

EXHIBIT 9

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

TECSEC, INCORPORATED,	.	Civil Action No. 1:10cv115
	.	
Plaintiff,	.	
	.	
vs.	.	Alexandria, Virginia
	.	April 28, 2010
	.	9:35 a.m.
INTERNATIONAL BUSINESS	.	
MACHINES CORPORATION;	.	
SAS INSTITUTE, INC.;	.	
SAP AMERICA, INC.; SAP AG;	.	
CISCO SYSTEMS, INC.; SUN	.	
MICROSYSTEMS, INC.;	.	
SYBASE, INC.; SOFTWARE AG	.	
USA, INC.; SOFTWARE AG, INC.;	.	
ADOBE SYSTEMS INCORPORATED;	.	
EBAY INC.; PAYPAL, INC.; AND	.	
ORACLE CORPORATION,	.	
	.	
Defendants.	.	
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TRANSCRIPT OF STATUS CONFERENCE
BEFORE THE HONORABLE LEONIE M. BRINKEMA
UNITED STATES DISTRICT JUDGE

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1 P R O C E E D I N G S

2 THE CLERK: Civil Action 10-115, TecSec, Incorporated v.
3 International Business Machines Corporation, et al. Would counsel
4 please note their appearances for the record.

5 MR. CAWLEY: Good morning, Your Honor. Tom Cawley for
6 TecSec, and with me at counsel table is Brian Buroker of Hunton &
7 Williams, and behind me is Mike Oakes and Mike O'Shea from
8 Hunton & Williams as well.

9 MR. OAKES: Good morning, Your Honor.

10 THE COURT: Good morning.

11 MR. REILLY: Good morning, Your Honor. Craig Reilly
12 here for defendant IBM, and I would like to introduce my
13 cocounsel, John Desmarais of the Kirkland & Ellis firm.

14 MR. DESMARAIS: Good morning, Your Honor.

15 MR. REILLY: I am also counsel to Cisco Systems and
16 would like to introduce the Court to my cocounsel, William Boice
17 of the Kilpatrick Stockton firm.

18 MR. BOICE: Good morning, Your Honor.

19 THE COURT: Good morning.

20 MR. GILLILAND: Good morning, Your Honor.

21 THE COURT: Well, wait. Let me just stop now. I'm
22 intrigued already, Mr. Reilly. To my knowledge, are not IBM and
23 Cisco completely separate corporate entities?

24 MR. REILLY: Yes, they are, Your Honor.

25 THE COURT: All right. And they are retaining the same

1 local counsel?

2 MR. REILLY: Yes.

3 THE COURT: And there is no conflict?

4 MR. REILLY: That's correct, Your Honor.

5 THE COURT: All right. That starts to make some
6 suggestions to me about this case, but all right, that's fine.

7 Thank you, Mr. Reilly.

8 Now, yes, sir.

9 MR. GILLILAND: Good morning, Your Honor. My name is
10 James Gilliland, Townsend and Townsend and Crew, here with my
11 partner, Jonathan Link. We represent Oracle Corporation and
12 Oracle America, Inc., the successor to Sun Microsystems.

13 THE COURT: Very good. Now, I know we have many other
14 defendants in the courtroom with counsel, and I think the easiest
15 thing to do so that I don't take time unless anyone else is going
16 to be speaking, although I think this is really IBM and the
17 plaintiff's, technically their motion, but if you want your
18 appearances noted, I'll ask you to just -- I'll send a piece of
19 paper around, this is the old-fashioned way of doing things, and
20 just ask you to indicate your name and your firm and which
21 defendant you're representing.

22 This matter is before the Court on the motion brought by
23 IBM to have some change to modify the pretrial schedule. Although
24 filed by IBM, my understanding is that it was brought on behalf of
25 all the defendants, and that does suggest to the Court, obviously,

1 that there is some, has been some preliminary effort among the
2 defendants and their counsel to do some coordination in this case.

3 I suspect that I raised the blood pressure at Hunton &
4 Williams a few levels when I issued my order in response to that
5 motion, when I indicated that in my preliminary review of the case
6 and of IBM's motion, that I was concerned that the case as
7 currently positioned is potentially unmanageable, and -- with this
8 many defendants, this many patents, and this many claims within
9 the patents, and so as you know, I've strongly suggested that I'm
10 thinking of doing some creative restructuring of the litigation.

