IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

MEDTRONIC SOFAMOR DANEK, INC., Plaintiffs/ Counterclaim Defendant	)	
vs.	)	No. 01-2373 MlV
GARY K. MICHELSON, M.D. and KARLIN TECHNOLOGY, INC., Defendants/ Counterclaimants,	)	
and	)	
GARY K. MICHELSON, M.D., Third-Party Plaintiff,	)	
vs.	)	
SOFAMOR DANEK HOLDINGS, INC., Third-Party Defendant.	)	

ORDER DENYING PLAINTIFF'S SECOND RENEWED MOTION TO COMPEL
ADDITIONAL RESPONSES TO INTERROGATORY NO. 1

Before the court is the second renewed motion of the plaintiff, Medtronic Sofamor Danek, Inc. ("Medtronic"), filed August 19, 2003, seeking to compel the defendants Gary Karlin Michelson ("Michelson") and Karlin Technology, Inc. ("KTI") to respond to Interrogatory No. 1 of Medtronic's amended first set of interrogatories by providing dates ("requested dates") of invention, design, conception, development, and reduction to practice for three specific groups of technology at issue in this

litigation. Michelson and KTI timely responded on September 5, 2003. The motion was referred to the United States Magistrate Judge for a determination. For the reasons set forth below, Medtronic's motion to compel is denied.

This case involves a dispute between the parties over Medtronic's rights to intellectual property purportedly invented by Michelson in the field of spinal fusion technology. The motion presently before the court is Medtronic's third attempt to persuade the court to compel Michelson and KTI to provide the dates of "invention, design, conception, development, and/or reduction to practice" for the following three groups: (1) "[e]ach of the items of technology which [Michelson and KTI] allege have been misappropriated by [Medtronic];" (2) "[e]ach of the items of technology claimed by the patents-in-suit on which [Michelson and KTI] accuse [Medtronic] of infringement;" and (3) "[p]atents and patent applications representative of the technology in dispute." (Pl.'s Mem. in Supp. of 2d Renewed Mot. to Compel Defs.' Resp. to Interrog. No. 1 at 2-3.)

Medtronic previously attempted to obtain the requested dates when it served its amended first set of interrogatories to Michelson and KTI on February 20, 2002.[1] In their initial answer

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[1] Interrogatory No. 1 states:

> Identify each and every item of Interbody Technology You claim to have invented, designed, conceived of, developed and/or reduced to practice by providing, with respect to each such item, each applicable patent or patent application number or other identifying information (such as, for example, notebook or

to Interrogatory No. 1, Michelson and KTI identified over 480 items of Interbody Technology, including patent application filing dates. (*See id.* Ex. B at 2-33.) Michelson and KTI subsequently provided supplemental interrogatory answers in which they identified the "respective priority dates" for the previously identified patents and applications and offered those dates as constructive dates for the conception, design, and reduction to practice. (*Id.* Ex. C at 2.)

Unsatisfied with Michelson and KTI's response, Medtronic filed its August 27, 2002 renewed motion to compel Michelson and KTI to respond to Interrogatory No. 1, in addition to other discovery requests. Medtronic claimed that the priority dates provided by Michelson and KTI were deficient because they did not inform Medtronic as to when the "technology at issue was actually invented." (*Id.* at 6.)

On October 24, 2002, the court considered Medtronic's motion and found that the task of producing all dates requested in association with the 480 items of technology "an unduly burdensome task" and that "such a blanket request is not reasonably calculated to lead to admissible evidence vis-a-vis every single item." Order Granting in Part and Deny. in Part Pl.'s Renewed Mot. to Compel, *Medtronic Sofamor Danek, Inc. v. Michelson*, Civil Case No. 01-2373-

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> sketch number) and the date of invention, design, conception, development and reduction to practice.

(*Id.* Ex. A, Pl.'s Am. First Set of Interrogs. to Defs. at 8.) Only the applicable dates listed above are at issue in the present motion.

