

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

DRONE TECHNOLOGIES, INC.,

Plaintiff,

14cv0111

ELECTRONICALLY FILED

v.

PARROT S.A., PARROT, INC.,

Defendants.

ORDER OF COURT RE: PARTIES' MOTIONS IN LIMINE
(DOC. NOS. 236-242, 244, 246, 248, 250, 252, 254, AND 256)

Presently before this Court are Motions in Limine filed by the Parties, in advance of the upcoming jury trial, which is scheduled to begin on April 27, 2015. Doc. Nos. 236-242, 244, 246, 248, 250, 252, 254, and 256. The issues contained within these Motions have been fully briefed and are ripe for disposition. Doc. Nos. 236-241, 243, 245, 247, 249, 251, 253, 255, 257, 264-271, 274-280. After consideration of these matters, the following Order is entered.

AND NOW, this 9th day of April, 2015, IT IS HEREBY ORDERED THAT:

1. Plaintiff's Motion in Limine Precluding Defendants from Arguing Before the Jury Inventorship, Validity, or Ownership (Doc. No. 236) is **GRANTED**. As noted by both Plaintiff and Defendants, the upcoming jury trial will focus on damages and the amount of any award. Plaintiff moves this Court to preclude Defendants from presenting arguments as to alleged deficiencies in Diane Lee's inventorship or the validity or ownership of the underlying patents. In response, Defendants explicitly state that they do not "intend to argue these legal issues in front of the jury," but move the Court to permit them to cross-examine witnesses on these points so as to challenge the witnesses' credibility. Doc. No. 274, pg. 1. Such cross-examination would not produce any relevant

testimony or evidence because the validity of the underlying patents, including inventorship, has previously been determined and will not be at issue during the damages trial. The Court encourages the Parties to stipulate that inventorship and the validity of the patents have been established to further limit any need for such testimony.

2. Plaintiff's Motion in Limine Precluding Defendants From Presenting Evidence or Arguing Before the Jury Their Allegations of Bruce Ding's Relationship With His Former Employer (Doc. No. 237) is **GRANTED IN PART**. Plaintiff, in this Motion, moves this Court to prohibit Defendants from presenting evidence or argument as to Bruce Ding's relationship with his former employer. The substance of disputed evidence at issue in Plaintiff's Motion is two-fold: (1) Ding's work on remotely-controlled toys while employed by a non-party former employer; and (2) the circumstances of Ding's termination from that employment and Ding's subsequent characterization of that termination.

First, the substance and parameters of Ding's work at his former employer does not tend to make any consequential fact more or less likely to be true because Ding's prior work is not relevant to the current damages claims. As demonstrated by Defendants' previous Motions related to Ding's alleged invention of the patents-in-suit, the proffered disputed evidence has been used to argue that Plaintiff lacks standing and, therefore, Defendants cannot be held liable for infringement. See Doc. Nos. 97, 172, 188, 229. However, these disputes have been resolved by this Court and thus, the evidence is not admissible during this limited damages trial because it is not relevant. Fed.R.Evid. 401-402.

Secondly, Defendants may not inquire into Ding's termination because it also is not relevant. Fed.R.Evid. 401-402. However, if Defendants believe Plaintiff's presentation of evidence makes Ding's alleged untruthfulness in regards to his termination relevant on direct-examination, Defendants may re-raise this issue at sidebar, pursuant to Federal Rule of Evidence 608. The Court notes that it is generally disinclined to admit evidence if it merely suggests that a witness has engaged in dishonest behavior on a separate occasion. However, if Defendants re-raise this issue, the Court will examine whether such cross-examination is proper pursuant to Rule 608 and Rule 403.

3. Plaintiff's Motion in Limine Precluding Defendants from Presenting Evidence or Argument Before the Jury Regarding the *Inter Partes* Review Proceedings Pending Before the Patent Office (Doc. No. 238) is **GRANTED**. Plaintiff moves this Court to bar Defendants from presenting evidence or argument regarding the *inter partes* review proceedings pending before the United States Patent and Trademark Office, or any invalidity arguments based upon prior art, or offering exhibits related to the *inter partes* review. Plaintiff states that this information is not probative of any damages issue and would be confusing to the jury and highly prejudicial to Plaintiff. Defendants argue that the *inter partes* review is relevant to a determination of damages and will be used for "the limited purpose of showing that whatever differences there are between the prior art and the claimed invention, they are not extensive." Doc. No. 275, pg. 2.

