

EXHIBIT E



Caution

As of: Jun 07, 2011

SHARED MEMORY GRAPHICS, LLC, Plaintiff, v. APPLE, INC., et al., Defendants.

No. C-10-2475 VRW (EMC)

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

2010 U.S. Dist. LEXIS 125184

**November 12, 2010, Decided
November 12, 2010, Filed**

SUBSEQUENT HISTORY: Motion granted by *Shared Memory Graphics LLC v. Apple, Inc., 2010 U.S. Dist. LEXIS 138868 (N.D. Cal., Dec. 30, 2010)*

COUNSEL: [*1] For Shared Memory Graphics LLC, Plaintiff: Adam Vincent Floyd, LEAD ATTORNEY, Arthur Gollwitzer, III, Chad Phillip Ennis, H. Kenneth Prol, Joseph Daniel Gray, Kent Jeffrey Cooper, Matthew S. Wermager, Michael Joseph Smith, Reese Patrick McKnight, F & B LLP, Austin, TX; Carly Slack Anderson, Geoffrey Patton Culbertson, Nicholas H. Patton, Patton Tidwell & Schroeder LLP, Texarkana, TX; James Patrick Martin, Lisa Stockholm, Shartsis Friese LLP, San Francisco, CA; Nicholas Alfred Schuneman, Floyd and Buss LLP, Austin, TX.

For Apple Inc., a California corporation, Defendant: Darin Jeffrey Glasser, LEAD ATTORNEY, O'Melveny & Myers LLP, Newport Beach, CA; Eric David Chan, Ryan Yagura, O'Melveny Myers LLP, Los Angeles, CA; George Riley, PRO HAC VICE, O'Melveny Myers LLP, Two Embarcadero Center, San Francisco, CA; Iain R Cunningham, PRO HAC VICE, Apple Inc., Cupertino, CA; Jon Y Chow, O'Melveny and Myers LLP, Los Angeles, CA; Michael Myers, PRO HAC VICE, O'Melveny Myers LLP, Newport Beach, CA; Michael Sapoznikow, O'Melveny & Myers LLP, San Francisco, CA.

For Nintendo of America Inc., a Washington corporation, Nintendo Co. LTD., a Japan corporation, Defendants, Counter-claimant: Grant Edward Kinsel, [*2] LEAD ATTORNEY, Joseph Preston Hamilton, Perkins Coie LLP, Los Angeles, CA; Marshall S. Ney, Mitchell Williams Selig Gates & Woodyard, PLLC, Rogers, AR; Michael Junwhan Song, PerkinsCoie LLP, Los Angeles, CA.

For Sony Corporation of America, a New York corporation, Sony Computer Entertainment America Inc., a California corporation, Sony Corporation, a Japan corporation, Sony Computer Entertainment Inc., a Japan corporation, Sony Semiconductor Kyushu Corporation, LTD., a Japan corporation, Defendants: Lewis V. Popovski, LEAD ATTORNEY, Jeong-Ah Joy Lee, Matthew Jacob Faust, Michelle Carniaux, Miriam London Martinez, Kenyon & Kenyon LLP, New York, NY; Jeffrey S. Gerchick, Kenyon Kenyon LLP, Washington, DC; Megan Rae Whyman Olesek, Kenyon & Kenyon LLP, San Jose, CA.

For Samsung Electronics Co., A Korean business entity, Samsung Telecommunications America, LLC, A Delaware limited liability company, Samsung Semiconductor, Inc., A California corporation, Samsung Electronics America, Inc., A New York corporation, Samsung Austin Semiconductor, LLC, A Delaware limited liability company, Defendants: Darin Jeffrey Glasser, LEAD

ATTORNEY, O'Melveny & Myers LLP, Newport Beach, CA; George Riley, PRO [*3] HAC VICE, LEAD ATTORNEY, O'Melveny Myers LLP, San Francisco, CA; Michael Myers, PRO HAC VICE, LEAD ATTORNEY, O'Melveny Myers LLP, Newport Beach, CA; Ryan Yagura, PRO HAC VICE, LEAD ATTORNEY, Eric David Chan, O'Melveny Myers LLP, Los Angeles, CA; Jon Y Chow, O'Melveny and Myers LLP, Los Angeles, CA; Michael Sapoznikow, O'Melveny & Myers LLP, San Francisco, CA.

For Shared Memory Graphics LLC, Counter-defendant: Adam Vincent Floyd, LEAD ATTORNEY, H. Kenneth Prol, Joseph Daniel Gray, Kent Jeffrey Cooper, F & B LLP, Austin, TX; Carly Slack Anderson, Geoffrey Patton Culbertson, Patton Tidwell & Schroeder LLP, Texarkana, TX; James Patrick Martin, Shartsis Friese LLP, San Francisco, CA; Nicholas H. Patton, Patton Tidwell & Schroeder L.L.P., Texarkana, TX.

For Nintendo Co. LTD., a Japan corporation, Counter-claimant: Grant Edward Kinsel, LEAD ATTORNEY, Joseph Preston Hamilton, Perkins Coie LLP, Los Angeles, CA; Marshall S. Ney, Mitchell Williams Selig Gates & Woodyard, PLLC, Rogers, AR; Michael Junwhan Song, PerkinsCoie LLP, Los Angeles, CA.

For Samsung Electronics Co., A Korean business entity, Samsung Semiconductor, Inc., A California corporation, Samsung Electronics America, Inc., A New York [*4] corporation, Samsung Telecommunications America, LLC, A Delaware limited liability company, Counter-claimants: Darin Glasser, Michael Myers, LEAD ATTORNEYS, O'Melveny Myers LLP, Newport Beach, CA; George Riley, PRO HAC VICE, LEAD ATTORNEY, O'Melveny Myers LLP, San Francisco, CA; Ryan Yagura, PRO HAC VICE, LEAD ATTORNEY, Eric David Chan, O'Melveny Myers LLP, Los Angeles, CA.

For Samsung Austin Semiconductor, LLC, A Delaware limited liability company, Counter-claimant: Darin Glasser, Michael Myers, LEAD ATTORNEYS, O'Melveny Myers LLP, Newport Beach, CA; George Riley, PRO HAC VICE, LEAD ATTORNEY, O'Melveny Myers LLP, Two Embarcadero Center, San Francisco, CA; Ryan Yagura, PRO HAC VICE, LEAD ATTORNEY, Eric David Chan, O'Melveny Myers LLP, Los Angeles, CA.

JUDGES: EDWARD M. CHEN, United States Magistrate Judge.

OPINION BY: EDWARD M. CHEN

OPINION

ORDER GRANTING IN PART AND DENYING IN PART CROSS-MOTIONS FOR PROTECTIVE ORDER

(Docket Nos. 270, 272)

This is a patent infringement case brought by Shared Memory Graphics ("SMG") against Apple, Inc., Nintendo of America, Inc., Nintendo Co. Ltd., Sony Corp. of America, Sony Computer Entertainment America Inc., Sony Corp., Sony Computer Entertainment Inc., and Sony Semiconductor Kyushu [*5] Corp., Ltd. (collectively, "Defendants"). The two patents-in-suit were first patented by Alliance Semiconductor Corporation, which later sold all rights to the patents to Acacia Patent Acquisition Corporation ("Acacia"). *See* Compl. ¶ 45. Acacia then sold all of the rights to the patents to SMG. *See id.* ¶ 47.

