

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION

I/P ENGINE, INC.

Plaintiff,

v.

AOL, INC., *et al.*,

Defendants.

Civil Action No. 2:11-cv-512

OPPOSITION TO PLAINTIFF'S MOTION FOR DISCOVERY SANCTIONS

Introduction

Plaintiff's Motion for Discovery Sanctions seeks to strike three prior art references ("Bowman," "Culliss," and "Ryan") disclosed in Defendants' supplemental interrogatory responses served on July 2, 2012. Defendants identified these references after repeatedly seeking and finally obtaining Plaintiff's position on the scope of the claims. For example, Plaintiff finally identified, at the *Markman* hearing, how it was construing and applying collaborative filtering against the accused products. Plaintiff's position impacted the breadth of the claims and the search for prior art.

While Plaintiff was derelict in identifying its positions, Plaintiff can point to no deadline or obligation that Defendants violated in supplementing their interrogatory responses. These responses were served the same day that Plaintiff supplemented its infringement contentions in response to the claim construction. The responses were served several weeks before Defendants' invalidity expert report issued, nine weeks before the close of expert discovery, and long before the first expert has even been deposed. They were also served two weeks after the Court issued its claim construction Order and four weeks after the *Markman* hearing. Unable to show that the supplemental responses were untimely, Plaintiff then claims that the timing of the supplementation results in three types of supposed prejudice that it cannot overcome. Each is without merit.

First, Plaintiff claims the timing of the supplementation prevents it from preparing an adequate response to the Bowman, Culliss and Ryan references. This is not the case. Defendants supplemented their contentions almost eight weeks before Plaintiff's responsive expert report on validity is due and nine weeks before the close of fact discovery. Plaintiff has had more than adequate time to prepare its response. Yet, as with all the prior art Defendants have disclosed, Plaintiff sought no discovery on these references before its motion.

Second, Plaintiff claims that had it known about the references sooner, it may have tried harder to answer the interrogatory asking for its conception and reduction to practice dates. This argument rings hollow. Google had to obtain an Order requiring Plaintiff to identify its conception date and then had to seek Court intervention again when Plaintiff failed to abide by the Order. Plaintiff cannot credibly assert that it would only attempt to properly answer an interrogatory and comply with a Court Order when the answer may be beneficial to it.

Third, Plaintiff claims it may have made different arguments regarding claim construction had it known about the Bowman, Culliss and Ryan references. But, Plaintiff identifies no argument that it would have made differently, let alone how it would explain to this Court that the construction of the patents at issue somehow morphs and is malleable depending on the prior art asserted. Moreover, Plaintiff's new position also contradicts its earlier opposition to Google's and IAC Search & Media's demand that Plaintiff supplement its own infringement contentions prior to the *Markman* hearing, and indeed Plaintiff was not ordered to supplement its infringement contentions until after the Court's *Markman* hearing.

In summary, Defendants timely supplemented their invalidity contentions on July 2, 2012, four weeks after the *Markman* hearing, two weeks after the claim construction Order came out, and on the same day Plaintiff supplemented its infringement contentions. Defendants have violated no deadlines and Plaintiff has suffered no prejudice because of the supplemental interrogatory response. Thus, Plaintiff's motion to strike the Bowman, Culliss and Ryan references should be denied.

I. FACTUAL BACKGROUND

A. The Parties' Stipulation

On November 4, 2011, the parties entered into a stipulation pursuant to which Plaintiff would serve "preliminary infringement contentions" by November 7, 2011 for Google Inc.

("Google"), and November 11, 2011 for the other Defendants. (Declaration of Emily C. O'Brien ("O'Brien Decl."), Ex. A.) The parties also separately agreed that Defendants would serve "preliminary invalidity contentions" by January 18, 2012 (later extended to January 24, 2012). (*Id.*, Ex. B, 2; Ex. C.) Neither the stipulation nor the agreement setting forth the November and January dates included any language prohibiting the parties from later supplementing their contentions. (*Id.*, Exs. A-C.) Indeed, Plaintiff argued that it was entitled to "supplement on a timely basis its contentions as discovery progresses," thus implicitly agreeing that Defendants were also entitled to supplement their contentions on a timely basis as discovery progressed. (*See, e.g.*, Dkt. No. 127, 6.) Plaintiff further agreed that unlike jurisdictions with Local Patent Rules, "[t]his Court does not have local rules that require parties to provide infringement contentions by a specific date, or requires the contents of such contentions, or restricts a party from supplementing such contentions after a certain date unless good cause is shown." (*Id.*, 8 (emphasis added).)

The parties also served and responded to contention interrogatories asking for the reasons why prior art did not invalidate the claims and why the accused products did not infringe. (*See, e.g.*, O'Brien Decl., Ex. D, 7-8; Ex. E, 5-17; Ex. F, 9; Ex. G, 13-19.)

