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 TELECOMMUNICATIONS AMERICA, LLC
 16

17 UNITED STATES DISTRICT COURT
 18 NORTHERN DISTRICT OF CALIFORNIA, SAN JOSE DIVISION
 19

20 APPLE INC., a California corporation,

21 Plaintiff,

22 vs.

23 SAMSUNG ELECTRONICS CO., LTD., a
 Korean business entity; SAMSUNG
 24 ELECTRONICS AMERICA, INC., a New
 York corporation; SAMSUNG
 25 TELECOMMUNICATIONS AMERICA,
 LLC, a Delaware limited liability company,
 26

27 Defendant.
 28

CASE NO. 11-cv-01846-LHK (PSG)

**SAMSUNG'S OPPOSITION TO APPLE
 INC.'S MOTION TO STRIKE PORTIONS
 OF SAMSUNG'S EXPERT REPORTS**

FILED UNDER SEAL

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1 **I. INTRODUCTION**

2 Samsung has developed a number of powerful invalidity and non-infringement theories
3 that will defeat Apple’s claims at trial. Rather than address these theories on the merits, Apple
4 now seeks to exclude them, claiming that they were not properly disclosed. But Apple’s motion
5 misconstrues the purposes and scope of infringement and invalidity contentions, which are
6 designed to provide notice, and necessarily do not contain the level of evidentiary detail that
7 support an expert’s report. The opinions and evidence Apple seeks to exclude are fully consistent
8 with Samsung’s infringement and invalidity contentions. To the extent Apple’s arguments are
9 premised on interrogatory responses, they are equally flawed. Samsung’s responses were timely
10 served provided reasonable notice of the theories and arguments Samsung presents in its expert
11 reports. Apple’s motion should be denied.

12 **II. ARGUMENT**

13 **A. There Is No Basis To Exclude The Challenged Portions Of Samsung’s Utility**
14 **Expert’s Reports**

15 **1. The Patent Local Rules Do Not Provide A Basis To Exclude The**
16 **Challenged Prior Art**

17 **(a) Patent Local Rule Disclosures Do Not Require The Same Level**
18 **Of Detail As Expert Reports**

19 The purpose of infringement contentions is to provide defendants with reasonable notice of
20 infringement beyond the claim language itself. *Shared Memory Graphics LLC v. Apple, Inc.*, 812
21 F. Supp. 2d 1022, 1025 (N.D. Cal. 2010). As this Court has recognized, the local rules for
22 disclosure of infringement contentions “do not, as is sometimes misunderstood, ‘require the
23 disclosure of specific evidence nor do they require a plaintiff to prove its infringement case.’”
24 *DCG Sys. v. Checkpoint Tech., LLC*, 2012 WL 1309161, at *2 (N.D. Cal. 2012). *Fenner Invs. v.*
25 *Hewlett-Packard Co.*, 2010 WL 786606 at *2 (E.D. Tex., Feb. 26, 2010); *see also Shurtape Techs.*
26 *LLC v. 3M Co.*, 2011 WL 4750586 (W.D.N.C., Oct. 7, 2011) (“the scope of infringement
27 contentions and expert reports are not co-extensive.”) Patent L.R. 3-1 is not intended to force
28 parties to “pre-try the case ... by conducting a highly detailed and rigorous analysis of the
preliminary claim infringement contentions.” *STMicroelects., Inc. v. Motorola, Inc.*, 308 F. Supp.

1 2d 754, 756 (E.D. Tex. 2004); *Orion IP, LLC, v. Staples, Inc.*, 407 F. Supp. 2d 815, 818 (E.D.
2 Tex. 2006) (patent rules “strike a balance of providing fair notice to defendants without requiring
3 unrealistic, overly factual contentions from plaintiffs...”). “The scope of infringement contentions
4 and expert reports are not . . . coextensive.” *Fenner*, 2012 WL 786606 at *2. Only expert reports
5 that “substantially deviate” from infringement contentions are subject to a motion to strike.
6 *DataTreasury Corp. v. Well Fargo & Co.*, 2010 WL 3912486 (E.D. Tex., Sept. 13, 2010).

7 This Court has applied these same principles to invalidity contentions, noting that the
8 question on a motion to strike is whether the expert report “merely provides an evidentiary
9 example or complementary proof in support thereof, or itself advances a new or alternate means
10 by which the jury could find the claim at issue invalid.” *Genentech, Inc. v. Trustees of Univ. of*
11 *Penn.*, 2012 WL 424985 at *2 (N.D. Cal. February 09, 2012). Invalidity contentions are intended
12 to provide a plaintiff with reasonable notice of the defendant’s invalidity theories. *High Point*
13 *SARL v. Sprint Nextel Corp.*, 2011 WL 4526770 at *9 (D. Kan. Sept. 28, 2011) (invalidity
14 contentions, by local rule or interrogatory response, are “not required to provide the same level of
15 detail that may ultimately be needed for it to support its invalidity defense. This makes sense here
16 where experts may be necessary to provide the specificity needed to identify the specific
17 combinations of prior art that . . . show obviousness.”);

18 Finally, the obligations in the Patent Local Rules are a two way-street, and neither party is
19 entitled to delay providing meaningful responses and then sandbag their opponent. *O2 Micro Int’l*
20 *Ltd v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1365-66 (Fed. Cir. 2006). The Patent Local
21 Rules are intended to be a shield, not a sword. *Orion IP*, 407 F. Supp. 2d at 818. Parties cannot
22 “lay behind the log until late in the case” and then claim they lack notice as to the scope of the
23 case or the opponent's contentions. *Id.*

24 **(b) Stephen Gray’s Invalidity Opinion Concerning Apple’s ’915**
25 **Patent**

26 Samsung’s Invalidity Contentions identified the DiamondTouch System as prior art to the
27 ‘915 patent. (Ward Dec., Ex. A at 26.) The DiamondTouch System includes touch screen
28

1 hardware and software, including the Mandelbrot, DTLens, and DTMouse applications.¹ Mr.
2 Gray’s report details how the DiamondTouch System – including the Mandelbrot, DTLens, and
3 DTMouse source code – anticipate the asserted claims of Apple’s ‘915 patent. (Ward Dec. Ex. B,
4 Gray Report at ¶¶ 161-165 and 172-182.)

5 Apple claims that any reference to Mandelbrot, DTLens, and DTMouse should be stricken
6 from Mr. Gray’s report because disclosure of the “DiamondTouch system is not tantamount to a
7 disclosure of each application program within the system.” (Motion at 6.) However, Samsung’s
8 Invalidity Contentions expressly state that the DiamondTouch System includes “documents and
9 source code describing the same.” (Ward Dec. Ex. A at 12.) There can be no dispute that the
10 Mandelbrot, DTLens, and DTMouse source code falls squarely within this definition.²
11 Furthermore, Samsung’s Invalidity Contentions disclose in detail how the DiamondTouch System
12 meets the limitations of the asserted claims. (Ward Dec., Ex. A at Ex. J1, 11 – 14.) For example,
13 Samsung’s contentions describe how the DiamondTouch System distinguishes between scroll and
14 gesture operations. Dr. Gray’s expert report also describes how the DiamondTouch System
15 distinguishes between scroll and gesture operations and simply identifies Mandelbrot as an
16 application in the DiamondTouch System that does this. Finally, the DTLens and DTMouse
17 applications are demonstrated in videos referenced in Samsung’s Invalidity Contentions. (*Id.*)
18 Thus, Apple had fair notice of Samsung’s invalidity theories and arguments with respect to the
19 entire DiamondTouch System. *See, e.g., Orion IP*, 407 F. Supp. 2d at 817 (for systems with
20 multiple methods of use, “plaintiffs should provide specific theories of infringement and
21 representative examples of the alleged infringement so as to give defendants fair notice of
22
23

24 ¹ The claims of the ‘915 patent are directed to a technique for distinguishing between a single
25 input point, which are interpreted as scroll operations, and multiple input points, which are
26 interpreted as gesture operations. The DiamondTouch System, specifically in the Mandelbrot
27 application, performs precisely the same operations and therefore anticipates.

