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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

BECKMAN COULTER, INC.)
)
 Plaintiff,)
) C.A. No. 24-945 (CFC) (EGT)
v.)
)
CYTEK BIOSCIENCES, INC.,)
)
 Defendant.)

Monday, March 24, 2025
2:00 p.m.
Teleconference

844 King Street
Wilmington, Delaware

BEFORE: THE HONORABLE ELEANOR G. TENNYSON
United States District Court Magistrate Judge

APPEARANCES:

RICHARDS LAYTON & FINGER, PA
BY: KELLY E. FARNAN, ESQ.

-and-

WilmerHale
BY: OMAR A. KHAN, ESQ.
BY: JEFFREY A. DENNHARDT, ESQ.
BY: ASHER S. MCGUFFIN, ESQ.

Counsel for the Plaintiff

1 APPEARANCES CONTINUED:

2
3 MORRIS NICHOLS ARSHT & TUNNELL LLP
4 BY: JEREMY A. TIGAN, ESQ.

5 -and-

6 COOLEY LLP
7 BY: REUBEN CHEN, ESQ.
8 BY: DAVID YUN, ESQ.
9 BY: ELIZABETH M. FLANAGAN, ESQ.

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11 Counsel for the Defendant
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12:38:15 13
14:01:09 14 THE COURT: Good afternoon, everyone. Ellie
14:01:12 15 Tennyson here. Who is on for Plaintiff, please?

14:01:14 16 MS. FARNAN: Good afternoon, Your Honor. This
14:01:16 17 is Kelly Farnan from Richards, Layton & Finger on behalf of
14:01:19 18 the Plaintiff. I'm joined by my co-counsel at WilmerHale,
14:01:26 19 Omar Khan, Jeffrey Dennhardt, and Asher McGuffin.

14:01:26 20 THE COURT: Good afternoon to all of you.
14:01:28 21 Who is on for the Defendant, please?

14:01:30 22 MR. TIGAN: Yes, Your Honor. This is Jeremy
14:01:31 23 Tigan with Morris Nichols on behalf of Cytek. I'm joined by
14:01:35 24 three of my colleagues from the Cooley firm today, Reuben
14:01:39 25 Chen, Betsy Flanagan and David Yun.

14:01:41 1 With your permission, Mr. Chen will present
14:01:44 2 arguments.

14:01:44 3 THE COURT: Sure. Thank you. And good
14:01:46 4 afternoon to all of you as well. So we are on the phone
14:01:49 5 today to address Defendants' request for court imposed claim
14:01:53 6 narrowing in this case. I'll first hear from Defendant, but
14:01:57 7 I want to remind anyone who is speaking to please state your
14:02:00 8 name when you do speak so that my court reporter can make a
14:02:04 9 clear record.

14:02:05 10 With that I will hear from Mr. Chen.

14:02:07 11 MR. CHEN: Thank you, Your Honor. And good
14:02:09 12 afternoon. This is Reuben Chen from the Cooley law firm on
14:02:13 13 behalf of the Defendant, Cytek Biosciences.

14:02:18 14 Your Honor, our proposal ensures fairness and
14:02:21 15 efficiency and it is consistent with Judge Connolly's orders
14:02:25 16 in prior cases. Notably we kept the trial date and the
14:02:29 17 current schedule and did not insist on moving it as a key
14:02:33 18 compromise with Beckman Coulter. Importantly, the original
14:02:38 19 trial date only contemplated two patents and a maximum of
14:02:42 20 forty-six claims, but we now have two new patents and ninety
14:02:46 21 claims in this case.

14:02:48 22 There are three issues in dispute the parties
14:02:52 23 ask Your Honor to decide. On the first issue of limiting
14:02:56 24 the number of asserted claims before invalidity contentions,
14:03:01 25 our proposal is supported by Judge Connolly's decision in

14:03:05 1 other cases, including --

14:03:07 2 THE COURT: Can I ask, so are any of the cases
14:03:11 3 that you have cited to me an instance where the court has
14:03:15 4 ordered asserted claim narrowing after infringement
14:03:22 5 contentions but before invalidity contentions? That seems a
14:03:26 6 little bit different than the typical we want narrowing
14:03:31 7 before the plaintiff does their initial infringement
14:03:33 8 contentions.

14:03:34 9 MR. CHEN: Yes, if I'm understanding Your
14:03:36 10 Honor's question correctly, we cited three Judge Connolly's
14:03:40 11 decisions in our letter brief, the *Deere v. AGCO* decision
14:03:42 12 and the *Sensormatic v. Wyze* decision both involved where
14:03:47 13 Judge Connolly ordered a limited number of asserted claims
14:03:51 14 at the infringement contentions stage before invalidity
14:03:54 15 contentions. And the *VLSI* --

14:03:56 16 THE COURT: My question was slightly different.
14:03:57 17 It was had you cited to me or are you aware of one where it
14:04:03 18 happened after plaintiff had already done the work for
14:04:06 19 initial infringement contentions and you want that number
14:04:09 20 smaller for when you do your invalidity contentions?

14:04:13 21 MR. CHEN: I see what Your Honor is asking. No,
14:04:18 22 there aren't with respect to -- there aren't. There aren't.
14:04:22 23 And that's because we already were seeking a limit on the
14:04:28 24 number of asserted claims, but of course the other side
14:04:31 25 wanted to move forward with the schedule and that's why

14:04:35 1 we're at where we're at.

14:04:36 2 THE COURT: You're saying this was not a
14:04:38 3 discussion that you did or could have had before initial
14:04:41 4 infringement contentions?

