

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

E-FILED 11/13/06

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

GOOGLE INC.,

NO. C 03-5340 JF (RS)

Plaintiff,

**ORDER GRANTING IN PART
AND DENYING IN PART
MOTION TO COMPEL**

v.

AMERICAN BLIND & WALLPAPER FACTORY,
INC.,

Defendant.

INTRODUCTION

Before the Court is the motion of plaintiff Google, Inc. to compel defendant American Blind & Wallpaper Factory, Inc. "to satisfy its outstanding discovery obligations," which was taken under submission without oral argument, pursuant to Local Civil Rule 7-1 (b). The matter having been fully briefed, the motion will be granted in part, and denied in part, as set forth below.

BACKGROUND¹

At the time Google filed this motion, it presented ten topics of dispute (lettered A through J). Upon initial review of the motion, the Court issued an order directing the parties to engage in further meet and confer efforts to resolve as many of the disputes between them as possible.² Those efforts have resulted in the parties' full agreement that topics G and I have been resolved, and in some

¹ The general factual background of this action has been described in prior orders and will not be repeated here.

² Google represents that it would have done so even in the absence of a specific order, and that the motion had been filed while meet and confer efforts were ongoing only because of the filing deadline imposed by Local Civil Rule 26-2.

1 narrowing of certain other issues. Topics B and F have also been resolved, contingent on American
2 Blind fulfilling the promises it has made to produce certain additional materials, which it is hereby
3 ordered to do, if it has not already. The remaining issues will be discussed below, using the
4 lettering of Google’s motion.

5
6 DISCUSSION

7 1. Topic A

8 American Blind represents that it has now produced all responsive, existing documents in
9 this category, in readable form, and that the topic is therefore moot. Google contends that because
10 American Blind has effectively admitted that additional documents previously existed but have since
11 been destroyed, it should be “compelled to explain adequately, by affidavit, why no such documents
12 exist.” On this record, the Court agrees that American Blind must do more than assert through
13 counsel that all responsive documents have been produced. Accordingly, within 20 days of the date
14 of this order, American Blind shall provide a verified statement signed by a responsible corporate
15 official that American Blind has made a good faith search for responsive materials and that all
16 responsive, non-privileged documents in this category have been produced.

17 2. Topic C

18 Google seeks to re-depose American Blind’s designee under Fed. R. Civ. P. 30 (b) (6) on the
19 topic of damages. The deponent testified as to American Blind’s *theory* of damages, but frankly
20 admitted both that the calculation of damages would be “difficult” and that neither he nor any one
21 else at American Blind has performed such a calculation. While American Blind is correct that it
22 bears the burden of proof at trial with respect to its damages, that does not end the inquiry at this
23 juncture. If American Blind intends to present its damages calculations solely through expert
24 testimony, then its position that its 30 (b) (6) witness has adequately addressed the topic by
25 providing all information known to the company will be accepted. If, however, American Blind
26 intends to offer the testimony of any of its employees regarding the amount, extent, or quantification
27 of its damages, American Blind must present for deposition one or more designees who are fully-
28 prepared to testify as to all such information in the possession of the company. American Blind

1 shall inform Google as to how it intends to proceed within 3 days of the date of this order, and if
2 further depositions are to be had, they shall be scheduled and completed as promptly as practicable.

3 3. Topic D

4 American Blind designated Jeffery Alderman to testify regarding “American Blind’s
5 Affiliate Program.” Google contends that during the deposition, Alderman testified that “he had
6 relied on certain documents . . . includ[ing] an analysis of ABWF’s natural search results.” Google
7 further argues that American Blind’s counsel promised at the deposition to identify all of the
8 documents on which Alderman had relied, and to produce any that had not already been produced.
9 Google then points to what it contends has been a “continuously evolving position” on the part of
10 American Blind regarding what documents Alderman relied on, and argues that American Blind has
11 still failed to produce any document that contains any analysis of “natural search results.”

12 Google reads too much into Alderman’s testimony in reaching its conclusion that some
13 document or documents have not been produced. The transcript submitted by Google reveals the
14 following exchange:

15 Q: Did you do any analysis of whether there was an increase or decrease in visits to
16 your website via natural results on branded searches?

