

Economic Alchemy LLC v Byrne Poh LLP
2019 NY Slip Op 33075(U)
October 11, 2019
Supreme Court, New York County
Docket Number: 653632/2015
Judge: Lucy Billings
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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: PART 46

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ECONOMIC ALCHEMY LLC,

Index No. 653632/2015

Plaintiff

- against -

DECISION AND ORDER

BYRNE POH LLP, MATTHEW T. BYRNE, PHILIP
POH, and GARY WALPERT,

Defendants
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LUCY BILLINGS, J.S.C.:

Defendants move for penalties due to plaintiff's inadequate responses to defendants' requests for production of documents and demand for a bill of particulars and plaintiff's noncompliance with the stipulated Status Conference Order dated June 6, 2019, or to compel further production of documents and a supplemental bill of particulars. C.P.L.R. §§ 3042(c) and (d), 3124, 3126(2) and (3). The court grants defendants' motion to compel further production of documents and a supplemental bill of particulars to the extent set forth below. C.P.L.R. §§ 3042(c), 3124.

I. PATENT PROSECUTION DOCUMENTS

The stipulated Status Conference Order dated June 6, 2019, required plaintiff to reproduce to defendants the "image file wrapper for five (5) patent applications in an organized, electronic format as downloaded from USPTO [United States Patent and Trademark Office] PAIR [Patent Application Information

Retrieval] website." Aff. of Aaron M. Barham Ex. G, at 1. C.P.L.R. §§ 3120(1)(i) and 3122(c) also require plaintiff to produce these documents requested by defendants (1) as the documents are kept in the regular course of business or organized and labeled to correspond the categories of the request and (2) so that defendants may inspect and copy the documents.

Plaintiff has produced the image file wrappers by encrypting them on a flash drive that does not permit defendants to view the small type on a full computer screen, to copy the documents onto defendants' computer, to print the documents, or to view them after November 14, 2019. To comply with C.P.L.R. § 3120(1)(i), plaintiff shall produce the image file wrapper for each of the five patent applications about which plaintiff complains in an electronic format that permits defendants to view the text in a legible size, either on a computer screen or by printing the documents. The production also shall permit defendants to copy the documents, by saving them on defendants' computer, from which defendants may print the documents, or by printing them from the flash drive, so that defendants may preserve copies of the documents indefinitely.

Plaintiff insists that it has produced the documents as they are kept in the regular course of business by the USPTO, because plaintiff has transmitted them to defendants in the same format that plaintiff downloaded the documents from the USPTO website.

Neither defendants nor the court may verify this fact, however, because the patent application materials are confidential and accessible only by plaintiff. Moreover, even accepting plaintiff's representation, the materials are as kept by the USPTO, not plaintiff, and on the USPTO's website, not necessarily as kept for its business purposes. Even the PAIR lists the documents chronologically by description, which is the format envisioned by the parties' stipulation June 6, 2019.

Because the June 2019 order required the downloaded documents to be produced in an "organized, electronic format," plaintiff shall at minimum organize the over 13,000 pages of documents into five categories corresponding to each patent application. Within each patent application, plaintiff shall organize the documents according to the PAIR's chronological "Document Description" list, Reply Aff. of Aaron M. Barham Ex. B, unless the parties stipulate to another organization. The production shall enable defendants to locate the documents corresponding to each application and to verify that the production is a complete and accurate response to defendants' requests. C.P.L.R. § 3122(c); H.P.S. Mgt. Co., Inc. v. St. Paul Surplus Lines Ins. Co., 127 A.D.3d 1018, 1019 (2d Dep't 2015). See Whitley v. Industrial Funding Corp., 8 A.D.3d 963, 963 (4th Dep't 2004). To the extent not produced in the production ordered above, plaintiff also shall produce to defendants the

image file wrapper printout for patent application #13/677,277 and the patent prosecution materials for applications ##15/144,732, 15/367,058, 16/033,168, and 62/531,095.

