UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

PRESIDIO COMPONENTS, INC., Plaintiff, vs. AMERICAN TECHNICAL CERAMICS CORP., Defendant.	CASE NO. 14-CV-2061-H (BGS) **ORDER DENYING DEFENDANT'S MOTION TO EXCLUDE EXPERT TESTIMONY** [Doc. No. 153.]

On November 30, 2015, Defendant American Technical Ceramics Corp. filed a Daubert[1] motion to exclude the opinions and testimony of Plaintiff Presidio Components, Inc.'s proposed technical expert, Dr. Wayne Huebner. (Doc. No. 153.) On December 28, 2015, Presidio filed an opposition to the motion. (Doc. No. 201.) On January 4, 2016, ATC filed a reply. (Doc. No. 184.) The Court held a hearing on the matter on January 11, 2016. Brett A. Schatz and Gregory F. Ahrens appeared for Presidio. Marvin S. Gittes and Peter F. Snell appeared for ATC. For the reasons below, the Court denies ATC's Daubert motion.

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[1] Daubert v. Merrell Dow Pharms., Inc., 509 U.S. 579, 597 (1993).

Background

On September 2, 2014, Plaintiff Presidio Components, Inc. filed a complaint for patent infringement against Defendant American Technical Ceramics Corp., alleging infringement of U.S. Patent No. 6,816,356 ("the '356 patent"). (Doc. No. 1, Compl.) The U.S. Patent and Trademark Office issued a reexamination certificate for the '356 patent on December 8, 2015.[2] (Doc. No. 170-2, FAC Ex. 2.) On December 22, 2015, Presidio filed a first amended complaint, alleging infringement of the '356 patent as amended by the reexamination certificate. (Doc. No. 170, FAC ¶ 53.) Specifically, Presidio alleges that ATC's 550 line of capacitors infringes claims 1, 3, 5, 16, 18, and 19 of the '356 patent. (Id. ¶ 26.) On December 22, 2015, ATC filed a second amended answer and counterclaims to the first amended complaint. (Doc. No. 171.) By the present motion, ATC moves to exclude the expert report and testimony of Presidio's proposed technical expert, Dr. Wayne Huebner. (Doc. No. 153-1.)

Discussion

I. ATC's Daubert Motion to Exclude Expert Testimony

A district court's decision to admit expert testimony under Daubert in a patent case is governed by the law of the regional circuit. Summit 6, LLC v. Samsung Elecs. Co., 802 F.3d 1283, 1294 (Fed. Cir. 2015). When considering expert testimony offered pursuant to Rule 702, the trial court acts as a "gatekeeper" by "making a preliminary determination of whether the expert's testimony is reliable." Elsayed Mukhtar v. Cal. State Univ., Hayward, 299 F.3d 1053, 1063 (9th Cir. 2002); see Kumho Tire Co. v. Carmichael, 526 U.S. 137, 150 (1999); Daubert, 509 U.S. at 597. Under Rule 702 of the Federal Rules of Evidence, a court may permit opinion testimony from an expert only if "(a) the expert's scientific, technical, or other specialized knowledge will help the trier of fact to understand the evidence or to determine a fact in issue; (b) the testimony is based on sufficient facts or data; (c) the testimony is the product of reliable

[2] The PTO had also previously issued a reexamination certificate for the '356 patent on September 13, 2011. (Doc. No. 170-1, FAC Ex. 1.)

principles and methods; and (d) the expert has reliably applied the principles and methods to the facts of the case."

The test for reliability of expert testimony is flexible and depends on the particular circumstances of the case. Alaska Rent-A-Car, Inc. v. Avis Budget Grp., Inc., 738 F.3d 960, 969 (9th Cir. 2013). "To aid courts in exercising [their] gatekeeping role, the Supreme Court has suggested a non-exclusive and flexible list of factors that a court may consider when determining the reliability of expert testimony, including: (1) whether a theory or technique can be tested; (2) whether it has been subjected to peer review and publication; (3) the known or potential error rate of the theory or technique; and (4) whether the theory or technique enjoys general acceptance within the relevant scientific community." Messick v. Novartis Pharm. Corp., 747 F.3d 1193, 1197 (9th Cir. 2014); Estate of Barabin v. AstenJohnson, Inc., 740 F.3d 457, 463 (9th Cir. 2014) (en banc). The Ninth Circuit has stressed that this list of factors is meant to be helpful, not definitive. Alaska Rent-A-Car, 738 F.3d at 969.

