**IN THE UNITED STATES DISTRICT COURT**
**FOR THE DISTRICT OF DELAWARE**

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|---|---|---|
| PERSONALIZED USER MODEL, L.L.P., | ) | |
| | ) | |
| Plaintiff, | ) | C.A. No. 09-525-LPS |
| | ) | |
| v. | ) | **JURY TRIAL DEMANDED** |
| | ) | |
| GOOGLE INC., | ) | **PUBLIC VERSION** |
| | ) | |
| Defendant. | ) | |
| GOOGLE, INC. | ) | |
| | ) | |
| Counterclaimant, | ) | |
| | ) | |
| v. | ) | |
| | ) | |
| PERSONALIZED USER MODEL, LLP and YOCHAI KONIG | ) | |
| | ) | |
| Counterdefendants. | ) | |

# GOOGLE'S OPENING BRIEF IN SUPPORT OF *DAUBERT* MOTION TO EXCLUDE CERTAIN OPINIONS OF DR. MICHAEL PAZZANI


OF COUNSEL:
QUINN EMANUEL URQUHART & SULLIVAN, LLP
Charles K. Verhoeven
David A. Perlson
Antonio R. Sistos
Margaret Pirnie Kammerud
50 California St.
San Francisco, CA 94111

Andrea Pallios Roberts
555 Twin Dolphin Drive, Suite 560
Redwood Shores, CA 94065

Joshua L. Sohn
777 6th St. NW, 11th Floor
Washington, D.C. 20001-3706

Richard L. Horwitz (#2246)
David E. Moore (#3983)
Bindu A. Palapura (#5370)
POTTER ANDERSON & CORROON LLP
Hercules Plaza, 6th Floor
1313 N. Market Street
Wilmington, DE 19801
Tel: (302) 984-6000
rhorwitz@potteranderson.com
dmoore@potteranderson.com
bpalapura@potteranderson.com

*Attorneys for Defendant Google Inc.*




Dated: January 21, 2014
PUBLIC VERSION Dated: January 28, 2014
1136824/ 34638

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## Nature and Stage of Proceedings

This lawsuit is set for trial on March 10, 2014. Pursuant to the Court's Order of October 28, 2013, "[a]ny *Daubert* motions must be filed in sufficient time as to permit all briefing to be completed no later than the date for the submission of the proposed final pre-trial order." (D.I. 537 at 3.) The parties have agreed to file their *Daubert* motions by January 21, 2014.

## Summary of Argument

1. Google respectfully brings this *Daubert* motion to exclude the opinions of PUM's technical expert, Michael Pazzani, that relate to Google's breach-of-contract and ownership counterclaims. Specifically, Dr. Pazzani purports to apply California Labor Code § 2870 and opines that the patented inventions did not result from Yochai Konig's research at SRI or relate to SRI's business or research within the meaning of Section 2870. But as a technical expert, Dr. Pazzani is not qualified to offer opinions about contract interpretation or the meaning or application of California labor law.

2. Moreover, the opinions that Dr. Pazzani offers on whether the patented inventions resulted from Konig's research at SRI have no factual support. Dr. Pazzani does not cite a single document or any testimony about Konig's research, and apparently did no investigation into it on his own at all. He instead just states his broad "understanding" (presumably from counsel) that Konig's research was in the field of [redacted], and conjectures that the patented inventions must not have resulted from Konig's research because personalized search (the subject-matter of the patented inventions) is not closely related to [redacted]. This conjecture does not aid the jury and is inadmissible. Furthermore, Dr. Pazzani ignores contemporaneous documents explicitly stating that

[redacted]

3. Dr. Pazzani also ignores undisputed evidence showing that the patented inventions related to SRI's business and research as a whole, even leaving aside Konig's specific work at SRI. For example, SRI has a lengthy and undisputed track record of research in the Internet search field, thus showing that the patented inventions (which claim Internet search techniques) are related to SRI's business and research. Yet Dr. Pazzani ignored this evidence. Thus, his opinion that the patented inventions do not relate to SRI's business or research is fundamentally unreliable.

