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13  
14 **UNITED STATES DISTRICT COURT**  
15 **NORTHERN DISTRICT OF CALIFORNIA**  
16 **SAN JOSE DIVISION**

17  
18 CORE WIRELESS LICENSING S.A.R.L.,

19 Plaintiff,

20 v.

21 APPLE INC.,

22 Defendant.  
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Case No. 5:15-cv-5008-NC

**APPLE INC.’S POST-TRIAL MOTION  
FOR A FINDING OF  
UNENFORCEABILITY OF U.S. PATENT  
NO. 6,477,151**

**NOTICE OF MOTION AND MOTION**

PLEASE TAKE NOTICE that Defendant Apple Inc., pursuant to Fed. R. Civ. P. 52 & 58, shall and hereby does move for an order finding U.S. Patent No. 6,477,151 (“’151 patent”) unenforceable. This motion is based on this notice of motion, the accompanying memorandum in support thereof, and such other written and other oral argument as may be presented at or before the time this motion is taken under submission by the Court.

**RELIEF REQUESTED**

Apple requests judgement that the ’151 is unenforceable against the accused Apple GPRS-supporting products.

**ISSUE TO BE DECIDED**

Whether there is clear and convincing evidence that Nokia breached its disclosure obligations to ETSI through its late disclosure of the ’151 patent, where the former Chairman of the Board of ETSI, Dr. Michael Walker, provided the un rebutted opinion that Nokia had breached its disclosure obligations by actively participating in the standard-setting process yet failing to disclose the patent family to ETSI until years after the relevant ETSI standard was approved.

**MEMORANDUM OF POINTS AND AUTHORITIES**

“A member of an open standard setting organization may be equitably estopped or may have impliedly waived its right to assert infringement claims against standard-compliant products.” *Hynix Semiconductor v. Rambus Inc.*, 645 F.3d 1336, 1347-48 (Fed. Cir. 2011); *see also Qualcomm Inc. v. Broadcom Corp.*, 548 F.3d 1004, 1026 (Fed. Cir. 2008) (a “court may in appropriate circumstances order patents unenforceable as a result of silence in the face of an SSO [standard-setting organization] disclosure duty”). The remedy of implied waiver or equitable estoppel is appropriate “where (1) the patentee had a duty of disclosure to the standard setting organization, and (2) the patentee breached that duty.”<sup>1</sup> *Hynix*, 645 F.3d at 1348 (addressing the “applicability of both doctrines together”); *see also Qualcomm*, 548 F.3d at 1022. Apple has proven each of these elements by clear and convincing—and un rebutted—proof.

<sup>1</sup> Nokia’s misconduct travels with the patent to a subsequent owner, such as Core Wireless. *See Barnes & Noble, Inc., v. LSI Corp.*, 849 F. Supp. 2d 925, 933 (N.D. Cal. 2012).

1           **A.     The Disclosure Duty Under ETSI’s IPR Policy.**

2           There can be no dispute “whether the written [ETSI] IPR policies impose any disclosure  
3 obligations on participants.” *Qualcomm*, 548 F.3d at 1012. Here, the first sentence of Clause 4.1  
4 of the ETSI Intellectual Property Rights (“IPR”) Policy addresses the general obligation to  
5 disclose IPR.<sup>2</sup> As Dr. Walker explained, the second sentence imposes a “particular” duty on a  
6 member making a technical proposal, requiring disclosure of any IPR that “*might*” be essential  
7 “*if*” a proposal is adopted: “In particular, a MEMBER submitting a technical proposal for a  
8 STANDARD shall, on a bona fide basis, draw the attention of ETSI to any of that MEMBER’s  
9 IPR which might be ESSENTIAL if that proposal is adopted.” (DX108.002 [ETSI IPR Policy] at  
10 § 4.1.) The second sentence of Clause 4.1 thus requires a member making a proposal to ETSI to  
11 disclose any *potentially* essential IPR *before* adoption of its proposal. *See also Apple Inc. v.*  
12 *Motorola Mobility, Inc.*, 886 F. Supp. 2d 1061, 1086 (W.D. Wis. 2012) (“By using the terms  
13 ‘might’ and ‘if,’ the [ETSI IPR Policy] clearly requires members to make efforts to disclose  
14 intellectual property rights *before* a standard is adopted.”) (emphasis in original).

