Rampant Confusion: Waiver of Attorney-Client Privilege and Work-Product Doctrine Immunity When Asserting an Advice of Counsel Defense to Willful Infringement

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I. INTRODUCTION

A. Late on a Friday Afternoon Your Client Calls

Late on a Friday afternoon, you receive a phone call from a client of your law firm who tells you about a letter he has received from a competitor claiming that his company's chemical production process

infringes on a family of the competitor's patents. The client wants to know what his business should do. Certainly, the business will sustain substantial financial damage if it stops using the allegedly infringing processes. However, as an astute patent attorney, you realize that your client may be liable not only for the infringing conduct, but also for willfully infringing the competitor's patent.

This scenario, and many others like it, present a variety of problems for your client. For a moment, we will assume that your client would prefer to continue using the allegedly infringing chemical production processes. In so doing, without a defense, an infringement suit[1] may also likely bring with it a claim that your client willfully infringed the competitor's patent rights.[2] All is not lost, however, because one popular defense to willful infringement is to obtain the advice of counsel regarding the potential infringement, the patent's enforceability, and the possible invalidity of the allegedly infringed patent.[3] Indeed, until recently, once a defendant became aware that his activities potentially infringed a competitor's patent, the defendant was required to exercise due care in determining whether a potentially asserted patent was valid, enforceable, or infringed.[4]

Advice of counsel comes in both oral and written forms.[5] Most advice of counsel is written in a memorandum to the defendant and

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1. A patentee holding a patent may assert a patent infringement cause of action against another party if that other party is making, selling, using, or importing the invention as claimed in the patent in any federal district court. *See* 35 U.S.C. § 271 (2000) ("[W]hoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.").

2. *In re* Seagate Tech., LLC, No. 830, 2007 U.S. App. LEXIS 19768, at *22 (Fed. Cir. Aug. 20, 2007) (per curiam) (holding that a successful enhanced damages claim for willful patent infringement must demonstrate "objective recklessness" on the part of the defendant regardless of whether the defendant sought the advice of counsel).

3. *See* Intex Recreation Corp. v. Team Worldwide Corp., 439 F. Supp. 2d 46, 47 (D.D.C. 2006).

4. *See* Underwater Devices v. Morrison-Knudsen Co., 717 F.2d 1380, 1389-90 (Fed. Cir. 1983) ("Where a potential infringer has actual notice of another's patent rights, he has an affirmative duty to exercise due care to determine whether or not he is infringing. Such an affirmative duty includes, inter alia, the duty to seek and obtain competent legal advice from counsel before the initiation of any possible infringing activity."). However, the Federal Circuit, in an opinion that is the subject of this Article, clearly eliminated any affirmative obligation to obtain opinion of counsel by directly overruling *Underwater Devices*. *Seagate*, 2007 U.S. App. LEXIS 19768, at *22 ("Accordingly, we overrule the standard set out in *Underwater Devices* and hold that proof of willful infringement permitting enhanced damages requires at least a showing of objective recklessness. Because we abandon the affirmative duty of due care, we also reemphasize that there is no affirmative obligation to obtain opinion of counsel.").

5. *See, e.g.*, *Intex Recreation Corp.*, 439 F. Supp. 2d at 47 ("Intex first revealed that it intended to rely on an oral opinion of counsel as a defense to willful infringement."); Informatica

should be drafted by a competent patent attorney.[6] If the advice of counsel indicates that the activity of your client does not infringe the patent, or that the patent is likely to be held invalid or unenforceable, the client can use that competent advice during litigation as a defense to a charge of willful infringement.[7]

Like all things in life, the advice of counsel defense is not always a sure thing, and it comes at some cost to the asserting litigant. A skilled patent litigator will fight the client's reliance on the opinion tooth-and-nail. What is more, producing the opinion letter in the litigation as a defense likely waives the attorney-client and work-product privileges associated with the opinion document.[8] Unfortunately, as a result of the manner in which the law of waiver has developed, as well as the absence of sensible routes for appellate jurisdiction, the question surrounding the scope of that waiver is always a vexing one with few definitive answers. As such, patent litigators find themselves in situations of extreme uncertainty when advising their clients on how to proceed.

B. Subject Matter of the Article

Until recently, the United States Court of Appeals for the Federal Circuit, the exclusive appellate court for patent matters,[9] had never issued an opinion on the scope of waiver.[10] However, the recent *In re EchoStar Communications Corp.* case was the first decision from the Federal Circuit to address the waiver issue, and consequently, the language and holding of that opinion have had a substantial impact on discovery

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Corp. v. Bus. Objects Data Integration (*Informatica II*), No. C 02-3378 JSW, 2006 U.S. Dist. LEXIS 58976, at *3 (N.D. Cal. Aug. 9, 2006) (discussing the assertion of a written opinion of counsel as a potential defense to an assertion of willful infringement).

6. David O. Taylor, *Wasting Resources: Reinventing the Scope of Waiver Resulting from the Advice-of-Counsel Defense to a Charge of Willful Infringement*, 12 TEX. INTELL. PROP. L.J. 319, 325-26 (2004) ("An opinion of counsel is usually a letter drafted by a patent attorney directed to an alleged infringer regarding one or more of the following topics: validity, enforceability, and infringement of a patent.").

7. *See* Ortho Pharm. Corp. v. Smith, 959 F.2d 936, 944-45 (Fed. Cir. 1992) (finding that there was no willful infringement because of reliance on an opinion of counsel).

8. The privilege to attorney-client communications is waived upon production of the letter. Knorr-Bremse Systeme Fuer Nautzfahrzeuge GmbH v. Dana Corp., 383 F.3d 1337, 1345 (Fed. Cir. 2004). The work-product privilege covering the letter is also waived upon its production. *In re* Martin Marietta Corp., 856 F.2d 619, 623 (4th Cir. 1988).

9. *See* 28 U.S.C. § 1295 (2000) ("The United States Court of Appeals for the Federal Circuit shall have exclusive jurisdiction . . . of an appeal from a final decision of a district court of the United States . . . based, in whole or in part, on section 1338 of this title . . . ."); *see also id.* § 1338(a) ("The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents.").

10. *See In re* EchoStar Commc'ns Corp., 448 F.3d 1294 (Fed. Cir.), *cert. denied*, 127 S. Ct. 846 (2006).

disputes in the lower federal district courts.[11] The decision resolved some open questions on the scope of waiver.[12] However, because *EchoStar* has been interpreted against the background of previous decisions, the case has created its own set of uncertainties and has added to the existing set as well. The Federal Circuit recognized the difficulties district courts and litigants struggled with following the *EchoStar* opinion, and ultimately decided to sit en banc to hear the matter of *In re Seagate Technologies, LLC* following a request for a writ of mandamus in a scope of waiver dispute.[13]

The impact of the *EchoStar* and *Seagate* decisions on the scope of waiver will be the subject of this Article. At the time of this writing, only a short period of time has elapsed since the *Seagate* opinion, and so analysis of the impact of that decision will be prospective, and will be discussed relative to the existing set of district court decisions following *EchoStar*. First, the Article will conduct a survey of the background of patent law, infringement, and willful infringement. In particular, the law of willful infringement will be discussed in detail, as the manner of a court's willful infringement inquiry is highly germane to the scope of the waiver of privilege. The Article will conduct a survey of attorney-client privilege and work-product doctrine, and will discuss how these two privileges are applied to advice of counsel opinions. The issues involved with the scope of waiver will be introduced to begin the discussion of the impact of *EchoStar* and *Seagate* on lower district courts.

The factual background of the *EchoStar* decision and its precise holding will be discussed in detail, focusing on language in the decision that created confusion in the lower federal courts. A survey of discovery disputes resolved by the lower federal courts after the issuance of the *EchoStar* opinion follows. Ultimately, the survey reveals that a number of courts have stretched and skewed the holding and language of *EchoStar* to incorrectly support conclusions on issues that were never in front of the court. The Article then discusses the results of this analysis in light of the more recent *Seagate* opinion from the Federal Circuit, and

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11. *Id.*

12. *Id.*

13. *In re* Seagate Tech., LLC, 214 F. App'x 997, 997 (Fed. Cir. 2007). En banc hearings are generally disfavored, and are typically only ordered when consideration by the full court is necessary to secure or maintain uniformity of decision, or when the proceeding involves a question of "exceptional importance." FED. R. APP. P. 35(a). Appeals courts generally follow a practice that requires that one panel is bound by the decision of another panel, unless a panel sitting en banc has overruled the decision. 16A CHARLES ALAN WRIGHT, ARTHUR R. MILLER & EDWARD H. COOPER, FEDERAL PRACTICE AND PROCEDURE: JURISDICTION § 3981.1 (3d ed. 1998 & Supp. 2007).

analyzes the effect the opinion hopefully will have on federal district courts. Lastly, the Article concludes with a detailed analysis of the barriers to appellate jurisdiction for scope of waiver issues and proposes a means to reduce those barriers.

In conclusion, it is the hope of this author that the scope of waiver will be able to grow through the reduction of appellate jurisdiction procedural barriers. Instead of just two opinions, the Federal Circuit will be able to more fully develop the law of the scope of waiver, and will provide highly needed contour to an issue which manifests itself in many patent litigation matters. This author hopes that the lower federal courts will focus more closely on the purposes behind the waiver, the fine factual details of the disputes they adjudicate, and the factual underpinnings of any opinions issued by the Federal Circuit. As a result, the law of the scope of waiver will become a more clearly understood variable in patent infringement proceedings, instead of a moving target that forces vexing decisions in a morass of uncertainty.

II. PATENTS, INFRINGEMENT, AND WILLFUL INFRINGEMENT

A. Description of Patents and Causes of Action for Infringement and Willful Infringement

The United States Patent and Trademark Office (USPTO) grants patents after an examination process.[14] If the USPTO deems an invention to be patentable subject matter,[15] the USPTO grants a patent, and the patent is thereafter considered a presumptively valid right[16] to exclude others from making, selling, or using the invention claimed in the patent.[17] A patentee may assert a patent infringement cause of action in any federal district court if another party makes, sells, offers to sell, uses, or imports the invention as claimed in the patent.[18]

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14. *See* JANICE M. MUELLER, AN INTRODUCTION TO PATENT LAW 23 (2d ed. 2006) (discussing the USPTO and its function).

15. The USPTO grants patents as a matter of right to any person who "invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title." 35 U.S.C. § 101 (2000).

16. *See id.* § 282 ("[P]atents shall be presumed valid.").

17. *See id.* § 271 ("Whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States, or imports into the United States any patented invention during the term of the patent therefor, infringes the patent."). There are a variety of other activities that are also considered infringing activities, many of which are codified in § 271. *Id.*

18. *See* 28 U.S.C. § 1338(a) (2000) ("The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents . . . .").

A successful patent infringement cause of action will result in a judgment of patent infringement against the offending party.[19] Thereafter, the court will award damages to the patentee against the infringer to adequately compensate for the infringement.[20] The simplest form of an infringement damage award occurs when the infringer's sales of the infringing product cause the patentee to lose sales of the patented invention.[21] However, the defendant may be liable for more than just the infringement activity that occurred prior to the defendant's knowledge of the infringed patent.[22] A defendant may also be liable for infringement activity occurring after the defendant became aware of the infringed patent.[23] This infringement activity will be deemed willful infringement if the defendant continued to infringe in the face of an objectively high likelihood that his activities constituted infringement of a valid patent.[24] If a defendant has not been declared an infringer of a patent, he cannot be liable for willful infringement.[25] Therefore, for the remainder of this Article, the defendant in a willful infringement suit is assumed to be an infringer, and will be referred to as such.

The significance of willful infringement begins with the statute by which courts award damages resulting from patent infringement. The statute has been interpreted to allow a court to treble the original damages allocated against an infringer if that infringer is found to have

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19. HollyAnne Corp. v. TFT, Inc., 199 F.3d 1304, 1308 (Fed. Cir. 1999) ("Patent infringement occurs when a party 'without authority makes, uses, offers to sell or sells any patented invention.'").

20. Once a party has been found to have infringed a patent, the court must award damages that are "adequate to compensate for the infringement." 35 U.S.C. § 284. The court also has the power by statute to provide injunctive relief. *Id.* § 283.

21. *See, e.g.*, Rite-Hite Corp. v. Kelley Co., 56 F.3d 1538, 1549 (Fed. Cir. 2005) (holding, in part, that where lost sales are reasonably foreseeable, and are in fact proven to be the result of infringement, compensatory damages are appropriate); Brooktree Corp. v. Advanced Micro Devices, Inc., 977 F.2d 1555, 1581 (Fed. Cir. 1992) (holding that price reductions made by a patent holder as a result of competitive pressure from an infringer's activity reasonably form part of lost profit damages calculations).

22. Blair v. Westinghouse Elec. Corp., 291 F. Supp. 664, 670 (D.D.C. 1968) ("It is, of course, elementary, that an infringement may be entirely inadvertent and unintentional and without knowledge of the patent. In this respect the law of patents is entirely different from the law of copyright.").

23. nCube Corp. v. SeaChange Int'l, Inc., 436 F.3d 1317, 1324 (Fed. Cir. 2006) ("Willful infringement in this case hinges on when the defendants had actual knowledge of plaintiff's patent rights, and their actions after that time.").

24. *In re* Seagate Tech., LLC, No. 830, 2007 U.S. App. LEXIS 19768, at *22-23 (Fed. Cir. Aug. 20, 2007) (per curiam) ("Accordingly, to establish willful infringement, a patentee must show by clear and convincing evidence that the infringer acted despite an objectively high likelihood that its actions constituted infringement of a valid patent.").

25. *See* MUELLER, *supra* note 14, at 405 (discussing how one must first be an infringer before one could become liable for willful infringement).

willfully infringed.[26] An infringer may also be liable for attorney's fees.[27] Indeed, the Federal Circuit has stated that the trebling of damages and the award of attorney's fees should be restricted to those cases where the court intends a punitive effect to prevent the willful or bad faith infringement of patents in general.[28]

Lastly, appellate jurisdiction for patent cases is vested exclusively with the Federal Circuit,[29] and as such all the substantive patent law comes directly from that court or the United States Supreme Court.[30]

B. The Substantive Law of Willful Infringement: Wholly Infringer-Focused and Nonwholly Infringer-Focused Cases

The substantive law of willful infringement can be split into wholly infringer-focused and nonwholly infringer-focused lines of case law. Each of these lines of case law remains valid in light of recent Federal Circuit pronouncements, and the factors included herein should be taken together to determine whether an infringer was objectively reasonable during a period of potential infringement.[31] The willfulness standard is essentially one of "objective recklessness," wherein "to establish willful infringement, a patentee must show by clear and convincing evidence that the infringer acted despite an objectively high likelihood that its actions constituted infringement of a valid patent."[32] The wholly infringer-focused line of cases centers entirely on the infringer, while the nonwholly infringer-focused line of cases previously dangerously caused the examination to include too much analysis of the attorney's

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26. 35 U.S.C. § 284 (2000) ("In either event the court may increase the damages up to three times the amount found or assessed."). *Compare Seagate*, 2007 U.S. App. LEXIS 19768, at *38-61 (Gajarsa, J., concurring) (discussing eliminating the requirement of "willfulness" for enhanced damages under § 284).

27. 35 U.S.C. § 285 ("The court in exceptional cases may award reasonable attorney fees to the prevailing party.").

28. *See, e.g.*, Hilton Davis Chem. Co. v. Warner-Jenkinson Co., 62 F.3d 1512, 1519 (Fed. Cir. 1995) ("Proof of bad faith by an infringer may entitle the patent owner to enhanced damages and attorneys fees for willful infringement."); Mathis v. Spears, 857 F.2d 749, 754 (Fed. Cir. 1988) ("Provisions for increased damages under 35 U.S.C. § 284 and attorney fees under 35 U.S.C. § 285 are available as deterrents to blatant, blind, willful infringement of valid patents.").

29. *See* 28 U.S.C. § 1295 (2000) ("The United States Court of Appeals for the Federal Circuit shall have exclusive jurisdiction . . . of an appeal from a final decision of a district court of the United States . . . based, in whole or in part, on section 1338 of this title."); *see also id.* § 1338(a) ("The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents".).