4. Finally, Dr. Pazzani opines that the patented inventions do not relate to SRI's business or research "as of December 1999." But Konig's employment with SRI ended in [redacted] Thus, in determining whether any inventions that he allegedly conceived during his employment – like the patented inventions – are exempt from his transfer obligations, the necessary analysis is whether these inventions relate to SRI's business or research as of [redacted]. Dr. Pazzani did not conduct his "related to" analysis under this proper and necessary date.

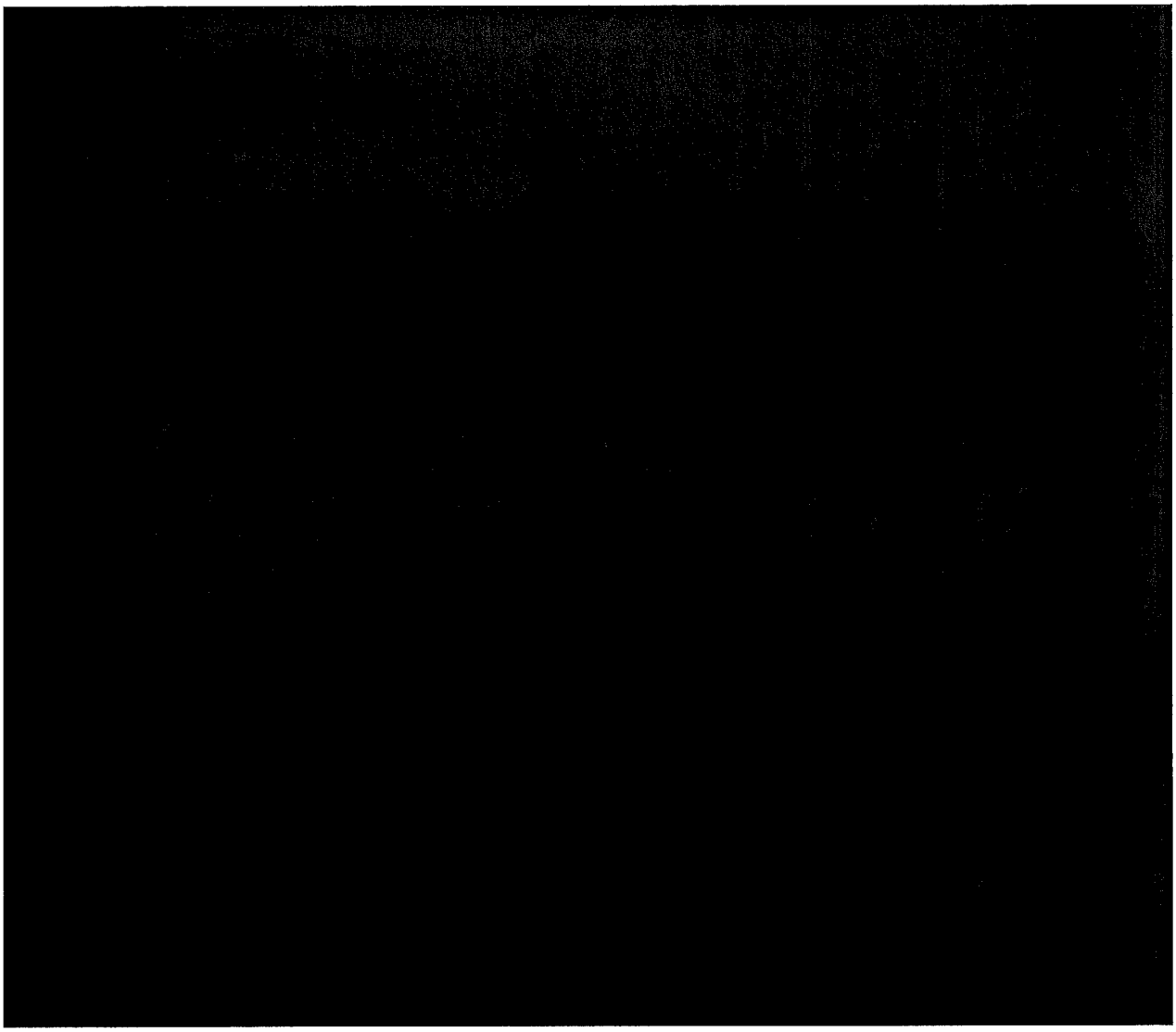
## Statement of Facts

### I. DR. PAZZANI'S EXPERT REPORT

Dr. Pazzani, a computer science professor, is PUM's infringement expert in this case. (Exhibit 1[1] (Pazzani