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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

APPLE, INC., a California corporation,)	Case No.: 11-CV-01846-LHK
)	
Plaintiff,)	
)	
v.)	ORDER DENYING SAMSUNG’S
)	MOTIONS FOR LEAVE TO TAKE
SAMSUNG ELECTRONICS CO., LTD., A)	DISCOVERY AND FOR AN
Korean corporation; SAMSUNG)	EXTENSION OF TIME TO OPPOSE
ELECTRONICS AMERICA, INC., a New York)	APPLE’S RENEWED MOTION FOR A
corporation; SAMSUNG)	PERMANENT INJUNCTION
TELECOMMUNICATIONS AMERICA, LLC,)	
a Delaware limited liability company,)	
)	
Defendants.)	

Following the issuance of the Federal Circuit’s mandate vacating the denial of Apple’s motion to permanently enjoin Samsung’s infringement of Apple’s utility patents, see Apple Inc. v. Samsung Elecs. Co., 735 F.3d 1352 (Fed. Cir. 2013), Apple renewed its motion for a permanent injunction in this Court, see ECF No. 2897. Samsung’s opposition to Apple’s renewed motion is currently due by January 9, 2013, and Apple has noticed a hearing date of January 30, 2014, the same date the Court will hear argument on the parties’ post-trial motions. Samsung now moves for leave to take discovery of Apple’s offers to license its utility patents subsequent to the briefing on Apple’s original permanent injunction motion and for an extension of time for Samsung to file its opposition to Apple’s renewed motion. See ECF Nos. 2900 (“Samsung Mot. for Time”), 2901

1 (“Samsung Mot. for Discovery”).¹ Samsung also filed an unopposed motion to expedite the
2 briefing on its motion for leave to take discovery, which this Court granted. See ECF No. 2905.
3 Samsung’s discovery and extension motions are now fully briefed. Having considered the parties’
4 arguments and evidence, as well as the full record in this case, the Court DENIES Samsung’s
5 motions.

6 **I. Samsung’s Motion for Leave to Take Discovery**

7 Samsung’s motion for leave to take discovery asks this Court to reopen the record so that
8 Samsung may take a Rule 30(b)(6) deposition on Apple’s willingness to license its utility patents
9 from October 19, 2012—the date of Samsung’s opposition to Apple’s original motion for a
10 permanent injunction—to the present. In particular, Samsung notes that the parties have engaged in
11 further licensing discussions since the Court issued its ruling on Apple’s previous motion and that,
12 during those discussions, Apple made additional offers to license its utility patents to Samsung.
13 Samsung Mot. for Discovery at 4-5. Samsung seeks discovery related to these offers and what it
14 calls the “key issue” on remand: whether Apple’s offers to license its utility patents to Samsung
15 “demonstrate[] that legal remedies [will] be adequate.” Id. at 5.

16 Samsung proposes four Rule 30(b)(6) deposition topics to Apple. See Smith Declaration,
17 Exhibit 2 (ECF No. 2902-6). The first three topics relate to Apple’s licensing discussions with
18 Samsung regarding the utility patents-in-suit since October 19, 2012. The fourth topic is a catch-all

19
20 ¹ The parties have moved to seal in the instant motion, supporting declaration, and
21 opposition references to settlement discussions between Apple and Samsung and the fact that
22 Apple made licensing offers to Samsung. See ECF Nos. 2901, 2902, and 2910. However, Apple
23 has notified the Court that Apple does not maintain any claims of confidentiality with respect to the
24 instant motion and supporting declaration. ECF No. 2906. Moreover, the fact that settlement
25 discussions between the two parties have taken place is already in the public domain, and thus is
26 not sealable. The Court finds that none of the material filed under seal is properly sealable under
27 Rule 26(c) of the Federal Rules of Civil Procedure and the applicable “good cause” exception for
28 non-dispositive motions. In re Midland Nat. Life Ins. Co. Annuity Sales Practices Litigation, 686
F.3d 1115, 1119 (9th Cir. 2012) (per curiam); Apple, Inc. v. Samsung Electronics Co., Ltd., 727
F.3d 1214, 1222 (Fed. Cir. 2013); see also Kamakana, 447 F.3d at 1180 (holding that even under
the “good cause” standard of Rule 26(c) a party must make a “particularized showing” with respect
to any individual document in order to justify sealing the relevant document). Accordingly, the
motions to seal are DENIED. See ECF Nos. 2901, 2902, and 2910.

