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UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

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APPLE, INC. and NEXT SOFTWARE, INC., Plaintiffs, v. MOTOROLA, INC. AND MOTOROLA MOBILITY, INC., Defendants.	CASE NO. _____ UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS CIVIL ACTION NO. 1:11-cv-08450 **DISCOVERY MATTER**

MEMORANDUM OF LAW IN SUPPORT OF MOTOROLA MOBILITY'S MOTION TO COMPEL DOCUMENT PRODUCTION AND DEPOSITION FROM JEFFERSON HAN AND PERCEPTIVE PIXEL

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Pursuant to Rule 37(a) and Rules 30 and 45 of the Federal Rules of Civil Procedure, Motorola Mobility, Inc. ("Motorola") respectfully moves the Court for an order compelling third parties Jefferson Han and his company, Perceptive Pixel, to produce documents, including source code, and appear for a deposition by March 7, 2012.

I. INTRODUCTION

Apple has sued Motorola in the Northern District of Illinois (*Apple, Inc. and NeXT Software, Inc. v. Motorola, Inc. and Motorola Mobility*, No. 1:11-cv-08540) alleging that Motorola's touchscreen smartphones infringe Apple's U.S. Patent No. 7,479,949 (the "'949 patent"). Apple alleges the iPhone released in 2007 embodies the patented invention. Trial is scheduled to begin June 11, 2012.

Motorola alleges, however, that the patent is invalid because Apple was not the first to invent the touchscreen invention claimed in the patent. Instead, before the patent was filed, a computer scientist named Jefferson Han presented a touchscreen device to technology enthusiasts at a TED conference in Monterey, California in 2006 – a demonstration that was attended by Apple employees, including one of the persons later named as an inventor on the Apple patent. Jefferson Han and his company Perceptive Pixel are based in New York, and Motorola seeks discovery from Mr. Han and his company concerning the touchscreen device demonstrated in 2006, as well as their later communications with Apple. Despite a validly served subpoena and months of negotiation, Han and his company have steadfastly refused to cooperate and refused to provide the requested discovery. The discovery sought is focused and is critical to the pending Illinois patent action. There is no justification for Han and Perceptive Pixel to have refused to comply with the subpoena. Accordingly, Motorola seeks an order compelling the discovery.

II. BACKGROUND

A. Procedural Posture

Apple filed the instant underlying lawsuit on October 29, 2010 in the Western District of Wisconsin, No. 10-cv-662-BBC (Complaint attached as Exhibit 1 to the accompanying Declaration of Brian Cannon.) The case was later transferred to N.D. Illinois before Hon. Richard A Posner sitting by designation, with trial set for June 11, 2012. (Cannon Decl., Exs. 2, 3 and 4.) The parties are currently engaged in discovery.

B. The '949 Patent

Apple asserts that Motorola infringes the '949 patent. (Cannon Decl., Ex. 1 at 2-5.) The patent arises from an application filed originally on June 29, 2007. The claimed invention generally relates to interpreting user finger gestures on a touch screen display. For instance, claim 1 reads as follows:

> 1. A computing device, comprising:
> a touch screen display;
> one or more processors;
> memory; and
> one or more programs, wherein the one or more programs are stored in the memory and configured to be executed by the one or more processors, the one or more programs including:
>
> instructions for detecting one or more finger contacts with the touch screen display;
>
> instructions for applying one or more heuristics to the one or more finger contacts to determine a command for the device; and
>
> instructions for processing the command;
>
> wherein the one or more heuristics comprise:
>
> a vertical screen scrolling heuristic for determining that the one or more finger contacts correspond to a one-dimensional vertical screen scrolling command rather than a two-dimensional screen translation command based on an angle of initial movement of a finger contact with respect to the touch screen display;

> a two-dimensional screen translation heuristic for determining that the one or more finger contacts correspond to the two-dimensional screen translation command rather than the one-dimensional vertical screen scrolling command based on the angle of initial movement of the finger contact with respect to the touch screen display; and
>
> a next item heuristic for determining that the one or more finger contacts correspond to a command to transition from displaying a respective item in a set of items to displaying a next item in the set of items.

(Cannon Decl., Ex. 5[1] at Col. 122:37-123:2.)

Apple's infringement allegations for the '949 patent are directed to Motorola's Android smartphones with Internet browser applications. Apple is also asserting the '949 patent against both Samsung and HTC in other actions.

C. Jefferson Han and His Company, Perceptive Pixel, Have Relevant Information Relating to Defendants' Prior Art Defenses

1. Han's Technology

It is Motorola's contention that a multitouch device demonstrated by third party Han at the TED conference in Monterey, California in February 2006, is a prior invention to the invention claimed in the '949 patent and invalidates the patent.