Report) at ¶ 1, Ex. A (curriculum vitae).) On April 6, 2012, he served a 302-page expert report. The final six pages of his report comprised a section entitled [redacted] (*Id.* at Section XI.) Dr. Pazzani offered these opinions in relation to Google's breach of contract and ownership counterclaims in this case, which stem from Yochai Konig's (the first named inventor of the Asserted Patents) breach of his Employment Agreement with SRI by failing to transfer to SRI the patented inventions conceived during his SRI employment. (D.I. 180 at 5-16.) In this section, Dr. Pazzani opines that SRI did not

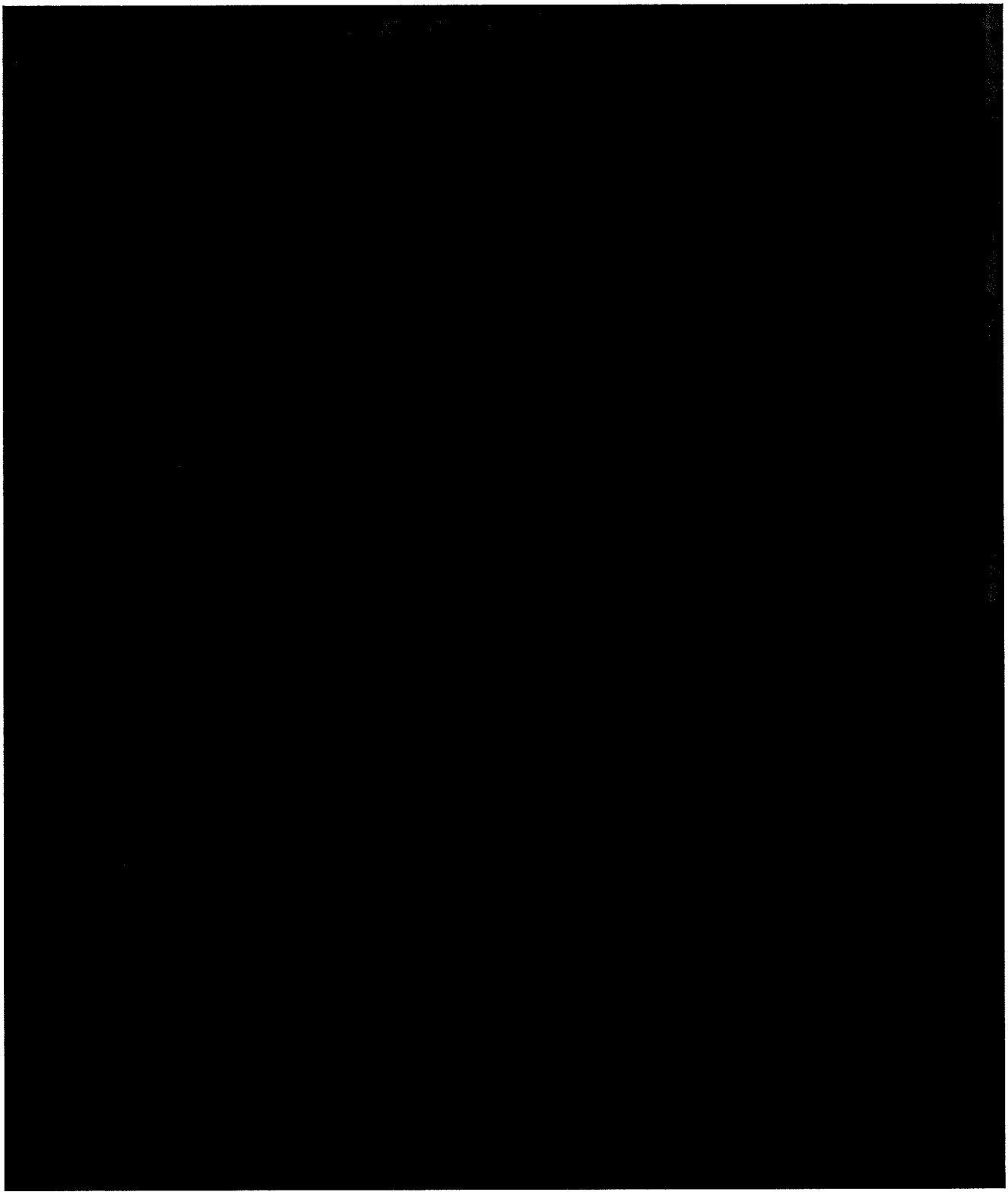
[1] Exhibits 1-5 are attached to the supporting Declaration of Joshua L. Sohn, filed concurrently herewith.