Defendants' January 24 preliminary invalidity contentions discussed and charted six prior art references that Defendants contended invalidate the asserted patents. (*See* Dkt. No. 201, Ex. 4.) Defendants focused their invalidity contentions on collaborative filtering references because they believed that the asserted patents required a "collaborative" element. Similarly, in their *Markman* briefing, Defendants focused on the "collaborative" nature of the alleged inventions in the asserted patents. (*See, e.g.*, Dkt. No. 122, 1-4.) Defendants took this position largely because the patents' shared specification repeatedly described the claimed inventions as requiring

"collaborative" feedback, and the specification also states that word "collaborative" connotes input from "users with similar interests or needs." (*Id.*, 4, 6.)

Plaintiff responded to Google's Interrogatory No. 13 on March 22 and identified reasons why it believed the initial references Defendants had identified did not invalidate the patents. (O'Brien Decl., Ex. E, 5-17.) Subsequently, the parties prepared their *Markman* briefs to construe the claims. The opening briefs were filed on April 12 and the responsive briefs were filed on May 3. (Dkt. Nos. 122, 129, 158, 160.)

In the *Markman* briefing, Plaintiff agreed that the element in the '420 claims relating to collaborative feedback must be construed to include "users with similar interests or needs." Specifically, Plaintiff proposed construing "collaborative feedback data" from the asserted '420 claims as "information concerning what informons other users with similar interests or needs found to be relevant." (Dkt. No. 166, Ex. A, 1 (emphasis added).)¹ Although it disputed that the '664 claims be construed to require that the feedback be from "users with similar interests or needs," Plaintiff agreed that the '664 claims required collaborative feedback. (*See* Dkt. No. 158, 3-4.)

B. Defendants' Motions to Compel Plaintiff to Supplement its Infringement Contentions and Provide Definite Conception, Reduction to Practice and Priority Dates

Defendants brought two motions to compel fulsome written discovery responses. Each of the motions related to how Defendants would search for prior art. First, Defendants Google and IAC Search & Media, Inc. ("IAC Search") brought a motion to compel Plaintiff to supplement its infringement contentions, in part because Plaintiff's existing infringement

¹ Defendants' proposed construction of "collaborative feedback data" was quite similar to Plaintiff's. Specifically, Defendants proposed construing this term as "data from users with similar interests or needs regarding what informons such users found to be relevant." (*See* Dkt. No. 166, Ex. A, 1 (emphasis added).)

contentions did not explain where the accused products contained "collaborative feedback." (*See* Dkt. No. 105, 10.) As outlined in more detail in Defendants' motion to compel, Defendants exchanged multiple letters with Plaintiff regarding a number of deficiencies with Plaintiff's February 2012 infringement contentions that made these contentions inadequate and insufficient to understand Plaintiff's allegations regarding the accused products in the case. (Dkt. No. 105, 4-6.) Among other issues, Defendants noted that Plaintiff had not identified what it contends is "collaborative feedback data" received by AdWords or AdSense for Search. (*Id.*, 4.) During the parties' meet and confer on the issue, Defendants noted that Plaintiff's contentions did not mention "collaborative filtering" and asked whether it was Plaintiff's position that the patents do not require collaborative filtering. (*Id.*, 4-5.) Plaintiff refused to respond, except to state that it believed it had identified the element in Google's advertising system that meets the requirement for collaborative filtering in the patent claims. (*Id.*, 5.) Defendants asked that Plaintiff point out where in the contentions Plaintiff thought it had pointed to collaborative filtering. (*Id.*) Plaintiff refused. (*Id.*) After Plaintiff continued to refuse to timely supplement its contentions, Defendants moved to compel.

Defendants explicitly argued in their motion that Plaintiff's failure to identify any "collaborative feedback" in the accused products was hindering Defendants' prior art search and invalidity defense: "Plaintiff points to nothing in AdWords or AdSense for Search that it contends is 'collaborative' feedback data . . . If Plaintiff contends that Google AdWords and AdSense for Search do not have to receive 'collaborative feedback data' to infringe the patents-in-suit, Google is entitled to know this now in order to prepare its invalidity defense." (*See id.*, 10 (emphasis added).)

Second, Defendant Google brought a motion to compel Plaintiff to provide definite conception, reduction to practice and priority dates that Plaintiff contends the asserted patents are entitled to. (*See* Dkt. No. 88.) Plaintiff had previously stated in its interrogatory responses that the patents are entitled to a priority date of "at least as early as" December 3, 1998. (*See id.*, 1.) Here too Google's motion to compel pointed out that this vague and open-ended response was insufficient, in part because it hindered Google's prior art search: "For instance, Google cannot focus its prior art search on references that pre-date the patents' priority date without knowing what priority date Plaintiff believes the patents are entitled to." (*Id.*, 2 (emphasis added).)

