

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

GILBERT P. HYATT,

Plaintiff,

v.

JOSEPH MATAL,

Defendant.

Civil Action No. 05-2310 (RCL)

Civil Action No. 09-1864 (RCL)

Civil Action No. 09-1869 (RCL)

Civil Action No. 09-1872 (RCL)

**Reply in Support of Gilbert P. Hyatt’s Motion to  
De-Designate PTO Documents as Protected**

The United States Patent and Trademark Office (“PTO”), a Federal government agency, asks the Court to restrain Gilbert P. Hyatt from speaking about and disseminating Federal government records concerning himself. But the PTO has failed to “establish[] good cause for the ‘Protected’ designation” for each of the individual records at issue, as the Court already ruled in the Protective Order it was required to do. Protective Order ¶ 17; *see also id.* ¶ 1 (identifying standards for protection under the Protective Order). For that reason alone, the Court should reject the PTO’s unexplained and unjustified bulk designation of documents as protected. *See* Mot. at 6–7 (citing authorities for proposition that bulk-designation of documents under Protective Order without basis to do so is improper).

Indeed, the PTO failed to attempt to justify its decision to designate even the representative documents specifically addressed in Mr. Hyatt’s motion.<sup>1</sup> For example, the

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<sup>1</sup> The PTO provided Mr. Hyatt with a list of documents not covered by the Protective Order and stated that it “disagree[d] that the USPTO has waived any protections regarding” the remaining documents. *See* Mot. Ex. 3. The PTO now concedes its list was not comprehensive because it omitted certain Trial Exhibits and other publicly available documents, such as Mr. Kunin’s contract and requests for records disposition authority. *See* PTX-138; PTX-273 through PTX-278. Mr. Hyatt should not have needed to file the instant motion to obtain clarity on these issues.

PTO has not identified what information worthy of protection can be found in PTX-082 and Motion Exhibit 5, which are spreadsheets relating to Patent Application Location and Monitoring (“PALM”) information regarding Mr. Hyatt’s applications. *See* Mot. at 9. Nor did the PTO justify why its “Submarine Detector” website (PTX-095) or numerous PTO emails concerning Mr. Hyatt (identified at Mot. at 11–12) are entitled to protection. In one instance, the PTO adopts seemingly inconsistent positions, finding that a spreadsheet regarding Mr. Hyatt’s payments to the PTO (PTX-99) is no longer entitled to protection while two other similar spreadsheets (PTX-269 and Motion Exhibit 6) are. The PTO fails to explain why one Hyatt-specific document is entitled to protection while a similar document is not.

All the PTO can state as a basis to protect its documents is the documents are “internal” to the agency. But internal documents are routinely produced in litigation between two private entities without any confidentiality protection, *See, e.g., Phillips v. Netblue, Inc.*, No. C-05-4401 SC, 2007 WL 420214, at \*1 (N.D. Cal. Feb. 5, 2007) (denying private litigants permission to file internal email communications under seal per protective order), internal documents are routinely produced by the Government in litigation without confidentiality protection, *see, e.g., Boyd v. City of New York*, No. 86 CIV. 4501-CSH, 1987 WL 6915, at \*2 (S.D.N.Y. Feb. 11, 1987) (requiring government production of internal Human Resources Administration report without confidentiality protections in civil rights case), and internal Government documents are routinely produced in litigation. *see, e.g., Tax Analysts v. I.R.S.*, 117 F.3d 607, 620 (D.C. Cir. 1997) (“We agree with the district court that no blanket exemption applies to all of the requested FSAs, and they must be released to Tax Analysts except to the extent that they are protected by some specific FOIA exemption. As

the district court ordered, the IRS may redact any true return information or attorney work product from the FSAs.”); *Humphreys v. Regents of Univ. of California*, No. C-04-03808 SI (EDL), 2006 WL 2319593, at \*1 (N.D. Cal. Aug. 10, 2006) (denying government “motion to maintain confidentiality” over 18,000 pages of emails, and various other internal documents, because the asserted “good cause” for protection “is deficient in that it does not demonstrate good cause for sealing each of the documents, and instead makes general arguments that certain categories of documents are confidential, yet still includes documents that are clearly not confidential, such as a newspaper article.”).

