

NAVIGATING DISCOVERY/DISCLOSURE IN PATENT LITIGATION IN CANADA, THE UNITED STATES, AND THE UNITED KINGDOM*

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1.0 INTRODUCTION

To the uninitiated, the discovery/disclosure process in patent litigation may appear arduous, expensive, and unmanageable. Litigants in Canada, the United States, and the United Kingdom face similar challenges with regard to the scope and expense of the discovery/disclosure process. Legislators and courts in these jurisdictions have expressed their desire to contain, limit, and sequence discoveries, and in the United States and the United Kingdom have established rules specifically tailored to address the unique considerations of patent litigation. In Canada, the Federal Court has recently established guidelines aimed at streamlining discoveries. The following discussion considers applicable rules, case law, and legislation that inform the substance and sequence of discovery/disclosure in an effort to navigate this stage in patent litigation.

2.0 CANADA

The right to examination for discovery generally arises after the close of pleadings and the production of documents. The party being examined must answer questions

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relevant to any unadmitted allegation of fact in a pleading.¹ Discoveries in patent cases are typically conducted by way of oral examination, but may also be conducted in writing. Only one representative of each party need be put forth to be examined for discovery, unless the court orders, on motion, to examine a substitute representative.² In contrast to the United States, there are typically (absent a third-party discovery order) no depositions.

In *Reading & Bates*,³ the court set out six principles concerning the scope of discovery:

1. Relevance is a question of law, not a matter for the exercise of discretion.
2. Questions that are too general or call for opinion need not be answered.
3. Questions on discovery must be relevant to the facts pleaded.
4. The court should not compel answers to questions that are relevant but not likely to advance the party's legal position.
5. Before compelling an answer, the court should weigh the usefulness of the response with the inconvenience and expense of obtaining it.
6. The court will restrict vague, far-reaching, or irrelevant lines of questioning.

The primary consideration in discovery is relevance, but it is not sufficient that a document merely relate to the facts at issue in the case. The Federal Court of Appeal has set out the “train of inquiry” test, which informs the assessment of relevance. The test is whether it is reasonable to conclude that the answer to a question might lead the examining party to a train of inquiry that may either advance its case or damage the case of the opposing party.⁴ It is not enough to say that a document might conceivably lead to other documents that, although not in themselves relevant, might lead to usable information. A party seeking production must establish a reasonable likelihood that the document sought will lead to usable information; an outside chance is not sufficient.⁵

The goal of discovery is not to elicit the opposing party's evidence, but rather to elicit relevant facts and documents. A party is not required to disclose all evidence it will rely on at trial, but rather, only information within its knowledge or means of knowledge.⁶ Thus it is not proper for one party to ask another party what evidence is being relied on by the other party in support of an allegation.

¹ *Federal Court Rules*, 1998, SOR/98-106, r 240.

² *Federal Courts Rules*, *ibid*, r 237(3).

³ *Reading & Bates Construction Co v Baker Energy Resources Co* (1988), 24 CPR (3d) 66 (FCTD).

⁴ *Eli Lilly Canada Inc v Novopharm Ltd*, 2008 FCA 287 at para 56; *Bristol-Myers Squibb Co v Apotex Inc*, 2007 FCA 379 at paras 30-31.

⁵ *Eli Lilly Canada Inc v Novopharm Ltd*, *supra* note 4 at paras 61-63.

⁶ *Beloit Canada Ltée/Ltd v Valmet Oy* (1981), 60 CPR (2d) 145 at para 7 (FCTD).

Judges and prothonotaries may properly exercise their discretion not to compel production of documents that, although technically relevant, would have no benefit to the party seeking production.⁷ The court will not allow discovery to be used as a fishing expedition, nor will it require a party to answer a question outside of its means of knowledge.⁸ Furthermore, speculative questions asking “what would have been done if [x] had/had not happened” require conjecture and speculation and, as such, are not questions as to the deponent’s knowledge, information, and belief. Such questions are not proper.⁹

Discovery is meant to be an intermediate process between pleading and trial and not an end in itself. The purpose of discovery is production of information and documents that a party truly requires for trial. In *Astrazeneca Canada Inc v Apotex Inc*, Justice Hughes of the Federal Court said:

