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10 Attorneys for Plaintiff and  
 Counterclaim-Defendant APPLE INC

11  
 12 UNITED STATES DISTRICT COURT  
 13 NORTHERN DISTRICT OF CALIFORNIA  
 14 SAN JOSE DIVISION

16 APPLE INC., a California corporation,

17 Plaintiff,

18 v.

19 SAMSUNG ELECTRONICS CO., LTD., a  
 Korean business entity; SAMSUNG  
 20 ELECTRONICS AMERICA, INC., a New York  
 corporation; SAMSUNG  
 21 TELECOMMUNICATIONS AMERICA, LLC, a  
 Delaware limited liability company,

22 Defendants.  
 23

Case No. 11-cv-01846-LHK

**REPLY DECLARATION OF  
 MARC J. PERNICK IN SUPPORT OF  
 APPLE'S MOTION TO STRIKE  
 PORTIONS OF SAMSUNG'S EXPERT  
 REPORTS**

Date: June 21, 2012  
 Time: 10:00 a.m.  
 Place: Courtroom 5, 4<sup>th</sup> Floor  
 Judge: Hon. Paul S. Grewal

24  
 25 **REDACTED PUBLIC VERSION**  
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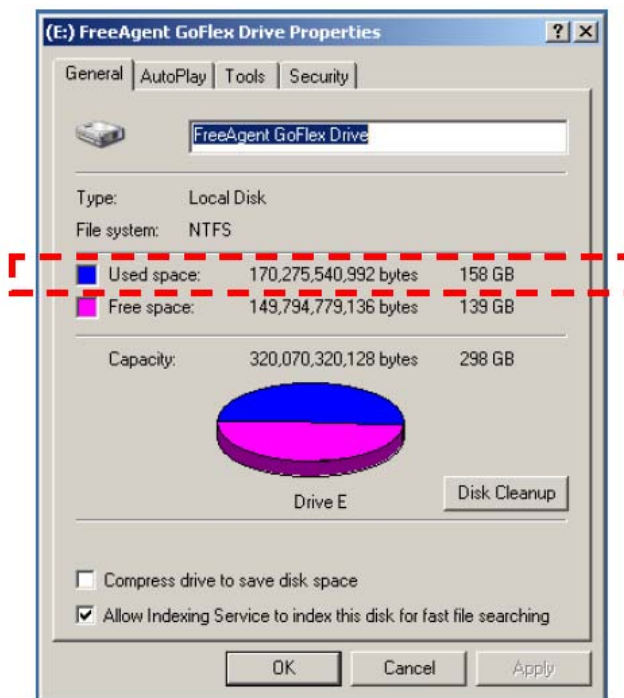
1 I, Marc J. Pernick, declare as follows:

2 1. I am a partner in the law firm of Morrison & Foerster LLP, counsel for Apple Inc.  
3 (“Apple”). I am licensed to practice law in the State of California. Unless otherwise indicated, I  
4 have personal knowledge of the matters stated herein or understand them to be true from my  
5 Morrison & Foerster colleagues. I make this Declaration in support of Apple’s Reply in Support  
6 of Apple’s Motion to Strike Portions of Samsung’s Expert Reports.

7 2. Attached hereto as **Exhibit 1** is a true and correct copy of a letter dated  
8 January 5, 2012 from Todd Briggs, counsel for Samsung, to Richard Hung, counsel for Apple.

9 3. Attached hereto as **Exhibit 2** is a true and correct copy of Claim Chart J-1 to  
10 Samsung’s October 7, 2011 Invalidity Contentions. Claim Chart J-1 was Samsung’s claim chart  
11 for the Diamond Touch system.

12 4. Below is a highlighted screen capture of the “Properties” information from the  
13 MERL production hard drive referenced in Paragraph 6 of the Declaration of James Ward in  
14 Support of Samsung’s Opposition to Apple’s Motion to Strike Portions of Samsung’s Expert  
15 Reports (“Ward Decl.”) (Dkt. No. 1014). It states that the amount of data on the hard drive is 158  
16 gigabytes.



