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

BRIGHT RESPONSE, LLC F/K/A POLARIS IP, LLC

NO. 2:07CV-371-TJW-CE

v.

GOOGLE INC., et al.

YAHOO!'S EMERGENCY MOTION FOR RECONSIDERATION OF THE COURT'S RULING ON PLAINTIFF'S MOTION IN LIMINE NO. 11

Yahoo! requests that the Court reconsider its August 2, 2010 order granting Plaintiff's Motion *in Limine* No. 11, precluding Yahoo! from referencing non-infringing alternatives. (Dkt. 588.) Such non-infringing alternatives include both the pre-April 2004 Sponsored Search service and the design-around options described by Dr. James Allan, Yahoo!'s technical expert.

First, regarding the pre-April 2004 Sponsored Search service, Yahoo! did not know that Plaintiff would assert that April 2004 was the date of first infringement until July 6, 2010. On that date, Plaintiff submitted its damages report where it disclosed, for the first time, its assertion that the date of first infringement was April 2004. After receiving expert reports, it took Defendants until July 15 to get definitive answers that Plaintiff was dropping its allegations against all Yahoo! systems except the Sponsored Search service. Just *five days later*, on July 20, Yahoo! submitted its damages expert report regarding non-infringing alternatives. One day after that, on July 21, Yahoo! served on Plaintiff the portion of its technical expert report that relates to non-infringing alternatives (two days before this report was even due). Thus, Yahoo! fully notified Plaintiff of its contention that the pre-April 2004 Sponsored Search service is a non-

infringing alternative within six days of learning Plaintiff's infringement position. It would have been difficult if not impossible for Yahoo! to react any more quickly.

Second, the design-around options set forth in Dr. Allan's report were also timely disclosed. Design-around options are commonly disclosed as part of technical expert reports. *See, e.g., MercExchange, L.L.C. v. eBay, Inc.,* 500 F.Supp.2d 556, 566 (E.D. Va. 2007). And Plaintiff's assertion that Yahoo! did not provide the Allan report in a timely manner falls flat. On July 20, 2010, Yahoo! served on Plaintiff the expert report of Dr. Mary Woodford, which cited the damages appendix of Dr. Allan's report. On July 21, 2010 at 7:38 p.m., Plaintiff requested that the technical expert report upon which Dr. Woodford relied be served immediately. Within about two hours, at 9:39 p.m., Yahoo! served a copy of the Allan damages appendix (the only part of Dr. Allan's report upon which Ms. Woodford relied). Accordingly, Plaintiff had both the Woodford Report, the Allan damages appendix upon which it relies, days in advance of Ms. Woodford's July 23, 2010 deposition.

As a matter of fundamental fairness, Yahoo! should be allowed to present evidence on non-infringing alternatives. Plaintiff deposed Yahoo!'s damages and technical experts after being notified of Yahoo!'s asserted non-infringing alternatives. (Dkt. 508, 6-9.) Thus, there is no unfair prejudice to Plaintiff in allowing Yahoo! to assert these alternatives. There is, however, unfair prejudice to Yahoo! in not being allowed to raise non-infringing alternatives. The Federal Circuit held that "an accurate reconstruction of the hypothetical 'but for' market takes into account any alternatives available to the infringer." *Grain Processing Corp. v. American Maize-Products Co.*, 185 F.3d 1341, 1351 (Fed. Cir. 1999).

Conclusion

For the foregoing reasons, Yahoo!'s motion for reconsideration should be granted and Plaintiff's Motion *in Limine* No. 11 should be denied.

Dated: August 3, 2010

Respectfully submitted,

/s/ Jennifer H. Doan

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CERTIFICATE OF SERVICE

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/s/ Jennifer H. Doan
Jennifer H. Doan

CERTIFICATE OF CONFERENCE

I hereby certify that a meet-and-confer took place on August 2, 2010 between Plaintiff and Defendants. Plaintiff opposes this motion.

/s/ Jennifer H. Doan
Jennifer H. Doan