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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

FINJAN, INC.,

Plaintiff,

v.

ESET, LLC and ESET SPOL. S.R.O.,

Defendants.

Case No.: 17CV183 CAB (BGS)

ORDER GRANTING IN PART AND DENYING IN PART MOTION FOR ADDITIONAL DISCOVERY AND ISSUANCE OF LETTER OF REQUEST

[ECF 833]

I. INTRODUCTION

Defendants Eset, spol. s.r.o. and Eset, LLC (“Eset”) has filed this motion to permit a second deposition of Shlomo Touboul. (ECF 833.) Mr. Touboul’s first deposition occurred when the case was stayed as to one of the six patents asserted in this case, U.S. Patent No. 7,975,305 (“’305 Patent”). (*Id.* at 2.¹) Eset now seeks a second deposition to depose him regarding the ’305 Patent. (*Id.* at 3-5.) Eset also seeks issuance of a Letter of Request pursuant to the Hague Convention because Mr. Touboul is in Israel. (*Id.*, Ex. A.) Finjan is opposed to a second deposition. (ECF 834.) Finjan argues Eset should have

¹ Unless otherwise noted, all citations are to electronically generated CM/ECF pagination.

1 questioned Mr. Touboul regarding the '305 Patent during the first deposition and Finjan
2 should not have to expend additional resources attending another deposition of Mr.
3 Touboul. (*Id.* at 4.) Finjan additionally argues that the topics are duplicative, Eset
4 already used its allotted seven hours of deposition time, and a second full deposition on
5 duplicative topics is not proportional to the needs of the case. (*Id.* at 4-7.)

6 **II. DISCUSSION**

7 **A. Parties' Positions**

8 Eset seeks leave to depose Mr. Touboul a second time under Federal Rule of Civil
9 Procedure 30(a)(2)(A)(ii), which Eset acknowledges requires either the stipulation of the
10 parties or leave of court. (ECF 833 at 3.) Eset argues that it should be permitted to
11 depose Mr. Touboul a second time because the case was stayed as to the '305 Patent
12 when he was initially deposed and Eset did not depose him regarding the '305 Patent at
13 his initial deposition. (*Id.* at 2, 4-6.) Eset explains that when the case was stayed as to
14 the '305 Patent it stopped working on the case as to the '305 Patent, having not served its
15 amended invalidity contentions to address new asserted claims of the '305 Patent or
16 consulting its expert regarding the '305 Patent. (*Id.* at 5.) Eset argues that the additional
17 time and effort it would have had to invest in preparing to depose Mr. Touboul on the
18 '305 Patent would have defeated the purpose of the stay – to avoid the expense of
19 litigating the '305 Patent when that might ultimately be unnecessary. (*Id.*) Eset argues
20 that regardless of Finjan's questioning of Mr. Touboul in violation of the stay,² Eset did
21 not question him on the '305 Patent because of the stay. (*Id.* at 4.) Eset, anticipating one
22 of Finjan's challenges to the second deposition, also quotes from the transcript of a status
23 conference in which the assigned district judge specifically indicated that although the
24 parties could jointly agree to pursue '305 discovery for efficiency reasons despite the
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27 ² Eset indicates that it objected to Finjan's questioning of Mr. Touboul on the '305 Patent
28 as being beyond the scope of Eset's direct examination and in violation of the stay. (ECF
833 at 2.)

1 stay, “[i]t doesn’t require that you do the discovery.” (*Id.* at 3-4 (quoting June 14, 2018
2 Hearing Transcript [ECF 277 at 9:24-25].))

3 Finjan first argues that some of the topics identified for the second deposition are
4 duplicative of topics Mr. Touboul testified to at his initial deposition, including about his
5 employment, relationship and communications with Finjan, Finjan’s products, Eset’s
6 products, participation in Finjan litigation, the history of Finjan, and the state of the art in
7 computer security as of 2009. (ECF 834 at 4 (citing ECF 833, Ex. A ¶ 5).) Finjan then
8 proceeds to identify where these topics were already testified to. (*Id.* at 4.) Finjan also
9 argues Eset is now seeking documents that overlap with documents requested in the prior
10 subpoena to Mr. Touboul. (*Id.* at 5.) Finjan acknowledges that “Eset was not required to
11 pursue discovery on the ’305 Patent” when Mr. Touboul was deposed, but seems to argue
12 a second deposition should be denied because Eset *could have* deposed him on the stayed
13 ’305 Patent for the sake of efficiency, but declined to. (*Id.*) Finjan’s argument regarding
14 proportionality is similar. (*Id.* at 6.) Finjan acknowledges a second deposition that is
15 narrowly tailored could be within the scope of Rule 26(b)(1), but argues it is not
16 proportional to the needs of the case because Eset could have questioned Mr. Touboul on
17 the stayed ’305 Patent at his initial deposition and failed to budget the deposition time
18 appropriately. (*Id.* at 4, 6.) In the alternative to prohibiting the deposition entirely,
19 Finjan asks the Court require Eset to amend the Letter of Request to limit the length of
20 the deposition, eliminate duplicative topics, and narrow the topics to those Eset could not
21 have asked in the first deposition. (*Id.* at 7.)

