

1 make. Upon review of the case law while she was preparing responses to Defendants' evidentiary
2 objections, she learned that the impeachment evidence should have been presented in the section
3 where Plaintiff produces evidence to make a showing. Mr. Jacobsen seeks to educate the Court as
4 to what he believes the proper procedure is, and to amend his oppositions to reflect this. While
5 there has been a delay between when the oppositions were filed and administrative motion, there is
6 good cause to permit the amendment. Mr. Jacobsen's counsel had been out of state on business,
7 and upon her return, she became very ill. Although improving, she is still recovering from various
8 infections as she drafts this motion. The day after she became ill, Mr. Jacobsen's counsel was
9 forced from her home July 2 after lightning struck an electrical pole, blew out a transformer and
10 caused a fire, as well as other problems. She returned July 13, but to this date has no telephone
11 service or Internet access.

12 Plaintiff's counsel notified defense counsel of this motion at approx. 1:30 p.m. Weds., July
13 19, and asked for their position on this motion. They have emailed her and indicated they oppose
14 the motion. However, Mr. Jacobsen notes that if Defendants had not continued to wrongfully press
15 their litigation privilege arguments, this motion would be unnecessary. Thus, it is appropriate to
16 permit these amendments. For these reasons, this Court should grant the motion.

17 **II. Proper location for impeachment evidence**

18 In an anti-SLAPP motion, the defendant has the burden of making a threshold showing that
19 a claim is based on a protected activity. Equilon Enters. LLC v. Consumer Cause, Inc., 29 Cal. 4th
20 53, 67 (2002). After the defendant has made such a showing, the burden shifts to the plaintiff to
21 demonstrate a probability of success. Id. The Court does not weigh evidence, but considers the
22 pleadings and supporting and opposing affidavits to determine whether the plaintiff has a
23 probability of success. Id. Thus when considering whether the defendant has met his burden, the
24 Court does not consider plaintiff's evidence.

25 When plaintiff drafted his response, he read that Civ. P. § 425.16(e)(1) and (e)(2) are co-
26 extensive with Civ. § 47(b). E.g., Memorandum in Opposition to Defendant Russell Motion to
27 Strike Claims 5 and 7, at 10 n.3. However, communications in preparation of litigation are also
28 protected, only if they are proposed in serious and good faith contemplation of litigation. Mezetti

1 v. State Farm Mutual Auto. Ins. Co., 346 F. Supp. 2d 1058, 1065 (N.D. Cal. 2004). There is also
 2 an absence of case law in which plaintiff prevailed once a threshold showing was made under Cal.
 3 Civ. P. § 425.16(e)(1) and (e)(2). He read these together as meaning that if defendants made a
 4 threshold showing so that the burden shifted to him to demonstrate a probability of success, he
 5 could never succeed. See Memorandum in Opposition to Defendant Russell Motion to Strike
 6 Claims 5 and 7, at 13. This caused him to believe that the proper place to offer impeachment
 7 evidence was in addressing whether defendants had made their threshold showing, and so he made
 8 it there. However, upon reviewing the case law while addressing Defendants evidentiary
 9 objections, he believes that the proper place to offer this evidence is when he makes a showing that
 10 he has a probability of prevailing on the merits. He offers this administrative motion to educate the
 11 Court on his findings, and to amend the two memoranda in opposition to reflect this.

12 **III. Good cause for delay**

13 There is good cause to excuse any delay in making this amendment. The Court clerk, Ms.
 14 Ottolini, may recall plaintiff's counsel inquiry in mid-June about the due date of the opposition to
 15 Mr. Katzer and KAMIND Associates, Inc.'s motions to dismiss, and bifurcation and stay motion,
 16 and may recall plaintiff's counsel telling her that she intended to file the opposition on June 30.
 17 Due to a variety of events – some expected, others not – this did not happen. Mr. Jacobsen's
 18 counsel has been out of state – California, District of Columbia and Pennsylvania – on business at
 19 various times during this and last month. The Court may have recognized plaintiff's counsel sitting
 20 in his courtroom on Friday, June 23.¹ After her return from California, she expected to have a
 21 short, slow week wrapping up business in another matter, a Second Request from the Federal Trade
 22 Commission regarding a merger between two large pharmaceutical companies. Instead of the
 23 short, slow week she expected, she and her colleagues discovered significant problems with the
 24 document production, including privilege waiver. Plaintiff's counsel worked from 10 a.m. Monday
 25 June 26 through 4 p.m. Tuesday, June 27, then 10 a.m. Wednesday, June 28 through midnight of
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27 ¹ Earlier that day, she attended a hearing in Judge Walker's courtroom, for a matter that she is
 28 assisting in.

