

UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF MINNESOTA

CHAMBERS OF
JANIE S. MAYERON
U. S. MAGISTRATE JUDGE

632 U.S. COURTHOUSE
316 NORTH ROBERT STREET
ST. PAUL, MINNESOTA 55101
(651) 848-1190

April 23, 2012

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Re: Honeywell International, Inc. v. Nest Labs, Inc., et al.
Civil No. 12-299 (SRN/JSM)

Dear Counsel:

I am enclosing a Notice of Pretrial Conference scheduling a pretrial conference in the above matter for June 18, 2012 at 2:00 p.m. I am also enclosing a proposed Pretrial Scheduling Order which is specifically designed to address patent infringement cases. I wanted to alert you to my intention to use this template for the creation of an appropriate Pretrial Scheduling Order for this patent case. I will also email this template to you, in the event you would like to use it for the creation of your Rule 26(f) Report to the Court.

Sincerely,

s/ Janie S. Mayeron

Janie S. Mayeron

JSM:kmh
Encs.

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

HONEYWELL INTERNATIONAL, INC.,

CIVIL NO. 12-299 (SRN/JSM)

Plaintiff,

v.

ORDER FOR
PRETRIAL CONFERENCE
(PATENT)

NEST LABS, INC.,
BEST BUY CO., INC.,
BEST BUY STORES, L.P., and
BESTBUY.COM, LLC,

Defendants.

TO: Plaintiff above named and Andrew F. Johnson, Esq. and Joel D. Sayres, Esq.,
attorneys for plaintiff;

Defendants above named and to Erin C. Jones, Esq. and Michael E. Florey, Esq.,
attorneys for defendants.

If counsel for all parties are not listed above, it is the responsibility of counsel for
plaintiff to (1) immediately notify those parties and counsel of this conference, and
(2) inform those parties and counsel of the requirements set forth in this notice.

Failure of any party or counsel to comply with any part of this Order, **including
delivery of a hard copy of the Rule 26(f) Report and confidential settlement letter to
Magistrate Judge Mayeron by the date specified in this Order**, may result in the
postponement of the pretrial conference, an imposition of an appropriate sanction on the
party, company or attorney who failed to comply, or both.

I. DATE, TIME, PLACE AND PARTICIPANTS

Pursuant to Rule 16 of the Federal Rules of Civil Procedure and Local Rule 16 of
the Rules of this District, a pretrial conference of trial counsel in the above matter will be

held in chambers in Room 632, U.S. Courthouse, 316 North Robert Street, St. Paul, Minnesota, on **June 18, 2012 at 2:00 p.m.** before United States Magistrate Judge Janie S. Mayeron to consider the matters set forth in Rule 16(c), the Rule 26(f) disclosures, and related matters.

Counsel who will be trying the case should make every effort to be present **in person** at the conference. If this is not possible, substitute counsel should attend who can knowledgeably discuss the dispute and the matters set forth in Rule 16(c), the Rule 26(f) disclosures, and related matters.

II. MEETING, REPORTS AND DISCLOSURES REQUIRED

A. Pursuant to Federal Rule of Civil Procedure 26(f), trial counsel for each party shall confer in person or by telephone on or before **May 29, 2012** to discuss (a) settlement, and (b) to prepare the report required by Rule 26(f) and Local Rule 16.2.

B. If the case does not settle, no later than **June 4, 2012**, counsel shall jointly prepare and file with the Clerk of Court on ECF ("Electronic Case Filing") a complete written report of the Rule 26(f) meeting. **A copy of the 26(f) Report and the confidential settlement letter shall be mailed, or hand delivered, or faxed to 651-848-1192 or emailed to chambers at mayeron_chambers@mnd.uscourts.gov on the same day.**

The Report shall contain the following information:

1. **Date and Place of the Meeting; Identification of the Parties and Their Attorneys; Agenda of Matters for Pretrial Conference.**
 - a. The date and place at which the meeting was held;
 - b. Name, address and occupation or business of each party, together with the name, address and telephone number of the attorneys who represented each party at the meeting;
 - c. Name of insurance carriers that may be liable for the defense or payment of any damage award; and

- d. An agenda of matters to be discussed at the Pretrial Conference.

2. Description of the Case

- a. A concise statement of the jurisdictional basis of the case, giving statutory citation and a brief narrative description;
- b. A brief narrative of the facts giving rise to the lawsuit, including a description of legal claims and defenses; and
- c. A summary itemization of the dollar amount of each element of the alleged damages.

