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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
BEFORE THE HONORABLE JEFFREY S. WHITE, JUDGE

JACOBSEN	)	
	)	
PLAINTIFF,	)	
	)	
VS.	)	NO. C-06-1905 JSW
	)	
KATZER	)	
	)	
DEFENDANT.	)	
	)	

SAN FRANCISCO, CALIFORNIA  
FRIDAY, SEPTEMBER 14, 2007

TRANSCRIPT OF PROCEEDINGS

APPEARANCES:

FOR THE PLAINTIFF  
JACOBSEN

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(APPEARANCES CONTINUED ON THE FOLLOWING PAGE.)

(APPEARANCES CONTINUED FROM THE PRECEEDING PAGE.)

FOR THE DEFENDANT  
MATTHEW KATZER

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REPORTED BY: CATHERINE L. EDWARDS, CSR 3071

CATHERINE L. EDWARDS, CSR  
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1 UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA  
2 THE HONORABLE JEFFREY S. WHITE, JUDGE, PRESIDING  
3 COURTROOM 2, 17TH FLOOR

4 COURTROOM DEPUTY-CLERK: MISS JENNIFER OTTOLINI  
5 FRIDAY, SEPTEMBER 14, 2007

6 1:30 P.M.

7 ROBERT JACOBSEN VS MATTHEW KATZER

8 CO 06-1905 JSW

9 HEARING RE: FURTHER CASE MANAGEMENT CONFERENCE

10 (THE JUDGE IS ON THE BENCH.)

11 THE CLERK: CALLING CASE C-06-1905, ROBERT JACOBSEN  
12 VERSUS MATTHEW KATZER.

13 MR. JERGER: GOOD AFTERNOON. SCOTT JERGER,  
14 REPRESENTING MATTHEW KATZER; KANE AND ASSOCIATES.

15 THE COURT: GOOD AFTERNOON.

16 MISS HALL: GOOD AFTERNOON VICTORIA HALL, REPRESENTING  
17 ROBERT JACOBSEN.

18 THE COURT: WELCOME. ALL RIGHT, I HAVE REVIEWED THE  
19 MATERIALS THAT HAVE BEEN COMING IN WITH RESPECT TO THIS CASE AND  
20 I HAVE A COUPLE OF -- MAYBE WE WILL FOLLOW ROBERT'S RULES OF  
21 ORDER -- A COUPLE OF POINTS OF ORDER HERE, WHICH I WANT TO DEAL  
22 WITH FIRST.

23 ONE IS IN THE MOST RECENT FILINGS OF THE JOINT CASE  
24 MANAGEMENT CONFERENCE STATEMENT.

25 IT APPEARS THAT THE PLAINTIFF IS SUGGESTING THE

1 POSSIBILITY -- WELL, THE PLAINTIFF CITES ON, UNDER RULE 455(A)  
2 REQUESTING THAT THE COURT RECUSE ITSELF ON THE BASIS OF THE  
3 PLAINTIFF AT U.C., AT UNIVERSITY OF CALIFORNIA, AND THE FACT  
4 THAT THIS COURT TEACHES, HAS BEEN TEACHING AT BOALT HALL FOR  
5 MORE THAN TWENTY YEARS; AND THAT COUNSEL FOR PLAINTIFF WAS A  
6 STUDENT IN THIS COURT'S TRIAL PRACTICE CLASS, AND ASSISTED THE  
7 COURT, ACCORDING TO THE STATEMENT, IN ONGOING CLASSES IN  
8 OBTAINING JURIES FOR MOCK TRIALS HELD IN HIS COURTROOM. AND,  
9 BASED UPON THAT, SUGGESTS RECUSAL.

10 AND THEN GOES ON TO STATE:

11 PLAINTIFF NOTES FOR THE RECORD THAT HE DOES  
12 NOT WAIVE THE RIGHT TO SEEK DISQUALIFICATION.

13 NOW, THE CONCERN I HAVE WITH THAT, MISS HALL, WOULD  
14 YOU AGREE WITH ME, THAT ALL OF THESE FACTS WERE KNOWN TO YOU AND  
15 YOUR CLIENT FROM THE ONSET OF THIS CASE?

16 MISS HALL: I WOULD AGREE THAT THESE FACTS WERE KNOWN.  
17 BUT I REMEMBER IN ONE OF OUR CLASSES YOU HAD TOLD US THAT WHEN  
18 YOU HAD A STUDENT APPEAR BEFORE YOU, THAT YOU WOULD IDENTIFY  
19 THAT THIS PERSON WAS YOUR STUDENT, AND THAT YOU WOULD ALSO ASK  
20 THE OTHER SIDE WHETHER OR NOT THEY HAD ANY PROBLEM WITH YOUR  
21 HEARING THE CASE.

22 AND THE FIRST HEARING CAME AND WENT. AND I DIDN'T SEE  
23 THAT YOU HAD DONE THAT. AND I WAS EXPECTING THAT MAYBE YOU  
24 MIGHT DO IT IN THE SECOND HEARING.

25 IT WAS PART OF THE REASON WHY I PUT IT IN A JOINT CASE

1 MANAGEMENT STATEMENT, BRINGING TO YOUR ATTENTION, THAT U.C.  
2 BERKELEY MIGHT VERY WELL BE A DEFENDANT IN THIS CASE; AND WE  
3 WOULD BE LOOKING AT A 455 (B) SITUATION.

4 AND I THOUGHT YOU MIGHT ADDRESS IT THEN, AND YOU  
5 DIDN'T.

6 AGAIN THE RULING CAME OUT, AND I DIDN'T SEE ANY  
7 MENTION THERE. AND I DECIDED IT WAS TIME TO PUT IT ON THE  
8 RECORD. AND I WANTED TO BRING THIS UP.