22 **B. Legal Standards**

23 Under Federal Rule of Civil Procedure 30(a)(2)(A)(ii), “[a] party must obtain leave
24 of court, and the court must grant leave to the extent consistent with Rule 26(b)(1) and (2):
25 (A) if the parties have not stipulated to the deposition and: . . . (ii) the deponent has already
26 been deposed in the case.” Many courts have applied a good cause standard to the taking
27 of a second deposition even though it is not stated in Rule 30(a)(2), however they disagree
28 as to which party must show good cause. *Kleppinger v. Texas Dep’t of Transp.*, 283 F.R.D.

1 330, 335 n.7 (S.D. Tex. 2012) (“[T]his Court notes that other district courts have utilized a
2 ‘good cause’ standard when making such determinations pursuant to Rule
3 30(a)(2)(A)(ii).”) (collecting cases); *Clark v. Penn Square Mall Ltd. P’ship*, 2013 WL
4 139778, * 1 (W.D. Okla. Jan. 10, 2013) (Explaining “[s]ome courts require parties to show
5 good cause before they can conduct a second deposition” and “[o]ther courts require a
6 showing of good cause to prevent—rather than allow—the second deposition,” but finding
7 “[e]ither way, a good cause standard would involve disregard of Rule 30(a)(2)(A)(ii) when
8 its terms mandate leave for a second deposition); *Jade Trading, LLC v. United States*, 64
9 Fed. Cl. 85, 86 (2005) (“Some courts have opined that leave to conduct a second deposition
10 should ordinarily be granted, and that the party opposing the second deposition must
11 demonstrate good cause why the second deposition should not be taken.”) (citing *Judicial*
12 *Watch, Inc. v. United States DOC*, 34 F. Supp 2d 47, 54–55 (D.D.C.1998); *Plaisance v.*
13 *Beef Connection Steakhouse*, 1998 WL 214740 (E.D. La. April 30, 1998)); *see also*
14 *Entrata, Inc. v. Yardi Sys., Inc.*, Case No. 2:15-cv-102 CW, 2018 WL 6171890, *2 (D.
15 Utah, Nov. 26, 2018) (Noting the good cause standard is not in Rule 30(a)(2), some courts
16 required a showing of good cause to take a second deposition, and some courts require a
17 showing of good cause to prevent a second deposition). The Court need not address the
18 variation in courts’ standards here because, as discussed below, Eset has shown good cause
19 to conduct a second deposition as limited by the Court to conform with Rule 26(b)(2).

20 Rule 30(d)(1) provides that “[u]nless otherwise stipulated or ordered by the court, a
21 deposition is limited to one day of 7 hours.” However, “[t]he court must allow additional
22 time consistent with Rule 26(b)(1) and (2) if needed to fairly examine the deponent or if
23 the deponent, another person, or any other circumstance impedes or delays the
24 examination.” “The party seeking a court order to extend the examination [beyond the
25 presumptive seven hours of actual deposition time], or otherwise alter the limitations, is
26 expected to show good cause to justify such an order.” Rule 30, Adv. Comm. Notes to
27 2000 amend.

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1 Rule 26(b)(1) provides that “[p]arties may obtain discovery regarding any non-
2 privileged matter that is relevant to any party’s claim or defense and proportional to the
3 needs of the case, considering the importance of the issues at stake in the action, the amount
4 in controversy, the parties’ relative access to relevant information, the parties’ resources,
5 the importance of the discovery in resolving the issues, and whether the burden or expense
6 of the proposed discovery outweighs its likely benefit.” Fed. R. Civ. P. 26(b)(1).

7 Rule 26(b)(2)(C) also requires the court, on motion or on its own, to limit the
8 frequency or extent of discovery otherwise allowed by the rules if it determines that “(i)
9 the discovery sought is unreasonably cumulative or duplicative, or can be obtained from
10 some other source that is more convenient, less burdensome, or less expensive; (ii) the
11 party seeking discovery has had ample opportunity to obtain the information by discovery
12 in the action; or (iii) the proposed discovery is outside the scope permitted by Rule
13 26(b)(1).” Fed. R. Civ. P. 26(b)(2)(C)(i)-(iii).

14 C. Analysis

15 As limited by the parties’ briefing,³ the primary issues are whether the testimony
16 sought should be denied or limited under Rule 26(b)(2) as “unreasonably cumulative or
17 duplicative,” if Eset “has had ample opportunity to obtain the information by discovery in
18 the action,” and if the discovery sought it proportional to the needs of the case. Rule
19 26(b)(1) and (2).

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25 ³ The Court is not addressing unbriefed issues and nothing in this Order should be
26 interpreted as such. For example, as the Court explains below, proportionality is raised
27 but most of the factors are not addressed and the parties do not raise relevancy. Given
28 Finjan’s brief acknowledges that Mr. Touboul is the founder of Finjan and a named
inventor on the ’305 Patent (ECF 834 at 2), the Court can conclude that the relevancy of
his testimony is not in dispute, at least for purposes of this Motion.

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