

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

WI-LAN, INC.)	
)	
Plaintiff,)	CIVIL ACTION NO. 2:07-CV-473
v.)	
)	
ACER, INC., <i>et al.</i>)	CONSOLIDATED THROUGH
)	MARKMAN WITH:
Defendant;)	
)	
)	CIVIL ACTION NO. 2:07-CV-474
WI-LAN, INC)	
)	HON. T. JOHN WARD
Plaintiff,)	
v.)	JURY
)	
WESTELL TECHNOLOGIES, INC., <i>et al.</i>)	
)	
Defendant.)	

INTEL'S MOTION FOR PROTECTIVE ORDER RE PROPOSED CONSULTANTS

I. INTRODUCTION

Intel respectfully moves for an order enforcing Paragraph 25 of the Court's June 25, 2009 Protective Order, which bars certain consultants proposed by Wi-LAN from reviewing Intel's highly confidential information. Paragraph 25 sets forth a "prosecution bar" which precludes any consultant responsible for preparation or prosecution of any patent application for Wi-LAN from receiving Intel's highly confidential information:

G. Prosecution Bar

25. Wi-LAN employees, officers, directors, in-house counsel, experts or consultants who personally receive any material designated "ATTORNEYS' EYES ONLY – SOURCE CODE" or "SUBJECT TO PROSECUTION BAR" by a Producing Party, and labeled as such by the Producing Party, shall not participate in or be responsible for Wi-LAN for preparation or prosecution before

a Patent Office of any patent, patent application, or for drafting or revising patent claims (excluding such activities conducted in the context of post-grant adversarial proceedings including reexamination or opposition proceedings filed in relation to the patents-in-suit or foreign counterparts) directed to wireless or RF communications, DSL, integrated circuits, semiconductors, microchips or microprocessors of any type, or products incorporating those items, from the time of receipt of such material through and including one (1) year following the first to occur of (i) the complete resolution of this case through entry of a final non-appealable judgment or order for which appeal has been exhausted; (ii) the individual person(s) cease to represent the Receiving Party or respective client in this case.

Dkt. No. 328 at ¶ 25.

Recently, Wi-LAN stated its intent to disclose Intel's highly confidential information – including Intel's source code – to three consultants who are listed as inventors on currently pending patent applications assigned to Wi-LAN, which according to Wi-LAN relate to subject matter at issue in this action. In fact, one of the consultants is listed as an inventor on one of the patents-in-suit in this case, and is prosecuting continuations of patents that are currently at issue between the parties. Paragraph 25 expressly bars these individuals from receiving Intel's highly confidential information. Authorities addressing similar facts confirm that listed inventors, such as those proposed by Wi-LAN, should not be permitted to receive highly confidential information.

During the parties' meet and confer, Wi-LAN implicitly acknowledged that Paragraph 25 bars these individuals, by proposing a modification to Paragraph 25 that would permit them access. However, Wi-LAN's proposed modification conflicts with the parties' prior agreement and poses substantial risk to Intel. The simple solution is for Wi-LAN to retain any of the many consultants in the field who are not prosecuting patents on Wi-LAN's behalf.

II. STATEMENT OF FACTS

A. The Court Enters The June 25, 2009 Protective Order

After months of negotiation, followed by an opposed motion to enter the Protective Order jointly submitted by the parties, the Court ruled on the parties' disputes and entered the current Protective Order on June 25, 2009. *See* Dkt. Nos. 326, 328. The Protective Order included a prosecution bar in Paragraph 25, which prohibits any consultant responsible for preparation or prosecution of any patent application for Wi-LAN from receiving Intel's highly confidential information. *See* Dkt. No. 328 at ¶ 25.