30. *See id.* § 1257 ; *see also id.* § 1338.

31. *Seagate,* 2007 U.S. App. LEXIS 19768, at *22 ("[P]roof of willful infringement permitting enhanced damages requires at least a showing of objective recklessness.").

32. *Id.* at *22-23 (citing Safeco Ins. Co. of Am. v. Burr, 127 S. Ct. 2201 (2007)).

reasonableness in preparing the opinion. The willful infringement standard is significant because it guides the scope of waiver attendant to the assertion of an advice of counsel defense. The willfulness standard used by the court guides the scope of waiver because the ultimate goal of the waiver is to compel production of information that litigants and the court use to move the willful infringement ball forwards or backwards.[33]

The wholly infringer-focused line of cases discusses the "totality of circumstances" to determine if an infringer has in fact willfully infringed a patent.[34] In viewing the totality of the circumstances, the Federal Circuit lists a variety of factors relevant to the determination of willful infringement. Examples of such factors include whether the infringer deliberately copied the ideas or designs of another, whether the infringer investigated the scope of the asserted patent, whether he became aware of that patent's prosecution, and also the infringer's behavior as a party to the litigation.[35] In addition the court may entertain other factors, including those that may mitigate or aggravate both the finding of willful infringement as well as the damage award if the court finds willful infringement. Such factors include the duration of the defendant's conduct,[36] any remedial action by the defendant,[37] the defendant's motivation for harm,[38] and lastly, whether the defendant attempted to conceal misconduct.[39] The above factors are relevant insofar as they seek to determine whether the infringer, and not opinion counsel, was

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33. *Id.* at *23-24 ("While it is true that the issue of willful infringement, or even infringement for that matter, has not been decided by the trial court, it is indisputable that the proper legal standard for willful infringement informs the relevance of evidence relating to that issue and, more importantly here, the proper scope of discovery.").

34. Liquid Dynamics Corp. v. Vaughn Co., 449 F.3d 1209, 1225 (Fed. Cir. 2006) ("A finding of willful infringement is made after considering a totality of the circumstances.").

35. Read Corp. v. Portec, Inc., 970 F.2d 816, 827 (Fed. Cir. 1992) (citing Bott v. Four Star Corp., 807 F.2d 1567, 1572 (Fed. Cir. 1986)); *see also Seagate*, 2007 U.S. App. LEXIS 19768, at *16 (citing *Read Corp.*, 970 F.2d 816).

36. *Read Corp.*, 970 F.2d at 827 (citing Bott v. Four Star Corp., 229 U.S.P.Q. 241, 255 (E.D. Mich. 1985)).

37. *Id.* (citing Intra Corp. v. Hamar Laser Instruments, Inc., 662 F. Supp. 1420, 1439 (E.D. Mich. 1987) (doubling damages only because defendant "voluntarily ceased manufacture and sale of infringing systems during the pendency of this litigation")), *aff'd without opinion*, 862 F.2d 320 (Fed. Cir. 1988), *cert. denied*, 490 U.S. 1021 (1989).

38. *Id.* (citing Am. Safety Table Co. v. Schreiber, 415 F.2d 373, 379 (2d Cir. 1969), *cert. denied*, 396 U.S. 1308 (1970) ("[D]efendants' infringing acts, although deliberate and with knowledge of plaintiff's rights, could not be termed pernicious due to prevailing 'economic pressure in the form of customer dissatisfaction.'")).

39. *Id.* (citing Russel Box Co. v. Grant Paper Box Co., 203 F.2d 177, 183 (1st Cir.), *cert. denied*, 346 U.S. 821 (1953) (stating that enhanced damages are supported by finding "that the defendant had failed to preserve its records and had failed to cooperate as it should at the trial on the issue of damages")).

objectively reasonable during the period of potential infringement. Consequently, courts focusing on this line of cases do not run the risk of extending the waiver too far, as discussed below.

Historically, however, the Federal Circuit has moved away from focusing solely on the potential infringer and moved toward analyzing the objective reasonableness of the attorney rendering the opinion during a period of potential infringement. This line of cases typically involves the assertion of reliance on advice of counsel. The reasonableness of that reliance is said to be an important factor, and is to be evaluated in a totality of the circumstances.[40] The various factors analyzed by courts when determining the reasonableness of an infringer's reliance include whether the opinion was obtained in a timely manner,[41] whether counsel analyzed the relevant facts and explained the conclusions in light of the applicable law,[42] whether the opinion warranted a reasonable degree of certainty that the infringer had the legal right to conduct the infringing activity,[43] the opinion's overall tone,[44] and references to issues that would cause the infringed patent to be unenforceable.[45] These factors begin to move away from solely evaluating the infringer and dangerously begin to include in the calculus of willful infringement too much of the objectivity of the attorney preparing the opinion. It is this objective hook that has allowed many courts to extend the scope of waiver too far. In particular, a number of courts have used these factors to access uncommunicated, underlying work product of the attorney preparing the opinion in an effort to determine if the opinion were valid and reasonable.[46] By evaluating the underlying opinion, the argument goes, the reasonableness or unreasonableness of the infringer's reliance on that opinion is exposed. Reliance on an unreasonable opinion would invalidate an advice of counsel defense. However, the Federal Circuit has clearly indicated that work product not communicated to a potential infringer is

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40. *See* State Indus., Inc. v. Mor-Flo Indus., Inc., 883 F.2d 1573, 1581 (Fed. Cir. 1989).

41. SRI Int'l v. Advanced Tech. Lab., 127 F.3d 1462, 1467 (Fed. Cir. 1997).

42. *Id.*

43. *Id.*

44. Ortho Pharm. Corp. v. Smith, 959 F.2d 936, 945 (Fed. Cir. 1992) (stating that an opinion letter's overall tone, the discussion of case law, its analysis of particular facts, and the letter's reference to inequitable conduct allowed the appeals court to state that the trial court was not unreasonable in finding that the defendant had reasonably relied upon the opinion).

45. *Id.*

46. *See, e.g.*, Mushroom Assocs. v. Monterey Mushrooms, Inc., No. C-91-1092 BAC (PJH), 1992 U.S. Dist. LEXIS 19664, at *11-12 (N.D. Cal. May 19, 1992); Aspex Eyewear, Inc. v. E'Lite Optik, Inc., 276 F. Supp. 2d 1084, 1088 (N.D. Nev. 2003); Sharper Image Corp. v. Honeywell Int'l Inc., 222 F.R.D. 621, 646 (N.D. Cal. 2004); Terra Novo, Inc. v. Golden Gate Prods., Inc., No. C-03-2684 MMC EDL, 2004 WL 2254559, at *20 (N.D. Cal. Oct. 1, 2004).

not discoverable.[47] Therefore, these nonwholly infringer-focused cases remain relevant, but courts must be careful not to allow discovery of an uncommunicated opinion of counsel work product.

Taken together, each of these lines of case law remains valid in light of recent Federal Circuit pronouncements, and the factors included therein should be used to determine whether an infringer was objectively reckless during a period of potential infringement. The significance of the standard of willful infringement cannot be overstated. The underlying law of willful infringement guides the scope of waiver attendant to an assertion of reliance on advice of counsel.[48] Only evidence that is relevant to the standard used by the court to determine willful infringement should be admissible.

C. Temporal Relationship Between Conduct and Willfulness

Until recently, the Federal Circuit's position on the time period most relevant to an assertion of willful infringement remained uncertain. It was uncertain whether the time period before the filing of an infringement lawsuit or the time period after filing was most relevant. Discussing the waiver of attorney-client privilege in a recent opinion, the Federal Circuit indicated "willful infringement in the main must find its basis in prelitigation conduct."[49] This revelation is significant not only for waiver purposes, but also for touching on issues of proof of willfulness and conduct of patentees. In particular, the court suggested that patentees might have to file for a preliminary injunction to combat any ongoing infringement.[50] The suggestion is supported by the Federal Circuit's admonition:

> A patentee who does not attempt to stop an accused infringer's activities in this manner should not be allowed to accrue enhanced damages based solely on the infringer's post-filing conduct. Similarly, if a patentee attempts to secure injunctive relief but fails, it is likely the infringement did not rise to the level of recklessness.[51]

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47. *In re* Seagate Tech., LLC, No. 830, 2007 U.S. App. LEXIS 19768, at *19 (Fed. Cir. Aug. 20, 2007) (citing *In re* EchoStar Commc'ns Corp., 448 F.3d 1294, 1303-04 (Fed. Cir. 2006)).

48. *Id.* at *23-24 ("While it is true that the issue of willful infringement, or even infringement for that matter, has not been decided by the trial court, it is indisputable that the proper legal standard for willful infringement informs the relevance of evidence relating to that issue and, more importantly here, the proper scope of discovery.").

49. *Id.* at *31.

50. *See id.* at *30.

51. *Id.* (referring to the new standard of objective reasonableness when evaluating willful infringement announced earlier in the opinion).

Essentially, the Federal Circuit conflated the test for a preliminary injunction with the test for willfulness and stated that if a defendant is able to avoid a preliminary injunction, then a defendant is in most cases likely to win on the merits of a willful infringement defense.[52]

III. ATTORNEY-CLIENT AND WORK-PRODUCT PRIVILEGES: WHAT ARE THE PRIVILEGES? WHY DO WE HAVE THESE PRIVILEGES? WHAT DO THEY PROTECT?

A. Attorney-Client and Work-Product Privilege Generally

The Supreme Court substantially discussed attorney-client privilege in *Upjohn Co. v. United States*.[53] The law of attorney-client privilege protects communications between an attorney and a client, and is designed to "encourage full and frank communication between attorneys and their clients."[54] The attorney-client privilege is premised on the need for an attorney to know all the facts relevant to the motivation for a client to seek legal representation.[55] Further, the communication privilege allows clients to make full disclosures to their attorneys.[56] Lastly, the attorney-client privilege is premised on the necessity of protecting strategy and other information disclosed to the client by the attorney that would otherwise be discoverable in the absence of the privilege and would hamper the administration of justice.[57]

In addition to the attorney-client privilege, attorneys and clients may also rely on the work-product doctrine discussed by the Supreme Court in *Hickman v. Taylor*.[58] In *Hickman*, the Court explained that the common law work-product doctrine protected "interviews, statements, memoranda, correspondence, briefs, mental impressions, personal beliefs, and countless other tangible and intangible [things]."[59]

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52. *Id.* at *31.
53. 449 U.S. 383 (1981).
54. *Id.* at 389.
55. *Id.* ("The lawyer-client privilege rests on the need for the advocate and counselor to know all that relates to the client's reasons for seeking representation if the professional mission is to be carried out." (quoting Trammel v. United States, 445 U.S. 40, 51 (1980))).
56. *Id.* ("[T]he purpose of the privilege [is] 'to encourage clients to make full disclosure to their attorneys.'" (quoting Fisher v. United States, 425 U.S. 391, 403 (1976))).
57. *Id.* (stating that the attorney-client privilege "is founded upon the necessity, in the interest and administration of justice, of the aid of persons having knowledge of the law and skilled in its practice, which assistance can only be safely and readily availed of when free from the consequences or the apprehension of disclosure" (quoting Hunt v. Blackburn, 128 U.S. 464, 470 (1888))).
58. 329 U.S. 495 (1947).
59. *Id.* at 511.

Additionally, the work-product doctrine is codified in Rule 26 of the *Federal Rules of Civil Procedure*.[60]

Attorney work product is protected for many reasons. First, if the materials described above were available to the opposing counsel, then "much of what is now put down in writing would remain unwritten."[61] Consequently, attorneys would be less prepared when dealing with litigation because very little would be written down.[62] The ultimate result would be that "the interests of the clients and the cause of justice would be poorly served."[63] Secondly, if the work product of the attorney were open to discovery, "[a]n attorney's thoughts, heretofore inviolate, would not be his own."[64] In other words, opposing counsel would be able to borrow the "wits" of his opponent, which is contrary to the adversarial court system in the United States.[65]

In addition, allowing opposing counsel to discover attorney work product would be demoralizing and unfair.[66] All of the strategies developed, work performed, and litigation arguments prepared would become available to opposing counsel, rendering the litigation an unfair match between the two litigants. As such, discovery of work product would result in the development of "sharp practices" by the bar because litigants would do everything to prevent the opposing side from discovering the work product, including trial strategy and other mental impressions, because of the great disadvantage it would create.[67] The breadth of discovery would in effect become "demoralizing."[68]

However, as noted by the Court in *Hickman*, the work-product doctrine privilege is not absolute, and some work product may be

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60. *See* FED. R. CIV. P. 26(b)(3) ("[A] party may obtain discovery of documents and tangible things otherwise discoverable under subdivision (b)(1) of this rule and prepared in anticipation of litigation or for trial by or for another party or by or for that other party's representative (including the other party's attorney, consultant, surety, indemnitor, insurer, or agent) only upon showing that the party seeking discovery has substantial need of the materials in the preparation of the party's case and that the party is unable without undue hardship to obtain the substantial equivalent of the materials by other means.").

61. 329 U.S. at 511.

62. *Id.*

63. *Id.*

64. *Id.*

65. *Id.* at 516 ("But a common law trial is and always should be an adversary proceeding. Discovery was hardly intended to enable a learned profession to perform its functions either without wits or on wits borrowed from the adversary.").

66. *Id.* at 511.

67. *Id.* ("Inefficiency, unfairness and sharp practices would inevitably develop in the giving of legal advice and in the preparation of cases for trial.").

68. *Id.*

exposed to production.[69] Examples include instances where underlying, nonprivileged facts are hidden in an attorney's files, and discovery of those facts is essential to the requesting litigant's case.[70] Further, discovery may be had when a party can show impossibility or substantial difficulty in the discovery of information.[71] However, the work-product doctrine only allows discovery of "factual" or "non-opinion" work product and requires the court to "protect against disclosure of the mental impressions, conclusions, opinions, or legal theories of an attorney or other representative."[72] Consequently, "opinion" work product representing the essence of a litigant's case is afforded special protection because "[a]t its core, the work-product doctrine shelters the mental processes of the attorney, providing a privileged area within which he can analyze and prepare his client's case."[73]

B. Attorney-Client Privilege and Work-Product Doctrine Applied to Advice of Counsel

Advice of counsel comes in a variety of different forms. The advice can either be oral or written, and may come from a variety of different sources.[74] Regardless of the source of the advice, the communications

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69. *Id.* (stating that written materials prepared with an eye towards litigation are not per se undiscoverable and may be discovered if the written work product reflects unprivileged facts or the discovery of the information is otherwise unavailable).

70. *Id.* ("Where relevant and non-privileged facts remain hidden in an attorney's file and where production of those facts is essential to the preparation of one's case, discovery may properly be had.").

71. *Id.* (stating that production may be had where witnesses were either unavailable or can only be reached with difficulty). The concept of difficulty in discovery is also codified in Rule 26 of the *Federal Rules of Civil Procedure*, which states in part that discovery may only be had "upon a showing that the party seeking discovery has substantial need of the materials in the preparation of the party's case and that the party is unable without undue hardship to obtain the substantial equivalent of the materials by other means." FED. R. CIV. P. 26(b)(3).

72. FED. R. CIV. P. 26(b)(3). Courts consistently distinguish between "factual" and "opinion" work product. Also, the Court in *Hickman* discussed the distinction between "factual" an "opinion" work product at length. *Hickman*, 329 U.S. at 514 (discussing the fact that under different circumstances, production of respondent's notes containing underlying facts would be required, and further that when the discovery rules were adopted the bar certainly did not believe or contemplate that all the mental processes of lawyers would be opened to the scrutiny of their adversaries).

73. United States v. Adlman, 134 F.3d 1194, 1197 (2d Cir. 1998) (citing United States v. Nobles, 422 U.S. 225, 238 (1975)).