1           5.       My colleagues and I have reviewed service e-mails indicating the time of service  
2 for the Von Herzen Invalidation Report and Maharbiz Infringement Reports that were due on  
3 March 22, 2012. The e-mails reflect the fact that Samsung served the Von Herzen Invalidation  
4 Report nine minutes before Apple served the Maharbiz Infringement Report. Attached hereto as  
5 **Exhibits 3** and **4** are copies of those e-mails.

6           6.       On August 3, 2011, Samsung's counsel Quinn Emanuel Urquhart & Sullivan LLP  
7 deposed '607 Patent inventor Joshua Strickon in the ITC Investigation No. 337-TA-750. This  
8 deposition is cited in the Von Herzen Invalidation Report at paragraphs 452, 456, and 457. (Dkt.  
9 No. 939-4 Ex. 12.) Attached hereto as **Exhibit 5** to the Pernick Reply Declaration is a true and  
10 correct copy of the coversheet from the Strickon Deposition indicating that Quinn Emanuel was  
11 present at the deposition.

12           7.       The email with bates number APLNDC0000994176 attached as Exhibit I to the  
13 Ward Decl. (Dkt. No. 1014-0 Ex. I) was produced on October 16, 2011. Attached hereto as  
14 **Exhibit 6** is a true and correct copy of the service e-mail for the bates range  
15 APLNDC0000177368-APLNDC0001199845.

16           8.       Attached hereto as **Exhibit 7** is a true and correct copy of U.S. Patent  
17 No. 7,469,381.

18           9.       Attached hereto as **Exhibit 8** is a true and correct copy of Exhibit A to Samsung's  
19 Patent Local Rule 4-2 Disclosure.

20           10.      Attached hereto as **Exhibit 9** is a true and correct copy of the Fourth Amended  
21 Case Management Order in *Monsanto Co. v. E.I. Dupont De Nemours & Co.*, Case  
22 No. 4:09CV00686ERW in the Eastern District of Missouri. This document was downloaded on  
23 June 6, 2012, from the Pacer electronic docket for that action.

24           11.      I have reviewed the May 31, 2012 Declaration of Diane C. Hutnyan (Dkt.  
25 No. 1012). Ms. Hutnyan's account of some of the details of the meeting that took place between  
26 counsel for Apple and counsel for Samsung on March 14, 2012 is inaccurate. The discussion  
27 below corrects certain of those inaccuracies.

1           12. Counsel for the parties met on Wednesday, March 14 to discuss several agenda  
2 items that each side had concerning outstanding discovery disputes. Apple was represented at  
3 this meeting by Michael A. Jacobs, Alison Tucher, Jason Bartlett, Mia Mazza, Nathan Sabri,  
4 Erik J. Olson, and me (of Morrison & Foerster), and Peter Kolovos and Calvin Walden (of  
5 Wilmer Hale) via telephone. Samsung was represented at this meeting by Charles Verhoeven,  
6 Diane Hutnyan, Rachel Kassabian, Joby Martin, and David Currie.

7           13. Given that the fact discovery cut-off had been on March 8, 2012, this March 14<sup>th</sup>  
8 meeting took place one day before the deadline for the parties to file motions to compel further  
9 responses to the other side's written discovery responses. (*See* Civil Local Rule 37-3.) At various  
10 points throughout the meeting, in addition to discussing the adequacy of various discovery  
11 responses, the parties also discussed the possibility of agreeing to refrain from filing a motion to  
12 compel for a short time so that the other party could supplement certain responses to address  
13 deficiencies alleged by the other side.