9 THE COURT: WELL, THERE ARE A COUPLE OF THINGS. FIRST  
10 OF ALL, MY RECOLLECTION IS THAT, IN FACT, DURING THE THE FIRST  
11 HEARING OF THIS CASE I DID BRING UP THE FACT THAT I WAS YOUR  
12 INSTRUCTOR, AND DID ASK THE OTHER SIDE IF THEY HAD ANY CONCERN,  
13 THEY COULD RAISE IT.

14 BUT, IF ANYTHING, THAT WOULD BE AN ISSUE FOR THE OTHER  
15 SIDE AND NOT FOR YOU; THAT'S NUMBER ONE.

16 NUMBER TWO: IN THE ORIGINAL CASE MANAGEMENT  
17 CONFERENCE, THERE IS A PROVISION THAT TALKS ABOUT RECUSAL AND IT  
18 RECITES THE FACTS WITH RESPECT TO YOUR CLIENT'S EMPLOYMENT.

19 IT SAYS:

20 THE PLAINTIFF DOES NOT SEEK RECUSAL.

21 THAT IS WHAT IT SAYS. AND YOU SHOULD GO BACK AND READ  
22 THESE THINGS BEFORE YOU FILE THESE THINGS IN COURT.

23 THE CONCERN IS, OF COURSE, THAT THIS CASE HAS BEEN  
24 PENDING FOR A SUBSTANTIAL PERIOD OF TIME, MORE THAN A YEAR  
25 CERTAINLY. THERE HAVE BEEN MANY, MANY RULINGS IN THE CASE.

1 MISS HALL: TWO.

2 THE COURT: PARDON ME?

3 MISS HALL: TWO.

4 THE COURT: TWO WHAT?

5 MISS HALL: TWO RULINGS.

6 THE COURT: TWO RULINGS IN THIS CASE AGAINST YOU,  
7 AGAINST YOUR CLIENT, THE PLAINTIFF; INCLUDING ORDERS TO STRIKE  
8 AND DENIAL, DENIAL OF MOTION FOR PRELIMINARY INJUNCTION, WHICH  
9 THE PLAINTIFF HAS NOW APPEALED TO THE THE NINTH CIRCUIT.

10 AFTER ALL THAT, THIS COMES OUT.

11 SO, MY VIEW IS --. WELL, BEFORE I SAY ANYTHING, LET  
12 ME ASK DEFENSE COUNSEL WHAT YOUR POSITION IS, IF YOU HAVE ANY,  
13 ON RECUSAL?

14 MR. JERGER: WELL, OUR POSITION WOULD BE THAT ANY --  
15 WELL, FIRST, ANY ATTEMPT TO RECUSE YOUR HONOR, SHOULD BE PUT IN  
16 A MOTION AND NOT IN A CASE MANAGEMENT STATEMENT.

17 AND WE WILL RESPOND TO IT, IF IT WERE PROPERLY PUT IN  
18 A MOTION.

19 BUT I WOULD SAY THAT, AT THIS POINT, I WOULD THINK THE  
20 PLAINTIFF HAS WAIVED ANY RIGHT TO SEEK RECUSAL.

21 THE COURT: WELL, I AGREE WITH COUNSEL THAT THERE IS  
22 NOTHING BEFORE THE COURT NOW EXCEPT THE SUGGESTION.

23 AND IF THE PLAINTIFF WANTS TO FILE A MOTION, UNDER  
24 RULE 11, PROPERLY SIGNED, AND IN WRITING, ASKING THE COURT TO  
25 RECUSE ITSELF, THAT HE BELIEVES THERE ARE GROUNDS; HE CAN

1 CERTAINLY DO SO.

2 I WOULD ADD, THOUGH, THAT THIS CERTAINLY HAS THE --  
3 SHALL WE SAY, THE AURA, IF NOT THE AROMA, OF SEEKING A TACTICAL  
4 ADVANTAGE, AND IS NOT LOOKED UPON KINDLY.

5 HAVING SAID THAT, THE COURT WILL FOLLOW ANY  
6 APPROPRIATE PROCEDURES WITH RESPECT TO THE RECUSAL, IF SUCH A  
7 MOTION IS FILED.

8 I AM NOT GOING TO RESPOND TO DEFENSE COUNSEL'S CONTEXT  
9 BECAUSE THERE IS NOTHING OFFICIALLY BEFORE ME.

10 PUTTING THIS IN A CASE MANAGEMENT STATEMENT IS NOT THE  
11 APPROPRIATE FORMAT.

12 I'M NOT GOING TO RESPOND FURTHER EXCEPT TO NOTE THAT  
13 YOU SHOULD READ YOUR INITIAL CASE MANAGEMENT CONFERENCE WHERE  
14 YOU DID SPECIFICALLY RECITE, TALK ABOUT THIS COURT'S DIRECTION,  
15 WITH RESPECT TO RECUSAL AND THE FACT THAT THE PLAINTIFF IS NOT  
16 SEEKING RECUSAL.

