

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

Luminara Worldwide, LLC,

Civil No. 14-3103 (SRN/FLN)

Plaintiff,

v.

ORDER

Liown Electronics Co. Ltd. et al.,

Defendants.

Courtland Merrill for Luminara Worldwide, LLC.
Patrick McKeever, Joseph Reid, and Peter Kohlhepp for Liown Electronics Co.

THIS MATTER came before the undersigned United States Magistrate Judge on April 25, 2016 on the following motions: (1) Defendants' motion to strike certain portions of Donald Gorowsky's expert report (ECF No. 431); (2) Defendants' motion to strike the expert opinions of Doug Patton (ECF No. 436); (3) Plaintiff's motion to exclude expert testimony (ECF No. 441); and (4) Defendants' motion to strike the expert report of Stuart Brown (ECF No. 446). For the reasons set forth below, Defendants' motions are **GRANTED in part** and **DENIED in part** and Plaintiff's motion is **DENIED**.

**I. DEFENDANT'S MOTION TO STRIKE GOROWSKY'S EXPERT REPORT
(ECF NO. 431)**

Donald Gorowsky was engaged by Luminara "to review the facts of this case, perform analysis and develop opinions regarding damages suffered by Luminara as a result of the patent infringement and alleged wrongful conduct of Defendants as set forth in the third amended complaint in this case." Millikan Decl. Ex. A, at 7-8, ECF No. 434. After reviewing Gorowsky's report, Defendants claim that he has advanced several opinions "that are based on evidence and

theories Luminara withheld from Defendants during fact discovery or, in some cases, on no evidence at all.” Defs.’ Mem. in Supp. 1, ECF No. 433. Defendants now move to strike these portions of Gorowsky’s expert report. ECF No. 431. The Court addresses each of Defendants’ arguments in turn.

A. Gorowsky’s discussion regarding the history of flameless candle technology

Defendants claim that Gorowsky’s damages report “contains three extended, narrative sections that purport to analyze the history of flameless candle technology, Liown’s alleged infringement of Luminara’s patents, and the lack of noninfringing alternatives in the marketplace as a technical matter.” ECF No. 433 at 8. Defendants argue that these sections must be stricken from his expert report because Gorowsky lacks the knowledge and technical qualifications to opine on such matters. *Id.* at 9–12. In response, Luminara states that pursuant to Rule 703 of the Federal Rules of Evidence, Gorowsky is entitled to base his opinions on any facts or data of which he has been made aware. ECF No. 506 at 8. Here, Gorowsky was made aware of the history of the development of flameless candles and sales of infringing and non-infringing alternatives. *Id.*

Rule 26(a)(2)(B) states that an expert witness report must contain, in relevant part, (1) a complete statement of all opinions the witness will express and the basis and reasons for them, and (2) the facts or data considered by the witness in forming them. In addition, Rule 703 of the Federal Rules of Evidence states that “[a]n expert may base an opinion on facts or data in the case that the expert has been made aware of or personally observed.”

The three sections of Gorowsky’s report that Defendants take issue with are titled, “Evolution of Flameless Candle Technology,” “Liown’s Infringement of the Disney Patents-in-Suit,” and “Lack of Non-Infringing Alternatives in the Marketplace.” ECF No. 434, Ex. A, at 17–24,

30–33, 33–37. Prior to each section, Gorowsky includes the following footnote:

I have been asked to assume the facts in this section which I understand are supported by evidence from various Luminara and Liown witnesses including Jerry Cain, John Jacobson, Jeff Thompson, Peter Smith, Gary Schnuckle, Doug Patton, Dale Dykema, Mike Li, Johnny Yang and Kim Chan, as well as documents that have been produced in discovery by both parties.

Id. at 17 n.43, 30 n.58, 33 n.69. Defendants argue that these footnotes “are a complete abdication” of Gorowsky’s responsibility to provide the “complete” basis for his opinions. ECF No. 433 at 9. The Court disagrees.

