

ITC Discovery: Issues, Strategies, and Pitfalls

Panelists:

Robert K. Rogers, Jr. – Steptoe & Johnson LLP

Charles M. McMahon – Brinks Gilson & Lione

Kris Dawes – Broadcom Corporation

Moderator:

Ross R. Barton, Alston & Bird LLP

Rules for Discovery

- Commission Rules, such as § 210.28 (depositions), § 210.29 (interrogatories), § 210.30 (RFPs), and § 210.31 (RFAs)
 - Commission Rules set presumptive limits (20 depositions, 175 interrogatories); can be modified by stipulation of by the ALJ
- Ground Rules akin to a District Court's local rules supply further granularity
 - Ground Rules can either greatly reduce, or greatly increase the cost of an Investigation.
- Ignore at your peril
 - The ALJs and the Commission are not afraid to strictly enforce the Commission Rules and the Ground Rules of the various ALJs

Scope

- Broad discovery available
 - Respondents – particularly first-time respondents, often struggle with breadth of available discovery
 - Unlike some district courts where the Court might require the plaintiff to define the scope of the accused products up front, the ITC tends to permit broad discovery within the scope of the notice of investigation
- Can lead to a significant imbalance at the beginning of a case that favors a Complainant

Pace and Timing

- Breakneck pace that often starts on day the investigation is instituted
 - Common tactic is to be the first one out of the gates to serve discovery and catch the other side “on their heels” and to keep them there
 - During the month between the filing of the Complaint and the Notice of Institution, parties should be preparing outbound discovery requests and preparing production of certain core documentation
 - Complainant: File histories, conception documents and inventor notebooks, reduction to practice documentation, technical materials (specifications, schematics, source code) if any, and economic nexus materials
 - Respondent: Technical materials, importation documentation, licenses, supplier, pricing information
- Goal during early phase of discovery is to give yourself the breathing room needed to do the technical analysis

Electronic Discovery

- Electronic discovery issues usually dealt with by stipulation
 - Not unusual to see email stipulated to be unnecessary to produce unless a showing made or if the parties designate a specific procedure for seeking email discovery
 - Due to absence of damages issues in an ITC investigation, emails are generally less likely to be relevant in the ITC
- “Clawback” provisions for inadvertent production of privileged materials are also typical
- Not all Judges will give force to stipulations between the private parties; proceed with caution

Third-Party Discovery

- Instead of being issued by a private party, must file ex parte application to ALJ for the issuance of a subpoena (§ 210.32)
 - Most ALJs move very quickly on these applications and will turn around in a day or two
 - After receiving subpoena, serve on third-party and begin negotiation
 - Only appropriate for domestic entities or foreign entities with domestic presence
- Foreign third-party discovery more complex, and much more time consuming

Third-Party Discovery

- Foreign third-party discovery procedure
 - Must first request (via motion) that the ITC make a formal request for judicial assistance to a US federal court to issue a letter of request under the Hague Convention
 - Multi-tiered process that can take months once it hits the federal court system (particularly the D. DC)
 - Often takes longer than the period of fact discovery, or potentially even the investigation
 - Depending on the foreign country, may have essentially no effect even if duly and properly issued

Third-Party Discovery

- Reality of the situation is that the third-parties may have more power than the private parties to the Investigation
 - Rule 210.27(d)(4) may be used to limit where “discovery outweighs its likely benefit”
 - Willingness to work with the third-party to narrow the scope of the subpoena or to make it as unburdensome as possible is going to be far more effective than hollow threats of enforcement
 - In practice, the likelihood that the subpoenaed third-party will one day be in an ITC proceeding dramatically impacts their cooperativeness
 - Some companies are so used to third-party discovery requests that they have standard policies regarding how to handle subpoena
 - Not uncommon for third-parties to insist on supplemental protective orders to deal with source code production, inspection, and use as trial exhibits
- Need to think long and hard about what third-party discovery you need and whether you can get it in the time you have

Depositions

- Can take up a substantial amount of time
 - Although presumptively limited to “20 fact depositions,” each notice for a corporation to designate deponents (*i.e.*, FRCP 30(b)(6)) “counts as one deposition and includes all corporate representatives so designated to respond”
 - Very common to see corporate notices with 50+ topics, and in cases with numerous patents, can result in a large number of depositions
 - Factor in translations for foreign witnesses, and the result can be *weeks* of depositions per party

Disputes

- Certain ALJs require the parties to engage in a periodic Discovery Committee (DCM)
 - DCM is composed of the lead counsel from each party, and the Staff if it is a party
 - Meet every other week to solve any pending discovery disputes
- Can be a time consuming exercise, but if parties use the DCMs to actually strike compromises instead of posturing for motions practice, can be useful tool to streamline case

Dispute Resolution

- In the event discovery disputes can't be resolved in Discovery Committee, some ALJs provide for informal resolution of discovery disputes
 - Allows for informal letter outlining the discovery dispute followed by a call with ALJ within a day or two
 - Disputes often resolved on the call but if not, ALJ will allow parties to brief the issue by formal motion
- Other ALJs allow for moving straight to motion practice without letter writing
- Can request expedited briefing with cause, which can cause a scramble by the other side

Discovery Deadlines

- Notice of Prior Art
 - Can come very early in case if you are not used to ITC practice
 - Strictly construed and often strictly enforced
- Contention interrogatory deadlines
 - Are sometimes set by the parties, and can take different forms (preliminary followed by final, on set of “final” to be timely supplemented by subsequently discovered information)
 - Can form the basis for motions to strike later on, so critical to be comprehensive
 - Public interest is everybody’s burden

Questions?

Thank You For Your Attendance!