17 MISS HALL: I WILL ARGUE IT.

18 THE COURT: ALL RIGHT. NOW, THE NEXT POINT IS THIS,  
19 THE PLAINTIFF HAS APPEALED TO THE NINTH CIRCUIT.

20 MISS HALL: LET ME CORRECT THAT; IT'S ACTUALLY TO THE  
21 FEDERAL CIRCUIT.

22 THE COURT: THANK YOU. BECAUSE THIS IS A PATENT CASE  
23 I SHOULD KNOW BETTER.

24 THE PLAINTIFFS APPEALED TO THE FEDERAL CIRCUIT. THE  
25 DENIAL OF THE MOTION FOR AN INJUNCTION AND THE COURT'S DENIAL OF

1 THE MOTION FOR RECONSIDERATION WITH RESPECT TO THAT.

2 AND THE FIRST QUESTION I HAVE, I AM GOING TO HAVE  
3 COUNSEL -- I DON'T KNOW WHETHER WE ARE GOING TO HAVE BRIEFING ON  
4 -- BUT I WOULD LIKE TO HEAR YOUR POSITION.

5 GIVEN THAT THERE IS NOW AN APPEAL PENDING, DOES THIS  
6 COURT HAVE JURISDICTION, WHILE THE APPEAL IS PENDING, TO  
7 CONTINUE WITH THIS CASE?

8 SINCE YOU FILED IT, I'M SURE YOU RESEARCHED IT, MISS  
9 HALL; WHAT IS YOUR POSITION?

10 MISS HALL: ACTUALLY I DO NOT KNOW THE ANSWER TO THAT  
11 BECAUSE I WAS NOT EXPECTING THAT QUESTION.

12 HOWEVER, I DO THINK THAT I STILL COULD CONTINUE  
13 BECAUSE THERE ARE STILL THE PATENT ISSUES WHICH ARE NOT ON  
14 APPEAL.

15 AND CERTAINLY, THERE IS NO REASON WHY WE COULDN'T GO  
16 THROUGH WITH ANOTHER ROUND OF ANOTHER COMPLAINT.

17 ALSO THERE IS AN ADVANTAGE IN THAT A FEDERAL CIRCUIT  
18 REQUIRES MANDATORY REMEDIATION.

19 I THINK THAT MAY BE AN OPPORTUNITY FOR THE PARTIES TO  
20 TALK AGAIN.

21 THE COURT: ALL RIGHT. WHAT IS THE DEFENDANT'S  
22 POSITION ON THE COURT'S CONTINUING JURISDICTION?

23 MR. JERGER: WELL, I DID HAVE A CHANCE TO RESEARCH  
24 THAT. AND I BELIEVE THE COURT RETAINS JURISDICTION FOR ALL  
25 MERIT ISSUES PENDING APPEAL.



1 THE COURT: WELL, THE PARTIES ARE IN AGREEMENT WITH  
2 THAT. I THINK THAT IS PROBABLY RIGHT. AND I WILL LOOK AT THAT  
3 MYSELF. BUT I THINK YOU ARE PROBABLY RIGHT.

4 AT A MINIMUM I WOULD LIKE TO -- I WOULD LIKE TO GO  
5 FORWARD WITH ONLY THE ISSUES, AS A PRACTICAL MATTER, EVEN THOUGH  
6 THE COURT MAY NOT BE DIVESTED OF JURISDICTION AT THIS POINT.

7 IT MAY AFFECT WHEN CERTAIN EVENTS IN THE CASE CAN TAKE  
8 PLACE, BECAUSE THE RULING ON THE INJUNCTION, ONE WAY OR THE  
9 OTHER, MAY AFFECT SUCH THINGS AS FILINGS UNDER THE LOCAL PATENT  
10 RULES.

11 AND WHEN WE GET TO THE TIMING OF THE DATES, WE SHOULD  
12 PROBABLY THINK ABOUT THAT AS WELL.

13 I HAVE BEEN HAVING -- I JUST GOT THE NOTICE OF APPEAL.  
14 I HAVE NOT THOUGHT ABOUT THIS COMPLETELY, HOW A RULING ONE WAY  
15 OR THE OTHER, BY THE NINTH CIRCUIT, MIGHT IMPACT FURTHER EVENTS  
16 IN THE CASE.

17 HAVE YOU GIVEN THAT ANY THOUGHT, MISS HALL?

18 MISS HALL: I DON'T THINK THAT IT AFFECTS IT AT ALL.  
19 IN FACT, I THINK THAT WE CAN GO FORWARD WITH THE PATENT.

20 IN FACT, DEFENDANT SUGGESTS CERTAIN DEADLINES FOR THE  
21 NON-PATENT ISSUES.

22 FRANKLY, I THINK THAT IF ANYTHING, I THINK THAT SHOULD  
23 BE ACCELERATED, IT SHOULD BE PATENT ISSUES, ONCE WE KNOW WHAT IS  
24 GOING TO BE ASSERTED AGAINST MY CLIENT.

25 THAT IS BECAUSE THE SOFTWARE HAS BEEN AVAILABLE

1 ON-LINE, IT IS PUBLICLY AVAILABLE. AND IT IS SOMETHING THEY CAN  
2 REVIEW WHAT CLAIMS THEY BELIEVE ARE AN INFRINGEMENT OF THEIR  
3 PUBLIC LIST TERMS. SO, THEY CAN HAVE THAT.

4 A LARGE PART OF THE ITEMS THAT THEY WOULD BE SEEKING  
5 DISCOVERY ON ARE AVAILABLE TO THEM NOW.

6 AS THIS COURT NOTICED, THEY, YOU KNOW, SAID -- LET ME  
7 STEP BACK A SECOND.

8 THEY HAVE WON AN AWARD, AT ONE POINT, UNDER THE -- BY  
9 SAYING THAT THEY HAD AN INFRINGEMENT. AND I SAID, "OKAY, WHERE  
10 IS IT?"