Prothonotaries of this Court are burdened, to a large extent, with motions seeking to compel answers to questions put on discovery. Often hundreds of questions must be considered. Hours and often days are spent on such motions. It appears that in many cases the parties and counsel have lost sight of the real purpose of discovery, which is directed to what a party truly requires for trial. They should not slip into the “autopsy” form of discovery nor consider discovery to be an end in itself.¹⁰

The standard to be applied on discovery concerns the relevance of information sought as related to the pleadings; any doubt as to relevance should be resolved in favour of disclosure.¹¹ However, as stated above, the Federal Court has cautioned against “autopsy” discovery, whereby one party seeks to uncover as much as possible from the opposing party, even if the information is only marginally relevant. The court should protect against abuses by considering factors such as the degree of relevance, how onerous it is to provide an answer, whether the answer requires an opinion, and whether the question is unreasonable or unnecessary.¹²

Despite the Federal Court’s frequent criticism of exhaustive discoveries and motions to compel answers, the court has tended to tacitly allow such abuses. There is no legislation limiting the length of oral discovery, the number of rounds of oral discovery, or the scope or conduct of refusals motions. However, in light of a notice to the profession issued in June 2015 by Justice Crampton, chief justice of the Federal Court, it appears that is likely to change.¹³ The notice to the profession was prepared

⁷ *Eli Lilly Canada Inc v Novopharm Ltd*, *supra* note 4 at paras 68-70.

⁸ *Crestbrook Forest Industries Ltd v Canada (MNR)*, [1993] 3 FC 251 (CA).

⁹ *James River Corp of Virginia v Hallmark Cards Inc* (1997), 72 CPR (3d) 157 at paras 22-24 (FCTD).

¹⁰ *Astrazeneca Canada Inc v Apotex Inc*, 2008 FC 1301 at paras 6 and 19.

¹¹ *Chingee v Chingee* (1998), 149 FTR 113 (Proth).

¹² *Federal Courts Rules*, *supra* note 1, r 242(1); *Astrazeneca Canada Inc v Apotex Inc*, *supra* note 10 at para 18.

¹³ Federal Court of Canada, Notices to Parties and the Legal Profession-Miscellaneous Notice, “Case Management: Increased Proportionality in Complex Litigation before the Federal Court” (24 June

by the Federal Court Case Management Working Group, composed of judges and prothonotaries, who were tasked with improving the case management of actions. Under the notice to the profession, absent special circumstances or the parties' consent, the length of oral discoveries is limited according to the length of trial, as follows:

<i>Length of trial</i>	<i>Length of oral discovery</i> (per party)
1 week or less	1 day
1-2 weeks	2 days
3-4 weeks	3 days
5+ weeks	4 days

Irrespective of the length of trial, second-round discoveries are limited to one day per party.

Furthermore, the notice to the profession states that no questions are to be taken under advisement. All questions should be answered unless clearly improper or prejudicial, or would result in disclosure of privileged communication.

The guidelines also take aim at motions to compel, which are limited to one hour per day of discovery, with heightened cost consequences against losing parties. At the date of this writing, the effect of these guidelines on oral discoveries in patent cases, which have typically far exceeded the new guidelines in terms of the length of first- and second-round discoveries and motions to compel, remains to be seen.

2.1 Patent-Specific Issues

Under the *Patent Act*, the patentee must be a party to an infringement action,¹⁴ and the *Federal Courts Rules* allow for examination of the inventor (they state that where an assignee is a party to an action, the assignor may also be examined for discovery).¹⁵ Defendants typically choose to examine the inventor.

Interpretation of documents and speculation as to the meaning of documents are not the proper subject of discovery.¹⁶ Although questions that require the witness to draw on his or her expertise to opine on technical issues are proper, those that require an opinion regarding the patent at issue, or construction of the patent at issue, are improper. This is so even when the patentee him or herself is being examined.¹⁷

2015) online: Federal Court <[http://cas-ncr-nter03.cas-satj.gc.ca/fct-cf/pdf/NOTICE TO THE PROFESSION - case management FINAL \(ENG\).pdf](http://cas-ncr-nter03.cas-satj.gc.ca/fct-cf/pdf/NOTICE_TO_THE_PROFESSION_-_case_management_FINAL_(ENG).pdf)>.

¹⁴ *Patent Act*, RSC 1985, c P-4, s 55(3).