74. *See, e.g.*, Intex Recreation Corp. v. Team Worldwide Corp., 439 F. Supp. 2d 46, 47 (D.D.C. 2006) ("Intex first revealed that it intended to rely on an oral opinion of counsel as a defense to willful infringement."); Informatica Corp. v. Bus. Objects Data Integration (*Informatica II*), No. C 02-3378 JSW, 2006 U.S. Dist. LEXIS 58976, at *3 (N.D. Cal. Aug. 9, 2006) (discussing the assertion of a written opinion of counsel as a potential defense to an assertion of willful infringement); Akeva LLC v. Mizuno Corp., 243 F. Supp. 2d 418, 423

memorialized in the opinion are protected by the attorney-client privilege for the reasons noted above.[75] Further, an opinion of counsel is prepared with an eye towards litigation, because its very purpose is its potential to be used as a defense to willful infringement and to guide prelitigation activity of potential defendants.[76] Consequently, the opinion is also considered to be the work product of the preparing attorney.[77]

The attorney-client privilege is at the discretion of the client.[78] The privilege can be waived when a defendant uses the communications deemed to be attorney-client privileged as a defense.[79] However, having put some privileged communications in issue in the litigation, the defendant should not be allowed to be overly selective in his waiver by producing favorable advice while simultaneously asserting his privilege to shield unfavorable advice.[80] Indeed, the scope of attorney-client privilege waiver in this regard should be formulated to prevent a defendant from using such privilege as both a sword and a shield.[81] This selective utilization problem is relevant in the context of advice of counsel situations where an infringer may attempt to waive the privilege for favorable advice while simultaneously using that same privilege to shield unfavorable advice from opposing counsel. Similarly, a defendant waives the work-product privilege when he produces an opinion of counsel.[82] The nature of work product, as discussed above, is such that the work-product privilege waiver is not as broad as the waiver of attorney-client privilege.[83]

Essentially, when a defendant asserts the defense of advice of counsel, some or all of the communications relating to the subject of the opinion may be discoverable, as well as work product associated with the

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(M.D.N.C. 2003) (discussing reliance on opinion of trial counsel to continue operating in the face of potential infringing activity).

75. Upjohn v. United States, 449 U.S. 383, 384 (1981) (stating that opinions are protected by attorney-client privilege).

76. *See Hickman*, 329 U.S. at 511.

77. *In re* EchoStar Commc'ns Corp., 448 F.3d 1294, 1302-03 (Fed. Cir. 2006) ("That being said, we recognize at least three categories of work product that are potentially relevant to the advice-of-counsel defense here. They include . . . documents that embody a communication between the attorney and client concerning the subject matter of the case, such as a traditional opinion letter.").

78. Knorr-Bremse Systeme Fuer Nautzfahrzeuge GmbH v. Dana Corp., 383 F.3d 1337, 1345 (Fed. Cir. 2004).

79. *Id.*

80. XYZ Corp. v. United States, 348 F.3d 16, 24 (1st Cir. 2003).

81. *Id.*

82. *In re* Martin Marietta Corp., 856 F.2d 619, 624 (4th Cir. 1988).

83. *See id.* at 625.

preparation and communication of that opinion.[84] The fundamental tenet of "fairness" traditionally guides the extent of the scope of waiver.[85] The real issue lies in determining precisely which information will be deemed not protected by waiver in the near limitless variations of advice of counsel defenses.

IV. WHAT ARE THE ISSUES WITH THE WAIVER?

A. The Bygone Great Dilemma and Remaining Uncertainty

Until recently, the primary issue with the scope of waiver was that an alleged infringer was subject to a duty of due care to determine whether a potentially asserted patent was valid, enforceable, or infringed.[86] A defendant typically fulfilled the due care requirement, as previously discussed, by obtaining competent advice of counsel regarding any potentially asserted patent. Further, prior to the landmark decision in *Knorr-Bremse Systeme Fuer Nautzfahrzeuge GMBH v. Dana Corp.*, the Federal Circuit allowed for the drawing of a negative inference if the defendant did not assert an opinion of counsel defense to a charge of willfulness.[87] Therefore, although the existence and assertion of an opinion of counsel could exculpate a potential infringer, the importance of an advice of counsel opinion would also arise when such an assertion was not made. Many authors have likened this to a great dilemma, which essentially forced a litigant to waive his attorney-client and work-product

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84. William F. Lee & Lawrence P. Cogswell, III, *Understanding and Addressing the Unfair Dilemma Created by the Doctrine of Willful Patent Infringement*, 41 HOUS. L. REV. 393, 432-34 (2004) (discussing the potential scope of the waiver of attorney-client and work-product privilege when an opinion of counsel is asserted as a defense to willful infringement).

85. TiVo, Inc. v. EchoStar Commc'ns Corp., No. 2:04-CV-1 (DF), 2005 U.S. Dist. LEXIS 42481, at *15 (E.D. Tex. Sept. 26, 2005) ("The scope of privilege/work product waiver, once an advice-of-counsel defense is asserted, should be guided by fairness."); *see also In re* Seagate Tech., LLC, No. 830, 2007 U.S. App. LEXIS 19768, at *26 (Fed. Cir. Aug. 20, 2007) ("Ultimately, however, '[t]here is no bright line test for determining what constitutes the subject matter of a waiver, rather courts weigh the circumstances of the disclosure, the nature of the legal advice sought and the prejudice to the parties of permitting or prohibiting further disclosures.'" (quoting Fort James Corp. v. Solo Cup Corp., 412 F.3d 1340, 1349 (Fed. Cir. 2005))).

86. Underwater Devices, Inc. v. Morrison-Knudsen Co., 717 F.2d 1380, 1389-90 (Fed. Cir. 1983) ("Where, as here, a potential infringer has actual notice of another's patent rights, he has an affirmative duty to exercise due care to determine whether or not he is infringing. Such an affirmative duty includes, inter alia, the duty to seek and obtain competent legal advice from counsel before the initiation of any possible infringing activity." (internal citations omitted)).

87. 383 F.3d 1337, 1347 (Fed. Cir. 2004). See Adam V. Vickers, Note, *Willful Infringement: Enhanced Damages and Obscure Remedies*, 7 TUL. J. TECH. & INTELL. PROP. 337 (2005), for a discussion of the *Knorr-Bremse* decision and its ramifications.

privilege, or be subject to a negative inference.[88] The set of choices formed a closed universe. Although the negative inference and the duty of due care no longer exist, a litigant is not wholly free from pressure to either not assert the defense or to waive the privilege. Indeed, a patentee is still free to argue to the trier of fact the defendant's failure to assert an exculpating opinion as a factor in the willful infringement analysis.[89]

As such, an opinion of counsel remains one of the few ways to effectively defend against a charge of willful infringement, leaving intact a particularly acute dilemma because of the uncertainty of the scope of waiver among the various district courts.[90] Uncertainty in the scope of waiver was driven in large part by the application of the specific law of each regional circuit in which a district court is located, rather than application of Federal Circuit law.[91] Prior to the *EchoStar* decision, the issue of the actual scope of waiver had never been dealt with on appellate review in the Federal Circuit, and so a litigant was exposed to vastly different standards in each of the individual district courts. This is a function of the difficulties of appellate review of the scope of waiver discussed in Part VIII of this Article. In fact, both the *EchoStar* and *Seagate* cases were decided under the extraordinary remedy of a writ of mandamus.[92]

However, in the *EchoStar* decision, the Federal Circuit made it clear that only Federal Circuit law applies to issues of waiver, and not that of the regional circuits.[93] Although this statement by the Federal Circuit centralized which law of waiver should be applied, the lower courts ultimately interpreted the *EchoStar* decision against the backdrop of their existing decisions. This pattern of interpretation created its own set of

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88. *See* John Dragsdeth, Note, *Coerced Waiver of the Attorney-Client Privilege for Opinions of Counsel in Patent Litigation*, 80 MINN. L. REV. 167, 167-68 (1995) (discussing the unfortunate situation where a patent litigant is forced to either waive attorney-client privilege or be subjected to the negative inference); *see also* Lee & Cogswell, *supra* note 84, at 432-34 (discussing the substantive unfairness of the dilemma created when a litigant must either waive privilege or be exposed to the negative inference). The Federal Circuit has also recognized this forced dilemma a number of times, including in its most recent en banc *Seagate* opinion. *See Seagate*, 2007 U.S. App. LEXIS 19768, at *16-17 (discussing previous instances where the Federal Circuit has recognized the dilemma).

89. *See Knorr-Bremse Systeme Fuer Nautzfahrzeuge GMBH*, 383 F.3d at 1346-47 (refusing to answer the question of whether the trier of fact, particularly a jury, can or should be told whether counsel was consulted when determining if an infringer willfully infringed).

90. *Cf.* Taylor, *supra* note 6, at 327-28 (discussing the harsh dilemma in the context of the uncertainty of the scope of waiver attendant with the assertion of the advice of counsel defense).

91. *Cf. In re* EchoStar Commc'ns Corp., 448 F.3d 1294, 1298 (Fed. Cir.), *cert. denied*, 127 S. Ct. 846 (2006) ("In this petition, we apply our own law, rather than the law of the regional circuit.").

92. 448 F.3d at 1296; *In re* Seagate Tech., LLC, 214 F. App'x 997, 997 (Fed. Cir. 2007).

93. 448 F.3d at 1298.

uncertainties and perpetuated preexisting uncertainties as well. The Federal Circuit, sitting en banc in *Seagate,* addressed a number of these uncertainties, but the results of those efforts will not be forthcoming until future decisions. Given the nature of the scope of waiver, uncertainty with its precise boundaries will continue, and litigants will be forced to consider the ramifications of asserting an advice of counsel defense somewhat in the dark.

B. Uncertainties as Applied

The situations and factual underpinnings of each assertion of the advice of counsel defense are as varied as the colors of the rainbow, and consequently each decision tends to be circumstance-specific.[94] Consider, for example, the situation referred to in the introduction of this Article, wherein a long time client of your law firm receives notice that such client is potentially infringing a competitor's family of patents. The following are just a few brief permutations of ways in which the advice of counsel defense could be raised:

1. Advice of counsel may have been given to the potential defendant by in-house counsel before the filing of an infringement lawsuit, and before the letter alleging infringement. The alleged infringer asserts the advice of its in-house counsel and retains separate trial counsel to defend the infringement lawsuit.
2. The potential defendant may have sought advice of counsel from in-house counsel after the letter alleging infringement, but before the filing of the infringement lawsuit. The alleged infringer asserts the advice of its in-house counsel and retains separate trial counsel to defend the infringement lawsuit.
3. The potential defendant seeks advice of counsel after both the letter and the filing of the infringement lawsuit. Perhaps there was no letter at all. Defendant receives advice of counsel from an opinion counsel and acquires separate trial counsel to defend the infringement lawsuit.
4. Same situation as number 3 above, but opinion counsel and trial counsel are from the same law firm.
5. Same situation as number 4 above, but opinion counsel and trial counsel are the same lawyer or lawyers.

As one can see from these examples, there are indeed a variety of temporal and logistical permutations for an assertion of an advice of

94. Sharper Image Corp. v. Honeywell Int'l, 222 F.R.D. 621, 625 (N.D. Cal. 2004) ("It is important to emphasize that decisions about the scope of such waivers must be case and circumstance specific—and that analytically material differences in circumstances may well justify different outcomes, even among courts that apply the same basic principles or use identical decision models.").

counsel defense. Nevertheless, each of these permutations is exposed to the uncertainty of waiver.

An initial consideration is whether there is a temporal limit to the waiver. If infringement is ongoing, may a plaintiff continue to discover work product and attorney-client privilege-protected material related to an opinion asserted by an infringer even though the opinion was conducted and created after the filing of the lawsuit? Further, does the role of counsel play any part in the discoverability of work product or attorney-client communications? The looming fear for an infringer is that communications and work product prepared by not only opinion counsel but also trial counsel may become discoverable, particularly after the filing of a lawsuit.

In addition to the temporal role of counsel elements of the waiver, uncertainty also touches the extension of the waiver to certain subject matter. For example, suppose that an opinion only discusses the noninfringement of an alleged infringer's activities. Should the discoverability of attorney-client and work-product privileged documents and communications be constrained to only infringement, or may the subject matter extend to invalidity and unenforceability of the asserted patent as well?

Lastly, what law of willful infringement will guide the scope of the waiver? Will the court rely on a wholly infringer-focused set of elements, or will the court also analyze a set of nonwholly infringer-focused elements?[95] The answer to this question drives whether or not documents that have not been communicated to the infringer, in particular documents used in the preparation of the opinion, will be deemed discoverable. This question leads us to both the *EchoStar* and *Seagate* decisions, wherein the court discussed the standard for willful infringement analysis as well as the scope of waiver attendant with an assertion of advice of counsel.

V. CONFUSION CREATION: THE FEDERAL CIRCUIT SPEAKS ON THE SCOPE OF WAIVER

A. The EchoStar *Opinion*

The facts in *EchoStar* are particularly important to the meaning of the underlying holding and opinion language. TiVo, Inc. filed suit in the United States District Court for the Eastern District of Texas for infringement of a patent covering technology for recording television

95. *See supra* Part II.B.

broadcasting programs while a user simultaneously watches or reviews another program.[96] Prior to the filing of the lawsuit, EchoStar Corp. relied on the advice of its in-house counsel with regard to the potential infringement of the asserted patents.[97] Once TiVo filed the infringement suit, EchoStar obtained additional advice in the form of written opinions from the separate law firm of Merchant & Gould.[98] However, in response to an allegation of willful infringement by TiVo, EchoStar only asserted the advice of its in-house counsel, and decided not to rely on the additional legal advice received from Merchant & Gould.[99]

Following the assertion of the advice of in-house counsel defense by EchoStar, TiVo sought production of not only documents and communications relating to the advice of in-house counsel, but also sought production of documents relating to the advice rendered by Merchant & Gould.[100] However, Merchant & Gould never communicated the contents of some of the documents related to the advice of counsel defense to EchoStar.[101]

EchoStar asserted a wholly infringer-focused argument for the willfulness standard, wherein only the state of mind of the infringer is relevant. EchoStar argued that because Merchant & Gould did not communicate the documents to EchoStar, the uncommunicated documents would do little to inform the court of the state of mind of EchoStar during infringement, and, therefore, would not be relevant to whether EchoStar had in good faith believed that it did not infringe TiVo's patent.[102] Ultimately, the district court did not agree that the uncommunicated documents were devoid of information that would inform the court of the state of mind of the infringer.[103] Rather, the court extended the waiver to include the uncommunicated documents on the ground that the documents could be relevant or could lead to discovery of admissible evidence, because the documents may have contained information that was indeed conveyed to EchoStar although the

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96. *EchoStar*, 448 F.3d at 1297 (stating that TiVo sued EchoStar for infringement of U.S. Patent No. 6,233,389). TiVo has become a household name for digital video recorders that work in conjunction with existing cable subscription services. *See* Jonathan L. Zittrain, *The Generative Internet*, 119 HARV. L. REV. 1974, 2014 (2006) (discussing TiVo and the pervasiveness of digital video recorder technology).

97. *EchoStar*, 448 F.3d. at 1296-97.

98. *Id.*

99. *Id.* at 1297.

100. *Id.* EchoStar did produce two infringement opinions from Merchant & Gould, but refused to produce any work product related to the opinions themselves. *Id.* at 1297 n.1.

101. *Id.* at 1297.

102. *Id.* at 1297-98.

103. *Id.* at 1297.

documents themselves were not.[104] Thus, the stage was set for the Federal Circuit to hear the case on a request for a writ of mandamus by EchoStar to disallow the production of the uncommunicated documents.[105]

The first important aspect of the *EchoStar* decision is the Federal Circuit's definitive statement that its own law, not the law of the regional circuit, must be applied to determine the scope of waiver.[106] Therefore, the previous decisions in each of the district courts of individual regional circuits are now bound by the holding of the *EchoStar* decision, and subsequent decisions rendered by those district courts will be decided against the backdrop of *EchoStar*.

