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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

J.T. COLBY & COMPANY, INC. d/b/a BRICK  
TOWER PRESS, J. BOYLSTON & COMPANY,  
PUBLISHERS LLC and IPICTUREBOOKS LLC,

Plaintiffs,

- against -

APPLE, INC.,

Defendant.

Case No. 11-CIV-4060 (DLC)

ECF Case

**MEMORANDUM OF LAW IN SUPPORT OF DEFENDANT’S MOTION TO  
EXCLUDE ANY TESTIMONY, ARGUMENT OR EVIDENCE REGARDING  
THE EXPERT REPORTS AND OPINIONS OF ROBERT T. SCHERER**

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Defendant Apple Inc. (“Apple”) respectfully submits this memorandum of law in support of its motion to exclude all testimony, argument or evidence relating to the opinions and reports of Robert T. Scherer, which may be offered by Plaintiffs J.T. Colby & Co., Inc. d/b/a Brick Tower Press, J. Boylston & Co., Publishers LLC, and ipicturebooks LLC (collectively, “Plaintiffs”). The opinions of Mr. Scherer addressed by this motion are set forth in his expert reports submitted on September 17 and October 26, 2012, and in his deposition of November 16, 2012.<sup>1</sup>

### **PRELIMINARY STATEMENT**

The “expert” testimony regarding trademark law and trademark searching and clearance procedure proffered by Mr. Scherer does not even come close to meeting the minimum requirements set by Federal Rule of Evidence 702. Mr. Scherer utterly lacks any specialized knowledge on which to ground his opinions. Indeed, for the *seven* years preceding this suit, Mr. Scherer has not practiced trademark law at all, cleared a single trademark through a trademark search process, or consulted with any other trademark attorneys regarding prevailing trademark searching or clearance procedures. Especially in the rapidly evolving field at issue in this case, seven years is a lifetime. What is more, he acknowledges having no understanding of the customary trademark search and clearance procedures followed by law firms today. Both before and after his retirement from the field nearly a decade ago, Mr. Scherer never taught a class, wrote an article, or gave any public speeches about trademark law. Mr. Scherer nevertheless

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<sup>1</sup> Mr. Scherer’s first report, *Expert Report of Robert T. Scherer*, submitted on September 17, 2012 (the “Scherer Report”) is annexed to the Declaration of Jennifer Barry in Support of Defendant’s Motion to Exclude Any Testimony, Argument or Evidence Regarding the Expert Report and Opinions of Robert Scherer, dated December 21, 2012 (“Barry Dec.”) as Exhibit 1. Mr. Scherer’s rebuttal report, *Expert Rebuttal Report of Robert T. Scherer*, submitted on October 26, 2012 (the “Rebuttal Report”) (collectively, the “Scherer Reports”) is annexed to the Barry Dec. as Exhibit 2. Relevant pages from Mr. Scherer’s November 16, 2012 deposition transcript in which he offered an additional opinion not disclosed in his reports are annexed to the Barry Dec. as Exhibit 3.

professes to be an “expert” regarding contemporary trademark law and the prevailing trademark searching and clearance processes used by trademark attorneys. No court has ever qualified Mr. Scherer as an expert in any litigation matter — let alone a trademark matter. This Court should not be the first.

Plaintiffs also rely on Mr. Scherer to provide expert opinions on computer software and patent issues, notwithstanding that Mr. Scherer’s *own* description of his expert qualifications in his report does not even mention computer software or patents among his areas of expertise. Mr. Scherer first purports to compare the computer software products offered by Apple to those offered by Apple’s predecessor-in-interest to the iBooks trademark, Family Systems. Yet when asked directly whether he considered himself an expert on computer software, Mr. Scherer *himself* admitted he was not, and for good reason. He has *never* taken a single computer science or software class, nor has he published any articles related to the field. Worse, Mr. Scherer’s own testimony makes clear that he lacked any factual basis to opine on the specific computer software products in this case. He conceded that he never used either Family Systems’ IBOOK computer software or Apple’s iBooks software before completing his report, admitted having no understanding of how Apple’s product worked beyond that of a “layperson,” and described its functioning as “magic to [him].” He could not even say whether Apple’s iBooks application was software in the first place, nor describe the difference between an “app” and computer software—perhaps unsurprisingly, given that apps as we know them today did not yet exist when Mr. Scherer last practiced.

Underscoring how far Mr. Scherer’s proffered testimony is removed from any area in which he actually has specialized (or current) knowledge, Mr. Scherer offers various opinions about Family Systems’ patent and the scope of the product covered by the patent. Yet, Mr.



Scherer himself acknowledged that he is not a patent attorney and has no expertise in patents. He likewise concedes that he failed to conduct any analysis of the patent claims and Family Systems' software. His testimony also is premised on a clearly erroneous understanding of key legal principles of patent law impacting this case. Mr. Scherer's utter lack of knowledge about computer software and patents generally, and his acknowledged failure to understand the very products about which he purported to provide an expert opinion, make clear that his testimony about computer software and patent issues should not be admitted. Although there is nothing wrong with thinking that Apple's product works like "magic," Rule 702 sets a far higher threshold for someone purporting to come into court and offer "expert" opinions to a jury.

Although Mr. Scherer's lack of qualifications, standing alone, warrants exclusion of his opinions and reports in this case, much of his anticipated testimony also is inadmissible for several additional reasons. *First*, it is black letter law that legal conclusions or restatements about the law are inadmissible as expert testimony. Indeed, even Mr. Scherer acknowledges that the determination of legal issues, such as the validity of the assignment in this case, are not for experts, but are to "be decided by the Court." Nevertheless, Mr. Scherer's report is riddled with restatements of law and opinions regarding the ultimate legal issues to be decided in this case. For example, several sections simply quote word-for-word from or restate the Lanham Act (often without citation) or applicable trademark treatises. Other sections impermissibly assert legal conclusions about clear-cut questions of law, such as whether Apple committed fraud on the PTO or whether the Family Systems' assignment of its trademark to Apple was a valid assignment. Because such legal determinations are properly the province of the court, not a purported expert, they are inadmissible and should be excluded.

