

## MEMORANDUM

**To: Members of the Intellectual Property Bar in the Southern District of Texas**

**From: Sharon Israel, Joseph Grinstein, Robert McAughan, Leisa Talbert Peschel, Steven Spears and Joseph Beauchamp**

**Date: November 12, 2021**

**Re: Proposed Changes to Southern District of Texas's Local Patent Rules and Proposed Orders/Templates**

### **SUMMARY**

The attached proposed rules package includes proposed amendments to the Rules of Practice For Patent Cases in the Southern District of Texas (Local Patent Rules) and updated templates for use in conjunction with cases governed by the Local Patent Rules. Those templates include the "Order Setting Scheduling Conference and Discovery Order," the "Patent Case Scheduling Order Template," and the default "Protective Order." The proposed amendments to the Local Patent Rules include updates to conform with the Leahy-Smith America Invents Act, Pub. Law 112-29 (Sept. 16, 2011) (the "AIA") and incorporate some modest changes to streamline the procedures called for by the Rules. The updated templates also address some discrepancies between the existing templates and the Federal and Local Rules.

**We seek comments on the proposed Local Patent Rules and updated templates by December 31, 2021.** Please provide any comments to Sharon Israel ([sisrael@shb.com](mailto:sisrael@shb.com)) or Leisa Talbert Peschel ([lpeschel@jw.com](mailto:lpeschel@jw.com)). Also, we are targeting to have a meeting for interested members of the bar on December 15, 2021, from 12-1 PM CST at the Bob Casey United States Courthouse. Meeting details will be forthcoming.

### **BACKGROUND**

The existing Local Patent Rules became effective in January 1, 2008, and have not been amended since their inception. In early 2019, a group of interested Houston-area intellectual property practitioners gathered to discuss potential amendments to the Local Patent Rules. The practitioners included a wide cross-section of Houston-based practitioners, including attorneys representing patent owners, accused infringers, in-house counsel, and small and large firm practitioners. The group met several times over the next year, including in-person and by teleconference. Participants were asked to reach out to others in their network for input, as well.

The group solicited suggestions for amendments and ultimately decided to take an approach to minimize amendments, and focus on updating the Local Patent Rules to incorporate changes in patent law and practice. The group felt the current Local Patent Rules are generally well-balanced, but could benefit from some modest changes to make them more current, including being updated to conform with changes created by the AIA. An important aspect of the AIA

was adopting a first inventor-to-file patent system, which also changed the scope of what is considered “prior art” for post-AIA patents. However, given the effective date of the AIA and the relatively long life of patents, patents litigated today include both pre- and post-AIA patents.

As additional resources, the group reviewed Model Patent Local Rules issued in 2018 by the American Intellectual Property Law Association (AIPLA), Local Patent Rules for the Northern District of Texas, Dallas Division (Amended Miscellaneous Order No. 62), Local Patent Rules for the Northern District of California, Local Patent Rules for the Eastern District of Texas, and Orders Governing Proceedings in Patent Cases utilized by Judge Alan Albright in the Western District of Texas, Waco Division.

The proposed amendments to the Local Patent Rules were circulated earlier this year to representatives of both The Hon. Nancy F. Atlas Intellectual Property American Inn of Court and the Houston Intellectual Property Law Association for comment.

## **OVERVIEW OF PROPOSED CHANGES**

### **Local Patent Rules**

The proposed changes to the Southern District of Texas Local Patent Rules are generally made to either add revisions required by the AIA or to require additional information with preliminary infringement or invalidity contentions in line with other local rules or the AIPLA Model Patent Local Rules. The specific changes are summarized in the chart below.

### **Order Setting Scheduling Conference and Discovery Order Template**

The Scheduling Conference/Discovery Order Template has been streamlined to simplify the Order, omit some outdated provisions, and provide flexibility for the parties and the Court in tailoring discovery for specific cases.

### **Patent Case Scheduling Order Template**

The Patent Case Scheduling Order Template has been streamlined and updated to reflect current practices. The overall schedule structure remains the same, but some of the details that may be case and judge dependent have been removed. In addition, the proposed order adds in separate fact and expert discovery deadlines.

### **Protective Order Template**

The Protective Order Template has been updated to address a few changes in civil rules and practice and to put it into standard “Order” format. The overall substance of the Order remains the same.

**Proposed Amendments to Rules of Practice for Patent Cases in the Southern District of Texas**

**November 12, 2021**

<b>Rule Number</b>	<b>Proposed Revision</b>	<b>Explanation</b>
2-1(a) Parties' Preparation for Initial Case Management Conference	Adds: (9) whether pre- or post-AIA law regarding 35 U.S.C. § 102 is applicable to each patent-in-suit;	To bring in-line with changes under the America Invents Act, adds that the parties should address whether pre- or post-AIA law applies in their Joint Case Management Report.
3-1(c), 3-3(c) , 3-3(d), 4-1(a), 4-2(a)	Addresses references to subsections of 35 U.S.C. § 112 to refer to pre-AIA 35 U.S.C. § 112, ¶¶ 1, 2 and 6 or post-AIA 35 U.S.C. § 112(a), (b) and (f).	To bring in-line with changes under the America Invents Act, which amended the subsection designations of 35 U.S.C. § 112.
3-1(c)	Adds footnote: Given that the Infringement Contentions are exchanged prior to discovery, this chart will likely be based solely on publicly available information and the reasonable steps required by Rule of 11 of the Federal Rules of Civil Procedure to assert infringement in the Complaint.	Added for clarity and modeled after AIPLA's Model Local Patent Rules.
3-1(d)	Adds requirement for infringement contentions: "For any claim under the doctrine of equivalents, the Infringement Contentions must identify the structure or step in the Accused Instrumentality that is asserted to be equivalent."	Added for clarity in the case of infringement alleged under the doctrine of equivalents, and modeled after AIPLA's Model Local Patent Rules.
3-1(e)	Adds requirement for infringement contentions based on indirect infringement: "(e) for each claim which is alleged to have been indirectly infringed, an identification of any direct infringement and a description of the acts of the alleged indirect infringer that	Added to provide more information on indirect allegations with infringement contentions, and modeled after AIPLA's Model Local Patent Rules and Local Patent Rules for Northern District of California.

	contribute to or are inducing that direct infringement. Insofar as alleged direct infringement is based on joint acts of multiple parties, the role of each such party in the direct infringement must be described”	
3-1(g) and 3-3(f)	Adds requirement to identify whether pre- or post-AIA law applies to asserted patent(s).	To bring in-line with changes under the America Invents Act, which amended 35 U.S.C. § 102.
3-2(a)(1)	Adds “public use” reference for documents required with infringement contentions: (1) documents (e.g., contracts, purchase orders, invoices, advertisements, marketing materials, offer letters, beta site testing agreements, and third-party or joint development agreements) sufficient to show each discussion with, disclosure to, or other manner of providing to a third-party, or sale of or offer to sell, <u>or any public use of</u> , the claimed invention before the application date for the patent-in-suit;	Adds prior public use documents to required document disclosures included with infringement contentions. This addition conforms with AIPLA Model Local Patent Rules, Local Patent Rules for Northern District of Texas, and Local Patent Rules for Northern District of California.
3-2(a)(2)	Adds underlined language: (2) <u>for any patent-in-suit that may be subject to pre-AIA law</u> , documents evidencing the conception, reduction to practice, design, and development of each claimed invention, which were created on or before the application date for the patent-in-suit or the priority date identified under P.R. 3-1(e), whichever is earlier;	To bring in-line with changes under the America Invents Act, which amended 35 U.S.C. § 102.