Currently pending before the Court is a dispute between the parties over the terms of a protective order to govern confidential information produced or otherwise provided in this case. The parties have a disagreement with respect to three issues: (1) whether SMG's in-house counsel should have access to Defendants' highly confidential information, (2) whether Defendants' outside counsel and/or expert witnesses may view the highly confidential or confidential information of other Defendants, and (3) whether the patent prosecution bar should include a bar on reexamination of the patents-in-suit by SMG's litigation counsel.

I. DISCUSSION

A. Legal Standard

Under *Federal Rule of Civil Procedure 26(c)*, "[a] party or any person from whom discovery is sought may move for a protective order," and "[t]he court may, for good cause, issue an order to protect a party from annoyance, embarrassment, [*6] oppressions, or undue burden or expense." *Fed. R. Civ. P. 26(c)(1)*.

In the instant case, the parties do not dispute that a protective order is needed to govern the production of confidential information in this case. The parties do, however, disagree as to whether certain terms should be included in the protective order. As proponents of the terms, Defendants have the burden of showing good cause. *See Phoenix Sol'ns. Inc. v. Wells Fargo Bank, N.A.*, 254 F.R.D. 568, 575 (N.D. Cal. 2008) (noting that "[t]he burden of demonstrating the need for protection from discovery is placed on the party seeking a protective order, not on the party opposing the order").

B. Access by SMG's In-House Counsel

The parties' first dispute is whether the protective order should include a term barring SMG's in-house counsel, Bradley Botsch, from accessing Defendants' highly confidential information. In resolving this issue, the Court is guided by *Brown Bag Software v. Symantec Corp.*, 960 F.2d 1465, 1470 (9th Cir. 1992). In accordance with *Brown Bag*, the Court must balance the risk to Defendants if their confidential materials are disclosed against the risk to SMG if the materials are not disclosed. *See id.*

The [*7] Court rejects SMG's suggestion that there is no risk to Defendants because SMG is not a direct competitor. As explained by one court, where the party asserting infringement is in the business of acquiring intellectual property and enforcing it against other entities using the allegedly infringing technology, "[t]here is little doubt" that the alleged infringer's confidential information could be of value. *ST Sales Tech Holdings, LLC v. Daimler Chrysler Co.*, No. 07-346, 2008 U.S. Dist. LEXIS 107096, 2008 WL 5634214, at *6 (E.D. Tex. Mar. 14, 2008); *see also Intel Corp. v. VIA Techs., Inc.*, 198 F.R.D. 525, 530 (N.D. Cal. 2000) (noting that, if plaintiff's in-house counsel were given information about technical aspects of defendant's products, defendant's licensing agreements, and marketing information, that "may provide [plaintiff] a competitive advantage in negotiating related licenses in the future"). On the other hand, to the extent SMG asks that Mr. Bosch be given access to only limited financial information -- more specifically, sales and profit information for the accused products at issue -- in order participate fully in settlement discussions, the risk to Defendants is substantially lessened.

Balancing the risk [*8] to each side, the Court concludes that the proper balance is to include a provision that generally bars SMG's in-house counsel from accessing Defendants' highly confidential information. However, there can be exceptions to the bar where the risk of competitive advantage is minimal when compared to the Plaintiff's need to make the information accessible to in-house counsel, and the parties should meet and confer to discuss exceptions as the need arises. For the benefit of the parties, the Court notes that it deems the limited financial information sought by SMG -- *i.e.*, the sales and profit information for the accused products -- to be such an exception. Unlike technical aspects of Defendants' products, the focused financial information sought here will pose little competitive risk and, at the same time, provide material information essential to settlement negotiations in which in-house counsel would be expected to participate.

C. Access by Defendants' Outside Counsel and Expert Witnesses

The parties' second dispute is whether one Defendant's outside counsel and expert witnesses should be able to view the highly confidential or confidential information of the other Defendants. SMG argues [*9] that there should be such access, both as a matter of administrative convenience and as a substantive matter.

The Court rejects SMG's argument that access should turn on administrative convenience. While SMG may have to prepare different versions of one filing to accommodate each Defendant's confidential information, that is a burden that SMG implicitly accepted in bringing suit in the first place against the numerous Defendants and in seeking to utilize their confidential information of some Defendants in conducting discovery against other Defendants.

On the substantive question, the Court will not endorse a blanket rule that automatically allows all Defendants' confidential information to be shared, even if only with the other Defendants' outside counsel and experts. Such disclosure should be governed by the "reasonably necessary" standard set forth in Model Protective Order ¶ 7.2. The parties shall meet and confer to modify the language of ¶ 7.2 to make clear that its provisions extend disclosure to co-Defendants' outside counsel and experts.

D. Patent Prosecution Bar

The parties' final dispute is whether the protective order should include a term barring SMG's litigation counsel from [*10] engaging in patent prosecution. SMG does not oppose a patent prosecution bar, so long as an exception is made that would permit its outside counsel to participate in any reexamination proceedings of the patents-in-suit.

Courts have taken varying approaches with respect to whether counsel for the party asserting infringement should be barred from participating in reexamination proceedings. *Compare, e.g., Pall Corp. v. Entegris, Inc.*, 655 F. Supp. 2d 169, 173 (E.D.N.Y. 2008) (holding that the prosecution bar would not extend to reexamination), *with MicroUnity Sys. Eng'g, Inc. v. Dell, Inc.*, No. 04-120, 2005 U.S. Dist. LEXIS 36814, 2005 WL 2299455 (E.D. Tex. Aug. 29, 2005) (holding that the prosecution bar applies equally to reexaminations as it does to new applications).

Those courts holding that counsel is *not* barred have typically focused on the fact that patent claims cannot be broadened in reexamination proceedings but rather only narrowed, and thus the risk of conferring a tactical advantage to the patent holder's counsel is minimal. *See Pall Corp.*, 655 F. Supp. 2d at 173 (noting that, "unlike prosecution of an initial patent application, the Patent Act expressly curtails the scope of reexamination, prohibiting [*11] any claim amendment that would enlarge

the scope of the initial patent"); *see also Mirror Worlds, LLC v. Apple, Inc.*, No. 08-88, 2009 U.S. Dist. LEXIS 70092, 2009 WL 2461808, at *2 (E.D. Tex. Aug. 11, 2009) (noting that "[c]laims can only be narrowed during reexamination; they cannot be broadened" and therefore concluding that "the risk of harm to Apple is already greatly limited"); *Document Generation Corp. v. Allscripts*, No. 08-479, 2009 U.S. Dist. LEXIS 52874, 2009 WL 1766096, at *2 (E.D. Tex. Jun. 23, 2009) (stating that, "[b]ecause the reexamination process prohibits claim amendments that would enlarge the scope of the initial patent, Defendants' fears of expanded claim scope coverage are largely misplaced").