The primary issue of the case was whether the scope of work-product doctrine waiver extends to the documents that were uncommunicated to the infringer, EchoStar.[107] The court's decision on this point holds the most precedential value. Pertinent to the court's analysis of the work product issues is the manner in which the court discussed the substantive law of willful infringement. The court took a decidedly infringer-focused view of the law of willful infringement, and ruled on the production of documents accordingly.[108] In particular, the court noted that the work-product waiver should only extend as far as attorney work product informed the infringer's state of mind.[109] Further, the court stated that when determining willful infringement, what the alleged infringer actually viewed or witnessed is what is dispositive, and not merely the opinion of counsel memorialized in uncommunicated documents.[110]

The Federal Circuit then identified a set of three categories of work product relevant to the defense asserted: (1) documents that embody a communication between the attorney and the client concerning the subject matter of the case, such as a traditional opinion letter; (2) documents analyzing the law, facts, trial strategy, and so forth that reflect the attorney's mental impressions but were not given to the client; and (3) documents that discuss a communication between attorney and client concerning the subject matter of the case, but are not themselves communications to or from the client.[111]

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104. *Id.*
105. *Id.* at 1296.
106. *Id.* at 1298.
107. *Id.* at 1300.
108. *See id.* at 1303.
109. *Id.*
110. *Id.*
111. *Id.* at 1302.

The first category was deemed waived, because a party waives its attorney-client privilege for all communications between the attorney and the client including all documentary evidence of such communications including infringement opinions and other memoranda.[112] As to the second category of documents, which essentially reflect the mental impressions of the attorney, the waiver does not extend to those documents not communicated to the infringer.[113] Lastly, the court stated that the third category of work product, those documents that reference a communication to or from a client, is waived with the first category.[114] These documents are subject to waiver even if they had not been communicated to the infringer.[115] Indeed, unlike the second category of work product, the third category references and memorializes specific communications with the client, and therefore goes far to inform the court of the infringer's state of mind.[116]

The *EchoStar* holding was therefore targeted at identifying the infringer's state of mind. Although the court did an excellent job in answering the questions directly on point, it inadvertently created several problems in the text of the opinion. These windows to production were later used by some lower district courts to confuse and extend the waiver beyond the scope contemplated by the Federal Circuit in *EchoStar*.

B. Windows to Production: Attorney-Client Privilege in EchoStar

Elements of the waiver of attorney-client privilege comprised a portion of the questions answered in the *EchoStar* decision, but were certainly not predominant. As such, statements made in the opinion regarding attorney-client privilege, particularly under different factual circumstances, should not be given full precedential weight.

In the opinion itself, the Federal Circuit painted the waiver of attorney-client privilege very broadly, and made two statements later used by lower district courts as windows to production. The first statement made was "when EchoStar chose to rely on the advice of in-house counsel, it waived the attorney-client privilege with regard to any attorney-client communications relating to the same subject matter, including communications with counsel other than in-house counsel, which would include communications with Merchant & Gould."[117] The

112. *Id.*
113. *Id.* at 1303.
114. *Id.* at 1304.
115. *Id.*
116. *Id.* at 1303.
117. *Id.* at 1299.

citation supporting this statement created even more problems because the court cited *Akeva LLC v. Mizuno Corp.*[118] This citation is problematic because in *Akeva LLC*, trial counsel attorney-client privileged communications were deemed waived.[119] The statement by the Federal Circuit, along with the apparent supporting citation of *Akeva LLC* was later used by lower courts to support the extension of the attorney-client privilege waiver to trial counsel, even in substantially different factual circumstances.

Because the extension of the attorney-client privilege waiver to trial counsel was not an issue before the court in *EchoStar*, this analysis is inherently problematic. Rather, the court sought to extend attorney-client privilege waiver to opinion counsel that rendered an opinion after the filing of the infringement suit.[120] Further, the circumstances of *Akeva LLC* are such that the defendant expressly relied on its trial counsel's noninfringement opinion.[121]

The second statement made by the *EchoStar* court was "[t]o prevent such abuses, . . . when a party defends its actions by disclosing an attorney-client communication, it waives the attorney-client privilege as to all such communications regarding the same subject matter."[122] This statement will later be used by at least one district court to support the extension of waiver beyond the exact subject matter of the opinion into other subject matters, such as invalidity and unenforceability. However, once again, the issue of the scope of subject-matter waiver was not before the *EchoStar* court. Further, a reasoned textual analysis of the language expressed by the Federal Circuit indicates that the court contemplated a much narrower meaning for subject-matter waiver.[123] The analysis leads to the conclusion that the court only anticipated extending the waiver of attorney-client privilege to the same subject matter of the opinion upon which the defendant relied.[124]

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118. *Id.* (citing Akeva LLC v. Mizuno Corp., 243 F. Supp. 2d 418, 423 (M.D.N.C. 2003)).

119. *Akeva LLC*, 243 F. Supp. 2d at 423 n.6.

120. *EchoStar*, 448 F.3d at 1301.

121. *Akeva LLC*, 243 F. Supp. 2d at 419-20.

122. *EchoStar*, 448 F.3d at 1301 (citing Fort James Corp. v. Solo Cup Co., 412 F.3d 1340, 1349 (Fed. Cir. 2005)).

123. Ampex Corp. v. Eastman Kodak Co., No. 04-1373-KAJ, 2006 U.S. Dist. LEXIS 48702, at *8-9 (D. Del. July 17, 2006) (stressing the importance of examining the exact language and context of the *EchoStar* court's holding).

124. *Id.*

C. Windows to Production: Work-Product Doctrine and Footnote 4 in EchoStar

In addition to the statements in the *EchoStar* opinion that created windows to discovery of attorney-client privileged materials through the court's analysis of waiver, the court similarly inadvertently created problems in the context of its work-product privilege analysis.[125] Again, the citation of the *Akeva LLC* decision in the Federal Circuit's analysis will create problems.

The court created more windows to discovery of privileged material when discussing the reasons underlying the production of the first category of documents discussed in its holding, those documents that embody a communication between the attorney and the client, such as a traditional opinion letter.[126] The supporting citation in the *EchoStar* opinion extended into a footnote, wherein the court flatly rejected the assertion by the defendant that the waiver of opinions necessarily did not extend to advice given and work product generated after the infringement litigation begins.[127] In doing so, the court made yet another statement which would allow the lower courts to open a window to production: "While this may be true when the work product is never communicated to the client, it is not the case when the advice is relevant to ongoing willful infringement, so long as that ongoing infringement is at issue in the litigation."[128] Again, the court created confusion by citing *Akeva LLC*.

This footnote in the *EchoStar* case will ultimately create a variety of problems in lower courts. First, lower courts will see the rejection of a bright-line barrier to extending the temporal scope beyond the filing of the infringement lawsuit as a statement that there is no temporal scope.[129] Here again, lower courts will utilize the apparent supporting citation of *Akeva LLC*, wherein the waiver was extended beyond the filing of suit.[130] However, in *EchoStar*, the infringer received advice from its counsel Merchant & Gould post-filing, and so it seems fair and reasoned in that particular instance with these particular facts to extend the temporal

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125. *See In re* Seagate Tech., LLC, No. 830, 2007 U.S. App. LEXIS 19768, at *19 (Fed. Cir. Aug. 20, 2007) ("In light of Supreme Court opinions since *Underwater Devices* and the practical concerns facing litigants under the current regime, we take this opportunity to revisit our willfulness doctrine and to address whether waiver resulting from advice of counsel and work product defenses extend to trial counsel.").

126. *EchoStar*, 448 F.3d at 1302.

127. *Id.* at 1303 n.4.

128. *Id.*

129. *Id.* at 1302-03.

130. Akeva LLC v. Mizuno Corp., 243 F. Supp. 2d 418, 423 (M.D.N.C. 2003).

scope. The scope of waiver is necessarily an intensely factual inquiry as previously stated.

Secondly, some lower courts will utilize the footnote statements and the citation of *Akeva LLC* to support the extension of attorney-client and work-product privilege waiver to trial counsel. After all, some courts will reason that *Akeva LLC* allowed for the extension of attorney-client privilege to trial counsel.[131] However, this analysis is also flawed. First, extension to trial counsel was not in front of the court in *EchoStar*. Secondly, the *Akeva LLC* decision dealt with only the extension of attorney-client privilege waiver to trial counsel and not waiver of work-product privilege.[132] Lastly, the facts of *Akeva LLC* are distinguishable from *EchoStar* and many other cases in that the defendant expressly relied on its trial counsel's noninfringement opinion to continue operating, while it waited to receive a separate opinion from another source.[133] Looking at the factual circumstances of the *EchoStar* case wherein advice was received from Merchant & Gould post-filing, production of some work product past the filing of the lawsuit again appeared fair in this particular instance with these particular facts. Courts must remember that the scope of waiver issue is an intensely factually driven exercise.

D. The Seagate *Opinion*

As discussed previously, the Federal Circuit recognized the difficulties lower federal courts and litigants were having with the *EchoStar* opinion and consequently decided sua sponte to hold a hearing en banc on a petition for a writ of mandamus over a scope of waiver dispute in *Seagate*.[134] The opinion did not directly resolve the issues that were the subject of the petition for the writ, but rather instructed the district court to reconsider its discovery orders in light of the opinion.[135] As such, the opinion reads as a statement of law with respect to the substantive law of willful infringement and the waiver of attorney-client privilege and work product when asserting advice of counsel.

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131. *Id.*
132. *See id.* at 423 n.6.
133. *Id.* at 419-20.
134. *In re* Seagate Tech., LLC, 214 F. App'x 997, 997 (Fed. Cir. 2007).
135. *In re* Seagate Tech., LLC, No. 830, 2007 U.S. App. LEXIS 19768, at *37-38 (Fed. Cir. Aug. 20, 2007).

E. Substantive Law of Willful Infringement in Seagate

The *Seagate* opinion began its statement of the law of willfulness by discussing the evolution of that law over time to include the duty of potential infringers to exercise due care to determine whether or not a valid patent is being infringed.[136] Potential infringers, over time, typically dealt with the duty of care by obtaining competent written advice of counsel in the form of an opinion determining whether a potentially asserted patent is invalid, unenforceable, or infringed.[137] The analysis of willful infringement has since evolved into a totality of the circumstances analysis.[138] Although a favorable opinion of counsel is not essential and is only one factor in the totality of circumstances analysis, it is an important factor.[139] As such, the court identified a number of practical concerns, wherein potential infringers may be forced to waive attorney-client and work-product privilege in order to properly defend themselves against charges of willful infringement (as previously discussed in Part IV.A).[140] The Federal Circuit began its explanation of the new standard for willfulness by stating that the duty of care announced in *Underwater Devices* was closer to a negligence standard, which was not in concert with Supreme Court pronouncements on "willfulness" in other contexts.[141] That is, the concept of willfulness generally refers to a level of culpability exceeding mere negligence.[142] Consequently, the new standard of willfulness requires a showing of "objective recklessness."[143] Additionally, the Federal Circuit was explicit in its statement that the affirmative duty of care to determine whether or not infringement is occurring is overruled, and consequently there is no longer an affirmative obligation to obtain opinion of counsel.[144]

Interestingly, when the court asserted that a successful willfulness argument must show "by clear and convincing evidence that the infringer acted despite an objectively high likelihood that its actions constituted infringement of a valid patent," and also stated "[t]he state of mind of the accused infringer is not relevant to [the] objective inquiry."[145] These

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136. *Id.* at *14-15 (citing Underwater Devices Inc. v. Morrison-Knudsen Co., 717 F.2d 1380, 1389-90 (Fed. Cir. 1983)).
137. *Id.* at *16.
138. *Id.*; *see also supra* Part II.B.
139. *Seagate*, 2007 U.S. App. LEXIS 19768, at *16; *see also supra* Part IV.A.
140. *Seagate,* 2007 U.S. App. LEXIS 19768, at *16-17.
141. *Id.* at *19-22.
142. *Id.* at *22 (citing McLaughlin v. Richland Shoe Co., 486 U.S. 128, 133 (1988)).
143. *Id.* at *22.
144. *Id.*
145. *Id.* at *22-23.

statements are seemingly inconsistent with statements by the Federal Circuit in *EchoStar* that "what the alleged infringer knew or believed . . . informs the court of an infringer's willfulness."[146] However, it is this author's impression that the Federal Circuit intended to announce an objective standard that focuses on whether the *infringer* was reasonably objective, and not whether the *opinion-rendering counsel* was reasonable. The statement made in *Seagate* was meant to distinguish between a subjective and an objective analysis, wherein the objectivity of the infringer is analyzed and the subjective *actual* state of mind of the infringer is not what is important.

Lastly, during the court's discussion of attorney-client privilege waiver, the court suggested that a patentee might need to seek a preliminary injunction to stop ongoing infringement beyond the beginning of the lawsuit.[147] To that end, the court suggested that "[a] patentee who does not attempt to stop an accused infringer's activities in this manner should not be allowed to accrue enhanced damages based solely on the infringer's post-filing conduct."[148] Further, the court suggested if a patentee does indeed attempt to secure a preliminary injunction but ultimately fails, it is likely that the infringement at that time did not rise to the level of recklessness and correspondingly cannot be said to be willful under the newly established standard.[149]

F. Attorney-Client Privilege Waiver in Seagate

The court began its discussion of attorney-client privilege waiver resulting from an assertion advice of counsel defense by recounting the necessary function of the attorney-client privilege to encourage full and frank communication between attorneys and their clients.[150] The court further recounted the standard waiver of attorney-client privilege, which applies to all other communications regarding the same subject matter, and serves to fairly prevent the use of privilege as both a sword and a shield.[151] However, the court definitively stated, "There is no bright-line test for determining what constitutes the subject matter of a waiver, rather courts weigh the circumstances of the disclosure, the nature of the legal

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146. *In re* EchoStar Commc'ns Corp., 448 F.3d 1294, 1303 (Fed. Cir. 2006) ("Work-product waiver extends only so far as to inform the court of the infringer's state of mind.").

147. *Seagate*, 2007 U.S. App. LEXIS 19768, at *30.

148. *Id.*

149. *Id.*

150. *Id.* at *24-25.

151. *Id.* at *25 (citing Fort James Corp. v. Solo Cup Corp., 412 F.3d 1340, 1349 (Fed. Cir. 2005); *EchoStar*, 448 F.3d at 1301).

advice sought and the prejudice to the parties of permitting or prohibiting further disclosures."[152]

Mostly notably, the court directly addressed the issue of limiting waiver of attorney-client privilege to the time period following the filing of a lawsuit and to waiver extending to trial counsel. On this particular issue, following the *EchoStar* decision, some courts extended waiver to trial counsel (which necessarily incorporates waiver beyond the filing of the law suit),[153] while others did not.[154] Against this background, the Federal Circuit made an important pronouncement, stating, "[W]e conclude that the significantly different functions of trial counsel and opinion counsel advise against extending waiver to trial counsel."[155] In support, the Federal Circuit noted that trial counsel serves a significantly different function than opinion counsel, wherein trial counsel focuses on developing litigation strategy and is directly involved in the adversarial process.[156] That is, the fundamental differences in the types of advice given by trial counsel as compared to opinion counsel are such that classic "sword and shield" tactics are not likely to present themselves.[157] Further, according to the Federal Circuit, classic notions of protecting attorney-client privilege counsel against extensive waiver.[158]

Lastly, the Federal Circuit concluded that in most circumstances, the willfulness of the infringer would directly depend on prelitigation conduct, even though the offense may continue and is ongoing.[159] That is, if willfulness is originally asserted in an initial complaint, a patentee must have a good faith belief that the prelitigation conduct was willful.[160] As such, because willful infringement is mainly premised on prelitigation conduct, communications with trial counsel are very rarely sufficiently relevant to warrant disclosure.[161] Correspondingly, advice received from any counsel after the filing of the lawsuit may also have marginal relevance, therefore counseling against the extension of waiver beyond the filing of the lawsuit in general.[162] In sum, the Federal Circuit held:

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152. *Id.* at *26 (citing *Fort James Corp.*, 412 F.3d at 1349-50).

153. *Id.* (citing Informatica v. Bus. Objects Data Integration, Inc., 454 F. Supp. 2d 957 (N.D. Cal. 2006)).

154. *Id.* (citing Ampex Corp. v. Eastman Kodak Co., 2006 U.S. Dist. LEXIS 48702 (D. Del. July 17, 2006)).

155. *Id.* at *27.

156. *Id.*

157. *Id.* at *27-28.