On May 2, 2012, the Court granted both motions to compel. (Dkt. No. 156.) In so doing, the Court reminded both parties "of their existing and continuing duty to supplement disclosures and discovery responses pursuant to Rule 26(e) of the Federal Rules of Civil Procedure," including "any disclosures provided by the parties pursuant to their Stipulation of November 4, 2011." (*See id.*, 2.) Thus, the Court's Order confirms that the parties had both the right and duty to continue supplementing their infringement, non-infringement, validity and invalidity contentions as necessary.

On May 11, 2012, in response to the Court's Order to provide definite priority, conception, and reduction-to-practice dates, Plaintiff served a supplemental interrogatory response stating that "[e]ach of the asserted claims of the patents-in-suit are entitled to a priority date of December 3, 1998 (based on the filing date of the patent application, U.S. Patent Application No. 09/204,149, that issued as the '420 patent)." (O'Brien Decl., Ex. H, 17.) Plaintiff also stated that "I/P Engine's present contention is that the constructive reduction to practice date is the effective date of the '420 patent, i.e., December 3, 1998 (based on the filing date of the patent application, U.S. Patent Application No. 09/204,149, that issued as the '420

patent)." (*Id.*, 5 (emphasis added).) Plaintiff's supplemental contention said nothing about the conception date of the '420 or '664 claims. (*Id.*)

Given Plaintiff's failure to provide a definite conception or reduction to practice date, as required by the Court's Order, Google again raised this issue with the Court during a telephonic hearing. (O'Brien Decl., ¶ 18.) The Court invited Google to file a formal motion to compel in light of Plaintiff's failure to comply with the Court's Order. (*Id.*) As a result of additional correspondence between the parties, and in an attempt to resolve the issue and avoid further motion practice, the parties agreed that Plaintiff would supplement its interrogatory again to comply with the Court Order. (*Id.*) Accordingly, on July 2 Plaintiff submitted a further interrogatory response stating that "After a reasonable investigation of available information including a review of the documents identified in Plaintiff's First Supplemental Response to Interrogatory No. 1 and discussions with named inventors Andrew K. Lang and Donald Kosak, Plaintiff is not aware of evidence sufficient to form a contention as to the conception of, or any reduction to practice activities related to, the patents-in-suit prior to December 3, 1998." (*Id.*, Ex. I, 6.)

C. The Court Holds a *Markman* Hearing and Issues its Order

On June 4, 2012, the Court held a *Markman* hearing. Plaintiff's disclosure of its reading of the asserted patents during the *Markman* hearing had a significant impact on Defendants' invalidity contentions. During *Markman* briefing, and at the *Markman* hearing, Plaintiff agreed that both of the asserted patents required "collaborative feedback". (O'Brien Decl., Ex. J, 5.) Plaintiff also agreed with Defendants that "collaborative feedback data" included information regarding what "other users with similar interests or needs found to be relevant." (*Id.*, 6.)

During the *Markman* hearing, Plaintiff disclosed what it actually understood the collaborative feedback of the patents to require. Plaintiff stated during the *Markman* hearing that

in the context of search engines, users entering the same query and the "clicks" on website results as a result of that query was the "collaborative" data disclosed by the asserted patents. (O'Brien Decl., Ex. K, 17-18) (describing users who searched for and clicked on ads for grills as users with similar interests and the ads they clicked on as collaborative data.) In other words, Plaintiff made clear its contention that what "users with similar interests or needs found to be relevant" was determined solely on the basis of what ads or websites system users had clicked on in response to the same query. (*Id.*, 34-36, 39 ("we [] know it's coming from users with similar interests or needs because, in fact, they are the ones who clicked on the search results").) Based on Plaintiff's interpretation of "collaborative feedback" and "users with similar interests or needs" for purposes of its infringement contentions, as made clear for the first time during the *Markman* hearing, anticipatory art to the asserted patents may not need to compare user profiles to determine which users have similar interests or needs, as was done in the references from Defendants' preliminary invalidity contentions. Rather, anticipatory art under Plaintiffs' theories could receive feedback from users at large, so long as those users had entered the same query. Thus, this disclosure of how Plaintiff is construing the claims for purpose of infringement broadened the universe of anticipatory art to the asserted patents, including Bowman, Culliss, and Ryan. *See White v. Dunbar*, 119 U.S. 47, 51-52 (1886) (a patent claim is not a "nose of wax" to be twisted one way to preserve a patent's validity and another way to catch an alleged infringer).

The Court issued its *Markman* Order construing the claims on June 18.² (Dkt. No. 171.) With respect to the collaborative feedback term, the Court construed it without the requirement

² The *Markman* Order (Dkt. 171) is dated June 15, 2012, but it was sent to the parties on June 18, 2012.

that it include information from "users with similar interests or needs."³ (*Id.*, 10.) This claim construction similarly broadened the universe of anticipatory art to the asserted patents.

