

Depositions of Opposing Counsel - Developing Law

BY ROY SIMON

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If the opposing party wants to take your deposition, may it do so? Last month, I discussed the history of this issue in New York's federal courts, as well as the landmark case of *Shelton v. American Motors Corp.*, 805 F.2d 1323 (8th Cir.1986). To recap briefly, *Shelton* held that a party seeking to depose opposing counsel must show three things: "(1) no other means exist to obtain the information than to depose opposing counsel; (2) the information sought is relevant and nonprivileged; and (3) the information is crucial to the preparation of the case." Several district courts in the Second Circuit followed *Shelton*, and the Second Circuit itself had cited it favorably, but in *In re Subpoena Issued to Dennis Friedman*, 350 F.3d 65 (2d Cir. 2003), the Second Circuit said it had never adopted the *Shelton* rule and that a court deciding whether to allow the deposition of an opposing attorney should honor the broad discovery regime of the Federal Rules of Civil Procedure by considering "all of the relevant facts and circumstances to determine whether the proposed deposition would entail an inappropriate burden or hardship...." The Second Circuit suggested four relevant factors:

- "the need to depose the lawyer"
- "the lawyer's role in connection with the matter on which discovery is sought and in relation to the pending litigation"
- "the risk of encountering privilege and work product issues" and
- "the extent of discovery already conducted."

Moot Court?

The strangest feature of the Friedman decision was not that it attacked *Shelton* but rather that the Second Circuit issued an opinion at all. In the opening paragraph of its decision, the *Friedman* court said "we need not rule definitively on the matter, because we have recently been advised that Friedman has consented to the deposition, thereby rendering this appeal moot." Indeed, the court expressly dismissed the appeal as moot, making the entire majority opinion in *Friedman* mere dicta "a purely advisory opinion." See Edward M. Spiro, *Southern District Civil Practice Roundup: Reduced Protection for Discovery from Attorneys*, N.Y.L.J. April 1, 2004. Judge Wesley, in a brief concurring opinion, scolded the majority on this point. "This appeal has been properly dismissed as moot and therefore no adjudication of the rights of the parties is necessary or proper," Judge Wesley wrote. "This Court no longer has jurisdiction to consider the matter." Judge Sotomayor (who was joined in the majority by Judge Newman) responded to this criticism in the following unusual footnote:

We recognize that the mootness of this appeal deprives us of appellate jurisdiction to adjudicate the merits and requires dismissal of the appeal. In such circumstances, any discussion of the merits is dicta and would normally be inappropriate. Nevertheless, a nonbinding discussion of

the merits will hopefully serve the useful purpose of cautioning about the limits of our prior rulings on a frequently litigated issue and perhaps avoid some needless appeals.

Perhaps the *Friedman* opinion will avoid some needless appeals because whether the majority opinion in *Friedman* is dicta or not district court judges in the Southern District of New York are looking to *Friedman* for guidance in ruling on requests to depose opposing counsel. The *Friedman* decision has already proven pivotal in two recent (and unappealed) Southern District decisions, which I will now describe.

The S.D.N.Y. Interprets Friedman: "Sweet" News for Lawyer Deponents

The first district court decision on this issue after *Friedman was Stauber v. City of New York*, 2004 WL 1013342 (S.D.N.Y. 2004) (Sweet, J.). Plaintiffs, represented by Christopher Dunn and another attorney from the New York Civil Liberties Union Foundation, were seeking to enjoin the New York City Police Department ("NYPD") from using various tactics to manage organized demonstrations, such as using "pens" (interlocking metal barricades) to confine demonstrators and using police horses to disperse peaceful demonstrators. Plaintiffs claimed that the NYPD had used these tactics at six different demonstrations.

The City sought to depose plaintiffs' attorney Christopher Dunn, asserting that (1) Dunn was "the only witness to all six rallies, marches and demonstrations identified by plaintiffs as relevant to their claims for injunctive relief in these actions," and (2) Dunn had been on Third Avenue during a February 15, 2003 demonstration against a war against Iraq, and had been unaware of any alleged police misconduct on Third Avenue (which was referred to in the complaint) until after the demonstration was over, which the City claimed was "highly relevant to the City's defense," and (3) defendants wanted to question Dunn about conversations he had had with high level NYPD officials on February 15, 2003.

