



ORRICK

ORRICK, HERRINGTON & SUTCLIFFE LLP
51 WEST 52ND STREET
NEW YORK, NEW YORK 10019-6142
tel +1-212-506-5000
fax +1-212-506-5151
WWW.ORRICK.COM

October 18, 2010

E. Joshua Rosenkranz
(212) 506-5380
jrosenkranz@orrick.com

VIA FEDERAL EXPRESS

Honorable Jan Horbaly, Circuit Executive/Clerk
United States Court of Appeals for the Federal Circuit
The Howard T. Markey National Courts Building
717 Madison Place, NW
Washington, DC 20439

RECEIVED

OCT 19 2010

United States Court of Appeals
For The Federal Circuit

Re: *TiVo Inc. v. EchoStar Corp., et al.*, No. 2009-1374

Dear Mr. Horbaly:

We write in response to TiVo's October 13, 2010, letter regarding the PTO's recent reexamination office action confirming the validity of the claims at issue. TiVo wrongly asserts that the PTO's action has "no direct bearing on the issues now before the en banc Court." The office action in fact creates additional, substantial open issues regarding infringement.

In response to the PTO's rejection of the relevant claims during reexamination, TiVo disclaimed claim scope on three key terms: (i) source object; (ii) automatic flow control; and (iii) transform object. NIRC at 2. The PTO confirmed the claims based on TiVo's "clarification and further definition" of those claim terms. *Id.* at 6.

TiVo's statements give rise to a prosecution disclaimer narrowing the scope of the claims, *Omega Eng'g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1323 (Fed. Cir. 2003), which is applied retroactively to limit the claims scope as of the original issue date of the patent, *Intermatic Inc. v. Lamson & Sessions Co.*, 273 F.3d 1355, 1367 (Fed. Cir. 2001), *vacated on other grounds*, 537 U.S. 1016 (2002). Collateral estoppel does not bar, among other things, EchoStar's assertion of the new, narrower scope in these proceedings, or in continued injunction proceedings or a new infringement action, given these changes in material facts essential to the judgment. *Montana v. United States*, 440 U.S. 147, 158 (1979). Moreover, there has never been a finding of infringement, by the jury or by any court, under the narrowed claim scope.

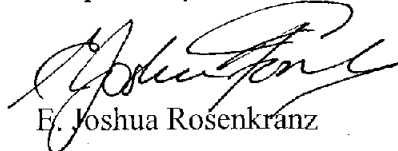


ORRICK

Honorable Jan Horbaly, Circuit Executive/Clerk
October 18, 2010
Page 2

Because the District Court's finding of contempt is not based on infringement under the new, narrowed claim scope, affirmance of the finding of contempt without consideration of these substantial, open issues would be inequitable and unjust. For this reason, in addition to the reasons set out in EchoStar's briefs, affirmance would be improper. At a minimum, a remand would be warranted so that the District Court can determine the effect of the narrowing of the claims.

Respectfully submitted,



E. Joshua Rosenkranz

cc: Seth Waxman, Esq. (via e-mail)
Edward Dumont, Esq. (via e-mail)
Daniel Volchock, Esq. (via e-mail)
Thomas Saunders, Esq. (via e-mail)

RECEIVED

OCT 18 2010

United States Court of Appeals
For The Federal Circuit