United States District Court MIDDLE DISTRICT OF FLORIDA ORLANDO DIVISION

PROXICOM WIRELESS, LLC,

CASE No.: 6:19-cv-01886-RBD-LRH

Plaintiff,

v.

TARGET CORPORATION,

Defendant.

JOINT STATEMENT REGARDING CLAIM CONSTRUCTION BRIEFING PROCEDURE

Pursuant to the Court's instructions at the June 3, 2020 hearing conducted in response to briefing on Proxicom's Motion for Clarification and to Amend the Claim Construction Briefing Procedure (Docs. 65, 67), the parties conducted a telephone meet-and-confer and submit this Joint Statement setting forth their respective positions concerning the briefing procedure.

I. PROXICOM'S STATEMENT

The Court-ordered conferral process provided additional clarity. For 113 of the 117 asserted claims, Target does not propose claim constructions. Instead in Terms 2 and 8 Target seeks complete adjudication of one of its affirmative defenses: that the claims are indefinite in violation of the requirements of 35 U.S.C. § 112. Target asks this Court to declare 113 claims invalid without complying with Rule 26 expert disclosure requirements or Rule 56 summary judgment procedures. (Ex. 1 at 6/14/2020 Roth email). Target's suggestion below

that it will seek summary judgment *after* obtaining a "claim construction" that terms are "indefinite" is a contrivance: little (or nothing) will remain apart from seeking entry of judgment. And, following the hearing, Target amended its invalidity contentions, a quiet admission that it had not properly placed Proxicom on notice of its invalidity positions.

Proxicom respectfully requests that the Court embrace the procedure that it adopted in *ParkerVision, Inc. v. Qualcomm Inc.*, No. 3:11-CV-719-J-37TEM, 2013 WL 633077, at *1, *10-11, *24-25 (M.D. Fla. Feb. 20, 2013), in which the Court declined to adjudicate affirmative defenses during claim construction. It is improper to shortchange expert disclosure and summary judgement procedures, particularly since the patents are presumed valid, and indefiniteness must be proven for each claim by clear and convincing evidence. *E.g.*, *BASF Corp. v. Johnson Matthey Inc.*, 875 F.3d 1360, 1365 (Fed. Cir. 2017). Nothing in the *Markman* decision supports the abbreviated procedure that Target proposes, nor is Target's proposed framework how an indefiniteness-based affirmative defense must be decided.¹

Although Target's intention regarding its affirmative defenses is clear, as the Court predicted, its position relating to the preambles in Term 1 remains as ambiguous as it was

¹ Target abandoned reliance on the authorities that it cited during the conferral process, *Cox Commc'ns, Inc. v. Sprint Commc'n Co. LP*, 838 F.3d 1224, 1228 (Fed. Cir. 2016) & *Personalized Media Commc'ns, LLC v. Int'l Trade Comm'n*, 161 F.3d 696, 705 (Fed. Cir. 1998) because they support Proxicom. But even Target's eleventh-hour citations to new cases, including *Noah Sys., Inc. v. Intuit Inc.*, 675 F.3d 1302, 1309 (Fed. Cir. 2012) are distinguishable. In *Noah*, for example, the parties agreed that a claim term was subject to means-plus-function treatment and the relevant structure in the specification, but disputed whether the specification disclosed an algorithm to perform the limitation's function. The court appointed a special master, who conducted multiple rounds of proceedings, including hearings, on those issues. That posture is markedly different than the one here. *See Noah*, 675 F.3d at 1305-1309.

before Target's additional filing. Target's additional submission (Doc. 78) does not provide much detail beyond its original disclosures. Target now asserts that *all portions* of *all of the identified preambles* are limiting for *all of the possible reasons permitted under case law*. *See*, *e.g.*, Doc. 78 at 2. Target also adds quotes and highlights of quotes from the citations that were already included in the Joint Statement. Proxicom does not believe it is appropriate for Proxicom to have to file the opening brief in respond to a contention that the entirety of 13 preambles is limiting for every reason cognizable under the law.

In view of the foregoing, Proxicom requests that the Court enter an order limiting the claim construction proceedings to terms for which the parties offered competing constructions (i.e., Terms 3-7). Proxicom also does not believe expert depositions are necessary for claim construction, but to the extent that either party submits an expert declaration on terms 3-7, Proxicom proposes that the parties agree to expert depositions of no more than four hours each after all briefing is complete so that neither party is unfairly advantaged.

If, however, Target is permitted to advance its indefiniteness-based invalidity case now, then Target should be required to file a single opening brief to address indefiniteness and the construction of all other terms and phrases. Proxicom should be entitled to the full protections of Rule 56, including a seven-hour deposition of Target's expert prior to filing its opposition. After deposing Target's expert, Proxicom will file a responsive brief.

