

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

ZIILABS INC., LTD.,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Case No. 2:14-cv-203-JRG-RSP
	§	
SAMSUNG ELECTRONICS CO. LTD. ET	§	
AL.	§	
	§	
Defendants.	§	

MOTION IN LIMINE ORDER

The Court held a pre-trial conference on October 6, 2015, to address Plaintiff ZiiLabs’ Omnibus Motions in Limine (Dkt. No. 353) and Defendant Samsung’s Motions in Limine (Dkt. No. 354). ZiiLabs argued motion in limine numbers 2, 3, 5, 7, 15, and 16 and withdrew motion in limine numbers 1, 4, 6, 8–14, and 17. (Dkt. No. 415.) Samsung argued motion in limine numbers 1–5, 7, 9, 10, 12, 13, 15 and 16 and partially withdrew motion in limine number 5 and withdrew motion in limine numbers 6, 8, 11, and 14. (Dkt. No. 419.) The Court ruled as follows on the parties’ disputes.

ZIILABS’S MILS

MOTION IN LIMINE NO. 3:

The Court **GRANTED** this motion which seeks to preclude any “argument, evidence, or testimony referencing prosecution history to argue claim construction.” Samsung may not use the prosecution history of the asserted patents to support its inferences about the plain and ordinary meaning of a term. The use of prosecution history in this manner carries the risk that the jury will give it undue weight because it is part of the intrinsic record. Furthermore, the jury may view the prosecution history in a way that unfairly restricts the scope of the claims to a particular

embodiment. Samsung has not shown a need for the evidence that outweighs this risk under Rule 403. Fed. R. Evid. 403.

MOTION IN LIMINE NO. 5:

The Court **DENIED AS MOOT** this motion which seeks to preclude “argument, evidence, or testimony disparaging or criticizing the PTO or the U.S. patent system.” The parties agree that Samsung may state that the patent examiner was “mistaken” or “overlooked evidence,” but may not state, for example, that the patent examiner was “overworked” or had “limited time.”

MOTION IN LIMINE NO. 7:

The Court **GRANTED** this motion which seeks to preclude “argument, evidence, or testimony referencing evidence of Samsung’s or others’ patents and/or patent applications for purposes of arguing non-infringement.” Samsung may not rely on patents or patent applications that are not disclosed in Samsung’s Local Patent Rule contentions as evidence of non-infringement or no willful infringement. This order does not preclude Samsung from using these patents or patent applications as evidence to show, for example, that Samsung did not copy the claimed inventions or to show that their damages theories are proper.

MOTION IN LIMINE NO. 15:

The Court **GRANTED** this motion which seeks to preclude “argument, evidence, or testimony referencing prior claims, causes of action, or forms of relief that have been dismissed, abandoned, or dropped.” Samsung may not argue, present evidence, or elicit testimony which states that ZiiLabs had asserted prior claims, causes of actions, or forms of relief that it has now dismissed, abandoned, or dropped. This order does not preclude Samsung from using prior claims for a purpose other than to show that ZiiLabs has dismissed, abandoned, or dropped

previously asserted claims. This order also does not preclude Samsung from approaching the bench at trial to seek permission to introduce argument, evidence, or testimony on this matter in response to argument, evidence, or testimony from ZiiLabs implying that Samsung may have infringed patents that are not asserted in this case. (*E.g.*, PX 453.)

MOTION IN LIMINE NO. 16:

The Court **CARRIED** this motion for consideration on the briefs. (*See* Dkt. No. 288.)

SAMSUNG'S MILS

MOTION IN LIMINE NO. 1:

The Court **GRANTED** this motion which seeks to preclude any “evidence or argument regarding unrelated 2001–2006 interactions and settlement between Apple and Creative Technologies.” ZiiLabs may not present evidence or argument that relates to the “Zen” patent license agreement between Apple and Creative because it covers non-comparable technology and includes a license amount that would be prejudicial to Samsung.

MOTION IN LIMINE NO. 2:

The Court **DENIED AS MOOT** this motion which seeks to preclude any “evidence or argument inconsistent with ZiiLabs’ Rule 3-1(f) disclosure regarding products that practice asserted claims.” ZiiLabs stipulated that it would not assert that the ZMS/DMS products practiced the claimed inventions.

MOTION IN LIMINE NO. 3:

The Court **DENIED** this motion which seeks to preclude “evidence or argument on any ’584 Patent infringement opinions relating to twiddle, DXT, and UBC.” The Court issued an Order on June 19, 2015 (Dkt. No. 260) that effectively barred ZiiLabs from asserting an infringement theory for the ’584 patent based on uncompressed textures such as twiddled

textures. (*See* Dkt. No. 189; Dkt. No. 260; Dkt. No. 325, at 3 (“The ‘twiddle mode’ infringement theory is not in the case.”).) However, the Court’s June 19 Order does not preclude ZiiLabs from asserting a properly disclosed infringement theory that may reference the word “twiddle” or may implicate the DXT or UBC texture compression formats.

