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15 Attorneys for Plaintiff  
APPLE INC.

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

19 APPLE INC.,  
20 Plaintiff,  
21 v.  
22 SAMSUNG ELECTRONICS CO., LTD., a  
23 Korean corporation; SAMSUNG  
24 ELECTRONICS AMERICA, INC., a New  
25 York corporation; and SAMSUNG  
TELECOMMUNICATIONS AMERICA,  
26 LLC, a Delaware limited liability company,  
27 Defendants.

Case No.: C-11-01846 (LHK)  
**SUR-REPLY TO DEFENDANTS'  
MOTION TO DISQUALIFY BRIDGES  
& MAVRAKAKIS LLP**

Date: August 24, 2011  
Time: 2:00 p.m.  
Place: Courtroom 8, 4th Floor

Honorable Lucy H. Koh

1 Apple respectfully submits this Sur-Reply for the limited purpose of addressing the  
2 unpublished decision in *Oliver v. SD-3C, LLC*, No. 3-11-cv-01260 (JSW) (N.D. Cal. August 4,  
3 2011) (“*Oliver*” or “*Slip Op.*”). *Oliver* was decided after Apple filed its Opposition, but Samsung  
4 relies on the case in its Reply to support the proposition that the current work of Bridges &  
5 Mavrakakis LLP (“*Bridges*”) on Apple’s claims is substantially related to its prior representation  
6 of Samsung.

7 *Oliver* does not support disqualification on the evidentiary record here. Nor could it do so  
8 consistent with controlling California caselaw.

9 In *Oliver*, the lawyer’s current representation involved a claim that Panasonic had  
10 unlawfully refused to license its patents with respect to a specific technology. The lawyer whose  
11 disqualification was sought, David Healey, had formerly represented and defended Panasonic over  
12 an extended period of years as lead counsel in three patent disputes wherein Healey personally  
13 negotiated settlements or participated in licensing discussions. *Slip Op.* at 5:3-8. One of the cases  
14 resulted in Healey’s prior firm (Weil Gotshall & Manges) billing Panasonic just under \$6.5  
15 million, with Healey serving as lead counsel for almost two years. *Slip Op.* at 5:9-13. In that  
16 case, Healey negotiated a settlement agreement over several months that required him to evaluate  
17 competing patent licensing proposals, present counter-proposals, and communicate directly with  
18 Panasonic personnel about patent licensing and settlement considerations. *Slip Op.* at 5:13-20.  
19 He also represented Panasonic in the mediation of the dispute and received direct communications  
20 from Panasonic’s in-house counsel regarding that company’s “internal litigation and settlement  
21 negotiation considerations . . . regarding patents and patent licensing.” *Slip Op.* at 5:15-27. In the  
22 other representations, Healey, again as lead counsel, participated in discussions concerning  
23 strategy and settlement, and resolved both matters with negotiated licensing agreements. *Slip Op.*  
24 at 5:5-7, 6:4-11.

25 Given Healey’s substantial prior role in licensing for Panasonic, the court in *Oliver*  
26 determined that the same licensing information was “relevant and material” to the current dispute,  
27 because Healey’s present client alleged that Panasonic had refused to issue licenses. *Slip Op.* at  
28 6:22-7:6. In addition, Panasonic also proved that at the same time that Healey represented

1 Panasonic as lead counsel in the prior cases, he had been in direct communication or had worked  
2 closely with two other lawyers at Weil Gotshal who were representing Panasonic in connection  
3 with the *precise transactions and licensing arrangements* Healey would later challenge in *Oliver*.  
4 Slip Op. at 6:12-21. Hence, Healey had access to information that was indisputably material to the  
5 second representation. *Id.* On the basis of these facts, the court concluded that, despite the lack of  
6 overlapping legal or factual issues, there was a “substantial relationship” between the two  
7 representations. Slip Op. at 7:2-9.

8 Samsung draws on *Oliver* to argue that there is a “substantial relationship” between the  
9 Bridges attorneys’ current limited representation of Apple and their former representation of  
10 Samsung in the *Ericsson* matter, notwithstanding the lack of any evidence of overlapping legal or  
11 factual issues between the two representations. But *Oliver* is not on point, for two reasons.

12 First, unlike the moving party in *Oliver*, Samsung has not met its burden of introducing  
13 evidence to “enable the court to reconstruct the attorney’s representation of the former client,” and  
14 thus “infer what confidential information could have been imparted.” *Farris v. Fireman’s Ins.*  
15 *Co.*, 119 Cal. App. 4th 671, 681 (2004) (internal quotation marks omitted). Samsung does not  
16 point to any specific task performed by any Bridges lawyer that would create an inference that the  
17 lawyer was exposed to confidential, specialized information about Samsung’s patent policies,  
18 litigation strategies, or future unrelated products. Nor is there any proof comparable to that in  
19 *Oliver* that the Bridges lawyers had indirect access through their former firms to the exact  
20 information in dispute in the present case.

21 These omissions are telling. If it were the case, for example, that a Bridges attorney had  
22 performed tasks (or communicated with people) in such a way that would have exposed him to  
23 unique Samsung patent strategies or confidential information about the future Android operating  
24 system or touchscreen interfaces, Samsung easily could have offered such proof without  
25 disclosing the actual information at issue. It did not. In the disqualification context, such “omitted  
26 facts become conspicuous by their omission” and can themselves require an inference that no such  
27 information was imparted. *Faughn v. Perez*, 145 Cal. App. 4th 592, 601 (2006).