Gorowsky was retained to opine on damages only. He was not retained to opine on the flameless candle technology or Liown’s alleged liability. Indeed, Gorowsky’s report explicitly states under the heading “Scope of Engagement” that he was not “requested to perform analysis with respect to the liability issues presented in this case” and that he has not “formed any opinions regarding liability.” ECF No. 434, Ex. A, at 8. He also states that for purposes of his damages analysis, he has “assumed that Luminara will be able to prove liability on its underlying theories.” *Id.* It is clear from Gorowsky’s report that the section on the history of flameless candles is not his expert opinion, but rather relevant background facts of which he was made aware. Defendants are free to undercut Gorowsky’s assumptions through their own damages expert and at trial. However, the fact that Gorowsky may lack the technical skills to opine on the development of flameless candle technology does not mean that he cannot rely on such information to render an opinion on damages. It is common for experts to rely on information outside of their field of expertise in rendering expert opinions.

The Court finds that the aforementioned sections of Gorowsky’s report that Defendants take issue with are the kind of information that the Rule 26 contemplates when it requires that an expert

report contain “the facts or data considered by the witness” in forming his opinion. *See* Fed. R. Civ. P. 26(a)(2)(B)(ii). To the extent Defendants’ motion requests that the sections of Gorowsky’s report on the history of flameless candle technology be stricken from Gorowsky’s report, the motion is denied.

B. Gorowsky’s discussion of embodying products

Gorowsky’s report contains a section discussing Candella’s commercialization of the Disney patents-in-suit. In this section, Gorowsky states that Luminara’s “RD2” candle “practices at least one claim of the Disney patents.” ECF No. 434, Ex. A, at 30. Gorowsky then cites claims 1, 8, 19, and 33 of the ‘869 patent as examples of claims practiced by the RD2 candle. *Id.* Defendants argue that this opinion should be stricken from Gorowsky’s report because the Court did not require Luminara to produce such information during discovery.¹ The Court disagrees.

As discussed above, Gorowsky was retained to opine on damages. This statement regarding some of the claims the RD2 candle practices is not Gorowsky’s expert opinion, but rather a fact that Gorowsky relied upon in making his damages opinion. The Federal Rules of Evidence contemplate experts relying on outside facts in rendering expert opinions. *See* Fed. R. Evid. 703. Defendants are free to undercut the facts that Gorowsky relies upon through their own expert or at trial. Such underlying facts, however, need not be stricken from Gorowsky’s underlying report. In addition, the fact that Luminara was not required to provide every claim practiced by Luminara’s products does not render the statement at issue in Gorowsky’s report improper.

C. Gorowsky’s opinion on manufacturing capacity

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In September 2015, Defendants moved to compel a full response to its interrogatory requesting every claim of the Disney patents-in-suit that cover Luminara’s products. Mot. to Compel, ECF No. 268. The Court denied the request. Order, ECF No. 292.

In this action, Luminara seeks damages for lost profits. “To recover for lost profits a patentee must show that ‘but for’ infringement it reasonably would have made the additional profits enjoyed by the infringer.” *Micro Chem. Inc. v. Lextron, Inc.*, 318 F.3d 1119, 1122 (Fed. Cir. 2003). One way to satisfy the “but for” causation requirement is to satisfy the *Panduit* test. *Id.* The *Panduit* test requires a showing of “(1) demand for the patented product, (2) absence of acceptable noninfringing substitutes, (3) manufacturing and marketing capability to exploit the demand, and (4) the amount of profit that would have been made.” *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 567 F.3d 1314, 1329 (Fed. Cir. 2009) (citing *Panduit Corp. v. Stahl Bros. Fibre Works, Inc.*, 575 F.2d 1152, 1156 (6th Cir. 1978)).

