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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SYNCHRONOSS TECHNOLOGIES, INC.,
Plaintiff,
v.
DROPBOX INC., et al.,
Defendants.

Case No. 4:16-cv-00119-HSG (KAW)

**ORDER GRANTING DROPBOX INC.'S
MOTION TO AMEND ITS INVALIDITY
CONTENTIONS**

Re: Dkt. No. 210

On August 24, 2018, Defendant Dropbox, Inc. (“Defendant” or “Dropbox”) filed a Motion to Amend Its Invalidity Contentions. (Def.’s Mot., Dkt. No. 210.) On September 7, 2018, Plaintiff Synchronoss Technologies, Inc. (“Plaintiff” or “Synchronoss”) opposed. (Pl.’s Opp’n, Dkt. No. 221.) On September 14, 2018, Dropbox replied. (Def.’s Reply, Dkt. No. 222.)

The Court finds this matter suitable for resolution without hearing pursuant to Civil Local Rule 7-1(b). Upon consideration of the parties' filings, and for the reasons set forth below, the Court GRANTS Defendant Dropbox's Motion to Amend Its Invalidity Contentions.

I. BACKGROUND

On April 7, 2016, Dropbox filed petitions to institute two Inter Partes Review (“IPR”) actions of claims 1-15 (IPR2016-00850) and claims 16-29 (IPR2016-00851) of U.S. Patent No. 6,671,757 (“the ’757 patent”).¹ (Def.’s Mot. at 2; Dkt. No. 211-5, Ex. 5, at 2.) On October 7, 2016, the Patent Trial and Appeal Board (“PTAB”) instituted review of claims 1-8, 10-13 and 15 (IPR2016-00850) and claims 16-20, 22-25, 27, and 29 (IPR2016-00851) of the ’757 patent. (Def.’s Mot. at 2; Ex. 5 at 2.)

¹ The ’757 patent is one of three asserted patents in this case by Plaintiff Synchronoss against Defendant Dropbox, and the other two asserted patents are: U.S. Patent Nos. 6,767,696 (“the ’696 patent”) and 7,587,446 (“the ’446 patent”). (Dkt. No. 211-1 at 2.)

1 On February 15, 2017, Synchronoss served its Infringement Contentions upon Dropbox.
2 (Dkt. No. 211-1, Ex.1.) In its Infringement Contentions, Synchronoss asserted claims 9, 14, 21,
3 26 and 28 of the '757 patent, which do not overlap with the claims of the '757 patent that the
4 PTAB instituted in IPR2016-00850. (Ex.1 at 2.) Dropbox indicates that Synchronoss was waiting
5 for the PTAB to "resolv[e] the patentability of these claims" before it asserted them in the present
6 suit. (Dkt. No. 182 at 1.) Synchronoss also initially asserted claims 1-2, 6-9, 10-15, 18-19 of the
7 '696 patent and claims 1, 3, 5, 6, 9, 10-14, 16-20 of the '446 patent in its Infringement
8 Contentions. (Ex. 1 at 2.) Moreover, even though Synchronoss' Infringement Contentions did not
9 list claims 1, 8, 16 and 24 of the '757 patent as being infringed upon, those claims were still
10 charted in the claim charts attached to the Infringement Contentions. (Dkt. No. 195 at 2.)

11 On June 9, 2017, Dropbox served its Invalidity Contentions upon Synchronoss. (Dkt. No.
12 21-2, Ex. 2.) In its Invalidity Contentions, Dropbox listed that Synchronoss asserted claims 9, 14,
13 21, 26 and 28 of the '757 patent but also lists that Synchronoss asserted claims 1, 3, 5, 6, 9, 14, 16
14 and 20 of the '696 patent and claims 1, 2, 6-15, 18 and 19 of the '757 patent. (Dkt. No. 211-2,
15 Ex.2, at 1.) In its Invalidity Contentions, Dropbox also identified prior art that anticipated or
16 rendered obvious the asserted claims of the '757, '696 and '446 patents, including the prior art
17 systems of Concurrent Versions System ("CVS") and the Coda Distributed File System ("Coda").
18 (Def.'s Mot. at 2; Ex. 2 at 10.) As to CVS, Dropbox included a claim chart "identifying
19 specifically where and how in [the system] each limitation of each asserted claim [of the '757
20 patent] is found." (Def.'s Mot. at 2) (citing Patent L.R. 3-3(c); Dkt. No. 211-3, Ex.3.) Dropbox
21 states that although it did not include a similar chart for the Coda system, it provided a claim chart
22 identifying disclosures of various limitations of the '757 patent in the prior art publication of J.
23 Kistler & M. Satyanarayanan, "Disconnected Operation in the Coda File System," ACM
24 TRANSACTIONS ON COMPUTER SYSTEMS, vol. 10, no. 1 (1992) ("Kistler"), which describes the
25 operation of the Coda system. (Def.'s Mot. at 2; Dkt. No. 211-4, Ex. 4.)

