

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE EASTERN DISTRICT OF TEXAS
3 MARSHALL DIVISION

4 FUNCTION MEDIA, L.L.C.,) (
5) (CIVIL DOCKET NO.
6) (2:07-CV-279-CE
7 VS.) (MARSHALL, TEXAS
8) (
9 GOOGLE, INC., AND) (DECEMBER 4, 2009
10 YAHOO, INC.) (9:30 A.M.

11 PRETRIAL HEARING
12 BEFORE THE HONORABLE JUDGE CHAD EVERINGHAM
13 UNITED STATES MAGISTRATE JUDGE

14
15 APPEARANCES:

16
17 FOR THE PLAINTIFFS: (See Attorney Sign-In Sheet)

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19 FOR THE DEFENDANTS: (See Attorney Sign-In Sheet)

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(Proceedings recorded by mechanical stenography,

transcript produced on a CAT system.)

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1 COURT SECURITY OFFICER: All rise.

2 THE COURT: Please be seated.

3 Good morning.

4 MR. TRIBBLE: Morning, Your Honor.

5 THE COURT: We've got a pretrial conference
6 set in Function Media versus Google, 2:07-CV-279.

7 What says the plaintiff?

8 MR. TRIBBLE: The plaintiff is ready, Your
9 Honor. Good morning, Max Tribble. With me today and
10 speaking is Justin Nelson --

11 MR. NELSON: Morning, Your Honor.

12 MR. TRIBBLE: -- and Joe Grinstein.

13 THE COURT: All right. Good morning.

14 For the defendant?

15 MR. GILLAM: Your Honor, Gil Gillam, Charlie
16 Verhoeven, Amy Candido, Ed DeFranco on behalf of Google.
17 We also have a few Google representatives with us here
18 today. And we're ready to proceed.

19 THE COURT: All right. Good morning to you.

20 We're set to pick a jury in the case on
21 January the 4th. As things are looking right now, I'm
22 leaning towards selecting your jury in the afternoon
23 after Judge Ward selects his juries on that day. That
24 will give us the opportunity to use the larger courtroom
25 which is a lot more conducive to jury selection than

1 this courtroom.

2 So I've -- I have still two juries to pick
3 on the 4th, one in addition to this one, so I'll try to
4 do the other one in the morning down here, and then I'll
5 hopefully bump y'all towards 2:00 o'clock or so in the
6 afternoon and -- and select your jury upstairs. That
7 way y'all can have the benefit of the larger courtroom
8 for jury selection.

9 We'll try the case down here beginning on
10 the 19th at 8:30. I'll seat an eight-person jury. I'll
11 give each side four strikes. You'll have the
12 opportunity to make a brief opening statement to --
13 style presentation before you begin selecting your jury.
14 Limit that to five minutes. Don't argue your case
15 during that timeframe, but give an overview of what you
16 anticipate the evidence will show and what your
17 contentions are. You can use that time also to
18 introduce the folks that will be helping you try the
19 case and your corporate representatives, and -- but once
20 you've used your five minutes, get to questioning. So
21 I'll -- I'll lead you in that direction if you're still
22 talking after five minutes, okay?

23 I'd like to convene on the 5th at 9:00
24 o'clock for the purpose of pre-admitting exhibits and
25 resolving deposition designation objections and any sort

1 of final housekeeping matters that we need to resolve
2 before we start evidence.

3 Is there any problem with anyone's schedules
4 being here on the 5th?

5 MR. TRIBBLE: No, Your Honor.

6 THE COURT: My point is is we've got -- and
7 I'm fairly flexible. We've got plenty of time between
8 the time of the 4th and the time of the 19th. I just
9 thought since some folks might already be in town for
10 jury selection, it would be cheaper to send them here
11 once than twice, so --

12 MR. GILLAM: Your Honor, I may be involved
13 in another trial at that time, but it won't impact our
14 ability to handle that.

15 THE COURT: It's -- I understand that,
16 Mr. Gillam, and I've got your -- your letter.

17 MR. VERHOEVEN: We're available.

18 THE COURT: Okay. Thank you.

19 Let me ask both sides this. Depending on
20 what Mr. Gillam's trial availability and schedule is
21 in -- in Judge Ward's court, how badly is it going to
22 impact you if I have to start your evidence on, say, the
23 20th or the 21st, Mr. Tribble, from y'all's side?

24 MR. TRIBBLE: Well, there is a -- there's a
25 big claim construction hearing, Your Honor, in -- I

1 believe it's in Judge Ward's court that Mr. Susman was
2 going to handle personally, but he is pre-engaged, and I
3 had agreed to handle that on the 28th, I believe it is,
4 and so that's the only problem that I can think of.

5 THE COURT: Okay. Well --

6 MR. TRIBBLE: But, you know, we're at the
7 Court's pleasure. We're -- we're ready for trial.

8 THE COURT: Okay. I understand. Well, as
9 it now stands, we're going to start evidence on the
10 19th, but let me -- I appreciate you bringing that to my
11 attention.

12 Is there any problem starting a couple days
13 later from Google's --

14 MR. VERHOEVEN: No, Your Honor.

15 THE COURT: Okay.

16 MR. TRIBBLE: Your Honor, that's the Saxon
17 case, the other case, and so it may be possible to slip
18 that date. Oh, it's in front of Judge Love, Your Honor.

19 THE COURT: Okay. Okay.

20 MR. CARROLL: Your Honor --

21 THE COURT: Yes, sir?

22 MR. CARROLL: -- are you going to show the
23 film to the panel --

24 THE COURT: Yes.

25 MR. CARROLL: -- before we cut the panel?

1 THE COURT: Yes. I'll show the -- the film
2 being the Federal Judicial Center's patent law video.

3 MR. CARROLL: Thank you.

4 MR. TRIBBLE: Your Honor, the same attorney
5 that gives the five-minute opening, does it have to be
6 the same attorney that does the voir dire?

7 THE COURT: I'll allow you to split that.

8 MR. TRIBBLE: Okay.

9 THE COURT: Either -- either side if they
10 want to --

11 MR. TRIBBLE: Thank you.

12 THE COURT: -- split that.

13 All right. We're going to take up motions
14 in limine here in a moment. I appreciate, by the way,
15 your efforts, the agreements that you've reached.
16 Please instruct the lawyers that are going to be helping
17 you to try the case and the witnesses that you're going
18 to put on to abide by the rulings in limine.

19 They're orders to approach the bench.
20 They're not orders definitively ruling on the
21 admissibility or exclusion of evidence. Some of them I
22 may overrule just because I don't feel they're proper
23 motions in limine. That's not to be taken as an
24 indication that the evidence is automatically coming in.
25 You just need to object at the time that the evidence is

1 offered at trial to preserve your record. But all I'm
2 asking you to do is approach the bench before you launch
3 into something that's covered by an order in limine.

4 With respect to expert witnesses, please
5 have your experts well versed on their obligations to
6 answer questions with "yes" or "no" answers if the
7 question calls for a "yes" or "no" answer. Don't have
8 them launching into narratives on cross examination
9 particularly.

10 Any questions about that, Mr. Tribble?

11 MR. TRIBBLE: No questions, Your Honor.

12 THE COURT: Mr. Gillam?

13 MR. GILLAM: No, Your Honor.

14 THE COURT: Okay. What I'd like to do is
15 resolve, to the extent we can today, the motions in
16 limine first, then I'll take up some of the other
17 pending motions.

18 MR. TRIBBLE: Your Honor, we have this
19 morning reached agreement on five additional motions in
20 limine in addition to the ones that we identified for
21 the Court in the letter yesterday which I assume you've
22 seen.

23 THE COURT: Okay. These are with respect to
24 the plaintiff's motions in limine?

25 MR. TRIBBLE: Both.

1 THE COURT: Or both?

2 MR. TRIBBLE: They're both.

3 THE COURT: Okay. Tell me what they are.

4 MR. TRIBBLE: Function Media has agreed to
5 drop its MIL 29. Google has agreed to drop their MIL
6 No. 7. And all parties have agreed to Function Media's
7 MILs 12 and 22.

8 THE COURT: Okay.

9 MR. TRIBBLE: And we have agreed to Google's
10 MIL No. 2 with the understanding that we may approach
11 the bench and raise that issue again later.

12 THE COURT: Okay. All right. Well, by my
13 count, the first one of your motions, Mr. Tribble, that
14 is contested is your No. 13; is that correct?

15 MR. TRIBBLE: I believe that's correct, Your
16 Honor.

17 THE COURT: Well, who is going to address
18 that one?

19 MR. TRIBBLE: Mr. Grinstein.

20 MR. GRINSTEIN: Morning, Your Honor.

21 THE COURT: Good morning.

22 MR. GRINSTEIN: Joe Grinstein for plaintiff,
23 Function Media.

24 Actually, I think No. 13, I think, is more
25 or less agreed. Google has raised a concern -- this is

1 a motion in limine raised at preventing fact witnesses
2 from drawing expert testimony. Google has expressed a
3 concern that somehow Function Media might employ that to
4 prevent Google from bringing forth prior art witnesses
5 to testify about their personal knowledge about what the
6 prior art showed or did.

7 All I can say is that's not our intent. We
8 didn't intend to use that to exclude prior art witnesses
9 from offering testimony in that -- in that nature, and
10 with that in mind, I think this is agreed subject to our
11 representation.

12 MR. VERHOEVEN: That's correct, Your Honor.

13 THE COURT: Okay. It's granted, then, as
14 agreed.

15 16 was withdrawn; is that correct?

16 MR. GRINSTEIN: 16 was withdrawn, Your
17 Honor.

18 THE COURT: 17?

19 MR. GRINSTEIN: 17 is in dispute, Your
20 Honor.

21 THE COURT: Okay.

22 MR. GRINSTEIN: And I will handle 17.

23 Your Honor, the issue with respect to 17 is
24 that two vehicles by which the parties identified to the
25 other side what are the claims and what are the

1 references that each party is asserting against each
2 other.

3 The first vehicle, obviously, is the local
4 rule contentions. Function Media had to tell Google
5 what its infringement theories were. Google had to tell
6 Function Media what its validity theories were.

7 The second vehicle was -- the parties
8 voluntarily this summer agreed to narrow down the claims
9 and references they're asserting against each other. So
10 August 10th, Function Media sent an e-mail to Google and
11 said, "We're only asserting 18 claims against you, these
12 18." And on September 22nd, Google sent a letter to
13 Function Media and said, "Here are the 25 prior art
14 documents that we're asserting against Function Media."

15 The problem is, however, that Google has
16 expressed its intent in its expert reports and otherwise
17 to violate one or either of those agreements. This
18 particular motion is directed at 18 different prior art
19 documents. And of those 18 prior art documents, Google
20 never charted 11 of them. Of those 18 prior art
21 documents, 13 of them were not identified in the
22 September 22nd Google narrowing of the prior art. And I
23 guess the worst of both worlds, 6 of those 18 documents,
24 neither were ever charted by Google in its invalidity
25 contentions nor were they identified in the September

1 22nd letter.

2 And so those are the universe of documents
3 that we're talking about here, Your Honor. And to be
4 clear, we are not attempting here to exclude any
5 references as a whole. The documents that we are
6 talking about are additional documents that relate to
7 references that were charted.

8 For example, one of the prior art systems
9 that Google's asserting against Function Media is
10 AdForce system, and Google has asserted and charted the
11 AdForce user manual versus 2.6 back when it did its
12 invalidity contentions, but now via its expert report,
13 it is attempting to assert a variety of additional
14 AdForce documents which it didn't chart or it didn't
15 identify in its September 22nd letter, and those are the
16 documents that we've got a problem with.

17 And the problem is, is that the reason why
18 this Court has charting requirements is to put the other
19 side on notice of exactly what a party's contentions is
20 about a particular reference. Otherwise, we're left to
21 guess exactly how Google would contend that Document X,
22 Y, or Z supplies some missing element or supplies some
23 element relevant to anticipation or obviousness or
24 whatever.

25 A practical example of this was I personally

1 took the deposition of one of the AdForce prior art
2 witnesses, a Mr. Scheele, and in preparing for that
3 deposition, I went and pulled Google's invalidity
4 contentions, found the AdForce user manual 2.6, prepared
5 my deposition for him accordingly because that's what I
6 thought the AdForce prior art was.

7 When I got to the depo, Google's attorneys
8 then pulled out all these other documents that hadn't
9 been charted and elicited testimony from Mr. Scheele
10 about them. I wasn't prepared for that because I wasn't
11 put on notice that I needed to be. I had no idea what
12 their contentions were about these documents.

13 As it turns out, we've got good answers to
14 everything they asked about, but I wasn't given a fair
15 opportunity to prepare to question Mr. Scheele about
16 those answers.

17 Google's presumed response to this, I
18 believe, is going to be sauce for the goose, sauce for
19 the gander, that if Function Media's got a problem with
20 these documents that Google never charted, then Function
21 Media ought not to be able to talk about infringement
22 documents that didn't show up on Function Media's
23 infringement charts.

24 But I really believe these are really
25 comparing a comparison of apples and oranges. As far as

1 the infringement charts are concerned, Function Media
2 never had those -- the Google internal documents that it
3 might want its expert to rely upon right now for
4 purposes of infringement. When it served its
5 infringement charts, as is the course in the rules, it
6 did so without the benefit of any discovery whatsoever.

