

**UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

MOBILE TELECOMMUNICATIONS,	§	
TECHNOLOGIES, LLC,	§	
	§	
Plaintiff,	§	
	§	Civil Action No. 3:12-CV-1652-M
v.	§	
	§	
BLACKBERRY CORPORATION,	§	
	§	
Defendant.	§	

**ORDER**

Before the Court is Defendant’s Motion for Leave to Amend its Preliminary Invalidity Contentions [Docket Entry #220]. For the reasons stated herein, the Motion is **GRANTED**.

On May 29, 2012, Plaintiff Mobile Telecommunications Technologies, LLC (“Plaintiff” or “MTel”) filed suit against Defendant Blackberry Corporation (“Blackberry” or “Defendant”) for infringement of U.S. Patent Nos. 5,809,428 (“the ’428 Patent”), 5,754,946 (“the ’946 Patent”), 5,559,862 (“the ’862 Patent”), 5,894,506 (“the ’506 Patent”), and 5,581,804 (“the ’804 Patent”).<sup>1</sup>

Blackberry now moves for leave to amend its preliminary invalidity contentions, arguing that (1) Blackberry only recently became aware that MTel intends to claim a date of conception earlier than the filing date of the ’506 Patent; (2) MTel recently asserted a new “retransmission” theory for the ’946 Patent; and (3) Blackberry recently discovered

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<sup>1</sup> Dkt. No. 1 (Original Complaint). On July 19, 2013, Defendant Research in Motion Corporation filed a Notice of Change of Name of Party notifying the Court that its name changed to Blackberry Corporation. Dkt. No. 77.

that MTel produced an FCC Petition that omitted a substantial number of pages and a critical appendix.<sup>2</sup>

### I. Legal Standard

This Court's Patent Rules provide that "[a]mendment of preliminary or final invalidity contentions . . . may be made only by order of the presiding judge upon a showing of good cause."<sup>3</sup> "Good cause . . . may include . . . newly discovered prior art references."<sup>4</sup> A party seeking amendment of its preliminary invalidity contentions must state "that the newly discovered . . . prior art references were not known to that party prior to the motion despite diligence in seeking out the same."<sup>5</sup>

Courts generally have broad discretion to grant untimely motions to supplement invalidity or infringement contentions, but in exercising that discretion, four factors are typically considered: "(1) the explanation for the failure to meet the deadline; (2) the importance of the thing that would be excluded; (3) potential prejudice in allowing the thing that would be excluded; and (4) the availability of a continuance to cure such prejudice." *Arbitron, Inc. v. Int'l Demographics Inc.*, No. 2:06-CV-434 (TJW), 2009 WL 166555, at \*1 (E.D. Tex. Jan. 16, 2009) (citing *S & W Enters., L.L.C. v. Southtrust Bank of Ala., NA*, 315 F.3d 533, 535 (5th Cir. 2003)).

Because Blackberry seeks leave to amend its invalidity contentions to add new prior art references, the Court will and balance the foregoing factors and analyze whether Blackberry exercised diligence. The Court is persuaded that each of Blackberry's prior art references are, indeed, quite important to Blackberry's invalidity arguments, which

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<sup>2</sup> Dkt. No. 220 at 1.

<sup>3</sup> Amended Misc. Order No. 62 ¶¶ 3-7.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

weighs in favor of permitting the amendments. The availability of a continuance to cure any prejudice to MTel is a closer question, if only because MTel has not specifically identified how the amendment would impact its ability to meet the deadlines in the Court's Patent Scheduling Order. To the extent MTel discusses the deadlines, it does so only to note the fast-approaching fact discovery deadline. Whether that deadline may be extended without moving the trial date accordingly is an open question. Accordingly, the Court finds the "availability of a continuance" factor to be neutral. Thus, with respect to each category of proposed prior art references, the Court will analyze Blackberry's explanation for its failure to meet the deadline to serve its invalidity contentions and any potential prejudice to MTel.