¹⁵ *Federal Courts Rules*, *supra* note 1, r 237(4).

¹⁶ *Kun Shoulder Rest Inc v Joseph Kun Violin & Bow Maker Inc* (1997), 76 CPR (3d) 488 at para 12 (FCTD) (Proth).

¹⁷ *Nekoosa Packaging Corp v AMCA International Ltd* (1994), 56 CPR (3d) 470 at paras 12, 13, 23 (FCA).

Note, however, that questions that use the terms employed in the patent, when asked of an alleged infringer, have been found to be proper and to not offend the principle that questions regarding the interpretation of the patent are improper. It is proper to ask an inventor what he or she considers to be the substance of the invention, for that is considered to be a question of fact.¹⁸

Similarly, questions as to the state of the prior art or common general knowledge are matters for expert evidence and need not be answered.¹⁹ Discovery questions related to prosecution history or file wrapper of the patent are not relevant to construction of the patent.

Furthermore, questions as to the factual basis underlying the patentee's sound prediction argument, while purportedly framed as factual questions, have been found to be essentially legal questions and as such improper.²⁰ More broadly, questions as to utility and novelty of the patentee's invention are matters for the court and are not proper subject matter for discovery. Questions as to the utility of the invention over the prior art are not relevant. However, any written communication or advertisement to that effect must be produced.²¹

3.0 UNITED STATES

As with all federal litigation in the United States, discovery in patent litigation is governed by the *Federal Rules of Civil Procedure* ("Fed R Civ P"), including its core principle of permitting "discovery of any matter relevant to the subject matter involved in the action."²² This standard broadly encompasses information that "appears reasonably calculated to lead to the discovery of admissible evidence," subject to the timing, frequency, and mechanisms as set forth in the Rules. But the idiosyncrasies of patent litigation have motivated a number of district courts to adopt local patent rules and default orders to better control the pace and scope of discovery and claim construction.²³ Proponents of these patent-specific rules have

¹⁸ *Letourneau v Clearbrook Iron Works Ltd*, 2004 FC 1422 at para 28 (Proth), rev'd on other grounds 2005 FC 475.

¹⁹ *Ibid* at para 26; *James River Corp of Virginia v Hallmark Cards Inc* (1997), 72 CPR (3d) 157 at para 37 (FCTD).

²⁰ *Apotex Inc v Sanofi-Aventis Canada Inc*, 2011 FC 52 at paras 58 and 62.

²¹ *Letourneau v Clearbrook Iron Works Ltd*, *supra* note 18 at para 27.

²² Fed R Civ P 26(b)(1). Rules 26-37 of the *Federal Rules of Civil Procedure* govern discovery.

²³ These jurisdictions include the US District Courts for the Northern and Southern Districts of California; the Northern District of Georgia; the Northern District of Illinois; the District of Massachusetts; the District of Minnesota; the District of New Jersey; the Southern and Eastern Districts of New York; the Eastern District of North Carolina; the Western District of Pennsylvania; the Southern District of Ohio; the Eastern, Northern, and Southern Districts of Texas; and the Western District of Washington. The Northern District of California was the first to formulate and adopt local patent rules in 2000, and its rules and case law are often looked to for guidance by other jurisdictions formulating and interpreting local patent rules.

cited a desire to streamline and narrow the key issues at bar, avoid spiralling costs of e-discovery and attendant discovery battles, and enter standardized pre-trial orders. The Federal Circuit Advisory Council issued model orders in 2011 and 2013 reflecting similar goals, leading to adoption of the model orders' principles by federal district courts.²⁴ Trial attorneys should consider patent-specific local rules and model orders as strategic tools in both controlling and neighbouring jurisdictions when navigating pre-trial discovery in patent litigation.