7 So, obviously, Function Media's expert is
8 going to be talking about additional infringement
9 documents that were elicited and discovered during the
10 course of discovery that weren't available at the time
11 of charting.

12 By contrast, what Google's done in large
13 part here is they produced all these prior art documents
14 at the time of their charts. They -- you know, I'm not
15 arguing that we didn't have them in production, but they
16 just didn't bother to chart them and explain to us then
17 what their relevance were. So it's an issue of were the
18 documents available to each party at the time that the
19 charting was done, and with respect to our infringement
20 contentions, we didn't have their discovery so how could
21 we have charted their internal documents.

22 With respect to these prior art documents,
23 they produced them at the time, they just elected not to
24 chart them.

25 And therein lies the problem, Your Honor.

1 MR. DEFRANCO: Good morning, Your Honor.

2 THE COURT: Morning.

3 MR. DEFRANCO: Ed -- Edward DeFranco for
4 Google.

5 Mr. Grinstein is exactly right. Actually,
6 we tried to resolve this out in the hall, and that's the
7 proposal that I made with what he referred to as what he
8 excepted us to argue.

9 I said, "Now, look, Joe, this is a two-way
10 street. Obviously, we both, of course, know this Court
11 expects both parties to live up to the 3-1 and 3-3
12 requirements, and it's got to be a two-way street. In
13 other words, if our expert on invalidity is citing some
14 document that you say is not in our original charts and
15 you're saying he shouldn't be able to do that, your
16 expert has to live or die by the same rule. In other
17 words, your infringement analysis has to cite the Google
18 document you're relying on." Two-way street. Rules
19 apply equally. Invalidity to us, noninfringement to
20 them.

21 Now, you heard Mr. Grinstein say, "Well,
22 there's a difference because Google produced documents
23 in the meantime. The same thing is true here. We had
24 discovery on invalidity issues. Additional documents
25 were produced. We refined our analysis, just as they

1 did. Where are we at now? We're at the expert report
2 stage. Both parties are on complete notice of each
3 other's side's position and the documents we relied
4 upon.

5 I said, "We should just move forward with
6 trial. Take those reports." And we've had those, you
7 know, the documents and the analysis. There's full
8 disclosure. There's no prejudice at this point, but --

9 THE COURT: Well, let me ask you this
10 question, if I adopt a rule that says you can -- you can
11 rely on those documents that were both in your
12 possession and charted at the time you served your --
13 either the infringement or invalidity contentions, is
14 that satisfactory to --

15 MR. DEFRANCO: I don't think either party
16 would want to live under that, Your Honor. That's --
17 that's what I'm saying. In other words, we're not
18 talking about -- I should back up for one -- may I back
19 up for one moment --

20 THE COURT: Certainly.

21 MR. DEFRANCO: -- because I kind of started
22 at the end?

23 First of all, I absolutely agree a deal is a
24 deal, and there were no promises broken here. They
25 mentioned that in their brief. And I was -- and

1 Mr. Grinstein and I dealt with this directly. We said
2 that -- you know, we were both talking over the summer.
3 We are fairly new to the case. We were both talking
4 about the scope of the case both on the number of
5 asserted claims and the prior art references. We both
6 knew it was -- both were way out of proportion, too many
7 asserted claims, too many pieces of prior art. We
8 talked about, you know, the need to file motions to
9 focus things down, and we did cut a deal.

10 I said -- you know, Mr. Grinstein said, "We
11 will narrow down the claims in August if you promise to
12 narrow down the prior art." That was our deal. I think
13 we both lived up to it.

14 On August 10th, they came forward with 18
15 claims. About a month later, we narrowed our prior art
16 from -- it was close to a hundred references. We went
17 down to 16. We said -- I promised him no more than 25.
18 We actually went down to 16. I sent him a letter. I
19 listed those 16, but I also put next to the 16 an
20 example of, you know, if it was a patent, I gave him the
21 production number of the patent. If it was a prior art
22 reference, I gave him an example of the type of
23 document.

24 The deal was not cite every document for the
25 prior art that you narrow it down to, because if that

1 was the deal, we didn't get any documents cited from
2 them for the 18 claims they were going to rely on for
3 infringement. I kind -- you know, I actually did that
4 because I was new and I wanted to make sure he knew of
5 the -- of the, you know, 16 references, what -- what I
6 was talking about. I was talking about AdForce or
7 DoubleClick. Here's an example of the type of document.

8 The deal was not full disclosure of all the
9 documents. I just wanted to make that clear first.

10 So what do we have? We have their 18
11 claims. We have our 16 references. Since that time,
12 both parties' experts spent an awful lot of time and
13 energy preparing reports, quite extensive, over a
14 hundred pages each, lots and lots of documents cited on
15 invalidity and noninfringement, documents for both sides
16 that are not in the 3-1 and 3-3 disclosures.

17 So that's what I'm saying it's got to be a
18 two-way street. I don't think they want to go back to
19 their 3-1 infringement disclosures, because their expert
20 cites Google documents that are not in there. I really
21 don't -- that's not going to help them at trial.
22 There's lots of documents that he's not going to be able
23 to talk about.

24 That's what they're trying to say should
25 apply on the invalidity side. I hope that helps, but --

1 THE COURT: Well --

2 MR. DEFRANCO: -- with that in mind, Your
3 Honor, so your question is --

4 THE COURT: Well, I mean, as I understand
5 their argument, the reason they didn't cite things in
6 their infringement contentions is because Google hadn't
7 produced them yet. That might provide some sort of good
8 cause to allow them to use those documents in support of
9 their infringement contentions.

10 And my question to you was, well, if I apply
11 that rule, you know, against, each side and then if you
12 were, for instance, to come in possession of prior art
13 documents after you served your 3-3 contentions, then
14 that might allow you good cause to use those documents
15 and restrict your use of documents to those, you know,
16 as a preliminary -- preliminary matter, to those which
17 were identified in your 3-3 disclosures.

18 And what I don't like is when people have
19 documents that they know they're going to rely on at the
20 time they serve their disclosures, and then they don't
21 serve their -- they don't put them out there so the
22 other side knows what you're really contending.
23 that's -- that's the problem I have.

24 MR. DEFRANCO: I completely understand, Your
25 Honor. I think -- I don't think Mr. Grinstein will

1 disagree that when the initial disclosures were done by
2 both sides, they did the best they could to cite the
3 documents they had at the time. This is not a case
4 where a party just failed to meet their obligations.

5 THE COURT: All right.

6 MR. DEFRANCO: What I'm trying to say is
7 since then, both sides have become aware of documents.
8 We produced documents to them. We got additional prior
9 art documents. We supplemented a couple of times.
10 Frankly, I can't remember. I wasn't involved in the
11 case at that time. I'm not sure if they supplemented,
12 but the question is the same for both sides. We both
13 developed, refined our position, got additional
14 documents. We're both under a duty to supplement our
15 disclosures, right?

16 So the issue is either -- well, if we -- we
17 both didn't do that to match what's in the expert
18 reports, right, because that's -- that's the test.
19 We're going to trial now, and if an expert wants to rely
20 on a document, it's got to be in the 3-3 disclosures or
21 the 3-1 disclosures.

22 We both should have completely supplemented
23 those so we're completely on notice of what we're using
24 at trial. My point is we've had expert reports now for
25 some time. We're going to take depositions. There's no

1 prejudice. We're both fully informed. We're talking
2 about not positions, but documents in support of those
3 positions.

4 THE COURT: I understand. It's --

5 MR. DEFRANCO: So if he's saying I should
6 have supplemented my 3-3 disclosure to cite every single
7 document including these -- some of the ones I told him
8 about on December 22nd, the same thing applies to their
9 infringement analysis by their expert.

10 Their expert can't get up and use a document
11 if it's not in their 3 -- if it's not in their 3-1
12 disclosure, because they knew about that at some point.
13 I understand his point that we produced some documents
14 during discovery, but -- then they -- they're obligated
15 to supplement those disclosures under the rules, which
16 they're allowed to do for good cause, and certainly
17 there would be, but they didn't do that.

18 So they can't say, "Well, I didn't have the
19 documents yet, so I couldn't have cited them in my
20 earlier disclosures." Well, that's good cause. That's
21 what the rules are all about. Come in and tell me about
22 those documents. We --

23 THE COURT: Okay. All right. All right.

24 MR. DEFRANCO: Am I -- am I helping?

25 THE COURT: Well, yes, but I'm going to

1 carry the argument, and I'll -- I'll have you a ruling
2 before you start evidence on exactly which documents you
3 can use, okay?

4 MR. DEFRANCO: I think we're going to
5 discuss it some more, Your Honor, and try to resolve
6 this.

7 THE COURT: Well, it's -- I appreciate the
8 fact that they're documents that are related to
9 real-world systems, as I understand it, as opposed to a
10 stand-alone piece of prior art that would, you know, be
11 a printed publication or a patent.

12 MR. DEFRANCO: Yes, Your Honor.

13 THE COURT: So I'll -- I'll take that into
14 account, all right?

15 18, references to an incorrect or altered
16 obviousness standard.

17 MR. GRINSTEIN: And, Your Honor, shortly
18 before the patents issued, the Supreme Court issued its
19 obvious -- obviousness opinion, the KSR versus Teleflex
20 opinion.

21 What Google apparently wants to argue here
22 is that because the PTO presumably issued these patents
23 without having considered KSR, although I guess we don't
24 know for sure whether they did or not, but presumably
25 because the PTO didn't consider KSR, that Google should

1 be able to come to the jury and argue to the jury,
2 "Don't listen to what the PTO said when it issued these
3 patents because let me tell about this legal opinion,
4 KSR, from the Supreme Court. Here it is. Let me tell
5 you all the things about it. It changed the obviousness
6 standard. Huge change in the law. The PTO didn't
7 understand it," so on and so forth.

8 Obviously, Your Honor, if we're going to get
9 into arguments before the jury about what this complex
10 Supreme Court opinion, KSR, really means, we're going to
11 have to have dueling legal experts up there on the
12 stand, which by the way, neither party has designated,
13 to get up there and to argue to the jury what the state
14 of obviousness law was before KSR, what KSR did to it,
15 how KSR may or may not have impacted patent prosecution,
16 so on and so forth.

17 And in that sense, the issuance of KSR is
18 really no different than any other Federal Circuit or
19 Supreme Court opinion that comes out on anticipation or
20 obviousness --

21 THE COURT: Well, let me -- let me interrupt
22 you. I'm going to allow them to show the date,
23 obviously, that the patents issued. That will be in
24 evidence. They're going to be entitled to show what the
25 test is for obviousness under KSR, when -- when that

1 case was decided, and you're going to be entitled to
2 show them that in Dystar and Alza, the Federal Circuit
3 backed off of its rigid test that was addressed in KSR
4 and that that happened before the notices of allowance,
5 okay?

6 So that's -- I mean, your ex -- your
7 invalidity experts can -- can touch on that if they want
8 to, but it's going to -- I mean, each side is going to
9 be able to talk about that, okay? I mean, but just --
10 it's going to be brief. We're not going to dwell on it
11 a lot, but -- but if they want to argue that KSR had --
12 was a sea change, that the examiner's, you know, weren't
13 aware of, then I'm going to allow you to respond to that
14 by showing what the Circuit law was at the time of the
15 notices of allowance issued, okay?

16 MR. GRINSTEIN: Thank you, Your Honor.

17 I believe the -- the next one which needs to
18 be discussed is 26. If I'm not mistaken, I believe the
19 rest of them agreed up until that point.

20 THE COURT: Right. That's correct.

21 MR. GRINSTEIN: 26, I guess, is of a similar
22 concept to the one we just talked about.

23 THE COURT: 26 is granted. I'm not going to
24 allow testimony about what the average examiner spends
25 on -- on a patent.

1 MR. GRINSTEIN: With that in mind, I believe
2 the next one in dispute is No. 27 --

3 THE COURT: Right.

4 MR. GRINSTEIN: -- which my partner,
5 Mr. Nelson, will address.

6 THE COURT: Well, let me -- before --
7 Mr. Nelson -- what does Google intend to offer on 27
8 that would -- I mean, Google's own license is entered in
9 settlement of litigation.

10 MS. CANDIDO: The issue on 27, Your Honor,
11 is that we're not clear what license agreements that
12 plaintiff characterizes as being settlement
13 agreements --

14 THE COURT: Okay. Well --

15 MS. CANDIDO: -- of Google's patent
16 licenses.

17 THE COURT: Okay. Well, I'm going to -- the
18 rule is, is for motion in limine purposes, I'm going to
19 grant it, and settlements or license agreements that are
20 entered -- entered into to settle actual or threatened
21 litigation are out.

22 I'll address specifically which licenses are
23 going to come in at the hearing on the evidence, but for
24 purposes of the limine motion, I'll -- I'm going to just
25 grant it.

1 MS. CANDIDO: Okay.

2 THE COURT: I don't think y'all need -- need
3 those at -- for the purposes of selecting a jury anyway.

4 MR. NELSON: Thank you, Your Honor.

5 There is a clarification, and this might
6 come up more on 31 on whether the 30(b)(6) testimony is
7 binding. There is one particular license in defendant's
8 expert report that they could not answer whether it was
9 under the threat of litigation or not.