acquire ownership rights to the patented inventions because these inventions are exempt under Cal. Labor Code § 2870.[2]



[2] Section 2870 states that an invention-assignment agreement between employee and employer cannot reach any invention developed without using the employer's equipment, supplies, facilities or trade secret information, as long as both of the following two conditions are met: (1) the invention did not relate to the employer's business or actual or demonstrably anticipated research or development when it was conceived or reduced to practice; and (2) the invention did not result from any work performed by the employee for the employer. Cal. Labor Code § 2870.

[3] While Dr. Pazzani's legal interpretation of any employment statute would be inappropriate, Dr. Pazzani's referenced experience at Rutgers presumably concerned New Jersey law, not Section 2870.



[redacted]

## Legal Standard

Federal Rule of Evidence 702 provides that an expert witness with "scientific, technical, or other specialized knowledge" may testify in the form of an opinion only if "(1) the testimony is based upon sufficient facts or data, (2) the testimony is the product of reliable principles and methods, and (3) the witness has applied the principles and methods reliably to the facts of the case." The trial court is tasked as gatekeeper to determine whether proffered expert testimony meets this standard. *Daubert v. Merrell Dow Pharms., Inc.*, 509 U.S. 579, 592-93 (1993).

## Argument

### I. DR. PAZZANI IS NOT QUALIFIED TO OPINE ON WHETHER SRI'S OWNERSHIP RIGHTS ARE BARRED BY SECTION 2870

As set forth above, the overall conclusion of Section XI from Dr. Pazzani's report is that [redacted]

[redacted]. (*Id.* at ¶¶ 577, 579, 584.)

Yet Dr. Pazzani is unqualified to apply the Konig Employment Agreement or Section 2870 to this case and reach the legal conclusion that [redacted]. Dr. Pazzani is a scientist, not a lawyer, and he has been retained as a technical expert in this case. Thus, he is presumptively unqualified to offer opinions on legal (as opposed to technical) issues. *Docusign, Inc. v. Sertifi, Inc.*, 468 F. Supp. 2d 1305, 1307 n.3 (W.D. Wash. 2006) ("Technical experts are not qualified to make legal conclusions and arguments"); *GenSci OrthoBiologics v. Osteotech, Inc.*, No. 99-10111, 2001 WL 36239743, at *22 (C.D. Cal. Oct. 18, 2001) (holding that plaintiff's "technical experts may not testify about legal opinions"). Nothing in Dr. Pazzani's scientific background renders him competent to provide expert testimony on the Konig Employment Agreement or Section 2870, what they mean, or how they are supposed to be applied.

To be clear, this not a standard situation in which a technical expert is instructed on the law by counsel and then conducts a technical analysis based on those instructions. Indeed, Dr. Pazzani's Expert Report contains no suggestion that he has been instructed on the appropriate legal standards. Rather, Dr. Pazzani actually asserts his own expertise in interpreting and applying Section 2870, saying that [redacted] (Pazzani Report ¶ 577.) Yet Dr. Pazzani's work at Rutgers does not implicate Section 2870 at all, as Section 2870 is a California labor code section that does not apply to non-California institutions like Rutgers. *Churchill Village, LLC v. Gen. Elec. Co.*, 169 F. Supp. 2d