The plaintiffs countered that defendant did not need to depose Dunn because: (1) Dunn did not recall the particulars of any statements made to NYPD officials on February 15, 2003; (2) defendants could better obtain testimony of the plaintiffs' view of police practices by deposing the plaintiffs themselves; and (3) Dunn was never on Third Avenue on February 15, 2003.

Judge Sweet ruled in favor of the plaintiffs. He noted the enormous breadth of permissible discovery under Rule 26, but he also noted that a district court may limit

[t]he frequency or extent of the use of discovery methods otherwise permitted under [the federal] rules... if it determines that: (i) the discovery sought is unreasonably cumulative or duplicative, or is obtainable from some other source that is more convenient, less burdensome, or less expensive; (ii) the party seeking discovery has had ample opportunity by discovery in the action to obtain the information sought; or (iii) the burden or expense of the proposed discovery outweighs its likely benefit, taking into account the needs of the case, the amount in controversy, the parties' resources, the importance of the issues at stake in the litigation, and the importance of the proposed discovery in resolving the issues.

He noted that the Second Circuit had not adopted the Shelton rule, but that "depositions of opposing counsel are disfavored" in the Second Circuit and that "even a deposition of counsel limited to relevant and non-privileged information risks disrupting the attorney client relationship and impeding the litigation."

Judge Sweet quoted the *Friedman* factors, but he did not systematically go through them. Rather, he concluded that the City had "not shown a need to depose Dunn" because the City had already deposed two of the plaintiffs, and those depositions were "sufficient to determine the plaintiffs' view of the matters at issue in this litigation." Dunn's assertion that he could not recall his conversations with high level NYPD officials on February 15, 2003 was not enough to shield him from being deposed because "defendants are entitled to attempt to refresh his recollection at a deposition [and] a deposition that would otherwise be appropriate cannot be avoided by preemptively protesting a lack of knowledge." But here, the NYPD officials themselves could be questioned as to the nature of their conversations with Dunn. Consequently, the deposition of Dunn for the purposes stated by the defendants would be "inappropriate."

Patent Protection?

Two months later, Judge Sweet had another at bat on the same issue in *ResQNet.Com, Inc. v. Lansa, Inc.*, 2004 WL 1627170 (S.D.N.Y. 2004), a patent infringement case. Near the close of discovery, defendant sought to depose ResQNet's counsel, Jeffrey Kaplan, regarding four topics: (1) the prosecution of five allegedly related patents (including two that were the subject of this action), (2) communications with the U.S. Patent & Trademark Office, (3) prior art, and (4) draft patent applications. Kaplan moved to quash the subpoena.

Judge Sweet noted that depositions of opposing counsel are not "categorically prohibited," but a court must balance "the necessity for such discovery in the circumstances of the case against its potential to oppress the adverse party and to burden the adversary process itself." The court then quoted the factors listed by the Second Circuit in *Friedman*, evaluated each of defendant's reasons for wanting to depose Kaplan, and then applied the *Friedman* factors one by one.

Lansa was seeking to depose Kaplan concerning the prosecution of the patents in suit because, Lansa claimed, he was "the only person who is listed as having prosecuted those patents for ResQNet." When a party employs litigation counsel who played a role in the underlying facts, "both the attorney and the party have every reason to expect that the attorney's deposition may be requested," the court said. Indeed, Lansa claimed that attorneys who prosecute patents "are routinely deposed when the patent is litigated, especially when questions of inequitable conduct arise." Moreover, Judge Sweet observed, the fact that the attorney who prosecuted the patent is serving as litigation counsel "does not, in and of itself, protect that attorney from being deposed." But even if depositions of attorneys who have prosecuted patents are "routine," Judge Sweet continued, the party seeking to take the deposition must still establish that opposing counsel's deposition is either "appropriate" or "necessary." Here, ResQNet had not explicitly asserted the affirmative defense of inequitable conduct, and Lansa could not depose Kaplan on issues that had not been pled.