3. Pleadings

- a. A statement of whether the Complaint and all responsive pleadings have been filed, and whether any party proposes to amend its pleadings;
- b. The date by which all motions that seek to amend the pleadings to add parties, claims and defenses will be filed; and
- c. Whether a jury trial is available under the law, and whether a jury trial has been timely demanded.

4. Plan for Discovery, Motion Practice and Trial (If the parties are unable to agree on a discovery plan, the Report shall separately set forth each party's proposed plan.) Such a plan shall include such matters as focusing the initial discovery on preliminary issues that might be case dispositive or might lead to early settlement discussions, instituting document control mechanisms, stipulating to facts to eliminate unnecessary discovery, and any other matters counsel may agree upon to control litigation costs and delay. In addition, the plan shall provide the following information:

- a. All items and issues raised in the proposed Pretrial Scheduling Order for patent cases (attached);
- b. Whether the parties wish to engage in any method of alternative dispute resolution following Rule 26(a)(1) disclosures but before formal discovery is commenced, and if not, when the parties believe that alternative dispute resolution would be appropriate. In addition, state the proposed method of alternative dispute resolution;
- c. Whether discovery should be conducted in phases (e.g., to first discover information bearing on dispositive issues or on settlement), or limited to or focused upon, particular issues;

C. Each party shall also submit a letter to Magistrate Judge Mayeron concerning settlement which shall remain confidential between the Court and that party. This confidential letter shall describe the following information: (a) the status of settlement discussions to date; (b) whether you are interested in participating in a voluntary settlement conference with the Magistrate Judge; (c) if you are interested in participating in a voluntary settlement conference with the Magistrate Judge, when you believe this settlement conference should take place. The confidential letter shall be **mailed, or hand delivered, or faxed to 651-848-1192 or emailed to chambers at mayeron_chambers@mnd.uscourts.gov** on or before **June 4, 2012**

III. EXERCISE OF JURISDICTION BY U.S. MAGISTRATE JUDGE PURSUANT TO TITLE 28, UNITED STATES CODE, SECTION 636(c)

If the parties consent to have this matter tried before the Magistrate Judge, all counsel are requested to sign the enclosed form by **June 18, 2012**, and electronically file said form pursuant to Section II, Part F, of the electronic Case Filing Procedures for the District of Minnesota (Civil).

Dated: April 23, 2012

s/ Janie S. Mayeron
JANIE S. MAYERON
United States Magistrate Judge

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

HONEYWELL INTERNATIONAL, INC.,

CIVIL NO. 12-299 (SRN/JSM)

Plaintiff,

v.

PRETRIAL SCHEDULING ORDER
(PATENT)

NEST LABS, INC.,
BEST BUY CO., INC.,
BEST BUY STORES, L.P., and
BESTBUY.COM, LLC,

Defendants.

Pursuant to Rule 16 of the Federal Rules of Civil Procedure and the Local Rules of this Court, and in order to secure the just, speedy, and inexpensive determination of this action, the following order shall govern these proceedings. This schedule may be modified only upon formal motion and a showing of good cause as required by Local Rule 16.3.

Initial Fact Discovery

1. All pre-discovery disclosures required by Rule 26(a)(1) shall be completed on or before _____
2. No more than ___ interrogatories, counted in accordance with Rule 33(a), shall be served by either side.
3. No more than ___ requests for production of documents and things shall be served by either side.
4. No more than ___ requests for admissions shall be served by either side.
5. No more than ___ depositions, excluding expert depositions, shall be taken by either side.
6. When responding to discovery requests, each party shall interpret terms of art liberally, and shall supply discovery relating to the general issue, rather than applying a particularized definition for those terms. It is not sufficient to include a specific definition of a term of art and to respond based on that definition.

7. If the plaintiff has not pleaded a claim of willful infringement, or the defendant has not pleaded the defenses of patent invalidity or unenforceability, but the opposing party has custody of evidence on these issues, then the opposing party cannot object to relevant discovery on the basis that such matters have not been pleaded.
8. If the plaintiff has submitted the device in its patent, or a substantially similar device, to a patent office in a foreign jurisdiction, then by request of the defendant the plaintiff shall produce:
 - a. Prior art cited against the foreign application.
 - b. Communications sent to and received from foreign patent offices about the foreign application.
9. If the inventor for the patent is deposed, the plaintiff shall not object or refuse to any questions by the defendant, except on the basis of privilege. If the inventor has knowledge sufficient to do so, the inventor shall answer all questions that seek an opinion on documents or other matters relevant to this litigation. If an inventor claims not to have knowledge sufficient to form an opinion, then the inventor shall not be permitted to testify to those matters at trial, and the opposing party may advise the fact finder that the inventor was unable to answer these questions.
10. Fact discovery shall be commenced in time to be completed on or before _____. The parties shall serve discovery requests so that responses are due on or before this date.