"Under Daubert, the district judge is 'a gatekeeper, not a fact finder.' When an expert meets the threshold established by Rule 702 as explained in Daubert, the expert may testify and the jury decides how much weight to give that testimony." Primiano v. Cook, 598 F.3d 558, 564-65 (9th Cir. 2010). "'[T]he test under Daubert is not the correctness of the expert's conclusions but the soundness of his methodology.'" Primiano, 598 F.3d at 564. "Shaky but admissible evidence is to be attacked by cross examination, contrary evidence, and attention to the burden of proof, not exclusion." Id. (citing Daubert, 509 U.S. at 594, 596); accord Summit 6, 802 F.3d at 1296. "Basically, the judge is supposed to screen the jury from unreliable nonsense opinions, but not exclude opinions merely because they are impeachable." Alaska Rent-A-Car, 738 F.3d at 969. Further, the Ninth Circuit has explained that "Rule 702 should be applied with a 'liberal thrust' favoring admission." Messick, 747 F.3d at 1196.

Whether to admit or exclude expert testimony lies within the trial court's discretion. Gen. Elec. Co. v. Joiner, 522 U.S. 136, 141-42 (1997); United States v.

Verduzco, 373 F.3d 1022, 1032 (9th Cir. 2004) ("We . . . have stressed that the 'trial court has broad discretion to admit or exclude expert testimony'."). The Ninth Circuit has explained that "[a] trial court not only has broad latitude in determining whether an expert's testimony is reliable, but also in deciding how to determine the testimony's reliability." Ellis v. Costco Wholesale Corp., 657 F.3d 970, 982 (9th Cir. 2011).

After considering the briefs, the law, the arguments of counsel and the relevant expert reports and depositions, the Court denies ATC's motion to exclude the testimony of Dr. Huebner. Dr. Huebner's opinions are relevant to the issues of infringement and validity of the '356 patent in the present case. In its motion, ATC criticizes the testing methodologies used by Dr. Huebner in reaching these opinions. (Doc. No. 153-1 at 8-22.) But, ATC's own expert agrees that the basic methodologies used by Dr. Huebner, insertion loss testing, are well known to one skilled in the art. (See Doc. No. 178-1, Ex. A at 36-37; see also Doc No. 153-1 (ATC describing insertion loss testing as "a conventional test").) ATC may disagree with the conclusions that Dr. Huebner reaches in employing those methodologies, but that is not a proper basis for the exclusion of expert testimony. See Primiano, 598 F.3d at 564 ("'[T]he test under Daubert is not the correctness of the expert's conclusions . . . .'"). ATC also challenges Dr. Huebner's opinions because he relied in part on other experts, such as Mr. Devoe, in performing the relevant tests. (Doc. No. 153-1 at 13-14; Doc. No. 184 at 9.) But, "[e]xperts routinely rely upon other experts hired by the party they represent for expertise outside of their field. Rule 703 explicitly allows an expert to rely on information he has been made aware of 'if experts in the particular field would reasonably rely on those kinds of facts or data in forming an opinion on the subject.'" Apple Inc. v. Motorola, Inc., 757 F.3d 1286, 1321 (Fed. Cir. 2014) (quoting Fed. R. Evid. 703) (citations omitted), overruled on other grounds by Williamson v. Citrix Online, LLC, 792 F.3d 1339, 1349 (Fed. Cir. 2015) (en banc). In sum, the Court concludes that ATC's challenges go to the weight of Dr. Huebner's opinions and testimony, not their admissibility. Therefore, the Court concludes that Dr. Huebner's

opinions and testimony satisfy the Daubert standard and ATC's challenges to those opinions are better left for cross examination. See Alaska Rent-A-Car, 738 F.3d at 970 (affirming the denial of a Daubert motion where the movant's challenges went to "the weight of the testimony and its credibility, not its admissibility").