1119, 1126 (N.D. Cal. 2000) ("California law embodies a presumption against the extraterritorial application of its statutes.") Thus, Dr. Pazzani's work evaluating whether his colleagues' inventions are "related to" the activities at Rutgers does not render him competent to discuss the meaning or application of the "related to" clause in Section 2870. Of course, even if Dr. Pazzani did have relevant experience with Section 2870 – and, to be clear, nothing in his report suggests that he does – it would not be proper for him to offer an "expert opinion" interpreting that statute. *See In re Initial Public Offering Sec. Litig.*, 174 F. Supp. 2d 61, 69 (S.D.N.Y. 2001) ("there is no such thing as an expert opinion when it comes to interpreting a statute unless that opinion belongs to a court.") But Dr. Pazzani's lack of experience with Section 2870 simply underscores the impropriety of his offering opinions on the meaning and application of this statute.

This is particularly true given that the "related to" clause in Section 2870 is subject to particular interpretations set forth in the California case law. Most notably, "[c]ourts interpreting employee assignment agreements in the context of section 2870 have construed the 'related to' phrase broadly." *Cadence Design Sys., Inc. v. Bhandari*, No. 07-823-MHP, 2007 WL 3343085, at *5 (N.D. Cal. Nov. 8, 2007) (citing *Cubic Corp. v. Marty*, 185 Cal. App. 3d 438 (4th Dist. 1986)). Dr. Pazzani is in no way competent to testify about these interpretive principles that govern the "related to" clause of Section 2870. He cannot use his work at Rutgers to help interpret Section 2870 for the jury, because (as stated above) his work at Rutgers was not governed by Section 2870 or any of its attendant interpretive principles. Dr. Pazzani's testimony on this subject could only serve to confuse and mislead the jury, by falsely conveying to them that Dr. Pazzani is somehow an expert on Section 2870 due to his experience making invention-assignment decisions at Rutgers.

Because Dr. Pazzani is not qualified to interpret or apply the Konig Employment Agreement or Section 2870 to the facts of this case, Dr. Pazzani's opinions on this subject should be excluded.

## II. DR. PAZZANI'S OPINION THAT THE PATENTED INVENTIONS DID NOT RESULT FROM KONIG'S RESEARCH AT SRI SHOULD BE EXCLUDED

Not only is Dr. Pazzani unqualified to apply Section 2870 to the facts of this case, but Dr. Pazzani's opinion that the patented inventions did not result from Konig's SRI work within the meaning of Section 2870 are unsupported and legally flawed. As discussed below, Dr. Pazzani conducted no analysis of Dr. Konig's SRI work and ignored critical documentary evidence about whether the patented inventions resulted from Konig's SRI work.

### A. Dr. Pazzani Fails to Conduct Any Analysis of Konig's Work at SRI, While Also Ignoring Facts Contrary to His Opinion

In reaching any valid opinion on whether the patented inventions resulted from Konig's work at SRI, a necessary step would be for Dr. Pazzani to analyze Konig's work at SRI. Yet Dr. Pazzani conducted no such analysis. Instead, in just two sentences, he states his "understanding" that Konig's work at SRI involved [redacted]. (Pazzani Report ¶ 576.) As an initial matter, [redacted]. (*Compare* Pazzani Report ¶¶ 575-576 *with* D.I. 1, Ex. A ('040 Patent) at 4:8-10; 28:18.)) This strongly supports the view that the patented inventions did result from Konig's SRI work.

But more fundamentally, Dr. Pazzani does not say where his "understanding" of Konig's SRI work comes from. He does not cite a single document regarding Konig's work at SRI. He does not give any details about Konig's work at SRI, beyond the bare two sentences in Paragraph 576. In short, Dr. Pazzani conducted no technical analysis at all regarding Konig's work at SRI. Thus, he can offer no technical opinion on the nature of Konig's work that might legitimately aid the jury in determining whether the patented inventions resulted from Konig' work. Lacking any technical analysis of Konig's work, his opinion about whether the patented inventions resulted from Konig's

work at SRI is not a technical opinion at all and just echoes the legal position of PUM's lawyers in this case. "It is not the job of an expert to parrot the opinions of counsel, but to 'bring to the jury more than the lawyers can offer in argument.'" *Rivera-Cruz v. Latimer, Biaggi, Rachid & Godreau, LLP*, No. 04-2377 (ADC), 2008 WL 2446331, at *5 (D. Puerto Rico June 16, 2008).

