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12  
13 UNITED STATES DISTRICT COURT  
14 NORTHERN DISTRICT OF CALIFORNIA  
15 SAN JOSE DIVISION

16 INTEL CORPORATION,

17 Plaintiff,

18 v.

19 WI-LAN INC., WI-LAN TECHNOLOGIES  
CORPORATION, WI-LAN TECHNOLOGIES,  
INC., and WI-LAN V-CHIP CORP.,

20 Defendants.  
21  
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23

Case No. 5:08-cv-4555 JW (HRL)

**WI-LAN INC.'S REPLY IN SUPPORT OF  
ITS MOTION FOR CERTIFICATION OF  
INTERLOCUTORY APPEAL AND  
MOTION TO STAY**

Date: Sept. 28, 2009  
Time: 9:00 a.m.  
Courtroom: 8, 4th Floor  
Judge: Hon. James Ware

**DEMAND FOR JURY TRIAL**

**TABLE OF CONTENTS**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

	<u>Page</u>
I. INTRODUCTION .....	1
II. Wi-LAN Seeks Review of Controlling Questions of Law, Not Determinations of Fact.....	4
III. There Is a Substantial Ground For Difference Of Opinion as to the Questions for Which Wi-LAN Seeks Certification .....	6
A. Question 1 .....	7
B. Question 2 .....	9
C. Question 3 .....	9
D. Question 4 .....	12
E. Question 5 .....	14
IV. Wi-LAN's Interlocutory Appeal Will Materially Advance The Ultimate Termination Of The Litigation.....	15
V. CONCLUSION.....	15

**TABLE OF AUTHORITIES**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**Page(s)**

**CASES**

*02 Micro Int'l, Ltd. v. Microsemi Corp.*,  
No. C 07-02073, 2007 U.S. Dist. LEXIS 42983 (N.D. Cal. June 4, 2007) .....4

*AmberWave Systems Corp. v. Intel Corp.*,  
2005 WL 2861476 (E.D. Tex. Nov. 1, 2005) .....12

*Applera Corp. v. Mich. Diagnostics, LLC*,  
No. 07-CV-10547, 2009 U.S. Dist. LEXIS 6212 (D. Mass. Jan. 27, 2009) .....8

*Aventis Pharm., Inc. v. Teva Pharm. USA, Inc.*,  
No. 2:06-CV-469, 2007 WL 2823296 (E.D. Tex. Sept. 27, 2007) .....12

*Cadle Co. v. Whataburger of Alice, Inc.*,  
174 F.3d 599 (5th Cir. 1999) .....13

*Century Wrecker Corp. v. Vulcan Equipment Co., Ltd.*,  
902 F.2d 43 (Fed. Cir. 1990).....2, 5

*Cooter & Gell v. Hartmarx Corp.*,  
496 U.S. 384 (1990).....5

*Girafa.com, Inc. v. Alexa Internet, Inc.*,  
No. C-08-02745, 2008 WL 4500858 (N.D. Cal. Oct. 6, 2008) .....13

*Guthy-Renker Fitness L.L.C. v. Icon Health & Fitness*,  
179 F.R.D. 264 (C.D. Cal. 1998) .....11, 12

*Halo Electronics v. Bel Fuse, Inc.*,  
No. C-07-06222, 2008 WL 1991094 (N.D. Cal. May 5, 2008).....12

*Huntsman Corp. v. Int'l Risk Ins. Co.*,  
No. 1:08-CV-029, 2008 U.S. Dist. LEXIS 33242 (E.D. Tex. Apr. 22, 2008).....13

*Janssen Pharmaceutical v. Apotex*,  
540 F.3d 1353 (Fed Cir. 2008).....2, 8

*Kahn v. General Motors Corp.*,  
1995 U.S. App. LEXIS 23063 (Fed. Cir. 1995) .....2, 5

*Koninklijke Philips Elecs. N.V. v. Cardiac Sci., Inc.*,  
No. C03-1324C, 2003 U.S. Dist. LEXIS 17153 (W.D. Wash. Aug. 26, 2003).....4, 11

1 *Mediatek, Inc. v. Sanyo Electric Co., Ltd.*,  
 No. 6:05 CV 323, 2006 WL 463871 (E.D. Tex. Feb. 17, 2006).....12

2

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 549 U.S. 118, 127 S.Ct. 764 (2007).....3, 6

4

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 794 F.2d 653 (Fed. Cir. 1986).....2, 5

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 No. C 08-01972, 2009 WL 330930 (N.D. Cal. Feb. 10, 2009) .....1

7

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 No. C-06-02655, 2007 U.S. Dist. LEXIS 3079 (N.D. Cal. Jan. 3, 2007).....8

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 No. C 08-2364, 2008 WL 2622831 (N.D. Cal. July 1, 2008).....13

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 422 F.3d 1378 (Fed. Cir. 2005).....2, 5

12

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 815 F.Supp. 994 (E.D. Tex. 1993).....13

14

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17

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## I. INTRODUCTION

Wi-LAN seeks certification concerning what may be broadly described as 1) whether an allegation of infringement of a specific patent among a portfolio of patents is required to create the requisite “definite and concrete” dispute for that patent, mandated both pre- and post-*MedImmune*, or whether statements concerning the portfolio in general (which Intel alleges created a “cloud” over its head) are sufficient, and 2) whether an earlier filed action between the parties already found by the first court (here the Texas court) to have “substantially overlapping” subject matter in products and technology (here Wi-MAX products and Wi-MAX technology), but involving different patents (that is, the remaining patents from Wi-LAN’s Wi-MAX portfolio), falls within the first-filed rule giving priority to the Texas court.

