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Doc. 201 Att. 1



In consideration of my employment at SRI International, I agree:

- 1. To perform the duties assigned to me to the best of my ability, and to abide faithfully by SRI policies and practices.
- 2. To treat as confidential all results, intermediate and terminal, of SRI research activity in which I may participate or of which I may obtain knowledge during my employment, together with all formulae, specifications, secret processes, trade secrets, and such other confidential information belonging to SRI or its clients as may come to my knowledge in the course of or incidental to my employment, and that I shall at all times recognize and protect such property rights of SRI and its clients and not disclose same to unauthorized persons. Because much of the work done by SRI for the Government is classified, I am aware that my continued employment may depend on my ability to qualify for and to maintain an appropriate Government clearance. I also agree that I will not divulge to any unauthorized persons any classified information revealed to me during the period of my employment, and that all classified material received or generated by me will be handled in accordance with SRI Security Guide. I further warrant that to the best of my knowledge I do not at the time of my employment have in my possession, or under my control, any material which contains "CLASSIFIED INFORMATION" as defined in U.S. Government Industrial Security directives.
- 3. To promptly disclose to SRI all discoveries, improvements, and inventions, including software, conceived or made by me during the period of my employment, and I agree to execute such documents, disclose and deliver all information and data, and to do all things which may be necessary or in the opinion of SRI reasonably desirable, in order to effect transfer of ownership in or to impart a full understanding of such discoveries, improvements and inventions to SRI or to its nominee and to no other. I agree to comply with every reasonable request of SRI, its nominee, or the representative of either, for assistance in obtaining and enforcing patents. I understand that termination of this employment shall not release me from my obligations hereunder (as well as paragraph 2 above) provided, however, that time actually spent by me in discharging these obligations after termination of my employment shall be paid for by SRI at a reasonable rate. It is, of course, understood and agreed that I accept no responsibility for any out-of-pocket fees, costs, or expenses incurred or involved in the preparation, filing or prosecution of any application for patent or in the prosecution or defense of any litigation involving the same, and that I shall be reimbursed by SRI for any expense to which I may be put at the request of it or its nominee hereunder. This agreement does not apply to an invention which fully qualifies for the exclusion under Section 2870 of the California Labor Code which is reprinted on the reverse side of this agreement. However, all such inventions must be disclosed so that a determination can be made that they do in fact qualify for exclusion. All such disclosures will be treated as confidential.
- 4. That with respect to the subject matter thereof, this agreement covers my entire agreement with SRI, superseding any previous oral or written understandings or agreements with SRI or any representative thereof.
- 5. That my employment is not for any particular term and therefore this agreement is terminable, with immediate effect, at the will of either party.

Executed at Menlo Park, California this	8 day of April 1996
Jame Collins	Konjacilo
Witness to Signature	Print Name: YOCHAI KONIG

Human Resources, for SRI International

CALIFORNIA STATE PATENT LAW

Article 3.5 Inventions Made by an Employee

\$2870. Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, and (a) which does not relate (1) to the business of the employer or (2) to the employer's actual or demonstrably anticipated research or development, or (b) which does not result from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

\$2871. No employer shall require a provision made void and unenforceable by Section 2870 as a condition of employment or continued employment. Nothing in this article shall be construed to forbid or restrict the right of an employer to provide in contracts of employment for disclosure, provided that any such disclosures be received in confidence, of all of the employee's inventions made solely or jointly with others during the term of his or her employment, a review process by the employer to determine such issues as may arise, and for full title to certain patents and inventions to be in the United States, as required by contracts between the employer and the United States or any of its agencies.

§2872. If an employment agreement entered into after January 1, 1980, contains a provision requiring the employee to assign or offer to assign any of his or her rights in any invention to his or her employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention which qualifies fully under the provisions of Section 2870. In any suit or action arising thereunder, the burden of proof shall be on the employee claiming the benefits of its provisions.

Personalized User Model's Privilege Log Personalized User Model LLC v. Google, Inc.

