

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

ROBERT JACOBSEN, an individual,)	No. C-06-1905-JSW
)	
Plaintiff,)	JOINT CASE MANAGEMENT
)	STATEMENT AND [PROPOSED]
v.)	ORDER
)	
MATTHEW KATZER, an individual, and)	Location: 17th Floor, Courtroom 2
KAMIND ASSOCIATES, INC., dba KAM)	Judge: Honorable Jeffrey S. White
Industries, an Oregon corporation,)	
)	
Defendants.)	
)	
)	
)	

Per the Court’s February 15, 2008 order [Docket #204], the parties submit this Joint Case Management Statement.

1. A brief description of jurisdictional issues

Plaintiff Jacobsen filed a Second Amended Complaint Dec. 12, 2007. The claims are three declaratory judgment causes of action relating to patent issues, copyright infringement and DMCA causes of action, a federal trademark cyber-squatting cause of action, and a contract cause of action. All except contract involve federal questions. The court has subject matter jurisdiction under 28 U.S.C. § 1331, and supplemental jurisdiction under 28 U.S.C. § 1367(a). No defendants remain to be served.

//
//

1 **2. A brief description of the case and defenses**

2 Plaintiff Jacobsen is a high energy physicist who conducts research at the Lawrence
3 Berkeley National Laboratory of the University of California, and Stanford University and at
4 CERN in Switzerland, and teaches physics at the University. As a hobby, Jacobsen develops, with
5 others, open source software code called JMRI (Java Model Railroad Interface) that Jacobsen
6 alleges is distributed free of charge. KAM is an Oregon corporation and Katzer is its principal.
7 Defendants allege that KAM has patents for software products, at least one of which is similar to
8 and is infringed by the JMRI project software. Defendants assert that KAM's software products are
9 infringed by software products provided for free by JMRI. Jacobsen alleges that Katzer and his
10 attorney, Kevin Russell, intentionally withheld prior art that they knew was material to
11 patentability from the Patent Office in obtaining the patents. For these reasons and others,
12 Jacobsen alleges that Defendants' patents are thereby invalid and/or unenforceable. Jacobsen
13 alleges that he does not infringe the claim Defendants accused him of infringing.

14 Jacobsen's complaint seeks declaratory relief regarding noninfringement, invalidity, and
15 unenforceability of the patent-in-suit, U.S. Pat. No. 6,530,329. The complaint alleges the patent-
16 in-suit is invalid because prior art anticipates or makes it obvious, and/or it failed to meet the
17 requirements of 35 U.S.C. § 112. The complaint also alleges the patent-in-suit, and related patents,
18 were obtained through fraud on the patent office or inequitable conduct. The complaint also
19 contained claims alleging unfair competition, and cyber-squatting. An amended complaint added
20 federal trademark dilution, copyright infringement and unjust enrichment claims after Plaintiff
21 allegedly learned of Defendants' alleged activities during the anti-SLAPP proceedings. The
22 Second Amended Complaint contains the claims stated in the previous section. Defendants allege
23 KAM's patents are valid. No related proceedings are pending.

24 **3. Brief Description of the legal issues genuinely in dispute**

25 All legal issues are in dispute.

26 **4. Procedural History**

27 Plaintiff filed his complaint Mar. 13, 2006. Defendants and then-defendant Kevin Russell filed
28 motions to dismiss and anti-SLAPP motions in May 2006. The Court granted Defendants' and Mr.