158. *Id.* at *28-29 (citing Hickman v. Taylor, 329 U.S. 495, 510-11 (1947)).

159. *Id.* at *29-30.

160. *Id.* at *30 (citing FED. R. CIV. P. 8, 11(b)).

161. *Id.* at *31-32.

162. *Id.* at *32.

> [A]s a general proposition, that asserting the advice of counsel defense and disclosing opinions of opinion counsel do not constitute waiver of the attorney-client privilege for communications with trial counsel. We do not purport to set out an absolute rule. Instead, trial courts remain free to exercise their discretion in unique circumstances to extend waiver to trial counsel, such as if a party or counsel engages in chicanery.[163]

G. Work-Product Privilege Waiver in Seagate

Much like the discussion of attorney-client privilege waiver, the Federal Circuit began by recounting the importance of work-product privilege in the adversarial system.[164] The Federal Circuit specifically noted that the rationale of limiting waiver relative to trial counsel applies with even greater force with work product because of its nature.[165] That is, protection of work product is fundamental because it prevents adversaries from probing into another party's ideas and thoughts (See Part III.A).[166] Further, the court noted that the Supreme Court has previously approved of narrowly restricting the scope of work-product waiver.[167] In sum, the Federal Circuit held:

> [A]s a general proposition, relying on opinion counsel's work product does not waive work-product immunity with respect to trial counsel. Again, we leave open the possibility that situations may arise in which waiver may be extended to trial counsel, such as if a party or his counsel engages in chicanery.[168]

VI. THE LAW OF THE SCOPE OF WAIVER: POST-*ECHOSTAR*

As discussed previously, the *EchoStar* decision has been available for some time and several district courts in various circuits have ruled on discovery motions against the background of that decision, while the *Seagate* decision has yet to be cited as of this writing. Prior to the *EchoStar* decision, the district courts believed that the law of each individual regional circuit governed the waiver issue.[169] As of the time of this writing, United States Courts of Appeals for the Second, Third,

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163. *Id.*

164. *Id.* at *33-34 (discussing work product in general as well as the finer points of "opinion" vs. "factual" work product).

165. *Id.* at *24; *see supra* Part III.A (discussing work product more in-depth).

166. *Seagate*, 2007 U.S. App. LEXIS 19768, at *35 (citing Coastal States Gas Corp. v. Dep't of Energy, 617 F.2d 854, 864 (D.C. Cir. 1980)).

167. *Id.* at *35-36 (citing State v. Nobles, 422 U.S. 225, 227, 229, 239-40 (1975)).

168. *Id.* at *36-37.

169. Intex Recreation Corp. v. Team Worldwide Corp., 439 F. Supp. 2d 46, 49 (D.D.C. 2006) (noting that in a previous decision the scope of waiver issue had not been resolved by the Federal Circuit).

Fourth, Fifth, Seventh, Eighth, Ninth, and District of Columbia Circuits have rendered decisions citing and following or proposing to follow aspects of the *EchoStar* decision. To determine the impact of *EchoStar* in these circuit courts, each of the cases is examined and the pertinent sections of each case are discussed below.

A. Second Circuit Post-EchoStar

The Second Circuit rendered a decision in a single patent litigation matter involving the ramifications of *EchoStar.* Defendants asserted reliance on three written opinions obtained from a law firm separate from the trial counsel law firm after the lawsuit commenced.[170] In concert with the assertion of reliance on advice of counsel, defendants also produced documents in response to plaintiff's document request for "'[a]ll attorney's opinions upon which you intend to rely in asserting any defense against a claim of willful infringement in this case and all documents related to any such opinion.'"[171] However, defendants did not produce any communications between themselves and trial counsel claiming protection under attorney-client privilege, which resulted in a successful motion by plaintiff to compel production of such communications.[172] The court upheld the allowance of the motion to compel discovery of attorney-client communications between the defendants and trial counsel.[173] In so doing, the court specifically relied upon the windows to production discussed in Part V.B.[174] In particular, the court recited the *EchoStar* language with regard to waiver of all attorney-client communications on the same subject matter of any opinion, and also directly referenced the Federal Circuit's cite of *Akeva LLC* to support the decision to extend such waiver to trial counsel.[175] Interestingly, the court limited the subject matter of the waiver to only include validity, as invalidity and unenforceability were not discussed in the written opinion.[176]

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170. Computer Assoc. Int'l, Inc. v. Simple.com, Inc., No. 02 Civ. 2748 (DRH) (MLO), 2006 U.S. Dist. LEXIS 77077, at *2-3 (E.D.N.Y. Oct. 23, 2006).

171. *Id.* at *3.

172. *Id.* at *3-4.

173. *Id.* at *13.

174. *Id.* at *5-13.

175. *Id.* at *12-13.

176. *Id.* at *4-6 n.2.

*B. Third Circuit Post-*EchoStar[177]

In *Ampex Corp. v. Eastman Kodak Co.*, the Third Circuit dealt with a motion seeking all attorney-client communications between the defendant and its trial counsel bearing on the subject of infringement.[178] Essentially, the plaintiff argued that the *EchoStar* decision, in its interpretation of the *Akeva LLC* decision, held that there was no temporal limitation on the waiver of privilege provided that infringing activity continues.[179] Further, the plaintiff argued that there was no distinction between communications involving trial counsel and communications involving opinion counsel.[180] Recognizing that the primary question in *EchoStar* dealt with work-product privilege waiver, and not attorney-client privilege, the court declined to extend the attorney-client privilege as Ampex had argued.[181] Further, the *EchoStar* court did not address the issue of communications with trial counsel.[182] Lastly, the court noted that the citation to *Akeva LLC* is unavailing to *Ampex*, because the *Akeva LLC* case was factually distinct. In *Akeva LLC*, the defendants expressly relied on trial counsel's opinion of noninfringement while continuing to operate.[183]

In another case in the Third Circuit, the plaintiff filed a motion to compel discovery of all opinions of counsel regarding defendant's advice of counsel defense.[184] The plaintiff's assertion that all opinions should be produced was premised on defendant's selection of opinion and trial counsel, although different lawyers, from the same law firm.[185] Relying on the window of the broad statement from the Federal Circuit in *EchoStar* that all attorney-client communications relating to the same subject matter are waived, the court concluded that the defendant had waived all attorney-client privileged communications related to noninfringement, invalidity, and unenforceability.[186] That is, communications with any counsel, whether trial or opinion counsel, were

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177. One decision in the Third Circuit cited *EchoStar* in a patent litigation matter, but did not address the contentious points of discovery discussed as the subject matter of this Article. *See* Micron Tech., Inc. v. Rambus, Inc., No. 00-792-KAJ, 2006 U.S. Dist. Lexis 40009 (D. Del. June 15, 2006) (discussing the production of privileged documents).

178. No. 04-1373-KAJ, 2006 U.S. Dist. LEXIS 48702, at *2 (D. Del. July 16, 2006).

179. *Id.* at *6.

180. *Id.* at *7.

181. *Id.* at *12-13.

182. *Id.* at *11.

183. *Id.*

184. Affinion Net Patents, Inc. v. Maritz, Inc., 440 F. Supp. 2d 354 (D. Del. 2006).

185. *Id.* at 355-56.

186. *Id.* at 356.

waived.[187] With respect to work product, the court correctly relied directly on the *EchoStar* holding that documents that had not been communicated with the client-defendant were not discoverable, as they had no impact on the accused infringer's state of mind.[188] Further, again correctly following *EchoStar*, the court ruled that documents that memorialize communications between any attorney and the client may be discoverable to the extent they are reflective of the client-defendant's state of mind.[189]

C. Fourth Circuit Post-EchoStar

In *LifeNet, Inc. v. Musculoskeletal Transplant Foundation, Inc.*, the Fourth Circuit wrangled with the all too familiar difficulty of determining whether discovery should be extended to trial counsel.[190] The defendant had conceded that discovery of materials pertinent to the opinions from trial counsel was proper to inform the state of mind of the accused infringer.[191] However, the defendant contested the discovery of opinion letters and the like from trial counsel, believing that *EchoStar* did not call for the extension of production to trial counsel.[192] The court performed a thorough analysis of the *EchoStar* opinion, as well as the then existing decisions applying it, while simultaneously recognizing the inconsistency prevalent among the district courts.[193] Ultimately, the court adopted the majority view that rejected a temporal and role limitation to the discovery of work-product and attorney-client privileged communications, relying on the all too familiar language from *EchoStar* that "any attorney-client communications relating to the same subject matter" are waived.[194] Additionally, the court noted that since the accused infringement is ongoing, the defendant should be prevented from so-called "sword and shield" tactics in sheltering communications and work product of trial counsel.[195] Lastly, the court referenced the Federal

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187. *Id.*
188. *Id.*
189. *Id.*
190. 490 F. Supp. 2d 681 (E.D. Va. 2007).
191. *Id.* at 683-84.
192. *Id.*
193. *Id.* at 684-89. Interestingly, the court clearly recognized the difficulty in applying *EchoStar* by stating, "Whether advice received from trial counsel is discoverable in a patent case where the advice-of-counsel waiver is implicated is a question that has plagued the courts since *EchoStar* was decided, resulting in inconsistent precedent." *Id.* at 686.
194. *Id.* at 688; *see supra* Part V.B (discussing the language of *EchoStar* on attorney-client communications waiver more in-depth).
195. *LifeNet*, 490 F. Supp. 2d at 688.

Circuit's citation of *Akeva LLC* for further support of the extension of waiver to trial counsel.[196]

D. Fifth Circuit Post-EchoStar[197]

The Fifth Circuit has also had opportunities to apply *EchoStar* to discovery disputes. In *Autobytel, Inc. v. Dealix Corp.*, the court was faced with the meaning of "same subject matter" with respect to the scope of waiver.[198] The opinion the defendant relied upon as a defense stated that defendant was not infringing the alleged patents, yet plaintiff sought waiver of materials related to unenforceability and invalidity as well.[199] The court noted that the issue of whether waiver extends to all defenses beyond the subject of the underlying opinion was not directly before the court in *EchoStar*.[200] Indeed, the court concluded that waiver of attorney-client communications beyond the scope of the underlying asserted opinion was not required.[201] The court, in reaching this conclusion, also noted that the Federal Circuit had specifically adopted an infringer-focused approach to willfulness by stating that the purpose of the waiver was to inform the court of the mind of the accused infringer, and consequently, information about defenses not relied upon would be of "limited utility."[202]

196. *Id.* at 689; *see supra* Part V.C (discussing the language from *EchoStar* on work-product waiver more in-depth).

197. One case in the Fifth Circuit has cited *EchoStar* in a patent litigation matter, but did not address the contentious points of discovery discussed as the subject matter of this Article. *See* Flashmark Techs. LLC v. GTECH Corp., No. 2:06-CV-205, 2007 U.S. Dist. LEXIS 57107 (E.D. Tex. Aug. 6, 2007) (discussing the privileged nature of redacted information in documents).

198. 455 F. Supp. 2d 569, 574 (E.D. Tex. 2006).

199. *Id.*

200. *Id.* at 574-75.

201. *Id.*

202. *Id.* at 575.

E. Seventh Circuit Post-EchoStar[203]

In the first of three Post-*EchoStar* cases in the Seventh Circuit, *Indiana Mills & Manufacturing v. Dorel Industries Inc.*, the court previously issued an order resolving a discovery dispute, and reopened examination of the temporal scope of waiver as well as the scope of work-product waiver.[204] In evaluating the temporal scope of waiver, the court in *Indiana Mills* declined to extend the temporal scope of waiver past the filing date of the infringement suit.[205] The court noted the factual distinctions between the instant case and the *EchoStar* case in which an outside attorney had actually provided advice after the filing of the infringement litigation.[206] The court specifically noted that the extension of waiver of communications and work product of trial counsel was also not an issue before the court in *EchoStar*.[207] Further, the court noted that Federal Circuit's citation of *Akeva LLC* was not definitive on the issue because that case only dealt with attorney-client privilege and not the work-product doctrine.[208]

In the second case from the Seventh Circuit, waiver was more broadly interpreted. In *Beck Systems, Inc. v. Managesoft Corp.*, the court dealt with a number of the pertinent waiver issues when interpreting the *EchoStar* decision against the backdrop of existing case law.[209] Relying principally on the broad language of attorney-client privilege, as well as the rejection by the *EchoStar* court of a bright-line rule against extension of waiver past the filing of a litigation, the court

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203. Two written decisions in patent litigation cases filed in the Seventh Circuit have cited *EchoStar*, but did not address the contentious points of discovery discussed as the subject matter of this Article. *See* Abbott Lab. v. Andrx Pharm., Inc., No. 05 C 1490, 2006 U.S. Dist. LEXIS 55647 (N.D. Ill. July 25, 2006) (discussing ramifications of accidental attorney-client privilege waiver); Abbott Lab. v. Andrx Pharm., Inc., 241 F.R.D. 480 (N.D. Ill. 2007) (discussing the production of documents pursuant to the client-fraud exception to attorney-client privilege). Other patent case decisions cite *EchoStar*, but do not discuss issues pertinent to this Article. *See* CCS Info. Serv., Inc. v. Mitchell Int'l, Inc., No. 03 C 2965, 2007 U.S. Dist. LEXIS 87255 (N.D. Ill. Dec. 1, 2006) (discussing production of advice of counsel memorandum); Murata Mfg., Ltd. v. Bel Fuse, Inc., No. 03 C 2934, 2007 U.S. Dist. LEXIS 17224 (N.D. Ill. Mar. 8, 2007) (discussing attorney-client privilege waiver in the context of a 30(b)(6) deposition); Rowe Int'l Corp. v. ECAST, Inc., 241 F.R.D. 296 (N.D. Ill. 2007) (discussing waiver consequences resulting from unintentional production of documents).

204. Ind. Mills & Mfg. v. Dorel Indus., Inc., No. 1:04cv1102 (LJM/WTL), 2006 U.S. Dist. LEXIS 34023, at *18 (S.D. Ind. May 26, 2006) (*abrogated by* Ind. Mills & Mfg. v. Dorel Indus., Inc., No. 1:04cv1102 (LJM/WTL) 2006 U.S. Dist. LEXIS 47852 (D. Ind. July 14, 2006)).

205. *Id.* at *19.

206. *Id.*

207. *Id.*

208. *Id.* at *20 n.2.

209. No. 05 C 2036, 2006 U.S. Dist. LEXIS 53963, at *14 (N.D. Ill. July 14, 2006) (stating that the court will consider the extent to which the older approach will be revised).

held that the defendants had created a waiver which extended to attorney-client communications and certain work product generated after the commencement of the suit.[210] Secondly, the court stated that the *EchoStar* decision did not change its existing approach of extending waiver to trial counsel in cases involving claims of ongoing infringement.[211] In particular, the court noted that it was in disagreement with the analysis provided in *Indiana Mills*, and although the issue of extension of waiver to trial counsel was not in front of the court in *EchoStar*, the citation to *Akeva LLC* indicated that "the Federal Circuit would extend this waiver to all attorneys other than those who provided the advice on which the defendant relies, irrespective of whether the other attorneys are trial counsel."[212] The court's analysis relied heavily on both windows of production for attorney-client and work-product privileges discussed above in Part V.B-C, and allowed extension of the waiver to trial counsel and production of attorney-client communications and work product beyond the date of the infringement suit's filing.[213]

In the third case, the district court faced the issue of whether the scope of attorney-client communications waiver extended beyond the underlying theory of the opinion asserted in defense to a charge of willful infringement.[214] The Seventh Circuit took note of many pertinent sections of the *EchoStar* opinion, but ultimately appeared to reach its conclusion based on its interpretation of the statement in *EchoStar* that a defendant "waives the attorney-client privilege as to all such communications regarding the same subject matter."[215] In particular, the court concluded that the "subject matter" of the communications is "whether [the defendant's] products infringe on K-C's patents," which included attorney-client communications beyond noninfringement to include validity and enforceability.[216]

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210. *Id.* at *15.
211. *Id.* at *16.
212. *Id.* at *16 n.1.
213. *Id.* at *22 n.2.
214. Kimberly-Clark Corp. v. Tyco Healthcare Retail Group, No. 05-C-985, 2007 U.S. Dist. LEXIS 5974 (E.D. Wis. Jan. 26, 2007).
215. 448 F.3d 1294, 1301 (Fed. Cir. 2006).
216. *Kimberly-Clark*, 2007 U.S. Dist. LEXIS 5974, at *5.