26 On October 5, 2017, the PTAB issued a Final Written Decision that held that the claims of
27 the '757 patent that were at issue in IPR2016-00850 had "not been shown by a preponderance of
28 the evidence to be unpatentable. (Def.'s Mot. at 2-3; Ex. 5 at 24.)

1 In December of 2017, Dropbox filed a Notice of Appeal from the PTAB’s October 5, 2017
2 ruling to the U.S. Court of Appeals for the Federal Circuit. (Def.’s Mot. at 3.) On December 7,
3 2017, the Court issued its Claim Construction Order (Dkt. No. 168), which held that several of the
4 claim terms in the claims of the ’696 patent were indefinite under 35 U.S.C. § 112(6). (Dkt. No.
5 168 at 29-30.) Synchronoss then agreed to withdraw the ’696 patent. (Dkt. No, 170 at 12.)

6 On March 30, 2018, Synchronoss filed a motion to amend its Infringement Contentions,
7 which sought to add to the case claims 1, 8, 16 and 24 of the ’757 patent – previously only at issue
8 in IPR2016-00850 and IPR2016-00851. (Dkt. No. 178; Ex. 5 at 3.) In its April 4, 2018 response to
9 Synchronoss’ motion for leave to amend its Infringement Contentions, Dropbox opposed
10 Synchronoss’ request to add those claims of the ’757 patent, but did not oppose Synchronoss’
11 request to supplement its Infringement Contentions with respect to claims it had originally
12 asserted in its February 15, 2017 Infringement Contention disclosures. (Dkt. No. 181 at 1.)

13 On June 7, 2018, after the parties fully briefed the issue, the Court held a hearing on
14 Synchronoss’ motion for leave to amend its Infringement Contentions. (Dkt. No. 192.) At the
15 hearing, counsel for Dropbox, Mr. Adam D. Harber of Williams & Connolly LLP, stated that as a
16 result of Synchronoss not asserting the aforementioned claims of the ’757 patent, Synchronoss
17 “created a situation where there was no overlap between what was happening in the IPR and what
18 was happening in the district court” and Dropbox relied on this lack of overlap when drafting its
19 Invalidity Contentions, specifically, that without any overlap between the two sets of claims in the
20 IPR and the district court, there was never any question as to the potential, albeit limited,
21 preclusive effect of the PTAB’s decision on invalidity defenses that Dropbox might have asserted
22 in this action. (Def.’s Mot. at 3; Dkt. No. 211-6, Ex. 6 at 10:19-11:7.)

23 On June 14, 2018, the Court granted Synchronoss’ motion for leave to amend. (Dkt. No.
24 195.) Afterwards, Synchronoss served its Supplemental Disclosure of Asserted Claims and
25 Infringement Contentions upon Dropbox. (Def.’s Mot. at 3.)

26 On June 15, 2018, Synchronoss filed a Motion to Terminate Appeal (filed in December of
27 2017) and Remand in light of SAS Institute v. Iancu for a ruling on all grounds raised in the
28 original petition before the PTAB. (Dkt. No. 211-7, Ex. 7.)

1 On July 23, 2018, the U.S. Court of Appeals for the Federal Circuit granted Synchronoss’
2 June 15, 2018 motion, remanding the matter to the PTAB to consider all of the challenged patent
3 claims and all challenged invalidity grounds. (Def.’s Mot. at 3; Dkt. No. 211-8, Ex. 8.)

