

EXHIBIT D

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

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3
4 WI-LAN, INC.)
5 DOCKET NO. 6:10cv521
6 -vs-)
7 Tyler, Texas
8 ALCATEL-LUCENT USA, INC., 1:06 p.m.
9 ET AL) July 11, 2013

10 WI-LAN, INC.)
11 DOCKET NO. 6:13cv252
12 -vs-)
13 HTC CORPORATION,
14 ET AL)

TRANSCRIPT OF TRIAL
AFTERNOON SESSION

15 BEFORE THE HONORABLE LEONARD DAVIS,
16 UNITED STATES CHIEF DISTRICT JUDGE, AND A JURY

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19
20 COURT REPORTERS: MS. SHEA SLOAN
21 MS. JUDY WERLINGER
22 211 W. Ferguson
23 Tyler, Texas 75702
24 shea_sloan@txed.uscourts.gov

25 Proceedings taken by Machine Stenotype; transcript was
produced by a Computer.

1 A. A lot.

2 First, you look at the patent. I looked at
3 the file history. You look at the documents that are
4 generated during -- by the Court. I looked at the claim
5 construction.

6 And then I looked at the products. I looked
7 at the specifications by HTC and by Qualcomm. I looked
8 at the source code. I looked at the standard. So
9 there's a lot of material, including the depositions and
10 so on. So there's a lot of stuff to go through.

11 Q. With respect to the claim construction, you
12 understand the Court has provided us with certain
13 definitions for the terms in the claims of the '211
14 patent?

15 A. Yes.

16 Q. And did you apply those constructions when
17 conducting your analysis for this case?

18 A. Of course.

19 Q. Okay. Professor Akl, we've heard a lot of
20 pretty technical concepts over the last few days, and
21 I'd like to get right to the main point.

22 As briefly as possible, can you tell the jury
23 why HTC's phones do not infringe the '211 patent?

24 A. Very simple. One does not equal to two.
25 In the HTC products, in the Qualcomm chip, there is one

1 code, and in the patent, there is the orthogonal code,
2 and then there is the additional overlay code. Two does
3 not equal one. It's as simple as that.

4 Q. Now, did you prepare an animation to explain
5 to the jury the differences between the '211 patent and
6 the HTC phones?

7 A. I did.

8 Q. So what are we looking at here?

9 A. So this is an example from the '211 patent of
10 the invention in the '211 patent. And so what we're
11 looking at, on the left, we have RW 1, RW 2, 3, and 4.
12 Those are the orthogonal channels. Remember, this is on
13 the receiver side.

14 So there's a radio channel that's already been
15 encoded by an orthogonal code. And then the small
16 shadings in the color, those are the overlay channels.

17 And then we have an orthogonal code generator.
18 We see Decoder No. 1. There is an overlay generator,
19 and we have the second decoder, Decoder No. 2.

20 Q. Okay. I'd like to start this animation.

21 And can you explain what's happening as it --
22 as it plays?

23 A. Sure.

24 And so as the signal is applied to the Decoder
25 No. 1, along with the orthogonal code that is generated

1 by the orthogonal code generator, we get the orthogonal
2 channel RW 1 at the output of the first decoder.

3 Q. Okay. And then what happens next?

4 A. Now, that signal goes to Decoder No. 2, along
5 with the overlay code that's now being generated by the
6 overlay code generator, and we can now extract data on a
7 particular channel. In this example, it's Q1.

8 Q. Now, you've prepared an additional animation,
9 didn't you?

10 A. Yes.

11 Q. And this is an animation describing how the
12 Qualcomm chip functions; is that correct?

13 A. Yes.

14 Q. And so can you describe to the jury what's
15 taking place here?

16 A. So on the left-hand side, you see the accused
17 control channels, and there are four channels. I picked
18 one as an example, the P-CPICH. You also see a single
19 decoder and a single OVSF code generator.

20 Q. Okay. Now, again, I'm going to play this, and
21 can you describe to the jury what's taking place?

22 A. Yes.

23 So the channel is applied on the decoder,
24 along with the -- the OVSF code that's generated by the
25 OVSF code generator, and then we can extract a single

1 control channel, and in my example, it's the CPICH
2 channel.

3 Q. So, again, just briefly, what are the
4 fundamental differences between the '211 patent and the
5 Qualcomm chip in HTC's phones?

6 A. Again, the fundamental difference is one code
7 versus two codes.

8 Q. Okay. I'd like to look here specifically at
9 Claim 5.

10 Now, Claim 5 is one of the claims that's been
11 asserted against HTC; is that right?

12 A. Yes. And I know the jury, by now, probably
13 knows it by heart, but we have to go through it for the
14 record.

15 Q. Okay. So explain to me what is shown here in
16 Claim 5, the main elements on the -- on the right side
17 there.

18 A. So we have five limitations, and I'm going to
19 concentrate on the first two and the last two.

20 The first limitation is an orthogonal code
21 generator that provides orthogonal code. We have a
22 first decoder. Then we have an overlay code generator
23 that provides an overlay code, and we have a second
24 decoder.