28 ² Adam Bogue, a developer of the DiamondTouch system, testified that the DiamondTouch
System’s demonstration applications included Mandelbrot, DTLens, and DTMouse. (Ward Dec.,
Ex. C, Bogue Tr. at 21:24-21:24; 94:1-96:22; Ex. D, Forlines Tr. at 113:22-114:7). Another early
DiamondTouch developer, Clifton Forlines, testified that a publicly accessible DiamondTouch
System located in MERL’s lobby included these applications. (*Id.* at 119:17-120:3).

1 infringement beyond that which is provided by the mere language of the patent claims
2 themselves.”)

3 Furthermore, Apple was fully aware of and conducted discovery on Mandlebrot, DTLens,
4 and DTMouse. On October 7, 2011, the day Samsung served its invalidity contentions, Samsung
5 made available for inspection a DiamondTouch Table System with Mandlebrot, DTLens, and
6 DTMouse. (Ward Dec., Ex. A at Ex. J1, fn. 2.) Less than two weeks later, on October 20, 2011,
7 Samsung provided Apple with the source code for Mandlebrot, DTLens, and DTMouse.³ (Ward
8 Dec., Ex. E.) On December 2, 2011 Apple's counsel inspected the DiamondTouch System and
9 took videos of its operation. (See Dkt. 447.) Although Apple withheld these videos from
10 Samsung, they likely demonstrate the operation of Mandlebrot, DTLens, and DTMouse. Finally,
11 Apple took depositions of developers of the DiamondTouch System, Adam Bogue and Clifton
12 Forlines, and asked these prior art witnesses specific questions regarding Mandlebrot, DTLens,
13 and DTMouse (Ward Dec. Ex. C at 18:18-22:22; Ex. D at 63:21-64:25, 68:2-21, 72:4-13, 72:15-
14 73:15.). In light of these facts, there can be no question that Apple knew Mandlebrot, DTLens,
15 and DTMouse were being asserted as prior art against the ‘915 patent. Consequently, there is no
16 basis for exclusion. *Fenner*, 2012 WL 786606 at *3 (no exclusion where “discovery made it
17 explicitly clear Plaintiff did not intend the contentions to only encompass servers operating
18 Windows Server 2003”).

19 Finally, Samsung would be extremely prejudiced if it could not rely on Mandlebrot,
20 DTLens, or DTMouse. These applications and their source code demonstrate how the
21 DiamondTouch System invalidates the asserted claims of the ‘915 patent. Exclusion of these
22 applications would be tantamount to an exclusion of the entire DiamondTouch System as prior art
23 to the ‘915 patent, notwithstanding Samsung's timely disclosure of the DiamondTouch System.

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³ Samsung obtained copies of these source code pursuant to a third-party subpoena to MERL, the company that developed the DiamondTouch System.

1 industry term. [REDACTED]

2 [REDACTED]
3 [REDACTED] Consequently, Apple's infringement contentions did not put Samsung
4 on notice as to the type of circuit corresponded to a "virtual ground charge amplifier."

5 Throughout discovery, Apple never supplemented its Infringement Contentions to indicate
6 what type of circuit corresponds to the virtual ground charge amplifier recited in claim 8 of the
7 '607 Patent. Indeed, Samsung was not made aware of Apple's interpretation of claim 8 of the
8 '607 patent until Apple served its expert infringement report on March 22, 2012. Through Dr.
9 Maharbiz's infringement report, [REDACTED]

10 [REDACTED]
11 [REDACTED] This interpretation is surprising because, [REDACTED]
12 [REDACTED], the '607 Patent only describes the circuit of Figure 13 as a "filter" or "inverting
13 amplifier" and not a "virtual ground charge amplifier." (*Id.*)

14 Upon learning of the circuit Apple contends corresponds to the "virtual ground charge
15 amplifier" of claim 8, Dr. Von Herzon identified the exact same circuit in the Blonder reference.
16 In view of Apple's late disclosure of its infringement theory for claim 8,⁵ the references to Blonder
17 in Dr. Von Herzen's invalidity report is entirely proper rebuttal evidence to Apple's newly
18 disclosed interpretation of this claim term. The Court should not permit Apple to surprise
19 Samsung with a new interpretation of the claim without providing Samsung an opportunity to
20 present rebuttal evidence relating to this new interpretation.⁶

21 _____
22 ⁵ Samsung has filed a motion to strike this portion of Dr. Marharbiz's report and this
infringement theory because Apple failed to disclose it pursuant to the Patent Local Rules. *See*
23 (Dkt. No. 934-3 at 10.)

24 ⁶ Apple can claim no prejudice from the timing of Samsung's disclosure regarding the virtual
ground charge amplifier, because it was made in response to Apple's belated change to its own
interpretation of claim 8. In addition, Apple nevertheless had ample notice that Samsung would
25 ultimately offer opinions on "virtual ground charge amplifiers." In its Invalidity Contentions,
Samsung identified several "amplifier" circuits in the prior art and alleged that these amplifiers
26 disclosed the claimed "virtual ground charge amplifier" as best as Samsung understood this
undefined term. (Ward Dec., Ex. A at Ex. P, pp. 7-8, 64-65, 75-76, 87-88.) In addition, Samsung
27 alleged that the incorporation of a "virtual ground charge amplifier," as best as Samsung
understood this term, into many of the prior art references, was obvious. (*See id.* at 22-23, 36, 50,
28 106-107.) Apple therefore had reasonable notice that Samsung would allege the claimed charge
(footnote continued)

1 (ii) Samsung's "Derivation" Defense Is Based on a Reference
2 Included in Samsung's Invalidation Contentions and Was Not
3 Fully Substantiated Until After the Close of Fact Discovery.

4 Dr. Von Herzen's derivation opinion is based on the Sony Smartksin reference. A
5 derivation defense requires a showing of "both prior conception of the invention by another and
6 communication of that conception to the patentee." *Gambro Lundia AB v. Baxter Healthcare*
7 *Corp.*, 110 F.3d 1573, 1576 (Fed. Cir. 1997). As Apple admits, Samsung provided a claim chart
8 for the Smartskin device as an anticipatory § 102 reference in Samsung's invalidity contentions,
9 thereby establishing prior conception. (Motion at 8.)

10 Apple complains, however, that Samsung did not explain how the prior conception was
11 communicated to the patentee and by whom. Yet Samsung could not possibly make these
12 disclosures until after reviewing [REDACTED] and
13 [REDACTED] and
14 Samsung had an opportunity to depose all the named inventors of the '607 Patent. Moreover,
15 Samsung did not fully substantiate its fact-intensive derivation defense until after [REDACTED]
16 [REDACTED] which was not produced until December 8,
17 2011, and [REDACTED] which did not issue until January 13,
18 2012. *See Genentech*, 2012 WL 424985, at *2 ("a key consideration for the court is the timing of
19 the disclosure in relation to when the disclosing party had the information . . .").