A motion for interlocutory appeal under Section 1292(b) must meet three statutory requirements: “(1) that there be a controlling question of law, (2) that there be substantial grounds for difference of opinion, and (3) that an immediate appeal may materially advance the ultimate termination of the litigation.” *Perez v. GMAC Mortgage USA Corp.*, No. C 08-01972, 2009 WL 330930, at \*1 (N.D. Cal. Feb. 10, 2009) (J. Ware). Here, Intel argues that all three elements are absent because 1) the questions presented are questions of fact, not law, 2) the broad legal standards (e.g., the *MedImmune* totality of circumstances test) are not disputed, therefore there can be no dispute as to any question of law concerning declaratory jurisdiction or transfer, and 3) even if the present action is dismissed, Wi-LAN would retain some theoretical ability to bring a future action against Intel, thus, although this litigation would be terminated, some future litigation might one day exist. Intel is wrong on every point.

Intel argues that the district court in finding a case or controversy “relied on numerous facts establishing that Wi-LAN had created an enormous cloud over Intel with respect to the patents-in-suit and Intel’s WiMAX products....” (Intel’s Opposition to Defendant Wi-LAN, Inc.’s Motion for Certification of Interlocutory Appeal and Motion to Stay (“Opp.”) at 7). But this “cloud theory” relied upon by the Court and its premise that generalized statements

1 regarding a portfolio apply to each and every patent in the portfolio (rather than the specific  
2 patents for which allegations of infringement are made) involves the application of an incorrect  
3 legal standard: it creates a wholly improper and subjective theory of what constitutes a case or  
4 controversy that is contrary to the objective “definite and concrete” standard required by cases  
5 both pre- and post- *MedImmune*. See *Janssen Pharmaceutical v. Apotex*, 540 F.3d 1353, 1363  
6 (Fed Cir. 2008) (“[T]he [declaratory judgment] plaintiff must allege (1) injury-in-fact, i.e., harm  
7 that is ‘concrete’ and actual or imminent, not conjectural .... The mere existence of a  
8 potentially adverse patent does not cause an injury nor create an imminent risk of an injury  
9 .... The Supreme Court has emphasized that a fear of future harm that is only subjective is not an  
10 injury or threat of injury caused by the defendant that can be the basis of an Article III case or  
11 controversy.”); see, e.g., *Applera* and *SanDisk* cases discussed at 8, *infra*, and in detail in Wi-  
12 LAN’s Motion for Certification (Dkt. No. 209) at 6-7 (finding no “definite and concrete” dispute  
13 as to those patents in a portfolio that were not the subject of specific infringement allegations).

14 Intel’s argument that the questions presented are questions of fact is also ill-founded.  
15 Every question certified for interlocutory review must have some factual context. The Federal  
16 Circuit has frequently granted petitions for interlocutory appeal under Section 1292(b) despite  
17 the presence of factual predicates. See, e.g., *Symbol Technologies, Inc. v. Lemelson Medical,*  
18 *Education & Research Foundation*, 422 F.3d 1378, 1381 (Fed. Cir. 2005) (granting interlocutory  
19 appeal on whether the doctrine of laches “may be applied to bar enforcement of patent claims  
20 that issued after an undesirable and unexpected delay.”); see also *Moeller v. Ionetics, Inc.*, 794  
21 F.2d 653 (Fed. Cir. 1986); *Kahn v. General Motors Corp.*, 1995 U.S. App. LEXIS 23063 (Fed.  
22 Cir. 1995) (unpublished); *Century Wrecker Corp. v. Vulcan Equipment Co., Ltd.*, 902 F.2d 43  
23 (Fed. Cir. 1990) (unpublished) (“Questions as to venue are appropriate for certification.”).  
24 Questions as to subject matter jurisdiction and transfer are equally appropriate for certification  
25 even if rooted in case specific facts since, if granted, they will terminate the case early or require  
26 its resolution in another forum. Here the controlling questions of law are all rooted in a  
27

1 disagreement over the correct legal standard to be applied in determining the existence of a case  
2 and controversy and in determining whether to grant or deny a motion to transfer.

