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13 UNITED STATES DISTRICT COURT

14 NORTHERN DISTRICT OF CALIFORNIA

15 SAN JOSE DIVISION

16

17 INTEL CORPORATION, 18 Plaintiff, 19 v. 20 WI-LAN, INC., 21 Defendant.	Case No. 5:08-cv-4555 JW (HRL) **OPPOSITION TO DEFENDANT WI-LAN, INC.'S MOTION FOR CERTIFICATION OF INTERLOCUTORY APPEAL AND MOTION TO STAY** Date: September 28, 2009 Time: 9:00 a.m. Courtroom: 8, 4th Floor Judge: Hon. James Ware

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I. INTRODUCTION

Nearly a year ago, Intel filed this action to resolve Wi-LAN's ongoing assertions of alleged "WiMAX" patents against Intel's WiMAX products. The present motion for certification of the Court's denial of Wi-LAN's motion to dismiss or transfer (the "Motion") is little more than Wi-LAN's latest effort to indefinitely delay resolution of the patent issues raised by Intel's complaint. An interlocutory appeal is reserved for exceptional circumstances where (1) there are controlling questions of law appropriate for interlocutory appeal; (2) substantial grounds for difference of opinion concerning such questions exist; and (3) an interlocutory appeal materially advances the ultimate termination of the litigation. 28 U.S.C. § 1292(b). Wi-LAN's motion, however, fails to meet these statutory requirements and instead merely reargues Wi-LAN's positions, which were already rejected by the Court. But if a mere disagreement with a court's application of the facts to settled law were sufficient, then every decision would be subject to interlocutory appeal by a losing party. Moreover, even if Wi-LAN's motion were considered as a motion for reconsideration, it should be denied. Wi-LAN is unable to properly bring such a motion, because the identical factual and legal arguments have already been presented in Wi-LAN's underlying motion to dismiss or transfer.

With respect to the first two requirements under § 1292(b), Wi-LAN's five alleged questions are not questions of law but instead concern the Court's application of the facts to undisputed legal standards—*i.e.,* the *Medimmune* "totality of the circumstances" test for subject matter jurisdiction and the first-to-file requirements for transfer. Such factual inquiries, however, are irrelevant to the determination of the appropriateness of an interlocutory appeal, which is reserved for exceptional circumstances in which a narrow question of law devoid of factual inquiries is presented.

With respect to the third requirement, Wi-LAN's motion should also be denied because an interlocutory appeal will not materially advance the ultimate termination of this litigation. As an initial matter, even a successful appeal on the transfer issue in these circumstances would merely change the forum for this action, not terminate it. Moreover, with respect to subject matter jurisdiction, Wi-LAN has refused to agree that the patents are not infringed, or that Wi-LAN will refrain from asserting the patents in the future. In fact, Wi-LAN confirmed to the Court on three

1 separate occasions—the May 4, June 23 and September 1, 2009 hearings—that it refuses to grant the
2 covenants not to sue necessary to terminate this case, and ultimately intends to attempt to license
3 Intel to the patents. As a result, an interlocutory appeal will subvert Intel's rights under the
4 Declaratory Judgment Act to clear the cloud created by Wi-LAN's assertions of the patents-in-suit.
5 As discussed below, courts routinely deny requests to certify orders on transfer and subject matter
6 jurisdiction for interlocutory appeal, and even the authorities relied upon by Wi-LAN rejected the
7 motions for certification presented in those cases, despite Wi-LAN's assertions to the contrary.

8 **II. PROCEDURAL HISTORY**

9 **A. Intel Filed This Action To Settle Its Rights Over Its WiMAX Products**

10 On September 30, 2008, Intel filed this action to resolve Wi-LAN's ongoing assertions of
11 eighteen alleged "WiMAX" patents against Intel's WiMAX products. Intel, together with many
12 other companies involved in communications and wireless technologies, worked for years to develop
13 and deploy a new fourth generation ("4G") cellular technology called "WiMAX," which is currently
14 being introduced by certain cellular companies. For years prior to the filing of this case, Wi-LAN
15 made continuous assertions of the patents-in-suit, which Wi-LAN referred to as its alleged "WiMAX
16 patents," against Intel's and others' WiMAX products. Docket No. 195 ("Order") at 6–7. Wi-LAN
17 provided a listing of the alleged WiMAX patents directly to Intel, asserting that any of Intel's
18 products complying with the WiMAX standards required a license to its alleged WiMAX portfolio.
19 *Id.* Wi-LAN confirmed these assertions in an in-person meeting in California with Intel, and again
20 in public press conferences, celebrating Intel's ongoing efforts to develop and commercialize
21 WiMAX, and confirming Wi-LAN's plan to extract royalties once the technology was more widely
22 adopted and the sales base had grown. *Id.* To resolve Wi-LAN's assertions, Intel exercised its rights
23 under the Declaratory Judgment Act by filing this action. Docket No. 1.