4 **II. LEGAL STANDARD**

5 “The Northern District of California has adopted local rules that require parties to state
6 early in the litigation and with specificity their contentions with respect to infringement and
7 invalidity.” O2 Micro Int’l Ltd. v. Monolithic Power Sys., Inc., 467 F.3d 1355, 1359 (Fed Cir.
8 2006). The patent local rules were “designed to require parties to crystallize their theories of the
9 case early in the litigation and to adhere to those theories once they have been disclosed.” DCG
10 Sys. v. Checkpoint Techs., LLC, No. C 11-03792 PSG, 2012 WL 1309161, at *2 (N.D. Cal. Apr.
11 16, 2012) (quotations omitted); O2 Micro Int’l Ltd. 467 F.3d at 1366 n.12 (quoting Nova
12 Measuring Instruments Ltd. v. Nanometrics, Inc., 417 F. Supp. 2d 1121, 1123 (N.D. Cal. 2006)).

13 Patent Local Rule 3-3 requires that each party opposing a claim of patent infringement
14 shall serve on all parties its Invalidity Contentions not later than 45 days after service upon it of
15 the disclosure of asserted claims and Infringement Contentions from a party claiming patent
16 infringement. Pursuant to that local rule, the Invalidity Contentions must contain (a) the identity of
17 each item of prior art that allegedly anticipates each asserted claim or renders it obvious; (b)
18 whether each item of prior art anticipates each asserted claim or renders it obvious, and if
19 obviousness is alleged, an explanation of why the prior art renders the asserted claim obvious,
20 including an identification of any combinations of prior art showing obviousness; (c) a chart
21 identifying specifically where and how in each alleged item of prior art each limitation of each
22 asserted claim is found, including for each limitation that such party contends is governed by 35
23 U.S.C. § 112(6), the identity of the structure(s), act(s), or material(s) in each item of prior art that
24 performs the claimed function; and (d) any grounds of invalidity based on 35 U.S.C. § 101,
25 indefiniteness under 35 U.S.C. § 112(2) or enablement or written description under 35 U.S.C. §
26 112(1) of any of the asserted claims. Patent L.R. 3-3.

27 A party may also amend its Invalidity Contentions “only by order of the Court upon a
28 timely showing of good cause.” Patent L.R. 3-6. The good cause inquiry is two-fold: (1) whether

1 the moving party was diligent in amending its contentions; and (2) whether the non-moving party
2 would suffer prejudice if the motion to amend were granted. *24/7 Customer, Inc. v. Liveperson,*
3 *Inc.*, No. 3:15-cv-02897-JST (KAW), 2016 WL 6673983, at *2 (N.D. Cal. Nov. 14, 2016) (citing
4 *Barco N.V. v. Tech. Properties Ltd.*, 2011 WL 3957390, at * 1 (N.D. Cal. Sept. 7, 2011)). The
5 moving party has the burden of demonstrating good cause. *O2 Micro Int'l*, 467 F.3d at 1366. Non-
6 exhaustive examples of circumstances that may, absent undue prejudice to the non-moving party,
7 support a finding of good cause include: (1) an adverse claim construction; (2) recent discovery of
8 material prior art despite an earlier diligent search; and (3) recent discovery of nonpublic
9 information about the accused product that, despite diligent efforts, was not discovered before
10 service of the Infringement Contentions. Patent L.R. 3-6.

11 In determining whether a motion for leave to amend invalidity contentions should be
12 granted, this Court has examined such factors as the relevance of newly-discovered prior art,
13 whether the request to amend is motivated by gamesmanship, and whether the opposing party will
14 be prejudiced by the amendment. *MLC Intellectual Prop., LLC v. Micron Tech., Inc.*, No. 14-CV-
15 03657-SI, 2016 WL 3648594, at *2 (N.D. Cal. July 6, 2016) (citing *Yodlee, Inc. v. CashEdge,*
16 *Inc.*, 2007 WL 1454259, *2-3 (N.D. Cal. May 17, 2007)).