1 Russell's motions, which dismissed antitrust and libel claims against Defendants, and dismissed
2 Mr. Russell from the action. Plaintiff filed an amended complaint Sept. 11, 2006. On Sept. 28,
3 2006, Defendants filed motions to dismiss copyright, § 17200, cybersquatting, and unjust
4 enrichment claims, and a motion to strike portions of the amended complaint and a motion for
5 more definite statement for the dilution claim. Plaintiff filed a motion for preliminary injunction to
6 enjoin Defendants' alleged copyright infringement on Oct. 24, 2006. Defendants withdrew their
7 motion to dismiss the copyright infringement claim, and motion for more definite statement,
8 without prejudice, on Nov. 17, 2006. The Court granted all of the motions Defendants sought, and
9 denied Plaintiff's motion for preliminary injunction to enjoin Defendants' copyright infringement.
10 Plaintiff appealed the denial of his motion for preliminary injunction to the Federal Circuit.
11 Briefing in the appeal is complete. A group of amici, Creative Commons, Open Source Initiative,
12 Software Freedom Law Center, Linux Foundation, Yet Another Society (dba Perl Foundation), and
13 Wikimedia Foundation, have submitted a brief in support of Plaintiff. Oral argument is scheduled
14 for Weds., May 7, 2008. Based on his counsel's previous experience with the Federal Circuit,
15 Plaintiff believes the Court will issue a ruling within 6 weeks to 5 months.

16 The Court granted leave to file a Second Amended Complaint, which Plaintiff did on Dec. 12,
17 2007. On Dec. 21, 2007, Defendants filed a motion to dismiss DMCA and contract causes of
18 action, and a motion to strike certain relief. Defendants filed a statutory disclaimer for the '329
19 patent, the patent-in-suit, and on Feb. 12, 2008, filed a motion to dismiss the patent declaratory
20 judgment causes of action for lack of jurisdiction. Plaintiff opposes both motions, and will seek to
21 add other patents, as discussed in Plaintiff's Surreply [Docket #215]. Both motions are fully
22 briefed, and are scheduled to be heard Friday, April 11, 2008.

23 **5. Brief Description of Discovery to date**

24 Plaintiff and Defendants made initial disclosures per this Court's order on Sept. 5, 2006.

25 **6. Discovery Plan**

26 The Proposed Litigation and Discovery Schedule is discussed in Section 11 below.

27 A. List of Potentially Key Witnesses

28 The list of potentially key witnesses are as follows. Foreign or difficult to serve witnesses are

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

identified by Plaintiff.

1. Matthew Katzer,
2. Robert Jacobsen,
3. Hans Tanner,
4. John Plocher,
5. A.J. Ireland,
6. Strad Bushby,
7. John E. Kabat,
8. Juergen Freiwald,
9. Dick Bronson,
10. Jerry Britton,
11. Contributors, resellers, distributors and developers of the JMRI software, Developers and manufacturers of third party model train software,
12. Contributors and users of the JMRI software (U.S. and foreign),
13. Unknown employees and supervisors at the Lawrence Berkeley National Laboratory,
14. Dean of the UC Berkeley Physics Department,
15. Unknown employees and supervisors at the US Department of Energy,
16. Kevin Russell,
17. Glenn Butcher (South Pacific atoll may be accessible by U.S. military only),
18. Unknown employees of KAMIND Associates, Inc. (U.S. and foreign),
19. Unknown employees of Chernoff, Vilhauer, McClung and Stenzel,
20. Examiners at the U.S. Patent & Trademark Office,
21. Unknown members of the NMRA (U.S. and foreign),
22. Unknown employees of Marklin (U.S. and foreign),
23. Stan Ames,
24. Rutger Friburg (Sweden),
25. Ed Loizeaux,
26. Unknown employees of Train Track Computer Systems, Inc.,

- 1 27. Roger Webster,
- 2 28. John McCormick,
- 3 29. John Littman,
- 4 30. Dr. Bruce Chubb,
- 5 31. Unknown members of the Tech Model Railroad Club of MIT,
- 6 32. Robert Bouwens (Switzerland),
- 7 33. Unknown employees and/or agents of Bouwens Engineering (Switzerland),
- 8 34. Members of the NMRA DCC Working Group (U.S. and foreign),
- 9 35. Roland Dehmet (Germany or Switzerland),
- 10 36. Konrad Froitzheim (same),
- 11 37. Zana Ireland,
- 12 38. Unknown employees of Digitrax corporation,
- 13 39. Unknown employees of Intel Corp.

