

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

C.R. BARD, INC. and BARD PERIPHERAL	)	
VASCULAR, INC.,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	C.A. No. 15-218-SLR-SRF
	)	
ANGIODYNAMICS, INC.,	)	<b>UNDER SEAL</b>
	)	
Defendant.	)	

**MEMORANDUM ORDER**

At Wilmington this 31st day of July, 2017, the court having considered the parties' discovery dispute submissions and the arguments presented during the May 25, 2017 discovery dispute hearing (D.I. 157; D.I. 158; D.I. 160; D.I. 161; D.I. 174; D.I. 175; D.I. 177; D.I. 178; 5/25/17 Tr.), IT IS HEREBY ORDERED THAT defendant AngioDynamics, Inc.'s ("AngioDynamics") motion to compel is GRANTED-IN-PART, and plaintiffs C.R. Bard, Inc. and Bard Peripheral Vascular, Inc.'s ("Bard") motion to compel is GRANTED for the reasons set forth below.

**1. Background.** Bard brought this civil action for patent infringement against AngioDynamics on March 10, 2015, asserting causes of action for infringement of U.S. Patent Nos. 8,475,417 ("the '417 patent"), 8,545,460 ("the '460 patent"), and 8,805,478 ("the '478 patent") (collectively, the "patents-in-suit"). (D.I. 1 at ¶¶ 18-45) Bard's PowerPort® ClearVUE® implantable power-injectable port products are covered by the patents-in-suit. (*Id.* at ¶ 7) According to Bard, AngioDynamics' implantable power-injectable port products, including its Smart Port® products, infringe the patents-in-suit. (*Id.* at ¶¶ 19, 27, 35)

2. At issue in this case is the date when AngioDynamics first became aware of the patents-in-suit or their respective patent applications. (D.I. 174, Ex. A at 10) U.S. Patent Publication No. 2006/0264898 (“the ‘898 publication”), which is the patent application for the asserted ‘460 patent, was published on November 23, 2006. (D.I. 178, Ex. 8) [REDACTED]

[REDACTED]

[REDACTED] In September 2008, AngioDynamics sold its first Smart Port® product.

3. [REDACTED]

4. AngioDynamics was served with the complaint in the present action on March 11, 2015. (D.I. 4) On March 24, 2016, Bard served its first set of interrogatories, inquiring when AngioDynamics first became aware of the patents-in-suit and the related patent applications. (D.I. 38) AngioDynamics responded to the interrogatories on May 5, 2016, identifying the date of service of the complaint in the present action as the date AngioDynamics became aware of each of the patents-in-suit. (D.I. 43; D.I. 174, Ex. A at 11)

5. On May 27, 2016, Bard identified its damages model, seeking a reasonable royalty, lost profits, enhanced damages based on willful infringement, and attorney’s fees. (D.I. 178, Ex. 5)

6. On November 22, 2016, Bard agreed to reasonable discovery restrictions based on the July 2, 2013 grant date of the '417 patent. (D.I. 157, Ex. D)

7. [REDACTED]

8. On April 4, 2017, AngioDynamics served its 30(b)(6) deposition notice on Bard. (D.I. 132) Bard and Becton Dickinson publicly announced their merger agreement on April 23, 2017. (D.I. 158, Ex. H) Subsequently, AngioDynamics served 30(b)(6) Topic 69 and Interrogatory 23, seeking factual details of the merger transaction. (D.I. 142; D.I. 146)

9. On May 25, 2017, the court held a hearing to address the parties' discovery disputes. (D.I. 143)

10. On May 26, 2017, Bard submitted responses to AngioDynamics' sixth set of interrogatories, indicating that the hypothetical negotiation for a reasonable royalty would occur on the issuance date of each patent-in-suit. (D.I. 178, Ex. 7 at 17-22)

11. The Rule 30(b)(6) deposition of AngioDynamics' witness, Tina King, was held on May 31, 2017. (D.I. 174, Ex. E) [REDACTED]

12. In accordance with the amended scheduling order, fact discovery closed on June 12, 2017, with an exception for depositions of party witnesses, which were to be completed by July 12, 2017. (D.I. 140; D.I. 180)

13. **Analysis.** Having considered the parties' original and supplemental briefing, as well as the arguments presented to the court during the May 25, 2017 hearing, the court rules as follows.