ATC also argues that if the Court does not exclude Dr. Huebner's testimony in full, the Court should exclude Dr. Huebner's testimony as to the 550Z, 550U, and 550L capacitors because he did not test those specific products. (Doc. No. 153-1 at 23-24.) In response, Presidio argues that Dr. Huebner's infringement analysis properly applies to all four models of the 550 line of capacitors based on his evaluation of the behavior of the entire 550 family of devices. (Doc. No. 177 at 25.) Use of a representative product can, "in appropriate cases and given appropriate support", be used to prove infringement of other accused products. Bluestone Innovations LLC v. Nichia Corp., No. C 12-00059 SI, 2013 WL 8540910, at *1 (N.D. Cal. Sept. 25, 2013); see also Vigilos LLC v. Sling Media Inc., No. C-11-04117 SBA (EDL), 2012 WL 9973147, at *4 (N.D. Cal. July 12, 2012) ("Representative examples may be a useful tool for proving an infringement case at trial."). In this case, the parties dispute whether the 550S capacitor is representative of the other accused capacitors for purposes of determining infringement of the '356 patent. (MSJ Order at 16-17; compare Doc. No. 149-1 at 1-3 with Doc. No. 200 at 6.) But, that dispute does not lead to the exclusion of Dr. Huebner's expert testimony. See TiVo, Inc. v. EchoStar Commc'ns Corp., 516 F.3d 1290, 1308 (Fed. Cir. 2008) ("[T]here is nothing improper about an expert testifying in detail about a particular device and then stating that the same analysis applies to other allegedly infringing devices that operate similarly."). Accordingly, the Court declines to exclude Dr. Huebner's testimony as to the 550Z, 550U, and 550L

capacitors.[3]

II. ACT's Request for a Court Appointed Expert

ATC requests that the Court consider appointing a special master under Federal Rule of Evidence 706 to issue a report and recommendation on its Daubert motion. (Doc. No. 153-1 at 24-25.) Presidio opposes ATC's request, arguing that ATC's request is unsupported and will result in a substantial delay in the case. (Doc. No. 201 at 25.)

The appointment of an independent expert in a patent case is governed by the law of the regional circuit. See Monolithic Power Sys., Inc. v. O2 Micro Int'l Ltd., 558 F.3d 1341, 1346 (Fed. Cir. 2009). Federal Rule of Evidence 706 provides: "On a party's motion or on its own, the court may order the parties to show cause why expert witnesses should not be appointed and may ask the parties to submit nominations." "Under Rule 706(a) of the Federal Rules of Evidence, the district court has discretion to appoint an expert on its own motion or on the motion of a party." Faletogo v. Moya, No. 12CV631 GPC WMC, 2013 WL 524037, at *1 (S.D. Cal. Feb. 12, 2013) (citing Walker v. Am. Home Shield Long Term Disability Plan, 180 F.3d 1065, 1071 (9th Cir. 1999)). "In determining whether to appoint a neutral expert witness, a district court considers the '[c]omplexity of the evidence, and the court's need for an impartial viewpoint.'" Womack v. GEO Grp., Inc., No. CV-12-1524-PHX-SRB, 2013 WL 2422691, at *2 (D. Ariz. June 3, 2013). "District courts do not commonly appoint an expert pursuant to Rule 706 and usually do so only in exceptional cases." Id. (internal quotation marks and brackets omitted); see Monolithic Power, 558 F.3d at 1346 ("district courts rarely make Rule 706 appointments").

Exercising its sound discretion, the Court declines to appoint an expert pursuant

[3] Further, the Court has granted Presidio's request for the limited reopening of expert discovery to allow Dr. Huebner to test the 550Z, 550U, and 550L capacitors, (Doc. No. 207), which will likely render this issue moot.

to Rule 706 at this late stage of the proceedings. ATC has failed to show that the present issue is an exceptional one warranting the appointment of a court-appointed expert. Moreover, the Court concludes that the issues and arguments contained in ATC's Daubert motion are not so complex that they require the testimony of an independent expert to assist the Court in adjudicating the motion. Accordingly, the Court denies ATC's request for a court-appointed expert.

Conclusion

For the reasons above, the Court denies Defendant's motion to exclude Dr. Huebner without prejudice to any contemporaneous objections at trial made outside the presence of the jury.

IT IS SO ORDERED.

DATED: January 12, 2016

MARILYN L. HUFF, District Judge
UNITED STATES DISTRICT COURT