Documents held by the PTO which are not “readily available to the public” and that would ordinarily not be revealed or protected by a statutory right to privacy, *see* Protective Order ¶ 1, are those the PTO does not have to produce under the Freedom of Information Act (“FOIA”). The FOIA cases cited by the PTO do not say otherwise.<sup>2</sup> The PTO relies heavily on cases holding that “normally” privileged documents may be produced in litigation based upon a showing of “particularized need” that is not applicable in FOIA litigation. *See F.T.C. v. Grolier Inc.*, 462 U.S. 19, 27-28 (1983) (holding that work product protections could be overcome in litigation yet still are “‘normally’ not available in discovery”); *Stonehill v. I.R.S.*, 558 F.3d 534, 538 (D.C. Cir. 2009) (explaining that privileges can be rebutted in litigation yet would not mandate disclosure under FOIA); *Am. Fed'n of Gov't Employees, Local 2782 v. U.S. Dep't of Commerce*, 907 F.2d 203, 207 (D.C. Cir. 1990) (stating that needs of requestor in FOIA suit are, unlike litigation, irrelevant); *Mead Data*

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<sup>2</sup> This Court’s FOIA cases cited by the PTO also are distinguishable. One case, *Smith v. U.S. DOJ*, 115 F. Supp. 3d 48, 52 (D.D.C. 2015), involved confidential informants aiding the Government, for which specific FOIA exemptions are applicable. The other case, *Tereshchuk v. BOP*, 67 F. Supp. 3d 441, 453 (D.D.C. 2014), stated that a FOIA violation by the Government is not a constitutional violation.

*Cent., Inc. v. U.S. Dep't of Air Force*, 566 F.2d 242, 252 n. 14 (D.C. Cir. 1977) (finding that “needs of a requestor,” unlike certain privilege determinations in litigation, are not relevant in FOIA litigation).

Here, in contrast, the PTO has not asserted any of the produced documents are privileged, otherwise exempted from production, or even entitled to protection under the confidentiality order. The PTO’s failure to identify any basis under the Protective Order to justify designating nearly its entire challenged production as “Protected” moots any argument that the PTO could assert other privileges in a FOIA litigation. *Cf. Stonehill*, 558 F.3d at 539.<sup>3</sup>

Other cases cited by the PTO address the privacy concerns of private litigants but not Federal government agencies, who (by statute) have limited privacy concerns. *See E.E.O.C. v. Mattress Firm, Inc.*, No. 2:13-CV-1745-GMN, 2014 WL 7336089, at \*4 (D. Nev. Dec. 22, 2014) (entering protective order to protect confidential information of private litigants); *Pichler v. UNITE*, No. CV 04-2841, 2008 WL 11363813, at \*2 (E.D. Pa. Feb. 7, 2008) (concerning discovery materials exchanged between private litigants). Those cases are simply inapplicable here, where a Federal government agency is not entitled to shield its actions from public scrutiny (absent specific protections). *Dep't of State v. Ray*, 502 U.S. 164, 173 (1991).

The PTO’s reliance on *F.D.I.C. v. Ernst & Ernst*, 677 F.2d 230 (2d Cir. 1982) is also misplaced. That case held—in a challenge by a third-party intervenor—that a protective order cannot be modified once entered absent a compelling need, notwithstanding the potential for disclosure of the same document under FOIA. Here, in contrast, Mr. Hyatt

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<sup>3</sup> Of course, that material may be subject to a Protective Order is not a basis to limit disclosure of documents under FOIA. *Burka v. HHS*, 87 F.3d 508, 516–17 (D.C. Cir. 1996).

does not seek modification of the Protective Order but, rather, enforcement of that order by requiring the PTO to justify its burden of bulk-designating documents as “Protected.” The PTO, as detailed above, has failed to meet its burden.