<p>3-2(a)(5)</p>	<p>Adds (5) to be included with documents provided with infringement contentions:</p> <p>“documents evidencing the chain of title of the patents-in-suit.”</p>	<p>Adds documents evidencing chain of title to required document disclosures included with infringement contentions. This addition conforms with AIPLA Model Local Patent Rules and Local Patent Rules for Northern District of California.</p>
<p>3-3(a)(3)</p>	<p>Amends invalidity contention requirements with underlined language:</p> <p><u>(A) In cases subject to pre-AIA § 102, prior art under 35 U.S.C. § 102(b) shall be identified by specifying the item offered for sale or publicly used or known, the date the offer or use took place or the information became known, and the identity of the person or entity which made the use or which made or received the offer, or the person or entity which made the information known or to whom it was made known. Prior art under 35 U.S.C. § 102(f) shall be identified by providing the name of the person(s) from whom and the circumstances under which the invention or any part of it was derived. Prior art under 35 U.S.C. § 102(g) shall be identified by providing the identities of the person(s) or entities involved in and the circumstances surrounding the making of the invention before the patent applicant(s);</u></p> <p><u>(B) In cases subject to post-AIA § 102, prior art under 35 U.S.C. § 102(a)(1) shall be identified by specifying the</u></p>	<p>To bring in-line with changes under the America Invents Act, which amended 35 U.S.C. § 102. Creates (3)(A) to address pre-AIA § 102 and (3)(B) to address post-AIA § 102.</p>

	<p><u>item offered for sale, in public use, or otherwise available to the public, the date the offer or use took place or the claimed invention was made available, and the identity of the person or entity which made the use or which made or received the offer, or the person or entity which made the claimed invention available or to whom it was made available. Prior art under 35 U.S.C. § 102(a)(2) shall be identified by its number, country of origin, and date of issue if it is a patent, or by its application number, country of origin, and filing date if it is a patent application. For prior art under 35 U.S.C. § 102(a)(2), the party asserting invalidity should specify the effective filing date to which that party believes such patent or application is entitled;</u></p>	
<p>3-3(e)</p>	<p>Adds (e) to address patent eligibility challenges:  a statement of any grounds of invalidity based on eligibility under 35 U.S.C. § 101; and</p>	<p>Challenges to invalidity under Section 101 have become more frequent. This requires accused infringers to include Section 101 grounds with invalidity contentions. This addition conforms with AIPLA Model Local Patent Rules, Local Patent Rules for Northern District of Texas, and Local Patent Rules for Northern District of California.</p>
<p>3-4(b)</p>	<p>Adds underlined language for accused infringer’s disclosure requirements with invalidity contentions:  (b) a copy of each item of prior art identified under P.R. 3-3(a) that does not appear in the</p>	<p>This adds a requirement that accused infringers provide English translations of relevant portions of non-English prior art references with invalidity contentions. This addition conforms with AIPLA Model</p>

	file history of the patent(s) at issue, <u>and to the extent any such item is not in English, an English translation of the portion(s) relied upon;</u> and	Local Patent Rules, Local Patent Rules for Northern District of Texas, and Local Patent Rules for Northern District of California.
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**RULES OF PRACTICE FOR**  
**PATENT CASES**  
**IN THE SOUTHERN DISTRICT OF TEXAS**  
**(With Proposed Revisions to ~~Effective January 1, 2008~~ Rules)**

**1. SCOPE OF RULES**

**1-1. Title.**

These are the Rules of Practice for Patent Cases before the United States District Court for the Southern District of Texas (“Patent Rules,” to be cited as “P. R. \_\_\_”).

**1-2. Scope and Construction.**

(a) These Patent Rules apply to all civil actions filed in or transferred to the Southern District of Texas that allege claims for patent infringement in a complaint, counterclaim, cross-claim or third-party claim, or seek a declaratory judgment that a patent is not infringed, is invalid, or is unenforceable (a “patent claim”).

(b) The presiding judge may accelerate, extend, eliminate, or modify the obligations or deadlines established in these Patent Rules based on the circumstances of a particular case, including, without limitation, its complexity or the number of patents, claims, products, or parties involved.

(c) If any motion filed before the Claim Construction Hearing (*see* P.R. 4-6) raises claim construction issues, the presiding judge may, for good cause, defer the motion until after the parties’ disclosures or filings for the Claim Construction Hearing.

(d) The Local Civil Rules of the Southern District of Texas apply to patent cases except to the extent that the Local Civil Rules are inconsistent with these Patent Rules.

**1-3. Effective Date.**

These Patent Rules will become effective January 1, 2008, and apply to all cases involving a patent claim filed thereafter, unless otherwise ordered by the presiding judge. The parties in each case involving a patent claim pending on the effective date of these Patent Rules must confer and, to the extent possible, submit an agreed scheduling order consistent with these Patent Rules. The parties must use the Scheduling Order Template available at the Southern District of Texas Court website ([www.txs.uscourts.gov](http://www.txs.uscourts.gov)). To

the extent the parties cannot agree, they must notify the presiding judge, who will resolve the issues.

## 2. GENERAL PROVISIONS

### 2-1. Procedure.

(a) **Parties' Preparation for Initial Case Management Conference.** In addition to the matters covered by FED. R. CIV. P. 26, the parties must confer and address in their Joint Case Management Report the following topics:

- (1) any proposed modification of the schedule provided in the Scheduling Order Template, which is available at the District's website;
- (2) a plan for completing electronic discovery;
- (3) the need for presenting technical tutorials to the presiding judge and the mode for such presentations (*i.e.*, live testimony, video presentations) at or before the claim construction hearing;
- (4) any deviations from and additions to the form protective order (available at the District's website);
- (5) whether any party desires to present live testimony at the claim construction hearing;
- (6) the need for and any specific limits on discovery relating to claim construction, including depositions of fact and expert witnesses;
- (7) the order of presentation at the claim construction hearing;
- (8) the scheduling of a claim construction prehearing conference after the "Joint Claim Construction and Prehearing Statement" provided in P.R. 4-3 has been filed;
- (9) whether pre- or post-AIA law regarding 35 U.S.C. § 102 is applicable to each patent-in-suit; and

(109) whether the presiding judge should authorize the filing under seal of any documents containing confidential information,

**(b) Insufficient Information.** If warranted by the patent(s) and/or products in issue, the party claiming patent infringement (“claimant”) may include in the Joint Case Management Report a statement that the claimant in good faith lacks sufficient information concerning the opponent’s products or processes to provide the necessary specificity for the Preliminary Infringement Contentions (*see* P.R. 3-1). If the presiding judge orders, the opponent within twenty 21 days must produce to the claimant sufficient information concerning each product or process of the type or class specified by the claimant in its statement to enable the claimant to determine whether to claim that the product or process infringes. Neither the claimant’s statement nor the opponent’s production will be an admission or evidence of infringement or noninfringement. These steps are solely to determine what is alleged to be infringing.  
(Amended by General Order 2009-17, effective 12/1/09)

**(c) Case Management Conference and Scheduling Order.** At the initial case management conference, after considering the parties’ Joint Case Management Report, the presiding judge will enter a Case Management Scheduling Order (“Scheduling Order”).

**(d) Further Case Management Conferences.** If some or all of the matters provided under P.R. 2-1(a) are not resolved or decided at the initial case management conference, the parties must propose dates for further case management conferences.

## **2-2. Confidentiality and Proposed Protective Order.**

Documents and information produced in cases governed by these Patent Rules will be governed by the form protective order available at the District’s website, [www.txs.uscourts.gov](http://www.txs.uscourts.gov), unless the presiding judge otherwise orders. If the parties seek to modify the form protective order, they must submit to the presiding judge, with the Joint Case Management Report, the protective order they propose and must identify proposed variations to the form protective order.