11 AND I THINK THAT, IF ANYTHING, THE PATENT SHOULD  
12 CERTAINLY GO FORWARD.

13 NOW, IN CONTRAST, THAT PARTICULAR COPYRIGHT, WE DON'T  
14 HAVE ACCESS TO THEIR SOURCE CODE. WE DON'T HAVE ACCESS TO A  
15 NUMBER OF --

16 THE COURT: ALL RIGHT. I APPRECIATE WHAT YOU ARE  
17 SAYING. BUT LET ME JUST GO ALONG WITH MY AGENDA FOR THE HEARING  
18 NOW.

19 SO YOU ARE ASSURED, IN YOUR POSITION, THAT THE CASE  
20 CAN GO FORWARD; SO, I'M GOING TO GO FORWARD WITH THE AGENDA I  
21 IMAGINED FOR THE CASE MANAGEMENT CONFERENCE.

22 NOW, IF YOU WILL TURN, WITH THE COURT, TO PAGE 6 OF  
23 YOUR JOINT CASE MANAGEMENT STATEMENT, UNDER *MOTIONS BEFORE*  
24 *TRIAL*.

25 IT TALKS ABOUT, THE FIRST SENTENCE TALKS ABOUT BOTH:

1 ALL THE PARTIES EXPECT TO FILE MOTIONS FOR  
2 SUMMARY JUDGMENT BEFORE THE TRIAL IN ALL  
3 CLAIMS.

4 I DON'T KNOW IF YOU WERE IN COURT FOR THE LAST CASE  
5 MANAGEMENT CONFERENCE. BUT IF YOU DO FILE CROSS MOTIONS, I WANT  
6 YOU TO TALK IT OVER AMONGST YOURSELVES; IDENTIFY THE ISSUES.  
7 AND I WANT FOUR BRIEFS RATHER THAN SIX, IF THERE IS GOING TO  
8 CROSS MOTIONS.

9 SO, AN OPENING MOTION FOR SUMMARY JUDGMENT AND  
10 RESPONSE; AN OPENING MOTION FOR THE OTHER PARTY, AND SO ON. SO,  
11 THAT THERE IS ONLY FOUR RATHER THAN SIX BRIEFS.

12 NOW, YOU STATE THAT:

13 KM KATZER ANTICIPATE THAT NEW PARTIES WILL BE  
14 ADDED.

15 IT SAID:

16 JACOBSEN MAY ALSO ADD PARTIES AND CLAIMS.

17 I WILL START WITH PLAINTIFFS. I WOULD LIKE TO IMPOSE  
18 A DEADLINE FOR THIS HAPPENING.

19 MISS HALL: YES.

20 THE COURT: SO, WHAT DEADLINE CAN YOU LIVE WITH?

21 MISS HALL: AUMM, THE END OF OCTOBER.

22 THE COURT: ALL RIGHT. WHAT ABOUT YOU, FROM YOUR  
23 SIDE?

24 MR. JERGER: JUST TO CLARIFY, THIS IS FOR THE  
25 PLAINTIFF TO FILE ANOTHER AMENDED COMPLAINT?

1 THE COURT: THIS IS ADDING NEW PARTIES AND CLAIMS,  
2 CORRECT. FOR WHICH, AT THIS POINT, A MOTION WOULD HAVE TO BE  
3 FILED.

4 MR. JERGER: CORRECT.

5 THE COURT: SO, ANY SUCH MOTION HAS TO BE FILED BY THE  
6 END OF OCTOBER.

7 MISS HALL: OH, WITH A MOTION FOR PLAINTIFF TO AMEND  
8 WITH THE AMENDED COMPLAINT?

9 THE COURT: RIGHT.

10 MISS HALL: OKAY.

11 THE COURT: THAT IS RIGHT.

12 SO, MISS OTTOLINI, WHAT IS THE LAST WORK DAY IN  
13 OCTOBER?

14 THE CLERK: OCTOBER 31ST.

15 THE COURT: WHAT ABOUT THE DEFENDANTS, WHEN WOULD YOU  
16 BE ADDING NEW PARTIES, WHAT DEADLINE IS APPROPRIATE FOR YOUR  
17 SIDE?

18 MR. JERGER: WELL, I -- YOU KNOW, I THINK, ASSUMING WE  
19 AREN'T GOING TO BE FILING MORE 12 (B) (6) MOTIONS, WHICH I DON'T  
20 THINK IS A SAFE ASSUMPTION AT THIS POINT, WE WILL BE HAPPY TO  
21 FILE AN ANSWER TWENTY DAYS AFTER THE AMENDED COMPLAINT.

22 BUT, I WOULD IMAGINE THAT WE WOULD PROBABLY BE FILING  
23 ANOTHER MOTION TO DISMISS, JUST GIVEN THE HISTORY OF THIS CASE.

24 THE COURT: WELL, THIS IS WHAT I'M TALKING ABOUT. I  
25 AM TALKING ABOUT ADDING NEW PARTIES.

1 MR. JERGER: I THOUGHT WE WOULD DO THAT WITH OUR  
2 ANSWER TO THE COUNTER CLAIMS.

3 THE COURT: WELL, ALL RIGHT. WELL, THAT IS FINE,  
4 THEN. YOU HAVE TWENTY DAYS FROM THE DATE OF THE FILING.

5 AGAIN, THE COURT MIGHT NOT ALLOW YOUR AMENDED  
6 COMPLAINT TO BE FILED; IT HAS TO BE BY LEAVE OF COURT.

7 SO, THE DEFENSE WILL HAVE TWENTY DAYS, AFTER THE COURT  
8 -- IF THE COURT DOES ALLOW ANY AMENDED COMPLAINT TO BE FILED,  
9 AND FOR THE NEW PARTIES WITH THEIR RESPONSE.

