

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

NUVASIVE, INC.,
Plaintiff,
v.
ALPHATEC HOLDINGS, INC., ET
AL.,
Defendant.

Case No.: 18-cv-0347-CAB-MDD

**ORDER ON JOINT MOTON FOR
DETERMINATION OF
DISCOVERY DISPUTE**

[ECF NO. 117]

Before the Court is the Joint Motion of the parties for determination of a discovery dispute filed on October 19, 2018. (ECF No. 117). This is a patent case and the joint motion presents Defendant Alphatec’s motion to compel further responses to eleven requests for production of documents and three interrogatories.

LEGAL STANDARD

The Federal Rules of Civil Procedure authorize parties to obtain discovery of “any nonprivileged matter that is relevant to any party’s claim or defense and proportional to the needs of the case” Fed. R. Civ. P. 26(b)(1). “Information within the scope of discovery need not be admissible in

1 evidence to be discoverable.” *Id.* District courts have broad discretion to
2 limit discovery where the discovery sought is “unreasonably cumulative or
3 duplicative, or can be obtained from some other source that is more
4 convenient, less burdensome, or less expensive.” Fed. R. Civ. P. 26(b)(2)(C).

5 An interrogatory may relate to any matter that may be inquired of
6 under Rule 26(b). Fed. R. Civ. P. 33(a)(2). The responding party must
7 answer each interrogatory by stating the appropriate objection(s) with
8 specificity or, to the extent the interrogatory is not objected to, by
9 “answer[ing] separately and fully in writing under oath.” Rule 33(b). The
10 responding party has the option in certain circumstances to answer an
11 interrogatory by specifying responsive records and making those records
12 available to the interrogating party. Rule 33(d).

13 Similarly, a party may request the production of any document within
14 the scope of Rule 26(b). Fed. R. Civ. P. 34(a). “For each item or category, the
15 response must either state that inspection and related activities will be
16 permitted as requested or state an objection to the request, including the
17 reasons.” Rule 34(b)(2)(B). If the responding party chooses to produce
18 responsive information, rather than allow for inspection, the production must
19 be completed no later than the time specified in the request or another
20 reasonable time specified in the response. *Id.* An objection must state
21 whether any responsive materials are being withheld on the basis of that
22 objection. Rule 34(b)(2)(C). An objection to part of a request must specify the
23 part and permit inspection or production of the rest. *Id.* The responding
24 party is responsible for all items in “the responding party’s possession,
25 custody, or control.” Rule 34(a)(1). Actual possession, custody or control is
26 not required. Rather, “[a] party may be ordered to produce a document in the
27 possession of a non-party entity if that party has a legal right to obtain the

1 document or has control over the entity who is in possession of the
2 document.” *Soto v. City of Concord*, 162 F.R.D. 603, 620 (N.D. Cal. 1995).

3 **DISCUSSION**

4 A. **REQUESTS FOR PRODUCTION (“RFPs”)**

5 1. **RFP No. 1**

6 Alphatec requests the production of all information produced by
7 Plaintiff NuVasive in any opposition, litigation, patent office or other
8 proceedings relating to the validity, enforceability, infringement and other
9 aspects of the patents-in-suit. NuVasive’s objection that the term “produced”
10 is vague, is frivolous. NuVasive responded that it has responsive information
11 but only in electronic format and has invited Alphatec to meet and confer
12 regarding that information.

13 This Court subscribes to the view expressed in Principle No. 6 of the
14 Sedona Principles:

15 Responding parties are best situated to evaluate the procedures,
16 methodologies, and technologies appropriate for preserving and
17 producing their own electronically stored information.

18 *The Sedona Principles, Third Edition*, 19 SEDONA CONF. J. 1, Principle 6,
19 118 (2018). The Court also subscribes to Principles 1 and 3 which provide
20 that electronic discovery is generally subject to the same discovery
21 requirements as other relevant information and that the parties should seek
22 to reach agreement regarding production of electronically stored information.
23 *Id.* at 56, 71.