17 A: We did.

18 Q: And what was the result?

19 A: We did not see any increase.
20

21 Then, several pages later, in the context of questioning regarding *other* conclusions reached
22 by Alderman, the following took place:

23 Q: Do you have that data?

24 A: I don’t know if it’s here in front of us; but, obviously we could pull that together.
25 I’m sure that was – I’m surprised it was not sent.

26 [American Blind’s counsel]: Certainly, yeah, if it wasn’t previously sent, of
27 course we would be happy to send it.
28

1
2 Nowhere in the testimony submitted by Google is there any definitive statement that
3 Alderman performed or relied on any *written* analysis of “natural search results.” Although there are
4 some minor inconsistencies in American Blind's subsequent identification of the documents to which
5 Alderman was referring, its basic position is consistent both with Alderman’s deposition testimony
6 and with its argument that no documents of the nature envisioned by Google have ever existed. The
7 real controversy appears to arise from the fact that Google simply does not find it credible that
8 Alderman could have done any meaningful “analysis” of “natural search results” from the data in the
9 documents that were before him. Google has failed to show, however, that any failure to produce or
10 identify documents prior to or at the deposition precluded it from inquiring further regarding the
11 analysis Alderman testified was done. Google’s choice not to follow up during the deposition on
12 Alderman’s assertion that the analysis occurred does not justify reopening the deposition now. On
13 this record, no further deposition of Alderman or other further response will be required.

14
15 4. Topic E

16 Google seeks to compel American Blind to respond (other than with objections) to two
17 requests for admissions. The first request seeks an admission that under certain described
18 circumstances no “use” of American Blind’s trademarks would occur “within the meaning of the
19 Lanham Act.” Under Fed. R. Civ. R. 36, requests for admission may properly relate to “the
20 application of law to fact,” but “requests for admissions cannot be used to compel an admission of a
21 conclusion of law.” *Playboy Enterprises, Inc. v. Welles*, 60 F.Supp.2d 1050, 1057 (S.D.Cal. 1999).
22 Google’s attempt to characterize this request as merely calling for application of law to fact is not
23 persuasive. The request in essence calls for American Blind to admit (or deny) a conclusion of law,
24 and no further response will be compelled.

25 The second request seeks an admission that if a Google user searches for “american blind,”
26 the user will have “no way to determine for certain” whether an ad appearing on the search results
27 page “was triggered by the phrase ‘american blind’ or some other word or phrase.” It is unclear
28 what hypothetical Google is proposing in this request. If the only search term or terms entered by

1 the user is “american blind” (with or without the quotation marks), then presumably any ads
2 appearing on the results page necessarily would have been “triggered” by one or both of those
3 words, unless the ad was not “triggered” by *anything* in the search. It may be that Google is
4 attempting to ask about a hypothetical situation where a user enters “american blind” (again with or
5 without quotation marks) *and* one or more *other* words or phrases. The request, however, does not
6 say that; it refers only to a situation where a “user searches for ‘american blind.’” Accordingly, the
7 request relies on an incomplete and confusing hypothetical, and no further response will be required.

8 5. Topic H

9 As with Topic A, American Blind represents that it has produced all responsive documents in
10 this category. Google demands that American Blind be compelled to produce an affidavit
11 “describing its document search and collection processes.” Google points out that American Blind
12 has effectively admitted that it did not previously search employees’ email accounts, not only for
13 documents in this category but possibly with respect to other document requests as well.

14 American Blind, of course, was not necessarily under an obligation to search every employee
15 email account for documents responsive to every document request propounded in this action;
16 instead it needed to make a reasonable and diligent effort to locate any responsive documents in any
17 place they were likely to be found. It appears that American Blind may have not previously
18 recognized that its obligation to search for documents extended to searching relevant email accounts,
19 but that counsel has now taken steps to rectify the situation. On this record, the Court will not
20 compel American Blind to describe its document search and collection process, but it will require
21 American Blind to provide within 20 days of the date of this order a verified statement signed by a
22 responsible corporate official that American Blind has made a good faith search for responsive
23 materials and that all responsive, non-privileged documents in this category have been produced.

