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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CONTOUR IP HOLDING, LLC,
Plaintiff,
v.
GOPRO, INC.,
Defendant.

Case No. [3:17-cv-04738-WHO](#)

**ORDER ON MOTIONS IN LIMINE,
MOTION TO STRIKE AND EXCLUDE,
AND MOTIONS TO SEAL**

Re: Dkt. Nos. 472, 473, 474, 475, 490, 495

INTRODUCTION

In this patent infringement suit, plaintiff Contour IP Holdings, LLC (“Contour”), alleges that defendant GoPro, Inc. (“GoPro”), infringes claims 11, 12, 14, 15, and 20 of U.S. Patent No. 8,890,954 and claims 4 and 6 of U.S. Patent No. 8,896,694. GoPro denies that it infringed and claims that the patents are invalid. The patents relate to mountable and viewfinderless point-of-view video cameras with capabilities to wirelessly connect to personal portable devices. A jury trial is set for later this year, depending on the state of the COVID-19 pandemic. This Order addresses the parties’ motions in limine and GoPro’s motion to strike the supplemental report and exclude the testimony of Contour’s damages expert, Dr. Keith Ugone.

DISCUSSION

I. CONTOUR’S MOTIONS IN LIMINE

1. Motion in Limine No. 1: Preclude GoPro Arguing the “Generate” Limitations Related to Infringement

GRANTED. Contour seeks to preclude GoPro from arguing the “generate” limitation related to infringement. Contour’s Motions in Limine (“Contour Mot.”) [Dkt. No. 475] 1–2. I previously construed the term, which appears in claims 3 of the ‘684 Patent and claim 11 of the

1 '954 Patent. I granted summary judgment on claim 11, finding that the Accused Products infringe
2 it based on the “generate” term. Order on Motions for Partial Summary Judgment, Motions to
3 Exclude Expert Testimony, and Motions To Seal (“Prior Order”) [Dkt. No. 444] 6–10. Contour
4 therefore seeks to preclude argument regarding the term because, it contends, it was effectively
5 settled on summary judgment for all claims.

6 GoPro has no affirmative argument to the contrary. Instead, it argues that both parties
7 should be precluded from arguing the generate limitation related to infringement. GoPro’s
8 Responses to Contour Mot. (“Contour Oppo.”) [Dkt. No. 494] 1. I agree. Neither party may seek
9 to relitigate what was settled at summary judgment. The application of this principle is discussed
10 below with respect to particular disagreements that the parties have. As a general matter, neither
11 party may argue for the “generate” limitation related to infringement.

12 GoPro also seeks certainty that its non-infringement arguments about the “generate”
13 limitation are preserved for appeal because it cannot make them at trial. *Id.* 1–2. While appellate
14 preservation is a matter for the appellate court, it is difficult to imagine Contour feasibly arguing
15 that GoPro failed to preserve these arguments given Contour’s position that the issue was settled
16 by summary judgment. Contour’s position, for clarity in the record, is that even though summary
17 judgment was about claim 11 in particular, the “generate” limitation dispute is the same across
18 uses of that term in other claims. *See* Contour Mot. 1–2.

19 **2. Motion in Limine No. 2: Preclude References to Damages Causing GoPro’s**
20 **Business to Be Negatively Impacted**

21 GRANTED. Contour moves to preclude GoPro from “making any statements or
22 arguments to the jury regarding GoPro’s ability or inability to pay any judgment in this case or the
23 impact a significant verdict could have on GoPro’s business.” Contour Mot. 3. I agree that this
24 evidence would not be relevant, FED. R. EVID. 401, 402, and, even if it were, any probative value
25 would be substantially outweighed by undue prejudice to Contour, FED. R. EVID. 403. GoPro does
26 not dispute that it cannot argue or insinuate that a damages award would cause it to go out of
27 business or cause financial harm. Contour Oppo. 4–5. But GoPro argues that Contour’s motion
28 goes beyond this to encompass “amorphous” broader evidence. *Id.* 5. I disagree that the request is

1 vague or overbroad. GoPro may not make statements or arguments to the jury about its (in)ability
2 to pay a judgment or the impact of a significant verdict on its business.¹

3 **3. Motion in Limine No. 3: Preclude “Generalized” Criticism of the Patent Office**
4 **(“PTO”) or Patent Trial and Appeal Board (“PTAB”)**

5 GRANTED IN PART. Contour seeks to preclude certain statements about the PTO,
6 PTAB, and their patent review and issuing process. I agree that GoPro cannot “make *generalized*
7 comments about the quality of the PTO’s examination process or otherwise insinuate that, *as a*
8 *general matter*, the PTO does not do its job properly.” *Fujifilm Corp. v. Motorola Mobility LLC*,
9 No. 12-CV-03587-WHO, 2015 WL 12622055, at *2 (N.D. Cal. Mar. 19, 2015) (emphasis added).
10 That evidence is too far removed from any issue in the case and threatens to water down the high
11 bar for showing invalidity Congress and the Supreme Court have set. *Id.* But “[t]his ruling in no
12 way prevents [GoPro] from making *specific* attacks on the validity of the patents in suit, or from
13 relying on evidence and/or argument that *those particular patents* were improperly issued.” *Id.*
14 (emphasis added). And if Contour “opens the door by, for example, implying that the PTO
15 carefully evaluated each of the patents in suit and all relevant prior art, I will reconsider this ruling
16 and may allow [GoPro] to respond with evidence” that would rebut it. *Id.* I address what the
17 parties may say about PTAB in ruling on GoPro’s Motion in Limine No. 12.

18 **4. Motion in Limine 4: Preclude Reference to the Contour Entities as “Non-**
19 **Practicing Entities” or Similar Terms**

20 GRANTED IN PART. Contour seeks to prevent GoPro from referring to it, Contour, Inc.,
21 or Contour, LLC, with “derogatory, disparaging, and/or pejorative terms” related to their non-
22 practicing of the patents. Contour Mot. 6. The classic example of such a term is a “patent troll”
23 and GoPro has agreed not to use that term. *See id.* n.6; Contour Oppo. 8. Contour identifies two
24 other specific terms: “patent assertion entity” and “non-practicing entity.” “Non-practicing entity”
25 is a neutral and factual descriptor and so is not improper. *See, e.g., HTC Corp. v. Tech. Properties*
26 *Ltd.*, No. 5:08-CV-00882-PSG, 2013 WL 4782598, at *4 (N.D. Cal. Sept. 6, 2013). Contour may
27 not be described as a “patent assertion entity” because of its negative connotations. *Finjan, Inc. v.*

28 ¹ By the same token, Contour would not be able to make statements or argument that the failure to
award it damages would negatively impact its business.

1 *Sophos, Inc.*, No. 14-CV-01197-WHO, 2016 WL 4560071, at *8 (N.D. Cal. Aug. 22, 2016).
2 Contour identifies no other “similar pejorative” terms with specificity.

3 Additionally, Contour moves to preclude argument that it is improper for Contour to
4 “assert patent rights without practicing the patent.” Contour Mot. 6. If the objection is to
5 relevance, it should be made at trial depending on what evidence comes out, the purpose of it, and
6 what it is responding to. If the objection is to the language, the phrase is a neutral, factual
7 statement and not pejorative.