As noted by Plaintiff, the calculation of a reasonable royalty is premised on the assumption that the patents are valid and infringed. *Lucent Techs., Inc. v. Gateway, Inc.*, 580 F.3d 1301, 1325 (Fed. Cir. 2009). Defendants previously moved this Court to stay

the case pending *inter partes* review, which Defendants noted “is an adversarial proceeding in the United States Patent and Trademark Office (“PTO”) through which a party other than the patentee can seek invalidation of patent claims under 35 U.S.C. §§ 102 or 103.” Doc. No. 18, pg. 8. The Court finds that introduction of the incomplete *inter partes* review proceedings presents a substantial danger that the evidence would be confusing to the jury and unduly prejudice Plaintiff. Introduction of such evidence or argument would be highly prejudicial to Plaintiff because the jury would be presented with the opportunity to transfer the findings within the *inter partes* review proceedings, which are based upon a more lenient standard than that employed by a District Court or a jury, onto a determination of damages. Further, there is a substantial risk that the jury would be confused by the effect of *inter partes* review proceedings and could potentially credit the findings of the Patent Trial and Appeals Board merely because of the perceived credibility of government agencies over a foreign corporate Plaintiff. This is especially true as the Patent Trial and Appeal Board has granted more than 80% of the requests for *inter partes* review. See Doc. No. 18, pg. 9. Defendants may rebut Plaintiff’s contentions of the utility and advantages of the patent property over the old modes or devices (factor 9 of the *Georgia-Pacific* factors) through evidence other than the *inter partes* review, if this becomes relevant during trial.

4. Plaintiff’s Motion in Limine Precluding Defendants from Presenting Evidence or Argument Before the Jury Regarding Infringement (Doc. No. 239) is **DENIED AS PREMATURE**. Plaintiff moves this Court to prohibit Defendants from presenting evidence or argument regarding Defendants’ “use or non-use of the patented inventions” or the advantages of the patented inventions over prior art because Defendants have

allegedly not produced sufficient discovery in this respect to permit Plaintiff to present argument or evidence to rebut Defendants' contentions. Defendants shall file a document relating which defense exhibits will be used in reference to factors 9 and 11 of the *Georgia-Pacific* factors on or before April 13, 2015. Plaintiff may file a renewed Motion in Limine in this respect, if appropriate, based upon Defendants' identified exhibits.

5. Plaintiff's Motion in Limine Precluding Defendants' Damages Expert from Offering an Opinion on Damages for Infringement Occurring Beyond June 2015 (Doc. No. 240) is **GRANTED WITHOUT OBJECTION**. Plaintiff moves this Court to order that Defendants' damages expert is prohibited from offering an opinion during trial on the subject of damages for infringement occurring beyond June 2015. Defendants do not object to this limitation because they contend that determination of future infringement damages is an issue for the Court to determine after the trial's conclusion. Therefore, Defendants' damages expert is precluded from offering an opinion during trial on the subject of damages for infringement occurring beyond June 2015.
6. Plaintiff's Motion in Limine Precluding Defendants from Offering Exhibits that They Did Not Produce Until After the Court-Imposed Deadline (Doc. No. 241) is **DENIED**. In this Motion, Plaintiff moves this Court to exclude 61 exhibits, which Defendants produced after the Court-ordered February 4, 2015 deadline for production of documents. Defendants have advanced sufficient arguments such that the Court cannot conclude that these exhibits are precluded by the Court's prior Orders. Therefore, Plaintiff's Motion must be denied.
7. Defendants' Motion in Limine Regarding Sanctions (Doc. No. 242) and Motion in Limine Regarding Discovery Motions, Orders, and Events (Doc. No. 244) are

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