

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

GENENTECH, INC. and CITY OF HOPE,

Plaintiffs,

v.

AMGEN INC.,

Defendant.

C.A. No. 18-924-CFC
(CONSOLIDATED)

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**LETTER FROM DANIEL M. SILVER, ESQ. TO THE
HONORABLE COLM F. CONNOLLY**

Dated: June 13, 2019

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Dear Judge Connolly;

I write on behalf of Genentech in C.A. No. 18-cv-924-CFC to request that the Court compel Amgen to produce documents and make certain witnesses available for deposition stemming from Amgen's decision to waive privilege and rely on the advice of counsel as a defense to willful patent infringement. A similar dispute will be presented at the June 18, 2019 discovery conference in the related Avastin case (C.A. No. 17-cv-1407-CFC), and Genentech believes it would be most efficient for the Court to decide this issue in this case at the same time.

Patent infringement is a strict liability offense. *See, e.g., Valinge Innovation AB v. Halstead New England Corp.*, 2018 WL 2411218, at *3 (D. Del. May 29, 2018). A defendant accused of willful patent infringement, however, may seek to avoid enhanced damages by alleging that it acted in good faith in reliance on the advice of counsel. *See, e.g., Greatbatch Ltd. v. AVX Corp.*, 2016 WL 7217625, at *4-6 (D. Del. Dec. 13, 2016).

Reliance on an advice of counsel defense is a waiver of attorney/client privilege that extends to other legal advice that the defendant has received on the same subject. *See In re EchoStar Commc'ns Corp.*, 448 F.3d 1294, 1299 (Fed. Cir. 2006). This ensures that a defendant may not use the attorney/client privilege as both a sword and shield by selectively disclosing certain legal advice to advance its interests while withholding other legal advice on the same subject matter that would undermine its position. *See, e.g., EchoStar*, 448 F.3d at 1303; *In re Seagate Tech., LLC*, 497 F.3d 1360, 1372 (Fed. Cir. 2007).

[REDACTED]
[REDACTED]
[REDACTED] See Exs. 1, 2. This disclosure came only ten days before the close of fact discovery and after Amgen had already asserted privilege to prevent witnesses from testifying on the same subject matter at their depositions. Upon receiving Amgen's opinion letters, Genentech requested that Amgen produce all legal advice that Amgen had received on the subject matter to ensure that Amgen was not selectively disclosing only favorable legal advice while shielding unfavorable legal advice from disclosure. See Ex. 3 at 1-2. Amgen, however, has refused to fully disclose the other legal advice that Amgen has received on the subject matter of these letters (*see* Ex. 4 at 1) and, to date, has not produced anything to Genentech beyond the two opinion letters themselves.

I. Scope of Waiver

The case law is clear that Amgen's privilege waiver is not limited to the opinion letters themselves but also includes other legal advice that Amgen has received on the same subject. *See, e.g., EchoStar*, 448 F.3d at 1299. Yet Amgen has agreed only to provide "communications regarding the opinion letters exchanged between Amgen in-house counsel and outside opinion counsel and/or Amgen decision-makers who relied upon the opinions, and any other opinion letters obtained by Amgen regarding the invalidity of the ['869] and/or ['196, '379, and '811] patents." Ex. 4 at 1. Amgen has refused to provide any other communications relating to the opinion letters (including communications between Amgen in-house counsel) or any other legal

advice that Amgen has received on this subject matter. *Id.* That selective approach to privilege waiver is exactly what the law forbids. *EchoStar*, 448 F.3d at 1303; *Seagate*, 497 F.3d at 1372.

As a subject matter waiver, Genentech is entitled to receive all legal advice that Amgen has received on the same subject matter in order to evaluate Amgen's state of mind. Genentech therefore requests in ¶ 1 of its proposed order that Amgen produce all documents relating to assessments of (i) infringement and/or validity of the '869 patent; and (ii) validity of the '196, '379, and '811 patents provided to Amgen. The specific categories of information addressed below are not meant to be limiting as to the scope of Amgen's waiver and instead simply illustrate the problem with Amgen selectively asserting privilege over certain legal advice while affirmatively relying on other legal advice on the same subject matter as a defense to willfulness.