F. Eighth Circuit Post-EchoStar[217]

In *Iridex Corp. v. Synergetics, Inc.*, the defendants stated that they intended to rely on noninfringement opinions of counsel to defeat an assertion of willful infringement.[218] Although the defendants produced the letters and allowed discovery on the provided opinions, defendants refused to produce any discovery related to any advice of counsel obtained from trial counsel.[219] The court concluded that *EchoStar* required that the scope of waiver for attorney-client communications as well as work product be extended to trial counsel.[220]

G. Ninth Circuit Post-EchoStar[221]

The first of three Post-*EchoStar* cases in the Ninth Circuit dealt directly with the extension of the waiver to trial counsel. In *Informatica Corp. v. Business Objects Data Integration, Inc.*, the court ultimately waived attorney-client and work-product privilege of trial counsel relating to the subject matter of a written opinion asserted as a defense to willful infringement.[222] Further, the court refused to apply a temporal restriction to that waiver when the infringement was still ongoing.[223] Despite the order, the litigation team refused to produce communications and work product of trial counsel.[224]

In response to the refusal to produce work product of trial counsel pursuant to the previous order, the court affirmed the previous order and

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217. One case in the Eighth Circuit has cited *EchoStar* in a patent litigation matter, but did not address the contentious points of discovery discussed as the subject matter of this Article. *See* Highway Equip. Co., No. 04-CV-147-LRR, 2007 U.S. Dist. LEXIS 1717 (N.D. Iowa Jan. 8, 2007) (discussing the timely presentation of evidence of advice of counsel).

218. No.4:04CV1916 CDP, 2007 U.S. Dist. LEXIS 7747, at *2 (E.D. Mo. Feb. 2, 2007).

219. *Id.*

220. *Id.* at *3 (citing Autobytel, Inc. v. Dealix Corp., 455 F. Supp. 2d 569 (E.D. Tex. 2006); Genentech Inc. v. Insmed, Inc., 442 F. Supp. 2d 838 (N.D. Cal. 2006); Informatica Corp. v. Bus. Objects Data Integration, Inc., 454 F. Supp. 2d 957 (N.D. Cal. 2006); Beck Sys., Inc. v. Managesoft Corp., No. 05 C 2036, 2006 U.S. Dist. LEXIS 53963 (N.D. Ill. July 14, 2006)). All of the cases cited in support of extending the scope of waiver to trial counsel have been discussed in this circuit survey section. Each of these cases relies principally on the window of production. *See supra* Part V.B-C (discussing windows of production).

221. Other decisions in patent cases in the Ninth Circuit have cited *EchoStar*, but did not address the contentious points of discovery discussed in this Article. *See* Bd. of Trs. of the Leland Stanford Univ. v. Roche Molecular Sys., Inc., 237 F.R.D. 618 (N.D. Cal. 2006) (discussing waiver of attorney-client and work-product privilege as it relates to inventorship); Regents of the Univ. of Cal. v. Micro Therapeutics Inc. et al., No C 03-05669 JW, 2007 U.S. Dist. LEXIS 43879 (N.D. Cal. June 6, 2007) (discussing waiver of attorney-client privilege).

222. Informatica Corp. v. Bus. Objects Data Integration, Inc. (*Informatica I*), No. C 02-3378 JSW, 2006 U.S. Dist. LEXIS 53429, at *21-23 (N.D. Cal. July 14, 2006).

223. *Id.*

224. Informatica Corp., 2006 U.S. Dist. LEXIS 58976, at *4.

provided reasoning for the extension of the waiver beyond the filing of the lawsuit to trial counsel.[225] In order to support the extension, the *Informatica* court relied principally on the broad language of *EchoStar* and *Akeva LLC*, as discussed *supra* Part V.B-C.[226] The support seemed well founded, because the *Akeva LLC* decision specifically ruled on extension of attorney-client privilege waiver to trial counsel.[227] However, extension of the waiver to trial counsel was not an issue before the court in *EchoStar*, as well as the other factual and reasoning deficiencies noted *supra* Part V.B-C.

In a second case, *Genentech v. Insmed Inc.*, the court dealt with the unique situation where trial counsel and opinion counsel were housed in the same law firm.[228] The discovery dispute centered on whether the scope of waiver extends to trial counsel.[229] The plaintiffs asserted that they were entitled to all advice given by both trial counsel and opinion counsel, and the scope of waiver extended beyond the filing of the complaint, as infringement did not occur until after the filing of the complaint.[230] In response, the defendants asserted that trial counsel communications with the defendants, as well as work product, were immune from discovery because the *EchoStar* decision did not directly address the issue of extension to trial counsel, and opinion counsel and the trial team were effectively walled off from one another and thus should be treated separately.[231]

In determining the scope of waiver, the court inferred that due to the timing of infringement, it is fair to infer that prior to the launch of the infringing product the defendants considered input from trial counsel with regard to infringement.[232] The court also found motivation to extend the scope of waiver to trial counsel because of the dual role of trial counsel and opinion counsel in the same law firm.[233] Indeed, the court concluded that the wall between the trial team and opinion counsel "was not impenetrable," and that there was at least some overlap and

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225. *Id.* at *5.

226. *Id.* at *5-6 (citing *In re* EchoStar Commc'ns Corp., 448 F.3d 1294, 1299 (Fed. Cir.), *cert. denied*, 127 S. Ct. 846 (Dec. 11, 2006)).

227. Akeva LLC v. Mizuno Corp., 243 F. Supp. 2d 418, 418 n.6 (M.D.N.C. 2003).

228. Genentech, Inc. v. Insmed Inc., 442 F. Supp. 2d 838, 839 (D. Cal. 2006).

229. *Id.* at 840.

230. *Id.*

231. *Id.*

232. *Id.* at 843. Note that the issue of infringement had previously been adjudicated, and the defendants were held to have infringed three claims of the patent at issue prior to the discovery dispute. *Id.* at 840.

233. *Id.* at 843-44.

communication between the two.[234] Therefore, in this case, the extension of the waiver to trial counsel was premised on perceived reliance on advice from trial counsel.[235] Interestingly, the court in *Genentech* limited the subject matter of the waiver to only include infringement, as invalidity and unenforceability had not been discussed in the written opinion.[236]

Lastly, the Ninth Circuit ruled similarly to the two previous cases in a dispute over whether the scope of waiver should be extended to trial counsel.[237] In the disputed matter, the defendant retained opinion and trial counsel from the same law firm.[238] At issue in the dispute was whether the scope of waiver should be limited to opinion counsel, the time period prior to the filing of the lawsuit, and to only the underlying subject matter of the opinions relied upon.[239] The defendant's firm claimed that a "wall" had been erected between opinion and trial counsel at the law firm.[240] Citing to the opinions discussed above, the court decided that the communications waiver extends to trial counsel when the communications are on the subject of the opinion relied upon.[241] Additionally, the court deemed privilege waived for all factual and non-opinion work product relating to the same subject matter of the opinion relied upon. Further, the court did not place a temporal limitation on the work-product waiver, allowing such waiver to extend to trial counsel while referring directly to the *Akeva LLC* citation, as discussed in Part V.B-C.[242] Finally, the court concluded that the subject-matter waiver extended not only to the underlying theory of the asserted opinion but to all defenses of validity, enforceability, and infringement.[243]

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234. *Id.* at 844.

235. *Id.* at 843-44.

236. *Id.* at 840 n.1 ("At the hearing, Plaintiffs conceded that the scope of Defendants' waiver with respect to [] trial counsel should be defined by the subject matter of the advice given by . . . opinion counsel—*i.e.*, infringement and invalidity on the matters which were the subject of advice for which Defendants elected to waive the privilege, not unenforceability.").

237. Celerity, Inc. v. Ultra Clean Holding, Inc., 476 F. Supp. 2d 1159 (N.D. Cal. 2007).

238. *Id.* at 1163.

239. *Id.*

240. *Id.*

241. *Id.* at 1164-65 (citing Informatica Corp. v. Bus. Objects Data Integration, Inc., 454 F. Supp. 2d 957 (N.D. Cal. 2006); Genentech, Inc. v. Insmed, Inc., 442 F. Supp. 2d 838 (N.D. Cal. 2006)).

242. *Celerity*, 476 F. Supp. 2d at 1167.

243. *Id.* at 1165-66.

H. District of Columbia Circuit Post-EchoStar

In *Intex Recreation Corp. v. Team Worldwide Corp.*, the discovery dispute centered on the extent of the subject matter of waiver as well as the temporal scope.[244] In particular, the opinion relied upon by the defendants was limited to infringement.[245] Consequently, the defendants objected to providing documents on the subjects of invalidity or unenforceability.[246] In response, the plaintiffs asserted that the language of *EchoStar* holds that an alleged infringer waives attorney-client and work-product privilege to all subjects of infringement, invalidity, and unenforceability regardless of the underlying subject matter of the asserted opinion.[247] The court resolved the dispute by referring to the broad language in *EchoStar* discussing the subject matter of waiver (the same language as the windows of production discussed in Part V.B), and reasoned that such statements in the *EchoStar* opinion were not to be interpreted as defining the subject matter of the opinion narrowly.[248] As such, the court held that the defendants waived attorney-client and work-product privileges on the subject matter of the case, but not on the subject matter of the opinion, and were ordered to produce documents related to invalidity and unenforceability as well as infringement.[249]

The second dispute between the parties concerned the temporal scope of the waiver.[250] Relying heavily on the language in *EchoStar*, which rejected a bright light rule against extension of the waiver past the date of filing, the plaintiffs asserted that *EchoStar* held that the waiver extends into the future for as long as infringement continues.[251] In resolving the dispute, the court recognized that the factual underpinnings and analysis of *EchoStar* were not directly on point, and therefore retained an existing approach to resolving the temporal scope issue.[252]

I. Cause for Concern: Table of Recent Scope of Waiver Decisions

As discussed in Part V.B-C, the *EchoStar* opinion created concern among litigants that the waiver of attorney-client and work-product privilege might extend beyond the filing of a patent infringement lawsuit

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244. 439 F. Supp. 2d 46, 47-48 (D.D.C. 2006).
245. *Id.* at 47.
246. *Id.* at 47-48.
247. *Id.* at 47.
248. *Id.* at 49-50.
249. *Id.* at 51.
250. *Id.*
251. *Id.*
252. *Id.* at 53.

to include trial counsel. Additionally, *EchoStar* did not decide whether the subject matter of the waiver extends beyond the underlying theory of the opinion relied upon, and additional curious language in the *EchoStar* opinion allowed some courts to extend the scope of waiver to all willfulness defenses. As discussed above, a variety of cases in many different circuits resolved discovery disputes in favor of extending waiver to trial counsel as well as to subjects beyond the underlying theory of the opinion relied upon. The Table below categorizes the cases according to the issues upon which the cases were decided.

Issue	Case Name
Waiver of Attorney-Client Communications with Trial Counsel	Computer Associates Int'l, Inc v. Simple.com, Inc. (2nd Cir.) LifeNet, Inc. v. Musculoskeletal Transplant Foundation, Inc. (4th Cir.) Beck Systems, Inc. v. Managesoft Corp. (7th Cir.) Iridex Corp. v. Synergetics, Inc. (8th Cir.) Informatica Corp. v. Business Objects Data Integration, Inc. (9th Cir.) Genentech v. Insmed Inc. (9th Cir.) Celerity, Inc. v. Ultra Clean Holding, Inc. (9th Cir.)
Waiver of Work-Product Privilege of Certain Documents of Trial Counsel	Affinion Net Patents, Inc. v. Maritz, Inc. (3rd Cir.) LifeNet, Inc. v. Musculoskeletal Transplant Foundation, Inc. (4th Cir.) Beck Systems, Inc. v. Managesoft Corp. (7th Cir.) Iridex Corp. v. Synergetics, Inc. (8th Cir.) Informatica Corp. v. Business Objects Data Integration, Inc. (9th Cir.) Genentech v. Insmed Inc. (9th Cir.)
Waiver of Subject Matter Beyond the Underlying Theory of Opinion Relied Upon	Affinion Net Patents, Inc. v. Maritz, Inc. (3rd Cir.) Kimberly-Clark Corp. et al., Tyco Healthcare Retail Group (7th Cir.) Intex Recreation Corp. v. Team Worldwide Corp. (DC Cir.)

*J. Confusion Indeed: What Is Truly Happening Post-*EchoStar*?*

The first and most important element of the *EchoStar* decision that has been consistently recognized is that the law of the Federal Circuit, and not the law of the regional circuits, shall be the law applied to the scope of the waiver.[253] As a result, many of the lower district courts ultimately have interpreted their existing decisions in light of *EchoStar*. This has created a wide variety of results from many different district courts as discussed *supra* Part VI.A-H. The variety of results is driven by a combination of the *EchoStar* decision itself and existing cases referred to by each district court. Additionally, there may be some question of as

253. *See id.* at 49.

to how intensely the factual inquiries were conducted for each of the studied discovery disputes. That is, some district courts may have focused on perceived instruction from the Federal Circuit at the expense of factual inquiry. Unfortunately, the research conducted only afforded the author the ability to view the discovery orders, so conclusions may only be drawn from the four corners of each of the discussed decisions.

This author's chief concern in the post-*EchoStar* world is that *EchoStar*'s faulty analysis in some instances has led to an unrestrained extension of the temporal scope of waiver, and has established a basis for extending the scope of waiver to trial counsel. For example, the United States District Court for the Northern District of Illinois in *Beck Systems* essentially relied very heavily on *EchoStar*'s broad attorney-client privilege language, *EchoStar*'s rejection of a bright-line cutoff for temporal scope, and the *Akeva LLC* citation as validation that there can be an extension of the temporal scope of waiver and an extension of the waiver to trial counsel.[254] Indeed, the underlying case, which the *Beck Systems* court held to be unmodified, indicates that when infringement is ongoing, attorney-client and work-product privilege waiver will extend to trial counsel after the litigation is filed without evaluation of other facts.[255] However, as previously discussed, this evaluation of the Federal Circuit's opinion is highly flawed. First, extension to trial counsel was not in front of the court in *EchoStar*. Secondly, the *Akeva LLC* decision dealt with only the extension of attorney-client privilege waiver to trial counsel and not work product.[256] Lastly, the facts of *Akeva LLC* are distinguishable from *EchoStar* and many other cases because the defendant expressly relied on its trial counsel's noninfringement opinion to continue operating.[257] The court in *Informatica* pursued a similarly faulty analysis.[258] However, at least two courts, *Indiana Mills* and *Ampex* respectively, have evaluated the *EchoStar* opinion reasonably.[259] The reality is that the extension of the waiver to trial counsel is still an intensely factual issue, and the language and circumstances of *EchoStar* did not change the fact that a court must be very careful and only extend

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254. Beck Sys., Inc. v. Managesoft Corp., No. 05 C 2036, 2006 U.S. Dist. LEXIS 53963, at *14-17 (N.D. Ill. July 14, 2006).

255. *Id.* at *15 (citing Beneficial Franchise Co. v. Bank One N.A., 205 F.R.D. 212 (N.D. Ill. 2001)).

256. Akeva LLC v. Mizuno Corp., 243 F. Supp. 2d 418, 418 n.6 (M.D.N.C. 2003).

257. *Id.* at 419-20.

258. Informatica Corp. v. Bus. Objects Data Integration, Inc. (*Informatica II*), No. 02-3378 JSW, 2006 U.S. Dist. LEXIS 58976, at *4-7 (N.D. Cal. Aug. 9, 2006).

259. *See infra* Part VI.A-B.

the waiver to trial counsel or beyond the filing of an infringement lawsuit when the circumstances of the case fairly dictate such an extension.

