

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

MIRROR WORLDS, LLC,

Plaintiff,

v.

APPLE, INC.,

Defendant.

Civil Action No. 6:08-CV-88 LED

JURY TRIAL DEMANDED

APPLE, INC.,

Counterclaim Plaintiff,

v.

MIRROR WORLDS, LLC, MIRROR
WORLDS, TECHNOLOGIES, INC.,

Counterclaim Defendants.

**MIRROR WORLDS, LLC'S OPPOSITION TO APPLE INC.'S MOTION TO
STRIKE THE UNTIMELY SUPPLEMENTAL EXPERT REBUTTAL REPORT
OF JOHN LEVY, PH.D. REGARDING VALIDITY AND TO PRECLUDE DR.
LEVY FROM TESTIFYING AT TRIAL ABOUT HIS NEW OPINIONS**

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Plaintiff Mirror Worlds, LLC (“Mirror Worlds”) hereby opposes Defendant Apple, Inc.’s (“Apple”) Motion to Strike the Supplemental Expert Report of John Levy, Ph.D. on Invalidity and to Preclude Dr. Levy From Testifying at Trial (“Apple’s Motion to Strike”) (D.I. 389).¹

I. INTRODUCTION

Apple accuses Mirror Worlds of unilaterally trying to “slip in” a supplemental report by Dr. Levy and asks the Court to strike that report. Apple completely fails to mention, however, that the parties had *agreed* that Mirror Worlds could submit a supplemental report by Dr. Levy in exchange for Mirror Worlds’ withdrawing its Motion to Preclude Apple’s Amended Invalidity Contentions and to Strike Portions of the Expert Report of Steven K. Feiner, Ph.D. Regarding Invalidity (D.I. 196) (“Mirror Worlds’ Motion to Strike”). Mirror Worlds had filed that motion because Apple had attempted to sandbag Mirror Worlds by amending its invalidity contentions to identify 150 new references shortly before expert reports were due. Those new references comprised over 5,000 pages. In addition, Apple attached almost 1,800 pages of claim charts to its amended invalidity contentions, which included innumerable combinations of references. Apple also submitted, shortly thereafter, a report by its expert, Dr. Feiner, on invalidity that was even more massive—totaling 246 pages and attaching more than 2,000 pages of claim charts.

As explained below, Apple was well aware that Mirror Worlds would be submitting a supplemental report by Dr. Levy. Apple suffers no prejudice by Mirror Worlds’ submission and had in fact agreed to it. Apple’s motion contravenes the parties’ agreement and Mirror Worlds would be severely prejudiced if the Court grants Apple’s motion. Indeed, Mirror Worlds might then be in a position that its expert cannot rebut Apple’s experts’ testimony regarding Apple’s

¹ Mirror Worlds’ opposition to Apple’s Motion to Strike the Supplemental Expert Report of Dr. Levy is supported by the Declaration of Alexander Solo (“Solo Dec.”) and supporting exhibits.

late identified prior art. Mirror Worlds respectfully submits that Apple's motion should be denied.

II. FACTS

On May 17, 2010, three days before the due date for opening expert reports, a week and a half before the due date for rebuttal expert reports, and without prior notice to Mirror Worlds, Apple filed a 1,800-plus page amendment to its preliminary invalidity contentions, adding 150 new prior art references, comprising 5,000 pages. *Compare* D.I. 191, Randall Dec. Ex. 1 (Apple's Second Amended Invalidity Contentions, asserting 185 references, comprising 7,877 pages) with D.I. 196, Solo Dec. Ex. 2 (Apple's First Amended Invalidity Contentions, asserting 35 references comprising 1,838 pages). The amended contentions represented a 1,400 page increase over Apple's prior invalidity contentions. *See* D.I. 191 and D.I. 196.

On May 20, 2010, Apple served the expert report of Dr. Steven K. Feiner on invalidity, which was 246 pages and attached more than 2,000 pages of supporting claim charts. Dr. Feiner relied on 190-plus references, which comprised more than 9,000 pages. D.I. 196, Solo Dec. Ex. 13.

On June 1, 2010, Mirror Worlds moved to strike Dr. Feiner's report and Apple's amended invalidity contentions as untimely and contrary to the local rules. D.I. 196.

