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

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|------------------------------------|---|-----------------------------------|
| ROBERT JACOBSEN, an individual, |) | No. C-06-1905-JSW |
| |) | |
| Plaintiff, |) | JOINT STATUS CONFERENCE |
| |) | STATEMENT |
| v. |) | |
| |) | Location: 17th Floor, Courtroom 2 |
| MATTHEW KATZER, an individual, and |) | Judge: Honorable Jeffrey S. White |
| KAMIND ASSOCIATES, INC., dba KAM |) | |
| Industries, an Oregon Corporation, |) | |
| |) | |
| Defendants. |) | |

The parties submit this Joint Status Conference Statement. The parties disagree entirely and provide their own separate statements.

Jacobsen’s Status Conference Statement

1. Pending Motions

Jacobsen has filed a second Surreply to Defendants’ Motion to Dismiss Claims 1, 2, and 3 for Mootness. In light of this Surreply, the Court should deny Defendants’ motion to dismiss claims 1, 2, and 3 as it relates to the ‘329 patent, because under Caraco, a case or controversy exists due to the anti-SLAPP motions. Jacobsen should also be permitted to amend his complaint to include all Katzer patents, in light of Micron v. MOSAID, as discussed in his first Surreply. In Jacobsen’s view, the Court should deny the motion to dismiss DMCA and contract causes of action, and the motion to strike. Dismissal is premature because of law is unsettled and relevant facts are unknown. Because Defendants made no argument related to the GPL, this Court should decline to interpret the GPL as it relates to Defendants’ motion to dismiss DMCA. If the Court finds the Second Amended Complaint has not pled sufficient facts, the Court should permit

1 Jacobsen to amend his contract and DMCA causes of action. Jacobsen believes that it is still too
2 early to dismiss the contract cause of action, even in light of the Federal Circuit decision. Jacobsen
3 can plead that Defendants broke a contract when Jacobsen bought their product CDs, but
4 Defendants did not provide 1 year's worth of updates, as promised. Jacobsen also seeks to add
5 Matthew Katzer as a partner of KAM Industries, an Oregon general partnership. Mr. Katzer is
6 listed as an individual in the Second Amended Complaint. As discussed earlier, Plaintiff seeks to
7 add the Katzer patents in a Third Amended Complaint. For nearly a year, Defendants accused
8 Jacobsen of infringing multiple Katzer patents, through cease and desist letters, the FOIA request
9 to his employer, and in representations to this Court. Defendants have shown a pattern of suing
10 competitors for infringement of all claims in all issued patents, even while they write in their cease
11 and desist letters that competitors infringe only one or two claims. Kevin Russell, David Zeff, and
12 Scott Jerger all asserted that Jacobsen infringed multiple patents. While Defendants may now
13 regret their accusations, they cannot escape them. These accusations were no isolated mistake.
14 The history of multiple accusations, made by several individuals, over the course of nearly a year,
15 and Defendants' pattern of litigation, show that declaratory judgment jurisdiction exists over all
16 Katzer patents, per Micron. Thus, Plaintiff should be permitted to include declaratory judgment
17 causes of action for all Katzer patents. Plaintiff suggests the following schedule:

18 Tuesday, Sept. 30, 2008: Plaintiff files Third Amended Complaint
19 Tuesday, Oct. 14, 2008: Defendant files Answer
20 Friday, Oct. 31, 2008: Parties file Joint Case Management Statement
21 Friday, Nov. 7, 2008: Further Case Management

22 Until an Answer is filed and a discovery schedule is set, no other dates should be set as they
23 would be premature.

24 Defendants mischaracterize the second Surreply as a motion for reconsideration. Plaintiff
25 has not asked the Court to reconsider its anti-SLAPP ruling. Plaintiff has not discussed all new
26 relevant facts and relevant case law, which he will do in a future motion for leave to file a motion
27 for reconsideration, once discovery closes. In the second Surreply, Plaintiff discusses new Federal
28 Circuit precedent, and how it supports his arguments that this Court has jurisdiction over the

1 declaratory judgment causes of action relating to the '329 patent. That discussion required a
2 review of the facts relating to anti-SLAPP. If Defendants think the precedent discussed in the
3 second Surreply is irrelevant, then Defendants should file a Surreply instead of attempting to delay
4 the proceedings with further briefing on anti-SLAPP.

