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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA; and BECTON,
DICKINSON and COMPANY,

Plaintiffs,

v.

AFFYMETRIX, INC.; and LIFE
TECHNOLOGIES CORP.,

Defendants.

Case No.: 17-cv-01394-H-NLS

**ORDER GRANTING DEFENDANTS'
MOTION FOR LEAVE TO AMEND
THEIR INVALIDITY
CONTENTIONS**

[Doc. No. 216.]

On July 18, 2018, Defendants Affymetrix, Inc. and Life Technologies Corp. filed a motion for leave to amend their invalidity contentions. (Doc. No. 216.) On August 13, 2018, Plaintiffs the Regents of the University of California, Becton, Dickinson and Company, Sirigen, Inc., and Sirigen II Limited filed a response in opposition to Defendants' motion. (Doc. No. 262.) On August 17, 2018, the Court took the matter under submission. (Doc. No. 263.) On August 20, 2018, Defendants filed a reply. (Doc. No. 265.) For the reasons below, the Court grants Defendants' motion for leave to amend their invalidity contentions.

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UC Ex-2005
Thermo Fisher v. UC Regents

Background

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2 On July 10, 2017, Plaintiffs Regents and Becton, Dickinson filed a complaint for
3 patent infringement against Defendants Affymetrix and Life Technologies, alleging
4 infringement of U.S. Patent No. 9,085,799, U.S. Patent No. 8,110,673, and U.S. Patent No.
5 8,835,113. (Doc. No. 1, Compl.) On September 8, 2017, Defendants filed an answer to
6 Plaintiffs' complaint. (Doc. No. 37.)

7 On October 6, 2017, the Court issued a scheduling order. (Doc. No. 55.) On
8 November 20, 2017, the Court denied Plaintiff Becton, Dickinson's motion for a
9 preliminary injunction without prejudice. (Doc No. 69.) On November 30, 2017, the Court
10 issued an amended scheduling order. (Doc. No. 76.)

11 On February 7, 2018, the Court granted the parties' joint motion for leave for
12 Plaintiffs to file a first amended complaint and to modify the scheduling order. (Doc. No.
13 100.) On February 9, 2018, Plaintiffs filed a first amended complaint: (1) adding Sirigen
14 and Sirigen II as additional Plaintiffs and adding claims that Defendants' products infringe
15 four Sirigen patents: U.S. Patent No. 9,547,008, U.S. Patent No. 9,139,869, U.S. Patent
16 No. 8,575,303, and U.S. Patent No. 8,455,613; (2) adding infringement allegations against
17 additional accused products; and (3) adding allegations of induced infringement against
18 Defendants. (Doc. No. 101, FAC.)

19 On February 23, 2018, the Court issued a second amended scheduling order. (Doc.
20 No. 105.) On March 26, 2018, the Court issued a claim construction order, construing
21 disputed claim terms from the '799 patent, the '673 patent, and the '113 patent. (Doc. No.
22 138.) On May 1, 2018, the Court granted Defendants' motion for summary judgment of
23 non-infringement of the '799 patent. (Doc. No. 170.) On May 14, 2018, the Court denied
24 Defendants' motion for summary judgment of non-infringement of the '673 patent and the
25 '113 patent. (Doc. No. 183.)

26 By the present motion, Defendants move pursuant to Patent Local Rule 3.6(b)(3) to
27 amend their invalidity contentions. (Doc. No. 216-1.) Specifically, Defendants seek to
28 amend their invalidity contentions for the '673 patent and the '113 patent to add two

1 additional prior references, the Yang reference and the Hou reference, and to clarify their
2 contentions as to the “AF750APC” reference. (Id. at 1; see Doc. No. 217, Watson Decl.
3 Ex. A.)

4 Discussion

5 **I. Legal Standards**

6 Patent Local Rule 3.3 require a party opposing a claim of patent infringement to
7 serve on all parties its “Invalidity Contentions” within 60 days after being served with the
8 “Disclosure of Asserted Claims and Infringement Contentions.” Patent Local Rule 3.6(b)
9 provides:

10 As a matter of right, a party opposing a claim of patent infringement may
11 serve “Amended Invalidity Contentions” no later than the completion of claim
12 construction discovery. Thereafter, absent undue prejudice to the opposing
13 party, a party opposing infringement may only amend its validity contentions:

14 . . .

15 3. upon a timely motion showing good cause.

16 The Federal Circuit has explained that patent local rules such as these “requir[e] both
17 the plaintiff and the defendant in patent cases to provide early notice of their infringement
18 and invalidity contentions, and to proceed with diligence in amending those contentions
19 when new information comes to light in the course of discovery. The rules thus seek to
20 balance the right to develop new information in discovery with the need for certainty as to
21 the legal theories.” O2 Micro Int’l Ltd. v. Monolithic Power Sys., Inc., 467 F.3d 1355,
22 1365–66 (Fed. Cir. 2006). “In contrast to the more liberal policy for amending pleadings,
23 ‘the philosophy behind amending claim charts is decidedly conservative, and designed to
24 prevent the “shifting sands” approach to claim construction.’” Verinata Health, Inc. v.
25 Ariosa Diagnostics, Inc., 236 F. Supp. 3d 1110, 1113 (N.D. Cal. 2017).

