

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

Wi-LAN INC.,

Plaintiff,

v.

ALCATEL-LUCENT USA INC., *et al.*,

Defendants.

CIVIL ACTION NO. 6:10-CV-521-LED

THE SONY MOBILE DEFENDANTS' MOTION FOR PROTECTIVE ORDER

More than one year after the deadline for disclosing asserted claims and infringement contentions in this case, Wi-LAN seeks discovery related to products that were not identified in its original infringement contentions.¹ Wi-LAN could have sought leave to add those products months ago, but it chose not to. Instead, it moved for leave to supplement its contentions just days ago,² with the deadline for serving initial expert reports and the close of discovery fast approaching. Because Wi-LAN cannot show good cause for its delay in seeking leave to amend, defendants Sony Mobile Communications AB and Sony Mobile Communications (USA), Inc. (collectively, "Sony Mobile") respectfully request that the Court grant a protective order barring Wi-LAN from obtaining discovery related to products that were not accused in its original infringement contentions.

¹ The deadline for serving infringement contentions was June 14, 2011. Docket Control Order, ECF No. 99, at 7.

² ECF No. 209.

BACKGROUND

Wi-LAN served its infringement contentions on June 13, 2011, accusing specific Sony Mobile products, as well as unidentified “products which are reasonably similar in structure and/or operation.”³ In September 2011 and January 2012, Sony Mobile produced technical information that allowed Wi-LAN to identify additional products (the “Additional Products”) that Wi-LAN now claims are reasonably similar to the products it originally accused. Wi-LAN, however, waited until May 10 to notify Sony Mobile about those products.⁴

When it learned about the Additional Products, Sony Mobile asked Wi-LAN whether it intended to seek leave to supplement its infringement contentions.⁵ Although it indicated it might not be opposed to such a motion, Sony Mobile also stated it needed to know why Wi-LAN had delayed in identifying them.⁶ On May 31, Wi-LAN responded that it did not need to seek leave to amend,⁷ and two weeks later, on June 14, it served amended infringement contentions, without leave and with no explanation for its delay.⁸

After Sony Mobile objected that the amended contentions had been improperly served, the parties met in an effort to resolve their dispute without court intervention. Following that

³ Wi-LAN accused the following Sony Mobile products: Vivaz, Xperia X10, Equinox, W518a, Satio, Xperia X2a, Xperia Pureness, Aino, and Naite. *See* Wi-LAN’s Disclosure of Asserted Claims and Infringement Contentions, at 4; attached as Ex. A.

⁴ The Additional Products are: Aspen, Cedar, Live with Walkman, Vivaz Pro, G705a, W508, Xperia active, Xperia arc, Xperia arc S, Xperia ion, Xperia mini, Xperia mini pro, Xperia neo, Xperia neo V, Xperia ray, Xperia play/Xperia play 4G, Xperia pro, Xperia X8, Xperia X10 mini, Xperia X10 mini pro, and Yari. *See* Wi-LAN’s Responses and Objections to Defendants’ First Set of Common Interrogatories (Nos. 1–6), at 15–16; attached as Ex. B.

⁵ Letter from Richard L. Wynne, Jr., counsel for Sony Mobile, to Ajeet P. Pai, counsel for Wi-LAN (May 25, 2012); attached as Ex. C.

⁶ *Id.*

⁷ Letter from Ajeet P. Pai to Richard L. Wynne, Jr. (May 31, 2012); attached as Ex. D.

⁸ *See* Wi-LAN’s First Amended Disclosure of Asserted Claims and Infringement Contentions Pursuant to PR 3–1 and 3–6(a), at 2–3; attached as Ex. E.

meeting: (1) Wi-LAN agreed to seek leave to amend; and (2) Sony Mobile agreed not to oppose a request to add new products that were not described in the technical materials produced in September and January.⁹ But Sony Mobile would still oppose a motion for leave to add Additional Products that Wi-LAN could have identified months ago, based on the materials Sony Mobile had produced months earlier.¹⁰

Wi-LAN ultimately filed a motion for leave to supplement just days ago, on July 24, which Sony Mobile will oppose in part, based on Wi-LAN's lack of diligence.¹¹ Sony Mobile expects that Wi-LAN will also seek discovery — including requests for production and deposition testimony — related to the Additional Products before this issue can be resolved. Because there is no excuse for Wi-LAN's delay in seeking leave to accuse products it has known about for months, the Court should enter a protective order barring Wi-LAN from obtaining discovery related to such products and deny Wi-LAN's motion for leave to amend.

