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Northern District of California

## UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA

CHRIMAR SYSTEMS INC, et al.,

Plaintiffs,

v.

CISCO SYSTEMS INC, et al.,

Defendants.

Case No. 13-cv-01300-JSW

NOTICE OF TENTATIVE RULING AND REQUIRING SUPPLEMENTAL BRIEFING IN ADVANCE OF HEARING

Re: Docket. Nos. 338-339,

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD, PLEASE TAKE NOTICE OF THE FOLLOWING TENTATIVE RULING on Defendants' motion for leave to amend, which is scheduled for a hearing on April 22, 2016. The Court issues this tentative ruling in the hopes that the parties might be able to meet and confer and resolve this issue without further Court involvement. If they are able to do so, they shall file a stipulation and order to that effect by April 20, 2016. If they cannot, the Court shall resolve the motion in advance of the deadline to file motions for summary judgment.

Federal Rule of Civil Procedure 15(a) permits a party to amend its pleading once as a matter of right any time before a responsive pleading has been served. Once a responsive pleading has been served, however, the amendment requires written consent of the adverse party or leave of the court, and leave "shall be freely given when justice requires." Fed. R. Civ. P. 15(a). The Court considers five factors to determine whether a motion for leave to file an amended complaint should be granted: "(1) bad faith, (2) undue delay, (3) prejudice to the opposing party, (4) futility of amendment[,]" and (5) whether the moving party previously amended a pleading. In re Western States Wholesale Nat. Gas Antitrust Litig., 715 F.3d 716, 738 (9thc Cir. 2013) (quoting Allen v. City of Beverly Hills, 911 F.2d 367, 373 (9th Cir. 1990).

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Each factor is not given equal weight. Eminence Capital, LLC v. Aspeon, Inc., 316 F.3d 1048, 1052 (9th Cir. 2003); Bonin v. Calderon, 59 F.3d 815, 845 (9th Cir. 1995). "Absent prejudice, or a strong showing of any of the remaining ... factors, there exists a presumption under Rule 15(a) in favor of granting leave to amend." Eminence Captial, 316 F.3d at 1052 (emphasis in original).

In brief, the Court tentatively finds that each of these factors would support granting leave to amend. The Court tentatively concludes there has been no bad faith and, to the extent there has been some delay, that, on its own would not justify denying the motion. With respect to futility, the Court's tentative view is that Defendants have *alleged* sufficient facts to show that amendment would not be futile and that, on this record, the Court could not rule as a matter of law the allegations fail to satisfy the standards required to show specific intent to deceive and materiality. See Therasense v. Becton, Dickinson & Co., 649 F.3d 1276, 1290-93 (Fed. Cir. 2011). Rather, it appears to the Court that the arguments presented in opposition to the motion are better addressed in the context of the impending motions for summary judgment.

Plaintiffs argue that if the Court grants the motion, it "may" warrant reopening discovery and the exchange of additional expert reports "to the extent" an expert in patent office practice is warranted. (See Opp. Br. at 4:16-19.) The Court tentatively finds that, on the current record, Plaintiffs have not made a strong showing of prejudice. The Court also tentatively concludes that Plaintiffs have not shown that any potential prejudice could not be cured by permitting some limited and targeted discovery on an expedited basis. Because prejudice is the factor that, in general, carries the greatest weight, the Court concludes supplemental briefing would be useful.

Accordingly, the Court HEREBY ORDERS Plaintiffs to file a supplemental brief, not to exceed five (5) pages, that outlines in detail the discovery they would need to obtain to adequately respond to a claim or defense of inequitable conduct by 12:00 p.m. on April 13, 2016. By this Order, the Court is not inviting Plaintiffs to submit a "wish list" of any and all possible discovery they might need to respond to a claim for inequitable conduct. Rather, the Court expects Plaintiffs to respond to this request in good faith and in compliance with Federal Rule of Civil Procedure 26(b)(1). Plaintiffs should also provide an estimate of how much time they expect would be

required to complete any additional discovery. Defendants may file a three (3) page response by 3:00 p.m. on April 15, 2016. If, after considering the parties' supplemental briefs, the Court concludes that the motion can be resolved without oral argument, it will notify the parties in advance of the hearing date. IT IS SO ORDERED. Dated: April 7, 2016