

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

UNITED STATES GYPSUM COMPANY,))	
Plaintiff,))	
v.))	Civil Action No. 17-130-JFB-SRF
NEW NGC, INC.,))	PUBLIC VERSION
Defendant.))	

MEMORANDUM ORDER

At Wilmington this **3rd** day of **April, 2018**, the court having considered the parties' discovery dispute submissions, supplemental briefing, and the arguments presented during the January 29, 2018 discovery dispute hearing (D.I. 49; D.I. 50; D.I. 52; D.I. 53; 1/29/18 Tr.), IT IS HEREBY ORDERED THAT plaintiff United States Gypsum Company's ("USG") motion to compel defendant New NGC, Inc. ("NGC") to disclose all core technical documents for each product identified by USG in its Default Standard Paragraph 4(a) disclosure, and USG's motion to compel NGC to fully respond to USG's interrogatories and document requests seeking information regarding NGC's infringing products and manufacturing methods, are granted-in-part.

1. Background. USG filed suit against defendant New NGC, Inc. ("NGC") on February 6, 2017, alleging that NGC infringes U.S. Patent Nos. 6,343,284; 6,632,550; 7,425,236; 7,758,980; 7,964,034; 8,142,914; and 8,500,904 (collectively, the "patents-in-suit"). (D.I. 1 at ¶ 1) The patents-in-suit are directed to "gypsum-containing products, such as gypsum wallboard, having increased resistance to deformation, and to compositions and methods for producing such products." (*Id.*) The damages period for USG's infringement claims began approximately six

years prior to the filing of the lawsuit on October 25, 2010, and extended through the expiration of the patents on August 21, 2017. (D.I. 52 at 1; D.I. 53 at 6)

2. On September 21, 2017, USG served interrogatories and document requests on NGC, seeking the identity of all NGC gypsum board products made using sodium trimetaphosphate (“STMP”). (D.I. 49, Ex. C at Rog 1; Ex. D at RFP 3) In pertinent part, USG’s Interrogatory No. 1 requests identification of

all Accused Products that have ever been manufactured, sold, used, offered for sale, and/or imported by Defendant, including, but not limited to, Defendant’s Gold Bond® High Strength LITE® ½-inch gypsum board and its Gold Bond XP® ½-inch and 5/8-inch gypsum boards. A complete response will include the identification of each Accused Product by product name, product designation, product code, commodity number or other identifying product number, average board weight and thickness, and of all documents with, and the persons with the most knowledge regarding, the information used to answer to this interrogatory.

(D.I. 49, Ex. C at 6-7) USG’s Document Request No. 3 seeks the production of “[d]ocuments sufficient to identify all Accused Products that are or have been manufactured, used, sold, offered for sale and/or imported by Defendant.” (D.I. 49, Ex. D at 7)

3. NGC responded to the discovery requests on November 6, 2017, refusing to identify which of its products were made using STMP, and limiting its responses to the products independently identified by USG in the complaint.¹ (*Id.*, Exs. E & F)

4. On November 17, 2017, USG served its Disclosure of Asserted Patents and Accused Products, specifically identifying fifty NGC products using STMP during the relevant damages period. (D.I. 49, Ex. G at 3-4) NGC served supplemental responses to USG’s written

¹ USG’s complaint identifies NGC’s Gold Bond® High Strength LITE® ½-inch gypsum board and Gold Bond® XP® ½-inch and 5/8-inch gypsum boards as infringing products. (D.I. 1 at ¶ 27)

discovery requests on December 4, 2017, but did not identify which of its products were made using STMP. (*Id.*, Ex. H at 9; Ex. I at 10)

5. Legal standard. Pursuant to Rule 26:

Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claim or defense and proportional to the needs of the case, considering the importance of the issues at stake in the action, the amount in controversy, the parties' relative access to relevant information, the parties' resources, the importance of the discovery in resolving the issues, and whether the burden or expense of the proposed discovery outweighs its likely benefit. Information within this scope of discovery need not be admissible in evidence to be discoverable.