26 To establish “good cause” under Patent Local Rule 3.6(b)(3), the moving party must
27 demonstrate that it “has acted diligently and the opposing party will not be prejudiced.” Id.
28 (“[T]he moving party bears the burden of demonstrating good cause.”); see O2 Micro,

1 467 F.3d at 1355. “[T]he diligence required for a showing of good cause has two subparts:
2 (1) diligence in discovering the basis for amendment; and (2) diligence in seeking
3 amendment once the basis for amendment has been discovered.” Karl Storz Endoscopy-
4 Am., Inc. v. Stryker Corp., No. 14-CV-00876-RS (JSC), 2016 WL 2855260, at *3 (N.D.
5 Cal. May 13, 2016). Further, in the context of a motion for leave to amend contentions,
6 “[p]rejudice is typically found when amending contentions stand to disrupt the case
7 schedule or other court orders.” Id.; see WhatsApp Inc. v. Intercarrier Commc’ns, LLC,
8 No. 13-CV-04272-JST, 2014 WL 12703766, at *4 (N.D. Cal. Sept. 3, 2014).

9 **II. Analysis**

10 A. Diligence

11 Defendants have demonstrated that despite their current need to amend their
12 contentions to add two recently discovered prior art references, they were diligent in their
13 previous prior art searches. On May 15, 2018, Defendants served Plaintiffs with their
14 second amended invalidity contentions regarding the ’673 patent, the ’113 patent, and the
15 ’799 patent. (Doc. No. 217, Watson Decl. ¶ 9, Ex. H.) Less than two weeks prior,
16 Defendants also served Plaintiffs with their initial invalidity contentions regarding the ’008
17 patent, the ’869 patent, the ’303 patent, and the ’613 patent. (Id. ¶ 8, Ex. G.) These
18 invalidity contentions spanned 247 pages and included 107 prior art references and
19 numerous claim charts. (Id. Exs. G, H.) The thoroughness of Defendants’ prior invalidity
20 contentions demonstrates their diligence. See Karl Storz Endoscopy-Am., 2016 WL
21 2855260, at *4 (“[Defendant’s] initial invalidity contentions themselves belie a finding that
22 its search was not diligent: they included over 500 prior art references among the 31 claim
23 charts and 400 additional pages of analysis addressing [plaintiff]’s claims. It strains
24 credulity to imagine that [defendant] was not diligent in uncovering and evaluating this
25 many references.”).

26 In addition, Defendants’ diligence in preparing their prior invalidity contentions is
27 underscored by the number of patents and claims at issue in this case. In the present action,
28 Plaintiffs allege infringement of over a hundred patent claims. (Doc. No. 101, FAC ¶¶ 54,

1 61, 72, 84, 93, 104, 111.) Courts “have found good cause to amend invalidity contentions
2 due to the large scope of the initial prior art search” based on the number of claims being
3 asserted in the action. Karl Storz Endoscopy-Am., 2016 WL 2855260, at *5; see, e.g.,
4 Network Prot. Scis., LLC v. Fortinet, Inc., No. C 12-01106 WHA, 2013 WL 1949051, at
5 *2 (N.D. Cal. May 9, 2013).

6 Further, Defendants were diligent in moving to amend their contentions. Defendants
7 became aware of the Hou and Yang references sometime after May 15, 2018, during the
8 time when they were preparing their IPR petitions. (Doc. No. 217, Watson Decl. ¶ 11.)
9 Defendants gave Plaintiffs notice of their intent to move for leave to amend their
10 contentions to include these two references on July 11, 2018, and Defendants filed the
11 present motion on July 18, 2018, about two months later. (Doc. No. 217, Watson Decl. ¶
12 12; Doc. No. 216.) The less than two months period between the time Defendants
13 discovered the references at issue and the time Defendants gave Plaintiffs notice of their
14 intent to amend their invalidity contentions is reasonable and establishes Defendants’
15 diligence in seeking leave to amend.¹ See Karl Storz Endoscopy-Am., 2016 WL 2855260,
16 at *7 (finding diligence where the defendant moved for leave to amend within two months
17 of discovering the references at issue and within one month of filing its IPR petition);
18 Radware Ltd. v. F5 Networks, Inc., No. C-13-02021-RMW, 2014 WL 3728482, at *2
19 (N.D. Cal. 2014) (“[U]nder these particular facts, three months’ delay in moving for leave
20 to amend does not undermine [defendant’s] diligence.”).

21 Plaintiffs argue that Defendants could not have been diligent in their previous prior
22 art searches because the Hou and Yang references were both published in major journals
23 in the relevant field and both references are cited in “Huang (2004),” a reference that was
24 included in Defendants’ initial December 15, 2017 invalidity contentions. (Doc. No. 262
25

26
27 ¹ Plaintiffs criticize Defendants for failing to state the precise date on which they discovered the
28 Yang and Hou references. (Doc. No. 262 at 6-7, 11.) But regardless what that specific date was, it is
undisputed that it was less than two months between the date of discovery and the date Defendants notified
Plaintiffs of their intent to amend their contentions, a reasonable period of time.

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