Gorowsky’s expert report contains a section that analyzes the *Panduit* factors. *See* ECF No. 434, Ex. A, at 44–73. With respect to the third factor—manufacturing and marketing capacity—Gorowsky states that he “performed a comparative analysis of the combined manufacturing capacity of Luminara’s contract manufacturers and Luminara’s actual production demands but-for the alleged infringement of Defendants for the years 2012 through 2015.” *Id.* at 51. Specifically, he “compared the maximum quantity of units that could be manufactured by Luminara’s existing contract manufacturers to the combined quantity of units that were shipped by Luminara and Liown.” *Id.*

This analysis was reduced to a graph that Gorowsky attached to his report as Exhibit 20. The bar graph shows a breakdown of the number of units Luminara shipped combined with the number of units Liown shipped each month. Gorowsky superimposed a black line over the graph to indicate Luminara’s manufacturing capacity. Other than one month, Exhibit 20 shows that Luminara had sufficient capacity to manufacture the number of candles that both Luminara and Liown shipped

between January 2012 and October 2015.

Gorowsky cites five documents that allegedly support the data displayed in Exhibit 20: Candella00106127, Candella00106100, LIOWN-KC-000002, LIOWN-KC-000003, and LIOWN-KC-000004. The three documents that bear “LIOWN” bates numbers are Liown sales records. ECF No. 433 at 16. The document bates stamped as Candella00106127 contains Luminara’s sales records, and the document bates stamped as Candella00106100 is an Excel spreadsheet with manufacturing capacity data. *Id.* Therefore, Defendants assert that the only document that Gorowsky could rely on in forming an opinion on manufacturing capacity was Candella00106100. *Id.*

Defendants take two issues with the spreadsheet. First, Defendants argue that it should have been produced in response to various interrogatories and document requests that were served in 2014. *Id.* at 14–15. According to Defendants, they did not receive the spreadsheet until February 1, 2016. *Id.* at 16. Second, Defendants argue that Luminara has withheld the documents underlying the capacity data in the spreadsheet. *Id.* at 17. Defendants claim that they have no way of knowing how the data was gathered, summarized, and produced without the production of the underlying data. *Id.*

After reviewing the record, the Court concludes that the capacity data that Luminara provided to Gorowsky should have been disclosed to Defendants during discovery. The information is directly relevant to damages, and Defendants’ discovery requests were broad enough to cover this information. Although Luminara claims that no underlying data exists for the spreadsheet, the Court is unconvinced. The data must have originated somewhere, whether in concrete form or within the knowledge of a relevant witness. Luminara should therefore have informed Defendants of this information prior to February 1, 2016.

Defendants request that Luminara be sanctioned for failing to provide this relevant discovery.

See Fed. R. Civ. P. 37(c)(1) (stating that sanctions for failing to provide relevant discovery is within the Court's discretion). The Court agrees and concludes that the following sanctions are appropriate. First, to the extent such information exists, Luminara must disclose all documents in its possession, custody, or control that support the data on manufacturing capacity outlined in Candella00106100. These documents must be produced within twenty-one (21) days of the date of this Order. Second, Luminara must produce a witness with knowledge of Luminara's manufacturing capacity for a deposition. Such deposition may not exceed four hours and must take place within forty-five (45) days of the date of this Order. Third, if Defendants believe that its expert report on damages needs to be amended to account for this new discovery, it may file an amended expert report on damages within sixty (60) days of the date of this Order. Finally, Luminara must pay Defendants their reasonable expenses, including attorneys' fees, that they expended in having to bring the present motion. Defendants are instructed to submit an affidavit to this Court within fourteen (14) days of the date of this Order indicating the expenses and fees it incurred in having to file its motion to strike Gorowsky's expert report. Such affidavit should provide the attorneys' rates and hours worked. The Court will then issue a subsequent Order as to the award of fees and expenses at a later date.