8 **5. Motion in Limine No. 5: Preclude Reference to Ambarella as an Inventor**

9 GRANTED IN PART. Contour moves to exclude any reference to third-party Ambarella
10 as the inventor (or a similar term) of the asserted patents. It offers three reasons: (1) I previously
11 denied GoPro the ability to amend its invalidity contentions to include certain prior art, including
12 some Ambarella chips, *see* Dkt. No. 335 at 8; (2) the testimony Contour is concerned about is
13 from lay witnesses yet they would be improperly testifying about technical subjects; and (3) any of
14 this testimony would be irrelevant because the asserted claims recite a “point of view digital video
15 camera” while Ambarella makes camera processors, not whole camera systems. Contour Mot. 9–
16 10.

17 This evidence may not be used as an invalidity reference, but it may be used as background
18 prior art. GoPro previously sought leave to amend its invalidity contentions to include, among
19 other things, Ambarella technology as invalidity references. Dkt. No. 335 at 5, 7–8. I denied that
20 motion, finding that GoPro was not diligent in identifying that technology. *Id.* at 7–8. GoPro
21 cannot get around the disclosure requirements by invoking references for which it was denied
22 leave to amend.

23 That said, GoPro may use the evidence as background prior art—that is, to establish the
24 knowledge of a person of ordinary skill in the art, or other defenses not subject to the disclosure
25 requirements just discussed. I disagree that the evidence is irrelevant at this pre-trial stage;
26 Contour’s argument to the contrary is simply a rehash of its arguments about why the claims are
27 novel. *See* Contour Mot. 10. Additionally, the potential testimony does not appear to be improper
28 lay witness testimony as GoPro argues. Instead, GoPro represents that it will ask witnesses to

1 describe when and how they worked on and developed the technology. Lay witnesses are
2 permitted to discuss what they personally experienced, so long as it is otherwise admissible. *See*
3 FED. R. EVID. 701. Of course, any such witness must be shown to be testifying based on her
4 perception and with personal knowledge. *Id.* 602, 701. If, at trial, it becomes apparent that these
5 witnesses lack such knowledge, their testimony will be excluded. Moreover, no lay witness may
6 testify as an expert about the technology, merely to their experiences and rationally based
7 perceptions; if a witness strays into that territory an objection should be made at trial.

8 **II. GOPRO'S MOTIONS IN LIMINE**

9 **1. Motion in Limine No. 1: Exclude GoPro's Total Accused Product Revenues or Profits**

10 GoPro seeks to exclude evidence regarding GoPro's total gross revenues or profits. For
11 the reasons explained below, I grant the separate motion strike the portion of Contour's expert's
12 supplemental report related to this. That is the only source of this evidence that GoPro identifies
13 in its motion in limine. *See* GoPro's Motions in Limine ("GoPro Mot.") [Dkt. No. 474] 1.

14 **2. Motion in Limine No. 2: Exclude GoPro's Corporate Wealth and Executive Wealth and Compensation**

15 GRANTED IN PART. GoPro seeks to exclude two types of evidence: its total corporate
16 wealth and evidence about its executives' wealth and compensation. Contour responds that total
17 corporate wealth is relevant to and admissible for damages calculations. Because I have granted
18 the motion to strike some of Ugone's opinions related to this (as referenced in my ruling above
19 and explained further below) it is unclear whether any other such evidence remains available to
20 introduce. In any event, ruling on more than this example now would be inappropriate because
21 whether total corporate wealth is admissible depends on its use. Often, it may be used to prejudice
22 the jury and may violate the entire market value rule ("EMVR"). In other circumstances, it may
23 also be relevant and admissible, for instance in a hypothetical negotiation. The parties should
24 object at trial if such evidence is used for an improper purpose (if any evidence remains).

25 I agree—and Contour does not dispute—that revealing *executive* wealth and compensation
26 in a way unconnected to a particular disputed issue would have little, if any, probative value and
27 would serve only to inflame and unduly bias the jury. FED. R. EVID. 403. Contour opposes the
28

1 motion, however, to the extent that it applies to Nicholas Woodman, GoPro’s CEO. Contour
2 contends that it may seek to introduce evidence that Woodman carried out sales of GoPro stock
3 that are indicative of willfulness. Contour’s Opposition to GoPro Mot. (“GoPro Oppo.”) [Dkt. No.
4 493] 3–4. For the reasons explained with respect to GoPro’s Motion in Limine No. 8, I exclude
5 the evidence of stock sales on other grounds.

6 **3. Motion in Limine No. 3: Exclude Testimony from Dr. Erich Speckin**

7 GRANTED. GoPro contends that Erich Speckin, an expert Contour has added to its
8 witness list, was not sufficiently disclosed. I agree; there is no evidence on this record that
9 Speckin was disclosed in the same way as the experts that the parties both expected to testify and,
10 consequently, were able to depose or prepare to cross.

11 Contour replies that Speckin was adequately disclosed because he filed a declaration in this
12 case regarding the authenticity of GoPro’s catalogue, which the Federal Circuit found to be prior
13 art on review of a PTAB decision involving these parties. *GoPro, Inc. v. Contour IP Holding*
14 *LLC*, 908 F.3d 690, 696 (Fed. Cir. 2018). Contour argues that Speckin’s declaration sufficiently
15 qualifies as a report under FRCP 26 because it includes all facts and data he considered, his
16 opinions, and his qualifications. *See* Dkt. No. 276 (the declaration). It further argues that the
17 parties did not include experts in their initial disclosures, they only included fact witnesses. And it
18 contends that GoPro was put on notice of this expert the same way the parties put each other on
19 notice with all experts--serving declarations.

20 This is an eleventh-hour attempt to rewrite the history of this witness. Speckin’s short
21 declaration cannot be reasonably understood as a normal expert report under FRCP 26 that would
22 fulfill Contour’s disclosure obligations. It was made for the discrete purpose of responding to
23 GoPro’s motion to stay, not for the general purpose of using Speckin as an expert throughout the
24 case. While the parties were entirely aware of each other’s experts and took discovery
25 accordingly, there is no evidence that GoPro was ever made aware Speckin would be used at trial
26 in this manner. Contour’s argument that this expert “report” was disclosed as all others were is
27 unavailing: this declaration was bundled as part of the response to a motion to stay.

28

1 **4. Motion in Limine No. 4: Exclude Technical Opinions of Dr. Keith Ugone**

2 DENIED. GoPro moves to exclude certain opinions of Ugone, Contour’s damages expert,
3 because they are technical and beyond his area of expertise. GoPro Mot. 5–7. Specifically, GoPro
4 is concerned about opinions on invalidity and the prior art. It points to the example of Ugone’s
5 statement that “prior to the patent filing date, ‘display and playback’ could not be performed with
6 a low resolution video file as a feature of an action camera, and that prior to the patent filing
7 ‘display and playback’ was never combined with the ability to wirelessly stream preview video.”
8 *Id.* 6. And it objects to his discussion of prior art reference Boland and the PTAB’s findings
9 related to it. *Id.* 7

10 Contour responds that, in Ugone’s report, these opinions appear in an introductory passage
11 and he follows them up by elaborating on his understanding of the art and patents prior to
12 rendering a damages opinion. GoPro Oppo. 5–6. It points out, for instance, that many of his
13 opinions are predicated on the PTAB decision or on Hu’s opinions.