14. ***Vortex Power Injection Testing.*** AngioDynamics' motion to compel Bard to produce documentation of Bard's Vortex power injection testing is denied. (D.I. 175 at 1-2) Bard claims that all documents regarding the testing of Vortex ports have been produced, and the documents sought by AngioDynamics do not exist. (D.I. 177 at 1-2) Bard cannot be compelled to produce that which it does not have. To the extent that Bard's representations prove inaccurate in the future, the court may take appropriate action at that time.

15. In support of its motion, AngioDynamics points to evidence that fails to unequivocally establish Bard actually conducted Vortex power injection testing. During the deposition of Bard's 30(b)(6) witness, Kelly Powers, [REDACTED]

[REDACTED]

[REDACTED] (*Id.*, Ex. B at 39 n.17)

16. Likewise, email correspondence from April 11, 2006 suggested that [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] (*Id.*, Ex. C) A December 19, 2006 email reveals that no testing had occurred. (*Id.*, Ex. E)

17. Correspondence from November 2006 references measuring the Vortex port's reservoir height to determine whether Bard's infusion needle would fit inside, but does not mention power injection testing. (*Id.*, Ex. D)

18. In light of the fact that the evidence cited by AngioDynamics fails to affirmatively establish that Bard possesses documentation of Vortex power injection testing, the court accepts Bard's representation that it has no additional responsive documents.

19. *Pre-Launch Market Survey NDAs.* AngioDynamics' request to compel production of nondisclosure agreements ("NDAs") relating to pre-launch market survey activities for Bard's PowerPort products is denied. Bard represents that it has produced NDAs for the 2004 Design Input survey, and is continuing to search for NDAs relating to surveys conducted in 2005. (D.I. 177 at 2) Bard does not suggest that it plans to withhold the requested NDAs.

20. *Zinn v. Powers Interference.* The *Zinn v. Powers* interference was a priority dispute between Bard and non-party Medical Components, Inc. ("Medcomp") to determine whether certain claims of U.S. Patent No. 7,785,302 ("Powers"), which related to the identification of power injectable access ports, could properly claim priority to U.S. Patent Application No.

60/658,518 (“the ‘518 provisional application”).<sup>1</sup> AngioDynamics moves to compel Bard to produce documents and prepare a 30(b)(6) witness regarding the *Zinn v. Powers* interference. (D.I. 158 at 2-3; D.I. 175 at 2-3)

21. In support of its position, AngioDynamics alleges that discovery pertaining to the prosecution history of the ‘518 provisional application is relevant because it is incorporated by reference into the specifications of the patents-in-suit, and Bard affirmatively relied on the disclosure of the ‘518 provisional application to construe the meaning of certain claim terms during claim construction. (D.I. 175 at 2; D.I. 83 at 29-30; 5/25/17 Tr. at 26:10-21) Accordingly, AngioDynamics contends that Bard should be compelled to provide discovery regarding its factual representations during the interference proceeding.

22. In response, Bard contends that AngioDynamics’ discovery requests seek privileged information regarding legal arguments prepared by Bard’s outside counsel for purposes of the interference proceeding. (D.I. 177 at 2) Moreover, Bard alleges that its 30(b)(6) witness, Kelly Powers, was prepared to testify on the ‘518 provisional application, but AngioDynamics declined to question Mr. Powers on that subject. (*Id.*, Ex. 2 at 33:18-23)

23. AngioDynamics’ request for production of documents regarding the *Zinn v. Powers* interference is denied. Request for production (“RFP”) 64 seeks all documents, communications, and things related to the *Zinn v. Powers* interference, including documents “relat[ing] to the subject matter of questioning and/or answers of the deposition of Bard’s expert Kenneth Eliassen.” (D.I. 158, Ex. B at 5) In response, Bard objected to this request “to the extent