3.1 Local Patent Rules

The creation and adoption of local patent rules originated at the district court level, where judges and local bar members demonstrated a common desire to streamline patent litigation in their respective districts.²⁵ As one court commented, "the resolutions suggested by the various local patent rules embody the collective wisdom and experience of groups of judges and practicing patent lawyers who, on repeated occasions, have addressed the very discovery issues covered by the local patent rules."²⁶

Local patent rules in most jurisdictions impose far more structure than the Federal Rules, both in terms of timing and substance, particularly with respect to initial disclosures. Under Fed R Civ P 26(a), which establishes standard initial disclosures for federal litigation, each party need only identify known witnesses and categories of documents and things that a party may rely on, along with an initial computation of damages and identification of available insurance, within 14 days after the parties' initial discovery conference.²⁷ Local patent rules, on the other hand, generally command the prompt disclosure of far more information by both parties. A patent holder asserting patent infringement typically has less than 30 days after the court's initial scheduling conference to submit its preliminary infringement contentions.²⁸ Specific document production requirements accompany the preliminary infringement contentions, including a copy of the patent's file history, evidence of ownership

²⁴ The US Court of Appeals for the Federal Circuit is the US appellate (intermediate) court with jurisdiction over all appeals from patent cases, including cases determined by US federal district courts (trial level). The Federal Circuit's Advisory Council reviews, studies, and makes recommendations regarding the rules of practice and internal operating procedures of the court.

²⁵ Xuan-Thao Nguyen, "Dynamic Federalism and Patent Law Reform" (2010) 85 Ind LJ 449 at 474-75.

²⁶ *Suncast Techs v Patrician Prods*, No 07-80414-CIV, 2008 WL 179648 at *9 (SD Fla 17 January 2008) (reviewing local patent rules from a number of districts and commenting that certain rules "provide instructive insight into identifying proper topics of discovery unique to a patent suit," which assisted the court in adopting "the correct sequencing" of patent discovery).

²⁷ Fed R Civ P 26(a)(1) and 26(f).

²⁸ Fed R Civ P 16 (establishing framework for initial scheduling conference); see e.g. ND Cal Patent LR 3-1 (requiring service of "Disclosure of Asserted Claims and Infringement Contentions" within ten days after the initial case management conference); ED Tex PR 3-1 (same); ND Ga Patent LR 4.4 (requiring plaintiff to serve "Disclosure of Infringement Contentions" within 30 days after filing joint preliminary report and discovery plan).

rights, and documentation evidencing known sales or offers of sales.²⁹ With equal speed, defendants are expected to serve preliminary invalidity contentions and an accompanying production of documents sufficient to show the operation or structure of any accused elements identified in plaintiff's infringement contentions, along with prior art outside of the patent file.³⁰

Initial infringement and invalidity contentions not only establish the parties' theories of infringement and invalidity, but also lay markers for staging discovery and encouraging appropriate disclosure by the parties. Local patent rules require "both the plaintiff and the defendant in patent cases to provide early notice of their infringement and invalidity contentions, and to proceed with diligence in amending those contentions when new information comes to light in the course of discovery. The rules thus seek to balance the right to develop new information in discovery with the need for certainty as to the legal theories."³¹

Infringement contentions, typically accomplished through the charting of asserted claims against the specific accused products or processes, replace the series of interrogatories that an opposing party would serve under Fed R Civ P 33. They were conceived to "provide structure to the entire discovery process" and require the patentee "to crystalize its infringement theory early in the case and adhere to it once disclosed."³² Certain jurisdictions treat the preliminary infringement contentions as final after a short period of time and allow patentees to amend their contentions only with leave of court and good cause shown,³³ while others explicitly provide for the later filing of final infringement contentions and disfavour amendment thereafter.³⁴ A party may be denied discovery regarding accused products/processes if that party has not timely filed adequate infringement contentions for each allegedly infringing product/process.³⁵ A plaintiff's inadequate infringement contentions may

²⁹ See e.g. DNJ L Pat R 3.2 (identifying documents for production accompanying infringement contentions).

³⁰ See e.g. DNJ L Pat R 3.3 (requiring service of invalidity contentions within 45 days of receipt of infringement contentions) and 3.4 (identifying documents for accompanying production).

³¹ *Symantec Corp v Veeam Corp*, No 12-05443, 2013 WL 3490392 at *2 (ND Cal 11 July 2013) (quoting *O2 Micro Int'l Ltd v Monolithic Power Sys, Inc*, 467 F 3d 1355, 1365-66 (Fed Cir 2006)).

³² Order, *Oplus Techs, Ltd v Sears Holding Corp*, No 2:12-cv-05707-MRP-E (CD Cal 3 April 2013); *Nova Measuring Instruments Ltd v Nanometrics, Inc*, 417 F Supp 2d 1121 at 1123 (ND Cal 2006).