Fed. R. Civ. P. 26(b)(1). A party may move for an order compelling discovery pursuant to Rule 37. Generally, a party moving to compel discovery bears the burden of demonstrating the relevance of the requested information. *See Del. Display Grp. LLC v. Lenovo Grp. Ltd.*, C.A. Nos. 13-2108-RGA, 13-2109-RGA, 13-2122-RGA, 2016 WL 720977, at *2 (D. Del. Feb. 23, 2016) (citing *Inventio AG v. ThyssenKrupp Elevator Am. Corp.*, 662 F. Supp. 2d 375, 381 (D. Del. 2009)). However, “[t]he parties and the court have a collective responsibility to consider the proportionality of all discovery and consider it in resolving discovery disputes.” Fed. R. Civ. P. 26 advisory committee’s note to 2015 amendment.

6. Analysis. USG’s requested relief is granted-in-part in accordance with the three-part test set forth in *Invensas Corp. v. Renesas Elecs. Corp.*, 287 F.R.D. 273 (D. Del. Nov. 21, 2012). Specifically, NGC is ordered to respond fully to USG’s Interrogatory No. 1 and Document Request No. 3 based on the products identified in USG’s Paragraph 4(a) disclosure within two weeks of the date of this Memorandum Order. (D.I. 49, Ex. G at 3-4) NGC’s responses to Interrogatory Nos. 2-4, 6, and 10, its responses to Document Requests 4-9, 18-20, 37, 43, 46, 50, 72, 74, 76, and 78, and its production of core technical documents under Paragraph 4(b) of the Default Standard, shall be limited to the products identified in

Interrogatory No. 1 and Document Request No. 3 as containing STMP at this stage of the proceedings. This result is consistent with USG's representation to limit its pending request to gypsum boards made using STMP at this stage, without waiving its right to investigate whether NGC used other phosphate additives covered by the claims of the patents-in-suit later in the discovery process. (D.I. 52 at 2 n.1)

7. USG satisfies the three-part test for determining "whether and when discovery as to unidentified and unaccused products is relevant and should be permitted," as set forth in *Invensas Corp. v. Renesas Electronics Corp.*, 287 F.R.D. 273, 280 (D. Del. Nov. 21, 2012). Under the *Invensas* test, the requesting party must first articulate "the characteristics or components that the unaccused products must have in order to suggest that they may infringe the patents-in-suit." *Id.* Second, the court must determine "whether the information sought could reasonably have been obtained by the plaintiff prior to litigation." *Id.* Third, the court must assess "the relative nature of the burden on the defendant in identifying and producing the requested discovery," including "whether the unaccused products-at-issue are easily obtained by the plaintiff in the open market, or, conversely, whether vital information about the products rests largely or solely with the party withholding discovery." *Id.*

8. With respect to the first factor, USG's motion to compel specifically targets the identification of products using the key STMP ingredient identified in the patents-in-suit, and limits the scope of its request to gypsum wallboard products reasonably similar to the four NGC products identified by name in USG's complaint. By limiting its requested relief specifically to products containing STMP, USG satisfies the specificity requirement under *Invensas*. See *Invensas*, 287 F.R.D. at 280 (citing *Tesseron, Ltd. v. R.R. Donnelley & Sons Co.*, 2007 WL 2034286, at *3 (N.D. Ohio July 10, 2007); *Kellogg v. Nike, Inc.*, 2007 WL 4570871, at *8 (D.

Neb. Dec. 26, 2007) (concluding that the requested discovery was not to determine whether the defendants had an infringing product, but rather to identify which products matched a particular description)).

