

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

**ROCKSTAR CONSORTIUM US LP
AND NETSTAR TECHNOLOGIES
LLC,**

Plaintiffs,

v.

GOOGLE INC.,

Defendant.

Case No. 2:13-cv-893-JRG-RSP

JURY TRIAL DEMANDED

**PLAINTIFFS' SUR-REPLY IN OPPOSITION TO GOOGLE'S
MOTION FOR LEAVE TO AMEND INVALIDITY CONTENTIONS**

I. Google Fails To Demonstrate Diligence When It Missed Publicly Available Documents

Google knows that SEC filings may potentially be relevant art, yet fails to explain why it did not search the SEC database prior to serving its invalidity contentions. In a case before this Court, *Function Media, L.L.C. v. Google, Inc.*, No. 2:07-cv-279-RSP, at Dkt. No. 191, Google filed a notice of prior art pursuant to 35 U.S.C. § 282 that included the SEC filings of two companies. (Xi Sur-Reply Decl., Ex. A at 9, 10.) Notably, Google was represented by the same counsel in the *Function Media* case—Charles Verhoeven, David Perlson, and Carl Anderson of Quinn Emanuel—as it is now. (*Id.* at Ex. B.) Google also routinely cites SEC filings as prior art in its own patents. (*See, e.g., id.* at Ex. C.)

Google claims that it used its “best efforts” to engage in a prior art search which was broadly focused on “patents, published patent applications, and non-patent literature, such as journals, books, academic work, product literature, and internet searching.” (Dkt. No. 276 at 2, 4.) But Google confuses breadth for depth. No doubt Google casted a wide net in attempting to locate potentially relevant prior art; however, Google did not dig deep enough. Yahoo and Lycos were referenced on the face of the patents-in-suit and Google’s invalidity contentions charted each Excite, InfoSeek, Lycos, Open Text, and Yahoo as systems art. Yet Google inexplicably failed to—and has given no excuse for why it did not—search the publicly available SEC website for information pertaining to these systems. Google thus fails to establish any diligence with respect to discovering the SEC filings and lacks good cause for the proposed amendment. *Jazz Pharms., Inc. v. Roxane Labs., Inc.*, No. 2:10-CV-06108, 2012 U.S. Dist. LEXIS 107408, at *17-19 (D.N.J. July 30, 2012) (denying leave to amend invalidity contentions with supplemental FDA filings and specifically rejecting defendant’s argument that it did not have an obligation to search the FDA website for prior art before serving contentions).

II Google's FOIA Submissions Are Unreasonable And Fatal To Good Cause

The Federal Circuit has emphasized the importance of a “timely application” for leave to amend contentions by recognizing that “if the parties were not required to amend their contentions promptly after discovering new information, the contentions requirement would be virtually meaningless as a mechanism for shaping the conduct of discovery in trial preparation.” *O2 Micro Int'l Ltd. v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1366 (Fed. Cir. 2006). Even if the Court were to excuse Google for neglecting to search the SEC website prior to May 23, 2014, the Court cannot excuse Google for choosing to submit FOIA requests to obtain the SEC filings when more expeditious methods were available. Google's choice delayed the timely disclosure of these supplemental references to Rockstar and also impacted Google's ability to timely seek leave to amend its contentions.

Google attempts, in hindsight, to manufacture a justification for choosing FOIA: it claims it was concerned about the authenticity of SEC filings obtained through third-party services. (Dkt. No. 276 at 4.) First, no appreciable difference exists between SEC filings obtained through FOIA and those obtained through a third-party service—both are equally subject to an authenticity challenge because only certified records subpoenaed from the SEC would be immune from such a challenge. (Xi Sur-Reply Decl., Exs. D & E.) Second, Google attempts to hide behind its assertion that “[p]laintiffs sometimes raise evidentiary challenges to printed publications” as reason for its decision and points to Rockstar's reservation of rights to dispute whether the supplemental references are “printed publications” as evidence of the assertion. But Google confuses the authenticity of a document with whether a reference qualifies as a “printed publication” due to its “public accessibility.” Rockstar's reservation of rights pertains to the latter, which hinges on the issue of whether the SEC filings have been made “sufficiently accessible to the public interested in

the art” to qualify as a “printed publication” within the meaning contemplated in 35 U.S.C. §§ 102 and 103. *In re Klopfenstein*, 380 F.3d 1345, 1348 (Fed. Cir. 2004) (citation and quotation omitted).

