IN THE UNITED STATES DISTRICT COURT

FOR THE WESTERN DISTRICT OF WISCONSIN

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PROMEGA CORPORATION,

Plaintiff,

v.

APPLERA CORPORATION and LIFECODES CORPORATION, and its SUBSIDIARIES CELLMARK DIAGNOSTICS, INC. and GENOMICS INTERNATIONAL CORPORATION,

Defendants.

OPINION and ORDER

01-C-244-C

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This is a civil action for patent infringement. Presently before the court is plaintiff Promega Corporation's "Motion to Compel Production of Damages Information, a Rule 30(b)(6) Deposition and for Costs and Fees." The motion seeks a laundry list of discovery materials that plaintiff alleges it has either never received or has received only in a flawed or unhelpful format. Specifically, plaintiff seeks to compel defendants to produce 1) complete and accurate sales database information for all accused products from 1997 to the present; 2) a definitive accounting of "production batches / manufacturing history" for accused products from 1997 to the present; 3) product line statements for the Applied Genetic Analysis and Genetic Analysis groups; 4) detailed information on costs, including "costed" bills of materials for the accused products from 1997 to the present; 5) a detailed accounting of intra-company

transfers from 1997 to the present; and 6) responsive witnesses for a proper Fed. R. Civ. P. 30(b)(6) deposition in Madison, Wisconsin, following production of the requested documents. Plaintiff asks also to be reimbursed for various costs. In opposing plaintiff's motion, defendants argue primarily that 1) plaintiff ignored this court's order requiring the parties to negotiate in good faith to resolve discovery disputes before filing a motion to compel; 2) defendants have already produced the materials that plaintiff seeks in its motion; and 3) the Rule 30(b)(6) witness they produced was suitably knowledgeable about the topics flagged in plaintiff's deposition notice. In addition, with respect to the issue of good faith, plaintiff seeks leave to file a short reply memorandum, a request I will grant.

A. Good Faith Negotiations

The preliminary pretrial conference order in this case instructs the parties not to file a motion regarding discovery until the moving party has made a good faith attempt to resolve the dispute. Any such attempt must include an advisal to the movant's opponent that a motion to compel will be filed if the dispute is not resolved and must provide the opponent a legitimate opportunity to respond to that advisal. In addition, the parties were warned that discovery motions must be filed promptly in the event that self-help fails. Defendants argue that plaintiff failed to meet and confer in good faith regarding the disputes addressed in plaintiff's motion to compel. In response, plaintiff points to a letter it sent defendants on June 28, 2002, in which it requested several categories of documents addressed by the present motion, including a "complete and accurate" record of sales, intra-company transfers, manufacturing history and costed bills of materials. Each of these requests is followed by a boilerplate

statement that defendants should notify plaintiff if they are unwilling to comply with the request "so that we may raise this issue with the Court." On July 18, 2002, defendants responded to plaintiff's June 28 letter. Defendants maintained that they had already produced some of the information plaintiff sought, agreed to produce certain other information and asked for a more detailed explanation of one request. Plaintiff never responded to defendants' July 18 letter. Instead, it waited two months, then filed the motion to compel presently before the court on September 19, 2002, a date less than two months before the scheduled trial date in this case.

Although plaintiff's boilerplate admonition to defendants that it might "raise [its various discovery requests] with the Court" may satisfy the letter of the preliminary pretrial conference order's directive to work in good faith to resolve discovery disputes, I am not convinced that plaintiff's refusal to respond to defendants' July 18 letter is in keeping with the spirit of the court's order. In addition, plaintiff's decision to wait two months after receiving defendants' July 18 letter before filing a motion with the court suggests that it did not act with the promptness required of the parties by the preliminary pretrial conference order. My consideration of plaintiff's motion will be necessarily colored by these shortcomings.

