1/15/12 06cv2024 Gerber Order

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

GERBER SCIENTIFIC INTL., INC. plaintiff,	:	
v.	:	Civil No. 3:06CV2024 (AVC)
ROLAND DGA CORPORATION and ROLAND DG CORPORATION, defendants	:	

RULING ON DEFENDANT'S MOTION FOR PROTECTIVE ORDER

This is an action for damages and injunctive relief brought pursuant to 35 U.S.C. §§ 271 and 281. The plaintiff, Gerber Scientific International, Inc. (hereinafter "Gerber"), alleges that the defendants, Roland DGA (hereinafter "RDGA") and Roland DG (hereinafter "RDG") unlawfully infringed Gerber's patent, patent no. 5,537,135, covering a method and apparatus for computerized graphic production. RDG has filed a motion for a protective order with respect to the depositions of three of its Japanese employees and its president. For the following reasons, the motion is granted in part and denied in part.

RDG argues that the deposition of three of its Japanese employees, Kei Akiyama, Takayasu Nakamure and Hajime Yoshizawa, should take place in Japan. RDG also argues that the deposition of its president, Masahiro Tomioka, should not take place at all because he is a senior executive with no unique or specialized knowledge relevant to this case.

I. Japanese Depositions

RDG first argues that its Japanese employees should be deposed in Japan. Specifically, RDG argues that the general presumption is that witnesses should be deposed near their residence or principal place of business. Courts have recognized that this is especially true with respect to defendants because the plaintiff bought the lawsuit and the defendants are not before the court by their own choice. RDG states that based upon the facts of this case, Gerber cannot satisfy its burden of proving that circumstances exist that warrant taking the depositions in the United States. With respect to cost, RDG argues that both parties are equally equipped to bear the costs of the depositions and it would be more cost effective for Gerber's attorney to travel to Japan than to have the three deponents travel to the United States. RDG also argues that "any inconvenience to plaintiff's counsel should be discounted greatly in comparison to the witnesses'" burden. Specifically, the witnesses are high level employees in Japan, the several days of travel and deposition time would disrupt their affairs and they do not currently have any plans to travel to the United States. Finally, with respect to the factor of litigation efficiency, RDG states that the facts here are neutral because many of the documents are in Japan, but

judicial supervision of the depositions in Japan could be more difficult.[1]

In opposition, Gerber argues that RDG regularly conducts business in the United States, the court has found personal jurisdiction over RDG here and RDG's employees frequently travel to the United States for trade shows and to visit the RDGA facility. Gerber states that it noticed the depositions in California, rather than at its own attorneys' offices in New York, in order to accommodate all of the parties' interests.[2] It further argues that because RDG filed counterclaims, it is not purely a defendant, but also a plaintiff with respect to those claims. Finally, Gerber argues that procedural and legal impediments to deposing the witnesses in Japan outweigh the witnesses' inconvenience in traveling to California for their depositions. Specifically, all depositions of Japanese citizens by Americans must take place at the U.S. Embassy in Tokyo or at a designated U.S. consulate.[3] In addition, this court's authority to control the process in Japan is "severely compromised." Therefore, Gerber argues that "the best way to

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[1] RDG also states "[h]owever, the litigants in this case have managed to work out most disagreements without judicial intervention."

[2] With respect to deposing witnesses in Japan, Gerber also cites as a concern the recent earthquake there as a source of delay and a safety concern.

[3] Gerber also cites a number of procedural steps that the parties must take and fees that they must pay in order to conduct the depositions in Japan.

assure an orderly discovery process in this case, and the best way to avoid sovereignty issues that might otherwise arise, is to deny [RDG's] motion."

In its reply, RDG argues that with respect to Gerber's reference to fees charged in conducting the depositions in Japan, some are not necessary[4] and the fees are modest in comparison to attorney's fees and fees for three witnesses to travel to the United States. According to RDG, Gerber is simply attempting "to shift the costs of the depositions from Gerber, the plaintiff, and the party seeking discovery, to RDG." With respect to convenience, RDG states that the relevant inquiry is whether the witnesses frequently travel to the United States and not whether the court has personal jurisdiction over the corporation. In addition, RDG states that Gerber is principally responsible for its alleged scheduling difficulties in Japan. According to RDG, none of the circumstances cited by Gerber amount to "peculiar" circumstances warranting depositions of RDG employees in the United States.[5] With respect to the issue of court supervision of the depositions in Japan, RDG acknowledges the issue, but states that discovery in this case "has not been

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[4] With respect to an alleged $415 per hour "consular" fee for a certified transcript, RDG states that this fee is not necessary as a qualified court reporter may certify a transcript at no extra charge.

[5] With respect to safety concerns and the earthquake conditions, RDG states "there is no reason to believe that the difficulties will continue much longer."

particularly adversarial," and that the parties have never had to interrupt a deposition in progress for court intervention. RDG also states that it will produce its witnesses in Taipei, Taiwan, if Gerber is unable to secure a room at the U.S. embassy or consulate in Japan.[6]

In a surreply, Gerber states that had RDG been willing to produce its witnesses in Taipei earlier, the underlying motion practice could have been avoided. Gerber further states, however, that it is more expensive and inconvenient to have several of the attorneys in this case, plus translators and support staff travel from New York to Japan than it is for the three witnesses to travel from Japan to California.[7]

Courts have recognized that "[t]he deposition of a corporation by its agents and officers should be taken at its principal place of business, especially when . . . the corporation is the defendant.'" Morin v. Nationwide Federal Credit Union, 229 F.R.D. 362, 363 (D. Conn. 2005) (quoting Salter v. Upjohn Co., 593 F.2d 649, 651 (5th Cir. 1979)). When the plaintiff seeks to take depositions of the defendant

[6] RDG agrees to produce its witnesses in Taiwan as long as the parties are not able to secure a room at the U.S. embassy or consulate in Japan and Gerber agrees to pay for their travel expenses.