Defendants also request that "Luminara and its expert should be precluded from relying on Candella00106100 or any of the information contained within it, and the Court should strike this aspect of Mr. Gorowsky's lost profit analysis." ECF No. 433 at 18. Given the fact that this case has now been consolidated with the RAZ Action, however, the Court finds that Defendants' requested sanction is not warranted. The parties in the RAZ Action have yet to conduct expert discovery, disclose expert reports, and take expert depositions. There is plenty of time before trial in the present action for Defendants to conduct the aforementioned discovery and supplement their expert report

if necessary. The Court concludes that the sanctions outlined above are sufficient given the conduct of Luminara and the needs of this case.

D. Gorowsky’s supplemental report

On April 1, 2016, Luminara served a supplemental expert report from Gorowsky. Reid Decl. ¶ 3, ECF No. 509. In his report, Gorowsky discussed an interview he had with Dennis D’Angelo, an independent sales representative of QVC. ECF No. 509, Ex. B, at 10–11. D’Angelo purportedly explained to Gorowsky that Luminara’s realistic flame technology “is the primary driver of demand for the product,” and the technology “justifies [a] higher retail price.” *Id.* at 10. According to D’Angelo, “the realistic flame effect of Luminara’s candle . . . sets it apart from all of the other flameless candle options.” *Id.*

D’Angelo was never identified by Luminara at any time during this litigation as an individual with relevant information. Defendants therefore request the Court to strike Gorowsky’s supplemental expert report because of Luminara’s failure to disclose D’Angelo. ECF No. 509 ¶¶ 11–12. In response, Luminara claims that D’Angelo only became relevant after Gorowsky received Defendants’ expert report on damages. Pl.’s Opp’n Mem. 2–3, ECF No. 515.

The Court finds that D’Angelo should have been disclosed by Luminara as an individual with relevant information. D’Angelo clearly has specialized knowledge relevant to this case, which he is providing directly to another testifying expert. However, the Court concludes that the sanction of striking Gorowsky’s report is excessive given Luminara’s claim that it did not realize D’Angelo’s relevance until after receiving Defendants’ expert report on damages. Nevertheless, Defendants are entitled to depose D’Angelo. Such deposition is limited in scope to only information related to consumer demand for Luminara’s flameless candles, and the deposition may not exceed three (3)

hours. Following D'Angelo's deposition, Defendants may provide a supplemental rebuttal expert report that addresses any relevant information discovered during the deposition.

II. DEFENDANTS' MOTION TO STRIKE THE EXPERT REPORT OF DOUG PATTON (ECF NO. 436)

Doug Patton is a named inventor on the '319 patent, the '869 patent, and the '166 patent. Pl.'s Opp'n Mem. 2, ECF No. 495. Luminara identified Patton as an individual with relevant information in its Rule 26(a)(1) initial disclosures. Reid Decl. Ex. C, at 3, ECF No. 439. Defendants subsequently served Patton with a subpoena for documents, and Patton was deposed as a fact witness on October 29, 2015. *Id.*, Ex. D; Defs.' Mem in Supp. of Mot. to Strike 4, ECF No. 438. In both his written responses to the subpoena and during his deposition, counsel for Luminara objected to providing certain information, claiming that such communications were privileged.

On February 1, 2016, Luminara filed its expert disclosures as required by Rule 26(a)(2)(C) of the Federal Rules of Civil Procedure. ECF No. 439, Ex. F. According to Luminara, Patton:

may provide testimony based on factual knowledge as well as testimony based on knowledge, skill, experience, training, or education. Mr. Patton is expected to provide testimony at trial on the issues that he addressed at his deposition and in his declaration (Dkt. #54), including that Liown's moving flame candles infringe the licensed Disney patents, that embodiments described in Liown's '986 and '137 patents if made or sold in the U.S. would infringe the license Disney patents, that the differences between the inventions claimed in the Disney patents-in-suit and flameless candles described in Disney's earlier-filed '455 patent, and Disney's and Candella's development of a flameless candle before Mike Li alleges he developed a flameless candle.