3 Intel also argues that the adoption in *MedImmune* of the “all of the circumstances” test  
4 shows that there is no dispute over the correctness of the standard used by this Court in ruling on  
5 the declaratory jurisdiction or transfer issue. *See* Opp. at 7. However, the Supreme Court’s  
6 *MedImmune* case does not simply state that a court should consider all of the circumstances.  
7 Rather, the Court held that a dispute must be “definite and concrete,” must be “real and  
8 substantial,” and “that there [must be] a substantial controversy, between parties having adverse  
9 legal interests, of sufficient immediacy and reality to warrant the issuance of a declaratory  
10 judgment.” *MedImmune, Inc. v. Genentech, Inc.*, 549 U.S. 118, 127, 127 S.Ct. 764, 771 (2007).  
11 The contours of what constitutes a “definite and concrete” dispute are legal in nature, not factual.  
12 In addition, the proper test for application of the first to file rule, including whether the same or  
13 overlapping patents must be present in both actions for “substantial overlap” to be found, is a  
14 similarly involved legal question.

15 It is equally apparent that immediate appeal may materially advance the ultimate  
16 termination of the litigation. Intel argues that absent covenants not to sue from Wi-LAN as to  
17 each and every patent-in-suit “even a successful interlocutory appeal would simply delay Wi-  
18 LAN's claims against Intel, and prolong the cloud created by Wi-LAN.” Opp. at 13. However,  
19 Intel does not dispute that Wi-LAN lacks information about its Wi-MAX products from which to  
20 raise allegations of infringement as to any particular patent-in-suit (that is, the remaining patents  
21 in its Wi-MAX portfolio) and in fact represents it does not believe there is infringement. Thus,  
22 Intel’s “cloud” theory is nothing more than subjective fear of some theoretical future dispute,  
23 forcing litigation upon Wi-LAN that may likely never come to pass if this case is dismissed or  
24 mooted by resolution of the pending Texas Action over the Wi-MAX essential patents in Wi-  
25 LAN’s portfolio (the specific patents for which Wi-LAN made specific infringement  
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1 allegations). For Intel to deny that termination of the litigation would not “advance the ultimate  
2 termination of the litigation” defies logic and its own actions.

3 Similarly, immediate appeal of a transfer order would materially advance ultimate  
4 termination. The order at issue is predicated upon the notion that a patent suit may not be  
5 transferred to another venue unless the substantial overlap in subject matter with the Texas action  
6 includes the same or substantially the same patents. This is contrary to law. *See Koninklijke*  
7 *Philips Elecs. N.V. v. Cardiac Sci., Inc.*, No. C03-1324C, 2003 U.S. Dist. LEXIS 17153, at \*7-8  
8 and n.3 (W.D. Wash. Aug. 26, 2003) (finding substantial overlap because “Both actions involve  
9 patent disputes between CS and Philips specifically relating to AED technology ... [even  
10 though] the second-filed Washington action includes five additional patents [from the portfolio]  
11 not currently in suit in the Minnesota action”); *02 Micro Int'l, Ltd. v. Microsemi Corp.*, No. C 07-  
12 02073, 2007 U.S. Dist. LEXIS 42983, at \*2-3 (N.D. Cal. June 4, 2007); and other cases  
13 discussed *infra* at 11-12. If, however, transfer is ultimately held to be appropriate by the Federal  
14 Circuit under the first-filed rule (upholding the sufficiency of the substantial overlap in subject  
15 matter found by the Texas court, which was in products and technology, not the same patents),  
16 this will undoubtedly result in the reversal of this Court’s rulings some years from now, and the  
17 transfer of this action to Texas to proceed *ab initio*.

18 **II. WI-LAN SEEKS REVIEW OF CONTROLLING QUESTIONS OF LAW, NOT**  
19 **DETERMINATIONS OF FACT**

20 Intel first argues that the questions as to which Wi-LAN seeks certification are not  
21 questions of law but rather concern questions of fact. (Opp at 1, 3-5). This argument lacks  
22 merit. Every question arising in the context of litigation must have some factual background.  
23 Precedent provides that mixed questions of fact and law are treated as questions of law for  
24 purposes of interlocutory appeal. *See, e.g., La Gloria Oil and Gas Co.*, 72 Fed. Cl. 544, 555  
25 (2006) (“The Sixth and Ninth circuits have specifically held that mixed questions of fact and law  
26 are treated as questions of law for the purposes of an interlocutory appeal.”). Further, “[t]he line  
27 between fact and law can prove [ ] evanescent.” 16 Wright, Miller & Cooper, FEDERAL

1 PRACTICE AND PROCEDURE, § 3930, at 428-29 (1996); *see also* *Cooter & Gell v. Hartmarx*  
2 *Corp.*, 496 U.S. 384, 401 (1990) (“The Court has long noted the difficulty of distinguishing  
3 between legal and factual issues”).

4 The Federal Circuit has frequently granted petitions for interlocutory appeal under  
5 Section 1292(b) despite the presence of factual predicates. *See, e.g., Symbol Technologies, Inc.*  
6 *v. Lemelson Medical, Education & Research Foundation*, 422 F.3d 1378, 1381 (Fed. Cir. 2005)  
7 (granting interlocutory appeal on whether the doctrine of laches “may be applied to bar  
8 enforcement of patent claims that issued after an unreasonable and unexpected delay.”).

