STATE OF MINNESOTA | DISTRICT COURT

COUNTY OF RAMSEY | SECOND JUDICIAL DISTRICT

Case Type: Other Civil

THE STATE OF MINNESOTA,

BY HUBERT H. HUMPHREY, III,
ITS ATTORNEY GENERAL,

Court File No. C1-94-8565

and

BLUE CROSS AND BLUE SHIELD
OF MINNESOTA,

Plaintiffs,

vs.

PHILIP MORRIS INCORPORATED, R.J. REYNOLDS TOBACCO COMPANY, BROWN & WILLIAMSON TOBACCO CORPORATION, B.A.T. INDUSTRIES P.L.C., LORILLARD TOBACCO COMPANY, THE AMERICAN TOBACCO COMPANY, LIGGETT GROUP, INC., THE COUNCIL FOR TOBACCO RESEARCH - U.S.A., INC., and THE TOBACCO INSTITUTE, INC.,

Defendants.

AFFIDAVIT OF
ROBERT A. SCHWARTZBAUER

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

ROBERT A. SCHWARTZBAUER, being duly sworn on oath, deposes and states:

1. I am a partner with the firm of Dorsey & Whitney LLP and one of the attorneys representing defendant Philip Morris Incorporated in this matter.

~~2.~~ ~~Exhibit 1~~ to this affidavit is an annotated Addendum to the June 16, 1995 Protective Order for Trade Secret and Competitively Sensitive Materials or Information, and, in unannotated form, Exhibit 1 is the Order proposed by Defendants in connection with this motion.

3. The Exhibits to this Affidavit are true and correct copies of the following:

~~Exhibit 2~~: Internet postings dated January 22, 1996 regarding tobacco industry.

~~Exhibit 3~~: Wall Street Journal, January 26, 1996, ~~Cigarette Defector Says CEO Lied to Congress About View of Nicotine~~.

~~Exhibit 4~~: Internet postings dated December 21, 1995 regarding tobacco industry.

~~Exhibit 5~~: San Francisco Chronicle, July 28, 1995, ~~Thousands Race to Read UCSF Documents~~.

~~Exhibit 6~~: Transcript from ABC World News Tonight telecast, January 16, 1996;

New York Times, January 16, 1996, ~~Law Brief Is Said to Dispute Philip Morris on Nicotine~~.

FURTHER AFFIANT SAITH NOT.

/s/
Robert A. Schwartzbauer

Subscribed and sworn to before
me this ~~19th~~ day of April, 1996.

/s/

Notary Public

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THE STATE OF MINNESOTA,

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BY HUBERT H. HUMPHREY, III,
ITS ATTORNEY GENERAL,

and

BLUE CROSS AND BLUE SHIELD
OF MINNESOTA,

Plaintiffs,

~~EXHIBIT 1~~

vs.

PHILIP MORRIS INCORPORATED, R.J. REYNOLDS TOBACCO COMPANY, BROWN & WILLIAMSON TOBACCO CORPORATION, B.A.T. INDUSTRIES P.L.C., LORILLARD TOBACCO COMPANY, THE AMERICAN TOBACCO COMPANY, LIGGETT GROUP, INC., THE COUNCIL FOR TOBACCO RESEARCH - U.S.A., INC., and THE TOBACCO INSTITUTE, INC.,

Defendants.

ANNOTATED ADDENDUM TO PROTECTIVE ORDER

~~1.~~ This addendum (the "Addendum") supplements this Court's June 15, 1995 Protective Order (the "Order") to provide protection for defendants and third parties producing trade secret and/or confidential information (the "Designating Party") against access by competitors to such information which, by its nature, is

competitively sensitive and which, therefore should not be made accessible to other defendants.

~~(a)~~ If responsive to plaintiffs' document requests and if not objected to by the producing defendant, the production, handling and treatment of those trade secrets and confidential business information of individual defendants that constitute the most highly sensitive competitive information within a defendant Designating Party and whose use and disclosure outside that party would, in the good faith reasonable business judgment of the Designating Party, likely result in substantial and irreparable injury ("Category I Information").

~~(b)~~ The following examples are intended to illustrate the types of information that, if responsive, would be designated as Category I Information:

(i) Products and Manufacturing Methods, such as:

- Details regarding Primary Processing, which converts leaf tobaccos and other blend components into cut cigarette filler.
- Leaf Blends and leaf blend formulas, including the identity, content, proportions, codes or like designations of leaf tobaccos or other blend components.
- Flavor and Casing Formulas, including the identity, content, proportions, codes or like designations of ingredients or additives, processing conditions and research and development work to modify any such formulas.
- Direct Material Sources and information regarding the internal

coding of direct materials.

