UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

RED BEND LTD., and
RED BEND SOFTWARE INC.,

                  Plaintiffs,

       v.

GOOGLE INC.,

                  Defendant.

Civil Action No. 09-cv-11813-DPW

PLAINTIFFS' MOTION TO COMPEL GOOGLE'S PRODUCTION OF DOCUMENTS

<u>PUBLIC - REDACTED VERSION</u>

Pursuant to Local Rules 7.1 and 37.1, Plaintiffs Red Bend Ltd. and Red Bend Software Inc. (collectively "Red Bend") hereby move to compel Defendant Google Inc.'s ("Google") production of documents. Despite the parties' efforts to resolve this dispute without Court intervention, Google still declines to produce highly relevant documents relating to: (1) Google's comments regarding, and knowledge, use and potential use of, Delta Update techniques; and (2) damages. These documents are responsive to, *inter alia*, Red Bend's Request for Production Nos. 1, 15, 20, 21, 24, 53, 54 and 60 (related to Delta Update techniques) and Nos. 44, 46, 52, 54, 59 and 60 (related to damages).

A. <u>Preliminary Statement</u>

Red Bend most recently served document requests on Google on April 29, 2010. (*See* Exh. 1, Red Bend's RFPs). In response, Google lodged several objections and has now begun to produce certain responsive documents. (*See* Exh. 2, Google's Responses to Red Bend's RFPs). The parties, however, have been unable to reach agreement regarding the scope of Google's production in relation to Delta Update techniques and the calculation of damages in this case.

Delta Update techniques are techniques that include, but are not limited to, those claimed in the '552 Patent (Red Bend's patent-in-suit) as well as techniques that are prior art to the patents-in-suit and/or are non-infringing alternatives to the patent-in-suit. Information relating to

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these techniques as known to and/or used by Google are relevant to several issues in this case, including: validity of the '552 Patent (*e.g.,* how alternative software update techniques are inferior to the claimed solution), the suitability of non-infringing alternatives, ████████████

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████████████████████████[1] Google should be required to produce documents relating to Delta Update techniques from the files of all relevant custodians, including engineers in its Android and Chrome OS divisions.

As to damages, after contending at the preliminary injunction phase that damages were "available" (Docket No. 55 at 1), Google cannot now dispute that business plans and documents relating to the value Google derives from its use of the infringing product, Courgette, and from its distribution of its Chrome web browser (which it distinguishes in the marketplace by touting the benefits of Courgette), are highly relevant to Red Bend's damages claim.

The parties have attempted to resolve these issues during discovery teleconferences, but have been unable to reach agreement. (*See* Exh. 3, 6/14/10, 7/1/10 and 7/13/10 Correspondence Memorializing Meet and Confers and further correspondence dated 7/19/10 and 7/21/10 attempting to resolve these issues). These documents should be produced.

B.   Discovery Requests at Issue and Google's Responses

    1.   Documents Relating to Google's Use or
          Potential Use of Delta Update Techniques

In its Requests for Production, Red Bend provided a definition of several terms, including "Delta Update." (Exh. 1, Red Bend's RFPs at 3). Red Bend's Definition of "Delta Update" is: "any technique for updating an executable program or data table that involves

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comparing (directly or indirectly) two versions of an executable program or data table to generate a representation of the differences between the two versions." (*Id*.).

In its responses to Red Bend's Requests for Production, Google's General Objections state that Red Bend's definition is "overbroad, vague and ambiguous" and thus Google will not apply Red Bend's definition of "Delta Update" and will limit its document production by defining "Delta Update" to refer solely to Courgette, the specific product Red Bend accuses of infringement. (Exh. 2, Google's Responses to Red Bend's RFPs at 5). Google's very limited definition of this term affects its responses to at least Red Bend's Request for Production Nos. 1, 15, 20, 21, 24, 53, 54 and 60 which provide as follows:

> 1. All documents reflecting or referring to techniques for generating and/or distributing Chrome updates used by Google prior to its use of Courgette, including but not limited to any Delta Update technique used to update Chrome prior to Courgette.
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> 15. All documents concerning or relating to Google's actual or potential use of Delta Update techniques, including but not limited to Courgette, to update Android or any other software or firmware installed on a mobile device running Android, including but not limited to software or firmware supplied or developed by Adobe Systems Incorporated for use with Android.
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> 20. All documents concerning or relating to Google's research, development or implementation of any Delta Update technique (including but not limited to Courgette).
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> 21. All documents concerning or relating to Google's actual or potential use of any Delta Update technique (including but not limited to Courgette).
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> 24. All documents concerning or relating to any Delta Update used by Google to update software on mobile devices, including cell phones.
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> 53. All documents concerning advertisements and promotional materials used by Google to promote Courgette in connection with the Chrome web browser or with any other product that uses a Delta Update.
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> 54. All business plans or reports, market analyses, marketing plans, sales plans, operating plans, sales or market projections, or

similar documents prepared by Google or anyone acting on its behalf, including consultants, referring or relating to the Chrome web browser or Google's Chrome operating system(s) that use, or will potentially use, Delta Updates.

60.   Documents sufficient to determine actual and anticipated gross sales, net sales, gross profit, operating profit and/or pretax profit related to Google products updated using a Delta Update technique, including Courgette.

(Exh. 1, Red Bend's RFPs at 5-7, 9-10).

2.   Documents Relating to Damages

Red Bend's Request for Production Nos. 44, 46, 52, 54, 59 and 60 provide as follows:

44.   All documents concerning or relating to the commercial success of Google's Chrome web browser.

46.   All documents concerning or relating to any value or benefit to Google, whether direct or indirect, attributable to its use, supply or distribution of the Chrome web browser and/or the Chrome OS.

52.   All documents concerning Google's software and/or patent licensing practices, including licenses that Google has entered into, offers of license made and/or received by Google, and negotiations for such licenses (not including off-the-shelf licenses).

54.   All business plans or reports, market analyses, marketing plans, sales plans, operating plans, sales or market projections, or similar documents prepared by Google or anyone acting on its behalf, including consultants, referring or relating to the Chrome web browser or Google's Chrome operating system(s) that use, or will potentially use, Delta Updates.

59.   All documents showing Google's practices, methods and/or techniques for valuing the technology of Third Party companies, including but not limited to its valuation practices, methods and techniques it has applied to the technology, products and/or services offered by Third Party companies.

60.   Documents sufficient to determine actual and anticipated gross sales, net sales, gross profit, operating profit and/or pretax profit related to Google products updated using a Delta Update technique, including Courgette.

(Exh. 1, Red Bend's RFPs at 8-10). Google's written responses to these requests consist entirely of objections. (Exh. 2, Google's Responses to Red Bend's RFPs).

C.   The Requested Documents are Highly Relevant and Should Be Produced

1.   Documents Relating to Delta Update Techniques are Relevant

Google's objection to Red Bend's definition of "Delta Update," which affects its responses to several of Red Bend's document requests is improper, and inappropriately limits the scope of Google's document production to just "Courgette," excluding answers and documents related to similarly functioning software and/or code, including or as well as, *e.g.,* update techniques used in Android, Chrome OS, and potentially (depending on the definition of "Courgette" that Google's attorneys are unilaterally applying) Google's open source Chromium and Chromium OS projects. Red Bend is entitled to seek, and Google is obligated to provide, information, including all software or code reasonably calculated to lead to the discovery of admissible evidence. *See* Fed. R. Civ. P. 26(b)(1). In this case, that includes any technique that potentially infringes the '552 Patent, prior art techniques, and any purported non-infringing substitutes for the patented techniques. *See, e.g., Rite Hite Corp. v. Kelley Co.., Inc.*, 56 F.3d 1538 (Fed. Cir. 1995) (absence of acceptable non-infringing substitutes relevant to lost profits damages calculation). There also may be many documents in Google's files commenting on the benefits of the patented-techniques, or problems with the purported non-infringing or prior art alternatives in contexts other than Courgette that would be responsive to these requests -- but which Google is refusing to produce. ███████████████████████████████

