UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

FINJAN, INC., Plaintiff, v. SONICWALL, INC., Defendant.	Case No. 17-cv-04467-BLF (VKD) **ORDER RE DISCOVERY DISPUTE RE PRIVILEGE CLAIMS** Re: Dkt. No. 248

Defendant SonicWall, Inc. ("SonicWall") disputes plaintiff Finjan, Inc.'s ("Finjan") assertions of attorney-client privilege and attorney work product protection with respect to portions of and exhibits to the depositions of four witnesses who provided testimony in a separate litigation between Finjan and Cisco Systems, Inc. ("Cisco"). SonicWall moves to compel production of those materials. Finjan argues that the disputed materials are protected from disclosure and that they are not relevant. Dkt. No. 248.

The Court has considered the parties' submissions dated April 17 and May 4, 2020, including Finjan's submission of the disputed exhibits for in camera review, as well as the arguments presented at the hearing on April 28, 2020. Dkt. Nos. 254, 258, 259. The Court concludes that Finjan has waived both the attorney-client privilege and attorney work product protection for the disputed materials. As the materials appear to be responsive to SonicWall's discovery requests and are not clearly irrelevant, the Court grants SonicWall's motion to compel.

I. BACKGROUND

In this action, Finjan asserts that SonicWall infringes ten of Finjan's patents. Dkt. No. 1. During discovery, Finjan produced to SonicWall partially redacted transcripts of the depositions of

Yoav Samet, Philip Hartstein, Yuval Ben-Itzhak, and Daniel Chinn taken in another Finjan patent infringement action, *Finjan, Inc. v. Cisco Systems, Inc.*, No. 17-cv-00072-BLF-SVK (N.D. Cal.) ("the Cisco action"). The Cisco action involves some of the same patents asserted in this action. Dkt. No. 248 at 1. Finjan also produced a privilege log listing the redacted portions of the four depositions as well as eight deposition exhibits (or portions thereof). Dkt. No. 258 ¶ 4, Ex. 1. Finjan claims that these materials are protected from disclosure under both the attorney-client privilege and the attorney work product doctrine. *Id.*

According to the parties, Cisco took the disputed depositions and produced the disputed deposition exhibits in the Cisco action. Dkt. No. 248 at 1, 5 n.5. The disputed testimony and documents concern information Finjan provided to Cisco several years before Finjan's patent infringement dispute with Cisco, when Cisco was an investor in Finjan and had a contractual right to observe meetings of Finjan's board of directors. *Id.* at 2, 4. Yoav Samet, then a Cisco employee, served as Cisco's board observer. *Id.* According to Finjan, it prepared and provided all disputed deposition exhibits to Cisco via Mr. Samet in 2005 and 2006, except for Document 3, which Finjan believes it prepared and provided in 2008. *Id.* at 4; Dkt. No. 258 ¶ 5.

The parties agree that Cisco is among the signatories to Finjan's 2004 Investors' Rights Agreement ("IRA"). Dkt. No. 258 ¶ 7, Ex. 2. The IRA includes the following provision directed to Cisco's rights to observe Finjan's board meetings:

[redacted]

. . .

Dkt. No. 256-6 at ECF p.18. Finjan says that Mr. Samet executed a "strict" non-disclosure agreement ("NDA") on behalf of Cisco but apparently has no record of that agreement or its terms. *See* Dkt. No. 248 at 4.

SonicWall disputes the existence of any such NDA. According to SonicWall, *Cisco* sent a proposed mutual NDA to Finjan using Cisco's standard form agreement in January 2004, several

months before the IRA. *Id.* at 2; Dkt. No. 259 ¶ 2, Ex. 1. However, the Cisco mutual NDA appears not to have been signed by Finjan. Dkt. No. 248 at 2; Dkt. No. 259 ¶ 2, Ex. 1. Moreover, the Cisco mutual NDA recites that it governs the use and disclosure of confidential information for the purpose of "[d]etermining whether a potential business opportunity exists between the parties"; it does not refer to Cisco's board observer status or its role as an investor. Dkt. No. 259 ¶ 2, Ex. 1, § 3.0. In any event, by its terms, the Cisco mutual NDA would have terminated five years after the receipt of confidential information, or at the latest in 2013 (assuming Finjan's last disclosure to Cisco was in 2008). *Id.* § 11.0.

SonicWall says that the only other NDA between Cisco and Finjan is one dated March 21, 2014, which post-dates the disclosure of the disputed documents by many years and was intended to cover certain pre-suit licensing discussions between Cisco and Finjan. Dkt. No. 248 at 3 n.3; Dkt. No. 259 ¶ 4, Ex. 3. Finjan does not contest this assertion.