11 Now, I received a response to that order which set us up
12 for the status hearing today from the plaintiff, and I assume the
13 defendants have had a chance to read that. I must say,
14 Mr. Cawley, that my experience for patent cases in this
15 district -- and I did note that the mega cases you cited to, I
16 don't believe any were from the Fourth Amendment or EDVA --
17 traditionally, we have one or at most two defendants, but nothing
18 like the number of defendants who have been named in this case.

19 I certainly remember, I don't know if any of these firms
20 were involved, but with Black & Decker, we had a series of snake
21 light cases -- Mr. Reilly, I think you were involved in some of
22 those --

23 MR. REILLY: Yes, Your Honor.

24 THE COURT: -- one after another.

25 And this docket moves so quickly that without being

1 facetious, I think you could probably try three or four of these
2 cases within the same amount of time it would take you to do one
3 in many other districts. So having said that, your response did
4 get my attention, particularly the use of the "S" word, when you
5 indicated that one of the tactical and perfectly legitimate
6 reasons for structuring the complaint this way was to improve the
7 potential for early settlement.

8 That's something in my experience again with patent
9 cases is usually the way they ultimately are resolved, and it's a
10 very cost effective and efficient and business savvy way of
11 resolving these things. The fact that a very reputable business
12 in this field has already settled with you gave me some strong
13 suggestions that these are potentially very meritorious claims,
14 and perhaps the other similarly well-established defendants might
15 be wanting to take a significant business look at the issues here,
16 and so that thought has me rethinking exactly how I want to
17 structure this case.

18 But I'm still very uncomfortable with the situation, and
19 one of the things that gives me the biggest concern is the
20 defendants' argument that at this point, they don't have a clear
21 picture of the, of the specific claims and the specific -- and
22 their specific products upon which the claims are supposed to --
23 to which the claims are supposed to relate, and without that kind
24 of more detailed information, it will make a rational structuring
25 of discovery very difficult. So I want you to respond to that, if

1 you could.

2 MR. CAWLEY: Well, I believe that in both the -- both
3 versions of the preliminary discovery plan, there is allowance for
4 having a filing of the detailed claim charts, which we are going
5 to have by May 12, and that's what they really need, I think, is
6 in terms of the -- in terms of trying to decide the parameters of
7 it, because we're not dealing here with every claim in every
8 patent, and Mr. Buroker can give you more details on that, but
9 that is what we anticipate filing and we will file by May 12
10 unless the Court directs otherwise. So I think then you're going
11 to have the ability to have a better framework.

12 And I would submit, Your Honor, that if -- remember, we
13 represent a small company. It only has 15 employees. The idea of
14 doing sequential discovery and subjecting all of our people to a
15 series seriatim of depositions and other discovery both of the
16 employees and also the inventors -- there's five inventors, only
17 two of which still work for TecSec, so that three have left.

18 The idea of having them submit in a serial fashion to
19 discovery would be extremely burdensome and expensive for TecSec,
20 and what I would suggest, Your Honor, quite respectfully, is why
21 don't we go through discovery and see what happens, because if we
22 go through discovery -- and I should add also any claim
23 construction hearing or a summary judgment if that occurs, let's
24 see where we are then.

25 If it turns out that there's still 13 defendants, well,

1 we believe that we could still proceed and have a trial, but if
2 Your Honor felt differently, then there's a variety of things that
3 we could do at that time to make it more manageable if Your Honor
4 felt that was a goal that had to be achieved, and I can give Your
5 Honor some examples of how --

6 THE COURT: No, I had already thought about that last
7 night, about structuring the trials differently, I mean, but one
8 of the concerns I have, and this has to do with judicial
9 resources, quite frankly, too, I mean, I'm not going to be
10 dishonest with you and tell you that's not an issue I have as
11 well, is I already see you've filed at least one -- you have
12 filed, I think, at this point a motion to dismiss the counterclaim
13 of one of the defendants.

