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17 Attorneys for Defendants
SAP AG, SAP AMERICA, INC., and
18 TOMORROWNOW, INC.

19 UNITED STATES DISTRICT COURT
20 NORTHERN DISTRICT OF CALIFORNIA
21 SAN FRANCISCO DIVISION

22 ORACLE USA, INC., et al.,
23 Plaintiffs,
24 v.
25 SAP AG, et al.,
26 Defendants.

Case No. 07-CV-1658 PJH (EDL)

**DECLARATION OF THARAN
GREGORY LANIER IN SUPPORT OF
DEFENDANTS' OPPOSITION TO
PLAINTIFFS' ADMINISTRATIVE
MOTION FOR CLARIFICATION OF
MAY 5, 2008 CASE MANAGEMENT
ORDER**

1 I, Tharan Gregory Lanier, declare as follows:

2 1. I am an attorney licensed to practice law in the State of California and admitted to
3 practice before this Court, and am a partner of Jones Day, counsel of record for defendants SAP
4 AG, SAP America, Inc., and TomorrowNow, Inc. (collectively, "Defendants"). I have personal
5 knowledge of the facts stated in this declaration and could testify competently to them if required.

6 2. On April 17, 2008, Defendants and plaintiffs Oracle USA, Inc. and Oracle
7 International Corporation, as well as former plaintiffs Oracle Corporation and J.D. Edwards
8 Europe Limited (collectively, "Plaintiffs," and together with Defendants, the "Parties") submitted
9 to this Court a Joint Case Management Statement (D.I. 76) in anticipation of a Case Management
10 Conference scheduled for April 24, 2008. Among the many issues addressed in the statement
11 were potential limits on fact witness depositions, a subject on which the Parties made competing
12 proposals. Plaintiffs proposed an expansion of the total fact deposition limit to 80 depositions per
13 side. Defendants proposed a limit of 250 hours of fact depositions per side.

14 3. On May 5, 2008, the Court issued the Case Management and Pretrial Order
15 ("Order") (D.I. 84) that is the subject of Plaintiffs' administrative motion. The Order did not
16 adopt either of the Parties' competing proposals; instead, it states: "Depositions: **350 hours each**
17 **side**" (emphasis in original). In addition to the Order, on April 25, 2008, the Court issued
18 minutes of the April 24, 2008 Case Management Conference ("Minutes") (D.I. 77), which state,
19 "Each side will be allowed 350 hours for depositions."

20 4. On May 12, 2009, Plaintiffs (now joined by Oracle EMEA Limited and no longer
21 including Oracle Corporation and J.D. Edwards Europe Limited) filed a joint administrative
22 motion, accompanied by a stipulation and a proposed order, requesting leave to modify the Order
23 in several respects. (D.I. 304, 305, 306.) The Parties negotiated the underlying issues and the
24 language of the joint motion, accompanying stipulation, and proposed order over the course of
25 several weeks.

26 5. The negotiations leading up to the pending joint motion involved significant
27 compromises by both sides. Among other things, the Parties ultimately agreed to propose a
28 change in the deposition hours limit from 350 to 450 hours, adding 100 hours of deposition time.

1 At no time during the negotiations did Plaintiffs suggest that the current Order or the Court's
2 Minutes were unclear or ambiguous with respect to deposition limits, nor did they ever state
3 during the negotiations that they believed the statements "Depositions: **350 hours each side**"
4 (Order) or "Each side will be allowed 350 hours for depositions" (Minutes) applied only to a
5 subset of depositions in the case or did not apply to all depositions, including expert depositions.

6 6. During various communications during these negotiations, we made the point,
7 which Plaintiffs' counsel acknowledged at that time, that even though the Parties may agree to
8 proposed changes to the Order, there was no assurance that the Court would accept any or all of
9 the proposed changes. Accordingly, Defendants have been operating under the current schedule
10 and discovery limits set in the Order.

11 7. On May 11, 2009, the day before Plaintiffs filed the joint motion, we
12 communicated to Plaintiffs' counsel Defendants' agreement in principle to the joint motion.
13 Shortly after that, Plaintiffs noticed three third party depositions of former TomorrowNow
14 customers, which Plaintiffs stated they intended to take between May 12 and June 19.

15 8. The new deposition notices served on May 11, 2009 were in addition to the
16 following deposition notices/requests by Plaintiffs already pending as of that date:

- 17 • **Eight** individual depositions Plaintiffs had noticed and scheduled (or were
18 in the process of scheduling);
- 19 • **Three** other individual depositions, which Plaintiffs had taken off calendar
20 but on which Plaintiffs had "reserved their rights" regarding rescheduling;
- 21 • **One** other third party deposition that was scheduled to take place the
22 following week; and
- 23 • **Two** other third party depositions Plaintiffs had noticed, but for which
24 Plaintiffs had yet to serve subpoenas and on which Plaintiffs had "reserved
25 their rights."