14:04:42 5 MR. CHEN: We did have discussion. We had
14:04:45 6 multiple meet and confers and the other side wanted to
14:04:48 7 continue pressing forward with the schedule. And, of
14:04:51 8 course, we were trying to be respectful and not slow things
14:04:54 9 down, but what was very important for them was to keep the
14:04:59 10 trial date. And so because of that we said okay, you can go
14:05:02 11 ahead and serve your infringement contentions, but we don't
14:05:04 12 think it's reasonable to be serving ninety total claims on
14:05:07 13 us when the total maximum of claims in their four asserted
14:05:10 14 patents is ninety-six. All they did was reduce from
14:05:14 15 ninety-six to ninety. That's not any reduction at all,
14:05:19 16 frankly, Your Honor.

14:05:20 17 And so if I may, our letter brief focused on
14:05:24 18 decisions from Judge Connolly, but there are numerous
14:05:27 19 Delaware scheduling orders where other judges set limits on
14:05:31 20 the number of asserted claims as part of infringement
14:05:35 21 contentions and for invalidity contentions. So besides
14:05:38 22 Judge Connolly, these include scheduling orders from Judge
14:05:42 23 Andrews, Judge Hall and prior Chief Judge Stark. As a
14:05:46 24 sample, these cases include the *Acceleration Bay v.*
14:05:52 25 *Activision Blizzard* case at docket indexes 28 and 33.

14:05:58 1 *EyesMatch v. Facebook* at docket index 23. *TrackThings v.*
14:06:01 2 *Netgear* at docket index 69. *Mitsubishi v. Cipla* at docket
14:06:07 3 index 18. And *Forest Laboratories v. Macleods* at docket
14:06:13 4 index 19.

14:06:13 5 Now Beckman Coulter's letter brief only cites to
14:06:18 6 the --

14:06:19 7 THE COURT: Let me just jump in and ask. It
14:06:22 8 seems like Plaintiff is amenable to reducing the number of
14:06:26 9 asserted claims to forty-two, just at a slightly different
14:06:31 10 time than Defendant wants. So is this really about you
14:06:33 11 don't want to spend the effort on an extra forty-some claims
14:06:38 12 by April 21st, you just want it to be reduced now, is that
14:06:43 13 right?

14:06:44 14 MR. CHEN: That is correct, Your Honor, we think
14:06:46 15 it's unfair to require us to basically double the amount of
14:06:51 16 work when --

14:06:53 17 THE COURT: Well, they would probably say that
14:06:55 18 it's unfair for you to not have to do all the claims that
14:06:59 19 they did in the first instance. But you can go on to the
14:07:02 20 next argument you wanted to make. The fairness point
14:07:06 21 doesn't really move me that much.

14:07:08 22 MR. CHEN: Understood, Your Honor.

14:07:10 23 So there is two points that I'll make and I will
14:07:12 24 move on to the second issue. The two points that I would
14:07:15 25 make is they chose to move forward with ninety. And of

14:07:18 1 course we were already asking them before they served their
14:07:21 2 infringement contentions to go down to a reasonable number
14:07:24 3 of claims. And the cases that they cite in their letter
14:07:27 4 brief are primarily not Judge Connolly cases, they largely
14:07:31 5 rely on Judge Burke. However, one of those cases is notable
14:07:35 6 and that's the *Sysmex v. Beckman Coulter* case. In that
14:07:40 7 case, Beckman Coulter itself argued for limiting the number
14:07:44 8 of asserted claims as part of infringement contentions
14:07:47 9 before invalidity contentions. So it's inconsistent for
14:07:53 10 Beckman Coulter to now take a contraposition when it is the
14:07:56 11 Plaintiff.

14:07:56 12 The other point that I will make, Your Honor, is
14:07:58 13 that in this case we have already produced our core
14:08:00 14 technical document production and that production consist of
14:08:05 15 over eight megabytes of data, over 1,000 documents, more
14:08:12 16 than 11,000 pages, also includes detailed CAD files, service
14:08:14 17 manuals, engineering drawings and user guides, so we see no
14:08:18 18 reason for why Beckman Coulter can't move forward with still
14:08:24 19 a high number of claims, forty-two claims at this stage.

14:08:28 20 Let me move on to the second issue which is
14:08:31 21 limiting by prior art references instead of grounds at the
14:08:35 22 initial stage. And here our proposal is also supported by
14:08:39 23 Judge Connolly's decisions in other cases. And --

14:08:42 24 THE COURT: Your proposal here is if you get a
14:08:47 25 reduction to forty-two claims, forty-two asserted claims,

14:08:51 1 you will be limited to sixty-three asserted prior art
14:08:54 2 references at this stage, correct?

14:08:56 3 MR. CHEN: That's correct, Your Honor.

14:08:58 4 THE COURT: And do you object to at some point
14:09:01 5 moving towards a reduction in invalidity grounds?

14:09:05 6 MR. CHEN: We do not, we think that should be
14:09:08 7 post-Markman, and the point that I wanted to make is that
14:09:12 8 based on our research, setting aside Judge Burke cases, most
14:09:18 9 Delaware judges do not even limit by grounds either at the
14:09:21 10 pre-Markman or post-Markman stages, they limit by
14:09:28 11 references. We are actually proposing something that is
14:09:31 12 even more reasonable which is to limit by grounds after
14:09:35 13 Markman but not so early on in the case where we would be
14:09:40 14 severely prejudiced, especially given that Beckman Coulter
14:09:43 15 has identified an unusually high number of priority dates,
14:09:48 16 eleven different priority dates in its infringement
14:09:52 17 contentions. And because of that -- (inaudible) -- Beckman
14:10:05 18 Coulter in it's brief actually mistakenly states that the
14:10:10 19 window for those priority dates is ten months, that's not
14:10:14 20 true. The priority dates actually span about two years from
14:10:18 21 December 29, 2011 to December 4th, 2013.