14 If I get 13 counterclaims in this case, I'm going to
15 have 13 motions to dismiss. You know, this is one case, but it's
16 really going to be 13. And I'm also concerned about overlap.

17 Now, one of the things is if I let the case stay as it
18 currently is, I'm going to put some burden on the defendants to
19 coordinate, because I don't want to be reading 13 motions on a
20 particular issue where the first ten pages basically repeat, and I
21 have found that to be the case when we have multiple defendants in
22 any kind of a complex commercial case.

23 I recognize the efficiencies of scale, but the other
24 thing is -- and again, this is something that Judge Buchanan can
25 work out with you at the 16(b) conference or you can work out

1 among yourselves -- but I'm going to ask the spokesperson for IBM,
2 when you-all, when defense counsel has been talking about how to
3 handle the discovery in this case, assuming the case stayed as it
4 was originally postured, how have you envisioned conducting
5 depositions?

6 Would there be a lead firm or a lead defendant that
7 would handle a particular witness and then the other attorneys
8 simply ask those specific questions that perhaps have not been
9 handled by the lead attorney, or had you envisioned that each side
10 would get, you know, their seven hours at that particular witness?
11 Had that been discussed yet?

12 MR. DESMARAIS: Yes, Your Honor. John Desmarais from
13 Kirkland & Ellis for International Business Machines. Thank you,
14 Your Honor. We have discussed it. I think Your Honor has put
15 your finger on one of the difficulties with this case, and let me
16 just say while there are 13 different or however many there are
17 with the corporate mergers defendants here, they're all different.

18 This isn't the normal kind of case where the plaintiff
19 has one set of allegations and they're all the same across all the
20 different defendants. This really is 13 different cases, because
21 each of the defendants is a competitor with different products and
22 different uses of the accused technology. So it is, in fact, 13
23 different cases that the plaintiffs have cobbled together.

24 So while we're trying to coordinate on the defense side,
25 we don't actually coordinate that well, because we're competitors

1 and the products are different, and they're proprietary and
2 confidential, so IBM can't show Cisco how IBM's products work,
3 because we compete with Cisco.

4 THE COURT: Well, wait. You've got the same attorney
5 representing you.

6 MR. DESMARAIS: Well, I wanted to address that, because
7 Your Honor pointed that out. Actually, only for local counsel
8 purposes. In fact, IBM and Cisco at the beginning talked about
9 whether we should have -- they could have the same outside
10 counsel, and they concluded quite quickly that they couldn't, so
11 Kirkland & Ellis is representing IBM, and Kilpatrick is
12 representing Cisco, and we're not allowed to share the
13 confidential details of the products between each other.

14 Mr. Reilly has graciously agreed to serve as local
15 counsel so that we could get some cost efficiency, but that's only
16 for the local counsel purposes, not for the substantive
17 progression --

18 THE COURT: Yeah, but, you know, I mean, in this court,
19 the adverb -- or the adjective "only" is wrong. Local counsel
20 are, that is the attorney who's on the hook. If there's any
21 problem in the case, it's Mr. Reilly who's going to get the heat,
22 not so much you-all.

23 MR. DESMARAIS: I understand that, Your Honor.

24 THE COURT: So, I mean, I think there is the very real
25 potential that Mr. Reilly in order to do his job appropriately as

1 local counsel would have access, and I'm just saying that setup,
2 to me, sort of undercuts the argument, but I understand where
3 you're coming from in that respect.

4 Would not -- once you get the detailed claims chart,
5 won't that really help to solidify exactly among other things
6 where there might be some logical line drawing done in terms of
7 how to parse up this case?

8 MR. DESMARAIS: It's very possible that something may
9 reveal itself that we don't know right now, but the one thing we
10 for sure know right now if you take IBM, we have software products
11 and hardware products that are different from Cisco's products,
12 and they're different from Oracle's products and Sun's products,
13 so that we know enough about what's going on in the marketplace
14 that this is not an implementation that we're all using the same
15 chip or something like that.

16 They are individual proprietary software, you know, and
17 I don't think the infringement proof is going to be able to be --
18 what's applicable to IBM is not going to necessarily be applicable
19 to Cisco. So we actually took Your Honor's suggestion in the
20 order that issued to heart, and IBM is here to volunteer to be the
21 lead defendant to go first, as Your Honor suggested, if we pick
22 one to go first through discovery and the *Markman* and the trial,
23 and we were able to get all the defendants to agree to that
24 protocol.

