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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

TECHNOLOGY LICENSING  
CORPORATION,

Plaintiff,

v.

BLACKMAGIC DESIGN PTY LTD.,

Defendant.

Case No. [13-cv-05184-SBA](#) (MEJ)

**REPORT & RECOMMENDATION RE:  
DEFENDANT’S REQUEST TO LIMIT  
NUMBER OF PLAINTIFF’S  
INFRINGEMENT CONTENTIONS**

Re: Dkt. No. 91

**I. INTRODUCTION**

Plaintiff Technology Licensing Corporation (“TLC”) filed this suit against Defendant Blackmagic Design Pty Ltd. (“Blackmagic”) alleging patent infringement. The presiding judge, the Honorable Sandra B. Armstrong, has referred discovery matters to the undersigned. Dkt. No. 74. Now before the Court is the parties’ joint letter brief concerning Blackmagic’s request to limit the number of new infringement claims by TLC. Dkt. No. 91 (“Jt. Ltr.”). At the undersigned’s request, the parties also submitted a supplemental letter brief regarding the status of the discovery pertaining to TLC’s new infringement claims. Dkt. No. 94 (“Supp. Jt. Ltr.”). After carefully reviewing the parties’ positions and relevant legal authority, for the reasons explained below, the undersigned RECOMMENDS<sup>1</sup> that the District Court GRANT Blackmagic’s request to limit the number of new infringement claims.

**II. BACKGROUND**

TLC accuses Blackmagic of infringing six patents, including United States Patent Nos. 6,870,964 B1 and C1, “Spatial Scan Replication Circuit”; 7,382,929 B2, “Spatial Scan Replication

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<sup>1</sup> The undersigned finds that resolution of this dispute requires specific case management decisions; accordingly, a report and recommendation to the presiding judge is appropriate.

1 Circuit”; 7,986,851 B2, “Spatial Scan Replication Circuit”; 5,920,842, “Signal Synchronization”;  
2 RE 40,411 E (the ’411 patent), “Synchronizing Signal Separating Apparatus and Method”; and RE  
3 40,412 E (the ’412 patent), “Synchronizing Signal Separating Apparatus and Method.”

4 On March 6, 2014, TLC served its infringement contentions, basing its ’411 and ’412  
5 infringement claims on Blackmagic’s alleged use of the LMH-1981 video sync separators. Jt. Ltr.  
6 at 3; *see also* Compl. at 5-6. On August 11, 2014, Blackmagic served its invalidity contentions  
7 based on TLC’s asserted claims. Jt. Ltr. at 3. Then, during mediation on August 19, 2014,  
8 Blackmagic informed TLC that it does not use the LMH-1981, but instead uses another integrated  
9 circuit, the LMH-1980. *Id.* at 1. TLC proceeded to prepare amended infringement contentions,  
10 and on October 23, 2014, the parties submitted a joint letter brief to the undersigned, wherein TLC  
11 requested leave to amend its infringement contentions to assert the ’411 and ’412 patents against  
12 the LMH-1980 products. Dkt. No. 87.

13 On October 30, 2014, the undersigned granted TLC’s motion allowing it to amend its  
14 infringement contentions to include the LMH-1980. Dkt. No. 88. The Order also required the  
15 parties to meet and confer to discuss whether (1) claims relating to the LMH-1981 should remain  
16 in this case, and (2) to determine how the parties might assist each other in limiting the total  
17 number of claims. *Id.* Since then, TLC served amended infringement contentions adding 65 new  
18 claims based on Blackmagic’s alleged infringement of the ’411 and ’412 patents. This brings the  
19 total number of asserted claims for the patents-in-suit to 145, including claims relating to both the  
20 LMH-1980 and LMH-1981.