## **2-3. Certification of Initial Disclosures and English Translations.**

**(a)** All statements, disclosures, or charts filed or served in accordance with these Patent Rules must comply with the Federal Rules of Civil Procedure and the Administrative Procedures for Electronic Filing of Documents in Civil and Criminal Cases issued by the United States District Court for the Southern District of Texas.

(b) To the extent any document or disclosure is not in English, an English translation of the portion(s) relied on must be produced.

#### **2-4. Admissibility.**

Statements, disclosures, or charts governed by these Patent Rules are admissible in evidence to the extent permitted by the Federal Rules of Evidence or the Federal Rules of Civil Procedure. However, the statements or disclosures provided for in P.R. 4-1 and 4-2 are not admissible for any purpose other than in connection with motions seeking an extension or modification of the deadlines set out in these Patent Rules.

#### **2-5. Relationship to Federal Rules of Civil Procedure.**

(a) Unless the presiding judge otherwise directs, the scope of discovery is not limited to the preliminary infringement contentions or preliminary invalidity contentions, but is governed by the Federal Rules of Civil Procedure.

(b) Except as provided in this paragraph or as otherwise ordered, it is not a legitimate ground for objecting to an opposing party's discovery request or declining to disclose information under FED. R. CIV. P. 26(a)(1) that the discovery request or disclosure requirement is premature or otherwise conflicts with these Patent Rules. A party may object to certain categories of discovery requests or may decline to disclose information under FED. R. CIV. P. 26(a)(1) on the ground that the request or disclosure is premature in light of the timetable provided in the Patent Rules. The categories are:

- (1) requests seeking to elicit a party's claim construction position;
- (2) requests seeking to elicit from the patent claimant a comparison of the asserted claims and the accused apparatus, product, device, process, method, act, or other instrumentality;
- (3) requests seeking to elicit from an accused infringer a comparison of the asserted claims and the prior art; and
- (4) requests seeking to elicit from an accused infringer the identification of any opinions of counsel and related documents that it intends to rely upon as a defense to a willful infringement allegation; however, a party may not assert a prematurity objection to a request for

nonprivileged information identifying the existence of such opinions of counsel.

(c) When a party properly objects to a discovery request, or declines to provide information in its initial disclosures under FED. R. CIV. P. 26(a)(1), as set forth above, that party must provide the requested information on the date it is required to provide the requested information to an opposing party under these Patent Rules, unless there is another legitimate ground for objection.

### **3. PATENT INITIAL DISCLOSURES**

#### **3-1. Disclosure of Asserted Claims and Preliminary Infringement Contentions.**

As provided in the Scheduling Order issued by the presiding judge at the initial scheduling conference, a party claiming patent infringement must serve on all parties a “Disclosure of Asserted Claims and Preliminary Infringement Contentions,” which must contain the following information:

- (a) each claim of each patent-in-suit that is allegedly infringed by an opposing party;
- (b) for each asserted claim, a specific and separate identification of each accused apparatus, product, device, process, method, act, or other instrumentality (“Accused Instrumentality”) of each opposing party, including where possible:
  - (1) each product, device, and apparatus identified by name or model number, and
  - (2) each method or process identified by name, any product, device, or apparatus that, when used, allegedly results in the practice of the claimed method or process;
- (c) a chart identifying specifically where each element of each asserted claim is found within each Accused Instrumentality, including for each element that is allegedly governed by ~~35 U.S.C. § 112, ¶ 6~~<sup>1</sup> 35 U.S.C. § 112(f),<sup>1</sup> the

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<sup>1</sup> All references to 35 U.S.C. § 112(f) shall, as applicable, be construed to refer to pre-AIA 35 U.S.C. § 112, ¶ 6 or post-AIA 35 U.S.C. § 112(f).

identity of the structures, acts, or materials in the Accused Instrumentality that performs the claimed function;<sup>2</sup>

- (d) for each Accused Instrumentality and each element of each asserted claim, identification of whether the element is claimed to be literally present or present under the doctrine of equivalents. For any claim under the doctrine of equivalents, the Infringement Contentions must identify the structure or step in the Accused Instrumentality that is asserted to be equivalent;
- (e) for each claim which is alleged to have been indirectly infringed, an identification of any direct infringement and a description of the acts of the alleged indirect infringer that contribute to or are inducing that direct infringement. Insofar as alleged direct infringement is based on joint acts of multiple parties, the role of each such party in the direct infringement must be described.
- (ef) for any patent that claims priority to an earlier application, the priority date to which each asserted claim allegedly is entitled;
- (g) for each patent-in-suit, the party's contention as to the applicability of pre- or post-AIA law regarding 35 U.S.C. § 102 and the basis for that contention; and
- (hf) if a party claiming patent infringement wishes to preserve the right to rely, for any purpose, on the assertion that its own apparatus, product, device, process, method, act, or other instrumentality practices the claimed invention, the party must identify, separately for each asserted claim, each such apparatus, product, device, process, method, act, or other instrumentality that incorporates or reflects that particular claim.

### **3-2. Document Production Accompanying Disclosure.**

(a) With the “Disclosure of Asserted Claims and Preliminary Infringement Contentions,” the party claiming patent infringement must produce to each opposing party or make available for inspection and copying, the following:

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<sup>2</sup> Given that the Infringement Contentions are exchanged prior to discovery, this chart will likely be based solely on publicly available information and the reasonable steps required by Rule of 11 of the Federal Rules of Civil Procedure to assert infringement in the Complaint.

- (1) documents (e.g., contracts, purchase orders, invoices, advertisements, marketing materials, offer letters, beta site testing agreements, and third-party or joint development agreements) sufficient to show each discussion with, disclosure to, or other manner of providing to a third-party, or sale of or offer to sell, or any public use of, the claimed invention before the application date for the patent-in-suit;
- (2) for any patent-in-suit that may be subject to pre-AIA law, documents evidencing the conception, reduction to practice, design, and development of each claimed invention, which were created on or before the application date for the patent-in-suit or the priority date identified under P.R. 3-1(e), whichever is earlier;
- (3) a copy of the file history for each patent-in-suit; ~~and~~
- (4) license agreements for the patents-in-suit; and
- (5) documents evidencing the chain of title of the patents-in-suit.

(b) The producing party must separately identify by production number which documents correspond to each category.

(c) A party's production of a document as required by this paragraph is not an admission that the document is evidence of or is prior art under 35 U.S.C. § 102.

### **3-3. Preliminary Invalidity Contentions.**

After service upon it of the "Disclosure of Asserted Claims and Preliminary Infringement Contentions," each party opposing a patent infringement claim must serve on all parties, by the deadline set forth in the Scheduling Order, "Preliminary Invalidity Contentions" containing the following information:

(a) the identity of each item of prior art that allegedly anticipates each asserted claim or renders it obvious, including:

- (1) each prior art patent identified by its number, country of origin, and date of issue;

(2) each prior art publication identified by its title, date of publication, and, author and publisher when feasible;

(3) (A) In cases subject to pre-AIA § 102, prior art under 35 U.S.C. § 102(b) shall be identified by specifying the item offered for sale or publicly used or known, the date the offer or use took place or the information became known, and the identity of the person or entity which made the use or which made or received the offer, or the person or entity which made the information known or to whom it was made known. Prior art under 35 U.S.C. § 102(f) shall be identified by providing the name of the person(s) from whom and the circumstances under which the invention or any part of it was derived. Prior art under 35 U.S.C. § 102(g) shall be identified by providing the identities of the person(s) or entities involved in and the circumstances surrounding the making of the invention before the patent applicant(s);