*Second*, Mr. Scherer’s opinions are marred by factual and legal error. Courts routinely deem expert testimony unreliable and inadmissible when it is founded on erroneous factual and legal assumptions. Yet much of Mr. Scherer’s reports and anticipated expert testimony derive from a faulty understanding of the relevant facts and law. For instance, Mr. Scherer insisted in his initial report that Apple had a legal duty to conduct a comprehensive trademark clearance search. There is no such duty, however, as Mr. Scherer himself later acknowledged in his deposition—rendering his ultimate conclusion groundless. Similarly, although Mr. Scherer claims Plaintiffs’ alleged mark is suggestive, he completely omits any discussion of a key PTO rule indicating that such a mark is presumed descriptive *because he was unaware of that rule*. Mr. Scherer also grossly misrepresents key facts involving the Family Systems’ assignment of the IBOOK mark to Apple, including misstating its date, its geographic scope, and the motivations behind it, in order to fit those “facts” to his ultimate opinion. And Mr. Scherer’s analysis of whether Apple committed fraud on the PTO is peppered with factual inaccuracies about how Apple’s iBooks software works — which again is not surprising given that Mr. Scherer has no background in computer software, nor any understanding of how Apple’s product functions, and he did not even *use* Apple’s iBooks product before writing his report.

Mr. Scherer clearly is not only unqualified generally to provide his “expert” testimony, but many of his specific opinions are premised on an erroneous or incomplete understanding of the facts and/or relevant law. Because it falls far short of what Rule 702 requires, Mr. Scherer’s purported “expert” testimony should be excluded. At minimum, this Court should strike those portions of his testimony rendering opinions in areas in which he has no expertise, which merely reflect legal conclusions, or which are premised on plain factual or legal error.

## ARGUMENT

### **I. THE STANDARDS FOR ADMITTING EXPERT TESTIMONY REQUIRE THE EXCLUSION OF MR. SCHERER'S ANTICIPATED TESTIMONY.**

As the Supreme Court emphasized in *Daubert v. Merrell Dow Pharms., Inc.*, 509 U.S. 579, 589 (1993), Rule 702 serves as a critical gateway to the introduction of expert testimony. Under the Rule, such testimony is admissible only if “(a) the expert’s scientific, technical, or other specialized knowledge will help the trier of fact to understand the evidence or to determine a fact in issue; (b) the testimony is based on sufficient facts or data; (c) the testimony is the product of reliable principles and methods; and (d) the expert has reliably applied the principles and methods to the facts of the case.” Fed. R. Evid. 702. Expert testimony must also comply with Federal Rule of Evidence 403, which provides that “[t]he court may exclude relevant evidence if its probative value is substantially outweighed by a danger of one or more of the following: unfair prejudice, confusing the issues, misleading the jury, undue delay, wasting time, or needlessly presenting cumulative evidence.” Fed. R. Evid. 403; *see also Daubert*, 509 U.S. at 589 (expert testimony must be “not only relevant, but reliable”).

Courts serve as the “gatekeepers” of expert evidence. *See Lippe v. Bairnco Corp.*, 288 B.R. 678, 685 (S.D.N.Y. 2003) (excluding unreliable expert testimony). Because expert testimony has the potential to be particularly misleading, courts must exercise greater control over experts than over lay witnesses. *See Daubert*, 509 U.S. at 595. Stricter scrutiny is also warranted where, as here, a jury rather than a bench trial is contemplated. *See Kargo Global, Inc. v. Advance Magazine Publishers, Inc.*, No. 06-Civ.-550(JFK), 2007 WL 2258688, at \*11-12 (S.D.N.Y. Aug. 6, 2007). Mr. Scherer’s opinions do not come close to meeting Rule 702’s minimum requirements for expert testimony. As explained below, the record shows that (1) he is utterly unqualified to provide opinions on the specialized matters on which he opines, (2) many

of the opinions are legal conclusions or opinions on the ultimate issue to be decided in the case, or (3) the opinions are based on nothing more than his say-so or are premised on erroneous and unfounded factual assumptions. As a consequence, these opinions must be excluded.

## **II. MR. SCHERER DOES NOT QUALIFY AS AN EXPERT.**

The trial court is required to make an initial determination as to whether a proposed witness qualifies as an expert. *See Baker v. Urban Outfitters, Inc.*, 254 F. Supp. 2d 346, 352 (S.D.N.Y. 2003). In making this determination, a court should assess whether the expert at issue has specialized knowledge that will assist the trier of fact in deciding a particular issue in the case. *See Kumho Tire Co., Ltd. v. Carmichael*, 526 U.S. 137, 157 (1999). To be qualified as an expert, a witness should have “superior knowledge, education, experience or skill with the subject matter of the proffered testimony.” *R.F.M.A.S., Inc. v. So*, 748 F. Supp. 2d 244, 251-52 (S.D.N.Y. 2010) (quoting *U.S. v. Tin Yat Chin*, 371 F.3d 31, 40 (2d Cir. 2004); Fed. R. Evid. 702. If the offering party fails to show that the expert has superior knowledge, education, experience or skill in the areas of testimony, then the expert’s testimony must be excluded. *See, e.g., Arista Records LLC v. Lime Group LLC*, No. 06-CV-5936, 2011 WL 1674796, at \*5–6 (S.D.N.Y. May 2, 2011) (finding proffered expert unqualified to offer opinion about statistics when expert lacked degree in statistics, was unable to provide specifics about particular statistical methodologies, and could not answer questions about statistical principles). As explained below, Mr. Scherer does not have such superior knowledge, education, experience or skill on the subject matters on which he opines — namely matters of trademark law, trademark searching and clearance, computer software, and patents. Indeed, when challenged, Mr. Scherer was forced to acknowledge that *even he* does not consider himself to be an expert about many of the subjects on which he renders opinions.

At the outset, it is important to note that Mr. Scherer has never been admitted as an expert. (Barry Dec., Ex. 3 (Scherer Dep. 42:23-43:6.)). Such failure can, in and of itself, be persuasive in determining that an expert lacks the requisite qualifications to testify as an expert. *See Fernandez v. Central Mine Equip. Co.*, 670 F. Supp. 2d 178, 183-84 (E.D.N.Y. 2009). Moreover, as detailed below, Mr. Scherer lacks expertise and experience as to the subjects about which he opines. Those failings make clear that he cannot satisfy the requirements of Rule 702, thereby requiring the exclusion of his opinions, report, and any related testimony, evidence or argument.