B. Sales Database Information

Defendants have produced three sales databases to plaintiff. Plaintiff objected to the first database because it was not organized to its liking. In response, defendants produced a second sales database organized on a transactional basis, as plaintiff requested. At a June 6, 2002 Rule 30(b)(6)

deposition of defendants, plaintiff revealed that it was experiencing difficulty reconciling the first and second databases. Defendants investigated plaintiff's complaint and discovered several reasons for the discrepancies between the two databases, including the inadvertent omission of a particular product (the Profiler Plus) from the second database. Defendants then produced a third database intended to address these problems. Plaintiff's June 28, 2002 letter to defendants asserts that the various databases still contain discrepancies, but does not explain the alleged discrepancies in any detail. For their part, defendants maintain that the three databases represent the best information available regarding transactionally grouped sales information. On the basis of the information contained in plaintiff's motion, I cannot conclude that defendants are withholding relevant transactional sales data from plaintiff. Accordingly, plaintiff's motion to compel production of complete and accurate sales database information for all accused products from 1997 to the present will be denied because I am not convinced that defendants have failed to produce this information, even if it is not in the ideal format plaintiff desires.

C. Accounting of Production Batches and Manufacturing History

Plaintiff seeks "a definitive accounting of production batches / manufacturing history for accused products from 1997 to present." Defendants contend that they have already supplied this information in a document Bates stamped APPL 095427 - 095431, a fact they pointed out in their unanswered letter to plaintiff dated July 18, 2002. Plaintiff counters that the document identified by defendants "does not appear to be from SAP [a specific database], but a separately generated document." Plaintiff does not

explain why it matters that the document in question was generated separately. Plaintiff also contends that "there is almost no useful information provided in this document, such as the size of the batches that were manufactured or the costs of that manufacture." The document turned over to plaintiff lists dates and quantities of specific products manufactured, making it unclear what plaintiff means when it alleges that the document does not contain information regarding the size of the production batches. Plaintiff does not explain why defendants should understand a request for a product's "manufacturing history" to include information relating to the product's cost. Plaintiff concludes that "the manufacturing document produced by Applera simply does not appear to be a definitive accounting of manufacturing production batches at Applera, and does not contain the information one would expect to exist in a large company like Applera." This type of generalized argument does not convince me that the information defendants have already produced is inadequate. Plaintiff's request will be denied.

D. Product Line Statements

Plaintiff seeks to compel the production of product line statements for defendants' Applied Genetic Analysis and Genetic Analysis business groups and contends that it has "repeatedly requested product line statements, including profit and loss statements, but Applera has so far refused to produce them, despite the fact that they clearly exist." Defendants argue that plaintiff made this request on June 6, 2002, that on June 18, 2002, defendants supplied plaintiff with product line statements for its accused products and instruments and that plaintiff never asked for further product line information until it filed the instant motion. Indeed, plaintiff's June 28, 2002 letter to defendants does not appear to raise the

issue of product line statements. In the absence of evidence that plaintiff has attempted to resolve this dispute without the court's intervention, I will not consider plaintiff's motion to compel product line statements.

E. Costed Bills of Materials

Plaintiff's allegations regarding costed bills of materials do not suggest that defendants have not turned over the requested document. Rather, plaintiff maintains that it "has no knowledge about how [the document] was created" and implies that defendants' lawyers created the document rather than producing materials generated by defendants themselves. I cannot agree that the document is lawyer-generated. With respect to costed bills of materials, defendants' July 18, 2002 letter notes that they have "produced the information that is stored in *Applera's* systems." (emphasis added). In addition, in the July 18 letter, defendants went on to ask plaintiff to "explain in greater detail Promega's specific needs regarding these documents." As noted above, plaintiff never responded to defendants' July 18 letter. Plaintiff has failed to demonstrate that the bills of materials information defendants have already produced is inadequate or that it worked in good faith with defendants to attempt to resolve this dispute. Specifically, plaintiff never responded to defendants' request for a more detailed description of the alleged inadequacies in the material already turned over. Accordingly, plaintiff's motion to compel production of additional costed bills of materials will be denied.