(B) In cases subject to post-AIA § 102, prior art under 35 U.S.C. § 102(a)(1) shall be identified by specifying the item offered for sale, in public use, or otherwise available to the public, the date the offer or use took place or the claimed invention was made available, and the identity of the person or entity which made the use or which made or received the offer, or the person or entity which made the claimed invention available or to whom it was made available. Prior art under 35 U.S.C. § 102(a)(2) shall be identified by its number, country of origin, and date of issue if it is a patent, or by its application number, country of origin, and filing date if it is a patent application. For prior art under 35 U.S.C. § 102(a)(2), the party asserting invalidity should specify the effective filing date to which that party believes such patent or application is entitled;

~~prior art under 35 U.S.C. § 102(b) identified by the item offered for sale or publicly used or known; the date the offer or use took place or the information became known; and the identity of the person or entity that made the use or that made and received the offer, or the person or entity that made the information known or to whom it was made known;—~~

~~(4) prior art under 35 U.S.C. § 102(f) identified by the name of the person(s) from whom and the circumstances under which the invention or any part of it was derived; and~~

~~(5) prior art under 35 U.S.C. § 102(g) identified by the identities of the person(s) or entities involved in and the circumstances surrounding the making of the invention prior to the patent applicant(s);~~

(b) whether each item of prior art anticipates each asserted claim or renders it obvious and, if the latter, the detailed bases for these contentions;

(c) a chart identifying where specifically in each alleged item of prior art each element of each asserted claim is found, including for each element that such party contends is governed by ~~35 U.S.C. § 112, ¶ 635 U.S.C. § 112(f)~~, the identity of the structure(s), act(s), or material(s) in each item of prior art that performs the claimed function; and

(d) any other invalidity grounds including, but not limited to indefiniteness under ~~35 U.S.C. § 112, ¶ 235 U.S.C. § 112(b)~~, or lack of enablement or written description under ~~35 U.S.C. § 112, ¶ 135 U.S.C. § 112(a)~~, of any of the asserted claims, including the detailed basis for these contentions;<sup>3</sup>

~~(e) a statement of any grounds of invalidity based on eligibility under 35 U.S.C. § 101; and~~

~~(f) for each patent-in-suit, the party's contention about the applicability of pre- or post-AIA law and the basis for that contention.-~~

### **3-4. Production Accompanying Preliminary Invalidity Contentions.**

With the “Preliminary Invalidity Contentions,” the party opposing a claim of patent infringement must produce or make available for inspection and copying:

(a) documents and information sufficient to show the operation of any aspects or elements of an Accused Instrumentality identified by the patent claimant in its P.R. 3-1(c) chart (e.g., source code, specifications, schematics, flow charts, artwork, or formulas);

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<sup>3</sup> References 35 U.S.C. §§ 112(a) and (b) shall, as applicable, be construed to refer to pre-AIA 35 U.S.C. § 112, ¶¶ 1 or 2 or post-AIA 35 U.S.C. §§ 112(a) or (b).

(b) a copy of each item of prior art identified under P.R. 3-3(a) that does not appear in the file history of the patent(s) at issue, and to the extent any such item is not in English, an English translation of the portion(s) relied upon; and

(c) documents and information, including summaries when reasonably available, sufficient to show the amount sold, revenues, costs, and profits of each Accused Instrumentality identified under P.R. 3-1(b) since the issuance of the patents-in-suit.

### **3-5. Disclosure Requirement in Patent Cases Seeking Declaratory Judgment.**

(a) **Invalidity Contentions If No Infringement Claim.** In all cases in which a party seeks a declaratory judgment (“declaratory plaintiff”) that a patent is not infringed, is invalid, or is unenforceable, P.R. 3-1 and 3-2 do not apply unless and until a party makes a patent infringement claim. If the declaratory defendant does not assert a patent infringement claim in its response to the claim, then, by the deadline set in the Scheduling Order, the declaratory plaintiff must serve on each opposing party its Preliminary Invalidity Contentions conforming to P.R. 3-3 and must produce or make available for inspection and copying the documents and information described in P.R. 3-4. The declaratory plaintiff will file its Final Invalidity Contentions by the deadline in the Scheduling Order.

(b) **Application of Rules When No Specified Triggering Event.** If the pleadings in a case do not initially trigger the application of these Patent Rules, but later filings reveal that patent claims or issues are involved, the parties, as soon as practicable, must confer about whether these Patent Rules should be applied to the case and notify the presiding judge of the issue.

(c) **Inapplicability.** P.R. 3-5 does not apply to cases in which a request for a declaratory judgment that a patent is not infringed, is invalid, or is unenforceable is filed in response to a complaint alleging infringement of the same patent.

### **3-6. Amended and Final Contentions – Leave of Court Not Required.**

Each party’s “Preliminary Infringement Contentions” and “Preliminary Invalidity Contentions” will be that party’s final contentions, *except* as set forth below.

(a) If a party claiming patent infringement has good cause to believe that the material produced by an opposing party under P.R. 3-4 requires amendment of its “Preliminary Infringement Contentions” with respect to the

information required by P.R. 3-1(c) and (d), leave of court is not required. These amended contentions must be served within a reasonable time after the opposing party's document production.

- (b) If a party claiming patent infringement has good cause to believe that the Court's Claim Construction Ruling requires "Final Infringement Contentions" amending its "Preliminary Infringement Contentions" with respect to the information required by P.R. 3-1(c) and (d), leave of court is not required. These Final Infringement Contentions must be served by the deadline set in the Scheduling Order.
- (c) By the deadline set in the Scheduling Order, each party opposing a claim of patent infringement may serve, without leave of court, "Final Invalidity Contentions" that amend that party's "Preliminary Invalidity Contentions" with respect to the information required by P.R. 3-3, *if either*:
  - (1) a party claiming patent infringement has served amended infringement contentions under P.R. 3-6(a) or "Final Infringement Contentions" under P.R. 3-6(b), *or*
  - (2) the party opposing a patent infringement claim has good cause to believe that the Court's Claim Construction Ruling requires the amendment.

### **3-7. Amendments to Contentions By Leave of Court.**

(a) Amendment or modification of the Preliminary or Final Infringement Contentions or the Preliminary or Final Invalidity Contentions, other than expressly permitted in P.R. 3-6, may be made only if the presiding judge finds there is good cause for the requested changes.

(b) Good cause may include, but is not limited to, newly discovered (1) accused instrumentalities, (2) bases for claiming infringement, or (3) prior art references, provided that good cause may be found only if the party seeking leave to amend shows that it exercised diligence in seeking the newly discovered information or documents.

### **3-8. Willfulness.**

(a) If a party opposing a patent infringement claim will rely on an opinion of counsel as part of a defense to a claim of willful infringement, that party must by the date(s) set in the Scheduling Order:

(1) produce or make available for inspection and copying each opinion and documents relating to the opinion as to which that party agrees the attorney-client privilege or work-product protection has been waived; and

(2) serve a privilege log identifying any other documents, except those authored by counsel acting solely as litigation counsel, relating to the subject matter of the opinion and withheld based on attorney-client privilege or work product protection claims.

(b) If a party opposing a patent infringement claim does not comply with the requirements of P.R. 3-8, that party may not rely on an opinion of counsel as part of a defense to willful infringement unless all parties agree or the presiding judge permits the defense based on a good cause showing.

#### **4. CLAIM CONSTRUCTION PROCEEDINGS**

##### **4-1. Exchange of Proposed Terms and Claim Elements for Construction.**

(a) By the deadline set in the Scheduling Order, each party must simultaneously exchange a list of claim terms, phrases, or clauses that the party contends should be construed by the presiding judge and must identify any claim element that the party contends should be governed by ~~35 U.S.C. § 112, ¶ 635 U.S.C. § 112(f)~~.

(b) The parties must then meet and confer for the purposes of finalizing this list, resolving or narrowing differences, and facilitating the preparation of a Joint Claim Construction and Prehearing Statement.