10 The face of the document is unclear. It's
11 silent on whether it was in litigation, and it's a
12 patent purchase agreement. We asked the 30(b)(6)
13 witness whether it was -- there was threatened
14 litigation involved, and the corporate witness says,
15 I don't know. We'd like some guidance on whether -- and
16 maybe it comes up again in a couple of motions in limine
17 down, but we don't think that the defendant should be
18 able to rely on that if they can't answer basic -- there
19 are other reasons also why it should be excluded, we
20 think, but this is one of them, and we'd like to raise
21 that so that if there is a problem here, we can delve
22 into it.

23 They have not produced any other documents
24 about that license except for the license itself and
25 have not given any testimony of this by corporate

1 questions on it.

2 THE COURT: Well, with respect to the
3 30(b)(6) issue, we're a little ahead of ourselves, I'm
4 not going to grant that as a -- as a motion in limine,
5 but, I mean, if a witness hits the stand and gives
6 testimony that's inconsistent with what a 30(b)(6)
7 witness who was -- who was designated under 30(b)(6) to
8 give testimony on -- that binds the corporation, you
9 know, you're going to hear about that from me because
10 I'm going to tell the jury that what the purpose of a
11 30(b)(6) deposition was, the fact that the testimony
12 that's coming out now, if it's inconsistent with the
13 testimony, why that -- you know, why that runs afoul of
14 the rule.

15 So as far as I'm concerned, you know, your
16 30(b)(6) testimony is -- is the corporation's testimony.
17 If their witnesses start straying from that, then -- I'm
18 just not going to grant it as a motion in limine because
19 I don't have any idea of the context in which that might
20 come up, but that's how I usual -- I'll handle it.

21 MR. NELSON: May I ask a question on that as
22 a follow-up?

23 THE COURT: Yes.

24 MR. NELSON: Again, in their expert report,
25 there is a significant reliance on evidence that is

1 either contrary to their corporate testimony or the
2 corporate representative says, "I don't know," and then
3 the expert takes the place of -- of the corporate
4 witness.

5 And in one case, actually, the expert
6 interviewed somebody else on the same subject as by
7 corporate testimony, undisclosed witness. We can take
8 that up through Daubert motions or -- or whether it's
9 appropriate here, but --

10 THE COURT: Well, yeah. I don't -- I mean,
11 I don't know enough about the context or --

12 MR. NELSON: Okay.

13 THE COURT: -- to -- to give you an answer.

14 MR. NELSON: Okay. Yes, sir.

15 THE COURT: I'll -- I'll know more at trial,
16 or I'll know more at the hearing on the 5th, but I don't
17 know how to answer it.

18 Yes, ma'am? I'm sorry, do you --

19 MS. CANDIDO: It's -- I have nothing to add,
20 Your Honor.

21 THE COURT: Okay. All right. On your --
22 the specific settlement agreement or license agreement
23 that you asked about, I need to look at the document
24 before I can give you a ruling on that.

25 MR. NELSON: Okay.

1 THE COURT: I'm inclined to -- if they
2 didn't know the answer -- if there had been a notice
3 issue that, you know, called for testimony on the
4 subject and the witness wasn't prepared to answer it,
5 I'm not -- I'm generally, disinclined to allow that to
6 be changed at this time, but I'll have to look at the
7 document to see whether or not it's admissible or not,
8 but I'll do that on the 5th, okay?

9 MR. NELSON: Thank you, Your Honor.

10 THE COURT: Settlement negotiations is next.
11 It's No. 28.

12 MR. NELSON: Yes, sir. I think the issue
13 here is with respect to Intellectual Ventures, which is
14 a limited partner of Google -- or Google is a limited
15 partner in Intellectual Ventures, and there are
16 post-suit and pre-suit negotiations.

17 Arguably, there's -- for other reasons, we
18 don't think this testimony is admissible, but we also
19 think certainly any post-suit communications between
20 Intellectual Ventures, who both Google and Yahoo at the
21 time of the discussions were limited partners in
22 Intellectual Ventures, should be off limits as
23 litigation settlement negotiations, and then -- so
24 that's post-suit.

25 Pre-suit, there is -- we also think it

1 applies because -- well, actually, we agree that it's --
2 there is no evidence that Intellectual Ventures was in
3 communications with Yahoo and/or Google before suit
4 on -- on Intellectual Ventures -- excuse me, on -- on
5 Function Media. And so I think the first question is
6 whether the post-suit negotiations are admissible, and
7 then we can deal with the pre-suit negotiations, and,
8 actually, Your Honor, under this ground, I think fairly
9 we should withdraw the pre-suit -- any pre-suit
10 communications about the threatened litigation with
11 Intellectual Ventures.

12 So I just want to focus on the post-suit
13 negotiations between Intellectual Ventures and Function
14 Media.

15 THE COURT: What negotiations occurred?

16 MR. NELSON: Intellectual Ventures called
17 Mr. Grinstein and talked about selling the patent, and
18 there is dispute about what was said, I think, but
19 that -- it's a conversation with us, with litigation
20 counsel and Intellectual Ventures.

21 THE COURT: Okay.

22 MS. CANDIDO: Understanding that plaintiff
23 has withdrawn the pre-suit negotiations, I won't address
24 those.

25 The negotiations that took place after the

1 suit, Function Media is simply assuming that
2 Intellectual Ventures is acting on behalf of Google.
3 There's no evidence that that was the case. There's no
4 evidence that there was ever communications between
5 Intellectual Ventures and Google about Function Media or
6 its patents.

7 THE COURT: Well, is Google a limited
8 partner of Intellectual Ventures?

9 MS. CANDIDO: Yes. Intellectual Ventures is
10 an entity that purchases and licenses patents, and
11 Google is a limited partnership.

12 THE COURT: Well, are the general partners
13 agents for the limited partners?

14 MS. CANDIDO: We do not believe they are,
15 Your Honor.

16 THE COURT: Okay.

17 MS. CANDIDO: Intellectual Ventures obtains
18 patents or licenses patents, and then the partners have
19 an opportunity to determine if they want to take a
20 license to those patents or buy into the acquisition.
21 It's a very complicated arrangement, but it's not
22 automatic that if Intellectual Ventures purchases the
23 patents that Google gets a license.

24 In addition, in this instance, Function
25 Media and Intellectual Ventures could have negotiated a

1 license in which Google was excluded, or in which rights
2 to prosecute infringement against Google was excluded
3 from the license. It's not assumed that because
4 Function Media and Intellectual Ventures were talking
5 that the result was that would have necessarily been a
6 license for Google.

7 THE COURT: Well, I'm -- I'm going to treat
8 the motion as withdrawn with respect to pre-suit
9 communications. I'm granting it with respect to
10 post-suit communications, and as I indicated, it's
11 not -- it's not a definitive ruling on the evidence, but
12 I'm -- I'm granting it as a -- as a motion in limine
13 with respect to post-suit negotiations.

14 29 was withdrawn.

15 31, we've addressed.

16 32?

17 MR. NELSON: Yes, Your Honor, it's still
18 pending. We don't believe that it's proper for Google
19 to say that because the economy is in the doldrums or
20 whatever else, that, therefore, the jury shouldn't award
21 some amount that is called for under the evidence in
22 this case. We think it's both irrelevant, and if it is
23 marginally relevant, it's certainly outweighed by the
24 prejudicial value.

25 THE COURT: Okay. Well, let me give you

1 some guidance. 32 is going to be granted with the
2 caveat that you're not going to go into Google's net
3 worth. You can discuss where the company's located.
4 They can discuss -- you know, I don't know if -- I'm not
5 trying to tread on the agreement that y'all reached on
6 their motion in limine about the venue issue, but -- and
7 I generally allow, you know, either side to talk about,
8 you know, where they're from, where the other side's
9 from. You can talk about the number of employees that
10 Google had, and their -- and wherever their -- their
11 offices are, but you're not going to go into their net
12 worth, and they're not going to go into the fact that a
13 large verdict would be devastating to the economy
14 because of the economic conditions in the country, okay?

15 Are there any questions about that,
16 Mr. Gillam?

17 MR. GILLAM: No, Your Honor.

18 THE COURT: Okay.

19 MR. GILLAM: Understood.

20 THE COURT: All right. 32 is granted with
21 that -- with those caveats.

22 MR. GRINSTEIN: Your Honor, the next limine,
23 I believe, is No. 33.

24 THE COURT: 33 is granted with the
25 additional caveat that you're not entitled to mention

1 the specific number of examiners who have determined
2 that the claims are invalid or claims are valid, you
3 know, upon issuance.

4 You can say that the -- the patent, you
5 know, is issued. It's presumed to be valid, all right?
6 Don't go beyond that and talk about how -- how many
7 examiners have come to the same conclusion.

8 MR. GRINSTEIN: Understand, Your Honor.

9 THE COURT: 34 is denied.

10 35 is granted with respect to referring to
11 you as a patent troll, but they're entitled to show the
12 business that you're in. Whether you ever had a
13 commercial product, the nature of the business, just --
14 I mean, I'm going to allow them to do that, but they're
15 not going to use it as some sort of pejorative term to
16 refer to you and to your clients, okay?

17 36, what is still in dispute about the
18 equitable issues, Mr. Gillam?

19 Oh, go ahead.

20 MR. GRINSTEIN: They want to put inequitable
21 conduct to the jury.

22 THE COURT: Okay.

23 MR. GRINSTEIN: They've provided draft jury
24 instructions that say, "Here's how you find whether
25 inequitable conduct has occurred" and so on and so

1 forth.

2 THE COURT: Well, I'm -- I'm going to treat
3 that as a -- as a question of law -- or not a question
4 of law, but a question of inequity that the Court's
5 going to decide, Mr. Gillam, so I'm going to -- unless
6 there's some specific evidence that -- you know, that's
7 at stake, I mean, I'm just going to give you the general
8 guidelines for now, but I'm going to -- I'm going to try
9 that issue to the bench --

10 MR. GRINSTEIN: Yes, Your Honor.

11 THE COURT: -- depending on what I do on the
12 pending summary judgment motion.

13 Relative importance of claim elements.

14 MR. NELSON: Yes, Your Honor. The issue
15 here is essentially what the Warner-Jenkinson case says.

16 We think the case clearly holds that the
17 claim is the claim and that it's not proper to say,
18 well, because of this element or that element, you have
19 to focus in on that on the value. The claim speaks for
20 itself. And Google's own response says that each
21 element is deemed material. And we think this is a
22 common limine that -- that Courts regularly grant for
23 this very purpose is to say that the value isn't because
24 of this or the value isn't because of that.

25 It's not to say, of course, that our

1 infringement expert can't go through each element of the
2 claim and say why it's met or their validity expert
3 can't dispute each element of the claim and say why
4 it's -- the prior has it or why it's obvious, but that's
5 different from how you treat the claim as a whole.

6 And so we don't think that they should be
7 able to emphasize one particular aspect of the claim
8 over the others.

9 MR. VERHOEVEN: Morning, Your Honor,
10 Mr. Verhoeven.

11 THE COURT: Good morning.

12 MR. VERHOEVEN: This is sort of an abstract
13 motion. It's -- let me just tell Your Honor the things
14 that concern us about it.

15 For example, we want to be able to, for
16 example, cross examine the inventor as to what was new
17 or unique about the invention or talk about what was new
18 or unique about the invention, and we're a little bit
19 concerned that if you grant this, that they'll stand up
20 and say, "Well, you can't point to this particular
21 aspect of the elements as being the thing that's new,"
22 or -- or if they say that, I can't focus in on that.

23 Same thing for damages. For example, in the
24 hypothetical negotiation, Your Honor, one of the factors
25 that an expert might talk about is you -- the importance

1 of the particular elements to designing around in the
2 hypothetical negotiation. For example, if there was a
3 system that had A, B, C, but not D but they didn't care
4 about D and you could have easily have done A, B, and C
5 and it wouldn't infringe and it would cost "X" amount of
6 dollars and therefore you would agree to pay a whole
7 bunch of money, we should be able to say that. We
8 should be able to introduce evidence of that, and that
9 arguably may go to this sort of vague term relative to
10 the importance of the elements, one element versus
11 another element.

12 So we just want to make sure we have the
13 ability to make some of these document arguments that
14 are -- that we're entitled to make under the other legal
15 doctrines, and -- and it's unclear to us -- we have no
16 intention of telling the jury or Your Honor that you
17 look at all the elements of the claim for infringement,
18 you look at all the elements of the claim for
19 invalidity. That's the law, obviously, but there are --
20 there are going to be occasions where we want to focus
21 on particular elements and emphasize particular elements
22 within that legal framework. We just want to make sure
23 we have the freedom to do that, Your Honor.

24 THE COURT: Well, I'll grant it as a motion
25 in limine subject to areas that you've just identified

1 about asking the inventors what was novel about their
2 invention, and what they felt was new and not obvious
3 about it is -- is fine. You can also talk about the
4 design around area that you -- those -- those two areas
5 I don't -- I don't understand that to run afoul of the
6 order in limine.