14 Plaintiff and Defendants reserve the right to name other key witnesses.

15 B. List of Key Information

- 16 1. All versions of the JMRI software
- 17 2. All versions of KAM software, including intermediate builds, and communication relating to its
18 development.
- 19 3. All software development information for the JMRI software project.
- 20 4. All information relating to JMRI's market share.
- 21 5. All information in Katzer and KAM's, and their attorney Kevin Russell's, possession that are
22 relevant to patentability of patents and applications in Katzer portfolio.
- 23 6. All information relating to enforcing the Katzer patents.
- 24 7. All information relating Defendants' cybersquatting on, use of , or registering the domain names
25 of, others' trademarks, trade names, and the like.
- 26 8. All plans for filing intellectual property rights on behalf of Katzer, and KAM and its related
27 entities.
- 28 9. All evidence that the patent(s)-in-suit meet, or do not meet, requirements of 35 U.S.C. § 112.

- 1 10. All financial and business information relating to KAM and its related entities.
- 2 11. File wrappers for the patent application, and related patent applications, that issued as the
- 3 patent-in-suit.
- 4 12. All communication between Defendants' counsel Kevin Russell and the Patent and Trademark
- 5 Office regarding the prosecution of Defendants' patents and other aspects of Defendants'
- 6 operation.
- 7 13. Trademark applications for all KAM products, and correspondence with the Patent and
- 8 Trademark Office.
- 9 14. All emails from Jacobsen to any JMRI user, NMRA member, or other hobbyist related to
- 10 JMRI or model train software.
- 11 15. All correspondence to and from Defendants and their agents and employees, to any person at
- 12 Lawrence Berkeley Laboratory (LBL), University of California, Lawrence Livermore National
- 13 Laboratory (LLNL), or Los Alamos National Laboratory (LANL), relating to model trains.
- 14 16. Identification of all email addresses used by Mr. Katzer and Defendants' employees since
- 15 January 1, 1987.
- 16 17. All documents relating to train control systems (prototype or model train), development of train
- 17 control systems, development of standards for train control systems, and sales or marketing of train
- 18 control systems.
- 19 18. Identification of all agents or others who sell or distribute Defendants' products.
- 20 19. All documents relating to plans for the use of the JMRI code in Defendants' products.
- 21 20. The number of Defendants' products that have been shipped, and the number of downloads of
- 22 Defendants' products from their or their agents' websites.
- 23 21. All emails from JMRI users to Jacobsen related to JMRI or model train software.
- 24 22. Identification of all email addresses used by Jacobsen since 1987.
- 25 23. All business and financial records of the JMRI group and all business and financial records of
- 26 Jacobsen relating to the JMRI group.
- 27 24. All communications between Jacobsen and/or JMRI with any person relating to this lawsuit.
- 28 25. Identification of all distributors of JMRI software.

1 26. Identification of all members or contributors to the JMRI project.

2 Defendants reserve the right to seek further key information and to object on relevance
3 grounds to the production of any listed key information that becomes irrelevant or is no longer
4 relevant during the discovery process. Plaintiff believes that it is premature to offer a detailed
5 discovery plan because the parties have not had their 26(f) conference due to the deferral of this
6 conference [Dockets #34, 41]. Furthermore, Plaintiff has yet to receive an Answer from
7 defendants, and cannot determine what additional information he will seek in response to that
8 Answer. Plaintiff thus also reserves the right to seek further key information.

9 **7. Motions before trial**

10 Jacobsen, KAM and Katzer expect to file motions for summary judgment prior to trial on
11 all claims. Jacobsen will request he be given an opportunity to file a summary judgment motion
12 early on to resolve certain matters that he believes are not subject to dispute. KAM and Katzer
13 anticipate that new parties will be added. Jacobsen may also add parties. The parties expect there
14 will be evidentiary hearings.

15 **8. Description of Relief Sought**

16 Generally, Plaintiff seeks declaratory and injunctive relief, damages for copyright
17 infringement, and costs and attorney's fees. Defendants believe Plaintiff has not described the
18 calculation of damages in the complaint. KAM's counterclaims will include claims for permanent
19 injunctive relief and for monetary damages, including reasonable royalty, and/or lost profits, and/or
20 enhanced damages, and/or attorney fees.