- Third Party (primarily vendor) Confidential Data, including identities of suppliers and their agents, trade and reference names of suppliers' products, and qualitative or quantitative information regarding proprietary formulations.

(ii) Marketing Information of a Currently Highly Competitively Sensitive Nature, such as information relating to:

- As Yet Unmarketed Products
- New Marketing Plans for existing products
- Programs and Marketing Background Information which reveal currently sensitive marketing strategy

(iii) Information Concerning Products, Processes and Technologies, such as:

- Developmental Products which have not yet been marketed.
- Related Manufacturing Processes and Technology.
- Research and Development, Specifications, Characteristics, and New Product Technology.

(iv) Information subject to third-party confidentiality agreements.

These illustrative lists are not comprehensive. Each defendant possesses other similarly sensitive information that may be peculiar to that defendant's files and that may not have been identified in the document review to date. Such information may require protection under this order even though not specifically set forth by

example in this Addendum.

~~(c)~~ To reduce handling, storage and security burdens, and to minimize the volume of materials containing Category I Information, any defendant may satisfy production requirements of Category I Information by providing representative documents sufficient to convey responsive information.

~~2.~~ The terms of the Order shall govern production of trade secret and/or confidential information except to the extent that this Addendum specifically provides other protection. Except to the extent expressly provided in this Addendum, nothing in this Addendum shall relieve any party of any of the requirements for the production of material or information as set forth in the prior orders of this Court, including but not limited to the Case Management Order of March 29, 1995 and the Orders of July 14, 1995 and March 20, 1996.

~~3.~~ ~~Designation of Category I Information~~. A Designating Party may designate material or information as Category I Information upon a good faith determination that it meets the criteria for that designation. However, nothing in this Addendum creates a presumption or implies that any material or information designated by a party as Category I Information actually meets the contemplated criteria. Such determination may, on motion duly made, be made at a later time by this Court. ~~See~~ Order ¶ 12.[1] The safeguards attendant upon the designation of material or

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Plaintiffs' proposal provides for functionally equivalent protection. As noted in the accompanying memorandum of law, we have not supplied case authority for provisions for which plaintiffs have provided functionally equivalent safeguards. Such case authority, however, is well-established.

information as Category I Information shall be fully observed by all parties until such time as the Court shall determine that any particular designation is improper. Thereafter, the Designating Party shall have a period of five business days, during which the safeguards attendant upon the initial designation shall continue in effect and shall be fully observed by all parties (and any persons, such as Outside Counsel or experts who shall have had access to Category I Information through a party), to give notice whether it intends to seek review of the Court's decision, whether by motion for reconsideration, application for mandamus, appeal or otherwise. If, within that period the Designating Party so advises that it intends to seek review, the safeguards attendant upon the original Category I Information designation shall continue to be fully observed by all parties until final resolution (including any appellate review) of the Designating Party's application for relief.[2]

~~4.~~ The designation "Category I Information" shall be made, to the extent that any such material or information is to be produced or shown to a Discovering Party, by placing or affixing on the material or information in a manner which will not interfere with its legibility the words "CATEGORY I INFORMATION:

~~See~~ June 16, 1995 Protective Order ¶ 16; ~~Culinary Foods, Inc. v. Raychem Corp~~., 151 F.R.D. 297, 310 (N.D. Ill. 1993) (party opposing confidential designation must provide notice of such opposition to party seeking protection); ~~Hartman v. Remington Arms Co~~., 143 F.R.D. 673, 692 (W.D. Mo. 1992) ("any party [may] contest any assertion or . . . appeal any finding that specific information is not Trade Secret information"); ~~Culligan v. Yamaha Motor Corp~~., 110 F.R.D. 122, 127 (S.D.N.Y. 1986) (if designating party makes motion to prevent further disclosure, "no disclosure shall be made pending determination of the motion").