Id., Ex. F, at 3. Following Luminara's Rule 26(a)(2)(C) disclosures, Defendants moved this Court to require, among other things, that Patton submit an expert report under Rule 26(a)(2)(B). Ltr. to Magistrate Judge, ECF No. 364. The Court rejected this argument, concluding that Patton "was not specially retained to provide expert testimony, but rather will provide testimony based on his

percipient knowledge.” Order 6, ECF No. 388.

Defendants now seek an Order overruling Patton’s privilege objections to his discovery responses. ECF No. 436. Because Patton is a “non-reporting” expert under Rule 26(a)(2)(B), Defendants argue that Luminara has waived any privilege over materials that were provided to Patton in connection with his testimony. ECF No. 438 at 9. Luminara opposes the motion, arguing that post-2010 amendments to the Federal Rules of Civil Procedure allow courts to protect such disclosures from discovery. *See generally* Pl.’s Opp’n Mem., ECF No. 495.

The parties agree that prior to 2010, courts generally held that all documents and information disclosed to any testifying expert in connection with his testimony, including any communications with attorneys, were discoverable by the opposing party. *See* ECF No. 438 at 12; ECF No. 495 at 10–11; *In re Pioneer Hi-Bred Int’l, Inc.*, 238 F.3d 1370, 1375 (Fed. Cir. 2001) (applying Eighth Circuit law); *see also Johnson v. Gmeinder*, 191 F.R.D. 638 (D. Kan. 2000) (citing cases). In 2010, however, Rule 26 was amended. One aspect of the amendment separated experts into two categories: (1) experts retained or specially employed to provide expert testimony, who are required to provide a full expert report under Rule 26(a)(2)(B) (“reporting experts”); and (2) other individuals with specialized knowledge, skill, experience, training, or education, who are only required to provide a written disclosure under Rule 26(a)(2)(C) (“non-reporting experts”). The amended rule also explicitly protects communications between a party’s attorney and reporting experts:

Rules 26(b)(3)(A) and (B) protect communications between the party’s attorney and any witness required to provide a report under Rule 26(a)(2)(B), regardless of the form of the communications

Fed. R. Civ. P. 26(b)(4)(C). Although the Rule is silent as to whether communications between a party’s attorney and a non-reporting expert are also protected, it is clear from the advisory

committee notes that such omission was intentional:

The addition of Rule 26(b)(4)(C) is designed to protect counsel's work product and ensure that lawyers may interact with retained experts without fear of exposing those communications to searching discovery. The protection is limited to communications between an expert witness required to provide a report under Rule 26(a)(2)(B) and the attorney for the party on whose behalf the witness will be testifying, including any "preliminary" expert opinions. Protected "communications" include those between the party's attorney and assistants of the expert witness. The rule does not itself protect communications between counsel and other expert witnesses, such as those for whom disclosure is required under Rule 26(a)(2)(C). The rule does not exclude protection under other doctrines, such as privilege or independent development of the work-product doctrine.

Fed. R. Civ. P. 26 advisory committee notes for 2010 amendment. The advisory committee notes clarify that the amended rule does not provide protection for communications between non-reporting experts and counsel. It also clarifies that the amendment did not change any existing precedent regarding privilege waiver of non-reporting experts that existed prior to the 2010 amendment. *See United States v. Sierra Pac. Indus.*, No. S-09-2445, 2011 WL 2119078 (E.D. Cal. May 26, 2011).