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<sup>1</sup> The ‘518 provisional application was filed on March 4, 2005, and addressed the problem of identifying conventional ports via palpation by altering the physical properties of a conventional round or ellipsoidal port to have a distinguishable shape, such as a quadrilateral or triangular exterior. (D.I. 83 at 29-30; D.I. 84, Ex. E at 17 ¶ 2)

it seeks information that is protected by the attorney-client privilege or the work-product doctrine,” among other objections. (*Id.* at 6)

24. In its initial responsive letter brief on this issue, Bard represented that it produced documents responsive to RFP 64, but did not log privileged documents prepared by its outside counsel because undertaking such a requirement on a tangential issue would be unduly burdensome. (D.I. 160 at 1) During the May 25, 2017 discovery dispute hearing, AngioDynamics’ counsel described meet and confer efforts in which Bard refused to search for more documents regarding the *Zinn v. Powers* interference. (5/25/17 Tr. at 26:12-27:7) Bard reiterated that it produced all non-privileged responsive documents, and did not undertake the burden of logging the privileged documents. (*Id.* at 28:13-29:12) Bard’s supplemental submission focuses on the 30(b)(6) testimony, and is silent on the specifics of its document production in response to RFP 64. (D.I. 177 at 2-3)

25. Bard has consistently represented that it produced all non-privileged documents responsive to RFP 64, including the deposition transcript and the declaration of Bard’s expert, Mr. Eliassen. (5/25/17 Tr. at 28:13-29:12) AngioDynamics also subpoenaed Mr. Eliassen for his deposition and core documents. (*Id.* at 33:2-34:4) AngioDynamics’ supplemental submission does not identify specific deficiencies in Bard’s response to RFP 64. (D.I. 175 at 2-3) The court cannot compel Bard to produce that which has already been produced.

26. AngioDynamics’ challenge to Bard’s assertion of privilege and Bard’s refusal to produce a privilege log<sup>2</sup> does not alter this result. As previously described at ¶ 25, *supra*, Bard

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<sup>2</sup> Counsel for Bard represented on the record that “this interference proceeding and the privileged information that would have gone into preparing those briefs, et cetera, happened after this lawsuit was filed . . .” (5/25/17 Tr. at 33:14-19) According to Bard, this timing absolves it of any obligation to produce a privilege log because the scheduling order expressly provides that “[t]he parties are not required to include in their privilege logs any information or documents

has produced substantial document discovery pertaining to the *Zinn v. Powers* interference. (5/25/17 at 33:20-23) AngioDynamics has failed to identify any specific type of document or information that is lacking from Bard's production, despite the court's instruction to focus the supplemental submission on the scope of Topic 57. (5/25/17 Tr. at 34:22-35:24) It is not apparent from the current record that a privilege log would advance AngioDynamics' discovery efforts on this subject in a manner proportional to the needs of the case in accordance with Rule 26(b). Consequently, the court concludes that the documents already produced, in conjunction with the 30(b)(6) testimony on the *Zinn v. Powers* interference, *see* ¶ 27, *infra*, adequately satisfy Bard's obligation to respond to the requests. AngioDynamics' motion to compel the production of documents regarding the *Zinn v. Powers* interference is denied for these reasons.

27. AngioDynamics' request for 30(b)(6) deposition testimony responsive to Topic 57 regarding the *Zinn v. Powers* interference is granted. Topic 57 seeks testimony regarding "[t]he facts surrounding the preparation, filing, and/or prosecution of the applications for the Bard 1 Patents and/or any related patent or patent application, including but not limited to . . . Zinn Interference No. 105,860 (JL)." (D.I. 160, Ex. B at 38)

28. In its April 18, 2017 responses to the proposed 30(b)(6) deposition topics, Bard objected to Topic 57, claiming it had no non-privileged information to provide in response to the topic. (*Id.* at 39) Bard did not indicate in its response that it would produce a witness on Topic 57. (*Id.*) Consequently, AngioDynamics raised this issue in its May 22, 2017 discovery dispute submission to the court. (D.I. 158 at 3) During the May 25, 2017 hearing on the issue, Bard

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generated after the filing of the complaint in this action." (D.I. 34 at ¶ 1(d)(3)) However, the prosecution history for the Powers reference reveals that the PTO issued a favorable interference decision on priority on September 11, 2012, nearly three years prior to the commencement of the instant litigation.

made no representation that a witness would be prepared to address Topic 57. The court reserved judgment on the issue after requesting supplemental briefing to be due in mid-June 2017.