21 **9. ADR Efforts to Date**

22 The parties completed ADR on Dec. 5, 2006, and completed a day-long settlement
23 conference with Judge Laporte on Feb. 13, 2008. Plaintiff believes further ADR will be productive
24 in about 3-6 months, after the Federal Circuit issues its ruling in the appeal and this Court issues its
25 rulings on Defendants' motions. Defendants believe that further ADR will not be productive at all
26 until, at least, summary judgment motions are heard.

27 //

28 //

1 **10. Consent to a magistrate judge**

2 The defendants do not consent to a magistrate judge. Plaintiff is familiar with the
3 magistrates in this district and is comfortable proceeding before them or a district court judge.

4 **11. Proposed Litigation and Discovery Schedule**

5 The parties respectfully disagree over schedules, and thus submit their own proposals.

6 **Defendants' proposal:**

Date	Counting	Rule	Event
3/13/06			Complaint
8/11/06		FRCP 26 f	Initial case mgmt conference
9/5/06		FRCP 26 a	Initial Disclosures
9/11/06			Amended Complaint
12/5/06			ENE/ADR completed
1/19/07			Case Management Conference
9/14/07			Case Management Conference
12/12/07			Second Amended Complaint filed
2/15/08			ADR with Judge LaPorte completed
4/11/08			Hearing on pending motions
TBD			Answer, Counterclaims, Cross Claims and additional parties if any
TBD	20 days after filing of defendant's Answer		Reply to counterclaims, cross claims and answer of additional parties if any
			Deadline to file all pretrial, discovery and dispositive motions
			Completion of fact discovery
	30 days after completion of fact discovery		Disclosure of Experts for issues on which party bears burden of proof; completion of expert discovery
			Pretrial order
			Pretrial conference

Date	Counting	Rule	Event
	At court's convenience		Trial

The above schedule presupposes that all parties will proceed with discovery cooperatively and as provided by the Federal Rules of Civil Procedure, the orders of this Court, and applicable law. Defendants specifically reserve their right to petition the Court to modify and/or amend this schedule if the circumstances so warrant.

Should the case not be resolved on dispositive motions, defendants believe that the trial will last approximately 3 days. Plaintiff has requested a jury trial in his complaint.

Defendants do not agree “Plaintiff’s proposal” outlined below. “Plaintiff’s proposal” contains argument and allegations in support of Plaintiff’s position and Defendants in no way agree with any of the argument, allegations or contentions in “Plaintiff’s proposal” section below.

Defendants will object to any motion to file a 3rd Amended Complaint.

Plaintiff’s proposal:

In the absence of an Answer and a 26(f) conference, and with no information about counterclaims and third-party defendants, Plaintiff cannot propose a detailed discovery schedule. Plaintiff disagrees with Defendants’ schedule, listed above, because it assumes the patent causes of action have already been dismissed, when they have not. Plaintiff prefers the following proposal to reduce the likelihood that the parties will need to file motions to adjust the schedule and cause further delay.

Plaintiff proposes that he be given 10 days to file the Third Amended Complaint to add the Katzer patents described in his Surreply [Docket #215 Ex. A] in the briefing of Defendants’ Motion to Dismiss for Lack of Jurisdiction, and Defendants be given 10 days to Answer this complaint. Plaintiff asks the Court to order Defendants to answer this complaint so that litigation may proceed. Plaintiff seeks to add other Katzer patents, as described in his Surreply [Docket #215, Ex. A]. Plaintiff expects that he can resolve substantial portions of the patent declaratory