9 Similarly, in *Moeller v. Ionetics, Inc.*, the Federal Circuit granted interlocutory appeal of  
10 partial summary judgment of noninfringement based on the district court’s exclusion of expert  
11 testimony based on the particular facts of the case. 794 F.2d 653 (Fed. Cir. 1986) (“Though we  
12 do not establish [admission of expert testimony] as a requirement in all cases...and leave it to the  
13 general discretion of the trial judge, we conclude that *in this case* the trial judge's failure to allow  
14 such testimony was an abuse of discretion.”) (citation omitted) (emphasis added).

15 The same is true of the Federal Circuit’s decision in *Kahn v. General Motors Corp.*, 1995  
16 U.S. App. LEXIS 23063 (Fed. Cir. 1995) (unpublished) where the Federal Circuit found that the  
17 issue involved “was Mr. Kahn’s right to bring this action,” even though the controlling questions  
18 of law certified by the appellant were quite case specific, including: “(1) whether the court’s  
19 reliance on DX 138, which was not admitted into evidence, was reversible error, and (2) whether  
20 General Motors may raise as a defense Kahn’s lack of legal title to the ’994 patent.” Clearly,  
21 under these cases, the controlling legal question can be rooted in case specific facts, so long as  
22 the court’s order presents a controlling legal issue for decision that could lead to early resolution  
23 of the case. *See, e.g., Century Wrecker Corp. v. Vulcan Equipment Co., Ltd*, 902 F.2d 43 (Fed.  
24 Cir. 1990) (unpublished) (“Questions as to venue are appropriate for certification.”)

25 Questions as to subject matter jurisdiction and transfer are equally appropriate for  
26 certification even if rooted in case specific facts since they will terminate the case early or  
27

1 require its resolution in another forum, if granted. Here the controlling questions of law are all  
2 rooted in a disagreement over the correct legal standard to be applied in determining the  
3 existence of a case and controversy and in determining whether to grant or deny a motion to  
4 transfer. Thus all the questions as to which certification is required turn on controlling issues of  
5 law, i.e., the correct legal standard for determining the existence of a case and controversy and  
6 for transfer to another court. Since, as discussed below, the early determination of these issues  
7 could materially advance the early resolution of this case, these questions are appropriate for  
8 certification under Rule 1292(b).

9 **III. THERE IS A SUBSTANTIAL GROUND FOR DIFFERENCE OF OPINION AS**  
10 **TO THE QUESTIONS FOR WHICH WI-LAN SEEKS CERTIFICATION**

11 Intel further contends that the law concerning declaratory judgment jurisdiction is “well  
12 settled” and therefore there can be no ground for difference of opinion. (Opp. at 5-6). A  
13 question of law, however, may go beyond the mere statement of a broad principle (such as the  
14 overarching “all the circumstances” test for subject matter jurisdiction or the three-part test for  
15 determining first to file priority) and may require an inquiry into narrow questions of law upon  
16 which each broader principle (or ultimate question of law) depends. In this case, the Court’s  
17 conclusion that general statements concerning Wi-LAN’s portfolio of patents would meet the  
18 *MedImmune* test is an incorrect conclusion of law. In *MedImmune*, the Supreme Court held as  
19 follows: “Our decisions have required that the dispute be “**definite and concrete**, touching the  
20 legal relations of parties having adverse legal interests”; and that it be “real and substantial....”  
21 *MedImmune*, 549 U.S. at 127 (emphasis added; citations omitted). As discussed above, Intel  
22 argues that the district court “relied on numerous facts establishing that Wi-LAN had created an  
23 enormous cloud over Intel with respect to the patents-in-suit and Intel's WiMAX products....”  
24 (Opp. at 7). But, again, this “cloud theory” and its acceptance of the sufficiency of general  
25 product-wide accusations instead of accusations against specific patents involves the application  
26 of an incorrect legal standard because it blurs the distinction between the need for specific, as  
27 opposed to general, allegations of patent infringement and invites a subjective theory of case and

1 controversy. The district court's opinion in this case accepts Intel's theory that general  
2 statements about the need for a portfolio wide license to WiMAX products may substitute for  
3 accusations of infringement against specific patents so long as the general statements are  
4 sufficiently numerous to produce a "cloud" over the opposing party's products. It is not apparent  
5 when such "cloud" is sufficient to give rise to a case and controversy. This interpretation of the  
6 case or controversy requirement undermines the basic requirement that the dispute be "definite  
7 and concrete" and instead implements a standard in which the courts look not at the conduct of  
8 the patentee, but at the subjective insecurity of the opposing party. It substitutes a cloud of  
9 generalities for specific and objective accusations of infringement.

10 The same is true for the first to file test where the Court held (we believe incorrectly) that  
11 the first-to-file test is only satisfied where the patents in the two cases are the same patents or  
12 substantially the same patents. These are both incorrect legal conclusions, even though they are  
13 of a less global nature than the broad principles upon which the ultimate legal question is  
14 decided.

