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August 19, 2011

VIA ELECTRONIC FILING

The Honorable Leonard P. Stark United States District Court J. Caleb Boggs Federal Building 844 King Street Wilmington, DE 19801 REDACTED VERSION

Re: Xerox Corporation v. Google Inc., et al., C.A. No. 10-136-LPS

Dear Judge Stark:

Pursuant to the Court's August 11, 2011 Order, Defendants Google Inc. ("Google") and Yahoo! Inc. ("Yahoo") respectfully file this letter brief in response to Xerox's August 18, 2011 letter brief.

Topic 1 to Xerox's July 29, 2011 Rule 30(b)(6) Deposition Notice improperly seeks Defendants' contentions. Initially, contention depositions are not permitted in the District of Delaware. (See Ex. 1 - Axiohm IPS, Inc. v. Epson Am., Inc., C.A. No. 00-420-SLR (D. Del. Mar. 28, 2001) (transcript of hearing before Judge Robinson), at 4 ("we don't do contention depositions in this district"); see also Exs. 2-4.) Xerox does not dispute this. Yet, Topic 1, which Xerox does not actually include in its letter brief, explicitly seeks "the basis for" Defendants' defenses: "The basis for [Google's/Yahoo!'s] assertions in its declaratory judgment counterclaims that [the '979 patent] is not infringed and/or is invalid and/or is unenforceable." And while Xerox now suggests otherwise, during the parties' meet and confer, Xerox acknowledged that its Topic 1 seeks opinions that Defendants and their counsel formed before filing their defenses. (Ex. 5.)

Xerox also contends that Topic 1 somehow does not seek Defendants' contentions because Defendants purportedly served similar 30(b)(6) topics on Xerox. (Br., at 3.) But Xerox never even objected to Defendants' deposition topics as seeking its contentions; likely because they do not. For example, Defendants' topics did <u>not</u> seek testimony "concerning all aspects of the pre-filing basis for Xerox's cause of action against Defendants" as Xerox asserts (Compare Br., at 3 to Ex. 6.) Nor did Defendants seek testimony from Xerox regarding <u>the basis</u> for its assertions in its initial pleading, as Topic 1 does. Defendants' notice made further sense because the parties are not similarly situated. Xerox employed a non-lawyer licensing agent to do much of this analysis, and some portions of that analysis are not privileged and were produced to Defendants. Defendants had reason to believe that IPValue had performed non-privileged analysis on behalf of Xerox, and might have analyzed other products and obtained analyses of the patent from other licensing targets. This is not true for Defendants.

Further, to the extent that Xerox truly seeks the basis for Defendants' non-infringement and invalidity contentions, Defendants served responses to Xerox's interrogatories seeking their non-

¹ UniRAM Technology, Inc. v. Monolithic System Technology, Inc., 2007 WL 915225 (N.D. Cal. 2007), cited by Xerox, provides little guidance because the respective 30(b)(6) topics of the parties are not provided in the district court's opinion.

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infringement contentions and invalidity contentions in April and May. Accordingly, to the extent that Topic 1 seeks only facts concerning Defendants' defenses—as Xerox asserts—Defendants already provided interrogatory responses that include those facts. Anything beyond these facts that might be responsive to Topic 1 would be protected by privilege and/or work product. Conducting a deposition on this topic would be a waste of time. (Ex. 7 - ArthroCare Corp. v. Smith & Nephew, Inc., C.A. No. 01-504-SLR (D. Del. Oct. 15, 2002) (transcript of hearing before Judge Robinson), at 13-14 ("I would not put any credence in contention depositions to have one person be designated as the corporate spokesperson for legal issues . . . and even incorporating all the facts. That's what interrogatories are for . . . I would say don't bother taking them [contention depositions]. I think they're ridiculous . . .")

Xerox also fails to articulate a basis for how Topic 1 is even relevant. Xerox simply states that Defendants were required to have a basis for their counterclaims, and Xerox is entitled to know whether a basis exists. (Br., at 3.) The basis for Defendants' counterclaims at the time of filing, however, has no bearing on the issues at this stage given the bifurcation of willfulness. Defendants' contentions at the time of filing do not make any fact regarding the operation of either of Defendants' systems, or any fact regarding what existed in the prior art, more or less probable. Thus, Topic 1 is not relevant. Xerox seems to be engaging in nothing more than a fishing expedition in the hopes of finding a litigation "gotcha."