II. TARGET'S STATEMENT

Briefing: Consistent with Supreme Court and Federal Circuit guidance as well as this Court's Order, the issue of indefiniteness "is a matter of claim construction" and Terms 2 and 8 should be addressed as part of the *Markman* process. *E.g.*, *Noah Sys.*, *Inc. v. Intuit Inc.*, 675

F.3d 1302, 1308-09, 1311 (Fed. Cir. 2012) (affirming summary judgment of indefiniteness after term found indefinite during *Markman*); *see also HZNP Meds. LLC v. Actavis Labs. UT, Inc.*, 940 F.3d 680, 688, 691-92 (Fed. Cir. 2019) (affirming court's finding of indefiniteness in *Markman* order); *Teva Pharms. USA, Inc. v. Sandoz, Inc.*, --- U.S. ---, 135 S. Ct. 831, 840-843 (2015) (holding that claim construction standard of review applies to indefiniteness findings); *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 390 (1996) (allocating all issues of construction to the court in part to remove a "zone of uncertainty" (citing *United Carbon Co. v. Binney & Smith Co.*, 317 U.S. 228, 236 (1942) (addressing indefiniteness)); Case Management Order ("CMO") (Doc. 45) at 6 (requiring "any disputed claim term" to be identified in the "Joint Claim Construction Statement"); Ex. 1 at 2 (discussing *Cox Commc'ns*, 838 F.3d at 1228 (indefiniteness "inextricably intertwined with claim construction"); *Personalized Media*, 161 F.3d at 705 ("indefiniteness is a legal conclusion that is drawn from the court's performance of its duty as the construer of patent claims")). If Term 2 or 8 is found indefinite, Target would then move for summary judgment.

Proxicom does not identify any basis to disagree with the same procedure that the Federal Circuit and district courts have been applying for decades. Nor does Proxicom explain how it would be "shortchanged" by this procedure. With respect to Target's formal supplementation of its invalidity contentions, Proxicom does not identify any issue for which it was not already on notice, nor does Proxicom identify any purported prejudice in the supplementation. See CMO at 7 (discussing the procedure for amending contentions). Proxicom's position that Target must address additional terms as part of the opening brief is without basis and improperly attempts to shift the burden regarding the scope of the claims.

And Proxicom's only complaint as to Target's supplemental submission—that Proxicom was

already on notice of these bases for finding the preambles limiting—belies the emptiness of its

complaints. Accordingly, Target proposes: 7/8/2020 Opening Briefs: Proxicom addresses

Terms 1, 3-7; Target addresses Terms 2, 8; 8/7/2020 Responsive Briefs: Proxicom addresses

Terms 2, 8; Target addresses Terms 1, 3-7.

Depositions: As a matter of due process, Proxicom's declarants should be made

available for deposition on all topics in the witness's declaration as Target's declarants will be.

Proxicom's internally inconsistent proposals illustrate the unreasonableness of its positions.

Nevertheless, Target is amenable to depositions either after briefing is complete or after each

round of briefing as long as the procedure is applied consistently. Under either proposal, the

parties would submit deposition designations and counter-designations to the Court in advance

of the Markman hearing for any depositions occurring after Responsive Briefs are filed.

Similarly, Target does not oppose Proxicom's proposed four-hour or seven-hour time limit per

deposition as long as it is applied consistently.

Respectfully submitted on June 15, 2020,

/s/ Aaron R. Hand

Taylor F. Ford

Florida Bar No.: 0041008

Dustin Mauser-Claassen

Florida Bar No.: 0119289

KING, BLACKWELL, ZEHNDER & WERMUTH, P.A.

P.O. Box 1631

Orlando, FL 32802-1631

Telephone: (407) 422-2472

Facsimile: (407) 648-0161

/s/ James L. Davis, Jr.

Dennis P. Waggoner

Florida Bar No. 509426

HILL, WARD & HENDERSON, P.A.

101 East Kennedy Blvd., Suite 3700

Tampa, Florida 33602

Telephone: (813) 221-3900

Facsimile: (813) 221-2900

Email: dennis.waggoner@hwhlaw.com

5

Email: tford@kbzwlaw.com Email: dmauser@kbzwlaw.com

Denise M. De Mory (Pro Hac Vice) Aaron R. Hand (Pro Hac Vice) BUNSOW DE MORY LLP 701 El Camino Real

Redwood City, CA 94063 Telephone: (650) 351-7248 Facsimile: (650) 351-7253 Email: ddemory@bdiplaw.com Email: ahand@bdiplaw.com

Counsel for Plaintiff Proxicom Wireless, LLC

James R. Batchelder (pro hac vice) James L. Davis, Jr. (pro hac vice) Monica Ortel (pro hac vice) ROPES & GRAY LLP

1900 University Avenue, 6th Floor East Palo Alto, CA 94303-2284 Telephone: (650) 617-4000 Facsimile: (650) 617-4090

Email: james.batchelder@ropesgray.com Email: james.l.davis@ropesgray.com Email: monica.ortel@ropesgray.com

Josef B. Schenker (pro hac vice) Cassandra Roth (pro hac vice)

ROPES & GRAY LLP

1211 Avenue of the Americas New York, NY 10036-8704 Telephone: (212) 596-9000 Facsimile: (212) 596-9090

Email: josef.b.schenker@ropesgray.com Email: cassandra.roth@ropesgray.com

Counsel for Defendant Target Corporation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on June 15, 2020, I electronically filed the foregoing document with the Clerk of the Court by using the CM/ECF system, which will send a notice of electronic filing to all counsel of record.

/s/ Aaron R. Hand Aaron R. Hand