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August 18, 2010

The Honorable Judge Mary Pat Thyng  
United States District Court  
844 N. King Street  
Wilmington, DE 19801

VIA ELECTRONIC FILINGRe: Xerox Corp. v. Google, Inc., et al., C.A. No. 10-136-JJF-MPT

Dear Judge Thyng:

In connection with the August 19 telephone hearing, plaintiff Xerox Corporation (“Xerox”) hereby responds to the issues addressed in Defendants’ opening letter brief.

**I. Protective Order Issues****A. Counsel Participation in Reexamination Proceedings**

Defendants concede that their proposal to limit Xerox counsel’s participation in reexaminations conflicts with Judge Robinson’s decision in *Kenexa Brassring Inc. v. Taleo Corp.*, Civ. A. No. 07-521-SLR, 2009 WL 393782 (D. Del. Feb. 18, 2009), but they argue that her decision was “misplaced.” To the contrary, Judge Robinson carefully considered the issues also involved in the present case and reached the correct decision. As recognized in *Kenexa*, reexam proceedings are “part and parcel of the instant case.” *Id.* at \*2 (citation omitted). Indeed, a reexam is an extension of litigation in which the parties can, in effect, obtain an adjudication of their rights on issues of validity. Defendants’ counsel can participate in both proceedings, with full knowledge of the facts. To ensure a level playing field, Xerox counsel should be free to act in both as well.

Defendants have not articulated—and cannot articulate—any legitimate concern relating to Xerox counsel’s participation in a reexam. The ultimate determination in a reexamination is whether a patent contains valid claims, and Defendants’ information is “basically irrelevant” to that determination. *Id.* at \*2. The only fear Defendants identify is that Xerox might use knowledge of the accused products in narrowing the claims in a reexamination enough to avoid invalidity, but not so much as to negate infringement. Put another way, Defendants are saying that an attorney ignorant of the facts of this case might possibly agree to narrow the claims more than necessary; Xerox might accidentally relinquish some of the scope of the intellectual property rights to which it is lawfully entitled; and Defendants want the chance to benefit from such an error. Xerox respectfully submits that handicapping one side is not an appropriate objective for a protective order. If Defendants extend this case into the reexamination arena, it is still an adjudication of the patents at issue here, and the parties’ rights should be determined after a fair fight with full knowledge on both sides. If Defendants’ information is used in the process

of arriving at a legal determination to prevent Defendants from evading liability, there is nothing wrong with that. After all, it is Defendants' *choice* whether to avail themselves of the reexamination procedure. Moreover, use of an adversary's information in the process of dispute resolution is a routine and ubiquitous part of litigation. It is not *misuse* of a party's information; it is how we arrive at fair and reasoned results in this country.

Defendants' reliance on *Visto Corp. v. Seven Networks, Inc.*, Civ. A. No. 2:03-333, 2006 U.S. Dist. LEXIS 91453 (E.D. Tex. Dec. 19, 2006), *Methode Elecs., Inc. v. Delphi Auto. Sys. L.L.C.*, Civ. A. No. 09-13078, 2009 U.S. Dist. LEXIS 107137 (E.D. Mich. Nov. 17, 2009) and *AmberWave Sys. Corp. v. Intel Corp.*, Civ. A. No. 05-301-KAJ (D. Del. 2006) is unavailing. *Visto* involved an agreed-upon protective order generally barring prosecution activity. *See Visto*, 2006 U.S. Dist. LEXIS at \*16. In the context of various admitted violations of that order, the court interpreted the previously agreed-upon protective order language to encompass reexaminations, but did not consider any of the distinguishing factors discussed in *Kenexa* and *Document Generation*. *Id.* at \*22. Similarly, *Methode* dealt with the question of whether counsel with access to confidential information should be barred from patent prosecution generally. *See Methode*, 2009 U.S. Dist. LEXIS at \*3-\*4. As in *Visto*, the court did not address the specific question of whether reexams should be distinguished from the prosecution of new patent applications. In *AmberWave*, protracted proceedings—in which the plaintiff's counsel apparently did not press to participate in most aspects of reexamination, including providing claim advice—eventually led to protective order. *See AmberWave*. D.I. 51, 52, 93, 94. Months later, the court declined to revisit that order to allow plaintiff's counsel to participate in a reexamination, stating that to do otherwise would be “to throw out the window months of work in coming to a protective order.” (Defendants' Br., Exh. A at 26:15-16.) This case-specific decision contrasts with *Kenexa*, in which Judge Robinson persuasively explained and supported her decision. *See Kenexa*, 2009 WL 393782 at \*2. The Court should follow *Kenexa* and reject Defendants' proposed reexamination bar. (*See Xerox's Opening Brief (“XBr.”)*, Exh. A at 14.)