Application of Privileges

1. Regardless of whether patent prosecution occurs in a domestic or foreign jurisdiction, communications between the inventors, prosecution counsel, and others prosecuting the patent application are privileged. If the defendant demands such communications and the plaintiff objects on the basis of privilege, the defendant shall not move to compel disclosure unless it demonstrates what it expects to be disclosed and how this information will be used at trial. In such a motion, it is insufficient for the defendant to claim that such communications will be damaging to the plaintiff.
2. Unless the parties reach an agreement to the contrary, all documents that a party withholds in the course of discovery shall be recorded in a withheld document log. The log must include the authors; the recipients; their positions in relationship to the party; the date that the document was authored or retransmitted; the bases for withholding the document; and a sufficient description of the content to allow the opposing party to determine whether a challenge to withholding is appropriate. For any motions to compel discovery, the opposing party shall be prepared to produce a current copy of its withheld document log.

Expert Discovery

1. All experts that are disclosed may be deposed. Each party may call all disclosed experts at trial.
2. For issues on which a party has the burden of persuasion, the parties shall disclose expert identities on or before _____ and shall disclose expert reports on or before _____.
3. Rebuttal expert identities and reports shall be disclosed on or before _____.
4. The parties shall not submit expert reports, other than the initial and rebuttal expert reports authorized above, unless a party receives leave in advance from the court.
5. All matters disclosed by a party to its experts shall be subject to discovery by the opposing party.
6. The parties shall not be required to retain or produce drafts of expert reports. The parties shall be permitted to inquire into whether persons other than the expert participated in the drafting of that expert's report.
7. Every expert report shall begin with a succinct statement of the opinions that the expert is expected to testify to at trial.
8. An expert shall not testify on matters not disclosed in the expert's report, or use or refer to evidence not disclosed in the expert's report, unless the party receives leave in advance from the court.
9. When applying for leave to modify the foregoing limitations on expert reports and testimony, a party shall submit a written application that includes (1) a proposed amendment to the expert report that explains any new matters to be included; (2) an explanation why new matters were not or could not be included in the original report; and (3) an assessment of prejudice, should the new matters be included, to that party and against the adverse party. This application shall be filed and served no later than thirty days before the final pretrial conference. Any opposing briefs shall be filed and served no later than ten days after the application is filed.
10. All expert discovery, including expert depositions, shall be completed on or before _____.

Claim Construction ("Markman") Issues

1. The plaintiff shall serve a claim chart upon the defendant on or before _____. This claim chart shall indicate:
 - a. The claims of its patent that are infringed.

- b. The defendant's products or methods that literally infringe those claims or that infringe those claims under the doctrine of equivalents.
 - c. For every claim of infringement, the elements of the defendant's products or methods that constitute the infringement, including where those elements are found.
 - d. In addition, for claims under the doctrine of equivalents, an explanation how elements of the defendant's products or methods have an equivalent function, way, or result, and why any purported differences are not substantial.
2. The defendant shall serve a claim chart upon the plaintiff on or before _____. This claim chart shall indicate:
- a. The elements, disclosed in plaintiff's claim chart, that are present or absent in the accused device. If an element is absent, the defendant shall include the basis for this contention.
 - b. For claims under the doctrine of equivalents, an explanation how the elements of the defendant's products do not have an equivalent function, way, or result, and why these differences are substantial.
 - c. Any basis for asserting that the claims advanced by plaintiff are invalid.
3. The parties shall simultaneously exchange lists of contested claim terms, that each party contends will require decision by the court, on or before _____.
- a. Each party shall also submit a statement that preliminarily discloses all extrinsic evidence that the party will submit in support of its interpretation of contested claim terms, including without limitation dictionary definitions; citations to treatises and prior art; and testimony from fact or expert witnesses. If a party has yet to disclose any of this evidence in discovery, then that evidence shall be attached to the memorandum. If a party is relying on testimony from fact or expert witnesses, then that party shall provide a brief description of the substance of the anticipated testimony. For expert witnesses, the proponent shall also summarize the opinions the witness will testify to, in sufficient detail to permit a meaningful deposition of the witness on those matters.
 - b. If a party intends to rely on an expert witness to respond to expert testimony disclosed by the opposing party with respect to extrinsic evidence pursuant to subparagraph (a) above, whether or not this expert has been previously disclosed pursuant to subparagraph (a) above, on or before _____, the identity of this responding expert shall be disclosed and the party shall also summarize the

opinions the witness will testify to, in sufficient detail to permit a meaningful deposition of the witness on those matters..

