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4 UNITED STATES DISTRICT COURT
5 NORTHERN DISTRICT OF CALIFORNIA
6 SAN JOSE DIVISION

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8 VALEO SCHALTER UND SENSOREN
9 GMBH,

10 Plaintiff,

11 v.

12 NVIDIA CORPORATION,

13 Defendant.

Case No. [23-cv-05721-EKL](#) (VKD)

**ORDER RE SEPTEMBER 25, 2024
DISCOVERY DISPUTE RE NVIDIA'S
INTERROGATORIES NOS. 7, 14, 16,
17, AND 20**

Re: Dkt. No. 105

14 Plaintiff Valeo Schalter und Sensoren GmbH (“Valeo”) and defendant NVIDIA
15 Corporation (“NVIDIA”) ask the Court to resolve their dispute regarding Valeo’s responses to
16 NVIDIA’s Interrogatories Nos. 7, 14, 16, 17, and 20. Dkt. No. 105. The Court held a hearing on
17 this dispute on October 8, 2024. Dkt. Nos. 134, 138.

18 For the reasons explained below, the Court orders Valeo to supplement its responses to
19 Interrogatories Nos. 16 and 17.

20 **I. BACKGROUND**

21 In this trade secret misappropriation action, NVIDIA asks the Court to order Valeo to
22 supplement its answers to several interrogatories concerning Valeo’s evidence of and contentions
23 about its misappropriation claims and damages theories. Valeo responds that as to some of the
24 disputed interrogatories, its responses are complete, and as to others, it cannot supplement its
25 responses until it obtains additional discovery from NVIDIA.

26 **II. DISCUSSION**

27 **A. Interrogatories Nos. 7 and 20**

28 Interrogatory No. 7 asks Valeo to state all facts supporting Valeo’s allegation that NVIDIA

1 has used any “improperly acquired” Valeo trade secrets. Dkt. No. 119-3 at 16. Interrogatory No.
2 20 asks Valeo to identify, for each trade secret, “the precise location(s)” in NVIDIA’s source code
3 or document production that Valeo contends reflect NVIDIA’s misappropriation of the particular
4 trade secret. Dkt. No. 106-5. NVIDIA advises that Valeo provided substantive answers as to
5 some, but not all, of Valeo’s 20 alleged trade secrets. Dkt. No. 105 at 2; *see also* Dkt. No. 119-3;
6 Dkt. No. 106-5. NVIDIA argues that, at a minimum, Valeo should be required to commit that it
7 will make no further amendments to its answers to Interrogatories Nos. 7 and 20 based on
8 references to NVIDIA’s source code. Dkt. No. 138 at 25:2-5; *see also* Dkt. No. 105 at 2. Valeo
9 responds that it has answered both interrogatories, and that its answers are current as of the date of
10 its most recent responses. Dkt. No. 105 at 4-5. Valeo argues that it should not be prevented from
11 supplementing its answers, including with respect to source code references, as it obtains
12 additional discovery from NVIDIA, some of which may lead Valeo to re-examine source code and
13 other documentation that has already been produced. Dkt. No. 138 at 91:10-92:2; 92:5-16; 93:23-
14 94:2; 94:10-18.

15 The Court is not persuaded that the preclusion order NVIDIA seeks would be fair to Valeo,
16 given that NVIDIA has not yet completed its production of documents or other information
17 relating to access to and use of the trade secrets at issue by Mr. Moniruzzaman and others at
18 NVIDIA. Valeo has an obligation to timely supplement its interrogatory answers, pursuant to
19 Rule 26(e), and it must continue to comply with that requirement.

20 **B. Interrogatory No. 14**

21 Interrogatory No. 14 asks Valeo to describe the amount of damages it claims and each
22 damages theory on which it relies, as well as the facts that support both the amount and the theory.
23 Dkt. No. 119-4 at 3. NVIDIA argues that Valeo’s interrogatory response is incomplete with
24 respect to the facts supporting Valeo’s damages theories. Dkt. No. 105 at 3-4. Valeo responds
25 that it has responded to this interrogatory with the facts it has available, and that it will not be able
26 to supplement until NVIDIA produces additional financial information. *Id.* at 6-7.

27 During the hearing, the Court and the parties discussed the current status of Valeo’s
28 damages theories and the information available to support those theories. The Court is not

1 persuaded that Valeo has failed to disclose the damages theories or the facts on which it presently
2 intends to rely, and sees no justification for an order requiring Valeo to supplement its answer at
3 this time. Again, Valeo has an obligation to timely supplement its interrogatory answer, pursuant
4 to Rule 26(e), and it must continue to comply with that requirement.