SUBJECT TO MINNESOTA TOBACCO LITIGATION PROTECTIVE ORDER".[3]

~~5.~~ ~~Production of Category I Information~~. Category I documents and Information shall not be placed in the document depository, or in the case of B.A.T. Industries, in its Guildford Depository, but shall instead be produced at, and only at, suitable office space in a secure facility in Minneapolis or St. Paul under the control of Minnesota counsel for the Designating Party in this action, except as to B.A.T. Industries, which shall produce such Category I documents and Information in England, under the control of its London Counsel (for all attorneys, the Designating Party's "Custodial Counsel").[4] B.A.T. Industries shall be required to retain Category I information in the condition in which it was produced, in a secure area which shall not be located in the depository proper, and which shall not be construed to be "in the depository" under the terms of the Stipulated Order dated August 18, 1995, the Stipulated Order dated January 17, 1996, or any other order entered in this case. B.A.T. Industries' compliance with the terms of this order shall be pursuant to the Stipulated Order dated August 18, 1995, and shall not be construed to be evidence of, or waiver of its objections to, personal jurisdiction.

~~6.~~ ~~Inadvertent Production~~. In the event that a Designating Party

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Plaintiffs' proposal provides for functionally equivalent protection.

~~In re Remington Arms Co.~~, 952 F.2d 1029, 1033 (8th Cir. 1991) ("the protective order may designate an attorney to serve as a custodian for all confidential documents); ~~Puritan-Bennett Corp. v. Pruitt~~, 142 F.R.D. 306, 309 (S.D. IA 1992) (same); ~~cf~~. ~~Citicorp v. Interbank Card Assoc~~., 87 F.R.D. 43, 48 (S.D.N.Y. 1980) ("Recipient counsel will designate in writing an attorney from among those who are outside counsel of record for the party who will be custodian of all materials produced subject to the terms of this Order").

inadvertently produces information or material that it believes contains Category I Information without having been properly designated, the following procedures shall apply.

(a) Within ten days of discovery of the inadvertent production, the Designating Party shall give written notice by facsimile to counsel for the parties and to the Depository Administrator, except as to B.A.T. Industries, who shall be required only to give notice directly to Plaintiffs' Counsel, giving the Bates Number of the document or material involved and requesting the immediate return of all misdesignated copies. This request shall be promptly honored, regardless of, and without prejudice to, any challenges that may be made to the redesignation.[5] Within five business days of the return of all the non- or misdesignated copies, the Designating Party shall return to counsel for the parties to this action and to the Depository Administrator, to the extent said individuals continue to be eligible for access to the redesignated material or information, a properly marked copy of the material or information, which shall be handled in accordance with its corrected designation.

(b) To the extent that any Category I information has been inadvertently placed into the Guildford Depository by B.A.T. Industries, regardless of whether plaintiffs have selected such information for copying, B.A.T. Industries (i) may redact such inadvertently produced information in accord with the terms of this

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~~See~~ ~~Gates Rubber Co. v. Bando Chemical Indus., Ltd.~~, 9 F.3d 823, 848-49 (10th Cir. 1993) (inadvertent disclosure does not deprive information of trade secret status). ~~Cf.~~ ~~KL Group v. Case, Kay & Lynch~~, 829 F.2d 909, 918-19 (9th Cir. 1987) (under protective order, defendant was entitled to return of privileged and confidential material inadvertently disclosed to plaintiff).

agreement prior to providing plaintiffs with a copy, and (ii) must notify plaintiffs of the identity of the documents and the basis for the redactions on a document-by-document basis within 30 days of the entry of this order. B.A.T. Industries is only required to produce such redacted copies under the conditions set forth in this order.

~~7. Access to Category I Information~~. Access to Category I Information shall, in the first instance, be restricted to two attorneys who are full-time partners or employees of the law firm of Robins, Kaplan, Miller & Ciresi ("Plaintiffs' Counsel")[6] who are actively engaged in the prosecution of this litigation.[7] Plaintiffs' Counsel may discuss Category I Information with no more than two attorneys who are full-time employees of the Minnesota Attorney General's office (the "Attorney General"), and no more than one attorney who is a full-time employee of Blue Cross and Blue Shield of Minnesota ("Blue Cross"), who are providing assistance in connection with this action, to the extent necessary to render such assistance; provided, however, that the actual

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~~Ares-Serono, Inc. v. Organon Int'l B.V.~~, 862 F. Supp. 603, 609 (D. Mass. 1994) ("access to documents designated 'restricted confidential' is limited to outside counsel"); ~~Culinary Foods, Inc. v. Raychem Corp.~~, 151 F.R.D. at 309 (N.D. Ill. 1993) (access to confidential information limited to outside counsel of record); ~~Hartman v. Remington Arms Co.~~, 143 F.R.D. 673, 691 (W.D. Mo. 1992); ~~St. Jude Medical, Inc. v. Intermedics, Inc.~~, 107 F.R.D. 398, 399 n. 1 (D. Minn. 1985) ("Chinese wall" erected between outside and in-house counsel; access to super-sensitive documents limited to outside counsel); ~~Spartanics, Ltd. v. Dynetics Engineering Corp.~~, 54 F.R.D. 524, 526 (N.D. Ill. 1972) (access "restricted solely to trial counsel").