- c. On or before _____, any depositions of expert witnesses bearing on claims construction shall be completed.
 - d. The parties shall meet and confer on or before _____, for the purpose of narrowing the contested issues and preparing a joint claim construction statement.
4. On or before _____, the parties shall file a joint claim construction statement [and contact the Court to schedule the Markman hearing.] This joint claim construction statement shall indicate:
- a. The construction of all claim terms, phrases, or clauses on which the parties agree.
 - b. Each party's proposed construction of all claim terms, phrases, or clauses on which the parties disagree. Each party shall cite the evidence on which it intends to rely, including records from the prosecution of the patent, in support of its construction of claim terms.
 - c. [Whether the parties are seeking to hold a Markman hearing and] An estimate of the time required for such a hearing.
 - d. Whether any party intends to call witnesses at the Markman hearing, and if so, the identity of the witnesses. In addition, for expert witnesses, the proponent shall also summarize the opinions the witness will testify to at the hearing.
5. If a Markman hearing is scheduled, the court shall issue an order indicating (1) whether it will receive evidence at the hearing, and if so, what evidence; (2) whether evidence shall be taken through affidavits previously filed or through live testimony; and (3) when the parties shall submit briefs.

Discovery on Particular Defenses

1. If the defendant intends to advance an invalidity defense:
 - a. On or before _____, the defendant shall serve the plaintiff with a prior art statement that discloses and explains in detail how prior art invalidates the patent.
 - b. On or before _____, the plaintiff shall serve the defendant with a prior art statement that examines the prior art that the defendant has disclosed and explains why this prior art does not invalidate the patent.

- c. The parties' prior art statements may be submitted in the form of expert reports.
 - d. Once a party has submitted its prior art statement, this statement cannot be amended to include additional prior art without leave in advance from the court.
2. If the defendant intends to advance an advice-of-counsel defense against willful infringement:
- a. The defendant may postpone its waiver of any applicable attorney-client privilege on such matters until _____.
 - b. All relevant privileged documents shall be disclosed on or before _____.
 - c. Additional discovery on an advice-of-counsel defense will take place after _____ and shall be completed on or before _____.

Non-Dispositive Motions

All non-dispositive motions shall be scheduled, filed, and served in compliance with the Electronic Case Filing Procedures for the District of Minnesota, with Local Rules 7.1 and 37.1, and in the form prescribed by Local Rule 37.2 as modified as follows:

- 1. When a submission is filed on ECF, one paper hard copy, three-hole punched, of the entire submission shall be mailed or delivered to the undersigned in an envelope addressed to Katherine Haagenson, Calendar Clerk, contemporaneously with the submission being posted on ECF.
- 2. With respect to any submission filed with the Court which is sealed and posted on ECF with a placeholder, the sealed submission shall be sent electronically or hand delivered to all parties and the Court contemporaneously with the documents being posted on ECF.
- 3. Motions which seek to amend the pleadings to add claims or add parties shall be filed, served and HEARD on or before _____. (This deadline does not apply to motions which seek to amend the complaint to add a claim for punitive damages.) Such motions must be brought on or before the non-dispositive motion deadline. After this date, if discovery supplies evidence for claims or defenses that were not pleaded, then a party may move for leave to amend, so long as the motion proceeds with due diligence. All motions to amend shall include a redlined version reflecting the changes contained in the proposed amended pleading.
- 4. All non-dispositive motions relating to fact discovery, shall be served, filed and HEARD on or before _____. All non-dispositive motions relating

to expert discovery shall be served, filed and HEARD on or before _____. All non-dispositive motions relating to the extension or modification of this scheduling order shall be served, filed and HEARD on or before _____.¹

5. Prior to scheduling any non-dispositive motion and following the conference required by Fed. R. Civ. P. 37(a)(1) and L.R. 37.1, parties are encouraged to consider whether the motion, including motions relating to discovery and scheduling, can be informally resolved through a telephone conference with the Magistrate Judge.²
6. A Reply Memorandum not exceeding 1750 words (including footnotes) may be filed and delivered to opposing counsel and the chambers of this Court no later than 12:00 noon two business days preceding the hearing, so long as the total word count for the original and reply memorandum does not exceed 12,000 words.