Nor did Lansa need to depose Kaplan regarding his prosecution of five U.S. patents, because Lansa had already deposed the inventors of the relevant patents. Lansa had not specified particular subjects not

already covered by the prior discovery, and had not indicated why the information had not been (or could not be) obtained through means other than Kaplan's testimony. Thus, Judge Sweet said, Lansa had "not established the need for Kaplan's deposition with regard to the prosecution history of the various patents."

As to communications between Kaplan, as counsel for the patent applicants, and the U.S. Patent and Trademark Office "or other third parties," Lansa had enjoyed access to the "file wrapper" since the beginning of the litigation three years earlier but had identified "no specific topic or new information as to which Kaplan's testimony would be necessary."

Regarding prior art, Lansa would have the opportunity to depose an expert witness and ResQNet's witnesses on prior art. Thus, Lansa had not shown that such information "could not be obtained from a variety of expert and fact witnesses, without resorting to the deposition of Kaplan." In any event, Kaplan's conclusions regarding the effect of a particular prior art reference on the validity of ResQNet's patents "would appear to be protected as attorney work product."

Finally, regarding draft patent applications and amendments and other papers in the patent file, Lansa had not indicated "why Kaplan's deposition as to these topics would be useful or how it would address the privilege issues possibly associated with such draft applications." In any event, testimony about draft applications was "properly the subject to the testimony of the inventors, all of whom have agreed to be deposed."

Thus, regarding the first factor identified by the Second Circuit in *Friedman* (the need to depose the lawyer), Lansa had established "no specific need to depose Kaplan." Regarding the second factor (the lawyer's role in the matter on which discovery is sought), Kaplan had prosecuted the patents and was closely connected to the subject matter at issue, but courts have strictly limited depositions of patent and litigation counsel to cases where the prosecuting attorney's mental impressions are "crucial," such as situations where plaintiff alleges inequitable conduct or fraud on the Patent Office. Since defendants had not pled an inequitable conduct defense, Kaplan's importance as a fact witness was "relatively minimal." Regarding the third *Friedman* factor (the risk of encountering privilege and work product issues), Lansa was not seeking privileged information from Kaplan but, given the topics Lansa intended to pursue, the risk that privilege and attorney work product issues might arise was "not negligible." Accordingly, this factor was neutral, weighing in favor of neither Kaplan nor Lansa. Finally, regarding the fourth *Friedman* factor (the extent to which discovery had already been conducted), "virtually all of the discovery has been conducted and completed, and the claim construction issues have already been decided." Thus, the *Friedman* factors weighed against permitting the defendants to depose Kaplan, and the court granted the motion to quash the subpoena.

Since ResQNet, no court in New York has ruled on the issue.

Practical Advice: Necessity is the Mother of Deposition

In rejecting the *Shelton* rule, the *Friedman* majority focused on the liberal discovery rules in the Federal Rules of Civil Procedure, and called *Shelton* "a departure from the otherwise permissive deposition discovery regime under the Federal Rules of Civil Procedure." The *Friedman* majority then struck a balance between the overly restrictive *Shelton* rule and the overly permissive language of Rule 30(a),

which permits a party to take the testimony of "any person ... by deposition upon oral examination without leave of court." (Emphasis by the *Friedman* court.)

On one hand, the *Friedman* majority said, before deposing an opposing attorney you need not "exhaust all practical alternative means of obtaining the information." Indeed, *Friedman* expressly rejected the exhaust alternative means standard. On the other hand, the *Friedman* majority noted, Rule 26(b)(2) permits a court to limit the use of discovery methods if the court determines that the discovery sought is "unreasonably cumulative or duplicative, or is obtainable from some other source that is more convenient, less burdensome, or less expensive." Moreover, Rule 26(c) empowers a court, upon good cause shown, to make "any order which justice requires to protect a party or person from annoyance, embarrassment, oppression, or undue burden or expense," including an order that the discovery not be had or that it be had only by a method other than that selected by the party seeking discovery. In other words, the *Friedman* court said, "although a party seeking a deposition need not demonstrate the propriety of its request, judges may prevent the proposed deposition when the facts and circumstances are such that it creates an inappropriate burden or hardship."