10 ALL RIGHT. NOW, THE NEXT POINT I WANT YOU TO MOVE  
11 DOWN TO IS A.D.R.

12 THE DEFENDANTS BELIEVE THAT FURTHER A.D.R.  
13 WILL NOT BE PRODUCTIVE UNTIL SUMMARY JUDGMENT  
14 MOTIONS ARE HEARD...

15 AND MY QUESTION IS.

16 ... OR AFTER A CLAIM CONSTRUCTION.

17 AND THE QUESTION IS: WHY NOT NOW? YOU HAVE GOT YOUR  
18 CLIENTS FACING, RESPONDING TO AN APPEAL WHERE YOU CAN GET  
19 MANDATORY A.D.R.

20 THERE ARE LOTS OF THINGS THAT ARE GOING TO BE  
21 OCCURRING IN THIS CASE. IT IS A COMPLICATED CASE; WHY NOT GO TO  
22 A.D.R. NOW?

23 MR. JERGER: WELL, I THINK WE FELT THAT THE FIRST  
24 A.D.R. SESSION WAS NOT PRODUCTIVE AT ALL IN ANYWAY. BUT I WILL  
25 DEFINITELY BRING IT UP WITH MY CLIENT AND BE OPEN TO DISCUSSIONS

1 WITH PLAINTIFF AND HIS COUNSEL.

2 THE COURT: I HAVE A BETTER IDEA. HOW ABOUT IF I  
3 ORDER YOU TO GO TO A MAGISTRATE JUDGE FOR A SETTLEMENT  
4 CONFERENCE?

5 AND THEN YOU CAN JUST TELL YOUR CLIENT THAT I  
6 DECIDED -- I DON'T WANT TO SAY THAT I DECIDED, BUT I HAVE  
7 DECIDED THAT YOU ARE GOING TO GO TO A MAGISTRATE JUDGE, RANDOMLY  
8 ASSIGNED.

9 I AM GOING TO GIVE YOU NINETY DAYS. WELL, LET ME GET  
10 A DATE AND THEN YOU CAN ARGUE WITH COUNSEL.

11 MISS HALL: I'M NOT ARGUING.

12 THE COURT: OKAY, NINETY DAYS.

13 THE CLERK: DECEMBER 14TH.

14 THE COURT: THAT IS THE DATE TO COMPLETE THIS  
15 MEDIATION BEFORE A MAGISTRATE JUDGE.

16 YES, MISS HALL?

17 MISS HALL: EXCEPT JUDGE SPERO; I SERVED WITH HIM AS  
18 AN EXTERN.

19 THE COURT: RIGHT, EXCEPT HE WOULD BE EXCLUDED BECAUSE  
20 YOU WERE HIS EXTERN?

21 MISS HALL: YES.

22 THE COURT: ALL RIGHT. EXCEPT JUDGE SPERO WOULD NOT  
23 BE IN THE RANDOM, THE RANDOM ASSIGNMENT FOR POOL.

24 NOW, IF YOU WANT TO GET TOGETHER, THE PARTIES CAN  
25 AGREE ON A MAGISTRATE JUDGE, AND IF THAT MAGISTRATE JUDGE IS

1 AVAILABLE, I WILL SIGN SUCH A STIPULATION. OTHERWISE, IT WOULD  
2 BE A RANDOM ASSIGNMENT.

3 I WOULD STRONGLY SUGGEST, AND LET ME JUST SORT OF  
4 SEGUE AND GET BACK TO THAT.

5 THE PARTIES CAN CONSIDER, GIVEN THE COMPLEXITY OF THIS  
6 CASE AND ALL THAT IS GOING ON, THE POSSIBILITY OF CONSENTING TO,  
7 THE PERSON I HAVE IN MIND, ACTUALLY, WHO I THINK WOULD BE IDEAL  
8 IN THIS CASE WOULD BE MAGISTRATE JUDGE LAPORTE.

9 SHE HAS HAD SUBSTANTIAL EXPERIENCE IN PATENT CASES.  
10 SHE ACTUALLY GOT ONE OF MY CASES, AND THE FEEDBACK I GOT FROM  
11 THE ATTORNEYS, EVEN THE LOOSING SIDE, WAS VERY, VERY POSITIVE.

12 SO, SHE HAS LECTURED ALL OVER THE WORLD ON PATENTS AND  
13 IS VERY, VERY EXPERIENCED.

14 I WOULD STRONGLY URGE YOU TO TALK TO YOUR RESPECTED  
15 CLIENTS AND LET ME KNOW, IN A WEEK, WHETHER YOU CONSENT TO HER  
16 FOR ALL PURPOSES.

17 BUT AT A MINIMUM, AND WITHOUT IN ANY WAY TAKING AWAY  
18 FROM WHAT I JUST SAID, THINK ABOUT GOING TO HER FOR A SETTLEMENT  
19 CONFERENCE, IF YOU CAN AGREE, BECAUSE SHE'S SO EXPERIENCED AND  
20 WILL UNDERSTAND THE ISSUES; NOT THAT THE OTHER MAGISTRATE JUDGES  
21 DON'T, BUT SHE IS REALLY ONE WHO IS REALLY ON TOP OF PATENTS.

22 MISS HALL: I WOULD HAVE NO PROBLEM WITH JUDGE  
23 LAPORTE.

24 THE COURT: ALL RIGHT. SO, LET ME KNOW BY NEXT WEEK,  
25 BOTH IN TERMS OF GENERAL STIPULATION.

1           AND I WOULD ONLY NEED, IF YOU DON'T STIPULATE TO A  
2           PARTICULAR MAGISTRATE JUDGE, FOR THE CONFERENCE, THE SETTLEMENT  
3           CONFERENCE, THEN IT WILL BE ASSIGNED RANDOMLY, WITH THE  
4           EXCEPTION OF JUDGE SPERO.