24 **B. The Court Denied Wi-LAN's Motion To Dismiss/Transfer And Ordered Wi-**
25 **LAN To Provide The Bases For Its Infringement Allegations**

26 On January 15, 2009, Wi-LAN moved to (1) dismiss this case for lack of personal
27 jurisdiction, improper venue and lack of subject matter jurisdiction; and (2) transfer the present
28 action to Texas where a case involving 20 parties and thousands of unrelated products is pending.

Docket No. 31. While Wi-LAN's motion was pending, Wi-LAN withdrew its motions concerning personal jurisdiction and venue. Docket No. 72. On June 4, 2009, the Court ruled against Wi-LAN in deciding the remaining grounds for Wi-LAN's motion to dismiss/transfer, finding a clear controversy between the parties as to the patents-in-suit, and that those patents were first-filed in this Court. Order at 9–10. After denying Wi-LAN's motion, the Court held a Case Management Conference on June 23, 2009. At the Case Management Conference, Wi-LAN contended that it had no basis to allege infringement of any of the patents-in-suit. However, Wi-LAN refused to grant covenants not to sue on sixteen of the seventeen patents-in-suit,[1] and conceded to the Court at the June 23, 2009 Case Management Conference that it ultimately intends to attempt to license Intel to the patents. One day before the June 23, 2009 Case Management Conference, Wi-LAN filed the present motion for interlocutory appeal under Section 1292(b). Docket No. 203. Since filing the motion, the Court has held another Case Management Conference in which the Court again confirmed that a case and controversy exists as to the patents-in-suit and that the patents will be litigated in this Court, not Texas.

III. THE PROPER LEGAL STANDARD AND AUTHORITIES

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). According to this Court, these requirements must be "construed narrowly" because "Section 1292(b) is a departure from the normal rule that only final judgments are appealable." *Hanni v. American Airlines, Inc.*, No. C 08-00732, 2008 WL 5000237, at *6 (N.D. Cal. Nov. 21, 2008). In addition, this Court has emphasized that a motion for certification should be granted "only when exceptional circumstances warrant it." *Id.*

[1] Since filing the present Motion, Wi-LAN granted Intel a covenant not to sue with respect to U.S. Patent 6,925,068, but Wi-LAN persists in its refusal to grant Intel covenants not to sue with respect to the remaining sixteen patents-in-suit.

1 **A. Controlling Questions Of Law**

2 The first prong of Section 1292(b) requires that the party seeking appeal of an interlocutory
3 order must raise "a controlling question of law" at issue in the order. The controlling question must
4 be purely legal in nature. *See Thomas Weisel Partners LLC v. BNP Paribas*, No. C 07-06198, 2009
5 WL 55946, at *4 (N.D. Cal. Jan. 7, 2009) (no certification of question regarding personal
6 jurisdiction because the question "merely challenges the factual basis for the finding of personal
7 jurisdiction, rather than raising any disputed or ambiguous question of law"); *McFarlin v. Conseco*
8 *Services, LLC*, 381 F.3d 1251, 1259 (11th Cir. 2004) ("The legal question must be stated at a high
9 enough level of abstraction to lift the question out of the details of the evidence or facts of a
10 particular case and give it general relevance to other cases in the same area of law"); *In re*
11 *Worldcom, Inc.*, No. M-47, 2003 WL 21498904, at *10 (S.D.N.Y. June 30, 2003) ("In regard to the
12 first prong, the 'question of law' must refer to a 'pure' question of law that the reviewing court 'could
13 decide quickly and cleanly without having to study the record'"); *Pittway Corp. v. Fyrnetics, Inc.*, 9
14 F.3d 977 (Fed. Cir. 1993) (unpublished) ("§ 1292(b) . . . contemplates review of pure questions of
15 law, not review of denials of summary judgment if facts may be in dispute. For proper certification,
16 it is necessary 'that the order involve a clear-cut questions of law against a background of determined
17 and immutable facts.'").