B. Wi-LAN Discloses Consultants Currently Prosecuting Patent Applications For Wi-LAN

On September 10, 17, and 25, 2009, Wi-LAN disclosed Messrs. Kenneth Stanwood, Erik Colban, and Ramon Khalona, respectively, as consultants in the present case. *See* Exh. 1 (Sep. 10, 2009 Blackstone letter to Alper); Exh. 2 (Sep. 17, 2009 Blackstone email to Schofield); Exh. 3 (Sep. 25, 2009 Blackstone letter to Alper and Schofield). According to Wi-LAN, these individuals are listed as inventors on currently pending patent applications assigned to Wi-LAN that relate to subject matter at issue in this action. In addition, Mr. Stanwood is a listed inventor on multiple patents-in-suit between the parties. *See, e.g.*, Exh. 4 (U.S. Patent No. 6,549,759).

C. The Parties Meet And Confer Over Intel's Objections But Are Unable To Resolve This Issue

In accordance with the deadlines set forth in the Protective Order, Intel objected to Messrs. Stanwood, Colban, and Khalona on the basis that Paragraph 25 bars them from receiving Intel's highly confidential information. *See* Exh. 5 (Sep. 15, 2009 Schofield letter to Blackstone); Exh. 6 (Sep. 24, 2009 Schofield letter to Blackstone); Exh. 7 (Oct. 2, 2009 Schofield letter to Blackstone). The parties met and conferred on several occasions but were unable to resolve this issue. During the meet and confer, Wi-LAN proposed a modification to

the protective order which would permit these consultants to access Intel's code despite their patent prosecution activities. Exh. 8 (Oct. 7, 2009 McManus email to Alper with attachment).

III. ARGUMENT

A. Paragraph 25 Of The Protective Order Bars Messrs. Stanwood, Colban, And Khalona From Receiving Intel's Highly Confidential Information

Paragraph 25 of the Protective Order expressly bars Messrs. Stanwood, Colban, and Khalona from accessing Intel's highly confidential information if they participate in patent prosecution activities. Dkt. No. 328 at ¶ 25. Wi-LAN concedes that all three individuals are currently prosecuting pending applications assigned to Wi-LAN that relate to subject matter at issue in this action. Moreover, during the meet and confer process Wi-LAN implicitly acknowledged that the current Protective Order bars these individuals, and proposed a major modification to the Prosecution Bar to provide an exception for individuals prosecuting patent applications:

G. Prosecution Bar

Unless otherwise agreed to in writing between a Producing Party and a Receiving Party, Wi-LAN employees, officers, directors, in-house counsel, experts or consultants who personally receive any material designated "ATTORNEYS' EYES ONLY – SOURCE CODE" or "SUBJECT TO PROSECUTION BAR" by a Producing Party, and labeled as such by the Producing Party, shall not participate in or be responsible for Wi-LAN for preparation or prosecution **(except for ministerial duties including compliance with 37 C.F.R. §§ 1.56 (regarding duty to disclose information material to patentability) and/or 1.63 and 1.67 (regarding oaths or declarations))** before a Patent Office of any patent, patent application, or for drafting or revising patent claims

Exh. 8 (Oct. 7, 2009 McManus email to Alper with attachment). Wi-LAN agreed to Paragraph 25 without this modification and should not be permitted to renege on that agreement.

Consistent with Paragraph 25, courts uniformly bar listed inventors who are prosecuting pending patent applications from receiving confidential information. *See, e.g., McDavid Knee Guard, Inc. v. Nike USA, Inc.*, No. 08 CV 6584, 2009 WL 1609395, at *2 (N.D. Ill. June 9, 2009)