## **II. Analysis**

### **A. "Magic Cap" References and MTel's Alleged Date of Conception**

Blackberry seeks leave to add the "Magic Cap" prior art references, claiming that it only recently discovered that MTel would be asserting a new priority date based on conception, diligence, and reduction to practice.

According to Blackberry, on November 21, 2012, it served its Interrogatory No. 7, which stated in relevant part:

For each Asserted Claim of the Patents-In-Suit, describe in detail all facts concerning its conception and reduction to practice, including but not limited to: identifying the date of conception, the date of reduction to practice of its subject matter, all acts [MTel] contend[s] represent diligence occurring between the dates of conception and reduction to practice, each person involve in such conception and reduction to practice, each person involved in such conception, diligence and/or reduction to practice, where its subject matter was first reduced to practice, when, where, and to whom its subject matter was first disclosed, and identifying each person, including third parties, who worked on the development of the

alleged invention(s) . . . describing each person's role . . . and the identity of all documents evidencing conception, diligence and reduction to practice.<sup>6</sup>

On December 21, 2012, MTel responded to Blackberry's Interrogatory No. 7 by referring Blackberry to MTel's not-yet-served preliminary infringement contentions.<sup>7</sup> On January 2, 2013, MTel served its preliminary infringement contentions and document production pursuant to Patent Rules 3-1 and 3-2, the latter rule requiring MTel to provide "[a]ll documents evidencing the conception, reduction to practice, design, and development of each claimed invention, that were created on or before the date of application for the patent in suit or the priority date identified under paragraph 3-1(a)(5), whichever is earlier."<sup>8</sup> Blackberry argues that the only documents produced by MTel that related to the invention claimed in the '506 Patent were three memoranda: the "Sheth Memo," the "Hunt Memo," and the "Huller Memo."<sup>9</sup> Blackberry argues that none of the foregoing memos provide evidence of conception because they describe other individuals as the creators of the ideas in the memos, not the '506 Patent's sole named inventor, Greg Pinter.<sup>10</sup>

On January 27, 2013, Blackberry notified MTel that its response to Interrogatory No. 7 was deficient, and two weeks later, MTel supplemented its response with the same memoranda, but did not explicitly claim a priority date earlier than the patent's filing

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<sup>6</sup> Dkt. No. 220-2, Def. App. 14, Def. Ex. A.

<sup>7</sup> Dkt. No. 220-2, Def. App. 32, Def. Ex. B. MTel's preliminary infringement contentions were scheduled to be served on December 31, 2012. *Id.*

<sup>8</sup> Dkt. No. 220-2, Def. App. 40-49, Def. Ex. C; *see* Amended Misc. Order No. 62 ¶ 3-2(a)(2).

<sup>9</sup> Dkt. No. 220-2, Def. App. 51-52, Def. Ex. D; *id.*, Def. App. 54 - 55, Def. Ex. E; *id.*, Def. App. 57, Def. Ex. F.

<sup>10</sup> Dkt. No. 220 at 3 (citing Def. Ex. D-F).

date.<sup>11</sup> Blackberry claims that it was not aware that MTel would be claiming a priority date different from the '506 Patent's filing date until September 10, 2014, when MTel produced expert reports exchanged in related cases in the Eastern District of Texas, specifically a July 29, 2014 report of Dr. Jay Kesan in which Dr. Kesan claimed the '506 Patent was entitled to a priority date at least as early as February 17, 1995 due to conception, diligence, and reduction to practice.<sup>12</sup> On September 22, 2014, MTel amended its response to Interrogatory No. 7 to add the following: "[t]he '506 is entitled to a priority date at least as early as February 17, 1995 . . . ." and identified two new memoranda—the "Huller II" memo and the "Deer" memo, neither of which identified Mr. Pinter as the originator of the ideas described in the memos.<sup>13</sup> On September 26, 2014, MTel again supplemented its response to Interrogatory No. 7, referencing five additional documents, including a functional requirements database referenced in the Kesan Report.<sup>14</sup>

The parties then discussed whether MTel would amend its preliminary infringement contentions to add an earlier priority date. MTel suggested that it would not oppose Blackberry amending its invalidity contentions if Blackberry would not oppose MTel amending its infringement contentions.<sup>15</sup> However, no agreement was reached.

