

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. CV 20-359-GW-Ex

Date February 15, 2022

Title *Nichia Corporation v. Feit Electric Company, Inc.*

Present: The Honorable GEORGE H. WU, UNITED STATES DISTRICT JUDGE

Javier Gonzalez

None Present

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

None Present

None Present

**PROCEEDINGS: IN CHAMBERS - FINAL RULING ON PLAINTIFF NICHIA
CORPORATION'S MOTION TO STRIKE IN PART THE OPENING
EXPERT REPORT OF DR. MICHAEL S. LEBBY [250]**

Attached hereto is the Court's Final Ruling. The Motion is granted in part and denied in part.

Initials of Preparer JG

I. INTRODUCTION

In this patent infringement action, Plaintiff Nichia Corp. (“Plaintiff”) accuses Defendant Feit Electric Company, Inc. (“Defendant”) of infringing U.S. Patent No. 9,752,734 (“the ’734 Patent”). Complaint, Docket No. 1. Previously the Court has ruled on myriad motions. *See, e.g.*, Docket Nos. 43 (Motion to Dismiss), 59 (Motion to Strike Contentions), 198 (Motion to Amend Contentions), 213 (Motion to Amend Answer), 216 (Motion to Review MJ Order), 253 (Motion for Sanctions). The Court also has issued a Markman Order (Docket No. 90). Under the most recent Scheduling Order, the expert discovery cutoff is March 3, 2022. *See* Docket No. 248. Before the Court is Plaintiff’s Motion to Strike in part the Opening Expert Report of Dr. Michael S. Lebbly (“Lebbly Report”). The Motion is fully briefed. *See* Docket Nos. 250 (Motion), 255 (Opposition), 257 (Reply). The Court held a hearing on February 14, 2022.

Through its Motion, Plaintiff asks the Court to strike portions of Defendant’s opening expert report on invalidity where those portions untimely disclose new theories. For the reasons stated below, the Court **GRANTS-IN-PART** the Motion.

II. BACKGROUND

Plaintiff asserts twenty-one claims of the ’734 Patent against Defendant. The ’734 Patent claims a “Light Emitting Device,” which Plaintiff describes as a “filament-style LED lightbulb.” Complaint ¶ 6. During the *Markman* proceedings, Plaintiff explained that “the novelty [of the claimed invention] is in the configuration [of] all the different components and how they interact together.” Docket No. 82 at 9:19-22; *see also id.* at 10:3-4 (“What is different about this invention is how those components are configured and arranged and interact together.”); Docket No. 87 (Supp. Markman Brief) at 2 (explaining the “novel ‘packaged’ design” is what sets the invention apart from prior art).

To defend against this action, Defendant argues, *inter alia*, that the ’734 Patent is invalid. To that end, Defendant served its opening expert report on invalidity, authored by Dr. Michael S. Lebbly. Plaintiff moves to strike three aspects of the Lebbly Report as new opinions not disclosed in Defendant’s final invalidity contentions (“FIC”): “(1) an entirely new reference, JP Publication No. JP2003249692A (“Yamazaki”), which Dr. Lebbly relies on in the alternative for

three purported obviousness grounds; (2) two new invalidity theories based on combinations of references [*i.e.*, with Mano and Okamoto as primary obviousness references] not included in Feit's final invalidity contentions; and (3) a new written description argument." *See* Docket No. 250 at 1. Plaintiff argues that striking the new material is appropriate because it was not included in Defendant's final invalidity contentions; Defendant did not seek to amend those contentions; and allowing them to stand would prejudice Plaintiff at this late stage of the case. *Id.* at 1.

First, regarding the Yamazaki reference, Plaintiff argues that Defendant's FIC neither references Yamazaki for any obviousness ground, nor mentions it more generally as prior art. *Id.* at 8. Plaintiff also argues that Defendant knew about Yamazaki for at least three months before serving its FIC and ten months before serving the Lebby Report. *Id.* at 9 (citing concurrent ITC proceeding). Plaintiff contends that this late disclosure would place it at a disadvantage the patent rules were designed to prevent. *Id.* at 10. Further, Plaintiff notes Defendant agrees that Yamazaki is "redundant" of other prior art. *Id.*

Second, as to new obviousness combinations, Plaintiff argues that Defendant belatedly disclosed (1) Mano in view of Shibata; and (2) Okamoto in view of Suehiro, or in the alternative Yamazaki, and further in view of Maxik. *Id.* at 10. Although Defendant disclosed Mano and Okamoto separately and in view of other prior art, these two new combinations were not disclosed in Defendant's final invalidity contentions. *Id.* at 11. Plaintiff argues it is prejudiced by the late disclosure because "the new obviousness combinations implicate a[] different analysis than the combinations set forth in Feit's final invalidity contentions." *Id.* Plaintiff argues that Defendant's purported reservation of rights to disclose other combinations violates the applicable patent rules. *Id.*

Third, Plaintiff moves to strike one of Defendant's § 112 invalidity theories as untimely—that "the asserted claims are invalid for lack of written description insofar as they cover a light bulb with a curved filament." *Id.* at 13. Plaintiff argues it should not have to respond to this last-minute position because it is they type of gamesmanship the patent rules seek to avoid. *Id.* at 14.