25 Q. Okay. Now, just focusing on the blue

1 that lists 16 orthogonal codes, and I highlighted one
2 example. That's the RW 1 that I had animated earlier.

3 Q. Okay. Thank you.

4 Let's go back to the claim now and focus on
5 the red highlighting. First, did the Court provide a
6 construction of overlay code?

7 A. Yes. The Court provided a definition or
8 construction, and it is an additional code that
9 subdivides an orthogonal channel.

10 Q. And you applied this construction when
11 evaluating the '211 patent with respect to HTC's accused
12 phones?

13 A. Of course.

14 Q. And in Claim 5, does the second decoder apply
15 to overlay code?

16 A. Yes. So the two limitations -- lots of
17 limitations in Claim 5 -- we have an overlay code
18 generator that provides the overlay code, and we have a
19 second decoder.

20 Q. Okay. Now, are there examples of the overlay
21 code generator and the second decoder shown in the
22 figures in the '211 patent?

23 A. Yes. So going back to that same Figure 8A,
24 and so previously we said the signal went through the
25 first decoder.

1 Q. Maybe for you.

2 [Laughter]

3 A. Sorry. It was for me.

4 Q. (By Mr. Bader) After examining the claims of
5 the '211 patent and comparing them to the Qualcomm
6 chipsets, did you come to any conclusions on whether
7 HTC's phones infringe the '211 patent?

8 A. Yes. I did my analysis. I looked at the
9 evidence. And the conclusion that I write to is the HTC
10 phones that include the Qualcomm chipset do not infringe
11 for two reasons: There is no overlay code. There is no
12 overlay code generator. And there is no second decoder.

13 Q. Okay. So let's step through these one at a
14 time as quickly as we can, hopefully.

15 First, what are the two independent codes that
16 are claimed in the '211 patent?

17 A. So the '211 patent, again, has the orthogonal
18 code, and it has the overlay code. And the overlay code
19 is additional code that subdivides an orthogonal
20 channel.

21 Q. Now, you reviewed all these documents that
22 describe the HSP -- HSDPA standard?

23 A. Correct. So I went through the HSDPA standard
24 document-by-document, and there is no mention of an
25 overlay code. There is no second code in the HSDPA

1 standard.

2 Q. And in the system described in the '2 -- I'm
3 sorry -- is the system described in the '211 patent,
4 compliant with the HSDPA standard?

5 A. No. The system described in the '211 patent
6 is -- is not related to the HSDPA standard.

7 Q. Okay. So how many codes does the HSDPA
8 standard require for a single channel?

9 A. There is a single code. There is the OVSF
10 code. And the standard is very clear. We look at
11 different sections in the standard, and here's an
12 example.

13 This is Section 5.2, talking about
14 channelization codes, and it says the channelization
15 code for the primary CPICH -- that was the example that
16 I showed animated at the beginning -- has a fixed 256 --
17 and there's other examples of other codes -- for
18 different channels.

19 So on a single channel, there is one code.

20 Q. And how many codes does the '211 patent
21 require per channel?

22 A. Two.

23 Q. Is there anything in the claims or the
24 specification or the Court's claim construction that
25 describes using a single code or describes a single code

1 a few times in front of the Bar as an invited speaker.

2 I had a textbook chapter published regarding
3 intellectual property right valuation.

4 About two years ago, I just updated that
5 textbook chapter, and it will be published in the fall
6 again.

7 Q. Now, what we have up on the screen here is
8 your -- a summary of your conclusions regarding what a
9 reasonable royalty would be in this case.

10 Now, if the jury finds that there is no
11 infringement or that the patents are invalid, are there
12 any damages in this case?

13 A. Then there's no damages. The damages amount
14 would be the equivalent of zero or really would be a
15 null value, because the damages wouldn't be an issue.

16 Q. So let's talk about what you considered in
17 this case to arrive at your opinions.

18 What material did you review in order to
19 analyze the value of the patents-in-suit.

20 A. Sure. Quite a bit actually. There are a few
21 boxes around here and binders. I have -- back in my
22 office in Houston, I've got probably 15 boxes' worth of
23 documents that have been produced by the parties;
24 deposition transcripts, financial documents, licenses
25 and the like, essentially everything that Mr. Jarosz has

1 Honor.

2 THE COURT: Okay. Defendants?

3 MR. AROVAS: Not from the Defendants.

4 THE COURT: Y'all have a good evening.

5 We'll see you in the morning.

6 COURT SECURITY OFFICER: All rise.

7 (Court adjourned.)

8

9 CERTIFICATION

10

11 I HEREBY CERTIFY that the foregoing is a
12 true and correct transcript from the stenographic notes
13 of the proceedings in the above-entitled matter to the
14 best of our abilities.

15

16

17 /s/ Shea Sloan

SHEA SLOAN, CSR

18 Official Court Reporter

State of Texas No.: 3081

19 Expiration Date: 12/31/14

20

21

/s/ Judith Werlinger

22 JUDITH WERLINGER, CSR

Deputy Official Court Reporter

23 State of Texas No.: 731

Expiration Date 12/31/14

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