25 We are the first named defendant, so it makes sense.

1 We're the largest of the defendants. All of the patents are
2 against IBM, so we have dozens of products, and all of the claims
3 will be asserted against IBM. So if we go forward, we will
4 essentially take all of the claims and all of the causes of action
5 and lead the way.

6 And I think on the settlement point, I think you're
7 going to get the same sort of settlement action that you would
8 otherwise get. With IBM being the lead, all the patents are
9 against us, all the claims are against us, all the issues will be
10 fulsomely developed, and the other defendants will see what's
11 happening, and those who are inclined to settle will settle.
12 Especially if things start breaking one way or the other, they're
13 going to want to get out. They're not off the hook.

14 So I think you're going to get the same sort of
15 settlement motivations to save money and to get out of the case if
16 it looks like it's developing poorly, and one of the few things
17 all the defendants have been able to agree on is that IBM should
18 go first and take on the challenge, and we're ready to do that.

19 THE COURT: Well, let me ask Mr. Cawley this.
20 Mr. Cawley, if your client were to prevail against IBM --

21 MR. CAWLEY: Yes.

22 THE COURT: -- as a practical matter, is there any
23 really feasible possibility that the rest of the defendants
24 wouldn't immediately cave in?

25 Let's assume that the appeals have been successful,

1 you've won. From a rational standpoint, is there a likelihood
2 that the others would not then step in line and work things out
3 with you?

4 MR. CAWLEY: I don't think they would, Your Honor. Let
5 me say two things about that. First, contrary to what counsel
6 just said, I think there would be zero incentive -- up to the time
7 when there would be a final decision in that first case, there
8 would be zero incentive for anybody to settle because of the
9 defense of nonmutual collateral estoppel.

10 If -- this would be an entirely one-way street, because
11 certainly all of these defendants here are not going to agree that
12 any rulings with respect to whatever defendant we would use if we
13 had to go against one defendant, they certainly are not going to
14 agree that anything that's been decided that is adverse to IBM
15 would be adverse to them.

16 But on the other hand, if there was a finding, for
17 instance, of invalidity, God forbid, in this case, then under the
18 doctrine of defense of nonmutual collateral estoppel, they would
19 all get to take advantage of that. So that's the unfairness is
20 that any victory on our part would be useless for us with respect
21 to the other defendants, but any defeat in any aspect, and it
22 could be an affirmative defense or it could be on the validity
23 question, would be beneficial.

24 So they having no risk would be free riders. They would
25 sit there and wait and see what happened, and they shouldn't --

1 they wouldn't --

2 THE COURT: But, Mr. Cawley, I think you're missing the
3 handwriting on the wall concept. I mean, from a legal standpoint,
4 you're correct. If a defendant -- after you had your great
5 victory over IBM, if one of these defendants decided they still
6 wanted to go to trial, they would know certainly what the law of
7 this case was.

8 Now, from a legal standpoint, they'd still have a right
9 to relitigate it, but the handwriting would be on the wall.

10 MR. CAWLEY: Well --

11 THE COURT: I mean, from a rational standpoint, all the
12 law firms in this room are sophisticated in this area of patent
13 litigation.

14 MR. CAWLEY: And it's just because they're sophisticated
15 and talented that I would assume that each one would think that I
16 would have a different experience in front of Judge Brinkema, or I
17 would have different prior art, or I would have different
18 intrinsic or extrinsic evidence that might bear on the
19 construction.

20 THE COURT: Why wouldn't they have given that prior art
21 to IBM? I mean, again, these fellows are still going to talk to
22 each other.

23 MR. CAWLEY: Oh, they would, Your Honor. They'd love to
24 have IBM beat us in some fashion, because that would redound to
25 their benefit.

1 THE COURT: That's right.

2 MR. CAWLEY: But the fact of the matter is if they are
3 unsuccessful, then they're going to say, "Well, Your Honor, I've
4 got to have my day in court. Oracle has never had our day in
5 court," for example.