On June 4, 2010, Dr. Levy submitted his rebuttal expert report in support of validity, expressly reserving the right to supplement his report in view of the motion to strike and Apple's late identification of prior art and to respond to any specific arguments raised by Dr. Feiner regarding the numerous "additional references" identified in his report. D.I. 220, Randall Dec. Ex. 2 (Levy Rebuttal Report), at 1, 44, 71.

In late July, the parties agreed to resolve several outstanding discovery issues in order to avoid burdening the Court. Notably, the parties agreed that Apple would identify a reduced set

of prior art references that it would assert at trial and in return, Mirror Worlds agreed to withdraw its Motion to Strike (D.I. 196). Solo Dec. at ¶ 2; D.I. 287.

On August 18, 2010, Apple's counsel sent Mirror Worlds' counsel an email regarding Dr. Levy's supplemental report. Solo Dec. Ex. 1. Apple clearly understood, as evidenced by that email, that Mirror Worlds would be supplementing Dr. Levy's expert report regarding validity.²

On August 26, at the Pre-Trial Conference, the Court ordered the parties to identify, by noon on August 30, the claims and the prior art that Mirror Worlds and Apple would, respectively, pursue at trial. Solo Ex. 4 (Pre-Trial Transcript) at 67:17-68:11. On August 31, having not received Apple's identification of prior art, Mirror Worlds wrote to Apple, reminding Apple that its delay in identifying prior art was preventing the completion of Dr. Levy's supplemental expert report. Solo Dec. Ex. 2.

On September 6, seven days after the deadline set by the Court, and the day before jury selection, Apple provided its list of references that it would pursue at trial. That "reduced" list cites 54 prior art references, and places no limit on the possible combinations of these references.³

In response, Mirror Worlds served on Apple its supplemental expert report of Dr. John Levy on invalidity, a report that Apple knew was coming and that had to be prepared simultaneously with other trial preparations due to Apple's delay. Dr. Levy's supplemental report addresses primarily Apple's late disclosed alleged prior art, as well as several other

² In Apple's August 18 email, Apple proposed that a declaration by Dr. Levy in connection with Mirror Worlds' opposition to Apple's motion for summary judgment of invalidity be used in place of Dr. Levy's supplemental report. Mirror Worlds rejected that proposal in an email dated August 24, 2010. (Solo Dec. Ex. 3)

³ Mirror Worlds contends that even 54 references is unduly burdensome, but nonetheless Dr. Levy has responded to each of the references in his expert reports so that Apple may be prepared at trial as to the scope and details of his opinions.

references whose significance was not apparent among the 190 plus references cited in Dr. Feiner's report until Apple identified the prior art it would pursue at trial.⁴ Apple acknowledges in their own motion that Dr. Levy's supplemental report opines on information provided to Mirror Worlds after service of rebuttal expert reports. Apple's Motion to Strike (D.I. 389) at 5.

Despite burdening Mirror Worlds with its late identification of prior art, Apple now complains about Dr. Levy's supplemental expert report. Apple's current position directly contradicts the agreement between the parties.

Moreover, Dr. Levy's supplemental rebuttal report does not prejudice Apple. Apple has been aware of this prior art, and has known that Mirror Worlds would be providing a supplemental report when Apple identified the prior art it intended to rely on at trial. Solo Dec. at ¶ 2, Exs. 1-3. Apple's present Motion to Strike is simply gamesmanship by Apple to prevent Mirror Worlds from presenting its defense to Apple's invalidity claims.

III. ARGUMENT

The Court has discretion to allow the supplementation of an expert report close to trial based on the balancing of the following factors:

(1) the explanation for making the supplemental disclosure at the time it is made; (2) the importance of the supplemental information to the proposed testimony of the expert, and the expert's importance to the litigation; (3) potential prejudice to an opposing party; and (4) the availability of a continuance to mitigate any prejudice.

Jacobs v. Tapscott, No. 3:04-CV-1968-D, 2006 WL 2728827, at *12 (N.D. Tex. Sept. 25, 2006).