(precluding opposing patent inventor from accessing highly confidential technical information where inventor is currently seeking patents in the relevant field); *see also Rice v. United States*, 39 Fed. Cl. 747, 751 (Fed. Cl. 1997) (same); *Northbrook Digital LLC v. Vendio Services, Inc.*, 625 F. Supp. 2d 728 (D. Minn. 2008) (same); *Tailored Lighting, Inc. v. Osram Sylvania Products, Inc.*, 236 F.R.D 146, 149 (W.D.N.Y. 2006) (same); *IP Innovation LLC v. Thomson, Inc.*, No. 1:03-CV-0216-JDT-TAB, 2004 WL 771233, at *3 (S.D. Ind. Apr. 8, 2004) (same); *Safe Flight Instrument Corp. v. Sundstrand Data Control Inc.*, 682 F. Supp. 20, 22 (D. Del. 1988) (same). Courts have explained that such prohibitions are necessary because there is a substantial risk that an individual involved in patent prosecution will inadvertently misuse the confidential information he reviews during the litigation to enhance his own pending patent applications. *See, e.g., IP Innovation*, 2004 WL 771233, at *3 (emphasizing that "the risk for abuse is real" where an inventor with "patents currently pending" in the relevant field is given access to confidential technical information); *Tailored Lighting*, 236 F.R.D at 149 ("it seems unreasonable to expect that anyone working to further his own scientific and technological interests would be able assuredly to avoid even the subconscious use of confidential information revealed through discovery that is relevant to those interests."). Wi-LAN's proposal to disclose highly confidential information to Messrs. Stanwood, Colban, and Khalona conflicts with these widely accepted principles.

B. Intel Will Be Highly Prejudiced By Wi-LAN's Proposed Disclosures

Disclosures to Messrs. Stanwood, Colban, and Khalona would be improper and highly prejudicial to Intel. Disclosures to these listed inventors will create a serious risk that Intel's highly confidential information could be used during prosecution. *See, e.g., IP Innovation*, 2004 WL 771233, at *3; *Tailored Lighting*, 236 F.R.D at 149. This risk of misuse is exacerbated by the fact that Wi-LAN – whose sole business is the prosecution and enforcement of patents – is

currently listed as the assignee of many of the pending applications. *See, e.g., IP Innovation*, 2004 WL 771233, at *3 (denying access to expert consultant with pending patents because "perhaps most importantly, [Plaintiff] is an intellectual property licensing company involved in the commercialization of intellectual property that [was] developed by [the expert consultant]"). Moreover, Mr. Stanwood is prosecuting continuations of patents Wi-LAN is currently asserting against Intel in litigation. *See, e.g., Northbrook Digital*, 625 F. Supp. 2d at 743 (listed inventor prosecuting continuations of patents-in-suit prohibited from accessing defendant's confidential materials).

Contrary to Wi-LAN's assertions during the parties' meet and confer, a listed inventor's tasks during prosecution are not merely "ministerial" as to avoid risk of use of Intel's confidential information. Rule 56 (37 C.F.R. § 1.56) imposes a strict duty of candor and good faith on listed inventors in prosecuting a patent application. *See* 37 C.F.R. § 1.56. This duty not only extends to the submission of potential prior art, but also concerns other issues of patentability, and may involve approving amendments made to the application claims or specification, and responding to the USPTO's questions concerning the application. *See, e.g., Ring Plus, Inc. v. Cingular Wireless LLC*, No. 5:08-CV-42, 2009 WL 2184541, at *9 (E.D. Tex. July 17, 2009) ("A patent applicant's duty to disclose is not limited to disclosing prior art."); *see also* 57 Fed. Reg. 2021-02, 2025 (Jan. 17, 1992) ("The language of §§ 1.56 and 1.555 has been modified to emphasize that there is a duty of candor and good faith which is broader than the duty to disclose material information."). In fact, patent examiners may expressly require listed inventors to substantively participate in prosecution. *See, e.g.,* 37 C.F.R. § 1.105 (authorizing patent examiners to require inventors to submit information pertaining to the patented invention, including an identification of what is being improved, any uses of the invention, among many other items). These duties

begin upon the filing of a patent application, and continue throughout prosecution. *See* 37 C.F.R. § 1.56(a) ("The duty to disclose information exists with respect to each pending claim until the claim is cancelled or withdrawn from consideration, or the application becomes abandoned."). If a listed inventor violates these continuing duties, the patent could be unenforceable due to inequitable conduct.

