

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

PACT XPP SCHWEIZ AG,)
)
Plaintiff,)
)
v.) C.A. No. 19-1006 (JDW)
)
INTEL CORPORATION,)
)
Defendant.)

**INTEL CORPORATION'S BRIEF IN SUPPORT OF ITS
MOTION TO COMPEL DISCOVERY**

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PACT XPP Schweiz AG (“PACT”) filed this 12-patent lawsuit on February 7, 2019, accusing numerous Intel Corporation (“Intel”) technologies, and nearly all Intel processors from 2013 forward. PACT is the successor to a German licensing company, PACT XPP Technologies. D.I. 1 at 2. Before filing this case, PACT XPP Technologies went through a restructuring process where it transferred its patent portfolio to PACT, changed its place of incorporation from Germany to Lichtenstein, and opened an office in Switzerland. PACT, in its current form, has only two employees: Martin Vorbach and Gotz Gleichmann.

Intel now seeks an Order (i) allowing each party to serve two Rule 30(b)(6) deposition notices at different points in fact discovery (i.e., an early deposition now covering the existence and location of key documents, and a second deposition later on the merits of the case), (ii) compelling PACT to produce a witness in response to Intel’s 30(b)(6) deposition notice served September 17, 2019 regarding document issues, and (iii) compelling PACT to make Mr. Vorbach—an inventor on all 12 asserted patents—available at two different points during discovery for the already-ordered 14-hours of deposition in his personal capacity. Intel requests this relief so it can defend itself against PACT’s claims.

Intel served its September 30(b)(6) Notice to understand what documents exist and were collected relating to, *inter alia*, the asserted patents and other PACT-related corporate issues. Even though this case is nearly a year old, PACT, a foreign entity that acquired the patents-in-suit from another foreign entity, has still not produced key categories of documents and many, if not all, of PACT’s witnesses and relevant third-parties are located overseas. PACT refuses to provide a witness to testify in response to Intel’s September 30(b)(6) Notice and to otherwise agree to a plan for taking discovery of its overseas witnesses that will allow Intel to get the

discovery it needs. Putting a discovery plan in place now will prevent future disputes between the parties and ensure both sides a reasonable amount of deposition discovery.

Procedural Background

The Scheduling Order provides the following limitations on deposition discovery: (i) 120 hours per side; (ii) depositions of Mr. Vorbach in his personal capacity limited to 14 hours unless otherwise agreed or ordered; (iii) that the parties meet and confer on time limits of Rule 30(b)(6) witnesses; and (iv) the parties work together to avoid unnecessary duplication of deposition topics where witnesses are deposed in both their 30(b)(6) and 30(b)(1) capacities. D.I. 20 at 3(e)(i). PACT has served Rule 26 disclosures and ESI disclosures that listed only two witnesses likely to have discoverable information: Mr. Vorbach and Mr. Gleichmann.

Even though PACT requested a rapid substantial completion of document production date of December 12, 2019 (D.I. 13 at ¶ 3(b), which the Court rejected) and stated in its Rule 26 disclosures that the sole location of relevant documents was the law offices of Quinn Emanuel in Los Angeles, multiple categories of PACT documents critical to the case still have not been produced to Intel, including: conception and reduction to practice documents, documents showing the complete chain of title for the asserted patents, documents showing PACT's and its predecessors' business organization, and documents relating to licensing of the asserted patents. When asked to produce these documents (and others), PACT's counsel repeatedly stated that it is still investigating the existence and location of such documents.

Accordingly, Intel served its first 30(b)(6) notice on September 17, 2019, directed to topics including the existence and location of documents critical to Intel's defenses. D.I. 34. Confirming the need for that discovery, three days later (and seven months after having sued Intel), PACT disclosed for the first time the existence of an additional "server" and "archive

room” located in Munich, Germany. PACT then objected to Intel’s Notice—claiming the deposition would be too burdensome—and refused to produce a witness. The parties have since met and conferred multiple times, and raised other issues, including (1) the number of 30(b)(6) notices permitted (PACT would only agree to a single 30(b)(6) notice), and (2) whether Intel may depose Mr. Vorbach in his personal capacity at two different points during fact discovery (or whether the ordered 14 hours of deposition must occur on consecutive days). Intel made the following compromise position to address all of these issues, which PACT rejected:

Intel’s Proposal to PACT (sent verbatim to PACT on November 13, 2019):

Within the 120-hour time limit set by the Court, the parties may serve up to three Rule 30(b)(6) notices and those depositions may occur at different points in the litigation. The parties will meet and confer in good faith regarding the content and timing of Rule 30(b)(6) depositions. As part of this agreement, PACT will work with Intel to promptly schedule a 30(b)(6) deposition of PACT on the topics set forth below. PACT may similarly take an early 30(b)(6) deposition of Intel. Once PACT serves the specific topics for that deposition, the parties will meet and confer regarding appropriate scope.

Within the current 14-hour deposition limit for Mr. Vorbach in his personal capacity, Mr. Vorbach may be deposed on non-consecutive days at two different points in the case, each at a date and location mutually agreed by the parties.

30(b)(6) Topics Relating to PACT’s Document Collection and Preservation Efforts

1. Relationship between PACT, Scientia Sol Mentis AG, and PACT XPP Technologies, including financial arrangements, contractual obligations to assist with litigation, overlapping employees, officers, and/or board members, and communications regarding Intel or the Patents-In-Suit.
2. Relationship between PACT and each inventor on the Patents-In-Suit, including financial relationship, contractual obligations to assist with litigation, and communications regarding Intel or the Patents-In-Suit.
3. Efforts by PACT and its corporate predecessors to identify, review, collect, obtain, preserve, or transfer documents concerning the Patents-In-Suit, Inventors, or Intel prior to the filing of the complaint.
4. When PACT or its corporate predecessors first anticipated potential litigation against Intel involving any of the Patents-In-Suit or any Related Patents or Patent Applications.

5. PACT's knowledge regarding the existence and location of potentially relevant documents to this litigation not in its possession, custody, or control.

PACT's position is that Intel is limited to a single 30(b)(6) notice, that a deposition on the existence and location of PACT's documents is too burdensome on PACT, that Intel should provide written deposition questions or Interrogatories to PACT in lieu of a deposition on the above topics, and that Mr. Vorbach will only be made available for deposition once in the case.

PACT Should Be Compelled To Provide Reasonable Deposition Discovery

Intel seeks an Order requiring deposition discovery that will permit it to defend against PACT's claims. Although the parties negotiated, and the Court ordered, 120 hours of deposition time per side, PACT did not disclose at that time that it has only two employees. PACT has not produced basic documents relating to its claims and Intel's defenses despite originally filing this case in February 2019, and this discovery is gating Intel from further developing its defenses.

First, both parties should be permitted to serve two Rule 30(b)(6) notices during fact discovery. It is important that Intel be permitted *now* to depose PACT on document issues. Intel may need to initiate Hague discovery for third parties associated with PACT and its predecessor; however, based on PACT's limited document production and refusal to provide a witness, Intel is in the dark about what documents PACT has in its possession and what is in the possession of third parties scattered around Europe. Additionally, the parties' deadline for joinder of other parties is March 13, 2020, and Intel's deadline to add a claim for inequitable conduct is just three months later. Intel is entitled to take testimony on what documents exist now, what existed in the past, where those documents are now, and who has them. *Then*, later in fact discovery, once ESI and other documents are produced, Intel should also be permitted to depose PACT on *other, non-duplicative* issues (e.g., the 12 asserted patents, Mr. Vorbach's purported technology development, PACT's licensing efforts). Limiting Intel to a single 30(b)(6) deposition would

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