17 **III. DISCUSSION**

18 Defendant Dropbox argues that it should be allowed to amend its Invalidity Contentions
19 mainly because: (A) Dropbox has been diligent in seeking leave to amend, (B) Synchronoss will
20 not be prejudiced by the amendments and even if the Court were to conclude that Dropbox was
21 not diligent in seeking amendment, (C) the Court should use its discretion to grant Dropbox's
22 leave to amend. (Def.'s Mot. at 5-8.) Synchronoss opposes all three reasons. (Pl.'s Opp'n at 4-9.)

23 **A. Dropbox's Diligence in Seeking Leave to Amend**

24 The moving party bears the burden of first establishing diligence. *O2 Micro*, 467 F.3d at
25 1355; *Radware Ltd. v. F5 Networks, Inc.*, No. 13-02021-RMW, 2014 WL 3728482, at *1 (N.D.
26 Cal. July 28, 2014) ("The burden is on the movant to establish diligence rather than on the
27 opposing party to establish lack of diligence."). Diligence consists of two steps: "(1) diligence in
28 discovering the basis for amendment; and (2) diligence in seeking amendment once the basis for

1 amendment has been discovered.” *Verinata Health, Inc. v. Ariosa Diagnostics, Inc.*, 236 F. Supp.
2 3d 1110, 1113 (N.D. Cal. 2017) (quoting *Monolithic Power Sys., Inc. v. Silergy Corp.*, No. 14-
3 1745-VC (KAW), 2015 WL 5440674, at *2 (N.D. Cal. Sept. 15, 2015)). “In considering the
4 party's diligence, the critical question is whether the party could have discovered the new
5 information earlier had it acted with the requisite diligence.” *Radware*, 2014 WL 3728482, at *1.

6 Dropbox asserts here that it has been diligent in both “discovering the basis for” and
7 “seeking” amendment because once it became apparent that Synchronoss was intending to not
8 only add new claims that had been addressed in the IPR, but also to seek PTAB consideration of
9 additional claims and grounds, Dropbox diligently set about identifying the relevant source code
10 sections for the two prior art systems of CVS and Coda that it previously had identified and
11 disclosed as systems on which it was relying in its initial Invalidity Contentions. (Def.’s Mot. at 5-
12 6.) Dropbox also states that it has worked diligently with its experts, since the Court’s June 14,
13 2018 grant of Synchronoss’ motion to leave to amend its Infringement Contentions, to identify
14 specific portions of the source code for both the CVS and Coda systems that practiced various
15 limitations of ’757 patent claims, and has diligently set about identifying these source code
16 sections before any depositions have taken place and before expert discovery has even begun.
17 (Def.’s Mot. at 6.) Dropbox concludes that invalidity defenses based on prior art systems discussed
18 in the Invalidity Contentions are not subject to estoppel, and these defenses are particularly
19 relevant now since Synchronoss is seeking to assert estoppel as to all claims in the matter. (Id.)

20 In response, Synchronoss argues that no such excuse exists for Dropbox’s delay in
21 “discovering the basis for” and “seeking” amendment because Dropbox relied on documents
22 describing Coda and CVS in its IPR petitions filed over two years ago. (Pl.’s Opp’n at 4.)
23 Synchronoss further contends that because the source code was available online including when
24 Dropbox served its Rule 3-3 Invalidity Contention disclosures on June 9, 2017, Dropbox could
25 have easily included the information in its original Rule 3-3 Invalidity Contention disclosures but
26 failed to do so. (Id. at 4-5.) Synchronoss also asserts that Dropbox’s argument that it could not
27 begin supplementing its Invalidity Contentions until it became apparent that Synchronoss was
28 intending to add new claims and seek PTAB consideration of additional claims and grounds is

1 baseless because Synchronoss charted the claims in its original Infringement Contentions served
2 on February 15, 2017, so Dropbox was on notice at least as early as then. Synchronoss also points
3 out Dropbox does not explain why it is seeking amendment of its Invalidity Contentions more than
4 a year after serving their original ones, and does not allege that the code was difficult to find, when
5 Synchronoss' expert declared that versions of Coda and CVS were "easily obtainable." (Id. at 5.)
6 In conclusion, Synchronoss avers that Dropbox wants "two bites at the apple" because Dropbox
7 "lost the IPR proceedings," and now "wants to skirt the invalidity litigation at the Patent Office
8 and assert here a late public-use defense that it chose not to include in its original invalidity
9 contentions." (Id.)