14 If these alleged technical opinions are used as the basis of Ugone’s own expert opinions—
15 as they appear to be—they are admissible on that basis. *Williams v. Illinois*, 567 U.S. 50, 57
16 (2012); FED. R. EVID. 703, 705. There are two caveats. First, this information is only admissible
17 to the extent any basis of an expert opinion is admissible. FED. R. EVID. 703. Second, Ugone
18 cannot testify to any technical opinion to prove its substantive truth. *Williams*, 567 U.S. at 57.
19 Additionally, as explained in my ruling on the motion to strike, this evidence may not support
20 Ugone’s opinions in any case.

21 **5. Motion in Limine No. 5: Exclude Undisclosed Opinions of Dr. Jing Hu**

22 DENIED except to the limited extent below. GoPro argues that numerous opinions of Hu,
23 Contour’s technical expert, were not disclosed and that she should be precluded from testifying
24 about them. The motion also appears to object to Ugone’s testimony if it is based on them. GoPro
25 Mot. 7–9. Contour responds that each piece of testimony was adequately disclosed. The
26 testimony GoPro seeks to exclude falls into three buckets: (1) testimony about the number of
27 features that are or were enabled by WiFi, (2) testimony regarding the (non-)conventionality and
28 incremental benefit of the elements of claim 14, and (3) testimony “relating to the trim + share,

1 play back + view, copy+ save content, or browse + delete files allegedly being enabled by the
2 alleged inventions of the Patents-in-Suit.” GoPro Mot. 7.

3 With respect to the first category, Contour argues that it was disclosed by pointing to a
4 discovery dispute filing in which (1) Contour stated that Hu opines that the features infringed
5 claim 14 and (2) GoPro stated that Hu opines that “a system with the Accused Functionality *plus*
6 playback infringes.” GoPro Oppo. (quoting Dkt. No. 352 at 4, 6) (emphasis in original).

7 Curiously, however, Contour does not simply cite a passage of an expert report that this appeared
8 in. Nevertheless, the discovery dispute that Contour cites does provide citations to portions of the
9 report that discuss the subject. Dkt. No. 352 at 5–6. GoPro may attempt to impeach Hu if it
10 believes that any specific opinion would not be fairly encompassed by this general disclosure.

11 Second, Hu does disclose opinions regarding conventionality and incremental benefits in a
12 second report. GoPro’s argument appears therefore to be that these opinions are not in Hu’s
13 opening report. But a properly filed expert report is an adequate disclosure, and GoPro has
14 indicated no reason it would not have been able to respond to or conduct discovery into this topic.

15 Third, GoPro argues that, while Hu has previously discussed the third category of
16 testimony (relating to the files), it was only in a deposition and only in a redirect. It appears,
17 however, that the opinions in this redirect were given in response to GoPro’s experts’ opinions
18 about Hu. In other words, Contour represents that this is rebuttal evidence. Accordingly, Contour
19 may only use it as such at trial. If Contour were permitted to present this evidence for other
20 purposes, it would prejudice GoPro because the information was never disclosed in a manner that
21 would have permitted GoPro to conduct full discovery into it. For clarity, Hu is not barred (as a
22 result of this motion in limine) from testifying about the underlying opinions disclosed in her
23 report to which, according to Contour, GoPro’s expert was responding; she may simply not raise
24 these specific opinions except in rebuttal.

25 **6. Motion in Limine No. 6: Exclude Factual Misrepresentations**

26 DENIED. GoPro moves to exclude certain statements by Contour’s experts that it believes
27 are “false.” GoPro’s substantive argument, however, goes to weight, not admissibility. GoPro
28 first seeks to exclude Ugone’s testimony that “Prior to March 2019, the user also could click the

1 download/upload button in the GoPro App to download the video from the camera to the GoPro
2 App for display and playback, but the download was only of the low resolution video file.” GoPro
3 Mot. 10. As Contour points out, that statement is arguably corroborated by Hu, who states that
4 “older versions” of the App “only download low resolution videos.” GoPro Oppo. 11. Whether a
5 factfinder believes it is adequately supported is a matter for the factfinder. GoPro also points to
6 statements that Hu made that it argues contradict this testimony. Additionally, it points to other
7 evidence (such as exhibits) that it alleges support its position that the mobile app has had the
8 ability to download full resolution files since prior to the patents-in-suit issuing. GoPro Mot. 11.
9 This all underscores the extent to which there is a factual dispute not appropriate to resolve in a
10 motion in limine.

11 GoPro also objects to Ugone’s testimony on this front because he is unqualified to render
12 that opinion. I agree that if Contour seeks to use Ugone to prove the substantive truth of this
13 statement, it would be improper. So long, however, as that statement is a basis (even an assumed
14 one) for his damages opinions, it is proper so long as it otherwise complies with the FRE. *See*
15 *Williams*, 567 U.S. at 57 (“Under settled evidence law, an expert may express an opinion that is
16 based on facts that the expert assumes, but does not know, to be true.”).

17 **7. Motion in Limine No. 7: Exclude Evidence “Oversimplifying” the Inventions**

18 DENIED. GoPro seeks to preclude Contour from “argu[ing] that it invented ‘live preview’
19 or ‘remote control’ or ‘playback and display’ because the claims are not nearly so broad, and such
20 argument would unfairly prejudice GoPro and likely confuse or mislead the jury.” GoPro Mot.
21 12. In response, Contour does not dispute that the terms are simply “shorthand.” GoPro Oppo.
22 13–14. But it points out that both parties have sometimes used them to refer to specific
23 functionalities and that GoPro’s motion in limine sweeps broadly. I agree. If, at trial, Contour
24 implies to the jury that it invented more than it did, that will be the subject of cross-examination,
25 argument, or (in an appropriate, rarer circumstance) an evidentiary objection. At present, so long
26 as actual functionalities are sufficiently defined, the use of this shorthand is appropriate. The
27 value of referring to things in a convenient, non-convoluted way outweighs any theoretical
28 prejudice to GoPro.

1 **8. Motion in Limine No. 8: Exclude Undisclosed Evidence of Willfulness**

2 GRANTED. GoPro moves to exclude certain of Contour’s evidence of alleged willfulness
3 because it was insufficiently disclosed. GoPro Mot. 13–15. Specifically, GoPro homes in on (1)
4 “allegations of copying or relating to any monitoring or investigation of Contour products by
5 GoPro,” (2) stock sales Woodman made, (3) “GoPro’s continued release of new products or not
6 designing around the Patents-in-Suit,” and (4) communications between GoPro and the Contour
7 entities. *Id.* 14. Notably, GoPro previously sought to pin down Contour’s willfulness contentions
8 with an interrogatory asking for the legal and factual bases supporting a willfulness theory. Other
9 willfulness contentions were disclosed in response to GoPro’s interrogatory, but not these. *Id.*

10 Contour’s failure to include these bases of its willfulness theory in that interrogatory shows
11 that they were inadequately disclosed; Contour points to no separate adequate disclosure of this
12 information. Nonetheless, Contour argues either that its disclosures were adequate or that the
13 failure to disclose was substantially justified. First, it first asserts that it filed an amended and
14 supplemental response that referenced release of new infringing products. But that report was
15 filed after the deadline and without leave. It also contends that GoPro waived this issue by not
16 moving to strike the new response, but GoPro asked to disregard it at summary judgment and
17 again today.