Luminara agrees with Defendants that "[p]rior to 2010, the general rule was that all documents and information considered by a testifying expert, including any communications with attorneys, was discoverable." ECF No. 495 at 10–11 (citing *In re Pioneer Hi-Bred Int'l, Inc.*, 238 F.3d at 1375); *see also James River Ins. Co. v. Interlachen Propertyowners Assn.*, No. 14-3434, 2015 WL 9946407, at *4 (D. Minn. Dec. 21, 2015) ("When a party voluntarily discloses materials protected by the attorney-client privilege to a testifying expert witness, the disclosing party waives the attorney-client privilege."). Given that the 2010 amendments to Rule 26 did not change the law with regard to privilege waiver of non-reporting experts, the Court concludes that any documents and information considered by the Patton in connection with his expert testimony, including communications with attorneys, are discoverable. If Luminara wishes to proceed with Patton as an

expert, Luminara must produce such documents and information within twenty-one (21) days of the date of this Order. Luminara must also make Patton available for a second expert deposition that is limited in scope to questions only related to information previously withheld on the basis of privilege. Such deposition may not exceed two hours. Alternatively, Luminara may withdraw Patton's designation as a non-reporting expert witness and maintain its privilege.²

III. LUMINARA'S MOTION TO EXCLUDE UNTIMELY INVALIDITY CONTENTIONS (ECF NO. 441)

Luminara moves the Court to preclude the parties from introducing evidence, including expert testimony, on invalidity theories that were not disclosed in their Prior Art Statements. ECF No. 441. However, given the fact that the Court is permitting Defendants to amend their Prior Art Statement in light of consolidation of this action with the RAZ Action, the Court declines to strike the invalidity contentions requested by Luminara.

Luminara's motion to exclude untimely invalidity contentions is denied.

IV. DEFENDANTS' MOTION TO STRIKE THE EXPERT REPORT OF STUART BROWN (ECF NO. 446)

Defendants move the Court to strike the report of Luminara's expert, Dr. Stuart Brown. ECF No. 446. Brown was retained by Luminara as a technical expert to opine on Luminara's infringement and invalidity contentions. *See generally* Reid Decl. Ex. C, ECF No. 450. According to Defendants, Brown's "reports are so deficient that they deprive Defendants of any clarity about

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At the hearing, Defendants also argued that information in a declaration from Patton in support of Luminara's motion for summary judgment was outside of his disclosed area of expertise. This issue was not part of Defendants' original motion, and it was not formally briefed by both parties. Given the fact that Luminara did not have a meaningful opportunity to respond to this issue, the Court declines to address the issue.

his proposed testimony.” Defs.’ Mem. in Supp. 1, ECF No. 448.

A. Brown’s infringement opinions

Defendants argue that Brown’s opinions are conclusory and fail to describe how he arrived at his infringement opinions. *Id.* at 12–15. According to Defendants, Brown’s report merely “lists off claim elements” and “concludes with a stock phrase” on his ultimate opinion on infringement. *Id.* at 12. For example, Defendants cite to Brown’s discussion of claim 16 of the ‘355 patent. Defendants claim that Brown simply restates the claim language and then summarily opines that the accused Liown product infringes the ‘355 patent. *Id.* at 12–14 (citing ECF No. 450, Ex. C, at 51).

Defendants, however, fail to acknowledge that the section of Brown’s report on infringement begins with three pages outlining the process Brown used to determine whether the Liown products he examined infringe the patents-in-suit. *See* ECF No. 450, Ex. C, at 48–50. Brown first lists his understanding and basis for determining whether a product infringes a patent. *Id.* at 48–49. He then describes his examination of Liown’s artificial flame candle. *Id.* at 49–50. Brown states that: (1) he examined two different Liown candles from different time periods; (2) he cut an opening in the side of each candle to access wiring and view the internal core; (3) he measured the voltage of the signal transmitted to the coil by the control unit; and (4) he measured the magnetic field produced by the coil. *Id.* He then states that both Liown candles showed:

- A movable flame body magnetically coupled to a coupling member so that chaotic motion of the coupling member is transferred to the flame body
- An LED that emits a spot of light onto the flame body
- A motion engine consisting of a hollow housing with two ends with a coil at the lower end
- A drive circuit connected to the coil producing a time-varying magnetic field
- A V-shaped support wire spanning and attached to the housing sidewalls, located near the top of the housing
- A pendulum with a hole, through which the support wire passes, allowing the pendulum to pivot about the hole

- Actuation of the flame sheet motion using a square wave using a series of square wave pulses, where the voltage to the coil rapidly jumps from zero volts to a given voltage for a programmed amount of time and then rapidly drops to zero volts. The figure below provides a segment of the signal provided to the coil by the Liown candle [he] purchased in January 2016. The earlier Liown candle's signal provided the coil is similar.

