

United States District Court
For the Northern District of California

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

AFFINITY LABS OF TEXAS, LLC., a
Texas Limited Liability Company,

Plaintiff,

v.

APPLE INC., a California
Corporation,,

Defendant and
Counterclaim-Plaintiff.

No. C 09-04436 CW

ORDER DENYING
PLAINTIFF'S MOTION
IN LIMINE
(DOCKET NO. 79)

Affinity Labs of Texas, LLC (Affinity) initiated the present lawsuit, alleging that certain Apple, Inc. products infringe three of its patents. Affinity moves in limine for an order that deposition testimony of three third-party witnesses taken in a prior action satisfy the requirements of admissibility pursuant to Federal Rule of Evidence 804(b)(1). Docket No. 79. Defendant and Counterclaim-Plaintiff Apple, Inc. (Apple) opposes the motion. Having considered all of the parties' submissions, the Court DENIES Affinity's motion.

BACKGROUND

In an earlier action Affinity sued BMW North America, LLC, and various car companies. Three witnesses, James Geier, Alan

1 Harris and Gregory Simon, all BMW employees, were deposed in
2 connection with that litigation. The BMW case involved patents
3 different from, but related to, the three patents disputed in the
4 present action. When Apple was subpoenaed as a non-party in the
5 BMW action it asserted a joint defense privilege with the
6 defendants in that action. However, Apple was not a party to the
7 BMW case, and did not receive notice of or attend the depositions
8 of the three BMW employees.

9 DISCUSSION

10 "Rather than reinvent the wheel," Affinity seeks to introduce
11 testimony from the three depositions at the trial in the present
12 action. Federal Rule of Evidence 804(b)(1) provides that former
13 testimony is not excluded by the hearsay rule if the declarant is
14 unavailable as a witness, and the testimony was given,

15 in a deposition taken in compliance with law in the
16 course of the same or another proceeding, if the party
17 against whom the testimony is now offered, or, in a
18 civil action or proceeding, a predecessor in interest,
had an opportunity and similar motive to develop the
testimony by direct, cross, or redirect examination.

19 Thus, to qualify for the hearsay exception under Rule
20 804(b)(1), the proponent of the evidence must first establish the
21 witness's unavailability. In its opening brief, Affinity states,
22 "Each of these three witnesses likely will be 'unavailable' at
23 trial under Fed. R. Evid. 804(a)." Affinity provides no further
24 explanation in its brief to establish the witnesses'
25 unavailability, but states that their availability will not be
26 known for certain until September, when the trial is scheduled.
27 In apparent acknowledgement that it has not, thus far, established
28 the witnesses' unavailability, Affinity narrows its request in its

1 reply brief. There Affinity clarifies that it requests only a
2 ruling that Apple cannot prevail on a hearsay objection predicated
3 on the argument that Apple did not have an opportunity to cross-
4 examine the three witnesses pursuant to Rule 804(b)(1).

5 Accordingly, the sole issue on this motion is whether it is
6 sufficient for Rule 804(b)(1) purposes that Apple has an
7 opportunity to depose the three witness during discovery in the
8 present action. Affinity asserts that in this second round of
9 depositions, Apple has an "even better" opportunity to examine the
10 witnesses because it can study their prior testimony and has the
11 advantage of knowing how the testimony was used at trial in the
12 BMW action.

13 These arguments are belied by the language of the Rule, which
14 require that Apple or a predecessor in interest have had an
15 opportunity and similar motive to develop the witness's testimony
16 from the prior deposition, which Affinity now proposes to use at
17 trial. It is irrelevant that discovery would allow for subsequent
18 examination of the witness in a civil action because the rule
19 itself requires that the opportunity have existed with respect to
20 the testimony that the proponent seeks to admit.

21 Affinity's citation to Hub v. Sun Valley, 682 F.2d 776, 778
22 (9th Cir. 1982) is unconvincing. Hub analyzed the analogous Rule
23 32(a), but noted that the party opposing admission of the prior
24 deposition testimony was a successor-in-interest to the party who
25 cross-examined the deponent. Thus, the court did not confront the
26 issue of whether the opposing party had had a sufficient
27 opportunity to develop the prior testimony. Indeed, while the
28 court stated that the prior and pending lawsuits need not have

1 involved identical issues and parties, it also found "troubling" a
2 rule accepting, as a substitute for the present opponent's
3 examination, an adversary's examination in a prior proceeding when
4 the adversary has an interest calculated to induce as thorough a
5 testing by examination. Id. at 778 n.*. The court stated that
6 such a "test disregard[s] the 'same parties' requirement in Rule
7 32(a) . . . [and] fails to take into account the possibility that
8 the prior opponent mishandled the cross-examination." Id.

9 No district court decision persuades the Court that the
10 deposition of witnesses in the present action satisfies Rule
11 804(b)(1)'s opportunity requirement. Two district courts that
12 considered admitting prior deposition testimony of an unavailable
13 witness, where the opposing party had an opportunity in the
14 pending action to depose the witness, rejected the proposal. GW
15 Equity LLC v. Xcentric Ventures LLC, 2009 U.S. Dist. LEXIS 1445,
16 at *28-31 (N.D. Tex.); In re Investors Funding Corp. of New York
17 Sec. Litig., 1983 U.S. Dist. LEXIS 19246, at *2-5 (S.D.N.Y.).
18 Hynix Semiconductor, Inc. v. Rambus, Inc., 250 F.R.D. 452 (N.D.
19 Cal. 2008), is not analogous to this case.

20 Given the lack of controlling or persuasive authority, the
21 Court finds that it is not sufficient under Rule 804(b)(1) that
22 Apple has an opportunity to depose the three witnesses during
23 discovery in the present action.

24 CONCLUSION

25 Because Affinity has not established that the James Geier,
26 Alan Harris and Gregory Simon are unavailable, or that Apple was
27 afforded an opportunity to develop their testimony in the prior
28 depositions, the Court DENIES Affinity's motion in limine for a

1 ruling that their deposition testimony satisfies the requirements
2 of Rule 804(b)(1). Docket No. 79.

3 For the future, motions in limine may be made only in
4 accordance with the Court's order for pre-trial preparation,
5 (Docket No. 64) and heard at the final pre-trial conference,
6 absent the Court's permission, for good cause shown. All other
7 motions, except discovery motions, must be included in a single
8 round of briefing and noticed to be heard on June 9, 2011.

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10 IT IS SO ORDERED.

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12 Dated: 1/24/2011

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15 CLAUDIA WILKEN
16 United States District Judge
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