While it is true that patent claims cannot be broadened in reexamination, the Court is not convinced that that fact is dispositive to the issue. Claims may still be restructured in reexamination, and, in a given case, a patent owner may well choose to restructure claims in a manner informed by the alleged infringer's confidential information gleaned from litigation. *See, e.g., MicroUnity*, 2005 U.S. Dist. LEXIS 36814, 2005 WL 2299455, at *4 (noting that litigation counsel with access to defendants' confidential information "will inevitably [amend or supplement [*12] claims to distinguish prior art] in a way that they believe preserves litigation options with respect to [defendants'] products"). *See also* Robert Greene Sterne et al., *Reexamination Practice with Concurrent District Court or USITC Patent Litigation*, ACPA Meeting, Jan. 26, 2009, at 16¹ (noting that "in-depth knowledge of a competitor's highly confidential technical information, combined with the ability to amend claims, would . . . convey a dangerously unfair advantage to the recipient of such information"). Hence, access to confidential information could still provide a tactical advantage to the patent holder in its effort to reexamination to navigate between prior art and its infringement claims, although the risk of advantage would appear to be somewhat marginal.

¹ Available at www.reexamcenter.com/wp-content/uploads/2009/08/ACPC-Reexam-Paper.pdf.

The Court thus finds persuasive the analysis taken by the court in *Crystal Image Technology, Inc. v. Mitsubishi Electric Corp.*, No. 08-307, 2009 U.S. Dist. LEXIS 32972 (W.D. Pa. Apr. 17, 2009). There, the court acknowledged "the majority trend recognizing that the nature of the reexamination process [*i.e.*, narrowing claims and not broadening [*13] them] mitigates against broadly stated concerns of unfair advantage." *Id.* at *7. However, the court ultimately deemed "certain limitations regarding litigation counsel's participation in the reexamination process . . . appropriate." *Id.*

First, the court "restrict[ed] litigation counsel's participation in the reexamination process to instances in which it is the *opposing party* who initiates reexamination of a patent falling within the scope of the proposed protective order." *Id.* at *9 (emphasis added). The court indicated that when it is the opposing party who seeks reexamination, then the reexamination is really part and parcel of the litigation at issue. *Id.* The court also indicated that it would be unfair to force the patent owner to simultaneously defend before the PTO and the court with different counsel. *See id.* But "[s]hould anyone other than Defendant seek reexamination . . . , the justifications for allowing trial counsel to participate are substantially undetermined." *Id.* at *8-9. The court pointed out that the patent owner could initiate reexamination to secure a tactical advantage. *See Crystal Image*, 2009 U.S. Dist. LEXIS 32972, at *8-9; *see also Pall Corp.*, 655 F. Supp. 2d at 174 [*14] (in dicta, agreeing that a reexamination bar would be warranted if "a plaintiff patent-owner affirmatively placed his patents into reexamination, . . . attempting to re-craft them based upon his review of defendant's confidential litigation discovery [and] . . . gain a tactical advantage over the infringement defendant"). The limitation imposed by the Court prevents this scenario.

Second, the court permitted litigation counsel to participate in reexamination "preconditioned on their acceptance of an express legal obligation . . . not to rely [during reexamination] in any way on confidential information supplied by the opposing party through the course of this litigation." *Id.* at *9. Thus, the court directed the parties to include a provision that "any individual's participation in reexamination proceeding(s) . . . is expressly conditioned on his/her/its legal obligation, established by Order of the Court, not to use in any way an opposing party's Confidential Attorney Eyes Only Information to draft new claims, or to amend previously existing claims, through the reexamination process." *Id.* at *10.

The Court concludes that the two restrictions above are appropriate for the instant case. [*15] The first restriction is appropriate for the reasons identified in *Crystal Image*. It prevents SGM from unilaterally employing any tactical advantage gleaned from confidential information obtained in the litigation. Conversely, it also limits any tactical advantage Defendants might seek to gain by initiating reexamination proceedings and forcing SMG to obtain new and additional counsel therein. Indeed, in its papers, SMG has identified only a concern about a reexamination initiated by or on behalf of Defendants, and not, *e.g.*, by third parties or on its own accord. *See* Pl.'s Mot. at 1 (asserting that "Defendants want the ability to initiate a reexamination and use it to disqualify SMG's trial counsel"). As for the second restriction, it is also appropriate to prohibit SMG's counsel from unfair

use in any reexamination proceeding of highly confidential information obtained in this litigation.

Accordingly, the Court orders that the parties meet and confer to reach agreement on a provision that allows SMG's outside counsel to participate in reexamination proceedings in accordance with the above.

II. CONCLUSION

For the foregoing reasons, the Court **GRANTS** in part and **DENIES** in part both parties' [*16] motions

regarding the terms of a protective order to govern the production of confidential information in this case.

This order disposes of Docket Nos. 270 and 272.

IT IS SO ORDERED.

Dated: November 12, 2010

/s/ Edward M. Chen

EDWARD M. CHEN

United States Magistrate Judge

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

ABBOTT GMBH & CO., KG, AND)	
ABBOTT BIORESEARCH CENTER, INC.)	C.A. No. 4:09-CV-11340 (FDS)
)	
Plaintiffs,)	
)	JURY TRIAL DEMANDED
v.)	
)	
CENTOCOR ORTHO BIOTECH, INC.,)	
)	
Defendant.)	

STIPULATED PROTECTIVE ORDER

WHEREAS, Abbott GmbH & Co., KG, (“Abbott GmbH”) and Abbott Bioresearch Center (“ABC”) (collectively, “Abbott”), and Centocor Ortho Biotech, Inc. (“Centocor”), the parties to this action (collectively the “parties” and individually a “party”), and likely third party witnesses, possess confidential information which may be disclosed in responding to discovery requests or otherwise in this action and which must be protected in order to preserve the legitimate business and other interests of the parties, and

WHEREAS, the parties have, through counsel, stipulated to the entry of this Protective Order to prevent unnecessary dissemination or disclosure of such confidential information,

IT IS HEREBY ORDERED that:

1. Definitions

a. The term “Confidential Information” as used in this Order is to include all information that the designating party believes constitutes or discloses or relates to processes, operations, research, technical or developmental information, production, marketing, sales, shipments or other proprietary data or information of commercial value, including, but not

limited to, trade secrets or any other information within the meaning of Federal Rule of Civil Procedure 26(c)(7). It may include, without limitation: documents produced in this action, during formal discovery or otherwise; documents and information produced by third parties which the producing or designating party is under an obligation to maintain in confidence; answers to interrogatories, responses to requests for production, responses to requests for admission, or other discovery requests; deposition transcripts; and tangible things or objects that are designated Confidential pursuant to this Order. The information contained therein and all copies, abstracts, excerpts, analyses or other writings that contain, reflect, reveal, suggest or otherwise disclose such Confidential Information shall also be deemed Confidential Information. Information originally designated as Confidential Information pursuant to this agreement shall not retain Confidential status after any ruling by any Court denying such status.

b. The terms “designating party” and “producing party” mean the party producing or designating documents or information as Confidential Information under this Order.

c. The term “receiving party” shall mean any person to whom Confidential Information is disclosed.

d. The term “this action” shall mean the above-captioned action.

e. The term “Centocor Interference Appeal” shall mean *Centocor Ortho Biotech, Inc. v. Abbott GMBH & Co. KG.*, Case No. 4:10-cv-40003.

f. The term “Centocor Declaratory Judgment Action” shall mean *Centocor Ortho Biotech, Inc. v. Abbott GMBH & Co. KG.*, Case No. 4:10-cv-40004.

Designation of Confidential Information

2. Any party who produces or discloses any material that it believes comprises Confidential Information shall designate the same by marking “CONFIDENTIAL” prominently on each page of all documents containing the information.