24 6. Topic J

25 Google seeks to compel American Blind either to reproduce all of the documents it has
26 produced in this action “as they are kept in the ordinary course of business” or to “organize and label
27 them to correspond with the categories in [Google’s] request[s].” See Fed. R. Civ. P. 34 (b).
28 Google points to the fact that the Court previously issued an order imposing the same requirement

1 on Google.

2 American Blind does not dispute that it must either produce documents as kept “in the
3 ordinary course of business” or organized and labeled to correspond with the requests. Instead,
4 American Blind simply repeats that it has produced documents as kept in the ordinary course of
5 business, and that the cover letters or indexes it provided with each production were sufficient.
6 American Blind fails to respond to any of the specific examples Google provides to show that there
7 is simply no reasonable basis to believe that “in the ordinary course of business” American Blind in
8 fact keeps the documents in the form produced.

9 At heart, American Blind is arguing that it has adequately described the nature and relevance
10 of each group of documents it has produced, and that Google is being unreasonable and hyper-
11 technical by insisting on something more. Google, on the other hand, asserts that it has experienced
12 genuine difficulty and prejudice from not being able to determine readily “where documents came
13 from or what they are.”

14 The purpose of the rules is not to impose “make-work,” but to facilitate efficient discovery
15 that strikes a reasonable balance between the burdens to each party, with flexibility as to what works
16 best in a particular circumstance. Thus, when it is more convenient for a party to produce
17 documents as kept “in the ordinary course,” it may do so, *provided* that the documents actually are
18 produced as kept. Here, American Blind has failed to show that it did so.

19 Accordingly, American Blind has the option of reproducing the documents as kept, or of
20 providing Google with an index correlating the documents produced with each of Google’s requests.
21 American Blind has argued that “the descriptions provided by American Blind *can easily be*
22 *correlated* to Google’s 30 (b) (6) topics *and document requests.*” Thus, any concern that doing so
23 would only be “make-work” is ameliorated by American Blind’s admission that it will not be a
24 burdensome task. Therefore, within 20 days of the date of this order, American Blind shall provide
25 an index identifying by production number all documents responsive to each of Google’s document
26 requests; or, at its option, American Blind shall reproduce its documents as kept in the ordinary
27 course of business.

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

CONCLUSION

Google's motion to compel is granted to the extent set forth above and is otherwise denied.

IT IS SO ORDERED.

Dated: November 13, 2006


RICHARD SEEBORG
United States Magistrate Judge

1 **THIS IS TO CERTIFY THAT NOTICE OF THIS ORDER HAS BEEN GIVEN TO:**

2 Ethan B. Andelman andelmane@howrey.com, gagnons@howrey.com

3 Dawn Beery dbeery@kelleydrye.com

4 Susan Jean Greenspon sgreenspon@kelleydrye.com, cplater@kelleydrye.com;
5 vallen@kelleydrye.com; sdunlap@kelleydrye.com

6 Ravind Singh Grewal rsg@kvn.com

7 Klaus Hemingway Hamm khamm@kvn.com, efiling@kvn.com; wik@kvn.com

8 Ajay Krishnan akrishnan@kvn.com, efiling@kvn.com; rthomas@kvn.com

9 Mark A. Lemley mlemley@kvn.com, srosen@kvn.com

10 Michael H. Page mhp@kvn.com, efiling@kvn.com; sjr@kvn.com; nsn@kvn.com

11 Robert Nathan Phillips phillipsr@howrey.com, gagnons@howrey.com

12 David A. Rammelt drammelt@kelleydrye.com, sdunlap@kelleydrye.com

13 Counsel are responsible for distributing copies of this document to co-counsel who have not
14 registered for e-filing under the Court's CM/ECF program.

15 **Dated: 11/13/06**

Chambers of Judge Richard Seeborg

16
17 **By:** _____ /s/ **BAK**

18

19

20

21

22

23

24

25

26

27

28