“[A] document is publically accessible if it has been disseminated or otherwise made available to the extent that persons interested and ordinarily skilled in the subject matter or art, exercising reasonable diligence, can locate it.” *Cordis Corp. v. Boston Scientific Corp.*, 561 F.3d 1319, 1333 (Fed. Cir. 2009). If Google contends, as it does, that somehow (1) it was not obligated to search SEC filings to establish diligence, and (2) it must go through the laborious process of FOIA to obtain these filings, then Rockstar would be able to raise questions directed to whether the SEC filings were sufficiently “publicly accessible” back in 1996 to interested, reasonably diligent persons who are ordinarily skilled in the art.

With respect to Google’s obligation to search SEC filings in the first place, if Google, an interested party with vast resources and actively engaged in litigation over the patents-in-suit, did not find the need to visit the SEC website to search for prior art during discovery, then the presumption is that others interested in the art also would not look to search the SEC database for prior art. *See Jazz Pharm.*, 2012 U.S. Dist. LEXIS 107408, at *21 (documents filed with the FDA may not be “publicly available” because “[i]f Roxane, a party actively engaged in litigation over the Distribution Patents, did not find the need to visit the FDA website to search for prior art during discovery, then why would others interested in the art look to the FDA website?”).

In addition, Rockstar could dispute whether the SEC filings in question were disseminated such that it reached or was accessible to the proper audience—i.e., reasonably diligent, interested persons of ordinary skill in 1996. In light of Google’s use of FOIA to obtain the SEC filings, when a filing may properly be considered “publicly accessible” also becomes a point of contention. For example, if the SEC filing can only be obtained through FOIA, then it cannot be deemed to be

publicly accessible by the date of its filing, only on a later date (e.g., perhaps one month out from when a FOIA request is first submitted). Moreover, 17 C.F.R. § 230.406 permits the “confidential treatment” of certain SEC filings, often for a limited period of time, such that their status as “publicly accessible” “printed publications” during that period of time would be at issue.

Google’s use of FOIA to obtain the SEC filings not only caused unreasonable delay on multiple fronts, but raises many questions about whether the SEC filings Google proposes to supplement its invalidity contentions with are properly “printed publications” within the meaning of 35 U.S.C. §§ 102 and 103. If the supplemental references are not “printed publications,” then Google fails to establish how they can be important to its invalidity defense—a further blow to its ability to show good cause on this motion. *See Volterra Semiconductor Corp. v. Primarion, Inc.*, 796 F. Supp. 2d 1025, 1062 (N.D. Cal. 2011) (defendants bear the burden to show that the proffered references are printed publications and “public accessibility is the ‘touchstone’ in determining whether a reference is a ‘printed publication’”). Thus, the lack of answers to the foregoing questions is fatal to Google’s motion for leave to amend invalidity contentions.

III. Clear Prejudice And Lack of Diligence Warrant Denial Of Leave To amend

The Federal Circuit has made clear that the Court may, but need not, consider the other factors remaining in the “good cause” test if there has been an absence of “diligence” and therefore a lack of good cause. *O2 Micro*, 467 F.3d at 1368; *see Geotag, Inc. v. Frontier Commc’ns Corp.*, No. 2:10-cv-265, 2013 U.S. Dist. LEXIS 86358, at *160-62 (E.D. Tex. June 12, 2013) (Gilstrap, J.); *see also Sage Electrochromics Inc. v. View Inc.*, No. C-12-6441, 2014 U.S. Dist. LEXIS 67161, at *15 (N.D. Cal. May 15, 2014) (stating that the focus of the inquiry is upon the moving party’s diligence and reasons for seeking a modification; the existence of prejudice may supply additional reasons for denial). Here, the prejudice to Rockstar is clear—and arguably, presumed—when

Google seeks to amend contentions after claim construction is complete and where there has been no showing of diligence. *Innovative Display Techs. LLC v. Acer Inc.*, No. 2:13-cv-00522-JRG , 2014 U.S. Dist. LEXIS 83196, at *6-7 (E.D. Tex. June 19, 2014) (Gilstrap, J.) (holding, as a practical matter, that allowing amendment of invalidity contentions two months before the scheduled claim construction hearing would prejudice plaintiff and finding, on balance, that such imposition of a burden on plaintiff would be improper given the defendant's failure to establish diligence). Thus, Google's motion for leave to amend invalidity contentions should be denied.

Dated: November 17, 2014

Respectfully submitted,

By: /s/ Meng Xi

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CERTIFICATE OF SERVICE

I hereby certify that all counsel of record, who are deemed to have consented to electronic service are being served this 17th day of November, 2014 with a copy of this document via the Court's CM/ECF system per Local Rule CD-5(a)(3).

/s/ Meng Xi
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