

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

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MEDTRONIC SOFAMOR DANEK, INC., )  
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 Plaintiffs/ )  
 Counterclaim Defendant )  
 )  
 vs. ) No. 01-2373 Mlv  
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 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.)

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ORDER GRANTING IN PART AND DENYING IN PART DEFENDANTS' RENEWED  
MOTION TO COMPEL DEPOSITION TESTIMONY

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Before the court is the November 10, 2003 renewed motion of the defendants, Gary K. Michelson ("Michelson") and Karlin Technology, Inc. ("KTI"), to compel the plaintiff, Medtronic Sofamor Danek, Inc. ("Medtronic"), to produce a witness or witnesses prepared to testify as to topics 2 and 4 set forth in the defendants' Rule 30(b)(6) notice of deposition and to answer the questions that Medtronic instructed William D. Martin and Brad Winn not to answer in the transcripts attached to the declaration of

Stanley M. Gibson submitted in support of the defendants' original motion to compel deposition testimony. Additionally, Michelson and KTI seek an order directing Medtronic to respond fully to KTI's Interrogatory No. 4. The motion was referred to the United States Magistrate Judge for a determination. For the reasons that follow, the motion is granted in part and denied in part.

Michelson and KTI previously sought an order compelling Medtronic to provide a Rule 30(b)(6) witness regarding Medtronic's determinations of which of its products are royalty-bearing and which are not.<sup>1</sup> In response to the earlier motion, Medtronic insisted that determination of whether a product is royalty-bearing or not required a "rigorous legal analysis of both the agreements and underlying intellectual property as well as a review of the product's features, methods, and implementation" and offered to respond to a "properly worded contention interrogatory."

After considering the arguments of the parties, the court found that the use of a contention interrogatory at that time and stage of the litigation would be the quickest, most efficient, and most inexpensive way to obtain the required information. Accordingly, on October 31, 2003, the court ordered Medtronic to respond in full to Interrogatory No. 4 of KTI's First Set of Interrogatories, propounded March 18, 2003.<sup>2</sup> Any objections by

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<sup>1</sup> The factual and procedural history surrounding this discovery dispute are set out in detail in the court's October 31, 2003 order and will not be repeated here.

<sup>2</sup> Interrogatory No. 4 asked Medtronic to:

Identify each item of Interbody Technology that you directly or indirectly have made, used, leased,

Medtronic to the wording of Interrogatory No. 4 were overruled. In its October 31, 2003 order, the court stated that Michelson and KTI may renew their motion to compel a 30(b)(6) deposition on or before Monday, November 10, 2003, if Michelson and KTI are not satisfied with Medtronic's answers to Interrogatory No. 4.

Pursuant to the October 31, 2003 order, Michelson and KTI have renewed their motion to compel. Michelson and KTI argue that Medtronic's supplemental response to Interrogatory No. 4 is vague and ambiguous, does not state reasons for Medtronic's royalty determinations, and fails to state when the determinations were made and when or why Medtronic changed its position on the royalty-bearing status of certain items. Michelson and KTI therefore request that Medtronic be ordered to produce a 30(b)(6) corporate designee who is capable of testifying not only to the fact of which products are royalty-bearing but also to the corporation's reason, opinions, and beliefs as to why certain products are and are not royalty-bearing and the underlying facts that support their opinions and that Medtronic also be ordered to answer Interrogatory No. 4 in full.

Medtronic's supplemental response to Interrogatory No. 4 is structured in two-parts. Part one purports to be a legal analysis

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sold, offered, for sale, imported and/or practiced, and separately for each such item describe whether, when, how, and the bases upon which you determined either that you must pay or need not pay a royalty or other payment to either defendant in connection with the lease or sale of such item, including a detailed explanation of any contention that a royalty or other payment is payable to a defendant under some circumstance but not others . . . .

of the relevant royalty provisions of the various agreements at issue in this case. In reality, Medtronic's legal analysis simply amounts to a verbatim recitation of various provisions of the agreements, particularly the definition sections of the agreements.

Part two of Medtronic's response to Interrogatory No. 4, consists of a thirty-one page product-by-product analysis. For each separate product, Medtronic states first whether or not it treats the product as royalty bearing. For the reasons why it treats a product as royalty bearing or non-royalty bearing, Medtronic merely states in general, conclusory terms whether or not the product falls within one of the definitions covered by one of the agreements. Medtronic does not further elaborate or explain why it has determined that a product does or does not fall within one of the definitions.

The court finds Medtronic's response to be woefully inadequate. To fully answer this interrogatory, Medtronic is directed to describe the various features of each product it considered in determining whether or not the product was royalty-bearing and the specific claims under the various patents it considered for each product. The court is not requiring Medtronic to engage in a patent infringement analysis for each product but rather to identify the determinative features of each product and the specific patent and claims considered for each product in reaching its ultimate conclusion.

In addition, Medtronic has failed to identify in its supplemental response when it determined whether a product was or was not royalty-bearing and when it changed its position as to the status of some items. Medtronic responds that Interrogatory No. 4

does not ask specifically for that information, and, even if it did, the information can be gleaned from the documents identified in its original response to Interrogatory No. 4, that is, MSD 658927 - MSD 663818 and MSD 1313668 - MSD 1316028. The court finds Medtronic's position to be without merit. Interrogatory No. 4 clearly asks Medtronic to state "when . . . [it] determined [it] must pay or need not pay a royalty . . . ." (Opp'n. to Dr. Michelson and KTI's Renewed Motion to Compel Dep. Test., Ex. A at 17.) Because, according to Medtronic, these dates can be easily ascertained from the documents identified by Medtronic, Medtronic is directed to peruse the documents and include the dates in its supplemental response to Interrogatory No. 4.

With respect to four products - the Hedrocel instrument set, the laparoscopic bone dowel fee, the Union, and the CT Bone, Medtronic failed to offer any basis, even a general, conclusory basis, for its determinations that these products were or were not royalty-bearing. Medtronic has voluntarily agreed to supplement its response as to these products, and it is specifically ordered to do so.

The court further finds Medtronic's objections on the basis of attorney-client privilege to be meritless, and the objections are overruled. Interrogatory No. 4 seeks the factual bases for Medtronic's determinations. The court is ordering Medtronic to disclose the specific features of each product it considered in making its decisions and the particular claims of patents considered. Moreover, to the extent attorneys made the determinations as to which products are royalty-bearing, these are business decisions not confidential legal advice.

The court still believes that the use of a contention

interrogatory is the quickest, most efficient, and most inexpensive way to obtain the required information. Accordingly, Medtronic is again ordered to respond in full to Interrogatory No. 4 of KTI's First Set of Interrogatories, propounded March 18, 2003, within ten days of the date of entry of this order. Failure to respond fully will result in the imposition of sanctions. Michelson and KTI's request for a 30(b)(6) deposition is again denied.

IT IS SO ORDERED this 18th day of December, 2003.

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DIANE K. VESCOVO  
UNITED STATES MAGISTRATE JUDGE