D. Defendants Disclose and Chart the Bowman, Culliss, and Ryan References in Response to Plaintiff's *Markman* Hearing Arguments and the Court's *Markman* Order

On July 2, 2012, four weeks after the Court's *Markman* Order and two weeks after receiving the *Markman* Order, Defendants served a supplemental interrogatory response disclosing and charting the Bowman, Culliss, and Ryan references as anticipatory prior art. (O'Brien Decl., Ex. L, 5-7, Exhibits A-7, A-8, A-9.) As Defendants noted in their supplemental interrogatory response, "the Markman Order [] construed 'collaborative feedback data' and '[feedback system for] receiving information found to be relevant to the query by other users' so as not to require that the feedback or received information comes from users with similar interests or needs, expanding the art relevant to this limitation." (O'Brien Decl., Ex. L, 7.)

Notably, Plaintiff served supplemental contentions on July 2 as well. (*Id.*, Ex. N.) Significantly, Plaintiff's July 2 supplemental infringement contentions asserted several new infringement theories. [REDACTED]

[REDACTED] The July 2 supplemental infringement contentions, however, alleged for the first time several additional aspects of Google's systems

³ On August 16, 2012, the Court issued an Order granting in part and denying in part Defendants' Motion for Reconsideration of the *Markman* Order. (Dkt. No. 212.) In this Order, the Court changed its construction of "collaborative feedback data" to include the requirement of "users with similar interests or needs." (*Id.*, 4.) Bowman, Culliss, and Ryan, however, remain important to the case given Plaintiff's disclosure at the *Markman* hearing that it interprets determining what "users with similar interests or needs found to be relevant," as required by the claims, to be met by determining what ads or websites system users had clicked on in response to the same query. *White v. Dunbar*, 119 U.S. at 51-52.

that supposedly meet these elements. (*See, e.g., id.*, Ex. N, 9-12, 21-24, 35-37, 46-47.) First, Plaintiff added in the July 2 supplemental contentions that what it referred as "the mixer disabling" feature of AdWords and AdSense for Search meets the "filtering" steps of the asserted patents. (*See, e.g., id.* 10-11, 23, 35-36, 46.) Plaintiff further supplemented its contentions to add that ad "promotion" also allegedly meets these steps. (*See, e.g., id.* 11, 23, 36, 46.) Plaintiff further added to its contentions allegations what it referred to as "real-time disabling." (*See, e.g., id.*, 47.) Plaintiff also supplemented its contentions as to what aspect of Google's systems met the "combining pertaining feedback data from the feedback system with the content profile data in filtering each informon for relevance to the query" limitation in Claims 10(e) and 25(e) of the '420 Patent. In its earlier contentions, Plaintiff pointed to "Quality Score" generally as meeting this limitation. (*See, e.g.*, Ex. M, 9-10, 15-16.) In its July 2 supplemental contentions, Plaintiff for the first time pointed to the "mixer disabling," "promotion," and "real-time disabling" features outlined above as also meeting the limitation in Claims 10(e) and 25(e). (*See, e.g.*, Ex. N, 14-16.) Additionally, in its July 2 supplementation, Plaintiff added doctrine of equivalents arguments to its contentions regarding Claims 10(b), 10(c), 25(b) and 25(c) of the '420 Patent. (*See, e.g., id.*, 8,12, 20-21, 24.) Plaintiff had not made these equivalence arguments in its prior contentions.

Plaintiff's July 2 supplemental contentions addressed and relied on the Court's *Markman* Order by incorporating the Court's claim constructions into its contentions. For example, using the language of the Court's construction of "scanning a network" as "looking for or examining items in a network," Plaintiff contended that "Google AdWords looks for or examines items in a network to make a single search engine query that is performed upon a user request for information (e.g., advertisements) relevant to a query from a user. For example, the search bar

on Google's website (www.google.com) and other 'search network' sites allows a user to enter a search query and run a single search engine query." (*See, e.g., id.*, 18.)

E. Plaintiff Delays Weeks In Objecting To Bowman, Culliss and Ryan

On July 17, Defendants wrote to Plaintiff asking when Plaintiff would supplement its validity contentions to account for the Bowman, Culliss and Ryan prior art references. (*Id.*, Ex. O.) Plaintiff responded two days later stating it would "provide supplemental responses, to the extent necessary, in due course." (*Id.*) Defendants received no supplemental response from Plaintiff. Instead, on August 2 – one month after Defendants' July 2 supplementation and one week after service of the Invalidity Report of Defendants' Expert Dr. Ungar – Plaintiff stated that it wished to discuss Defendants' July 2 supplementation during a meet-and-confer already set for later that day on another issue. (O'Brien Decl., ¶ 19.) During this meet-and-confer, Plaintiff first stated its intention to strike the Bowman, Culliss, and Ryan references. (*Id.*) Plaintiff filed the present motion the next day.

