

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

SKYHOOK WIRELESS, INC.,

Plaintiff and
Counterclaim-Defendant,

v.

GOOGLE INC.,

Defendant and
Counterclaimant.

Case No. 1:10-cv-11571-RWZ

**SKYHOOK WIRELESS, INC.'S OPPOSITION TO GOOGLE INC.'S
MOTION FOR ENTRY OF A PROTECTIVE ORDER**

Defendant Google Inc. ("Defendant") fails to carry its burden of showing good cause for the entry of a protective order barring Skyhook Wireless, Inc. ("Skyhook") attorneys who have viewed Defendant's highly confidential material from participating in reexamination or non-broadening reissue proceedings. Skyhook has already presented its arguments against a reexamination and non-broadening reissue bar to the Court, and will not repeat those arguments at length. Skyhook respectfully directs the Court's attention to Skyhook's memorandum in support of its motion for entry of a protective order (Dkt. #32), and incorporates it here by reference. In brief, the risk of harm to Defendant from misuse of its highly confidential material is negligible because such reexamination or reissue proceedings are *non-broadening* in nature. Whichever of Google's products do not infringe Skyhook's patents before such proceedings likewise would not infringe Skyhook's patents after such proceedings are concluded because patent claims cannot be *broadened* in such proceedings. Furthermore, the protective order already safeguards Defendant's highly confidential material by restricting its use to this litigation.

Any attenuated risk of competitive misuse is greatly outweighed by the significant harm to Skyhook, a small start-up company of 27 employees, from being denied counsel of its choice. Consequently, Defendant's motion should be denied.

I. ARGUMENT

A. Defendant Must Show Good Cause For Including Reexamination And Non-Broadening Reissue Proceedings In The Prosecution Bar

Defendant incorrectly asserts that both parties bear the burden of showing good cause for the entry of a protective order in this case. (Dkt. #30 at 5.) However, as the party seeking the more restrictive protective order, Defendant alone bears the burden of showing good cause for the additional restriction. *See Document Generation Corp. v. Allscripts, LLC*, Civil Action No. 6:08-CV-479, 2009 WL 1766096, at *2 (E.D. Tex. June 23, 2009) ("When parties to an action agree on entry of a protective order but differ on the order's terms, the party seeking to limit discovery bears the burden of demonstrating that 'good cause' exists for the protection of that information."); *Pharmachemie, B.V. v. Pharmacia, Inc.*, Civil Action No. 95-40085-NMG, 1998 U.S. Dist. LEXIS 2192, at *3-*4 (D. Mass. Jan. 30, 1998) (the party seeking the more restrictive protective order bears the burden of showing good cause for its proposed, more restrictive protective order); *In Re Deutsche Bank Trust Co. Americas*, 605 F.3d 1373, 1378 (Fed. Cir. 2010) (finding that "a party seeking to include in a protective order a provision effecting a patent prosecution bar" must "carr[y] the burden of showing good cause for its issuance"). For the reasons set forth below, Defendant has failed to carry its burden.

1. Defendant Has Not Shown An Unacceptable Risk Of Inadvertent Disclosure Of Its Highly Confidential Material

Defendant must show that under the specific facts of this case, there is an unacceptable risk of inadvertent disclosure of its highly confidential material if reexamination and non-