In response, Defendant argues that, setting aside the fact that Plaintiff has three technical experts and ten weeks to respond, the challenged references were sufficiently disclosed in its FIC (Docket No. 250-2, Ex. C, p. 237). Docket No. 255 at 1.

First, Defendant states that it “agreed that it would withdraw the Yamazaki reference without a Court order or the need to engage in additional motion practice.” *Id.* at 1. Accordingly, Defendant argues this issue is moot. *See also id.* at 6 & n.2; *id.* at 13 (“Feit Electric reiterates here that it will not present the Yamazaki references without first obtaining Court approval and correspondingly providing Nichia an opportunity to respond. Accordingly, any relief sought by Nichia based on the Yamazaki reference should be denied as moot.”).

Second, regarding the Mano/Shibata and Okamoto/Suehiro/Maxik combinations, Defendant argues that none of the individual references is new. *Id.* at 2. Thus, Defendant contends there is no new work for Plaintiff to rebut because, “[w]hile Dr. Lebby did find a different arrangement to be preferred, the references are used in the same manner vis-à-vis the claim limitations as in the final invalidity contentions.” *Id.*; *see also id.* at 13 (“the Lebby Report relies on the teachings of Mano, Shibata, Okamoto, Suehiro, and Maxik to demonstrate obviousness in the same manner as disclosed in Feit Electric’s final invalidity contentions”) (citing Lebby Report at ¶¶ 224-505). Defendant explains that “for each of the primary references that Nichia claims are somehow ‘new,’ Nichia has had in its possession charts that map every asserted claim limitation to every prior art reference.” *Id.* at 4. Defendant argues that it also disclosed and used consistently the other references. *Id.* at 4-5, 14-16. Defendant also notes that its FIC “expressly reserved the right ‘to rely on any combination of the references cited in FIC Exhibits A-H, even if not explicitly set forth therein.’” *Id.* at 4.

Third, Defendant argues that its FIC contains sufficient disclosures to support Dr. Lebby’s opinion that the ’734 Patent “lacks written description pertaining to bulbs containing a curved filament, *i.e.*, that there is no disclosure discussing or drawing depicting a curved filament.” *Id.* at 2. Specifically, Defendant notes that the FIC states, “[t]he disclosure, including the drawings, fails to provide a clear depiction of the alleged invention in detailed drawings.” *Id.* (quoting FIC at 22); *see also id.* at 19-21. In any event, Defendant notes that it “expressly reserved the right ‘to challenge any of the claim terms herein under 35 U.S.C. § 112, including by arguing that they are indefinite, not supported by the written description, or not enabled.’” *Id.* at 5. Further, Defendant argues there is no prejudice because “written description is based on how the specification is understood by a POSA, [so] fact discovery is largely irrelevant,” and “Nichia will have an opportunity to take full [expert] discovery through a deposition of Dr. Lebby and to respond in its responsive expert report.” *Id.* at 22 n.5.

In reply, Plaintiff argues that Defendant “is not ‘dropping’ the Yamazaki reference; it is putting it in its back pocket.” Docket No. 257 at 3. Plaintiff also argues that the new obvious combinations are *not* used in the same manner vis-à-vis the claim limitations, as demonstrated, for example, by the fact that “[n]o combination in Feit’s contentions suggested using that element from Shibata [a disclosed obviousness reference] in a device like in Mano [a disclosed anticipation reference].” *Id.* at 6. As another example, Plaintiff notes that “the Lebby Report now uses Okamoto in 3-and 4-way obviousness combinations that are based on entirely different secondary references.” *Id.* Based on these modifications, Plaintiff argues the Lebby Report necessarily provides a new reason for combining the references. *Id.* at 7. As to the § 112 issue, Plaintiff argues that non-infringement and lack of written description are two separate things Defendant’s non-infringement arguments provided no notice of this new invalidity theory. *Id.* at 10.

