

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Carbon Autonomous Robotic Systems Inc. v. Laudando & Associates
LLC

No. 2:24-cv-03012-DAD-JDP (E.D. Cal. Apr. 8, 2025) · No. 2:24-cv-03012-DAD-JDP · Decided April 9, 2025

SUMMARY

The United States District Court for the Eastern District of California overruled Carbon Autonomous Robotic Systems Inc.’s objections to the scheduling order. The court declined to modify the order’s adoption of the Northern District of California’s Patent Local Rules, including provisions concerning infringement contentions, technical discovery, and expert claim-construction declarations.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
WRITING FOR THE COURT	Dale A. Drozd
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	April 9, 2025
DOCKET	2:24-cv-03012-DAD-JDP
DISPOSITION	other
PROCEDURAL POSTURE	The court considered plaintiff and counter-defendant's objections to the court's scheduling order in a patent infringement action.
STANDARD OF REVIEW	Good cause is required to modify the scheduling order and to amend infringement contentions under Patent Local Rule 3-6; the court also exercised its discretion in managing discovery and scheduling.
PRECEDENTIAL VALUE	unpublished district court order
PARTIES	Carbon Autonomous Robotic Systems Inc. v. Laudando & Associates LLC

TOPICS

- patent law
- discovery dispute
- civil procedure

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the scheduling order should be modified to establish final infringement, invalidity, and noninfringement contention deadlines and permit amendment of initial contentions as a matter of course until those deadlines.
2. Whether the scheduling order should require defendant to produce core technical documents and source code before plaintiff serves its initial infringement contentions.
3. Whether the scheduling order should delay the exchange of expert claim-construction declarations until after the Joint Claim Construction and Prehearing Statement.

HOLDINGS

1. The court denied the requested modification because plaintiff did not establish good cause, and the Patent Local Rules' requirement that amendments be filed diligently was consistent with early crystallization of the parties' infringement and invalidity theories.
2. The court denied plaintiff's request to impose a specific incremental discovery deadline for production of core technical documents and source code.
3. The court denied plaintiff's request to delay the exchange of expert claim-construction declarations because Patent Local Rule 4-2 appropriately requires their exchange with the Joint Claim Construction and Prehearing Statement.

KEY QUOTATIONS

“The Northern District’s Patent Local Rules are “designed specifically to ‘require parties to crystallize their theories of the case early in the litigation’ so as to ‘prevent the ‘shifting sands’ approach to claim construction.’”” (at 1-2)

“But we see nothing in the Federal Rules that is inconsistent with local rules requiring the early disclosure of infringement and invalidity contentions and requiring amendments to contentions to be filed with diligence.” (at 2)

FACTUAL BACKGROUND

The court's scheduling order adopted the Northern District of California's Patent Local Rules for the parties' patent litigation. Plaintiff sought to establish later final contention deadlines, permit amendment of contentions as a matter of course, require early production of core technical documents and source code, and delay the exchange of expert claim-construction declarations. The court found no good cause to modify the order and concluded that the existing rules appropriately promote early disclosure and prevent shifting claim-construction positions.

PROCEDURAL HISTORY

The court issued a scheduling order on February 26, 2025, adopting the Northern District of California's Patent Local Rules. Carbon Autonomous Robotic Systems Inc. filed objections on March 12, 2025, seeking modifications concerning contention deadlines, early production of technical documents and source code, and the timing of expert claim-construction declarations. The court overruled the objections and left the scheduling order in place.

DISPOSITION

other

CASES CITED

- O2 Micro Int'l Ltd. v. Beyond Innovation Tech. Co., 521 F.3d 1351, 1364, 1366 (Fed. Cir. 2008)
- MediaTek Inc. v. Freescale Semiconductor, Inc., No. 11-cv-5341-YGR, 2014 WL 971765, at *3 (N.D. Cal. Mar. 5, 2014)
- Linex Techs. v. Hewlett-Packard Co., No. 13-cv-00159-CW, 2013 WL 5955548, at *2 (N.D. Cal. Nov. 6, 2013)
- Broadcom Corp. v. Qualcomm Inc., No. 05-cv-00467-JVS-RNB, 2006 WL 8441691, at *3 (C.D. Cal. Dec. 5, 2006)
- Comcast Cable Commc'ns v. Finisar Corp., No. 06-cv-04206-WHA, 2007 WL 716131 (N.D. Cal. Mar. 2, 2007)
- HTC Corp. v. Tech. Props. Ltd., No. 5:08-cv-00882-JF-HRL, 2010 WL 4973628, at *2 (N.D. Cal. Dec. 1, 2010)

OPINION

Carbon Autonomous Robotic Systems Inc. v. Laudando & Assoc.