14:10:22 22 It's also a red herring for them to argue that
14:10:26 23 during meet and confers we didn't identify any prior art at
14:10:30 24 issue. They never asked us to identify any prior art where
14:10:35 25 this would be an issue and our invalidity contentions are of

14:10:40 1 course not due yet as well. But I would be happy to
14:10:43 2 identify the prior art on this call if necessary to provide
14:10:46 3 an example. I don't think it's necessary.

14:10:48 4 THE COURT: I don't think that's necessary and I
14:10:50 5 don't think a fight about priority dates is one that's
14:10:54 6 currently before me.

14:10:55 7 Okay. I agree with you that invalidity grounds
14:11:00 8 is a little bit atypical, I'm more accustomed to seeing
14:11:05 9 reduction in prior art references or prior art combinations,
14:11:09 10 but you seem amenable to at some point reducing invalidity
14:11:13 11 grounds and you said that you would be amenable to doing
14:11:16 12 that after Markman, so can you give me an idea of what you
14:11:22 13 would think is appropriate after Plaintiff post-Markman
14:11:26 14 reduces their asserted claims to twenty-two, twenty,
14:11:33 15 eighteen, fifteen, whatever the number is, what number of
14:11:35 16 invalidity grounds do you think is appropriate?

14:11:38 17 MR. CHEN: Absolutely, Your Honor. And this is
14:11:40 18 actually in Exhibit 8 of our letter brief. And what we had
14:11:45 19 proposed is seven prior art invalidity grounds post-Markman.
14:11:49 20 That's on page 4 of Exhibit A of our letter brief.

14:11:56 21 THE COURT: So you're thinking you should get
14:12:00 22 seven grounds per claim through expert discovery, is that
14:12:04 23 right?

14:12:04 24 MR. CHEN: Yes. And drawn from the sixty-three
14:12:07 25 previously identified prior art references. It is not going

14:12:11 1 to be new grounds, this is going to be seven art invalidity
14:12:14 2 grounds from the previous invalidity contentions. And that
14:12:17 3 is necessary to account for the eleven different priority
14:12:21 4 dates that the other side has alleged which we think is
14:12:23 5 completely improper. It is related to this issue why we
14:12:26 6 need seven and it is an issue that we will be teeing up with
14:12:31 7 Judge Connolly. We met and conferred about it in -- in a
14:12:37 8 prior Judge Connolly decision he said -- this is the
14:12:41 9 *Coskokey v. Duo Security* case -- plaintiff, you have to
14:12:43 10 choose a specific priority date.

14:12:47 11 THE COURT: And you said you're teeing that up
14:12:50 12 for Judge Connolly, is that what you said?

14:12:52 13 MR. CHEN: That's correct, yes, my colleague,
14:12:55 14 Ms. Flanagan, has already met and conferred with the other
14:12:59 15 side. I think there may be some additional meeting and
14:13:03 16 conferring on that and other issues and then the issues will
14:13:07 17 be teed up for Judge Connolly, which may go to Your Honor.

14:13:10 18 THE COURT: Yeah, I was going to say I think it
14:13:12 19 would go to me. So I guess I look forward to that.

14:13:16 20 Is there anything else that you want to add
14:13:18 21 before I hear from Plaintiff?

14:13:19 22 MR. CHEN: Just one final thing. So on the
14:13:22 23 post-Markman narrowing, the other side has argued for
14:13:27 24 twenty-two claims, but the cases that they cite to don't
14:13:30 25 support that. So they cite to five cases. Four of those

14:13:35 1 five cases involved more patents than we have at issue here,
14:13:40 2 so the Eclasion case, that involves eleven patents. The
14:13:45 3 *NeuMoDx* case, that involves thirteen patents. And the *MQ*
14:13:49 4 *Gaming* case, that involves seventeen patents. And then
14:13:52 5 there is like a fifth case that Beckman Coulter cites,
14:13:56 6 that's the *Journey Medical v. Padagis* case, because it
14:14:00 7 involved a pre-Markman reduction in the number of asserted
14:14:04 8 claims, not a post-Markman reduction. Post-Markman, of
14:14:08 9 course, should be a further showing, so I think they pointed
14:14:10 10 to twenty-four claims in that case, so that was pre-Markman,
14:14:14 11 not post-Markman.

14:14:15 12 Thank you, Your Honor.

14:14:16 13 THE COURT: Okay. Thank you.

14:14:17 14 Mr. Khan, is this you?

14:14:22 15 MR. KHAN: Yes, Your Honor, this is Omar Khan
14:14:24 16 for the Plaintiff from WilmerHale. As Your Honor noted, you
14:14:28 17 know, we're open to and amenable to narrowing of both the
14:14:32 18 claims and the defenses as we progress throughout the case.
14:14:38 19 So we cite --

14:14:39 20 THE COURT: Let me just ask you because that's
14:14:41 21 where you started. If you're willing to limit to forty-two
14:14:45 22 claims after Defendant does its invalidity contentions and
14:14:50 23 you're actually willing to do that before Markman starts in
14:14:54 24 earnest, then why make them go through the motions now? It
14:14:58 25 seems a little bit like well, we did all the work so they

14:15:01 1 should have to as well.

