any — in the allegedly infringing activity” (*c.f.* Reply 7). If PageMelding is  
8 unable to supply information corresponding to one of the items in the above list because such  
9 information is both non-public and has not been produced in discovery, PageMelding shall so  
10 state under oath in detail by an affiant with sufficient knowledge.

#### 11 **D. Identification of Infringing Software.**

12 In a prior motion challenging the sufficiency of PageMelding’s allegations, ESPN  
13 asserted that PageMelding could have used publicly-available “generated code” to identify how  
14 ESPN’s websites infringe (Dkt. No. 42 at 3–4). According to ESPN, by using code viewable  
15 with a F12 key, PageMelding could have identified “*what* content is purportedly customized,  
16 *where* such content appears within the web pages, and *how* such content is formed” (*id.* at 4  
17 (emphasis in original)). In its present motion, ESPN now asserts that PageMelding’s  
18 infringement contentions are still inadequate. ESPN contends that PageMelding’s use of  
19 “generated” code, rather than the original code “transmitted” by ESPN (viewable by means other  
20 than the F12 key), fails to show that ESPN’s conduct is infringing.

21 PageMelding responds that giving ESPN what it asked for was enough and that it had no  
22 burden to investigate beyond what ESPN requested. PageMelding also insists that regardless of  
23 ESPN’s objections, PageMelding’s infringement contentions properly set forth its infringement  
24 theories.

25 This order holds that PageMelding’s shall be limited to the “generated” code on which it  
26 now relies. Put differently, PageMelding shall be **PRECLUDED** from relying on other publicly-  
27 available code to prove infringement. To the extent that ESPN contends that the code identified  
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1 by PageMelding is produced by non-parties, and that ESPN therefore cannot infringe, such a  
2 contention is properly resolved on a motion for summary judgment or at trial.

3 ESPN also contends that in “some instances” PageMelding has failed to identify any  
4 software associated with a claim limitation, but ESPN only provides a single example of this  
5 alleged deficiency. Regarding this specific example — software related to service requests —  
6 PageMelding is **ORDERED** to update its infringement contentions to identify what a “service  
7 request” is, what receives it, and how it is relayed (*c.f.* Br. 11, 13). As before, if PageMelding is  
8 unable to identify specific software associated with its allegations because the software and/or  
9 code is both non-public and has not been produced in discovery, PageMelding shall so state  
10 under oath in detail by an affiant with sufficient knowledge.

#### 11 **E. The Parties’ Requests for Attorney’s Fees and Costs.**

12 ESPN’s motion for a sanction of dismissal is unsuccessful. PageMelding is not entitled  
13 to fees and costs for preparing its opposition, however. ESPN’s motion identifies several  
14 continuing deficiencies in PageMelding’s infringement contentions. Although ESPN’s opening  
15 brief relied in part on a spurious contention that PageMelding should exhaustively identify  
16 individual web pages, this was not ESPN’s primary basis for its motion, and ESPN abandoned  
17 this argument. Accordingly, PageMelding’s request for fees and costs incurred in responding to  
18 the motion for sanctions is **DENIED**.

19 ESPN contends that its objections to PageMelding’s infringement contentions  
20 demonstrate that “PageMelding had no objective basis to file this lawsuit to begin with” (Reply  
21 5). On this basis, ESPN asks for an award of attorney’s fees and costs associated with preparing  
22 its own motion for sanctions.

23 ESPN’s “me too” request for fees and costs is not well-taken, especially given the denial  
24 of its motion for a sanction of dismissal. ESPN’s request for fees and costs is likewise **DENIED**.

#### 25 **CONCLUSION**


26 ESPN’s motion for a sanction of dismissal and the parties’ cross motions for fees and  
27 costs are **DENIED** without prejudice to a fresh look at the issue of sanctions at the end of trial or  
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after summary judgment. PageMelding shall update its infringement contentions in accordance with the guidance provided by this order no later than **JANUARY 11 AT NOON.**

**IT IS SO ORDERED.**

Dated: January 4, 2013.

  
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WILLIAM ALSUP  
UNITED STATES DISTRICT JUDGE