20 Samsung first learned the complete basis of Motorola's derivation defense from
21 [REDACTED]

22 [REDACTED] In addition, Mr. Hotelling, one of the inventors of the '607 Patent, [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]—one of the
26 [REDACTED]

27 _____
28 amplifier circuitry was well known in the art after Apple provided a indication of the precise
circuitry that constituted the claimed "virtual ground charge amplifier."

1 critical elements of a derivation defense. Samsung’s disclosure of this defense in Dr. Von
2 Herzen’s invalidity report is therefore timely.

3 Moreover, Apple cannot possibly claim prejudice from the timing of Samsung’s derivation
4 defense disclosure the same defense based on the same prior conception and communication was
5 already litigated in the 337-TA-750 investigation. In addition, by including the Smartskin
6 reference in its invalidity contentions, Samsung put Apple on notice of this potential defense.
7 Because the underlying evidentiary details were not available until Apple belatedly provided them
8 in discovery, the Court should deny Apple’s request to strike Dr. Von Herzen’s derivation
9 opinions from his invalidity report.⁷

10 **2. Samsung Properly Disclosed The Infringement Theories Upon Which**
11 **Its Utility Experts Based Their Reports**

12 **(a) Samsung’s Non-Infringement Experts Expressed Opinions on**
13 **Previously-Disclosed Contentions.**

14 **(i) Dr. Jeffrey Johnson’s Non-Infringement Report re Apple’s**
15 **’381 Patent**

16 Apple asks the Court to strike portions of Dr. Johnson’s non-infringement rebuttal report
17 on the ’381 patent regarding “hold still” behavior⁸ claiming Samsung failed to disclose this non-
18 infringement theory during fact discovery. (Ward Dec., Ex. M, Johnson Non-Infringement Report
19 ¶ 65.) As explained below, Samsung fully disclosed this theory.

20 A party is not required in its interrogatory responses to “divulge [it’s] crystallized non-
21 infringement arguments upon which [it] will rely at trial. The deadline for . . . rebuttal expert
22 reports on non-infringement serves this purpose.” *Cummins-Allison Corp. v. SBM Co., Ltd.*, 2009
23 WL 806753 (E.D. Tex. Mar. 19, 2009). Moreover, a party is not required under Rule 26(e)(1) to

23 ⁷ Contrary to Apple’s assertions (Motion at 22-23.), Dr. Von Herzen offers no formal
24 inequitable conduct opinion in his report. Rather, Dr. Von Herzen merely opines that the failure to
25 inform the PTO about Apple’s derivation of the claimed invention from Sony would have been
26 material to patentability. (Ward Decl. Ex. L, Von Herzen Report at ¶¶ 459-460.) In Dr. Von
27 Herzen’s opinion, the PTO would have never allowed the ’607 Patent had it known that all three
28 named inventors read the Smartskin paper and watched the Smartskin videos prior to their alleged
“invention.” (*Id.*) These opinions, which are integrally linked to Dr. Von Herzen’s derivation
opinion, should be permitted for the same reason as his derivation opinion.

⁸ Dr. Johnson explained that in the Gallery application, a user can move “an image beyond
the edge of the document, show an area beyond the edge, and upon lifting her finger, the image
will hold still and does not snap back.” (Ward Dec., Ex. L at ¶ 65).

1 supplement its responses to interrogatories (including contention interrogatories) unless the
2 original responses are incorrect or incomplete, **and** the new information “has not otherwise been
3 made known to the other parties during the discovery process or in writing.”). *Mike’s Train*
4 *House, Inc. v. Broadway Ltd. Imports, LLC*, 2012 WL 664498, at *13 (D. Md. Feb. 27, 2012).

5 Here, Samsung provided the required facts (*i.e.* devices, source code, and sufficient
6 interrogatory responses) during fact discovery and Samsung’s expert described this non-
7 infringement theory in more detail in his expert report. Far from Apple’s assertion that Samsung
8 hid non-infringement theories regarding the “hold still” behavior, Samsung disclosed its non-
9 infringement arguments *well before* serving its rebuttal reports on April 16, 2012. Samsung made
10 available for inspection source code and physical devices that exhibit the “hold still” behavior on
11 December 30, 2011 and February 3, 2012, respectively. (Ward Dec. Exs. N-O.) Apple’s own
12 expert, Dr. Balakrishnan, had in his possession the source code and devices that exhibit the “hold
13 still” behavior. And Samsung disclosed the “hold still” behavior in Samsung’s second
14 supplemental response to Apple’s Interrogatory No. 2 on March 12, 2012—responses which
15 Apple does not challenge. (Ward Dec. Ex. P at 9.) Put simply, Samsung disclosed the non-
16 infringement argument that Dr. Johnson later named “hold still” and explained in more detail in
17 his report. If Apple was unclear as to the scope of Samsung’s contentions, it should have worked
18 with Samsung to clarify any issues. *See Orion IP* 407 F.Supp. 2d at 818 (“A defendant cannot lay
19 behind the log until late in the case and then claim it lacks notice as to the scope of the case or the
20 infringement contentions”).

21 Apple also had ample opportunity to ask Dr. Johnson about “hold still” at his deposition,
22 vitiating any claim of prejudice by Apple. Nevertheless, Apple did not ask any questions
23 regarding “hold still” during the deposition. Instead, Dr. Johnson brought up the “hold still”
24 behavior at least three times on his own (Ward Dec. Ex. Q, Johnson Tr. 64:10, 70:16, 149:16).
25 Only then did Apple ask what Johnson meant by “hold still.” (*Id.* at 70:17.) And after that, Apple
26 asked *no* further questions about “hold still” behavior. There was no violation of Rule 26(e), and
27 no basis for exclusion.

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1 (ii) Dr. Von Herzern's Non-Infringement Report Re Apple's
2 '607 Patent

3 Apple asks the Court to strike portions of Dr. Von Herzen's Non-Infringement Report on
4 Apple's '607 patent that address "near touches" and "transverse lines." (Motion at 9.) Once
5 again, Apple is attempting to profit from its failure to comply with the specificity and charting
6 requirements in Patent Local Rule 3-1.

7 In its Infringement Contentions, Apple only provided a '607 Patent infringement chart for
8 the Galaxy Tab 10.1; the Tab 7.0 was not charted at all. (Ward Dec., Ex. R at Ex. 17.) Because
9 Apple failed to chart both products, and because the Tab 10.1 and Tab 7.0 contain completely
10 different conductive line patterns, Samsung had no way of knowing how Apple would apply the
11 claimed "first conductive lines" and the claimed "second conductive lines" to the Tab 7.0. As a
12 consequence, Samsung could not possibly have alleged that the Tab 7.0 did not include second
13 conductive lines that are "transverse" to the first conductive lines until Apple provided its expert
14 infringement report on March 22, 2012. (Ward Dec., Ex. H.)

15 Moreover, Apple's infringement contentions merely parroted the asserted claim language
16 and completely failed to explain how or why the Samsung products are able to detect "near
17 touches," as required by the preamble of claim 1. Apple's first analysis of this claim limitation
18 was contained in its expert's infringement report. (*Id.* at 25-26.) Samsung's responsive non-
19 infringement theories are therefore proper as rebuttal evidence to Apple's expert infringement
20 report and should not be stricken.