1 topic that relates to any similar licensing discussions between Apple and “any third parties.” Id.
2 Other than Apple’s license to HTC, which the Court addresses below, neither Samsung, Apple, nor
3 the record suggests that Apple has licensed or offered to license the utility patents-in-suit to any
4 other party since October 19, 2012, and Apple represents that no additional licenses exist. See
5 Apple Opp’n at 5.

6 A district court has broad discretion in deciding whether to reopen the record. See Enzo
7 Biochem, Inc. v. Calgene, Inc., 188 F.3d 1362, 1379 (Fed. Cir. 1999). Here, the Court concludes
8 that the discovery Samsung seeks is unnecessary and at most would reveal confidential settlement
9 discussions, and the resulting delay would be unfair to Apple.

10 As an initial matter, Samsung’s motion is untimely at least in part. Samsung fails to explain
11 why it never previously sought discovery as to Apple’s willingness to license its utility patents
12 from October 19, 2012 to December 17, 2012, even though Samsung did seek discovery in
13 November of 2012 as to Apple’s post-trial license with HTC, which the Court allowed. See ECF
14 Nos. 2144 and 2158.

15 More generally, Samsung has failed to establish that its need for discovery of Apple’s
16 licensing discussions with Samsung justifies further delay in resolving Apple’s request for
17 permanent injunctive relief. Samsung, as a party to its settlement discussions with Apple, surely is
18 already aware of any “key” concessions Apple made to Samsung during those discussions. Nothing
19 in the record, including Samsung’s motion, suggests that further discovery would be fruitful.

20 For its part, Apple has been awaiting resolution of its request for a permanent injunction for
21 nearly a year and a half following the jury’s infringement verdict. (Apple filed its original motion
22 in September of 2012, a month after the jury ruled in its favor.) Granting Samsung’s motion for
23 further discovery would extend the due date for Samsung’s opposition to Apple’s renewed motion
24 until some time after Apple provides the requested discovery. Given the Court’s full calendar, even
25 a short extension would require the Court to postpone hearing Apple’s renewed motion possibly by
26 as much as four months. Samsung has not established why its discovery request warrants this
27 further delay.

1 In addition, Samsung has not established why the discovery it seeks outweighs the dangers
2 of forcing Apple to disclose information about the parties' recent confidential settlement
3 discussions. At least in part due to this Court's insistence, settlement negotiations between the
4 parties are ongoing. See Nov. 12, 2013 Pretrial Hr'g at 18-21. Apple states in its opposition that the
5 parties have scheduled a further discussion for sometime in January. Apple Opp'n at 4. Allowing
6 Samsung to obtain discovery of its own settlement negotiations with Apple for purposes of
7 opposing Apple's motion for a permanent injunction would likely interfere with those ongoing
8 negotiations.

9 The Court has repeatedly implored the parties to seek an amicable resolution of this matter.
10 The Court is loathe to allow discovery into unconsummated negotiations between the parties that
11 would undoubtedly impede future settlement discussions. See N.D. Cal. ADR L.R. 6-12(a)
12 (prohibiting "all counsel and parties . . . attending [Court-sponsored] mediation" from using
13 "anything that happened or was said, any position taken, and any view of the merits of the case . . .
14 for any purpose . . . in any pending or future proceeding in this court."). The Court has allowed the
15 parties to pursue settlement discussions outside the Court's normal ADR procedures. Nevertheless,
16 the purpose of those procedures' confidentiality protections still applies. See *Folb v. Motion*
17 *Picture Industry Pension & Health Plans*, 16 F. Supp. 2d 1164, 1173 (C.D. Cal. 1998) ("[I]f
18 participants cannot rely on the confidential treatment of everything that transpires during
19 [mediation] sessions then counsel of necessity will feel constrained to conduct themselves in a
20 cautious, tight-lipped, noncommittal manner more suitable to poker players in a high-stakes game
21 than adversaries attempting to arrive at a just solution of a civil dispute.") (quoting *Lake Utopia*
22 *Paper Ltd. v. Connelly Containers, Inc.*, 608 F.2d 928 (2d Cir. 1979)) (second alteration in
23 original).