6 And by the way, Your Honor, I just want to say quickly
7 we don't really have -- we do legally have 13 defendants, but
8 there's really nine defendant groups. Sun Microsystems has been
9 purchased by Oracle. That's called Oracle America now, so that's
10 one defendant group.

11 eBay is a wholly owned subsidiary -- excuse me, PayPal
12 is a wholly owned subsidiary of eBay. That's another group. SAS
13 and its German -- SAP, excuse me, and its German parent is really
14 one defendant group, and the same is true with Software AG and
15 Software America, I think it's called. So you really have nine
16 defendant groups, I would think, as a practical matter.

17 Now, Your Honor, what I'm saying is this: I remember in
18 one of my many losing arguments in front of Judge Bryant, I used a
19 slippery slope argument, and Judge Bryant said, "Why don't we just
20 worry about that when it occurs, Mr. Cawley?"

21 Why don't we go through discovery, go through claim
22 construction if Your Honor wishes to have that kind of hearing, go
23 through summary judgment, and let's see where we are. Then during
24 that period of time, there would be an incentive for all of the
25 nine defendant groups or some of them to settle.

1 I mean, my partners here both from the DiNovo Price
2 firm, which is cocounsel with us, a Texas firm, and Mike O'Shea,
3 who's from Hunton & Williams, have had experience with
4 multi-defendant cases where all of the defendants have settled by
5 the time they get to trial. I'm not saying that that would
6 happen, but Your Honor knows and this Court's experience is
7 certainly that that's often the case.

8 Why don't we see where we are after we do common
9 discovery? In fact, I was sitting here thinking if we had filed
10 13 different lawsuits, undoubtedly we'd be talking about a motion
11 to consolidate brought by somebody, because they'd say, look,
12 there's got to be some economies of scale here. Why should we do
13 something 13 different times?

14 So it seems to me this is the most efficient way to
15 handle it, and it seems to me it's entirely unfair for us to start
16 down this road with any defendant, whether it's of our choosing or
17 the defendant's choosing, but it seems unfair to us, what would
18 happen, for instance, if we settle with that, with that defendant?
19 What happens then? I mean, presumably we'd have to start the
20 process over again, and we could find ourselves, you know,
21 serially in this matter.

22 And Mr. Buroker says that the current timetable for
23 appeals to the Federal Circuit is a year and a half. We're
24 talking about a long time before we would have a final decision,
25 and that means -- and we pointed that out in our papers -- that

1 the stay would in some sense be indefinite, but it would certainly
2 be several years, and that seems really unfair to us to have to
3 wait, let's say, two-and-a-half years, forgetting about an appeal,
4 you know, a petition for cert to the Supreme Court, before we
5 could say, okay, we finally got through with case No. 1.

6 And you're right, people might then settle, but they
7 might not, and that puts us in a very bad position. Some of the
8 patents are going to expire, I think, in 2013. Others have a
9 longer life. But that seems to me it's unfair to the plaintiff to
10 have to wait that long. You're right, some or all could settle,
11 but some or all may not settle, and we're right back four years
12 from now getting ready to try the case for defendant No. 2.

13 I just don't understand why this matter can't be
14 revisited after we go through discovery and we go through pretrial
15 motions.

16 THE COURT: All right. Well, I continued the initial
17 pretrial with Judge Buchanan until May, is it the 12th?

18 MR. REILLY: 12th, Your Honor.

19 THE COURT: The same day the claims chart is supposed to
20 be delivered?

21 MR. REILLY: (Nodding head.)

22 THE COURT: All right. And that May 12 claims chart
23 delivery date had been agreed to by you-all or not?

24 MR. REILLY: That had been in the plan, Your Honor, but
25 obviously not entered as a Rule 16(b) order by the Court yet, but

1 we would like to get the -- we, in fact, were going to suggest
2 that we get the claim chart before we even have a Rule 16(b)
3 conference, because it really would shape the parameters of the
4 case for all purposes in discovery.