7 MR. VERHOEVEN: Okay.

8 THE COURT: It's the -- what he's concerned
9 about is saying that none of this is really important
10 except for this one in the context of having an
11 invention, and that's not the law.

12 MR. VERHOEVEN: We don't intend to do that,
13 Your Honor.

14 THE COURT: Okay.

15 MR. VERHOEVEN: And just for completeness,
16 also, we intend to obviously focus on the particular
17 elements for noninfringement, and those will be more
18 important, and that's fine, as well --

19 THE COURT: Yes.

20 MR. VERHOEVEN: -- so I assume, Your Honor.

21 THE COURT: Yes.

22 MR. VERHOEVEN: Thank you, Your Honor.

23 THE COURT: I won't require you to dispute
24 every limitation.

25 MR. VERHOEVEN: Thank you, Your Honor.

1 THE COURT: Okay. Notice before filing
2 suit, is that still at issue?

3 MR. NELSON: Yes, it is, Your Honor. We
4 don't believe that there's -- there is no willfulness
5 claim. We dropped our willfulness allegation. We think
6 that -- and that was the only reason why Google
7 originally, I believe, although they can correct me if
8 I'm wrong, is that that's the only reason why they
9 opposed our motion to begin with.

10 We filed suit on the day the patent
11 issues -- issued here. And we don't believe that --
12 that any notice we did or did not give is relevant to
13 the claims at issue. Their only argument for why it
14 would be relevant would be the fact that there's -- it
15 goes to willfulness, but that's now gone from the case.
16 So anything else would just be irrelevant and also of
17 course, Rule 403.

18 THE COURT: Okay.

19 MS. CANDIDO: Your Honor, it's Google's
20 position that it's just a relevant factual piece of
21 information that the jurors may want to know in terms of
22 whether or not Google had knowledge of these patents and
23 that the plaintiff sued Google on the day that the
24 patents issued.

25 THE COURT: Well, I agree with you. I mean,

1 I think -- I agree with you is what I'm telling you. I
2 think I'm going to deny it as a motion in limine. I
3 think it goes to the relationship between the parties
4 and how the case got in court.

5 I think I already addressed 39 in some of my
6 other comments. Just as you're entitled to talk about
7 the number of employees they have, they're going to be
8 entitled to talk about the business you're in and -- and
9 the number of employees.

10 MR. NELSON: Yes, sir. I believe it
11 actually -- Nos. 39 through 42 are all of the same
12 piece.

13 THE COURT: Okay. Well, 42 --

14 MR. NELSON: 42 -- just to clarify, 42
15 Virtual Cities, O.N.S. or First Travelers' Choice's
16 Management, they have never owned the patents. They are
17 certainly entities that the inventors have been involved
18 with and controlled, but they are not -- they've -- and
19 we are not alleging that these entities practice the
20 patents. So any evidence as to that would be completely
21 irrelevant.

22 THE COURT: Okay. How -- well, let me back
23 up just a minute. No. 40, the financial position of the
24 investors (sic).

25 MR. NELSON: The inventors.

1 THE COURT: Of the inventors. I'm sorry, I
2 had a typo here in my notes. That's granted except to
3 the extent they hit the stand and have an interest in
4 the outcome of the case, okay?

5 MR. NELSON: Yes, sir.

6 THE COURT: And it's -- you know, their
7 stockholdings or anything that would be an issue related
8 to bias is going to come in, but I'll grant it as a --
9 as a motion in limine, just general financial condition.

10 41, are y'all wanting to get into
11 profitability of the plaintiff?

12 MR. GILLAM: Your Honor, Gil Gillam on
13 behalf of the -- on behalf of Google on this.

14 What we believe it's relevant to, Your
15 Honor, is the hypothetical negotiation, and that is if
16 they're going to be talking about the relative
17 bargaining positions of the parties, what Google was
18 able to do and what Function Media was able to do, that
19 the management of Function Media at that time, how they
20 were handling their business, it goes back to what we
21 were talking about a few moments ago, how they were
22 handling their business. What they were able to do
23 would impact their ability to negotiate within the
24 hypothetical negotiation.

25 MR. NELSON: May I respond, Your Honor?

1 THE COURT: Yes.

2 MR. NELSON: There is no case law that they
3 cite for that proposition besides Georgia Pacific, but
4 they -- they can't cite anything that's applied the fact
5 that one inventor or the one plaintiff or the other
6 should be somehow weighed versus if you're a big company
7 versus a large company somehow that affects your
8 hypothetical negotiation.

9 Their expert report, I don't think, talks
10 about the relative bargaining power of the parties, and,
11 indeed, this would go against what Your Honor just said
12 about Google's --

13 THE COURT: That's -- I agree.

14 MR. GILLAM: You know, Your Honor, I guess
15 the point is as long as everybody's profitability is out
16 and we're not going to discuss that at all, we're fine
17 with that.

18 THE COURT: And that -- that was the reason
19 I asked the question --

20 MR. GILLAM: That's fine.

21 THE COURT: -- initially.

22 MR. GILLAM: Sure. If we're taking it out
23 as far as Google's concerned, we're fine to take it out
24 as far as Function Media is concerned.

25 THE COURT: Well, he -- we're talking about

1 the general profitability. I mean, the profits that are
2 related to the accused product are going to be
3 admissible. The profits -- the lack of, you know, any
4 commercialization by the plaintiff of the invention is
5 relevant, I believe, to the hypothetical negotiation,
6 but general profitability of either -- either party is
7 out, okay?

8 MR. GILLAM: Understood, Your Honor.

9 THE COURT: Any questions about that?

10 MR. NELSON: No, Your Honor.

11 THE COURT: Okay.

12 MR. NELSON: There is one issue with respect
13 to one of Google's motions in limine about the
14 tangential -- how it comes up tangentially, but we can
15 deal with that one with Google's Motion in Limine No. --
16 No. 10, I believe.

17 THE COURT: Okay. How is -- with respect to
18 42, how are these other businesses relevant?

19 MR. GILLAM: Gil Gillam, again, on behalf of
20 Google, Your Honor.

21 As we cited in our -- in our opposition to
22 this, we believe in the time frame the plaintiffs
23 operated other -- had other interest in other
24 businesses. Again, it would again go to the same
25 argument I made a few moments ago with respect to the

1 bargaining position, but in light of what the Court said
2 before, we understand where we should and should not go.

3 MR. VERHOEVEN: I'm sorry, Your Honor, if I
4 could just augment that.

5 Virtual Cities and O.N.S., the company,
6 Function Media, didn't exist back when the inventors
7 testified that they conceived of and -- and they worked
8 on their invention, and these -- these -- in fact, they
9 were -- these other companies were the companies that
10 the inventors worked for or were operating under.

11 So it's factual -- simply factual
12 information. It's just like if you were to ask an
13 inventor, "At the time that you conceived of this, were
14 you employed? By whom were you employed?" We should be
15 able to get that factual information that -- so that the
16 jurors understand the full factual context of the
17 circumstances surrounding where the inventors came up
18 with their invention, where they were, and what -- who
19 they worked for at the time, and what the nature of the
20 responsibilities were, et cetera, Your Honor.

21 So these -- these companies, Virtual Cities
22 and O.N.S., were the companies, not -- not Function
23 Media. It was those companies were the companies that
24 they were -- that were relevant during the relevant time
25 period, and it's simply factual information, Your Honor.

1 MR. NELSON: Brief response, Your Honor?

2 THE COURT: Yes.

3 MR. NELSON: We, of course, have no
4 objection to any party eliciting where they worked at
5 any given time when they came up with the invention, but
6 to go beyond that, which is what this motion is about,
7 their management, business affairs, or profitability of
8 these companies is completely irrelevant. They have not
9 alleged any veil piercing here, that somehow they're --
10 that somehow related or unrelated they are different
11 corporations.

12 The inventors own the patents at the time.
13 So we believe that, again, it's, again, another piece of
14 the same net worth, profitability, et cetera, from
15 before, except it's the additional step that these
16 companies are not even in suit and never owned the
17 patents.

18 MR. VERHOEVEN: Just to clarify, I may have
19 been a little vague, Your Honor. We don't -- we would
20 not intend to arg -- to make general comments about
21 profitability of those companies, just factual
22 information, Your Honor.

23 THE COURT: Well, beyond stating that they
24 operated an internet website or internet business known
25 as Virtual Cities, First Travelers' Choice, or O.N.S.,

1 what more do you need?

2 MR. VERHOEVEN: Well, there's a whole --
3 there's a whole story of, you know, what did you do
4 next, and at one point, there was a sale of an ownership
5 to somebody else and then a purchase back. It's just
6 factual information, Your Honor.

7 And, again, the statement in the MIL is
8 pretty broad, and maybe the best way to address it is if
9 we think there is a dispute, we'll approach the bench on
10 it, but --

11 THE COURT: I'll go ahead and grant 42 and
12 43 as motions in limine. You need to approach the bench
13 before you get into it.

14 44 is denied.

15 45 is denied.

16 46 is bound up in the summary judgment
17 motion, correct?

18 MR. GRINSTEIN: Yes, Your Honor, it's
19 appropriate to hold that one.

20 THE COURT: I'll carry that, and I'll decide
21 that in the context of the summary judgment.

22 47, it -- I've ruled before that evidence
23 that an inventor drafted claims to cover a product is
24 admissible, so I'm going to follow the same ruling here.

25 MR. NELSON: It is admissible. I'm sorry --

1 THE COURT: I'm going to overrule 47 is what
2 I'm telling you.

3 MR. NELSON: Okay.

4 THE COURT: Now 48, what's left about 48?
5 Documents or witnesses not timely produced or disclosed
6 during discovery.

7 MR. NELSON: Yes, Your Honor, and this is
8 probably a pretty good segway to the next one up anyway,
9 which is Google's Motion in Limine 1 about the party's
10 conduct during discovery.

11 We believe that there are more than a few
12 items where the -- Google just hasn't produced
13 documents. They still haven't produced documents
14 that -- and at some point, we'd like the Court's
15 guidance about how to address Google's continuing
16 failure to produce documents from the apex witnesses
17 and -- and otherwise.

18 But we don't believe that the -- that Google
19 should be able to rely and essentially sit on its rights
20 here. With respect specifically to Cherie Yu's files,
21 which was Google's corporate representative on
22 marketing, Ms. Yu was the third corporate designee that
23 Google had for that topic, the prior two having been
24 canceled literally the day before the depositions,
25 despite the fact that the notice was given in April.

1 Mrs. Yu, her deposition happened in October,
2 so, of course, we did not -- and because it was delayed
3 two times because Google said the prior witness, who
4 they had previously designated, wasn't prepared, and
5 so, of course, the actual documents from Ms. Yu's files
6 we couldn't have asked for because we didn't know who
7 Ms. Yu was until a few days before the deposition when
8 they pulled her out to say that this undisclosed witness
9 would be the 30(b)(6) designee on the topic.

10 We immediately asked for her documents,
11 but -- forgetting and putting aside whether Google's
12 documents are admissible or not for hearsay, but we
13 believe there is a separate and independent grounds here
14 for Google essentially sitting on its rights with Ms. Yu
15 and not disclosing her, having two prior 30(b)(6)
16 witnesses being canceled at the last minute, that
17 because of that, they shouldn't be allowed to rely on
18 these documents that Ms. Yu has -- has produced, even if
19 they were somehow admissible under -- under the hearsay.

20 And -- and, likewise, for that same ground,
21 we think that any affirmative testimony on marketing,
22 because of Google's conduct, and literally the day
23 before a deposition on a -- on a notice that was given
24 in April, after spending significant time preparing for
25 the depositions, we think that their affirmative

1 testimony on those two topics should be excluded.

2 MS. CANDIDO: Your Honor, the primary flaw
3 with plaintiff's motion here is that there's no
4 prejudice to Function Media.

5 Google designated -- let me step back. The
6 30(b)(6) deposition was -- the marketing topics were a
7 part of other topics where the first witness was
8 designated, and it would be -- when it became clear that
9 the first witness was not able to provide a full and
10 complete testimony on that subject, we immediately
11 notified the plaintiffs and told them we would get them
12 another witness.

13 Rather than just put up a witness who was
14 inadequately prepared, we went through this process and
15 found them the right person. We agreed to have that
16 deposition take place mutually after the close of fact
17 discovery. When she was designated, that was the first
18 time her documents became relevant, as Justin mentioned,
19 and we then immediately gathered her files and produced
20 them to the plaintiff.

21 They had those files in a timely fashion
22 prior to taking her deposition. They then had full time
23 to take her deposition on all of the documents that she
24 produced and other marketing documents and financial
25 documents that had been produced previously in the case.

1 There's simply no prejudice here to Function Media.

2 In addition, with respect to excluding all
3 testimony on the marketing topics, that's really
4 overreaching to the extent that there are numerous
5 Google witnesses who provided testimony regarding the
6 marketing of the accused products throughout this case.
7 There are product managers that they've deposed as
8 30(b)(6) witnesses and otherwise who they asked
9 questions about marketing. What features do these
10 products -- you know, does Google tout to its customers,
11 et cetera, and they've provided substantive and
12 meaningful testimony. Our brief cites, I think, four or
13 five witnesses.