**A. Mr. Scherer Is Not Qualified As An Expert On Current Trademark Law or Trademark Searching or Clearance Practices.**

Although Mr. Scherer worked as an attorney in the trademark field from 1972 to 2005, he has never taught any classes, written any articles or given public speeches regarding trademark searching and clearance issues. (Scherer Rep., Ex. A; Barry Dec., Ex. 3 (Scherer Dep. 59:24-60:2; 60:9-12.)). Since retiring as an in-house attorney in 2005, Mr. Scherer has not practiced trademark law or consulted with other trademark attorneys regarding trademark searching or clearance matters. (Scherer Rep., Ex. A; Barry Dec., Ex. 3 (Scherer Dep. 34:15-16; 107:20-24.)) More importantly, in the seven-plus years since his retirement, Mr. Scherer has not cleared a single mark, and the only trademark searches he has conducted were in connection with his work in this case and his work in another case where he drafted but did not finalize an “expert” report. (*Id.* 34:15-16; 38:13-17; 62:4-8.) Finally, Mr. Scherer is not aware of the prevailing search and clearance practices of other law firms. (*Id.* 108:8-110:19.) In sum, Mr. Scherer does not have superior knowledge regarding current trademark law or trademark search and clearance practices, and certainly should not be allowed to opine regarding such matters as an expert under Rule 702.

The limited scope of Mr. Scherer’s knowledge is evident throughout his reports as he repeatedly misstates critical points of trademark law. For example, he opines several times that there is a duty to search and clear a trademark, when in fact there is no such duty. (*See disc. infra* Part IV.A.)<sup>2</sup> Likewise, he mistakenly asserts that the trademark classification system used by the PTO is motivated by the PTO’s efforts to collect more fees, when in fact, it was implemented pursuant to an international treaty seeking to organize and make uniform trademark registries worldwide, and to provide for a more efficient searching and clearance process within such trademark offices. *Compare* Scherer Rep. at 9 n.2 *with* Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, June 15, 1957, 1154 U.N.T.S. 89; *see also* TMEP § 1401.02(a).

Mr. Scherer’s other testimony similarly reflects an errant understanding of key trademark law concepts. For instance, he has no understanding of the considerations for determining whether the assignment in gross rule applies. Although Mr. Scherer expressly claims that one needs to acquire the patent associated with a trademarked product, the law provides that the acquisition of such a patent is not required. *See, e.g., Bambu Sales, Inc. v. Sultana Crackers, Inc.*, 683 F. Supp. 899, 908 (E.D.N.Y. 1988) (holding that assignment without transfer of tangible assets was valid). Finally, and most tellingly, before Apple’s expert submitted his rebuttal to Mr. Scherer’s report, Mr. Scherer was not even aware of a key provision in the PTO Trademark Manual of Examining Procedures (“TMEP”) concerning the descriptive nature of “i”-formative marks — a provision that was adopted shortly before his retirement and has been consistently applied by the PTO ever since its adoption. (Barry Dec., Ex. 3 (Scherer Dep.

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<sup>2</sup> Even if Mr. Scherer were correct about such a duty, Apple *did* conduct a full comprehensive trademark search that did not reveal Plaintiffs or any current use of the alleged “ibooks” mark. (SUF ¶¶ 219-233.)

264:23-265:4); *see also* TMEP § 1209.03(d).) Given his apparent lack of contemporary expertise about, or even basic familiarity with, modern day trademark law, Mr. Scherer should not be allowed to testify as an “expert” regarding this subject. *See Arista Records LLC*, 2011 WL 1674796, at \*5–6.

**B. Mr. Scherer Is Not Qualified As An Expert On Computer Software.**

Whatever Mr. Scherer’s qualifications to testify about trademark law, he is plainly unqualified to testify about computer software. In his initial report, Mr. Scherer opines that (1) the assignment from Family Systems of the IBOOK mark is invalid, and (2) Apple committed fraud on the PTO through its filing of a maintenance declaration for the U.S. registration for that mark. (Scherer Rep. at 24-32.)<sup>3</sup> To support these conclusory legal opinions, Mr. Scherer asserts that “Family Systems’ IBOOK software system is a very different product with a very different use than Apple’s downloadable electronic book or e-book product.” (*Id.* 22, 28-29, 31.) In his Rebuttal Report, Mr. Scherer essentially repeats that opinion. (Rebuttal Rep. at 4 (citing “significant differences in the nature and purpose of Family Systems’ IBOOK product and the nature and purpose of Apple’s IBOOKS product”)). Because Mr. Scherer lacks any specialized expertise about computer software, and has candidly acknowledged that he had no understanding of Apple’s product and *had not even used it* when he wrote his report, these conclusions are inadmissible under Rule 702. *See Arista Records LLC*, 2011 WL 1674796, at \*5–6.

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<sup>3</sup> On January 27, 2010, Apple acquired from Family Systems Registration No. 2,446,634 (“‘634 Registration”) for the IBOOK mark for use in connection with “computer software used to support and create interactive, user-modifiable electronic books.” (Defendant’s Rule 56.1 Statement of Undisputed Facts in Support of its Motion for Summary Judgment (“SUF”) ¶ 149.) Apple recorded that assignment with the PTO on February 4, 2010. (*Id.* ¶ 166.) On May 17, 2010, Apple filed a Request to Amend the mark shown in the ‘634 Registration from IBOOK to IBOOKS pursuant to Section 7 of the Lanham Act. (*Id.* ¶¶ 167-168.) Apple included a specimen illustrating its current use of the IBOOKS mark as part of its Section 7 request. (*Id.* ¶ 169.) On June 7, 2010, Apple filed a Combined Declaration of Use and Renewal for the ‘634 Registration pursuant to Sections 8 and 9 of the Lanham Act. In this application, Apple stated that “the mark is in use in commerce on or in connection with all of the goods or services listed in the existing registration for this specific class.” (*Id.* ¶¶ 172-173.) Apple included a specimen with its Section 8 and 9 filings showing its current use of the IBOOKS mark. (*Id.* ¶ 174.)

Mr. Scherer does not have the specialized knowledge necessary to conduct a comparative analysis of the Apple and Family Systems products and he certainly should not be permitted to present such an analysis as an “expert.” Mr. Scherer has no expertise regarding computer software and he admitted as much during his deposition. (Barry Dec., Ex. 3 (Scherer Dep. 19:17-19).) Indeed, Mr. Scherer has never even taken a computer science class or studied computer software issues. (*Id.* 17:14-19.)