Id. at 50.

Rule 26(a)(2)(B) states that an expert's report must contain "a complete statement of all opinions the witness will express and the basis and reasons for them," and "the facts or data considered by the witness in forming them." After reviewing the section of Brown's report regarding infringement, the Court concludes that it complies with Rule 26. Brown prefaced his discussions of each individual claim with a general overview of his findings after examining Liown's products that allegedly infringe the Disney patents-in-suit. Based on this examination, Brown provided his opinion, claim-by-claim, on whether the products infringed the patents-in-suit. The fact that Brown did not continuously repeat his examination techniques in each claim analysis does not render his report inadequate.

B. Brown's invalidity opinions

Defendants also argue that Brown opined on invalidity theories that were not timely disclosed and therefore, such opinions must be stricken from his report. ECF No. 448 at 15–18. According to Defendants, Brown cited the following undisclosed pieces of prior art: (1) "Disney Candles," (2) Candella Design Documents, (3) CES prototypes, (4) U.S. Provisional Application 61/101,611, (5) Candella Prototypes, and (6) March 19, 2010 Drawings sent to Liown. *Id.* at 6. Because this prior art was not disclosed pursuant to the deadlines outlined in the Court's Scheduling Order, Defendants argue that Brown's report should be stricken.

After reviewing the record, the Court concludes that the prior art relied upon by Brown in

his expert report was in fact disclosed in Luminara's Prior Art Statement. In Luminara's Prior Art Statement, Luminara stated that one category of relevant prior art was the "Candella Invention." *See* ECF No. 450, Ex. B, at 2–17. According to Luminara, this was an electric candle that was conceived and reduced to practice by Disney and Candella in 2008 and 2009. *Id.* at 2. In explaining the Candella Invention, Luminara described flameless candles used by Disney in the Haunted Mansion ride at Disneyland; various moving flameless candle designs, prototypes, and supporting documents; prototype moving flameless candles to display at the Consumer Electronics Show in January 2010; U.S. Provisional Patent Application No. 61/101,611; and design files provided to Liown on March 19, 2010. *Id.* at 2–17. This prior art was also discussed throughout Exhibits A–D of Luminara's Prior Art Statement. While Luminara did not provide a separate heading for all of the prior art references made in Brown's expert report, it is nevertheless clear to the Court that Defendants' contention that such prior art was never disclosed is without merit.

Defendants also argue that Brown's expert report outlines new invalidity theories that were not disclosed by Luminara. The Court disagrees. Luminara's Prior Art Statement specifically indicated that the Candella Invention anticipates all of the asserted claims of Liown's '986 and '137 patents and that prior art renders every claim of Liown's patents obvious. ECF No. 450, Ex. B, at 27–28. Luminara then attached claim charts explaining how each claim of Liown's patents were either anticipated or obvious, citing to relevant prior art. *Id.*, Ex. B, at Attachs. A–D. Brown's expert report echoes these disclosed invalidity theories.

Defendants next take issue with the level of detail and citations provided by Brown in his report regarding his invalidity opinions. ECF No. 448 at 18–19. After reviewing Brown's report, the Court concludes that it complies with Rule 26. Brown outlines his opinions, along with the facts,

basis, and reasons for such opinions. “The essential purpose of Rule 26(a)(2)(B) is to assure that an expert report is sufficiently complete, detailed and in compliance with the Rules so that surprise is eliminated, unnecessary depositions are avoided and costs are reduced.” *King v. Reed*, No. 07-1908, 2008 WL 7514360, at *2 (D. Minn. Oct. 6, 2008) (internal quotation marks omitted). The Court finds that Brown’s report is sufficient to inform Defendants of the bases of Brown’s opinions such that Defendants could adequately depose him and retain an expert to rebut his opinions.

