

1 unclean hands.² Because the Court finds that these defenses cannot affect the outcome of the
2 present case in light of the jury’s finding of noninfringement, the Court, in its discretion, will not
3 consider these defenses at this time.

4 Apple argued at the hearing on December 6, 2012, that its equitable defenses are not
5 technically moot because they would render the entire patents unenforceable against all standard-
6 compliant products, while the jury’s verdict was limited to certain claims and certain products.
7 The Court agrees that under Federal Circuit precedent,³ the issue is not technically moot so as to
8 deprive this Court of subject matter jurisdiction. *See In re Omeprazole Patent Litigation*, 483 F.3d
9 1364, 1375 (Fed. Cir. 2007) (“The inequitable conduct claim was not technically moot, because it
10 would have rendered the entire ’281 patent unenforceable, rather than just the claims that were held
11 invalid.”).

12 However, both parties agreed at the December 6, 2012 hearing that the equitable defenses
13 no longer present a live issue between the two parties in this case, and that the only effect of a
14 ruling on Apple’s claims would come through collateral estoppel in future cases. Both parties
15 further agreed that while this Court does have subject matter jurisdiction to decide the equitable
16 defenses, it would be within this Court’s discretion to not decide these issues until they are before
17 the Court as a live controversy. Indeed, courts have long recognized that in some situations, there
18 is wisdom in refraining from issuing a ruling that would have no practical effect. *See, e.g.*,
19 *Fletcher v. United States*, 116 F.3d 1315, 1321 (10th Cir. 1997) (“Under the doctrine of prudential
20 mootness, there are circumstances under which a controversy, not constitutionally moot, is so
21 attenuated that considerations of prudence and comity for coordinate branches of government
22

23 ² Apple also argues that the Court should find that Samsung violated the California Unfair
24 Competition Law, but asks the Court to make such a finding only if the Court grants judgment as a
25 matter of law in favor of Apple on its breach of contract claim. Mot. at 11. As the Court has not
26 yet issued an Order on Apple’s motion for judgment as a matter of law, the Court will not address
27 the unfair competition claim at this time.

28 ³ Federal Circuit law governs the application of Article III to patent disputes. *See Schreiber Foods, Inc. v. Beatrice Cheese, Inc.*, 402 F.3d 1198, 1202 (Fed. Cir. 2005) (“[Q]uestions of the district court’s jurisdiction – upon which this court’s jurisdiction depends – are always determined under Federal Circuit law.”).

1 counsel the court to stay its hand, and to withhold relief it has the power to grant.”) (internal
2 quotation marks omitted); *S. Yuba River Citizens League v. Nat'l Marine Fisheries Serv.*, CIV S-
3 06-2845 LKK, 2010 WL 4746187 at *2 (E.D. Cal. Nov. 16, 2010) (“Under the doctrine of
4 prudential mootness, district courts may dismiss a claim where not technically moot, but
5 nonetheless where circumstances [have] changed since the beginning of litigation that forestall any
6 occasion for meaningful relief.”) (citing *Hunt v. Imperial Merchant Servs., Inc.*, 560 F.3d 1137 (9th
7 Cir.2009) (internal quotation marks omitted)).

8 In this case, a decision now would not provide Apple with any meaningful relief, because
9 the jury has already found that Apple is not liable to Samsung for infringing these patents. Further,
10 a decision on Apple’s equitable claims would require the Court to interpret a policy of the
11 European Telecommunications Standards Institute (ETSI) that is governed by French law. *See*
12 Apple’s Brief Regarding Non-Jury Claims, ECF No. 1981, at 1 (arguing for equitable defenses due
13 to violation of ETSI policy); PX74 at Art. 12 (ETSI policy choice of law clause). Moreover, the
14 jury decided several claims stemming from the same factual predicate at issue in the equitable
15 defenses, including a breach of contract claim and an antitrust claim. Consequently, resolution of
16 Apple’s equitable defenses would entail a delicate inquiry into precisely what factual findings must
17 underlie the jury’s verdict, as the Seventh Amendment right to a jury trial in civil cases requires the
18 Court to credit those factual findings in resolving the equitable claims. *See Beacon Theatres, Inc.*
19 *v. Westover*, 359 U.S. 500, 510 (1959). The Court does not find it advisable to issue binding
20 interpretations under foreign law, or to inquire into the precise contours of the implied factual
21 findings underlying a jury verdict, where it is not necessary for the resolution of the currently
22 pending case.

23 Finally, Apple has argued that because these questions have important policy implications
24 for standards-setting organizations, the Court should decide them now. The Court finds that the
25 importance of the questions counsels *against* deciding them in a case where the issue is no longer
26 squarely presented. The issue is best left for a case in which the parties have every incentive to
27 brief and argue the issue as thoroughly as possible, to ensure that the decision eventually issued on
28 this question is a correct one. Accordingly, the Court takes no position on the merits of Apple’s

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

equitable claims, and declines to decide whether Samsung's patents are unenforceable as against all UMTS-compliant products under the doctrines of waiver, equitable estoppel, and unclean hands.

IT IS SO ORDERED.

Dated: December 13, 2012



LUCY H. KOH
United States District Judge