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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

RICHTEK TECHNOLOGY  
CORPORATION,

No. C 09-05659 WHA

Plaintiff,

v.

uPI SEMICONDUCTOR  
CORPORATION, AMANDA DAI, and  
JACKY LEE,

**ORDER GRANTING LEAVE  
TO AMEND INVALIDITY  
CONTENTIONS**

Defendants.

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**INTRODUCTION**

In this patent infringement action, one defendant seeks leave to amend their infringement contentions to include prior art that it discovered soon after the stay was lifted. For the reasons stated below, defendants' motion is **GRANTED**.

**STATEMENT**

Plaintiff Richtek Technology Corporation commenced this action contemporaneously with an action before the International Trade Commission. The case was quickly stayed pending the ITC investigation (Dkt. No. 22). The ITC investigation concluded with the entry of several consent orders in September 2010, and the stay was lifted accordingly (Dkt. No. 89).

Defendant uPI Semiconductor Corporation moved to substitute counsel quickly after the stay was lifted, which motion was granted (Dkt. No. 97). Plaintiff served infringement contentions in November 2010, and defendants served their invalidity contentions in December

1 2010. Less than two month later, the case was stayed again pending reexamination of the  
2 patents-in-suit, and then pending a second ITC investigation (Dkt. No. 267). The stay was  
3 lifted in January 2016 (Dkt. No. 443).

4 uPI now moves to amend its invalidity contentions. Specifically, uPI seeks to add two  
5 references that address the '190 patent and to clarify (but not change) its contentions regarding  
6 that patent. uPI also seeks to add four references each supporting four new grounds of  
7 invalidity of the '470 patent.

## 8 ANALYSIS

9 Patent Local Rule 3-6 provides:

10 Amendment of the Infringement Contentions or the Invalidity  
11 Contentions may be made only by order of the Court upon a timely  
12 showing of good cause. Non-exhaustive examples of  
13 circumstances that may, absent undue prejudice to the non-moving  
14 party, support a finding of good cause include:

- 15 (a) A claim construction by the Court different from that proposed  
16 by the party seeking amendment;
- 17 (b) Recent discovery of material, prior art despite earlier diligent  
18 search; and
- 19 (c) Recent discovery of nonpublic information about the Accused  
20 Instrumentality which was not discovered, despite diligent efforts,  
21 before the service of the Infringement Contentions.

22 Good cause generally exists when the party seeking leave has been diligent and the  
23 opposing party would not suffer undue prejudice if leave is granted. *Acer, Inc. v. Tech. Props.*  
24 *Ltd.*, No. 08–00877, 2011 WL 1838768, at \*2 (N.D. Cal. May 13, 2011) (Judge Jeremy Fogel).

### 21 1. DILIGENCE.

22 The second amended case management order in this action, which issued after the stay  
23 was lifted, provided, “Plaintiff must timely refile its infringement contentions to conform to our  
24 Local Rule 3-1, which filing shall trigger the due date for the invalidity contentions” (Dkt. No.  
25 448 at 6). uPI understood that language to imply that its invalidity contentions, including any  
26 updates following the stay, were due 45 days after Richtek’s infringement contentions came  
27 due, resulting in a deadline for the invalidity contentions of April 25 (Dkt. No. 448 at 6). uPI  
28 filed the instant motion on April 25.

1 Richtek contends that uPI should have discovered the references and sought leave to  
2 amend during the limited periods in 2011 or 2013 while the case was not stayed. Indeed, uPI  
3 was aware of two of the references in 2010. uPI, however, could not have appreciated the  
4 importance of these new references (or the search terms that uncovered the further new  
5 references), until Richtek disclosed its interpretations of various claim limitations during the  
6 reexamination proceedings while this case was stayed. Patent Local Rule 3-6 expressly  
7 acknowledges that an unexpected claim construction ruling may, absent undue prejudice,  
8 support a finding of good cause. Here, uPI seeks to amend their invalidity contentions in  
9 *advance* of an unexpected claim construction ruling, in light of unexpected claim constructed  
10 *arguments*. (The undersigned does claim construction at the summary judgment phase.)

11 Richtek also argues that nothing prevented uPI from conducting prior art searches while  
12 the case was stayed, so this motion could have been brought immediately once the stay was  
13 lifted. True, but Richtek ignores the fact that the stays were in place specifically to avoid  
14 expenses that might ultimately prove moot. This order will not hold uPI's decision not to  
15 undertake such wasteful endeavors against them. True, uPI could possibly have sought leave  
16 much sooner after the stay was lifted, but it reasonably relied on the deadline to refile invalidity  
17 contentions set forth in the scheduling order as the deadline to pursue these amendments.

18 Thus, this order holds uPI has acted diligently enough in seeking this amendment.

19 **2. PREJUDICE.**

20 uPI argues that Richtek will not be prejudiced because the parties have not yet taken  
21 claim construction positions, so Richtek will have ample time to address the new prior art  
22 references. Richtek responds that it will be prejudiced because the undersigned does not hold a  
23 separate *Markman* hearing, but instead construes claims in the context of summary judgment.  
24 Richtek's argument is unclear. The later claim construction procedure gives it *more* time to  
25 address the new prior art references.

26 \* \* \*

27 uPI's motion is distinct from Richtek's recent motion to amend its infringement  
28 contentions to include new products. Here, uPI seeks to shore up its defense to meet new

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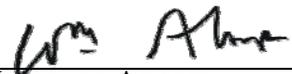
arguments that arose during reexamination proceedings, albeit based on prior art that occurred prior to the pleading sought to be amend. By contrast, Richtek sought to expand the scope of the case to include new products released after the complaint was filed, yet Richtek failed to recognize that such expansion would require a supplemental pleading. Moreover, denial of Richtek’s motion to amend its infringement contentions had minimal effect on Richtek, which remains free to pursue claims regarding those products in a subsequent suit. uPI, however, has only one opportunity to raise their strongest invalidity defense, so it is appropriate, in light of uPI’s diligence and the lack of prejudice to Richtek, to permit these proposed amendments.

**CONCLUSION**

For the reasons stated above, uPI’s motion for leave to amend their invalidity contentions is **GRANTED**.

**IT IS SO ORDERED.**

Dated: June 6, 2016.

  
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WILLIAM ALSUP  
UNITED STATES DISTRICT JUDGE