9. Second, both parties adequately establish that the information sought regarding the products identified in USG's Paragraph 4(a) disclosures is not publicly available. USG indicates that the recipes used by NGC are not publicly available, and the product labels do not contain a list of ingredients. (D.I. 52 at 2) Likewise, NGC explains that "making a conclusive determination as to which products may or may not have contained STMP over the past six-and-a-half years is a time intensive task that would require substantial investigation by National Gypsum." (D.I. 53 at 6) In light of NGC's own representation regarding the difficulty of ascertaining the presence of STMP in its products, NGC's argument that USG is capable of ascertaining the presence of STMP from publicly available information is not compelling.²

10. The present record also reflects the difficulty in establishing the composition of NGC's gypsum board products during the relevant damages period using only publicly available information from 2015, when USG developed its proprietary test discussed at ¶ 11, *infra*, to the present. USG cannot conduct a historical analysis of NGC's products over the entire six-year damages period by purchasing NGC's products from Lowe's or Home Depot because there is no indication that the products currently available on the market are identical to the products sold during the relevant damages period. (D.I. 53 at 6) (noting that NGC [REDACTED]
[REDACTED])

² The website identified by NGC as containing "[d]etailed specification documents for National Gypsum's products" does not reveal whether the listed products contain STMP. (D.I. 53 at 4)

[REDACTED]
[REDACTED] D.I. 53 at 6-8)

13. However, NGC's description of the burdensome nature of the inquiry also highlights the fact that USG cannot feasibly obtain the information in the absence of discovery responses by NGC. While the burdensome nature of an inquiry weighs against granting a motion to compel in circumstances where an alternate means of obtaining the discovery is available, the information sought in the present case is solely in NGC's possession. The authorities cited by NGC do not support a conclusion that discovery requests fundamental to the claims in a lawsuit may be denied if it is difficult to collect responsive information.³ On balance, the three *Invensas* factors weigh in favor granting-in-part USG's motion to compel.

14. In light of the possibility that not all of the products identified by USG in its Paragraph 4(a) disclosures contain STMP, the court denies without prejudice USG's motion to compel to the extent that it seeks discovery responses and core technical documents for all products identified in the Paragraph 4(a) disclosures which discovery reveals do not contain STMP. USG expressly represents that, at this stage of the proceedings, it only seeks identification of products made using STMP: "We've asked specifically, you know, just to

³ In *Invensas*, the court rejected a request to identify products fitting the plaintiff's definition of accused products because it "sweeps in hundreds of thousands of Defendant's products that could not conceivably be accused to infringe the patents-in-suit." 287 F.R.D. at 278. In contrast, the burden to NGC in the present case is mitigated by the fact that the list of products in the Paragraph 4(a) disclosures is limited to fifty. In *Honeywell International Inc. v. Audiovox Communications Corp.*, Judge Jordan stressed that the plaintiff bears the burden of identifying the accused products before it is entitled to discovery. 2005 WL 3988905, at *1 n.2 (D. Del. Oct. 7, 2005). However, the court compelled the defendants to produce the information necessary to identify products similar to those already identified by the plaintiff. *Id.* at *1 ("The information to be provided to Honeywell shall include . . . an identification of other versions . . . of the specifically identified products that utilize the same LCD module as in the specifically identified products . . .").

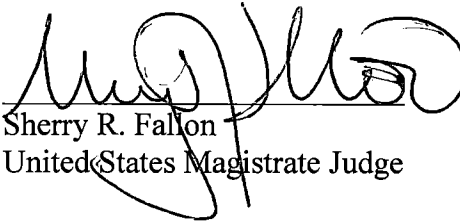
identify the products made using STMP, and then that would get the ball rolling, and we believe that probably is the only ingredient of the claimed enhancing materials that they are actually using.” (1/29/18 Tr. at 10:23-11:2) Consequently, if NGC’s responses to Interrogatory No. 1 and Document Request No. 3 reveal that some of the products identified in USG’s Paragraph 4(a) disclosures do not contain STMP, NGC need not respond to the related discovery requests as to those products.

15. Conclusion. In view of the foregoing analysis, USG’s motion to compel NGC to fully respond to USG’s interrogatories and document requests seeking information regarding NGC’s infringing products and manufacturing methods, and its motion to compel NGC to produce core technical documents, are granted-in-part.

16. 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 **April 20, 2018**. The court will subsequently issue a publicly available version of its Memorandum Order.

17. 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.

18. 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.



Sherry R. Fallon
United States Magistrate Judge