For convenience, the following timeline summarizes the events described above:

Date	Event
June 14, 2011	Deadline for serving infringement contentions (Wi-LAN served its contentions on June 13.)
September 21, 2011 January 20, 2012	Sony Mobile produced technical information that allowed Wi-LAN to identify reasonably similar products.
May 10, 2012	Wi-LAN served an interrogatory response identifying allegedly reasonably similar products.
May 25, 2012	Sony Mobile asked Wi-LAN to state whether it intended to seek leave to amend its infringement contentions to add the allegedly reasonably similar products.
May 31, 2012	Wi-LAN replied that it did not need leave to amend its infringement contentions.

⁹ Those products include Sony Mobile's G705a, Xperia ion, and Yari. *See* letter from Richard L. Wynne, Jr. to David B. Weaver, counsel for Wi-LAN (July 16, 2012); attached as Ex. F.

¹⁰ *See id.*

¹¹ Wi-LAN's delay is particularly prejudicial, since the deadline for serving opening expert reports is just a month away on August 24, 2012 and discovery closes on October 19.

Date	Event
June 14, 2012	Wi-LAN served amended infringement contentions purporting to add accused products without leave to do so.
July 3, 2012	Sony Mobile objected to Wi-LAN's inclusion of additional accused products in the amended infringement contentions.
July 24, 2012	Wi-LAN filed a motion for leave to supplement infringement contentions (after 5:00 p.m. Eastern Time).
August 24, 2012	Deadline for serving opening expert reports ¹²
October 19, 2012	Close of discovery ¹³
March 21, 2013	Pretrial conference
April 8, 2013	Jury trial

LEGAL STANDARD

“Federal Rule of Civil Procedure 26(c) authorizes this court ‘[u]pon motion by a party . . . from whom discovery is sought, . . . and for good cause shown’ to enter a protective order prohibiting or limiting discovery.” *Hussey v. State Farm Lloyds Ins. Co.*, 216 F.R.D. 591, 595 (E.D. Tex. 2003) (ellipsis in original). “Good cause” exists when justice requires the protection of “a party or person from annoyance, embarrassment, oppression, or undue burden or expense.” *Landry v. Air Line Pilots Ass’n*, 901 F.2d 404, 435 (5th Cir. 1990) (quoting Fed. R. Civ. P. 26(c)). In deciding whether to grant a motion for a protective order, the court has significant discretion. *Harris v. Amoco Prod. Co.*, 768 F.2d 669, 684 (5th Cir. 1985).

ARGUMENTS

Wi-LAN seeks discovery related to products that have not been accused. Although courts in this district have allowed discovery related to products that are reasonably similar to accused products, plaintiffs must still act diligently in seeking leave to accuse new products. And if a plaintiff does not act diligently, the Court may deny leave and bar discovery related to such

¹² Sony Mobile expects that the parties will file an agreed motion to amend the docket control order requesting the Court to reset this deadline to September 21, 2012.

¹³ Sony Mobile expects that the parties will similarly request the Court to reset this deadline to November 16, 2012.

products. *See Global Sessions LP v. Travelocity.com LP*, No. 6:10-cv-671 LED-JDL, 2012 WL 1903903, at *10 (E.D. Tex. May 25, 2012). Wi-LAN has not acted diligently in seeking leave to accuse most of the Additional Products. Sony Mobile therefore has good cause to seek protection from discovery related to those products. *See id.*

A. Wi-LAN may not supplement its infringement contentions to accuse the Additional Products without good cause.

“Rule 16(b) governs amendment of pleadings after a scheduling order deadline has expired. Only upon the movant’s demonstration of good cause to modify the scheduling order will the more liberal standard of Rule 15(a) apply to the district court’s decision to grant or deny leave.” *S&W Enters., L.L.C. v. Southtrust Bank of Ala., NA*, 315 F.3d 533, 536 (5th Cir. 2003). Further, Patent Rule 3-6 incorporates Rule 16(b)’s good-cause requirement: “Amendment or supplementation of any Infringement Contentions . . . may be made only by order of the Court, which shall be entered only upon a showing of good cause.” P.R. 3-6(b).

Courts consider four factors when determining whether to allow a modification under the good-cause standard: (1) the explanation for the failure to meet the deadline; (2) the importance of the thing that would be excluded; (3) potential prejudice in allowing the thing that would be excluded; and (4) the availability of a continuance to cure such prejudice. *Id.* at 536. The four factors, however, are assessed holistically; courts do not “mechanically count the number of factors that favor each side.” *See Equal Employment Opportunity Comm’n v. Serv. Temps, Inc.*, No. 3:08–CV–1552, 2009 WL 3294863, at *3 (N.D. Tex. Oct. 13, 2009). Indeed, the Federal Circuit has held that “good cause” to amend infringement contentions “requires a showing of diligence.” *O2 Micro Int’l, Ltd. v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1366 (Fed. Cir. 2006) (emphasis added); *see also id.* at 1368 (“Having concluded that the district court could properly conclude that O2 Micro did not act diligently in moving to amend its infringement

contentions, we see no need to consider the question of prejudice to MPS.”); *S&W Enters.*, 315 F.3d at 535 (“The good cause standard requires the party seeking relief to show that the deadlines cannot reasonably be met despite the diligence of the party needing the extension.”).