Mr. Scherer’s lack of expertise is made even more apparent when viewed in light of how little he did to reach his conclusion that the Family Systems and Apple products were different. Mr. Scherer never used the Family Systems’ IBOOK computer software. (*Id.* 141:18-23.) He did not use the Apple iBooks software until *after* he had completed his report and he made no attempt to understand how the product worked, let alone know whether it constituted “software.” (*Id.* 133:11-16; 134:8-11; 226:24-227:3; 314:17-23.) And even after using Apple’s iBooks software right before his deposition, Mr. Scherer still had no idea how that software worked. (*Id.* 133:3-11; 226:24-227:6.) In sum, given his lack of expertise in the applicable field and the limited nature of his comparative analysis, Mr. Scherer should not be permitted to offer any expert opinions regarding such a comparison. *See Arista Records LLC*, 2011 WL 1674796, at \*5–6.

**C. Mr. Scherer Is Not Qualified As An Expert On Software Patents.**

Mr. Scherer likewise is unqualified to testify as an expert on software patents. In his reports, Mr. Scherer reaches a series of conclusions regarding Family Systems’ software patent. (Scherer Rep. at 23-24; Rebuttal Rep. at 3-4.) He then uses these conclusions to further support his opinion that Family Systems’ and Apple’s products are substantially different. (Rebuttal Rep. at 3-4.) He also argues (incorrectly) that because the patent covers Family Systems’ IBOOK product, the assignment of the patent was necessary to the assignment of the IBOOK



mark. (Scherer Rep. at 23-24; Barry Dec., Ex. 3 (Scherer Dep. 188:18-22).) In fact, as discussed above, an assignment can be valid even without the transfer of tangible assets. *Bambu Sales*, 683 F. Supp. at 908.

Mr. Scherer has no specialized experience that would allow him to render expert opinions on software patents, and he certainly does not have a basis upon which to opine that Family Systems' patent even covers that product in the first place. Indeed, Mr. Scherer admitted in his deposition that he is not a patent attorney and has *no expertise* in patents. (Barry Dec., Ex. 3 (Scherer Dep. 162:15-20).) Given this lack of expertise, it is not surprising that Mr. Scherer did not conduct any analysis whatsoever regarding the claims of the patent and Family Systems' software. (*Id.* 189:2-190:8; 254:6-7.) In light of his lack of expertise and failure to conduct such analysis, Mr. Scherer cannot provide expert testimony regarding Family Systems' patent. *R.F.M.A.S., Inc.*, 748 F. Supp. 2d at 251-52.

### **III. THE MAJORITY OF MR. SCHERER'S REPORTS INCLUDE INAPPROPRIATE EXPERT OPINIONS ON ISSUES OF LAW.**

An expert's testimony on issues of law is inadmissible. *U.S. v. Bilzerian*, 926 F.2d 1285, 1294 (2d Cir. 1991); *see also U.S. ex rel. Anti-Discrimination Ctr. of Metro N.Y., Inc. v. Westchester Cnty., N.Y.*, No. 06 Civ. 2860 (DLC), 2009 WL 1110577, at \*2 (S.D.N.Y. Apr. 22, 2009) (Cote, J.) (stating that "expert testimony that amounts to the statement of a legal conclusion must be excluded" and excluding such testimony). This is because "expert evidence should not be permitted to usurp either the role of the trial judge in instructing the jury as to the applicable law or the role of the jury in applying that law to the facts before it." *U.S. Info. Sys., Inc. v. Int'l Bhd. of Elec. Workers Local Union No. 3 AFL-CIO*, 313 F. Supp. 2d 213, 240 (S.D.N.Y. 2004) (quoting *Primavera Familienstiftung v. Askin*, 130 F. Supp. 2d 450, 528 (S.D.N.Y. 2001)). To be clear, "an expert is not supposed to be doing the work of counsel; an

expert must bring to the jury more than the lawyers can offer in argument.” *Malletier v. Dooney & Bourke, Inc.*, 525 F. Supp. 2d 558, 654 (S.D.N.Y. 2007) (citation omitted).

In his reports, Mr. Scherer violates this rule again and again, essentially restating applicable law, reaching legal conclusions and/or seeking to usurp for himself the role of the ultimate decision-maker in the case. As explained below, Sections 4, 8, 9 and 10 of his Report, and Sections 1 and 3 of his Rebuttal Report present such legal opinions and, thus, should be excluded. *See Snyder v. Wells Fargo Bank, N.A.*, No. 11 CIV. 4496 SAS, 2012 WL 4876938, at \*5 (S.D.N.Y. Oct. 15, 2012) (excluding expert report in full because it was “so ridden with improper statements and opinions”); *see also Bilzerian*, 926 F.2d at 1294; *Anti-Discrimination Ctr.*, 2009 WL 1110577, at \*2; *Malletier*, 525 F. Supp. 2d at 654; *Rieger v. Orlor, Inc.*, 427 F. Supp. 2d 99, 105 (D. Conn. 2006) (granting defendant’s motion to exclude portions of the plaintiff’s expert report because it included legal conclusions rather than opinions).

**A. Section 4 Of Mr. Scherer’s Report Should Be Excluded Because It Merely Recites Basic Trademark Principles.**

Section 4 of Mr. Scherer’s Report is titled “Trademark Principles: Trademark Rights are Based on Use, Not Registration.” (Scherer Rep. at 6.) Within this section Mr. Scherer makes general legal statements such as “[a] trademark is defined as any word, name, symbol or device, or any combination thereof, used to identify and distinguish one’s goods from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown” and cites the Lanham Act in support. (*Id.*) As this Court has held, “[i]t is particularly inappropriate for a witness to track the exact language of statutes and regulations which the defendant is accused of violating.” *Anti-Discrimination Ctr.*, 2009 WL 1110577, at \*2. Because this entire section merely restates applicable law, even if Mr. Scherer could qualify as an “expert” regarding such law, he should not be allowed to provide such testimony. *Id.*

**B. Mr. Scherer's Opinion That The IBOOK Mark Assignment Was An Impermissible Assignment In Gross Is An Improper Legal Conclusion.**

In Section 8 of his Report and Section 1 of his Rebuttal Report, Mr. Scherer concluded that “the assignment of the IBOOK mark to Apple was an assignment in gross.” (Scherer Rep. at 29, 44; Rebuttal Rep. at 1.) This opinion also is a conclusion of law that cannot be presented under the imprimatur of expert testimony. In fact, within the very same Rebuttal Report where he provides this conclusion, Mr. Scherer acknowledges as much, noting that “[a]ny determination of the validity or effectiveness of a purported assignment will be decided by the Court.” (Rebuttal Rep. at 2.)<sup>4</sup> Likewise, Mr. Scherer reconfirmed during his deposition that such a question is one of law to be resolved by the Court. (Barry Dec., Ex. 3 (Scherer Dep. 261:9-262:3).) Apple agrees with Mr. Scherer that such legal determinations are for the Court, not for experts. Accordingly, his conclusions on the validity or effectiveness of the Family Systems’ assignment should be excluded. *Anti-Discrimination Ctr.*, 2009 WL 1110577, at \*2.