15 **A. Question 1**

16 The first question for which Wi-LAN seeks certification is as follows:

17 Where a patentee has made general statements regarding the  
18 relationship of its patent 'portfolio' to a standard or technology area  
19 but has only made allegations of infringement or essentiality  
20 concerning specific patents within the portfolio, is there a 'definite  
and concrete' dispute as to those patents that have not been  
specifically asserted?

21 (Motion at 4-9).

22 Thus, the point at issue is whether general statements concerning a portfolio of patents  
23 may be construed to create a case or controversy as to specific patents within the portfolio. The  
24 facts of the instant case fall within a broad and recurrent pattern where a patent holder makes  
25 statements both regarding its patent portfolio and some subset of specific patents within the  
26 portfolio to a party who subsequently seeks declaratory judgment as to every patent in the  
27 portfolio. While there is, inevitably, some variation in the details of the communications, the

1 broad question remains. The *SanDisk*<sup>1</sup> and *Applera*<sup>2</sup> cases cited by Wi-LAN in its motion, at 6-  
2 7, provide that a patentee must engage in substantial dialogue that includes an assertion of  
3 infringement of a specific patent for a “definite and concrete” dispute. See *Applera* and *SanDisk*  
4 discussion in Wi-LAN’s Motion for Certification (Dkt. No. 209) at 6-7 (finding no “definite and  
5 concrete” dispute as to those patents in a portfolio that were not the subject of specific  
6 infringement allegations).

7 Intel seeks to argue that the *SanDisk* case has been overruled by *MedImmune*. It notes  
8 that “*Sandisk* was decided before *MedImmune*, based on the ‘reasonable apprehension of suit’  
9 test that was overruled by the Supreme Court’s *MedImmune* decision.” Opp. at 9. Intel then  
10 argues that, “[t]o the extent Wi-LAN is relying on *SanDisk* to create a difference of law, that  
11 district court opinion is no longer good law and has no value as precedent since it did not apply  
12 the proper *MedImmune* test.” Opp. at 9. This is not a valid distinction of *SanDisk*.

13 In *Janssen Pharmaceutical v. Apotex*, 540 F.3d 1353, 1363 (Fed Cir. 2008), quoting  
14 *Prasco, LLC v. Medicis Pharm. Corp.*, 537 F.3d 1329, 1339 (Fed. Cir. 2008), the Federal Circuit  
15 stated that *MedImmune* “did not change the bedrock rule that a case or controversy must be  
16 based on a real and immediate injury...an objective standard that cannot be met by a purely  
17 subjective or speculative fear of future harm.” Like *Applera* (decided after *MedImmune*), the  
18 *SanDisk* court made precisely this point when it held that “*Sandisk*’s emphasis that the notice  
19 accused all of its MP3 products and made general references to the need for a patent license is  
20 not adequate to show that there was ***an objectively reasonable apprehension*** of suit as to the  
21 specific nine patents at issue.” *SanDisk*, 2007 U.S. Dist. LEXIS 3079, at \*13 (emphasis added).  
22 Hence, *SanDisk* applied precisely the bedrock rule that remained unchanged by *MedImmune*.  
23 The significance of *SanDisk* is that it found that the absence of any assertions of infringement  
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25 \_\_\_\_\_  
26 <sup>1</sup> *SanDisk Corp. v. Audio MPEG, Inc.*, No. C-06-02655, 2007 U.S. Dist. LEXIS 3079 (N.D. Cal. Jan. 3,  
2007).

27 <sup>2</sup> *Applera Corp. v. Mich. Diagnostics, LLC*, No. 07-CV-10547, 2009 U.S. Dist. LEXIS 6212 (D. Mass.  
28 Jan. 27, 2009).

1 against specific patents was insufficient to satisfy the case and controversy requirement for a  
2 “definite and concrete” dispute for those patents, even though there were general statements  
3 regarding the applicability of the portfolio , i.e., like the statements about Wi-LAN’s Wi-MAX  
4 patents and products in this case, and even though there were ”general references to the need for  
5 a patent license,” similar to the references to Wi-LAN's patent portfolio in this case.

6 **B. Question 2**

7 The second question for which Wi-LAN seeks certification is as follows:

8 Does subject matter jurisdiction exist, i.e., is there a 'definite and  
9 concrete' dispute, as to patents which have never been the subject  
10 of any communication whatsoever between the declaratory  
11 plaintiff (Intel) and declaratory defendant (Wi-LAN) (applicable to  
12 Wi-LAN patents-in-suit 7,289,467, 7,317,704, and 7,379,441)?

13 (Motion at 9-10).

14 In its opposition to Wi-LAN’s motion to dismiss, Intel asserted that “a list of fourteen of  
15 the [eighteen (18) declaratory judgment Wi-MAX] patents were transmitted to Intel in  
16 connection with a series of communications asserting Wi-LAN’s entire alleged WiMAX patent  
17 portfolio against Intel’s WiMAX products.” (Dkt. No. 124 at 3). Intel includes a similar  
18 statement in its opposition to the present motion. (Opp. at 8).

