IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA BLUESTONE INNOVATIONS LLC, No. C -13-01770 SI (EDL) ORDER REGARDING BEST BUY'S Plaintiff, MOTION TO STRIKE LG ELECTRONICS INC, et al., Defendants. Defendants Best Buy Co., Inc., Best Buy Stores, L.P., and BestBuy.com LLC's (collectively,

"Best Buy's") filed a Motion for Order Striking Uncharted Products from Plaintiff Bluestone
Innovations, LLC's Infringement Contentions. (Dkt. 145.) This motion is the most recent of three
filed by different Defendants regarding Plaintiff's use of representative products in satisfying its
obligations under Local Patent Rule 3-1. On September 25, 2013, the District Court ordered
Plaintiff to show why its claim charts are representative of defendant Nichia's accused products.
(Dkt. 339, Case No. 12-00059 SI (EDL).) On November 15, 2013, this Court similarly ordered
Plaintiff to provide evidence to show that the charted products are representative of defendant
LGE's accused products. (Dkt. 140, Case No. 13-1770 SI (EDL).) Best Buy now argues that
Plaintiff's explanation for charting only four out of forty-six Best Buy accused products is
inadequate. The Court held a hearing on this matter on January 7, 2014.

"The overriding principle of the Patent Local Rules is that they are designed [to] make the parties more efficient, to streamline the litigation process, and to articulate with specificity the claims and theory of a plaintiff's infringement claims." <u>Bender v. Maxim Integrated Prods.</u>, <u>Inc.</u>, Case No. 09-1152 SI, 2010 U.S. Dist. LEXIS 32115, at *3-*4 (N.D. Cal. Mar. 22, 2010) (quoting

Intertrust Techs. Corp. v. Microsoft Corp., Case No. 01-1640, 2003 U.S. Dist. LEXIS 22736, at *6 (N.D. Cal. Nov. 26, 2003)). Under Local Patent Rule 3-1, a party claiming patent infringement must disclose "[a] chart identifying specifically where each limitation of each asserted claim is found within each Accused Instrumentality." Patent L.R. 3-1(c). The contentions must be sufficient to provide "reasonable notice to the defendant why the plaintiff believes it has a reasonable chance of proving infringement," and "raise a reasonable inference that all accused products" infringe. Shared Memory Graphics LLC v. Apple, Inc., 812 F. Supp. 2d 1022, 1025 (N.D. Cal. 2010) (internal quotation marks omitted).

Although it is Plaintiff's burden to prove infringement and comply with the local patent rules, those rules, as well as Federal Rule of Civil Procedure 1, are meant to achieve both efficiency and fairness. With adequate support, claim charts may place accused products into representative categories, see, e.g., Bender, 2010 U.S. Dist. LEXIS 32115 at *7-*8, provided that they provide reasonable notice of the patentee's theories of infringement. ASUS Computer Int'l v. Round Rock Research, LLC, Case No. 12-2099 JST, 2013 U.S. Dist. LEXIS 145824, at *8 (N.D. Cal. Oct. 8, 2013) (collecting cases). "The existence of product differences does not necessarily affect the question of whether a product is representative of others;" rather, "[t]he differences must be relevant to the infringement contentions." Infineon Techs. AG v. Volterra Semiconductor, Case No. 11-6239 MMC (DMR), 2013 U.S. Dist. LEXIS 109165, at *17 (N.D. Cal. July 31, 2013). The party claiming infringement "bears the burden of explaining why its claim chart is representative of all accused products." Digital Reg of Tex., LLC v. Adobe Sys., Inc., Case No.12-1971 CW (KAW), 2013 U.S. Dist. LEXIS 23447, at *16 (N.D. Cal. Feb. 20, 2013).

Plaintiff has not met its burden of showing that the four Best Buy products that it charted adequately represent the other forty-two products it accused of infringement. Although Plaintiff's expert opines that the differences between the accused products are not relevant to infringement, he nevertheless states merely that the "basic" structure of the LEDs used in the each of the charted products and the arrangement of the mesas in each of the charted products is "virtually" the same. Similarly, Plaintiff's opposition contends only that "the majority of the differences across the forty-six Best Buy accused products" relate to matters irrelevant to infringement, implicitly conceding that

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some of the differences may be relevant. Further, as Plaintiff's expert acknowledges, the "mesas" in the four charted products do not all share the same shape, either in cross section or in three dimensions. As the parties' joint claim construction statement makes clear, the shape of a product's "mesas" may be critical to infringement. (Dkt. 156.) Best Buy points out that Plaintiff has not identified which of the "mesas" in the charted products are present in which uncharted products.¹

Plaintiff stated at the hearing that it is willing to reverse engineer additional Best Buy products and revise its claim charts accordingly. In light of the Court's guidance at the hearing, Plaintiff and Best Buy subsequently stipulated that Plaintiff would reverse engineer five additional Best Buy accused products and that Plaintiff would produce claim charts for these products no later than March 14, 2014, and the Court so ordered. Accordingly, the Court denies Best Buy's motion to strike without prejudice. If, after meeting and conferring with Plaintiff, Best Buy believes in good faith that Plaintiff's use of representative products is still improper, it may promptly raise the issue via a joint letter brief.

In addition to addressing Best Buy's motion to strike at the hearing, the Court asked the parties for a status update. Plaintiff, having previously stated that it would reverse engineer additional LGE accused products, represented that it could produce claim charts for six additional products within a few days. Consequently, the Court ordered Plaintiff to provide LGE with claim charts for six additional reverse engineered products by January 14, 2014. If, after reviewing this evidence and meeting and conferring with Plaintiff, LGE believes in good faith that Plaintiff's use of representative products is still improper, it must promptly raise the issue via a joint letter brief.

Nichia stated that it has provided Plaintiff with additional information in an effort to narrow the scope of accused products. If Nichia believes that Plaintiff's use of representative products is still improper after meeting and conferring with Plaintiff, it should promptly raise the issue in a joint

¹ Previously, the District Court and this Court ordered Plaintiff to provide evidence to show that the charted Nichia and LGE products were actually representative. Nichia and LGE have not filed any motions regarding the sufficiency of the evidence Plaintiff provided in response to those orders. Plaintiff's reverse engineering with respect to Nichia's and LGE's products, the subject of the two prior motions attacking the use of representative claim charts, did not show differences in alleged mesa shapes between charted products to the degree present here. Moreover, Plaintiff's expert's declaration in the Nichia matter was more detailed than his declaration here

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letter brief. Any joint letter brief submitted by the parties is limited to no more than four pages per side per brief, not counting attachments.

IT IS SO ORDERED.

Dated: 1/16/14

Elizabeth D. Laporte
United States Magistrate Judge