24 The parties refer to the Court’s Model Order Governing Discovery of
25 Electronically Stored Information in Patent Cases appended to the Patent
26 Local Rules. Although the applicability of the Model Order was discussed in
27 the parties’ Joint Discovery Plan, no version of the Order, or any Order

1 governing ESI production, appears to have been filed or granted by the Court.
2 Accordingly, the provisions of the Model Order are not relevant.

3 The result is that NuVasive is obligated to search its data, collect and
4 produce relevant, non-privileged information even without input from
5 Alphatec. NuVasive cannot delay production because Alphatec declines to
6 offer search terms. Alphatec, on the other hand, runs the risk that by not
7 participating in the process, any challenge it may raise to the reasonableness
8 of NuVasive's search may be viewed with some skepticism. NuVasive's
9 objections are overruled.

10 2. RFP No. 2

11 Alphatec seeks production of information regarding any transfer of
12 rights, assignment, license, proposed license, offer to assign or license, sale,
13 offer to sell, request for license, grants of rights, covenants not to sue,
14 indemnities, agreements not to assert patent rights, or settlements NuVasive
15 entered into the field of spinal fusion surgery, including but not limited to,
16 with respect to any of the patents-in-suit, any patent application leading to
17 the patents-in-suit, any related patent applications and patents, any foreign
18 counterparts, and/or any embodying product.

19 NuVasive, in response, has agreed to produce all executed patent
20 license agreements in the field of spinal fusion surgery and to produce
21 executed agreements, "however titled, responsive to this request that related
22 to the patents-in-suit or related patents." (ECF No. 117 at 22).¹ Alphatec
23 believes that it is entitled to more and that the information is relevant to
24 damages. The Court finds that NuVasive's agreement is sufficient to provide

25
26
27 ¹ The Court will refer to page numbering supplied by CM/ECF rather than original
pagination throughout.

1 Alphatec what it needs. The Court finds that draft offers and draft licenses
2 need not be produced. The Court is not convinced of the relevance of draft
3 documents nor convinced that the effort of finding them is proportional to the
4 needs of the case.

5 NuVasive also has agreed to contact third parties implicated by these
6 disclosures to the extent that the agreements to be produced have
7 confidentiality clauses. Issues regarding such disclosures are not properly
8 before the Court at this time. Alphatec's motion to compel a further
9 response, beyond NuVasive's agreement is denied. To the extent this
10 information is stored electronically, NuVasive is not relieved of its obligation
11 to collect, analyze and produce such information that is responsive, relevant
12 and non-privileged.

13 3. RFP No. 3

14 This RFP is related to RFP No. 2. Alphatec seeks production of
15 documents reflecting payments made by sale or royalty for the agreements
16 produced in connection with RFP No. 2. NuVasive has agreed to produce this
17 information consistent with its agreement to produce the underlying
18 agreements. Alphatec complains that NuVasive intends to produce this
19 information in a summary format as opposed to the actual transaction
20 documents. The Court finds that a summary production is sufficient at this
21 time. If Alphatec, after receipt and review of the summary documents is
22 unsatisfied, the parties must meet and confer and agree on a number of
23 transactions for which NuVasive will produce the underlying documentation
24 to verify that the summary provided is accurate. NuVasive also has agreed
25 to contact third parties implicated by these disclosures to the extent that the
26 agreements to be produced have confidentiality clauses. Issues regarding
27 such disclosures are not properly before the Court at this time. To the extent

1 this information is stored electronically, NuVasive is not relieved of its
2 obligation to produce such information.

3 4. RFP No. 5

4 Alphatec requests that NuVasive produce all documents,
5 communications, and things concerning NuVasive's retention of, agreements
6 with, and/or payments to surgeons in the field of spinal fusion surgery,
7 including but not limited to the surgeons NuVasive identified in its
8 preliminary injunction briefing and supporting declarations in this case.
9 NuVasive objects primarily for relevance but has agreed to produce executed
10 agreements with surgeons identified in its preliminary injunction briefing.