PER CURIAM.

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8 UNITED STATES DISTRICT COURT

9 FOR THE EASTERN DISTRICT OF CALIFORNIA

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11 CARBON AUTONOMOUS ROBOTIC No. 2:24-cv-03012-DAD-JDP

SYSTEMS INC.,

12 Plaintiff,

13 ORDER OVERRULING PLAINTIFF'S

v. OBJECTIONS TO THE SCHEDULING

14 ORDER

LAUDANDO & ASSOCIATES LLC,

15 Defendant. 16

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LAUDANDO & ASSOCIATES LLC,

18 Counter Claimant, 19 v. 20

CARBON AUTONOMOUS ROBOTIC

21

SYSTEMS INC.,

22 Counter Defendant. 23 24 This matter is before the court on the March 12, 2025 objections
filed by plaintiff and 25 counter-defendant Carbon Autonomous Robotic Systems Inc. (Doc. No.
38), to the court's

26 February 26, 2025 scheduling order.

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1 DISCUSSION

2 A. Adoption of the Northern District of California's Patent Local Rules 3 Plaintiff objects to the
court's adoption of the Northern District of California's Patent 4 Local Rules in its scheduling
order. (Doc. No. 38 at 2–4.) Plaintiff argues in its objections that 5 the court should: (1) establish
final infringement, invalidity, and noninfringement contention 6 deadlines and permit amendment
of contentions without a court order until those deadlines pass; 7 (2) amend the procedure used in
the Patent Local Rules to require defendant to produce core 8 technical documents prior to
plaintiff's serving of initial infringement contentions, which the 9 parties had stipulated to in their
joint status report; and (3) amend the procedure used in the Patent 10 Local Rules to delay
exchange of expert claim-construction declarations until after the Joint 11 Claim Construction and
Prehearing Statement. (Id. at 3.) Defendant opposes these modifications, 12 stating that it has
always supported a schedule based on the Northern District of California's 13 Patent Local Rules.
(Doc. No. 39 at 2.) 14 The Northern District's Patent Local Rules are "designed specifically to
'require parties to 15 crystallize their theories of the case early in the litigation' so as to 'prevent
the 'shifting sands' 16 approach to claim construction.'" *O2 Micro Int'l Ltd. v. Beyond Innovation
Tech. Co.*, 521 F.3d 17 1351, 1364 (9th Cir. 2008); see also *MediaTek Inc. v. Freescale
Semiconductor, Inc.*, No. 11-cv- 18 5341-YGR, 2014 WL 971765, at *3 (N.D. Cal. Mar. 5, 2014)
("The goal of these rules, like those 19 of other districts with significant numbers of patent cases,
is the speedy, efficient, and less 20 expensive resolution of patent cases.") The Federal Circuit, in
considering the Northern District's 21 Patent Local Rules, has stated: 22 If a local patent rule
required the final identification of infringement and invalidity contentions to occur at the outset of
the case, shortly 23 after the pleadings were filed and well before the end of discovery, it might
well conflict with the spirit, if not the letter, of the notice 24 pleading and broad discovery regime
created by the Federal Rules. But we see nothing in the Federal Rules that is inconsistent with
local 25 rules requiring the early disclosure of infringement and invalidity contentions and
requiring amendments to contentions to be filed with 26 diligence. 27 *O2 Micro Int'l Ltd.*, 521
F.3d at 1366. 28 ///// 1 Here, plaintiff has first requested that the court amend its scheduling order
to establish 2 deadlines for final infringement, invalidity, and noninfringement contentions and the
ability to 3 amend initial contentions as a matter of course until those deadlines pass. (Doc. No. 38

at 3.) It 4 contends that doing so will avoid the onerous task of seeking leave to amend its infringement 5 contentions “upon a timely showing of good cause” as Patent Local Rule 3-6 requires. (Id. at 2– 6 3.) It also explains that it will seek such amendments to accommodate discovery materials as 7 they are produced. (Id.) However, the reasons advanced by , plaintiff do not provide good cause 8 for the modification of the court’s scheduling order. This is because courts typically find good 9 cause to grant leave to modify infringement contentions upon the receipt of discovery. See, e.g., 10 *Linex Techs. v. Hewlett-Packard Co.*, No. 13-cv-00159-CW, 2013 WL 5955548, at *2 (N.D. Cal.

