

1 **WO**

2

3

4

5

6

IN THE UNITED STATES DISTRICT COURT

7

FOR THE DISTRICT OF ARIZONA

8

9

International Flora Technologies, Ltd., )

No. 06-1371-PHX-ROS

10

Plaintiff, )

**ORDER**

11

vs. )

12

Clarins U.S.A., Inc., )

13

Defendant. )

14

15

16

17

Pending is Defendant Clarins U.S.A., Inc.’s (“Clarins”) Motion for Summary Judgment (Doc. 104) and Plaintiff International Flora Technologies, Ltd.’s (“Floritech”) Motion for Partial Summary Judgment (Doc. 102). For the reasons below, Clarins’s motion will be granted and Floritech’s motion will be denied.

21

**BACKGROUND**

22

In the fall of 2005, Floritech learned that Clarins was selling a product called Clarins True Comfort Foundation containing moringa oil<sup>1</sup> and tocophrol.<sup>2</sup> Moringa oil and tocophrol are components of a patent issued to Floritech on March 4, 2003.

25

<sup>1</sup> Moringa oil is a natural oil that comes from the moringa tree, which grows in various places in Africa and Asia.

27

<sup>2</sup> Tocopherol is a naturally occurring antioxidant used to improve the oxidative stability of vegetable oils.

28

1 On May 25, 2006, Floratech filed suit against Clarins bringing claims of patent  
2 infringement, inducement of patent infringement, and contributory patent infringement.<sup>3</sup>  
3 Clarins answered by asserting, among other things, a prior art defense.

4 Floratech's claims rest on two patents: (1) U.S. Patent 6,528,075 (the "'075 Patent"),  
5 and (2) U.S. Patent 6,667,047 (the "'047 Patent"). In relevant part, the '075 Patent provides:

- 6 1. A composition comprising
  - 7 a. a long-chain oil of moringa, said long-chain oil has a methylene  
8 interrupted unsaturation of less than 10%, in combination with
  - 9 b. at least one tocopherol, wherein said tocopherol is present in an  
10 amount from 0.01 to 5% by weight of said long-chain oil,  
11 wherein said tocopherol provides an oxidation stability to the  
12 long-chain oil of more than 200% relative to the oxidation  
13 stability of the oil alone.
- 14 2. A composition comprising
  - 15 a. a long-chain oil of moringa, said long-chain oil has percent  
16 methylene interrupted unsaturation of less than 5%, in  
17 combination with
  - 18 b. at least one tocopherol, wherein said tocopherol provides an  
19 oxidation stability to the long-chain oil of more than 200%  
20 relative to the oxidation stability of the oil alone.
- 21 3. A composition comprising
  - 22 a. a long-chain oil of moringa, and said long-chain oil has a  
23 methylene interrupted unsaturation of less than 1% in  
24 combination with
  - 25 b. at least one tocopherol, wherein said tocopherol provides an  
26 oxidation stability to the long-chain oil of more than 200%  
27 relative to the oxidation stability of the oil alone.

28 In relevant part, the "'047 Patent" provides:

13. A composition for sold phase cosmetic formulations comprising a long-  
chain oil of moringa, said long-chain oil has a methylene interrupted  
unsaturation of less than 1%, where the long-chain oil of moringa has  
a slip value greater than that of castor oil, 7.0 as measured by a  
modified Cadicamo method, and if included into a cosmetic  
formulation, provides a greater break strength relative to a standard  
formulation.

On December 5, 2006, the Parties submitted their Proposed Case Management Plan.

In it, Floratech stated:

---

<sup>3</sup> In addition to Clarins True Comfort Foundation, Floratech claims that, through discovery, it learned that Clarins sold two other infringing products in the United States containing moringa oil and tocopherol: creams called "Extra Firming Day Cream-Special for Dry Skin" and "Extra Firming Night Cream-Special for Dry Skin."

1 The Infringing Products . . . have at least one compositional feature  
2 corresponding to a long-chain oil of moringa with methylene interrupted  
3 unsaturation of less than 1%, at least one compositional feature corresponding  
4 to at least one tocopherol present in an amount from 0.01 to 5% by weight of  
5 the long-chain moringa oil, and at least one compositional feature  
6 corresponding to tocopherol providing an improved oxidative stability of more  
7 than 200% relative to the oxidative stability of moringa oil alone, which  
8 directly infringes both the '075 Patent and the '047 Patent.