29. Bard's 30(b)(6) witness, Kelly Powers,<sup>3</sup> was deposed on June 8, 2017. During the deposition, Bard's counsel indicated that Mr. Powers was prepared to testify on "[t]he '518 provisional and the provisionals listed in the '460 patent, for example, as well as the patents in suit, and Bard products." (D.I. 177, Ex. 2 at 33:20-23) In its supplemental submission, Bard represented that Mr. Powers was prepared to testify on this topic during his June 8, 2017 deposition, but AngioDynamics declined to pursue questioning on this topic. (D.I. 177 at 3)

30. Given that AngioDynamics identified this issue to the court in a timely manner, but the circumstances of the case prevented a resolution of the issue prior to the 30(b)(6) deposition of Mr. Powers, the court will grant AngioDynamics' request for 30(b)(6) deposition testimony, limited to questioning on the *Zinn v. Powers* interference. The supplemental testimony will be limited to no more than four hours, and the deposition shall take place on or before August 14, 2017.

31. ***Bard's Core Foreign Regulatory Documents and Witnesses.*** AngioDynamics' motion to compel Bard to produce core foreign regulatory documents and witnesses is granted. By way of its motion, AngioDynamics seeks Bard's foreign regulatory files, including applications and correspondence regarding the structure, function, and operation of Bard's

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<sup>3</sup> Kelly Powers is a named inventor on both the Powers reference and the patents-in-suit in the instant litigation who participated in the *Zinn v. Powers* interference. Bard represents that Powers was an inventor of the '518 provisional application. (D.I. 177 at 3) ("Specifically, Bard offered Kelly Powers—an inventor of the '518 Provisional—as a 30(b)(6) witness on the '518 Provisional.") However, the '518 provisional application does not identify Powers as an inventor. The identified inventors of the '518 provisional application are Kevin W. Sheetz, Eddie K. Burnside, Matthew M. Lowe, and Jay D. Gerondale. (D.I. 84, Ex. E)

products to rebut the testimony of certain Bard witnesses who allegedly attempted to disavow the accuracy of Bard's FDA submissions. (D.I. 175 at 3-4) The parties agree that Bard has made a complete production of domestic FDA filings. (D.I. 175 at 3; D.I. 177 at 4)

32. During the May 25, 2017 discovery dispute hearing, the court inquired as to whether AngioDynamics could identify any information "contained in the foreign filings that is missing from the already produced FDA filings." (5/25/17 at 50:15-18) Instead of identifying information missing from the FDA filings, AngioDynamics explained that the foreign regulatory filings would provide "additional corroboration of the FDA filings," such as "additional statements from Bard describing what it is their products are doing, how they operate, the testing confirming that they're safe, and also the testing confirming that there would be—there is an absence of a structure that would correspond to a power injectable port." (*Id.* at 50:19-51:10)

33. AngioDynamics claims that new information has come to light since the May 25, 2017 hearing that heightens the need for production of the foreign regulatory filings, citing an apparent disavowal of the accuracy of the FDA filings during the 30(b)(1) deposition of Kevin Sheetz on June 5, 2017. (D.I. 175 at 3) During the May 25, 2017 hearing, AngioDynamics also claimed that Bard was trying to distance itself from representations made in the FDA filings in its interrogatory responses:<sup>4</sup>

[W]hat the FDA filings show are statements from Bard saying that there is nothing different, there is no special power injectable structure for power injectable port. And Bard has run away from that statement as best as it can in this litigation and has made several representations in interrogatory responses that there are—certain changes were made, and there were changes to particular features . . . .