After learning that MTel would be claiming an earlier priority date, Blackberry conducted its own search for prior art, and uncovered software called "Magic Cap," which was developed by General Magic, Inc. in partnership with Sony and Motorola and

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<sup>11</sup> Dkt. No. 220-2, Def. App. 62, Def. Ex. G; *id.*, Def. App. 80, Def. Ex. H.

<sup>12</sup> Dkt. No. 220-2, Def. App. 92, Def. Ex. J; *id.*, Def. App. 90, Def. Ex. I.

<sup>13</sup> Dkt. No. 220-2, Def. App. 128, Def. Ex. N; *id.*, Def. App. 136–37, 139–40, Def. Ex. O-P.

<sup>14</sup> Dkt. No. 220-2, Def. App. 161, Def. Ex. Q.

<sup>15</sup> Dkt. No. 220-2, Def. App. 171, Def. Ex. R.

used on devices that, although larger and slower, were similar to today's smartphone.<sup>16</sup> On September 24, 2014, Blackberry ordered the Sony "Magic Link," one of the first devices that operated using the Magic Cap software.<sup>17</sup> Over the next few months, Blackberry sought and collected additional references relating to the Magic Cap software.<sup>18</sup> Ultimately, Blackberry collected 1,500 pages describing the Sony Magic Link and Magic Cap software, from which it prepared invalidity charts for four additional references.<sup>19</sup> On January 16, 2015, Blackberry conferred with MTel about its intention to seek leave to amend its preliminary invalidity contentions, and on February 6, 2015, Blackberry provided to MTel the claim charts for the four references that describe the Magic Cap system ("Magic Cap References").<sup>20</sup>

MTel argues that Blackberry could have asserted each of the Magic Cap References long ago. First, MTel argues that each of the memoranda it originally produced in response to Interrogatory No. 7 references Mr. Pinter:

(1) The Sheth Memo, dated February 17, 1995, states "[check with Greg Pinter on PMU [personal mobile unit]. According to Greg 60K PMU from Motorola will have canned message origination functionality in September."<sup>21</sup>

(2) the Hunt Memo, dated April 27, 1994, attaches the Hays Memo, which is signed by Gregory Pinter below the last line of the second paragraph, and reads "Prearranged messages (Canned Messages) would be built that includes the user's name and other pertinent info."<sup>22</sup>

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<sup>16</sup> Dkt. No. 220 at 6.

<sup>17</sup> Dkt. No. 220-2, Def. App. 1, Def. Ex. 1 ¶ 3.

<sup>18</sup> Dkt. No. 220 at 7.

<sup>19</sup> *Id.* at 7–8 (citing Dkt. No. 220-2, Def. App. 2, Def. Ex. 1 ¶ 6).

<sup>20</sup> Dkt. No. 220-2, Def. App. 195, Def. Ex. T; *id.*, Def. App. 193.

<sup>21</sup> Dkt. No. 220-2, Def. App. 51–52, Def. Ex. D.

<sup>22</sup> Dkt. No. 220-2, Def. App. 54–55, Def. Ex. E.