21 (b) **Mr. Gray's Non-Infringement Report Concerning Apple's '915**
22 **Patent**

23 Unlike Apple's other arguments in this motion, Apple's attempt to strike Mr. Gray's report
24 on the non-infringement of the '915 patent is *not* based on an alleged inconsistency between his
25 report and earlier disclosures. Rather, this argument is a procedurally improper *Daubert* challenge
26 which Apple chose not to make in its *Daubert* motion. In explaining how certain Samsung
27 products cannot infringe the '915 patent, Mr. Gray reviewed Samsung products and reached the
28 conclusion that, because some Samsung products are capable of scrolling with more than one
input point, these products do not infringe the '915 patent. (Ward Dec., Ex. S, Gray Rebuttal

1 Report at ¶ 34.) Apple contends that Mr. Gray's report should be stricken because he failed to
2 disclose which devices perform multi-input point scrolling. (Motion at 10-11.)

3 The thrust of Apple's argument is that Mr. Gray did not use "sound" or "reproducible"
4 testing techniques. (*Id.* at 11.). Apple then selectively quotes from his deposition, implying that
5 his failure to remember the names of the products casts doubt on the entire theory. (*Id.*) Putting
6 aside the fact that Apple's arguments would not even give rise to exclusion under *Daubert* had
7 they been properly raised in such a motion, the mere fact that Mr. Gray could not recite, from
8 memory, which devices demonstrated multi-touch scrolling does not justify excluding his report in
9 any way. Mr. Gray properly discussed multi-touch scrolling at the appropriate time set out for
10 expert reports, irrespective of Apple's attempt to establish its own schedule for this trial.

11 The weakness of Apple's argument is underscored by the fact that its own expert, Dr.
12 Karan Singh, only addressed 2 of 31 accused products in his claim-by-claim infringement chart.
13 (Ward Dec., Ex. T, Singh Report at ¶ 305.) Mr. Gray noted this shortcoming, and even stated that
14 he was rebutting at the level of specificity provided by Dr. Singh. (Ward Dec., Ex. S at ¶¶ 51,
15 231.) Apple has made no allegation that the "theory" of multi-point scrolling was not timely
16 disclosed, nor that there was a failure to respond to an interrogatory, which would be the only
17 basis for seeking relief under the Federal Rules of Civil Procedure. *Mike's Train House*, 2012 WL
18 664498, at *13. In any event, Mr. Gray supplemented his report to include the very specific
19 information Apple seeks, mooting Apple's argument altogether. (Ward Dec., Ex. U, Gray
20 Supplemental Report.)

21 **3. Samsung's Infringement Experts Expressed Opinions on Properly**
22 **Disclosed Theories**

23 **(a) Samsung Disclosed the Theories in Dr. Woodward Yang's**
24 **Report Regarding Samsung's '460 Patent**

25 **(i) Samsung Disclosed the Sequencing Theory Contained in Dr.**
26 **Yang's Expert Report.**

27 Apple claims that Dr. Yang's infringement report discloses an infringement theory that is
28 different than the theory set forth in Samsung's Infringement Contentions . Specifically, Apple
contends that Samsung's Infringement Contentions require the steps of the claim 1 of the '460

1 patent to be performed in sequential order and that Dr. Yang’s infringement report is based on the
2 steps being performed in a non-sequential order. Apple’s argument is based on an improper
3 interpretation of Samsung’s infringement contentions and is contrary to well-settled law.

4 *Interactive Gift Exp., Inc. v. Compuserve Inc.*, 256 F.3d 1323, 1342 (Fed. Cir. 2001) (“Unless the
5 steps of a method actually recite an order, the steps are not ordinarily construed to require one.”).

6 Claim 1 of the ‘460 patent includes five steps and is directed to three core functions: (i)
7 transmitting an email displaying a message only (i.e., without any image); (ii) transmitting an
8 email displaying an image and a message; and (iii) displaying images stored on the device in
9 sequence. (Ward Dec., Ex. V at Ex. J; Ex. W, Yang Report at Ex. 1A-1, pg. 2.) As explained by
10 Dr. Yang, the steps corresponding to these three functions do not have to be performed in
11 sequential order.

12 Apple mischaracterizes Samsung’s Infringement Contentions by selectively quoting
13 portions of Samsung’s claim charts and omitting portions that undermine its argument. For
14 example, Apple highlights words such as “returns” and “again,” but fails to mention that Samsung
15 expressly indicated these were examples. Samsung’s Infringement Contentions provided both (1)
16 an identification of the accused feature by each claim limitation, and (2) an exemplary (“e.g.”)
17 sequence demonstrating infringement by Apple’s Accused Devices. (Ward Dec., Ex. V at Ex. J.)
18 Apple’s Motion to Strike only addresses the latter. Portions of Samsung’s Infringement
19 Contentions not cited by Apple are sufficient to meet Samsung’s obligation under Local Patent
20 Rule 3-1—to specifically identify where each limitation of each asserted claim is found.
21 *Genentech*, 2012 WL 424985 at *2 (mere evidentiary example does not limit an infringement
22 contention). Samsung went beyond its Rule 3-1 requirement by providing Apple additional
23 information – an exemplary sequence of steps and screenshots evidencing infringement. (*Id.*) In
24 any event, plaintiffs are not required to provide every conceivable example of infringement in
25 their contentions. *See, e.g., Orion IP*, 407 F. Supp. 2d at 817 (for systems with multiple methods
26 of use, “plaintiffs should provide specific theories of infringement and representative examples of
27 the alleged infringement so as to give defendants fair notice of infringement beyond that which is
28 provided by the mere language of the patent claims themselves.”)

1 Even Apple's expert, Dr. Srivastava, [REDACTED]
2 [REDACTED] On the same day that Samsung served Dr. Yang's alleged "new" theory
3 of infringement, Dr. Srivastava served his report in which he opines that [REDACTED]
4 [REDACTED]
5 [REDACTED] Further, in his deposition, Dr. Srivastava [REDACTED]
6 [REDACTED]
7 [REDACTED]

8 (ii) Samsung's Invalidity Contentions Disclosed Dr. Yang's
9 Opinion Regarding Navigation of Images Using Either Scroll
10 Keys or Swiping .

11 Contrary to Apple's assertions, Samsung's Infringement Contentions put Apple on notice
12 of its intention to argue that "swiping" is no different than the use of "scroll keys" for navigating
13 between stored images.[1] In its Patent Local Rule 3-1 disclosures, Samsung contended that a
14 user views the next or previous image on the Accused Apple Devices by "navigat[ing] between
15 image files" in the Mail or Photos app, and provided an example of doing so through the use of
16 buttons at the bottom of the screen. (Ward Decl. Ex. V at Ex. J, pg. 9.) Apple's attempt now to
17 limit Samsung to the single example it provided showing the use of buttons to navigate, instead of
18 the broader "navigat[ing] between image files" language in its Infringement Contentions is
19 improper.

20 As Dr. Yang explained, swiping and touching scroll keys to navigate between image files
21 results in executing the exact same software. (Ward Decl. Ex. Z, Yang Tr. at 282:17-288:8
22 (identifying the specific source code executed by both swiping and scrolling.) Thus, Apple knew
23 that Samsung claimed that the use of scroll keys is insubstantially different from swiping. (Ward
24 Dec., Ex. W at Ex. 1A-1, pg. 2.)