5 THE COURT: Yeah, it would. It would.

6 All right, I think I am -- I'm going to consult with
7 Judge Buchanan again to take a look at her calendar. It makes no
8 sense at this point to even think about -- and I'm still thinking
9 about ways of carving this case up, but I'm going to leave it as
10 it currently is structured, require that the plaintiff provide the
11 claims chart as to each defendant, each device or methodology that
12 you claim violates your patents, and obviously identify the
13 specific claims within those patents that read on those particular
14 allegedly infringing products. That is going to give the
15 defendant community a very clear picture, I think, of where the
16 case is.

17 I will tell you I'm still thinking and I want the
18 plaintiff to be thinking about this, too, creatively about a
19 smart, economic approach to how to resolve this case. I think
20 what I'm looking for is a kind of unified field theory for this
21 case; in other words, is there one or two claims or patents or one
22 or two methodologies that so permeate all the other technology
23 we're talking about in this case that that's the meat and potatoes
24 of this case. If the plaintiff can't win on those claims, they
25 really aren't going to win on anything else.

1 And it would help you-all in making a truly rational
2 assessment about settling to understand exactly where the core of
3 the plaintiff's case is. Right now it's in my view sort of
4 unwieldy.

5 And I've had a lot of patent cases, and even though I
6 don't always understand the technology, I find ultimately most of
7 them do get down to a core, a true core of intellectual property,
8 and if you can get it down to that, you can really get the case
9 more manageable. So that's the other sort of instruction I'll
10 give you-all to be thinking about during this time period.

11 So at this point, I'm going to grant the defendant's
12 motion to modify the pretrial, but I'm not going to give you any
13 new deadlines yet. Instead, what I'm going to do is I need to
14 check with Judge Buchanan, because I'm going to -- I'd rather give
15 the plaintiff enough time to get that claims chart exact and to
16 invite them if there are some claims that you want to drop at this
17 point as you put that chart together, to drop them, all right? So
18 that when the defendants get that claims chart, that's it.

19 But because the plaintiff has had plenty of time to
20 think about this case and to structure it, you know, it's a lot
21 like the U.S. Attorney's Office. It can be investigating a
22 criminal case for three years, then they file it, and the defense
23 has to scramble because they've only got a few weeks or months to
24 defend.

25 In the same respect, I mean, I don't know whether in the

1 industry there were rumblings that this was coming so that you-all
2 have had some preliminary notice, but the plaintiff has had plenty
3 of time to think about how to litigate this case. I believe
4 you've already filed an amended -- a first amended complaint.

5 I'm going to force the plaintiff to lock themselves into
6 a position. That claims chart is it. I'm not going to allow any
7 amendment, but I'll give you until the 12th so you have the time
8 to finish it up, make it accurate, and the only change you can
9 make to it afterwards is to take things out of it, in other words,
10 to remove claims, but I want -- the defendants have a right at
11 this point to know exactly what the parameters of this lawsuit
12 are, and that should help you-all, and then I will talk with Judge
13 Buchanan, and I'll give you at least a week after you get the
14 claims chart before you have to go to that initial pretrial, all
15 right?

16 But I want everybody to continue working together
17 collegially to try to figure out smart proposals. I'm going to
18 give Judge Buchanan some parameters to be thinking about, and
19 either she or I will be involved in blessing that final discovery
20 order.

21 I think -- I have an open mind to Mr. Cawley's argument
22 if I'm satisfied that you've been able to streamline the discovery
23 in a manageable fashion to perhaps keeping everybody in the case
24 at least through the discovery process and perhaps the motions,
25 but I know I'm not going to hear 13 separate *Markman* motions. I

1 mean, we're going to have to figure it out so it's one omnibus
2 approach to *Markman*, and that may or may not be workable. We'll
3 have to see.

4 But I know that if the case does not get resolved by
5 settlement or by -- on motions, we're not going to have one trial
6 with 13 defendants. I would not inflict that on any jury. So it
7 will be broken apart at that point if it hasn't -- if it's still
8 on the calendar.

9 Anything else, Mr. Reilly?

10 MR. REILLY: Yes, Your Honor, just one or two quick
11 points.

12 THE COURT: Yes.

13 MR. REILLY: The first amended complaint was filed last
14 week, and I'd like to ask the Court to consider changing the
15 answer date for that given that we will get the content of what
16 those allegations really mean when we see the claim chart.