14:15:02 2 MR. KHAN: I think, Your Honor, the issue is
14:15:04 3 just fundamental to understanding what we're to narrow to.
14:15:08 4 In other words, the infringement here is pervasive so we
14:15:12 5 would be not having this conversation if they were
14:15:14 6 infringing only twelve claims out of the four patents.

14:15:17 7 THE COURT: Sure. But you're not going to go to
14:15:20 8 trial on ninety claims.

14:15:21 9 MR. KHAN: And we're not proposing that anywhere
14:15:25 10 near ninety claims even survive through expert discovery or
14:15:30 11 SJ. And absolutely, you're right, Your Honor, we're not
14:15:32 12 suggesting that anywhere near ninety or even the twenty-two
14:15:36 13 that we're proposing post-Markman would go through trial.
14:15:40 14 But I think the cases amply support -- not just support, but
14:15:44 15 suggest that what we're proposing is more than reasonable at
14:15:47 16 each stage.

14:15:47 17 I think the answer to your question more
14:15:50 18 succinctly in terms of why should they have to do this so
14:15:56 19 that we turn around and narrow is that it's not possible for
14:15:59 20 us to narrow without that information. And the orderly
14:16:02 21 progression of the narrowing of the case requires that we
14:16:05 22 have, number one, their invalidity contentions and number
14:16:08 23 two, their non-infringement contentions. Without that
14:16:12 24 information on what basis would we be narrowing the claims.
14:16:15 25 It would be arbitrary. It would be completely blind as to

14:16:18 1 how they intend to prosecute their case.

14:16:20 2 And in every one of these cases, every single
14:16:23 3 one, the defendant is required to -- Deere is by the way the
14:16:30 4 only example of a disputed motion on this issue, but all the
14:16:35 5 other cases, Judge Hall, Noreika, Williams and Burke on
14:16:41 6 disputed motions have ruled that claim narrowing is not
14:16:45 7 appropriate prior to providing invalidity contentions. And
14:16:45 8 the *Collegium* court, the language in the *Collegium* court
14:16:50 9 decision that has been adopted that this court's typical
14:16:52 10 procedure is to allow first for a cut down of asserted
14:16:55 11 claims and invalidity contentions after the initial
14:16:59 12 contentions are completed.

14:17:00 13 Judge Connolly's standard scheduling order for
14:17:03 14 non-Hatch-Waxman cases contemplates no claim narrowing, no
14:17:06 15 matter how many the number of asserted patents. In his ANDA
14:17:09 16 scheduling order, he contemplates that there will be some
14:17:13 17 initial narrowing. Why is that? That makes common sense.
14:17:17 18 Why does it make sense? Because, Your Honor, as Your Honor
14:17:19 19 knows, in an ANDA case the ANDA plaintiff before filing the
14:17:23 20 lawsuit receives paragraph 4 notice of the infringement and
14:17:28 21 invalidity contentions of the defendant. And so it makes
14:17:31 22 sense to require some narrowing at the outset of an ANDA
14:17:35 23 case but not in a non-ANDA case.

14:17:38 24 So in our world, Your Honor, we are already
14:17:40 25 being extraordinarily reasonable in terms of saying yes,

14:17:44 1 we'll agree to a significant fifty percent reduction in the
14:17:47 2 number of claims from ninety down to essentially forty-two,
14:17:50 3 and another fifty percent reduction from forty-two to
14:17:54 4 twenty-two post-Markman, so cutting back the case by a
14:17:59 5 quarter going into expert discovery and summary judgement.
14:18:01 6 And then will there be further narrowing at pretrial? Yes,
14:18:05 7 of course there will be. Just like if you ask Mr. Reuben if
14:18:09 8 he's going to take seven grounds to trial. He's not. And
14:18:12 9 nor are we planning on taking twenty-two claims to trial.

14:18:15 10 I don't think it's inequitable or unfair to say
14:18:18 11 here is the scope of the infringement, give me your
14:18:21 12 invalidity theories, give your non-infringement theories so
14:18:25 13 that we can decide on both ends how to narrow the number of
14:18:28 14 claims and then how to narrow the number of defenses.

14:18:31 15 THE COURT: Look, I understand that in the
14:18:33 16 abstract. The thing that got my attention is that you're
14:18:37 17 willing to do exactly what Defendant wants, just a few weeks
14:18:40 18 later, and some of it doesn't makes sense because you could
14:18:46 19 bring claims back. I mean, the gross majority of your
14:18:51 20 claims are dependent claims, so you know, you should
14:18:55 21 understand your infringement case at this point, especially
14:18:58 22 if the infringement is that pervasive. This seems a little
14:19:01 23 bit different than the typical claim narrowing fight that
14:19:05 24 you see where one side is dug in, no, I don't want to narrow
14:19:10 25 until after Markman, and you're like sure, we'll do it but

14:19:14 1 we want to see what you're going to do on invalidity first
14:19:16 2 on almost everything.

14:19:19 3 MR. KHAN: I don't think we should be penalized,
14:19:21 4 Your Honor --

14:19:21 5 THE COURT: I'm not saying it's a penalty, I
14:19:24 6 think it's figuring out what the compromise is.