26 In total, by May 11, 2009, Plaintiffs had notified Defendants of their intent to conduct up to **17**
27 possible fact depositions prior to the June 19, 2009 discovery cut-off.

28 9. These 17 depositions were only those open as of May 12. In light of the 119 third

1 party document subpoenas Plaintiffs had served before May 12, Defendants expected that even
2 more deposition notices would be forthcoming. Plaintiffs have fulfilled that expectation, and
3 since May 12, 2009, they have noticed eight more third party depositions, bringing the total as of
4 the time this declaration was finalized to **25** depositions Plaintiffs intended to take between May
5 12 and June 19.

6 10. Plaintiffs had used almost all of their allotted deposition time by May 12, and by
7 that date, it was clear to Defendants that Plaintiffs did not have enough deposition hours left to
8 take the remaining depositions they had noticed or requested just as of that date (not even
9 counting the eight additional depositions noticed since May 12). The end stages of discovery are
10 busy enough without the addition of disputes over deposition hours and scheduling. Because of
11 that, and because Defendants did not know whether the Court would accept the Parties' proposed
12 changes to the Order, on May 12, my colleague Elaine Wallace contacted counsel for Plaintiffs to
13 discuss how Plaintiffs planned to proceed with scheduling and completing depositions under the
14 current limits and schedule in the Order. This email and following discussions are in Exhibit A to
15 the Howard Declaration submitted with Plaintiffs' motion.

16 11. In response to Ms. Wallace's email, Plaintiffs stated for the first time their claim
17 that the 350 hour deposition limit set forth in the Order and Minutes does not apply to all
18 depositions in the case. Plaintiffs did not propose any limits on expert depositions.

19 12. On May 15, 2009, this Court set a Case Management Conference for May 28,
20 2009. (D.I. 307.)

21 13. On May 19, 2009, Plaintiffs informed Defendants by email that they intended to
22 file their administrative motion that same day, purportedly to seek "clarification" of the
23 deposition hour limit in the Order. As we told Plaintiffs' counsel by email that afternoon,
24 Defendants declined to stipulate to Plaintiffs' motion or the relief sought because the Court's
25 Order is clear and because this issue could easily be addressed at the May 28, 2009 Case
26 Management Conference without burdening the Court with an additional motion. This email
27 exchange is Exhibit B to the Howard Declaration submitted with Plaintiffs' motion.

28 14. Attached hereto as Exhibit 1 is a true and correct copy of *Semiconductor Energy*

1 *Lab. Co. v. Chi Mei Optoelectronics Corp.*, No. C 04-04675 MHP, 2006 U.S. Dist. LEXIS 52597
2 (N.D. Cal. July 27, 2006).

3 I declare that the above facts are true and correct, and that this Declaration was executed
4 on May 22, 2009, at Palo Alto, California.

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/s/ Tharan Gregory Lanier
Tharan Gregory Lanier

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EXHIBIT 1



LEXSEE 2006 U.S. DIST. LEXIS 52597



Positive
As of: May 21, 2009

SEMICONDUCTOR ENERGY LABORATORY CO., LTD, Plaintiff, v. CHI MEI OPTOELECTRONICS CORP. et al., Defendants.

No. C 04-04675 MHP

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

2006 U.S. Dist. LEXIS 52597

July 27, 2006, Decided
July 28, 2006, Filed

SUBSEQUENT HISTORY: Motion granted by, Motion to strike denied by *Semiconductor Energy Lab. Co. v. Chi Mei Optoelectronics Corp.*, 2006 U.S. Dist. LEXIS 94340 (N.D. Cal., Dec. 27, 2006)

PRIOR HISTORY: *Semiconductor Energy Lab. Co., Ltd. v. Chi Mei Optoelectronics Corp.*, 2006 U.S. Dist. LEXIS 13243 (N.D. Cal., Mar. 24, 2006)

COUNSEL: [*1] For Semiconductor Energy Laboratory Company Ltd, Plaintiff: Donald R. Harris, Stanley A. Schlitter, Terrence Joseph Truax, Jenner & Block LLC, Chicago, IL; John E. Titus, Joseph F. Marinelli, Joseph Albert Saltiel, Stephen M. Geissler, Jenner & Block LLP, Chicago, IL; Victoria F. Maroulis, R. Tulloss Delk, Quinn Emanuel Urquhart Oliver & Hedges L, Redwood Shores, CA.

For Chi Mei Optoelectronics Corp., Defendant: Teresa M. Corbin, Daniel X. Yan, Howrey LLP, San Francisco, CA; Benjamin Charles Deming, Christopher A. Mathews, Howrey LLP, Los Angeles, CA; Yuri Mikulka, Howrey LLP, Irvine, CA.

For International Display Technology Co., Ltd., International Display Technology USA, Inc., Defendants: Christopher A. Mathews, Howrey LLP, Los Angeles, CA; Robert Unikel, Howrey LLP, Chicago, IL; Teresa M. Corbin, Howrey LLP, San Francisco, CA; Yuri Mikulka, Howrey LLP, Irvine, CA.

