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 9 IPVALUE MANAGEMENT INC.

10 UNITED STATES DISTRICT COURT  
 11 NORTHERN DISTRICT OF CALIFORNIA  
 12 SAN FRANCISCO DIVISION

13 GOOGLE, INC., and YOUTUBE, LLC,  
 14 Google(s),  
 15 v.  
 16 IPVALUE MANAGEMENT INC.,  
 17 Defendant.

Case No. C11-80016 MISC RS (BZ)

**THIRD PARTY IPVALUE  
 MANAGEMENT INC.'S SUR-REPLY  
 OBJECTION IN OPPOSITION TO  
 GOOGLE, INC.'S AND YOUTUBE,  
 LLC'S MOTION TO COMPEL  
 PRODUCTION OF DOCUMENTS**

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1 **I. INTRODUCTION**

2 In this dispute, Google, Inc./YouTube, LLC (collectively “Google”) has refused  
3 to compromise on any issue, including compromises suggested by this Court relating to cost-  
4 shifting and exclusion of in-house counsel from the production. Perhaps to distract the Court  
5 from this intransigence, Google raises for the first time in its Reply brief arguments relating to  
6 “external” communications and the appropriateness of certain “search terms.” Pursuant to Civil  
7 L.R. 7-3(d), IPVALUE respectfully submits this Sur-Reply Objection to confirm its production  
8 of external communications, and to confirm that its arguments regarding Google’s overbroad and  
9 abusive search terms apply to all of the disputed search terms.

10 **II. OBJECTION**

11 **A. Google’s Attempt To Include “External” Documents Within The**  
12 **Scope Of Its Motion To Compel Is Improper And Unnecessary.**

13 Google’s argument regarding “external documents” is an improper attempt to  
14 manufacture a misleading accusation that IPVALUE has reneged on its agreement to produce  
15 external documents. Google admits that its motion to compel was not directed to external  
16 documents, and Google is therefore raising the issue of external communications for the first  
17 time in its Reply Brief. *See* Reply, at 3:9-23. As such, the Court need not even consider this  
18 issue. *Zamani v. Carnes*, 491 F3d 990, 997 (9th Cir. 2007) (district court need not consider  
19 arguments raised for the first time in a reply brief).

20 Moreover, Google’s allegations are misleading and incorrect. While Google  
21 quotes a statement reflecting IPVALUE’s uncertainty about an agreement between Google and  
22 Xerox’s counsel, Cravath, Swaine & Moore LLP (“Cravath”), Google omits the next sentence, in  
23 which IPVALUE confirms that “IPVALUE has not asked Cravath to limit its production except  
24 for IPVALUE privilege.” *See* Wu Decl.<sup>1</sup>, Ex. (Wu emails, at p. 2 (March 3, 2011 3:56 p.m.); *see*  
25 *also id.*, at p. 4 (confirming production of the external e-mails). IPVALUE has gathered and  
26 produced these documents to Cravath for Xerox’s confidentiality and privilege review, along

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28 <sup>1</sup> “Wu Decl.” refers to the Declaration of Andrew Wu In Support of Third Party IPVALUE Management Inc.’s  
Opposition to Google, Inc.’s And You Tube, LLC’s Motion To Compel Production of Documents, submitted March  
3, 2011.

1 with a privilege review for IPVALUE. *See* Wu Decl., ¶ 9. Most of those documents were  
2 produced to Cravath in February, with a few groups of documents produced on a rolling basis in  
3 early March. Although it has taken some time for Cravath to review these documents and  
4 prepare them for production, Cravath has confirmed that the production will begin this week. *Id.*  
5 In any event, IPVALUE has not reneged on any agreement, nor has it instructed Cravath to  
6 deviate from Cravath’s agreement to produce external communications.

7 **B. Google Has Not Demonstrated “Good Cause” For The Breadth Of Its**  
8 **Proposed Search Terms.**

9 Google also raises for the first time in its Reply brief its arguments justifying its  
10 proposed “search terms.” In support thereof, Google wrongly argues “IPValue gives no good  
11 reason to exclude them.” *See* Reply, p. 4:20. As a threshold matter, that is not the legal standard  
12 when evaluating a Rule 45 third-party subpoena. Indeed, it is Google that must establish actual  
13 and substantial prejudice from the denial of discovery. *Packman v. Chicago Tribune, Co.*, 267  
14 F.3d 628, 647 (7<sup>th</sup> Cir. 2001) (emphasis added); *see also* Schwarzer, Tashima & Wagstaffe, *Cal.*  
15 *Prac. Guide: Fed. Civ. Pro. Before Trial* (The Rutter Group 2010), Sec. [11:2379.1], p. 11-337.

16 IPVALUE considers it more understandable that Google’s brief brings this issue  
17 up for the first time in its Reply, since the meet and confer efforts regarding search terms did not  
18 occur until after filing of Google’s original motion. IPVALUE respectfully requests that the  
19 Court consider IPVALUE’s responses here in opposition to Google’s arguments, and to assist the  
20 Court in clarifying IPVALUE’s objections and arguments in its Opposition:

21 **(1) IPVALUE’s Proposed Search Terms Will Encompass All Prior**  
22 **Art To The Asserted Patent.**

23 The “external” communications that IPVALUE has produced (and that will soon  
24 be produced to Google) will encompass all prior art, since such prior art was communicated by  
25 IPVALUE to Xerox. Google has had possession of these communications for many months  
26 (since Xerox produced to Google its external communications with IPVALUE beginning last  
27 fall), and has never disputed this point.