14 In addition, there were numerous documents
15 on marketing products produced prior to the close of
16 fact discovery, well prior, from Google's internal
17 marketing -- it's called a Wiki, but it's sort of an
18 area where marketing documents generally are contained
19 at Google, and all of those were produced and provided
20 to the plaintiff. It's simply -- there's no prejudice
21 and no reason to exclude this testimony.

22 Function Media's motion also asks for a
23 blanket order, and, again, the same reason applies here.
24 There's -- there's no -- I certainly can't respond
25 factually when I don't know what evidence they're

1 talking about, but without demonstration of prejudice,
2 there's no basis to exclude any evidence.

3 THE COURT: Okay. Well, I'll try to give
4 you some guidance before we do our evidentiary hearing
5 on that, and I'm going to carry that. If you need to
6 address some specific documents or testimony, I'll do it
7 at that time.

8 MS. CANDIDO: Okay.

9 THE COURT: No. 2 -- Well, Defendant's
10 No. 1, I'm going to carry that, as well. I'll grant it
11 for purposes of voir dire.

12 MR. NELSON: Your Honor.

13 THE COURT: But -- and I'm granting 48 for
14 purposes of voir dire, as well.

15 MR. NELSON: On No. 1, what is the Court's
16 pleasure about some of the remaining discovery issues
17 there? For example, we've asked for literally two more
18 search terms from the apex witnesses, and they're
19 refusing to give us those based on some of the
20 documents, especially the documents that you're looking
21 at. They're refusing to provide us custodial
22 information about where the documents came from,
23 et cetera, and what I --

24 THE COURT: I'll take that up after we get
25 through the motions in limine.

1 MR. NELSON: Yes, sir.

2 THE COURT: Okay? No. 2 is --

3 MR. VERHOEVEN: Your Honor, No. 2 is --

4 THE COURT: Agreed to that?

5 MR. VERHOEVEN: Yeah.

6 THE COURT: It's granted. No. 3, secondary
7 considerations.

8 MR. DEFRANCO: Yes, Your Honor. With
9 respect to the prior art teaching away, Your Honor,
10 we'll withdraw that. We don't -- we don't have a
11 problem with them going forward with that piece. They
12 have withdrawn the notion or argument that there's any
13 copying here. So that -- that issue is off the table.

14 So that leaves the -- the first three,
15 secondary considerations, long felt need, commercial
16 success, and laudatory statements. And the point here
17 simply, Your Honor, is they haven't established the
18 necessary nexus under the case law between each one of
19 those secondary considerations and the claimed invention
20 at issue.

21 For example, they -- they cite to -- to
22 Mr. Bratic's report, but they don't cite -- they only do
23 that very generally. They don't cite any specific
24 paragraphs. He doesn't use, for example, the terms
25 "long felt need." He doesn't talk about "secondary

1 considerations" or "obviousness." You know, he is their
2 damages expert, and -- and if that's what they're
3 relying on, again, the nexus just is not there between
4 those three secondary considerations and the claimed
5 invention.

6 THE COURT: All right. Response?

7 MR. GRINSTEIN: My initial response, Your
8 Honor, is this is a summary judgment motion. The issue
9 of whether or not our evidence is sufficient to
10 establish a nexus between a particular secondary
11 consideration and an obviousness contention is
12 completely bound up in what the evidence shows, what
13 each party can demonstrate the facts will show.

14 It's completely inappropriate for a limine
15 matter, and it's especially inappropriate for a limine
16 matter because our opposition of this limine matter even
17 came due before our validity expert report was due to be
18 served. So, I mean, we hadn't even finished
19 establishing our expert opinions on these issues by the
20 time we had to respond to this limine motion. We
21 recorded none of the protections that typically go along
22 with the summary judgment motion.

23 That procedural issue aside, we have more
24 than established factual bases now with the benefit of
25 all our expert reports and all the other discovery in

1 this case for each of these secondary considerations.
2 The -- the one that Mr. DeFranco appears to -- to focus
3 on is commercial success of the invention. We provided
4 the expert report of Mr. Bratic. Mr. Bratic details on
5 Pages 14 and 15 of that report and again on Pages 94 to
6 103 all of Google's various statements that it has made
7 and all the evidence from Google's files which tout the
8 particular features of the accused products that we're
9 accusing of infringement. Things like Look and Feel
10 Controls, things like Automatic Customization. He goes
11 on and on and on, cites all sorts of evidence in there
12 about these sort of things.

13 So we've more than established a nexus
14 between commercial success and the secondary
15 considerations, especially for purposes of responding to
16 a limine motion.

17 The other ones are similar as to laudatory
18 statements. Much of the evidence Mr. Bratic cites comes
19 out of Google's own mouth about the benefits of the
20 particular accused products and the features that we are
21 accusing, and Dr. Rhyne, our invalidity expert, confirms
22 this on Pages 157 and 158 of his validity report.

23 Likewise, with respect to long felt need,
24 again, Dr. Rhyne confirms that looking at the prior art,
25 having analyzed the prior art throughout the course of

1 his expert report, on Page 157, he analyzes these
2 particular prior art systems and demonstrates how they
3 show a long felt need.

4 We've put the evidence together. We weren't
5 required to marshal it. We weren't required to put in
6 affidavits or declarations or depositions. It's a
7 limine motion. I think we've more than satisfied
8 whatever minimal burden we've got to defeat it.

9 THE COURT: Well, I'm going to deny it as a
10 limine motion. Y'all know that you've got to show a
11 nexus between the invention and these statements, long
12 felt need, commercial success.

13 I'll conditionally admit the evidence
14 subject to you providing a proper foundation during the
15 course of the trial, and you just need to -- if you want
16 to ask me to exclude it at the close of the evidence,
17 I'll do that.

18 MR. DEFRANCO: Thank you.

19 THE COURT: Okay? No. 4 is moot, correct?

20 MS. CANDIDO: That's correct, Your Honor.

21 MR. GRINSTEIN: Yes, Your Honor.

22 THE COURT: No. 5, I've already addressed,
23 evidence of re-examination.

24 No. 6, evidence that Google executives claim
25 credit for the invention of the accused products.

1 MS. CANDIDO: Yes, Your Honor. Motion in
2 Limine No. 6 is actually quite narrow. It's
3 specifically focused on two documents that the plaintiff
4 points at, and that's a presentation that was authored
5 by a Google employee named Jonathan Rosenberg, but it
6 refers to Surgey's billion dollar idea was at an
7 off-site three years ago when he said, "There are
8 hundreds of millions of searches but billions of web
9 pages out there. Why aren't we monetizing them?"

10 And Function Media misrepresents that as
11 Mr. Brin taking credit for the invention of AdSense for
12 Content, and that's not a statement by Mr. Brin.

13 In addition, that doesn't even relate to the
14 invention that they are discussing here. It's simply
15 the concept, a business concept of monetizing web pages.

16 Similarly, there's a USA Today newspaper
17 article in which a reporter attributes to Ms. Wojcicki a
18 credit -- a suggestion about offering the same ads as
19 Google offered on its search pages on blogs and
20 websites. Again, it's not relevant to the invention at
21 issue here. It's a business concept. It's not the
22 technical embodiment of the invention. And plaintiff
23 continually refers to this as Ms. Brin -- or, I'm sorry,
24 Mr. Brin or Ms. Wojcicki's taking credit for the
25 invention of AdSense and attempts to create this

1 confusing sideshow about who was it that invented this
2 concept.

3 In their opposition, they say we're trying
4 to preclude them from talking about the development of
5 the accused products. That's definitely not the case.
6 We agree the development of the accused products is
7 relevant, and we intend to offer witnesses like Jeff
8 Dean, one of our 30(b)(6) witnesses, on the development
9 of the accused products who provided extensive testimony
10 on that subject to -- to do so again.

11 THE COURT: Well, if Mr. Brin actually made
12 the statements that were attributed to him in the
13 presentation, why wouldn't those be admissible?

14 MS. CANDIDO: Well, there's no evidence that
15 he made those statements.

16 THE COURT: That wasn't my question. If --
17 if he made them, then why wouldn't they be admissible?

18 MS. CANDIDO: If he made those statements
19 and there's admissible evidence to that fact, I think
20 the statement that Mr. -- if Mr. Brin made the statement
21 that there are millions of web pages that we should be
22 monetizing, I suppose as a business concept, that might
23 have triggered the process of the development of
24 Google's products. That may be relevant.

25 But it's this attempt to create a -- some

1 sort of apparent dispute between Mr. Brin and
2 Ms. Wojcicki that we take issue with, as well.

3 THE COURT: Okay. All right. Thank you.

4 MS. CANDIDO: Thank you.

5 THE COURT: Okay.

6 MR. TRIBBLE: Response, Your Honor?

7 THE COURT: Yes.

8 MR. TRIBBLE: This is the same issue as
9 the -- the motion to compel the apex depositions.

10 THE COURT: I'll -- I'll carry it, then, and
11 I'm going to just -- I'll discuss that after the motions
12 in limine.

13 Google's independent patent activities,
14 No. 7, that's been withdrawn.

15 8 and 9 are agreed, so those are granted.

16 And 10, allegations of anticompetitive
17 activity. Let me take -- my reading of the papers is
18 that the plaintiff is not trying to argue that you're a
19 monopolist or you're -- you've engaged in some type of
20 illegal anticompetitive activity.

21 What they're trying to focus in on are
22 acquisitions that designed to either protect your
23 client's market or to prevent someone else from -- I
24 guess which is another way of saying protect your
25 client's market, preventing someone else from entering

1 into the market, and that tends to show the value of
2 technology that's at issue in the case to Google.

3 Why isn't that admissible?

4 MS. CANDIDO: Well, I -- I respectfully
5 disagree with Your Honor about the relevance of these
6 acquisitions of other companies.

7 As Your Honor already ruled earlier today,
8 the license agreements between the plaintiff and other
9 defendants to the exact patents-in-suit are not
10 admissible because they are simply settlement
11 agreements.

12 On the other hand, the acquisitions we're
13 talking about are not acquisitions of the
14 patents-in-suit or any patents related to the
15 patents-in-suit. They're not Function Media patents.
16 They're not even patents related to the same technology
17 necessarily. And, in fact, they may not even be patents
18 at issue.

19 What Google agreed to pay to acquire
20 YouTube, for example, there's no tie to the patents.
21 There's -- the technology is not the same, and it's a
22 giant company with a developed product and numerous
23 employees with, you know, brainpower that Google's
24 acquiring and using for other products or to continue to
25 develop that product. It's entirely different. There's

1 nothing comparable about it.

2 And it's incredibly misleading and confusing
3 to the jury to allow Function Media to stand up and say,
4 "Google paid over a billion dollars to buy a company,"
5 and that that has any relevance under Georgia Pacific to
6 what Google would pay to license a single or two patents
7 from Function Media. It is so different, and there is
8 no -- no case law whatsoever that supports the admission
9 of that evidence.

10 The plaintiff points to two cases. I think
11 it's worth talking about those. One is Fresenius, and
12 the only reference there -- I'm going to actually read
13 the quote. It says, "The amount paid to acquire a
14 company with desired patents in the amount of the
15 acquisition allotted to a particular patent is relevant
16 to the establishment of a reasonable royalty."

17 That's essentially saying if you can show
18 that a company was acquired for -- with -- with desired
19 patents and that of a million dollar purchase price, you
20 know, 200,000 was allocated to those patents, that may
21 have some relevance. That's not the kind of thing we're
22 talking about here. There's no -- there's not even
23 evidence that these companies even had any patents in
24 the first place, let alone allocation of any purchase
25 price to those patents. And to just throw around these

1 giant numbers without being able to tie it to patents is
2 incredibly misleading and prejudicial.

3 The other case is the Integra Lifesciences
4 case, and in that case, the Federal Circuit simply
5 referred to the fact that Integra had purchased this
6 company, Telios, and all of its products, patents, and
7 know-how for 20 million dollars, and that the
8 15-million-dollar award figure to compensate for
9 infringement of only some of those patents seems
10 unbalanced in view of the overall acquisition price.

11 So we sort of looked to that to provide a
12 ceiling and a reasonableness check on the damages award
13 that the jury had provided. It doesn't say at all the
14 acquisitions of companies with know-how and products and
15 employees and source code and trademarks, the list goes
16 on and on, have any relevance at all under Georgia
17 Pacific.

18 THE COURT: Well, in light of the case you
19 cited to me, did you-all produce documents that are
20 sufficient to allow the plaintiff to discern, for
21 instance, the extent to which these acquired companies
22 had -- might have had patents and the amount of
23 acquisition that was --

24 MS. CANDIDO: We -- we provided all of the
25 evaluation reports with respect to the ads-related

1 companies to enable anyone to determine if there was an
2 allocation to patents. And in those cases, there is not
3 an allocation to patents.

4 At most, there's an allocation to -- the
5 term is escaping me -- intangible assets, but that
6 includes, of course, all sorts of other things in
7 addition to patents.

8 THE COURT: Okay. And the reason I asked
9 that is I -- I have some memory of the dispute about
10 this.

11 MS. CANDIDO: Yes. And I think, in fact, if
12 you search simply, you know, the PTO's website to
13 inquire whether these companies even had patents at the
14 time, that with respect to the most of the companies,
15 you would find that there aren't even any patents at
16 issue, which, of course, is why there is no allocation
17 to patents in these valuation reports. There can be no
18 valuation if there are no patents.