(3) The Huller Memo, dated Feb. 23, 1995, states “Greg Pinter is working on getting ‘canned message’ origination into a version of the Tango PMU before September.”<sup>23</sup>

MTel further notes that Mr. Pinter testified in the November 2014 trial between MTel and Apple in the Eastern District of Texas (“*Apple* trial”) that the Sheth Memo shows he was already working on canned messages for the ’506 Patent.<sup>24</sup>

MTel further claims that Blackberry could have searched public records, including the Wall Street Journal and the Associated Press, to see that MTel had reduced its invention to practice in 1995, and if not, Blackberry admits it was present during the *Apple* trial. MTel argues that Samsung, a member of Blackberry’s Joint Defense Agreement, deposed Mr. Pinter on April 23, 2014, where he testified that he reduced to practice the invention of the ’506 Patent no later than September 1995.<sup>25</sup> MTel further argues that Blackberry admits it had the Kesan Report in September 2014, nearly five months before it served MTel with its Second Amended Invalidity Contentions.<sup>26</sup>

The Court finds that Blackberry has shown the requisite good cause to amend its preliminary invalidity contentions to add the Magic Cap References. Blackberry has adequately explained why the Magic Cap References were not initially included in its preliminary invalidity contentions—it was not aware that MTel would be seeking a priority date prior to the filing date of the ’506 Patent. Although MTel did initially produce the Sheth, Huller, and Hunt memoranda, those memos only indirectly refer to Mr. Pinter, the inventor of the ’506 Patent, and, in fact, feature other individuals as the source of the ideas discussed in the memos.

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<sup>23</sup> Dkt. No. 220-2, Def. App. 57, Def. Ex. F.

<sup>24</sup> Dkt. No. 229-1, Pl. App. 23, Pl. Ex. C.

<sup>25</sup> Dkt. No. 228 at 4–5 (citing Pl. App. 45, Pl. Ex. I).

<sup>26</sup> Dkt. No. 228 at 5–6 (citing Dkt. No. 220 at 4).

MTel argues that the references in the memos to Mr. Pinter should have put Blackberry on notice that MTel would be claiming an earlier priority date. However, even if the memos provided some notice to Blackberry, that does not negate MTel's serially deficient responses to Blackberry's Interrogatory No. 7, which MTel supplemented as late as September 26, 2014 to formally assert an earlier date of conception and reduction to practice. Immediately thereafter, Blackberry took a reasonable amount of time to search for and obtain prior art references that allegedly antedate MTel's new priority date.

MTel also argues that Blackberry should be charged with the knowledge and discovery obtained by Samsung and Apple, because they are all members of a Joint Defense Agreement. However, the Court will not excuse MTel's failure to adequately respond to discovery in this case based on discovery obtained by other defendants in cases before other courts. In fact, MTel is the only common party between this case and the other cases, which at a minimum, diminishes prejudice to MTel.

Finally, although Blackberry could have conducted its own search for documents in the public record that evidenced MTel's earlier reduction to practice, it had no reason to do so given MTel's February 8, 2013 representation that it had "provided all documents within its current possession, custody, or control, which evidence conception, reduction to practice, design, and development of the claimed inventions . . . ." <sup>27</sup> Because each of the foregoing memos did not directly refer to Mr. Pinter as the inventor of the ideas discussed, Blackberry presumably concluded that a public search for more probative documents evidencing an earlier reduction to practice would be futile.

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<sup>27</sup> Dkt. No. 220-2, Def. App. 90, Def. Ex. I.



Having found Blackberry adequately explained its failure to include the Magic Cap References in its preliminary invalidity contentions and that MTel will suffer minimal prejudice, the Court **GRANTS** Blackberry's Motion for Leave to Amend its Preliminary Invalidity Contentions to add the Magic Cap References.

