

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

ROCKSTAR CONSORTIUM US LP)	
AND NETSTAR TECHNOLOGIES LLC,)	
)	
Plaintiffs,)	
)	Civil Action No. 13-cv-00893-RG
v.)	
)	JURY TRIAL DEMANDED
GOOGLE INC.)	
)	
Defendant.)	
)	
)	

GOOGLE INC.’S MOTION FOR LEAVE TO AMEND INVALIDITY CONTENTIONS

Google respectfully moves the Court for leave to supplement its Invalidity Contentions for good cause under P.R. 3-6(b) to add nine U.S. Securities and Exchange Commission (“SEC”) filings that were recently identified (the “IPO Filings”) as prior art printed publications under 35 U.S.C. §§ 102 and 103. The IPO Filings—from the mid-1990s—stem from the Initial Public Offerings (“IPO”) of Excite, Inc.; Infoseek Corporation; Lycos, Inc.; Open Text Corporation; and Yahoo! Inc. Rockstar has long been on notice of the search engine websites offered by these companies because Google charted these websites as system prior art in its original Invalidity Contentions served on May 24, 2014. The requested amendment adds charts based on the IPO Filings of these companies themselves as a printed publications under Sections 102 and 103.

The Local Patent Rules exist to further the goal of timely discovery and to provide all parties with adequate notice and information with which to litigate their cases. The Rules recognize that even parties who diligently comply with their disclosure obligations may not be able to identify all invalidity-related evidence at the beginning of the case, and permit parties to seek leave to amend their contentions. Patent Rule 3-6(b), therefore, allows a party to amend its invalidity contentions “by order of the Court, which shall be entered only upon a showing of

good cause.” P.R. 3-6(b). Courts in this District have broad discretion to grant leave and consider four factors to determine whether a party has shown good cause to amend its invalidity contentions: (1) the reason for amendment after the Court’s deadline for invalidity contentions and whether the party has been diligent, (2) the importance of the amendment, (3) the potential prejudice in allowing the amendment, and (4) the availability of a continuance to cure such prejudice. *See Arbitron, Inc. v. Int’l Demographics Inc.*, No. 2:06-CV-434 (TJW), 2008 WL 4755761, at *1 (E.D. Tex. Oct. 29, 2008) (citing *S & W Enters., L.L.C. v. Southtrust Bank of Ala.*, NA, 315 F.3d 533, 535 (5th Cir. 2003)).

As set forth below, each of these factors weighs in favor of permitting the requested amendment. Courts in this district routinely grant leave to amend when good causes exists, as it does in this case. *See, e.g., Tyco Healthcare Grp. LP v. E-Z-EM, Inc.*, 2010 WL 7853420 (E.D. Tex. Apr. 1, 2010) (granting leave to add new art six months before jury selection and finding that “Plaintiffs have sufficient notice of Defendants’ invalidity positions”); *Alt v. Medtronic, Inc.*, 2006 WL 278868 (E.D. Tex. Feb. 1, 2006) (finding good cause despite defendant seeking to add eight new references seven months after serving its Preliminary Invalidity Contention and after the conclusion of the Markman hearing); *Intergraph Corp. v. Intel Corp.*, 2002 WL 34534505, at *1 (E.D. Tex. Jun. 18, 2002) (granting defendant’s Motion for Leave to Supplement its Invalidity Contentions because they were “served well in advance of the court’s claim construction ruling and well in advance of trial”).

Accordingly, good cause exists for allowing the proposed amendment requested by the Google, which includes nine new claim charts and amendments to Google’s existing charts identifying its obviousness combinations attached as Exs. 1 to 10.