Because he did not conduct any apparent investigation into Dr. Konig's work, Dr. Pazzani ignores core documentary evidence stating that the patented inventions [redacted]. (Exhibit 2 at PUM0042222.) Yet Dr. Pazzani ignores both these Powerpoints. He does not discuss either of them in his explanation of why the patented inventions supposedly did not [redacted]. Neither of these Powerpoints are even listed in Exhibit B, his list of materials considered. (Pazzani Report, Ex. B). Thus, in opining that the patented inventions did not [redacted], Dr. Pazzani has ignored critical evidence showing that the patented inventions did [redacted]

Dr. Pazzani's decision to ignore this critical evidence contradicting his opinion renders his opinion fundamentally unreliable. *Dwyer ex rel. Dwyer v. Sec. of Health and Human Serv's*, No. 03-1212V, 2010 WL 892250, at *148 (Fed. Cl. 2010) ("A scientist might well pick data from many different sources to serve as circumstantial evidence for a particular hypothesis, but a reliable expert would not ignore contrary data . . .") (emphasis added); *Rimbert v. Eli Lilly and Co.*, No. 06-874-

JCH/LFG, 2009 WL 2208570, at *19 (D.N.M. July 21, 2009) (granting *Daubert* motion based on expert's "failure to take into consideration seemingly relevant facts or to explain the basis for her refusal to consider them.") Given how powerfully these Powerpoints suggest that the patented inventions did [redacted], Dr. Pazzani had a duty to at least address these Powerpoints and explain why they do not change his opinion. He was not free to ignore them altogether, as he did.[4] Accordingly, his opinion that the patented inventions did not result from Konig's speech research at SRI should be rejected as unreliable.

### B. Dr. Pazzani Improperly Conflates the "Resulting From" Inquiry with the "Related To" Inquiry

Lacking any real analysis of Konig's work at SRI, Dr. Pazzani opines that the patented inventions could not have resulted from Konig's SRI work because [redacted] (the alleged subject-matter of Konig's work) is not particularly related to personalized search (the subject-matter of the Asserted Patents). As Dr. Pazzani says: [redacted] (Pazzani Report ¶ 580.)

[4] Dr. Pazzani does discuss one different PUM-produced document bearing on this issue, which he describes as [redacted] (Pazzani Report ¶ 580.) Dr. Pazzani says, in a single sentence lacking any analysis, that this [redacted] does not change his opinion about whether the patented invention resulted from Konig's [redacted] at SRI. (*Id.*) But even assuming that Dr. Pazzani gave adequate consideration to this [redacted], that does not excuse his failure to discuss the [redacted] discussed above. An expert's failure to address critical evidence is not excused merely because he discusses some other evidence on the same topic.

But this improperly conflates the two distinct inquiries required by Section 2870: whether an invention resulted from an employee's work for his employer and whether an invention relates to the employer's overall business or research. As California law makes clear, these are "independent scenarios" that can each render an invention-assignment contract enforceable under Section 2870. *Cadence Design*, 2007 WL 3343085 at *5. It is improper for Dr. Pazzani to collapse these two scenarios into one, as he did. This improper treatment of Section 2870 simply underscores how Dr. Pazzani is not competent to interpret or apply this statute.

Indeed, there is a fatal "analytical gap" between Dr. Pazzani's statements about the relatedness of personalized search to [redacted] and Dr. Pazzani's conclusion that the patented inventions did not result from Konig's [redacted] at SRI. *See Gen. Elec. Co. v. Joiner*, 522 U.S. 136, 146 (1997) (under *Daubert*, "[a] court may conclude that there is simply too great an analytical gap between the data and the opinion proffered.") For example, suppose Dr. Pazzani was completely correct that personalized search is no more closely related to [redacted] than are other subjects like medical diagnosis and computational research. Suppose he was completely correct that the common machine learning tools used in both personalized search and [redacted] did not render these two fields "related." The patented inventions still might have resulted from Dr. Konig [redacted], or they might not have. Dr. Pazzani's opinion about the relatedness of these fields doesn't answer the question one way or the other.