##### **4-2. Exchange of Preliminary Claim Constructions and Extrinsic Evidence.**

(a) By the deadline set in the Scheduling Order, the parties must simultaneously exchange a proposed “Preliminary Claim Construction” of each element of each claim term, phrase, or clause in issue. Each “Preliminary Claim Construction” must also identify the structures, acts, or materials corresponding to each claim element governed by ~~35 U.S.C. § 112, ¶ 635 U.S.C. § 112(f)~~.

(b) At the same time the parties exchange their respective “Preliminary Claim Constructions,” they must also exchange a preliminary identification of extrinsic evidence they contend supports their respective claim constructions, such as dictionary definitions, citations to learned treatises and prior art, and testimony of fact and expert witnesses. The parties must identify each item of extrinsic evidence by production number or produce a copy of any such item not previously produced. With respect to each fact or expert witness a party intends to rely on for claim construction, the party must also provide a brief description of the substance of that witness’s proposed testimony.

(c) The parties must then meet and confer for the purposes of narrowing the issues and finalizing preparation of a Joint Claim Construction and Prehearing Statement.

#### **4-3. Joint Claim Construction and Prehearing Statement.**

(a) By the deadline set in the Scheduling Order, the parties must file a Joint Claim Construction and Prehearing Statement that contains the following information:

- (1) the construction of those claim terms, phrases, or clauses on which the parties agree;
- (2) each party’s proposed construction of each disputed element of a claim, together with an identification of all references from the specification or prosecution history that support that claim construction, and an identification of extrinsic evidence known to the party on which it intends to rely either to support its proposed claim construction or to oppose any other party’s proposed claim construction, such as dictionary definitions, citations to learned treatises and prior art, and fact and expert witnesses;
- (3) the anticipated time necessary for the claim construction hearing;
- (4) whether any party proposes to call one or more witnesses at that hearing, the identity of each witness and, for each such expert witness, a summary of the witness’s anticipated testimony; and
- (5) a list of any other issues that might appropriately be taken up at a prehearing conference before the Claim Construction Hearing, and proposed dates, if not previously set, for any such prehearing conference.

(b) At the time of filing the Joint Claim Construction Statement, for each expert witness a party discloses in response to P.R. 4-3(a)(4), that party must provide to the opposing parties the materials required by FED. R. CIV. P. 26(a)(2).

#### **4-4. Completion of Claim Construction Discovery.**

The parties must complete by the deadline in the Scheduling Order all discovery relating to claim construction identified in the Joint Claim Construction and Prehearing Statement.

#### **4-5. Claim Construction Briefs and Charts.**

(a) By the deadlines set in the Scheduling Order:

- (1) the party claiming patent infringement must serve and file an opening brief and any evidence supporting its claim construction;
- (2) each opposing party must serve and file its responsive brief and supporting evidence;
- (3) the party claiming patent infringement must serve and file its reply brief and any evidence directly rebutting the supporting evidence contained in an opposing party's response; and
- (4) the parties must submit the Joint Claim Construction Chart (*see* P.R. 4-5(b)) on electronic media in WordPerfect format or in such other format as the presiding judge directs.

(b) The Joint Claim Construction Chart must contain:

- (1) a column listing in separate rows the complete language of each disputed claim, with disputed terms in bold type;
- (2) separate columns for each party's proposed construction of each disputed term;
- (3) a column entitled "Court's Construction" and otherwise left blank; and
- (4) the patent and claim numbers where the disputed terms appears.

(c) The parties may also list agreed claim terms in the Joint Claim Construction Chart. If included, the agreed terms must be marked “[AGREED]” and state in the “Court’s Construction” column the parties’ agreed construction.

(d) The purpose of the Joint Claim Construction Chart is to assist the presiding judge and the parties in tracking and resolving disputed terms. Accordingly, aside from the requirements of this rule, the parties are afforded substantial latitude to fashion a chart in a format that most clearly and efficiently outlines the disputed terms and proposed constructions.

#### **4-6. Claim Construction Hearing.**

The presiding judge will determine if an evidentiary or other form of claim construction hearing is necessary. The hearing will be conducted on the date set in the Scheduling Order, unless otherwise reset by the judge.

IN THE UNITED STATES DISTRICT  
COURT FOR THE SOUTHERN DISTRICT OF  
TEXAS HOUSTON DIVISION

_____	§	
Plaintiff,	§	
	§	
v.	§	CIVIL ACTION NO. H-_____
	§	
_____	§	
Defendant.	§	

**PATENT CASE SCHEDULING ORDER TEMPLATE**

It is hereby **ORDERED** that the following schedule and the Rules of Practice for Patent Cases in the Southern District of Texas will apply in this case:

0	[Date to be provided by Court]	Scheduling Conference
1	<p><b><u>The following time frames are suggestions and parties may agree to alter them as the case requires.</u></b></p> <p>[2 weeks after Scheduling Conf.]</p>	<p><b>PRELIMINARY INFRINGEMENT CONTENTIONS</b> Comply with P.R. 3-1 and P.R. 3-2. After this date, it is necessary to obtain leave of court to add and/or amend infringement contentions, pursuant to Patent Rule (P.R.) 3-7.</p> <p><b>JOIN ADDITIONAL PARTIES OR ADD NEW PATENTS AND/OR CLAIMS</b> It is not necessary to file a motion to join additional parties before this date. Thereafter, it is necessary to obtain leave of court.</p>
2	[6 weeks after # 1]	<p><b>PRELIMINARY INVALIDITY CONTENTIONS</b> Comply with P.R. 3-3 and 3-4. <u>After this date</u>, it is necessary to obtain leave of Court to add and/or amend invalidity contentions, pursuant to P.R. 3-7.</p> <p><b>INEQUITABLE CONDUCT ALLEGATIONS</b> Before this date, it is not necessary to file a motion for leave to add inequitable conduct allegations. Thereafter, it is necessary to obtain leave of court to add inequitable conduct allegations.</p>

3	[2 weeks after # 2]	<b>EXCHANGE PROPOSED TERMS AND CLAIM ELEMENTS FOR CONSTRUCTION</b> Comply with P.R. 4-1.
4	[3 weeks after # 3]	<b>EXCHANGE PRELIMINARY CLAIM CONSTRUCTIONS AND EXTRINSIC EVIDENCE</b> Comply with P.R. 4-2.
5	[9 weeks after # 2]	<b>JOINT CLAIM CONSTRUCTION AND PREHEARING STATEMENT</b> Comply with P.R. 4-3.
6	[matches # 5]	<b>AMEND PLEADINGS</b> It is not necessary to file a Motion for Leave to Amend before the deadline to amend pleadings.
7	[21 weeks after Scheduling Conf.]	<b>DISCOVERY DEADLINE ON CLAIM CONSTRUCTION ISSUES</b> <i>See</i> P.R. 4-4.
8	[1 week after # 7]	<b>TECHNOLOGY TUTORIAL DEADLINE</b> Provide Court with technology tutorials (optional).
9	[3 weeks after # 7]	<b>OPENING CLAIM CONSTRUCTION BRIEF</b> Comply with P.R. 4-5(a)(1).
10	[2 weeks after # 9]	<b>RESPONSIVE CLAIM CONSTRUCTION BRIEF</b> Comply with P.R. 4-5(a)(2).
11	[1 week after # 10]	<b>REPLY CLAIM CONSTRUCTION BRIEF</b> Comply with P.R. 4-5(a)(3).
12	[1 week <i>before</i> Markman Hearing]	<b>JOINT CLAIM CONSTRUCTION CHART</b> Comply with P.R. 4-5(b) and (c).
13	[approx. 15 weeks after # 5]	<b>CLAIM CONSTRUCTION (MARKMAN) HEARING at ____ .m. at the United States District Court, 515 Rusk Street, Courtroom ____, Houston, Texas</b>