14:19:26 7 MR. KHAN: Right. I don't think -- you're
14:19:28 8 right, most plaintiffs would have fought any narrowing
14:19:33 9 pre-Markman, but we don't disagree that some narrowing may
14:19:36 10 be appropriate under the circumstances. The patents are in
14:19:40 11 the same family, you know, there is essentially, you know,
14:19:44 12 according to the Defendants one representative accused
14:19:47 13 product, and so is there some narrowing possible, yes, but
14:19:51 14 we really do need -- the dependent claims are not
14:19:54 15 duplicative, there is no argument that they are, so unlike
14:19:58 16 in the *Katz* case, neither they nor the court has made a
14:20:02 17 finding and in the *Katz* case there was a finding that there
14:20:05 18 were duplicative claims at issue in the case. And the only
14:20:10 19 response to that finding was the plaintiff then required to
14:20:13 20 sort of narrow the claims. And by the way, the narrowing in
14:20:16 21 that case was to a hundred claims as well.

14:20:19 22 But, you know, here where we're agreed to
14:20:22 23 narrowing, once we have some basis for narrowing at hand,
14:20:27 24 you know, at the outset --

14:20:29 25 THE COURT: Okay. Let me ask you, though,

14:20:30 1 because I think it is related to what we're talking about.
14:20:34 2 Why not reduce -- so you have your proposal to reduce the
14:20:37 3 forty-two on May 19th which is a few days after you exchange
14:20:41 4 claim construction issues and proposed constructions. Why
14:20:45 5 not do that before you exchange --

14:20:49 6 MR. KHAN: We can do that, Your Honor. We could
14:20:51 7 work with the Defendant to have it before the exchange of
14:20:56 8 proposed claim terms, yes.

14:20:58 9 THE COURT: Okay.

14:20:59 10 MR. KHAN: But so long as we get their
14:21:02 11 invalidity contentions and other materials we have talked
14:21:05 12 about beforehand, before we narrow.

14:21:08 13 THE COURT: Okay. No, I understand that that's
14:21:10 14 your position. I didn't understand why you would have the
14:21:13 15 narrowing after you already went through the work of doing
14:21:17 16 claim construction or proposals for claim construction, but
14:21:23 17 you answered that question.

14:21:25 18 MR. KHAN: Yeah, I think that was just a timing
14:21:27 19 issue, Your Honor, and we could work with the Defendant to
14:21:30 20 find a slightly earlier time so that the claim construction
14:21:33 21 work had not been done but that the invalidity contentions,
14:21:39 22 the non-infringement contentions, that work had been done
14:21:43 23 and provided to us before we narrowed.

14:21:45 24 THE COURT: I didn't mean to derail whatever you
14:21:47 25 were going to say, but can you explain to me why you're

14:21:51 1 focused on invalidity grounds as opposed to prior art
14:21:55 2 references or combinations as are more typical.

14:21:59 3 MR. KHAN: Thank you, Your Honor. And I meant
14:22:00 4 to address that. We don't mean to get overly technical on
14:22:04 5 what we mean by grounds. We're meaning to pick up the prior
14:22:07 6 art combinations language exactly as Your Honor referenced
14:22:10 7 it, the prior art combinations language and definition
14:22:13 8 that's in the *Confluent* cases and is routinely used in the
14:22:15 9 district, that's what we had in mind.

14:22:18 10 And so we do think, you know, as to the number
14:22:22 11 of -- I'll now refer to it as combinations. We do think
14:22:27 12 that the Defendant should be narrowed to the number of -- to
14:22:32 13 a certain number of combinations pre-Markman. Now, what we
14:22:36 14 -- and here is sort of that problem from our perspective.
14:22:42 15 So let's say that they're allowed to have sixty-three
14:22:47 16 references, and by our math that is 1.98 times 10 to the
14:22:54 17 87th potential combinations, so over one quadrillion grounds
14:23:00 18 or combinations -- let me change the language -- per claim,
14:23:04 19 essentially infinite. Let's assume hypothetically that
14:23:08 20 they're only limited to two references per ground, they can
14:23:11 21 only combine two references at a time, right, and so they
14:23:14 22 can't have three reference combinations which, of course,
14:23:14 23 Your Honor knows, happens all the time. But even if they
14:23:17 24 could use only two reference combinations, they got 4,000
14:23:20 25 combinations in the sixty-three references.

14:23:24 1 And so the problem from our perspective is we're
14:23:29 2 not really getting notice of what the actual obviousness
14:23:34 3 theories are in terms of what the actual combinations that
14:23:36 4 they're intending to use. We're not wedded, Your Honor, to
14:23:39 5 the eight, I'll call it now combinations instead of grounds,
14:23:44 6 we're not wedded to the eight combinations per claim. The
14:23:48 7 issues that we came across during the meet and confers was
14:23:51 8 essentially we said how about eight combinations per claim,
14:23:56 9 how does that sound? And they rejected any limit
14:24:01 10 whatsoever.

14:24:01 11 So where we are is we don't -- you know, we
14:24:06 12 didn't know what to do after that happened. We would be
14:24:09 13 open to a slightly higher number. I don't think that's the
14:24:11 14 issue. The issue is we just want notice of what their
14:24:15 15 combinations are going to be upfront, if it's less than
14:24:19 16 4,000, less than obviously a quadrillion or infinite number
14:24:24 17 of combinations.

14:24:24 18 THE COURT: So I'm not saying this is where I am
14:24:27 19 going to come out, but if I did limit -- if I did say you
14:24:31 20 have to come down to forty-two before they do their
14:24:34 21 invalidity contentions, what is it that you want them to be
14:24:38 22 held to in terms of references or combinations?