18 Second, Contour argues that GoPro was otherwise aware of the information (such as
19 Contour’s monitoring contention, which was raised in a deposition) or the information was in its
20 possession (such as Woodman’s stock sales), so nondisclosure was either justified or harmless.
21 Even if GoPro were aware of certain of these facts, that is far from awareness that they would be
22 the basis of a willfulness contention. The mere fact that, for instance, GoPro knew that Woodman
23 made these stock sales would not reasonably put it on notice that Contour would then use them to
24 show willfulness. If Contour had disclosed that in response to the interrogatory, GoPro could have
25 taken discovery on these issues.

26 Third, Contour argues that it has maintained an objection to that interrogatory as
27 overbroad, unduly burdensome, and on the grounds that GoPro already possesses the information.
28 To start, a boilerplate objection does not relieve Contour of its fundamental burden to disclose its

1 willfulness contentions. Additionally, Contour *did* respond with several bases of willfulness and
2 then supplemented its response with others. To now claim that it had no obligation on the basis of
3 vague, rote objections that its own behavior undermined does not mean that Contour can simply
4 avoid disclosure until trial.

5 Fourth, Contour argues that GoPro was not diligent because it never sought to clarify the
6 willfulness contentions. Dkt. No. 399-6 at 15. This is not a situation in which a party was given
7 general information that it should have clarified. Here, Contour never put GoPro on notice of
8 these violations at all (except with respect to the particular information in the untimely
9 supplement). For instance, it is impossible for GoPro to have “clarified” any information about
10 Woodman’s stock sales because Contour never disclosed it would use those sales to show
11 willfulness.²

12 **9. Motion in Limine No. 9: Exclude “Undisclosed Secondary Considerations”**

13 GRANTED IN PART, DENIED IN PART. GoPro seeks to exclude evidence of secondary
14 considerations of nonobviousness because, it argues, they were not adequately disclosed. GoPro
15 identifies copying, commercial success, long-felt but unresolved need, and failure by others as the
16 secondary considerations that were not disclosed. GoPro Mot. 15–17.

17 Contour either sufficiently disclosed this information or GoPro did not pursue clarification
18 or elaboration in a timely way. First, Contour’s interrogatory response on this discussed
19 unresolved needs and commercial success. GoPro Oppo Ex. F at 26–27. Second, Contour said
20 that its experts would prove further information about secondary considerations and there is no
21 evidence that GoPro asked for more specificity. When Hu filed her rebuttal report that discussed
22 secondary considerations, GoPro lodged various objections, but not this one—it cannot now do so
23 in a motion in limine. Unlike with respect to GoPro’s Motion in Limine No. 8, GoPro was
24

25 ² My order on summary judgment is not to the contrary. Contour relies on the statement that “I
26 disagree with GoPro that the timing of Woodman’s sale of GoPro stock necessarily makes that
27 evidence irrelevant to the question of willfulness. The parties will be able to present the jury with
28 evidence and argument regarding each of their versions of events and the inferences that can be
drawn from the evidence.” Prior Order 12 (internal citation omitted). There, I held only that sales
would be relevant to willfulness as an evidentiary matter and that summary judgment could not be
granted regarding them. I did not address whether the theory was adequately disclosed.

1 apprised of Contour’s general theories and did not diligently request further specificity until filing
2 this motion seeking total exclusion. This portion of the motion is DENIED.

3 In the alternative, GoPro moves to exclude the evidence during Contour’s validity case-in-
4 chief and asks that Contour only raise it during its rebuttal case. GoPro Mot. 16–17. It argues that
5 raising secondary considerations prior to that will prejudice the jury in the *infringement* analysis,
6 but the only concrete threat it identifies concerns copying. *Id.* Contour opposes this motion but
7 only identifies one substantive ground for doing so: that copying is relevant to willfulness. GoPro
8 Oppo. 18. The motion is GRANTED IN PART. I will not exclude secondary considerations other
9 than copying because GoPro does not address them with any particularity. Evidence of copying is
10 relevant to willfulness. *Digital Reg*, 2014 WL 4090550, at *8. But it cannot be used for any other
11 purpose, except in rebuttal, because of the threat of muddying the validity and infringement
12 analyses. *Finjan*, 2015 WL 4129193, at *6. This decision should not be understood to contradict
13 my other determinations on willfulness in this order. Copying is only admissible to the extent
14 allowed by rulings on other motions in limine.

15 **10. Motion in Limine 10: Exclude Evidence and Argument Inconsistent with**
16 **Summary Judgment Order**

17 DENIED. GoPro seeks to exclude evidence it argues is consistent with my order on
18 summary judgment or, at least, inconsistent with Contour’s positions taken during summary
19 judgment briefing. GoPro has identified one particular piece of expected testimony from Hu that
20 it objects to as inconsistent with my summary judgment order or judicially estopped because of
21 Contour’s briefing. Although GoPro appears to treat this as only an example, it is the only
22 testimony GoPro identifies with any specificity. Contour agrees that it cannot make arguments or
23 introduce evidence that contravenes my order on summary judgment but argues the evidence is not
24 inconsistent.

25 Summary judgment on claim 11 of the ‘954 patent revolved around the “generate” term,
26 which I construed as “record in parallel from the video image data a first image data stream and a
27 second image data stream, wherein the second image data stream is a higher quality than the first
28 image data stream.” Prior Order 6. At summary judgment, GoPro’s expert opined that there was

1 no infringement because (1) the accused products did not generate data “from the video image
2 data” because of the alterations made during processing and (2) the lower resolution stream was
3 created from a high resolution video source, not the video image data. *Id.* 7–10. I rejected both
4 arguments, finding that the construction did not include a “no-process” limitation that GoPro
5 would impose. *Id.*

6 GoPro challenges Hu’s opinion from her rebuttal report that prior art reference Boland
7 does not meet the generate term. Hu opines that Boland does not disclose the generate term as
8 construed (as GoPro’s expert argues). She says that “Boland’s preview functionality does not
9 relate to generating two streams in parallel, but instead describes creating a preview stream from
10 previously-recorded high quality video. The preview stream is also not generated from the video
11 image data but is instead generated from the previously-recorded high quality video.” Dkt. No.
12 398-6 ¶ 307.