21 Blackmagic argues that it is unduly prejudicial to require it to expend considerable  
22 resources drafting invalidity contentions for 65 new claims (in addition to the 80 claims it has  
23 already charted), and to engage in claim construction for 145 claims, when it is apparent that TLC  
24 will not assert such a large number of claims at trial. Blackmagic seeks an order compelling TLC  
25 to limit its total number of new claims (*i.e.*, claims based on Blackmagic’s alleged infringement of  
26 the ’411 and ’412 patents through use of the LMH-1980 chip) to six total. In turn, Blackmagic  
27 offered to reduce its prior art references for these patents to six as well. Jt. Ltr. at 2. Meanwhile,  
28 TLC argues that it cannot limit claims in the blind, with no discovery about Blackmagic’s

1 products. *Id.* at 4-5. It proposes that Blackmagic should provide the relevant discovery, and the  
2 parties should then have thirty days from receipt of real documents to reduce the number of claims  
3 and the number of invalidity contentions. *Id.* at 6; Suppl. Jt. Ltr. at 3.

#### 4 IV. DISCUSSION

5 The Federal Circuit has held that district courts possess the authority and discretion to  
6 reasonably limit the number of claims asserted in patent infringement actions, subject to due  
7 process considerations. *In re Katz Interactive Call Processing Patent Litig.*, 639 F.3d 1303, 1312-  
8 13 (Fed. Cir. 2011). “In determining whether to require parties [to] limit the number of claims  
9 asserted, courts look to the number of patents and claims at issue and the feasibility of trying the  
10 claims to a jury. Courts should also look to whether the patents at issue have common genealogy,  
11 whether the patents contain terminal disclaimers, and whether the asserted claims are duplicative.”  
12 *Thought, Inc. v. Oracle Corp.*, 2013 WL 5587559, at \*2 (N.D. Cal. Oct. 10, 2013) (citing *In re*  
13 *Katz*, 639 F.3d at 1311). The Federal Circuit has held that requiring a plaintiff patentee to limit its  
14 claims to a certain number from a large number of asserted claims is permissible as long as the  
15 district court leaves open the door for the assertion of additional claims upon a showing of good  
16 cause or need. *See In re Katz*, 639 F.3d at 1310-12.

17 In *Katz*, for instance, the Federal Circuit approved the district court’s order limiting the  
18 number of patent claims from 1,975 claims to 64 total where defendants made an initial showing  
19 that the asserted claims appeared to contain duplicative claims and the plaintiff was given the  
20 opportunity to add more claims if it could show that the additional claims raise unique issues of  
21 infringement and invalidity that were not duplicative of previously selected claims. *Id.* at 1311-  
22 12. The Federal Circuit held that it was both efficient and fair to require the plaintiff to identify  
23 those unasserted claims that might present unique issues, rather than requiring the defendants to  
24 prove which claims were duplicative. *Id.* at 1312. The Court noted that “[w]hen the claimant is in  
25 the best position to narrow the dispute, allocating the production burden to the claimant will  
26 benefit the decision-making process[.]” *Id.* at 1311.

27 The Federal Circuit thus affirmed the district court’s claim selection order, requiring  
28 plaintiff to initially select no more than 40 claims per defendant group, and then, after discovery,

1 to select no more than 16 claims per defendant group. *Id.* at 1309. In doing so, the Federal Circuit  
2 implicitly recognized that courts may, in some circumstances, select a number of representative  
3 claims prior to discovery. However, the court included two important caveats. First, as noted  
4 above, the Federal Circuit recognized that had the district court refused to permit the plaintiff  
5 leave to add the unique claims, that decision would be subject to review and reversal. *Id.* at 1312-  
6 13. Second, the court noted that it is “conceivable that a claim selection order could come too  
7 early in the discovery process, denying the plaintiff the opportunity to determine whether  
8 particular claims might raise separate issues of infringement and invalidity in light of the  
9 defendants’ accused products and proposed defenses.” *Id.* at 1313 n.9. In summary, “a court may  
10 limit the number of patent claims a plaintiff may assert so long as it provides the plaintiff with the  
11 opportunity to assert additional claims upon a showing of good cause and does not prematurely  
12 require the plaintiff to limit its claims.” *Certusview Techs., LLC v. S & N Locating Servs., LLC*,  
13 2014 WL 4930803, at \*4 (E.D. Va. Oct. 1, 2014) (citing *In re Katz*, 639 F.3d at 1311-13 & n.9).