Han is the founder and Chief Technology Officer of Perceptive Pixel, Inc. (Cannon Decl., Ex. 6). Han publicly demonstrated a multitouch device at the TED conference in Monterey, California in February of 2006. (*See* http://www.ted.com/talks/jeff_han_demos_his_breakthrough_touchscreen.html). TED is a nonprofit devoted to "Ideas Worth Spreading" in the fields of technology, entertainment and

[1] For purposes of this motion, Motorola has included only pertinent excerpts of the voluminous patent. The full copy is publicly available as a government record at http://portal.uspto.gov/external/portal/pair.

design. (Cannon Decl., Ex. 7). Each year TED hosts a conference where speakers deliver short presentations on a variety of topics and issues. (*Id.*)

The device demonstrated by Han consisted of a 36-inch wide rear-projected drafting table equipped with a multitouch sensor computing device capable of running various applications. Han demonstrated several of those applications, including a lava lamp application, a light box photo application, a keyboard application, a "fuzz balls" application, a WorldWind map application, and a puppet application, which together demonstrate the heuristics claimed in the '949 Patent. The audience was stunned by this breakthrough technology and repeatedly gasped, cheered and clapped during the presentation.

TED posted a video of Han's TED 2006 presentation online in August 2006. (http://www.ted.com/talks/jeff_han_demos_his_breakthrough_touchscreen.html). The video has been viewed over 2.1 million times on TED's website, and hundreds of thousands of times on YouTube. (*Id.; see also* http://www.youtube.com/watch?v=QKh1Rv0PlOQ).

Han founded his own company, Perceptive Pixel, Inc., in 2006 based on the technology demonstrated at the TED Conference. (Cannon Decl., Ex. 8.)

2. Apple's Knowledge of Han's Technology and Its Similarity to the iPhone

When Apple first publicly announced its touch screen iPhone at the MacWorld Conference on January 9, 2007, many recognized the similarity between Apple's device and Han's multitouch device. At that conference, David Pogue, technology columnist for the *New York Times*, asked Steve Jobs if he knew of Han's work. As reported in the interview, Jobs replied "[w]e've had ours for two and a half years," implying that Apple's version came first. (Cannon Decl., Ex. 9.)

Mr. Pogue of the *New York Times* also spoke with Han in early 2007 about Apple's iPhone. Han indicated that "he'd known what had happened, and that there was a lot he wasn't allowed to say." (Cannon Decl., Ex. 10.) This reported conversation indicates Han developed a subsequent relationship with Apple.

D. Defendants' Subpoena and Meet and Confer Efforts

Because of Han's central role in proving the invalidity of the '949 patent and his possible relationship with Apple, Defendants served subpoenas for documents and a deposition upon him and Perceptive Pixel on September 12, 2011. (Cannon Decl., Exs. 11 and 12.) The subpoenas ask for the same general categories of documents: (1) documents relating to Han's February 2006 TED Conference presentation; (2) documents relating to the multitouch device demonstrated by Han at that conference; (3) the actual multitouch device that was demonstrated and related prototypes and source code; (4) documents relating to the development and functionality of the multitouch device; (5) documents relating to an earlier January 2006 web

demonstration; and (6) documents relating to any communications and agreements with Apple. *See id.* The subpoenas indicated a return date for the documents of September 22, 2011. *See id.*

Han and Perceptive Pixel's counsel met and conferred with Motorola's counsel regarding the subpoenas several times, beginning September 21, 2011. (Cannon Decl. ¶ 13.) In mid-October, to facilitate Han's and Perceptive Pixel's responses to the similar subpoenas served by Motorola, Samsung and HTC, the three parties agreed to work together with Han's counsel. After multiple additional communications between Han's original and replacement counsel and Motorola, Samsung and HTC, as detailed in Exhibit 13, Han's counsel continued to refuse to produce anything but source code. (Cannon Decl. ¶¶ 13-14.)

After weeks of negotiation, Han and Perceptive Pixel have produced no documents and no source code. (Cannon Decl., ¶ 16.) They have said only that they might be willing to look for source code, but will not look for documents because Han is "extremely busy." (Cannon Decl. Ex. 13.)

E. Documents Produced by Apple, the TED Conference, and NYU

Documents produced by both Apple and other relevant third parties call into question Han's claim that he has no responsive documents. In response to Motorola's document requests, Apple has produced numerous documents indicating extensive communications between Han and Apple during the relevant timeframe—yet, Han claims that he has no relevant documents.