11 Nov. 6, 2013) (“Courts typically grant leave to amend infringement contentions after a patentee 12 has been given the opportunity to inspect relevant source code.”); *Broadcom Corp. v. Qualcomm Inc.*, No. 05-cv-00467-JVS-RNB, 2006 WL 8441691, at *3 (C.D. Cal. Dec. 5, 2006) (finding 14 good cause to amend infringement contentions upon review of discovery and deposition 15 testimony); see also Patent L.R. 3-6 (“Non-exhaustive examples of circumstances that may, 16 absent undue prejudice to the non-moving party, support a finding of good cause include: . . . (c) 17 Recent discovery of nonpublic information [.]”); *Comcast Cable Commc’ns v. Finisar Corp.*, No. 18 06-cv-04206-WHA, 2007 WL 716131 (N.D. Cal. Mar. 2, 2007) (“[T]he rule is not a straitjacket 19 into which litigants are locked from the moment their contentions are served. There is a modest 20 degree of flexibility, at least near the outset.”). Because plaintiff has not established good cause 21 to modify the scheduling order and the Patent Local Rules ensure that amendments are filed with 22 diligence to avoid “shifting sands” litigation strategies, the court will overrule plaintiff’s 23 objections to the scheduling order with respect to final contentions deadlines and the requirement 24 of good cause for amendment. 25 Plaintiff next requests that the court modify its scheduling order by requiring that 26 defendant produce core technical documents and source code prior to the deadline for plaintiff’s 27 filing of its initial infringement contentions. (Doc. No. 38 at 3.) The court opted not to include in 28 its scheduling order the specific discovery exchange deadline suggested by plaintiff with respect 1 | core technical documents and source code because it is not the court’s practice to impose such 2 | incremental discovery deadlines.! The court remains unpersuaded that it should do so here. 3 | Accordingly, plaintiff’s objection in this regard is also overruled. 4 Finally, plaintiff requests that the court modify the scheduling order to delay exchange of 5 | expert claim-construction declarations. (Doc. No. 38 at 3-4.) Plaintiff states that this procedure 6 | would be more efficient. (/d. at 4.) Patent Local Rule 4-2, which requires the exchange of expert 7 | declarations with the Joint Claim Construction and Prehearing Statement, ensures that the parties 8 || disclose their theories of claim construction and expert testimony prior to briefing to avoid the 9 | shifting of positions after initial briefing. See *HTC Corp v. Tech. Props. Ltd.*, No. 5:08-cv-00882- 10 | JF-HRL, 2010 WL 4973628, at *2 (N.D. Cal. Dec. 1, 2010) (discussing the importance of 11 || disclosure of expert opinions prior to the filing of opening claim construction briefs to facilitate 12 | claim construction discovery). Because the early disclosure of expert reports with the Joint Claim

13 || Construction and Prehearing Statement is designed to aid the parties in preparing their
opening 14 | claim construction briefs and helps avoid the “shifting sands” approach to claim
construction, the 15 | court will overrule plaintiffs objection to the scheduling order in this regard
as well.

16 CONCLUSION

17 For the reasons explained above, plaintiffs objections (Doc. No. 38) to the court’s 18 |
scheduling order are overruled and the February 26, 2025 order remains in place as issued unless
19 || otherwise ordered. 20 IT IS SO ORDERED. 21 . Dated: _ April 8, 2025 Da A. 2, aye

22 DALE A. DROZD

33 UNITED STATES DISTRICT JUDGE

24 | ! Defendant concedes that it had agreed to early production of source code and core technical
documents but now seeks to delay that production until the time when the Patent Local Rules 25
would require, namely with the filing of their initial invalidity and noninfringement contentions.
26 (Doc. No. 39 at 2); see Patent L.R. 3-4(a) (requiring source code to be provided with initial
invalidity contentions). Based on defendant’s responses to plaintiff's objections, it appears that 27 |
the parties are no longer in agreement as to an early discovery deadline with respect to source code
and core technical documents. However, were the parties to again reach agreement on this 28 |
issue, they are certainly free to act in accordance with such an agreement. 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