14:24:45 23 MR. KHAN: So we -- I think where we came out
14:24:54 24 was eight combinations per claim, Your Honor, pre-Markman,
14:24:59 25 so that we could do the Markman process against the

14:25:02 1 background of eight combinations. As I said, they didn't
14:25:05 2 respond and say essentially there should be no limit.

14:25:08 3 THE COURT: It seems like there was actually
14:25:10 4 agreement on 63 references. I take your point that there
14:25:15 5 wasn't agreement on grounds, but it seems like everybody
14:25:18 6 seemed okay with sixty-three references, sixty-three
14:25:22 7 references as the first call down for Defendant.

14:25:27 8 MR. KHAN: Not quite, Your Honor. So that -- in
14:25:31 9 other words, we and they agreed that sixty-three references
14:25:37 10 can be used pre-Markman, but we and they disagreed that
14:25:43 11 pre-Markman there should be any limit on the number of
14:25:46 12 combinations to which those references could be applied.

14:25:50 13 THE COURT: I understand that.

14:25:51 14 MR. KHAN: Okay. Great.

14:25:52 15 THE COURT: It seemed like setting aside the
14:25:55 16 grounds, and I realize you say there should be grounds and
14:25:58 17 they say there should not, you all agreed on the
14:26:02 18 sixty-three.

14:26:02 19 MR. KHAN: That is exactly, Your Honor. So we
14:26:04 20 did not try to -- they actually -- I mean, for what it's
14:26:08 21 worth, we didn't fight them on that, they said this is what
14:26:12 22 we need, and that's what we gave them.

14:26:14 23 THE COURT: So then I guess the last thing that
14:26:16 24 I would like to hear from you on is, is there really a
14:26:20 25 meaningful difference between twenty-two and fifteen

14:26:23 1 asserted claims as we're going into expert discovery?

14:26:26 2 MR. KHAN: Your Honor, I would have said the
14:26:28 3 same thing because the last bid and ask between the two
14:26:32 4 parties was eighteen and twenty-two, and we had basically
14:26:35 5 suggested to them to sort of compromise at twenty and take
14:26:39 6 this off your plate. I think essentially what they did is
14:26:42 7 walk back from eighteen to twenty-two claims. The way that
14:26:47 8 -- if I can just lay out our thinking on this, essentially
14:26:51 9 where we were is we started at around ninety claims, we go
14:26:55 10 down by fifty percent and another fifty percent into
14:26:58 11 post-Markman, so that's sort of bringing us down to a
14:27:01 12 quarter of the number of originally asserted claims, that's
14:27:05 13 around twenty-two. And, you know, for us, we haven't yet
14:27:08 14 seen their contentions. We haven't yet seen their
14:27:12 15 non-infringement contentions. We have no idea what they are
14:27:15 16 going to do in this case and how they intend to prosecute
14:27:18 17 it.

14:27:19 18 At the end of the day, we do think that there
14:27:22 19 are going to be more than fifteen unique issues in the case,
14:27:25 20 unique claims in the case that present different issues of
14:27:30 21 infringement, validity, and damages, and we think twenty-two
14:27:33 22 is the right number. As between the two, given the lack of
14:27:37 23 certainty and the lack of information that either side has,
14:27:41 24 Your Honor, we think twenty-two is the right number and
14:27:44 25 amply, amply supported by the case law that we've given you.

14:27:47 1 THE COURT: Thank you. Anything else before I
14:27:49 2 turn back to Defendant?

14:27:50 3 MR. KHAN: No, Your Honor. Thank you.

14:27:51 4 THE COURT: Thank you.

14:27:52 5 Mr. Chen, will you start there. Is there really
14:27:59 6 a difference between twenty-two and fifteen? It doesn't
14:28:02 7 seem like -- I don't think that twenty-two is unwieldy for
14:28:10 8 an expert to handle in terms of expert reports, so I guess
14:28:13 9 it would be helpful for you to explain why you all think
14:28:16 10 that it is.

14:28:17 11 MR. CHEN: Yeah, I do think there is a
14:28:19 12 difference. The fifteen was based on not moving the trial
14:28:24 13 date. That was very, very important to Beckman Coulter that
14:28:29 14 they keep their trial date, that we wanted to respect that
14:28:32 15 and that's why we said there has to be reasonable limit of
14:28:35 16 asserted claims. They said well, you know, there is the
14:28:39 17 VLSI case, there Judge Connolly limited to eighteen, so we
14:28:46 18 said okay, that's fine. You're pointing to something that
14:28:49 19 is concrete that Judge Connolly has issued before. We're
14:28:53 20 willing to compromise at eighteen and not moving the trial
14:28:56 21 date if you agree on these other limits that we have that
14:28:58 22 we're not going to be limited to so few grounds, which is
14:29:02 23 just completely prejudicial to a defendant and unheard of
14:29:07 24 frankly in this district.

14:29:11 25 You know, respectfully, counsel is not correct

14:29:17 1 that decisions in this district have mainly been based on
14:29:25 2 grounds, they have been mainly based on references. All of
14:29:29 3 the Judge Connolly decisions that have been cited in the
14:29:32 4 letter brief have limited based on references and not
14:29:36 5 grounds. And then most of the judges in this district based
14:29:40 6 on our research again only limit by references and not by
14:29:44 7 grounds.