5 If the Court agrees with Defendants that this is motion for reconsideration, the Plaintiff asks
6 for early discovery, per the anti-SLAPP statute, beginning with this Court enforcing Judge
7 Laporte's Jan. 23, 2008 order to Defendants to disclose their positions on claim construction,
8 infringement, validity, and enforceability. However, Plaintiff believes further proceedings on anti-
9 SLAPP should be deferred. Plaintiff expects to file motion for leave to file a motion for
10 reconsideration, or a motion to vacate, relating to anti-SLAPP at the close of discovery, so re-
11 opening the matter now will be a waste of judicial resources, and delay the proceedings.

12 **2. Implementation of Federal Circuit Ruling**

13 Jacobsen has proposed an injunction, which is attached as Exhibit A. The original motion for
14 preliminary injunction sought to enjoin infringement of JMRI Decoder Definitions 1.7.1. Jacobsen
15 asks the Court to expand the preliminary injunction to cover all versions of JMRI software.
16 Jacobsen will also ask the Court to enjoin Defendants from violation Sec. 1202.

17 Defendants argue that they need further briefing relating to irreparable harm. Plaintiff
18 addressed irreparable harm and balance of hardships in his motion, so Defendants had the
19 opportunity to address the issues then. Also, as noted earlier, Defendants have argued—and
20 continue to argue in their motions to strike—that Plaintiff is not entitled to monetary damages.
21 Thus, Defendants admit damages are inadequate, which is an important factor in favor of the
22 issuance of an injunction. Furthermore, the eBay decision issued 18 months ago, so again
23 Defendants have had long enough to file a surreply to discuss eBay. To delay the injunction until
24 further briefing is complete is to draw this case out further and waste judicial resources. The
25 preliminary injunction should issue.

26 Jacobsen's copyright covers JMRI materials. If Defendants make copies or derivative works,
27 or distribute JMRI materials, then Defendants are infringing. Defendants' products do not work
28 unless they use a range of decoder definition files, such as that which JMRI provides. Thus,

1 Defendants are motivated to use JMRI materials as a basis for their products. Having already been
2 found to infringe JMRI materials, Defendants must provide documentation that they have
3 independently created their products, in order to bar an injunction. They had provided nothing.
4 Thus, the injunction should issue.

5 **3. Further Settlement Conference**

6 After Defendants answer the Third Amended Complaint, the parties should return for a further
7 settlement conference after the case management conference. Jacobsen urges the Court to order an
8 Answer, per Federal Rules of Civil Procedure Rule 15(a) as interpreted by General Mills, Inc. v.
9 Kraft Foods Global, Inc., 487 F.3d 1368, 1376-77, clarified in 495 F.3d 1378 (Fed. Cir. 2007), and
10 not to permit another motion to dismiss until an Answer is filed. Jacobsen also asks the Court to
11 order Defendants to comply with Judge Laporte's Jan. 23, 2008 order, by providing the claim
12 construction, infringement, validity, and enforceability disclosures.

13 **4. Other Issues**

14 Jacobsen disagrees that the second Surreply is a motion for reconsideration, thus Defendants'
15 proposed schedule for briefing is irrelevant. If the Court agrees with Defendants, then Jacobsen is
16 entitled to early discovery, per the anti-SLAPP statute, beginning with enforcing Judge Laporte's
17 order.

18 No further briefing is required for the motion for preliminary injunction, and the injunction
19 should issue.

20 The Court should permit Jacobsen to file a Third Amended Complaint, as discussed above.

21 **KAM and Katzer's Joint Status Conference Statement**

22 Kamind Associates, Inc. and Matthew Katzer (collectively referred to as "Katzer") disagree
23 with the entirety of Plaintiff's statement above and the attached Exhibit A and submit the following
24 regarding the recent decision of the Federal Circuit:

25 **1.) Position on pending motions**

26 Presently pending before this Court are Katzer's Third [Dkt. #192] and Fourth [Dkt. #203]
27 Motions to Dismiss. Katzer believes that the Fourth Motion to Dismiss seeking to dismiss Claims
28 1, 2, and 3 regarding Katzer's now-disclaimed patent is not affected at all by the Federal Circuit

1 Court opinion and that it is appropriate for this Court to rule on this motion.

2 In regard to Katzer's Third Motion to Dismiss, the Federal Circuit's Order affects only portions
3 of Katzer's motion to dismiss Count 5 (the Digital Millennium Copyright Act claim). Katzer's
4 motion argues that this Count 5 should be dismissed because (1) plaintiff's work is not copyright
5 management information, and (2) plaintiff has waived his copyright rights.