13 This issue is not ideal for a motion in limine. The arguments are technical and of the type
14 that would normally be thoroughly ventilated in robust adversarial briefing—not in the few short
15 pages each party gets for a motion in limine. Both parties have reasonable arguments. Based on
16 the slim record before me, however, I conclude that Hu is advancing a distinct argument than
17 Contour made or I rejected. This argument about Boland is one Contour advanced at summary
18 judgment—namely that Boland uses a *serial* generation process, not a parallel one. In this serial
19 process, Contour contends, the lower quality video stream is generated from a previously *stored*
20 high quality video. In a parallel process, in contrast, both video streams are generated—directly or
21 indirectly—from video image data, even if the lower resolution video is processed from the high
22 resolution video prior to being stored. *See* Prior Order 8 n.2. This distinction may or may not
23 ultimately be convincing to a factfinder, but it is not so plainly inconsistent with Contour’s
24 previous arguments as to require judicial estoppel. *See Hamilton v. State Farm Fire & Cas. Co.*,
25 270 F.3d 778, 782–83 (9th Cir. 2001) (discussing the conditions under which judicial estoppel
26 prevents parties from taking inconsistent positions). And it does not, at least on this record,
27 squarely contradict my rejection of GoPro’s no-processing argument at summary judgment.
28

1 **11. Motion in Limine No. 11: Exclude References to the Plaintiff as “Contour”**

2 DENIED except to the limited extent explained below. GoPro seeks to preclude the
3 plaintiff (whose full corporate name is Contour IP Holdings, LLC) from suggesting it is the same
4 company as Contour, LLC or Contour, Inc. That alone would be reasonable and I do not expect
5 the plaintiff to do so. *See* GoPro Oppo. 20 (“Contour has no plans to confuse or mislead the jury
6 by conflating itself with Contour, LLC and Contour, Inc. Contour only plans to provide ‘neutral,
7 factual statements’ concerning its business.”). To that limited extent, the motion is GRANTED.
8 But the main argument in GoPro’s motion goes beyond that: it moves to prevent the plaintiff from
9 referring to itself as “Contour” at all. GoPro Mot. 20–21. Its argument is that the plaintiff is a
10 distinct legal entity from those other Contour entities but that the plaintiff is a non-practicing
11 entity while the others allegedly developed the patents-in-suit.

12 Although there might be some slight confusion arising from the similarity between the
13 entities’ names, that theoretical confusion does not substantially outweigh Contour’s right to refer
14 to itself by its name and “introduce [its] compan[y] to the jury.” *Finjan, Inc. v. Blue Coat Sys.,*
15 *Inc.*, No. 13-CV-03999-BLF, 2015 WL 4129193, at *2 (N.D. Cal. July 8, 2015); FED. R. EVID.
16 403. The cases GoPro relies on excluded quite different evidence than a party’s name. In one, the
17 court precluded a party from referring to itself as a “charity” so that the jury would not be biased.
18 *Wisconsin Alumni Research Found. v. Apple, Inc.*, 135 F. Supp. 3d 865, 879 (W.D. Wis. 2015). In
19 the other, the court permitted one party to explain that the other party was not the entity that
20 appeared on the patents, which is materially identical to what I allow here. *Personalized User*
21 *Model, L.L.P. v. Google Inc.*, No. CV 09-525-LPS, 2014 WL 807736, at *3 (D. Del. Feb. 27,
22 2014). GoPro may pursue appropriate and admissible argument and cross-examination about the
23 distinction between the entities.

24 GoPro also argues that the plaintiff is judicially estopped from using that name because it
25 previously contended that the entities were legally distinct. GoPro Mot. 20. The plaintiff,
26 however, does not seek to argue that the entities are the same, it simply seeks to refer to itself by
27 its name—an entirely different issue. I trust that the parties will be scrupulous in sharply
28 differentiating between the entities at trial.

1 **12. Motion in Limine No. 12: Exclude Reference to the IPR Proceedings**

2 GRANTED IN PART. GoPro moves to exclude evidence or argument about the inter
3 partes review (“IPR”) proceedings regarding the patents in this case. Although courts have taken
4 differing approaches, I have previously excluded evidence of post-issuance proceedings because,
5 “while these petitions may have some probative value, I believe that this will be far outweighed by
6 likely confusion to the jury.” *Finjan, Inc. v. Sophos, Inc.*, No. 14-CV-01197-WHO, 2016 WL
7 4560071, at *14 (N.D. Cal. Aug. 22, 2016). “I believe it would take a significant amount of time
8 and effort to adequately explain the relevance and limitations of the PTO proceedings to the jury
9 and . . . I believe there is a substantial risk that the jury will improperly substitute its own
10 judgment for the PTO decisions.” *Id.* That is the approach that will apply here. If GoPro opens
11 the door, however, by stating or implying that references were not previously considered when
12 they were, Contour may introduce IPR evidence to rebut that statement or implication.

13 The one qualification is that the IPR proceedings might have particular relevance to
14 willfulness because, according to Contour, “they undermine any possible contention that GoPro
15 believed the patents invalid.” GoPro Oppo. 23. To the extent that willfulness remains a viable
16 theory in light of my resolution of other motions in limine, I agree that the IPR evidence is of
17 much more probative value regarding willfulness than it is in other contexts. That probative value
18 is not outweighed by the risks highlighted above. Accordingly, evidence from the IPR
19 proceedings may be introduced for this limited purpose, so long as it conforms to my other
20 rulings.

21 **13. Motion in Limine No. 13: Exclude Foreign Production**

22 GRANTED IN PART. GoPro seeks to exclude evidence or argument “related to the
23 geography of the manufacture, use, or importation of the accused GoPro products.” GoPro Mot.
24 23. The parties previously stipulated that “no dispute, argument, commentary, testimony, or
25 evidence shall be introduced regarding the geographic location of the manufacture, sale, offer to
26 sell, use, or importation of” the accused products. Dkt. No. 366. Moreover, courts have cautioned
27 against evidence “tending to create an atmosphere of hostility toward foreign corporations” which
28 is to be “condemned as an appeal to sectional or local prejudice.” *Jinro Am. Inc. v. Secure*

1 *Investments, Inc.*, 266 F.3d 993, 1009 (9th Cir.), *opinion amended on denial of reh'g*, 272 F.3d
2 1289 (9th Cir. 2001). Contour responds that it does not to state or imply anything to that effect.
3 In line with the stipulation, it also represents it will not “elicit from any witness the geographic
4 location of GoPro’s manufacture, sale, offer to sell, use, or importation.” GoPro Oppo. 14.
5 Contour’s concern, however, is that numerous documents to be used (it says by both sides)
6 “happen to mention” geographic locations of, for instance, manufacturing facilities. *Id.* 24.

7 I agree with GoPro—as does Contour—that any argument or evidence tending to create a
8 bias on this basis is inadmissible. I agree with the parties, too, that they will be bound by their
9 stipulation. But I disagree with GoPro that stray geographic markers on otherwise admissible
10 documents must be excluded. That evidence is not the sort that the Ninth Circuit guarded against
11 in *Jinro*. I also do not think that it violates the parties’ stipulation. That stipulation is aimed at the
12 introduction of evidence to purposefully show these geographic connections of the company, not
13 evidence that happens to reveal any foreign connection whatsoever. I trust that the parties will
14 present that evidence in a neutral, uninflamatory way.

15 **14. Motion to Exclude Unaccused Products**

16 GRANTED. GoPro seeks to exclude evidence of an *unaccused* products as irrelevant.
17 Contour does not dispute that they are irrelevant for trial; it argues the motion is therefore moot. I
18 will grant the motion to the extent it seeks to preclude this evidence at trial.

19 **III. MOTION TO STRIKE AND EXCLUDE**

20 I previously struck much of the report of Contour’s damages expert, Dr. Keith Ugone.
21 Prior Order 22–29. I granted Contour leave to supplement his report to correct the deficiencies I
22 identified. *Id.* 29. I also permitted GoPro to depose Ugone about the supplemental report and to
23 challenge it. *Id.* GoPro now again moves to exclude much of Ugone’s testimony. *See* Motion to
24 Strike and Exclude Opinions of Dr. Ugone (“Ugone Mot.”) [Dkt. No. 473]. For the reasons that
25 follow, the motion is GRANTED.