As indicated by Judge Sweet's analysis in *Stauber and ResQNet*, courts will weigh these fundamentally competing policies on a case by case, factor by factor basis to determine whether to permit the deposition of an opposing attorney. Depositions of opposing counsel are still "disfavored" the *Friedman* court did not disagree with *Shelton* on that point but if the deposition of opposing counsel is genuinely necessary to prove your claims or defenses, and if the evidence you need is not protected by the attorney client privilege or the work product doctrine, the *Friedman* decision opens the door. You can force that door open by paying careful attention to the factors the *Friedman* panel suggested that district courts consider.

In particular, your chances of being permitted to depose opposing counsel increase sharply if opposing counsel played an important role in the situation giving rise to the litigation. For example, if opposing trial counsel in a patent infringement action also prosecuted the underlying patent, trial counsel may be fair game for a deposition. Similarly, if opposing counsel negotiated a lease that is the subject of litigation, the court may agree that you need to take opposing counsel's deposition. As the *Friedman* court said, "the lawyer's role in connection with the matter on which discovery is sought and in relation to the pending litigation" is a factor to be weighed.

Moreover, if opposing counsel is the only witness who can testify about a given situation, the court is more likely to order the deposition to go forward. In *Opponent Deponents*, National Law Journal (January 8, 2001), Jenner & Block partners Jerold Solovy and Robert Bynum give two graphic examples of the "only witness" situation:

As part of your pre-filing investigation of an accident, you interviewed three now deceased witnesses; only you know what they had to say. You get into a dispute over evidence spoliation; the issue is a sideshow but you may be the only person who can give the factual testimony to resolve the issue. In each case, and in countless similar scenarios, you have relevant and maybe discoverable knowledge.

The importance of the "only witness" factor in the Second Circuit is illustrated by *Pamida, Inc. v. E.S. Originals, Inc.*, 281 F.3d 726 (8th Cir. 2002), which the *Friedman* court approvingly discussed at length. The plaintiff in *Pamida* was a shoe retailer who was sued for patent infringement because he had sold

certain shoes. After the retailer settled the patent infringement suit, the same attorneys who had represented him in the infringement suit sued the shoe manufacturers, seeking indemnification for the costs the retailer had incurred in defending and settling the patent infringement suit. The shoe manufacturers sought to depose the retailer's attorneys because they wanted to find out (a) whether the plaintiff had given adequate notice of its indemnity claim, and (b) whether the attorney fees the plaintiff sought had been reasonably incurred in defending the patent infringement lawsuit. In permitting the depositions, the Eighth Circuit explained that even the highly restrictive *Shelton* rule "was not intended to provide heightened protection to attorneys who represented a client in a completed case and then also happened to represent that same client in a pending case where *the information known only by the attorneys* regarding the prior concluded case was crucial." (Emphasis added.)

The Best Defense ...

Conversely, if you are trying to quash opposing counsel's subpoena to take your deposition, work hard to show that opposing counsel fails all of the tests the *Friedman* court suggested because: (a) the information the opposing attorney is trying to get from you is of limited relevance or at least is not "crucial" and the opposing attorney therefore does not need it; (b) you had little or no role in the underlying factual situation; (c) if you have any relevant information, it is protected by the attorney client privilege or the work product doctrine, and (d) equivalent information is available from other witnesses.

In addition, emphasize how much the deposition will disrupt your attorney client relationship and how much it will distract you from your work on the litigation. Even the *Friedman* court agreed that a court should not permit a deposition of opposing counsel where it would create "an inappropriate burden or hardship."