³³ ED Tex PR 3-6.

³⁴ See e.g. D Md L R 805.1.e ("Amendment of a Claims Chart or a Responsive Claims Chart may be made only on stipulation of all parties or by Order of the Court, which shall be entered only upon a showing of excusable subsequent discovery of new information or extraordinary good cause").

³⁵ Order, *California Institute of Tech v STMicroelectronics NV*, No 2:10-cv-09099-MRP-VBK (CD Cal 13 April 2012) (rejecting plaintiff's argument that their infringement contentions for six sensors were sufficient on their own to show infringement of 30 additional sensors, finding plaintiff's six infringement contentions "woefully inadequate" and granting motion for protective order on discovery regarding 30 additional sensors).

also foreclose any further discovery until the contentions are supplemented, and may foreclose the presentation of infringement theories at trial.³⁶

Invalidity contentions, also typically accomplished through charts matching claim language to prior art references, have equal significance and effect on discovery. Amendments to invalidity contentions are limited in the same manner as infringement contentions.³⁷ Failure to timely or fully disclose theories of invalidity and prior art references can result in the striking of invalidity contentions or the exclusion of such theories at trial, mainly because such concealment prohibits full and fair discovery by the party's opponent.³⁸

While many district courts' local rules have similar features, local rules differ from forum to forum, and can have a meaningful effect on discovery and general case management. For example, in the Eastern District of Texas and the District of Delaware, patent plaintiffs will find that local rules and procedural orders tilt in their favour with respect to the pace of litigation, the scope and order of discovery, the availability of summary judgment, the availability of stays pending re-examination or other related proceedings before the US Patent and Trademark Office, and the joinder and/or consolidation of tenuously related defendants.³⁹

3.2 Federal Circuit Advisory Council Model Orders

E-discovery persists as a top driver of litigation cost, which prompted the Federal Rules Advisory Council to amend Fed R Civ P 26 to specifically address proportionality in e-discovery.⁴⁰ Furthermore ... , the Federal Circuit Advisory Council issued a 2011 Model Order Regarding E-Discovery in Patent Cases to appropriately tailor e-discovery for patent cases.⁴¹ The Advisory Council was motivated by the

³⁶ *Bender v Maxim Integrated Prods, Inc*, No C09-01152 SI, 2010 WL 1135762 at *2 (ND Cal 22 March 2010) ("Until plaintiff meets the burden of providing infringement contentions compliant with Patent LR 3-1, the Court will not order defendant to proceed with discovery"); see also *Verinata Health, Inc v Sequenom, Inc*, No C 12-00865 SI, 2014 WL 4100638 at *3 (ND Cal 20 August 2014) ("a party may not use an expert report to introduce new infringement theories, new infringing instrumentalities, new invalidity theories, or new prior art references not disclosed in the parties' infringement contentions or invalidity contentions").

³⁷ See e.g. D Md L R 805.2.d.

³⁸ *Carrier Corp v Goodman Global, Inc*, No CV 12-930-SLR, 2014 WL 3976575 at *11 (D Del 14 August 2014); *ASUS Computer Int'l v Round Rock Research, LLC*, No 12-CV-02099 JST (NC), 2014 WL 1463609 at *8 (ND Cal 11 April 2014).

³⁹ For detailed statistics and trends on filings in certain forums, including Texas and Delaware, see Daniel Klerman & Greg Reilly, "Forum Selling," Center for Law and Social Science Research Papers Series No CLASS14-35, Legal Studies Research Papers Series No 14-44 (Feb. 19, 2015), online: <http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2538857>.

⁴⁰ The new version of rule 26 is slated to become effective 1 December 2015.

⁴¹ An E-Discovery Model Order (2011), online: <http://www.cafc.uscourts.gov/sites/default/files/announcements/Ediscovery_Model_Order.pdf>. The Advisory Council's model orders are not endorsed by the Federal Circuit, but are nevertheless utilized by district courts and litigants.