25 Further, it is disingenuous for Apple to assert that it did not understand Samsung's
26 Infringement Contentions as including swiping. Dr. Singh, [REDACTED]
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[REDACTED]

[REDACTED]

(iii) Samsung’s Infringement Contentions Disclose that the Accused Apple Devices have a Portable Phone Mode

Finally, Apple’s assertion that Samsung failed to disclose that the Accused Apple Devices are in “a portable phone mode” when they ”can continue to receive a call or FaceTime request,” is wrong. Samsung’s Infringement Contentions do, in fact, disclose a “portable phone mode,” as described by the ’460 patent. (Ward Dec., Ex. V at Ex. J.) The ’460 patent discloses that a device’s portable phone controller “enters portable phone mode,” when it is powered on and it can “perform[] a function related to a typical portable phone.” (See, e.g., Ward Dec., Ex. AA at Fig. 6 and 9:19-29.) Samsung’s Infringement Contentions include a screenshot of the springboard/home screen. (Ward Dec., Ex. V at Ex. J.) Numerous Apple witnesses, including Dr. Srivastava, testified that [REDACTED]

While Apple complains that Samsung did not define the term “portable phone mode” in its Infringement Contentions, Apple never previously suggested that “portable phone mode” needed construction, thereby reducing its argument to nothing more than a belated attempt to seek further claim construction. (Motion at 13.) It is not a basis to strike the opinion.

(b) All of Dr. Williams’ Theories Were Timely Disclosed.

Apple improperly asserts that Dr. Tim Williams’ opinions on the ’516 patent discuss new theories about hybrid automatic repeat request, or HARQ, a key component of the ’516 patent. (See Ward Dec. Ex. BB, Williams Report at 58, 65, 105, 110, 119, 173, 198.) Specifically, Apple contends that “although Samsung previously alleged [in its infringement contentions] that the ‘DPDCH channels’ are the claimed first channel not supporting HARQ, Dr. Williams now asserts that the first channel is all non-HARQ channels.” (Motion at 14.) Contrary to Apple’s

⁹ By Apple’s own standards, Apple expert Mr. Singh’s opinions should be struck [REDACTED] (Ward Dec. Ex. R at Ex. 15.)

1 allegations, Dr. Williams’ Infringement Report on the ’516 Patent does not advance any
2 infringement theories that were not disclosed in Samsung’s Infringement Contentions.

3 Samsung clearly alleged in its Infringement Contentions that the Accused Apple Products
4 transmitted both “a first channel not supporting HARQ” and “a second channel supporting
5 HARQ” as required by the claims of the ’516 Patent. (Ward Dec., Ex. V at Ex. H, p. 2.) Samsung
6 also included a figure from the 3GPP Standard that clearly showed *all* the uplink channels (*i.e.*, the
7 DPCCH, DPDCH, HS-DPCCH, E-DPDCH, and E-DPCCH channels). (*Id.*) Samsung then gave
8 an *example* of one illustrative channel that supported HARQ and another illustrative channel that
9 did not support HARQ. Samsung never alleged that these enumerated channels were a
10 comprehensive listing of all the channels comprising the “first channel” and the “second channel.”
11 Rather, as the preamble to claim 1 makes clear, the first channel includes all the uplink channels
12 not supporting HARQ and the second channel includes all the uplink channels supporting HARQ.
13 Dr. Williams’ opinions are therefore completely consistent with Samsung’s contentions.

14 **B. There Is No Basis To Exclude Portions Of The Opinions Of Samsung’s Design**
15 **And Trade Dress Experts**

16 **1. Samsung Satisfied Any Rule 26(e) Obligations by Timely**
17 **Supplementing Its Interrogatory Responses On March 19, 2012**

18 Samsung supplemented its contention interrogatory responses on March 19, 2012 because
19 *Apple agreed not to file a motion to strike if Samsung supplemented by that date.* Apple’s
20 assertion that the Court should ignore these supplemental responses is pure gamesmanship. The
21 parties discussed supplemental interrogatory responses at a meet and confer on March 14, 2012—
22 three days after Apple first raised the issue. (Declaration of Diane C. Hutnyan (“Hutnyan Decl.”)
23 ¶¶ 2-4.) At that meeting, Apple threatened motion practice unless Samsung committed to
24 supplementing its interrogatory responses immediately. (*Id.*) In a good faith effort to resolve the
25 issue without court intervention, Samsung committed to supplement by March 19, 2012. (*Id.* at ¶
26 5.) Apple did not request an earlier date. (*Id.* at ¶6.) Instead, the only issue was whether
27 Samsung’s supplemental responses would be sufficiently detailed. (*Id.*) Apple’s motion,
28 however, does not complain about the level of detail in Samsung’s supplemental responses—nor
could it, as Samsung’s supplemental responses contain nuanced articulations of Samsung’s

1 defenses. Rather, Apple asks the Court to reward its about-face and punish Samsung for
2 supplementing its responses by the date agreed upon by the parties. The Court should refuse this
3 request.

4 Aside from the parties' agreement, however, Samsung's March 19 supplemental
5 responses—served just nine days after fact discovery closed, more than a month before expert
6 discovery closed, two months before the dispositive motion deadline, and over four months before
7 trial—were still “in a timely manner.” Fed. R. Civ. P. 26(e). Apple cites no authority in support
8 of its contention that supplemental responses served little more than a week after the close of
9 discovery—and well before the close of expert discovery—are *per se* untimely.¹⁰ To the contrary,
10 courts have recognized that contention interrogatories need not be answered until discovery is
11 complete or nearly complete. *Monsanto Co. v. E.I. Du Pont De Nemours & Co.*, 2012 WL 27936
12 at *2 (E.D. Mo. Jan. 5, 2012) (“courts have ordered responses to contention interrogatories as little
13 as two weeks before dispositive motion deadlines. In light of this law, it would have been
14 premature for Defendants to fully answer these interrogatories before the close of fact discovery.”)
15 (citations omitted). Rule 26(e) does not require or even suggest that supplementing shortly after
16 the close of fact discovery, and before the close of expert discovery, is not “in a timely manner.”
17 *Id.* at *2-3 (disclosure of new invalidity theories and references in expert report was not untimely
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19 ¹⁰ None of the cases Apple cites address similar circumstances or procedural postures. In *Yeti*
20 *by Molly, Ltd. v. Deckers Outdoor Corp.*, 259 F.3d 1101, 1105-1107 (9th Cir. 2001), the court
21 excluded an expert report disclosed more than two years after discovery closed, and just 28 days
22 before trial. In *ATD Corp. v. Lydall, Inc.*, 159 F.3d 534, 550 (Fed. Cir. 1998), the court upheld the
23 exclusion of a prior art reference that defendant first disclosed more than three months after the
24 close of discovery and less than a month before the final pretrial conference. Similarly, in *Primos,*
25 *Inc. v. Hunter's Specialties, Inc.*, 451 F.3d 841, 850-51 (Fed. Cir. 2006), the court upheld the
26 exclusion of a prior art device that was identified as invalidating prior art “shortly before trial
27 commenced.” *See also Edizone, L.C. v. Cloud Nine*, 2008 WL 584991 at *3-4 (D. Utah Feb. 29,
28 2008) (excluding prior art references disclosed at a time when “discovery has long since passed,”
dispositive motions had already been decided, and where allowing the references would require
reopening expert discovery and likely continuance) *Transclean Corp. v. Bridgewood Services,*
Inc., 77 F. Supp. 2d 1045, 1060-64 (excluding supplemental report disclosed more than one month
after expert depositions, and more than three months after expert report deadline); *Oracle USA,*
Inc. v. SAP AG, 264 F.R.D. 541, 547-49 (N.D. Cal. 2009) (excluding lost profits theory that
plaintiff had specifically disavowed in discovery responses and representations to the court.);
Heidelberg Harris, Inc. v. Mitsubishi Heavy Indus., Ltd., 1996 U.S. Dist. LEXIS 17362 at *19-26
(N.D. Ill., Nov. 21, 1996) (excluding best mode defense where defendant's pleadings and
interrogatory responses never specified which Section 112 defense defendant was asserting).

