

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN

INNOGENETICS, N.V.,

Plaintiff,

v.

ABBOTT LABORATORIES,

Defendant.

ORDER

05-C-0575-C

This is a patent infringement case brought by Innogenetics N.V. against Abbott Laboratories for what it contends was Abbott's willful infringement of Innogenetics' U.S. Patent No. 5,864,704 ("the '704 patent"), entitled "Process for Typing of HCV Isolates." In defense, Abbott has alleged that its products do not infringe the '704 patent, the '704 patent is invalid and the '704 patent was unenforceable because of Innogenetics' alleged inequitable conduct before the United States Patent Office while prosecuting the application which ultimately issued as the '704 patent. On July 17, 2006, Judge Crabb entered an order dismissing the inequitable conduct claim; on August 11, 2006, she entered an order construing the claims of the '704 patent and denying defendant's motion for summary judgment on its claims of noninfringement and invalidity. Trial begins two weeks from today, August 28, 2006, on the remaining issues of infringement and invalidity.

Before the court is defendant Abbott's motion to compel Innogenetics to produce documents relating to the preparation or prosecution of the '704 patent and foreign

counterparts of the '704 patent family originating from or sent to Ann DeClercq, Philippe Jacobs, Charles Muserlian and Cathrine Grosset-Fournier. DeClercq and Jacobs were patent officers who worked in Innogenetic's patent department during the relevant time period; Muserlian and Grosset-Fournier were Innogenetic's outside patent lawyers. Innogenetics has withheld these documents from production on the ground that they are protected by the attorney-client privilege. Abbott challenges Innogenetics' designation of these documents as privileged and asks this court to order their production or to review them *in camera* against Innogenetics' claim of privilege.

Innogenetics opposes production on two grounds: 1) none of the documents sought by Abbott are relevant to the issues remaining in the case; and 2) the documents are protected by the attorney client privilege.

As explained below, I am ordering Innogenetics to produce the documents for *in camera* review. Although I agree with Innogenetics that the documents appear to have marginal, if any, relevance to the issues remaining in this case, in an abundance of caution I will review them to assess whether they may properly be withheld.¹

¹ I am not persuaded that the court's dismissal of the inequitable conduct claim vitiates Abbott's stated basis for seeking the documents or somehow estops Abbott from persisting in its motion, which it filed before that dismissal. As Abbott points out, when it initially filed the motion, it did not state that the documents were *only* relevant to the inequitable conduct claim; rather, it stated that the sought-after documents were relevant to "various issues in this case *including* the issue of inequitable conduct."

Also unpersuasive is Abbott's claim that Innogenetics waived its right to assert the attorney-client privilege by "selectively disclosing" certain records, and Innogenetics' claim that Abbott's motion to compel is untimely.

In reaching my decision, I have considered the unsolicited reply submitted by Abbott and Innogenetic's response to that reply. Also, in light of Judge Crabb's recent order construing the claims, I have considered the documents' potential relevance only as to infringement and invalidity.

DISCUSSION

Rule 26(b)(1) of the Federal Rules of Civil Procedure provides that a party "may obtain discovery regarding any matter, not privileged, that is relevant to the claim or defense of any party . . . ". Relevance under Rule 26(b)(1) is construed more broadly for discovery than for trial, *Truswal Systems Corp. v. Hydro-Air Engineering*, 813 F.2d 1207, 1211 (Fed. Cir. 1987), and relevant information need not be admissible if it appears reasonably calculated to lead to the discovery of admissible evidence.

Innogenetics contends that evidence showing how Innogenetics' patent prosecutors or inventors assessed the potential invalidating effects of prior art with respect to the '704 patent and its European counterparts is simply not relevant to determining the validity of the patent. I disagree. The documents sought by Abbott could lead potentially to admissible evidence concerning what a person of ordinary skill in the art would have understood ambiguous terms in prior art references to mean or to evidence that could impeach Innogenetics insofar as it contends that the invention disclosed in the '704 patent is novel. *See, e.g., Telemac Cellular Corp. v. Topp Telecom, Inc.*, 296 F.3d 1316, 1328-29 (Fed. Cir.

2001) (in finding that plaintiff's patent was invalidated as anticipated, court relied on plaintiff's own documents to find that feature not explicitly disclosed by prior art reference was inherent). In addition, the documents could lead Abbott to additional invalidating prior art references that it has not yet discovered.² This is true even of the documents related solely to the prosecution of the European counterpart to the '704 patent. The fact that Abbott does not intend to rely on the parallel European prosecution in order to prove the invalidity of the '704 patent does not mean that documents generated in connection with that prosecution are not reasonably likely to contain prior art evidence that could be admissible. Accordingly, although Abbott's perfunctory arguments in support of relevance are far from compelling, they are sufficient to get it over the low threshold imposed by Rule 26(b)(1).

II. Attorney-Client Privilege

The Court of Appeals for the Seventh Circuit has adopted the formulation of the attorney-client privilege as summarized by Dean Wigmore:

(1) Where legal advice of any kind is sought (2) from a professional legal adviser in his capacity as such, (3) the communications relating to that purpose, (4) made in confidence (5) by the client, (6) are at his instance permanently protected (7) from disclosure by himself or by the legal adviser, (8) except the protection be waived.

² Although with trial only 14 days hence, one would expect that Abbott already identified the prior art on which it intends to establish its claim of invalidity.