“staggering time and production costs” associated with disproportionate, overbroad email and e-document collection and production, and the reality that parties’ routine document requests seeking all categories of electronically stored information often resulted in mass productions of marginally relevant and cumulative documents. Moreover, the Advisory Council noted that the most consequential information in patent litigation “centers on what the patent states, how the accused products work, what the prior art discloses, and the proper calculation of damages,” which are not topics likely to be advanced by far-reaching e-discovery, such as mass email searches. Thus, the model order sets up a discovery process through which the parties exchange core documentation concerning the patent, the accused product or process, the prior art, and the finances before making email production requests. It also presumptively limits the number of custodians and search terms for all email production requests, which are encouraged to be focused on a particular issue warranting discovery. The model order for e-discovery has prompted other jurisdictions such as Texas, Delaware, and Oregon to adopt similar model orders.

In 2013, recognizing that the sheer numbers of asserted claims, claim terms, allegedly infringing products, and prior art references in patent cases had become “problematically excessive,” the Advisory Council issued a model order to stave off the rising costs on courts and litigants associated with such sprawling discovery.⁴² The Advisory Council noted that the inclusion of superfluous claims and prior art can function to “hide the ball,” placing an asymmetrical burden on the responding party (and the trial court) because no mechanism existed to enforce limits on the asserting party, who often has a better sense of which issues it will ultimately pursue at trial. Intending to impose such limits, the model order sets the maximum number of claims and prior art references that may be asserted before claim construction to 10 claims per patent/32 claims total and 12 prior art references per patent/40 references total. Then, within 28 days after the court issues a claim construction ruling interpreting the asserted claims for each patent, the parties must serve a final election of asserted claims and prior art, limited to 5 claims per patent/16 claims total and 6 prior art references/20 references total, respectively. The model order contemplates that only on a showing of diligence, specific explanation of necessity, and with due consideration for prejudice, may a party move to include additional asserted claims or prior art references.⁴³

⁴² A Model Order Limiting Excess Patent Claims and Prior Art (2013), online: <<http://patentlyo.com/media/docs/2013/07/model-order-excess-claims.pdf>>. The US District Court for the Eastern District of Texas issued General Order 13-20 adopting many provisions of the 2013 model order. See also *Keranos, LLC v Silicon Storage Tech*, No 2:13-CV-17, 2013 WL 5763738 at *4 (ED Tex 5 August 2013), relying on the Federal Circuit model order in limiting the accused infringer to two or three prior art references per claim.

⁴³ See *In re Katz Interactive Call Processing Patent Litig*, 639 F 3d 1202 at 1312-13 (Fed Cir 2011).

4.0 UNITED KINGDOM

Historically, disclosure in English patent proceedings concerned a similar range and number of documents as would be considered in proceedings in the United States. Under the current regime, disclosure in England and Wales should be rather more limited; however, even with the current provisions for much more limited disclosure, it may still become a very time-consuming and potentially expensive exercise for litigants.

For many years, the scope of disclosure was determined by reference to the *Peruvian Guano* test.⁴⁴ The *Rules of the Supreme Court* required that the parties give discovery of “the documents which are or have been in their possession, custody or power relating to the matters in question in the action.”⁴⁵ In the *Peruvian Guano* case, Brett LJ set out what this in fact meant for litigants. In his view, documents within the scope of this obligation would be all those that contained information that may either directly or indirectly enable the party either to advance his own case or damage the case of an opponent. Importantly, he also indicated that any other documents that may fairly lead a party to a train of inquiry which may have either of those two consequences would fall within the scope. Consequently, in many cases there was a virtually unlimited range of potentially relevant documents that parties were obliged to review, list, and disclose.

The law regarding disclosure has since been codified and reformed by the *Civil Procedure Rules* (CPR). Part 31 of the CPR, which came into force in April 1999, removes this arduous obligation. In accordance with these Rules, in cases brought before the High Court of England and Wales, shortly after the close of pleadings, directions will be determined, either by agreement between the parties or by order of the court at a case management hearing. One direction will pertain to the timing and scope of disclosure.

Pursuant to the CPR, standard disclosure requires all parties to disclose all documents on which they rely, together with documents that are adverse to their case or the case of another party, and all documents that support the case of another party.⁴⁶ When the Rules were initially implemented,⁴⁷ there was a presumption that standard disclosure would be ordered. The Rules were subsequently amended such that the court may now make any order for disclosure that it sees fit, including an order for disclosure on an issue-by-issue basis or indeed an order dispensing with disclosure in its entirety.⁴⁸ The order will be one that the court sees as proportionate having

⁴⁴ As described by Brett LJ in *Compagnie Financiere du Pacifique v Peruvian Guano Company* (1882), 11 QBD 55.