~~Culinary Foods, Inc. v. Raychem Corp.~~, 151 F.R.D. at 309 (access limited to those outside counsel who actually "assist, supervise or monitor the prosecution or defense of this case"); ~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 691; ~~Spartanics, Ltd. v. Dynetics Engineering Corp.~~, 54 F.R.D at 527 (access restricted "only to those attorneys charged with the responsibility for and actively engaged in trial preparation for this case").

Category I documents and Information shall not be shown to such attorneys for the Attorney General and Blue Cross.[8] Thereafter, the Designating Party shall, from time to time as shall be needed, meet and confer with Plaintiffs' Counsel to agree on whether any other person needs and shall be permitted to have access to Category I Information and, if so, under what conditions.[9]

~~8.~~ Outside Counsel for the other defendants in this action shall not have access to materials designated by a defendant as containing Category I Information, and, except as the Designating Party and any other defendants may otherwise agree, trade secret information or confidential information (as those latter two terms are contemplated by the Order) until, as to each such item of material, such item is designated for use as a deposition exhibit by Plaintiffs' Counsel or counsel for the Designating Party in accordance and in compliance with the Court's March 20, 1996 Order (requiring plaintiffs to give at least five days prior notice of documents to be the subject of examination at any deposition). Thereafter Counsel for the Designating Party shall confer with Outside Counsel for the other defendants in this action to determine whether, and if so, under what conditions, further access to Category I Information by such defendants shall be permitted.[10] Outside Counsel for the defendants other than

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Plaintiffs' proposal provides for functionally equivalent protection.

~~Culligan v. Yamaha Motor Corp~~., 110 F.R.D. 122, 127 (S.D.N.Y. 1986) (protective order prohibited plaintiff's outside counsel from further disseminating confidential information to any other persons without first providing defendant with notice and an opportunity to object).

~~Accord~~ ~~American Standard Inc. v. Pfizer Inc~~., 828 F.2d 734, 741 (Fed. Cir. 1987) ("Courts have presumed that disclosure to a competitor is more harmful than

the Designating Party shall not use or disclose Category I Information or Confidential or Trade Secret information except as further provided in this Addendum, agreed with the Designating Party or ordered by this Court.

~~9.~~ As to defendants, "Outside Counsel" shall mean full-time attorneys (who are actively engaged in this action) with the law firms of Adams & Reese; Arnold & Porter; Chadbourne & Parke; Cosgrove, Flynn, Gaskins & O'Connor; Covington & Burling; Debevoise & Plimpton; Dechert Price & Rhodes; Doherty, Rumble & Butler; Dorsey & Whitney L.L.P.; Fabyanske, Svoboda, Westra, Davis & Hart; Faegre & Benson; Gray, Plant, Mooty, Mooty & Bennett; Hunton & Williams; Jones, Day, Reavis & Pogue; King & Spalding; Kirkland & Ellis; Kasowitz, Benson, Torres & Friedman L.L.P.; Leonard, Street & Deinard; Lindquist & Vennum; Lovell White Durrant; Malon, Edelman, Borman & Brand; Munger, Tolles & Olson; Shook, Hardy & Bacon; Simpson Thacher & Bartlett; Wachtell Lipton Rosen & Katz; Winston & Strawn; and such other firms as defendants may from time to time designate as counsel of record.[11]

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disclosure to a non-competitor. . . . The record shows that most if not all of [producing party's] competitors are parties to the pending infringement actions"; protective order upheld); ~~Heublein, Inc. v. E & J Gallo Winery, Inc.~~, 94 Civ. 8155, 1995 U.S. Dist. LEXIS 4521, at 8 n. 5 (S.D.N.Y. Apr. 6, 1995); ~~Culinary Foods, Inc. v. Raychem Corp.~~, 151 F.R.D. at 305 (protective order granted because "[s]hould Raychem's competitors obtain [defendant's commercially sensitive] information . . . Raychem would lose its competitive advantage it has obtained from this information"); ~~Puritan-Bennett Corp. v. Pruitt~~, 142 F.R.D. at 310 (S.D. Iowa 1992) ("most courts recognize that disclosure to one's competitors is more harmful than disclosure to non-competitors").

