
UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No.: 8:19-cv-01335-JLS-KES

Date: February 17, 2022

Title: MicroVention, Inc. v. Balt USA, LLC

9,414,819 (“the ‘819 patent”); 10,076,338 (“the ‘338” patent). (*Id.* Exs. B, C, E.) These patents describe implantable embolic devices for the treatment of aneurysms.

Fact discovery opened on September 25, 2019, and Balt served its preliminary invalidity contentions on December 20, 2019. (*See* Doc. 19, at 2; Zeng Decl., Doc. 74, ¶ 2.) The COVID-19 pandemic subsequently delayed the proceeding of the case, but the Court held a claim-construction hearing, and issued an order construing disputed claim terms on July 2, 2021. (*See* Order on Claim Construction, Doc. 66.)

During claim construction, MicroVention proposed a broad construction of the electrical conduction limitation in which current is conveyed to the distal end through electrical wires. (Mem., at 3-4 (citing Doc. 35, at 25).) The Court disagreed with MicroVention’s construction and adopted Balt’s position that no construction is necessary and the limitation should be given its plain and ordinary meaning. (Claim Construction Order, at 33.) On August 3, 2021, Balt wrote MicroVention to confirm that MicroVention intended to narrow the asserted claims in view of the claim-construction order. (Mem., at 4.) Although MicroVention initially indicated it would narrow the list of asserted claims, it later confirmed that it intended to continue to assert claim 1. (*Id.* at 4 (citing Zeng Decl. ¶ 4).)

Moreover, after the Court’s claim-construction ruling, Balt deposed MicroVention’s inventors and corporate designees, including Heath Bowman, an engineer involved in the development of the patented product; Gary Currie, a named inventor on the ‘338 patent; and Matthew Fitz, MicroVention’s corporate designee and a named inventor on the ‘338 patent and the other asserted patents. (*Id.* at 5.) According to Balt, all three witnesses testified that [REDACTED]

[REDACTED] (*Id.*) Balt asserts that these depositions reveal that MicroVention did not attempt to [REDACTED]

[REDACTED] (*Id.* at 7.) The last of these three depositions was held on July 21, 2021, and Balt sent MicroVention its amended invalidity contentions on July 28, 2021. (*Id.*)

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In light of these developments, Balt has filed the present Motion for Leave to Amend its Invalidity Contentions to amend its contentions in two ways: (1) Balt seeks to add written description and enablement defenses to claim 1 of the ‘819 patent based on information obtained; and (2) Balt seeks to add written description and enablement defenses to the ‘338 patent. (*Id.* at 1.)

II. LEGAL STANDARD

Patent Local Rule 3-3(d) requires disclosure of “[a]ny grounds of invalidity based on . . . enablement or written description under 35 U.S.C. § 112(1) of any of the asserted claims.” “Any invalidity theories not disclosed pursuant to Local Rule 3-3 are barred, accordingly, from presentation at trial (whether through expert opinion testimony or otherwise).” *MediaTek Inc. v. Freescale Semiconductor, Inc.*, 2014 WL 690161, at *1 (N.D. Cal. Feb. 21, 2014) (citations omitted).

“The ability of the parties to amend those contentions is restricted[.]” *O2 Micro Int’l, Ltd. v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1359-60 (Fed. Cir. 2006). Under Patent L.R. 3-6, a party may amend its contentions “only by order of the Court upon a timely showing of good cause.” Patent L.R. 3-6. In assessing good cause, the Court begins with “a showing that the party seeking leave to amend acted with diligence in promptly moving to amend when new evidence is revealed in discovery.” *O2 Micro Int’l Ltd.*, 467 F.3d 1363. “The critical issue is not *when* [the party] discovered [the] information, but rather, whether [it] *could have* discovered it earlier had it acted with the requisite diligence.” *Google, Inc. v. Netlist Inc.*, 2020 WL 1838693, at *2 (N.D. Cal. May 5, 2010). “The burden is on the moving party to show diligence.” *Apple Inc. v. Samsung Elecs. Co.*, 2012 WL 5632618, at *2 (N.D. Cal. Nov. 15, 2012). If the Court finds that the moving party acted diligently, then the court “considers whether there would be undue prejudice to the non-moving party.” *Id.* “If the court finds that the moving party was not diligent in amending its infringement contentions, there is no need to consider the question of prejudice to the non-moving party, although a court in its discretion may elect to do so.” *Id.*

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III. DISCUSSION

The Court first considers whether Balt was diligent in seeking the requested amendments; as the Court concludes it was not, the Court does not reach the question of prejudice to the non-moving party.