Finally, if the court still seems inclined not to quash the subpoena for your deposition, remind the court that the *Friedman* majority said that its factors "may, in some circumstances, be especially appropriate to consider in determining whether interrogatories should be used at least initially and sometimes in lieu of a deposition." At least interrogatories will prevent you from personally demonstrating that attorneys make terrible witnesses. On that point, Messrs. Solovy and Bynum tell the following hilarious story about the time one of them was deposed (they won't say which one):

During a deposition, with no question pending, lawyer author A actually blurted out "Look, stop asking me these silly questions. Let me just tell you what really happened." After a three minute narration, idiot lawyer author A was subjected to three additional hours of examination picking apart every volunteered, ill considered word of that speech.

Your opponent's interrogatories will force you to provide answers, but at least your partners can review your answers and protect you from self destruction before the other side receives them.

Beware DR 5102, the Advocate Witness Rule

If after all is said and done the court denies your motion to quash and permits your worthy opponent to take your deposition or even to serve interrogatories directed at you then beware of DR 5102, entitled "Lawyers as Witnesses" and commonly known as the "advocate witness rule." It is an ethical quagmire. I will skip over DR 5102(A) and (B), which describe the circumstances under which a lawyer should not even begin representing a client because the lawyer "knows or it is obvious" that the lawyer ought to be a

witness in the case, whether for or against a client. For purposes of this article, that is water under the bridge. You accepted the case, and now you need to know your ethical obligations in light of your upcoming deposition. Those ethical obligations are governed by DR 5102(C) and (D). Let's start with DR 5102(C), which provides as follows:

C. If, after undertaking employment in contemplated or pending litigation, a lawyer learns or it is obvious that the lawyer ought to be called as a witness on a significant issue on behalf of the client, the lawyer shall not serve as an advocate on issues of fact before the tribunal, except that the lawyer may continue as an advocate on issues of fact and may testify in the circumstances enumerated in DR 5102(A)(1) through (4). [Emphasis added.]

The circumstances enumerated in DR 102 (A)(1) through (4) are extremely narrow. They encompass only four situations:

1. If the testimony will relate solely to an uncontested issue.
2. If the testimony will relate solely to a matter of formality and there is no reason to believe that substantial evidence will be offered in opposition to the testimony.
3. If the testimony will relate solely to the nature and value of legal services rendered in the case by the lawyer or the lawyer's firm to the client.
4. As to any matter, if disqualification as an advocate would work a substantial hardship on the client because of the distinctive value of the lawyer as counsel in the particular case.

If you plan to testify at trial on behalf of your client and you fit into one or more of the four enumerated categories, then you need not worry about DR 5102 even though the opposing attorney will be taking your deposition. If you do not fit into any of those categories, however, then you personally may no longer "serve as an advocate on issues of fact before the tribunal," though other lawyers in your firm may do so and you may continue to work on the matter behind the scenes, outside of the courtroom.

A much bigger problem arises if your opponent plans to call you as a witness against your client. That situation is governed by DR 5102 (D), which provides as follows:

D. If, after undertaking employment in contemplated or pending litigation, a lawyer learns or it is obvious that the lawyer or a lawyer in his or her firm may be called as a witness on a significant issue other than on behalf of the client, the lawyer may continue the representation until it is apparent that the testimony is or may be prejudicial to the client at which point the lawyer and the firm must withdraw from acting as an advocate before the tribunal. [Emphasis added.]

Thus, if opposing counsel elicits testimony from you at your deposition that is damaging to your client, then you and your firm must withdraw from representing your client in court. In other words, you will have to find new trial counsel for your client.

This is not the place to analyze DR 5102 in depth. But any lawyer who is an important enough witness to be deposed needs to think carefully about DR 5102 and its implications.

Conclusion

The Second Circuit's liberal approach in Friedman, resulting from its rejection of the restrictive Shelton rule, will probably lead to more frequent depositions of attorneys in the Second Circuit. Such depositions may be permitted under the Federal Rules of Civil Procedure, but what goes around comes around, and if too many attorneys decide to depose their opponents, the long term cost to attorney client relationships on all sides could be substantial. I hope that all parties will use their Friedman powers wisely and that courts will apply Friedman carefully, with the greatest respect for the sanctity of the attorney client relationship that makes our adversary system possible.

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