F. Intra-Company Transfers

Plaintiff demands a detailed accounting of intra-company transfers from 1997 to the present. Defendants maintain that with the exception of one product, all intra-company transfer information regarding the accused products was turned over as part of the second database and that information on the omitted product, the Profiler Plus, was turned over on July 30, 2002. Plaintiff counters that defendants have "not offered any explanation for why these intracompany transfers were excluded from two of the three sales databases." This is incorrect. In its July 18, 2002 letter, defendants argued that intra-company transfer information is irrelevant to plaintiff's damages calculation. Nevertheless, the letter explains that intra-company transfer information for all but one product was included in the second database. The letter continues,

> exclusion of these intra-company transfers form the third sales database occurred solely due to Promega's insistence on receiving a third sales database that matched the sales of the first database produced. Since the first database did not contain intra-company transfers, the search program that produced the third database was designed to exclude intra-company transfers as well.

Defendants then informed plaintiff that they would nevertheless produce information on intra-company transfers of the one product omitted from the second database. Therefore, it is unclear what further information plaintiff seeks. However, I note that defendants' July 18 letter hedges on the *accuracy* of the information on intra-company transfers they provided to plaintiff. In the letter, defendants note that due to a problem with a particular database, they "cannot represent that the number of intra-company transfers that are contained in the databases are accurate." Accordingly, I will order defendants either to verify the accuracy of the intra-company transfer information that they have already turned over to plaintiff or to supplement that information to the best of their ability to insure its accuracy.

G. Additional Rule 30(b)(6) Deposition

Plaintiff asks the court to compel defendants to produce responsive witnesses for an additional Fed. R. Civ. P. 30(b)(6) deposition in Madison, Wisconsin. Plaintiff maintains that defendants' Rule 30(b)(6) designee, Michael Rechsteiner, director of defendant Applera's Applied Genetic Analysis business unit, was both insufficiently knowledgeable and unprepared to address each of the ten topics flagged in plaintiff's deposition notice. Rechsteiner's deposition was taken on June 6, 2002. In response to plaintiff's complaint that Rechsteiner could not answer certain questions relating to topic eight in the deposition notice, the deposition was continued until June 20, 2002. Topic eight relates to "[i]nformation contained in the Applera sales database(s) produced by Applera in this lawsuit relating to the accused products." Plaintiff maintains that the June 20, 2002 deposition was also inadequate. On the basis of the parties' submissions, I am convinced that the June 20, 2002 deposition was less than totally adequate, both because defendants' designee could have been better prepared and because plaintiff's notice of what topics it intended to cover at the deposition was too generic. See Fed. R. Civ. P. 30(b)(6) (requiring party seeking to take deposition to describe "with reasonable particularity the matters on which examination is requested").

Accordingly, I conclude that plaintiff is entitled to an additional Rule 30(b)(6) deposition. However, before the deposition takes place, plaintiff's deposition notice must first describe with greater particularity the information it seeks to obtain during the deposition. Defendants should then produce a witness or witnesses adequately prepared to address the specific topics plaintiff identifies. Plaintiff is to keep its expectations realistic. For instance, it appears unrealistic to expect a deponent to be

intimately familiar with the details of every individual transaction described in a database. For their part, defendants must adequately prepare for the deposition, even if that means producing multiple witnesses to address the topics identified by plaintiff. It is up to the parties to determine the time and the location of the deposition, but because the trial date in this case is looming, the parties should act quickly. Finally, on the basis of the foregoing I conclude that plaintiff's request for discovery-related costs is unwarranted.

ORDER

IT IS ORDERED that

1. Plaintiff Promega Corporation's request to file a reply memorandum is GRANTED;

2. Defendants must either a) verify the accuracy of the intra-company transfer information already turned over to plaintiff or b) supplement that information to the best of their ability to insure its accuracy;

3. Plaintiff is entitled to an additional Rule 30(b)(6) deposition consistent with this order; and

4. Plaintiff's "Motion to Compel Production of Damages Information, a Rule 30(b)(6) Deposition and for Costs and Fees" is DENIED in all other respects.

Entered this 27th day of September, 2002.

BY THE COURT:

BARBARA B. CRABB
District Judge