A. ‘819 Patent

Balt asserts that it was diligent in amending its contentions relating to Claim 1 of the ‘819 Patent because MicroVention did not confirm that it “intended to continue to assert claim 1,” despite the Court’s Claim Construction Order, until August 9, 2021. (*See* Mem., at 4.) Balt relies heavily on the Court’s Claim Construction Order and argues that it could not have amended its invalidity until after MicroVention confirmed it would not adhere to the Court’s narrower construction of the claim. (*Id.*)

But in asserting that MicroVention rejected the Court’s narrower construction, Balt essentially admits that MicroVention now takes the same position it has taken since the beginning of this litigation. Therefore, there is not really any “new evidence” that has been revealed through discovery that justifies amendment. And because “[t]he critical issue” in establishing good cause, is not “*when* [the party] discovered [the] information, but rather, whether [it] *could have* discovered it earlier had it acted with the requisite diligence,” and Balt has done nothing to show it could not have discovered the new evidence—or really, merely address MicroVention’s original position—at some earlier point in time, Balt has not carried its burden to demonstrate diligence. *Google, Inc.*, 2020 WL 1838693, at *2.

Thus, the Court concludes that Balt has essentially manufactured an abbreviated timeline and change in circumstances. This is insufficient to demonstrate the good cause required to justify amendment at this late stage.

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B. ‘338 Patent

Balt also asserts that it was diligent in amending its contentions relating to its ‘338 patent because only after the Court’s claim construction ruling did Balt depose MicroVention’s inventors and corporate designees and learn that “the ‘tension so as to enhance breakage’ limitation lacks written description support and is not enabled by the specification of the ‘338 patent.” (Mem., at 4-5.) Balt claims that deposition testimony revealed that [REDACTED]

[REDACTED] (*Id.* at 7.)

Although in some circumstances, revelations in deposition testimony may provide a basis for good cause warranting amendment, this is not the case here. The “written description inquiry looks to the four corners of the specification to discern the extent to which the inventor(s) had possession of the invention as broadly claimed,” *Rivera v. Int’l Trade Comm’n*, 857 F.3d 1315, 1322 (Fed. Cir. 2017) (quotations omitted), and the “proper focus when assessing enablement is on what is disclosed in the patent,” *In re ‘318 Pat. Infringement Litig.*, 583 F.3d 1317, 1329 (Fed. Cir. 2009) (Gajarsa, J., dissenting).

The relevant focus of invalidity contentions is whether the patent specification contains sufficient written description to enable the asserted claims; however, the deposition testimony Balt cites has no bearing on its invalidity disclosures because Balt does not connect that testimony to the ‘338 patent specification itself. (*See* Mem., at 4-7, 8-9.)² Thus, Balt has been aware of the basis for the invalidity challenges it seeks to add for the past two years, and there is no good cause justifying amendment now. The fact

² MicroVention argues that the ‘338 patent specification adequately discloses the pre-tensioning of the tether, that the tether acts as a reservoir of stored energy released during detachment, and that pre-tensioning provides a range of benefits including lowering the time, energy, and temperature required to break the tether and detach the implant. (*See* Ex. 3 to Horikawa Decl., ‘338 Patent, 9:46-62; 2:54-57; 8:63-65; 9:63-10:2.) However, the Court need not determine that ultimate issue to decide that Balt cannot rely on the proffered deposition testimony to show good cause for its failure to amend its invalidity contentions earlier.

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Balt raised the same arguments with respect to the ‘506 and ‘819 patents, when those patents contained similar language, only bolsters the Court’s conclusion. (*See* Ex. 2 to Zheng Decl., Doc. 76-2, at ECF 67.) The deposition testimony regarding testing of pre-tensioning and detachment time may be relevant information, but it does not create a new timeline by which to measure diligence.

IV. CONCLUSION

For the foregoing reasons, the Court DENIES the Motion.

Initials of Deputy Clerk: mku