~~Ares-Serono, Inc. v. Organon Int'l B.V.~~, 862 F. Supp. 603, 609 (D. Mass. 1994) ("access to documents designated restricted confidential is limited to outside counsel"); ~~Culinary Foods, Inc. v. Raychem Corp.~~, 151 F.R.D. at 309 (access to confidential information limited to outside counsel of record); ~~St. Jude Medical, Inc. v. Intermedics, Inc.~~, 107 F.R.D. at 399 n.1 ("Chinese wall" erected between outside and in-house counsel; access to super-sensitive documents limited to outside counsel); ~~Spartanics,~~

~~10.~~ Insofar as individuals are permitted under this Addendum to see the Category I Information, they shall not make or be given a copy of the material.[12] They may, however, take notes concerning the Category I Information, but only in the room in which Custodial Counsel produces the materials containing Category I Information (the "Examining Room"). All such notes shall be manually prepared; no computers, voice transcribers, cameras, photocopier or other devices for facilitating document copying or summarization shall be permitted in the Examining Room. Any such notes, together with any notes taken by anyone other than counsel for the Designating Party at any depositions at which Category I Information is discussed, shall, at the conclusion of the inspection or the conclusion or suspension of the deposition, be immediately deposited in a locked file in the Examining Room.[13] Access to any file containing the notes described herein shall require the use of two keys, one to be kept in the possession of the Designating Party's Custodial Counsel and the other

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~~Ltd. v. Dynetics Engineering Corp~~., 54 F.R.D. at 526 (access "restricted solely to trial counsel").

~~In re Remington Arms Co.~~, 952 F.2d at 1033 (protective order may "prohibit entirely, the reproduction of all confidential documents"); ~~Heublein, Inc. v. E & J Gallo Winery, Inc~~., 1995 U.S. Dist. LEXIS 4521, at 11 (confidential information kept "in a locked safe . . . to insure that no copies are made"); ~~Puritan-Bennett Corp. v. Pruitt~~, 142 F.R.D. at 309 (protective order may prohibit all copying); ~~Citicorp v. Interbank Card Assoc~~., 87 F.R.D. at 49 (protective order prohibited all copying of confidential materials); ~~Spartanics, Ltd. v. Dynetics Engineering Corp~~., 54 F.R.D. at 527 (under protective order, "confidential materials shall not be copied").

~~St. Jude Medical, Inc. v. Intermedics, Inc~~., 107 F.R.D. at 401 n. 3 (court granted "protective order preventing any notes, wire recordings, or photographs concerning these [confidential] documents to be removed from the depository").

to be kept in the possession of counsel who made the notes (or another individual in the regular employ of that counsel's firm). Custodial Counsel shall permit individuals authorized by this Addendum to see Category I Information to have access, upon reasonable prior notice, to the Category I Information and to their own notes (or the notes of others representing the same party) in the Examining Room 24 hours a day, seven days a week.[14] Upon the Termination of this action (see paragraph 30, ~~infra~~), Custodial Counsel shall permit those individuals or firms whose notes have been stored in the Examining Room to gain access to the notes for the sole purpose of destroying them, which shall be done under the supervision of Custodial Counsel.

~~11.~~ In no event shall anyone (including attorneys from Plaintiffs' Counsel or, at such time as access is permitted, experts, or attorneys from Outside Counsel for the other defendants in this action) be permitted to view Category I Information unless both (a) Plaintiffs' Counsel (or, as appropriate, Outside Counsel for the other defendants in this action) has formed a good faith belief, after diligent, thorough inquiry, that the individual has not previously violated any confidentiality agreement or order and is not likely to violate the terms of this Addendum,[15] and

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~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 690 ("Access to the original Trade Secret information shall be made available to plaintiff only at the offices of counsel for Defendant Remington, by prearranged appointment as reasonably requested").