### **B. MTel's Retransmission Theory**

Blackberry argues that, on November 2014, in the *Apple* trial, MTel presented a new retransmission theory for the '946 Patent. Around the same time, MTel filed a Notice of Supplemental Claim Construction Authority notifying this Court of a relevant jury instruction provided in the *Apple* trial:

“Retransmission” carries its plain and ordinary meaning. The Court has held that the plain and ordinary meaning of the word “retransmission” is not itself so limited as to require that a retransmission can only occur after a first transmission of a message from a communications network to a mobile unit.<sup>28</sup>

Blackberry argues that, at a minimum, MTel's initially ambiguous infringement contentions regarding “retransmission” were substantially clarified during the *Apple* trial.<sup>29</sup> Thus, Blackberry immediately found two new prior art references that it claims address MTel's theory regarding “retransmission”—U.S. Patent Nos. 5,487,100 (“the '100 Patent”) and 5,448,759 (“the '759 Patent”).<sup>30</sup> Blackberry completed the invalidity charts for these new references on January 9, 2015, and, one week later, notified MTel of its intent to amend its invalidity contentions accordingly.

MTel argues that its infringement theory has been consistent throughout this case and has not changed since it served its preliminary infringement contentions. It contends

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<sup>28</sup> Dkt. No. 201 at 1. Blackberry notes that Judge Payne denied MTel's request to include the same instruction in its case against Samsung. Dkt. No. 220 at 8 n. 3.

<sup>29</sup> Dkt. No. 240 at 4–5.

<sup>30</sup> Dkt. No. 220 at 8.

that it has always argued that, when a Blackberry device does not receive and display a portion of a message, the user may request retransmission.<sup>31</sup> MTel further argues that its theory of retransmission is consistent with the plain and ordinary meaning of the term and was even reflected in the prior art Blackberry itself asserted in November 2013.<sup>32</sup> MTel notes that Blackberry previously asserted the '100 Patent as a reference in its original invalidity contentions on November 25, 2013, but later withdrew it.<sup>33</sup> Finally, MTel argues that Blackberry's original invalidity contentions reference Motorola 30 times, and the '759 Patent is also by Motorola, which undercuts Blackberry's diligence argument.

The Court finds that Blackberry has shown the requisite good cause to amend its preliminary invalidity contentions to add the '759 Patent and '100 Patent as prior art references. The parties' correspondence with the Court indicates that the dispute over "retransmission" is a new development. *See* Final Claim Construction Order, Ex. A, at 12 n. 4. Essentially, MTel argues that "retransmission" should be given its plain and ordinary meaning, and Blackberry responds that the plain and ordinary meaning proffered by MTel would lead to nonsensical results that are inconsistent with the asserted claims and the specification of the '946 Patent. While MTel may ultimately persuade the Court that its interpretation of "retransmission" is correct, that is not by itself a sufficient reason to deny Blackberry leave to amend its invalidity contentions to address this apparently new dispute between the parties. Moreover, because the '100 Patent was already asserted by Blackberry in this case, there is little risk that MTel will suffer prejudice as a result of that reference. Accordingly, the Court **GRANTS** Blackberry leave to amend its

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<sup>31</sup> Dkt. No. 228 at 6 (citing Pl. App. 48–50, Pl. Ex. J).

<sup>32</sup> Dkt. No. 228 at 7 (citing Blackberry's Nov. 25, 2013 Amended Invalidity Contentions, Zabarsky Reference (U.S. Patent No. 4, 644,351)).

<sup>33</sup> Dkt. No. 228 at 9, n. 1.

preliminary invalidity contentions to add the '759 Patent and '100 Patent as prior art references.

### **C. The FCC Petition**

Blackberry also moves for leave to add an FCC petition to its prior art references. According to Blackberry, in 1991, Mobile Telecommunication Technologies Corp. submitted a petition asking the FCC to adopt rules and policies for a nationwide wireless network (“the FCC Petition”).<sup>34</sup> The FCC Petition itself was thirty-two pages, and its accompanying appendix was twenty-one pages and described a system for implementing a nationwide wireless network.<sup>35</sup> Blackberry claims that MTel produced an incomplete copy of the FCC Petition on November 12, 2014, omitting 14 pages and the appendix.<sup>36</sup> Blackberry notes that Apple moved for a new trial based on the newly discovered FCC Petition, and alleges that MTel was aware of the FCC Petition as early as September 15, 2014, and possibly as early as 2008. Blackberry argues that Patent Rule 3-2 and Blackberry’s numerous discovery requests required MTel to produce the entire FCC Petition and appendix.<sup>37</sup> For example, Blackberry’s Request for Production No. 63 required MTel to produce “[a]ll communications, publications, abstracts, papers, presentations, or speeches delivered to the [FCC] from January 1, 1990 to September 5, 1996.”<sup>38</sup> Blackberry claims to have received the full FCC Petition and appendix from Apple on January 13, 2015.<sup>39</sup>