Defendants also argue that Brown’s opinions regarding dependent claims of the ‘137 patent are vague as to whether he is opining on anticipation or obviousness. *See* ECF No. 448 at 20–21 (citing, e.g., ECF No. 450, Ex. C, at 36). The Court again disagrees. Brown precedes his claim-by-claim analysis by stating, “It is my opinion that the claims of the ‘137 patent are anticipated by several references, which I describe below. I also find certain claims to be obvious to a person of ordinary skill in the art.” ECF No. 450, Ex. C, at 28. A reasonable interpretation of this statement implies that his claim-by-claim analysis is relevant to anticipation, as he believes every claim is anticipated by various pieces of prior art. If “certain” claims are also invalid on obviousness grounds, such opinion is specifically included. Indeed, in numerous locations throughout this section, Brown’s analysis on anticipation ends with an explicit opinion on obviousness.

Defendants’ motion to strike the expert report of Brown is denied.

V. ORDER

Based upon the foregoing, and all of the files, records, and proceedings herein, **IT IS HEREBY ORDERED** that:

- A. Defendants’ motion to strike certain portions of Donald Gorowsky’s expert report (ECF No. 431) is **GRANTED in part** and **DENIED in part** as outlined within the body of the Court’s Order and as follows:

1. To the extent Defendants seek to sanction Luminara for failing to provide discovery related to manufacturing capacity, the motion is **GRANTED in part**:
 - a. To the extent such information exists, Luminara must disclose all documents in its possession, custody, or control that support the data on manufacturing capacity outlined in Candella00106100. These documents must be produced within 21 days of the date of this Order.
 - b. Luminara must produce a witness with knowledge of Luminara's manufacturing capacity for a deposition. Such deposition may not exceed four hours and must take place within 45 days of the date of this Order.
 - c. If Defendants believe that their expert report on damages needs to be amended to account for this new discovery, they may file an amended expert report on damages within 60 days of the date of this Order.
 - d. Luminara must pay Defendants their reasonable expenses, including attorneys' fees, that they expended in having to bring the present motion. Defendants are instructed to submit an affidavit to this Court within 14 days of the date of this Order indicating the expenses and fees they incurred in having to file their motion to strike Gorowsky's expert report. Such affidavit should provide the attorneys' rates and hours worked. The Court will then issue a subsequent Order as to the award of fees and expenses at a later date.
 2. To the extent Defendants seek to sanction Luminara for failing to identify D'Angelo, the motion is **GRANTED in part**. Defendants may conduct a limited deposition of D'Angelo, that is constrained to only information related to consumer demand for Luminara's flameless candles. The deposition may not exceed three hours.
 3. In all other respects, Defendants' motion is **DENIED**.
- B. Defendants' motion to strike the expert opinions of Doug Patton (ECF No. 436) is **GRANTED** as follows. If Luminara wishes to proceed with Patton as an expert witness, Luminara must make any documents and information considered by Patton in rendering his expert opinions within 21 days of the date of this Order. Luminara must also make Patton available for a second expert deposition, which will be limited in scope to questions only related to information previously withheld on the basis of privilege. Such deposition may not exceed two hours. Alternatively, Luminara may withdraw Patton's designation as a non-reporting expert witness and maintain its privilege. In all other respects, the motion is **DENIED**.

- C. Luminara's motion to exclude expert testimony (ECF No. 441) is **DENIED**.
- D. Defendants' motion to strike the expert report of Stuart Brown (ECF No. 446) is **DENIED**.

DATED: May 18, 2016

s/Franklin L. Noel
FRANKLIN L. NOEL
United States Magistrate Judge