19 THE COURT: Okay. Thank you.

20 MR. NELSON: There are a few responses, Your
21 Honor. The first and we think dispositive one is that
22 in their reply, they have changed this limine motion to
23 essentially a Daubert motion without any briefing on the
24 issue.

25 We, of course, agree that we have to

1 establish a nexus. They have produced documents.
2 Mr. Bratic goes into the nexus in detail, talking about
3 the patents, talking about the technology in his report.
4 If they don't think that's sufficient, we strongly
5 believe it is in what he's talked about, let them bring
6 a Daubert and discuss that.

7 But in this motion, to -- to say that it's
8 not relevant, it is just not right. It is -- it is
9 whether Mr. Bratic has shown the relevant nexus. They
10 didn't even raise this issue of acquisitions until
11 the -- part two of their reply brief. The real issue is
12 can we talk about what actually happened? We're not --
13 as we say in our briefing, we are not going to say that
14 Google is a monopolist or that they're anti-competitive,
15 but can we just literally talk about facts, talk about
16 this acquisition or that acquisition with Mr. Bratic
17 establishing the nexus under the documents that have
18 been produced?

19 We think that the law is clear. We think
20 the facts here show Ms. Candido talked about there's no
21 evidence about patent activity, and -- and there's no
22 law about acquisitions. To preview our response on
23 this, Google -- their corporate representatives say that
24 they acquire companies for the IP. That's what they say
25 one of the major reasons for acquiring companies are.

1 We have documents showing that the IP was acquired and
2 how they use it, the value of that technology to Google
3 and how they value it. And the documents also establish
4 in many cases the royalty rate -- an established royalty
5 rate for the technology that they acquired, sometimes as
6 high as 20 percent.

7 THE COURT: Well, under Lucent, though,
8 doesn't it have to be fairly comparable to what we're
9 talking about?

10 MR. NELSON: Of course, and Mr. Bratic goes
11 into that, and so -- and so I invite a Daubert motion on
12 this. We think we will prevail on this point if they
13 want to bring it. And we have established the requisite
14 nex -- the nexus in their report they do. They don't
15 cite aspects of the report. This is just some
16 generalized motion in limine that they're trying to fit
17 in in what is really a Daubert, slash, summary judgment
18 motion.

19 And, again, we -- we believe that we will
20 establish the requisite nexus here because all these
21 relate to what Google calls core technology that goes to
22 what the AdSense tech -- what AdSense was and how they
23 relate. And Mr. Bratic does do that in paragraphs and
24 paragraphs through the report.

25 They have their own expert to talk about,

1 well, this and that, you know, doesn't actually apply
2 here, but that is a dispute between the experts here.

3 THE COURT: All right. Well, I'm going to
4 grant it as a motion in limine. I'll -- I'm going to
5 look at Mr. Bratic's report. I'll give you a ruling on
6 those specific portions of it that he's going to be able
7 to go to, okay?

8 MR. NELSON: Yes, sir.

9 MR. TRIBBLE: Your Honor?

10 THE COURT: Yes.

11 MR. TRIBBLE: I believe you said that No. 9
12 was agreed, but that -- I believe that is not the case.

13 THE COURT: Okay. Well, I'm -- it was --
14 it was agreed as far as I was concerned. So it's -- I
15 had -- it's a typo, then. Tell me about No. 9.

16 MR. DEFRANCO: Yeah. I think I can deal
17 with this briefly, Your Honor, and clear up some
18 confusion.

19 As the Court is well aware, there are some
20 cases, some patent cases that heavily get into testing,
21 and that's often because, you know, the way they accuse
22 products sometimes is -- is hotly at issue in the case.
23 That's -- that's not the situation here. I think the
24 parties largely agree the way the accused products work.

25 This is not a case that's going to really

1 centralize -- focus heavily on the testing that's done
2 by the experts. In -- in Function Media's opposition to
3 our motion, they say that they'll agree that they won't
4 affirmatively complain that Google withheld sufficient
5 access by its expert to do any testing, and -- and
6 that's fair enough.

7 They go on to say if Google opens the door
8 somehow and the testing agreement comes at issue, then
9 they want to raise that, and we don't have a problem
10 with that. We don't think that's going to come up.

11 The point is both -- both sides had -- had
12 equal access. It's not a case where our expert was able
13 to do things that their expert wasn't able to do because
14 of some agreement, but, again, based on their
15 representation that they're not going to affirmatively
16 complain that we withheld access to our systems and
17 provided that somehow we don't open the door in their
18 eyes -- in their view, if that comes up during trial,
19 then we'll all certainly be able to deal with it, but I
20 think as the record stands now, we won't have an issue
21 with this.

22 MR. GRINSTEIN: Your Honor, the dispute that
23 I saw between the parties came from Google's reply brief
24 where it said, "Well, this issue of opening the door is
25 going to be so hard to discern, Your Honor, just order

1 that no one -- neither expert can complain about how
2 good a job the other side's expert did testing."

3 And I think it's one thing to say, "Well,
4 the parties reached into -- an agreement that limited
5 the testing so you could do X, Y, or Z, and so there
6 shouldn't be any criticism that you didn't do A, B, and
7 C. But it's an entirely different thing to say that
8 "When you did do your X, Y, and Z test, you did a lousy
9 job at it."

10 I don't see why we shouldn't be able to
11 complain about that. I mean, we frankly think our
12 expert tested a lot better than their expert did, and
13 that should be fair grounds for criticism.

14 MR. DEFRANCO: May I, Your Honor?

15 THE COURT: Yes.

16 MR. DEFRANCO: We don't -- we don't have a
17 problem with that, Your Honor.

18 THE COURT: Okay. Well --

19 MR. DEFRANCO: That's -- that's proper cross
20 examination for both.

21 THE COURT: Then it will be granted subject
22 to the agreement that you-all just reached.

23 MR. DEFRANCO: Thank you.

24 MR. GRINSTEIN: Thank you, Your Honor.

25 THE COURT: With respect to testing that was

1 actually done, each side's expert can say how great
2 their job was and how lousy the other side's job was.

3 MR. DEFRANCO: Thank you.

4 THE COURT: Okay?

5 MS. CANDIDO: Your Honor, the next motion
6 is No. 11 that was a motion to exclude any reference
7 to Google's size and wealth, including their overall
8 profits and revenues that are not specifically tied
9 to the accused products, and as I understand your
10 rulings --

11 THE COURT: I think I already --

12 MS. CANDIDO: -- you've addressed that.

13 THE COURT: Already addressed that.

14 Is there any question about --

15 MR. NELSON: Just one clarification, Your
16 Honor.

17 THE COURT: Yes, sir.

18 MR. NELSON: We completely agree, and --
19 and -- and our response to is in complete accord with
20 that.

21 The only issue we have are there are
22 licenses that I think -- I don't think they -- they
23 might dispute are relevant, but we think are relevant,
24 that are paid in stock, some percentage of the company,
25 and to talk about -- it's impossible to talk about the

1 value of that without, you know, say -- what -- you can
2 essentially work backwards to that. We just don't want
3 to be excluded from not mentioning that 100 percent
4 number, but it's -- but to say that 2 percent is worth
5 "X" as it currently stands is -- it's -- that's the
6 issue that we see, and that's why we thought it was too
7 broad?

8 THE COURT: Okay. That's -- well, I had
9 looked at that coming in here, and that's permissible.
10 The percentage of stock, you're allowed to talk about
11 what the value of the license is in the context of a
12 license that's granted in exchange for stock, okay?

13 All right. Let's take up the motion to
14 compel the depositions of -- as to Brin, Page, and
15 Ms. Wojcicki.

16 MR. TRIBBLE: Yes, Your Honor. All three of
17 these witnesses, it's clear from the briefing and the
18 documents, it's -- I think it's undisputed now with the
19 final briefing that all three of these witnesses have
20 relevant personal knowledge relating to this case.

21 The issue is whether they have any unique
22 knowledge that Function Media was not able to obtain
23 through other witnesses. And that's an issue that
24 Google doesn't dispute that it bears the burden of proof
25 on that issue.

1 And the answer is we've tried to get
2 discovery on these issues. The witnesses provided by
3 Google, in general, have denied knowledge of certain
4 issues, such as who invented the infringing system, how
5 it was conceived of, how did they think of it, whether
6 it was derived from or inspired by some prior art, or
7 whether, on the other hand, it was believed to be novel
8 and innovative and different than the prior art. All of
9 that goes to validity.

10 The -- we've asked witnesses about how
11 important this system is to Google. We have the
12 numbers, but there are other factors about how important
13 is this infringing technology to Google. It's one of
14 the Georgia Pacific factors. There are documents that
15 we believe give a foundation to ask these three
16 witnesses regarding that since when I asked one 30(b)(6)
17 witness, you know, "Isn't this of huge importance to the
18 company?" He said, "I don't know," you know, "define
19 huge."

20 And so it was -- it was kind of this game
21 playing, Your Honor. Witnesses on documents, including
22 documents that I think Google has pointed to in some
23 instances, when 30(b)(6) witnesses were asked about
24 those documents, I don't know whether they were coached
25 or not, but many of their answers were "I don't know

1 anything other than what's on this page," okay?

2 And so, for example, like as to "Who
3 invented the system? How -- how was it conceived of?
4 Was it derived or inspired by prior art?" The -- the
5 three 30(b)(6) witnesses on that, Brian Axe, Jeff Dean,
6 and Mr. Gokul at Google all said that they didn't know.
7 And so, earlier, we heard a reference to -- to this
8 document.

9 You know, there's a document where they
10 attribute the billion-dollar idea to Sergey Brin. This
11 is a Google document. It says that he -- that the
12 AdSense for Content pages that is AdSense for Content is
13 the main accused infringing system in this case. It
14 says that it was Sergey's billion-dollar idea at one of
15 these Google product strategy meetings three years
16 earlier, and it quotes him. It attributes a quote to
17 him.

18 But we've heard Google denies the quote.
19 They deny the interpretation of the quote. It's clear
20 that he came up with the idea of monetizing the billions
21 of web pages that they were not advertising on at the
22 time, which was -- that is the function, the purpose,
23 the goal of not only the -- the accused system but of
24 our patented invention.

25 And -- and so you see they say there's no

1 evidence of this. Well, obviously, that's the reason we
2 need the deposition of Mr. Brin. We submit that there
3 is prima facie evidence showing that he -- he made the
4 statement. It's an admission by Google, but you can see
5 already they're going to deny the importance of that.
6 And this statement is confirmed by Exhibit A to our
7 supplemental motion to compel.

8 And by the way, Your Honor, I have copies of
9 these two documents if you would like them.

10 THE COURT: I've read them.

11 MR. TRIBBLE: Okay. And so you know, Your
12 Honor, that this is a 2002 e-mail from Susan Wojcicki to
13 Sergey Brin. It says it's not yet complete. It's a
14 presentation contemplating the adoption or
15 implementation of this idea for the AdSense for Content
16 system. It confirms that Mr. Brin did have the
17 additional idea.

18 You've seen the article in -- the newspaper
19 article that interviewed Susan Wojcicki where she claims
20 that she invented it and that it was a novel idea. All
21 of these quotes about invasion and novelty all go to
22 obviousness and validity in our view, and the -- and so
23 I just want to point out a few things about this
24 document.

25 They say what -- you had this document

1 already, that Exhibit A was produced pursuant to the
2 Court's order on the apex depositions -- excuse me, the
3 apex documents. It was produced three weeks ago. They
4 say, "Well, you already had this version, Exhibit C."
5 The version that they attach as Exhibit C was produced
6 on July 29th of this year. It was after the depositions
7 of the 30(b)(6) witnesses on these issues.

8 Moreover, when Google produced it, the OCR
9 file that it produced it with was corrupted, and so when
10 we searched for relevant terms even after the
11 depositions, we never found this document. Even after
12 they cited it in their brief, we ran more searches. We
13 couldn't get it because the OCR file that had been
14 provided to us was corrupted. I'm not saying they did
15 it on purpose, but there's just no way that we could
16 have found this document in the state that it was given
17 to us, and it didn't matter anyway because it wasn't
18 produced until after the 30(b)(6) witnesses were
19 questioned about it.

20 And so, for example, when they were
21 questioned about the -- Mr. Brin's billion-dollar idea,
22 the Google witnesses said, "I don't know what that's
23 referring to. I don't know if that's referring to
24 AdSense for Content or not. You know, I can read what's
25 on the page."

1 And so we need to depose these witnesses,
2 who two of whom claim to have invented the infringing
3 system, and the other of whom all three of whom were
4 involved in the detailed decisions regarding the
5 implementation of this.

6 I just want to go through a couple of points
7 on this. As to the damages issues, these are the things
8 that are being discussed. This is Exhibit A again. It
9 confirms that, indeed, Mr. Brin's idea to monetize
10 the con -- the websites that are not being advertised
11 upon, this is exactly what's being discussed. This is
12 the document that we never received until three weeks
13 ago because those files were never searched. They never
14 searched the files of these people who claim to have
15 invented the Google system, and the one that they
16 produced, for example, on this page, you see all the --
17 the bullet points. There's only one bullet point on the
18 one that they had produced in the corrupted format prior
19 to the Court compelling the searching for it and
20 production of additional documents.