MOTION IN LIMINE NO. 4:

The Court **CARRIED** this motion which seeks to preclude any “evidence or argument or referring to the 2008 and 2013 Chipworks Reports that contain infringement contentions concerning the Patents-in-Suit and other ZiiLabs patents.” Both parties agree that the 2008 Chipworks Report will not be used at trial. The motion is **DENIED** as to the 2013 Chipworks Report, which is relevant to willfulness. The hearsay objection and the issue of prejudice arising from its overbreadth relate to the admissibility of the document, which is not decided herein.

MOTION IN LIMINE NO. 5:

The Court **CARRIED** this motion which seeks to preclude any “evidence or argument regarding Samsung’s irrelevant and prejudicial financial information.”

MOTION IN LIMINE NO. 7:

The Court **GRANTED-IN-PART** this motion which seeks to preclude any “evidence or argument regarding discovery disputes or Samsung’s document retention practices.” ZiiLabs may not imply that Samsung engaged in spoliation or discovery violations, but may present relevant evidence or argument as to Samsung’s document retention policy.

MOTION IN LIMINE NO. 9:

The Court **DENIED AS MOOT** this motion which seeks to preclude any “argument or testimony inconsistent with the claim construction ruling.” (*See* Dkt. No. 273 at 115.)

MOTION IN LIMINE NO. 10:

The Court **GRANTED** this motion which seeks to preclude any “evidence or argument referencing unrelated litigation or governmental investigations involving Samsung, including litigation between Apple and Samsung.” ZiiLabs may not present evidence or argument that refers to other litigation or to government investigations involving Samsung unless the evidence has been pre-admitted by the Court.

MOTION IN LIMINE NO. 12:

The Court **CARRIED** this motion which seeks to preclude any “evidence or argument concerning communications between Samsung and ZiiLabs/Creative that are protected under relevant NDAs.” Having reviewed the applicable agreements, the Court finds that the 2013 NDA between ZiiLabs and Samsung (Dkt. No. 394-2) should be enforced according to its terms, but that the 2011 NDAs between Creative Technology Ltd. and Samsung Electronics Co., Ltd. (Dkt. No. 394-2 at 50–54) and 3DLabs Limited and Samsung Electronics (UK) Limited (ZIILABS 00031478) do not bar use of the documents that were exchanged between the parties as evidence in this case.

MOTION IN LIMINE NO. 13:

The Court **GRANTED** this motion which seeks to preclude any “evidence or argument or relying on ZiiLabs’ August 7, 2013 alleged ‘notice letters’ to Samsung and Apple.” The Court now finds that the 2013 NDA between ZiiLabs and Samsung (Dkt. No. 394-2) was: (1) in force on August 7, 2013, (2) had not been terminated in accordance with ¶ 13, (3) covers the August 7 letter, since the letter seeks to sell a license, and the stated purpose of the NDA in ¶ 1 covers licensing, and (4) the NDA in ¶ 12 expressly forbids use of covered communications to support claims of willful infringement or as notice of infringement. (Dkt. No. 394-2 at 1, 3.)

MOTION IN LIMINE NO. 15:

The Court **DENIES AS MOOT** this motion which seeks to preclude any “evidence, argument, or testimony referencing Apple’s involvement with Rockstar Consortium” because Apple is no longer in this case.

MOTION IN LIMINE NO. 16:

The Court **GRANTED** this motion which seeks to preclude any “argument, evidence, testimony, insinuation, reference, or assertion regarding any defense or indemnification agreement(s).” Samsung may redact the indemnification section of any agreement. However, if Samsung relies on a third-party witness whose employer has an indemnification agreement with Samsung, ZiiLabs may rely on the indemnification sections to show bias.

SUPPLEMENTAL MILS

SUPPLEMENTAL MOTION IN LIMINE NO. 1:

The Court **GRANTED** this motion by Samsung at a pre-trial conference on October 28, 2015. This motion concerns whether ZiiLabs can offer evidence and elicit testimony relating to the Patent Trial and Appeal Board’s decision to deny two petitions by Apple seeking inter partes review of claims 1, 2, 4, and 6 of U.S. Patent No. 6,111,584 on September 17, 2015. (Dkt. No. 408-1 at 1.) The Court finds that ZiiLabs may not offer evidence or elicit testimony relating to the PTAB’s decision to deny two petitions by Apple seeking inter partes review of U.S. Patent No. 6,111,584 because the probative value of the PTAB’s decision is substantially outweighed by the danger of unfair prejudice to Samsung. Fed. R. Evid. 403.

Evidence or testimony relating to the PTAB’s decision unfairly prejudices Samsung because “Samsung was not a party to the IPR petitions filed by Apple” (Dkt. No. 441 at 2) and thus, Samsung did not present the arguments that the PTAB rejected in its September 17 decision

denying institution of inter partes review. This order does not preclude ZiiLabs from approaching the bench at trial to seek permission to argue, introduce evidence, or elicit testimony on the PTAB's September 17 decision in response to argument, evidence, or testimony from Samsung stating the prior art references considered in the PTAB's decision have never been considered by the PTO.

SIGNED this 28th day of October, 2015.



ROY S. PAYNE
UNITED STATES MAGISTRATE JUDGE