15           The un rebutted testimony of Dr. Walker, former Chairman of the ETSI Board and an ETSI  
16 participant since its inception, confirms the standard: “If you are a member making contributions  
17 to the standard, then you need to draw the attention of ETSI to any of your IPR which might be  
18 essential if your contribution is adopted into the standard.” (Trial Transcript (“Tr.”)  
19 1415:18-1416:2<sup>3</sup>.) Similarly, a letter from ETSI’s Director General to the European Commission,  
20 which has oversight for ETSI as a European standards body, confirms there is a “specific  
21 disclosure obligation when a member contributes to the development of a standard” and that in that  
22 “specific case, timeliness may additionally be measured from the Member’s submission of a  
23 contribution.” (DX106.005; Tr. 1420:15-1421:9, 1422:3-25.)

24           ETSI’s disclosure obligation is also integral to the proper functioning of standard setting.  
25 Dr. Walker explained the importance of being able to “formulate a landscape of the IPR where IPR  
26 is related to the various aspects of the standard”:

27 \_\_\_\_\_  
28 <sup>2</sup> An IPR is defined to include “any intellectual property right conferred by statute law including  
applications therefor.” (DX108.006 [ETSI IPR Policy].)

<sup>3</sup> Unless otherwise indicated, references to the trial transcript refer to Dr. Walker’s testimony.

1 Q. Why would the IPR landscape be relevant to ETSI members?

2 A. Well, it helps you -- informs your decisions that you have to  
3 make as to what technical choices to make as a contributor. If  
4 you're a regulator that can define what standards are used in a  
country and mandate that on the operators, then you really do need  
to know who owns the IPR if you're going to tell every operator in  
your country, you have no choice but to use this particular standard.

5 (Tr. 1416:8-19.) To that end, at every meeting of a technical committee, the chair issues a "call for  
6 IPR" as a reminder to members of their obligation to disclose IPR. (Tr. 1413:18-24; PX832-7 – 8.)  
7 Similarly, ETSI's Legal Advisor has directed that one of the "main characteristics" of the ETSI  
8 IPR Policy is "[e]arly identification of essential IPRs" and that it is "[i]mportan[t] [to] obtain[]  
9 knowledge of [the] IPR-landscape before lock-in of standard" (DX227.006 & .007.)

10 **B. Nokia Breached Its Disclosure Obligation To ETSI.**

11 The evidence establishes that Nokia breached its obligation under Clause 4.1 of the ETSI  
12 IPR Policy by disclosing years after the standard was adopted. *See Qualcomm*, 548 F.3d at 1018.

13 Jarko Oksala, the named inventor of the '151 patent, testified that his work leading to the  
14 '151 patent was "studying standardization and working very closely with the standardization  
15 people." (Tr. [Oksala] 210:17-23.) On November 4, 1997, Mr. Oksala submitted an invention  
16 report at Nokia that attached a draft Change Request to be submitted to ETSI proposing an addition  
17 to the GSM 03.64 specification—part of the GPRS standard. (DX115.001 & .004; Tr. [Oksala]  
18 233:2-4 ("Q. And this was a change request that you hoped that Nokia would submit to ETSI;  
19 correct? A. Yes.").) The invention report recognized that the "invention" "will be added to GSM  
20 specification." (DX115.003; *see also* Tr. 1424:4-8.) Nokia filed a Finnish patent application on  
21 November 11, 1997 to which the '151 patent claims priority and lists Mr. Oksala as the named  
22 inventor. (DX76.016.) At an ETSI meeting held from November 10-14, 1997, a copy of Mr.  
23 Oksala's draft Change Request was proposed for inclusion in specification 03.64. (DX113.)  
24 Nokia "should have disclosed their IPR at that stage because this had been attached to their  
25 invention report, and we've seen the text there saying if this is adopted, then all our competitors  
26 will have to implement it. So it has the potential to be essential." (Tr. 1426:15-21.)

27 Indeed, Nokia's proposal was "agreed" by the ETSI working group at this meeting,  
28

1 including two Nokia employees, memorialized in meeting minutes, and passed on with the  
 2 recommendation that “the change request should be approved.” (DX117.010 & .021; Tr.  
 3 1427:4-22.) At trial, Mr. Oksala testified that his patent was essential. (Tr. [Oksala]  
 4 241:12-242:6.) And Nokia certainly treated the patent as essential, in paying Mr. Oksala a bonus  
 5 of €70,000 for its essentiality and by ultimately declaring its essentiality to ETSI. (Tr. [Oksala]  
 6 217:21-218:13; DX112.001 & .019.) The 03.64 specification for which Nokia initially proposed  
 7 and ultimately disclosed the ’151 patent was frozen by ETSI in June 1998. (Tr. 1429:6-13.) But  
 8 Nokia did not disclose the ’151 patent until July 24, 2002—*over four years after the freeze date*  
 9 (DX112.001 & .019.)—in breach of its disclosure obligation under Clause 4.1 (Tr. 1430:6-14):