18 Thus, questions properly certified for interlocutory appeal under § 1292(b) include purely
19 legal issues such as whether supplemental jurisdiction under 28 U.S.C. § 1367 applies to foreign
20 patent infringement claims (*see, e.g.*, *Voda v. Cordis Corp.*, 476 F.3d 887, 889–90 (Fed. Cir. 2007));
21 whether the legal concept of "transfer of title through operation of law" exists in the context of patent
22 cases (*see, e.g.*, *Sky Technologies LLC v. SAP AG*, 296 Fed. Appx. 10, 11 (Fed. Cir. 2008)); whether
23 collateral estoppel precludes relitigating claim construction issues (*see, e.g.*, *Shire LLC v. Sandoz,*
24 *Inc.*, Misc. No. 893, 2009 WL 330235, at *1 (Fed. Cir. Feb 6, 2009)); and patent invalidity where
25 "the parties did not dispute the facts, and the district court specifically stated that the issue involved
26 in the summary judgment motion was a *purely legal* one" (*see, e.g.*, *Pioneer Hi-Bred Int'l, Inc. v.*
27 *J.E.M. AG Supply, Inc.*, No. 563, 1998 WL 780948, at *1 (Fed. Cir. Oct. 27, 1998) (unpublished)
28 (emphasis added)).

1 By contrast, questions requiring an appellate court to conduct a factual review of the record
2 are inappropriate for interlocutory appeal. *See, e.g.*, *Koehler v. Bank of Bermuda, Ltd.*, 101 F.3d
3 863, 866 (2d Cir. 1996) (refusing to certify question of whether facts supported exercise of personal
4 jurisdiction over defendant); *Garg v. Winterthur Life*, 573 F. Supp. 2d 763, 769 (E.D.N.Y. 2008)
5 (same); *Thomas Weisel Partners*, 2009 WL 55946, at *4 (same); *see Pittway Corp.*, 9 F.3d 977
6 (unpublished) (refusing to certify question whether the evidence on the record satisfied the best-
7 mode disclosure requirement).

8 As many courts have recognized, subject matter jurisdiction and transfer involve factual
9 inquiries and are therefore inappropriate for review under Section 1292(b). *See, e.g.*, *Rite-Hite Corp.*
10 *v. Delta T Corp.*, No. 06-C-1187, 2007 WL 1302722, at *1 (E.D. Wisc. May 3, 2007) (existence of a
11 case or controversy was not a controlling question of law because "the decision of this court [on case
12 or controversy] was predicated on the application of the correct legal standard to the alleged facts");
13 *Graves v. C & S Nat'l Bank of Georgia*, 491 F. Supp. 280, 282 (D.S.C. 1980) (refusing to certify
14 where transfer question lacked a "settled factual background necessary to sharply define the legal
15 issues to make this appeal appropriate").

16 **B. Substantial Ground For Difference Of Opinion**

17 The second prong requirement of Section 1292(b) requires that there be substantial ground
18 for difference of opinion regarding the legal question identified for appeal. Courts have found a
19 substantial difference of opinion when there is a circuit split on an issue of law (*see, e.g.*, *In re*
20 *Pappas*, 207 B.R. 379, 381–82 (B.A.P. 2d Cir. 1997)); when there are multiple diverging district
21 court cases on an unsettled question of law (*see, e.g.*, *Alexander v. Washington Mut., Inc.*, No. 07-
22 4426, 2008 WL 3285845, at *3 (E.D. Pa. Aug. 4, 2008)); or where statutes conflict with one another,
23 (*see, e.g.*, *Klein v. Vision Lab Telecommunications, Inc.*, 399 F. Supp. 2d 528, 532 (S.D.N.Y.2005)).

24 By contrast, this requirement is not met when the controlling question of law is well-settled.
25 *See, e.g.*, *Rite-Hite Corp.*, 2007 WL 1302722, at *1 (question of whether declaratory judgment
26 jurisdiction exists not appealable under Section 1292(b) "now that both the Supreme Court and the
27 Federal Circuit have spoken"); *White v. Nix*, 43 F.3d 374, 378 n.3 (8th Cir. 1994) (privilege issues
28 not appealable under Section 1292(b) because "these legal issues are not novel, nor is there a

1 substantial basis for difference of opinion, as the law is relatively well-settled"); *Johnston v.*
2 *Multidata Sys. Int'l Corp.*, No. G-06-CV-313, 2007 U.S. Dist. LEXIS 50879, at **6–7 (S.D. Tex.
3 July 13, 2007) (interlocutory appeal inappropriate despite potential "difference of opinion" where
4 court applied well-settled precedent in resolving arguments).