14 While the undersigned shares Blackmagic’s concerns that the addition of 65 new claims  
15 makes this case unwieldy, *Katz*’s warning about prematurely reducing the number of claims is also  
16 well-taken. In light of *Katz*’s admonition, courts have denied without prejudice motions to reduce  
17 the number of asserted patent claims until the litigation was further progressed. *See, e.g., High*  
18 *Point Sarl v. Sprint Nextel Corp.*, 2010 WL 1292710, at \*3 (D. Kan. Mar. 29, 2010) (denying  
19 defendants’ motion without prejudice after finding it premature to limit the number of claims  
20 plaintiff may assert); *Fleming v. Cobra Elecs. Corp.*, 2013 WL 1760273, at \*3 (D. Idaho Apr. 24,  
21 2013) (“*Katz*’s concern about employing the process too early applies here—discovery has just  
22 begun, and it would be unfair to require [the plaintiff] to choose representative claims at this stage  
23 of the litigation. . . . the Court will deny the motion without prejudice to the right of the defendants  
24 to raise the motion again when [the plaintiff] would be in a better position to select representative  
25 claims.”); *cf. Thought*, 2013 WL 5587559, at \*3 (comparing that case to *Fleming* and reducing  
26 claims where plaintiff did not argue that it had “insufficient discovery or understanding as to how  
27 defendants’ accused products operate in order to intelligibly select claims.”); *Adobe Sys. Inc. v.*  
28 *Wowza Media Sys. LLC*, 2013 WL 9541126, at \*1 (N.D. Cal. May 6, 2013) (“The parties have

1 completed discovery, and Adobe is now in a position to determine its strongest claims.”).

2 Other courts, however, have recognized that even where discovery is not yet complete, the  
3 number of claims may be reduced where doing so would not be premature. *See, e.g., Joao*  
4 *Control & Monitoring Sys., LLC v. Ford Motor Co.*, 2014 WL 645246, at \*3 (E.D. Mich. Feb. 19,  
5 2014) (allowing plaintiff to initially assert only 25 claims out of 500 to allow the parties to obtain  
6 discovery as to those 25 claims, including infringement, non-infringement, invalidity, and validity  
7 contentions and other fact discovery); *Medtronic Minimed Inc. v. Animas Corp.*, 2013 WL  
8 3322248, at \*1-3 (C.D. Cal. Apr. 5, 2013) (ordering plaintiffs to reduce the number of asserted  
9 claims before the close of discovery, despite the fact that defendant’s non-infringement and  
10 invalidity contentions were yet to be submitted); *Unified Messaging Solutions LLC v. Facebook,*  
11 *Inc.*, 2012 WL 11606516, at \*1 (E.D. Tex. July 12, 2012) (“Narrowing the case at an earlier stage  
12 will serve to reduce the overall costs of the litigation by eliminating needless discovery regarding  
13 issues that will likely be dropped prior to trial, and allow the Court to dedicate its resources to the  
14 truly dispositive and meritorious issues.”); *Certusview Techs.*, 2014 WL 4930803, at \*4 (the “case  
15 has reached a sufficient stage in the discovery process to allow [the plaintiff] to make an informed  
16 decision about which claims to pursue.”). These authorities are persuasive in finding that the  
17 number of claims in this case may be reduced at this time.