This author's second major concern in the Post-*EchoStar* world is potential improper utilization of broad statements in *EchoStar* concerning attorney-client privilege to justify allowing waiver of subject matter that was not the subject of the opinion asserted. In particular, the analysis and reasoning of the court in *Intex* raise a great deal of concern, insofar as it allowed production beyond the subject matter of the opinion relied upon.[260] However, the analysis set forth by the court in *Ampex* is more palatable, wherein the court correctly argued that the Federal Circuit intended to define the subject matter of waiver much more narrowly, where only communications related to the actual subject matter of the opinion should be waived.[261] The court in *Genentech* similarly applied a seemingly correct restricted scope of waiver.[262]

The litigation landscape post-EchoStar is not all bad, particularly since the *EchoStar* opinion was so specific in its dicta and its holding, asserting an infringer-focused approached to willful infringement, and stressing the importance of what the alleged infringer knew or to which the infringer was exposed, and not what other items counsel may have prepared but did not communicate to the client.[263] The result of this is that lower courts have correctly blocked any attempts to gain access to uncommunicated work product of opinion counsel. However, this new focus on the infringer's state of mind has been received differently in situations where trial counsel and opinion counsel reside in the same law firm. The Ninth Circuit has had three occasions to deal with such cases, and reached a conclusion consistent with *EchoStar* in only one of them. Based on the holding of *EchoStar*, the court in *Informatica* reasoned that a more in-depth analysis targeted at identifying the state of mind of the infringer is required to determine if the waiver should extend to trial counsel, rather than extending the waiver to trial counsel based on an inference of collaboration.[264] Indeed, the *Genentech* and *Celerity* courts appear to have failed to follow this seemingly correct avenue of

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260. Intex Recreation Corp. v. Worldwide Corp., No. 04-1785, PLR/DAR, 2006 U.S. Dist. LEXIS 51424, at *8-14 (D.D.C. July 14, 2006).

261. Ampex Corp. v. Eastman Kodak Co., No. 04-1373-KAJ, 2006 U.S. Dist. LEXIS 48702, at *8-9 (D. Del. July 17, 2006) ("The modifier 'such' thus strongly implies that the type of communications being discussed are opinions expressed in a manner comparable to the opinion that is disclosed, as was apparently the case in *EchoStar* itself.").

262. Genentech v. Insmed Inc., 442 F. Supp. 2d 838, 839 (D. Cal. 2006).

263. *In re* EchoStar Commc'ns, 448 F.3d 1294, 1303 (Fed. Cir.), *cert. denied*, 127 S. Ct. 846 (2006).

264. Informatica Corp. v. Bus. Objects Data Integration, Inc. (*Informatica II*), No. 02-3378 JSW, 2006 U.S. Dist. LEXIS 58429, at *11-12 (N.D. Cal. July 14, 2006).

evaluation, and extended the waiver to trial counsel based on inferences and assumptions.[265]

Ultimately, the problems created by *EchoStar* seem to be largely due to district courts focusing on perceived instruction from the Federal Circuit at the expense of factual inquiry. As an example, the citation of the *Akeva LLC* decision by *EchoStar* in footnote 4 unwittingly encouraged extension of the waiver to trial counsel on more than one occasion. However, case law loses its precedential weight when it is applied in situations that are far removed from the facts of the precedent case. The facts of each discovery dispute to be adjudicated and the underlying facts of the precedent case law on which a party relies are critical to proper resolution of any case.

Because the *EchoStar* decision was the first of its kind, the resulting confusion is understandable and somewhat predictable. In the absence of any other case law on point for the scope of waiver from the Federal Circuit, it hardly seems just to vilify lower courts that are in the position of interpreting the only statement from the Federal Circuit and have correspondingly felt the need to stretch and skew the dicta and holding language to cover areas the *EchoStar* opinion never intended to cover.

VII. IMPACT OF *SEAGATE*: CONCERNS DIRECTLY ADDRESSED BY THE FEDERAL CIRCUIT

The *Seagate* opinion addressed many of the concerns discussed in the previous Parts of this Article, but left others without any real resolution. Each of these issues will be discussed in turn.

A. The Great Dilemma Diminished

The *Seagate* court took the opportunity to revisit the standard of willfulness, and ultimately decided upon a standard that requires a patentee to provide "clear and convincing evidence that the infringer acted despite an objectively high likelihood that its actions constituted infringement of a valid patent."[266] In doing so, the court also eliminated the requirement that potential infringers must exercise due care in determining whether they indeed are infringing a valid patent.[267] As such,

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265. *Genentech*, 442 F. Supp. 2d at 843; *see also* Celerity, Inc. v. Ultra Clean Holding, Inc., 476 F. Supp. 2d 1159, 1167 (N.D. Cal. 2007).

266. *In re* Seagate Tech., LLC, No. 830, 2007 U.S. App. LEXIS 19768, at *22-23 (Fed. Cir. Aug. 20, 2007).

267. *Id.* at *22 ("Accordingly, we overrule the standard set out in *Underwater Devices* and hold that proof of willful infringement permitting enhanced damages requires at least a showing

a defendant is now more protected by a significantly higher level of culpability required to prove willful infringement. Additionally, the court suggested that patentees might have to file for a preliminary injunction to preserve a charge of willful infringement.[268] Lastly, and perhaps as significantly, accused infringers no longer face the great dilemma discussed in Part IV.A of this Article.

B. Extension of Waiver Beyond Lawsuit Initiation and to Trial Counsel

Following the *EchoStar* decision, a shockingly high number of district courts, based in large part on *EchoStar* language noted in the windows of production, *supra* Part V.B-C, extended the scope of waiver beyond the filing date of law suit initiation as well as to trial counsel. The lack of temporal and role of counsel limitations on waiver in a variety of district court decisions was a major motivating factor in the Federal Circuit's decision to hear the *Seagate* matter en banc.[269]

The Federal Circuit was very definitive in its statement that extension of waiver to either attorney-client privileged communications or work product after the filing of a lawsuit and extension of waiver to trial counsel are not generally acceptable.[270] This pronouncement, coupled with the Federal Circuit's argument that willful infringement finds its basis largely in prelitigation conduct, should signal to courts that extending the scope of waiver beyond the filing of a lawsuit and to trial counsel is not advisable as a general proposition. This signaling condition is of course not definitive, as the Federal Circuit has clearly stated that the inquiry into both attorney-client and work-product privilege waiver is discretionary and factually driven.[271]

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of objective recklessness. Because we abandon the affirmative duty of due care, we also reemphasize that there is no affirmative obligation to obtain opinion of counsel.").

268. *Id.* at *30-32.

269. *See In re* Seagate Tech., LLC, 214 F. App'x 997, 997 (Fed. Cir. 2007) (discussing the questions to be answered in the party briefs).

270. *Seagate*, 2007 U.S. App. LEXIS 19768, at *32 ("In sum, we hold, as a general proposition, that asserting the advice of counsel defense and disclosing opinions of opinion counsel do not constitute waiver of the attorney-client privilege for communications with trial counsel."); *id.* at *31-32 ("Because willful infringement in the main must find its basis in prelitigation conduct, communications of trial counsel have little, if any, relevance warranting their disclosure, and this further supports generally shielding trial counsel from the waiver stemming from an advice of counsel defense to willfulness. Here, the opinions of Seagate's opinion counsel, received after suit was commenced, appear to be of similarly marginal value."); *id.* at *36 ("Accordingly, we hold that, as a general proposition, relying on opinion counsel's work product does not waive work product immunity with respect to trial counsel.").

271. *Id.* at *32 ("We do not purport to set out an absolute rule. Instead, trial courts remain free to exercise their discretion in unique circumstances to extend waiver to trial counsel, such as

C. *Subject-Matter Waiver*

One issue the Federal Circuit did not directly address in *Seagate* is whether the subject matter of waiver should extend beyond the subject matter of the underlying opinion upon which the infringer relied. As illustrated above, a number of courts utilized language from *EchoStar* to support their conclusions that the subject matter of waiver should reach beyond the underlying opinion into other willfulness offenses. It is the opinion of this author that this is not advisable as a general proposition, particularly given the reiteration by the Federal Circuit of an infringer-focused approach to the law of willful infringement. Indeed, it is very likely that information about defenses not actually relied upon by a defendant would be of "limited utility."[272] This issue will likely continue to generate divided results until the Federal Circuit drafts an opinion directed to this matter, which in many ways is contingent upon reducing the barriers to appellate jurisdiction discussed in the next Part.

VIII. PROCEDURAL BARRIERS TO THE DEVELOPMENT OF THE LAW OF ATTORNEY-CLIENT AND WORK-PRODUCT PRIVILEGE WAIVER

A. *Current Status of Appellate Jurisdiction for the Scope of Waiver*

The development of the law on the scope of waiver is procedurally challenged because the disputes arise during discovery, creating a host of issues with the appellate jurisdiction of the Federal Circuit. These procedural issues arise because the adjudication of the scope of privilege waiver becomes moot after a final judgment on an infringement claim. Thus, parties must utilize other mechanisms for appellate jurisdiction besides the traditional route.

Federal Circuit appellate jurisdiction is dictated by 28 U.S.C. §§ 1295, 1292, and 1338.[273] A mechanism for obtaining an appeal on discovery issues is available through the use of the traditional appeals method only after a final judgment on a claim of willful infringement.[274] However, at that point in the litigation the privileged material has already been produced, and no adequate remedy is available. Indeed, the Federal

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if a party or counsel engages in chicanery."); *id.* at *36 ("Again, we leave open the possibility that situations may arise in which waiver may be extended to trial counsel, such as if a party or his counsel engages in chicanery.").

272. Autobytel, Inc. v. Dealix Corp., 455 F. Supp. 2d 569, 575 (E.D. Tex. 2006).

273. 28 U.S.C. §§ 1295, 1292, 1338 (2000).

274. *See id.* § 1295 ("The United States Court of Appeals for the Federal Circuit shall have exclusive jurisdiction . . . of an appeal from a final decision of a district court of the United States.").

Circuit recognizes the inadequacy of a traditional appeal in the context of waiver issues.[275]

However, the appellate jurisdiction of the Federal Circuit could allow an interlocutory appeal for a question of privilege waiver under the certification process prescribed in the text of § 1292(b).[276] The text states:

> When a district judge, in making a civil action an order not otherwise appealable under this section, shall be of the opinion that such order involves a controlling question of law as to which there is substantial ground for difference of opinion and that an immediate appeal from the order may materially advance the ultimate termination of the litigation, he shall so state in writing such order. The Court of Appeals which would have jurisdiction of an appeal of such action may thereupon, in its discretion, permit an appeal to be taken from such order.[277]

Certainly, the scope of waiver is a "controlling question of law" wherein there is "substantial ground for difference of opinion" and the immediate appeal of the discovery order would likely "materially advance the ultimate termination of the litigation."[278] The Federal Circuit has not yet had the opportunity to review such a certification for a scope of waiver question from a district court. However, the Federal Circuit did review a declination to certify its orders involving a scope of waiver dispute in *Quantum Corp. v. Tandon Corp.*[279] In doing so, the court merely stated a conclusion and provided only a conclusory statement of approval for the district court's refusal to certify.[280] As such, it appears from Federal Circuit practice that this avenue to appellate jurisdiction is nearly foreclosed.

In addition to the certification process under § 1292(b),[281] appellate review in the Federal Circuit may be obtained through the application of the doctrine announced by the Supreme Court in *Cohen v. Beneficial*

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275. *See* Taylor, *supra* note 6, at 353 (citing Regents of the Univ. of Cal., 101 F.3d 1386, 1388 (Fed. Cir. 1996) (recognizing that waiting until a final judgment to arbitrate a privilege dispute is ineffective)).

276. 28 U.S.C. § 1292(b).

277. *Id.*

278. *Id.*

279. Taylor, *supra* note 6, at 354 (citing Quantum Corp v. Tandon Corp., 940 F.2d 642, 644 (Fed. Cir. 1991)).

280. *Id.* ("[T]he court affirmed the denial 'because, while important, the questions of law involved may not be controlling an in any event, [their] early appellate resolution would not likely materially advance the ultimate termination of the litigation.'" (quoting *Quantum*, 940 F.2d at 644)). Interestingly, the Federal Circuit did not provide any substantial reasoning for this decision, other than the statement that the district court had properly denied the request to certify its orders. Furthermore, the court also denied the use of the *Cohen* collateral doctrine.

281. 28 U.S.C. § 1292(b).

Industries Loan Corp.[282] The *Cohen* collateral order doctrine was developed to allow appellate review of orders that determine important disputed issues that are not reviewable following a final judgment and are separate from the merits of the case.[283] For example, in the *Cohen* case, the petitioner sought appellate review of whether a plaintiff in a shareholder derivative suit is required to post a security bond.[284] The elements of the *Cohen* collateral doctrine are (1) the order must conclusively determine the question, (2) resolve an important question independent of the merits, (3) be effectively unreviewable on appeal from final judgment, and (4) present a serious and unsettled question on appeal.[285]

However, the *Cohen* collateral doctrine appears to be yet another avenue for appellate review that the Federal Circuit has foreclosed. The Federal Circuit also faced the issue of the *Cohen* collateral doctrine in *Quantum*, discussed above in the context of certification under § 1292(b).[286] In *Quantum*, the Federal Circuit concluded that the orders related to privilege waiver failed to satisfy the third element of the test, and stated that the waiver orders were effectively reviewable on an appeal from final judgment.[287] In addition, the Federal Circuit further supported its decision not to apply the *Cohen* collateral doctrine by stating that the waiver orders may not be entirely separate from the merits of the case, which would mean the orders are not entirely collateral thus failing the second element of the test.[288] However, the Federal Circuit contradicted itself because, as discussed above, it previously stated that orders dealing with waiver issues cannot be effectively dealt with on appeal from a final judgment.[289] Nonetheless, the Federal Circuit has never entertained an appeal of the scope of waiver issue via the *Cohen* collateral doctrine.

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282. 337 U.S. 541, 546 (1949).

283. *Id.* at 546-47.

284. *Id.* at 543-45.

285. Under Seal v. Under Seal, 326 F.3d 479, 481 (4th Cir. 2003) (stating the traditional elements of the *Cohen* collateral doctrine). However, the court in *Under Seal* surveyed the decisions of the Supreme Court and noted, "In every one of those instances, save one, the Court either identified or both identified and applied the three factors recited in Cohen." *Id.* Consequently, the United States Court of Appeals for the Fourth Circuit concluded that the last element of a "serious and unsettled question" on appeal was no longer part of the *Cohen* collateral doctrine. *Id.* at 483-84.

286. 28 U.S.C. § 1292(b) (2000).

287. Quantum Corp. v. Tandon Corp., 940 F.2d 642, 644 (Fed. Cir. 1991).

288. *Id.* at 644 n.2.

289. *See supra* notes 274-275 and accompanying text. This contradiction was recognized by Taylor in his article *Wasting Resources*. *See* Taylor, *supra* note 6, at 354-57 (discussing avenues for interlocutory appeals of waiver issues and potential solutions).

As a consequence of the ineffectiveness of traditional appeal methods, and with the foreclosures of certification under § 1292(b)[290] and the *Cohen* collateral doctrine, the procedural tool of mandamus is worth considering.[291] The remedy of mandamus is only available in extra-ordinary situations to correct a clear abuse of discretion or usurpation of judicial power.[292] The party petitioning for a writ of mandamus bears the burden of proving that the party has no other means of obtaining relief.[293] Additionally, the right to have the writ issued must be "clear and indisputable."[294] Lastly, a writ of mandamus may be sought when the challenged order turns on issues of privilege.[295]

The Federal Circuit first stated that a writ of mandamus can be used to challenge orders of privilege in *In re University of California* in 1996.[296] Throughout its history, the Federal Circuit has granted and denied petitions for writs of mandamus in a variety of different privilege assertions.[297] Indeed, the cases that spurred the writing of this Article,

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290. 28 U.S.C. § 1292(b).

291. Indeed, it was a petition for a writ of mandamus upon which the Federal Circuit took jurisdiction in the *EchoStar* case. *In re* EchoStar Commc'ns Corp., 448 F.3d 1294, 1296 (Fed. Cir.), *cert. denied*, 127 S. Ct. 846 (2006).