3. If a producing party elects to produce original files and records for inspection and the inspecting party desires to inspect those files, no confidentiality designations need be made by the producing party in advance of the initial inspection, but the party inspecting such files and records shall maintain the confidentiality of all those original files and records that it reviews. Thereafter, upon selection of specified documents for copying by the inspecting party, the producing party shall mark the copies of such documents as may contain subject matter with the appropriate designation at the time the copies are produced to the inspecting party.

4. If any Confidential Information is produced by a third party to this litigation, such third party shall be considered a “designating party” or a “producing party” within the meaning of those terms as they are used in the context of this Order.

5. Confidential Information that originated with a third party, subject to the terms of any confidentiality obligation to that third party, may be designated as “Confidential” and shall, once designated, be subject to the restrictions on disclosure specified in Paragraph 7.

6. In the event that any designating party produces Confidential Information that has not been designated “Confidential” or not correctly designated, the designating party may designate or redesignate the information to the same extent as it may have designated the information before production by a subsequent notice in writing specifically identifying the redesignated information accompanied by a replacement set of such misdesignated documents bearing a “Confidential” designation thereon, in which event the parties shall henceforth treat

such information in accord with this Protective Order, and shall undertake their best efforts to correct any disclosure of such information contrary to the redesignation. Further, the receiving party shall immediately return the documents that lacked the “Confidential” designation to the designating party upon receiving the replacement set of documents bearing the “Confidential” designation. No showing of error, inadvertence, or excusable neglect shall be required for such redesignation.

Disclosure of Confidential Information

7. Information designated “Confidential” shall not be given, shown, made available or communicated in any way to any person or entity other than the following:
 - a. U.S. counsel for Centocor in the above-captioned action:
 - i. Nutter McClennen and Fish LLP
 - ii. Akin Gump Strauss Hauer & Feld LLP
 - b. U.S. counsel for Abbott in the above-captioned action:
 - i. Wilmer Cutler Pickering Hale and Dorr LLP
 - ii. Sughrue Mion PLLC
 - c. U.S. counsel for Centocor in the Centocor Interference Appeal:
 - i. Nutter McClennen and Fish LLP
 - ii. Akin Gump Strauss Hauer & Feld LLP
 - d. U.S. counsel for Abbott in the Centocor Interference Appeal:
 - i. Wilmer Cutler Pickering Hale and Dorr LLP
 - ii. Sughrue Mion PLLC
 - e. U.S. counsel for Centocor in the Centocor Declaratory Judgment Action:

- i. Akin Gump Strauss Hauer & Feld LLP
- ii. Nutter McClennen and Fish LLP

f. U.S. counsel for Abbott in the Centocor Declaratory Judgment Action:

- i. Wilmer Cutler Pickering Hale and Dorr LLP

g. Members or employees of any of the foregoing law firms assisting in this action, the Centocor Interference Appeal, and/or the Centocor Declaratory Judgment Action as well as any independent litigation support providers retained by such firms to assist in this litigation (*e.g.*, outside copy services, graphic artists and visual aid providers, and jury consultants).

h. The Court and Court personnel and stenographic/ videographic reporters at depositions taken in this action, the Centocor Interference Appeal, and/or the Centocor Declaratory Judgment Action.

i. The in-house counsel listed below, as well as the non-lawyer employees within the legal department who assist them, provided, however, that no person who is currently – or will be within one year of final termination of this action (including all appeals) – involved in the preparation or prosecution of any U.S., Canadian, or other foreign patent application relating to anti-IL-12 and anti-IL-23 antibodies, will be permitted access to any Confidential Information, whether listed below or not:

- i. For plaintiff Abbott: Ms. Karen Nelson and Ms. Lydia Nenow. Ms. Nelson and Ms. Nenow shall each execute Exhibit A, hereto, as well as a declaration affirming her non-involvement in the preparation or prosecution of any U.S. or foreign patent application relating to anti-IL-12 and anti-IL-23 antibodies currently, and that neither will be involved in the preparation or prosecution of any U.S. or foreign patent

application relating to anti-IL-12 and anti-IL-23 antibodies for at least one year following the termination of this case.

ii. For defendant Centocor: Mr. Eric Harris and Mr. Michael Timmons shall each execute Exhibit A, hereto, as well as a declaration affirming his or her non-involvement in the preparation or prosecution of any U.S. or foreign patent application relating to anti-IL-12 and anti-IL-23 antibodies currently, and that neither will be involved in the preparation or prosecution of any U.S. or foreign patent application relating to anti-IL-12 and anti-IL-23 antibodies for at least one year following the termination of this case.

j. Independent consultants or experts and their staff not employed by or affiliated with a party or with a party's licensee or licensor, retained by the attorneys for the parties either as technical consultants or expert witnesses for the purposes of this action, the Centocor Interference Appeal, and/or the Centocor Declaratory Judgment Action, provided that (i) such persons have complied with the procedure of Paragraph 13 herein, and (ii) agree in writing to be bound by the provisions of this Order, in the form set forth as Exhibit A, hereto.

k. Individuals not listed in Paragraphs 7(k) and 7(l) will be permitted access to Confidential Information only under the following circumstances: (1) upon the individual's agreement in writing to be bound by the provisions of this Order, in the Form set forth as Exhibit A hereto; and (2) upon written request to the designating party providing the Bates range of the Confidential Information a party seeks to disclose and satisfaction of either of the following: (a) a grant of consent by the designating party; or (b) the expiration of five (5) business days from the date of written notice of intent to disclose without written notice of objection from the designating party. In the event the designating party does provide notice of

objection to disclosure, a party must seek leave of the Court to make the disclosure and may not make such disclosure without an order of the Court authorizing such disclosure.

1. The list of persons to whom Confidential Information may be disclosed may be expanded or modified by mutual agreement in writing by counsel for the designating party and the receiving party without necessity of modifying this Order.

m. The receiving party shall give notice of this Order and advise of the duty to comply with its terms to any person allowed access to Confidential Information prior to allowing said person access to Confidential Information.

Use and Control of the Confidential Information

8. Confidential Information produced by Abbott or Centocor in this action shall be deemed produced in the Centocor Interference Appeal and the Centocor Declaratory Judgment Action, and may be used by Abbott or Centocor in the Centocor Interference Appeal and the Centocor Declaratory Judgment Action, under protective orders issued in those actions consistent with the terms of this Order, provided, however, that such use shall be subject to any applicable objections, including relevance, authenticity, and admissibility. Confidential Information produced in this action and used in the Centocor Interference Appeal or the Centocor Declaratory Judgment Action pursuant to this paragraph shall not lose the protections afforded by this Order by virtue of its use in the Centocor Interference Appeal or the Centocor Declaratory Judgment Action.

9. Confidential Information produced by Abbott or Centocor in the Centocor Interference Appeal or the Centocor Declaratory Judgment Action shall be deemed produced in this action, and may be used by Abbott or Centocor in this action, under the terms of this Order consistent with the terms of protective orders issued in the Centocor Interference Appeal and/or

the Centocor Declaratory Judgment Action, provided, however, that such use shall be subject to any applicable objections, including relevance, authenticity, and admissibility. Confidential Information produced in the Centocor Interference Appeal and/or the Centocor Declaratory Judgment Action and used in this action pursuant to this paragraph shall not lose the protections afforded by protective orders issued in the Centocor Interference Appeal or the Centocor Declaratory Judgment Action by virtue of its use in this action.