broadening reissue proceedings were not included in the prosecution bar. *See Deutsche Bank*, 605 F.3d at 1379–80. Defendant's assertion that "[r]eissue and reexamination proceedings hold much the same risk as traditional pre-issuance patent prosecution" (Dkt. #30 at 7) is directly contrary to both logic and the majority trend in the case law. Courts have repeatedly recognized that because the scope of the initial patent cannot be enlarged during reexamination, this "effectively mitigates the potential to misuse PTO procedures to gain a collateral business or litigation advantage, thereby rendering a prosecution bar in the reexamination context largely unnecessary." *Pall Corp. v. Entegris, Inc.*, 655 F. Supp. 2d 169, 173 (E.D.N.Y. 2008). This reasoning also applies to reissue proceedings that do not seek to broaden claim scope. The Federal Circuit noted recently that there is a "lack of uniformity among district courts around the country about whether and under what circumstances a patent prosecution bar should be applied." *Deutsche Bank*, 605 F.3d at 1377. However, "the majority trend recognize[s] that the nature of the reexamination process mitigates against broadly stated concerns of unfair advantage." *Crystal Image Tech., Inc. v. Mitsubishi Elec. Corp.*, Civil Action No. 08-307, 2009 WL 1035017, at *2 (W.D. Pa. April 17, 2009); *see also Document Generation Corp.*, 2009 WL 1766096, at *2 (same).

Defendant cites *Grayzel v. St. Jude Med., Inc.*, 162 F. App'x 954, 966 (Fed. Cir. 2005)—an opinion Defendant acknowledges is non-precedential and unpublished—for the proposition that "courts have interpreted general patent prosecution bars to prohibit involvement in reissue and reexamination proceedings."¹ (Dkt. #30 at 7.) *Grayzel* provides no support for this

¹ Defendant's reliance on *Visto Corp. v. Seven Networks, Inc.*, No. 2:03-CV-333 TJW, 2006 U.S. Dist. LEXIS 91453, at *22 (E.D. Tex. Dec. 19, 2006), is equally misplaced. (Dkt. #30 at 7.) The patent prosecution bar at issue in *Visto* provided that attorneys who had access to confidential information "shall not draft, file, prosecute, or assist in the drafting, filing, or prosecution of any new or currently pending patent applications that bear a reasonable

proposition, and is entirely inapplicable to the facts of this case. In *Grayzel*, the plaintiff patent-owner filed a request for reexamination after learning of potentially invalidating prior art during discovery. *Grayzel*, 162 F. App'x at 966. The protective order in the case prevented the plaintiff from using this information outside of the litigation. *Id.* The court did not interpret the patent prosecution bar to prohibit involvement in reissue or reexamination proceedings. *See Pall*, 655 F. Supp. 2d at 174 (noting that "the *Grayzel* Court found it unnecessary to address the scope of the prosecution bar as a legal matter, but relied instead upon more general provisions in the Protective Order to vindicate a general intent to bar misuse of the discovery process"). The court only held that using confidential information obtained during the discovery process outside of the litigation violated the express provisions in the protective order preventing such use; consequently, the plaintiff could not use such information in a reexamination proceeding. *Grayzel*, 162 F. App'x at 966. Skyhook has no intention of using Defendant's highly confidential material outside of this litigation in violation of the agreed-upon provision in the protective order. (Dkt. #30-1 at § 7.1.) Moreover, Skyhook and Defendant have agreed that the prosecution bar does not

prevent any attorney from sending Prior Art or non-confidential discovery or Court filings (including, without limitation, interrogatory responses, contentions, summary judgment briefing, expert reports, and claim construction materials) to an attorney involved in patent prosecution for purposes of ensuring that such Prior Art or non-confidential discovery or Court filings are submitted to the U.S. Patent and Trademark Office (or any similar agency of a foreign government) to assist a patent applicant in complying with its duty of candor.

relationship to patents which are the subject matter of this litigation" *Visto Corp.*, 2006 U.S. Dist. LEXIS 91453, at *16. The court interpreted this language to encompass reexamination proceedings, but did not determine whether there was good cause for a reexamination bar. *See id.* at *21–*23.

(*Id.* at § 13.3.) Accordingly, the situation that arose in *Grayzel* is specifically provided for in the protective order.