5           IF YOU DON'T CONSENT GENERALLY FOR HER, OR ANYONE  
6           ELSE, THEN ALL I NEED IS -- ONE OF YOU NEEDS TO FILE AND SAY  
7           BOTH PARTIES DO NOT AGREE.

8           THEN NOBODY IS GOING TO GET A BENEFIT ONE WAY OR THE  
9           OTHER, AND WE WILL WORK THAT OUT.

10          BUT I THINK THIS IS A CASE THAT NEEDS A LOT OF HAND  
11          HOLDING, AND MAGISTRATE JUDGE LAPORTE HAS A LOT MORE TIME TO DO  
12          IT THAN THIS COURT DOES.

13          NOW, I KNOW THAT YOU SPENT A LOT OF TIME OR YOU GAVE A  
14          LOT OF THOUGHT TO HAVING DIFFERENT PROPOSALS FOR DATES. THAT  
15          STARTS ON PAGE 7 OF YOUR STATEMENT.

16          MY THOUGHT IS THAT I CAN'T GIVE YOU ANY FIRM DATES  
17          BECAUSE THE CASE IS NOT AT ISSUE YET.

18          AND NOT WITHSTANDING MISS HALL'S STATEMENT ABOUT THE  
19          EFFECT OR NON EFFECT OF APPEAL, THE NINTH CIRCUIT MAY SAY  
20          SOMETHING, IN THEIR OPINION, THAT MAY INFORM THE WAY THIS CASE  
21          MOVES ALONG.

22          BUT MORE IMPORTANTLY, THE CASE IS NOT AT ISSUE. AND  
23          YOU BOTH KNOW THAT THE PATENT RULES ARE DRIVEN BY ANSWERS TO THE  
24          COMPLAINT AND THINGS OF THAT NATURE.

25          SO, WHEN THE ANSWER IS FILED, THESE DATES, MANY OF



1 THESE DATES THAT YOU ARE REFERRING TO, YOU CORRECTLY STATE THE  
2 NUMBER, THEY ARE DRIVEN BY, SPECIFICALLY PROVIDED FOR, BY THE  
3 PATENT-HOLDER RULES.

4 I INTEND TO HAVE ANOTHER CASE MANAGEMENT CONFERENCE,  
5 IF I AM HANDLING THIS CASE, ANYWAY WHERE WE WILL REAFFIRM THOSE  
6 DATES.

7 WE WILL PICK A DATE. LET'S DO THAT RIGHT NOW. LET'S  
8 SET A DATE THAT -- LET'S SAY NINETY DAYS -- LET'S SAY THIRTY  
9 DAYS AFTER THE RESPONSE TO THE AMENDED -- WELL WE DON'T KNOW.  
10 THAT.

11 LET'S SAY THIRTY DAYS AFTER THE SETTLEMENT CONFERENCE  
12 IS TO BE COMPLETED, MISS OTTOLINI?

13 THE CLERK: OKAY. SO, THIRTY DAYS AFTER DECEMBER  
14 14TH, AND JUST A RANDOM DAY, OR A --

15 THE COURT: NOT A RANDOM DAY, BUT A CASE MANAGEMENT  
16 DAY.

17 THE CLERK: A CASE MANAGEMENT DAY, THANK YOU. ALL  
18 RIGHT, JANUARY 18TH, AT 1:30 P.M..

19 THE COURT: JANUARY 18TH 1:30 P.M.

20 AND WHAT YOU NEED TO DO IS UPDATE ME AS TO WHERE YOU  
21 ARE SO WE WILL KNOW. BUT, IF THE CASE SETTLES, I WON'T SEE YOU  
22 AGAIN.

23 IF IT DOESN'T SETTLE, THEN YOU CAN TELL ME WHERE  
24 THINGS ARE.

25 THEN BY THAT TIME, PERHAPS, WE WILL BE CLOSER TO THE

1 CASE BEING AT ISSUE FOR PURPOSES OF THE LOCAL PATENT RULES.

2 AND WE WILL CONTINUE TO MOVE THIS CASE ALONG, IF I  
3 HAVE THE CASE. IF NOT, THEN WHOEVER THE MAGISTRATE JUDGE IS  
4 WILL HAVE IT, WILL DEAL WITH IT.

5 JUST TO REMIND YOU, BECAUSE IT COMES UP LATER IN YOUR  
6 CASE MANAGEMENT CONFERENCE STATEMENT, AND WE HAVE ALREADY BEEN  
7 THROUGH THIS TO SOME EXTENT.

8 YOU MENTIONED, MISS HALL, THAT THE PLAINTIFF WANTS TO  
9 -- PROPOSES THAT HE BE ALLOWED TO AMEND, AND WOULD LIKE TO AMEND  
10 THE COMPLAINT, TO INCLUDE CONTRACT-RELATED CLAIMS AND TO INCLUDE  
11 AT LEAST ONE ADDITIONAL FEDERAL CLAIM.

12 AND THEN YOU ALLUDE TO THIS COURT'S RECENT RULING OF  
13 THE LOS JAJITOS (HA-HE-TOWS) CASE ON TRADEMARK DILUTION.

14 AS I SAID BEFORE, AND YOU SHOULD KEEP THIS IN MIND:  
15 WHEN YOU FILE YOUR MOTION TO AMEND, THAT YOU RECALL THE COURT  
16 DISMISSED THIS CLAIM WITHOUT LEAVE TO AMEND. AND THEREFORE YOU  
17 ARE GOING TO HAVE TO FILE.