Moreover, Dr. Pazzani's opinion poses the danger of confusing and misleading the jury regarding the law of Section 2870. By improperly conflating the "resulting from" and "relating to" inquiries under Section 2870, Dr. Pazzani's opinion could mislead the jury into thinking that these inquiries are not "independent scenarios," as California case law requires. *Cadence Design*, 2007 WL 3343085 at *5.

For all these reasons, Dr. Pazzani's opinion that the patented inventions did not result from Konig's work at SRI should be excluded.

## III. DR. PAZZANI'S OPINION THAT THE PATENTED INVENTIONS DID NOT RELATE TO SRI'S BUSINESS OR RESEARCH SHOULD BE EXCLUDED

### A. Dr. Pazzani Ignores SRI's Internet Search Activities, Which Show that the Patented Inventions Do Relate to SRI's Business or Research

As noted above, even if an employee's invention did not result from the employee's work for his employer, the invention is not exempt under Section 2870 unless it also does not relate to the employer's overall business or research. *Cadence Design*, 2007 WL 3343085 at *5. Dr. Pazzani's opinions on this "relating to" prong of Section 2870 are also unreliable because they fail to address SRI's activities in the field of Internet search – the same field as the patented inventions.

There is no dispute that the patented inventions are in the field of Internet search. Dr. Pazzani himself characterizes these inventions as "Internet personalized search technology." (Pazzani Report ¶583.) Yet SRI's 30(b)(6) witness, Doug Bercow, testified that [redacted]. (Exhibit 5 (Bercow Dep.) 69:10-70:14; 76:6-8.) By way of illustration, Dr. Bercow testified about SRI's [redacted]." (*Id.* at 70:23-71:5.) He testified that this project was designed [redacted] (*Id.* at 71:11-20.) The patented inventions, of course, were designed to solve this same problem. (D.I. 1, Ex. A ('040 Patent) at 1:21-26 ("The amount of static and dynamic information available today on the Internet is staggering, and continues to grow exponentially. Users searching for information, news, or products and services are quickly overwhelmed by the volume of information, much of it useless and uninformative."))

Dr. Pazzani had a duty to address this evidence. *Dwyer*, 2010 WL 892250 at *148; *Rimbert*, 2009 WL 2208570 at *19. Yet, as with his opinion as to whether the patented inventions resulted from Konig's SRI work, he did not do so. Mr. Bercow's testimony [redacted] is not addressed anywhere in Section XI of Dr. Pazzani's report. [redacted] (Pazzani Report ¶ 582.) Tellingly, Dr. Pazzani does not cite a single piece of evidence for this "understanding." He does not say where he obtained this "understanding." And for good reason – this "understanding" is false. Dr. Pazzani admits that Google disclosed [redacted] in an interrogatory response (Pazzani Report ¶ 582), and Google has never stated that it will not rely on [redacted] to help show that the patented inventions are related to SRI's business and research.

Because Dr. Pazzani's opinion that the patented inventions do not relate to SRI's business or research disregards SRI's extensive research in Internet search, this opinion is fundamentally unreliable and should be excluded.

### B. Dr. Pazzani Does Not Conduct his "Related To" Analysis Under the Proper Date

In opining that the patented inventions did not relate to SRI's business or research, Dr. Pazzani also explicitly bases his analysis on SRI's business or research as of December 1999. (Pazzani Report ¶ 579: [redacted]; ¶ 584 [redacted] (emphases added). But Konig's SRI employment ended in [redacted]. (Exhibit 4 (Konig Dep.)

70:5-20.) Thus, the only inventions that Konig could ever be required to transfer to SRI under his Employment Agreement would be inventions conceived or made by [redacted], during his SRI employment. By the same token, determining whether such inventions were "related to" SRI's business or research requires examining SRI's business or research as of [redacted] or earlier, when such inventions were conceived. Because Dr. Pazzani did not analyze SRI's business research as of [redacted] or earlier, his opinion that the patented inventions did not relate to SRI's business or research under Section 2870 must be excluded as legally irrelevant.