5 Contrary to Wi-LAN's approach here, courts also deny certification where the alleged
6 difference results merely from application of established law to different facts. *See, e.g.*, *Thomas*
7 *Weisel Partners*, 2009 WL 55946, at *4 (no difference of opinion where allegedly differing case law
8 "reached a different result based on different facts"); *Ruggeri v. Boehringer Ingelheim*
9 *Pharmaceuticals, Inc.* 585 F. Supp. 2d 308, 316 (D. Conn. 2008) (no difference of opinion where the
10 allegedly differing case law merely addressed "different facts" rather than a discrepancy in law).

11 **C. Whether Immediate Appeal Materially Advances The Ultimate Termination Of**
12 **Litigation**

13 The third prong of Section 1292(b) requires that immediate appeal of the interlocutory order
14 will "materially advance the ultimate termination of litigation."[2] Courts grant certification only
15 when a successfully appeal "would avoid protracted and expensive litigation." *See Hanni*, 2008 WL
16 5000237, at *6. By contrast, courts have rejected interlocutory appeals where there is evidence that
17 the appeal will delay the ultimate termination of the dispute. *See, e.g.*, *In re Investors Funding Corp.*
18 *Sec. Litigation*, 36 B.R. 1019, 1022 (S.D.N.Y. 1983) ("An interlocutory appeal would, under these
19 circumstances, far from expediting the ultimate termination of this litigation, merely delay the date
20 this matter will finally proceed to trial and add unnecessarily to the already enormous litigation
21 expenses all parties to this action have obviously incurred").

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[2] Courts also evaluate this requirement in determining whether an issue of law is "controlling." *See Hanni*, 2008 WL 5000237, at *6 ("Establishing that a question of law is controlling requires a showing that the 'resolution of the issue on appeal could materially affect the outcome of litigation in the district court.'").

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IV. ARGUMENT

A. Wi-LAN Has Not Presented Questions Of Law As To Which There Is A Substantial Difference Of Opinion

1. Question No. 1 Concerns The Court's Application Of The Facts Of This Case To The Settled *MedImmune* Standard, Not A Disputed Question Of Law

Question No. 1 does not present a disputed question of law.[3] Throughout these proceedings, Wi-LAN has never disputed that the accepted legal standard for subject matter jurisdiction was applied by the Court – the Supreme Court's "totality of the circumstances" test set forth in *MedImmune*. Instead of taking issue with the applicable legal standard, Wi-LAN's Question No. 1 raises an issue with the Court's application of that settled Supreme Court standard to the specific facts of this case. However, as confirmed by numerous courts, such issues are not appropriate for interlocutory appeal. *See, e.g.*, *Rite-Hite Corp.*, 2007 WL 1302722, at *1 (question of whether declaratory judgment jurisdiction exists not appealable under Section 1292(b) "now that both the Supreme Court [in *MedImmune*] and the Federal Circuit have spoken"); *Thomas Weisel Partners*, 2009 WL 55946, at *4; *McFarlin*, 381 F.3d at 1259; *Aspen Specialty Ins. Co. v. Muniz Eng'g, Inc.*, No. H-05-0277, 2006 WL 1663732, *3 (S.D. Tex. June 15, 2006); *In re Worldcom,* 2003 WL 21498904, at *10; *Pittway Corp.*, 9 F.3d at 977.

Contrary to Wi-LAN's assertions, the Court did not rely on solely Wi-LAN's public statements that the patents-in-suit are allegedly infringed by WiMAX products. In applying *MedImmune*'s "totality of the circumstances" test, the Court 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, including:

- An email exchange in April 2006 where Wi-LAN contacted Intel and made numerous statements asserting its "entire portfolio in . . .WiMAX" against Intel's WiMAX-compliant products;

[3] Wi-LAN's Question No. 1 states "Where a patentee has made general statements regarding the relationship of its patent 'portfolio' to a standard or technology area but has only made allegations of infringement or essentiality concerning specific patents within the portfolio, is there a 'definite and concrete' dispute as to those patents that have not been specifically asserted?" Mot. at 4.

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- A list attached to the above email that included fourteen of the patents-in-suit;
- Further email communications in which Wi-LAN asserted that it 'is the owner of fundamental wireless patents . . . in WiMAX, and the standards associated [with WiMAX]";
- A meeting between Wi-LAN and Intel in September 2006 where Wi-LAN asserted that "all companies complying with . . . the [WiMAX 802.16d and e standards] require a license to the Wi-LAN patent portfolio";
- Declaration testimony that Wi-LAN was "clear that Intel required a license to . . . the rest of Wi-LAN's entire alleged patent portfolio" based on Defendant's representations at the September meeting;
- Numerous public statements in which Defendant aggressively asserted its WiMAX patent portfolio, including statements specifically directed to Intel.

