McCUTCHEN, DOYLE, BROWN & ENERSEN 1 Thomas J. Rosch Robert L. Ebe Daniel M. Wall 3 Three Embarcadero Center San Francisco, CA 94111 4 Telephone: (415) 393-2000 5 NEUMAN, WILLIAMS, ANDERSON & OLSON Theodore W. Anderson 6 James T. Williams 77 West Washington Street 7 Chicago, IL 60602 Telephone: (312) 346-1200 8 Attorneys for Plaintiffs 9 The Magnavox Company and Sanders Associates, Inc. 10 11 United States District Court For The Northern District Of California 12 13 THE MAGNAVOX COMPANY, a corporation, and SANDERS ASSOCIATES, INC., 14 a corporation, No. C 82 5270 JPV 15 Plaintiffs, PLAINTIFFS' MEMORANDUM 16 v. IN OPPOSITION TO MOTION FOR CONTINUANCE OF TRIAL 17 ACTIVISION, INC., a corporation, DATE 18 Defendant. Date: September 13, 1984 19 Time: 10:00 a.m. 20 21 Over ten months ago, this Court set October 8, 1984 as the date on which to commence trial of this action. Little more 23 than a month before that date, Activision seeks, without any real justification, to continue that date by ninety days. Plaintiffs 24 25 oppose any continuance. 26 PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION FOR CONTINUANCE OF TRIAL DATE 27 28

The first reason has already been disposed of. Although plaintiffs could not agree to going forward with a status conference on the September 13 date Activision proposed for the simple reason that plaintiffs' lead trial counsel, Theodore W. Anderson of Chicago, Illinois, was scheduled to be (and is now) trying an action in the U.S. District Court in Chicago during the entire week of September 13, a status conference has been set by the Court for exactly the date Activision sought.

The second reason is equally inadequate. Activision cannot now complain about any insufficiency of plaintiffs' interrogatory responses for at least the following reasons:

- This case has been pending since September 28,
   1982. Activision has had more than sufficient time to pursue the discovery it believes it needs.
- 2. The interrogatories Activision now says will reveal plaintiffs' contentions of patent infringement are numbers 39, 126, 127, 130-134, and 184-192. Plaintiffs last responded to interrogatories 39, 126, 127 and 130-134 on May 9, 1984, and to

interrogatories 184-192 on April 24, 1984.

Plaintiffs have had ample opportunity to seek any further responses.

- 3. Activision filed a motion to compel interrogatory responses on April 12, 1984 which sought further answers to these same interrogatories 39, 126, 127, and 130-134, among others. Plaintiffs then served Activision with supplemental responses to those interrogatories. After receiving the supplemental responses, Activision dropped those interrogatories from its motion, and the order on that motion did not refer to them. Clearly Activision long ago abandoned any contention it had that the responses were inadequate.
- 4. However, and most importantly, plaintiffs have now given Activision even further responses to the interrogatories concerning their infringement contentions. A copy is attached as Exhibit A. They are being served in ample time to permit Activision to prepare for trial.

Delay in trial will severely prejudice plaintiffs. The television game industry, Activision's business, has fallen on hard times. The sales and income figures Activision has filed

with the S.E.C. show that Activision has shared those hard times. The quarterly results reported in Activision's Prospectus, Form 10-K, and Form 10-Q filings are as follows:

4 5	Quarter Ending	Net Sales (Amounts i	Net Income (Loss) n Thousands)
6	July 3, 1982	\$30,556	4,351
7	October 2, 1982	32,147	4,405
8	December 31, 1982	50,057	4,696
9	March 31, 1983	44,873	5,731
10	July 2, 1983	26,205	227
11	October 1, 1983	13,247	(4,119)
12	December 31, 1983	10,167	(8,106)
13	March 31, 1984	20,362	(6,012)
14	June 30, 1084	6,214	(3,623)

Activision is not the picture of financial health. Its sales have plummeted since this action was filed, and substantial quarterly income figures have turned to substantial quarterly losses. It has lost over \$21,000,000 in its last four quarters. If trial is not held and judgment entered promptly, plaintiffs may well never be able to collect for the damages they have suffered from Activision's infringement, to their irreparable harm.

The risk plaintiffs face of being unable to collect on any judgment they may receive against Activision should not be

## CERTIFICATE OF SERVICE

I hereby certify that copies of Plaintiffs'

Memorandum In Opposition To Motion For Continuance Of Trial

Date, Proposed Order and Declaration of James T. Williams

were forward by Federal Express Courier Service on September 10,

1984, to the following:

Thomas O. Herbert, Esq.
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Martin R. Glick, Esq.
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NEUMAN, WILLIAMS, ANDERSON & OLSON

CHICAGO, ILLINOIS 60602

SEP 1984

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SANDERS

ASSOC.

COPY

September 10, 1984

Algy Tamoshunas, Esquire North American Philips Corporation 580 White Plains Road Tarrytown, New York 10591

Re: Magnavox v. Activision

Dear Algy:

We have prepared and filed responses to Activision's Motion To Compel Further Answers to Interrogatories and Motion For Continuance of Trial Date. Copies of the responses and their supporting papers are enclosed herewith.

Very truly yours,

NEUMAN, WILLIAMS, ANDERSON & OLSON

By

James T. Williams

JTW:de Enclosures

cc: T. A. Briody, Esq. - w/o encls.

L. Etlinger, Esq. - w/encls.

T. W. Anderson, Esq. - w/o encls.