#### B. Source Code Issues

Printing restrictions. Defendants argue that Xerox “has refused to agree to any limits on how much source code” Xerox may print, and that Xerox “may effectively bypass the on-site source code review procedure by requesting unlimited paper copies . . . .” That is incorrect. The Protective Order expressly states that “[p]rinting and copying may not be done in such volume as to circumvent the purpose of this provision in protecting the parties' source code to the fullest extent possible.” (Exh. A at 8, ¶ 1.C.2(d).) The Protective Order already contains a rule of reason, and Xerox has committed to abide by that rule, along with strict restrictions on the handling of printed code. (*See XBr.*, Exh. A at 9-10, 12-13, ¶¶ 1.C.2(f)-(g), (l), (n)-(o).)

Xerox could not agree to numerical limits, let alone the arbitrary limits urged by Defendants, for reasons repeatedly communicated to Defendants. Xerox counsel need to work with the evidence in this case, to take depositions and to prepare briefs, expert reports and other papers. This work cannot all be done in defense counsel's offices, and it is highly unlikely that all of it, particularly taking depositions, can be accomplished with less than a box of documents (only 250 pages for each of the 12 products at issue). Even if Defendants do not start withholding printouts after exactly 3,000 pages, Xerox should not operate under a constant threat that code documents needed for an imminent filing or deposition can be withheld and tied up indefinitely in motion practice merely because Defendants decide that Xerox had printed “too much”. Defendants proposal is a prescription for obstruction, delay, and unnecessary disputes.

Defendants argue that their proposed restrictions would not be burdensome because they would need to have a “cognizable basis” to withhold printouts. But creative lawyers can come up with any number of bases to argue that particular printouts are unnecessary or duplicative or too numerous. The Court would then need to wade into the substance of the code, requiring complex briefing and expert declarations. Rather than serving to protect legitimate security concerns—already fully protected by stringent restrictions on handling printed code—Defendants’ proposal is a ready-made pretext for strategic delay and wasteful motions.

Defendants argue that without their proposed procedure, they may be forced to turn over vast quantities of printouts without any recourse. Putting aside the curious suggestion that Xerox counsel would somehow engage in massive indiscriminate printing for the purpose of funneling code who-knows-where, Defendants’ purported procedural concern is simply wrong. Even in a worst-case scenario, Defendants have 72 hours before they must turn printed code over to Xerox (XBr., Exh. A. at 8, ¶ 1.C.2(d)), and in that time they could make an emergency motion to address the situation. If necessary, the Court could always order Xerox counsel to return some of the code printouts. Defendants will never find themselves without a remedy.

Finally, Defendants attempt to justify their proposed limits by relying on a protective order “adopted” in a prior case involving Google. But in that case, the limits were agreed upon by the parties, and the court did not have any occasion to pass judgment on their reasonableness. *See Personalized User Model v. Google*, 1:09-cv-525-JJF, D.I. 35. In this case, Defendants’ restrictions are unreasonable and should be rejected.

Source code at depositions. Remarkably, Defendants contend that “making [their] full source code production available at depositions in electronic form,” *i.e.*, on a computer, is unreasonable because that would “effectively creat[e] yet another venue for source code inspection.” But under Xerox’s proposal, the relevant depositions would take place at the *same* defense counsel office where source code inspection *already* takes place. (*See* XBr., Exh. A at 11, ¶ 1.C.2(k)(4).) Defendants cannot seriously contend that another room in their own counsel’s offices is “another venue,” or that moving a computer from an inspection room to a deposition room in the same office somehow creates unacceptable security risks.

Defendants’ remaining argument—that there would be “logistical difficulties” in referring to electronic source code in a deposition record—is similarly untenable. Electronic source code exists in distinct files and folders, the path of which can be read into the record, along with citations to particular lines of code. And because Defendants’ source code exists on multiple computers at the same office, nothing prevents a code section from being printed out and marked as an exhibit during or shortly after the deposition.

Having a computer available at a deposition would in no way obviate the need to print out certain sections of code to be marked as exhibits and would not resolve the difficulties presented by Defendants’ proposed arbitrary limits on printing. But it would facilitate efficient depositions. For example, if a witness needed to refresh his or her recollection by reviewing certain source code files, that could be accomplished immediately, on the spot. Under Defendants’ proposal, Xerox would have to suspend the deposition, print out a slew of files (hoping it had found the right ones), wait up to three days for Defendants to turn over the printouts (hoping Defendants do not decide to withhold them), then resume the deposition. The next time the witness needs to refer to code not available on paper in the room, the process repeats. This is no way to proceed. Defendants should provide a computer containing source code for the accused products at depositions. (XBr., Exh. A at 11-12, ¶ 1.C.2(k)(4).)

Respectfully,

*/s/ Lauren E. Maguire*

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