IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

SCALE BIOSCIENCES, INC. and ROCHE SEQUENCING SOLUTIONS, INC.,	)	
Plaintiffs,	)	
v.	)	Civil Action No. 22-1597-CJB
PARSE BIOSCIENCES, INC.,	)	
Defendant.	)	

MEMORANDUM ORDER

The Court, having reviewed Defendant Parse Biosciences, Inc.'s ("Parse") motion in limine #1 ("Motion") and the briefing related thereto, (D.I. 582, ex. 17), hereby addresses Parse's request therein to preclude Plaintiff Scale Biosciences, Inc. ("Scale") from introducing any evidence, opinions, and arguments at trial related to an IP Litigation Escrow Fund (the "Escrow Fund") found in the merger agreement between Parse and third-party QIAGEN North American Holdings, Inc. ("QIAGEN"), (*id.*, at Opening Brief at 1). The Motion is DENIED in the manner and for the reasons set out herein:

(1) First, Parse challenges whether evidence relating to the Escrow Fund is relevant under Fed. R. Evid. 401. (*Id.*, at Opening Brief at 1; *id.*, at Reply Brief at 1) As noted by Scale, certain evidence relating to the Escrow Fund is certainly relevant to witness bias. (*Id.*, at Answering Brief at 2 (citing Fed. R. Evid. 611(b))) For example, the details of the Escrow Fund could impact the testimony of Dr. Alex Rosenberg—a Parse witness who will testify live at trial, (D.I. 581, ex. 7 at 3)—since it is clear that the outcome of this litigation will directly affect the amount of money from the Escrow Fund that could be returned to him at some point in the future. (D.I. 582, ex. 17, at Answering Brief at 2 (citing *id.*, ex. A1 at 104-05, 114-15; *id.*, ex. A5 at col. GG, line 13)); *cf. Speyside Med., LLC v.*

Medtronic Corevalve, LLC, Civil Action No. 20-361-JLH-CJB, D.I. 265 (D. Del. May 23, 2023) ("Surely whether [a party's] members have a financial interest in the outcome of this lawsuit is . . . relevant to bias for purposes of future cross-examination of the members."). Indeed, by the time of oral argument on this Motion during the Pretrial Conference, Parse was not strongly suggesting otherwise.

(2) Additionally, evidence relating to the Escrow Fund is illustrative of an interested third party's (i.e., QIAGEN's) assessment of the value of the asserted patents if infringed and the appropriate rate to employ in a reasonable royalty analysis here. (D.I. 582, ex. 17, at Answering Brief at 3; *id*., ex. A2) This, in turn, may be a relevant data point as to an assessment of damages in this case. *Cf. Haptic, Inc. v. Apple, Inc.*, Case Nos. 24-cv-02296, 25-mc-80114, 2025 WL 1569306, at *2-4 (N.D. Cal. June 3, 2025) (finding that certain documents shared with a litigation funder were relevant for purposes of discovery because they assess "reasonable royalty bases" and reflect "the same analyses parties use in determining damages in infringement cases"); *see also* (D.I. 531 at 2-3). Moreover, to the extent that QIAGEN shared that valuation with Parse while negotiating the merger, and the parties had discussions regarding it, then QIAGEN's assessment bears on Parse's mindset and knowledge of the potential financial impact of continued infringement—a matter that, in turn, can fairly be said to shed light on Parse's mental state for purposes of the willful infringement analysis. (D.I. 582, ex. 17, at Answering Brief at 2-3)

(3) So some evidence relating to the Escrow Fund certainly seems relevant, in a number of ways, pursuant to Rule 401.

(4) From there, Parse also challenges the admissibility of such evidence under Fed. R. Evid. 403—on the ground that permitting admission of the evidence would "skew the jury's damages horizon[,]" unfairly prejudice Parse, and waste time at trial by delving into a "side-show" about the Parse-QIAGEN merger agreement. (*Id.*, at Opening Brief at 1-3 (internal quotation marks and citation omitted)) However, the various ways in which Scale has identified that the Escrow Fund is relevant clearly outweigh Parse's Rule 403 concerns. That is particularly so here, in light of the fact that the jury will certainly be hearing other information about the Parse-QIAGEN merger (and about third party 10X Genomics' acquisition of Scale). Those mergers/acquisitions won't be a

"side-show"; they will be a part of the case. Indeed, for that reason (and also in light of the Court's anticipated ruling on Plaintiffs' motion in limine #3), *both sides* will be granted some leeway at trial to discuss the impact that any acquisition-related developments have on damages and on other issues in the case. (*See, e.g.*, *id.*, ex. 16, at Answering Brief at 3)

(5) Since the Motion sought the exclusion of *all* "evidence, opinions, and arguments relat[ing] to [the] . . . Escrow Fund[,]" (*Id.*, ex. 17, at Opening Brief at 1), the Court is simply denying that Motion here. And in doing so, the Court advises the parties that it will allow evidence to come in at trial relating to the provisions governing the Escrow Fund, the amount of money contained in the Escrow Fund, and an e-mail the parties have identified regarding the Escrow Fund's calculations (absent any other viable objections to the admission of such evidence). (*E.g.*, *id.*, ex. A (the Parse-QIAGEN merger agreement's provisions relating to the Escrow Fund and the amount contained therein); *id.*, at Answering Brief, ex. A2 (an e-mail between QIAGEN and Parse personnel providing "some calculations to estimate the Escrow [Fund's] volume")) That said, the Court cannot know the entirety of the "Escrow Fund-related evidence" that might possibly be at play in the case. To the extent that Parse thinks there is other such evidence that might be properly disputed at trial, the Court can address any such objections then.

Because this Memorandum Order may contain confidential information, it has been released under seal, pending review by the parties to allow them to submit a single, jointly proposed, redacted version (if necessary) of the Memorandum Order. Any such redacted version shall be submitted no later than **September 28, 2026** for review by the Court. (*See* D.I. 596 at 3) It should be accompanied by a motion for redaction that shows that there is good cause for the redactions and that disclosure will work a clearly defined and serious injury to the party seeking closure. *In re Avandia Mktg., Sales Pracs. & Prods. Liab. Litig.*, 924 F.3d 662, 671 (3d Cir. 2019). The Court will subsequently issue a publicly-available version of its Memorandum Order.

Dated: August 12, 2026

Christopher J. Burke

Christopher J. Burke
UNITED STATES MAGISTRATE JUDGE