10. All Confidential Information disclosed pursuant to this Order shall be used by any recipient thereof solely for the purposes of this action and/or the Centocor Interference Appeal, and/or the Centocor Declaratory Judgment Action, and not for any business or competitive or other purposes. It shall be the duty of each party and each individual having notice of this Protective Order to comply with this Order from the time of such notice.

11. All depositions shall be marked "CONFIDENTIAL" regardless of whether a designation of confidentiality was made on the record or otherwise and shall be subject to this Protective Order, unless and until the receiving party makes a request to the party producing the witness or counsel for the witness to release the deposition or any portion thereof from Confidential treatment, and only if, and to the extent that, the party producing the witness or counsel for the witness agrees in writing to the modification of treatment of all or part of the transcript, or unless the Court so orders. If the party producing the witness or counsel for the witness fails to respond to such a request within fourteen (14) days, the receiving party may move the Court for an order releasing the requested transcript or portion thereof from Confidential treatment.

12. All Confidential Information that is filed with the Court, and any pleadings, motions or other papers filed with the Court disclosing any Confidential Information,

shall be filed and maintained in Court under seal. Where practical, only confidential portions of filings with the Court shall be filed under seal.

13. Before any person may be given access to Confidential Information under Paragraph 7(l), the party seeking to provide such access must give written notice to the attorneys for the designating party of the intention to make such disclosure, stating the name, address, and a resume of the background and qualifications of the person to whom disclosure is proposed. Within ten (10) days from the service of such written notice, the designating party may object to such disclosure by service of a written notice of objection on the attorneys for the party seeking to make the disclosure, stating the reasons for the objection. No disclosure of Confidential Information to any such person may occur prior to the expiration of ten (10) days from the date of service of the written notice of intent to disclose unless consent is granted earlier by the designating party. If the designating party gives notice of objection to disclosure, the party seeking to make the disclosure must seek leave of the Court to make the disclosure and may not make such disclosure without an order of the Court authorizing such disclosure.

14. Nothing in this Order shall prevent or otherwise restrict counsel for a party from rendering legal advice to such party with respect to the U.S. litigations and, in the course thereof, relying upon an examination of Confidential Information; provided, however, that in rendering such advice and in otherwise communicating with the party, counsel shall not disclose Confidential Information.

15. Nothing herein shall prevent any party from disclosing its own Confidential Information in any manner that it considers appropriate. Additionally, counsel for any party shall be entitled to show or use Confidential Information obtained from another party during examination, either at deposition or at any hearing or trial, of any officer, employee or

retained expert of the designating party. Counsel for any party shall also be entitled to show or use Confidential Information obtained from another party during examination, either at deposition or at any hearing or trial, of any person who is apparently an author, creator or recipient of the Confidential Information.

16. If a party intends to reveal Confidential Information of another party during a trial, court appearance, or hearing which is open to the public, the party intending to reveal such Confidential Information shall provide notice and opportunity to object, unless written consent from the designating party is previously obtained.

No Waiver of Privileges

17. Inadvertent production of documents or information subject to attorney-client privilege, work product immunity, or any other applicable privilege or immunity shall not constitute a waiver of, nor a prejudice to, any claim that such or related material is privileged or protected by the work product immunity, provided that the designating party notifies the receiving party in writing promptly after discovery of such inadvertent production. Such inadvertently-produced documents and all copies thereof shall promptly be returned to the designating party upon request. No use shall be made of such documents other than to challenge the propriety of the asserted privilege or immunity, nor shall they be shown to anyone who has not already been given access to them subsequent to the request to return them. No demonstration or proof of error, inadvertence, excusable neglect, or absence of negligence shall be required of the designating party in order for such party to avail itself of the provisions of this paragraph.

Duration of Order, Objections, Modifications

18. This Protective Order shall remain in force and effect until modified, superseded or terminated by order of this Court, which may be entered pursuant to agreement of the parties hereto. This Protective Order shall continue in effect after termination of this action and continue to be binding upon all persons to whom Confidential Information is disclosed hereunder.

19. Upon final termination of this action, the Centocor Interference Appeal, and the Centocor Declaratory Judgment Action, including all appeals, the receiving party shall, within thirty (30) days of such termination, either return all Confidential Information in its possession to the designating party or destroy all such Confidential Information. In either event, the receiving party shall describe the materials returned or destroyed and certify their return or destruction, with the exception that outside counsel and the persons designated in Paragraph 7(k) may retain (i) copies of the pleadings or other papers filed with the Court or served in the course of the litigation, depositions transcripts, deposition exhibits and the trial record; and (ii) one file copy of all documents produced in the course of discovery. Nothing herein shall restrict the ability of the parties or their counsel to retain information or documents not designated as Confidential Information by the producing party.

20. If the receiving party learns that Confidential Information produced to it is disclosed to or comes into the possession of any person other than in the manner authorized by this Order, the receiving party responsible for the disclosure must immediately inform the designating party of such disclosure and shall make a good faith effort to retrieve any documents or things so disclosed and to prevent disclosure by each unauthorized person who received such information.

21. Any receiving party may at any time request that the designating party remove the “Confidential” designation with respect to any document, object or information. Such request shall be served on counsel for the designating party, and shall particularly identify the designated Confidential Information that the receiving party contends is not confidential and the reasons supporting its contention. If the designating party does not agree to remove the “Confidential” designation within ten (10) business days, then the party contending that such documents or information are not Confidential may file a motion to remove such information from the restrictions of this Order.

Miscellaneous

22. This Protective Order may be modified only by written agreement of the parties or further order of the Court and is without prejudice to the rights of any party or third party to seek additional or different relief from the Court not specified in this Order.

23. The designation by counsel for the designating party of any document, material or information as constituting or containing Confidential Information is intended solely to facilitate the preparation and trial of the U.S. litigations, and such designation shall not be construed in any way as an admission or agreement by any party that such document, material or information constitutes or contains any Confidential Information as a matter of law.

24. Any court reporter who transcribes testimony in the U.S. litigations at a deposition shall, before transcribing any such testimony, agree in writing, by execution of the form set forth as Exhibit A, that all Confidential testimony is and shall remain confidential and shall not be disclosed except as provided under this Order, and that copies of any transcript, reporter’s notes, or any other transcription records of any such testimony shall be retained in

absolute confidentiality and safekeeping by such shorthand reporter or shall be delivered to an attorney of record or filed under seal with the Court.

25. In the event that Confidential Information disclosed during the course of this action, the Centocor Interference Appeal and/or the Centocor Declaratory Judgment Action is sought by any person or entity not a party to this litigation, whether by subpoena in another action or service with any legal process, the party receiving such subpoena or service shall promptly notify in writing outside counsel for the designating party if such subpoena or service demands the production of Confidential Information of such designating party. Any such person or entity seeking such Confidential Information by attempting to enforce such subpoena or other legal process shall be apprised of this Protective Order by outside counsel for the party upon whom the subpoena or process was served. Nothing herein shall be construed as requiring anyone covered by this Protective Order to contest a subpoena or other process, to appeal any order requiring production of Confidential Information covered by this Protective Order, or to subject itself to penalties for non-compliance with any legal process or order.