6 The Federal Circuit's order establishes that Plaintiff has not waived his copyright rights, and
7 therefore Katzer concedes this particular argument. Katzer believes that it is now appropriate for
8 this Court to rule on this motion to dismiss Counts 5 and 6 of the Complaint and his motion to
9 strike certain paragraphs relating to statutory damages and attorney fees pursuant to 17 U.S.C. §§
10 504, 505 per Fed R. Civ. P. 12(f).

11 Katzer proposes to file an Answer to the Second Amended Complaint within 10 days of this
12 Court's ruling on the pending motions to dismiss.

13 **2.) Implementation of the Federal Circuit's Opinion**

14 The Federal Circuit's August 13, 2008 Opinion remands this case to this Court for further
15 findings on whether Jacobsen has demonstrated (1) a likelihood of success on the merits and either
16 a presumption of irreparable harm or a demonstration of irreparable harm; or (2) a fair chance of
17 success on the merits and a clear disparity in the relative hardships and tipping in his favor.
18 Opinion at 15.

19 This Court did not reach these questions in its August 17, 2007 Order denying Plaintiff's
20 Motion for a Preliminary Injunction. Since this Court held that Plaintiff's claim sounds only in
21 contract, this Court concluded:

22 "therefore Plaintiff has not met his burden of demonstrating likelihood of success on the
23 merits of his copyright claim and is therefore not entitled to a presumption of irreparable
24 harm. *See Sun Microsystems*, 188 F.3d at 1119. Plaintiff has not met his burden of
25 demonstrating either a combination of probable success on the merits of his copyright
claim nor the existence of serious questions going to the merits. *See GoTo.com*, 202 F.3d
at 1204-1205."

26 *Order Denying Plaintiff's Motion for Preliminary Injunction* at 11 [Dkt. #158]. The Federal Circuit
27 has held that Plaintiff has a viable copyright claim, therefore these conclusions regarding
28 irreparable harm and success on the merits must be revisited by this Court.

1 To complicate matters, the law regarding the test for irreparable harm for a preliminary
2 injunction in the copyright law context has changed dramatically since this Court issued its August
3 17, 2007 Order. In its Order, this Court noted that:

4 “Under federal copyright law, however, a plaintiff who demonstrates a likelihood of
5 success on the merits of a copyright claim is entitled to a presumption of irreparable harm.
6 *Sun Microsystems, Inc. v. Microsoft Corp.*, 188 F.3d 1115, 1119 (9th Cir. 1999), citing
7 *Cadence Design Systems v. Avant! Corp.*, 125 F.3d 824, 826-27 (9th Cir. 1997). ‘That
8 presumption means that the balance of hardships issue cannot be accorded significant-if
any-weight in determining whether a court should enter a preliminary injunction to
prevent the use of infringing material in cases where...the plaintiff has made a strong
showing of likely success on the merits.’”

9
10 *Order Denying Plaintiff’s Motion for Preliminary Injunction* at 8 [Dkt. #158].

11 In 2006, the Supreme Court eviscerated the presumption of irreparable harm to motions for
12 permanent injunctions in the patent infringement context, holding that a Plaintiff seeking a
13 permanent injunction must demonstrate that the traditional equitable factors for granting an
14 injunction have been met. *eBay Inc. v. MercExchange, LLC*, 547 U.S. 388, 126 S. Ct. 1837, 164 L.
15 Ed. 2d 641 (2006). Since that time, and subsequent to this Court’s August 17, 2007 Order,
16 numerous courts, including this Court, the Northern District of California, have held that, as a
17 result of *eBay*, the presumption of irreparable harm no longer exists in the preliminary injunction
18 context either. *See e.g. Hologic, Inc. v. Senorx, Inc.*, 2008 U.S. Dist LEXIS 36693 at *44-46 (N.D.
19 Cal. April 25, 2008), *Tiber Labs, LLC v. Hawthorn Pharms., Inc.*, 527 F. Supp.2d 1373, 1380
20 (N.D. Ga 2007); *Voile Mfg. Corp. v. Dandurand*, 551, F.Supp.2d 1301, 1306 (D. Utah 2008); *Sun*
21 *Optics, Inc. v. FGX Int’l, Inc.*, 2007 U.S. Dist. LEXIS 56351, 2007 WL 2228569, at *1 (D. Del.
22 August 2, 2007); *Torspo Hockey Int’l Inc. v. Kor Hockey Ltd.*, 491 F. Supp. 2d 871, 881 (D. Minn.
23 2007); *Allora, LLC v. Brownstone, Inc.*, 2007 U.S. Dist. LEXIS 31343 (W.D.N.C. April 27, 2007)
(copyright infringement).