28 Samsung has also not shown that any Bridges lawyer had a deep or continuing relationship

1 with Samsung—analogous to Healey’s role as Panasonic’s lead counsel in three separate cases  
2 over several years—that would support an inference of involvement in high-level strategy or  
3 settlement considerations. On the other hand, Apple has demonstrated, and Samsung does not  
4 dispute, that on the *Ericsson* matter Kenneth Bridges was outranked by at least three partners  
5 above him, did not participate in any settlement or licensing negotiations, did not advise or meet  
6 with senior management, and was directed not to contact the client on his own. Bridges  
7 Declaration in Support of Opposition to Motion to Disqualify at ¶¶ 14-18. Thus, unlike in *Oliver*,  
8 there is no demonstration that the actual work performed by Bridges attorneys would have likely  
9 exposed them to any distinctive information about Samsung’s patent litigation or broader business  
10 strategy.

11         Second, unlike Samsung, the moving party in *Oliver* introduced evidence that the  
12 information to which the lawyer had access in the prior representations was “directly in issue or of  
13 critical importance” to the second representation—that is, material. *See Farris*, 119 Cal. App. 4th  
14 at 680.<sup>1</sup> The moving party in *Oliver* explained how Healey’s knowledge of Panasonic’s licensing  
15 strategy would be directly relevant to the current allegation that Panasonic had improperly refused  
16 to license patents related to SD Cards and had instead joined a patent consortium. Slip Op. at  
17 5:21-27. Healey also had access to specific information about Panasonic’s participation in the  
18 consortium through his former firm that was indisputably material to the second representation.

19 \_\_\_\_\_  
20 <sup>1</sup> Samsung attempts to buttress its reading of *Oliver* as allowing disqualification based solely upon  
21 subject matter overlap by citing for the first time in its Reply *Morrison Knudsen Corp. v.*  
22 *Hancock, Rothert & Bunshoft, LLP*, 69 Cal. App. 4th 223 (1999). But *Morrison-Knudsen* was  
23 decided in 1999, and does not reflect the evolution of California “playbook” law in *Farris*,  
24 *Fremont, Faughn*, and *Banning Ranch*. More importantly, *Morrison-Knudsen*, like *Oliver*, was a  
25 case where the evidence submitted by the moving party clearly established both access to  
26 confidential information and materiality. The disqualified law firm had been exposed to the  
27 moving party’s confidential information in multiple representations over many years. In addition,  
28 at the time of the litigation, the firm was still serving as monitoring counsel for the complaining  
party’s insurance underwriter, and was currently monitoring a claim for the underwriters involving  
negligent engineering that was very similar to the current representation at issue. *Id.* at 235. Thus  
the firm had ongoing access to confidential information (*id.* at 226-27) and “was privy by virtue of  
this continuing role to information about Morrison’s financial condition which could be useful to a  
Morrison adversary.” *Id.* at 237. Nothing remotely similar is involved here.

1 Slip Op. at 6:12-21.

2 Here, in contrast, Samsung offers no evidence of how anything supposedly learned during  
3 the *Ericsson* representation would be material to Apple’s claims. Apple’s Opposition highlighted  
4 the legal requirement for such an evidentiary showing and suggested that none was possible on  
5 this record. Opposition 14:4-18. Despite that challenge, Samsung’s Reply is wholly silent on the  
6 question of materiality. It does not explain how knowledge of “Samsung’s decision making  
7 process” in 2007 (Reply 4:20-21) would be of “unusual importance” to the claim that Samsung  
8 copied the iPhone. It does not explain what type of four-year-old “business sensitivities” (Reply  
9 4:21) would be “critical” to the mobile-phone market in 2011 and thus materially advantageous to  
10 know. And it does not explain why the fact that “the same Samsung business divisions” (Reply  
11 4:24) are involved in both matters is relevant to the outcome of this case. In short, Samsung has  
12 not met its burden of setting forth “direct evidence” that specific policies, procedures, or  
13 operations allegedly learned years ago would be directly relevant today, or that knowledge of them  
14 would “materially advance plaintiffs’ position.” See *Faughn*, 145 Cal. App. 4th at 609.<sup>2</sup>

15 Reduced to its essentials, Samsung’s position is that because it has introduced evidence  
16 that Kenneth Bridges had “day to day” responsibility for managing a portion of a single large  
17 patent matter (July 11, 2011 Kim Declaration in Support of Motion to Disqualify at ¶ 6),  
18 interacted with Samsung legal personnel (*id.* at ¶6), and billed substantial hours (*id.* at ¶ 12), he  
19 and any firm he is associated with are forever disqualified from handling future patent litigation  
20 against Samsung involving mobile devices—even with respect to wholly different technologies.  
21 That position is not supported by *Oliver*. More important, to the extent Samsung reads *Oliver* as

22 \_\_\_\_\_  
23 <sup>2</sup> *Faughn* illustrates the level of proof of materiality that the moving party must supply. In  
24 *Faughn*, both the current and former representations involved medical malpractice claims related  
25 to birth defects. 145 Cal. App. 4th at 597-600. It was undisputed that in the prior representation,  
26 the attorney had received a confidential defense manual and other written policies. *Id.* at 608-09.  
27 But the court denied disqualification because, among other things, the moving party had not  
28 demonstrated that the same defense policies previously learned would be employed in the present  
case—or that such policies contained information that was unique and valuable rather than  
“obvious or mundane.” *Id.* at 609. Here, Samsung does not identify *any* specific kinds of policies  
or practices supposedly learned by Bridges attorneys—let alone explain their significance.



