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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

CONCEPTUS, INC.,

No. C 09-02280 WHA

Plaintiff,

v.

**ORDER GRANTING MOTION TO  
DECLARE ATTORNEY-CLIENT  
PRIVILEGE WAIVED, DENYING  
AS MOOT MOTION TO COMPEL  
AND VACATING HEARING**

HOLOGIC, INC.,

Defendant.

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**INTRODUCTION**

In this patent-infringement action, defendant Hologic, Inc. moves to declare that plaintiff Conceptus, Inc. waived attorney-client privilege with respect to a letter disclosed during discovery. For the reasons stated below, the motion to declare attorney-client privilege waived is **GRANTED**. In addition, defendant moves to compel deposition testimony from Mr. Gurskis. After submission of this motion, however, the parties agreed to a date for the deposition to occur, so this motion is **DENIED AS MOOT**. Accordingly, the hearing scheduled for these motions is **VACATED**.

**STATEMENT**

Plaintiff sells an intrafallopian contraceptive device called Essure. Defendant owns and markets the Adiana contraceptive device. Both devices produce intrafallopian occlusion, which either prevents conception from occurring or blocks the passage of a fertilized ovum to the uterus.

1 Plaintiff has been involved as a party to two different lawsuits involving its intellectual  
2 property. The first was a dispute with a company, Ovion, Inc., which began in 2002 and was  
3 settled in 2003. During the litigation in that case plaintiff disclosed to Ovion a two-page letter,  
4 bates-numbered CONOVI0004816-17. The entire discovery process in the litigation with Ovion  
5 included the production of more than 95,000 pages of documents. According to counsel for  
6 plaintiff during that case, disclosure of the letter was not intentional. Plaintiff also contends that  
7 the letter was never used in any deposition or pleading in that case. Therefore, plaintiff was not  
8 aware of the inadvertent disclosure of the letter during that case.

9 In the instant case, defendant successfully moved to disqualify counsel for plaintiff in  
10 2009. Plaintiff's new counsel took over and responded to a request from defendant for production  
11 of all documents produced by plaintiff in the dispute with Ovion. Plaintiff complied with this  
12 request and plaintiff's counsel did not review the documents before producing them to defendant  
13 in January 2010. Plaintiff's counsel did not review these documents because they understood that  
14 the large volume of documents had previously been reviewed by plaintiff's prior counsel during  
15 the litigation with Ovion.

16 In August 2010, during a deposition of Mr. Nikolchev, counsel for defendant asked a  
17 question about the letter. Plaintiff's counsel objected and asserted privilege. Plaintiff claimed  
18 this was the first instance it became aware of the disclosure of the letter. Plaintiff's counsel told  
19 defendant that the letter was privileged and should not have been disclosed during discovery in  
20 either case. Defendant claims the letter was not privileged because plaintiff waived privilege.  
21 Defendant brought the instant action to resolve this dispute.

22 Defendant also moved to compel the testimony of Mr. Gurskis. After submission of this  
23 motion, however, the parties agreed his deposition will take place on October 15.

#### 24 **ANALYSIS**

25 Federal Rule of Evidence 502(b) governs waiver of privilege in federal proceedings.  
26 The disclosure of a privileged document normally operates as a waiver unless three conditions are  
27 satisfied: "(1) the disclosure is inadvertent; (2) the holder of the privilege or protection took  
28 reasonable steps to prevent disclosure; and (3) the holder promptly took reasonable steps to

1 rectify the error, including (if applicable) following Federal Rule of Civil Procedure 26(b)(5)(B).”  
2 Fed. R. Evid. 502(b). The burden of proving that the attorney-client privilege applies rests not  
3 with the party contesting the privilege, but with the party asserting it. *Weil v.*

4 *Investment/Indicators, Research and Management, Inc.*, 647 F.2d 18, 25 (9th Cir. 2005).

5 Plaintiff fails to meet this burden.

6 Plaintiff argues that disclosure of the letter was inadvertent because counsel for plaintiff  
7 declared that the disclosure was not intentional. This order need not find whether disclosure was  
8 inadvertent because plaintiff did not take reasonable steps to prevent disclosure, and in failing to  
9 do so, waived privilege. If a party carelessly produced a privileged document, the privilege  
10 associated with that document is waived. *Eden Isle Marina, Inc. v. United States*, 89 Fed. Cl.  
11 480, 510 (2009). The letter disclosed by plaintiff was not marked confidential or privileged in  
12 either 2003 or 2010. In addition, plaintiff’s counsel acknowledges she did not review the  
13 privilege logs from the Ovion litigation to determine if the letter was initially intended as  
14 privileged.

15 Plaintiff admitted it did not review the large amount of documents disclosed to defendant  
16 because it understood that prior counsel had reviewed the documents before providing them to  
17 Ovion. Plaintiff does not, however, describe any reasonable steps taken to prevent disclosure of  
18 the letter. Merely asserting that prior counsel inadvertently disclosed the letter does not meet the  
19 burden of proof. *Callan v. Christian Audigier, Inc.*, 263 F.R.D. 564, 566 (C.D. Cal. 2009).

20 Plaintiff does not describe in what manner the letter was specifically disclosed during the Ovion  
21 litigation. Plaintiff did not provide information on the number of documents produced at the  
22 same time as the letter, the nature of review before disclosure, or the time taken to conduct the  
23 review. Plaintiff’s prior counsel declares that disclosure of the two-page letter was inadvertent,  
24 but this declaration is insufficient. *International Business Machines Corp. v. United States*, 37  
25 Fed. Cl. 599, 604 (1997).

26 Plaintiff argues the disclosure was inadvertent and that it acted promptly to rectify the  
27 error once it became aware of disclosure. These arguments do not address prevention of  
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disclosure. Plaintiff failed to meet its burden in showing it took reasonable steps to prevent the disclosure from occurring in either instance.

**CONCLUSION**

For the reasons provided herein, the motion to declare attorney-client privilege waived for the document bates-numbered CONOVI0004816-17 is **GRANTED**. In addition, defendant moves to compel deposition testimony from Mr. Gurskis. After submission of this motion, however, the parties agreed to a deposition date, so this motion is **DENIED AS MOOT**. The hearing scheduled for these motions is **VACATED**.

**IT IS SO ORDERED.**

Dated: October 4, 2010.

  
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WILLIAM ALSUP  
UNITED STATES DISTRICT JUDGE