14	[ <i>Markman</i> ruling within 6 weeks after <i>Markman</i> hearing]	<b>Court's Decision on Claim Construction</b> ( <i>Markman</i> Ruling) <b><u>(If ruling is late, parties may seek amendment of remaining dates in Scheduling Order.)</u></b>
15	[4 weeks after <i>Markman</i> Ruling (# 14)]	<b>DEADLINE FOR FINAL INFRINGEMENT CONTENTIONS AND TO AMEND PLEADINGS ON INFRINGEMENT CLAIMS</b> <b>NOTE:</b> Except as provided in P.R. 3-6, if the amendment would affect preliminary or final infringement contentions, a motion must be made under P.R. 3-7 irrespective of whether the amendment is made before this deadline.
16	[1 week after # 15]	<b>PRIVILEGE LOGS/WILLFULNESS</b> Comply with P.R.3-8 All parties furnish privilege logs by this date.
17	[2 weeks after # 15]	<b>DEADLINE FOR FINAL INVALIDITY CONTENTIONS AND TO AMEND PLEADINGS ON INVALIDITY CLAIMS.</b> <b>NOTE:</b> Except as provided in P.R. 3-6, if the amendment would affect preliminary or final invalidity contentions, a motion must be made under P.R. 3-7 irrespective of whether the amendment is made before this deadline.
18	[5 weeks after #17]	<b>COMPLETION OF FACT DISCOVERY</b> Written discovery requests are NOT timely if they are served so close to this deadline that under the Fed. R. Civ. P. the response would not be due until after this deadline.
19	[7 weeks after # 17]	<b>DESIGNATION OF EXPERTS AND REQUIRED REPORTS OTHER THAN CLAIM CONSTRUCTION AND ATTORNEYS' FEES</b> Party with burden of proof ("BOP") on non-construction and fees issues shall comply with Fed. R. Civ. P. 26(a)(2)(A-C).
20	[4 weeks after # 19]	<b>DESIGNATION OF RESPONSIVE EXPERTS AND REQUIRED REPORTS</b> Party not having BOP on non-construction and fees issues shall comply with Fed. R. Civ. P. 26(a)(2)(A-C).
21	[4 weeks after # 20]	<b>COMPLETION OF EXPERT DISCOVERY</b>

22	[4+ weeks after # 21]	<b>DISPOSITIVE AND NON-DISPOSITIVE MOTIONS DEADLINES (INCLUDING DAUBERT MOTIONS)</b>
23	[at least 2 weeks before Docket Call]	<b>JOINT PRETRIAL ORDER AND MOTION IN LIMINE DEADLINE</b> The Joint Pretrial Order will contain the pretrial disclosures required by Fed. R. Civ. P. Rule 26(a)(3), Local Rules and this Court's procedures. Plaintiff is responsible for timely filing the complete Joint Pretrial Order. Failure to file a Joint Pretrial Order timely may lead to dismissal or other sanction in accordance with the applicable rules.
24	[18.5 mos. after Scheduling Conf.]	<b>DOCKET CALL/FINAL PRETRIAL CONFERENCE</b> at the United States District Court, 515 Rusk Street, Houston, Texas.
25	<b>MEDIATION is REQUIRED prior to Docket Call,</b>	<b>MEDIATION TO BE COMPLETED BY THIS DATE</b> The parties must select a mediator for this case. The parties and mediator must comply with S.D. TEXAS LOCAL RULE 16.
26		<b>JURY SELECTION AND TRIAL</b> commences, subject to Court's criminal docket

SIGNED at Houston, Texas, this \_\_\_\_ day of \_\_\_\_\_, 202\_.

\_\_\_\_\_  
[JUDGE'S NAME]  
UNITED STATES DISTRICT JUDGE

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

\_\_\_\_\_, §  
Plaintiff, §  
v. § CIVIL ACTION NO. H-\_\_\_\_\_  
\_\_\_\_\_, §  
Defendant. §

**PATENT CASE ORDER SETTING  
INITIAL CASE MANAGEMENT CONFERENCE AND SCOPE OF DISCOVERY**

The Court issues this Order in preparation for the \_\_\_\_\_, 202\_, Initial Case Management Conference in this patent infringement case. The following is hereby **ORDERED**.

**PROPOSED DATES FOR SCHEDULING ORDER**

Proposed dates for the Scheduling Order in this case will be discussed at the conference. The parties are directed to meet and confer in accordance with Federal Rule of Civil Procedure 26(f) and Rule 2-1 of the Rules of Practice for Patent Cases in the Houston Division of the Southern District of Texas (“P.R.”, available at United States District Court for the Southern District of Texas website, [www.txs.uscourts.gov](http://www.txs.uscourts.gov)) no later than **14 days** before the Initial Case Management Conference. The parties must file no later than **7 days** before the Initial Case Management Conference a “Joint Case Management Plan” (“JCMP”) setting forth the information required in P.R. 2-1. The parties also must make a good faith effort to jointly propose Scheduling Order deadlines for this case in accordance with the Patent Case Scheduling Order Template (“Template”), available on the Court’s website. The parties may agree to propose to adjust

deadlines suggested in the Template. The parties must set forth in the JCMP , in brief, their disagreements, if any, on the schedule and procedures they propose to govern this case.

### **DISCOVERY ORDER**

At the Initial Case Management Conference, the parties may make requests and/or suggestions to the Court regarding discovery. In furtherance of the management of the Court's docket under Federal Rule of Civil Procedure 16, the Court issues the following **DISCOVERY ORDER**, which applies in conjunction with the rest of the Federal Rules of Civil Procedure, the Local Rules of the Southern District of Texas, and the Rules of Practice for Patent Cases in the Houston Division of the Southern District of Texas absent further order of the Court:

1. **Disclosures.** In conjunction with disclosures under FED. R. CIV. P. 26(a), each party must disclose to every other party the following information no later than fourteen (14) days before the Initial Case Management Conference (unless an alternative deadline is agreed to by the Parties):
  - (a) the correct names of the parties to the lawsuit;
  - (b) the name, address, and telephone number of any potential parties;
  - (c) the legal theories and, in general, the factual bases of the disclosing party's claims or defenses (the disclosing party need not marshal all evidence that may be offered at trial);
  - (d) the name, address, and telephone number of persons having knowledge of relevant facts, a brief statement of each identified person's connection with the case, and a brief, fair summary of the substance of the information known by such person;
  - (e) any indemnity and insuring agreements under which any person or entity may be liable to satisfy part or all of a judgment entered in this action or to indemnify or reimburse for payments made to satisfy the judgment;
  - (f) any settlement agreements relevant to the subject matter of this action; and
  - (g) any statement of any party to the litigation.