21 And by the way, they're still not finished.
22 You know, it's almost two month after the Court's order,
23 and they're still not finished producing these documents
24 that we were told that we can expect sometime next week
25 to receive another production of documents that, you

1 know, I won't speculate as to the size of it, but the --
2 you know, that they produced some right before
3 Thanksgiving, and, you know, they keep coming in, and
4 there's -- they've refused to identify whose files the
5 documents were from and so forth.

6 I mean, Mr. Nelson can talk about that in
7 more detail. Here are the things that were being
8 discussed about -- among Mr. Brin and Mr. Page and
9 Ms. Wojcicki regarding this system that they were
10 contemplated, and it was talking about the importance of
11 having an automatic self-service system for their
12 partners. That is the '025 patent.

13 Okay. This is -- and this goes as to the
14 importance of the invention for Georgia Pacific
15 purposes. It talks about automatic signup for
16 publishers. That's the second interface in the claims
17 in the '025, it's talking about the importance of the
18 invention.

19 And this is also interesting, Your Honor.
20 This -- even this presentation is incomplete. This is
21 an e-mail from Ms. Wojcicki to Mr. Brin. They've not
22 produced the reply or any reply. They've not produced
23 the final version. This makes it clear that as
24 consistent with what one of their other witnesses said,
25 they do a patent search. "Did you do a patent search

1 for this system?" "I don't know." They're going to get
2 update from someone named Kulpreet regarding whether
3 there are any problem patents in this space. I don't
4 believe that his documents have been produced.

5 We would like to know what was found in
6 the patent search regarding this, and we'd like to know
7 from Ms. Wojcicki and Mr. Brin what was discussed on
8 this point. This was a document where Mr. Brin and
9 Ms. Wojcicki are collaborating together to create this
10 presentation.

11 And their involvement goes far beyond that.
12 There's this claim that, oh, they only conceived of the
13 big idea. These witnesses were not involved in the
14 details of this system, and it's -- the documents show
15 otherwise. This is Exhibit 19 from our response to
16 Google's motion for protection, and I'll just read
17 the -- the relevant part. These are notes for the
18 evolving of the AdSense for Content user interface, the
19 user interface. That's an element in the '025 and the
20 '059 patent claims, and it says, "Given a past
21 experience with user interface learning, Larry," that
22 means Larry Page, "felt it best if we take top workable
23 concepts."

24 And look at what he says, the concepts that
25 he wants are background image, Google-colored borders,

1 and it says, "Larry also felt that the ads by Google and
2 branding elements should be on the left instead of on
3 the right." And look at the next, No. 3, "To emphasize
4 higher versus lower quality placements instead of having
5 two formats, Larry wanted us to explore using more
6 gradient elements, size of border, darkness of colors,
7 background color, et cetera." Those are presentation
8 rules. It's one of the key features of the inventions
9 in both patents.

10 And look who thought that that was an
11 important idea, Larry Page. We would like to ask him
12 about that and obtain evidence that, in fact, the
13 features of our patented system are important features
14 and that they're important for Google.

15 And it's not just Mr. Page -- and by the
16 way, you know, there's -- the involvement of these
17 witnesses didn't stop in 2002 and 2003. It continues
18 on. I mean, to this day, you know, this is a 2006
19 document. It refers to the AdSense for Content
20 opportunity. Someone named Ellen is working with Sergey
21 Brin on this very concept.

22 In 2007, this shows Larry Page, he wanted to
23 see other -- the user interface ideas regarding the ADS
24 product. "Looked at Yahoo, Turbotax, but decided he
25 didn't like them. Wants something more. The user

1 interface for AdWords, both Sergey and Larry want us to
2 start from scratch." It's now conceded, I believe,
3 that these are not, you know, typical top-level
4 employees. They -- this is a very hands-on management.
5 I believe that's been conce -- conceded by Google in its
6 briefing.

7 And I just wanted to point out a couple of
8 other things. We've cited these documents to the Court,
9 you know, the three briefings that are relevant to this
10 case. I'm not going to waste the Court's time by going
11 through all of them, but they demonstrate that Mr. Page
12 and Mr. Brin, as well as Susan Wojcicki, were all
13 involved in the development of the infringing system.
14 It shows what aspects that they thought were important,
15 which, you know, we've been unable to obtain that
16 testimony from any other witness.

17 And -- and so the bottom line is at the end
18 of the day, we've tried and tried to get this testimony,
19 and, you know, who knows what's going to be in the
20 documents that are going to be produced in the future.

21 Google makes a point in its brief that they
22 offered a compromise of -- they offered to put up
23 Ms. Wojcicki if we would drop the other two. What they
24 actually offered was, you know, "If we did that, would
25 you accept it?" We said, "No, but we would accept

1 taking Ms. Wojcicki plus one of the other gentlemen's
2 deposition, such as Sergey Brin." And so we offered a
3 compromise, too, Your Honor, and in our view, all three
4 are relevant. We've limited the depositions of Mr. Brin
5 and Mr. Page to three and a half hours. You know, three
6 hours will be fine, and Ms. Wojcicki would be limited to
7 five hours.

8 But the long and short of it is, on this
9 issue that they bear the burden of proof, we've asked
10 witnesses, we've tried to obtain testimony about who
11 invented, how it was invented, how did they think of it,
12 whether it was derived or inspired by some prior art,
13 what did Google think about it, did it think it was
14 different than the prior art, and, you know, the
15 importance of the invention, the importance of the
16 features, and why Google decided to invest in the system
17 at all.

18 That was a decision made solely at the end
19 of the day by Mr. Page and Mr. Brin. Why did they
20 decide to do this? Because it was important, Your
21 Honor. That's what we believe they'll say. And that is
22 a decision that was solely within their purview as the
23 cofounders of the company. And so, for example, it's
24 not like it's unprecedented that they give depositions.

25 Mr. Page had to give a deposition in that

1 trademark case, which we've cited to the Court, because
2 he made the decision regarding the policy that allegedly
3 caused the trademark infringement, and they made the
4 decision on this system, as well, and as inventors and
5 as the people who decided to implement the system,
6 it's -- it almost goes without saying that they would
7 have a unique perspective and unique knowledge that no
8 one else has regarding these relevant issues, but in
9 addition to that, Google has failed to provide 30(b)(6)
10 witnesses to answer questions on these topics.

11 Thank you.

12 MS. CANDIDO: Your Honor, Mr. Tribble
13 started out by addressing the standard, and as he
14 stated, it's correct that there must not just be
15 relevant -- relevant personal knowledge, it has to be
16 unique knowledge to justify the depositions of top
17 executives.

18 And in this case, there is no unique
19 knowledge shown. Mr. Tribble went through a pile of
20 documents and showed you a bunch of the documents that
21 we all agree shows that there was involvement by these
22 three people and knowledge of these three people in the
23 process of the development about -- of AdSense for
24 Content. That does not translate to there being unique
25 knowledge.

1 To suggest that nobody else at Google can
2 give testimony about what features of AdSense for
3 Content were important is just facially ridiculous.
4 There's been extensive testimony on that exact issue,
5 and if that had been raised in Function Media's brief,
6 we would have provided that testimony in response.

7 But the target keeps moving, so there's --
8 I'm never able to provide all of the evidence to respond
9 because they just move the target when you do. It's
10 always something else.

11 They say that nobody -- there's been no
12 testimony about who invented this product, and that's
13 really a mischaracterization of the testimony. The --
14 Google's a very flat organization, and people work
15 collaboratively and in teams, and so no one witness --
16 one of these -- no one witness was willing to take
17 responsibility for saying this was my invention, when
18 they think they all believe that it was a process and it
19 was a group, and no one person would say, "I'm
20 responsible for this product, for -- for its invention."

21 So there's never going to be this testimony
22 that Mr. Tribble seems to be looking for from any of
23 these witnesses. And if they had asked, you know,
24 questions that weren't intended or crafted to confuse
25 the witnesses on this issue, they would have received

1 testimony about the fact that it is a collaborative
2 process and who contributed what.

3 And, in fact, the 30(b)(6) deposition about
4 the design and development of these products provided
5 extensive testimony about how these products were
6 developed and who contributed to the process, who was
7 part of the process. The fact that no one person said,
8 "I was the inventor" does not suggest that that
9 testimony is in any way deficient.

10 Mr. Tribble just ended by saying that they
11 need to have -- why Google decided to invest in Ad Sense
12 for Content was a decision made by Larry and Sergey.
13 There's simply no evidence of that at all. He didn't
14 point to a single document that says that. That's just
15 pure speculation on the basis of their titles. There's
16 really no reason to believe that, and if they wanted a
17 witness on that topic, they could have served a 30(b)(6)
18 notice on why Google decided to invest in this idea, in
19 this concept, and we would have provided a witness on
20 that topic, but they never did that.

21 All of the documents attached to Function
22 Media's motion show simply the involvement, as I
23 mentioned, and a particular -- I think it's worth noting
24 that there's numerous of the people who Google has
25 already provided for deposition are all over those

1 documents, as well. It shows that if they wanted
2 testimony on these documents, they could have gotten it
3 from Jeff Dean, from Gokul Rajaram, from Richard Holden,
4 from Brian Axe, and one of the presentations that
5 Mr. Tribble showed you was authored by Brian Axe. It's
6 clear from the first page.

7 And it's important, in particular, to note
8 that Susan Wojcicki is on every single document attached
9 to Function Media's motion as a copyee, an author, a
10 recipient of the e-mails, and the presentation they
11 point to, in particular, she drafted that first draft of
12 the presentation and sent it to -- to Sergey. So
13 there's really no -- no reason to believe that any
14 testimony from Larry Page or Sergey Brin is necessary.

15 Ms. Wojcicki -- well, we also believe she
16 does not have unique knowledge. She certainly can
17 address all of the topics that Function Media is
18 pointing to, and that's why we offered her for
19 deposition, as a compromise, and plaintiffs rejected
20 that because they're intent on getting the deposition of
21 one of these co-founders who are extremely busy and
22 whose involvement in the deposition would be a huge
23 distraction and burden for Google.

24 And that's the reason why in all of these
25 other cases Courts do not allow the deposition of those

1 high-level executives without a demonstration of unique
2 knowledge, and there is not a single bit of testimony
3 that you've seen where someone said, "The only person
4 who would know the answer to this is Larry or Sergey."
5 There's nothing to that effect.

6 Do Larry and Sergey have knowledge? Sure.
7 But can Susan Wojcicki address that? Yes. Could any of
8 these other witnesses? Yes. Those -- those depositions
9 are simply not necessary.

10 And Mr. Tribble's remark that we provided
11 corrupted files, I just want to note for the record,
12 we -- we've never been asked for a replacement file with
13 respect to those, in which we obviously would have
14 provided if we were asked.

15 THE COURT: Let me ask you this under Salter
16 versus Upjohn, it's Fifth Circuit's law, do you think
17 that the burden is on them to show unique knowledge, or
18 is it on you to show that there's an absence of unique
19 knowledge? I mean, it's Salter versus Upjohn is a case
20 that, you know, flat out says that, you know, the
21 Circuit doubts the ability of the Court to forever
22 preclude a deposition, you know, if some relevant
23 information is known, as I recall the language, but...

24 MS. CANDIDO: Well, I -- if it's our burden,
25 there needs to be at least a clearly-identified topic

1 which we can respond. It's impossible to say, you know,
2 Larry and Sergey have no unique knowledge on any topic
3 at all. I mean, they're -- how can I prove that to you
4 I guess is what I'm asking?

5 If plaintiff says, "I need testimony on this
6 topic," I can easily say to you these other witnesses
7 have knowledge, as well, and that's what we've done.
8 Each thing that they've pointed out to the Court and to
9 us that they want testimony on, we've pointed to other
10 individuals who can provide that testimony.

11 And, in particular, we've offered
12 Ms. Wojcicki to address all of the documents and all of
13 the issues in plaintiff's motion, and there's -- there's
14 been no demonstrated need or plaintiffs haven't teed up
15 any issue for us to address of an issue where Larry and
16 Sergey had unique knowledge, except for Mr. Tribble's
17 pure speculation at this point today that they were the
18 decisionmakers with respect to why Google decided to
19 invest in AdSense for Content. There's simply no
20 evidence of that at all. No witness has ever said that.
21 There's no document that indicates that.

22 So, you know, in short, there -- there --
23 there's nothing that Function Media has pointed out that
24 they need these depositions for. It's purely a
25 strategic calculation to try to harass Google, and, you

1 know, force them to disrupt their business and provide
2 one of these topics for deposition.

3 THE COURT: Okay. Thank you.

4 All right. I'm holding that the plaintiffs
5 has not shown -- or the plaintiff has not shown unique
6 knowledge with respect to Mr. Page, but they have shown
7 with respect to Ms. Wojcicki and -- and Mr. Brin, that
8 they have unique knowledge concerning the origin and
9 development of the accused product, the importance of
10 that product to Google, as well as the -- their view as
11 to whether products were novel and had some utility to
12 Google.