10 In reply, Dropbox states that it unquestionably could have asserted prior art invalidity
11 defenses based on printed publications that were at issue in the IPRs until June 28, 2018, as the
12 case was limited then to claims that had not been instituted for review by the PTAB. (Def.'s Reply
13 at 3.) Yet, as soon as the Court issued its June 14, 2018 order allowing Synchronoss to amend its
14 Infringement Contentions and to expand its asserted claims to overlap with those in the IPR,
15 Dropbox worked diligently with its experts to supplement its Invalidity Contentions as to the Coda
16 and CVS prior art systems it had previously disclosed. (Id.) Dropbox further mentions it moved to
17 amend its Invalidity Contentions within roughly two months from the date of the Court's June 14,
18 2018 order and within a month of the Federal Circuit's July 23, 2018 order remanding to the
19 PTAB for further proceedings, whereas Synchronoss waited almost six months to amend its
20 infringement contentions after the PTAB's Final Written Decision, which was the purported basis
21 for Synchronoss' amendment to its Infringement Contentions. (Id.) In addition, Dropbox mentions
22 that Synchronoss' charting of parent claims to asserted dependent claims and failure to assert
23 those charted parent claims informed Dropbox that those charted claims were not at issue. (Id. at
24 4.) Finally, Dropbox mentions its one-year delay in amending its Invalidity Contentions
25 previously seemed acceptable to Synchronoss and that Dropbox is not adding any new prior art to
26 its Invalidity Contentions that it had not previously disclosed, e.g., merely expanding on its
27 previous disclosures as to CVS and Code so as to fit the case to circumstances that Synchronoss
28 has recently brought about.

1 On balance, the Court finds that Dropbox acted diligently in both “discovering the basis
2 for” and “seeking” amendment of its Invalidity Contentions. The trigger for amending Dropbox’s
3 Invalidity Contentions is undoubtedly the Court’s June 14, 2018 order granting Synchronoss’
4 motion to amend its Infringement Contentions to add newly asserted claims, e.g. Claims 1, 8, 16
5 and 24 of the ’757 patent. Synchronoss’ Amended Infringement Contentions were served upon
6 Dropbox on June 28, 2018. Dropbox then filed its motion to amend its Invalidity Contentions on
7 August 24, 2018, less than two months after being served with Synchronoss’ Amended
8 Infringement Contentions. This shows diligence on Dropbox’s part.

9 **B. The Prejudice to Synchronoss**

10 “If the court finds that the moving party has acted with diligence, it must then determine
11 whether the nonmoving party would suffer prejudice if the motion to amend were granted.” *Apple*
12 *Inc. v. Samsung Elecs. Co. Ltd*, No. 12-0630-LHK (PSG), 2013 WL 3246094, at *1 (N.D. Cal.
13 June 26, 2013) (internal quotation marks omitted). “Prejudice is typically found when amending
14 contentions stand to disrupt the case schedule or other court orders.” *Verinata Health*, 236 F.
15 *Supp. 3d* at 1113 (quoting *Karl Storz Endoscopy–Am. v. Stryker Corp.*, No. 14-0876-RS (JSC),
16 2016 WL 7386136 at *3 (N.D. Cal. Dec. 21, 2016)).

17 Dropbox asserts that Synchronoss will not suffer any prejudice if Dropbox is granted leave
18 to amend its Invalidity Contentions because: (i) Synchronoss has been on notice of both prior art
19 systems of CVS and Coda, as well as the possibility that Dropbox would assert one or both as part
20 of an invalidity defense, at least since June 9, 2017, when Dropbox served its original Invalidity
21 Contentions; (ii) Dropbox’s June 9, 2017 Invalidity Contentions carefully charted the
22 documentation associated with the CVS and Coda systems, and Synchronoss argued in its motion
23 to amend its Infringement Contentions that charting was reason enough to find “no prejudice”;
24 (iii) discovery in the case is still ongoing, and (iv) because Dropbox is producing all relevant
25 documents with its Amended Invalidity Contentions, including the source code for Coda,
26 Synchronoss will have sufficient time to notice depositions to the extent it finds them necessary to
27 address Dropbox’s Amended Invalidity Contentions, which is unlikely because Synchronoss has
28 so far not noticed any depositions for the original Invalidity Contentions. (Def.’s Mot. at 7-8.)