II. ARGUMENT

A. Defendants' July 2 Supplementation Violated No Discovery Deadline or Court Order

Plaintiff does not point to any discovery deadline or Court Order that Defendants' July 2 supplementation violated. Pursuant to the Rule 16(b) Scheduling Order in this case, fact discovery does not close until September 4, 2012. (Dkt. No. 90, 2.) Initial expert reports were not served until July 25, 2012. (Dkt. No. 192, 1.) Rebuttal reports – including Plaintiff's first and only report on validity – are not due until August 29, 2012. (*Id.*) Expert depositions will likely not take place until after these expert reports are served. This timeframe not only shows why Plaintiff was not prejudiced by Defendants' July 2 supplementation, it also shows why Defendants' July 2 supplementation was timely.

Unable to show any discovery deadline or Court Order that Defendants violated, Plaintiff bases its motion on Defendants' alleged violation of Fed. R. Civ. P. 37(c)(1) and 26(e)(1). (*See* Dkt. No. 201, 6.) Rule 37(c)(1) states that a court may exclude evidence that is not disclosed under Rule 26(e), while Rule 26(e)(1) states that a party must supplement its interrogatory responses in a timely manner if it learns that a prior response was incomplete. Rather than supporting Plaintiff's motion, these rules demonstrate that Defendants' supplementing their responses was proper.

Plaintiff in its November 2011 and February 2012 infringement contentions refused to disclose how it was interpreting the "collaborative feedback data" limitation of the asserted patents. Defendants asked Plaintiff multiple times to explain what it understood "collaborative feedback data" to mean, and where that limitation could be found in Google's AdWords or AdSense for Search products. (Dkt. No. 105, 4-5.) Plaintiff continually refused to do so, forcing Google and IAC Search to move to compel supplemental infringement contentions. (*Id.*) While the Court granted the motion to compel, it did not order Plaintiff to supplement until July 2. (Dkt. No. 156, 2.) Accordingly, it was not until the *Markman* hearing on June 4 that Plaintiff first disclosed what it meant by the "users with similar interests or needs" requirement in "collaborative feedback data." (O'Brien Decl., Ex. K, 17-18, 34-35.) At that hearing, Plaintiff for the first time made clear that it is asserting that in the "collaborative feedback data" limitation is met by tracking the clicks on ads or websites by system users in response to the same query. (*Id.*) By disclosing this interpretation of the asserted claims for purposes of its infringement contentions, Plaintiff significantly broadened the universe of anticipatory prior art. Defendants' invalidity position could (and did) expand to include prior art references that do not compare user profiles to determine which users have "similar interests or needs." *White v. Dunbar*, 119

U.S. at 51-52. Thus, the Bowman, Culliss, and Ryan references became squarely anticipatory art.

The Court's *Markman* Order similarly expanded the field of anticipatory art by eliminating the filtering based on the "users with similar interests or needs" limitation from the asserted patents – even though both parties' proposed claim constructions had asserted that at least the '420 patent requires this limitation.⁴ For this reason as well, the Bowman, Culliss, and Ryan references became anticipatory art.

Defendants promptly identified this art and then disclosed it (along with the supporting claim charts) on July 2, just four weeks after Plaintiff's disclosure of its contentions regarding "collaborative feedback data," and 14 days after the *Markman* Order had issued. This constitutes a timely supplementation under the Federal Rules. *See, e.g., Transamerica Life Ins. Co. v. Lincoln Nat. Life Ins. Co.*, 2007 WL 2790355, *5 (N.D. Iowa Sept. 24, 2007) ("The Court understands that Transamerica's analysis in this regard is undoubtedly ongoing. In addition, it may add or delete prior art references after the Court clarifies the claims following the *Markman* hearing.").

Nor does this supplementation violate any "stipulation" between the parties, as Plaintiff implies. (Dkt. No. 201, 2.) As outlined in detail above, the parties originally agreed to serve infringement contentions and invalidity contentions in November 2011 and January 2012, respectively. (O'Brien Decl., Exs. B-C.) There was no prohibition against supplementation in

⁴ Defendants' supplemental invalidity contentions were served in advance of the Court's August 16 Order reversing this decision, and adding the "users with similar interests or needs" requirement to the construction of "collaborative feedback data." (Dkt. No. 212.) Thus, the Order does not change Defendants' proper reliance on the June 18 *Markman* Order in supplementing their invalidity contentions. Moreover, because this Order has no impact on Plaintiff's broad interpretation of "users with similar interests or needs" for purposes of its infringement contentions, the Bowman, Culliss and Ryan references should still be considered anticipatory prior art references. *White v. Dunbar*, 119 U.S. at 51-52.

these initial agreements. (*Id.*) Indeed, Plaintiff previously argued to this Court that it had the right to "seasonably supplement its infringement contentions as discovery progresses." (*See, e.g.,* Dkt. No. 127, 6.) Just as Plaintiff was entitled to supplement its infringement contentions in a timely fashion, and in fact was required by the Court's May 2 Order to do so, so too were Defendants entitled to timely supplement their invalidity contentions.