14           14. One agenda item that we discussed at the March 14<sup>th</sup> conference was the  
15 sufficiency of Samsung's responses to Apple's Interrogatory Nos. 11 and 12, which asked  
16 Samsung to explain the bases for its non-infringement contentions and invalidity contentions  
17 regarding Apple's asserted design patents. I explained to Samsung's counsel that, in Apple's  
18 view, Samsung's original December 19, 2011 responses to these interrogatories were inadequate  
19 because they did not provide the bases or underlying theories for Samsung's claims that its  
20 products do not infringe the Apple design patents or that the design patents are invalid.

21           15. After discussing this issue for a few minutes, Samsung's counsel Mr. Verhoeven  
22 said that Samsung would review its responses to Interrogatory Nos. 11-12, and would consider  
23 supplementing the responses to add further details. Mr. Verhoeven said, however, that Samsung  
24 would likely need a few days to assess its December 2011 responses, and to—if it determined that  
25 supplemental responses were appropriate—prepare the amended responses. Mr. Verhoeven  
26 asked if Apple would agree to forestall filing any motion to compel until at least Monday,  
27 March 19, 2012.

1           16.     Both Michael Jacobs and I responded on Apple's behalf. We told Mr. Verhoeven  
2 that Apple would welcome receiving supplemental responses to Interrogatory Nos. 11 and 12  
3 from Samsung and we encouraged Mr. Verhoeven to supplement Samsung's responses as quickly  
4 as Samsung could. We also agreed that Apple would not file any motion to compel further  
5 responses to these interrogatories until at least Monday, March 19<sup>th</sup>.

6           17.     However, we also explained to Mr. Verhoeven that, apart from any potential  
7 motion to compel more detailed responses, Apple was considering filing a motion under  
8 Rule 37(c)(1) of the Federal Rules of Civil Procedure to preclude Samsung from asserting at trial  
9 any theories or bases that were not in Samsung's December 19, 2011 responses to Interrogatory  
10 Nos. 11 and 12. We expressly stated that Apple was reserving its right to file a Rule 37(c)(1)  
11 motion to preclude or strike even if Samsung provided more detailed supplemental discovery  
12 responses on March 19<sup>th</sup>.

13           18.     In response, Mr. Verhoeven asked if Apple was definitely going to file such a  
14 motion to strike or preclude. Mr. Verhoeven indicated that, if Apple was definitely going to file  
15 such a motion, Samsung would be reluctant to undertake the efforts required to supplement its  
16 responses to the Apple interrogatories under discussion.

17           19.     I responded to Mr. Verhoeven. I told him that Apple was considering filing the  
18 motion to strike or preclude that I had described, but that we had not reached a definitive  
19 conclusion on whether to file such a motion. Mr. Jacobs and I stated that Apple was reserving its  
20 right to file such a motion, and pointed out that, if Samsung served detailed supplemental  
21 responses in a short time, it was free to argue that doing so might cure to some extent the  
22 prejudice that Samsung's delays had caused to Apple.

23           20.     In paragraph 6 of her Declaration, Ms. Hutnyan states that, during these  
24 discussions, "Apple reserved the right to pursue motion practice if the supplemental responses that  
25 Samsung served on March 19, 2012 did not contain sufficient detail." That statement is overbroad  
26 and inaccurate.

27           21.     I am certain that, at no point in the March 14<sup>th</sup> meeting, did I, Mr. Jacobs, or  
28 anyone else representing Apple at this meet-and-confer session say that Apple would agree to

1 forego its rights to move under Rule 37(c)(1) of the Federal Rules to preclude Samsung from  
2 putting on theories or contentions at trial that were not timely disclosed in Samsung's discovery  
3 responses. I am also certain that nobody representing Apple at this meeting conditioned Apple's  
4 right to move for preclusion under Rule 37(c)(1) on the adequacy of any supplemental  
5 interrogatory responses that Samsung might provide. To the contrary, as stated above, we  
6 expressly reserved Apple's right to file a motion to preclude or strike regardless of any  
7 supplemental discovery responses that Samsung might serve.