III. LEGAL STANDARD

The Standing Patent Rules to which the parties agreed to be bound require the parties “to provide early notice of their infringement and invalidity contentions, and to proceed with diligence in amending those contentions when new information comes to light in the course of discovery.” *O2 Micro Int’l Ltd. v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1365–66 (Fed. Cir. 2006). The S.P.R.s “seek to balance the right to develop new information in discovery with the need for certainty as to the legal theories.” *Id.* “District courts have ‘wide discretion’ in enforcing the patent local rules.” *Slot Speaker Techs., Inc. v. Apple, Inc.*, Case No. 13-CV-01161-HSG-DMR, 2017 WL 235049, at *2 (quoting *Finjan, Inc. v. Proofpoint, Inc.*, Case No. 13-CV-05808-HSG, 2015 WL 9460295, at *1 (N.D. Cal. Dec. 23, 2015)).

Under the applicable Standing Patent Rules, an accused infringer’s invalidity contentions must contain “[t]he identity of each item of prior art that allegedly anticipates each asserted claim or renders it obvious.” S.P.R. 2.5.1. Additionally, the contentions must disclose “[w]hether each item of prior art anticipates each asserted claim or renders it obvious,” including “an explanation of why the prior art renders the asserted claim obvious, including an identification of any combinations of prior art showing obviousness.” S.P.R. 2.5.2. The contentions must include “[a] chart identifying where specifically in each alleged item of prior art each limitation of each asserted claim is found.” S.P.R. 2.5.3. They must also disclose “[a]ny grounds of invalidity based on 35 U.S.C. § 101, indefiniteness under 35 U.S.C. § 112(2)/(b), or

enablement or written description under 35 U.S.C. § 112(1)/(a) of any of the asserted claims.” S.P.R. 2.5.4.

“Given the purpose behind [these] disclosure requirements, a party may not use an expert report to introduce new infringement theories [or] new invalidity theories . . . not disclosed in the [party’s] infringement contentions or invalidity contentions.” *Finjan, Inc. v. Sophos, Inc.*, No. 14-CV-01197-WHO, 2016 WL 2988834, at *5 (N.D. Cal. May 24, 2016) (quoting *Verinata Health, Inc. v. Sequenom, Inc.*, No. 12-cv-00865-SI, 2014 WL 4100638, at *3 (N.D. Cal. Aug. 20, 2014) (internal quotation marks omitted)). “The scope of contentions and expert reports are not, however, coextensive.” *Golden Bridge Tech. Inc v. Apple, Inc.*, No. 12-cv-04882-PSG, 2014 WL 1928977, at *3 (N.D. Cal. May 14, 2014) (internal quotation marks omitted). “In patent litigation, expert reports are expected to provide more information than . . . contentions.” *Digital Reg of Texas, LLC v. Adobe Sys. Inc.*, No. 12-cv-01971-KAW, 2014 WL 1653131, at *5 (N.D. Cal. Apr. 24, 2014). “Thus, ‘[t]he threshold question in deciding whether to strike an expert report is whether the expert has permissibly specified the application of a disclosed theory or impermissibly substituted a new theory altogether.’” *Finjan*, 2016 WL 2988834 at *5 (quoting *Digital Reg of Texas*, 2014 WL 1653131 at *5).

IV. ANALYSIS

Plaintiff’s motion challenges three aspects of the Lebby Report, each of which the Court analyzes below.

First, the Court denies the motion as unripe regarding the Yamazaki reference. Defendant has made clear that “it will not present the Yamazaki references without first obtaining Court approval and correspondingly providing Nichia an opportunity to respond.” Accordingly, there is nothing for the Court to resolve at this stage. If Defendant later wishes to assert Yamazaki, and Defendant believes that it can demonstrate good cause and lack of prejudice to Plaintiff, it should file a motion to amend its final invalidity contentions, addressing, *e.g.*, Plaintiff’s arguments that Defendant has long known of this reference and Plaintiff would be prejudiced by its belated assertion. If Defendant attempts to use the Yamazaki reference without first obtaining approval for amendment, Plaintiff’s request to strike that portion of the Lebby Report would become ripe for review and Plaintiff may renew the motion.

Second, the Court grants the motion as to the new obviousness combinations.¹ A comparison of Defendant’s FIC and the challenged portions of the Lebby Report demonstrate that, rather than expand upon a disclosed theory, these portions of the Lebby Report disclose new theories of invalidity. For example, the FIC says an anticipation reference contains an element, whereas the Lebby Report now says, as part of a new, alternative obviousness-combination theory, that element is not explicitly disclosed, and therefore he relies on a secondary reference to supply that element. *Compare Pavo Sols. LLC v. Kingston Tech. Co., Inc.*, No. 8:14-CV-01352-JLS-KES, 2019 WL 8138163, at *10 (C.D. Cal. Nov. 20, 2019) (denying motion to strike updates in expert report where the changes were “minor” and did “not appear to alter the underlying argument” made by either party).