26 Federal Rule of Evidence 702 allows a qualified expert to testify “in the form of an opinion
27 or otherwise” where: (a) the expert’s scientific, technical, or other specialized knowledge will help
28 the trier of fact to understand the evidence or to determine a fact in issue; (b) the testimony is

1 based on sufficient facts or data; (c) the testimony is the product of reliable principles and
 2 methods; and (d) the expert has reliably applied the principles and methods to the facts of the case.
 3 FED. R. EVID. 702. Expert testimony is admissible under Rule 702 if it is both relevant and
 4 reliable. See *Daubert v. Merrell Dow Pharm., Inc.*, 509 U.S. 579, 589 (1993). “[R]elevance
 5 means that the evidence will assist the trier of fact to understand or determine a fact in issue.”
 6 *Cooper v. Brown*, 510 F.3d 870, 942 (9th Cir. 2007); see also *Primiano v. Cook*, 598 F.3d 558,
 7 564 (9th Cir. 2010) (“The requirement that the opinion testimony assist the trier of fact goes
 8 primarily to relevance.”) (internal quotation marks omitted).

9 Under the reliability requirement, the expert testimony must “ha[ve] a reliable basis in the
 10 knowledge and experience of the relevant discipline.” *Primiano*, 598 F.3d at 565. To ensure
 11 reliability, the court must “assess the [expert’s] reasoning or methodology, using as appropriate
 12 such criteria as testability, publication in peer reviewed literature, and general acceptance.” *Id.*
 13 These factors are “helpful, not definitive,” and a court has discretion to decide how to test
 14 reliability “based on the particular circumstances of the particular case.” *Id.* (internal quotation
 15 marks and footnotes omitted). “When evaluating specialized or technical expert opinion
 16 testimony, the relevant reliability concerns may focus upon personal knowledge or experience.”
 17 *United States v. Sandoval-Mendoza*, 472 F.3d 645, 655 (9th Cir. 2006).

18 The inquiry into the admissibility of expert testimony is “a flexible one” where “[s]haky
 19 but admissible evidence is to be attacked by cross examination, contrary evidence, and attention to
 20 the burden of proof, not exclusion.” *Primiano*, 598 F.3d at 564. “When the methodology is
 21 sound, and the evidence relied upon sufficiently related to the case at hand, disputes about the
 22 degree of relevance or accuracy (above this minimum threshold) may go to the testimony’s
 23 weight, but not its admissibility.” *i4i Ltd. P’ship v. Microsoft Corp.*, 598 F.3d 831, 852 (Fed. Cir.
 24 2010). The burden is on the proponent of the expert testimony to show, by a preponderance of the
 25 evidence, that the admissibility requirements are satisfied. *Lust By & Through Lust v. Merrell*
 26 *Dow Pharm., Inc.*, 89 F.3d 594, 598 (9th Cir. 1996); see also FED. R. EVID. 702 advisory
 27 committee’s note.
 28

1 **A. 50% Apportionment**

2 In apportioning the value of the accused functionality, Ugone states that “a minimum
3 apportionment factor of 33.3% is appropriate, and a maximum of 50%.” Amended Expert Report
4 of Keith R. Ugone, Ph.D. (“Ugone Supp.”) [Dkt. No. 472-4] ¶ 11. GoPro challenges the 50%
5 figure on two grounds: (1) there is no underlying economic analysis or quantitative support for it
6 and (2) it is outside the scope of the supplementation I permitted. Ugone Mot. 9–10. Contour
7 responds that 33.3% is the apportionment factor Ugone actually employs in his analysis, while the
8 50% figure is “support” for attributing 33.3%; the theory is that the 50% figure is included to
9 “reflect[] that Dr. Ugone’s 33% opinion was conservative.” Contour’s Opposition to Ugone Mot.
10 (“Ugone Oppo.”) [Dkt. No. 491] 10.

11 This is no answer to GoPro’s objection: there is no underlying analysis or basis for this
12 figure, as the law requires. Contour does not point to anything in Ugone’s report that would form
13 the basis for concluding that 50% is the maximum apportionment factor. Additionally, if the 50%
14 factor is not actually used in the analysis, it is not “helpful to the trier of fact” and is borderline
15 irrelevant. *See id.* (“There is no ‘new 50% apportionment.’”). If its only role is to make the
16 33.3% figure appear more reasonable by comparison, it is similarly unhelpful and is likely
17 misleading. The motion to strike it is GRANTED. But, for clarity, I strike only the opinion about
18 that discrete figure, not any other analysis which, according to Contour, is the substantive portion
19 anyway. *See id.*

20 **B. Apportioning the Value of “Display and Playback”**

21 “When the accused infringing products have both patented and unpatented features,
22 measuring this value requires a determination of the value added by such features.” *Ericsson, Inc.*
23 *v. D-Link Sys., Inc.*, 773 F.3d 1201, 1226 (Fed. Cir. 2014); *see Garretson v. Clark*, 111 U.S. 120,
24 121 (1884). “Under § 284, damages awarded for patent infringement must reflect the value
25 attributable to the infringing features of the product, and no more.” *Commonwealth Sci. & Indus.*
26 *Research Organisation v. Cisco Sys., Inc.*, 809 F.3d 1295, 1301 (Fed. Cir. 2015) (internal
27 quotation marks and citation omitted).

28 I previously found several problems with Ugone’s apportionment of the display and

1 playback feature of claim 14. *See* Prior Order 24–25. First, I explained that “Contour’s
2 opposition fails to meaningfully address GoPro’s argument that Ugone impermissibly relies on a
3 dependent claim to double the value of an independent claim.” *Id.* 25. Next, I found that “Ugone
4 was required to apportion his damages theory to *only* those features *within* ‘display and playback’
5 that were unconventional.” *Id.* 25 (emphasis in original). And I faulted his lack of analysis for
6 why value should be split equally between the three features he identified as being enabled by
7 WiFi connectivity: (1) the Accused Functionality, (2) streaming to the web, and (3) the ability to
8 view video on a smartphone.

9 GoPro now challenges Ugone’s apportionment of the value of the “display and playback”
10 feature on four grounds. The heart of GoPro’s challenge is that Ugone fails to show the
11 *incremental* value of the *combination* of claimed elements—as opposed to any individual value
12 added together, or the absolute value of the combination. Ugone Mot. 11. As the Federal Circuit
13 has explained, “if the claimed invention only adds an incremental value to the conventional
14 element(s), the damages awarded must also be so limited. But, if the claimed invention adds
15 significant value to the conventional element(s), the damages award may reflect that value.” *Univ.*
16 *of Pittsburgh of Commonwealth Sys. of Higher Educ. v. Varian Med. Sys., Inc.*, 561 F. App’x 934,
17 947 (Fed. Cir. 2014).

18 I agree with GoPro that Ugone’s attempt at assessing the incremental value does not hold
19 up, even on its own terms. Contour admits that Ugone’s analysis is aimed at assessing the
20 incremental value. *See* Ugone Oppo. 12. And he concludes that incremental value is “allowing
21 the user to access their videos much faster than they would in the absence of the alleged
22 infringement.” Ugone Supp. ¶ 16. Or as Contour puts it, the incremental value is “quick access.”
23 Ugone Oppo. 12. Yet Ugone does not factor in only this incremental value—indeed, he does not
24 value it at all. Instead, he apportions all (*i.e.*, 100%) of the value. That valuation is untethered
25 from what he says the incremental value is. In other words, Ugone implicitly admits that viewing
26 video was previously available, it was just slower. But his actual apportionment in no way reflects
27 this. As noted, Contour accepts that Ugone was required to use the value above and beyond the
28 non-infringing alternative, but he makes no effort to show what the value of this faster video

1 access is relative to the alternative of slower video access.