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<sup>4</sup> Bard's responses to AngioDynamics' interrogatories were served by the end of October 2016, with supplementation of certain interrogatories occurring on May 19, 2017. (D.I. 43; D.I. 49; D.I. 66; D.I. 73; D.I. 78; D.I. 151-54)



37. AngioDynamics' request is granted-in-part. Specifically, the court grants AngioDynamics' motion to compel production of the merger agreement and related exhibits and schedules. Bard alleges that these documents were not specifically requested by AngioDynamics in the discovery requests. (5/25/17 Tr. at 60:12-18) However, AngioDynamics' discovery requests are directed to documents relevant to the Becton Dickinson merger, and the merger agreement falls into this category. AngioDynamics' request will not be read so restrictively when merger agreements are routinely produced in litigation of this nature. (5/25/17 Tr. at 59:7-11) (observing that AngioDynamics has produced all merger agreements relating to its acquisitions in response to Bard's requests for such information)

38. AngioDynamics' request for the identification of previously-produced documents which were placed in the data room during the merger negotiations is also granted. Per AngioDynamics' request, the documents themselves need not be reproduced. (5/25/17 Tr. at 62:11-18)

39. Bard is compelled to produce a 30(b)(6) witness to address Topic 69 regarding the Becton Dickinson merger. AngioDynamics is directed to limit its questioning to factual information concerning the Becton Dickinson merger, as opposed to information which is privileged in nature. The supplemental testimony will be limited to no more than four hours, and the deposition shall take place on or before August 14, 2017.

40. AngioDynamics' motion to compel is denied to the extent that it seeks the production of documents previously logged as privileged, but shared with Becton Dickinson during the course of the merger negotiations. These documents are protected by the common interest privilege.

41. The common interest doctrine is an exception to the general rule that the attorney-client privilege is waived following disclosure of privileged materials to a third party. *Union Carbide Corp. v. Dow Chem. Co.*, 619 F. Supp. 1036, 1047 (D. Del. 1985). The privilege protects “all communications shared within a proper ‘community of interest.’” *In re Teleglobe Commc'ns Corp.*, 493 F.3d 345, 364 (3d Cir. 2007) (internal citations omitted). To show that there is a proper community of interest, the interests must be “identical, not similar, and be legal, not solely commercial.” *Leader Techs., Inc. v. Facebook, Inc.*, 719 F. Supp. 2d 373, 376 (D. Del. 2010). The party asserting the privilege bears the burden of showing “that the disclosures would not have been made but for the sake of securing, advancing, or supplying legal representation.” See *In re Regents of the Univ. of Cal.*, 101 F.3d 1386, 1389 (Fed. Cir. 1996).

42. Here, Bard raises the common interest privilege only to protect documents already withheld and logged as privileged under the attorney-client privilege which were subsequently shared with Becton Dickinson during the merger process. (D.I. 177 at 6) Bard and Becton Dickinson shared substantially identical legal interests at the time the documents were shared, when Becton Dickinson acquired Bard through the merger. *Cf. Leader Techs.*, 719 F. Supp. 2d at 375-76 (concluding that the common interest privilege did not protect the documents when the deal was not consummated between Leader and the litigation financing companies with whom the documents were shared). Thus, the attorney-client privilege which applied to these documents prior to the merger should not be deemed waived by virtue of the disclosure of the documents to Becton Dickinson during the merger negotiations.<sup>5</sup>

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<sup>5</sup> This ruling does not extend to factual information relating to the Becton Dickinson merger which would not be subject to the attorney-client privilege.

43. *Provisional Rights Discovery.* The crux of the parties' disagreement on this issue has evolved since the May 25, 2017 discovery dispute hearing, during which the parties appeared to be nearing a consensus on the scope of pre-grant discovery. (5/25/17 Tr. at 21:4-8) [REDACTED]

[REDACTED] Bard now seeks to substantially expand the scope of pre-grant discovery based on its newly-asserted damages theory under 35 U.S.C. § 154(d).<sup>6</sup> (D.I. 174)

44. In support of its motion, Bard contends that it may seek a reasonable royalty pursuant to 35 U.S.C. § 154(d) for AngioDynamics' sale of the accused products from the date that AngioDynamics had actual notice of Bard's published patent applications.<sup>7</sup> (D.I. 174 at 2) According to Bard, [REDACTED]

[REDACTED] (*Id.* at 3) In response, AngioDynamics asserts that Bard's provisional rights theory is untimely, and AngioDynamics would be substantially prejudiced if it was required to produce broad pre-issuance discovery without the ability to serve new discovery at this stage of the proceedings.<sup>8</sup> (D.I. 178 at 1-3)

45. Bard's request to compel AngioDynamics to produce certain categories of documents created before July 2013 in accordance with its claim for reasonable royalty damages

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<sup>6</sup> Section 154(d) provides that "a patent shall include the right to obtain a reasonable royalty from any person who, during the period beginning on the date of publication of the application for such patent . . . and ending on the date the patent is issued . . . (B) had actual notice of the published patent application . . ." 35 U.S.C. § 154(d).

