UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

TurboChef Technologies, Inc. and Enersyst Development Center, LLC,	§	**Case No. 07-cv-1330-F**
Plaintiffs,	§	
v.	§	
Garland Commercial Industries, LLC and ACP of Delaware Inc.,	§	
Defendants.	§	

ORDER GRANTING GARLAND'S MOTION FOR LEAVE TO SERVE SUPPLEMENTAL FINAL INVALIDITY CONTENTIONS

BEFORE THE COURT are Defendant Garland Commercial Industries' ("Garland") Motion for Leave to Serve Supplemental Final Invalidity Contentions (Docket No. 129), filed on May 14, 2010, and the response in opposition filed by Plaintiffs TurboChef Technologies, Inc. and Enersyst Development Center, LLC (collectively, "Plaintiffs"). Garland seeks leave from the Court pursuant to Miscellaneous Order No. 62 ("Local Patent Rules") to serve supplement final invalidity contentions that include one additional prior art reference. Having considered the parties' arguments and applicable law, the Court hereby GRANTS Garland's Motion.

Applicable Law

Under the Local Patent Rules, a party has forty-five days after they have been served with the "disclosure of asserted claims and preliminary infringement contentions" to serve

on all parties its "preliminary invalidity contentions." Misc. Order No. 62, at 3-3. Unless a party seeks to amend or supplement its preliminary invalidity contentions because of the Court's claim construction ruling, the preliminary invalidity contentions will become that party's final invalidity contentions and leave to amend or supplement its invalidity contentions is required. *Id.* at 3-6. For the Court to grant leave to amend final invalidity contentions, a party must show good cause. *Id.* at 3-7. The Local Patent Rules explain that

> Good cause for the purposes of this paragraph may include . . . newly discovered prior art references. A party seeking amendment . . . the preliminary or final invalidity contentions must include in its motion to amend a statement that the . . . newly discovered prior art references were not known to that party prior to the motion despite diligence in seeking out same.

Id.

Discussion

Garland seeks leave to supplement its final invalidity contentions with a newly discovered prior art reference, the Litton Jet Wave oven ("Litton Oven"). Plaintiffs argue that Garland is actually seeking leave to amend governed by ¶ 3-7, where a showing of "good cause" is required. Although Garland has identified ¶ 3-6(b) as the authority governing its motion, Garland acknowledges that "good cause" must exists for the motion to be granted. Accordingly, the Court reviews Garland's motion for good cause, and does not make a distinction between supplementing and amending invalidity contentions. *See Prasco, LLC v. Medicis Pharmaceutical Corp.*, 537 F.3d 1329, 1337 (Fed. Cir. 2008) (citing 6A Charles Alan Wright, Arthur R. Miller & Mary Kay Kane, *Federal Practice and Procedure* § 1504, at 184) ("Parties and courts occasionally confuse supplemental pleadings with amended

pleadings and mislabeling is common. However, these misnomers are not of any significance and do not prevent the court from considering a motion to amend or supplement under the proper portion of Rule 15.").

Garland contends that it was first notified of this prior art reference by a non-party in late-March 2010, which was three months after the deadline for Garland's final invalidity contentions, but during the discovery period. Garland claims it gave Plaintiffs notice of the newly discovered Litton Oven and notified Plaintiffs of its belief that the Litton Oven invalidated the '296 patent on March 25, 2010. Shortly after notifying Plaintiffs of its belief, Garland asserts that it requested that Plaintiffs inspect the Litton Oven immediately and drop the '296 patent from the case based on this prior art reference, or stipulate to Garland's motion for leave to amend its final invalidity contentions.

Plaintiffs inspected the Litton Oven on April 9, 2010, but now argue that the inspection was insufficient. Garland asserts that it did not receive a response from Plaintiffs regarding its request to drop the '296 patent or its alternative request to stipulate regarding Garland's motion for leave to amend until May 11, 2010 when Plaintiffs notified Garland that they would oppose its motion for leave to amend. Garland filed the instant motion for leave to serve supplemental final invalidity contentions on May 12, 2010. Garland argues that Plaintiffs have had a full opportunity to investigate the Litton Oven, and that this oven is prior art pursuant to 35 U.S.C. § 102 and is dispositive of this case as to the '296 patent.