~~In re Remington Arms Co.~~, 952 F.2d 1029, 1033 (8th Cir. 1991) (court "must determine whether any protective order, however carefully crafted, would prevent the unauthorized disclosure that Remington contends has occurred in the past. . . If the court concludes that a protective order will not prevent unauthorized disclosure by [plaintiff] or access to the documents by third parties, it must determine whether it should order that the documents not be produced at all"); ~~Culinary Foods, Inc. v. Raychem Corp.~~, 151 F.R.D. at 302 n. 4 (protective order took into account that "a

(b) the individual has previously executed Exhibit B (or, where applicable to a particular individual's functions, Exhibit A) to this Addendum. Prior to disclosing any Category I Information, and from time-to-time as needed thereafter, the Designating Party may deliver to Plaintiffs' Counsel a confidential list of individuals or entities as to which the Designating Party has a reasonable basis for concern that there is a serious risk that such individual or entity will not abide by the terms of this Addendum.[16] Neither Plaintiffs' Counsel nor anyone else subject to this Addendum shall, directly or indirectly, disclose Category I Information to individuals or entities so identified by the Designating Party except with the written consent of the Designating Party or upon Order of this Court made upon notice for good cause shown.

~~12.~~ ~~Experts~~. Disclosure may be made to experts employed by the plaintiffs, or upon agreement by the Designating Party or order of the Court for good cause shown, by defendants or their Counsel, to assist in the preparation and trial of this litigation, provided that:

(a) prior to disclosure, each such person must agree to be bound by the terms of this order by executing the Agreement annexed hereto as Exhibit B,[17] and

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competitor of Raychem has violated protective orders issued in other cases involving Raychem").

~~Culinary Foods, Inc. v. Raychem, Inc.~~, 151 F.R.D. at 311 (protective order provided: "Under no circumstances, due to violations of previous protective orders, shall any 'CONFIDENTIAL' information or documents be disclosed to Peter Cooper, owner of G.E.R., Inc.").

~~Glasser v. A.H. Robins Co.~~, 950 F.2d 147, 147-48 (4th Cir. 1991) (protective order provided that expert who was "authorized . . . to examine the contents of the [confidential files] shall not disclose their contents, in part or in full, to any person not

(b) absent agreement of the Designating Party or order of the Court for good cause shown, disclosure of Category I Information shall not be made to any expert who is currently or who is known or believed by the Plaintiffs or the Designating Party to be intending to become, an officer, director, or employee, consultant or agent of another defendant, or of any entity that plaintiffs' Counsel or the Designating Party knows, or in the exercise of reasonable care should know, intends to be in the business of manufacturing, marketing, promoting, or advertising tobacco products or of supplying ingredients or machinery used in the production or manufacture of tobacco products (collectively, "Competitors").[18]

~~13.~~ Prior to disclosing any Category I Information to any proposed expert, in addition to making the inquiry and obtaining an executed agreement as set

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expressly authorized to such access by this or subsequent order"), ~~cert denied~~, 504 U.S. 946, 112 S. Ct. 2290 (1992); ~~Culinary Foods, Inc. v. Raychem Corp~~., 151 F.R.D. at 310 ("Experts . . . who are given access to "CONFIDENTIAL" information shall be presented with a copy of this order . . . and shal agree to abide and, thus, be fully bound by its terms by executing a written confidentiality agreement"); ~~Spartanics, Ltd. v. Dynetics Engineering Corp~~., 54 F.R.D. at 527 (confidential information may be disclosed to expert only where such expert "in writing agree[s] not to discuss or permit to be disclosed such confidential information to any other person").

~~Hartman v. Remington Arms Co~~., 143 F.R.D. at 691 ("No such expert retained by plaintiff may be an officer, director, or regular employee or ever have been a regular employee of any corporation, entity or person who is a manufacturer of bolt action firearms or a competitor of Remington in the firearms market"); ~~Culinary Foods, Inc. v. Raychem, Inc~~., 151 F.R.D. at 311 (no disclosure of confidential information to "current or former employees, principals, owners or agents of competitors of defendant"). ~~Cf.~~ ~~Wang Laboratories, Inc. v. CFR Assocs, Inc~~., 125 F.R.D. 10, 12-13 (D. Mass. 1984) (former plaintiff's employee was barred from serving as expert for defendant where expert was also serving as a consultant to plaintiff's competitors); ~~Glasser v. A.H. Robins Co~~., 950 F.2d at 148-49 (expert having had access to confidential documents was precluded from serving as an expert to others in related litigation where such service would risk expert's disclosure of confidential information).

forth in subparagraph 12(a):