Mr. Scherer’s opinion regarding the assignment in gross rule also is premised upon legal error, and should be excluded. Mr. Scherer’s conclusion that the assignment from Family Systems to Apple was an assignment in gross was founded, in large part, on his belief that the goodwill associated with the IBOOK mark was not transferred to Apple because Family Systems did not transfer a patent to Apple. (Scherer Rep. at 23-24.) Specifically, during his deposition, Mr. Scherer stated “[i]f Apple did not receive the patent in an assignment it couldn’t use the mark on the same goods and services to which it used before . . . .” (Barry Dec., Ex. 3 (Scherer Dep. 188:18-22).) This assertion not only is improper expert testimony because it renders a legal conclusion, it also misstates the applicable law. As already noted, an assignor does not

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<sup>4</sup> Mr. Scherer makes this observation while criticizing one of Apple’s experts, claiming that Apple’s expert should not have opined on the validity of the Family Systems’ registration. In fact, unlike Mr. Scherer, Apple’s expert did not provide such an opinion and she confirmed as much in her deposition. (Barry Dec., Ex. 4 (Kane Dep. 55:7-24).)

need to assign business assets such as patents to create a valid trademark assignment. *Bambu Sales, Inc.*, 683 F. Supp. at 908. Moreover, while focusing on Family Systems' patent, Mr. Scherer wholly ignores the fact that other assets, namely Family Systems' domain names, were transferred to Apple. This legal error provides yet another ground to exclude that opinion. *U.S. Info. Sys.*, 313 F. Supp. 2d at 240.

**C. Mr. Scherer's Conclusions That Apple Purportedly Committed Fraud On The PTO Are Inadmissible Conclusions Of Law.**

Despite Judge Forrest's explicit statement during the February 27, 2012 Status Conference in this case that "the trademark expert . . . wouldn't be able to go through and [opine] whether or not there has been fraud on the Trademark Office or anything like that," Mr. Scherer attempts to do just that in Section 9 of his Report and Section 3 of his Rebuttal Report in order to support Plaintiffs' allegation that Apple committed fraud on the PTO. (Barry Dec., Ex. 9 (Feb. 27, 2012 Conf. Tr. 18:15-9.) Other courts facing this issue have confirmed Judge Forrest's limitation on expert testimony. See *In re Wellbutrin SR Antitrust Litig.*, Civ. No. 04-5525, 2010 WL 8425189, at \*7 (E.D. Pa. Mar. 31, 2010) (excluding expert testimony regarding fraud on the PTO as improper legal opinion). Notwithstanding the Court's warning and this law, Mr. Scherer presents legal conclusions on this very issue in both of his reports. (Scherer Rep. at 29; Rebuttal Rep. at 2.) Such opinions should be excluded as a matter of law.<sup>5</sup>

**IV. MR. SCHERER'S OPINIONS SHOULD BE EXCLUDED GENERALLY BECAUSE THEY ARE BASED ON NUMEROUS FACTUAL ERRORS.**

Expert testimony fails to meet the reliability requirement of Rule 702 if it is "based on incorrect factual assumptions that render all of his subsequent conclusions purely speculative."

*Macaluso v. Herman Miller, Inc.*, No. 01 CIV. 11496 (JGK), 2005 WL 563169, at \*8 (S.D.N.Y.

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<sup>5</sup> If Section 9 of Mr. Scherer's Report is excluded, Apple will withdraw the expert report of Siegrun D. Kane on similar issues and not present the portion of Philip Hampton's rebuttal report relating to that issue.

Mar. 10, 2005); *see also Berk v. St. Vincent's Hosp. & Med. Ctr.*, 380 F. Supp. 2d 334, 352-56 (S.D.N.Y. 2005) (finding testimony inadmissible on summary judgment where expert based opinion on several factual errors). Mr. Scherer's Report, Rebuttal Report and anticipated expert opinion testimony are all premised on several faulty assumptions, particularly relating to his views on search and clearance, assignment in gross, fraud on the PTO and secondary meaning. This provides yet another independent ground on which Mr. Scherer's opinions should be excluded. *Amorgianos v. Nat'l R.R. Passenger Corp.*, 303 F.3d 256, 269 (2d Cir. 2002) (excluding expert testimony where it rested on a "faulty assumption").

**A. Mr. Scherer's Search And Clearance Opinion Should Be Excluded Because He Incorrectly Believes That There Is A Legal Duty To Conduct A Search.**

Mr. Scherer claims that Apple erred in failing to conduct a comprehensive trademark search, saying "[w]hen selecting a new trademark or materially expanding the use of an existing mark, it is imperative that the trademark attorney conduct the necessary searches." (Scherer Rep. at 7.) However, as previously noted, there is no legal duty to perform a search prior to using a mark. Indeed, the case law even goes as far as to say that the failure to conduct a trademark search is not evidence of bad faith. *See Savin Corp. v. Savin Group*, 391 F.3d 439, 460 (2d Cir. 2004). Mr. Scherer himself admitted as much in his deposition, testifying that there is no duty to conduct a comprehensive search when clearing a mark. (Barry Dec., Ex. 3 (Scherer Dep. 80:3-13.)) This flip-flop not only demonstrates Mr. Scherer's lack of expertise in the subject matter generally, but also renders his (improper) legal conclusions unreliable. *See Amorgianos*, 303 F.3d at 269.