United States v. Evans, 113 F.3d 1457, 1461 (7th Cir. 1997) (citing 8 Wigmore, Evidence in Trials at Common Law § 2292 (John T. McNaughton rev. 1961)). As the party invoking the privilege, Innogenetics bears the burden of proving all of its essential elements. *Id.*

Innogenetics is a Belgian Corporation headquartered in Ghent, Belgium. Grosset-Fournier is a European patent lawyer who was responsible for drafting two priority applications filed with the European Patent Office and an international application filed under the Patent Cooperation Treaty (commonly referred to as a “PCT application”).

DeClercq is a former patent officer employed by Innogenetics who worked closely with Grosset-Fournier drafting the two priority applications and the PCT application. DeClercq worked under the guidance and supervision of Grosset-Fournier, who served as DeClercq’s mentor for the purpose of qualifying her to seek admission to the European patent bar. During preparation of the two priority applications and the PCT application, DeClercq and Grosset-Fournier spoke daily by telephone and met monthly; DeClercq would convey her own thoughts as well as feedback DeClercq had received from the inventors concerning drafts of patent documents that she had forwarded to them for their review. Although Grosset-Fournier had primary responsibility for preparing drafts, it appears that DeClercq, in addition to serving as the liaison between Grosset-Fournier and the inventors, also engaged in substantive drafting. *See* Dep. of Ann DeClercq, March 22, 2006, dkt. #130, Exh. 22, at 15.

DeClercq independently was responsible for prosecuting the European counterpart to the '704 patent. She was not a fully qualified European patent attorney until October 1997.

Muserlian was the United States patent attorney retained by Innogenetics to prosecute its application before the United States Patent Office. Jacobs was a non-attorney patent officer employed by Innogenetics who was involved in the prosecution of the '704 patent in connection with the United States prosecution.

The documents that Innogenetics is withholding from production can, with a few exceptions, be broadly described as "draft" documents, including prior art references, prepared by Innogenetics' internal patent officers (DeClercq and Jacobs) and its outside attorneys (Grosset-Fournier and Muserlian) in anticipation of the filing of the two priority applications, the PCT patent application and the United States application. Although some of the documents have been described in the privilege logs as having been prepared "in order to obtain/provide legal advice," Innogenetics has asserted the attorney-client privilege for a large number of documents bearing no such description. In fact, Innogenetics has asserted the privilege for a large number of draft documents from Grosset-Fournier's and DeClercq's files which bear no outward indication that they ever were communicated to anyone, much less conveyed for the purpose of seeking legal advice. Innogenetics contends that any draft patent document reflects implicitly the communications between Innogenetics and its

attorneys and is therefore privileged, even absent any explicit indication that such document conveyed a request for or provided requested legal advice.

Innogenetics draws support for its position from the Federal Circuit's decision in *In re Spalding Sports Worldwide, Inc.*, 203 F.3d 800 (Fed. Cir. 2000). In that case, the court determined that an invention record, a document sent by the inventors to the corporate legal department for the purpose of seeking advice concerning the patentability of the invention or for legal services in preparing a patent application, was privileged in its entirety even though it contained technical information including a listing of prior art. In doing so, the court noted its disagreement with other courts which had found that, because the attorney acts as a mere "conduit" between his client and the Patent and Trademark Office, technical information communicated to any attorney and documents relating to the prosecution of patent applications are non-privileged. *Id.* at 806 n.3 (citing cases). The court emphasized that the invention record at issue, though containing technical information, was communicated to an attorney primarily for the purpose of obtaining legal advice. *Id.* at 805 ("the central inquiry [in determining applicability of attorney-client privilege] is whether the communication is one that was made by a client to an attorney for the purpose of obtaining legal advice or services").

Although some courts have declined to extend the holding of *In re Spalding* beyond invention records, *see, e.g., Fordham v. Onesoft Corp.*, 2000 WL 33341416, *2 (E.D. Va. Nov. 6, 2000), other courts have reasoned that drafts of the patent application are privileged to

the extent “[a] draft necessarily reflects the communications between a client and his attorney as the attorney attempts to put forth the invention the best light possible to protect a client’s legal right.” *McCook Metals LLC v. Alcoa Inc.*, 192 F.R.D. 242, 252-53 (N.D. Ill 2000).

In this case, the fairest and most efficient approach is to review the contested documents *in camera*. If it appears that a document was conveyed from DeClercq or anyone else at Innogenetics to one of Innogenetics’ outside patent lawyers for the purpose of obtaining legal advice concerning the preparation of the priority or patent applications at issue, or was prepared by the outside patent lawyers in response to such a request, then I will deem it privileged. I am not willing to assume that any document in DeClercq’s file “must have” been communicated to Grosset-Fournier via diskette, as Innogenetics suggests. *See* Plt.’s Br. In Opp. to Mot. to Compel, dkt. #143, n.7. Simply because DeClercq was working in tandem with Grosset-Fournier does not mean that everything she did in connection with these applications can be classified as protected by the attorney-client privilege. Innogenetics bears the burden of establishing that all of the elements of the privilege are met.

ORDER

IT IS ORDERED that:

1. Defendant's motion for leave to file a reply brief in support of its motion to compel discovery is GRANTED; plaintiff's informal request to file a sur-reply is also GRANTED.
2. Plaintiff Innogenetics shall provide copies of the documents identified in defendant's amended motion to compel, dkt. 138, to the court *ex parte* for *in camera* review. Plaintiff must file these documents no later than the close of business on Wednesday, August 16, 2006.

Entered this 14th day of August, 2006.

BY THE COURT:

/s/

STEPHEN L. CROCKER

Magistrate Judge