~~(a)~~ Plaintiffs' Counsel (or, if access has been granted, defendants' Outside Counsel) shall determine that disclosure to an expert of particular Category I Information is, in that counsel's good faith judgment, likely to be indispensable to the plaintiffs' prosecution (or defendants' defense) of their claims.[19] Thereupon (and before any access is given), Plaintiffs' (or Defendants' Outside) Counsel shall identify the proposed expert to the Designating Party, providing his or her written curriculum vitae and a general description of the kinds of Category I Information proposed to be shown to the expert.[20] Thereafter, the Designating Party shall have 20 days to advise the requesting Counsel of any objections to the proposed disclosure. Unless the Designating Party agrees in writing to the disclosure, no disclosure shall be made except on further written agreement by the Designating Party or order of the Court upon notice for good cause shown.[21]

~~Cf~~. ~~Spartanics, Ltd. v. Dynetics Engineering Corp~~., 54 F.R.D. at 527 (recipient counsel may disclose confidential information to its independent experts where it deems such disclosure "necessary for the preparation or trial of this case").

~~Centurion Industries, Inc. v. Warren Steurer & Assocs~~., 665 F.2d 323, 327 n.7 (10th Cir. 1981) (prior to disclosing confidential information to its experts, protective order required that plaintiff's counsel provide defendant with twenty days notice of the names and addresses of such experts, and the date and place of such disclosure"); ~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 690 (prior to disclosure, plaintiff's counsel must serve upon counsel for Remington its expert's affidavit, containing "the signatory's full name, business address and employer"). ~~Cf~~. ~~St. Jude Medical, Inc. v. Intermedics, Inc~~., 107 F.R.D. at 401 (protective order required plaintiff's counsel "to provide background information on each legal assistant who has access to the [document] depository").

~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 690 (disclosure shall be made to plaintiff's counsel's experts only if there is no objection from defendant upon receiving

~~(b)~~ If the Designating Party consents to the disclosure, disclosure and access to documents shall be made solely in the Examining Room as set forth in paragraph 10. Plaintiffs' Counsel shall disclose information in each of the four basic categories of Category I Information described at paragraph 1(b) to only a single expert for each category.[22] Should the Designating Party agree to the disclosure, but the expert who has been given access to the Category I Information is not subsequently designated by plaintiff as a trial witness, the Designating Party shall not interview, depose or otherwise question the expert in or in connection with this action except as may be necessary to confirm compliance with this Addendum, based upon the Designating Party's good faith belief, formed after reasonable inquiry, that such expert may have violated this Addendum.

14. Redaction. A Designating Party may, as contemplated in this paragraph 14, redact information from any document containing Category I Information.[23] No redaction shall be made by any Designating Party except in good

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ten days notice of such disclosure); ~~Spartanics, Ltd. v. Dynetics Engineering Corp~~., 54 F.R.D. at 527 ("No such expert shall be consulted until the party disclosing the confidential information approves of the consultant and of the confidential information which is to be disclosed").

~~Cf~~. ~~Ares-Serono, Inc. v. Organon Int'l B.V.~~, 862 F. Supp. 603, 609 (D. Mass. 1994) ("Access to documents designated restricted confidential is limited to . . . no more than five independent experts"); ~~Spartanics, Ltd. v. Dynetics Engineering Corp~~., 54 F.R.D. at 527 (plaintiff's counsel "may disclose such [confidential] information to not more than two independent consultants not regularly employed or associated with either party").

~~Mycogen Plant Science, Inc. v. Monsanto Co~~., 95 Misc. 283, 1996 U.S. Dist. LEXIS 2264 (E.D. Pa. Feb. 16, 1996) (producing party allowed to redact any confidential information that would reveal the composition of patented insecticide).

faith to protect the Category I Information. Examples of the kinds of information that may be redacted include that pertaining to products and their manufacture, such as quantities of ingredients, additives, flavorings and the like (collectively, the "Ingredients"), details of processing and blending, ingredients not at issue in this Action, and the confidential identity of sources of supply and service providers.[24] The Designating Party shall provide to Plaintiffs' Counsel (in a manner not disclosing the redacted information) a general description of the type of information redacted and/or explanation of the bases or need for the redaction. If Plaintiffs' Counsel object to any redaction, a representative from Plaintiffs' Counsel and Counsel for the Designating Party shall meet and confer in an effort to reach agreement on whether the redaction is necessary and appropriate. If the Designating Party chooses to redact information pertaining to the ingredients and/or recipes of products, the Designating Party shall, jointly, as practicable, with other redacting Designating Parties, follow the procedure contemplated at subparagraphs 14(a) and (b).