24 Samsung contends that discovery is needed to comply with the Federal Circuit's mandate.
25 Samsung Mot. at 4. The Federal Circuit addressed this Court's analysis of Apple's past licensing
26 practice as follows:

27 The district court's exclusive focus on whether Apple's patents are 'priceless' and
28 whether Samsung is 'off limits' led it to disregard Apple's evidence that

1 *Samsung's* use of these patents is different. Apple points to numerous factors that
2 the district court failed to consider in determining the relevance of Apple's past
3 licensing behavior. For example, Apple notes that IBM is not a competitor in the
4 smartphone market, and that the license was entered into five years before Apple
5 launched the iPhone. Apple further notes that it entered into the HTC and Nokia
6 agreements to settle pending litigation. In addition, the Nokia agreement was a
7 'provisional license' for a limited 'standstill' period, . . . , and the HTC agreement
8 excluded HTC products that were 'clones' of Apple's products, Moreover,
9 although the evidence shows that Apple offered Samsung a license to some of its
10 patents, Apple is adamant that it never offered to license the asserted patents to
11 Samsung, its primary competitor.[] We agree with Apple that these factors are
12 relevant to whether monetary damages will adequately compensate Apple for
13 Samsung's infringement of the asserted patents, and the district court erred by
14 failing to consider them. ***Indeed, the district court's focus on Apple's past***
15 ***licensing practices, without exploring any relevant differences from the current***
16 ***situation, hints at a categorical rule that Apple's willingness to license its***
17 ***patents precludes the issuance of an injunction.***

18 Apple Inc. v. Samsung Elecs. Co., 735 F.3d 1352, 1370 (Fed. Cir. 2012) (third emphasis added;
19 footnote omitted).

20 Samsung seizes on this passage's reference to "the current situation" and contends that
21 "[w]ithout limited discovery and reopening the record, this Court cannot evaluate all of Apple's
22 past licensing behavior or the 'current situation' as the Federal Circuit has instructed." Samsung
23 Mot. at 5. This passage from the Federal Circuit's opinion, however, is not an invitation, much less
24 a mandate, to allow Samsung discovery into Apple's settlement offers to Samsung since Apple's
25 last permanent injunction motion. Although the above-quoted passage makes clear that the Federal
26 Circuit expects this Court on remand to analyze whether the circumstances surrounding Apple's
27 prior licenses or offers to license shed light on whether legal relief would adequately compensate
28 Apple for Samsung's infringement of the patents-in-suit, the Circuit's opinion simply does not
29 address the propriety of allowing additional discovery into ongoing, Court-encouraged settlement
30 discussions between the parties.

31 **II. Samsung's Motion for an Extension of Time to Oppose Apple's Permanent Injunction** 32 **Motion**

33 Samsung's opposition to Apple's permanent injunction motion is currently due January 9,
34 2014. Samsung moves for a two-week extension to file its opposition. The Court's denial of
35 Samsung's request for further discovery largely moots Samsung's stated need for more time. See

1 Samsung Mot. for Time at 2 (“[T]here is good cause for a two-week extension of Samsung’s time
2 to respond to Apple’s Motion for a Permanent Injunction so that the parties may brief and the
3 Court consider Samsung’s request for discovery.”).

4 Samsung contends it needs more time also because “[a] substantial portion of the period for
5 Samsung to prepare its response falls between the Christmas and New Year’s Day holidays.” Id.
6 But Samsung has failed to show that preparing a response will be sufficiently taxing to depart from
7 the standard two-week response time. Apple’s renewed motion for a permanent injunction is only
8 ten pages and has been a long time coming. It seeks the same relief as Apple’s 2012 motion. The
9 Federal Circuit’s opinion vacating the relevant part of the Court’s permanent injunction ruling
10 issued on November 18, 2013. Apple notified the Court and Samsung on December 20, 2013, that
11 Apple planned to file its renewed motion as soon as the Federal Circuit’s mandate issued on
12 December 26. Samsung did not seek rehearing at the Federal Circuit, and, as expected, the mandate
13 issued and Apple filed its renewed motion on December 26. As explained above, a short extension
14 of time will push the hearing on Apple’s renewed motion well into the future. Although the Court
15 is sensitive to the important personal demands on the parties and their counsel during the holidays,
16 Samsung has not shown that the preceding history and circumstances surrounding Apple’s renewed
17 motion have created a burden that warrants delaying the hearing on Apple’s requested injunctive
18 relief any further.

19 **III. Conclusion**

20 For the foregoing reasons, Samsung’s motions for leave to take discovery and for an
21 extension of time to file its opposition to Apple’s renewed motion for a permanent injunction are
22 denied. Samsung’s opposition is due January 9, 2014; any reply in support of Apple’s renewed
23 motion is due by January 16, 2014; and the Court will hear arguments related to Apple’s renewed
24 motion on January 30, 2014.

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IT IS SO ORDERED.

Dated: January 7, 2014



LUCY H. KOH
United States District Judge