RELEVANT PROCEDURAL BACKGROUND

Rockstar filed its complaint on October 31, 2013. Its complaint asserted infringement of seven patents. (Dkt. No. 1.) Then, on March 24, 2014, less than two months before Google's Invalidation Contentions were due, Rockstar served 1,261 pages of infringement allegations asserting 142 claims and accusing a broad and vaguely defined set of products or services. On May 19, 2014, Google served its Invalidation Contentions. Google's extensive and diligent prior art searching enabled Google to serve Invalidation Contentions that encompassed more than 2,750 pages and included 46 detailed claim charts. (Yang Decl., ¶ 3.) Despite Google's diligent investigation, the potential relevance of the IPO Filings were only uncovered through third party discovery in July of 2014. Google quickly took steps to obtain these documents by making Freedom of Information Act requests for the SEC's archives and received the IPO filings in late August. (Yang Decl., ¶¶ 5-6.) Google also received one of the IPO Filings through a subpoena on September 5, 2014 through a third party Open Text. On September 9, 2014, Google notified Rockstar of its intent to move for leave to amend its invalidity contentions to add these recently discovered documents during discovery. (Ex. 11.¹) On October 16, 2014, the Court gave Rockstar leave to supplement its own Infringement Contentions to include evidence produced since Rockstar filed its original Infringement Contentions. (Dkt. 206 at 3.)

The Claim Construction Hearing is currently scheduled for October 28, 2014. (Dkt. 68 at 2.) By November 8 and December 2, 2014, Rockstar must narrow its claims to 50 and 24, respectively. Google must select 60 references (including combinations) by November 22, 2014 and 30 references by January 19, 2015. (Dkt. 201) Jury selection is scheduled to begin on June 8, 2015. (Dkt. 68 at 1.)

¹ Unless otherwise noted, all exhibit citations are to the exhibits attached to the declaration of Lance Yang.

ARGUMENT

I. GOOGLE HAS LEGITIMATE REASON FOR ITS AMENDMENT AND HAS BEEN DILIGENT IN DEVELOPING ITS DEFENSES

Google undertook an exhaustive prior art investigation soon after the complaint was filed, which included multiple rounds of prior art searching by a professional prior art search firm, an expert consultant, and two of Google's outside counsel to address all 171 claims of the Asserted Patents. (Yang Decl., ¶ 2.) Combined, these searches netted over 300 prior art references—including references related to the search engine systems offered by Excite, Infoseek, Lycos, Open Text, and Yahoo—of which Google cited approximately 200 references in its original Invalidity Contentions. Google served these contentions on May 24, 2014, which included detailed claim charts for the search engine websites offered by Excite, Infoseek, Lycos, Open Text, and Yahoo. (Yang Decl., ¶ 3.) Because the IPO Filings date back to the mid-1990s and were unavailable through the SEC's online archive, Google's investigation failed to unearth them prior to May 24, 2014, despite its best efforts.

After serving its Invalidity Contentions, Google continued to further develop its invalidity arguments and defenses, including through third party discovery for the Excite, Infoseek, Lycos, Open Text, and Yahoo search engines prior art systems. (Yang Decl., ¶ 4.) Google only became aware of the potential relevance of the IPO Filings—which were too old to be available on the SEC's website, EDGAR—in July 2014 after speaking with a third party who had first-hand knowledge of prior art search engine companies. On July 24, 2014, upon learning that these filings may still exist in the SEC's archives, Google submitted multiple Freedom of Information Requests to the SEC. The SEC provided eight of the nine IPO Filings on August 14, 2014. Google produced these filings on August 26, 2014. (Yang Decl., ¶ 6.)

Google received the ninth filing—Open Text's IPO Prospectus—directly from Open Text on September 5, 2014. On September 9, 2014, Google informed Rockstar of Google's intent to

supplement its Invalidity Contentions. These efforts, all in the course of less than two months, demonstrate Google's diligence in bringing this new art to the attention of Rockstar and the Court. The first factor thus weighs in favor of granting leave to amend.

II. THE REFERENCES ARE HIGHLY IMPORTANT TO GOOGLE'S CASE.

It is critically important to Google's case that the IPO Filings be considered. Each of the IPO Filings either anticipates or, in combination with other references, renders obvious each asserted claim. (*See Exs. 1 to 10.*) As IPO filings, these references provide detailed discussion of each company's respective search engine and advertising technologies and prove that the alleged invention of the Asserted Patents was known and commercialized well before their alleged priority dates. These references include in-depth discussions of the technology used by each company, analysis of the competition faced by each company from other search engine and advertising avenues, as well as evidence of the public availability and widespread use of these systems. Moreover, the abundance of IPO filings for search engine advertising companies distinctively underscores the maturity of the Internet advertising industry by the alleged priority date of the Asserted Patents.