“The burden is on the movant to establish diligence rather than on the opposing party to establish a lack of diligence.” *O2 Micro Int’l*, 467 F.3d at 1366. In cases where the patentee seeks leave to amend infringement contentions based on information obtained during discovery, it must demonstrate that it moved to amend “*promptly* after discovering [the] new information.” *Id.* (emphasis added) (affirming district court’s finding that an **unexplained three-month delay in moving for leave to amend showed a lack of diligence**); *see also Realtime Data, LLC v. Packeteer, Inc.*, No. 6:08-cv-144, 2009 WL 2590101, at *1, 4–5 (E.D. Tex. Aug. 18, 2009) (**six-month delay in seeking leave to amend after obtaining new information showed a lack of diligence**); *Davis-Lynch, Inc. v. Weatherford, Int’l, Inc.*, No. 6:07-cv-559, 2009 WL 81874, at *1–2, 4 (E.D. Tex. Jan. 12, 2009) (**eight-month delay in seeking leave to amend after obtaining new information showed a lack of diligence**).

B. Wi-LAN does not have good cause to accuse Additional Products it could have identified months ago, based on technical information it received from Sony Mobile.

Wi-LAN’s original infringement contentions broadly purport to accuse “products which are reasonably similar in structure and/or operation” to the products that are specifically identified.¹⁴ Such vague accusations improperly force Sony Mobile to guess which particular products Wi-LAN claims may be reasonably similar. *See Global Sessions*, 2012 WL 1903903, at *4–5. They certainly do not free Wi-LAN from its obligation to specifically identify and chart all accused products. *See, e.g., SmartPhone Techs., LLC v. HTC Corp.*, No. 6:10-cv-580, 2012 WL 1424173, at *3 (E.D. Tex. Mar. 16, 2012) (“[T]he Court finds it troubling that SmartPhone’s original

¹⁴ Wi-LAN’s Disclosure of Asserted Claims and Infringement Contentions, at 4.

infringement contentions used representative devices to demonstrate the infringement theories to be applied to all products,” despite having access to relevant information); *EON Corp. IP Holdings, LLC v. Sensus USA Inc.*, 6:09-cv-116, 2010 WL 346218, at *3 (E.D. Tex. Jan. 21, 2010) (finding infringement contentions insufficient because they did not identify all accused instrumentalities or how each meets the asserted claim elements).

Accordingly, to accuse the Additional Products, Wi-LAN must show that it discovered information *after* serving its infringement contentions that allow it to accuse them and that it acted diligently in moving for leave to amend. *E.g.*, *O2 Micro Int’l*, 467 F.3d at 1366. But Sony Mobile produced technical materials that describe the features and functionality of most of the Additional Products at least as early as January 20, 2012 — **over six months ago** — and in many cases on September 21, 2011 — **over ten months ago**.¹⁵ Wi-LAN has not asserted that it learned anything since January 20 that adds to the information presented in those materials. Nor has it explained its decision to put off seeking leave to amend for so long. Following the law as stated in *O2 Micro Int’l*, *Realtime Data*, and *Davis-Lynch*, Wi-LAN has not exhibited sufficient diligence to show good cause to amend its infringement contentions with respect to the Additional Products it could have identified based on the information produced in September 2011 and January 2012. *Id.*; *Realtime Data*, 2009 WL 2590101, at *1, 4–5; *Davis-Lynch*, 2009 WL 81874, at *1–2, 4.

Indeed, when Sony Mobile asked Wi-LAN to explain the reasons for its delay, Wi-LAN refused to provide that information. Then, Wi-LAN tried to add the Additional Products in its

¹⁵ Information sufficient to allow Wi-LAN to accuse the following products was produced on September 21, 2011: Aspen, Cedar, Vivaz Pro, W508, Xperia arc, Xperia neo, Xperia X10 mini, Xperia X10 mini pro, and Xperia X8. Information sufficient to allow Wi-LAN to accuse the following products was produced on January 20, 2012: Live with Walkman, Xperia arc S, Xperia active, Xperia mini, Xperia mini pro, Xperia neo V, Xperia play/Xperia play 4G, Xperia pro, and Xperia ray.