In response to Motorola's third party subpoena for documents, the TED Conference also produced communications between Han and employees of the TED Conference relating to the 2006 presentation at issue. Again, this raises serious doubts about Han's claims that he has no relevant documents. Documents from NYU provide further evidence that Apple communicated with Han, and that others communicated with Han about Apple. Although Motorola has received these email communications from Apple, the TED conference, and NYU, Motorola

does not know if there are additional communications or documents in Han's possession that he is also refusing to produce, and his refusal to acknowledge any of these documents leads to the likely conclusion that he has not conducted a proper search for any documents at all. In addition, many of the documents requested would likely *only* exist in Han's possession and cannot be obtained through any other means. Because of the critical role Han's demonstration of the touch screen device may have on the validity of the '949 patent, this motion followed.

III. ARGUMENT

A. The Court Should Compel Production of Documents and Han's Deposition

"Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claim or defense.... For good cause, the court may order discovery of any matter relevant to the subject matter involved in the action." Fed. R. Civ. P. 26(b)(1). Relevant information need not be admissible at the trial if the discovery appears "reasonably calculated to lead to the discovery of admissible evidence." *Id.*

A party may not, without cause, simply refuse to respond to a valid subpoena. A Court may "hold in contempt a person who, having been served [with a subpoena], fails without adequate excuse to obey the subpoena." Fed. R. Civ. P. 45(e).

1. Han and Perceptive Pixel Maintain Critical Prior Art to Apple's '949 Patent

Patent claims in the United States are awarded only to those who are the first to invent. *See* 35 U.S.C. § 102. In addition, patents cannot be awarded to inventions that were "obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains." 35 U.S.C. § 103; *see also KSR Int'l v. Teleflex, Inc.*, 550 U.S. 398 (2007). Thus, a prior invention, or an obvious one, invalidates a patent claim.

Han's demonstration at the February 2006 TED conference invalidates the '949 patent's invention or at least renders it obvious. Han's ability to vertically scroll, perform two dimensional screen translation, and switch between different data views reads directly on the heuristics described in asserted Claim 1. (Cannon Decl., Ex. 5 at Col. 122:37-123:2.)

Taking Han's deposition to inquire about his multitouch device and related source code will provide the necessary specific details of his invention, and may also elicit what he and others, including David Pogue of the *New York Times*, would have found obvious at the time of the '949 patent's application. Moreover, Motorola's requests for documents related to agreements with Apple and its representatives may shed light on Apple's knowledge of, and relationship to, this technology.

Finally, it is not plausible that Han has absolutely no documents or source code related to the demonstration and the multitouch device. This device and Han's TED presentation launched his company, Perceptive Pixel. (Cannon Decl., Ex. 6.) In addition, the documents produced by Apple and third parties TED and NYU demonstrate that numerous responsive documents exist. In fact, Han's new position is that he is too busy to search for the documents, not that such documents do not exist. An order compelling production of documents and a deposition is the only way Motorola can be assured that Han and Perceptive Pixel are not withholding relevant documents.

2. **The Requests At Issue Are Narrowly Tailored**

Motorola narrowly tailored its requests to target the specific documents and source code relevant to its prior art defense. (Cannon Decl., Exs. 11 and 12.) Motorola Mobility is seeking documents related to Han's presentation at the February 2006 TED conference, the touch screen device that was demonstrated, the source code for that device, and documents sufficient to show the development of that device, the functionality of that device and any other public disclosure or

demonstration of that device. It is also seeking documents and things related to a January 2006 "Demo Reel" described on Han's NYU website, http://cs.nyu.edu/~jhan/ftirtouch/, that cannot be currently viewed on that website but Defendants believe can be found at http://www.youtube.com/watch?v=89sz8ExZndc. This "Demo Reel" demonstrates much of the same functionality Han showed the TED Conference audience in February 2006.

Motorola is also seeking a limited set of documents related to any agreements or communications Han or Perceptive Pixel may have with Apple.

Han and Perceptive Pixel have not asserted any valid objection. *See Orbit One Communications, Inc. v. Numerex Corp.*, 255 F.R.D. 98, 108 (S.D.N.Y. 2008) ("A party contending that a subpoena should be quashed pursuant to Rule 45(c)(3)(A)(iv) must demonstrate that compliance with the subpoena would be unduly burdensome."). In fact, they have not served written objections to the Han subpoena or a privilege log for either subpoena. *See* Fed. R. Civ. P. 45(c)(2)(B). They simply will not produce documents or appear for a deposition. As such, Motorola respectfully requests that the Court grant this Motion to Compel.

IV. CONCLUSION

For the foregoing reasons, Motorola respectfully requests that the Court order third parties Jefferson Han and his company, Perceptive Pixel, to produce documents and things and appear for a deposition by March 7, 2012.

Dated: February 8, 2012

Respectfully submitted,

MOTOROLA MOBILITY, INC.

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