

**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

**REDACTED**

**PLAINTIFFS' OPPOSITION TO DEFENDANTS' MOTION FOR LEAVE TO SERVE  
SUPPLEMENTAL EXPERT REPORTS**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>INTRODUCTION</b> .....	1
<b>FACTUAL BACKGROUND</b> .....	2
<b>LEGAL STANDARD</b> .....	4
<b>ARGUMENT</b> .....	6
<b>I. DR. ABRAHAM’S UNTIMELY DOCTRINE OF EQUIVALENTS OPINION</b> .....	6
A. [REDACTED].....	6
B. Defendants Waited Until After The Close of Fact Discovery To Introduce Dr. Abraham’s Opinion Of Infringement Under The Doctrine Of Equivalents.....	8
C. Dr. Abraham’s New Theory Goes Far Beyond “Supplemental Disclosure”.....	10
D. Defendants Cannot Show Good Cause to Untimely Add Dr. Abraham’s New Theory.....	11
E. Dr. Abraham’s Disclosure Of New Theories Is Neither Justified Nor Harmless.....	13
<b>II. MR. MEYER’S UNTIMELY [REDACTED] OPINION</b> .....	16
A. [REDACTED].....	16
B. [REDACTED].....	18
C. Mr. Meyer’s April 26 Supplemental Report Violates The Court’s Scheduling Order.....	19
D. Defendants Cannot Show Good Cause For Mr. Meyer’s New Theory.....	20
E. Mr. Meyer’s New Damages Opinion Is Not Mere “Supplemental Disclosure.”.....	22
F. Mr. Meyer’s Late Disclosure Of This New Theory Is Neither Justified Nor Harmless.....	23
<b>CONCLUSION</b> .....	25

**TABLE OF AUTHORITIES**

	<b>Page(s)</b>
<b>CASES</b>	
<i>Akeva LLC v. Mizuno Corp.</i> , 212 F.R.D. 306 (M.D.N.C. 2002).....	5
<i>Amari v. C.R. England, Inc.</i> , 2010 WL 2943686 (S.D. Ind. July 21, 2010) .....	10
<i>Aventis Pharms., Inc. v. Barr Labs., Inc.</i> , 335 F. Supp. 2d 558 (D.N.J. 2004).....	14
<i>Berkheimer v. Hewlett-Packard Co.</i> , No. 12 C 9023, 2016 WL 3030170 (N.D. Ill. May 25, 2016) .....	10, 22
<i>Calmac Mfg. Corp. v. Dunham-Bush, Inc.</i> , 929 F. Supp. 951 (E.D. Va. 1996) (Beach Smith, J.) .....	14
<i>Cave Consulting Grp., Inc. v. OptumInsight, Inc.</i> , No. 15-CV-03424-JCS, 2018 WL 1938555 (N.D. Cal. Apr. 25, 2018).....	13, 21
<i>Cook v. Howard</i> , 484 F. App'x 805 (4th Cir. 2012).....	4
<i>Eagle Pharms., Inc. v. Slayback Pharma LLC</i> , 382 F. Supp. 3d 341 (D. Del. 2019), <i>aff'd</i> , 958 F.3d 1171 (Fed. Cir. 2020) .....	14
<i>Faulconer v. Centra Health, Inc.</i> , 808 F. App'x 148 (4th Cir. 2020).....	5, 11, 13, 20
<i>Forstmann v. Culp</i> , 114 F.R.D. 83 (M.D.N.C. 1987).....	4
<i>Gallagher v. S. Source Packaging, LLC</i> , 568 F. Supp. 2d 624 (E.D.N.C. 2008) .....	10, 22
<i>Institutform Techs. v. CAT Contracting</i> , 161 F.3d 688 (Fed. Cir. 1998).....	14
<i>Jaguar Land Rover Ltd. v. Bentley Motors Ltd.</i> , No. 18-cv-320, 2020 WL 6817060 (E.D. Va. Nov. 3, 2020) .....	11, 14, 15, 24