19 Intel concedes that as to Wi-LAN’s ‘467, ‘704, and ‘441 patents-in-suit they were not  
20 identified on the list of Wi-MAX patents provided to Intel. Thus, Intel fails to allege any  
21 assertion of the specific patents omitted from the April 2006 list or any substantial dialogue  
22 (indeed, *any* dialogue) among the parties as to such patents. There is a substantial difference of  
23 opinion among the courts as to whether such broad statements are sufficient to create subject  
24 matter jurisdiction as to every specific patent within Wi-LAN’s patent portfolio.

25 **C. Question 3**

26 The third question for which Wi-LAN seeks certification is as follows:

27 In ruling on a motion to transfer under the first-filed rule, is the  
28 issue of substantial overlap determined solely on whether the same  
patents are at issue in the two actions or should it be determined by

1 the substantial overlap between the accused products and patented  
2 technology involved in the two suits?

(Motion at 4, 10-12).

3 In opposing certification of this question, Intel argues that the question of substantial  
4 overlap is factual in nature and that Wi-LAN failed to present evidence of overlap for patents  
5 other than the '759 patent. Opp. at 12. This is incorrect. Wi-LAN relied upon the unchallenged  
6 findings made in the Texas court's February 3, 2009 order and upon the unchallenged  
7 submission of Intel's own white paper (*WiMAX\* and Wi-Fi\* Together: Synergies for Next-*  
8 *Generation Broadband*) comparing Wi-Fi and WiMAX. (Dkt. No. 34-3 at 100-107); *see also*  
9 Declaration of Christian Dubuc (Dkt. No. 34-3 at 96-98). Indeed, this action (Intel's DJ action)  
10 is predicated upon the notion that all the patents-in-suit relate to WiMAX. *See* Amended  
11 Complaint for Declaratory Judgment, Dkt. No. 6, ¶ 10.

12 In its June 4, 2009, Order, this Court acknowledged the prior February 3 order of the  
13 Texas court as follows: "Judge Ward reasoned that "the technologies [at issue], while different,  
14 are related in such a way that compels trying the patents together. Indeed, the accused products  
15 include both the Wi-Fi and Wi-MAX technologies. The parties are the same, and discovery will  
16 substantially overlap." (Dkt No. 195 at 9). That is, *the subject matters* of the California and  
17 Texas actions overlap.<sup>3</sup>

18 Thus, this Court's June 4, 2009 order was not predicated upon an absence of evidence as  
19 to the subject matter of either the California or Texas dispute. Rather, the order explains the  
20 finding that the California action is first filed as to the majority of the patents as follows: "given  
21 that Defendant contends that there is no controversy over the bulk of these patents, there is no  
22 dispute that they are not part of the parallel action now being litigated in Texas." Dkt. No. 195 at  
23 10. That is, the order provides that there is no substantial overlap because the exact same patents

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25 <sup>3</sup> Moreover, the February 3 order of the Texas court, when fairly read, makes clear that the finding of  
26 "substantial overlap" was based on comparison of the subject matter of the California action as a whole.  
27 See Dkt. No. 158-7 ("Defendant Intel filed an action in the Northern District of California for declaratory  
judgment of non-infringement and invalidity of eighteen other Wi-LAN patents, including U.S. Patent  
No. 6,549,759 ("the '759 patent") ("the California action"). The California action centered around Wi-  
LAN's patents covering the newer "Wi-MAX standard.").

1 are not at issue in Texas. There is, thus, a substantial difference of opinion *as to the legal*  
2 *question* whether the first-filed test requires that the proposed transferee district have the same  
3 patents at issue in a pending suit. Indeed, there does not seem to be any reported case that states  
4 such a rule.

5 Suits having the same or overlapping parties and accused products, *but not the same*  
6 *patents* at issue, have been held to “substantially overlap” where the patents at issue (whether in  
7 the same patent family or not) concern the same or related technology. In *Koninklijke Philips*  
8 *Elecs. N.V. v. Cardiac Sci., Inc.*, No. C03-1324C, 2003 U.S. Dist. LEXIS 17153, at \*7-8 (W.D.  
9 Wash. Aug. 26, 2003), the court addressed what is required under the first-to-file rule for two  
10 proceedings to meet the requirement for “substantial overlap.” Cardiac Science (“CS”) brought a  
11 declaratory judgment action in the District of Minnesota on five of Philips’ patents. *Id.* at \*3.  
12 Subsequently, Philips filed an infringement action on ten of Philips’ patents in the Western  
13 District of Washington, including the five patents at issue in the declaratory judgment action. *Id.*  
14 at \*3-4. The court held that the actions were substantially similar because they both involved  
15 patent disputes relating to Automatic External Defibrillator (“AED”) technology. *Id.* at \*7. The  
16 court stated that “[w]hile some of the patents in the Washington suit may govern slightly  
17 different aspects of AED technology than do some of the patents in the Minnesota action, the  
18 patents are all technologically intertwined and together comprise the larger dispute between CS  
19 and Philips regarding AEDs.” *Id.* at \*7-8. Therefore, the court granted the motion to dismiss the  
20 second-filed action. *Id.* at \*10.