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███████████████████████████████████████. Such documents would clearly be relevant to issues at the heart of this case, including invalidity. *See, e.g., Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 17-18 (1966) (secondary considerations such as long felt need, failure of others, etc. are relevant to obviousness analysis); *Brown & Williamson*

Tobacco Corp. v. Philip Morris Inc., 229 F.3d 1120, 1129 (Fed. Cir. 2000) (praise and industry acceptance are indicators of non-obviousness); *E.E.O.C. v. Electro-Term, Inc.,* 167 F.R.D. 344, 346 (D. Mass. 1996) ("relevancy must be broadly construed at the discovery stage such that information is discoverable if there is any possibility it might be relevant to the subject matter of the action."). If such documents exist, they would severely discredit Google's contention that the '552 Patent is obvious or that "the validity of the Asserted Claims is not supported by secondary evidence of non-obviousness such as . . . unexpected results, the prior failure of others, skepticism, long-felt need . . . ." (Docket No. 82, Google's Supp. Invalidity Contentions at 9).

During the parties' meet and confer process, Google agreed to produce documents sufficient to show what technique is used to update Chrome OS and Android. (Exh. 3, 7/13/10 Correspondence). However, this concession only addresses a minor portion of Red Bend's document requests relating to Delta Updates. As described above, documents relating to Delta Updates from the files of Google engineers involved with programs other than Courgette are likely to be highly relevant to secondary considerations of non-obviousness, prior art techniques and non-infringing substitutes. Google should not be permitted to hide these documents from Red Bend.

Further, Google has already advised Red Bend that, based on an electronic search request proposed by Red Bend, namely: ((delta or compress* or differential or diff) w/3 (updater or updates or patch*)) and (Chrome or Chromium or ChromeOS or ChronOS or Android or Courgette or Omaha or "Google Updater" or "Red Bend" or RedBend), it found 12,860 hits[2] from the files of custodians from whom it has already collected documents.[3] Despite the fact

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[2] Notably, Red Bend has already produced almost 100,000 documents. This illustrates that there should be no undue burden placed on Google to produce these 12,860 hits, to the extent they are responsive.

[3] Google's search for responsive documents to-date has excluded most Android and Chrome OS engineers likely to have responsive documents (*i.e.* the engineers involved in creating and distributing updates packages for the Android and/or Chrome OS products). Google has not agreed to perform electronic searches for documents in the files of these engineers.

that it has these documents, Google will not produce all of the documents responsive to Red Bend's requests, but will only produce a subset of these documents that fits Google's very limited definition of Courgette. This limitation, based on Google's bare assertion that Red Bend's requests are overbroad, is inappropriate. Accordingly, documents related to or reflecting techniques used for updating an executable program or data table that involves comparing (directly or indirectly) two versions of an executable program or table to generate a representation of the differences between the two versions (*i.e.*, any "Delta Update") should be produced from the files of all relevant custodians at Google, including Android and Chrome OS engineers.

2.   Damages-Related Documents are Necessary for a Complete Evaluation of the Harm Suffered by Red Bend

During the parties' meet and confers, Red Bend has requested that Google produce damages related documents on several occasions. (*See* Exh. 3, Correspondence Memorializing Meet and Confers). Google has only agreed to produce a very small subset of responsive documents. (*See id.* at 7/21/10 Correspondence). It is indisputable that each of these categories of documents are discoverable and highly relevant to the calculation of damages in a patent infringement action such as this. *See, e.g., Georgia-Pacific Corp. v. U.S. Plywood Corp.*, 318 F. Supp. 1116, 1120 (S.D.N.Y. 1970). By its Requests for Production, Red Bend seeks documents showing, *inter alia*: (1) the value the Chrome web browser brings to Google; and/or (2) the value Courgette brings to the Chrome web browser and/or to Google; (3) business plans and related documents for the Chrome web browser; and (4) Google's valuation and licensing practices. These documents are responsive to at least Red Bend's Request for Production Nos. 44, 46, 52, 54, 59 and 60. Indeed, as preliminarily noted by the Court during the recent emergency status conference, "there's a business plan that's behind all of this and [Red Bend is] entitled to some exploration of that." (6/21/10 Hrg. Tr.). Given the importance of harm in this case, Red Bend should be entitled to explore all those plans, business, strategic or otherwise, as they relate to the