Challenged Opinion	FIC Disclosure	Lebby Report Disclosure and Ruling
V(A) – Claims 1, 3, [etc.] are obvious over <i>Mano</i> in view of <i>Shibata</i> .	<p><i>Mano</i> was identified as an anticipatory reference. Docket No. 250-2 at p. 248. It was also identified as an obviousness reference in view of one of Hohn, Takashima, and Debray. <i>Id.</i> at 249; <i>see also id.</i> at 272 (Ex. A, <i>Mano</i> chart).</p> <p><i>Shibata</i> was identified as an obviousness reference in combination with another <i>Shibata</i> reference; and in view of one of Hohn, Takashima, and Debray. <i>Id.</i> at 249-51; <i>see also id.</i> at 302 (Ex. B, <i>Shibata</i> chart).</p>	<p>Lebby opines that <i>Mano</i> is anticipatory. <i>See</i> Docket No. 250-2 at p. 31_ (¶ 79 <i>et seq.</i>). This is consistent with the FIC. Additionally, Lebby opines that the asserted claims are obvious over <i>Mano</i> in view of <i>Shibata</i>. <i>See id.</i> at p. 622 (¶ 224 <i>et seq.</i>). For this new obviousness combination, Lebby relies on <i>Shibata</i> as disclosing “support leads” (¶ 240 (“<i>Mano</i> does not explicitly disclose support leads. However, <i>Shibata</i> discloses this limitation.”)). <i>See id.</i> at 515 (Ex. D) at 103-231.</p> <p>In contrast, the FIC stated only that “<i>Mano</i> discloses support leads.”</p>

¹ This ruling does not apply to the new combinations insofar as they rely on Yamazaki “in the alternative,” since Defendant has averred it will not rely on Yamazaki. The motion to strike new combinations with respect to Yamazaki is likewise denied as unripe.

		<p><i>Id.</i> at 276. The FIC did not disclose any obviousness combinations that took the position that Mano lacked support leads.</p> <p>Because this newly disclosed obviousness combination discloses a new theory that varies from what was disclosed in the FIC, the Court will strike it.</p>
<p>V(D) – Claims 1, 3, [etc.] are obvious over <i>Okamoto</i> in view of <i>Suehiro</i> . . . and further in view of <i>Maxik</i>.</p>	<p><i>Okamoto</i> was identified as an anticipatory reference. <i>Id.</i> at 248. It was also Identified as an obviousness reference in view of Shimizu. <i>Id.</i> at 249-254; <i>see also id.</i> at 438 (Ex. F, <i>Okamoto</i> chart).</p> <p><i>Suehiro</i> was identified as a secondary obviousness reference in combination with Ishibashi, Scianni, Ray, or Maxik, or in combination with one of those and one of Hohn, Takashima, and Debray. <i>Id.</i> at 249-54; <i>see also id.</i> at 328 (Ex. C, Ishibashi chart); <i>id.</i> at 358 (Ex. D, Scianni chart); <i>id.</i> at 398 (Ex. E, Ray chart); <i>id.</i> at 460 (Ex. F, Maxik chart).</p> <p><i>Maxik</i> was identified as a secondary obviousness reference, as summarized above.</p>	<p>Lebby does not opine that <i>Okamoto</i> is anticipatory. Instead, Lebby opines that the asserted claims are obvious over <i>Okamoto</i> in view of <i>Suehiro</i>. <i>See id.</i> at 720. Lebby relies on <i>Suehiro</i>, <i>e.g.</i>, as disclosing “a wavelength conversion member” that seals the plurality of light emitting element chips (¶ 443 (“<i>Okamoto</i> does not explicitly disclose “a wavelength conversion member” that seals the plurality of light emitting element chips.</p> <p>However, <i>Suehiro</i> discloses this limitation.”)). Lebby also relies on <i>Suehiro</i> with respect to several dependent claims.</p> <p>Lebby relies on <i>Maxik</i> as disclosing “a support base that can be threadedly engaged with a conventional light bulb socket along a socket axis” (¶ 453), and “wherein</p>