For Westinghouse Digital Electronics LLC, Defendant: Gregory Stuart Cordrey, Irvine, CA.

For Chi Mei Optoelectronics Corp., Counter-claimant: Christopher A. Mathews, Howrey LLP, Los Angeles, CA.

JUDGES: MARILYN HALL PATEL, District Judge.

OPINION BY: MARILYN HALL PATEL

OPINION

MEMORANDUM & ORDER

Re: [*2] Motion for Clarification

Plaintiff Semiconductor Energy Laboratory Co. brought this patent infringement action against defendants Chi Mei Optoelectronics Corp. et al., alleging infringement of four United States patents related generally to the design and manufacture of liquid crystal display ("LCD") devices. On March 27, 2006 the court issued a memorandum and order construing several disputed terms in the asserted patents. Now before the court is defendants' motion for clarification as to two of the court's constructions.

The parties disagree at the outset about the proper characterization of defendants' motion. Plaintiff argues

2006 U.S. Dist. LEXIS 52597, *

that the instant motion is, in substance, a motion for reconsideration, which is subject to strict threshold requirements under Civil Local Rule 7-9. Defendants argue that they are merely requesting clarification of perceived inconsistencies in the court's Markman ruling. *See, e.g., Mosaid Techs., Inc. v. Samsung Elecs. Co., No. 01-CV-4340, 2004 U.S. Dist. LEXIS 27635, at *16 (D.N.J. June 10, 2004)* (granting motion for clarification where court's claim construction order and

opinion were inconsistent).

The court agrees with [*3] plaintiff that defendants' motion does not depart greatly from the arguments already advanced through claim construction briefing and argument and can be denied on that basis alone. Indeed, the two constructions offered by defendants as "clarifications" of the court's previous ruling are nearly identical to the constructions previously offered by defendants and rejected by this court. Nonetheless, the court briefly considers the merits of defendants' arguments.

The first claim term for which defendants seek clarification is "conductive spacer," used in *U.S. Patent No. 6,404,480* (the "'480 patent"). According to defendants, the court's construction is confusing because it finds that the term "spacer" standing alone means an object "placed in the region between the substrates in order to maintain a uniformly wide gap," but concludes that a "conductive spacer" need not contribute to maintaining a uniformly wide gap. Defendants claim that the current construction is fatally inconsistent.

While it is true that terms used in a patent should generally be given consistent meaning throughout, *see Rexnord Corp. v. Laitram Corp., 274 F.3d 1336, 1342 (Fed. Cir. 2001)*, this principle [*4] is not rigid or absolute. Here, the court has already found that "spacers" and "conductive spacers" are distinct structures in the specification of the '480 patent and have different functions. The description of the embodiment cited by the court in its Markman order makes the distinction plain; when the two substrates are brought together, the conductive spacers are deformed until the cell gap is reduced to 3 micrometers-the diameter of the spacers. '480 patent at 11:47-61. While it may be that in some embodiments the conductive spacers as well as the spacers help to maintain the cell gap, according to this passage they need not always do so.

The second claim term for which defendants seek clarification is "exposed," as used in the claims of *U.S. Patent No. 6,756,258* (the "'258 patent"). Here, defendant illogically argues from its own false assumption to make the leap to a conclusion which, of course, is erroneous. The court defined "exposed" to mean "made subject to etching". The court then explained the reason for its broad reading of the claim, rejecting defendant's narrow reading. The court concluded that the extent of the "exposed" portion of the second semiconductor film would [*5] depend on the type of etchant used. Defendants now argue that the court must have improperly defined the claim term in light of the accused process, which is contrary to settled law. *See SRI Int'l v. Matsushita Elec. Corp., 775 F.2d 1107, 1118 (Fed. Cir. 1985)*.

As defendants know, however, the court was presented with no evidence about the accused process during claim construction, made no reference to it in its claim construction, and certainly did not rely on the accused process as extrinsic evidence of the meaning of the disputed terms. The court relied upon the claim language, which is broadly stated, noting it encompasses the use of both wet and dry etchants; the description in the specification of the use of different types of etchant; and the parties' stipulations in their papers and at argument that one of ordinary skill in the art would understand that a wet etchant will remove a different part of the surface of a semiconductor device than a dry etchant. No part of this reasoning depends on reference to the accused process and that should be apparent from the court's order.

If defendants are suggesting that the claim as interpreted is invalid under 35 U.S.C. section 112 [*6] , whether for lack of enablement, lack of adequate written description, or indefiniteness, they can pursue this on a motion for summary judgment, to the extent their argument has merit. The motion for clarification, however, has none and is therefore DENIED.

Defendants' motion for clarification is therefore denied.

IT IS SO ORDERED.

Dated: July 27, 2006

MARILYN HALL PATEL

District Judge

United States District Court

Northern District of California