⁴⁵ RSC Order 24 Rule 1(1).

⁴⁶ CPR 31.6.

⁴⁷ Prior to amendment to CPR 31.5 in April 2013.

⁴⁸ CPR 31.5(7).

regard to the size, complexity, and nature of the case, with a view to limiting disclosure to those documents necessary to deal with the case justly.

Whatever the order made by the court, a party is obliged to make a reasonable search for documents. In determining the reasonableness of the search, regard should be had to the number of documents involved, the nature and complexity of the proceedings, the ease and expense of retrieval, and the significance of any document likely to be obtained via such search.⁴⁹ In the electronic age, searches can become long, involved, and expensive, and often identify a huge volume of documents outside the scope of the ordered disclosure. An attempt to address this is contained in CPR Practice Direction (PD) 31B, which sets out principles for identifying and disclosing electronic documents. Essentially, the parties are obliged to meet to discuss how they will conduct the search, including a consideration of “key word” searches to ensure that a reasonable search is undertaken to identify relevant documents within the scope of the disclosure ordered.

In patent cases the scope of standard disclosure is more limited.⁵⁰ Where infringement is in issue, documents pertaining to the infringement need not be disclosed, provided that full particulars of the product or process alleged to infringe are provided. This is usually done by way of a product or process description. In relation to validity, disclosure is limited to documents created within a period of two years prior to and two years post the earliest claimed priority date of the patent.

Discussed above is disclosure in cases before the High Court of England and Wales, generally claims where significant sums are in dispute. For lower value claims (those where damages will likely not exceed £500,000), the Intellectual Property Enterprise Court may be a more attractive forum, offering a more streamlined procedure. In keeping with this approach, disclosure is available in proceedings only if ordered by the court.⁵¹ Such an order will concern only specific and identified issues and only if the court is satisfied that the value in those documents in helping resolve the identified issues justifies the additional cost in producing the disclosure.⁵² This is the same approach that will be taken in the Unified Patent Court, the pan-European forum for patent litigation, which is currently under development.⁵³

Whatever the scope of the disclosure ordered in the Intellectual Property Enterprise Court, the parties must produce a list of documents to be disclosed. Any documents that are privileged must be listed in a party’s disclosure statement but may not be inspected by any other party. For example, legal advice produced by either

⁴⁹ CPR 31.7.

⁵⁰ CPR PD63, para 6.1.

⁵¹ CPR PD63, para 29.1.

⁵² CPR PD63, para 29.2.

⁵³ The date for this court to be operational is currently unknown, but estimated to be during the course of 2016. Once implemented, European patents will be litigated in the Unified Patent Court, rather than being litigated in each national jurisdiction in which the European patent is in force.

internal or external counsel would not be provided to an opposing party, unless privilege is waived. As for the documents disclosed, they may be used only for the proceedings in which they are disclosed—that is, the proceedings before the English court. They may not be used in, for example, parallel proceedings in other European jurisdictions.

It is also worth noting that in the United Kingdom a party may obtain disclosure of specific documents or classes of documents held by a potential defendant. The court has the discretion to make an order for pre-action disclosure if the documents are in the control of a person likely to become a party to proceedings, if the documents would fall within the scope of standard disclosure should proceedings be initiated, and pre-action disclosure is considered desirable to dispose of the matter without recourse to litigation, or to save costs.⁵⁴ This can be a useful tool for patentees in respect of suspected infringers, although the court has made it clear that it does not entertain “fishing expeditions.” Furthermore, the court is able, at its discretion, to order that non-parties to the case disclose specific documents.⁵⁵ This can be helpful, for example, for patentees to seek disclosure of material relating to suspected infringers—for example, to obtain documents held by customs authorities relating to material imported into the United Kingdom.

5.0 CONCLUSION

The rules and case law regarding the discovery/disclosure process in Canada, the United States, and the United Kingdom continue to evolve, ostensibly making the process less burdensome and more efficient. The process in each jurisdiction is shaped to varying degrees by jurisprudence and legislation but has a common goal—namely, to balance parties’ disclosure obligations against the burden on the courts and litigants.

⁵⁴ CPR 31.16(3)(d).

⁵⁵ Such an order is called a Norwich Pharmacal order.