Xerox provides no valid reason to depose Eric Schulman. Xerox does not articulate a single reason why it needs to depose Google attorney Eric Schulman in his personal capacity. Schulman is in-house counsel at Google. Google did not identify him on its Rule 26 Initial Disclosures; Google has not identified him in response to any interrogatory; no other deponent has identified him as having relevant knowledge; and Google has no intention of calling him as a witness at trial. Yet, Xerox insists on deposing him on the theory that "he could have personal knowledge of some of the information within the scope of Topic 1." (Br., at 3.) This is why during the parties' meet and confer, Xerox offered to "table" the issue of Mr. Schulman's deposition until the dispute regarding Topic 1 was resolved. Afterwards, however, Xerox flipflopped and now seeks to compel his similarly irrelevant deposition at the same time. Xerox's attempt to harass Schulman and Google with a deposition of a Google attorney should be rejected.²

Xerox's request for a further 30(b)(6) deposition is premature and misleading. Initially, Xerox's request for a deponent on the topics in its August 8 30(b)(6) notice should be denied because Xerox failed to properly meet and confer. On August 11, Google objected noting that these latest topics should have been asked of Claire Cui, one of the senior-most and highly valued engineers relating to the accused AdSense for Content product, who was deposed twice in both a 30(b)(6) and personal capacity, most recently on July 29. (Ex. 8.) Cui has worked on the AdSense product since its inception and has unrivaled knowledge within Google of the technical details of the system's operation.

On August 11, Xerox responded seeking to justify its late notice claiming it could not ask Cui these questions

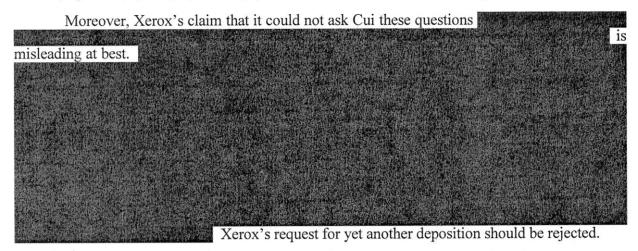
Google responded the very next day explaining that the August 8 topics do not even reference that

(Ex. 10.) Nevertheless, Google confirmed that one of its witnesses already scheduled for deposition, Shankar Ponnekanti, would answer Xerox's questions

² In contrast, Defendants noticed the deposition of Paul Schnose, who was identified on Xerox's Initial Disclosures as having knowledge relevant to the facts of this case. Upon learning that Schnose is an in-house attorney for Xerox and that Xerox will not call him as a witness at trial, Defendants agreed not to pursue his deposition.

Xerox responded on August 16, but failed to address Google's requests for clarification. (Ex. 11.) Google again responded promptly, the very next day, stating that "we may not have a dispute here and/or can reach agreement with further clarification." (Ex. 12.) Nevertheless, Xerox "rushed" to the courthouse and included this issue in its letter brief. This Court should reject Xerox's demand outright due to Xerox's failure to meet and confer in good faith prior to raising these issues with the Court.

To the extent the Court considers Xerox's request at all given the failure to meet and confer, the Court should still reject Xerox's demand. The most appropriate witness to testify on the topics in the August 8 notice is Cui. Xerox already deposed her twice. Her first 30(b)(6) deposition broadly covered the operation of the AdSense for Content system. For whatever reason, Xerox did not question her about the source code that operates the system and did not even use the full seven hours. Xerox then served a second 30(b)(6) notice directed at the "source code" that operates the system. Even though this notice clearly overlapped with the prior one, Google again agreed to make her available for deposition a second time. Yet, again Xerox did not ask her about and again did not use the full seven hours for her deposition. Xerox does not dispute that the topics in the August 8 notice would have been encompassed within the scope of the prior deposition. But for whatever reason, Xerox chose not to ask the person who had been twice prepared and produced for deposition. Google should not be burdened to put Cui (or any other witness) up for a third deposition simply because Xerox failed to ask these questions.





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Respectfully,

/s/ David E. Moore

David E. Moore

Filed on Behalf of Defendants

DEM:nmt/1024760/35374

Enclosures

cc:

Clerk of Court (via hand delivery)

Counsel of Record (via electronic mail)