<sup>7</sup> Bard further contends that AngioDynamics has failed to respond to Interrogatories 19 and 20 concerning information related to pricing of the accused products. (D.I. 174 at 5) AngioDynamics represents that it previously agreed to provide supplemental responses to these interrogatories, and the issue is therefore moot. (D.I. 178 at 6) Consequently, the court need not weigh in on this issue at this time.

<sup>8</sup> AngioDynamics' responsive supplemental submission offers a substantive challenge to the merits of Bard's provisional rights claim. (D.I. 178 at 3-6) The court declines to reach a determination on the merits regarding the sufficiency of Bard's provisional rights theory at this juncture, in the context of a ruling on a discovery dispute.

under 35 U.S.C. § 154(d) is granted. [REDACTED]

[REDACTED] AngioDynamics is compelled to produce provisional rights discovery on or before August 14, 2017. The documents shall be produced on or before August 14, 2017. Absent agreement by the parties, the issue of 30(b)(6) witness testimony related to the document production will be addressed, if necessary, when the issue is ripe.

**46. Conclusion.** In view of the foregoing analysis, the parties' respective motions to compel are resolved as follows:

- (a) AngioDynamics' motion to compel Bard to produce documentation of Bard's Vortex power injection testing is DENIED.
- (b) AngioDynamics' motion to compel Bard to produce the NDAs relating to pre-launch market survey activities for Bard's PowerPort products is DENIED.
- (c) AngioDynamics' motion to compel Bard to produce documents and 30(b)(6) testimony regarding the *Zinn v. Powers* interference is GRANTED-IN-PART.

Specifically, the motion is DENIED with respect to the production of documents, but GRANTED with respect to the 30(b)(6) deposition testimony. Bard shall produce a 30(b)(6) witness for a supplemental deposition limited to no more than four hours on or before August 14, 2017.

- (d) AngioDynamics' motion to compel Bard to produce core foreign regulatory documents and witnesses is GRANTED. Bard shall produce the documents on or before August 14, 2017.
- (e) AngioDynamics' motion to compel Bard to produce documents and a 30(b)(6) witness regarding the Becton Dickinson merger is GRANTED-IN-PART. Specifically, the motion is granted with respect to the production of the merger agreement and related exhibits and schedules, a list identifying previously-produced documents placed in the data room during merger negotiations, and 30(b)(6) testimony. The documents and testimony shall be produced on or before August 14, 2017. The motion is denied to the extent that it seeks the production of documents previously logged as privileged and subject to the common interest privilege.
- (f) Bard's motion to compel the production of provisional rights discovery, including documents and 30(b)(6) testimony, is GRANTED. AngioDynamics shall produce the documents on or before August 14, 2017.

47. Given that the court has relied upon material that technically remains under seal, the court is releasing this Memorandum Order under seal, pending review by the parties. In the unlikely event that the parties believe that certain material in this Memorandum Order should be redacted, the parties should jointly submit a proposed redacted version by no later than **August**

9, 2017. The court will subsequently issue a publicly available version of its Memorandum Order.

48. This Memorandum Order is filed pursuant to 28 U.S.C. § 636(b)(1)(A), Fed. R. Civ. P. 72(a), and D. Del. LR 72.1(a)(2). The parties may serve and file specific written objections within fourteen (14) days after being served with a copy of this Memorandum Order. Fed. R. Civ. P. 72(a). The objections and responses to the objections are limited to ten (10) pages each.

49. The parties are directed to the court's Standing Order For Objections Filed Under Fed. R. Civ. P. 72, dated October 9, 2013, a copy of which is available on the court's website, [www.ded.uscourts.gov](http://www.ded.uscourts.gov).

  
Sherry R. Fallon  
United States Magistrate Judge