18 I KNOW YOU SAY THAT A STATUTE WAS SIGNED AFTER THE  
19 FACT.

20 YOU ARE GOING TO HAVE TO TAKE INTO ACCOUNT THE COURT'S  
21 PREVIOUS ORDERS, IN YOUR MOTION, TO ALLOW FURTHER AMENDMENT IN  
22 YOUR CLAIM.

23 MISS HALL: IT WAS SUA SPONTE THAT YOU DISMISSED THE  
24 TRADEMARK RESOLUTION. AND THE BASIS, BASICALLY THE COURT  
25 DECIDED NOT TO RULE THAT -- THEIR MOTION TO DISMISS ON THE

1 COPYRIGHT.

2 THE COURT: ALL RIGHT. WELL, WHAT I WANT YOU TO DO IS  
3 TO MAKE SURE THAT YOU CAREFULLY READ MY ORDER BEFORE YOU FILE  
4 YOUR AMENDMENT, IT WILL MAKE LIFE EASIER FOR EVERYBODY.

5 MISS HALL: OKAY. THERE MAY BE SOME INSTANCES WHERE I  
6 NEED TO ADD IN THINGS, SUCH AS IF, YOU KNOW, TO PRESERVE THE  
7 RECORD.

8 I UNDERSTAND THAT YOU WILL LIKELY STRIKE THOSE ITEMS  
9 AS WELL.

10 BUT IF, AS I AM DRAFTING IT, AND DECIDE THAT: YES, I  
11 DO NEED TO PUT THIS IN TO PRESERVE THE RECORD, I JUST WANT TO  
12 LET YOU KNOW THAT IS THE REASON I AM DOING IT.

13 THE COURT: WELL, I WILL CERTAINLY --

14 MISS HALL: SUA SPONTE WILL NOT BE IN IT.

15 THE COURT: SORRY?

16 MISS HALL: SUA SPONTE WILL NOT BE IN IT.

17 THE COURT: ALL RIGHT. SO, THAT TAKES CARE OF  
18 EVERYTHING THAT I HAD ON MY AGENDA.

19 IS THERE ANYTHING FURTHER, MISS HALL, THAT YOU WISH TO  
20 BRING FORWARD AT THIS TIME?

21 MISS HALL: WHEN DID YOU WANT TO HAVE THE DEADLINE FOR  
22 US TO AGREE TO A MAGISTRATE JUDGE?

23 THE COURT: FRIDAY, A WEEK FROM TODAY. EITHER ON FOR  
24 THE SETTLEMENT CONFERENCE OR FOR PLENARY REASONS.

25 BUT LET THE COURT KNOW THAT IT WILL BE TWO SEPARATE --

1 WELL, IT CAN BE IN THE SAME DOCUMENT.

2 ONE CAN BE A PLANNING -- MAGISTRATE JUDGE FOR ALL  
3 PURPOSES; YEAH OR NAY.

4 AND THE OTHER ONE WILL BE A PARTICULAR MAGISTRATE  
5 JUDGE FOR THE SETTLEMENT PURPOSES OR FOR A SMALLER UNIVERSE FOR  
6 ALL OF THEM, IF YOU CAN AGREE.

7 IF YOU CAN'T AGREE ON A PARTICULAR ONE, YOU KNOW, IF  
8 YOU ARE HAPPY WITH ANY THREE OF THEM, WE WILL CHOOSE FROM THAT  
9 GROUP.

10 BUT I NEED TO KNOW BOTH OF THOSE THINGS BY NEXT  
11 FRIDAY.

12 ALL RIGHT. ANYTHING FURTHER?

13 MR. JERGER: JUST A POINT OF CLARIFICATION, YOUR  
14 HONOR.

15 PLAINTIFF HAS UNTIL OCTOBER 31ST TO FILE PERMISSION  
16 FOR A LEAVE TO AMEND, AND THEN DEFENDANTS HAVE TWENTY DAYS FROM  
17 THE DATE OF THE ORDER TO FILE, DEPENDING ON WHAT THE ORDER SAYS,  
18 EITHER A RESPONSIVE PLEADING OR A MOTION?

19 THE COURT: CORRECT, THAT IS CORRECT.

20 MISS HALL: SO, THEY WILL FILE -- THEY WILL FILE AN  
21 OPPOSITION ORDER --

22 THE COURT: WAIT. THEY WILL OPPOSE, THEY WILL FILE AN  
23 OPPOSITION, IF APPROPRIATE.

24 FIRST OF ALL, LET ME GO BACK BECAUSE THAT IS A GOOD  
25 POINT.

1 I WOULD PREFER IF YOU, MISS HALL, BEFORE YOU FILE YOUR  
2 MOTION, LET'S SAY, TEN DAYS BEFORE YOU FILE YOUR MOTION, TO SEND  
3 THEM A COURTESY COPY OF YOUR OPEN COMPLAINT.

4 I DON'T LIKE MOTIONS TO AMEND, EVEN WHEN THEY ARE  
5 MANDATORY, BECAUSE THE GROUNDS FOR, AS YOU KNOW, IN THIS CIRCUIT  
6 AND EVEN RULE 15 OF THE FEDERAL RULES ARE PRETTY LIBERAL, AND  
7 THE NINTH CIRCUIT IS PRETTY LIBERAL ON ALLOWING AMENDMENTS IN  
8 THE ABSENCE OF PREJUDICE, BAD FAITH OR FUTILITY.