1 because defendant complied with expert report deadline); *Power Integrations, Inc. v. Fairchild*
2 *Semiconductor Int'l, Inc.*, 763 F. Supp. 2d 671, 691-92 (D. Del. 2010) (denying motion to strike
3 doctrine of equivalents theory first articulated in expert rebuttal report because defendant
4 “obtained full disclosure . . . prior to the conclusion of expert discovery[.]”)

5 In fact, courts frequently refuse to strike theories and references disclosed in a much more
6 belated manner than Samsung’s supplemental interrogatory responses. In *Accenture Global*
7 *Services GmbH v. Guidewire Software Inc.*, 691 F. Supp. 2d 577, 586-88 (D. Del. 2010), for
8 instance, the court permitted the defendant to raise an on-sale bar defense first raised in a
9 supplemental interrogatory response six weeks after the close of fact discovery. Similarly, in
10 *DataQuill Ltd. v. Handspring, Inc.*, 2003 WL 25696445 at *1 (N.D. Ill. Dec. 19, 2003), the court
11 refused to strike prior art references first disclosed in an expert report served five months after the
12 close of fact discovery. See also *Abbott Labs. v. Lupin Ltd.*, 2011 WL 1897322 at *4-5 (D. Del.
13 May 19, 2011) (refusing to strike invalidity contentions disclosed for the first time more than
14 sixteen weeks after the close of fact discovery.). Samsung’s supplemental responses—which it
15 served on the date agreed on by the parties, just nine days after the close of fact discovery, and
16 more than a month before the close of expert discovery—were timely by any reasonable measure.

17 **2. Samsung Did Not Violate Rule 26(e) Because Its Invalidity and Non-**
18 **Infringement Theories Had Otherwise Been Made Known to Apple.**

19 Even if Samsung’s March 19, 2012 supplemental interrogatory responses were untimely—
20 and they were not—Apple must show that the theories and references at issue had “not otherwise
21 been made known to [Apple] during the discovery process or in writing.” Fed. R. Civ. Proc.
22 26(e)(1).¹¹ Apple cannot meet that burden. As discussed below, Samsung disclosed its invalidity

23 ¹¹ *Mike’s Train House*, 2012 WL 664498, *13-14 (supplemental expert report, served after
24 close of fact discovery, made known to plaintiff in writing non-infringement theory that defendant
25 had not disclosed in contention interrogatories or opening expert reports). *Accenture Global*
26 *Services*, 691 F. Supp. 2d at 588 (denying motion to strike reliance on documents which were
27 subject of discovery disputes.); *Abbott Labs. v. Sandoz, Inc.*, F. Supp. 2d 762, 770-71 (N.D. Ill.
28 2010) (refusing to strike defenses and prior art made known through expert reports and
depositions, but not interrogatory responses); *Transclean*, 77 F. Supp. 2d at 1062 (defendant's
disclosure of a non-infringement theory and two Section 102 references in expert reports "met its
obligations under R. 26(e)")

1 and non-infringement theories, as well as the documents underlying those theories, in the parallel
2 ITC action, through motion practice, deposition testimony, correspondence, third-party subpoenas,
3 and in opposing Apple's motion for preliminary injunction. (Declaration of Joby Martin In
4 Support of Samsung's Opposition to Apple's Motion to Strike ("Martin Decl.") ¶¶ 3-15, Exs. 2-17.)

5 **(a) Samsung's Anticipation and Obviousness Theories.**

6 Apple concedes that Samsung's December 19, 2011 interrogatory response specifically
7 identified much of the prior art references that Apple now seeks to strike. (Motion at 18.) Rather
8 than confront Rule 26(e)(1), Apple raises Rule 33(d) as a red herring. Each of the Rule 33(d)
9 cases cited by Apple, however, addresses a motion to compel further responses—not a motion to
10 strike for failure to supplement under Rule 26(e)(1). None of these cases are relevant to whether
11 documents cited in an interrogatory response that invoke Rule 33(d) otherwise makes known the
12 cited documents to the opposing party. Samsung's December 19 response, by citing specific
13 documents and identifying them as invalidating prior art, disclosed these references to Apple and
14 Samsung's intent to rely on them as the basis for its anticipation and obviousness defenses.

15 Samsung's anticipation and obviousness defenses—as well as nearly all of the references
16 that Apple seeks to strike—were also made known to Apple in Samsung's Corrected Notice of
17 Prior Art and interrogatory responses served in the parallel ITC 796 Investigation, where Apple
18 asserts iPhone design patents virtually identical to the patents in suit. (Martin Decl. ¶¶ 3-4, Exs. 2-
19 3.) While Judge Pender has decided to exclude some of these references from trial in the ITC, that
20 decision has no bearing on the fact that Apple was aware of these theories and references no later
21 than February 15, 2012, at a time when it had every opportunity to pursue additional discovery in
22 this action.¹²

23 Apple's Motion falsely accuses Samsung of "burying" references such as the Nokia
24 Fingerprint design, misleadingly focusing on Samsung's production over a "six-day period."

25 ¹² In any event, Judge Pender's decision was based on a "good cause" standard which is
26 stricter than Rule 37(c)(1). (Martin Decl. Exs. 18-19.) Rule 37 does not require good cause—it
27 only requires a lack of prejudice. Fed. R. Civ. Proc. 37(c)(1). Judge Pender did not find that
28 Apple was prejudiced by Samsung's disclosure of new prior art. To the contrary, he cited the fact
that Apple was aware of the references, and excluded them only because "lack of prejudice does
not establish good cause."

1 (Motion at 16.) Samsung buried nothing. In reality, Samsung produced the Nokia Fingerprint
2 design and the declaration of its inventor on February 13, 2012 as part of a modest production of
3 just 68 documents —less than 250 pages. (Martin Decl. ¶ 5.) This production consisted *solely of*
4 *documents relating to prior art references*, as is apparent from even a cursory review of the
5 production. (*Id.*) Apple’s claim that it had no indication of the significance of Mr. Vilas-Boas—
6 who Apple had the opportunity to depose—is absurd. Not only does Mr. Vilas-Boas’ declaration
7 itself explain his significance, Samsung identified Mr. Vilas-Boas as a third-party prior art witness
8 in its amended initial disclosures on January 29, 2012, in full compliance with Rule 26. (Martin
9 Decl., Ex. 4 at 6.)¹³ Apple’s arbitrary focus on Samsung’s production over a "six-day period" in
10 February, at the height of the parties’ deposition-related productions, is nothing more than an
11 attempt to manufacture bad faith where none exists.

12 Apple also seeks to strike Samsung’s experts’ reliance on *Apple’s own evidence*, such as
13 the D’889 patent, the Apple “Brain Box” design, the 035 prototype, and the Apple design contest
14 Tablet. (*See* Motion-12 at 6-9.) As courts have recognized, however, “claims of sandbagging lose
15 their persuasiveness when it’s your sand and your bag.” *Se-Kure Controls, Inc. v. Vanguard*
16 *Prods. Group, Inc.*, 2007 WL 781250, *6-*7 (N.D. Ill. 2007) (denying Rule 37(c) sanctions
17 because “what [plaintiff] is really complaining about is that the defendants did not explain to the
18 plaintiff what they perceived to be the significance of [plaintiff’s] own document.”) Furthermore,
19 a number of these references were identified as prior art in correspondence dating back to
20 November (Martin Decl. Exs. 7-8.), and were the subject of repeated motion practice (Dkt. 346;
21 Dkt. 487 at 9-13, 18-20.) Apple has long been aware of these references and their significance to
22 the patents in suit.

