IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

RAI STRATEGIC HOLDINGS, INC. and R.J. REYNOLDS VAPOR COMPANY,

Plaintiffs and Counterclaim Defendants,

v.

ALTRIA CLIENT SERVICES LLC; PHILIP MORRIS USA INC.; and PHILIP MORRIS PRODUCTS S.A.,

Defendants and Counterclaim Plaintiffs.

Case No. 1:20-cv-00393-LO-TCB

REPLY IN SUPPORT OF REYNOLDS'S MOTION *IN LIMINE* NO. 6 TO EXCLUDE ARGUMENT, EVIDENCE OR TESTIMONY REGARDING REYNOLDS NOT OBTAINING OR RELYING ON AN OPINION OF COUNSEL

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PM/Altria agrees that under 35 U.S.C. § 298 it cannot reference the lack of an opinion of counsel, unless Reynolds opens the door. Reynolds does not intend to rely on opinion of counsel, and therefore will not open the door. The only notable remaining issue between the parties is whether trial testimony of ***a good-faith belief*** of non-infringement (or invalidity), unrelated to advice of counsel, would be sufficient to open the door. It would not. PM/Altria has no authority to support its position, which is contrary to Section 298 itself. Reynolds's Motion *in Limine* ("MIL") 6 should be granted to exclude all argument, evidence, and testimony regarding Reynolds not obtaining or relying on opinion of counsel.

Across the board, courts find door-opening only where the defendant relies on advice of counsel or so implies. *See, e.g.*, *Ultratec, Inc. v. Sorenson Commc'ns, Inc.*, No. 13-CV-346-bbc, 2014 WL 4976596, at *2 (W.D. Wis. Oct. 3, 2014) (finding that Section 298's protection "dissolves in the event defendant[ ] 'open[s] the door' by attempting to refute a claim of willful infringement by *implying that they relied on the advice of counsel*") (emphasis added); *LifeNet Health v. LifeCell Corp.*, No. 2:13-cv-486, 2014 WL 5529679, at *6 (E.D. Va. Oct. 31, 2014) (same); *Carson Optical Inc. v. eBay Inc.*, 202 F. Supp. 3d 247, 261 n.11 (E.D.N.Y. 2016) (allowing rebuttal if defendant's testimony "rel[ies] on the advice of counsel"); *Mass Engineered Design, Inc. v. SpaceCo Bus. Sols., Inc.*, No. 16-cv-01904-RM-MJW, 2017 WL 4334075, at *3 (D. Colo. May 2, 2017) (finding "Defendant may through various means 'open the door' by implying that they relied on advice of counsel"); *Hologic, Inc. v. Minerva Surgical, Inc.*, No. 1:15-CV-1031, 2018 WL 3348998, at *2 (D. Del. July 9, 2018) (Door-opening occurs if defendants "imply[] that they relied on the advice of counsel"). Even where the defendant has designated opinion of counsel as a trial exhibit, that alone does not open the door; the defendant must actually rely or imply opinion of counsel at trial. *See, e.g.*, *Hologic*, 2018 WL 3348998,

at *2 (finding that designating opinion of counsel as exhibit and its counsel as trial witness not sufficient to open door without more)*; DSM IP Assets, B.V. v. Lallemand Specialties, Inc.*, No. 16-cv-497-wmc, 2018 WL 1937660, at *18 (W.D. Wis. Apr. 24, 2018) ("[N]aming counsel as a trial witness does not [open the door], particularly since [defendant] represents" it will not introduce or suggest it sought advice of counsel.).[1] Likewise here, there is no door-opening. Reynolds did not produce an advice of counsel, did not put opinion counsel on the witness list, and will not imply it sought or obtained advice of counsel.

There is also no door-opening where the defendant raises evidence *other than* advice of counsel—such as its own good-faith belief it was not infringing. Defendants may put on good-faith testimony by a fact witness with relevant information about the defendant's state of mind, while maintaining Section 298's protections and the defendant's privilege of opinion of counsel. *See Juno Therapeutics, Inc. v. Kite Pharma, Inc.*, No. 2:17-cv-07639 SJO-KS, 2020 WL 2844410, at *9 (C.D. Cal. Apr. 2, 2020) (holding that the defendant's decision "to exercise privilege and not present an advice of counsel opinion" for defending against a willful infringement claim "did not preclude it from presenting fact testimony" regarding a good-faith belief of non-infringement or invalidity); *Sherwin-Williams Co. v. PPG Indus.,* No. 17-1023, 2021 WL 1110568, at *5 (W.D. Pa. Mar. 23, 2021) (defendant's good-faith belief defense, shown even by attorney-drafted documents (court or patent filings), does not open the door). Notably, PM/Altria cites no case in which a good-faith belief by fact witnesses "opens the door."

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[1] The *DSM* opinion mistakenly states that the court denied, rather than granted, exclusion of evidence and argument regarding defendant's lack of advice of counsel. *See DSM IP Assets, B.V. v. Lallemand Specialties, Inc.*, No. 16-CV-497-WMC, ECF No. 232, at 43 (W.D. Wis. Apr. 25, 2018) (correcting the error: "It should have said is granted unless the defendant, Lallemand, opens the door by introducing evidence with regard to its consulting counsel.").

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