

ClientAlert

Intellectual Property

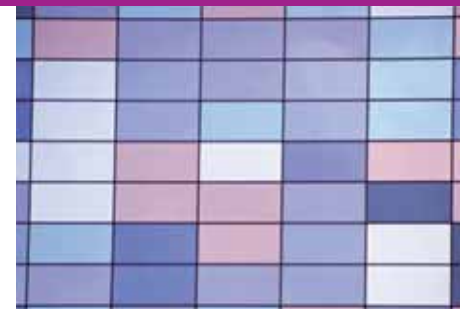
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Eastern District of Texas Unveils Model Discovery Order to Streamline Patent Litigation

One of the “greatest weakness of the US court system is its expense...and the driving factor for that expense is discovery excesses,” said the Federal Circuit Chief Judge Rader when he first introduced the Federal Circuit model discovery order (“CAFC Model Order”) in conjunction with a recent discussion to the Eastern District of Texas Bench and Bar. Judge Rader emphasized that the CAFC Model Order is meant to be a starting point to ensure that patent litigation did not become “an unwieldy, unpredictable and unaffordable burden on innovation.”

On March 2, 2012, the Eastern District of Texas unveiled its own model discovery order as an appendix to local rule amendments. The amendments are effective immediately and have been approved by judges of the court, subject to a public comment period presently slated to end March 23, 2012. The model discovery order is a work product of a group of the Eastern District’s Local Rules Advisory Committee after reviewing the CAFC Model Order. The Eastern District of Texas’s model order (“EDTX Model Order”) largely follows the CAFC Model Order with a few changes:

- The EDTX Model Order allows modification in the Court’s discretion or by agreement of the parties instead of requiring a showing of “good cause” required by the CAFC Model Order.
- The EDTX Model Order strikes from the CAFC Model Order the provision addressing circumstances that would give rise to cost-shifting considerations, which states that “cost will be shifted for disproportions ESI production requests pursuant to Federal Rule of Civil Procedure 26...a party’s nonresponsive or dilatory discovery tactics will [result in] cost-shifting considerations.”
- The EDTX Model Order allows that, absent a showing of good cause, metadata production would not be required for compliance even with the Court’s mandatory disclosure requirements, in addition to the requests under Federal Rules of Civil Procedure 34 and 45.
- The EDTX Model Order adds a section outlining specific parameters for the production of electronically stored information (“ESI”) in general. These parameters include
 - i) documents shall be produced in single-page Tagged Image File Format (“TIFF”);
 - ii) parties are under no obligation to make the production text-searchable if the production is not already text-searchable;
 - iii) native format may be produced upon request;
 - iv) no requirement exists for parties to restore any form of media upon which backup data is maintained absent a showing of good cause; and
 - v) voice mail, PDAs and mobile device data need not be collected and preserved unless there is a showing of good cause.



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- Similar to the provisions relating to metadata, the EDTX Model Order allows that, absent a showing of good cause, email would not be part of the general ESI production for compliance, even with the Court's mandatory disclosure requirements in addition to the requests under Federal Rules of Civil Procedure 34 and 45.
- To request emails, the EDTX Model Order requires that such requests identify the custodian, search terms and time frame. The EDTX Model Order increases the CAFC Model Order's proposed limit of five email custodians and five search terms, to eight custodians and 10 search terms if there is no agreement or court order that changes these figures. The EDTX Model Order also imposes a hard limit on the number of requests allowed for additional custodians or search terms beyond these limits, as opposed to the CAFC Model Order, which permits a party to request additional custodians or search terms beyond these limits as long as it shouldered the additional costs.
- Before service of any requests for email production, the EDTX Model Order requires a timely identification of a specific listing of likely email custodians and the 15 most significant listed email custodians in view of the pleaded claims and defenses as part of the required disclosures. The Order also allows parties to propound up to five written discovery requests and take one deposition per producing party to identify the proper custodian, proper search terms and proper time frame for email production requests. Additional discovery may be allowed upon a showing of good cause. The EDTX Model Order further requires that infringement and invalidity contentions, as well as a preliminary exchange of information relevant to damages, should be served before the service of email production requests.
- The EDTX Model Order modifies the CAFC Model Order that addresses the inadvertent production of ESI to avoid conflict with Fed. R. Evid. 502, Fed. R. Civ. P. 26(b)(5)(B) and also adds protective order provisions that frequently address protocols for inadvertent production and challenges to claims of privilege.
- The EDTX Model Order confirms that its provisions do not, except as expressly stated, modify a party's broader discovery obligations under the federal or local rules, such as duties to preserve relevant information.

With these changes, the EDTX Model Order appears to balance the burden of discovery on both sides. The requirement of specific email requests and the proposed limitations are beneficial to the defendants because they are normally the ones who need to produce large amounts of emails. The removal of cost-shifting provision appears to benefit the plaintiffs more, given that many NPE (non-practicing entity) plaintiffs tend to make aggressive discovery requests. The default on the requirement of restoring stored media from backup data and collecting voice mail, PDAs, and mobile device data appears to benefit both sides.

Over all, the EDTX Model Order is definitely a step in the right direction toward making patent litigation more manageable and predictable.

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