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10 UNITED STATES DISTRICT COURT
11 FOR THE NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 ROBERT JACOBSEN,) No. C-06-1905-JSW
14)
Plaintiff,)
15) **PLAINTIFF ROBERT JACOBSEN'S**
v.) **REPLY TO KEVIN RUSSELL'S**
16) **OPPOSITION TO JACOBSEN'S**
MATTHEW KATZER, et al.,) **MOTION FOR LEAVE TO FILE**
17) **SURREPLY**
Defendants.)
18) Courtroom: 2, 17th Floor
Judge: Hon. Jeffrey S. White
19) Date: Fri., December 19, 2008
Time: 9:00 a.m.
20)
21)
_____)

22
23 **I. INTRODUCTION**

24 Jacobsen's surreply is not gutter-practice, but impeachment of a witness, Kevin Russell.

25 After voluntarily thrusting himself back into this litigation, Kevin Russell opposes
26 Jacobsen's motion for leave to file a surreply, which contains evidence used to impeach statements
27 that Russell makes in his November 7, 2008 declaration. Because Jacobsen has a right to impeach
28 Russell, the Court should consider the evidence. Also, the surreply responds to a number of new

1 arguments that Defendants raised for the first time in their Reply, and Russell raised in his filing.
2 For these reasons, too, the Court should grant leave to file the surreply.

3 **II. FACTS**

4 In February 2008, Defendants unexpectedly disclaimed U.S. Patent No. 6,530,329, as well
5 as U.S. Patent No. 7,177,733. Defendants then moved to dismiss the declaratory judgment causes
6 of action relating to the '329 patent. The parties briefed the motion, and the Court heard argument
7 in April 2008. The Court deferred its ruling until the Federal Circuit decided Jacobsen's appeal of
8 the Court's preliminary injunction ruling.

9 In light of new Federal Circuit precedent, Jacobsen filed a second surreply in mid-August
10 2008 to supplement his arguments that the Court retained jurisdiction over the '329 patent, in spite
11 Defendants' disclaimer. Kevin Russell, who had been dismissed from the case, asked Defendants
12 to ask the Court to permit him to respond to arguments in the second surreply. Russell did not file
13 a motion to intervene. The Court ordered the parties to re-file their motions. The Court gave
14 Russell until October 10, 2008 to file a response to the second surreply. Defendants re-noticed
15 their motions without updating their arguments to reflect developments in Federal Circuit
16 precedent.

17 Jacobsen revised his opposition to Defendants' motion to dismiss for mootness to include
18 arguments in his surreplies. Defendants filed their reply. Russell filed his response 4 weeks late,
19 on November 7, 2008. In total, Defendants and Russell added 12 docket entries, with various
20 exhibits and attachments, including a declaration from Russell.

21 Russell made a number of statements in his declaration about his beliefs that Jacobsen
22 infringed a valid and enforceable patent. As a part of his declaration, Russell stated that he
23 disclaimed U.S. Patent No. 6,530,329 "for practical reasons." Declaration by Kevin Russell
24 Supporting Reply to Plaintiff's Opposition [hereinafter Russell Decl.] [Docket #254] at ¶ 6.
25 Russell then made various statements about the expense of claim construction, and other matters,
26 as reasons to disclaim. He also referred to Plaintiff's "attempt to litigate the issues before the
27 patent office." Id. Jacobsen sought to strike portions of Russell's declaration for Russell's failure
28 to meet the requirements of Civil Local Rule 7-5(b). Russell opposed, but remained unable or

1 unwilling to offer a basis for those beliefs. Jacobsen replied to Russell’s opposition, and toward
2 the end of the reply, focused on Russell’s statement that Jacobsen had “attempt[ed] to litigate the
3 issues before the patent office”. Jacobsen stated that he would address this statement in a surreply.

4 Five days later, Jacobsen sought leave to file the surreply to address new arguments that
5 Defendants raised in their Reply. Jacobsen also presented impeachment evidence that strongly
6 suggested that, contrary to Russell’s contentions, the true reason Russell disclaimed was to avoid a
7 judgment of inequitable conduct in Jacobsen v. Katzer. Russell filed an opposition to Jacobsen’s
8 motion for leave.¹

9 **III. ARGUMENT**

10 **A. Court Should Grant Leave to File the Surreply**

11 The Court should grant Jacobsen’s motion for leave to file the surreply. Russell voluntarily
12 thrust himself back into this litigation, then filed his response four weeks late, on November 7,
13 2008. Jacobsen was faced with numerous filings to review and address, and had a reply due two
14 weeks later, on November 21, 2008. Defendants and Russell raised new arguments in their
15 responses, which Jacobsen seeks to address. They have been on notice of this surreply since
16 December 3, 2008. Given the sizeable number of filings, Russell’s delay, and the intervening
17 Thanksgiving holiday, Jacobsen’s filing was reasonable and afforded Defendants and Russell with
18 time to review and respond to the surreply.

19 **B. Court Should Disregard Russell’s Other Arguments**

20 Russell’s other arguments are not proper in an opposition to a motion for leave. As Russell
21 had raised them, Jacobsen addresses them here.

22 If Russell makes statements to this Court, Jacobsen has a right to impeach Russell. Fed. R.
23 Evid. 611(b). Russell stated that he disclaimed the ‘329 patent “for practical reasons.” Jacobsen
24 offered evidence that strongly suggests that the real reason Russell disclaimed was because he is
25 under investigation by the Office of Enrollment and Discipline (OED).