Privilege Basis	AC; WP	AC; WP	AC; WP	AC; WP	AC	AC	AC; WP	WP
Description	Email from counsel containing a confidential attorney-client communication and rendering legal advice related to the infringement of U.S. Patent Nos. 6,981,040 and 7,320,031.	Email from counsel transmitting legal advice in anticipation of litigation.	Email containing confidential attorney-client communication made in anticipation of litigation.	Email prepared in anticipation of litigation for the purpose of obtaining legal advice.	Email from attorney to client containing a confidential communication.	Email from client to attorney reflecting the substance of a confidential communication made in anticipation of litigation.	Email containing a confidential communication made in anticipation of litigation.	Document providing information for the purpose of WP obtaining legal advice, prepared in anticipation of littigation.
Date	3/10/2006	3/1/2006	3/1/2006	2/28/2006	2/27/2006	2/17/2006	2/15/2006	2/7/2006
20		sugiyamat@gtlaw. 3/1/2006 com	Benjamin Quinones, Esq.; Stefan Clulow, Esq.; Philip D. Black; Roy Twersky; Ijora.hovav@sagyl aw.com; Doron Aspitz		Roy Twersky; Spencer Hosie, Esq.; Bruce Wecker, Esq.	Roy Twersky; V. Randall Gard, Esq.	Roy Twersky; V. Randall Gard, Esq.	
To (Recipient)	Roy Twersky	Ari Gal, Esq.; Doron Aspitz; Roy Twersky; Benjamin Quinones, Esq.; Rony Sagy, Esq.; Philip D. Black	Rony Sagy, Esq.; Ari Gal, Esq.;	Doron Aspitz; Roy Twersky	Yochai Konig	Bruce Wecker, Esq.; Spencer Hosie, Esq.	Bruce Wecker, Esq.; Spencer Hosie, Esq.	
From (Author)	Spencer Hosie, Esq.	Stefan Clulow, Esq.	Doron Aspitz	Yochai Konig	V. Randall Gard, Esq.	Yochai Konig	PRIV 267 Yochai Konig	Yochai Konig
PRIV#	PRIV 261	PRIV 262	PRIV 263	PRIV 264	PRIV 265	PRIV 266	PRIV 267	PRIV 268

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

ST. CLAIR INTELLECTUAL PROPERTY CONSULTANTS, INC.,

Plaintiff,

v. :Civil Action No. 04-1436-JJF

SAMSUNG ELECTRONICS CO., LTD., :
SAMSUNG ELECTRONICS AMERICA, INC., :
SAMSUNG TELECOMMUNICATIONS :
AMERICA, L.P., MATSUSHITA ELECTRIC :
INDUSTRIAL CO., LTD., MATSUSHITA :
ELECTRIC CORPORATION OF AMERICA, :
VICTOR COMPANY OF JAPAN, LTD., JVC :
COMPANY OF AMERICA, NOKIA :
CORPORATION, NOKIA, INC., :
HEWLETT-PACKARD COMPANY, and :
EASTMAN KODAK COMPANY, :

Defendants.

MEMORANDUM ORDER

Pending before the Court is Defendants' Joint Motion To Stay Action Pending Resolution Of Patent Ownership Dispute Between Plaintiff And Mirage Systems, Inc. (D.I. 30), Plaintiff's Motion To Bifurcate And Expeditiously Proceed With The Ownership Issue In The Present Action (D.I. 39), and Plaintiff's Motion For Leave To File A Supplemental Brief To Plaintiff's Answering Brief To Defendants' Joint Motion To Stay Action Pending Resolution Of Patent Ownership Dispute Between St. Clair And Mirage Systems, Inc. (D.I. 42). For the reasons discussed, Defendants' motion to stay (D.I. 30) and Plaintiff's motion for leave to file (D.I. 42) will be granted. Plaintiff's motion to bifurcate and expeditiously proceed (D.I. 39) will be denied with leave to

renew.

I. BACKGROUND

On November 9, 2004, Plaintiff filed its Complaint (D.I. 1), alleging that Defendants infringed four of its patents: United States Patent Nos. 5,138,459 ("the '459 patent"), 6,094,219 ("the '219 patent"), 6,233,010 ("the '010 patent"), and 6,323,899 ("the '899 patent"). On April 12, 2005, Mirage Systems, Inc. ("Mirage") filed a lawsuit against Plaintiff in a California state court ("the California lawsuit"), alleging that it owns the patents-in-suit by way of employment agreements entered into with the inventors. In response to the California lawsuit, Plaintiff filed a declaratory judgment action against Mirage and two of its officers in this Court (05-273-JJF) ("the declaratory judgment action"), seeking a declaration of ownership of the patents-in-suit and two other patents.