17 Also, as the Court noted, as of last week, there had
18 been one motion to dismiss counterclaims and affirmative defenses.
19 Several more such motions have been filed but not noticed for
20 hearing.

21 It seems to me that it might be best for managing the
22 pleading and joinder of issue to have -- not have those motions to
23 dismiss but allow the defendants to replead affirmative defenses
24 and counterclaims in light of the claim chart and the amended
25 complaint --

1 THE COURT: I think that makes more sense.

2 MR. REILLY: -- so that we not have, you know, ourselves
3 to brief and the Court to have to rule upon these not 13 but
4 several motions to dismiss.

5 THE COURT: I think that makes good sense. So the
6 claims chart is coming in on Wednesday, May 12. How about two
7 weeks to file amended answers and/or counterclaims, which would be
8 Wednesday, May 26?

9 So I'm going to deem all of the -- the motions to
10 dismiss that have been filed at this point as to the counterclaims
11 I'll deem to be sort of at this point -- well, I won't do anything
12 with them, but they're just going to sit. They have not been
13 noticed for argument, okay.

14 I can tell you that if you want hearings in this case, I
15 probably will not do the motions in this case on a Friday, because
16 I just think they will probably take longer, and what I think I
17 should do is give you some dates in June where you could
18 comfortably notice something. I think we're talking late June by
19 the time we would have your amended answers and counterclaims in,
20 motion to dismiss, and time to respond to them.

21 Thursday, June 24, at 10:00? That should enable us to
22 weed out some of these matters at that point. Now, if there are
23 no motions, that's fine, but if you're going to file any motions
24 that I need to address, that's a good date in June.

25 And then in July -- I'm just going to keep these dates

1 open on my calendar so you know you can go ahead and schedule
2 things, all right? How about Thursday, July 22, all right? So
3 that's going to be sort of -- those are both at 10:00. That's the
4 second day I'll give you for TecSec motions.

5 And we'll just wait to see what is evolving at that
6 point, but that, I think, will be the pattern. I think you can
7 sort of assume that it will be the Thursday -- a Thursday motions
8 date that I'll set aside for this case, all right?

9 Are there any other matters, Mr. Reilly?

10 MR. REILLY: No, Your Honor, thank you.

11 THE COURT: Mr. Cawley, you're all set?

12 Mr. Reilly?

13 MR. REILLY: There were a couple of things that we were
14 talking with the plaintiffs about, and I just wanted to alert the
15 Court and the plaintiffs that we would want to probably talk with
16 them about the initial disclosure date. We've obviously been
17 absorbed with this, and we have -- had agreed upon an initial
18 disclosure date. The plain vanilla Rule 26(a)(1), we'll probably
19 revisit that with the plaintiffs about when we would be serving
20 those. And then also, there are outstanding discovery objections
21 we probably need to discuss with the plaintiffs when we're getting
22 close to them.

23 THE COURT: All right. Now, I will tell you most likely
24 your 16(b) with Judge Buchanan -- and again, I have to check with
25 her calendar -- will most likely be within the first two weeks of

1 June. It's going to be -- it will come soon. So that gives you a
2 little extra breathing space.

3 As I said, I really urge you, both sides to think about
4 what you can do to streamline this litigation. It's in
5 everybody's interest. Otherwise, you know, millions of dollars
6 are going to be spent on litigation. If you can, you know,
7 whittle it down to what really has to get resolved, it would make
8 it -- be much smarter.

9 And there may be some issues that are more key to the
10 claims against IBM than the claims against eBay. I mean, I
11 understand that, but, you know, if each group of defendants could
12 work with the plaintiff to figure out what's the core of this
13 litigation, it would just make it much better to do it that way,
14 all right?

15 MR. REILLY: Thank you, Your Honor.

16 THE COURT: Very good. All right, we'll recess court.
17 We have a significant number of admissions, and we'll reconvene in
18 five minutes.

19 (Which were all the proceedings
20 at this time.)

21
22 CERTIFICATE OF THE REPORTER

23 I certify that the foregoing is a correct transcript of the
24 record of proceedings in the above-entitled matter.

25

/s/
Anneliese J. Thomson