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26 ¹³ The same is true for the Samsung F700 device and Mobile UX presentation. Both of these
27 documents were produced on February 3, 2012 from the files of Hyoung Shin Park. (Martin Decl.
28 ¶ 8.) Samsung identified Ms. Park as the creator of prior art designs in initial disclosures served as
early as September 7, 2011. (Martin Decl. Ex. 5 at 5.) Apple deposed Ms. Park twice,
questioning her extensively about F700. (Martin Decl. Ex. 6, Park Tr. at 7 – 63.)

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(b) Samsung's Arguments Regarding Lack of Distinctiveness

As Apple admits, Samsung disclosed in September 2011 that its arguments regarding lack of distinctiveness were based on other smartphone and tablet computer products available on the market. (Motion at 19.) Apple apparently faults Samsung for not identifying which specific smartphones and tablets have a rectangular shape, rounded corners and a transparent surface among the continuous new waves of products that characterize the smartphone and tablet market. Apple's own pre-Complaint presentation to Samsung, however, shows that it has long been aware of numerous phones that embody Apple's conception of the iPhone and iPad trade dress, and that it views most Android devices as essentially interchangeable in this regard. (Martin Decl. Ex. 9 at 21.) Moreover, almost all of the products identified by Mr. Sherman and Mr. Lucente as undermining Apple's claim of distinctiveness were explicitly called out in numerous third-party subpoenas. (Martin Decl. ¶ 14, Ex. 10.)

(c) Samsung's Indefiniteness Theories

Throughout the discovery period, Apple was well aware of Samsung's claims of indefiniteness for the D'889, D'677, and D'087 patents, as shown by the numerous questions asked at the depositions of Apple's own witnesses. For example, Samsung extensively questioned Apple's witnesses about the figures in the Apple design patents patent, establishing its basis for claiming these patents are ambiguous. [REDACTED]

[REDACTED]

[REDACTED] Throughout discovery, Apple has been on notice of the bases for Samsung's invalidity defense. Apple cannot now—after defending its witnesses on this topic—suddenly argue that it was unaware of Samsung's indefiniteness defense, or that it was surprised by the opinions offered by Messrs. Sherman, Godici and Anders.

(d) Samsung's Non-Infringement Theories

Apple complains that Samsung's December 19, 2011 response to Interrogatory No. 11 relied on "boilerplate" non-infringement language. Apple has no basis to complain about the

1 sufficiency of this response. Apple used nearly identical "boilerplate" language [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]

5 The *only difference* is that Apple [REDACTED]
6 [REDACTED] Samsung therefore made known its non-infringement theories with
7 the same level of specificity as Apple's infringement contentions.

8 Moreover, as Apple acknowledges, Samsung disclosed the majority of its non-
9 infringement contentions in connection with its Opposition to Apple's Motion for Preliminary
10 Injunction. Apple therefore has long been aware of these theories. Apple apparently objects to
11 Samsung's experts taking *the same or substantially the same* non-infringement theories and simply
12 applying them to products that were not at issue in the preliminary injunction phase. Apple is
13 clearly overreaching in its request. To the extent that Samsung's expert deviate from the theories
14 asserted in opposing Apple's preliminary injunction motion, those deviations are insubstantial.
15 *DataTreasury*, 2010 WL 3912486 at *4 (denying motion to strike expert opinion that did not
16 "substantially deviate" from infringement contentions.)¹⁴

17 (e) **Samsung's Argument That Apple's Design Patents Should Be**
18 **Construed Narrowly**

19 Apple's asserted design patents must be narrowly construed in light of other Apple design
20 patents embodied by the iPhone and iPad. Samsung articulated this theory no later than January
21 31, in its Motion to Compel Apple to Respond to Samsung's Requests For Admission 101-190.
22 (Dkt. No. 700.) That motion made clear Samsung's intent to rely on other Apple design patents in
23 arguments about the scope of Apple's design patents—indeed, that was the whole purpose of the
24 motion, as Apple well knows. Samsung's motion even identified specific design patents which
25 Samsung contends are relevant to the proper construction of Apple's asserted patents. In case

26 ¹⁴ Apple further objects to Samsung's experts comparing the Apple patents to prior art in their
27 non-infringement analysis. Yet Samsung advanced this theory in opposing Apple's preliminary
28 injunction motion and, as described above, made known the prior art references through discovery
and in writing, in compliance with Rule 26(e)(1).

1 there was any doubt, Samsung *again* moved to compel documents relating to other Apple design
2 patents—this time applications for the iPad 2—on the basis that they were relevant to the
3 construction of Apple's asserted patents. (Dkt. 781.) Apple's claim of surprise in response to
4 Samsung's theory that Apple's patents must be narrowly construed is simply not credible.

5 **3. Any Failure To Supplement's Samsung's Interrogatory Responses Was**
6 **Harmless**

7 Apple's claims of prejudice rest on a delay of just *nine days*. Apple asserts it was
8 prejudiced because Samsung supplemented its interrogatory responses on March 19 instead of
9 March 10, when Apple served its contention interrogatory responses. This is absurd.¹⁵ *Cf.*
10 *Genentech, Inc. v. Trustees of Univ. of Penn.*, 2012 WL 359724 (N.D. Cal. Feb. 2, 2012) (“delay
11 of one week is hardly sufficient to warrant striking the reports and the references from the
12 [plaintiff's expert] report.”); *Figueroa v. Smith*, 2007 WL 1342485, *1 (N.D. Cal. May 7, 2007)
13 (one-week delay in serving expert reports was harmless where opposing party still had two weeks
14 to prepare for expert's deposition).

15 First, Apple claims it was prejudiced in its ability to prepare for and conduct certain third-
16 party depositions. (Motion at 16.) Apple would have suffered this alleged “prejudice” even if
17 Samsung had supplemented its responses on March 10. Every one of the third-party depositions
18 identified in Apple's motion—and all third-party depositions relating to Apple's design patents—
19 occurred *before* March 10. (Martin Decl. ¶ 25.) Accordingly, the fact that Samsung supplemented
20 its interrogatory responses on March 19, as opposed to March 10, had no effect whatsoever on
21 Apple's preparation for third-party depositions.

22 Apple also asserts that it was prejudiced in that its experts did not know the precise details
23 of Samsung's invalidity and non-infringement defenses sufficiently in advance of the deadline for

24 ¹⁵ The lack of prejudice to Apple is particularly apparent with respect to Samsung's arguments
25 regarding non-infringement, indefiniteness, and the effect of Apple's other design patents on the
26 scope of the patents in suit. Each of these issues turns almost entirely on how Judge Koh
27 construes Apple's design patents. Judge Koh has ordered the parties to submit claim construction
28 briefs on June 12, 2012, and will hold a claim construction hearing on July 18, 2012. (*See* Dkt.
901 at 1-2.) Samsung's articulation of its position on these issues in its March 19 supplemental
responses left Apple with ample time to formulate its claim construction position and depose
Samsung's experts on their opinions. Apple therefore suffered no prejudice in these regards.