9 Floratech's statement of the case did not specify that it was claiming infringement under  
10 Claim 3 of the '075 Patent.

11 At the outset of discovery, on January 30, 2007, Clarins served an interrogatory  
12 requesting that Floratech identify which patent claims it was asserting Clarins had infringed.  
13 In response, on March 30, 2007, Floratech identified two claims: "'075 patent — *at least*  
14 claim 1" and "'047 patent — *at least* claim 13."<sup>4</sup> (Emphasis in original.)

15 On October 17, 2007, the Court extended the discovery deadlines by three months.  
16 The Amended Rule 16 Scheduling Order extended the final day to supplement discovery to  
17 January 13, 2008 and the discovery cut-off date to January 29, 2008.

18 On October 18, 2007, Floratech noticed the 30(b)(6) deposition of Clarins for January  
19 9, 2008 to testify, among other things, concerning Clarins's prior art defense. At the  
20 deposition, Dr. Lionel De Benette testified that Clarins marketed two products in the 1980s  
21 called "Double Serum" and "Crème Santal" containing both moringa oil and tocopherol. On  
22 January 13, 2008, the final day to supplement discovery, Clarins produced three documents  
23 describing the composition of the Double Serum and Crème Santal products.

24 On February 8, 2008, after the discovery deadline, Floratech supplemented its  
25 response to Clarins's January 30, 2007 interrogatory.<sup>5</sup> In its supplemental response,  
26 Floratech claimed that Clarins infringed "at least Claims 1, 2 and 3 of the '075 patent, and  
27 Claims 3, 4, 5, 13, 14 and 15 of the '047 patent." Floratech stated that the supplemental  
28 response was based on the products identified during the January 9, 2008 deposition of Dr.

---

<sup>4</sup> There are 22 claims in the '075 Patent and 25 claims in the '047 Patent.

<sup>5</sup> Although Floratech's supplemental response was dated February 8, 2008, Clarins claims that it did not receive the document until February 20, 2008.

1 Benetti and the documents produced by Clarins on January 13, 2008. In an email dated  
2 March 10, 2008, Clarins notified Floratech that these claims were untimely and that it would  
3 object to any assertion of them in the litigation. In response, Floratech offered to allow  
4 Clarins to conduct follow-up discovery and to stipulate to extended deadlines.

5 On March 21, 2008, Floratech moved for partial summary judgment on Clarins’s prior  
6 art defense and on whether Clarins “infringed” Claim 3(b) of the ‘075 Patent. On March 24,  
7 2008, Clarins moved for summary judgment on Claim 1 of the ‘075 Patent and Claim 13 of  
8 the ‘047 Patent. In its motion, Floratech stated that it was withdrawing its claims based upon  
9 the ‘047 Patent.<sup>6</sup> In addition, in its reply, Floratech admitted Claim 1 of the ‘075 Patent is  
10 not viable. (Doc. 128 at 4 (“[I]t became clear to Floratech that Claim 3 was a viable claim,  
11 while Claim 1 was not.”)).

12 Because Floratech withdrew its claims based upon the ‘047 Patent and admitted Claim  
13 1 of the ‘075 Patent is not viable, the issue is whether Claims 2 and 3 of the ‘075 are viable.  
14 Clarins argues it is entitled to summary judgment because Floratech did not timely  
15 supplement its interrogatory to include Claims 2 and 3. In the alternative, Clarins argues  
16 Floratech cannot prove the allegedly infringing products meet the limitations of the claims.  
17 Because Clarins is entitled to summary judgment on the first ground, the Court need not  
18 address Clarins’s alternative argument.

## 19 DISCUSSION

20 Federal Rule of Civil Procedure 26(e)(1) requires a party who has responded to an  
21 interrogatory to supplement its response “in a timely manner if the party learns that in some  
22 material respect the . . . response is incomplete or incorrect, and if the additional or corrective  
23 information has not otherwise been made known to the other parties during the discovery  
24 process or in writing.” Under Rule 37(c)(1), a party who fails to provide information  
25 required by Rule 26(e) “is not allowed to use that information or witness to supply evidence  
26

---

27 <sup>6</sup> Claims based upon the ‘047 Patent were formally dismissed pursuant to the  
28 stipulation of the parties on May 15, 2006.