Setting aside the many conclusory remarks peppered throughout Defendant's motion,² the only risk that Defendant has identified is that "[a] person with access to Google's highly confidential material might shape the new or amended claims in an effort to make them read directly on Google's products."³ (Dkt. #30 at 7–8.) This risk is illusory. No Google product that did not infringe Skyhook's patents before reexamination or non-broadening reissue proceedings could ever infringe Skyhook's patents following such reexamination or reissue. *See Xerox Corp.*

² For example, Defendant states that it "would be profoundly prejudiced if its highly confidential material were used to aid a competitor in its efforts to reshape the scope of its patent monopoly, or otherwise block competition from the marketplace." (Dkt. #30 at 4–5.) But Defendant fails to explain how this could be accomplished during a reexamination or non-broadening reissue proceeding, or how Defendant would be prejudiced. Defendant also argues that Skyhook is "silent" as to how its attorneys "could possibly perform the mental gymnastics necessary to avoid using that inside knowledge in the preparation of new or modified claims during reissue or reexamination proceedings." (Dkt. #30 at 2.) This argument misses the point. There is no advantage to Skyhook of using Defendant's inside knowledge during reexamination or non-broadening reissue proceedings, as this will only narrow the scope of the claims.

³ For support, Defendant cites three cases, each of which bolsters Skyhook's position. In *Shared Memory Graphics, LLC v. Apple, Inc.*, No. C-10-2475 VRW (EMC), 2010 WL 4704420 (N.D. Cal. Nov. 12, 2010), the court noted that the "risk of advantage" to the patent holder as a result of attorneys with access to the infringer's confidential information participating in reexamination proceedings "would appear to be somewhat marginal." *Id.* at *3. The court held that plaintiff's litigation counsel could participate in any reexamination of the patents-in-suit initiated by defendants. *Id.* at *4. In *Pall*, 655 F. Supp. 2d at 176, the court refused to prohibit plaintiff's litigation counsel from participating in the reexamination proceedings at issue, finding persuasive plaintiff's arguments that defendant's confidential information would be largely irrelevant to the reexamination, and that defendant could only benefit from amendments to the patent claims. Defendant misleadingly quotes the following language from *Xerox Corp.*, 270 F.R.D. at 184: "Defendants raise a legitimate concern that their confidential information could be competitively misused in strategically narrowing plaintiff's patent claims during reexamination." (Dkt. #30 at 8.) The court qualifies this statement in the following paragraph: "While acknowledging the existence of this risk, the court does not consider it 'unacceptable'" *Id.* The court further describes the risk of competitive misuse of defendants' confidential information as "attenuated." *Id.* at 185. The court held that defendants failed to show good cause for their proposed reexamination bar. *Id.*

v. Google, Inc., 270 F.R.D. 182, 184 (D. Del. 2010). Skyhook and its counsel are already prohibited from deliberately using Defendant's highly confidential material in reexamination or reissue proceedings. (Dkt. #30-1 at § 7.1.) There is minimal risk that Skyhook would do so inadvertently, because this type of narrowing would be at the expense of excluding other would-be infringers' products. Furthermore, Defendant has failed to "identify specific confidential information at risk for disclosure" and it has failed to "identify the specific manner in which that information might be used to [Defendant's] detriment." *Pall*, 655 F. Supp. 2d at 176. Defendant's vague claims that it would be "profoundly prejudiced" (Dkt. #30 at 4) without a reexamination and non-broadening reissue bar cannot meet Defendant's burden of showing good cause.

The inability to broaden claims during reexamination and non-broadening reissue proceedings is the critical aspect of such proceedings in assessing the risk to Defendant. Notably, Defendant relegates its discussion of the non-broadening nature of these proceedings to a footnote. Defendant's response is that "[i]t cannot be presumed that whether a new or revised claim impermissibly enlarges the scope of the claims as issued is a straightforward matter." (Dkt. #30 at 8 n.5.) This argument is highly speculative. There are well established rules for determining whether an amended claim is broader in scope than the original claim. *See, e.g., R.H. Murphy Co., Inc. v. Illinois Tool Works, Inc.*, 292 F. Supp. 2d 259, 260 (D. Mass. 2003); *Quantum Corp. v. Rodime PLC*, 851 F. Supp. 1382, 1384–85 (D. Minn. 1994). Defendant's suggestion that the United States Patent and Trademark Office ("PTO") is incapable of accurately determining whether a claim has been broadened because it is not "a straightforward matter" is baseless. The PTO has considerable expertise in making these determinations. Moreover, any temptation to broaden a claim during reexamination is tempered by the possibility

that the claim will be invalidated for impermissibly broadening the claim in violation of 35 U.S.C. § 305. See *R.H. Murphy Co., Inc.*, 292 F. Supp. 2d at 260; *Quantum Corp.*, 851 F. Supp. at 1383.