MlV, 20 (W.D. Tenn. October 24, 2002). Furthermore, the court was "not persuaded" that all the event dates requested were relevant to current claims or defenses. *Id.* at 21. The court denied Medtronic's motion to compel more specific dates of invention other than the priority dates already provided. *Id.* The court noted, however, that it would allow Medtronic to renew its motion to compel if Medtronic determined that the priority date was not an "acceptable date to fix Medtronic's alleged rights in a particular item for purposes of this litigation." *Id.* Furthermore, Medtronic was required to "explain why discovery of additional dates, rather than the priority date that Michelson has already provided, is relevant to a claim or defense in this litigation as to that particular item." *Id.*

On June 17, 2003, Michelson and KTI served their third supplemental interrogatory responses to Medtronic's Interrogatory No. 1. (Defs.' Mem. in Opp'n to Pl.'s 2d Renewed Mot. to Compel Resp. to Interrog. No. 1 Ex. A.) The third response included "the earliest identifiable date, time, place and manner in which [Michelson and KTI] disclosed each item of technology, in whole or in part, to [Medtronic]." (*Id.* at 4.) Still not satisfied with these dates, Medtronic filed its second renewed motion to compel now before the court.

With the requirements of the October 24, 2003 order in mind, the court analyzes in turn Interrogatory No. 1 as to each of the three groups of technology identified by Medtronic.

ANALYSIS

A. Group 1: Misappropriated Technology

First, Medtronic seeks the dates of conception, design, and reduction to practice for the items of technology that Michelson and KTI have alleged in their counterclaim that Medtronic misappropriated. Medtronic argues that the requested dates are relevant "to settling the issue of whether the allegedly misappropriated technology was in the possession of [Michelson and KTI] at the time it was allegedly misappropriated or whether it was already in the possession of [Medtronic]." (Pl.'s Mem. in Supp. of 2d Renewed Mot. to Compel Defs.' Resp. to Interrog. No. 1 at 3.) In short, Medtronic asserts that it needs the requested dates, not the priority dates, to determine who invented the disputed technology first and whether it can defend the misappropriation counterclaim on the basis of its prior ownership. (*See id.* at 8.)

In this case, federal jurisdiction is based on both diversity and federal question. Tennessee law governs Michelson's and KTI's counterclaim of misappropriation. The elements required under Tennessee law in an action for misappropriation of trade secrets are set forth in *Hickory Specialties, Inc., v. B & L Laboratories, Inc.*, 592 S.W.2d 583, 586 (Tenn. Ct. App. 1979) (citing *Smith v. Dravo Corp.*, 203 F.2d 369 (7th Cir. 1953)). A claim of misappropriation requires (1) "the existence of a trade secret (2) which is communicated to the defendant while the defendant is in a position of trust and confidence (3) and use of that information by the defendant (4) to plaintiff's detriment." *Id.*

From the elements necessary for a cause of action for

misappropriation, it follows that the relevant time at issue for Medtronic's defense of Michelson's and KTI's counterclaim of misappropriation is the earliest date upon which Michelson communicated the trade secrets to Medtronic. Michelson and KTI have already supplied such dates of disclosure in their third supplemental responses to Interrogatory No. 1, (*See* Defs.' Mem. in Opp'n to Pl.'s 2d Renewed Mot. to Compel Resp. to Interrog. No. 1 at 4-95), and Medtronic should have within its own records the dates upon which it came into possession of the allegedly misappropriated technology. If Medtronic's records show an earlier date at which it claims it invented the technology at issue, then Medtronic can offer that date as a defense. The court finds therefore that Medtronic has not carried its burden of demonstrating how the requested dates of conception, design, and reduction to practice are relevant to its defense of prior possession of the alleged misappropriated technology. Accordingly, Medtronic's second renewed motion to compel as to Group 1 is denied.

B. Group 2: Patent Infringement

Medtronic next seeks the dates of conception, design, and reduction to practice for the patents that Michelson and KTI allege were infringed by Medtronic. Medtronic asserts that the requested dates are relevant for its assessment of Michelson's and KTI's infringement counterclaims because the dates "are pertinent to proper claim construction" of the allegedly infringed patents and assessment of prior art. (Pl.'s Mem. in Supp. of 2d Renewed Mot. to Compel Defs.' Resp. to Interrog. No. 1 at 10.) Medtronic argues

that it requires the date of invention or conception of the allegedly infringed patents so it can construe "the metes and bounds of the claims" and assess the prior art. (*Id.*)