*Lucent Techs., Inc. v. Gateway, Inc.*,  
580 F.3d 1301 (Fed. Cir. 2009)..... 20

*Nourison Rug Corp. v. Parvizian*,  
535 F.3d 295 (4th Cir. 2008)..... 4

*OmniSource Corp. v. Heat Wave Metal Processing, Inc.*,  
No. 13-cv-772, 2015 WL 3452918, at \*9 (E.D.N.C. May 29, 2015)..... 11, 21, 23, 24

*Prusin v. Canton’s Pearls, LLC*,  
No. 16-605, 2017 WL 3492163 (D. Md. Aug. 15, 2017)..... 23

*Rambus, Inc. v. Infineon Techs. AG*,  
145 F. Supp. 2d 721 (E.D. Va. 2001) (Payne, J.)..... 13, 15

*S. States Rack And Fixture, Inc. v. Sherwin-Williams Co.*,  
318 F.3d 592 (4th Cir. 2003)..... 5, 23

*Sharpe v. United States*,  
230 F.R.D. 452 (E.D. Va. 2005) (Friedman, J.)..... 5

*Sloan Valve Co. v. Zurn Indus., Inc.*,  
2013 WL 3147349, at \*4 (N.D. Ill. June 19, 2013)..... 10, 23

*Tristrata, Inc. v. Microsoft Corp.*,  
No. 11-cv-03797, 2013 WL 12172909 (N.D. Cal. May 13, 2013) ..... 15, 24

*U.S. ex rel. Skibo v. Greer Laby’s, Inc.*,  
No. 13-cv-110, 2019 WL 1992139 (W.D.N.C. May 6, 2019) ..... 11

*United States ex rel. Skibo v. Greer Lab ’ys, Inc.*,  
No. 5:13-cv-110, 2019 WL 1992139 (W.D.N.C. May 6, 2019) ..... 11, 21

**OTHER AUTHORITIES**

Fed. R. Civ. P. 16(b) ..... 13

Fed. R. Civ. P. 16(b)(4)..... 4

Fed. R. Civ. P. 26(a)(2)..... 15

Fed. R. Civ. P. 26(e) ..... 5, 10, 23

Fed. R. Civ. P. 30(b)(6)..... 17

Fed. R. Civ. P. 37(c)(1)..... 5, 13

## INTRODUCTION

This Court's Scheduling Order permitted only opening and responsive expert reports. (Dkt. 461.) It did not permit a third round of rebuttal expert reports. On March 31, 2021, the Court granted the parties' Joint Motion to Modify the Scheduling Order which permitted the parties a narrow exception to serve updated expert reports on April 26 to "identify citations to fact testimony to support already-disclosed opinions," (Dkts. 534 at 3; 535). While Reynolds is not opposing the majority of additions Defendants introduced in their seven supplemental expert reports served on April 26, Defendants abused the provision in two instances by injecting new theories and opinion testimony into the case that they could (and should) have included in their opening expert reports. Specifically, on April 26, after the close of fact discovery, Dr. Abraham introduced, for the first time, a brand new theory of infringement under the doctrine of equivalents even though as of at least June 2020 Defendants had all the information necessary to offer such an opinion then. On the same day, Defendants served a supplemental report from Mr. Meyer offering a new damages opinion, calculating a reasonable royalty rate for the [REDACTED] for the first time based on documents that Reynolds produced to Defendants last fall.

Defendants have no excuse for these belated disclosures. Their Motion should be denied under Rule 16's "good cause" standard for amendment of the Scheduling Order. Their actions have been anything but diligent. Nonetheless, Defendants attempt to distract from their lack of diligence in two ways. *First*, they characterize their experts' brand new opinions as mere "supplementation." Not so. Both Dr. Abraham and Mr. Meyer offered new theories and opinions that go far beyond merely correcting their previous reports or identifying citations to fact testimony. *Second*, even though Defendants concede that Rule 37 has nothing to do with this dispute, they seek to backfill their lack of diligence by expounding on the factors that would inform whether to strike their improper and belated disclosures. Indeed, Defendants appear to argue that

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