2 GoPro also takes issues with Ugone’s apportionment of conventional or unpatented
3 features of “browse and delete” and “trim and share.” Ugone Mot. 14–15. Those are two
4 “subfeatures” of display and playback that Ugone now identifies, in line with the guidance in the
5 Prior Order. *See* Ugone Supp. ¶¶ 14–22. GoPro argues that Ugone arbitrarily apportions in 50%
6 of the value of each of them—a figure that it contends there is no basis for. Ugone Mot. 14–15.
7 In these circumstances, “the patent owner must apportion or separate the damages between the
8 patented improvement and the conventional components of the multicomponent product.”
9 *Exmark Mfg. Co. Inc. v. Briggs & Stratton Power Prod. Grp., LLC*, 879 F.3d 1332, 1348 (Fed.
10 Cir. 2018).

11 To the extent GoPro’s argument is that the *identification* of these subfeatures is
12 inappropriate, it is wrong; Ugone uses this process to address the concerns my Prior Order
13 identified. The 50% figure is more suspect. Ugone does not defend it in his report. The first
14 justification given for it was in a deposition regarding the report. Even in its Opposition,
15 Contour’s defense of it is thin: it argues only that 50% is apportioned “to account for the fact that
16 ‘browse and delete’ and ‘trim and share’ can exist independently of the low resolution video file,
17 but the low resolution video file facilitates the ease of use important to customers.” Oppo. 15. I
18 note too that this argument is, to some extent, in tension with Ugone’s approach discussed above:
19 Either facilitation of ease of use or speed gives only an incremental value to what was previously
20 available (as Ugone claims here) or it can constitute all of the value (as Ugone tried to claim
21 above). At the hearing on this motion, Contour argued that 50% was reasonably tied to the facts
22 because “most” of the value of these subfeatures comes from their relation to low resolution video
23 file—so at a minimum, a 50% apportionment is appropriate. It has not, however, pointed to any
24 basis for that technical opinion.

25 Ugone’s apportionment approach remains out of step with what the Federal Circuit has
26 required. He does not adequately apportion the incremental value and his apportionment of the
27 two subfeatures he identifies is not tied to any technical basis. It will be struck.

28

1 **C. Profit Split**

2 Ugone’s profit split methodology relies on the “Nash Bargaining Solution” (“NBS”).
3 GoPro objects that the Federal Circuit has disapproved of NBS to calculate profit splits between
4 parties. Ugone Mot. 15–18. Contour has two responses: (1) Ugone uses a modified version of
5 NBS that ameliorates the problems courts have identified in it and (2) Ugone cross-checked the
6 result against another bargaining model.

7 The Federal Circuit has warned against employing mere “rules of thumb” to determine the
8 reasonable royalty rate that would emerge from a hypothetical negotiation. *Uniloc USA, Inc. v.*
9 *Microsoft Corp.*, 632 F.3d 1292, 1315 (Fed. Cir. 2011). In *Virnetx, Inc. v. Cisco Sys., Inc.*, 767
10 F.3d 1308 (Fed. Cir. 2014), the court confronted the NBS. That “theorem arrives at a result that
11 follows from a certain set of premises.” *Id.* at 1332. One such premise is a 50/50 profit-split
12 between the parties. *Id.* at 1331–32. Accordingly, the Federal Circuit “rejected invocations of the
13 Nash theorem without sufficiently establishing that the premises of the theorem actually apply to
14 the facts of the case at hand.” *Id.* at 1332. It would otherwise be a simple “rule of thumb.” *Id.*

15 To escape this, Ugone relies on a working paper from 2020 by, it appears, an economics
16 student and his father. *See* Ugone Supp. ¶ 31; Kryskowski, David M. and Kryskowski, David.
17 “Applying the Nash Bargaining Solution for a Reasonable Royalty,” 2020; Mot. at 17 n.11 & Exs.
18 E, F. Ugone contends that “[t]he authors provide a technique for estimation of the parties’ relative
19 bargaining weights to be applied per the facts of the case, allowing for the use of the NBS in a
20 profit-sharing scenario between licensor and licensee in situations where the relative bargaining
21 weights may be unequal.” Ugone Supp. ¶ 31. In other words, the authors of this working paper
22 claim to have established a way to use NBS without the drawback the Federal Circuit identified.

23 There is no evidence on this record that this working paper puts forward a sufficiently
24 reliable methodology to overcome the Federal Circuit’s clear instruction that NBS cannot be used
25 “without sufficiently establishing that the premises of the theorem actually apply to the facts of the
26 case at hand.” *Virnetx*, 767 F.3d at 1332. In *Virnetx*, in fact, the expert attempted to deviate from
27 the baseline and the Federal Circuit rejected that attempt. *Id.* at 1333. Here, the working paper
28 changes the starting assumption of equal bargaining power. *Id.* But applying standard *Daubert*

1 principles, this single unpublished paper is not sufficient to render the modification to the NBS
2 reliable.

3 This paper has not been published or peer-reviewed. The only ones on this record to vouch
4 for it are its authors and Ugone himself. Neither Contour nor Ugone present evidence that the
5 methodology has been systematically tested against established methodologies to show its
6 reliability. The closest they get is Ugone’s assertion that the figure that his NBS analysis led to is
7 in the neighborhood of the figure that another analysis led to. This lone positive correlation—
8 created in the midst of litigation—is not sufficient to show reliability.

9 Further, there is no general acceptance of the method. General acceptance (or lack thereof)
10 is not automatically dispositive in the *Daubert* analysis. But given the Federal Circuit’s emphatic
11 rejection of NBS when it cannot be proven that the reality of the situation matches the underlying
12 assumptions, either some level of acceptance or some level of proven reliability is necessary. The
13 motion to strike Ugone’s opinions based on this modified NBS approach is GRANTED.³

14 **D. Contour-iON Agreement**

15 GoPro previously challenged Ugone’s reliance on a 2016 settlement license between iON
16 and Contour. I found that the negotiation was not arms-length under Ugone’s own definition of an
17 arms-length negotiation. Prior Order 26–28. In his original report, Ugone declined to reply on a
18 2015 merger license or amendment because they were not arms-length. *Id.* 27. I explained that
19 “If there is a principled basis on which to distinguish between the two licenses, Ugone does not
20 describe or apply one.” *Id.* 28. Among other things, I pointed out that, “[a]ccording to Ugone’s
21 definition of an arms-length negotiation in his deposition, the royalty rate was not the result of an
22 arms-length negotiation because iON had an ownership interest in Contour (and Contour
23 previously had an ownership interest in GoPro).” *Id.*

24 GoPro again challenges Ugone’s reliance on the agreement in the supplemental report.

25

26 ³ At the hearing, Contour asked about the use of the other method referenced by Ugone, the
27 Rubinstein bargaining model. It appears that Contour may use that model with the same data that
28 went into the NBS model. Ugone’s reliance on that method is not barred by this Order. If GoPro
has any objection to the use of this model in light of my order, it must raise it at least one week
prior to trial.