1 on a motion, at a hearing, or at a trial, unless the failure was substantially justified or is  
2 harmless.” The sanction under Rule 37(c) is “automatic” absent a determination of  
3 substantial justification or harmlessness. Yeti by Molly, Ltd. v. Deckers Outdoor Corp., 259  
4 F.3d 1101, 1106 (9th Cir. 2001) (quoting Fed. R. Civ. P. 37 advisory committee’s notes  
5 (1993)). The burden of proving substantial justification or harmlessness is on the party facing  
6 sanctions. Id. at 1107.

7 Floratech argues that its disclosure of Claim 3 of the ‘075 Patent was proper on five  
8 bases. The Court disagrees.

9 First, Floratech asserts that it “disclosed Claim 3 to Clarins and the Court word-for-  
10 word” in the Proposed Case Management Plan on December 5, 2006, and that, as such,  
11 Claim 3 has “otherwise been made known” to Clarins. See Fed. R. Civ. P. 26(e)(1).  
12 Contrary to Floratech’s assertion, Claim 3 was not disclosed “word-for-word.” The Proposed  
13 Case Management Plan provides that the infringing products have “at least one  
14 compositional feature corresponding to at least one tocopherol present in an amount from  
15 0.01 to 5% by weight of the long-chain moringa oil.” This is a limitation of Claim 1, not  
16 Claim 3. The remaining compositional features specified in the Proposed Case Management  
17 Plan are also consistent with Claim 1. Even if Floratech had disclosed Claim 3 “word-for-  
18 word,” this would not have relieved it of its obligation to fully respond to Clarins’s  
19 interrogatory requesting that Floratech identify which patent claims it was asserting.  
20 Nowhere in the Proposed Case Management Plan did Floratech specify that it was asserting  
21 a claim under Claim 3. Clarins had no reason to suspect or “otherwise” know that  
22 Floratech’s interrogatory was inaccurate. See Contech Stormwater Solutions, Inc. v.  
23 Baysaver Tech., Inc., 534 F. Supp. 2d 616, 625 (D. Md. 2008) (“A party is thus not required  
24 to plan a defense based on all possible documents or information presented during  
25 depositions, but rather must be adequately informed by the opposing party, in response to  
26 proper discovery requests, which facts, theories, and documents will likely be relied upon at  
27 trial.”); 7 Moore’s Federal Practice § 33.03 (Matthew Bender 3d ed.) (explaining that a  
28 purpose of interrogatories is “to narrow the issues at trial”).

1           Second, Floratech argues that Clarins should have sought clarification when it stated  
2 “*at least claim 1*” in its interrogatory response and that “it appears Clarins attempted to lie  
3 in wait, planning to selectively read Floratech’s discovery response and then argue a narrow  
4 construction of the Court’s deadlines.” However, if any party could be accused of attempting  
5 to “lie in wait,” it was Floratech. There are 22 claims in the ‘075 Patent. Floratech’s artful  
6 use of language like “*at least claim 1*” does not relieve it of its obligation to identify the  
7 specific patent claims it was asserting. Any other approach would thwart the purpose of Rule  
8 26(e) in avoiding “surprise” or “trial by ambush.” Am. Stock Exchange, LLC v. Mopex, Inc.,  
9 215 F.R.D. 87, 93 (S.D.N.Y. 2002).

10           Third, after arguing that it had already disclosed Claim 3, Floratech argues its  
11 supplemental interrogatory response dated February 8, 2008—after the discovery cut-off  
12 deadline—was timely. Specifically, Floratech argues that it supplemented its interrogatory  
13 within 30 days of learning information that allegedly triggered the discovery response.  
14 Again, Floratech is incorrect. The deadline on which to “timely” file supplemental discovery  
15 responses was January 13, 2008, and in any event, before the discovery cut-off date of  
16 January 29, 2008. See Wong v. Regents of Univ. of Cal., 410 F.3d 1052, 1060 (9th Cir.  
17 2005) (“Parties must understand that they will pay a price for failure to comply strictly with  
18 scheduling and other orders, and that failure to do so may properly support severe sanctions  
19 and exclusions of evidence.”). Plaintiff should have sought leave to file its supplemental  
20 response beyond the discovery deadline. See Fed. R. Civ. 16(b)(4) (“A schedule may be  
21 modified only for good cause and with the judge’s consent.”).