Amended Infringement Contentions under P.R. 3–6(a), so as to avoid filing a motion for leave. *See* Ex. E. There is no question that P.R. 3-6(a) does not permit the addition of accused instrumentalities, as it allows only for the amendment of the P.R. 3-1(c) charts and the P.R. 3-1(d) equivalents allegations — not the P.R. 3-1(b) identification of accused instrumentalities. *See* P.R. 3-6(a)(1). Wi-LAN’s attempted end-run around the leave requirement was improper, as this Court has explained: “Parties are not free to disregard rules of procedure or orders of this Court that require leave to amend or supplement.” *STMicroelectronics, Inc. v. Motorola, Inc.*, 307 F. Supp. 2d 845, 852 (E.D. Tex. 2004).

C. Wi-LAN should not be permitted to obtain discovery related to products that it cannot accuse.

Because Wi-LAN does not have good cause to accuse most of the Additional Products, it should not be permitted to obtain discovery related to those products. Judge Love’s recent Memorandum Opinion and Order in *Global Sessions* is instructive on this point. *Global Sessions*, 2012 WL 1903903. In that case, Global Sessions accused the defendants’ websites of infringing four patents. *Id.* at *2–8. After serving initial infringement contentions, Global Sessions sought leave to accuse additional websites. *Id.* The defendants opposed, arguing that Global Sessions’s delay in seeking leave to amend showed a lack of diligence. The court agreed with the defendants and denied leave to amend:

Global Sessions had access to information that would have enabled it to amend its infringement contentions earlier in the litigation and sufficiently notify Amazon of Global Sessions’ infringement theories regarding the Amended Amazon Websites. Yet, Global Sessions did not move to amend until March 2012. **Because Global Sessions cannot provide a reasonable explanation for its delay in seeking leave to amend, the Court finds that Global Sessions has failed to exhibit sufficient diligence** to justify granting the requested relief.

Id. at *8 (emphasis added).

Further, because Global Sessions could not accuse the additional websites, the court also denied its motion to compel discovery related to them. With respect to defendant Amazon.com, for example, the court held: “The Court finds that Global Sessions is not authorized to receive discovery with regard to [list of newly-accused websites] because the Court has stricken Plaintiff’s amended infringement contentions with respect to these websites.” *Id.* at *10.

Here, like the plaintiff in *Global Sessions*, Wi-LAN has not provided, because it cannot, a reasonable explanation for its delay in seeking leave to amend. The Court should therefore exercise its considerable discretion to protect Sony Mobile from the annoyance, oppression, and undue burden and expense of responding to discovery related to products that have not been timely accused. *See id.*

CONCLUSION

For the reasons explained above, Sony Mobile respectfully requests the Court to prevent Wi-LAN from obtaining discovery related to products that Wi-LAN could have accused — but chose not to — based on information it received in September 2011 and January 2012. Such products include at least the following: Aspen, Cedar, Live with Walkman, Vivaz Pro, W508, Xperia active, Xperia arc, Xperia arc S, Xperia mini, Xperia mini pro, Xperia neo, Xperia neo V, Xperia ray, Xperia play/Xperia play 4G, Xperia pro, Xperia X8, Xperia X10 mini, and Xperia X10 mini pro. Sony Mobile also requests any further relief to which it may be entitled.

Dated: August 31, 2012

Respectfully submitted,

/s/ Richard L. Wynne, Jr.

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CERTIFICATE OF CONFERENCE

The undersigned counsel complied with the meet and confer requirement of Local Rule CV-7(h), and Sony Mobile's motion for protective order is opposed. At least the following counsel for ST Mobile and Wi-LAN participated in a teleconference regarding the relief requested in this motion on August 27, 2012: Richard Wynne, Michael Heinlen, and William Cornelius (counsel for Sony Mobile); and David Weaver, Ajeet Pai, and Wesley Hill (counsel for Wi-LAN). During that meet and confer, Sony Mobile stated that it would file a motion for protective order if Wi-LAN would not agree to limit its discovery requests to information and documents related to products that Wi-LAN could have accused based on information it received in September 2011 and January 2012. Wi-LAN's counsel stated it was opposed to Sony Mobile's motion. Discussions have therefore conclusively ended in an impasse, leaving an open issue for the Court to decide.

/s/ Richard L. Wynne, Jr.
Richard L. Wynne, Jr.

CERTIFICATE OF SERVICE

I certify that the foregoing document was served electronically on all counsel of record on August 31, 2012.

/s/ Richard L. Wynne, Jr.
Richard L. Wynne, Jr.

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