21 Similarly, in *Guthy-Renker Fitness L.L.C. v. Icon Health & Fitness*, 179 F.R.D. 264, 270  
22 (C.D. Cal. 1998), the court addressed the similarity of the two actions. Guthy-Renker sought a  
23 declaratory judgment related to five patents, including the ‘829 patent, in the Central District of  
24 California. *Id.* at 268. Subsequently, Precor filed an infringement action on the ‘829 patent in  
25 the Western District of Washington. *Id.* The court noted that “the alleged infringing device, the  
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1 POWER TRAIN, is the subject of comparison in both actions,” and found that the two actions  
2 were similar under the first-to-file rule. *Id.* at 270.

3 A similar result was obtained in *Aventis Pharm., Inc. v. Teva Pharm. USA, Inc.*, No. 2:06-  
4 CV-469, 2007 WL 2823296 (E.D. Tex. Sept. 27, 2007). Aventis Pharmaceuticals, Inc.  
5 (“Aventis”) filed a first infringement action in New Jersey against Teva Pharmaceuticals USA,  
6 Inc. (“Teva”) and several other entities for methods of administering and chemically  
7 synthesizing the active ingredient fexofenadine in the allergy medicine Allegra®. Later, Aventis  
8 filed a second infringement action in this Court against Teva on an unrelated patent (not in the  
9 same patent family) claiming a different, but related, aspect of the same accused Allegra®  
10 products, that is, particular crystalline forms of fexofenadine. Teva moved to transfer the second  
11 action to New Jersey. The court held that the Texas case should be transferred under the first to  
12 file rule. The court held that where two disputes concern overlapping parties and the same  
13 accused products, and related technologies, the cases substantially overlap despite the fact the  
14 two disputes involve different aspects of the same accused products. *Id.* at \*2 (“Although  
15 Aventis may be correct that the inventions claimed in the polymorph patents are distinct from  
16 those involved in the coordinated New Jersey suits, the court rejects the suggestion that the cases  
17 will not substantially overlap.”); *see also Halo Electronics v. Bel Fuse, Inc.*, No. C-07-06222,  
18 2008 WL 1991094, at \*3 (N.D. Cal. May 5, 2008) (acknowledging application of the first to file  
19 rule where different patents are at issue); *Mediatek, Inc. v. Sanyo Electric Co., Ltd.*, No. 6:05 CV  
20 323, 2006 WL 463871, at \*3 (E.D. Tex. Feb. 17, 2006) (“Sanyo’s Texas patents are similar  
21 enough to the California patents such that litigating them in California will produce the most  
22 convenient and efficient resolution of those claims.”) (emphasis added); *AmberWave Systems*  
23 *Corp. v. Intel Corp.*, 2005 WL 2861476, at \*2 (E.D. Tex. Nov. 1, 2005).

24 **D. Question 4**

25 The fourth question for which Wi-LAN seeks certification is as follows:

26 Whether this Court exceeded the proper decision making function of a transferor court?  
27

1 (Motion at 4, 12).

2 As noted above, in its June 4 order, this Court held that “Judge Ward reasoned that “the  
3 technologies [at issue], while different, are related in such a way that compels trying the patents  
4 together. Indeed, the accused products include both the Wi-Fi and Wi-MAX technologies. The  
5 parties are the same, and discovery will substantially overlap.” (Dkt No. 195 at 9).

6 Once this Court acknowledged the overlapping subject matter of the earlier filed Texas  
7 action, the Court should have transferred the case (and left any further decision to the Texas  
8 court) because there was clearly a “likelihood of a substantial overlap between the two suits.”  
9 “[T]he court in the *first-filed* action should decide whether there is an exception to the first-to-  
10 file rule.” *StemCells, Inc. v. Neuralstem, Inc.*, No. C 08-2364, 2008 WL 2622831, at \*4 (N.D.  
11 Cal. July 1, 2008). “If California is the most convenient forum, it is for the *Texas court* to  
12 transfer its case here.” *Girafa.com, Inc. v. Alexa Internet, Inc.*, No. C-08-02745, 2008 WL  
13 4500858, at \*8 (N.D. Cal. Oct. 6, 2008); *see also Texas Instruments Inc. v. Micron*  
14 *Semiconductor, Inc.*, 815 F.Supp. 994, 999 (E.D. Tex. 1993) (“[T]he Court cannot grant the  
15 relief TI requests for the reason that the first-to-file rule gives the *first-filed* court the  
16 responsibility to determine which case should proceed.”); *Cadle Co. v. Whataburger of Alice,*  
17 *Inc.*, 174 F.3d 599, 605 (5th Cir. 1999) (“Once the likelihood of a substantial overlap between  
18 the two suits has been demonstrated, it is ... *no longer up to the second filed court* to resolve the  
19 question of whether both should be allowed to proceed.”); *Huntsman Corp. v. Int’l Risk Ins. Co.*,  
20 No. 1:08-CV-029, 2008 U.S. Dist. LEXIS 33242, at \*14-15 (E.D. Tex. Apr. 22, 2008) (“[T]he  
21 first-to-file rule not only determines which court may decide the merits of substantially similar  
22 issues, but also establishes which court may decide whether the second suit filed must be  
23 dismissed, stayed or transferred and consolidated.”) (citations and internal quotations omitted).  
24 In deciding the merits of the transfer issue when there is clearly a likelihood of overlap between  
25 this case and the Texas Action, the Court exceeded the proper bounds of a transferor court.  
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1           **E.     Question 5**