See Order at 6–7. Wi-LAN does not suggest that the Court erred in choosing to apply the *MedImmune* test or failed to take into account all of the relevant facts. Although Wi-LAN takes issue with the Court's assessment of one fact – *i.e.,* Wi-LAN's public statements – that is merely an issue with the Court's factual analysis and does not present a question of law appropriate for interlocutory appeal. *See Thomas Weisel Partners*, 2009 WL 55946, at *4; *McFarlin*, 381 F.3d at 1259; *In re Worldcom, Inc.*, 2003 WL 21498904, at *10.

Moreover, Wi-LAN's Question No. 1 frames the issue based on an incorrect factual premise; *i.e.,* that Wi-LAN "only made allegations of infringement or essentiality concerning specific patents." *See* Mot. at 4; n. 3, above. However, that assertion fails to recognize the numerous facts relied on by the Court, including that Wi-LAN sent a list of the patents to Intel and stated at a subsequent meeting that "all companies complying with . . . the [WiMAX] standards require a license to the Wi-LAN patent portfolio." *See* Order at 6. As a result of omitting these facts from the predicate of its question, Wi-LAN's Question No. 1 necessarily requires a factual analysis, at a minimum to determine whether other facts exist supporting subject matter jurisdiction.

Additionally, Wi-LAN has not satisfied § 1292(b)'s requirement that there be a substantial ground for difference of opinion concerning the controlling legal authorities. As stated above, Wi-LAN does not dispute the Court's use of the *MedImmune* test as the standard for subject matter jurisdiction, and in fact both parties agreed that was the proper test while briefing Wi-LAN's motion

1 to dismiss. *Compare* Docket No. 157 at 1, 13 (Wi-LAN's Reply to Intel's Opposition to Wi-LAN's
2 Motion to Dismiss or Transfer) (applying *Medimmune* standard) *with* Docket No. 122, Exh. A at 13–
3 15 (Intel's Amended Opposition to Wi-LAN's Motion to Dismiss) (same)). Contrary to Wi-LAN's
4 assertions, *Applera Corp. v. Mich. Diagnostics, LLC*, 594 F. Supp. 2d 150 (D. Mass. 2009) does not
5 present a "difference of opinion" for purposes of § 1292(b). In *Applera*, the court relied on the very
6 same *MedImmune* test applied by this Court in this case. *See id.* at 156. Although *Applera* reached a
7 different conclusion than this Court, that was due to *Applera*'s application of the *MedImmune* test to
8 the specific facts of that case. This type of "difference" does not satisfy § 1292(b). *See Rite-Hite*
9 *Corp.*, 2007 WL 1302722, at *1; *Thomas Weisel Partners*, 2009 WL 55946, at *4 (no difference of
10 opinion where allegedly differing case law addressed "reached a different result based on different
11 facts"); *Ruggeri*, 585 F. Supp. 2d at 316 (no difference of opinion where the allegedly differing case
12 law that merely addressed "different facts" rather than a discrepancy in law). Moreover, Wi-LAN
13 once again frames the issue on an incorrect factual premise – *i.e.,* that the facts in this case are
14 identical to *Applera* – which at a minimum would require an assessment of the specific facts in both
15 cases by the Federal Circuit and is therefore not appropriate for interlocutory appeal. *See Thomas*
16 *Weisel Partners*, 2009 WL 55946, at *4; *McFarlin*, 381 F.3d at 1259; *In re Worldcom, Inc.*, 2003
17 WL 21498904, at *10. As to Wi-LAN's reference to the "*Applera* line of cases" (Mot. at 7), no such
18 line of cases has been recognized by any controlling authority.

19 Similarly, Wi-LAN's reliance on *SanDisk Corp. v. Audio MPEG, Inc.*, No. C-06-02655, 2007
20 U.S. Dist. LEXIS 3079 (N.D. Cal. Jan. 3, 2007) does not present a "difference of opinion" under
21 § 1292(b). *SanDisk* was decided before *MedImmune*, based on the "reasonable apprehension of suit"
22 test that was overruled by the Supreme Court's *MedImmune* decision. *See id.* at **7–8; *MedImmune,*
23 *Inc. v. Genentech, Inc.*, 549 U.S. 118, 137 (2007). To the extent Wi-LAN is relying on *SanDisk* to
24 create a difference of law, that district court opinion is no longer good law and has no value as
25 precedent since it did not apply the proper *MedImmune* test. Moreover, as with *Applera*, the
26 *SanDisk* court was not presented with the same facts before this Court. *See SanDisk*, 2007 U.S. Dist.
27 LEXIS 3079, at **9–10. In order to assess the applicability of *SanDisk*, the Federal Circuit would
28 necessarily be required to compare the facts in both cases. The Federal Circuit will decline to

undertake any such inquiry on an interlocutory basis, and as such, certification is inappropriate. *See Thomas Weisel Partners*, 2009 WL 55946, at *4; *McFarlin*, 381 F.3d at 1259; *In re Worldcom, Inc.*, 2003 WL 21498904, at *1.