1 the same day, and then 9 a.m. Thursday, June 29 through the lunch hour on Friday, June 30, when
 2 it became clear that the FTC's deadline would be met. Her emails with Mr. Jerger, submitted with
 3 his administrative motion to set briefing schedule, reflect this. On July 1, plaintiff's counsel got a
 4 bad cold. The next day, severe storms rolled through the Washington, D.C. metro area. Lightning
 5 struck an electrical pole near plaintiff's counsel's apartment block, blew out a transformer, and
 6 caused a fire. Hall Decl. Ex. A². Plaintiff's counsel was forced from her home. See id. During
 7 the storm, a large tree branch, approximately 7 inches in diameter, fell on plaintiff's counsel's roof,
 8 damaging the roof, and causing water to flow through her ceiling in her kitchen, bathroom, and
 9 walk-in closet, filled with clothing. Plaintiff's counsel did not return home until Thursday, July 13.
 10 To this day, she still does not have telephone service or Internet access. Also during this time, her
 11 illness worsened, and she developed ear and sinus infections, which were not diagnosed until
 12 Thursday, July 13. Id. Ex. E (diagnosing sinus infection). Later, she was diagnosed with
 13 bronchitis. Id. Ex. F. Plaintiff's counsel intended to file this administrative motion on July 13, but
 14 heeded her doctor's order to get bed rest. Plaintiff's counsel offers a news article about the fire and
 15 evacuation, two doctor's notes, and other evidence in support of the foregoing, and can offer fire or
 16 police reports, insurance claims, photos of damage, and any other documentation the Court
 17 requires.

18 Plaintiff's counsel thus believes that good cause exists to excuse any delay in making this
 19 filing.

20 **IV. This Motion Would Be Unnecessary If Defendants and Defense Counsel Were Not**
 21 **Continuing to Wrongfully Assert That Litigation Privilege Applies**

22 Defendants, through their counsel, oppose this motion. Their request should not be granted.
 23 The purpose of this motion is to offer impeachment evidence in its proper place – the section where
 24 Mr. Jacobsen produces evidence in support of his case – which then requires Mr. Jacobsen to make
 25 arguments in support of the libel claim. Mr. Jacobsen limits his arguments to those offered in his
 26 Memorandum in Opposition to Motion to Dismiss for Lack of Personal Jurisdiction and For Failure
 27 to State a Claim On Which Relief Can Be Granted, filed on June 9, 2006, and adds a couple of

28 ² The news account is partly incorrect, as the fire occurred on July 2.

1 sentences about why the accusation of patent infringement is false.

2 Furthermore, Mr. Jacobsen notes that this motion should be unnecessary, because there is
3 no evidence to support Defendants' assertion that they acted in serious and good faith
4 contemplation of litigation. In fact, there is overwhelming evidence of bad faith, which Defendants
5 failed to rebut. Yet Defendants are continuing to press the argument. Thus, Defendants are putting
6 forward arguments that are unwarranted and are not supported by the evidence. Their denials of
7 factual contentions are also not warranted by the evidence. Since the evidence is in their
8 possession, any basis for their denials could have been produced. It was not. Specifically, plaintiff
9 points to the following:

10 Mr. Katzer, through Mr. Russell, filed the first patent application on June 24, 1998.
11 Jacobsen Decl.³ Ex. AD. Mr. Katzer was under a duty to disclose any material information that
12 might affect the patentability of the invention. Jacobsen Decl. Ex. AD, at 4. He signed an oath
13 stating that he had made such a disclosure. Jacobsen Decl. Ex. AD, at 4-5. At that time, Mr.
14 Katzer had been offering for sale and distributing Train Server, and other, software that embodied
15 the invention in the patent for more than 1 year. Jacobsen Decl. ¶ 119, Ex. AM, Ex. AN. He
16 admitted on his website, before he took down the webpage in response to this litigation, that he had
17 been distributing Train Server since 1996. Jacobsen Decl. Ex. AM. This would have barred the
18 patent under 35 U.S.C. § 102(b). Thus, the information was highly material to the patentability.
19 Intent to deceive is most often proven by a showing of acts, the natural consequences of which are
20 presumably intended by the actor. Lipman v. Dickinson, 174 F.3d 1363, 1370 (Fed. Cir. 1999).
21 Given the numerous references that Mr. Katzer and Mr. Russell knew were material and refused to
22 produce to the patent examiner, they intended to deceive the examiner. Thus, they committed
23 inequitable conduct. FMC Corp. v. Manitowoc Co., 835 F.2d 1411, 1415 (Fed. Cir. 1987).

24 Mr. Katzer, again through Mr. Russell, identified an unnamed DigiToys program in his first
25 and all later patent applications, that was prior art. Jacobsen Decl. Ex. AD, at 6. Neither he nor

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27 ³ References to the Jacobsen Declaration are to Declaration of Robert Jacobsen in Opposition to
28 [23] Motion to Strike pursuant to CCP Sec. 425.16 [Docket 46].