1 expert reports.¹⁶ Yet even this “prejudice” is insubstantial. Samsung supplemented its
2 interrogatory responses nearly three weeks before the deadline for rebuttal expert reports, leaving
3 Apple with every opportunity to prepare rebuttal expert reports if it believed it necessary.¹⁷ Apple
4 could have sought Samsung’s agreement or the Court’s leave to allow Apple to submit
5 supplemental reports, but did not do so.

6 **C. Samsung’s expert opinion on damages should not be struck**

7 **1. Apple’s Attempt to Strike Mr. Wagner’s Supplemental Report Should**
8 **Be Rejected**

9 Apple’s attempt to exclude Mr. Wagner’s supplemental report should fail. Apple first
10 argues that the Court’s April 23, 2012 Order precluded Mr. Wagner’s supplemental report. Not
11 so. When Apple moved for sanctions regarding Samsung’s financial production, it sought to
12 preclude Samsung from relying on any Samsung financial document produced after February 3,
13 2012. (Dkt. No. 759-3, ¶¶ 2,4.) The Court, however, rejected Apple’s argument that Samsung
14 acted in “bad faith or willful disobedience,” and rejected the requested “full range of sanctions.”
15 (Dkt. No. 880, at 15.) Instead, the Court concluded that only “narrowly tailored evidentiary
16 sanctions are appropriate,” compelling the production of additional financial documents and
17 limiting the time Samsung could depose Mr. Musika. (*Id.*) The Court did *not* preclude Samsung
18 or its experts from relying on the additional financial information or from responding to Mr.
19 Musika’s 147-page supplemental report.

20 Mr. Wagner’s supplemental report is also consistent with – indeed *required by* – the
21 Federal Rules. The Federal Rules of Civil Procedure require the service of a supplemental expert

22 ¹⁶ Apple’s claimed need for detailed information regarding non-infringement, anticipation
23 and obviousness is inconsistent with representations it has made to Judge Koh. Apple has stated
24 that “it does not take an ordinary observer . . . more than two minutes to make the comparison and
25 distinguish or fail to distinguish an accused device.” (*See* Dkt. 910-1 at 1.) Apple now claims,
26 however, that its own experts needed nearly two weeks to evaluate Samsung’s comparisons of
27 Apple’s patents with accused products and/or the prior art. Apple can’t have it both ways.

28 ¹⁷ *Lupin*, 2011 WL 1897322 at *4-5 (finding lack of prejudice from defendant’s disclosure of
new invalidity contentions in expert reports where plaintiff still had the opportunity to address the
arguments in rebuttal reports.) Apple had more than a month to prepare for expert depositions,
and in fact deposed Samsung’s experts about the very opinions and references it now seeks to
strike. *Power Integrations*, 763 F. Supp. 2d 671, 691-92 (D. Del. 2010) (defendant was not
prejudiced by infringement theory articulated for the first time in expert’s rebuttal report because
there was “sufficient time remaining to permit [the expert] to be deposed on all of his opinions.”)

1 report if the original report becomes “in some material respect . . . incomplete.” Fed. R. Civ. P.
2 26(a)(2)(E) and (e). Mr. Wagner served a supplemental rebuttal report because the following new
3 data became available: (1) Samsung’s April 30 financial production; (2) Apple’s May 8, 2012
4 production of updated financial information; and (3) Mr. Musika’s extensive supplement to his
5 opening report. This new data rendered Mr. Wagner’s original report “incomplete.”

6 Apple’s motion to strike Mr. Wagner’s supplemental report is a sharp departure from its
7 position at the April 9, 2012 hearing on its sanctions motion. There, Apple’s counsel argued that
8 the Court should *compel* Samsung’s experts to serve supplemental reports, stating, “any kind of
9 expert on the Samsung side that does damage analysis *should be required to file a supplemental*
10 *report.*” (Ward Dec., Ex. CC, April 9, 2012 Hrg. Tr. at 103:10-14 (emphasis added).) Indeed,
11 Apple itself has served *two* supplemental expert damages reports *after* the applicable deadlines, on
12 April 26, 2012. (Ward Dec., ¶ 31.)

13 The Court should also reject Apple’s attempt to preclude Mr. Wagner’s supplemental
14 report because its service was harmless. Among the factors to consider in evaluating harmlessness
15 are: “(1) prejudice or surprise to the party against whom the evidence is offered; (2) the ability of
16 that party to cure the prejudice; (3) the likelihood of disruption of the trial; and (4) bad faith or
17 willfulness involved in not timely disclosing the evidence.” *Dominguez v. Excel Mfg., Inc.*,
18 2010 WL 5300863, at *2 (N.D. Cal. Dec. 20, 2010). None of these factors favor preclusion here.

19 There was no prejudice or surprise. Mr. Wagner’s supplemental report was served *before*
20 Apple deposed Mr. Wagner and *before* Samsung deposed Mr. Musika. (Ward Dec., ¶ 32.)
21 Indeed, Apple’s counsel specifically questioned Mr. Wagner about the supplemental report.
22 (Ward Decl. Ex. DD, Wagner Tr., at 261:18-265:24; 458:10-14). *Dominguez*, 2010 WL 5300863,
23 at *2 (no prejudice where undisclosed expert was deposed on relevant issues). In contrast to Mr.
24 Musika’s 147-page supplement, Mr. Wagner’s modest 24-page supplement is limited and focused,
25 based on the same April 30 financial information underlying Mr. Musika’s supplement. The trial
26 schedule was not disrupted, Samsung served Mr. Wagner’s supplement just three days after
27 receiving Mr. Musika’s supplemental report, and Mr. Wagner’s supplement occasioned no
28 discovery delays. There was no bad faith or willfulness involved. Finally, the public policy

1 favoring disposition of cases on their merits strongly favor allowing the admission of
2 Mr. Wagner’s supplemental report. *See Wendt v. Host Int’l, Inc.*, 125 F.3d 806, 814 (9th Cir.
3 1997) (reversing trial court’s decision to preclude expert testimony).

4 2. **Apple’s Attempt To Strike One of Mr. Wagner’s Damages Models**
5 **Should Be Rejected**

6 The Court should reject Apple’s attempt to exclude Tab 6 to Mr. Wagner’s April 16th
7 rebuttal report for similar reasons. The data on which Tab 6 is based (“the Tab 6 data”) was
8 produced two weeks *before* the Court’s deadline for producing additional financial documents ,
9 three weeks *before* Mr. Musika’s supplemental report, and one month *before* both Mr. Wagner’s
10 and Mr. Musika’s depositions. Apple thus had more than enough time to incorporate this
11 information into Mr. Musika’s supplemental report and to prepare to question Mr. Wagner about
12 it, [REDACTED]

13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED] Thus, there is no prejudice occasioned by Samsung’s April 16 production, and
17 even if there was, Apple had ample opportunity to cure it. *Dominguez*, 2010 WL 5300863, at *2
18 (no prejudice where undisclosed expert was deposed on relevant issues).¹⁸

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24 ¹⁸ Apple half-heartedly complains that it did not have the opportunity to depose unspecified
25 witnesses about the Tab 6 data. This falls far short of demonstrating prejudice. Apple identifies
26 no errors or ambiguities in the data that necessitated the deposition of a Samsung witness. Apple
27 never requested the opportunity to conduct additional discovery regarding the data, nor does it
28 explain why its deposition of Mr. Wagner was insufficient to alleviate any purported prejudice.
Finally, Apple’s request for an additional deposition concerning any Samsung financial
information produced as a result of Apple's sanction motion was denied by the Court. (Dkt. No.
880, at 15-16.)

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Respectfully submitted,

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