26. In the event anyone shall violate or threaten to violate the terms of this Stipulated Protective Order, the aggrieved party immediately may apply to obtain injunctive relief against any such person violating or threatening to violate any of the terms of this Stipulated Protective Order, and in the event that the aggrieved party does so, the responding party, subject to the provisions of this Stipulated Protective Order, shall not employ as a defense thereto the claim that the aggrieved party possesses an adequate remedy at law.

27. Nothing herein shall prevent any party or non-party from seeking additional or different relief from the Court not specified in this Order.

28. The section titles in this Order are for convenience of organization only, and are not part of, nor are they relevant to the construction of this Order.

SIGNED this 12th day of May, 2010.



JUDGE F. DENNIS SAYLOR, IV
UNITED STATES DISTRICT JUDGE

AGREED TO:

DATE: May 6, 2010

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EXHIBIT A

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

ABBOTT GMBH & CO., KG, AND)	
ABBOTT BIORESEARCH CENTER, INC.)	C.A. No. 4:09-CV-11340 (FDS)
)	
Plaintiffs,)	
)	JURY TRIAL DEMANDED
v.)	
)	
CENTOCOR ORTHO BIOTECH, INC.,)	
)	
Defendant.)	

DECLARATION OF COMPLIANCE

I, _____ do declare and state as follows:

1. I live at _____. I am employed as _____ (position) by _____ (name and address of employer).

2. I have read the Protective Order entered in this case, a copy of which has been given to me.

3. I understand and agree to comply with and be bound by the provisions of the Protective Order and consent to the jurisdiction of the district court to enforce the terms of the Protective Order, including that upon receipt of any Confidential Information, I will be personally subject to it, and to all of its requirements and procedures.

4. Further, I declare, as provided by 28 U.S.C. § 1746, under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct.

Executed this ____ day of _____, 20__.

(Signature)

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

UNITED STATES OF AMERICA

v.

BISWAMOHAN PANI,

Defendant

Case No. 08-CR-40034-FDS

PROTECTIVE ORDER

Pursuant to Federal Rule of Criminal Procedure 16(d) and 18 U.S.C. § 1835, and having heard the arguments of counsel, the Court finds that the following provisions are necessary to protect the confidentiality of Intel's trade secrets:

1. Under the conditions set forth below, the government shall allow Defendant Pani, his defense counsel and their staff ("the defense"), and any experts retained by him or the defense to review the government's discovery materials, including any suspected trade secrets, confidential and proprietary information, and/or contraband contained therein. For the purpose of this order, "discovery materials" shall include not only the discovery materials themselves, but also any information derived from the discovery materials.

2. The discovery materials shall be available for review at the FBI's Boston Office. Defendant Pani, the defense, and defense experts may copy any discovery materials other than the suspected trade secrets, confidential and proprietary information, and contraband provided by, taken from, or owned by Intel Corporation, or summaries thereof. None of the suspected trade secrets, confidential and proprietary information, and contraband provided by, taken from, or owned by Intel Corporation, or summaries thereof may be copied, and the government may verify that by reviewing the contents of any briefcases, folders, baggage, or other containers that

Defendant Pani, the defense, and defense experts have when they leave the FBI, which Defendant Pani, the defense, and defense experts hereby consent to. Defendant Pani, the defense, and defense experts may take notes concerning any discovery materials, including those that they may not copy, but those notes (including Defendant Pani's) must be stored at the defense's or the experts' offices according to procedures set forth below.

3. The defense and Defendant Pani shall use and maintain the discovery materials, including any copies or notes, as follows:

- a. The defense and Defendant Pani shall use the discovery materials solely and exclusively in connection with this case (including investigation, trial preparation, trial, and appeal), and not for any commercial or other purpose, including but not limited to the preparation or prosecution (including reexamination proceedings) or directing or assisting the preparation or prosecution of any patent application or patent license (whether governed by the United States or foreign patent laws). Additionally, any person who receives and/or reviews any discovery materials shall not participate, directly or in supervisory, strategic, consultative or advisory roles, or direct or assist any third party, in the preparation or prosecution (including reexamination proceedings) of any patent application or patent license (whether governed by the United States or foreign patent laws) relating to the architecture, microarchitecture, design, development, manufacture, fabrication, and/or process for any aspect of 32nm, 28nm, 22nm, 20nm and/or 64b microprocessor technology, including but not limited to circuitry, software

or firmware used in such microprocessor technology, from the time of receipt of such information through and including one year following the conclusion of this case, including the conclusion of any and all appeals associated with this case.

- b. The discovery materials shall be maintained by the defense at their law firm in a locked room and on one or more computers that are not connected to the Internet.
- c. A copy of this protective order shall be kept with the discovery materials at all times.
- d. The only people who may view the discovery materials shall be Defendant Pani, and any defense experts (as detailed below). Defendant Pani may access and view the discovery materials solely in the presence of counsel and under the direct supervision and control of counsel.
- e. In no event shall the defense or Defendant Pani disclose or describe any of the discovery materials to any other person or entity other than the government, Intel, or this Court. Should the defense or Defendant Pani need to disclose or describe any of the discovery materials to this Court, they shall do so under seal. Should the defense or Defendant Pani need to disclose or describe any of the discovery materials to any other court or during any other legal proceedings, it shall do so only with notice to the government and after gaining permission from this Court.

4. The defense and Defendant Pani may describe or provide the discovery materials to any expert retained by them, whether testifying or non-testifying, and those experts may

review the discovery materials, but only if:

- a. The defense and Defendant Pani discloses the expert's identity and resume to the government and the victim, Intel, fourteen days beforehand.

Notices to Intel shall be faxed to the attention of Robert Keefe, Esq., at Wilmer Hale. If the government or Intel objects during this fourteen-day period, the defense and Defendant Pani shall not disclose the discovery materials to the identified expert until this Court rules on the objections and the defense's response.

- b. The expert must sign a copy of this Order, and by doing so, agree to maintain the discovery materials in accordance with the above procedures as if the expert was a member of the defense, solely for the purpose of assisting the defense in this case, and not for any commercial or other purpose, including but not limited to the preparation or prosecution (including reexamination proceedings) or directing or assisting the preparation or prosecution of any patent application or patent license (whether governed by the United States or foreign patent laws).

Additionally, any person who receives and/or reviews any discovery materials shall not participate, directly or in supervisory, strategic, consultative or advisory roles, or direct or assist any third party, in the preparation or prosecution (including reexamination proceedings) of any patent application or patent license (whether governed by the United States or foreign patent laws) relating to the architecture, microarchitecture, design, development, manufacture, fabrication, and/or

process for any aspect of 32nm, 28nm, 22nm, 20nm and/or 64b microprocessor technology, including but not limited to circuitry, software or firmware used in such microprocessor technology, from the time of receipt of such information through and including one year following the conclusion of this case, including the conclusion of any and all appeals associated with this case.

- c. The procedures outlined above shall govern the expert's use, maintenance, disclosure, and safekeeping of the discovery materials, except that the expert may maintain the discovery materials and notes at their offices, but only under the same secure conditions provided above.
- d. The expert may not disclose the discovery materials to anybody other than the defense, Defendant Pani, or another expert who has satisfied the conditions in this paragraph and subparagraphs.

5. Defense counsel shall keep an up-to-date list of all counsel, staff, agents, and experts who have accessed this information or had it described to them.