On May 19, 2005, Defendants filed a motion to stay this case pending resolution of the patent ownership dispute between Plaintiff and Mirage. (D.I. 30). In response, Plaintiff filed a motion to bifurcate the ownership issue from the infringement issues and expeditiously proceed with the ownership issue in this case (D.I. 39). On June 10, 2005, Eastman Kodak Company ("Kodak"), a defendant in this case, acquired any ownership rights Mirage allegedly possesses in the patents-in-suit. Plaintiff filed a motion for leave to supplement its answering

brief to include this fact and arguments relating to it. (D.I. 42). Upon learning that Kodak had acquired Mirage's rights, all Defendants, with the exception of Kodak, supported Plaintiff's motion to bifurcate. (D.I. 44, 45). On June 20, 2005, the United States Patent and Trademark Office ("USPTO") issued office actions relating to a reexamination of two of the patents-insuit. Following the USPTO's actions, all Defendants again supported a stay in this case. (D.I. 52).

II. PARTIES' CONTENTIONS

Defendants contend that a stay is appropriate because discovery has not begun, a trial date has not been set, and Plaintiff will not be unduly prejudiced by the stay. Defendants request a stay to allow the ownership issue to be resolved and to await a decision from the patent reexaminations.

Plaintiff contends that a stay is inappropriate in this case because this case is proceeding at a faster rate than the other two cases, and, therefore, resolving the ownership dispute in this case is the most efficient way to settle the issue.

Plaintiff further contends that a stay is inappropriate because the parties now involved in the ownership dispute are before the Court in this case, since Kodak now owns the patents-in-suit.

III. DISCUSSION

The decision to grant or deny a stay is within the court's broad discretion. Bechtel Corp. v. Laborers' Int'l Union, 544 F.2d 1207, 1215 (3d Cir. 1976). In determining whether a stay is appropriate, a court should "weigh the competing interests of the parties and attempt to maintain an even balance." Dentsply Int'l Inc. v. Kerr Mfg. Co., 734 F. Supp. 656, 658 (D. Del. 1990). In weighing the interests involved, courts are generally guided by such factors as (1) whether a stay will simplify the issues raised by the parties; (2) whether discovery is complete and a trial date has been set; and (3) whether a stay would unduly prejudice the non-movant. Gioello Enters. Ltd. v. Mattel, Inc., 2001 WL 125340 (D. Del. Jan. 29, 2001); United Sweetener USA, Inc. v. Nutrasweet Co., 766 F.Supp. 212, 217 (D. Del. 1991). In balancing these factors, courts must be particularly mindful of the consequences of the stay on the other parties. <u>Deptsply</u> Int'l Inc., 734 F.Supp. at 658.

The Court concludes that a stay is appropriate for several reasons. First, discovery has not begun. Second, a stay will allow the ownership issue to be resolved in the declaratory judgment action without the complications of other Defendants. Finally, Plaintiff will not be unduly prejudiced by the granting of the stay. The stay may well save time and expense, not only for Defendants, but for Plaintiff. For example, if the Court did

not grant a stay, Plaintiff could be required to litigate the ownership issue in three different cases. Accordingly, the Court will grant Defendants' motion to stay (D.I. 30) and Plaintiff's motion for leave to file (D.I. 42). The Court, however, will deny with leave to renew Plaintiff's motion to bifurcate and expeditiously proceed (D.I. 39).

ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that:

- 1. Defendants' Joint Motion To Stay Action Pending Resolution
 Of Patent Ownership Dispute Between Plaintiff And Mirage
 Systems, Inc. (D.I. 30) is **GRANTED**.
- 2. Plaintiff's Motion To Bifurcate And Expeditiously Proceed
 With The Ownership Issue In The Present Action (D.I. 39) is

 DENIED WITH LEAVE TO RENEW.
- Plaintiff's Motion For Leave To File A Supplemental Brief To Plaintiff's Answering Brief To Defendants' Joint Motion To Stay Action Pending Resolution Of Patent Ownership Dispute Between St. Clair And Mirage Systems, Inc. (D.I. 42) is GRANTED.

February <u>14</u>, 2006

NITED STATES DISTRICT OVOGE