Each IPO Filing presents a new and unique ground for anticipation not previously disclosed and further provides a significant, noncumulative secondary obviousness reference. While Google's Invalidity Contentions currently identify the search engines websites offered by Excite, Infoseek, Lycos, Open Text, and Yahoo as prior art systems under 35 U.S.C. §§ 102 and 103, the requested amendment adds charts based on each company's IPO filings as a printed publication. Google's Invalidity Contentions lack any charts based on a printed publication dedicated to each of these search engines. Consequently, the second factor also favors granting leave to amend.

III. ROCKSTAR WILL NOT BE PREJUDICED BY THE INCLUSION OF THE IPO FILINGS

Rockstar will not suffer any prejudice if the requested amendment is granted. First, Rockstar has had notice of the search engine websites discussed in the IPO Filings since May 24, 2014 based on the detailed claim charts for each search engine provided in Google's Invalidation Contentions. These charts put Rockstar on notice of these companies, their search engine websites, and the search and advertising technology. Second, Rockstar has also been on notice of Google's continuing third party discovery efforts directed to Excite, Infoseek, Lycos, Open Text, and Yahoo. Google, for example, has served third party subpoenas that expressly call out these companies and websites. Indeed, it was the subpoena to Open Text that produced one of the IPO Filings. Third, the Asserted Patents themselves discuss several of these search engines, which were also addressed at length during the named inventors' depositions in this matter. (*See, e.g.*, '969 Patent at 1:20-22; 32:2.)

Even assuming the IPO Filings addressed entirely new search engine systems—which they do not—Rockstar had over two months to evaluate and account for the IPO Filings before making its upcoming November 8, 2014 preliminary election of asserted claims and an additional two months after that to conduct further discovery before the close of fact discovery. Moreover, Rockstar received the IPO Filings over three weeks before the deadline for opening claim construction briefs and before it had conducted any depositions. As fact and expert discovery are still ongoing and for the next several months, Rockstar will have a full and fair opportunity to conduct any discovery regarding the IPO Filings. *See, e.g., Tyco Healthcare*, 2:07-cv-00262, Dkt. 451 (granting motion to amend despite the plaintiffs having notice of the new art only after claim construction briefing had completed); *Alt*, 2006 WL 278868 (E.D. Tex. Feb. 1, 2006) (finding good cause despite defendant seeking to add eight new references after the conclusion of the Markman hearing).

On the other hand, Google would be severely prejudiced if this Court were to deny the instant motion. As discussed above, the IPO Filings are highly important to its defense and may be claim dispositive for many asserted claims. This factor also favors granting leave to amend.

IV. NO CONTINUANCE OF ANY DEADLINES ARE NECESSARY

The Docket Control Order would not be impacted and no dates would need to be rescheduled should the Court grant Google's motion. Jury selection is set for June 8, 2015, opening expert reports are three months away, fact discovery remains open until January 7, 2015, and Rockstar's preliminary election of asserted claims is not due until November 8, 2014. Thus, there is no need for a continuance of this litigation. The fourth factor also weighs in favor of amendment.

CONCLUSION

For the foregoing reasons, this Court should grant Google's Motion to Amend Invalidity Contentions as set forth in Exhibits 1 to 10.

DATED: October 24, 2014

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on October 24, 2014.

/s/ Lance Yang _____

Lance Yang

CERTIFICATE OF CONFERENCE

I hereby certify that the parties have met and conferred in writing, telephonically, and in person pursuant to Local Rule CV-7(h) and the Discovery Order. In addition to meeting and conferring telephonically on September 17, 2014, on September 29, 2014 lead and local counsel for Plaintiffs (Justin Nelson, Amanda Bonn, Max Tribble, and Calvin Capshaw) and lead and local counsel for Defendant (Charles Verhoeven, Andrea Pallios Roberts, David Perlson, and Blake Thompson) met and conferred in person regarding the issues presented in this motion. The parties were unable to reach agreement.

/s/ Lance Yang _____

Lance Yang