In any event, Apple conducted a full comprehensive clearance search before it began using the iBooks mark. As described in Defendant's Rule 56.1 Statement of Undisputed Facts in Support of its Motion for Summary Judgment, that search included: (1) searches of U.S. federal

and state trademark records; (2) Google searches for common law uses; (3) searches of the trademark.com domain name database; and (4) a follow-up investigation. (SUF ¶¶ 219-223.) Those searches and follow-up investigation did not reveal either Plaintiffs' existence or any current use by Plaintiffs of their alleged "ibooks" mark. (*Id.*)

**B. Mr. Scherer's Assignment In Gross Analysis Should Be Excluded On The Independent Grounds That It Rests On Numerous Factual Inaccuracies.**

Mr. Scherer concludes that Apple acquired the IBOOK trademark from Family Systems because it wanted to have priority over Plaintiffs' "ibooks" imprint, and not because it wanted to acquire Family Systems' goodwill in the IBOOK mark. (Scherer Rep. at 24-25; Rebuttal Rep. at 5-6; Barry Dec., Ex. 3 (Scherer Dep. 239:16-240:10.)) This conclusion, however, is premised on a variety of incomprehensible factual errors. For instance, Mr. Scherer claims that Apple (1) acquired the IBOOK mark from Family Systems the same day Plaintiffs contacted Apple (Scherer Rep. at 24), and (2) "made no attempt" to acquire Family Systems' mark in any country other than the U.S. (*id.* at 28). Both statements are wrong. First, the Assignment Agreement was initially discussed in early January 2010 and executed on January 27, 2010 (SUF ¶¶ 146-149), and Mr. Colby did not contact Apple until January 29, 2010. (*Id.* ¶¶ 236-37.)

Second, Apple acquired Family Systems' rights in the IBOOK mark "in all jurisdictions throughout the world, including without limitations any common law rights...." (SUF ¶ 150.) For example, the Assignment Agreement included the assignment of Family Systems' registered IBOOK marks in both Jamaica and Japan. (*Id.*) Further, the IBOOK registration in the European Union to which Mr. Scherer refers had expired before Apple entered the agreement with Family Systems, and therefore there was no such registration for Family Systems to assign to Apple. (Barry Dec., Ex. 5 (Westlaw record for CTM Registration No. 001018555.))

These factual errors further demonstrate that Mr. Scherer's opinion regarding the validity of the assignment of the IBOOK mark from Family Systems to Apple is unreliable and provides yet another independent basis for the exclusion of his opinions. *See Berk*, 380 F. Supp. 2d at 352-56; *Macaluso*, 2005 WL 563169, at \*8; *Amorgianos*, 303 F.3d at 269.

**C. Mr. Scherer's Analysis Regarding Apple's Alleged Fraud On The PTO Should Be Excluded Because It Rests On Factual Inaccuracies.**

Mr. Scherer's analysis regarding Apple's alleged fraud on the PTO is no better. He claims that Apple filed a specimen in support of its Section 8 Declaration of Use for Registration No. 2,446,634 that "shows the IBOOKS mark being used in connection with Apple's library of published books, not with the computer software used for creating user-modifiable books recited in the registration." (Scherer Rep. at 31.) But once again, the factual basis for Mr. Scherer's assertion is wrong.

The specimen shows that Apple uses the iBooks mark in connection with the offering of just such an e-reader application as described in the description of goods in Registration No. 2,446,634. (Barry Dec., Ex. 6 (APPLE-IBOOKS0000085).) The specimen is a screenshot of Apple's iTunes software showing the page on Apple's App Store software download service where customers can go to download Apple's free iBooks e-reader interactive software application. (*Id.*) This is precisely the distribution point where consumers consider and are allowed to "purchase" Apple's e-reader software. *See* TMEP § 904.04(d) ("For downloadable computer software, an applicant may submit a specimen that shows use of the mark on an Internet website. Such a specimen is acceptable only if it provides sufficient information to enable the user to download the software from the website.").

Mr. Scherer also is incorrect when he asserts that the specimen does not depict Apple's use of the iBooks mark in connection with "computer software used to support and create

interactive, user-modifiable electronic books.” (Scherer Rep. at 31.) In fact, Apple’s iBooks software allows a user to create an electronic book that can be read on an Apple device. (Barry Dec., Ex. 7 (Widup Dep. 210-211).) That software also allows a user to modify and interact with the electronic book. (*Id.*; (Barry Dec., Ex. 8 (Gedikian Dep. 219:12-220-22).) Indeed, Mr. Scherer himself contradicted his own conclusions and *admitted* during his deposition that Apple’s iBooks product *allows for the creation of an electronic book* on Apple’s iPhone device. (Barry Dec., Ex. 3 (Scherer Dep. 227:22-228:5).)

In sum, regardless of whether Mr. Scherer was qualified to provide expert testimony generally, his claims that Apple’s specimen “does not support the use claimed” and that Apple has committed fraud on the PTO should be excluded because they are based on a demonstratively incorrect understanding of Apple’s specimen. *See Berk*, 380 F. Supp. 2d at 352-56; *Macaluso*, 2005 WL 563169, at \*8; *Amorgianos*, 303 F.3d at 269.

**D. Mr. Scherer’s Conclusion About Apple’s Allegedly Materially False Statements To The PTO Is Based On Yet More Factual Errors.**

In his Rebuttal Report, Mr. Scherer concludes that Apple’s motivation in making the allegedly materially false statements to the PTO was to allow Apple to claim priority over the Plaintiffs’ “ibooks” imprint. (Rebuttal Rep. at 5.) In reaching this conclusion, Mr. Scherer rejects the possibility that Apple acquired the IBOOK mark from Family Systems to avoid litigation with Family Systems. In Mr. Scherer’s (incorrect) view “[s]ince the 1999 Consent Agreement between Apple and Family Systems . . . precluded Family Systems from suing Apple for trademark infringement, Apple had no need to acquire Family Systems’ IBOOK mark to ward off a potential lawsuit.” (Rebuttal Rep. at 5.) That again, is incorrect. Apple and Family Systems entered the Consent Agreement in May 1999, and required each other to limit their respective uses of the marks at issue to the goods set forth in their respective trademark



applications.<sup>6</sup> There is nothing in the Consent Agreement that prohibits either party from suing the other for breach of contract. To the contrary, the Consent Agreement provided a contractual basis for a lawsuit if one party used its mark in the other's area — including if Apple used iBooks for its newly-developed e-reader software. (SUF ¶ 118.) In fact, Mr. Scherer admitted during his deposition that if Apple had used the iBooks mark in connection with computer software, it would have been in breach of the Consent Agreement. (Barry Dec., Ex. 3 (Scherer Dep. at 240:22-25).)