SonicWall observes that all disputed exhibits and deposition testimony are likely to be used as evidence in the Cisco action. Dkt. No. 248 at 2. Finjan acknowledges that the disputed materials reflect "Cisco's intimate knowledge of Finjan's patents and its litigation activities and, thus, serv[e] as evidence in [the Cisco action] of, among other things, Cisco's willful infringement of Finjan's patents." *Id.* at 5. The Court has reviewed the lists of proposed witnesses and trial exhibits the parties filed in the Cisco action, which is now set for trial in mid-October 2020. *Cisco*, No. 17-cv-00072-BLF-SVK, Dkt. No. 646 (N.D. Cal. May 26, 2020). Finjan identifies each of Messrs. Samet, Hartstein, Ben-Itzhak, and Chinn as witnesses it will or may call at trial. *See Cisco*, No. 17-cv-00072-BLF-SVK, Dkt. No. 547-1 (N.D. Cal. Apr. 16, 2020). In addition, Finjan lists six of the eight disputed deposition exhibits as trial exhibits (i.e., Documents 1, 3, 4, 5, 7 and 8), and Cisco lists the other two (i.e., Documents 2 and 6). *See Cisco*, No. 17-cv-00072-BLF-SVK, Dkt. No. 547-4 (N.D. Cal. Apr. 16, 2020) (Exs. 229, 238, 239, 602, 603 and 614); *Cisco*, No. 17-cv-00072-BLF-SVK, Dkt. No. 547-5 (N.D. Cal. Apr. 16, 2020) (Exs. 2415 and 2416). Finjan objects to Cisco's use of Documents 2 and 6 at trial in the Cisco action, but not on the basis of attorney-client privilege or work product immunity. *See Cisco*, No. 17-cv-00072-BLF-SVK, Dkt. No. 547-5 (N.D. Cal. Apr. 16, 2020) (objections column).

II. LEGAL STANDARDS

A. Scope of Discovery

A party may obtain discovery of any matter that is relevant to a claim or defense and that is "proportional to the needs of case, considering the importance of the issues at stake in the action, the amount in controversy, the parties' relative access to relevant information, the parties' resources, the importance of the discovery in resolving the issues, and whether the burden or expense of the proposed discovery outweighs its likely benefit." Fed. R. Civ. P. 26(b)(1).

B. Attorney-Client Privilege and Work Product Doctrine

The attorney-client privilege protects from discovery communications concerning legal advice sought from an attorney in his or her capacity as a professional legal advisor, where the communication is made in confidence, is intended to be maintained in confidence by the client, and is not disclosed to a third party. *United States v. Martin*, 278 F.3d 988, 999–1000 (9th Cir. 2002) (citing 8 John H. Wigmore, *Evidence* § 2292, at 554 (McNaughton rev. 1961)). The privilege extends to a client's confidential disclosures to an attorney in order to obtain legal advice, as well as an attorney's advice in response to such disclosures. *United States v. Ruehle*, 583 F.3d 600, 607 (9th Cir. 2009) (citations and quotations omitted).

The work product doctrine protects from discovery materials that are prepared by or for a party or its representative in anticipation of litigation. Fed. R. Civ. P. 26(b)(3). Typically, the doctrine provides qualified protection against discovery of the legal strategies and mental impressions of a party's attorney. *Upjohn Co. v. United States*, 449 U.S. 383, 390–91 (1981); *Hickman v. Taylor*, 329 U.S. 495, 508–10 (1947).

Finjan, as the party asserting attorney-client privilege and work product protection, bears the burden of proving that the privilege or protection applies. *See Ruehle*, 583 F.3d at 607–08; *In re Appl. of Republic of Ecuador*, 280 F.R.D. 506, 514 (N.D. Cal. 2012).

C. Common Interest Doctrine

The voluntary disclosure of a privileged or protected document to a third party ordinarily waives that privilege or protection. *Ruehle*, 583 F.3d at 612; *Weil v. Inv./Indicators, Research & Mgmt., Inc.*, 647 F.2d 18, 25 (9th Cir. 1981). The "common interest" or "joint defense" doctrine is

an exception to ordinary waiver rules that applies when parties represented by separate counsel communicate in confidence about a matter of common legal interest, in furtherance of that common legal interest. *See In re Pac. Pictures Corp.*, 679 F.3d 1121, 1129 (9th Cir. 2012). The doctrine does not create a privilege but comes into play only if a privilege already covers the material disclosed to the third party. *Id.*; *see also Nidec Corp. v. Victor Co. of Japan*, 249 F.R.D. 575, 578–79 (N.D. Cal. 2007) (describing boundaries and application of common interest doctrine).

III. DISCUSSION

A. Relevance

Finjan argues that it should not be required to produce the disputed exhibits and deposition testimony because the materials are not relevant to any claim or defense in this action. Dkt. No. 248 at 5. SonicWall responds that the Cisco action concerns patents that are also at issue in this action and that while it cannot know what Finjan has withheld or redacted, the fact that Finjan included the depositions and exhibits on its privilege log without objection on grounds of relevance indicates that they are relevant to the dispute between Finjan and SonicWall. *Id.* at 1. The parties' respective arguments about relevance are not well-developed in the discovery dispute letter submitted to the Court.

The Court has reviewed the eight disputed deposition exhibits in camera. Without the benefit of more information from the parties about the issues in this case, the Court cannot say definitively that the exhibits are clearly irrelevant. The Court presumes that the documents are at least responsive to SonicWall's document requests, otherwise Finjan would have no obligation to log its privilege objections with respect to these documents. *See* Fed. R. Civ. P. 26(b)(5) (requiring a privilege log "[w]hen a party withholds information *otherwise discoverable*") (emphasis added); Fed. R. Civ. P. 26(b)(1) (describing discoverable material as "any nonprivileged matter that is relevant to any party's claim or defense and proportional to the needs of the case . . . . "). Further, even if portions of the exhibits or testimony are not relevant, a party generally may not redact or withhold from production irrelevant portions of documents that also contain relevant and responsive information. *See, e.g.*, *Doe v. Trump*, 329 F.R.D. 262, 276 (W.D.

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