The PTO again seeks to restrict Mr. Hyatt’s use of his opening statement PowerPoint that was shown in open court, having already filed an “emergency” motion on this issue that cited not a single authority in support and then not even bothering to file a reply. The PTO now cites *Jochims v. Isuzu Motors, Ltd.*, 151 F.R.D. 338, 341–42 & n.6 (S.D. Iowa 1993), to remedy these defects, but that was a case where the court proceedings were sealed. The PTO clearly knows these trials are not sealed, stating in its Opposition (at 3):

Furthermore, regardless of how any documents have been designated under the protective orders, Judge Lamberth already has ordered that the “trials in these cases will not be sealed,” and that we “should expect evidence, hearings, and proposed findings of fact and conclusions of law to be available to the public.”

Mot. Ex. 1 (quoting ECF No. 132, No. 09-cv-1864).

Left with no other authority, the PTO can only castigate Mr. Hyatt for “re-litigat[ing]” the PTO’s Motion in Limine, relying upon his own statutory right of protection under 35 U.S.C. § 122 (which protects the confidentiality of patent applications), or wanting to use Federal government records in a manner he sees fit. But the admissibility of documents at trial is different than the public disclosure of Federal government records,<sup>4</sup> and the PTO’s complaints with confidentiality provided to patent applicants should be directed towards Congress. *Cf. Kappos v. Hyatt*, 566 U.S. 431, 444 (2012) (holding that Congressional intent governs patent statutes). And the fact that Mr. Hyatt wants to use a Federal agency’s

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<sup>4</sup> The Court did not grant the PTO’s Motion *in Limine* in full; instead, it restricted Mr. Hyatt’s ability to use certain materials until his case-in-chief, which was never reached because the PTO failed to meet its burden on prosecution laches. Trial Tr. at 15:15–17 (Oct. 11, 2017 PM Session); Trial Tr. at 3:5–4:9 (Oct. 16, 2017 AM Session).

documents as he sees fit is not improper; Federal agency records are presumed to be available to the public. *E.g.*, *Dep't of State v. Ray*, 502 U.S. at 173; *N.L.R.B. v. Robbins Tire & Rubber Co.*, 437 U.S. 214, 224 (1978). What is improper is the PTO's attempt to restrict access to Federal agency records pertaining to Mr. Hyatt without making any showing that the documents are entitled to protection.

Finally, it should not be overlooked that the PTO seeks to restrain Mr. Hyatt from discussing and disseminating government records—a classic prior restraint on speech that is extremely disfavored under the First Amendment. The PTO is not a private litigant—whose confidentiality interests do not raise serious constitutional concerns—but a government entity fully subject to the requirements of the First Amendment. Speech concerning the operations of the government and the actions of government officials is among the core of speech protected by the First Amendment. *See, e.g.*, *N. A. A. C. P. v. Claiborne Hardware Co.*, 458 U.S. 886, 913, 102 S. Ct. 3409, 3425, 73 L. Ed. 2d 1215 (1982) (quoting *Carey v. Brown*, 447 U.S. 455, 467 (1980) and citing *Garrison v. Louisiana*, 379 U.S. 64, 74–75 (1964); *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964)) (“This Court has recognized that expression on public issues ‘has always rested on the highest rung of the hierarchy of First Amendment values.’”); *Bridges v. State of Cal.*, 314 U.S. 252, 270 (1941) (“For it is a prized American privilege to speak one’s mind, although not always with perfect good taste, on all public institutions.”). Yet the PTO has not identified any First Amendment exception that might support a prior restraint on Mr. Hyatt’s speech here. None are apparent; after all, this is not exactly a state secrets case or the like.

For the foregoing reasons, Mr. Hyatt's Motion should be granted, this Court should order that the PTO's claim of protection is improper, and should order the PTO to produce new versions of the documents at issue which have no longer contain any "Protected" labeling.

Dated: November 27, 2017

Respectfully submitted,

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**Certificate of Service**

I hereby certify that on November 27, 2017, I electronically filed the foregoing Reply with the Clerk of the Court and served it in on counsel for Defendant by using the Court's ECF system.

/s/ Paul M. Levine  
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