26 Russell complains that Jacobsen is committing defamation in Jacobsen’s court filings, but

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28 ¹ Russell makes a number of misstatements in his Opposition to the Motion for Leave. Some are
addressed next, but time and space prevent Jacobsen from addressing them all here.

1 defamation requires a false statement and Russell is unable to specifically identify anything false.
2 Russell states that he had a good faith belief that Jacobsen infringed a valid and enforceable patent,
3 but when pressed to produce the evidence of his belief, Russell offers excuses and no answers.
4 Also, Russell complains about the OED letter, and states that it contains various hearsay and
5 falsehoods. However, the OED letter is based on issued patents, Russell's own filings in court and
6 in the Patent Office, and responses from patent examiners. These are admissible under hearsay
7 exceptions or as facts the Court may take judicial notice of. Russell does not identify anything in
8 the OED letter that is false. The statements of fact are detailed enough that, if untrue, Russell
9 could refute them. Russell chooses to evade rather than refute.

10 Russell contends that, by disclosing the OED letter, Jacobsen and the undersigned are
11 committing abuse of process in violation of various ethics rules. Russell cites Younger v.
12 Solomon, 38 Cal. App. 3d 289 (Ct. App. 1974), and California Rule of Professional Conduct 5-
13 100, but the case and rule do not support his arguments.²

14 Younger is not applicable because Russell opened the door to permit Jacobsen to impeach
15 him. In Younger, a personal injury litigant, represented by Gabriel Solomon, filed suit against
16 another attorney, Milton Younger, making various charges, including intentional infliction of
17 emotional distress (IIED), against Younger for improperly soliciting personal injury clients. 38
18 Cal. App. 3d at 293. Four days prior to suit, Solomon, with several other attorneys, had filed a
19 complaint against Younger with the California bar. Id. at 293. During discovery, Solomon attached
20 the bar complaint in a set of interrogatories and sought responses from Younger to the allegations
21 in the bar complaint. Id. at 293-94. Solomon counterclaimed for abuse of process. Id. at 294.
22 Younger moved for, and was granted, summary judgment on the abuse of process claim. Id. at
23 295. The appeals court reversed, reasoning that the filing of a bar complaint was not related to the
24 IIED claim, and therefore, would not be protected under litigation privilege. Id. at 300-02.

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26 ² Russell also cites Benitec Australia Ltd. v. Nucleonics, Inc., 495 F.3d 1340 (Fed. Cir. 2007) in
27 support of his arguments. For the same reasons discussed in Jacobsen's earlier filings, Benitec does
28 not support Russell's argument. A covenant not to sue may moot declaratory judgment jurisdiction,
but does not necessarily. E.g., Caraco Pharm. Labs., Ltd. v. Forest Labs., Inc., 527 F.3d 1278,
1290-97 (Fed. Cir. 2008); Monsanto Co. v. Bayer Bioscience N.V., 514 F.3d 1229, 1242-43 (Fed.
Cir. 2008).

1 Younger is inapposite for several reasons. In Jacobsen, Defendants and Russell raised an immunity
2 from suit through their anti-SLAPP motions. Jacobsen has contested that immunity. Through
3 litigating the declaratory judgment causes of action, Jacobsen can obtain facts and defeat the
4 immunity. See Catch Curve, Inc. v. Venali, Inc., 519 F. Supp. 2d 1028, 1040 (C.D. Cal 2007)
5 (denying anti-SLAPP motion because of sham litigation exception). Russell and Katzer have
6 stated, in conclusory terms, that they believed Jacobsen was liable for 7,000 infringements, and
7 infringement of multiple valid and enforceable patents. When pressed to provide a basis for their
8 beliefs, they offer none. When ordered to provide their theories of infringement, validity, and
9 enforceability, they disclaim. When charged that their disclaimer was done in bad faith, they state
10 that “practical reasons” and “economic considerations” motivated the disclaimer. This opened the
11 door for Jacobsen to offer impeachment evidence. Using Russell’s “attempt to litigate” statement
12 with facts in the public record and the OED letter, Jacobsen made a strong argument that Russell is
13 under investigation by OED. If true, then Russell would have another motive to disclaim—to
14 avoid a judgment of inequitable conduct which would be reported to OED. With a disclaimer,
15 Russell and Katzer could avoid a judgment against them by seeking a dismissal of the declaratory
16 judgment causes of action for mootness. They have done exactly that. Thus, unlike the bar
17 complaint in Younger, which had no connection to the IIED claim, the OED letter in Jacobsen has
18 been used, with other public information, to impeach Russell’s testimony regarding his motive to
19 disclaim the ‘329 patent. Thus, use of the OED letter relates directly to the issues in litigation.

20 Russell uses Younger to make a claim of unethical conduct by the undersigned. Russell
21 refers to Younger’s discussion of State Bar Rule 8, which provided, at least in 1974, that bar
22 complaints be kept confidential. Setting aside that the undersigned’s letter was sent to OED and
23 not the California bar, this rule has apparently been repealed. Jacobsen cannot find this rule on the
24 California Bar’s website. Russell failed to check his argument before urging the Court to sanction
25 the undersigned for violating a rule that has long since been repealed.³

26 Russell also failed to check his other basis for sanctions. California Rule of Professional

27 ³ Another important difference between Younger and Jacobsen is that in Younger, Solomon filed
28 the complaint four days before filing suit. The OED letter was sent 17 months after litigation
commenced and contained information uncovered during the course of litigation.