11 The Court has reviewed the operative First Amended Complaint (ECF
12 No. 110), the Answer to the First Amended Complaint (ECF No. 114),
13 Alphatec's Amended Counterclaims (ECF No. 125), and the relevant
14 preliminary injunction briefing (ECF No. 77). The Court finds that Alphatec
15 has not demonstrated the relevance of the requested documents to any claim
16 or defense currently extant. NuVasive did refer to certain surgeon
17 agreements in its preliminary injunction briefing. NuVasive's agreement to
18 produce the agreements with these surgeons is sufficient, considering that
19 the preliminary injunction was denied by the Court. At this point, the case
20 involves allegations of patent infringement and responsive claims of
21 invalidity. There are no claims regarding contractual interference with
22 surgeons. Alphatec's motion to compel a further response, beyond that
23 promised by NuVasive, is denied.

24 5. RFP No. 6

25 Alphatec requests that NuVasive produce all documents regarding the
26 Society of Lateral Access Surgery. Alphatec claims that these documents are
27 relevant to issues regarding why surgeons use NuVasive products. NuVasive

1 asserts objections primarily based upon relevance. NuVasive agrees that it
2 must produce, in connection with other RFPs, documents reflecting
3 marketing and outreach, but assert that all documents regarding the Society
4 is hopelessly overbroad. The Court agrees that Alphatec has not adequately
5 demonstrated relevance and, in any event, requesting production of “all
6 documents,” without any obvious connection to any claim or defense and only
7 a tenuous connection to damages, is overbroad.

8 6. RFP No. 7

9 Alphatec requests that NuVasive produce all documents,
10 communications, and things concerning any government investigation of
11 NuVasive regarding sales, marketing, and/or payments to surgeons in the
12 field of spinal fusion surgery. NuVasive objects for relevance. Alphatec has
13 not demonstrated the relevance of a 2015 government investigation of
14 NuVasive’s sales and marketing practices to the claims and defenses in this
15 case. Alphatec’s allegedly infringing products were not introduced into
16 commerce until years later. NuVasive’s relevance objection is sustained.

17 7. RFP No. 8

18 Alphatec requests that NuVasive produce all documents,
19 communications, and things concerning the ownership, including any
20 assignments, of the patents-in-suit. NuVasive asserts that it has produced
21 all ownership documents regarding the patents-in-suit, including patent
22 assignments and has nothing else to produce. Alphatec is unsatisfied with
23 that response but has not identified anything specific that may be missing.
24 No further response is required from NuVasive.

25 8. RFP No. 11

26 Alphatec requests that NuVasive produce all documents,
27 communications, and things concerning NuVasive’s analysis or projections

1 regarding the financial impact and duration on NuVasive's business of the
2 alleged infringement of each of the patents-in-suit by Alphatec.

3 To some extent, this dispute is similar that addressed by the Court
4 regarding RFP No. 1. The information is relevant. NuVasive cannot decline
5 to produce relevant, non-privileged information in its possession because it is
6 electronically stored or because Alphatec has not suggested a custodian or
7 search terms. It is up to NuVasive to identify relevant custodians and use a
8 reasonable method to search its data for responsive information. And, to the
9 extent NuVasive produces summary information, and Alphatec expresses a
10 legitimate concern regarding its accuracy, the parties should agree on the
11 production of certain underlying data to verify the summary data provided.

12 9. RFP No. 12

13 Alphatec requests that NuVasive produce all documents,
14 communications, and things concerning or comprising any financial
15 documents, including but not limited to, budget forecasts and competitive
16 analyses, concerning the patents-in-suit, any accused product, any embodying
17 product, or any competing product. This RFP presents virtually identical
18 issues as addressed in connection with RFP No. 11, above. The same
19 analysis and rulings holds here.

20 10. RFP Nos. 14 and 15

21 Alphatec requests that NuVasive produce all materials that have been
22 made by, reviewed by, or provided to any witness who has provided testimony
23 in or may be called to testify as a witness in this case and all materials
24 relating to facts or data considered by any witness who has provided
25 testimony in or will testify in this case. NuVasive has agreed to produce all
26 documents referenced by any witness in any filing in this case but otherwise
27 argues that the requests are overbroad. The Court agrees. Disclosure of

1 facts and data relied upon by expert witnesses is governed by Rule
2 26(a)(2)(B)(ii), Fed. R. Civ. P., and the Court expects full compliance in that
3 regard. Otherwise, the requests are overbroad and not enforceable.