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<sup>34</sup> Dkt. No. 220-2, Def. App. 197–298, Def. Ex. U.

<sup>35</sup> Dkt. No. 220-2, Def. App. 238–58, Def. Ex. U.

<sup>36</sup> Dkt. No. 220-2, Def. App. 300, Def. Ex. V.

<sup>37</sup> Dkt. No. 220 at 9 (citing Def. App. 14, Def. Ex. A; Def. App. 330, 332, Def. Ex. X; Def. App. 349, Def. Ex. Y).

<sup>38</sup> Dkt. No. 220-2, Def. App. 349, Def. Ex. Y.

<sup>39</sup> Dkt. No. 220 at 9.

MTel argues that Blackberry has not shown diligence—Blackberry admits it had in November 2014 part of the FCC Petition, which has been publicly available on the FCC website. Moreover, the FCC Petition was supported by a separate document, “MTel’s FCC Technical Feasibility Demonstration,” which was produced to and cited by Blackberry in its November 2013 invalidity contentions. MTel’s FCC Technical Feasibility Demonstration lists the FCC Petition on its front cover and cites to it in a footnote.<sup>40</sup>

The Court finds that Blackberry has shown good cause to amend its preliminary invalidity contentions to add the FCC Petition. MTel does not deny that it produced an incomplete copy of the FCC Petition in November 2014. Moreover, MTel does not explain why it did not produce the FCC Petition and appendix in response to the discovery requests cited by Blackberry. Blackberry’s ability to find the FCC Petition on the Internet or piece together footnotes and citations from other documents does not nullify MTel’s obligation to respond completely and accurately to Blackberry’s discovery requests. Additionally, as already stated, the Court will not impute to Blackberry knowledge obtained from discovery in other cases in the Eastern District of Texas between MTel and Apple or Samsung. Given that MTel produced part of the FCC Petition, the Court is persuaded that MTel would suffer little prejudice if Blackberry were granted leave to amend its preliminary invalidity contentions to add the FCC Petition and appendix. Thus, the Court **GRANTS** Blackberry’s Motion for Leave to Amend its Preliminary Invalidity Contentions to add the FCC Petition and its accompanying appendix.

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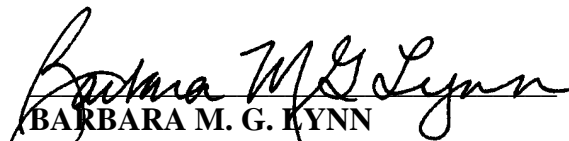
<sup>40</sup> Dkt. No. 228 at 11 (citing Pl. App. 46, Pl. Ex. L; Pl. App. 60, 63, Pl. Ex. M).

### III. Conclusion

Because the Court finds that Blackberry has adequately explained its failure to include the foregoing prior art references in its preliminary invalidity contentions, and that MTel would suffer little prejudice if the proposed amendments are permitted, the Court **GRANTS** Blackberry's Motion for Leave to Amend its Preliminary Invalidity Contentions. The parties are **ORDERED** to confer and report to the Court within ten days of this Order whether an extension of the fact discovery deadline and/or other deadlines is necessary.

**SO ORDERED.**

May 19, 2015.

  
BARBARA M. G. LYNN  
UNITED STATES DISTRICT JUDGE  
NORTHERN DISTRICT OF TEXAS