6. Defense counsel shall promptly notify the government and this Court if any discovery materials are disclosed to anyone not designated by this Order or further order of the Court, either intentionally or unintentionally. Defendant Pani and any defense experts shall promptly notify defense counsel of any such disclosures.

7. At the end of these proceedings, Defendant Pani, the defense, and the defense

experts shall return the discovery materials to the government. Defense counsel may retain any notes made by Defendant, the defense, and defense experts under the conditions set forth above, or destroy them.

IT IS SO ORDERED.



LEO T. SOROKIN
UNITED STATES MAGISTRATE JUDGE

Date: *March 3, 2010*

Not Reported in F.Supp.2d, 2000 WL 554219 (E.D.La.)
(Cite as: 2000 WL 554219 (E.D.La.))



Only the Westlaw citation is currently available.

United States District Court, E.D. Louisiana.
In re PAPT LICENSING, GmbH, PATENT LITI-
GATION

No. MDL 1278.
May 4, 2000.

MEMORANDUM AND ORDER

[SEAR](#), District J.

Background

*1 On October 13, 1999, the Panel on Multi-District Litigation transferred to this Court four related patent cases from the Northern District of Illinois, the Northern District of California, the District of Columbia and the District of Delaware, pursuant to [28 U.S.C. § 1407](#). Each of the cases involve a number of patents and licensing agreements related to computer hard disk drives, licensed by Papst Licensing, GmbH and Georg Papst (“Papst parties”) to several hard disk drive manufacturers and their customers (“Non-Papst parties”).

All parties in the this multi-district litigation submit that a comprehensive protective order is necessary to protect the parties' confidential business, financial and technical information. The Papst and Non-Papst parties assert that they agree on most of the details of the proposed protective order. The parties, however, have not submitted to the Court a joint proposed protective order because the parties differ strongly on the issue of whether certain counsel with access to confidential information should be able to prosecute related patent applications.

The Non-Papst parties urge the Court to adopt a modified version of the protective order, entered on July 9, 1999, by the district court for the District of Columbia. That protective order includes the following provision:

Confidential Information of a Furnishing Party may be disclosed only to: Outside Counsel for any Receiving Party in the Proceeding, except any Welsh & Katz attorneys or employees who receive

Confidential Information under this Protective Order shall not prosecute, supervise or assist in the prosecution of any patent application on behalf of Georg Papst or Papst Licensing, GmbH or any entity related to Georg Papst or Papst Licensing, GmbH pertaining to the subject matter of the patents in suit during the pendency of this case and for one year after the conclusion of this litigation, including any appeals.

The Non-Papst parties argue that the provision is necessary because an unacceptable risk of inadvertent disclosure or misuse of the Non-Papst parties' confidential information arises from the participation of Papst parties' counsel in patent prosecution activities. In support of that assertion, the Non-Papst parties provide, among other documents, the following: (1) the declaration of Professor Martin J. Adelman, explaining a patent applicant or owner's ability to obtain new and broader exclusionary rights by adding additional claims to new, continuation-in-part, continuation and reissue patent applications and distinguishing between “new matter” and “new claims” in various patent application types; (2) a copy of portions of the transcript from a February 25, 1999 hearing in the Northern District of California in which Papst parties' counsel, Jerold B. Schnayer of Welsh & Katz, Ltd., testified as to a patent applicant or owner's ability to add additional claims to existing or pending patents so long as the basis of that new claim is not confidential information; and (3) a copy of a September 23, 1994 protective order stipulated to by Papst Licensing, GmbH, in its patent infringement suit against Western Digital Corporation, prohibiting persons with access to designated confidential prosecution bar information from prosecuting disk drive patent applications during the pendency of that suit and for one year after its conclusion.

*2 The Papst Parties oppose the adoption of the Non-Papst parties' proposed restriction, arguing that it unilaterally and unfairly restricts only counsel from Welsh & Katz without justification. The Papst parties assert that the Non-Papst proposal seeks merely to limit the Papst parties' choice of counsel. In support of that assertion, the Papst parties point out that the proposed provision allows counsel of the Non-Papst parties' direct competitors, who prosecute patents,

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(Cite as: **2000 WL 554219 (E.D.La.)**)

access to allegedly confidential information. Accordingly, the Papst parties argue that the only hardship the Non-Papst parties would suffer from a rejection of their proposal would be that the Papst parties' counsel of choice would be allowed to represent its long-time client in this litigation and in the prosecution of certain patent applications.

In addition to their opposition to the Non-Papst parties' proposal, the Papst parties submit their own proposed restriction:

Outside counsel of record having access to Confidential Information from any party in The Litigation, shall not draft, file or prosecute, or assist in the drafting, filing or prosecution of new patent applications or new continuation-in-part applications on behalf of the parties during the pendency of The Litigation before this District Court, during the pendency of the individual actions upon remand to their respective District Courts and for one calendar year thereafter. New patent applications and new continuation-in-part applications are those applications which contain new disclosures not contained in patent applications which are or were pending anytime before this Protective Order becomes effective.

The Papst parties assert that a similar restriction was adopted by the district court in the Northern District of California, after an evidentiary hearing in which that court determined that a restriction on Welsh & Katz attorneys only and over all existing patent prosecutions was unreasonable.

Discussion

[Rule 26\(c\) of the Federal Rules of Civil Procedure](#) allows a district court to “make any order which justice requires to protect a party or person from annoyance, embarrassment, oppression or undue burden or expense, including ... that a trade secret or other confidential research, development, or commercial information not be revealed or be revealed only in a designated way.” [Rule 26\(c\)](#) requires that the party seeking to protect allegedly confidential information show good cause for such an order. The good cause requirement of [Rule 26\(c\)](#) demonstrates that the burden is upon the movant to show the necessity for the issuance of a protective order. The Rule “ ‘contemplates a particular and specific demonstration of fact as distinguished from stereotyped and conclusory

statements.’ ” ^{FN1} Because the interest in protecting allegedly confidential information conflicts with the broad discovery mandate of [Rule 26\(b\)\(1\)](#), allowing access to all non-privileged information “reasonably calculated to lead to the discovery of admissible evidence,” the courts seek to balance these interests in determining a motion for protective order. ^{FN2}

[FN1. *In re Terra International, Inc.*, 134 F.3d 302, 305 \(5th Cir.1998\)](#) (quoting [United States v. Garrett](#), 571 F.2d 1323, 1326 n. 3 (5th Cir.1978)) (further citation omitted).