22           Next, Floratech argues that it was substantially justified in supplementing its response  
23 after the discovery deadline because the documents produced by Clarins revealed the type  
24 of moringa oil used in the Double Serum and Crème Santal products, which “placed the 1%  
25 methylene interrupted unsaturation level of Claim 3 into focus.” However, documents  
26 produced by Clarins only specified the type of moringa oil used in the Double Serum and  
27 Crème Santal products sold in the 1980s and are only applicable to Clarins’s prior art  
28

1 defense. The documents did not reveal anything about the amount of moringa oil used in the  
2 allegedly infringing products. As the Proposed Case Management Plan reveals, Floratech  
3 knew early that “[t]he Infringing Products . . . have at least one compositional feature  
4 corresponding to a long-chain oil of moringa with methylene interrupted unsaturation of less  
5 than 1%.” Indeed, Floratech argues that it did raise the Claim 3 at the beginning of this case.  
6 Floratech was not substantially justified in raising Claim 3 for the first time after the close  
7 of discovery when it could have done so at the outset of this case.

8 Finally, Floratech argues that its late disclosure is harmless because (1) Claim 13 of  
9 the ‘047 Patent was raised at the beginning of this case, and (2) Clarins did not avail itself  
10 of Floratech’s offer to re-open discovery and to extend the deadlines. Both Claim 13 of the  
11 ‘047 and Claim 3 of the ‘075 Patent have the limitation of “a long-chain oil of moringa, said  
12 long-chain oil has a methylene interrupted unsaturation of less than 1%.” As such, Floratech  
13 reasons, “Clarins has always known that moringa oil with methylene interrupted unsaturation  
14 of less than 1%, as well 10%—the sole difference between Claims 1 and 3 of the ‘075  
15 Patent—has been at issue in this case.”

16 Floratech’s arguments are unpersuasive. The ‘047 Patent and the ‘075 Patent have  
17 different limitations and different defenses. As is evidenced by Clarins’s motion for  
18 summary judgment on Claim 13 of the ‘047 Patent, Clarins’s defense concerning the ‘047  
19 Patent was not based upon the limitation of moringa oil with methylene interrupted  
20 unsaturation of less than 1%. Indeed, Floratech has offered no evidence that Clarins focused  
21 any of its discovery on the 1% limitation in Claim 13 of the ‘047 Patent. Since all species  
22 of moringa have a level of methylene interrupted unsaturation of less than 10%, Clarins had  
23 no reason to explore which particular species was used in its older products.

24 Floratech now says the distinction in the level of methylene interrupted unsaturation  
25 is “crucial.” However, Clarins based its defense, including its discovery efforts, on the  
26 claims disclosed. For example, the report of Clarins’s technical expert, Dr. Arthur Rich, was  
27 specifically limited to these claims: “I understand that [Floratech] has specified only claim  
28

1 1 of the '075 patent and claim 13 of the '047 patent. . . . I will therefore limit my analysis  
2 to those claims . . .” Allowing Floratech’s late disclosure would require the Court to re-open  
3 discovery, resulting in significant delay and expenditure of resources. See Am. Stock  
4 Exchange, LLC, 215 F.R.D. at 94 (“If discovery were to be reopened so that [plaintiff] could  
5 take discovery directed to [the newly asserted claim], [plaintiff] would not only suffer a  
6 significant delay in the resolution of its case, but also need to have its expert again amend his  
7 report to address the newly discovered material.”).

8 Likewise, Clarins was not required to accept Floratech’s “remedial offer” to re-open  
9 discovery on the new patent claims. First, this offer contradicts the Court’s Scheduling  
10 Order. See Fed. R. Civ. P. 29 (“a stipulation extending the time for any form of discovery  
11 must have court approval if it would interfere with the time set for completing discovery”).  
12 Second, it would be unfair to force Clarins to engage in another round of discovery,  
13 duplicating expense and effort by re-deposing witnesses and commissioning new expert  
14 reports, on a claim Floratech should have asserted earlier. Thus, Floratech’s failure to  
15 disclose new patent claims until after the close of discovery was not harmless.

16 Accordingly,

17 **IT IS ORDERED** Defendant Clarins’s Motion for Summary Judgment (Doc. 104)  
18 is **GRANTED**.


19 **IT IS FURTHER ORDERED** Plaintiff Floratech’s Motion for Partial Summary  
20 Judgment (Doc. 102) is **DENIED**.

21 **IT IS FURTHER ORDERED** the Clerk of the Court shall close this case. The Clerk  
22 need not seal this Order.  
23

24  
25 DATED this 4th day of September, 2008.  
26  
27  
28



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



---

Roslyn O. Silver  
United States District Judge