14:29:45 8 And one final thing with respect to that second
14:29:49 9 disputed issue is that the prior scheduling order that was
14:29:52 10 entered by Judge Connolly also doesn't contemplate limiting
14:29:57 11 by grounds. And if you read the provisions that govern
14:30:02 12 invalidity contentions, it doesn't give any indication that
14:30:06 13 the defendant is supposed to be hampered in that way. It
14:30:11 14 would be highly prejudicial if the other side gets to
14:30:15 15 advance eleven different priority dates and somehow we can't
14:30:18 16 even cover all those eleven dates because it's limited to
14:30:21 17 eight combinations. That's unheard of. I have never seen
14:30:24 18 any scheduling order along those lines.

14:30:28 19 MR. KHAN: Your Honor, can I respond to that?
14:30:31 20 There are two --

14:30:32 21 THE COURT: Hold on. Hold on. Hold on. Let me
14:30:35 22 -- Mr. Chen, did you have other things that you wanted to
14:30:38 23 say?

14:30:39 24 MR. CHEN: The only other thing -- two other
14:30:41 25 things. One, I should correct myself and instead of eight

14:30:45 1 megabytes of data, we actually produced eight gigabytes of
14:30:51 2 data. And then the other Connolly decision besides *Deere*, a
14:31:02 3 case that I was involved in, the *Sensormatic v. Wyze* case, I
14:31:02 4 represented Wyze, actually also involved a dispute at least
14:31:05 5 on the numbers of asserted claims and so the judge was very
14:31:10 6 well aware that he was setting a scheduling order where
14:31:13 7 there is going to be a reduction in the number of asserted
14:31:16 8 claims at the infringement contentions stage.

14:31:18 9 And then there are also decisions such as the
14:31:23 10 *Acceleration Bay v. Activision* decision before Judge Andrews
14:31:25 11 where this was a specifically disputed issue. The defendant
14:31:29 12 asked for a reduction in the number of asserted claims at
14:31:31 13 the infringement contentions stage. The plaintiff did not
14:31:33 14 want that and Judge Andrews ruled in favor of the defendant.

14:31:37 15 And then, again, I'll just reiterate that
14:31:42 16 Beckman Coulter has no issue with this in principle because
14:31:45 17 in the *Sysmex v. Beckman Coulter* case, that's exactly what
14:31:50 18 it proposed to Judge Burke.

14:31:52 19 MR. KHAN: Your Honor --

14:31:54 20 THE COURT: Hold on one second. Mr. Chen, was
14:31:57 21 that all?

14:31:57 22 MR. CHEN: Yes. Thank you, Your Honor.

14:31:58 23 THE COURT: Okay. So Mr. Khan, I will give you
14:32:01 24 a chance to respond, but I'm going to go back to Mr. Chen
14:32:05 25 for a response because it's his motion.

14:32:08 1 MR. KHAN: That seems fine, Your Honor. I'll
14:32:10 2 start with the last one. So what Mr. Chen is referring to
14:32:13 3 the prior Beckman Coulter case, he is referring to a case in
14:32:16 4 which Beckman Coulter lost on this issue. And the court
14:32:20 5 ruled against Beckman Coulter and found essentially that the
14:32:24 6 position that Beckman Coulter is taking in this case is the
14:32:27 7 right position.

14:32:28 8 I heard sort of Mr. Chen to make a number of
14:32:31 9 claims about other cases that are out there from Judge
14:32:34 10 Andrews and the others. Of course those were not in the
14:32:38 11 briefing, we have no chance to look at them or the
14:32:41 12 transcripts that Mr. Chen appears to be citing to, so we
14:32:44 13 don't really have a basis to respond to those, except once
14:32:48 14 again, Your Honor, we have very clear language from several
14:32:51 15 different judges in this district on disputed motions, Judge
14:32:55 16 Stark, Judge Burke, Judge Noreika, Judge Hall, all of whom
14:32:59 17 have found that pre-invalidity contentions narrowing is not
14:33:04 18 appropriate.

14:33:05 19 And Judge Connolly's form scheduling orders
14:33:09 20 reflect exactly that principle that pre-invalidity
14:33:13 21 contentions narrowing is not appropriate. It is not
14:33:15 22 reflected in his template non-ANDA scheduling order. As I
14:33:21 23 said, in his ANDA scheduling order there is contentions
14:33:25 24 level narrowing required, but in that case and ANDA cases,
14:33:29 25 the ANDA plaintiff gets pre-suit discovery of infringement,

14:33:33 1 non-infringement, and invalidity contentions.

14:33:38 2 On the issue of grounds versus references,
14:33:46 3 defendants being limited --

14:33:47 4 THE COURT: I thought you were just responding
14:33:49 5 to one point.

14:33:51 6 MR. KHAN: Sorry. Last point, Your Honor.
14:33:56 7 There are two cases, *Confluent* and *Tonal v. iFIT* were on a
14:34:03 8 disputed motion. Judges in the district found that a
14:34:06 9 defendant should be limited to the number of combinations
14:34:09 10 that are in the initial invalidity contentions, so those are
14:34:12 11 both in the briefings, Your Honor, so we don't agree there
14:34:15 12 is no precedent for that. In fact, there is ample
14:34:18 13 precedent.

14:34:18 14 Thank you.

14:34:18 15 THE COURT: Mr. Chen, it's your motion, you get
14:34:20 16 the last word. But let me just ask, if I agree with you,
14:34:24 17 are you willing to limit the number of combinations in your
14:34:26 18 invalidity contentions or are you only sticking with
14:34:33 19 sixty-three references?