13 But I'm limiting you to two hours with
14 Mr. Brin and to three hours with Ms. Wojcicki, but I
15 think you've satisfied -- if it's your burden to show
16 that they've got some unique knowledge or if the burden
17 is on the defendant to show the absence of, I find for
18 the record that they failed to show the absent
19 knowledge. And I'm concerned that -- under Salter
20 versus Upjohn, I'm concerned with my ability to forever
21 preclude you from taking that deposition.

22 Now, I'm going to leave the parties to their
23 own devices on scheduling those depositions, bearing in
24 mind the -- the season that it is and the schedule that
25 these folks have. I hope that I don't have to get

1 involved in that, but I trust the plaintiff won't make
2 an unreasonable demand, and if it needs to be done on a
3 weekend or after hours to accomodate the schedule of
4 these executives, that the parties will be inclined to
5 do that, okay? And it will be after the production of
6 whatever documents are going to be produced.

7 MR. TRIBBLE: And that's fine.

8 THE COURT: When can we finish the
9 production?

10 MS. CANDIDO: Your Honor, we -- we had hoped
11 to finish the production this last week, but there were
12 outages with our vendor, and as a result, we hope to be
13 able to do it the beginning of this week, assuming their
14 issues are resolved --

15 THE COURT: Well, let's --

16 MS. CANDIDO: -- which I believe them to be,
17 so...

18 THE COURT: If it were next -- like a week
19 from today, is that --

20 MS. CANDIDO: Yes, I believe that is a
21 hundred percent doable.

22 THE COURT: Okay. Let's -- let's finish it
23 by -- by the end of next week.

24 And, Mr. Tribble, you know, I'm not
25 preventing the parties from scheduling the deposition

1 after the jury selection, okay? So, I mean, if that --
2 I mean, I know you may want to do it before then but
3 I'm --

4 MR. TRIBBLE: I understand, Your Honor.

5 THE COURT: -- giving you five hours, but
6 I'm going to be really flexible with the defendant's
7 requests for scheduling, okay?

8 MR. TRIBBLE: I understand what you're
9 saying, Your Honor. And I just want one point of
10 clarification.

11 You know, we made a showing as to these
12 factors. I mean, there are specific -- you know, I
13 didn't show every document we have and everything.
14 You're not limiting us in top -- as long as the topic is
15 relevant to this case or something, you're not limiting
16 us in topic, are you?

17 THE COURT: I'm not. I'm just -- for
18 purposes of the record, these are the ones that --
19 you've made a showing as to those areas. Those are the
20 ones that I felt that were discussed today. It needs to
21 be reasonably tied to the areas I've -- I've set forth.

22 But, for instance, you know, whether the
23 quote is attributable to Mr. Brin, you're entitled to
24 ask him that, okay?

25 MR. TRIBBLE: That's fine, Your Honor. I

1 understand the Court. And I'm -- maybe I'm paranoid,
2 Your Honor, but would the Court be amenable that if we
3 informed it of when the depositions were scheduled that
4 the Court would be available by telephone if it needed
5 to rule on anything?

6 THE COURT: Yes.

7 MR. TRIBBLE: Okay. Thank you.

8 THE COURT: I'll be amenable to that.

9 Is there an issue on search terms? Is
10 that --

11 MR. NELSON: Yes, Your Honor.

12 THE COURT: Well, what are we --

13 MR. NELSON: There is an issue with how the
14 apex discovery has proceeded so far. Looking, for
15 example, at the documents that we showed today, the new
16 document, the content targeting GPS document, we did not
17 get Sergey's reply or any other reply from that, and we
18 have literally one proposed search term to get to that,
19 which is content within three of targeting in 2002 or
20 2003, so an essentially very narrow search term that
21 would hopefully encompass that.

22 We also have a request for this person,
23 Kulpreet's, document. So, again, very limited requests
24 that are follow-ons to -- to what we've seen.

25 We've also asked for custodial information

1 about where these documents are coming from. For
2 example, which files came from which so we can actually
3 ask the witnesses. They presumably know where the
4 documents came from.

5 And we've asked them to provide simply basic
6 information about how they conducted the search, what
7 they searched, and they will not tell us exactly how
8 they conducted the search. So those are the open issues
9 with respect to the apex witnesses.

10 There's also a pending deposition request
11 for the transcript of Eric Schmidt, which is the only
12 other, I believe, open discovery request that this Court
13 has. I believe Google's brief is due in the next couple
14 of days.

15 THE COURT: Well, is that -- have the search
16 term and the custodian issues, have those -- are those
17 fully briefed?

18 MS. CANDIDO: Sorry.

19 MR. NELSON: No, Your Honor. Those --
20 we've been trying to negotiate in good faith about these
21 for -- for the past little bit. Ms. Candido responded
22 yesterday or the day -- within the past 48 hours, we
23 responded. We had an exchange yesterday.

24 And my understanding is Google's position
25 here is they will not conduct further searches because

1 discovery is closed.

2 MS. CANDIDO: Well, I'm happy to discuss
3 Google's position.

4 Google's position -- the parties, after Your
5 Honor's order, met and conferred in length -- at length
6 about what the search terms for these apex custodians
7 should be, and we agreed to significantly broaden the
8 scope of the terms from any of the prior custodian
9 searches that have been done in this case. They are
10 very, very broad terms.

11 We -- those are the search terms that have
12 been run. That's what we've been producing, and that's
13 what we're going to finish producing this week. At the
14 very end, we're not getting a new request. Just as
15 we're almost done, the goal post moves yet again, and
16 this request is not a reasonable request.

17 We ran that -- those terms over the
18 production that they already have. There are over 1,500
19 documents that they already have from the production in
20 this case at whole that contain the terms they're
21 looking for that would be responsive to their search.
22 The idea that we now have to do that again with an
23 additional five custodians -- well, actually, we didn't
24 do that before. It just so happens that the ones that
25 were done before contain those terms, but to do that

1 now, to move the goal post yet again, we're never going
2 to be done with fact discovery.

3 THE COURT: Putting aside the search terms,
4 what's -- tell me the issue with identifying the
5 custodians, you know, be it the Bates range.

6 MS. CANDIDO: Sure.

7 THE COURT: Can y'all do that?

8 MS. CANDIDO: We haven't refused to do that,
9 just to be clear. They've asked us about that. My
10 response was that the documents were not separated out
11 by custodian in the way that they were produced, and
12 that the parties' practice in this case has never been
13 to be providing custodial information to each other.

14 And I said if there's particular documents
15 the plaintiff wanted to know what files they came from,
16 we'd be happy to, you know, respond to those requests,
17 and they then -- today, this is just -- he's brought it
18 up as my refusal to do that.

19 THE COURT: All right. Okay. Here's what
20 we're going to do. Complete the production that you've
21 done.

22 If you want to submit letter briefs about
23 additional search terms and identifying the custodians,
24 I understand that she's going to get a production
25 completed by next Friday, give me a letter brief by

1 Wednesday. You have until Friday. If you need more
2 time to Monday, I'll give you that to respond to the
3 letter brief, and I'll address that. If you can
4 resolve, for instance, the custodial information and
5 just address -- focus me on the additional search term,
6 then just address that, okay?

7 MS. CANDIDO: Yes, Your Honor.

8 THE COURT: I'm not reading that -- nothing
9 that he's said I'm attributing to you as a refusal to do
10 anything other than the search terms, which I understand
11 the position is that you've already -- you had an
12 agreement on search terms and you've run those, and --

13 MS. CANDIDO: You know, part of the issue on
14 that, Your Honor, if I agreed now to -- to work on
15 search terms that address that issue for him and provide
16 those documents, there's no guarantee that it just
17 doesn't keep on going.

18 You know, we're going to be on the eve of
19 trial, and instead of doing, you know, preparation for
20 trial, I'm still going to be supervising, you know,
21 document collection and production. It has to end. So
22 at a certain -- you know, this is not this one search
23 that's the issue. It's the lack of an ending point.

24 THE COURT: Well, I'll deal with the ending
25 point.

1 MS. CANDIDO: Okay.

2 THE COURT: Okay.

3 MS. CANDIDO: Yes. Thank you.

4 MR. NELSON: Thank you, Your Honor.

5 THE COURT: What else can we do today as far
6 as pretrial matters are concerned?

7 MR. DEFRANCO: There's one -- one other
8 issue, Your Honor, that's been briefed, and I don't know
9 if Court is willing to address it, but it's the number
10 of claims to be asserted at trial. Both sides obviously
11 have a lot of work to do between now and then. There
12 are 18 asserted claims.

13 THE COURT: Let me see if I can help you
14 with that.

15 What claims are you going to assert at
16 trial?

17 MR. GRINSTEIN: We've got a list, Your
18 Honor. It's the list that we earlier identified from
19 the '025 patent. Claims 1, 12, 20, 30, 32, 37, 52, 62,
20 63, 81, 90, 140, 179, 191, 231, 260 and 319. From the
21 '059, Claim 1. That's 18 claims.

22 MR. TRIBBLE: Your Honor, many of these
23 claims are dependent claims that add, like, one
24 additional feature. You can't just look at the number.
25 You really have to look at the claims.

1 Obviously, we're not going to present at
2 trial something that is not streamlined and digestible
3 to the jury.

4 MR. DEFRANCO: May I, Your Honor?

5 THE COURT: Well, hold on just a minute.
6 No.

7 After Claim 37 on the '025, what's the next
8 one?

9 MR. GRINSTEIN: After Claim 37 of the
10 '025 -- it's Claim 52, 62, 63, 81, 90, 140, 179, 191,
11 231, 260, and 319. Those are of the '025 patent. And
12 then there's one more patent.

13 THE COURT: Claim 1.

14 MR. GRINSTEIN: Claim 1 of the '059 patent,
15 Your Honor.

16 THE COURT: All right. I'll look at those,
17 and I'll give you a ruling some time --

18 MR. DEFRANCO: Thank you, sir.

19 THE COURT: -- Monday on whether or not I'm
20 going to limit further than the 18 that have been
21 presented.

22 MR. GRINSTEIN: And, Your Honor, if Your
23 Honor does conclude the limitation on the claims is
24 appropriate, we'd also request a reciprocal limitation
25 on references.

1 THE COURT: Well --

2 MR. GRINSTEIN: Same -- same sort of story.
3 That's also briefed in the -- in the briefing, Your
4 Honor.

5 MR. DEFRANCO: May I respond to that one
6 point, Your Honor?

7 THE COURT: Yes.

8 MR. DEFRANCO: I should note that we've
9 gotten it down now to seven references, Your Honor. I
10 mean, obviously, we want to present the simplest case
11 we can, and it may be that one or more may drop out when
12 we see the claims at issue, but I just wanted to note
13 that we've gotten to seven, which we think is in line
14 with the number of claims that should be asserted at
15 trial.

16 THE COURT: Okay. All right. Beyond that
17 issue, what other pretrial matters are there from the
18 plaintiff?

19 MR. TRIBBLE: You know, I think that's about
20 it, Your Honor. We didn't discuss -- I don't believe we
21 discussed time limits at trial, but we don't need to
22 discuss that today.

23 THE COURT: No. I'll -- give me until
24 Monday after I've looked at the claims that you're going
25 to present and the references, then I'll give you a time

1 schedule.

2 MR. TRIBBLE: Thank you, Your Honor.

3 THE COURT: How much time are you asking me
4 for?

5 MR. TRIBBLE: You know, I think that, you
6 know, 12 and a half, 15 hours per side, not counting
7 opening and closing, would be more than sufficient.

8 THE COURT: Okay. What about --

9 MR. VERHOEVEN: I think we're in agreement
10 on that --

11 THE COURT: Okay.

12 MR. VERHOEVEN: -- to the extent our
13 pre-trial conference --

14 THE COURT: Okay. Well, that's --

15 MR. VERHOEVEN: That's --

16 THE COURT: 12 and a half hours going
17 once --

18 MR. VERHOEVEN: One second. I've got
19 several people talking here. Maybe I said something
20 wrong.

21 MR. DEFRANCO: We need to have a vote.

22 THE COURT: You need to -- you need to...

23 MR. VERHOEVEN: They're pointing out it may
24 depend on how many claims are at issue and --

25 THE COURT: I figured that it would.

1 MR. VERHOEVEN: Yes.

2 THE COURT: I'm not -- I'm not --

3 MR. VERHOEVEN: And, Your Honor, from our
4 standpoint, I don't think we have any other issues
5 today.

6 THE COURT: Okay. All right. I will -- on
7 the issues that I've carried -- anything that I've
8 carried on a motion in limine, it's granted for purposes
9 of voir dire. All of the motions in limine that were
10 agreed to are likewise granted in accordance with the
11 party's agreements.

12 Off the record.

13 (Off the record discussion.)

14 THE COURT: Carry on, then. Y'all have a
15 nice holiday season and please travel safely, if you do
16 travel.

17 COURT SECURITY OFFICER: All rise.

18 THE COURT:

19 (Recess.)

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CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true and correct transcript from the stenographic notes of the proceedings in the above-entitled matter to the best of my ability.

SHELLY HOLMES
Deputy Official Reporter
State of Texas No.: 7804
Expiration Date: 12/31/10

Date