These factors favor permitting Dr. Levy to supplement his expert report. *First*, the parties had agreed that Mirror Worlds would submit a supplemental rebuttal report by Dr. Levy

⁴ It was simply unreasonable and, frankly, impossible for Dr. Levy to review and specifically opine upon all 190 plus references identified by Dr. Feiner report on invalidity.

in the course of resolving outstanding motions that were pending before the Court. Mirror Worlds had no reason to suspect that Apple would renege on that agreement. Indeed, on August 18, 2010, which was shortly before the Pre-Trial Conference, Apple's counsel sent an email to Mirror Worlds' counsel confirming that Apple understood that Mirror Worlds would be submitting a supplemental rebuttal report. Solo Dec. Ex. 1. Mirror Worlds' counsel also raised the rebuttal report in emails on August 24 and August 31, shortly after the Pre-Trial conference. Solo Dec. Exs. 2-3 . Apple never once mentioned that it would not abide by its agreement or that it intended to oppose the supplemental report as untimely. To the contrary, Apple led Mirror Worlds to believe it would abide by the parties' agreement up to the very point at which Mirror Worlds submitted the report.

In addition, had Mirror Worlds known that Apple would argue that Dr. Levy was expected to specifically respond to each of the 190-plus references cited in Dr. Feiner's invalidity report, it never would have agreed to withdraw its Motion to Strike. The enormous size of Dr. Feiner's report (2,000-plus pages, citing 190-plus references, which in turn comprised more than 9,000 pages) was unreasonable on its face. Dr. Levy cannot be faulted for addressing what appeared to be Apple's primary references in his rebuttal report and reserving his right to address other references once Apple identified the ones it would pursue at trial. Again, Apple knew this was Mirror Worlds' position and chose to say nothing.

Second, Dr. Levy's supplemental rebuttal report on validity is critical to Mirror Worlds' case—without it Mirror Worlds may potentially be unable to rebut the testimony of Apple's expert regarding certain prior art. That result would reward Apple for burying the pertinent prior art references upon which Apple intended to rely in the mountain of prior art cited in Dr. Feiner's report, as well as renegeing on its agreement to permit Dr. Levy to submit a supplemental report.

Third, Apple will suffer no prejudice as it was on notice that Dr. Levy would supplement his rebuttal expert report and that it would address prior art that Apple identified for trial. Moreover, as evidenced by the emails between the parties on August 18, August 24, and August 31, Apple understood that it would receive a supplemental report on validity from Dr. Levy. Apple cannot reasonably argue that it was prejudiced when it received the supplemental report on September 14, 2010 when it would not have been prejudiced a few weeks earlier. Indeed, Apple has not even identified any specific prejudice to it.

Fourth, while a continuance would be impractical, it is not necessary here as Apple is well aware of the prior art and has failed to articulate any grounds of prejudice that it would suffer by Dr. Levy's supplemental report.

Additionally, the Court should not strike Dr. Levy's report because the supplementation was substantially justified and harmless. Federal Rule of Civil Procedure 37(c) provides that where a party fails to supplement an expert report under Rule 26(e), "the party is not allowed to use that information or witness to supply evidence on a motion, at a hearing, or at a trial, unless the failure was substantially justified or is harmless." Fed.R.Civ.P. 37(c) (emphasis added). Here, as explained above, the supplementation of Dr. Levy's rebuttal expert report is substantially justified because Apple had agreed to Mirror Worlds' submission of a supplemental expert report on validity. In addition, Apple knew that Mirror Worlds was awaiting Apple's identification of its asserted prior art for trial before submitting that supplemental report. As also explained above, Apple has suffered no harm due to the timing of the supplemental report.

IV. CONCLUSION

For the foregoing reasons, Mirror Worlds requests that the Court deny Apple's Motion to Strike the Supplemental Report of Dr. Levy and to preclude Dr. Levy from testify at trial.

Dated: September 22, 2010

Respectfully submitted,

By: /s/ Alexander Solo

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was filed electronically in compliance with Local Rule CV-5 on this 22nd day of September, 2010. As of this date, all counsel of record had consented to electronic service and are being served with a copy of this document through the Court's CM/ECF system under Local Rule CV-5(a)(3)(A).

/s/ Alexander Solo
Alexander Solo