2. **Additional Disclosures.** Each party must provide to every other party the following information:
  - (a) the disclosures required by the Court's Patent Rules in accordance with the deadlines set forth in the Scheduling Order;
  - (b) to the extent that any party pleads a claim for relief or defensive matter other than those addressed in the Patent Rules, within 6 weeks after the Initial Case Management Conference or the date the Scheduling Order is issued by the Court, whichever is earlier, without awaiting a discovery request, and subject to the limitations of FED. R. CIV. P. 26(b)(1), a copy of reasonably accessible, nonprivileged documents, data compilations and tangible things in the possession, custody, or control of the party relevant to those additionally pleaded claims or defenses involved in this action; and
  - (c) within 6 weeks after the production of information under P.R. 3-4(c) and based on information then available, a good faith computation of any category of damages (except attorney's fees) claimed by any party to the action and production of any documents or other evidentiary materials on which such computation is based.
3. **Discovery Limitations.** Discovery is limited in this case to the disclosures described in Paragraphs 1–2 together with that provided for in the Federal Rules of Civil Procedure. The parties may agree to additional discovery or seek relief from the Court to modify these discovery limitations if no agreement can be reached.
4. **Privileged Information.** There is no duty to disclose privileged documents or information.
  - (a) By the date provided in the Scheduling Order, the parties must exchange privilege logs identifying the documents or information and the basis for any disputed claim of privilege in a manner that, without revealing information itself privileged or protected, will enable the other parties to assess the applicability of the privilege or protection.
  - (b) A party may move the Court for an order compelling the production of any privileged documents or information identified on any other party's privilege log. If such a motion is made, the party asserting the privilege must file with the Court—within twenty-one (21) days of the filing of the motion to compel—proof in the form of declarations or affidavits to support their assertions of privilege, along with the documents over which privilege is asserted for *in camera* inspection.
5. **Protective Order.** In accordance with P.R. 2-2 and absent entry of a later Protective Order by the Court, the form Protective Order for use in patent cases (available at the District's website) applies to this case to ensure the confidentiality of parties'

materials is maintained. The parties may propose modifications to the form pursuant to P.R. 2-2.

6. **Rules of Practice.** The Federal Rules of Civil Procedure, the District's Local Rules, and the District's Local Patent Rules apply in this case, unless otherwise ordered. The District Local Rules and the Local Patent Rules are available at the District's website.
7. **Discovery Disputes.** Counsel are directed to adhere to procedures of the presiding judge for bringing discovery disputes to the Court's attention.
8. **No Excuses.** A party is not excused from the requirements of this Discovery Order because it has not fully completed its investigation of the case, or because it challenges the sufficiency of another party's disclosures, or because another party has not made its disclosures. Absent Court order to the contrary, a party is not excused from disclosure because there are pending motions to dismiss, to remand or to change venue. Parties asserting the defense of qualified immunity may submit a motion to limit disclosure to those materials necessary to decide the issue of qualified immunity.
9. **Duty to Supplement.** Pursuant to FED. R. CIV. P. 26(e), after disclosure is made pursuant to this Order, each party is under a duty to supplement or correct its disclosures in a timely manner if the party obtains information on the basis of which it knows that the information disclosed was either incomplete or incorrect when made, or is no longer complete or true.
10. **Courtesy Paper Copies.** The parties must comply with the presiding judge's procedures for courtesy copies.
11. **Sealed Documents.** If a party files a motion, response, reply, or other brief under seal pursuant to the Protective Order, such party shall publicly file a redacted copy within seven (7) days of the sealed filing. Absent Court order otherwise, redacted copies of exhibits to such motions, responses, replies, or other briefs do not need to be filed.

SIGNED at Houston, Texas, this \_\_\_ day of \_\_\_\_\_, 202\_.

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[JUDGE'S NAME]  
UNITED STATES DISTRICT JUDGE



C. “Confidential Information” and “Highly Confidential Information” does not include, and this Protective Order does not apply to, documents already in the knowledge or possession of the party to whom disclosure is made unless that party is already bound by an agreement not to disclose such information, or information that has been disclosed to the public or third persons in a manner making such information no longer confidential.

**3. Documents Produced in Discovery and Depositions.**

A. Documents and things produced during the course of this litigation within the scope of paragraph 2(A) or 2(B) above, may be designated by the producing party as containing “Confidential Information” by placing on each page and each thing a legend substantially as follows:

**CONFIDENTIAL INFORMATION  
SUBJECT TO PROTECTIVE ORDER**

Documents and things produced during the course of this litigation within the scope of paragraph 2(BA) above may be designated by the producing party as containing “Highly Confidential Information” by placing on each page and each thing a legend substantially as follows:

**HIGHLY CONFIDENTIAL INFORMATION  
SUBJECT TO PROTECTIVE ORDER**

**B. Depositions**

(i) For deposition testimony or exhibits to be entitled to protection under this Order, a party must designate the testimony and exhibits disclosed at a deposition as “Confidential Information” or “Highly Confidential Information” by requesting the reporter to so designate the transcript or any portion of the transcript at the time of the deposition.

(ii) If no such designation is made at the time of the deposition, any party has fourteen (14) days after delivery by the court reporter of the transcript of the deposition session to designate, in writing to the other parties and to the court reporter, what portions of the transcript and which exhibits the party designates as “Confidential Information” and “Highly Confidential Information.”

(iii) During the transcription and following fourteen (14) day period after a deposition session, the transcript and exhibits must be treated as Highly Confidential Information, unless the disclosing party consents to less confidential treatment of the information.

(iv) Each party and the court reporter must attach a copy of any final and timely written designation notice to the transcript and each copy of the transcript in its possession, custody or control, and the portions designated in such notice must thereafter be treated in accordance with this Protective Order. It is the responsibility of counsel for each party to maintain materials containing Confidential Information or Highly Confidential Information in a secure manner and appropriately identified so as to allow access to such information only to such persons and under such terms as is permitted under this Protective Order.

(v) If no such designation is made at the deposition or within the fourteen (14) day period following delivery of the transcript, then the entire deposition will be considered devoid of Confidential Information or Highly Confidential Information.

#### **4. Inadvertent Failure to Designate.**

**A.** The inadvertent failure to designate a documents as “Confidential Information” or “Highly Confidential Information” will not be a waiver of a claim that the document contains confidential information, and will not prevent the producing party from designating such information as confidential at a later date in writing, so long as the designation is done with particularity.

**B.** In the event a producing party late designates a document as “Confidential Information” or “Highly Confidential Information,” the document must be treated by the receiving party as confidential from the time of receipt of the notice of the “Confidential Information” or “Highly Confidential Information” designation.

#### **5. Challenges to Designations.**

A party’s designation of documents “Confidential Information” or “Highly Confidential Information” is not binding if the procedures below are followed:

**A.** A receiving party may challenge a producing party’s designation at any time. Any receiving party may request in writing that the producing party change the designation. The producing party within fourteen (14) days after receipt of a written challenge, must advise the receiving party whether or not it will change the designation.

**B.** If the parties are unable to reach agreement after the expiration of this fourteen (14) day period, they shall confer. If they cannot resolve the issue, the receiving party may seek an order to alter the confidential status of the designated information.

C. Until the presiding judge has ruled on a dispute under this paragraph, the “Confidential Information” or “Highly Confidential Information” designation will remain in full force and effect, and the document continues to be protected by this Protective Order.

**6. Disclosure and Use of Confidential Information.**

A. Information designated as “Confidential Information” or “Highly Confidential Information” may only be used for purposes of preparation, trial, and appeal of this action. “Confidential Information” or “Highly Confidential Information” may not be used under any circumstances for prosecuting any patent application, for patent licensing, or for any other purpose.

B. Subject to paragraph 9 below, “Confidential Information” may be disclosed by the receiving party only to the following individuals, provided that such individuals are informed of the terms of this Protective Order: (a) two employees of the receiving party who are required in good faith to provide assistance in the conduct of this litigation, including any settlement discussions, and who are identified as such in writing to counsel for the designating party in advance of the disclosure; (b) two in-house counsel who are identified by the receiving party; (c) outside counsel of record for the receiving party; (d) supporting personnel employed by (b) and (c), such as paralegals, legal secretaries, data entry clerks, legal clerks, and private photocopying services; (e) experts or consultants; and (f) any persons requested by counsel to furnish services such as document coding, image scanning, mock trial, jury profiling, translation services, court reporting services, demonstrative exhibit preparation, or the creation of any computer database from documents.