4 B. INTERROGATORIES

5 1. Interrogatory No. 6

6 Alphatec asks NuVasive, for each asserted claim of the patents-in-suit,
7 to identify and describe any investigations, evaluations, or opinions relating
8 to the validity, patentability, and/or enforceability of such claim, whether
9 performed by NuVasive or any other entity; identify all persons with
10 knowledge of such investigations, evaluations, or opinions; identify the
11 persons most knowledgeable regarding such investigations, evaluations, or
12 opinions; and identify all documents concerning the results, whether
13 preliminary, interim, or final, of such investigations, and/or containing such
14 evaluations or opinions.

15 The primary dispute here is over NuVasive's assertions that it has
16 provided all investigations, evaluations or opinions relating to validity,
17 patentability and enforceable that have been specifically commissioned or
18 undertaken by NuVasive or on its behalf. Alphatec asserts that the phrasing
19 suggests that NuVasive is hiding something. Without more, the Court finds
20 NuVasive's response sufficient in that regard.

21 A secondary dispute is over NuVasive's use of Rule 33(d) to respond, in
22 part, to this Interrogatory. Although the reference is lengthy, Alphatec's
23 challenge appears perfunctory and NuVasive's explanation regarding the
24 sufficiency of the Rule 33(d) references adequate. To the extent that relevant
25 documents may be publicly available, a party is not relieved of the
26 requirement of producing such documents as may be in the party's
27 possession. If NuVasive has copies of the relevant documents, they must be

1 produced.

2 A tertiary dispute is that NuVasive did not specifically identify “all
3 persons” with knowledge of the investigations, and identify “persons most
4 knowledgeable” about the investigations. The request to identify “all” of
5 anything, under these circumstances, is overbroad on its face. And,
6 NuVasive’s response that the persons identified in the Rule 33(d) documents
7 are those with knowledge, is sufficient.

8 2. Interrogatory No. 7

9 Alphatec asks NuVasive to identify all prior art and documents,
10 communications, or things potentially constituting prior art of which
11 NuVasive is aware for each of the patents-in-suit, any patent application
12 leading to the patents-in-suit, any related patent applications and patents,
13 and any foreign counterparts; identify all persons with knowledge regarding
14 such prior art and potential prior art; and identify the persons most
15 knowledge regarding such prior art and potential prior art.

16 NuVasive asserts that it has identified all prior art of which it is aware.
17 The dispute is over the way NuVasive said it to Alphatec – that it had not
18 intentionally withheld any prior art from the U.S. Patent and Trademark
19 Office. With NuVasive’s current clarification, there appears no real dispute
20 here. Alphatec challenges NuVasive’s use of Rule 33(d) but without specifics
21 and challenges NuVasive’s direction that relevant documents are publicly
22 available in the patent proceedings of the relevant patents. The fact that
23 documents may be publicly available does not relieve a party of producing
24 such documents as may be in the party’s possession. If NuVasive has copies
25 of the relevant documents, they must be produced. The Court also finds that
26 NuVasive need not respond to the Interrogatory to the extent it calls for the
27 identification of “all persons” with knowledge of the prior art or most

1 knowledgeable about it. Prior art can be, and this case most likely is, rather
2 extensive and it is an undue burden for a party to have to determine who, in
3 the wide world of spinal fusion surgery, may have knowledge of or be “most
4 knowledgeable” about that art.

5 **CONCLUSION**

6 Defendant’s motion to compel further responses to Requests for
7 Production 1-3, 5-8, 11, 12, 14, and 15, and Interrogatories 6 and 7, as
8 presented in this Joint Motion, is **GRANTED IN PART AND DENIED IN**
9 **PART**. To the extent that the Court has ordered further responses, Plaintiff
10 must serve such responses no later than 30 days after the filing of this Order,
11 absent a contrary agreement of the parties or further Order of the Court.

12 Dated: December 13, 2018



13 Hon. Mitchell D. Dembin
14 United States Magistrate Judge

15
16
17
18
19
20
21
22
23
24
25
26
27