2           The fifth question for which Wi-LAN seeks certification is as follows:

3                         Where another action is first-filed, and there is a substantial  
4                         overlap between the accused products and technology involved in  
5                         the two patent cases, is an otherwise meritorious motion to transfer  
6                         filed in the second action based on the first-filed rule undermined  
7                         by the fact that the patent holder also argues that the declaratory  
8                         judgment claims do not meet the case or controversy requirement  
9                         of *Medimmune*?

10           In its motion, Wi-LAN points out that the Court has announced what appears to be a *per*  
11           *se* rule of law that a declaratory judgment defendant may not transfer to an earlier-filed action (in  
12           this case, the Texas Action) between the parties involving the same subject matter (in this case,  
13           WiMAX products and WiMAX technology) where such motion is predicated upon the first to  
14           file rule, if the defendant also concedes that patents at issue in the second suit are not in dispute  
15           in the first-filed action.

16           Wi-LAN regards this as contrary to precedent. As discussed above in detail in regard to  
17           Question 3, numerous authorities hold that the court of a later-filed action may transfer to the  
18           venue of an earlier filed action where the subject matter overlaps, even if the asserted patents are  
19           different. Intel argues that the Court's June 4 order (Dkt. No. 195) did not announce a *per se* rule  
20           that a case should not be transferred when subject matter jurisdiction is contested; rather, the  
21           order was predicated upon a lack of evidence of overlap between the Texas and California  
22           actions. Intel's argument is inaccurate. First, Wi-LAN presented un rebutted evidence of the  
23           substantial overlap between WiMAX and Wi-Fi technologies in the form of Judge Ward's  
24           February 3 order, Intel's own white paper (*WiMAX\* and Wi-Fi\* Together: Synergies for Next-*  
25           *Generation Broadband*) comparing Wi-Fi and WiMAX (Dkt. No. 34-3 at 100-107) and the  
26           Declaration of Christian Dubuc (Dkt. No. 34-3 at 96-98).

27           Second, the Texas action includes WiMAX allegations. Wi-LAN Motion at 11 ("It is  
28           apparent that the subject matter and issues are not only similar, they are the same, including the  
29           same patented technologies, **Wi-MAX** patented technologies, and the same products at issue,  
30           Intel's **Wi-MAX** chips.'). Given that the Texas action includes WiMAX products, Intel's

1 apparent insistence that there is an evidentiary failure to compare its WiMAX products to  
2 themselves defies logic.

3 **IV. WI-LAN'S INTERLOCUTORY APPEAL WILL MATERIALLY ADVANCE THE**  
4 **ULTIMATE TERMINATION OF THE LITIGATION**

5 Intel argues that “even a successful interlocutory appeal would simply delay Wi-LAN's  
6 claims against Intel, and prolong the cloud created by Wi-LAN” because “Wi-LAN refuses to  
7 grant the necessary covenants not to sue....” Opp. at 13. In effect, Intel is arguing that absent  
8 covenants not to sue on every patent, there is always some possibility the case might be refiled at  
9 some future date and therefore the action is not completely terminated even if dismissed. This is  
10 absurd. If subject matter jurisdiction is found to be absent, the action will be dismissed. This is  
11 the “termination” to which the statute refers. For Intel to argue that termination of the litigation  
12 would not “advance the ultimate termination of the litigation” based on speculation about the  
13 possibility of refileing is simply wrong. Moreover, Intel’s argument that Wi-LAN’s post-filing  
14 unwillingness to supply covenants not to sue lacks merit because there was no prior request by  
15 Intel prior to the filing of the current action for Wi-LAN to furnish covenants not to sue.  
16 Moreover, if one were required to surrender one’s patent rights prior to certification, no question  
17 would ever be appropriate for interlocutory appeal.

18 Similarly, immediate appeal of a transfer order would materially advance ultimate  
19 termination. If transfer is ultimately held to be appropriate by the Federal Circuit, some years  
20 from now, this may result in the reversal of all this Court’s rulings in this case because the case  
21 was tried in the wrong forum.

22 **V. CONCLUSION**

23 For the foregoing reasons, Wi-LAN respectfully requests that the Court certify for  
24 interlocutory appeal its June 4 Order and stay this action pending resolution of the interlocutory  
25 appeal.

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Dated: September 14, 2009

Respectfully submitted,

By: /s/ Robert A. Cote

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**CERTIFICATE OF SERVICE**

The undersigned certifies that on this 14th day of September, 2009, all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document through the Court's CM/ECF system. Any other counsel of record will be served by facsimile transmission and/or first class mail.

By: /s/ Michael G. McManus  
Michael G. McManus