8         22. In paragraph 6 of her Declaration, Ms. Hutnyan also states that "[c]ounsel for  
9 Apple specifically referenced Apple's responses to Samsung's utility patent contention  
10 interrogatories, and stated that it would pursue motion practice if Samsung's supplemental responses  
11 were not comparably detailed." I want to clarify the context in which this subject came up. This  
12 topic arose in a different setting from the discussion described above regarding Apple's Interrogatory  
13 Nos. 11-12 (regarding design patents).

14         23. During this March 14, 2012 meet-and-confer session, the parties also discussed  
15 Samsung's response to Apple's Interrogatory No. 2. This interrogatory sought the detailed bases  
16 for Samsung's contention that it does not infringe Apple's asserted utility patents.




17         24. As of the time that discovery closed on March 8, 2012, Samsung had not provided  
18 a substantive response to this interrogatory.

19         25. On Monday, March 12, 2012, two days before the parties' meet-and-confer  
20 session, Samsung did serve a supplemental response to Interrogatory No. 2. For each of the  
21 Apple utility patents at issue, Samsung's March 12<sup>th</sup> supplemental response listed a series of  
22 claim limitations that Samsung contended were not present in at least some of its accused  
23 products. Counsel for the parties discussed the adequacy of this supplemental interrogatory  
24 response at the March 14<sup>th</sup> meet-and-confer session.

25         26. I stated that Apple hoped Samsung would provide more details regarding its non-  
26 infringement contentions for the asserted utility patents. I noted that, especially at certain places  
27 in the response, Samsung had not given a robust explanation for the bases of its non-infringement  
28 contentions.

1           27. For purposes of comparison, I specifically referenced Apple’s response to a  
2 parallel interrogatory that Samsung had propounded, in which Apple set out the bases for its  
3 contentions for why it does not infringe the utility patents asserted by Samsung in this case. I  
4 asked Samsung’s counsel to consider providing at least as much detail in a supplemental response  
5 to Interrogatory No. 2 as Apple had provided in its response to Samsung’s parallel interrogatory.  
6 Nobody representing Apple at this meeting said that Apple would necessarily file any motion if  
7 Samsung refused to supplement.

8           28. Mr. Michael Wagner’s expert report includes two different attachments with  
9 damages-related figures. The first one, called “Tab 2,” is based on data produced during fact  
10 discovery and incorporated into Apple’s damages report. All calculations and figures included in  
11 the text of Wagner’s report reflect information from the “Tab 2” dataset.

12           29. Mr. Wagner included a second attachment, called “Tab 6,” that we understand is  
13 based on a different dataset and which is not consistent with “Tab 2.” As reflected in footnote 7  
14 of his report, this attachment comes from data produced for the first time on April 16, 2012, the  
15 day of his report. (See Dkt. No. 939-31 at 4 n.7) (“  
16   
17 ”).) It was never available to Apple in  
18 discovery and was available to Mr. Wagner for less than 24 hours. (See Dkt. No. 939-35 at  
19 279:6-280:1.)

20           30. Attached as **Exhibits 10 and 11** are true and correct pages from Tab 2 and Tab 6  
21 relating to the Galaxy S II/2 product. These excerpts illustrate some of the inconsistencies  
22 between the financial data on the same product for the same period based solely on the data  
23 source being used. For the single Galaxy S II/2 product the figures differ in at least the following  
24 ways:

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[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

31. For this product, [REDACTED]

[REDACTED] The inconsistencies between Tab 2 and Tab 6 are repeated for multiple products. To my knowledge, Samsung has provided no explanation for these inconsistencies. Apple had no opportunity to evaluate them during discovery or in the deposition of any Samsung witness.

I declare under penalty of perjury that the foregoing is true and correct. Executed on June 7, 2012, at Palo Alto, California.

/s/ Marc J. Pernick  
Marc J. Pernick