		<p>the transparent bulb is made of glass” (§ 474).</p> <p>The FIC disclosed that, as an anticipatory reference, “Okamoto discloses a wavelength conversion member formed unitarily with a transparent member that seals the plurality of light emitting element chips.” <i>Id.</i> at 440. The FIC made similar disclosures regarding the Maxik elements Lebby says are absent from Okamoto. <i>See id.</i> at 445, 450.</p> <p>Because this newly disclosed obviousness combination discloses a new theory that varies from what was disclosed in the FIC, the Court will strike it.</p>
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The Court rejects Defendant’s suggestion that, because it charted Mano and Okamoto as anticipatory references, its FIC included the necessary information to provide sufficient notice for the newly disclosed obviousness combinations. The S.P.R. require identification of prior art and explanations concerning how those references render an invention invalid for anticipation, obviousness, etc. S.P.R. 2.5.2. Analyzing a reference under one invalidity theory does not equate with a blanket disclosure that allows for later switching theories. *See, e.g., Polaris PowerLED Techs., LLC v. VIZIO, Inc.*, No. SA-CV-18-1571-JVS-DFMx, 2020 WL 4258663, at *4 (C.D. Cal. May 14, 2020) (striking expert opinion that transformed disclosed secondary obviousness reference into an anticipatory reference).

The Court also rejects Defendant’s attempt to rely on its FIC disclaimer that it might change its invalidity theories. Defendant did not move to amend its FIC and show good cause for doing so and no prejudice before disclosing these opinions. The patent rules are “designed precisely to eliminate the gamesmanship of hints in favor of open disclosure” and the rules

“would be a dead letter if parties could avoid [them] with broad disclaimers.” *Largan Precision Co, Ltd. v. Genius Elec. Optical Co.*, No. 13-CV-02502-JD, 2014 WL 6882275, at *4 (N.D. Cal. Dec. 5, 2014) (striking expert opinion). Because Defendant has not sought to amend for good cause and diligence, the Court need not reach prejudice.

Third, the Court grants the motion as to the new written-description invalidity theory. A comparison of the written-description invalidity disclosure presented in the FIC with that disclosed in the Lebby Report shows that the Lebby Report includes a new opinion.

FIC Disclosure	Lebby Report Opinions
<p>The Asserted Claims are invalid under 35 U.S.C. § 112 for failing to provide an adequate written description. The disclosure, including the drawings, fails to provide a clear depiction of the alleged invention in detailed drawings.</p> <p>Specifically, conspicuously absent from the drawings are any identifications of the “end portions,” “a center portion,” “a first region,” and “a second region.” Additionally, the drawings are missing any identifications of the “sets.” This is particularly true in light of Nichia’s assertion that sets may encompass series connected LEDs as the patent does not disclose any such arrangement, let alone the identification of portions or sets using series connectivity. This is sufficient to establish that the patentee was not in possession of the alleged invention at the time of filing, and thus the ’734 Patent is invalid for lack of written description.</p> <p>Docket No. 250-2 at 259.</p>	<p>Consistent with the FIC, Lebby opines that “end portions,” “a center portion,” “a first region,” and “a second region” are invalid for lack of written description. Docket No. 250-2 at 750 (<i>see</i> ¶ 506).</p> <p>In addition, Lebby opines that “a board” is invalid for lack of written description. Lebby explains, “I understand from Nichia’s infringement contentions that it has accused Feit Electric products that have straight filaments, but also Feit Electric products that have curved filaments, <i>i.e.</i>, more flexible filaments in which the filament itself is twisted into the shape of a spiral or other curved configuration. There is no disclosure in the ’734 patent of a board in any other configuration other than a flat board, <i>i.e.</i>, at most a straight filament. None of the figures of the ’734 patent depict a curved filament. . . . In my opinion, none of [the disclosed] materials are suitable for providing the type of flexibility required for curved filaments. . . .</p>

	As such, the '734 patent specification therefore contains insufficient detail such that a POSA can reasonably conclude that the applicant had possession of the claimed invention insofar as it claims a bulb with a curved filament. As such, claims 1 and 27 are invalid for lack of written description as to the Curved Filament Accused Products.” <i>See id.</i> at 751-52 (¶¶ 511-512, 514, 516).
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Because the Leiby Report disclosed a new written-description invalidity theory, and because Defendant has not moved to amend with a showing of diligence and no prejudice, the Court grants the motion to strike this new opinion. As stated, the Court need not reach prejudice. The Court declines to adopt a rule that would allow overarching invalidity statements or broad disclaimers to stand in for the disclosures required under the S.P.R.

V. **CONCLUSION**

For the reasons stated herein, the Court **GRANTS-IN-PART** the Motion as indicated.