As Michelson and KTI have indicated, Medtronic has not specifically identified any claim in dispute that would require construction, nor has it identified any invalidating prior art that would require Michelson and KTI to establish an earlier date of conception. (Defs.' Mem. in Opp'n to Pl.'s 2d Renewed Mot. to Compel Resp. to Interrog. No. 1 at 5.) The general rule is that "[f]iling a patent application is constructive reduction to practice." 60 Am. Jur. 2d *Patents* § 90 (2003); *see also Kopykake Enter., Inc. v. Lucks Co.*, 264 F.3d 1377, 1383 (Fed. Cir. 2001) ("[W]e consider the meaning of the claim as of the date the invention was constructively reduced to practice- the date the patent application was filed.") Moreover, this court has stated previously that a "'priority date' is a 'constructive date of conception, design, and reduction to practice' for a patented item." Order Granting in Part and Deny. in Part Pl.'s Renewed Mot. to Compel, *Medtronic Sofamor Danek, Inc. v. Michelson*, Civil Case No. 01-2373-MlV, 20 (W.D. Tenn. October 24, 2002) (citing the United States Patent and Trademark Office Manual of Patent Examining Procedure). Michelson and KTI have stated that they will rely on the dates of filing as the constructive dates of invention and have already provided Medtronic with those dates.

Medtronic argues that the instrumental date in identifying the prior art is the date of invention, not the date of filing. (*See* Pl.'s Mem. in Supp. of 2d Renewed Mot. to Compel Defs.' Resp. to

Interrog. No. 1 at 10) (citing *Lockwood v. American* Airlines, 107 F.3d 1565, 1570 (Fed. Cir. 1997); *Mahurkar v. C.R. Bard, Inc.*, 79 F.3d 1572, 1576. (Fed. Cir. 1996)) At this point in the current litigation, the invention dates and filing dates for the allegedly infringed patents are the same because Michelson and KTI have not come forward with any earlier dates as evidence of invention. *See Mahurkar*, 79 F.3d at 1577 (finding that plaintiff's invention date would have been the filing date of his patent if he had not come forward with earlier date of invention). "The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity." *Patent, Trademark, and Copyright Laws* § 282 (Jefferey M. Samuels ed., 2002); *see also Mahurkar*, 79 F.3d at 1576. Medtronic has failed to identify any prior art that existed before the patent application filing dates that would force Michelson and KTI to offer evidence of an earlier date of invention and thus make the requested dates relevant to Medtronic's defense of the patent infringement counterclaim. Moreover, it does not appear that Medtronic has even asserted patent invalidity as a defense to the patent infringement counterclaim in this case.

Accordingly, the court finds that Medtronic has failed to make a sufficient showing of how the requested dates of conception, design and reduction to practice are relevant to its defense of the patent infringement counterclaim. Medtronic's second renewed motion to compel is therefore denied as to Group 2.

C. <u>Group 3: Disputed Patents and Patent Applications</u>

Finally, Medtronic seeks the requested dates for patent and

patent applications representative of the technology over which Michelson and KTI claim Medtronic has no rights. Medtronic asserts that the requested dates are relevant to its claim that it has been "damaged as a result of [Michelson's and KTI's] failure to disclose, license, or assign certain technology as required by the parties' Agreements." (Pl.'s Mem. in Supp. of 2d Renewed Mot. to Compel Defs.' Resp. to Interrog. No. 1 at 10.) Medtronic contends that the priority dates provided by Michelson and KTI are not responsive to Interrogatory No. 1 because it needs to know the first date Michelson and KTI had a contractual duty to disclose, which would not necessarily correspond to the date that the patent applications for the disputed technology were filed.

Medtronic's rights in the disputed technology addressed in Group 3 are currently the subject of several motions for summary judgment pending before the district court. Consequently, Medtronic's motion to compel with respect to Group 3 is denied at this time because it is premature. If Medtronic prevails on the pending motions for summary judgment, the court reluctantly will allow Medtronic to renew its motion as to the dates sought for Group 3 only.

CONCLUSION

Medtronic's second renewed motion to compel Michelson and KTI to provide the dates of invention, design, conception, development, and reduction to practice is denied as to the alleged misappropriated technology and infringed patents because Medtronic failed to carry its burden of demonstrating the relevancy of the requested dates. Due to the premature nature of Medtronic's

request, the court also denies Medtronic's motion to compel the requested dates for the disputed patents and patent applications of Group 3. If Medtronic prevails on the pending motions for summary judgment on the disputed patents and patent applications, the court reluctantly will allow Medtronic to renew its motion as to the dates sought for Group 3 only.

IT IS SO ORDERED this 3rd day of October, 2003.

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DIANE K. VESCOVO
UNITED STATES MAGISTRATE JUDGE