28 In addition, with respect to the search terms being applied to the “internal”  
communications, IPVALUE’s proposed search terms will encompass all prior art to the patent-

1 in-suit, since IPVALUE’s proposed terms include all documents referring to the patent number  
2 of the patent in suit. In contrast, the extremely broad terms Google proposes, *e.g.*, “(Google or  
3 Yahoo)w /10 prior art” would encompass prior art to patents other than the patent-in-suit. As a  
4 result, there are two significant issues raised by the breadth of Google’s proposed terms: (1)  
5 Google has not demonstrated that there is “good cause” to require the use of such broader search  
6 terms; and (2) it is thus highly likely that the use of such terms will “pull in” irrelevant  
7 documents, thereby unnecessarily increasing the burden on third-party IPVALUE. Accordingly,  
8 the Court should order that IPVALUE’s proposed terms be used.

9 (2) **To Assist The Court - The Explanation Of IPVALUE’s**  
10 **Objections To Certain Proposed Search Terms Is Set Forth**  
11 **Here For Clarity.**

12 Google asserts that IPVALUE has not explained why some of Google’s proposed  
13 search terms should be rejected. However, the arguments set forth in IPVALUE’s Opposition  
14 brief apply to all of the search terms that IPVALUE opposes. Since IPVALUE did not repeat the  
15 arguments for each and every term, to avoid confusion and to assist the Court, the groupings are  
16 as follows:

17 (i) Many of Google’s additional search terms would  
18 encompass IPVALUE’s work related to clients other than Xerox, or who might have patents that  
19 read on Google’s (or Yahoo’s) products, such as the following:<sup>2</sup>

- 20 (Google or Yahoo!) w/10 infring\*
- 21 (Google or Yahoo!) w/10 law
- 22 (Google or Yahoo!) w/10 patent\*
- 23 (Google or Yahoo!) w/25 licens\*
- 24 (Google or Yahoo!) w/10 judg\*
- 25 (Google or Yahoo!) w/10 laws
- 26 (Google or Yahoo!) w/10 lawsuit\*
- 27 (Google or Yahoo!) w/10 lawyer
- 28 (Google or Yahoo!) w/10 legal\*
- (Google or Yahoo!) w/10 automat\*
- (Google or Yahoo!) w/10/prior art
- (Google or Yahoo!) /5 “prior art”
- (Google or Yahoo!) w/10 complaint\*

<sup>2</sup> Google proposes excluding the name of the one IPVALUE client through the search terms “but not MPT” or “but not Multimedia Patent Trust.” That approach would not be significantly helpful, due to the large number of clients and potential clients, many of whom keep their relationship with IPVALUE confidential.

1 (Google or Yahoo!) w/10 court\*  
2 (Google or Yahoo!) w/10 Xerox  
3 (Google or Yahoo!) w/10 generat\*  
4 (Google or Yahoo!) w/10 investigat\*  
5 (Google or Yahoo!) w/10 quer\*  
6 (Google or Yahoo!) w/10 sue  
7 (Google or Yahoo!) w/10 sued  
8 (Google or Yahoo!) w/10 sues  
9 (Google or Yahoo!) w/10 suit  
10 (Google or Yahoo!) w/10 violat\*  
11 (Google or Yahoo!) w/25 offer\*  
12 (Google or Yahoo!) w/25 proposal\*  
13 (Google or Yahoo!) w/5 case  
14 (Google or Yahoo!) w/5 cases  
15 (Google or Yahoo!) w/5 content\*  
16 (Google or Yahoo!) w/5 context\*  
17 (Google or Yahoo!) w/5 exchang\*  
18 (Google or Yahoo!) w/5 market\*  
19 (Google or Yahoo!) w/ match\*  
20 (Google or Yahoo!) w/ matter\*  
21 (Google or Yahoo!) w/5 network

22 (ii) Other search terms appear to have no connection to  
23 patent assertion, such as the following:

24 (Google or Yahoo!) w/25 proposal\*  
25 (Google or Yahoo!) w/10 automat\*  
26 (Google or Yahoo!) w/10 generat\*  
27 (Google or Yahoo!) w/5 content\*  
28 (Google or Yahoo!) w/5 context\*  
29 (Google or Yahoo!) w/5 exchang\*  
30 (Google or Yahoo!) w/5 market\*  
31 (Google or Yahoo!) w/ match\*  
32 (Google or Yahoo!) w/ matter\*  
33 (Google or Yahoo!) w/5 network  
34 Content Match  
35 Y!Q  
36 Contextual Search  
37 Right Media  
38 RMX  
39 Yahoo! Publisher Network  
40 Yahoo! Search Marketing  
41 AdSense for Content  
42 Content Ads  
43 AFC.

### 44 **III. CONCLUSION**

45 For the reasons stated previously and those stated herein, Google's Motion should  
46 be denied. In the alternative, the Court should modify the Third Party Subpoena to the scope  
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1 reasonably proposed to by IPVALUE. Moreover, in the event the Court orders IPVALUE to  
2 comply with the subpoena, Google should be ordered to advance IPVALUE \$50,000 – and to  
3 reimburse IPVALUE for half of all costs and fees that non party IPVALUE incurs by responding  
4 to the subpoena.<sup>3</sup>

5  
6 Dated: March 22, 2011

MCMAHON SEREPCA LLP

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26 <sup>3</sup> Google asserts that the \$20-\$35,000 that IPVALUE’s document vendor has estimated, (Wu Decl., ¶ 8), is  
27 “dwarfed” by Google’s own expenditures to defend against Xerox’s lawsuit. Reply at 2:5-6. Although the costs of  
28 the document vendor are merely an estimate at this point, and would comprise only one component of the overall  
cost, IPVALUE does not dispute that the costs would be far easier for Google to bear than **for a 39-employee third  
party company like IPVALUE**, especially if the costs are dramatically increased by Google’s insistence on a  
scorched-earth approach to discovery.