24 Additionally, a district court in the Ninth Circuit has recently held that no presumption of
25 irreparable harm results from a finding of liability in a copyright case following *eBay*. *Metro-*
26 *Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd.*, 518 F. Supp. 2d. 1197, 1210-1214. (C.D. Cal.
27 2007). Therefore, Katzer believes that the cases cited in this Court’s August 17, 2007 Order
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1 regarding the presumption of irreparable harm are no longer good law post-*eBay*.

2 As a consequence, Katzer believes that Plaintiff is now required to meet his burden of
3 demonstrating irreparable harm and can no longer rest on this former presumption as he did in his
4 papers in support of his motion for preliminary injunction. Additionally, Katzer believes that since
5 the presumption of irreparable harm is gone, it is now necessary for the Court to make findings on
6 the balance of hardships between the parties should an injunction issue, and for Katzer to introduce
7 evidence into the record regarding the hardship imposed by a preliminary injunction from this
8 Court. Since Plaintiff must now prove irreparable harm and Katzer is entitled to introduce
9 evidence of the hardship created by an injunction, Katzer believes that a hearing is necessary for
10 the introduction of this evidence before any injunction can issue. *See* Fed. Rule Civ. P. 65. Katzer
11 also requests that he be allowed to provide this Court additional legal briefing on why the
12 presumption of irreparable harm no longer exists in a copyright preliminary injunction proceeding
13 following *eBay* and how it is not possible for Plaintiff to demonstrate irreparable harm in this case.

14 Lastly, Plaintiff must prove a likelihood of success on the merits or a fair chance of success on
15 the merits of his copyright claim. Plaintiff has not yet specifically identified the copyrighted
16 material that is the subject of the proposed motion and Plaintiff's attached Exhibit A broadens
17 significantly the scope of the injunction from the original motion. Therefore, further findings must
18 be made by this Court to determine whether Plaintiff has met his burden on the merits issue and the
19 scope of any proposed injunction.

20 Katzer proposes the following briefing schedule on the preliminary injunction motion:

21 October 3, 2008: Plaintiff submits Supplemental Memorandum in Support of Motion
22 for Preliminary Injunction

23 November 7, 2008: Defendant submits Supplemental Memorandum in Opposition

24 November 21, 2008: Plaintiff submits Reply

25 December 13, 2008: Evidentiary hearing on Plaintiff's Motion for Preliminary Injunction

26 **3.) Position regarding attending further settlement conference**

27 Katzer is amenable to attending another settlement conference before Judge LaPorte. Katzer
28 believes that this settlement conference will be most productive if it occurs subsequent to the filing

1 of Katzer’s Answer in this case.

2 **4.) Plaintiff’s “Second Surreply” filed August 20, 2008 [Dkt.# 226]**

3 Katzer believes that Plaintiff’s “Second Surreply” referenced above is actually a motion to
4 reconsider the anti-SLAPP fee award. Accordingly, Katzer proposes the following briefing
5 schedule on this motion:

- 6 August 20, 2008: Plaintiff filed Motion to Reconsider Anti-SLAPP award
- 7 October 10, 2008: Defendants and Kevin Russell file Memorandum in Opposition
- 8 November 7, 2008: Plaintiff files Reply
- 9 December 13, 2008: Hearing on Motion

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Respectfully submitted,

VICTORIA K. HALL
Law Office of Victoria K. Hall

Dated: Aug. 22, 2008

_____/s/_____
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Dated: August 22, 2008

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Matthew Katzer

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CERTIFICATE OF SERVICE

I hereby certify that on August 22, 2008, I electronically filed the foregoing Joint Status Conference Statement with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses denoted on the Electronic Mail Notice List.

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