More importantly, Mr. Scherer's assertion that Apple acquired Family Systems' mark to gain priority over Plaintiffs is wrong because, as discussed above, the Assignment Agreement already had been executed by the time Mr. Colby first contacted Apple. (SUF ¶¶ 149, 236-237.) Because they are based on a factually erroneous premise, Mr. Scherer's statements regarding Apple's purported motivation in making allegedly materially false statements to the PTO should be excluded. *See Berk*, 380 F. Supp. 2d at 352-56; *Macaluso*, 2005 WL 563169, at \*8; *Amorgianos*, 303 F.3d at 269.

**E. Mr. Scherer's Opinion That The "ibooks" Imprint Is Suggestive And Inherently Distinctive Is Unreliable.**

Mr. Scherer opines that Plaintiffs' "ibooks" imprint is a suggestive trademark. (Scherer Rep. at 34-35.) His opinion, however, is not based on sufficient facts or data and does not use reliable principles and methods, and thus should be excluded. *See Fed. R. Evid. 702* (expert

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<sup>6</sup> In 1997, Apple started to develop a laptop computer which it considered calling iBook. (SUF ¶ 114.) On November 6, 1998, Apple filed an intent-to-use trademark application for the mark iBook in connection with "computers, computer hardware, computer peripherals and user manuals sold therewith." (*Id.* ¶ 115.) On May 7, 1999 Apple and Family Systems entered into a Consent Agreement, pursuant to which Family Systems agreed to limit its use of the IBOOK mark to "computer hardware and software used to support and create interactive, user-modifiable electronic books and related goods and services" and Apple agreed to limit its use of the mark iBook to "computer hardware, namely, notebook computers and related goods and services used in connection with said notebook computers bearing Apple's iBook mark, excluding software and software related goods and services." (*Id.* ¶ 118.)

testimony is admissible only if “(b) the testimony is based upon sufficient facts or data; (c) the testimony is the product of reliable principles and methods; and (d) the expert has reliably applied the principles and methods to the facts of the case.”).

In discussing the categorization of Plaintiffs’ “ibooks” imprint as suggestive, Mr. Scherer simply recites general legal definitions of the various types of marks on the distinctiveness spectrum before concluding that Plaintiffs’ imprint is not generic because “e-book” is the generic term for Plaintiffs’ goods. (Scherer Rep. at 32-34.) He then opines that Plaintiffs’ “ibooks” imprint does not convey an immediate, direct and unequivocal description of the goods or a characteristic of the goods, and, on that basis, concludes the alleged mark is suggestive. (*Id.* at 34-35.)

Significantly, at no point in his analysis does Mr. Scherer refer to or rely on the documents produced by Plaintiffs in the case indicating that Byron Preiss, the founder of the “ibooks” imprint, intended to focus on the Internet in marketing and distributing books under that imprint. (*See* SUF ¶¶ 6-9.). Nor, importantly, does he refer to or rely on the PTO Guideline set forth in TMEP § 1209.03(d), which provides that “the prefix ‘i’ or ‘I’ would be understood by purchasers to signify Internet, when used in relation to Internet-related products or services.” That section is directly relevant to the analysis of whether Plaintiffs’ “ibooks” imprint is descriptive or suggestive. In fact, Mr. Scherer was not even aware of this key provision of the TMEP until Apple’s expert identified it. (Barry Dec., Ex. 3 (Scherer Dep. 264:23-265:4).) Given his dearth of recent trademark experience and unfamiliarity with this provision, Mr. Scherer cannot possibly opine as an “expert” on this topic.

**F. Mr. Scherer’s Opinion That The “ibooks” Imprint Has Acquired Secondary Meaning Is Based On Unsubstantiated Claims And Should Be Excluded.**

Mr. Scherer opines that Plaintiffs’ “ibooks” imprint has acquired secondary meaning. (Scherer Rep. at 35.) In determining whether there a mark has acquired secondary meaning, courts consider: (1) consumer surveys; (2) sales success; (3) advertising expenditures; (4) unsolicited media coverage; (5) third party attempts to plagiarize the mark; and (6) the length and exclusivity of the use. *See Sports Traveler, Inc. v. Advance Magazine Publishers, Inc.*, 25 F. Supp. 2d 154, 164 (S.D.N.Y. 1998). Mr. Scherer, however, ignored nearly all of those factors, and instead relied solely on an unsubstantiated, self-serving statement made by Ibooks, Inc., the original owner of the “ibooks” imprint in 2002. (Scherer Rep. at 35; Barry Dec., Ex. 3 (Scherer Dep. 278:16-279:13; 279:20-280:25).)

The statement at issue is inadmissible hearsay and cannot be offered for the truth of the matter asserted. *See Fed. R. Evid. 801.* While Rule 703 provides that an expert witness may rely on hearsay to support his opinions, he may do so only if such reliance is reasonable. *See Rule 703* (“If experts in the particular field would reasonably rely on those kinds of facts or data in forming an opinion on the subject, they need not be admissible for the opinion to be admitted.”). It is not reasonable to do so here because there simply is no declaration or other evidence supporting the claim. More importantly, it would be particularly unreasonable to use this 2002 statement as the sole basis of a finding of secondary meaning as of January 2010 — the relevant moment in time to measure secondary meaning (*i.e.*, the date Apple announced the iBooks app). *See PaperCutter, Inc. v. Fay’s Drug Co., Inc.*, 900 F.2d 558, 564 (2d Cir. 1990).<sup>7</sup>

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<sup>7</sup> Moreover, Mr. Scherer could not even pinpoint when Plaintiffs’ “ibooks” imprint had acquired secondary meaning. (Barry Dec., Ex. 3 (Scherer Dep. 183:5-13).)

Because Mr. Scherer relies only on a single unsubstantiated claim of sales in 2002 to support his conclusion that the “iBooks” imprint has acquired and retained secondary meaning and he has not engaged in the appropriate multi-factor analysis to determine secondary meaning, this portion of Mr. Scherer’s Report should be stricken. *See Berk*, 380 F. Supp. 2d at 352-56; *Macaluso*, 2005 WL 563169, at \*8; *Amorgianos*, 303 F.3d at 269; *see also* Fed. R. Evid. 702(b).

In sum, although Mr. Scherer is not qualified to provide an expert opinion on any of these subjects, this Court should — at minimum — strike those portions of testimony that are premised on factual or legal error.