[7] Gerber also states that the delay in discovery in this case is partially founded upon the fact that it did not initially realize that the thousands of pages of discovery provided by RDG were printed on recycled double sided paper. This caused Gerber to waste many days translating pages that had nothing to do with this case.

corporation's officers at a location other than the corporation's place of business, the plaintiff must demonstrate "peculiar" circumstances warranting such relief. Id. (citing Six West Retail Acquisition, Inc. v. Sony Theatre Mgmt. Corp., 203 F.R.D. 98, 107 (S.D.N.Y. 2001)). Courts look to several factors in determining whether the plaintiff has carried its burden including cost, convenience, litigation efficiency, the location of counsel, the number of deponents, the likelihood of discovery disputes, the frequency with which the deponents travel and the equities regarding the nature of the allegations and the parties' relationship. See In re Vitamin Antitrust Litigation, 2001 WL 35814436, at *4-5 (D.D.C. 2001) and In re Outsidewall Tire Litigation, 267 F.R.D. 466, 470 (E.D. Va. 2010) (citing Armsey v. Medshares Management Services, Inc., 184 F.R.D. 569, 571 (W.D. Va. 1998) (recognizing the remaining factors)).

The facts in this case weigh in favor of taking the depositions in question outside of the United States and closer to the defendant's place of business. The factors of cost and convenience weigh in favor of conducting the depositions abroad. Although the court will have limited ability to oversee any issues that may arise during the depositions, counsel have had few problems thus far in the several depositions that have taken place. Finally, the court recognizes that the deponents do not

currently have any plans to travel to the United States. The plaintiff has failed to show the requisite "peculiar" circumstances warranting taking the depositions in question in California. Id. (citing Six West Retail Acquisition, Inc. v. Sony Theatre Mgmt. Corp., 203 F.R.D. 98, 107 (S.D.N.Y. 2001)). The court also concludes, however, that conducting the depositions at issue in Taipei, Taiwan, presents minimal inconvenience to the witnesses and avoids the procedural and legal impediments to conducting the depositions in Japan. Therefore, the parties shall, at a mutually convenient time, conduct the depositions at issue in Taipei, Taiwan, with each party bearing its own costs.

II. Deposition of Masahiro Tomioka

RDG next argues that the court should quash the notice of deposition of Masahiro Tomioka, the president of RDG. Specifically, RDG states that "[r]equiring Mr. Tomioka to testify at this time would be contrary to the case law that seeks to protect such executives from burdensome and potentially harassing depositions when they possess little or no personal knowledge of the facts." According to RDG, Gerber has the burden of proving that Tomioka has a unique or superior understanding of the accused products. RDG states that Tomioka's involvement in the business operations of RDG is not sufficient to justify his deposition. In addition, because

other alternatives exist for the discovery Gerber seeks, Tomioka's deposition should, at the very least, be stayed until Gerber has exhausted other alternatives.

Gerber responds that a stay is not warranted here and that "[i]f all deponents are not examined reasonably contemporaneously significant delays will result . . . ." Gerber further argues that "Tomioka is the only witness by nature of his position who can testify as to the decision to release new infringing products into the U.S. market notwithstanding the pendency of this litigation." Gerber also states that Tomioka has been with RDG since 1982 and as such, is the only person capable of testifying about the early to mid 1980s.

RDG replies that Tomioka is a senior executive with no unique or specialized knowledge relevant to this case. Specifically, Tomioka states that he does not have "any unique or superior knowledge regarding the research, development and launch of the products accused of infringement in this case." RDG states that the individual with the most knowledge is Mr. Kei Akiyama, who can testify regarding prior art of the 1980s. In addition, RDG states that Mr. Bob Curtis can testify regarding print and cut products and the prior art. RDG argues that if a gap exists with respect to this testimony, Gerber

should serve a 30(b)(6) deposition notice on the topic, not depose Tomioka.

Pursuant to Federal Rule of Civil Procedure 26(c), "the court may, for good cause, issue an order to protect a party or person from annoyance, embarrassment, oppression, or undue burden or expense . . . ." Fed. R. Civ. P. 26(c). "Acting pursuant to Rule 26(c), a court may prohibit a party from deposing senior corporate executives where 'the party has not established that the executive has some unique knowledge pertinent to the issues in the case' or where the party can obtain the desired information through less intrusive means." Weber v. FujiFilm Medical Systems U.S.A., Inc., Slip Copy, 2011 WL 677278, at *2 (D. Conn. 2011)(quoting Rodriguez v. SLM Corp., Civil No. 3:07CV1866(WWE), 2010 WL 1286989, *2 (D. Conn. March 26, 2010) (internal quotation marks omitted)).

It is possible that Gerber can obtain the desired information through less obtrusive means; that is, through the depositions of Akiyama and Curtis. If, after those witnesses have been deposed, Gerber has not obtained the information it seeks, it may depose Tomioka with respect to that remaining information. If the Tomioka deposition becomes necessary, the parties shall conduct it on the final day of depositions in Taiwan.

CONCLUSION

For the foregoing reasons the defendant's motion for a protective order (document no. 206) is granted in part and denied in part.

It is so ordered this 15TH day of January 2012, at Hartford, Connecticut.

/s/ Alfred V. Covello, USDJ

Alfred V. Covello,
United States District Judge