Plaintiffs argue that Garland's should not be permitted to amend its final invalidity contentions because: (1) it unjustifiably delayed over a month in filing the present motion; (2) such delay will prejudice Plaintiffs; and (3) Plaintiff was not provided a full and fair opportunity to inspect the Litton Oven. Plaintiffs point to an email from Garland's counsel dated March 29, 2010 that expresses Garland's understanding that the meet and confer obligations regarding its motion to amend the invalidity contentions had been met as evidence that Garland unnecessarily delayed filing the instant motion.

Plaintiffs argue that this delay by Garland is prejudicial because major deadlines have lapsed, including the close of fact discovery and service of opening expert reports, both of which occurred on April 30, 2010. Additionally, Plaintiffs note that summary judgment briefs were filed on May 14, 2010 and rebuttal expert reports were served on May 21, 2010. Plaintiffs add that granting the motion would likely result in a supplemental expert report from Garland which will force Plaintiffs to serve a rebuttal expert report, all of which threatens to delay trial.

Finally, Plaintiffs argue that granting the motion will prejudice them because they were not given a full and fair opportunity to inspect the Litton Oven. Plaintiffs complain that they were unable to fully disassemble the Litton Oven during the inspection, and therefore, could not inspect critical aspects of the oven, including where the air flows after passing through the catalytic converts. Overall, Plaintiffs argue that Garland's lack of diligence and care in pursuing its invalidity case with respect to the Litton Oven demonstrates that it cannot

show good cause to amend its invalidity contentions.

Garland argues that Plaintiffs did not suffer any prejudice from the alleged delay in filing the instant motion because they have been on notice of Garland's intent to add this prior art reference to the case since late-March, shortly after the prior art was discovered. Additionally, Garland argues that Plaintiffs had approximately six weeks before the close of fact discovery to seek further discovery regarding Litton Oven and that the delay in filing the motion was caused by Plaintiff's failure to respond to its request to drop claim 8 of the '296 patent or consent to the instant motion. Garland also notes that it is willing to participate in limited discovery regarding the Litton Oven to the extent it is needed by Plaintiffs.

Garland also contends that Plaintiff's argument that it will suffer prejudice by this additional prior art reference because deadlines have pasted or are upcoming is without merit. Garland notes that both parties' experts have rendered opinions about the Litton Oven in their prior reports, and therefore, both parties' experts are available to be deposed on those opinions and further reports will not be needed. Additionally, Garland argues that Plaintiff's mention of the pending summary judgment motions and deadlines to respond is irrelevant because Garland is not seeking summary judgement on the '296 patent related to the Litton Oven. Garland contends that no deadlines have lapsed or are approaching where the addition of the Litton Oven as prior art would prejudice Plaintiffs.

Finally, Garland argues that Plaintiffs' argument that they were not given the opportunity to fully inspect the Litton Oven fails because Garland provided the Litton Oven

to Plaintiffs without limitation, Plaintiffs conducted an inspection, said it was complete, and never sought a further inspection. Additionally, Garland argues that all structures of claim 8 of the '296 patent are visible without fully disassembling the Litton Oven.

After considering the arguments of the parties, the Court finds that good cause exists for granting Garland's motion. It is undisputed that the Litton Oven is newly discovered prior art, and any potential prejudice Plaintiffs might suffer by allowing Garland to amend its invalidity contentions can be cured by allowing Plaintiffs additional time for discovery and inspection of the Litton Oven.

Conclusion

Accordingly, Garland's Motion for Leave to Serve Supplemental Final Invalidity Contentions (Docket No. 129) is GRANTED. Garland is ORDERED to serve its Supplemental Final Invalidity Contentions within three (3) days from the date of this Order. Additionally, Plaintiffs are ORDERED to identify what, if any, further discovery they need regarding the Litton Oven on or before **Monday, July 12, 2010**. Garland is ORDERED to respond to Plaintiffs' additional discovery requests on or before **Wednesday, July 21, 2010**. This case is set for trial on August 30, 2010. If necessary to accommodate the additional discovery needed regarding the Litton Oven, the Court will grant a thirty to sixty day extension of the trial date at the parties' request.

Signed this 24th day of June, 2010.

Royal Furgeson
Senior United States District Judge