[FN2. See *Brown Bag Software v. Symantec Corp.*, 960 F.2d 1465, 1470 \(9th Cir.1992\).](#)

*3 Specifically, “the court must balance the risk of inadvertent disclosure against the risk that the protective order will impair the prosecution or defense of the other party's claims.” ^{FN3} In balancing these important competing interests, the court seeks to determine whether access to the confidential information creates “an unacceptable opportunity for inadvertent disclosure.” ^{FN4} In determining whether an unacceptable risk of inadvertent disclosure exists, the court must consider “the facts on a counsel-by-counsel basis, and cannot [make the determination] solely by giving controlling weight to the classification of counsel as in-house rather than retained.” ^{FN5}

[FN3. *Id.*](#)

[FN4. *U.S. Steel Corp. v. United States*, 730 F.2d 1465, 1468 \(Fed.Cir.1984\).](#)

[FN5. *Id.*](#)

The primary consideration in making this determination is whether the attorney with access to the confidential information is involved in “competitive decisionmaking,” that is, whether the attorney's “activities, association, and relationship with a client ... are such as to involve counsel's advice and participation in any or all of the client's decisions (pricing, product design, etc.) made in light of similar or corresponding information about a competitor.” ^{FN6}

[FN6. *Id.* at 1468 n. 3.](#)

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Several district courts have determined that competitive decisionmaking also includes advice and participation in prosecuting patent applications related to the patents in suit. For example, in *Mikohn Gaming Corp. v. Acres Gaming Inc.*,^{FN7} the district court for the District of Nevada addressed whether counsel's role as lead trial and patent prosecution counsel for the defendant created an unacceptable risk of inadvertent disclosure of the plaintiff's confidential information. Because that court determined that counsel's patent prosecution activities involved patents at issue in the suit, the court determined that the advice rendered by the defendant's counsel was "intensely competitive" and that the risk of inadvertent disclosure outweighed the impairment of the defendant's ability to litigate the suit, especially in light of the defendant's retainer of other experienced patent counsel.^{FN8} The court explained that

[FN7. 50 U.S.P.Q.2d 1783 \(D.Nev.1998\).](#)

[FN8. See *Mikohn*, 50 U.S.P.Q.2d at 1786.](#)

Were he given access to [the plaintiff's] technology, [counsel] would be in the "untenable position" of having to either refuse his client legal advice on competitive design matters or violate the protective order's prohibition against revealing [the plaintiff's] technical information.... No matter how much good faith [counsel] might exercise, it is unrealistic to expect that his knowledge of [the plaintiff's] secret technology would or could not influence the nature of his advice to [the defendant]. This is so whether the advice relates to a pending application or a future application....

"Attorneys who were to view [the plaintiff's] voluminous confidential information and then later prosecute the patents would have to constantly challenge the origin of every idea, every spark of genius. This would be a Sisyphean task, for as soon as one idea would be stamped "untainted," another would come to mind. The level of introspection that would be required is simply too much to expect, no matter how intelligent, dedicated, or ethical the ... attorneys may be."^{FN9}

[FN9. *Id.* \(quoting *Motorola, Inc. v. Interdigital Technology Corp.*, 1994 U.S. Dist. LEXIS 20714 \(D.Del.1994\)\).](#)

*4 Similarly, in *Interactive Coupon Marketing Group, Inc. v. H.O.T! Coupons, L.L.C.*,^{FN10} the Northern District of Illinois court ordered that all plaintiff's counsel privy to defendant's confidential information "shall not participate in the prosecution of any patent application for plaintiff relating to the subject matter of the patents in suit during the pendency of this case and for one year after the conclusion of this litigation, including appeals."^{FN11} Although the court found that competitive decisionmaking extends to "the manner in which patent applications are shaped and prosecuted," it cautioned that it is not appropriate "to disqualify patent prosecution from an active role in its client's litigation as a matter of course."^{FN12} The court reasoned that the appropriate inquiry was "whether the firm's prosecution activities are likely to be shaped by confidential information about competitors' technology obtained through the discovery process" and explained that "[t]he concern is whether the firm's involvement in developing a patent prosecution strategy will be informed by such information to the competitors' detriment."^{FN13}

[FN10. 1999 WL 618969 \(N.D.Ill.1999\).](#)

[FN11. *Interactive Coupons*, 1999 WL 618969 at *3.](#)

[FN12. *Id.*](#)

[FN13. *Id.*](#)

Here, after considering the parties' voluminous submissions, the determinations of the district courts to which the individual cases in this multi-district litigation shall be returned and the applicable case law, I find that the Non-Papst parties meet their burden of showing good cause for the proposed restriction. The risk of inadvertent disclosure of the Non-Papst parties' confidential information clearly outweighs the impairment, if any, of the Papst parties' ability to litigate this action. Despite the Papst parties' arguments to the contrary, it is clear that the advice and participation of the Papst parties' counsel in preparation and prosecution of patent applications related to the patents in suit is an intensely competitive decisionmaking activity and would be informed by access to the Non-Papst parties' confidential information. Counsel's ability to file new claims in existing and pending patents based on the confidential information discovered during the course of this liti-

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gation poses an unacceptable opportunity for inadvertent disclosure and misuse. Although the Court is confident that counsel for the Papst parties maintains the highest ethical and professional standards, the risk of inadvertent disclosure and misuse and the difficulty of distinguishing the source of the Papst parties' basis for filing new claims are great.

Furthermore, I find that the Non-Papst parties proposed restriction works the least burden on the parties involved in this multi-district litigation. The parties have operated under an identical restriction imposed by the District of Columbia court for many months, and numerous third parties have consented to the disclosure of their confidential information in express reliance on that restriction. To alter the restriction significantly after thousands of documents have been produced would likely create significant disputes and delays.

*5 Moreover, despite their numerous grounds for objecting to the Non-Papst parties' proposed restriction, the Papst parties fail to address the underlying risk of inadvertent disclosure or misuse and have not persuaded the Court that the Papst parties' ability to litigate the actions in this multi-district litigation will be substantially impaired. The Papst parties have stipulated to similar restrictions in other patent infringement cases and have continued to litigate this matter for months under the restrictions imposed by the July 9, 1999 D.C. protective order.

Accordingly, I find that the Non-Papst parties have met their burden of showing good cause for their proposed restriction and that the risk of advertent disclosure and misuse clearly outweighs the impairment, if any, on the Papst parties' ability to litigate this matter. Nevertheless, because the risk of inadvertent disclosure or misuse is identical whether counsel for the Papst parties is a member or associate of the Welsh and Katz firm or is inside or retained counsel, where the Papst parties' counsel with access to the information sought to be protected gives advice or participates in the prosecution of patents related to the patents in suit, the restriction applies to all counsel for the Papst parties prosecuting, supervising or assisting in the prosecution of patent applications related to the subject matter of the patents in suit. This restriction, however, applies only to information that embodies product design information which is classifiable as confidential and which is of the type

that can be included in a patent application and form the basis, or part of the basis for a claim or claims. Such information shall be designated "Confidential-Prosecution Bar Material."

Finally, the Papst parties fail to show good cause for their proposed restriction, limiting all counsel's ability to prosecute all new and continuation-in-part patents, regardless of their relation to the patents in suit. The Papst parties make no argument that any risk of inadvertent disclosure of the Papst parties' confidential information exists.

Accordingly,

IT IS ORDERED that the parties shall submit jointly to the Court on or before May 24, 2000, a proposed protective order, restricting the Papst parties' counsel, inside and retained, as well as their employees, with access to confidential prosecution bar materials, from prosecuting, supervising or assisting in the prosecution of any patent application on behalf of Georg Papst or Papst Licensing, GmbH or any entity related to Georg Papst or Papst Licensing, GmbH pertaining to the subject matter of the patents in suit during the pendency of this case and for one year after the conclusion of this litigation, including any appeals.

IT IS FURTHER ORDERED that the parties, in preparing the joint protective order, shall rely to the greatest extent possible on the July 9, 1999 D.C. protective order.

E.D.La.,2000.

In re Papst Licensing, GmbH, Patent Litigation
Not Reported in F.Supp.2d, 2000 WL 554219
(E.D.La.)

END OF DOCUMENT