Wi-LAN itself concedes that at a minimum a listed inventor will be required to communicate information concerning the alleged invention (which Wi-LAN referred to during the meet and confer as "historical" information). *See, e.g.*, 37 C.F.R. § 1.105. The authorities on this issue uniformly hold that such activities create a substantial risk that an individual involved in patent prosecution will inadvertently misuse the confidential information obtained in litigation in order to enhance the applicant's pending patent applications. *See e.g., IP Innovation*, 2004 WL 771233, at *3; *Tailored Lighting*, 236 F.R.D at 149. As such, the parties agreed that such individuals would be barred under the Protective Order.

C. Wi-LAN Will Not Suffer Undue Hardship If Messrs. Stanwood, Colban, and Khalona Are Excluded From Accessing Intel's Documents

Enforcement of the Protective Order will not impose undue hardship on Wi-LAN. At the time Wi-LAN agreed to this provision, it had already (1) accused Intel's WiMAX products of alleged infringement; and (2) retained Mr. Stanwood to work on this case. *See* Dkt. No. 192 (Wi-LAN's Supplemental First Amended Complaint); *see also* Exh. 9 at 129:3–25 (Deposition Transcript of Wi-LAN's General Counsel). Nevertheless, Wi-LAN agreed that individuals such as Mr. Stanwood would be prohibited from receiving Intel's highly confidential information. *See* Dkt. No. 328 at ¶ 25. Moreover, contrary to Wi-LAN's assertions, numerous other consultants are available to assist Wi-LAN in analyzing Intel's WiMAX products. In fact, Wi-LAN concedes that it has "a small army of consultants" for purposes of analyzing that Wi-LAN can

call upon to support its patent enforcement actions. *See, e.g.*, Exh. 10 (Feb. 2009 Wi-LAN Presentation). Intel has already approved several other of these consultants. *See* Exh. 7 (Oct. 2, 2009 Schofield letter to Blackstone). Moreover, there are hundreds of individuals involved in the development of the IEEE WiMAX standard who Wi-LAN might have considered in its search for consultants. *See, e.g.*, Exh. 11 (Sample Attendance Lists from IEEE 802.16 WiMAX Meetings). There are also dozens of WiMAX companies that are not involved in the instant litigation or the case in the Northern District of California that Wi-LAN might have approached.
Id.

IV. CONCLUSION

In view of the foregoing discussion, Intel respectfully requests that the Court enter a protective order preventing Messrs. Stanwood, Colban, and Khalona from receiving, reviewing, and discussing Intel's highly confidential technical material in accordance with the prosecution bar provision in Paragraph 25 of the June 25, 2009 Protective Order.

Dated: October 13, 2009

Respectfully submitted,

/s/ Robert M. Parker

Robert M. Parker

State Bar No. 15498000

Robert Christopher Bunt

State Bar No. 00787165

PARKER, BUNT & AINSWORTH, P.C.

100 E. Ferguson, Suite 1114

Tyler, Texas 75702

903/531-3535

903/533-9687 - Facsimile

E-mail: rmparker@pbatyler.com

E-mail: rcbunt@pbatyler.com

**ATTORNEYS FOR DEFENDANT
INTEL CORPORATION**

CERTIFICATE OF SERVICE

The undersigned hereby certifies that counsel of record who are deemed to have consented to electronic service are being served on October 13, 2009 with a copy of **INTEL'S MOTION FOR PROTECTIVE ORDER RE PROPOSED CONSULTANTS** via the Court's CM/ECF system per Local Rule CV-5(a)(3).

/s/ Robert M. Parker
Robert M. Parker

CERTIFICATE OF CONFERENCE

The undersigned hereby certifies that counsel for Intel has complied with the meet and confer requirement in Local Rule CV-7(h). This motion is opposed. The personal conference required by Local Rule CV-7(h) was conducted via several telephone conferences on October 6 and 7, 2009. Christopher Bunt and Adam Alper (for Intel), Robert Cote (for Wi-LAN), and other counsel for the parties participated in the conferences. During the conference, counsel for Intel and Wi-LAN attempted to resolve all disputes before filing of this motion. However, no agreement could be reached. Discussions have conclusively ended in an impasse, leaving an open issue for the Court to resolve.

/s/ Robert M. Parker
Robert M. Parker