B. Plaintiff's Case Law Regarding Supplementation Is Inapposite

Plaintiff argues that "[t]his Court has held that, for a claim construction order to provide a basis for a defendant to cite additional invalidating art, the order must have 'changed the rules of the game,'" (citing *ePlus, Inc. v. Lawson Software, Inc.*, 2010 WL 3219318 at *2 (E.D. Va. Aug. 13, 2010). (Dkt. No. 201, 8.) But *ePlus* actually held that a *Markman* Order must "change the rules of the game" in order to justify additional prior art submitted in violation of a Court scheduling deadline. *See ePlus*, 2010 WL 3219318 at *2 ("A party's failure to abide by Court scheduling deadlines may result in the exclusion of testimony. However, a court's claim construction may provide a basis for a defendant to cite additional invalidating art when the claim construction 'change[s] the rules of the game.'). Specifically, the *ePlus* defendant was under Court Order to revise and trim down its prior art list, yet it subsequently added new prior art references in its expert invalidity report in violation of that Court Order. *See id.* at *1. By contrast, Defendants' July 2 supplementation violated no Court Order and no discovery deadline. Thus, *ePlus* is inapposite.

Also inapposite is Plaintiff's reliance on several cases from the Northern District of California and Eastern District of Texas, both jurisdictions with Local Patent Rules that require disclosure of invalidity contentions by a particular date and prohibit supplementation of those contentions absent "good cause" for doing so. *See* N.D. Cal. Local Patent Rule 3-6; E.D. Tex. Local Patent Rule 3-6. (*See* Dkt. No. 201, 8-12 (citing *Finisar Corp. v. DirecTV Group, Inc.*,

424 F.Supp.2d 896, 901 (E.D. Tex. 2006); *Sunpower Corp. Sys. v. Sunlink Corp.*, 2009 WL 1657987, *1 (N.D. Cal. Jun. 12, 2009); *Streak Prods., Inc. v. Antec, Inc.*, 2010 WL 3515752, *2 (N.D. Cal. Sep. 8, 2010); and *Oracle Am., Inc. v. Google Inc.*, 2011 WL 3443835 (N.D. Cal. Aug. 8, 2011)).⁵ But, there is no "good cause" standard for supplementation of interrogatory responses in this Court, assuming that the supplementation does not violate any case deadlines. Thus, Plaintiff's heavy reliance on cases from the Northern District of California and Eastern District of Texas is inapposite.

Indeed, Plaintiff previously argued to this Court in this case that opinions from the "Northern District of California and the Eastern District of Texas, are inapposite" because "[t]his Court does not have local rules that require parties to provide infringement contentions by a specific date, or requires the contents of such contentions, or restricts a party from supplementing such contentions after a certain date unless good cause is shown." (Dkt. No. 127, 8 (emphasis added).) In essence, Plaintiff argues that Defendants have no right to supplement their invalidity contentions during fact discovery, while simultaneously arguing that Plaintiff can supplement its own infringement contentions at any date as discovery progresses with or without good cause. This argument fails.

C. Plaintiff's Untimeliness Argument is Wrong

Plaintiff's position – namely, that Defendants' July 2 supplementation was untimely under the Federal Rules – is also not correct. As discussed above, Plaintiff supplemented its

⁵ In *Oracle*, the parties were bound by the local patent rules of the Northern District of California, which allow the amendment of invalidity contentions "only by order of the Court upon a timely showing of good cause." *Oracle*, 2011 WL 3443835, at *1 (quoting Pat. L-R 3.6) (emphasis added). As Plaintiff admits, there is no such "good cause" required in this Court. Further, here Plaintiff has not presented any evidence that it was prejudiced by Google's supplementation of prior art. Also, unlike in *Oracle*, Plaintiff has not limited its own case in any manner during this litigation; Plaintiff still accuses all claims initially asserted in this action and all broad infringement theories.

infringement contentions the same day as Defendants supplemented their invalidity contentions. And while Plaintiff argues that Defendants wrongfully raised new prior art references in their July 2 supplementation, Plaintiff ignores that it raised new infringement theories in its own July 2 supplementation. [REDACTED]

[REDACTED] But, as detailed above, Plaintiff's July 2 infringement contentions added several other aspects of Google systems as also supposedly meeting these elements, including what Plaintiff referred to as "mixer-disabling," "Promotion," and "real-time disabling." (*See, e.g., id.*, Ex. N, 14-15, 35-36.) Plaintiff also asserted in its July 2 contentions that these three aspects of Google's system meet the "combining pertaining feedback data from the feedback system with the content profile data in filtering each informon for relevance to the query" limitation in Claims 10(e) and 25(e) of the '420 Patent. (*See, e.g., id.*, Ex. N, 14-16.) Plaintiff's prior contentions did not accuse these functionalities of meeting this limitation. (*See, e.g., id.*, Ex. M, 9-10, 15-16.) Plaintiff also for the first time in its July 2 infringement contentions added doctrine of equivalents arguments related to Claims 10(b), 10(c), 25(b) and 25(c) of the '420 Patent, apparently conceding that AdWords may not literally infringe the claims. (*See, e.g., id.*, Ex. N, 8,12, 20-21, 24.)⁶ Thus, Plaintiff's untimeliness argument is not sustainable given Plaintiff's own supplementation on July 2.