A. [REDACTED]

The Herceptin label (which Amgen has copied for its biosimilar product) includes certain indications and regimens that are covered by the '196, '379, and '811 patents. The validity of the '196 and '379 patents was previously challenged in multiple IPRs. [REDACTED]

[REDACTED] The PTAB in October 2018 issued final written decisions upholding the validity of the '196 and '379 patents. The related '811 patent issued on December 25, 2018. [REDACTED]

[REDACTED] See Ex. 1.

Amgen has asserted privilege and refuses to disclose the legal advice [REDACTED]

[REDACTED] See Ex. 8. Yet Amgen now seeks to rely on legal advice that those same patents are invalid as a willfulness defense. Amgen cannot have it both ways. Genentech requests that the Court order Amgen to produce all documents [REDACTED]

B. [REDACTED].

Amgen has similarly taken an inconsistent approach with respect to assessments of infringement for the '869 patent. [REDACTED]

[REDACTED]

Id. at 63:16-65:23, 209:17-210:15. But now that Amgen has waived privilege with respect to infringement of the '869 patent, Amgen may not withhold assessments of infringement of that patent on privilege grounds. Accordingly, Genentech requests in ¶ 3 of its proposed order that Amgen produce all documents [REDACTED].

C. Communications with “trial counsel.”

Amgen’s state of mind in relying on opinions of counsel is necessarily influenced by the legal advice that Amgen has received from its own in-house counsel. Amgen has sought to exempt its in-house counsel from the scope of the privilege waiver by labeling them as “trial counsel.” But that is not a tenable position—especially for any in-house counsel who had a role in obtaining the opinion letters or in advising Amgen’s business decisionmakers. The fact that an in-house attorney has entered an appearance in the litigation does not place them outside the scope of the privilege waiver. *See Seagate*, 497 F.3d at 1374-75. Communications with and among Amgen’s in-house counsel concerning the subject matter addressed in the opinion letters should fall within the scope of Amgen’s privilege waiver, as reflected in ¶ 4 of Genentech’s proposed order.

Amgen has also sought to categorically exclude communications with its outside trial counsel from disclosure, relying on *Seagate*. However, this case does not involve the “ordinary circumstances” that “depend on an infringer’s prelitigation conduct” that *Seagate* addressed. 497 F.3d at 1374. Amgen obtained its opinions of counsel long after this litigation began, and Amgen’s reliance on those opinions is colored by the legal advice that Amgen’s business decisionmakers have received—directly or indirectly—from Amgen’s outside litigation counsel. Genentech is not seeking communications with outside litigation counsel if they solely reflect “litigation strategy” or the “manner of presenting a case to a judicial decision maker.” *Id.* at 1373. But now that Amgen has placed its current state of mind at issue, Genentech is entitled to know what legal advice from Amgen’s outside trial counsel has been presented to Amgen “for making informed business decisions,” *id.*, as requested in ¶ 5 of Genentech’s proposed order.

II. Deposition Discovery

Amgen has sought to limit Genentech to a single 30(b)(6) deposition of in-house counsel regarding Amgen’s opinion letters. However, Genentech should not be limited to a corporate witness on these issues, particularly if there were many individuals involved in obtaining the opinion of counsel. Accordingly, Genentech requests in ¶ 6 of its proposed order that Genentech may take depositions of any in-house attorney involved in obtaining the opinion letters.

Amgen has asserted privilege during prior depositions to certain questions falling within the scope of its privilege waiver (*e.g.*, [REDACTED]). *See, e.g.*, Ex. 12 at 10:24-11:7, 50:14-25; Ex. 13 at 210:1-24; Ex. 11 at 63:16-65:23; Ex. 14 at 166:5-17, 169:2-10, 170:23-171:3; Ex. 15 at 126:6-127:13, 189:6-191:7, 332:14-334:13. Genentech requests in ¶ 7 of its proposed order that Amgen make those witnesses available for further deposition now that Amgen has waived privilege over those matters.

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