B. Defendant Unfairly Characterizes The Prejudice To Skyhook If Reexamination And Non-Broadening Reissue Proceedings Are Included In The Prosecution Bar

The Court must balance the risk of disclosure of Defendant's highly confidential material during reexamination and non-broadening reissue proceedings against "the potential harm to the opposing party from restrictions imposed on that party's right to have the benefit of counsel of its choice." *Deutsche Bank*, 605 F.3d at 1380. Defendant unfairly characterizes the prejudice to Skyhook as not being able to use "lawyers with inside knowledge of its competitor's products to prepare new or modified patent claims during a reissue or reexamination proceeding." (Dkt. #30 at 9.) The reality is quite different.

The primary individuals who would be affected by Defendant's proposed prosecution bar are Skyhook's outside litigation counsel. As a consequence of this litigation, Skyhook's outside litigation counsel have developed significant expertise in Skyhook's patents and their relationship to the prior art. Preventing these individuals from participating in reexamination or reissue proceedings would increase costs for Skyhook by requiring two separate teams of attorneys to litigate the same or similar issues in different venues. As a small start-up company with 27 employees, Skyhook would have difficulty absorbing these increased costs. This substantial prejudice to Skyhook greatly outweighs the minimal risk of inadvertent disclosure of Defendant's highly confidential information.

Defendant further argues that its proposal to limit Skyhook's outside litigation counsel's participation in reissue and reexamination proceedings to analyzing the scope of the prior art and

its relevance to the claims as originally issued is a fair compromise⁴ because "[r]issue and reexamination proceedings are 'limited proceeding[s] assessing only the patentability of existing claims against specific prior art references.'" (Dkt. #30 at 9.) But Defendant's compromise is not fair to Skyhook. Prohibiting Skyhook's outside litigation counsel from advising Skyhook on amendments during reexamination and non-broadening reissue proceedings "would effectively bar [Skyhook]'s counsel from any meaningful participation in reexamination since amendments to claim language are an important tool for avoiding prior art during reexamination." *Document Generation Corp.*, 2009 WL 1766096, at *3. For this additional reason, Defendant's motion should be denied.

II. CONCLUSION

Defendant has not carried its burden of showing good cause for the inclusion of reexamination and non-broadening reissue proceedings in the prosecution bar. Consequently, Defendant's motion should be denied.

⁴ Curiously, Defendant cites *Document Generation Corp.*, 2009 WL 1766096, at *1, and *Hochstein v. Microsoft Corp.*, No. 04-73071, 2008 WL 4387594, at *3 (E.D. Mich. Sept. 24, 2008), to support its claim that several courts have approved a compromise allowing any attorney to participate in the review and analysis of prior art raised during reissue and reexamination proceedings. (Dkt. #30 at 9.) This is not the compromise reached in either case. In *Document Generation Corp.*, among other things, the court found that defendant failed to show good cause for preventing plaintiff's outside counsel from advising reexamination counsel on amendments during reexamination. 2009 WL 1766096, at *3. The prosecution bar in *Hochstein* expressly prohibited participation in reexamination proceedings. 2008 WL 4387594, at *1. The court modified the protective order to allow plaintiffs' litigation counsel to participate in a reexamination initiated by the defendant, and, contrary to Defendant's assertion, did not do so "only after counsel pledged not to 'draft new claims or amend existing claims during the reexamination.'" *Id.* at *3-*4.

Respectfully submitted,

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/s/ Thomas F. Maffei

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