14:34:33 20 MR. CHEN: Only sticking with sixty-three
14:34:35 21 references. I think it would be unfair and prejudicial,
14:34:40 22 especially given the eleven alleged priority dates by the
14:34:42 23 other side to limit by grounds. And it would go against the
14:34:45 24 majority of cases that we've seen, and all of the cases that
14:34:49 25 are cited that are Judge Connolly cases here. So we think

14:34:53 1 we put forward a reasonable proposal where we're not going
14:34:56 2 to limit ourselves based on prior art grounds at the initial
14:35:00 3 stage, but that we are willing to limit ourselves
14:35:03 4 post-Markman on prior art grounds. And I think given that
14:35:08 5 there is eleven priority dates out there at this point, our
14:35:12 6 proposal for seven post-Markman is a reasonable proposal.

14:35:18 7 We can obviously further discuss narrowing at a
14:35:22 8 later point in time, but given where things stand today, I
14:35:26 9 think that is a reasonable proposal that is supported by
14:35:31 10 Judge Connolly's prior decisions and other decisions from
14:35:34 11 this district.

14:35:35 12 Thank you.

14:35:35 13 THE COURT: Anything else you want to add?

14:35:37 14 MR. CHEN: No. Thank you, Your Honor.

14:35:39 15 THE COURT: Okay. All right. If you will give
14:35:42 16 me just one second, please.

14:35:44 17 MR. CHEN: Sure.

14:35:45 18 (A brief recess was taken.)

14:36:55 19 THE COURT: All right. Thank you all for the
14:36:58 20 argument today.

14:36:59 21 So I'm going to grant in part and deny in part
14:37:02 22 Defendant's motion. Plaintiff has asserted ninety claims
14:37:05 23 across four related patents in its infringement contentions.
14:37:09 24 Given that Plaintiff is willing to reduce the number of
14:37:11 25 asserted claims to forty-two across the four patents before

14:37:16 1 really starting the Markman process in earnest, it seems
14:37:19 2 like Plaintiff does not really oppose reducing the number of
14:37:23 3 asserted claims early. And I don't actually think there is
14:37:25 4 much difference between reducing now before Defendant does
14:37:29 5 its invalidity contentions on April 21st and soon thereafter
14:37:33 6 on May 19th before Markman briefing.

14:37:37 7 Under the circumstances here, I will grant
14:37:39 8 Defendant's request and order Plaintiff to reduce the number
14:37:42 9 of asserted claims to forty-two. Plaintiff may have until
14:37:45 10 Friday, March 28th, to do that. And when Defendant does
14:37:49 11 serve its invalidity contentions on April 21st, it is
14:37:53 12 limited to sixty-three prior art references as that seems to
14:37:56 13 be largely an agreed upon number.

14:37:58 14 And I'm not going to limit Defendant to
14:38:00 15 invalidity grounds in the invalidity contentions.

14:38:04 16 As for narrowing after Markman, I'm not sure
14:38:07 17 that there is any meaningful difference between twenty-two
14:38:11 18 and fifteen asserted claims. I certainly don't think
14:38:14 19 twenty-two asserted claims is "unwieldy" for an expert to
14:38:18 20 handle as the Defendant suggest. But after Markman
14:38:21 21 proceedings, Plaintiff shall reduce the number of asserted
14:38:25 22 claims to twenty-two. Within thirty days of doing so,
14:38:28 23 Defendant should limit the number of invalidity grounds to
14:38:31 24 five per claim, going from sixty-three prior art references.

14:38:35 25 I think that covers all of the disputes that

14:38:37 1 needed to be addressed today. The transcript shall serve as
14:38:40 2 my ruling.

14:38:41 3 Is there anything else that we need to discuss
14:38:42 4 today?

14:38:45 5 MR. CHEN: No. Thank you, Your Honor.

14:38:49 6 MR. KHAN: Your Honor, with respect to narrowing
14:38:52 7 to the forty-two, we understand your ruling and respect it.
14:38:56 8 You know, given that today is Monday, I think it would be a
14:39:00 9 little bit early for us to have to narrow down by Friday, by
14:39:05 10 March 28th. And, you know, if the Court would be so
14:39:12 11 willing, we could use another three or four business days to
14:39:15 12 consult with our client on that if that would be okay.

14:39:18 13 THE COURT: Look, I'm sensitive to that. We're
14:39:21 14 not talking about cutting out 200 claims. I can give you to
14:39:24 15 Monday, so that's March 31st. Why don't you see what
14:39:32 16 progress you make in that time and then talk to Defendant if
14:39:37 17 you don't think that you can get it done. But I think it
14:39:41 18 should be doable within a week.

14:39:43 19 MR. KHAN: Thank you, Your Honor. And I should
14:39:45 20 have added, you know, I'm traveling to Europe this week for
14:39:49 21 work. That's sort of another compounding issue in terms of
14:39:54 22 working with our client in terms of narrowing the number of
14:39:57 23 claims.

14:39:57 24 THE COURT: Okay. I hope that because Defendant
14:39:59 25 got a reduction in claims they will be reasonable in working

14:40:03 1 with you in trying to reduce those claims.

14:40:06 2 MR. KHAN: Thank you, Your Honor.

14:40:08 3 THE COURT: Anything else?

14:40:09 4 MR. CHEN: Yes, Your Honor. Thank you.

14:40:11 5 THE COURT: Okay. Thank you all. Have a nice
14:40:13 6 rest of your day.

7 (Teleconference concluded at 2:40 p.m.)

8

9 I hereby certify the foregoing is a true and
10 accurate transcript from my stenographic notes in the proceeding.

11

12 /s/ Dale C. Hawkins
13 Official Court Reporter
14 U.S. District Court
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