**V. MR. SCHERER’S DISCUSSION OF APPLE’S PRIOR LAWSUITS IS IRRELEVANT AND PREJUDICIAL AND THEREFORE MUST BE EXCLUDED.**

In Section 15 of his Report, Mr. Scherer lists prior trademark conflicts involving Apple and asserts that such conflicts demonstrate “either shoddy clearance procedures, corporate arrogance or a blatant disregard for the trademark rights of others” on the part of Apple. (Scherer Rep. at 43-44.) Any information about other trademarks or Apple’s experience with such marks is completely irrelevant, however, because this case is about one mark: iBooks. *See Playboy Enters., Inc. v. Chuckleberry Publ’g., Inc.*, 687 F.2d 563, 568-69 (2d Cir. 1982) (in suit against user of PLAYMEN for infringement of the PLAYBOY mark, the court held that Playboy’s “settlement dealings” related to PLAYGIRL were inadmissible).

Section 15 of Mr. Scherer’s Report also is unduly prejudicial to Apple because, although Mr. Scherer’s statements are baseless, in order to defend against them, Apple would have to produce and present evidence related to these other trademarks and essentially conduct mini-trials to prove its position in each dispute. *Bd. of Trs. of AFTRA Ret. Fund v. JP Morgan Chase Bank, N.A.*, 860 F. Supp. 2d 251, 254 (S.D.N.Y. 2012) (“[C]ourts generally exclude evidence of other related lawsuits.”) (citing *Foster v. Berwind Corp.*, No. 90-Civ. 0857, 1991 WL 83090, at

\*1 (E.D. Pa. May 14, 1991) (excluding evidence of other lawsuits because “the complaints in these other actions are just that: allegations” and “are dispositive of nothing and would confuse the complex issues already present”). This would be burdensome, expensive, and time consuming, and confusing for the jury. *See Park W. Radiology v. CareCore Nat’l. LLC*, 675 F. Supp. 2d 314, 324 (S.D.N.Y. 2009) (excluding evidence of other lawsuits involving the defendants because it was irrelevant, prejudicial, would confuse the jury and waste time). For these reasons, Mr. Scherer’s opinions about other marks should be excluded.

Furthermore, Mr. Scherer’s opinion in Section 15 of his Report also ignores the Court’s prior discovery orders regarding relevant evidence. Plaintiffs previously sought discovery regarding trademarks that are unrelated to this case and tried to make arguments similar to those made in Mr. Scherer’s Report during discovery. Such arguments were repeatedly rejected by Judge Batts, Judge Forrest, and Judge Cote. (*See Barry Dec.*, Ex. 10 (Endorsed Letter, Aug. 1, 2012); *Id.*, Ex. 11 (Judge Forrest Motion Denial, Jan. 9, 2012).) Similarly, the Court granted the parties’ request to adjourn the time for Apple to rebut Plaintiffs’ damages expert opinion because that expert, like Mr. Scherer, relied on information about Apple’s other trademarks. (*See Barry Dec.*, Ex. 12 (Endorsed Letter, Oct. 1, 2012).) Yet, Plaintiffs improperly are seeking, through Mr. Scherer’s Report, to circumvent the Court’s prior rulings by again attempting to introduce this evidence through an expert. Because the Court has ruled that information about Apple’s other marks is not discoverable, Section 15 must be stricken from Mr. Scherer’s Expert Report and he should be precluded from providing any testimony or evidence regarding such matters even if he was somehow found qualified to provide such opinions. *See Fed. R. Evid.* 401.

**VI. MR. SCHERER'S OPINION ON APPLE'S PURPORTED BAD FAITH WAS NOT DISCLOSED IN HIS REPORTS AND THUS SHOULD BE EXCLUDED.**

In response to inappropriate leading questioning from Plaintiffs' attorney at his deposition, Mr. Scherer opined that Apple had acted in bad faith by commencing use of the iBooks mark after receiving an e-mail inquiry from Mr. Colby in January 2010. (Barry Dec., Ex. 3 (Scherer Dep. 332:23-333:10.))<sup>8</sup> This opinion is improper for at least two reasons. First, it is nowhere to be found in either Mr. Scherer's Report or Rebuttal Report. Under Federal Rule of Civil Procedure 26(a)(2)(B)(i)-(iv), expert opinions must be disclosed in a written report that contains "a complete statement of all opinions the witness will express and the basis and reasons for them." Second, "[a]ny expert testimony that is not properly supported and disclosed in a report is presumptively inadmissible unless . . . substantially justified or harmless." *R.F.M.A.S.*, 748 F. Supp. 2d at 254 (citing Fed. R. Civ. P. 37(c)(1)). Here, the delay was neither justified nor harmless. The opinion was deliberately solicited by Plaintiffs' counsel through an improper re-direct examination at the end of Mr. Scherer's deposition in an obvious attempt to surprise Apple and avoid complying with the requirements of Rule 26. Mr. Scherer did not offer this opinion at any time during the direct examination by Apple, despite having been asked to state all of the opinions he intended to offer in this case. (Barry Dec., Ex. 3 (Scherer Dep. 193:24-194:12; 258:24-259:3.)) The questioning by Plaintiffs' counsel also improperly went outside the scope of Apple's direct exam. (*Id.* 332:23-333:8.) It was only through this improper re-direct — and the use of leading questions — that this new opinion was ever "disclosed." This failure to disclose significantly prejudiced Apple, which was prevented both from preparing to examine Mr. Scherer about that opinion or submitting its own expert report rebutting that opinion.

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<sup>8</sup> In any case, Mr. Scherer is factually incorrect as Plaintiffs did not ask Apple to cease and desist until May 2010 — a month after Apple launched its iBooks app. (See SUF ¶¶ 239-245.)

This opinion also should be excluded on the independent grounds that Mr. Scherer's conclusion is not premised on any asserted expertise, and because it addresses an ultimate issue that is not properly the subject of expert testimony. *See Kumho*, 526 U.S. at 157; *U.S. Info. Sys.*, 313 F. Supp. 2d at 240. Indeed, in presenting this opinion, Mr. Scherer is acting as nothing more than another legal advocate for Plaintiffs, not as an independent "expert" designed to assist the trier of fact. *See Malletier*, 525 F. Supp. 2d at 654.

### **CONCLUSION**

Based on the foregoing, Apple respectfully requests that all testimony, argument or evidence relating to the opinions and Mr. Scherer's reports be excluded.

Date: December 21, 2012

Respectfully submitted,

*s/ Dale M. Cendali*

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