5 **C. Interrogatory No. 16**

6 As narrowed by NVIDIA in advance of the hearing, Interrogatory No. 16 asks Valeo to
7 describe its successful and unsuccessful bids for any projects for which Valeo proposed an
8 automated parking solution embodying the alleged trade secrets, for a six-year period beginning in
9 2018. The interrogatory also seeks a description of “any related bids, proposals, scope of work, or
10 other information” submitted by Valeo, and requires an identification of the person most
11 knowledgeable about the bid. *See* Dkt. No. 119-4 at 23; Dkt. No. 138 at 86:15-87:11.

12 Valeo does not object to providing information showing revenue from relevant contracts
13 for which it successfully bid, but it objects to producing information regarding its unsuccessful
14 bids, and further objects to collecting and “describing” all of the underlying and related documents
15 to which Interrogatory No. 16 refers. Dkt. No. 105 at 6. Valeo explains that not only is such a
16 request extremely burdensome, but it also implicates confidential information of the third parties
17 who received or solicited bids. *Id.*

18 Based on the discussion at the hearing, the Court agrees that Interrogatory No. 16 is
19 overbroad and unduly burdensome to the extent it requires Valeo to identify and describe all bids,
20 as well as any related bids, proposals, scope of work, or “other information.” However, some of
21 the information NVIDIA seeks, including about Valeo’s unsuccessful bids, is relevant to the
22 parties’ disputes about the economic value of the alleged trade secrets, apportionment, and
23 causation for damages. An interrogatory is an appropriate vehicle for obtaining this information.

24 Accordingly, with respect to Valeo’s successful and unsuccessful bids, in which it
25 proposed an automated parking solution embodying the alleged trade secrets during the six-year
26 period beginning in 2018, Valeo shall provide the following information in response to
27 Interrogatory No. 16: (1) the name of the customer who received or solicited the bid; (2) whether
28 the bid was successful or unsuccessful; (3) a concise statement of the reason(s), if known, that the

1 bid was successful or unsuccessful; and (4) the identity of the person or persons most
2 knowledgeable about the bid. If Valeo must first obtain the permission of a third party before
3 disclosing some or all of this information in an interrogatory answer, it shall promptly take steps to
4 obtain such permission. If Valeo is unable to obtain permission from the third party, it shall so
5 advise NVIDIA, and the parties shall confer regarding whether court intervention is required.

6 **D. Interrogatory No. 17**

7 Interrogatory No. 17 asks Valeo to describe, for each alleged trade secret, why Valeo
8 contends that the trade secret could not have been reverse engineered, independently developed, or
9 readily ascertained. And, to the extent that any alleged trade secret could have been reverse
10 engineered, independently developed, or readily ascertained, the interrogatory asks Valeo to
11 describe the amount of time required for those activities. Dkt. No. 119-4 at 25. NVIDIA argues
12 that this interrogatory seeks information relevant to whether the alleged trade secrets qualify for
13 protection as trade secrets in the first instance, or whether they could have been independently
14 derived without significant effort. Dkt. No. 105 at 3. Valeo responds that it has already explained
15 in response to other discovery requests that NVIDIA did not independently derive any of the
16 alleged trade secrets, but misappropriated them from Valeo instead, and it contends that it is
17 NVIDIA's burden to prove that it independently developed the alleged trade secrets. *Id.* at 5-6.

18 As discussed at the hearing, the question of which party bears the burden of proof on each
19 element of a claim or defense does not inform whether NVIDIA may obtain discovery on the
20 nature of Valeo's alleged trade secrets; the information sought need only be relevant to a claim or
21 defense and proportional to the needs of the case. *See* Fed. R. Civ. P. 26(b)(1). Thus, if Valeo
22 contends that its alleged trade secrets could not be reversed engineered, independently developed,
23 or readily ascertained—at all, or at least not without the expenditure of significant time and
24 effort—it must explain why it contends this is so in response to Interrogatory No. 17.

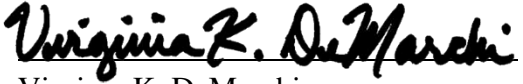
25 **III. CONCLUSION**

26 The Court orders Valeo to supplement its answers to Interrogatories Nos. 16 and 17,
27 consistent with the direction provided above, by **November 8, 2024**, unless the parties agree to a
28 different date. The Court denies the other relief NVIDIA requests.

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IT IS SO ORDERED.

Dated: October 18, 2024


Virginia K. DeMarchi
United States Magistrate Judge