1 Mr. Russell provided the reference to the patent examiner. Jacobsen Decl. ¶ 108. Four years later,
2 Mr. Katzer, again with Mr. Russell, accused Hans Tanner of patent infringement. Jacobsen Decl. ¶
3 109, Ex. AE. This is an admission that they believed the patent read on a feature in DigiToys'
4 software, WinLok. Dr. Tanner confronted Defendants. He identified the accused capability as
5 MultiDrive, and told Defendants that the capability had been present in WinLok 1.5, released in
6 1993, and WinLok 2.0, released in 1995. Tanner Decl.⁴ Ex. F, at 1. A maxim from patent law is:
7 "That which infringes, if later, would anticipate, if earlier." Peters v. Active Mfg., 129 U.S. 530,
8 537 (1889). By admitting they believed MultiDrive infringed the patent, they also admitted they
9 believed MultiDrive anticipated the patent since the capability present in WinLok 1.5 and 2.0
10 preceded the patent application. Because MultiDrive had been present in WinLok more than 1 year
11 before the patent application, the patent claims reading on MultiDrive were invalid. The patent
12 application, '878,⁵ from which the patent-in-suit, '329, issued was open for prosecution on the
13 merits when Dr. Tanner confronted Mr. Katzer and Mr. Russell. Defendants failed to notify the
14 patent examiner about MultiDrive or WinLok, although Defendants referred to WinLok in the '878
15 application. As stated in the previous paragraph, Defendants withheld a material reference which
16 they knew was material, and considering the totality of their actions, they intended to deceive the
17 examiner. Thus, the '329 patent is unenforceable.

18 In this Court, they continue to further the fraud they practiced at the Patent Office. In
19 response to this Complaint, Mr. Russell filed for a Request for Continued Examination in early
20 April 2006. He offered, as prior art, the Complaint, but still none of the references identified in the
21 Complaint. Request for Judicial Notice [Docket 61] at 8. Mr. Russell, through his counsel, offered
22 a Request for Judicial Notice containing the actions of the Patent Office, as if to demonstrate that
23 the Patent Office has given the most recent patent application a clean bill of health. Mr. Jacobsen
24 directs the Court's attention to Request for Judicial Notice Exhibits 7 and 8. In Request for

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26 ⁴ References to the Tanner Declaration are to Declaration of Hans Tanner in Opposition to [23]
27 Motion to Strike pursuant to CCP Sec. 425.16 [Docket 47]

28 ⁵ The '878 application is a continuation of the original '461 application.

1 Judicial Notice Exhibit 7, the patent examiner states:

2 [T]he prior art of record fail [sic] to teach operating a digitally operated model
3 railroad comprising, among other limitations, transmitting first and send commands
4 to an interface through a first and second transports, the interface queuing the first
5 and second commands and sending third and fourth commands representative of the
6 first two commands for execution of the model railroad trough [sic] validation
7 against permissible actions.

8 Request for Judicial Notice Ex. 7, at 2 (emphasis added).

9 In Request for Judicial Notice Exhibit 8, there listed is only one item of “prior art” – this
10 Complaint. No products named in the Complaint or other references are cited.

11 To constitute an anticipation, a printed publication must describe the invention. The
12 description must be adequate to a person with ordinary skill in the art to which the
13 invention pertains. By weight of authority, the description must enable such a
14 person not only to comprehend the invention but also to make it.

15 Donald S. Chisum, *Chisum on Patents* § 3.04[1][a][1]. See also *Seymour v. Osborne*, 78 U.S. 516,
16 555 (1870) (“...the knowledge supposed to be derived from the publication must be sufficient to
17 enable those skilled in the art of science to understand the nature and operation of the invention and
18 to carry it into practical use.”)

19 A Complaint is not a reference that is supposed to teach an invention. It is pleading, not a
20 technical reference describing an invention and how to make it. The references themselves, named
21 in the Complaint, which would have taught the invention, but were never produced. Hence, it is
22 still Defendants’ intent to withhold these references.

23 In sum, defendants committed inequitable conduct, and fraud on the Patent Office.
24 Defendants have produced no evidence to counter the overwhelming record against them. Thus,
25 they cannot demonstrate serious and good faith contemplation of a lawsuit, and neither they nor
26 their counsel should not be arguing it. Thus, Mr. Jacobsen seeks to amend the oppositions so as to
27 offer the rebuttal argument in the proper location, and counter Defendants’ meritless arguments.

28 **V. Mr. Jacobsen Seeks Permission of the Court to File Extra Pages with This Filing**

Finally, Mr. Jacobsen seeks the Court’s permission to file extra pages with this filing. Mr.
Jacobsen believes that the Court and opposing counsel are researching the oppositions which Mr.
Jacobsen filed, and as such, he believes that it would be beneficial to all parties that they not have
to compare the original memorandum with the amended memorandum to determine what has been