2. Question No. 2 Concerns The Court's Application Of The Facts Of This Case To The Settled *MedImmune* Standard, Not A Disputed Question Of Law

As with the first question, Wi-LAN's Question No. 2 raises a purely factual issue:[4] Wi-LAN does not dispute that *MedImmune* applies, but disputes the Court's application of *MedImmune* to the particular facts of this case. However, as discussed above, such questions are not appropriate for interlocutory appeal. *See Thomas Weisel Partners*, 2009 WL 55946, at *4; *McFarlin*, 381 F.3d at 1259; *In re Worldcom, Inc.*, 2003 WL 21498904, at *10. Wi-LAN concedes that the focus of Question No. 2 is whether there is sufficient evidence to support subject matter jurisdiction under *MedImmune*. *See* Mot. at 10 ("As discussed above, *MedImmune* requires ***far more evidence*** of a 'definite and concrete' dispute than a mere showing that the patentee has listed patents on its website.") (emphasis added).

As with Question No. 1, Wi-LAN's factual premise for Question No. 2 is also incorrect. Wi-LAN claims that certain patents "were not included in the list of patents" sent to Intel in 2006 and "have never been the subject of any communication of any nature among the parties." Mot. at 9. However, the list referenced two applications which ultimately were issued as two of the patents in question (U.S. Patent 7,289,467 and U.S. Patent 7,379,441) and are now among the patents-in-suit. *See* Docket. No. 90, Exh. 1. Moreover, as recognized by the Court in its Order, Wi-LAN made numerous assertions of its entire portfolio, including assertions after acquiring the patents in question. Order at 7 ("Defendant has made numerous public statements in 2007 and 2008 in which Defendant as asserted the strength of its WiMAX patent portfolio."). Because Wi-LAN's Question No. 2 would require the Federal Circuit to undertake a factual investigation regarding Wi-LAN's

[4] Wi-LAN's Question No. 2 states, "Does subject matter jurisdiction exist, i.e., is there a 'definite and concrete' dispute, as to patents which have never been the subject of any communication whatsoever between the declaratory plaintiff (Intel) and declaratory defendant (Wi-LAN) (applicable to Wi-LAN patents-in-suit 7,289,467, 7,317,704, and 7,379,441)?" Mot. at 4.

claims, certification is inappropriate. *See Thomas Weisel Partners*, 2009 WL 55946, at *4; *McFarlin*, 381 F.3d at 1259; *In re Worldcom, Inc.*, 2003 WL 21498904, at *10.

With respect to § 1292(b)'s "substantial grounds for difference of opinion" requirement, Wi-LAN does not provide any differences in questions of law with respect to Question No. 2 and thus is unable to meet § 1292(b) for that additional reason.

3. Question Nos. 3, 4 And 5 Concern The Court's Application Of The Facts Of This Case To Settled First-To-File Principles, Not A Disputed Question Of Law

Wi-LAN's third, fourth, and fifth questions[5] for appeal also require extensive factual inquiries, as these questions reduce to the same basic issue: whether there is substantial overlap between the present action and the action pending in Texas such that this Court should have found the Texas action the first-filed action on all of the current patents-in-suit, even though Wi-LAN never filed a claim on the patents in Texas. *See* Mot. at 4–5.

Wi-LAN does not dispute the legal standards regarding the first-to-file rule applied by the Court. To the contrary, Wi-LAN's proffered first-to-file standard is *identical* to that applied by the Court in its June 4, 2009 Order:

Wi-LAN's First-To-File Standard

> "In determining whether the first to file rule applies, a court looks to three threshold factors: '(1) the chronology of the two actions; (2) the similarity of the parties, and (3) the similarity of the issues.'" Mot. at 10.

June 4, 2009 Order First-To-File Standard

> "Three threshold issues should be considered when deciding whether to apply the first-to-file rule: (1) the chronology of the two actions; (2) the similarity of the parties; and (3) the similarity of the issues." Order at 8.