⁶ Plaintiff was also ordered by the Court to supplement by July 2, after Google and IAC Search successfully moved to compel supplementation. (Dkt. No. 156, 2.) Thus, if Plaintiff is correct that supplementation of contentions on July 2 was untimely, Plaintiff would actually have benefitted from losing the motion to compel because absent a Court Order its infringement contentions, which added new theories, would have been untimely too. Further, had Plaintiffs moved to compel Defendants' supplementation in March, when they contend Defendants should have supplemented, the Court would likely have ordered Defendants to supplement at the same time as Plaintiff – the day Defendants did in fact supplement.

D. Plaintiff Fails to Demonstrate Prejudice from Defendants' July 2 Supplementation

1. There is no prejudice under the schedule

As noted above, the July 2 supplementation came more than nine weeks before the close of fact discovery, eight weeks before Plaintiff's validity report, and three weeks before Defendants' own invalidity report. This left Plaintiff adequate time to prepare a response to these three references. But despite having known of these references since July 2, Plaintiff did not seek any discovery on them prior to filing its motion. Accordingly, Plaintiff's vague allegation that it lacks sufficient time to investigate and analyze these references lacks merit. (*See* Dkt. No. 201, 10.) Plaintiff's purported prejudice also rings hollow given that it also has not sought third-party discovery as to any other prior reference Defendants have presented – even those presented in Defendants' initial invalidity contentions.

Plaintiff also waited a full month after the July 2 supplementation before first complaining that this supplementation was allegedly improper. Plaintiff's delay in raising the issue and its failure to request any discovery on these (or any other) references prior to filing its motion demonstrate that Plaintiff has not suffered any timing-related prejudice from the disclosure of these references on July 2. Plaintiff can therefore demonstrate no prejudice from the addition of Bowman, Culliss, and Ryan in Defendants' July 2 supplementation.

Moreover, the prior art references at issue are all publically available patents; information regarding what these references allegedly disclose is a matter of public record. Plaintiff and its expert, like the public, can easily read each reference and see exactly which parts of each reference Google alleges discloses the claim elements of the construed claims Plaintiff is asserting.

Finally, Plaintiff's claim that Defendants are trying to "ambush I/P Engine by piling on new prior art references so late in the case" is also without merit. (Dkt. No. 201, 7.) Defendants added only three prior art references to their invalidity contentions in their July 2 supplementation. This small number of additional prior art references hardly constitutes "piling on" as Plaintiff asserts. Nor does Plaintiff explain how, with an expert and at least eight counsel of record in this case, it is unable to respond to three prior art references.

2. The July 2 supplementation did not prevent Plaintiff from providing a priority date for the asserted patents

With nothing to point to in the schedule to show prejudice, Plaintiff claims that the July 2 addition of Bowman, Culliss and Ryan has somehow prejudiced its ability to provide a priority date for the asserted patents. (See Dkt. No. 201, 12-13.) Plaintiff alleges that, had it known about these references, it "would have conducted a more aggressive conception and reduction to practice investigation to possibly pre-date the effective dates of Defendants' new prior art references." (*Id.*, 13.)

This argument is not credible.⁷ In granting Google's Motion to Compel Supplemental Interrogatory Responses, the Court ordered Plaintiff to provide definite conception, reduction to practice, and priority dates for the asserted patents. (Dkt. No. 156, 1-2.) In response to the Court's Order, Plaintiff submitted an interrogatory response stating that "[e]ach of the asserted

⁷ The argument is even less credible given that it is Plaintiff's burden to prove a conception date and that the Plaintiff holds all the facts relating to this issue. *Am. Standard Inc. v. Pfizer Inc.*, 722 F. Supp. 86, 109 (D. Del. 1989) ("In order to receive an effective date earlier than the filing date of the [asserted patent] for the purpose of determining whether a reference is prior art, 'a patentee has the burden of proving by clear and unequivocal evidence, that the invention was both conceived and reduced to practice before the application date.'") (citations omitted). The inventor knows when the invention was conceived and when he or she reduced that invention to practice. The conception date of an invention does not change to suit Plaintiff's litigation convenience. That Plaintiff again argues its ability to conform the conception date to the defense in this case constitutes prejudice only further demonstrates that such alleged prejudice, like the argument, is makeshift.

claims of the patents-in-suit are entitled to a priority date of December 3, 1998." (O'Brien Decl., Ex. H, 17 (emphasis added).) After Google threatened to file a second motion to compel in light of Plaintiff's failure to fully comply with the Court's Order, Plaintiff then submitted another interrogatory response stating that "[a]fter a reasonable investigation of available information including a review of the documents identified in Plaintiff's First Supplemental Response to Interrogatory No. 1 and discussions with named inventors Andrew K. Lang and Donald Kosak, Plaintiff is not aware of evidence sufficient to form a contention as to the conception of, or any reduction to practice activities related to, the patents-in-suit prior to December 3, 1998." (*Id.*, Ex. I, 6 (emphasis added).)