Put differently, the relatedness inquiry under Section 2870 – indeed, the entire Section 2870 analysis – is only relevant if the patented inventions were conceived during Konig's SRI employment, as Google alleges. If the patented inventions were not conceived until after Konig left SRI, then the Section 2870 inquiry is wholly irrelevant. Thus, Dr. Pazzani's relatedness opinions could only be helpful to the trier of fact if he analyzed SRI's business or research as of [redacted] or earlier, when Dr. Konig was employed at SRI.[5]

**Conclusion**

For the foregoing reasons, Google respectfully requests that the Court exclude the opinions in Section XI of Dr. Pazzani's report discussing whether the patented inventions are exempt under Section 2870.

[5] PUM might argue that December 1999 is an appropriate date because that was the date of the first provisional patent application, arguing it shows constructive reduction to practice. But Section 2870 plainly says that an invention is not exempt if it "[r]elate[s] at the time of conception **or** reduction to practice" to the employer's business or research. Cal. Labor Code § 2870 (emphasis added). Thus, even if the patented inventions did not relate to SRI's business or research when they were reduced to practice in December 1999, they are not exempt under Section 2870 unless they also did not relate to SRI's business or research at the time they were conceived.

Respectfully submitted,

POTTER ANDERSON & CORROON LLP

By: */s/ David E. Moore*

Richard L. Horwitz (#2246)
David E. Moore (#3983)
Bindu A. Palapura (#5370)
Hercules Plaza, 6th Floor
1313 N. Market Street
Wilmington, DE 19801
Tel: (302) 984-6000
rhorwitz@potteranderson.com
dmoore@potteranderson.com
bpalapura@potteranderson.com

*Attorneys for Defendant Google Inc.*

OF COUNSEL:

QUINN EMANUEL URQUHART
& SULLIVAN, LLP
Charles K. Verhoeven
David A. Perlson
Antonio R. Sistos
Margaret Pirnie Kammerud
50 California St.
San Francisco, CA 94111

Andrea Pallios Roberts
555 Twin Dolphin Drive, Suite 560
Redwood Shores, CA 94065

Joshua L. Sohn
777 6th St. NW, 11th Floor
Washington, D.C. 20001-3706

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1136824/ 34638

**IN THE UNITED STATES DISTRICT COURT**
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**CERTIFICATE OF SERVICE**

I, David E. Moore, hereby certify that on January 28, 2014, the attached document was electronically filed with the Clerk of the Court using CM/ECF which will send notification to the registered attorney(s) of record that the document has been filed and is available for viewing and downloading.

I further certify that on January 28, 2014, the attached document was Electronically Mailed to the following person(s):

Karen Jacobs Louden
Jeremy A. Tigan
Morris, Nichols, Arsht & Tunnell LLP
1201 North Market Street, 18th Fl.
P.O. Box 1347
Wilmington, DE 19899-1347
klouden@mnat.com
jtigan@mnat.com

Marc S. Friedman
Dentons US LLP
1221 Avenue of the Americas
New York, NY 10020-1089
marc.friedman@dentons.com

Jennifer D. Bennett
Matthew P. Larson
Dentons US LLP
1530 Page Mill Road, Ste. 200
Palo Alto, CA 94304-1125
jennifer.bennett@dentons.com
matthew.larson@dentons.com

Mark C. Nelson
Richard D. Salgado
Steven M. Geiszler
Dentons US LLP
2000 McKinney, Suite 1900
Dallas, TX 75201
mark.nelson@dentons.com
richard.salgado@dentons.com
steven.geiszler@dentons.com

*/s/ David E. Moore*
Richard L. Horwitz
David E. Moore
Bindu A. Palapura
POTTER ANDERSON & CORROON LLP
(302) 984-6000
rhorwitz@potteranderson.com
dmoore@potteranderson.com
bpalapura@potteranderson.com

932168 / 34638