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[5] Wi-LAN's Question No. 3 states, "In ruling on a motion to transfer under the first-filed rule, is the issue of substantial overlap determined solely on whether the same patents are at issue in the two actions or should it be determined by the substantial overlap between the accused products and patented technology involved in the two suits?" Mot. at 4. Wi-LAN's Question No. 4 states, "Whether this Court exceeded the proper decision making function of a transferor court?" *Id.* Wi-LAN's Question No. 5 states, "Whether another action is first-filed, and there is a substantial overlap between the accused products and technology involved in the two patent cases, is an otherwise meritorious motion to transfer filed in the second action based on the first-filed rule undetermined by the fact that the patent holder also argues that the declaratory judgment claims do not meet the case or controversy requirement of *Medimmune*?" *Id.* at 5.

1 Rather than dispute the applicable legal standard, Wi-LAN takes issue with the Court's
2 application of that standard to the specific facts in this case – *i.e.,* whether the products, patented
3 features, and other aspects of this action sufficiently overlap with the Texas action to render the
4 Texas action first-filed even though Wi-LAN has never actually filed claims on the patents-in-suit in
5 Texas.

6 Additionally, Wi-LAN's questions Nos. 3–5 contain factual premises which are simply
7 incorrect. Contrary to Wi-LAN's assertions, the Court did not ignore Wi-LAN's allegations
8 concerning the overlap between this case and the Texas case. Instead, the Court acknowledged the
9 presence of the '759 patent in the Texas, as well as Judge Ward's order finding that with respect to
10 the '759 patent, the Texas action was first-filed. *See* Order at 9–10. Wi-LAN failed to present
11 evidence – either to this Court or to Judge Ward – that the Texas action was first-filed with respect
12 to the remaining seventeen patents-in-suit. On that basis, the Court found this case was first-filed as
13 to those seventeen patents. Wi-LAN places heavy reliance on Judge Ward's order on the '759 patent
14 to show overlap, arguing that because WiMAX is at issue in both cases, all of the patents should be
15 transferred to Texas. *See* Docket. No. 157 at 5. But, such evidence of overlap was insufficient. By
16 contrast, Intel presented evidence and argument to the contrary. *See* Docket No. 122, Exh. A at 23
17 (Intel's Amended Opposition to Wi-LAN's Motion to Dismiss). As the Court has recognized during
18 these proceedings, Wi-LAN's lawsuit in Texas on WiMAX does not entitle it to litigate every patent
19 allegedly relating to that technology there without regard to the specific focus of the patent or the
20 technical features the patent calls into issue. In fact, Wi-LAN maintained during the motion to
21 dismiss proceedings that it had no idea what features in Intel's products were called into issue in this
22 action, and as such could not show substantial overlap with the Texas action. *See, e.g.*, Docket. No.
23 157 at 8 (Wi-LAN's Reply to Intel's Opposition to Wi-LAN's Motion to Dismiss or Transfer).
24 Ultimately, Wi-LAN's complaint concerns a factual dispute over any alleged overlap, an inquiry not
25 appropriate for interlocutory appeal. *See McFarlin*, 381 F.3d at 1259; *In re Worldcom, Inc.*, 2003
26 WL 21498904, at *10.

27 Finally, with respect to Wi-LAN's Question No. 5, contrary to Wi-LAN's assertions, the
28 Court did not announce a "*per se* rule of law" that a party arguing lack of a case or controversy

1 cannot prevail on a motion to transfer offered in the alternative. Mot. at 13. Instead, in the
2 particular circumstances of this case, after considering Wi-LAN arguments concerning overlap based
3 on Judge Ward's order, the Court found that Wi-LAN had not met the test for being first-filed on the
4 patents-in-suit. *See* Order at 9–10. In ruling on this issue, the Court considered Wi-LAN's assertion
5 that it lacks information concerning the specific features in Intel's products called into issue, or the
6 ability to say whether its patents cover those features. *See id.* at 10. As such, the Court found there
7 is no dispute that the patents are not part of the Texas action. *See id.* Wi-LAN incorrectly
8 characterizes this analysis as an announcement of a "*per se* rule of law," when in actuality it results
9 from the Court's analysis of the facts of this case under the very first-filed test that Wi-LAN argues
10 should be applied here.