II. OTHER DOCUMENTS

Plaintiff fails to show that it has produced the documents, including correspondence, prepared by plaintiff's patent attorneys who preceded and succeeded defendants, as requested by defendants' document requests ##14-26 dated April 16, 2018. To the extent that plaintiff claims the documents defendants seek are privileged or protected under C.P.L.R. § 3101(c) or (d)(2), plaintiff still must review the documents that defendants have requested, ascertain whether any requested documents are not privileged or protected, produce any such documents, C.P.L.R. § 3120(1)(i), and otherwise respond by specifying an applicable privilege or protection in a privilege log. C.P.L.R. § 3122(a)(1) and (b). E.g., Stephen v. State of New York, 117 A.D.3d 820, 820-21 (2d Dep't 2014); Ural v. Encompass Ins. Co. of Am., 97 A.D.3d 562, 566-67 (2d Dep't 2012). The privilege log must include the type of document, the subject, the date of the document, and other information necessary to identify the document, including the persons to whom it was sent or from whom it was received. C.P.L.R. § 3122(b).

III. BILL OF PARTICULARS

Plaintiff shall supplement its bill of particulars in response to defendants' demands dated March 16, 2018, as follows. In response to demand #5, plaintiff shall set forth the facts, not necessarily the evidence, supporting plaintiff's claim that defendants deviated from the standard of care in connection with the patent applications about which plaintiff complains. DeJesus v. New York City Hous. Auth., 46 A.D.3d 474, 475 (1st Dep't 2007); Alvarado v. New York City Hous. Auth., 302 A.D.3d 264, 265 (1st Dep't 2003); Batson v. La Guardia Hosp., 194 A.D.2d 705, 706 (2d Dep't 1993). The response to the demand for a bill of particulars must specify the negligent acts attributed to each defendant. Miccarelli v. Fleiss, 219 A.D.2d 469, 470 (1st Dep't 1995); Batson v. La Guardia Hosp., 194 A.D.2d at 706. In response to demands ##7 and 11, the Complaint ¶¶ 64 and 66 set forth adequate facts, except that plaintiff shall set forth the facts, not necessarily the evidence, that explain why plaintiff chose March 2014 as the time by which plaintiff would have received the patent protection.

In response to demands ##8 and 9, plaintiff shall particularize the categories and estimated amounts of each category of damages, including costs associated with plaintiff's attempts to mitigate its damages, that plaintiff claims defendants have caused it to incur. Callaghan v. Curtis, 48

A.D.3d 501, 502 (2d Dep't 2008). Since plaintiff alleges costs associated with its attempts at mitigation as part of its damages, plaintiff shall specify those attempts and their dates in response to demand #15 to the extent not specified in response to demand #9. Evidence of damages not itemized by plaintiff's bill of particulars will not be admissible at trial. Schreiber v. University of Rochester Med. Ctr., 74 A.D.3d 1812, 1813 (4th Dep't 2010).

In response to demand #10, plaintiff shall set forth the facts, not necessarily the evidence, that explain why defendants' placeholder claims will not be resurrected as commercially viable patents. In response to demands ##12 and 13, plaintiff shall set forth the facts, not necessarily the evidence, that explain why or how defendants' placeholder claims have irretrievably damaged plaintiff's patent portfolio, are meaningless, and cannot be defended. Defendants are entitled to know how plaintiff will claim defendants' professional negligence caused plaintiff's loss of commercially viable patents and caused damage to its patent portfolio. Demands ##10, 12, and 13 do not seek evidence, but seek only explanations of plaintiff's theory of causation.

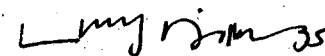
Miccarelli v. Fleiss, 219 A.D.2d at 470.

IV. CONCLUSION

Consistent with the stipulated Status Conference Order dated October 10, 2019, plaintiff shall produce the documents as

delineated above by October 31, 2019. C.P.L.R. §§ 3120(1)(i), 3122(c), 3124. Plaintiff shall serve a supplemental bill of particulars as delineated above within 30 days after entry of this order. C.P.L.R. § 3042(a) and (c), 3124. The court denies defendants' motion to the extent that defendants seek penalties, a further or different production of documents, or a further bill of particulars. C.P.L.R. §§ 3042(c) and (d), 3124, 3126(2) and (3).

DATED: October 11, 2019



LUCY BILLINGS, J.S.C.

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