1 In response, Synchronoss alleges that it would “suffer significant harm given that it would
2 be forced to analyze hundreds of files and tens-of-thousands of lines of source code at the end of
3 fact discovery and just weeks away from initial expert disclosures” and having to respond to
4 Dropbox’s Invalidity Contentions again in an amended form (having already responded to
5 Dropbox’s originally filed Invalidity Contentions on August 3, 2018) during the close of discovery
6 in the middle of depositions “is overwhelming and an undue burden to Synchronoss.” (Pl.’s
7 Opp’n at 6.) Synchronoss also complains of never previously seeing this code, experiencing
8 difficulty in deciphering it, and having to undergo “months and hundreds of hours of expert and
9 attorney time to review, parse and analyze” the code as well as Dropbox’s Amended Invalidity
10 Contentions. (Id. at 7.) Moreover, Synchronoss states that it will be forced to take discovery on
11 any new “theories” disclosed in Dropbox’s Amended Invalidity Contentions past the fact
12 discovery deadline, and points to how it “sought repeatedly to avoid the prejudicial situation that
13 Dropbox now seeks to create.” (Id.)

14 In reply, Dropbox avers that Synchronoss is “vastly exaggerating” both the scope of the
15 amendments and the additional work it will have to perform if Dropbox is granted leave to amend.
16 (Def.’s Reply at 5.) Dropbox also indicates that Synchronoss has been on notice of the Coda and
17 CVS prior art systems for over a year, an argument against prejudice incurring to another party
18 that Synchronoss itself raised in its motion to amend its Infringement Contentions earlier. (Id.)
19 Dropbox also argues that it is difficult to understand why the mere addition of publicly available
20 source code to Invalidity Contentions about systems that have always been in Dropbox’s
21 Invalidity Contentions suddenly requires Synchronoss to “take discovery” that it has never
22 previously sought because nothing in Dropbox’s amendments would cause a change in the expert
23 discovery strategy employed by Synchronoss to address Dropbox’s invalidity theories. (Id. at 5-6.)
24 Dropbox further notes that Synchronoss’ motion to amend its Infringement Contentions set into
25 motion this current delayed timeline of events, that Synchronoss’ responsive expert reports on
26 invalidity are not due until December 21, 2018, and that Synchronoss’ lack of sufficient time to
27 prepare its response to Dropbox’s amendments are highly exaggerated, especially given the
28 limited nature of the amendment itself, e.g. simply adding support to arguments and prior art

1 systems that Synchronoss and its experts would have had to address anyway. (Id. at 6.) Finally,
2 Dropbox argues that while forcing a non-moving party to “expend resources,” “analyze hundreds
3 of files and tens-of-thousands of lines of source code at the end of fact discovery” and “re-
4 formulate” its defenses may in a few situations constitute “some prejudice,” those burdens in and
5 of themselves are not sufficient to find “substantial and undue prejudice” to deny an amendment.
6 (Id. at 6-7) (citing *Nexus Display Techs., LLC v. LG Elecs., Inc.*, No. CV-14-05964-JVS-DFM-X,
7 2016 WL 6916827, at *4 (C.D. Cal. July 8, 2016)).

8 Upon consideration of the parties’ arguments, the Court finds that Synchronoss does not
9 suffer sufficient prejudice so as to deny Dropbox’s motion for leave to amend its Invalidity
10 Contentions. As an initial matter, Dropbox’s amendments do not appear to disrupt the case
11 schedule or other court orders, and are therefore not prejudicial to Synchronoss, as far as the
12 timing of the case goes. *Verinata Health*, 236 F. Supp. 3d at 1113. Moreover, Synchronoss has
13 been put on notice of the CVS and Coda prior art systems at least as early as June 9, 2017, when
14 Dropbox served its original Invalidity Contentions. Thus, the Court finds the arguments raised by
15 Synchronoss of having to conduct additional burdensome expert discovery or notice last-minute
16 depositions to adjust its arguments to potential “new” invalidity theories as largely unavailing. The
17 Court also notes that although fact discovery may have closed, Synchronoss’ responsive invalidity
18 expert reports are not due until December 21, 2018. Dropbox’s amendments to the Invalidity
19 Contentions are also limited in that they only add support and source code documentation to the
20 prior art systems of CVS and Coda that Synchronoss would have to address in any regard.