18 The facts of this case also support a finding that reduction in the total number of claims is  
19 appropriate. Blackmagic has demonstrated that some of TLC’s claims appear to be duplicative  
20 and has also indicated that TLC is capable of reducing its claims based on data acquired in a  
21 similar action in the Northern District of Illinois, in which TLC asserted only three claims in its  
22 final infringement contentions for the ’411 patent based on products incorporating the LMH-1980  
23 and zero claims for the ’412 patent based on products incorporating the LMH-1980. Blackmagic  
24 asserts that “TLC likely knows more about the LMH-1980 and -1981 chips than Blackmagic does  
25 at this point.” *Jt. Ltr.* at 3. Additionally, while the undersigned instructed both parties to discuss  
26 ways of limiting the total number of claims, there is no indication that TLC made any effort on its  
27 own to reduce the number of claims. While TLC says rather summarily that it needs more  
28 discovery—and particularly discovery relating to sales data and technical documents (*Jt. Ltr.*

1 at 4)—it does not explain with any specificity how this particular discovery will help it narrow its  
2 claims. There is no other explanation about why TLC thinks it needs 65 new claims at this time.

3 Some additional discovery, however, may be appropriate before requiring TLC to reduce  
4 its claims. Specifically, TLC argues that it can reduce its claims once it is certain that Blackmagic  
5 did not utilize the LMH-1981 in any of its products. Jt. Ltr. at 6. TLC has attempted to ascertain  
6 whether Blackmagic uses the LMH-1981 through (1) a declaration from Blackmagic stating that it  
7 does not use the LMH-1981 in its products,<sup>2</sup> and (2) a Request for Production of Documents,  
8 through which TLC seeks “[d]ocuments identifying every product using an LMH-1980 or LMH-  
9 1981 integrated circuit.” Suppl. Jt. Ltr., Ex. B at 4. Blackmagic argues that it does not need to  
10 provide TLC with a list of products that TLC might go on to accuse; rather, it is the other way  
11 around: TLC must identify the accused products, and then Blackmagic must respond. As TLC’s  
12 current infringement contentions accuse the “Smart Videohub and all other Blackmagic Products  
13 Incorporating the National Semiconductor LMH1981 Multi-Format Video Sync Separator,”  
14 Blackmagic maintains that it only needs to produce discovery as to the Smart Videohub, because it  
15 is not Blackmagic’s “responsibility to identify which products TLC wishes to accuse in this case.”  
16 *Id.* Likewise, Blackmagic contends that it is not its burden to determine what products may fall  
17 under TLC’s read of the patent claims as presented in its infringement contentions. *Id.*  
18 Blackmagic asserts that the Local Patent Rules require the patentee to identify where each element  
19 of each asserted claim can be found in each accused product. *Id.* (citing Patent L.R. 3-1).

20 Patent Local Rule 3-1(b) requires the following information be disclosed as part of TLC’s  
21 infringement contentions: “Separately for each asserted claim, each accused apparatus, product,  
22 device, process, method, act, or other instrumentality (“Accused Instrumentality”) of each  
23 opposing party *of which the party is aware*. This identification shall be as specific as possible.  
24 Each product, device, and apparatus shall be identified by name or model number, *if known*.”  
25 (emphasis added). TLC contends that cases excluding products not adequately identified in  
26 infringement contentions are distinguishable, because here TLC has had no discovery. The

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28 <sup>2</sup> TLC has provided a declaration stating that it does not use the LMH-1981 in any of the accused products. Jt. Ltr. at 6.

1 undersigned agrees. *See ASUS Computer Int’l v. Round Rock Research, LLC*, 2014 WL 1463609,  
2 at \*7 (N.D. Cal. Apr. 11, 2014) (“Even if [plaintiff] did not know at the time of serving its  
3 contentions about the specific model numbers of products . . . , it should have amended its  
4 contentions to add this information once [defendant] *provided discovery* for these products”)  
5 (emphasis added) (citing *Dynetix Design Solutions, Inc. v. Synopsys, Inc.*, 2013 WL 4537838, at  
6 \*1 (N.D. Cal. Aug. 22, 2013) (“[I]f our local rules are to have any teeth, [infringement theories]  
7 must be adequately disclosed and supplemented along the way, *should new evidence arise in*  
8 *discovery.*”) (emphasis added)); *cf. Oracle Am., Inc. v. Google Inc.*, 2011 WL 4479305, at \*2  
9 (N.D. Cal. Sept. 26, 2011) (refusing to allow Oracle to accuse new products where Oracle did not  
10 claim that it did not know those product names when it submitted its infringement contentions;  
11 “Oracle could have and should have specifically identified all such accused devices.”).