11 **B. Wi-LAN's Interlocutory Appeal Will Not Materially Advance The Ultimate**
12 **Termination Of The Litigation**

13 Contrary to Wi-LAN's assertions, an interlocutory appeal will not materially advance the
14 ultimate termination of this litigation. With respect to transfer, in the circumstances presented here,
15 even a successful appeal on that issue would merely change the forum for this action, not terminate
16 it. *See Graves v. C & S Nat'l Bank of Georgia*, 491 F. Supp. 280, 282 (D.S.C. 1980) (no certification
17 for review of transfer issue because "a decision for or against transfer does not end the litigation or
18 otherwise determine the rights of the parties as a trial would still be required at some later date.");
19 *Hanni*, 2008 WL 5000237, at *6 ("an interlocutory appeal should be certified only when doing so
20 'would avoid protracted and expensive litigation.'"). With respect to subject matter jurisdiction, Wi-
21 LAN refuses to grant the necessary covenants not to sue and conceded to the Court at the June 23,
22 2009 Case Management Conference that it ultimately intends to attempt to license Intel to the
23 patents. As such, even a successful interlocutory appeal would simply delay Wi-LAN's claims
24 against Intel, and prolong the cloud created by Wi-LAN by "waving the spectre of its WiMAX
25 patent portfolio." Order at 8.

26 Wi-LAN's own cases, *Advanced Analogic* and *Central Valley Chrysler-Jeep*, support Intel's
27 position. In both of these instances, the reviewing appellate courts *rejected* the appellant's request
28 for interlocutory review. *See Advanced Analogic Techs., Inc. v. Linear Tech. Corp.*, 213 Fed. Appx.

1 984, 985 (Fed. Cir. 2006) ("In this case, we conclude that interlocutory appeal is not warranted.")
2 (attached hereto as Exhibit 1); *Central Valley Chrysler-Jeep v. Witherspoon*, No. 05-80125 (9th Cir.
3 Jan. 27, 2006) ("The petition for permission to appeal pursuant to 28 U.S.C. § 1292(b) is denied.")
4 (attached hereto as Exhibit 2). Moreover, *Sawgrass Techs., Inc. v. Texas Original Graphics, Inc.*,
5 No. 06-1190, 2007 WL 634434 (Fed. Cir. March 2, 2007) and *Fisherman's Harvest, Inc. v. United*
6 *States Army Corps of Engineers*, 490 F.3d 1371 (Fed. Cir. 2007) are inapposite. Neither case
7 involved an interlocutory appeal under § 1292(b) and neither held, as Wi-LAN claims, that
8 "resolution of questions of transfer materially advances the ultimate termination of the action." Mot.
9 at 16. *Sawgrass* involved an improper appeal of a transfer order where the appellate court rejected
10 the appeal because the appellant failed to seek certification under § 1292(b). *Fisherman's Harvest*
11 involved an appeal pursuant to 28 U.S.C. § 1292(d)(4)(A), which is a special provision concerning
12 orders granting or denying a motion to transfer an action to the United States Court of Federal
13 Claims. Both cases made only passing reference to § 1292(b), and both confirmed that transfer is an
14 interlocutory issue typically inappropriate for review by an appellate court. *See Sawgrass Techs.*,
15 2007 WL 634434, at * 2 ("A transfer order, however, is interlocutory and not ordinarily subject to
16 immediate appeal"); *Fisherman's Harvest*, 490 F.3d at 1374 ("Generally, a transfer order is
17 interlocutory and not appealable").

18 **C. A Stay Is Improper Because It Will Not Conserve The Resources Of The Parties**
19 **Or The Court**

20 Wi-LAN's request for a stay should be denied as well. For years prior to the filing of this
21 case, Wi-LAN made continuous assertions of the patents-in-suit which Wi-LAN referred to as its
22 alleged "WiMAX patents" against Intel's and others' WiMAX products. To this day, Wi-LAN refers
23 to these patents as its "WiMAX patents" applicable to Intel's WiMAX products, but refuses to offer
24 covenants not to sue on them. As the Court has recognized, this has created an "enormous cloud"
25 over Intel's WiMAX products. Further delays to resolving that issue would be highly prejudicial to
26 Intel, which has invested billions in WiMAX and is entitled to certainty with respect to Wi-LAN's
27 patents. Moreover, Wi-LAN concedes that it intends to license Intel to the patents, and as such a
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1 stay would only delay resolution of this controversy, and increase the cost and complexity of this
2 matter, rather than conserve the resources of the parties and the Court. In fact, Wi-LAN's own
3 authority confirms that stays are not necessarily proper even if a court certifies a question of law for
4 interlocutory appeal. *See Central Valley Chrysler-Jeep v. Witherspoon*, No. CV-F-04-6663, 2005
5 WL 3470653, at *4 (E.D. Cal. Dec. 19, 2005) ("this court has not stayed the prosecution of this
6 action pending a decision by the Ninth Circuit whether to accept interlocutory review").
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8 **V. CONCLUSION**
9 For the foregoing reasons, Wi-LAN's motion should be denied.
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