

Defending Against Willfulness Without Waiving Privilege

Duke University v. Sandoz, Inc., 18-cv-00997 (D. Colo. Nov. 3, 2022)

By: Robyn Bowland and Alexander Bennett | November 11, 2022

In a patent dispute between Allergan and Sandoz, the District Court of Colorado granted Plaintiff's motion in limine excluding certain evidence the Defendant sought to rely upon to defend against the Plaintiff's claim of willful infringement because reliance on that evidence would require waiver of attorney-client privilege when the defendant chose to not assert an advice of counsel defense and maintain privilege for those undisclosed communications.

Courts in the Tenth Circuit have adopted two approaches when deciding whether privilege is waived, a restrictive and an intermediate approach. The restrictive waiver approach only applies waiver when a party attempts to prove an asserted claim or defense by disclosing or describing an attorney client communication. The intermediate waiver approach explains that privilege is waived by implication when (1) the assertion of the privilege was a result of some affirmative act, (2) through that affirmative act the asserting party placed the protected information at issue, and (3) application of the privilege would deny the opposing party the opportunity to access information vital to the issue.

Here, the Defendant sought to introduce statements: (1) that the witness believed the Plaintiff had "thrown in the towel" after losing previous suits; (2) that the Defendant's legal department had given the go-ahead to launch their product; and (3) regarding how previous cases brought by the Plaintiff concluded. The Court explained that a party "cannot avoid an implied waiver of the attorney-client privilege simply by avoiding the use of the words 'advice of counsel.'" The court then determined the statements in the first two categories resulted from defendant's executives forming their "business understanding" as a result of advice from legal counsel. Regarding the third category of testimony, the Court found that information regarding how the previous cases concluded, although potentially received from counsel, was publicly available information and therefore not advice of counsel. However, the Court also excluded this information from trial based on its ruling on another motion in limine to exclude evidence regarding the previous litigation. The court did note, however, that public information such as arguments on how their product differs and the fact that patents had been abandoned may certainly be introduced absent another independent reason to exclude them.