For Plaintiff to now state that it might have asserted an earlier priority date had it only known about Bowman, Culliss and Ryan is effectively to admit that its prior interrogatory responses (served under Court Order) were incomplete. In other words, Plaintiff posits that it may have asserted a different priority date depending on which prior art references it wanted or needed to swear behind. This position makes a mockery of the Court's Order for Plaintiff to provide definite conception, reduction to practice, and priority dates. Plaintiff essentially admits that, despite its sworn interrogatory response to the contrary, it did not actually conduct a complete investigation to provide definite conception, reduction to practice, and priority dates. Consequently, it is not Defendants' July 2 supplementation that prejudices Plaintiff's ability to seek an earlier priority date. Rather, it is Plaintiff's own interrogatory response – asserting a definite priority date of December 3, 1998 and disclaiming any knowledge of an earlier priority date – that bars Plaintiff from changing its position.

Furthermore, Google successfully compelled Plaintiff to provide a definite priority date precisely so that Google could focus its prior art search on references that pre-dated that priority

date. (See Dkt. No. 88, 2 ("Google cannot focus its prior art search on references that pre-date the patents' priority date without knowing what priority date Plaintiff believes the patents are entitled to.")) For Plaintiff to argue that it cannot provide an accurate priority date without knowing all of Google's prior art is to flip this logic upside-down. The Court should not countenance this argument.

3. The July 2 supplementation did not prejudice Plaintiff's ability to present its *Markman* arguments

Plaintiff next argues that Defendants' July 2 supplementation "severely prejudices I/P Engine by hiding Defendants' positions until after the claim construction process has completed." (Dkt. No. 201, 11.) This supposed prejudice is also without merit.

First, the status of Bowman, Culliss, and Ryan as anticipatory art did not become clear until after Plaintiff finally disclosed its contentions regarding the "collaborative feedback data" limitation during the *Markman* hearing, and after the Court issued an Order excluding the "users with similar interests or needs" requirement from that limitation. Thus, Defendants can hardly be faulted for relying on these references after the *Markman* hearing and after the *Markman* Order issued. See, e.g., *Transamerica*, 2007 WL 2790355 at *5 (holding that the party asserting invalidity "may add or delete prior art references after the Court clarifies the claims following the *Markman* hearing.").

Plaintiff's argument also ignores the prior ruling of this Court regarding supplemental contentions. Defendants Google and IAC Search asked the Court to order Plaintiff to supplement its infringement contentions in advance of the Court's *Markman* hearing. (Dkt No. 105, 28.) Plaintiff opposed this motion, arguing that it was not required to supplement its infringement contentions. (Dkt. No. 127.) The Court disagreed, granting Defendants' motion and ordering Plaintiff to supplement its infringement contentions. (Dkt. No. 156, 2.) However,

the Court did not agree that these infringement contentions needed to be supplemented in advance of the *Markman* process. (Dkt No. 156; Dkt. No. 165, 32.) If supplemental infringement contentions were not necessary for Defendants to present their claim construction arguments, then supplemental invalidity contentions were not necessary for Plaintiff to present its claim construction arguments.

Finally, even if it was theoretically possible that Defendants could prejudice Plaintiff's *Markman* arguments by not supplementing their invalidity contentions until July 2, Plaintiff provides no evidence or explanation for why it was actually prejudiced. In other words, Plaintiff has not specified a single term that it might have construed differently had it been aware of the three references disclosed in Defendants' July 2 supplementation. Thus, Plaintiff's claims of "Markman prejudice" should be dismissed as vague and unsupported conjecture.

III. CONCLUSION

Plaintiff's recently identified infringement positions and the Court's claim construction exposed Plaintiff's patents to additional, invalidating prior art. Plaintiff seeks to avoid this consequence by desperately trying to prevent Defendants from relying upon additional prior art references by wrongly claiming that the references were disclosed late. Yet, Defendants violated no deadlines when they supplemented their invalidity interrogatory response. They did so four weeks after Plaintiff finally disclosed its contentions regarding a key claim limitation, immediately after the Court's claim construction ruling, several weeks before Defendants' expert invalidity report, almost two months before Plaintiff's responsive expert validity report, and even longer before the discovery cutoff or any expert depositions have occurred. As a result, Defendants' supplemental response was timely and Plaintiff suffered no prejudice.

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CERTIFICATE OF SERVICE

I hereby certify that on August 17, 2012, I will electronically file the foregoing with the Clerk of Court using the CM/ECF system, which will send a notification of such filing (NEF) to the following:

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