Date	Event
November 4, 1997	Invention report attaches draft Change Request
November 10, 1997	Finnish application for ’151 patent filed
November 11-14, 1997	Nokia proposes ’151 change request for GSM 03.64
June 1998	Freeze date for GSM 03.64
July 24, 2002	Nokia discloses ’151 patent to GSM 03.64

11 **C. Core Wireless’s Arguments To The Contrary Are Meritless.**

12 Core Wireless’s cross examination of Dr. Walker suggests it may raise a variety of  
 13 meritless arguments in an attempt to escape the consequences of Clause 4.1:

14 *First*, there is no requirement that delay under Clause 4.1 qualify as “intentional delay” as  
 15 that term is defined in the ETSI IPR Guide. (Tr. 1438:14-21.) Whether or not characterized by Dr.  
 16 Walker as “intentional delay” under the definition in the ETSI IPR Guide, the evidence establishes  
 17 that Nokia had a basis to know that the ’151 patent might be essential as early as the date of the  
 18 invention report—and certainly when it was later “agreed” at an ETSI meeting—but nonetheless  
 19 waited years to disclose it. (Tr. 1438:22-1439:23.) See *Qualcomm*, 548 F.3d at 1020.

20 *Second*, there is no confidentiality exception exempting the disclosure of the *existence* of a  
 21 patent application because members need disclose only the number of a pending patent  
 22 application, not its substance. (Tr. 1417:25-1418:22.). In any event, Nokia had waived any  
 23 confidentiality by submitting the substance of the ’151 patent application through Mr. Oksala’s  
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1 Change Request. (Tr. [Oksala] 234:1-3.) Further, ETSI provides a mechanism for the submission  
2 of confidential information of which Nokia could have availed itself. (Tr. 1437:17-23.)

3 **Third**, Nokia's 1997 FRAND letters (PX589 & PX590) did not meet Nokia's disclosure  
4 obligation under Clause 4.1 because "those letters had absolutely nothing to do with disclosure."  
5 (Tr. 1428:18-1429:5.) Nokia agreeing to license its IPR on FRAND terms did not disclose to ETSI  
6 the existence of Nokia's IPR on any particular technology such that ETSI could weigh the costs  
7 and benefits before standardizing.

8 **Fourth**, Apple's non-infringement argument that the '151 patent is not essential, including  
9 given that Nokia's proposal was "rejected and replaced," does not bear on Nokia's breach of the  
10 ETSI IPR policy. *See Qualcomm*, 548 F.3d at 1019. Disclosure is required any time an IPR  
11 "might" be essential. (Tr. 1438:7-10.) Moreover, Core Wireless argued to the jury that ETSI  
12 standardized Nokia's proposal because it had been copied in relevant respects by the accepted  
13 Ericsson proposal—and apparently persuaded the jury that the patent was indeed standard  
14 essential and thus infringed by Apple. (Tr. [Closing] 1402:9-13-24.)

15 **Fifth**, that Apple has not reported Nokia's violation to ETSI does not excuse Nokia's  
16 conduct. ETSI policy dictates that once an IPR has been granted, the relevant "national courts of  
17 law" then have "sole authority to resolve IPR disputes." (Tr. 1435:13-23; PX832-15 at § 4.3.)

18 **Sixth**, Apple has established reliance for equitable estoppel through ETSI and its members'  
19 (including Apple's) reliance on ETSI's policies requiring disclosure of IPRs during  
20 standard-setting, and Apple's reliance on the standard through its standard-supporting products.  
21 *See Barnes & Noble*, 849 F. Supp. 2d at 939-40. (*See also* Tr. 1416:8-19 (quote in Section A  
22 *supra*), 1418:23-1419:1 ("Q. And, Dr. Walker, is there an expectation that ETSI members will  
23 follow the ETSI IPR Policy? A. Yes, absolutely. It's part of the directives. That's the rules that  
24 ETSI members agreed to abide by."))

25 Based on the foregoing, Apple respectfully requests that the Court declare the '151 patent  
26 unenforceable against the accused Apple GPRS-supporting products.  
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1 Dated: December 19, 2016

2  
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26 **CERTIFICATE OF SERVICE**

27 I hereby certify that a true and correct copy of the foregoing document has been served via  
28 CM/ECF on December 19, 2016 on counsel of record for Core Wireless Licensing S.A.R.L. I  
certify under penalty of perjury under the laws of the United States that the foregoing is true and  
correct.

Dated: December 19, 2016

/s/ Joseph J. Mueller

Joseph J. Mueller