C. Subject to paragraph 9 below, “Highly Confidential Information” may be disclosed by the receiving party only to the following individuals, provided that such individuals are informed of the terms of this Protective Order: (a) outside counsel of record for the receiving party; (b) supporting personnel employed by outside counsel, such as paralegals, legal secretaries, data entry clerks, legal clerks, private photocopying services; (c) experts or consultants; ~~and~~ (d) those individuals designated in paragraph 6(F)(c) below; (e) any persons requested by counsel to furnish services for purposes of preparation, trial, and/or appeal of this action such as document coding, image scanning, mock trial, jury profiling, translation services, court reporting services, demonstrative exhibit preparation, or the creation of any computer database from documents provided that all such persons agree in writing to maintain the confidentiality of the disclosed materials; and (f) if agreed by the parties, one in-house counsel with no current involvement in the preparation or prosecution of patent applications.

D. Further, prior to disclosing “Confidential Information” or “Highly Confidential Information” to a receiving party’s proposed expert, consultant, or employees, the receiving party must provide to the producing party a signed Confidentiality Agreement in the form

attached as Exhibit A, the resume or curriculum vitae of the proposed expert or consultant, the expert or consultant's business affiliation, and any current and past consulting relationships in the industry. The producing party will thereafter have fourteen (14) days from receipt of the Confidentiality Agreement to object to any proposed individual. The objection must be made for good cause and in writing, stating with particularity the reasons for the objection. Failure to object within fourteen (14) days constitutes approval. If the parties are unable to resolve any objection, the receiving party may apply to the presiding judge to resolve the matter. There will be no disclosure to any proposed individual during the fourteen (14) day objection period, unless that period is waived by the producing party, or if any objection is made, until the parties have resolved the objection, or the presiding judge has ruled upon any resultant motion.

**E.** Counsel is responsible for the adherence by third-party vendors to the terms and conditions of this Protective Order. Counsel may fulfill this obligation by obtaining a signed Confidentiality Agreement in the form attached as Exhibit B.

**F.** "Confidential Information" or "Highly Confidential Information" may be disclosed to a person who is not already allowed access to such information under this Protective Order *if*: **(a)** the information was previously received or authored by the person or was authored or received by a director, officer, employee or agent of the company for which the person is testifying as a designee under FED. R. CIV. P. 30(b)(6); **(b)** the designating party is the person or is a party for whom the person is a director, officer, employee, consultant or agent; or **(c)** counsel for the party designating the material agrees that the material may be disclosed to the person.

In the event of disclosure under this section 6(F), only the reporter, the person, his or her counsel, the presiding judge, and persons to whom disclosure may be made and who are bound by this Protective Order, may be present during the disclosure or discussion of Confidential Information.

Disclosure of material pursuant to this section 6(F) does not constitute a waiver of the confidential status of the material so disclosed.

## **7. Non-Party Information.**

The existence of this Protective Order must be disclosed to any person producing documents, tangible things, or testimony in this action who may reasonably be expected to desire confidential treatment for such documents, tangible things or testimony. Any such person may designate documents, tangible things, or testimony confidential pursuant to this Protective Order.

**8. Filing Documents With the Court.**

Any party may submit Confidential Information to the court under seal by identifying the document by name and designating the document “sealed” in the CM/ECF system of the court. If a party delivers a copy to the court, the document must be in a sealed envelope bearing the caption of this action and a label containing the following:

**CONFIDENTIAL INFORMATION**

**[ case caption]**

**This envelope, which is being filed under seal,  
contains documents that are subject to a Protective Order  
governing the use of confidential discovery material.**

**9. No Prejudice.**

Producing or receiving “Confidential Information” or “Highly Confidential Information,” or otherwise complying with the terms of this Protective Order, will *not*: (a) operate as an admission by any party that any particular “Confidential Information” or “Highly Confidential Information” contains or reflects trade secrets or any other type of confidential or proprietary information; (b) prejudice the rights of a party to object to the production of information or material that the party does not consider to be within the scope of discovery; (c) prejudice the rights of a party to seek a determination by the presiding judge that particular materials be produced; (d) prejudice the rights of a party to apply to the presiding judge for further protective orders; or (e) prevent the parties from agreeing in writing to alter or waive the provisions or protections provided for in this Protective Order with respect to any particular information or material.

**10. Conclusion of Litigation.**

Within sixty (60) days after final judgment in this action, including the exhaustion of all appeals, or within sixty (60) days after dismissal pursuant to a settlement agreement, each party or other person subject to the terms of this Protective Order is under an obligation to destroy or return to the producing party all materials and documents containing “Confidential Information” or “Highly Confidential Information,” and to certify to the producing party that this destruction or return has been done. However, outside counsel for any party is entitled to retain all court papers, trial transcripts, exhibits, and attorney work provided that any such materials are maintained and protected in accordance with the terms of this Protective Order. Nothing in this Protective Order requires the return or destruction of any information that is required by law to be retained or that is stored in back-up/archive systems as a result of the ordinary operation of such systems.

**11. Other Proceedings.**

By entering this Protective Order and limiting the disclosure of information in this case, the presiding judge does not intend to preclude another court from finding that information may be relevant and subject to disclosure in another case. Any person or party subject to this Protective Order who may be subject to a motion to disclose another party's information designated "Confidential Information" or "Highly Confidential Information" pursuant to this Protective Order must promptly notify that party of the motion so that the party may have an opportunity to appear and be heard on whether that information should be disclosed.

**12. Remedies.**

This Protective Order will be enforced by the sanctions set forth in FED. R. CIV. P. 37(a) and any other sanctions as may be available to the presiding judge, including the power to hold parties or other violators of this Protective Order in contempt. All other remedies available to any person injured by a violation of this Protective Order are fully reserved.

**13. Relief from Protective Order.**

Any party may petition the presiding judge for good cause shown if the party desires relief from a term or condition of this Protective Order.

Signed at Houston, Texas, this \_\_\_\_ day of \_\_\_\_\_, 20\_.

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[Judge's Name]  
United States District Judge

**Exhibit A**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

[Party name]

*Plaintiff,*

vs.

[Party name]

*Defendant.*

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§

Civil Action No. H-\_\_\_\_\_

**CONFIDENTIALITY AGREEMENT FOR EXPERT,  
CONSULTANT OR EMPLOYEES OF ANY PARTY**

I \_\_\_\_\_, under penalty of perjury, 28 U.S.C. § 1746, that:

1. Information, including documents and things, designated as “Confidential Information” or “Highly Confidential Information,” as defined in the Protective Order entered in the above-captioned action (“Protective Order”), is being provided to me pursuant to the terms and restrictions of the Protective Order.

2. I have been given a copy of and have read the Protective Order.

3. I am familiar with the terms of the Protective Order and I agree to comply with and to be bound by its terms.

4. I submit to the jurisdiction of the United States District Court for the Southern District of Texas for enforcement of the Protective Order.

5. I agree not to use any “Confidential Information” or “Highly Confidential Information” disclosed to me pursuant to the Protective Order except for purposes of the above-captioned litigation and not to disclose any of this information to persons other than those specifically authorized by the Protective Order, without the express written consent of the party who designated the information as confidential or by order of the presiding judge.

6. I also agree to notify any stenographic, clerical or technical personnel who are required to assist me of the terms of this Protective Order and of its binding effect on them and me.

7. I understand that I am to retain all documents or materials designated as or containing “Confidential Information” or “Highly Confidential Information” in a secure manner, and that all such documents and materials are to remain in my personal custody until the completion of my assigned duties in this matter, whereupon all such documents and materials, including all copies thereof, and any writings prepared by me containing any “Confidential Information” or “Highly Confidential Information” are to be returned to counsel who provided me with such documents and materials.

Signed at \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_\_, day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_



specifically authorized by the Protective Order, without the express written consent of the party who designated the information as confidential or by order of the presiding judge.

Signed at \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_\_, day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Signature