1 judgment causes of action through summary judgment and without claim construction, because the
2 materiality of certain important references has already been factually established. A material
3 reference is one that would be important to an examiner in determining the patentability of the
4 proposed claims. A reference is material if the patentee or his attorney takes a position that is
5 inconsistent with the one he takes before the Patent Office. DigiToys is a material reference.
6 DigiToys was described in the state of the prior art section of the background of the invention in
7 Defendants' patent specification. Two examiners have used DigiToys to reject claims, and in one
8 instance, Defendants abandoned an application because they could not overcome the rejection
9 based on DigiToys. This establishes as a fact that DigiToys is a material reference. An examiner
10 used a book by Stan Ames and others to reject claims. Katzer had this book in his possession, but
11 never produced it until after the examiner rejected the claims. When Katzer produced the book, it
12 had a note from one of the authors to Katzer on the first page. Because of the lawsuits against
13 DigiToys and Freiwald Software, these references are material. Defendants stated to the Patent
14 Office that their claims were advances over this prior art. Then in their lawsuits, Defendants said
15 the DigiToys and Freiwald Software performed the same methods as in the claims, which is
16 inconsistent with Defendants' earlier statement to the Patent Office. Thus, Plaintiff has at least
17 three material references that Defendants cannot contest, and which Katzer and/or his attorney had
18 in their possession. There will be others. Plaintiff needs to show intent to deceive, which Plaintiff
19 thinks he can also show at this stage. For those patents that are not made unenforceable, Plaintiff
20 proposes that he take selected patents into reexamination, and bifurcate and stay the patent portion
21 of the proceedings. Plaintiff believes that he can eliminate all claims of any Katzer patent for
22 invalidity or obviousness, and he can use the results of reexamination, through summary judgment,
23 to make invalid or obvious any claims in the remaining patents. Because noninfringement of an
24 independent claim means that the dependent claims are not infringed, Plaintiff can eliminate other
25 sections of patents through targeted summary judgment motions relating to noninfringement. This
26 approach will significantly reduce the time the Court will spend on the patent section of this case,
27 while still resolving the controversy between the parties.

28 Once Defendants file an Answer, Plaintiff proposes that the Court hold another CMC for

1 scheduling deadlines for the 26(f) conference and other discovery deadlines, and for scheduling
 2 another settlement conference with Judge Laporte.

3 Plaintiff believes his proposal is the best course to prevent delay, given that no Answer has
 4 been filed and that, without an Answer and without information about additional parties or
 5 counterclaims, he cannot reasonably offer a detailed discovery plan. Thus, Plaintiff believes it
 6 would be most economical to limit setting dates to those discussed above.

7 **12. Current Service List**

Plaintiff Jacobsen	Defendants KAM and Katzer
8 Victoria K. Hall Law Office of Victoria K. Hall 9 3 Bethesda Metro Suite 700 Bethesda, MD 20814 10 Tel: (301) 280-5925 11 Fax: (240) 536-9142 Email: Victoria@vkhall-law.com	R. Scott Jerger Field Jerger, LLP 610 SW Alder Street, Suite 910 Portland, OR 97205 Tel: (503) 228-9115 Fax: (503) 225-0276 Email: scott@fieldjerger.com
	John C. Gorman Gorman & Miller, P.C. 210 N 4th Street, Suite 200 San Jose, CA 95112 Tel: (408) 297-2222 Fax: (408) 297-2224 Email: jgorman@gormanmiller.com

12 **13. Other items not addressed by Civil L.R. 16-10**

13 Not applicable

14 **14. Disclosures**

15 Plaintiff has nothing further to add that has not already been discussed. Barbara Dawson
 16 has an interest that could be substantially affected by the outcome of this proceeding.

17 Respectfully submitted,

18 Dated: April. 4, 2008

19 _____/s/_____
 20 VICTORIA K. HALL (SBN 240702)
 21 Attorney
 22 Law Office of Victoria K. Hall
 23 Attorney for Plaintiff Robert Jacobsen

24 _____/s/_____
 25 R. SCOTT JERGER (*pro hac vice*)
 26 Attorney
 27 Field Jerger LLP
 28 Attorney for Defendants Katzer & KAMIND Associates, Inc.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

[PROPOSED] JOINT CASE MANAGEMENT ORDER

Having received the Joint Case Management Statement, the Court orders the parties to proceed with:

- () Plaintiff's proposed discovery and litigation schedule
- () Defendants' proposed discovery and litigation schedule.

DATED: _____

By _____
JEFFREY S. WHITE
UNITED STATES DISTRICT JUDGE