Chrome browser and Courgette, their drafts, and any accompanying commentary whether in email or other form.

Moreover, documents relating to Google's valuation and licensing practices are also separately relevant to the damages calculation in this case. *Georgia-Pacific*, 318 F. Supp. at 1120 (rates paid by licensee for comparable patents are factor to consider in damages analysis); *Lucent Techs., Inc. v. Gateway, Inc.*, 580 F.3d 1301, 1325 (Fed. Cir. 2009) (citing application of *Georgia Pacific* with approval in relation to infringer's license agreements relied upon by patentee to prove damages). These documents are responsive to at least Red Bend's Request for Production Nos. 52 and 59. Google should be compelled to produce the requested information.

Google has only agreed to provide a very limited subset of damages-related documents. Specifically, Google agreed to: search the electronic files of only *one* Google financial custodian for only *one* search term: (Chrome w/10 (benefit* or profit* or revenue*));[4] produce third party distribution Chrome agreements; and produce unspecified planning and financial documents relating to the Chrome web browser from the already collected files of *non*-financial custodians. (*See* Exh. 3, 7/16/10 and 7/21/10 Correspondence). This will not be sufficient to provide all responsive documents to Red Bend's damages requests at issue. Google has not articulated a valid basis for withholding the remaining damages-related documents requested by Red Bend. *Brown Bear v. Cuna Mutual Group*, 266 F.R.D. 310, 327 (D.S.D. 2009) ("The party opposing a motion to compel has the burden of showing its objections are valid by providing specific explanations or factual support as to how each discovery request is improper. . . . Bare assertions that a discovery request is overbroad, unduly burdensome, or irrelevant are ordinarily insufficient to bar production.") (citations omitted).

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[4] Google's agreement to perform this one search does not alleviate its obligation to ensure that it produces responsive documents including draft business plans and comments/e-mails related thereto. Notably, Google has refused to run the search terms used for all of its other custodians against the files of this financial custodian. (*See* Exh. 3, 7/21/10 Correspondence refusing to run all terms against financial custodian's files; 6/29/10 Correspondence listing search terms used against all other Google-selected custodians).

Thus, Google should be required to produce all of the relevant categories of damages documents from all of the relevant custodians.

D.   Conclusion

Based on the foregoing, Red Bend respectfully requests that the Court grant its Motion to Compel Google's Production of Documents and Order Google to produce:

(1)   Documents related to or reflecting techniques used for updating an executable program or data table that involves comparing (directly or indirectly) two versions of an executable program or table to generate a representation of the differences between the two versions (*i.e.*, any "Delta Update") from the files of all relevant custodians at Google (responsive to Red Bend's Request for Production Nos. 1, 15, 20, 21, 24, 53, 54 and 60); and

(2)   Documents related to: (a) the value the Chrome web browser brings to Google; and/or (b) the value Courgette brings to the Chrome web browser and/or to Google; (c) business plans and related documents for the Chrome web browser; and (d) Google's valuation and licensing practices from the files of all relevant custodians at Google (responsive to Red Bend's Request for Production Nos. 44, 46, 52, 54, 59 and 60).

Dated: July 26, 2010   Respectfully submitted,

By: */s/ Jennifer C. Tempesta*_____

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<u>CERTIFICATE OF SERVICE</u>

I hereby certify that this document filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated as non-registered participants on July 26, 2010.

By: */s/ Jennifer C. Tempesta*

Jennifer C. Tempesta