292. *Id.* at 1297 (citing *In re* Calmar, Inc., 854 F.2d 461, 464 (Fed. Cir. 1988)).

293. *Id.* (citing Mallard v. U.S. Dist. Court, 490 U.S. 296, 309 (1989)).

294. *Id.* (citing Allied Chem. Corp. v. Daiflon, Inc., 449 U.S. 33, 35 (1980)).

295. *Id.* at 1297-98 (citing *In re* Regents of Univ. of Cal., 101 F.3d 1386, 1388 (Fed. Cir. 1996)).

296. *Regents*, 101 F.3d at 1387 ("A writ of mandamus may be sought to prevent the wrongful exposure of privileged communications."). In *Regents*, the writ was ultimately granted to prevent discovery of the deposition testimony of three in-house attorneys regarding the prosecution of the patents at issue. *Id.* at 1391.

297. *In re* Viskase Corp, No. 314, 1991 U.S. App. LEXIS 33626 (Fed. Cir. Oct. 31, 1991) (denying the issuance of a writ of mandamus to protect discovery of alleged privileged documents); *In re* Ethicon, Inc., No. 368, 1993 U.S. App. LEXIS 14268 (Fed. Cir. Mar. 12, 1993) (denying writ of mandamus to prevent production of certain documents related to changes to patented technology); *In re* Resmed Ltd., No. 487, 1996 U.S. App. 34794 (Fed. Cir. Dec. 13, 1996) (denying writ of mandamus to direct district court to issue a protective order); *In re* Rhone-Poulenc Rorer, Inc., No. 560, 1998 U.S. App. LEXIS 33103, at *6-7 (Fed. Cir. Dec. 2, 1998) (denying writ of mandamus to order the district court to vacate its order directing the production of documents pursuant to the application of the crime-fraud exception to attorney-client privilege); *In re* Rhone-Poulenc Rorer, Inc., No. 566, 1998 U.S. App. LEXIS 33192, at *6 (Fed. Cir. Dec. 23, 1998) (denying writ of mandamus to order the district court to vacate its order directing the production of documents pursuant to an at issue waiver); *In re* Spalding Sports Worldwide, Inc., 203 F.3d 800, 802 (Fed. Cir. 2000) (issuing a writ of mandamus ordering the district court to vacate its order requiring the production of an invention record for a patent on the grounds that the invention record is protected by the attorney-client privilege); *In re* Dr. Amr Mohsen, No. 617, 2000 U.S. App. LEXIS 20185, at *8 (Fed. Cir. July 20, 2000) (denying a writ of mandamus to order the district court to vacate its order that Dr. Mohsen had waived his Fifth Amendment privilege against self-incrimination); *In re* SmithKline Beecham Corp., No. 01-632, 2000 U.S. App. LEXIS 29637, at *10 (Fed. Cir. Nov. 1, 2000) (denying issuance of a writ of mandamus to order the district court to vacate its order directing the production of documents

EchoStar and *Seagate*, were cases wherein the Federal Circuit granted petitions for a writ of mandamus.[298] However, only a total of five cases decided by the Federal Circuit via mandamus petition are published opinions.[299] Further, only a total of six cases have successfully achieved a grant of a writ of mandamus.[300] Consequently, although the door for appeal has been opened specifically for the issue of the scope of waiver

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stating that the documents were not protected by either attorney-client or work-product doctrine privilege); *In re* Pioneer Hi-Bred Int'l Inc., 238 F.3d 1370, 1376 (Fed. Cir. 2001) (granting a writ of mandamus to direct the district court to vacate its order for production of communications protected by the attorney-client privilege); *In re* Am. Cyanamid Co., No. 664, 2001 U.S. App. LEXIS 4576, at *3 (Fed. Cir. Mar. 5, 2001) (issuing a writ of mandamus ordering the district court to vacate its order requiring the disclosure of two documents protected by the attorney-client and work-product doctrine privilege, essentially stating that the documents did not fall within the crime-fraud exception); *In re* Rambus, Inc., 7 F. App'x 925 (Fed. Cir. 2001) (denying a writ of mandamus to prevent production of documents based on crime-fraud exception); *In re* Visx, Inc., 18 F. App'x 821 (Fed. Cir. 2001) (denying a writ of mandamus to prevent production of documents related to prosecution of patents in issue); *In re* QLT Phototherapeutics, Inc., 25 F. App'x 825 (Fed. Cir. 2001) (denying a writ of mandamus in part and directing reconsideration of waiver for some communications by the district court); *In re* William W. Toy, No. 758, 2004 U.S. App. LEXIS 12801, at *4-5 (Fed. Cir. June 3, 2004) (denying petition for a writ of mandamus ordering the district court to vacate its order compelling discovery of material which was not protected by the attorney-client privilege); *In re* SoftWIRE Tech., LLC, No. 782, 2005 U.S. App. LEXIS 7294, at *4 (Fed. Cir. Apr. 4, 2005) (denying a petition for a writ of mandamus ordering the district court to vacate its order that held that the joint defense privilege was not applicable to documents transferred between SoftWIRE and a third party); *In re* Unilin Décor N.V, No. 802, 2005 U.S. App. LEXIS 24122, at *5 (Fed. Cir. Oct. 19, 2005) (denying a petition for a writ of mandamus to direct the district court to vacate its order allowing the deposition of certain persons concerning matters that were not protected by work-product privilege); *In re* EchoStar Commc'ns Corp., 448 F.2d 1294, 1305 (Fed. Cir. 2006) (issuing a writ of mandamus to the district court to vacate its orders compelling discovery of documents protected by the work-product doctrine); *In re* Buchanan Ingersoll, P.C., 202 F. App'x 454 (Fed. Cir. 2006) (denying a petition for a writ of mandamus premised on the inapplicability of an objection provision); *In re* Target Tech. Co., LLC, 208 F. App'x 825 (Fed. Cir. 2007) (denying a writ of mandamus to prevent waiver of documents premised on statement in a sales letter); *In re* Seagate Tech., LLC, No. 830, 2007 U.S. App. LEXIS 19768, at *6 (Fed. Cir. Aug. 20, 2007) (granting a petition for writ of mandamus and ordering district court to reconsider its discovery orders in light of en banc opinion).

298. *EchoStar*, 448 F.2d at 1305; *Seagate*, 214 F. App'x 997, 997 (Fed. Cir. 2007). Interestingly, another author noted that the writ of mandamus avenue for appellate review of the issue of attorney-client and work-product privilege waiver when asserting an opinion-of-counsel defense to willful infringement was a viable solution to the problem of the disparate circuit decisions on the subject. *See* Taylor, *supra* note 6, at 358 (stating that a writ of mandamus to resolve a dispute over the scope of waiver would be consistent with existing Federal Circuit precedent and presented a valid and appropriate avenue for appeal). Ultimately, this recognition of a writ of mandamus avenue of appeal functioned as a perfectly accurate prediction of how the Federal Circuit would proceed.

299. *Seagate*, 2007 U.S. App. LEXIS 19768; *EchoStar*, 448 F.3d 1294; *In re* Pioneer Hi-Bred Int'l, Inc., 238 F.3d 1370 (Fed. Cir. 2001); *In re* Spalding Sports Worldwide, Inc., 203 F.3d 800 (Fed. Cir. 2000); *In re* Regents of the Univ. of Cal., 101 F.3d 1386 (Fed. Cir. 1996).

300. *Seagate*, 2007 U.S. App. LEXIS 19768; *EchoStar*, 448 F.3d 1294; *Pioneer Hi-Bred*, 238 F.3d 1370; *Spalding Sports*, 203 F.3d 800; *Regents*, 101 F.3d 1386; *In re Am. Cyanamid Co.*, 2001 U.S. App. LEXIS 4576.

in an assertion of opinion of counsel against a charge of willfulness, the frequency of published opinions and actual grants of writs creates yet another layer of procedural difficulty in the development of the law in this area.

B. Appellate Jurisdiction: How Should It Be Exercised?

As indicated in the above analysis, the only current viable route for appellate jurisdiction appears to be attempting to secure a writ of mandamus from the Federal Circuit to direct the lower court to vacate its discovery orders. But this hardly seems like an adequate remedy because an effective request for a writ of mandamus puts a litigant in the uncomfortable position of, essentially, telling the lower court judge, "You got it wrong!" Also, the standard for a successful writ of mandamus is a rather steep hill to climb, as indicated by the frequency of grants discussed *supra* Part VIII.A. Further, as previously discussed, both the traditional appeals route and a § 1292(b) certification are not viable.[301] In the former case, the remedy is unavailable after a final judgment on issues of waiver, and district court judges have been unwilling to certify questions of the scope of waiver to be answered by the Federal Circuit.[302]

Therefore, this leaves the *Cohen* collateral doctrine as the most viable solution to appellate jurisdiction, which could ultimately remedy the confusion over the scope of waiver. Indeed, the Federal Circuit has already contradicted itself with regard to the *Cohen* collateral doctrine and the inability to provide a remedy after final judgment as discussed in Part VIII.A.[303] This unique approach to exercising appellate jurisdiction was suggested by David Taylor.[304] In this regard, note that the elements of the Cohen collateral doctrine are that the order must (1) conclusively determine the question, (2) resolve an important question independent of the merits, (3) be effectively unreviewable on appeal from final judgment, and (4) present a serious and unsettled question on appeal.[305]

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301. 28 U.S.C. § 1292(b) (2000).

302. *See supra* Part VIII.A.

303. The contradiction exists because the Federal Circuit has stated that discovery orders are not remediable after final judgment, while later denying appellate jurisdiction through the *Cohen* collateral doctrine by stating that waiver orders are remediable after final judgment. *See* Taylor, *supra* note 6, at 354-57 (discussing the contradiction created by the Federal Circuit in the context of potential avenues for interlocutory appeals of waiver issues).

304. Taylor, *supra* note 6, at 355-57 (discussing the applicability of the *Cohen* collateral order doctrine to appeals from scope of waiver disputes).

305. Under Seal v. Under Seal, 326 F.3d 479, 481 (4th Cir. 2003) (stating the traditional elements of the *Cohen* collateral doctrine). However, the court in *Under Seal* surveyed the decisions of the United States Supreme Court and noted that "[i]n every one of those instances, save one, the Court either identified or both identified and applied the three factors recited in

The issue this author sees is that a nearly open appellate jurisdiction path for scope of waiver issues that manifest themselves in almost every infringement suit would likely inundate the Federal Circuit. As such, appellate jurisdiction exercised under the *Cohen* collateral doctrine should be throttled through the stringent application of the fourth element of the test, that the appeal must present a serious and unsettled question. In doing so, the Federal Circuit would only answer substantially germane questions regarding the scope of the waiver. The ultimate result would be an increase in the amount of case law on point from the exclusive appellate court for patent cases, and the corresponding development of contour to the law of the scope of waiver. Further, by strictly applying the fourth element of the *Cohen* collateral doctrine, the Federal Circuit would avoid a "watershed" of appeals.[306]

IX. CONCLUSION

The scope of waiver attendant to an assertion of an advice of counsel defense to willful infringement touches on a variety of issues. As a primary matter, the attorney-client and work-product privileges discussed in Part III of this Article are fundamental elements of our adversarial system in the United States, and as a consequence should not be waived lightly.

Primarily, although there is no longer a negative inference occasioned when an infringer does not assert an advice of counsel defense, nor a duty of care required of a potential infringer, the pressure to waive attorney-client and work-product privileges still exists in the context of defending oneself against a charge of willful infringement. As such, the waiver should be interpreted narrowly to reduce a litigant's

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Cohen." *Id.* at 481. Consequently, the Fourth Circuit concluded that the last element of a "serious and unsettled question" on appeal was no longer part of the *Cohen* collateral doctrine. *Id.* at 481-83.

306. Other authors provide alternative constructions of the *Cohen* collateral order doctrine to allow for appeals in discovery disputes. *See* Nicole E. Paolini, *The Cohen Collateral Order Doctrine: The Proper Vehicle for Interlocutory Appeal of Discovery Orders*, 64 TUL. L. REV. 215, 234 (1989) (concluding that the *Cohen* collateral order doctrine is a valid avenue for appeals in discovery orders but not discussing the control of appeals through the fourth factor); Taylor, *supra* note 6, at 355-57 (discussing the applicability of the *Cohen* collateral order doctrine to appeals from scope of waiver disputes and suggesting limiting the precedential affects of each exercise of jurisdiction to control a "flood of piecemeal appeals" (quoting *Quantum Corp.*, 940 F.2d at 642 n.2)). Indeed, David Taylor's suggestion and approach to appellate jurisdiction through the *Cohen* doctrine would have substantially limited the confusion caused by the *EchoStar* decision. Perhaps a combination between the approach suggested by David Taylor and the one proposed in this Article could address both the concerns of confusion over the substance of the law as well as the inability to seek appellate review.

exposure because its decisions on the subject are still not entirely free, particularly in light of the substantial ambiguity surrounding the extent of the scope of the waiver.

Given the existing procedural difficulties related to attaining appellate jurisdiction over discovery orders dealing with the scope of waiver, the Federal Circuit has only spoken on the scope waiver directly in the recent *EchoStar* and *Seagate* opinions. Indeed, prior to the *EchoStar* decision the district courts applied the law of their regional circuit and other district courts to scope of waiver issues in an arguably unguided manner. Therefore, post-*EchoStar* many of the lower district courts have found themselves stretching and skewing the holding and dicta of the *EchoStar* opinion to cover areas that the opinion was never intended to cover. Ultimately, this has resulted in substantial confusion, a variety of disparate results, and potential abdication of the intense factual inquiry required in such cases. Further, the *EchoStar* decision will remain with the patent bar for the foreseeable future as certification to the United States Supreme Court was recently denied.[307]

However, the landscape after *EchoStar* is not all that bad. In fact, a welcome change from the pre-*EchoStar* world appears to be near universal acceptance of an infringer-focused approach to willful infringement, where the goal of the court is to determine the objective reasonableness of an infringer in a willful infringement inquiry. Consequently, the waiver will be guided by this principle and hopefully will usher in a new era where the courts give a patent attorney's opinion work product even more protection.

Further, following *EchoStar*, the Federal Circuit recognized the difficulties faced by lower district courts and litigants, and clarified a number of issues surrounding both the substantive law of willful infringement and the scope of waiver when asserting an advice of counsel defense. In particular, the Federal Circuit definitively stated that the scope of waiver should generally not extend beyond the filing of the lawsuit or to trial counsel. It is the hope of this author that lower district courts will heed the Federal Circuit's admonition, and only extend the waiver in factually necessary circumstances guided by the maxim of "fairness." In addition to addressing two of the primary concerns with the scope of waiver, the Federal Circuit also raised the level of culpability required for a showing of willful infringement, and underscored that willful infringement is most commonly premised on prelitigation

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307. TiVo, Inc. v. EchoStar Commc'ns Corp., 448 F.3d 1294 (Fed. Cir.), *cert denied*, 127 S. Ct. 846 (2006).

conduct. Taken together, the changes in the standards for willful infringement and clarifications of the scope of waiver greatly reduce uncertainty and diminish the potential dilemma faced by defendants. Although these concerns were addressed, the Federal Circuit did not directly address the issue of subject-matter waiver. Additionally, only the *EchoStar* opinion is directly related to a set of facts, while the *Seagate* opinion is an en banc general statement of law. Consequently, even though there are two decisions from the Federal Circuit, there is still an insufficient amount of appellate case law on-point to truly guide the rulings of lower district courts with consistency on scope of waiver issues.

As such, the law of the scope of waiver should continue to grow through appellate review. This appellate review and creation of new fact-based panel decisions should be accomplished by lowering the barrier to attaining appellate jurisdiction for discovery disputes over the scope of waiver through the use of the *Cohen* collateral doctrine avenue of appeal. In this way, the Federal Circuit, after expressing that its law and not the law of the regional circuits will govern these disputes, can begin to develop more contour surrounding the law of the scope of waiver. In addition, the lower courts should take care to interpret the opinions of the Federal Circuit relative to their factual underpinnings and avoid reading into the opinion situations that were not in front of the Federal Circuit, at the cost of the required factual inquiry and application of the maxim of "fairness" when determining scope of waiver issues.