

V. Specific Patent-Related Aspects of Evidence Gathering

Issues such as third party discovery, trade secrets, costs, duration and extraterritorial implications are of particular interest and concern to litigants gathering patent infringement evidence.²⁵⁸ Both the Federal Rules and the Saisie had to tackle those issues. Their respective approaches and results are compared and contrasted below.

A. *Third Party Production*

Nothing in the French Intellectual Property Act's (*Code de la propriété intellectuelle* or CPI) relevant provisions expressly addresses third parties. However, since Saisies, generally, are permitted of persons potentially possessing evidence relating to infringement, this logically seems to include third parties. Courts agree and have permitted inspections, even if the rightholder does not anticipate suing *that* entity.²⁵⁹ Accordingly, not every person subject to a Saisie will later become a defendant.²⁶⁰ Conversely, not every defendant has to undergo a Saisie.²⁶¹ This is especially true if the seized party only *stores* evidence and is essentially used as the infringer's innocent instrument.²⁶²

Similarly, under Rule 34(c), parties may force nonparties to produce documents and items or to submit to premise inspections.²⁶³ Rule 34 simply cross-references Rule 45, which governs discovery of non-parties.²⁶⁴ If the court has jurisdiction under Federal Rule 45, the parties' counsel can subpoena nonparties to attend and testify or produce or permit inspections including copying of documents and tangible items in their possession, custody or control.²⁶⁵ Thus, the two rules are deemed corresponding and coextensive in scope.²⁶⁶ This means a litigant may obtain the same kind of discovery from a nonparty as from a party.²⁶⁷ While some courts have considered nonparty status in evaluating the burden of complying with a Rule 45 subpoena, at least one notable commentator recommends that courts should, instead, apply an equal scope of duty and alleviate the nonparty's burden by, for example, obliging the requesting party to reimburse the cost of production.²⁶⁸

258 See generally Kenneth R. Adamo et al., *Document Discovery in Patent Litigation*, in PATENT LITIGATION STRATEGIES HANDBOOK 2004 CUMULATIVE SUPPLEMENT *supra* note 1.

259 See BIZOLLON ET AL., *supra* note 157, at 65.

260 See *id.*

261 *Id.* at 65.

262 *Id.*

263 FED. R. CIV. P. 34(c).

264 See *id.*; FED. R. CIV. P. 45.

265 *Id.* at 45(a)(3) (authorizing attorneys, as officers of the courts before which they are licensed to practice, to issue and sign subpoenas on the courts' behalf).

266 7 MOORE ET AL., *supra* note 89, at §34.02[5][a] (asserting that the languages and interpretations of the two rules have evolved so as to parallel each other, as shown, for example by the fact that now attorneys may subpoena non-parties without judicial assistance).

267 *Id.* at §34.02[5][d].

268 See *id.*

Patent infringement litigants commonly utilize third party discovery for computing lost profits and royalties.²⁶⁹ For example, when third parties offer reasonable substitutes or competitive technologies to the patent-in-suit, evidence relating to such activities may assist in approximating the patent owner's market share or industry royalty rate.²⁷⁰

Because the practical reality, in both the United States and France, is that relevant evidence is not concentrated but rather dispersed across several entities some of which may not be litigants, both the Rule 34 and the Saisie permit third party inspection of documents, things, and premises. Both procedures allow inspections of third parties in the same manner and to the same extent as inspection of primary parties. The ability to reach third parties is justified in light of the fact that patents frequently undergo transactions such as licensing and sale. Further, the ability to compel third party production discourages infringers from storing and effectively hiding infringement evidence with nonparties. Regarding third party production, the two procedures are equally far-reaching and similarly facilitate patent enforcement.

B. *Trade Secrets and Secret Commercial Information*

Striking a fair balance between the seized party's interest in adequately protecting trade secrets and confidential information, on one hand, and ensuring the seizing party an effective and efficient procedure, on the other, has presented controversies in French Saisie practice.²⁷¹ Modern Saisie practice shields defendants' commercial secrets to some extent by barring the plaintiff or other non-neutral parties from participating in the Saisie and, thereby, entering the seized parties premises and observing secret operations thereon.²⁷² After the procedure, a seized party's objection to a description and confiscation, too, may be honored by having an appointed expert sort through the information and thereby keeping some, albeit non-relevant information, from the adversary's view.²⁷³

Inveiglement of trade and commercial secrets constitutes a ground for appealing the performance of a Saisie.²⁷⁴ Despite the apparently legitimate threat of having one's trade secrets divulged during a Saisie, courts rarely look favorably on such complaints.²⁷⁵ In fact, the seized party cannot recover damages awards for improper revelation of trade secrets, unless the seized party demonstrates harm.²⁷⁶ Moreover, it bears the burden of proving that the seizing party directly profited from having

269 MOORE, MICHEL & LUPO, *supra* note 124, at 134.

270 *Id.* at 144.

271 See BIZOLLON ET AL., *supra* note 157, at 56 – 58 (“The difficulty lies in reconciling the rights of the seizing party in obtaining proof of infringement and respecting the secrets of the seized party”) (translation by the author). *Id.* at 56.

272 TGI Paris, 3^e ch., 3^e sect., 15 oct. 2002, *PIBD* 2003, n°763, III, 238 (canceling an order authorizing a saisie for the sole reason that the seizing party himself joined and assisted in the saisie).

273 Véron I, *supra* note 157, at 138.

274 BIZOLLON ET AL., *supra* note 157, at 78 – 79.

275 See Pierre Véron, study, “Le contentieux des brevets d’invention, étude statistique 1990-1999,” *available* at http://www.veron.com/iplibrary.php?lang=fr&Session_site=f2f5ffa20b8e4cab0cb0ebac20b26add.

276 BIZOLLON ET AL., *supra* note 157, at 78.