¹ In the event the Court is unable to schedule the hearing for a non-dispositive motion before these dates because of conflicts in its own schedule, the moving party's motion papers (notice of motion, motion, affidavits, exhibits, memorandum of law, and proposed order) must be served and filed 14 days before this date, the responding party's response must be served and filed 7 days before this date, and the moving party's reply served and filed no later than 12:00 noon two business days before this date.

² At the Rule 16 Scheduling Conference, the Court advised the parties that it is willing to resolve nondispositive disputes between the parties on an informal basis via a telephone conference. However, before the Court will agree to proceed with this informal resolution mechanism, the "meet and confer" required by Fed. R. Civ. P. 37(a)(1) and L.R. 37.1 must have taken place, and all parties to the dispute must agree to use this informal resolution process as the very nature of the process is such that the parties are giving up rights they would otherwise have (e.g. the dispute is heard over the phone; there is no recording or transcript of the phone conversation; no briefs, declarations or sworn affidavits are filed). If the parties do agree to use this informal resolution process, one of the parties shall contact Calendar Clerk Katie Haagenson, 651-848-1190, to schedule the conference. The parties may (but are not required to do so) submit short letters, with or without a limited number of documents attached, prior to the conference to set forth their respective positions. The Court will read the written submissions of the parties before the phone conference, hear arguments of counsel at the conference, and if no one changes their decision during the phone conference regarding their willingness to participate in this informal resolution process, the Court will issue its decision at the conclusion of the phone conference or shortly after the conference. Depending on the nature of the dispute, the Court may or may not issue a written order. If there is no agreement to resolve a dispute through this informal resolution process, then the dispute must be presented to the Court via formal motion and hearing.

Dispositive Motions

All dispositive motions and supporting pleadings (notice of motion, motion, exhibits, affidavits, memorandum of law, and proposed order), shall be served and filed on or before (INSERT DATE). In the event that the hearing for the motion is set to take place more than 42 days after this date, then unless the parties agree otherwise or as ordered by the Court, the response to the dispositive motion (including affidavits, exhibits and memorandum of law) shall be served and filed no later than 21 days after this date, and the reply memorandum shall be served and filed no later than 28 days after this date.]

All dispositive motions shall be scheduled, filed and served in compliance with the Electronic Case Filing Procedures for the District of Minnesota and in compliance with Local Rule 7.1. When a motion, response or reply brief is filed on ECF, two paper courtesy copies of the pleading and all supporting documents shall be mailed or delivered to Calendar Clerk Sheri Frette, 612-664-5890, contemporaneously with the documents being posted on ECF.

Trial

This case shall be ready for a jury trial on _____, or upon resolution of any pending dispositive motions. The anticipated length of trial is ___ days.

General

Handling of Sealed Documents Filed in Connection with All Motions

In connection with any motion filed with this Court, only those portions of a party's submission (e.g., memorandum of law, affidavit and exhibits) which meet the requirements for treatment of protection from public filing (e.g., because they are subject to the attorney-client privilege or work product doctrine, meet the standards articulated by Fed. R. Civ. P. 26(c)(1)(G), or a statute, rule or regulation prohibits their disclosure), shall be filed under seal. Designation of material as confidential or protected by any party pursuant to a protective order as the sole basis for filing the material under seal shall not satisfy this requirement.

Protective Order

The parties propose handling the protection of confidential information as follows: _____ . [The parties intend to enter into a protective order. [In the interim, any documents which any producing party believes should be governed by a protective order shall be produced to opposing counsel for the attorney's review only and not withheld on the basis that no protective order is yet in place. After the protective order is entered, the producing party shall designate the documents under the protective order.]

Electronic Discovery

The parties propose handling any issues relating to the disclosure or discovery of electronically stored information, including the form or forms in which it should be produced, as follows: _____. The parties shall preserve all electronic documents that bear on any claims, defenses or the subject matter of this lawsuit.

Tutorial Describing the Technology and Matters in Issue

The parties agree that a tutorial for the Court would [would not] be helpful, particularly in connection with the Claim Construction hearing. The parties submit that the tutorial should include videos.

Patent Procedure Tutorial

The parties agree that the video "An Introduction to the Patent System," distributed by the Federal Judicial Center, should [should not] be shown to the jurors in connection with its preliminary jury instructions.

Protection of Privileged and Trial Preparation Materials

The parties propose handling claims of privilege and protection of trial preparation material as follows: _____

Dated:

JANIE S. MAYERON
United States Magistrate Judge