9 SO, TEN DAYS BEFORE THE FILING DATE OF YOUR MOTION TO  
10 AMEND.

11 LET'S GET A DATE ON THAT, MISS OTTOLINI?

12 THE CLERK: TEN DAYS.

13 THE COURT: TEN DAYS BEFORE THE FILING OF THE MOTION,  
14 OF THE PLAINTIFF'S MOTION TO AMEND.

15 THE CLERK: SO, BY THAT DATE, THAT WOULD BE THE 19TH  
16 OF OCTOBER.

17 THE COURT: BY THAT DATE, MISS HALL, I WANT YOU TO  
18 SUBMIT TO THE OTHER SIDE, A COURTESY COPY OF THE COMPLAINT.

19 I WILL GIVE YOU FIVE DAYS FROM THAT DAY.

20 AND MISS OTTOLINI WILL GIVE US A DATE ON THAT?

21 THE CLERK: WHICH WOULD BE THE 26TH OF OCTOBER.

22 THE COURT: AND ALL YOU HAVE TO SAY IS YEAH OR NAY.  
23 YOU DON'T HAVE TO MAKE YOUR ARGUMENTS. YOU MAY SAY, GEE WE  
24 DON'T LIKE THIS, WE DON'T LIKE THAT, AND WE HAVE GROUNDS TO  
25 ATTACK IT.

1           BUT PERHAPS NOT IN THE IN THE CONTEXT OF A MOTION TO  
2 AMEND; YOU MIGHT STIPULATE TO IT.

3           IF NOT, JUST TELL THE PLAINTIFF, GO AHEAD AND FILE  
4 YOUR MOTION. AND THEN SHE WILL FILE; AND THEN WE WILL BE OFF  
5 AND RUNNING.

6           SO, THE PLAINTIFF WILL FILE HIS MOTION TO AMEND. YOU  
7 WILL RESPOND TO THE MOTION TO AMEND. THE COURT WILL THEN RULE  
8 ON THE MOTION TO AMEND.

9           WE WILL GIVE YOU A HEARING. DON'T WORRY ABOUT THE  
10 HEARING DATE ON THE MOTION TO AMEND. WE WILL SET THAT AT  
11 ANOTHER TIME, UNLESS IT IS FILED.

12           IF THE RULING IS TO GRANT THE MOTION TO AMEND, THEN  
13 THE ORDER WILL BE SELF-EXECUTING, COUNSEL. IT WILL STATE WHEN  
14 YOU RESPOND AND WHAT IT IS.

15           IT WILL REQUIRE THAT YOU SUBMIT THE NAMES WITHIN  
16 TWENTY DAYS OF THE ANSWER; OTHERWISE PLEAD AND NAME ANY NEW  
17 PARTIES THAT YOU WISH TO NAME.

18           DOES THAT RESPOND TO YOUR QUESTION, MISS HALL, EVEN  
19 THOUGH YOU HAVEN'T ASKED IT YET?

20           MISS HALL: YES. ACTUALLY THE DEADLINE THAT WE HAVE  
21 RIGHT NOW FOR ME TO FILE THE MOTION TO LEAVE TO AMEND, IS  
22 OCTOBER 31ST, AND HIS DEADLINE TO FILE AN OPPOSITION IS OCTOBER  
23 26TH?

24           THE COURT: NO, THAT IS HIS DEADLINE TO LET YOU KNOW  
25 WHETHER HE IS GOING TO STIPULATE TO YOUR AMENDMENT.

1 MISS HALL: OKAY, GOT IT.

2 THE COURT: AND AGAIN, I WILL LOOK UNFAVORABLY -- IF  
3 THIS WAS A SLAM DUNK, FROM THEIR PERSPECTIVE, I AM NOT SAYING IT  
4 WOULD BE, I AM NOT GOING TO BE REACTIVE THAT YOUR SIDE DID NOT  
5 STICK TO WHAT YOU FILED. BECAUSE SOMETIMES YOU MIGHT WANT TO  
6 JUST FIGHT FOR ANOTHER DAY, OR FIGHT ON ANOTHER GROUND, MAYBE ON  
7 A 12 (B) (6).

8 BECAUSE, FUTILITY AND GROUNDS OF A 12 (B) (6),  
9 ALTHOUGH PARALLEL, ARE NOT IDENTICAL.

10 SO, I AM NOT TELLING YOU WHAT YOU SHOULD -- I DON'T  
11 EVEN KNOW WHAT PLAINTIFF HAS FILED AT THIS POINT.

12 SO, I WOULD JUST LIKE COUNSEL TO TALK ABOUT THAT  
13 BEFORE WE GO FORWARD WITH THE MOTION.

14 ALL RIGHT. SO, WITH THAT SAID, ANYTHING FURTHER, MISS  
15 HALL?

16 MISS HALL: I CAN'T THINK OF ANYTHING.

17 THE COURT: ALL RIGHT. COUNSEL?

18 DEFENSE ATTY: NO, YOUR HONOR.

19 THE COURT: ALL RIGHT. THANK YOU VERY MUCH, COUNSEL.

20

21 (:WHEREUPON THE PROCEEDINGS ADJOURNED:)

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CERTIFICATE OF THE REPORTER

I, CATHERINE L. EDWARDS, A CERTIFIED SHORTHAND  
REPORTER, 3071, FOR THE UNITED STATES DISTRICT COURT, NORTHERN  
DISTRICT OF CALIFORNIA, HEREBY CERTIFY THAT:

THE FOREGOING PROCEEDINGS WERE REPORTED BY ME, AND  
WERE THEREAFTER TRANSCRIBED UNDER MY DIRECTION INTO TYPEWRITING.

THAT THE FOREGOING IS A TRUE RECORD OF THE SAID  
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CATHERINE L. EDWARDS, CSR.

OCTOBER 27, 2007