21 Finally, the Court finds unpersuasive Synchronoss’ complaints involving the burden of
22 analyzing just around 200 pages of difficult-to-understand source code, primarily because experts
23 proficient in understanding and parsing such code are hired to perform this task, and for prejudice
24 under Patent Local Rule 3-6, “the issue is not whether the defendant would be required to engage
25 in additional work in response to [new amendments]...[but] what incremental prejudice results
26 from the delay in asserting those [amendments] (e.g., inability to complete discovery because of
27 approaching trial date).” *Trans Video Elecs., Ltd. v. Sony Elecs.*, 278 F.R.D. 505, 509 n.2 (N.D.
28 Cal. 2011).

1 **C. The Court’s Discretion in Granting Leave to Amend**

2 “*It is generally permissible for a party to amend its invalidity contentions in response to the*
3 *patentee amending its infringement contentions.*” *Advanced Micro Devices, Inc. v. LG Elecs., Inc.*,
4 *No. 14-CV-01012-SI, 2017 WL 2774339, at *6 (N.D. Cal. June 26, 2017) (quoting Verinata*
5 *Health, Inc. v. Ariosa Diagnostics, Inc., No. C 12-05501 SI, 2014 WL 1648175, at *2 (N.D. Cal.*
6 *Apr. 23, 2014)); accord DCG Sys., 2012 WL 1309161, at *2-3. Moreover, the Court “retains*
7 *discretion to grant leave to amend even in the absence of diligence so long as there is no prejudice*
8 *to the opposing party.” Karl Storz, 2016 WL 7386136, at *3 (citing Apple Inc. v. Samsung Elecs.*
9 *Co., No. CV 12-00630 LHK, 2012 WL 5632618, at *5-6 (N.D. Cal. Nov. 15, 2012); U.S. Ethernet*
10 *Innovations, LLC v. Acer, Inc., No. 10-cv-3724 CW, 2013 WL 5609325, at *3 (N.D. Cal. Oct. 11,*
11 *2013)). “Courts have allowed amendments when the movant made an honest mistake, the request*
12 *to amend did not appear to be motivated by gamesmanship, or where there was still ample time*
13 *left in discovery.” Apple, 2012 WL 5632618, at *5.*

14 Here, Dropbox argues that principles of fairness dictate that Dropbox should be permitted
15 to amend its invalidity contentions because its amendments are clearly not “motivated by
16 gamesmanship,” and allowing the amendments would not prejudice Synchronoss. (Def.’s Mot. at
17 8.) In response, Synchronoss accuses Dropbox as engaging in gamesmanship. (Pl.’s Opp’n at 7.)
18 In reply, Dropbox argues that if the Court were to deny its motion to amend its Invalidity
19 Contentions, Synchronoss would be effectively permitted to unfairly game the Local Rules.
20 (Def.’s Reply at 7.)

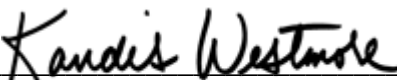
21 The Court finds, in its discretion, that Dropbox should be permitted to amend its Invalidity
22 Contentions for at least the equitable reason that Synchronoss has been permitted to amend its
23 Infringement Contentions. Also, the Court finds that Dropbox did not engage in any
24 gamesmanship or any other behavior that would unduly prejudice Synchronoss. Ample time also
25 remains in discovery for Synchronoss to respond to and address Dropbox’s Amended Invalidity
26 Contentions, as the rebuttal or responsive expert reports on invalidity – where Synchronoss would
27 be able to address the materials that Dropbox is seeking leave to add to its originally filed
28 Invalidity Contentions – are not due until December 21, 2018.

IV. CONCLUSION

In light of the foregoing, the Court GRANTS Defendant Dropbox's Motion to Amend its Invalidation Contentions.

IT IS SO ORDERED.

Dated: October 29, 2018



KANDIS A. WESTMORE
United States Magistrate Judge

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