12 TLC has indicated that it needs discovery to determine which products to accuse and to  
13 intelligently narrow its claims overall. Given the early stage of this case, and Patent Local Rule 3-  
14 1(b)’s mandate that infringement contentions should identify each accused product “of which the  
15 party is aware” and “if known,” the undersigned finds that TLC should be allowed discovery as to  
16 Blackmagic products that contain the LMH-1981. *See SanDisk Corp. v. Memorex Prods., Inc.*,  
17 415 F.3d 1278, 1292 (Fed. Cir. 2005) (“The district court’s application of the local rules are within  
18 its sound discretion[.]”). Although Blackmagic argues that it does not have technical  
19 documentation related to the LMH-1981 as it does not manufacture the chip, the undersigned  
20 agrees that this is not the information TLC seeks; rather TLC seeks Blackmagic to identify which  
21 of its own products utilize the LMH-1981, if any.

22 In light of the above, Blackmagic should respond the outstanding discovery requests  
23 propounded by TLC, and once that discovery is completed, TLC should reduce the number of  
24 claims related to the ’411 and ’412 patents through use of the LMH-1980 chip to a manageable  
25 number. TLC has repeatedly agreed that it will ultimately need to reduce the number of claims,  
26 and following the limited discovery recommended below, the time to reduce those claims will  
27 have arrived. Of course, if the court orders a patentee to limit the number of asserted patent  
28 claims, the court should permit the patentee to move for leave to assert additional claims upon a

1 showing of good cause. *Telebuyer, LLC v. Amazon.com, Inc.*, 2014 WL 5312275, at \*2 (W.D.  
2 Wash. Oct. 16, 2014); *see also Oasis Research, LLC v. Advice, LLC*, 2011 WL 7272473 at \*2  
3 (E.D. Tex. Sept. 13, 2011) (permitting leave to assert more claims upon a showing of good cause).

4 **III. CONCLUSION**

5 For the foregoing reasons, the undersigned RECOMMENDS the following schedule  
6 relating to discovery and the reduction of TLC's infringement contentions and Blackmagic's  
7 invalidity contentions. As the undersigned makes specific proposals impacting the District  
8 Court's case management schedule, the undersigned issues the following as a report and  
9 recommendation:

- 10 1) Blackmagic shall respond to TLC's outstanding Requests for Production of Documents  
11 (Suppl. Jt. Ltr., Ex. A), by February 5, 2015, including Request Number 3, which asks  
12 Blackmagic to identify which, if any, of its products utilize the LMH-1981;  
13 2) By February 26, 2015, TLC shall reduce its total number of new claims related to the  
14 '411 and '412 patents through use of the LMH-1980 chip to 18 claims;  
15 3) By March 19, 2015, TLC shall further reduce its total number of claims related to  
16 the '411 and '412 patents through use of the LMH-1980 chip to 10 claims;  
17 4) By April 9, 2015, Blackmagic shall identify no more than 10 of prior art references for  
18 these patents, and shall provide its invalidity contentions with charts for each prior art  
19 reference, if it has not done so already;  
20 5) TLC shall be permitted to move for leave to assert additional claims upon a showing of  
21 good cause.

22 Pursuant to Federal Rule of Civil Procedure 72, any party may serve and file objections to  
23 this report and recommendation within 14 days after being served with a copy.

24  
25 **IT IS SO ORDERED.**

26 Dated: January 22, 2015

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MARIA-ELENA JAMES  
United States Magistrate Judge