1 Contour points to several portions of Ugone’s report that purport to establish differences between
2 the 2015 and 2016 licenses. First, it argues that “the 2016 agreement includes a provision
3 explicitly stating that the ‘agreement has been negotiated at arms-length by parties of equal
4 bargaining power,’ which was not present in the 2015 agreement. Ugone Oppo. 21 (citing Ugone
5 Supp. ¶ 28). Second, it asserts that “the parties had no further expectation of working together at
6 the time of the 2016 agreement.” *Id.* Third, it states that “the 2016 agreement included a license
7 only to the Patents-in-Suit, as opposed to the 2015 license that included a license to Contour’s
8 entire patent portfolio.” *Id.* And fourth, it contends that “iON’s Class B shares were subject to a
9 lien to secure payment under the 2016 license agreement.” *Id.*

10 None of this changes the central problem I highlighted: at the time of the negotiation iON
11 had an ownership interest in Contour. The closest Contour comes to rebutting this is its statement
12 that “Contour redeemed all 49.9% of iON’s Class B shares for \$1 on October 4, 2017.” Ugone
13 Oppo. 20 (internal quotation marks omitted). But what happened in October 2017 has no bearing
14 on whether the parties had a financial interest in each other when they carried out the negotiation
15 in mid-2016. At the hearing, Contour argued that the parties were in a “messy divorce,” rendering
16 the agreement at arms-length. Whatever acrimony there may have been, however, does not
17 change the fact of the ownership interest. Accordingly, the deal was not arms-length according to
18 Ugone’s definition. This reality has not changed from the last order.

19 **E. MPV License Opinions**

20 In his original report, Ugone opined on an agreement between company MPV and GoPro.
21 In this supplemental report, he adds additional opinions, despite the fact that such opinions were
22 not within the scope of the supplementation I permitted, which was limited to the “deficiencies” in
23 his report. Prior Order 29. Contour has two defenses to including these opinions. Neither is that
24 the opinions actually address the “deficiencies” about which I granted leave to supplement.

25 First, Contour argues that Ugone’s opinions are in response to the opinions of Dr.
26 Kennedy, GoPro’s damages expert. Ugone Oppo. 23. It appears to argue that this is appropriate
27 given my intervening ruling that the license may be presented at trial. Contour is incorrect. I
28 exercised my discretion so that Ugone could correct “deficiencies” in his report. That narrow

1 leave to supplement did not allow Contour and Ugone to assert any other rebuttal opinions they
2 believed would be helpful to their case. Especially in the context of a technical case such as this,
3 the limitation on endless expert rebuttals is more than an empty formality.

4 Contour’s second defense is that there is no prejudice to GoPro from the insertion of the
5 opinions. That is plainly false. Contour itself says: “Dr. Ugone makes observations . . . which
6 show that Dr. Kennedy cannot support his adjustments to the 2.5% rate in the agreement.” Ugone
7 Oppo. 23. The prejudice to GoPro is that there are now opinions on the record contradicting its
8 expert’s. Permitting these opinions would be especially inequitable here because it would
9 prejudice *GoPro* as a result of deficiencies in *Contour’s* expert’s report and my exercise of
10 discretion permitting Contour to correct those flaws. I will strike any opinions regarding this
11 license that did not appear in Ugone’s original report.

12 **F. Alleged EMVR Opinions**

13 Ugone opines about the comparison between Contour’s share of apportioned gross profits
14 and GoPro’s total revenues and profits. GoPro attacks this evidence for (1) violating EMVR (the
15 entire market value rule) and (2) being out of the scope of proper supplementation. In response,
16 Contour does not argue that the new opinions address “deficiencies” that I identified in Ugone’s
17 original report. To the contrary, it represents that “[t]he section . . . that GoPro complains of cites
18 heavily to sections of Dr. Ugone’s original report that GoPro never moved to strike.” Ugone
19 Oppo. 24 (internal citations omitted). And it reveals the purpose of the inclusion of these
20 opinions: “This is important because Dr. Kennedy has repeatedly opined that Dr. Ugone’s
21 apportioned royalty rates are too high or ‘overstated.’” *Id.* Contour is, accordingly, once again
22 attempting to use the error-correction opportunity I gave to inject new damages opinions it
23 otherwise would not have been able to get on to the record. For the reasons explained above, I
24 will strike these new opinions. If Contour is correct that Ugone’s original report contained related
25 opinions that GoPro never moved to strike, those opinions from the original report are not
26 addressed here.

27 **IV. MOTIONS TO SEAL**

28 The parties move to seal information related to their dispute over Ugone’s report. Dkt.

1 Nos. 472, 490, 495.

2 Courts “start with a strong presumption in favor of access to court records.” *Foltz v. State*
3 *Farm Mut. Auto. Ins. Co.*, 331 F.3d 1122, 1135 (9th Cir. 2003). The public possesses a right to
4 inspect public records, including judicial records. *Ctr. for Auto Safety v. Chrysler Grp., LLC*, 809
5 F.3d 1092, 1096 (9th Cir. 2016). Accordingly, when a party seeks to seal judicial records
6 connected to motions that are “more than tangentially related to the underlying cause of action,” it
7 “must demonstrate that there are ‘compelling reasons’ to do so.” *Id.* at 1096–99. “When ruling on
8 a motion to seal court records, the district court must balance the competing interests of the public
9 and the party seeking to seal judicial records.” *In re Midland Nat. Life Ins. Co. Annuity Sales*
10 *Practices Litig.*, 686 F.3d 1115, 1119 (9th Cir. 2012). This district’s local rules require that
11 requests to seal be “narrowly tailored to seek sealing only of sealable material.” CIV. L. R. 79-
12 5(b). GoPro incorrectly applies the good-cause standard, Dkt. No. 472 at 2–3, but this motion is
13 “more than tangentially related to the merits” of this case, so the compelling-reasons standard
14 applies.

15 The parties seek to seal several types of information: (1) company financial information,
16 (2) product source code and similar confidential details, and (3) licensing agreements between the
17 parties here and third parties. The parties seek to redact only narrow portions of their briefs. I
18 have previously granted motions to seal this information or substantially similar information in
19 this case. *See, e.g.*, Dkt. No. 444, 468. Each of these categories constitute compelling reasons, as
20 described in my prior orders. Having reviewed the documents, they contain the categories
21 specified by the parties. Accordingly, the motions to seal are GRANTED. That said, I will not
22 redact any portion of this order. In particular, the discussion of the iON licensing agreement
23 above is necessary to understand this order, does not include many of the concrete details the
24 parties (or third parties) move to redact, and was discussed in my Prior Order. As I have
25 previously, I remind the parties that any sealed information will likely need to be publicly revealed
26 if it is to be used at trial.

27

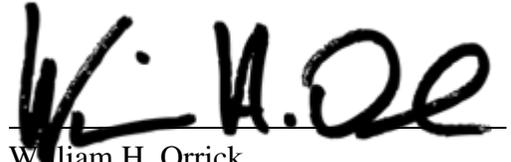
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CONCLUSION

The motions in limine and motion to strike and exclude are resolved as explained above.

IT IS SO ORDERED.

Dated: January 8, 2021



William H. Orrick
United States District Judge

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