(a) In the first instance, Defendants will provide to Plaintiffs' Counsel a composite list of Ingredients used in the manufacture, by one or more of the defendants, of cigarettes sold in the United States, without relating any of such Ingredients to any specific defendant, brand or product. The list provided to Plaintiffs'

~~Cf. Heublein, Inc. v. E & J Gallo Winery, Inc.~~, 1995 U.S. Dist. LEXIS 4521, at 10 n. 7 ("Gallo need not produce the formula that it uses to produce the coolers"); ~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 678 ("Some of the documents are entitled to absolute protection because they feature the actual designs for the NBAR product; defendant will not be ordered to disclose those documents"); ~~Lenerts v. Rapidol Distrib. Corp.~~, 3 F.R.D. 42, 43 (N.D.N.Y. 1942) (ingredients but not the secret formula should be disclosed).

Counsel shall contain, at a minimum, those Ingredients that any Designating Party shall redact. Plaintiffs' Counsel shall then identify those Ingredients, if any, regarding which Plaintiffs believe, based on a good faith determination, to be either relevant or reasonably calculated to lead to the discovery of admissible evidence ("Plaintiffs' List"). With respect to Plaintiffs' List, counsel for Plaintiffs and representative(s) selected by the Designating Party(ies) shall, if necessary, meet and confer and attempt to reach agreement as to the appropriateness of one or more Ingredients comprising Plaintiffs' List. If agreement cannot be reached, Plaintiffs shall be required to make a showing to the Court, which shall be ~~in camera~~ as necessary to preserve the secrecy of Category I Information, sufficient to establish that the disputed Ingredients are either relevant or reasonably calculated to lead to the discovery of admissible evidence, before any information regarding the disputed Ingredients is required to be produced in unredacted form.

(b) Once Plaintiffs' List has been finalized by agreement or court order pursuant to the procedure set forth in subparagraph (a), the Designating Party shall produce the documents and information pertaining to the Ingredients and/or recipes of products without redacting any of the Ingredients appearing on Plaintiffs' List. If Plaintiffs' Counsel object to any other redactions, counsel for Plaintiffs and the Designating Party shall meet and confer in an effort to reach agreement as to whether the redaction is necessary and appropriate. Should counsel for Plaintiffs and the Designating Party fail to reach agreement, Plaintiffs' shall be required to make a showing to the Court, which shall be ~~in camera~~ as necessary to preserve the secrecy of Category I Information, sufficient to establish that the redacted information is either

relevant or reasonably calculated to lead to the discovery of admissible evidence, before any such information is required to be produced by the Designating Party in unredacted form.

15. ~~Depositions~~. If Plaintiffs' Counsel wishes to use Category I Information material or information in deposing a representative of the Designating Party who has had access to the Category I Information by virtue of his or her employment with the Designating Party or an expert to whom the Designating Party has, in accordance with this Addendum, agreed disclosure may be made (collectively, the "Authorized Deponents"), the following procedures shall apply:

(a) A representative from Plaintiffs' Counsel shall notify Custodial Counsel for the Designating Party of the Bates numbers of the particular Category I Information and documents to be used at least five days prior to the deposition.[25] Custodial Counsel shall either object in writing to the proposed disclosure on the basis that the deponent is not an Authorized Deponent, such objection to be made in writing prior to the deposition, or bring the identified document to the deposition for use during the deposition.[26]

~~See~~ March 20, 1996 Order; ~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 692 (protective order provided that parties wishing to use or present trade secret information at a deposition "shall notify Remington of their intent to sue such information . . . ten (10) days in advance of such use"); ~~Citicorp v. Interbank Card Assoc~~., 87 F.R.D. at 49 ("recipient counsel shall notify producing counsel . . . of the identity of any such document concerning which recipient counsel intends to ask questions").

~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 692 (Remington may object to a party's use of trade secret information at a deposition "at least five (5) days in advance of such use"); ~~Citicorp v. Interbank Card Assoc~~., 87 F.R.D. at 49 (if there is no objection

(b) No one may attend or review the transcripts of the portions of any depositions at which Category I Information material or information is shown or discussed other than the court reporter and videographer (each of whom shall first have executed Exhibit A), Counsel for the plaintiffs, Counsel for the Designating Party, Counsel for co-defendants of the Designating Party, counsel for the Authorized Deponent (provided said counsel has previously executed Exhibit B), and experts who are eligible to receive Category I Information material or information under paragraph 12 and who are determined by Plaintiff's Counsel or the Designating Party to be needed to provide assistance in connection with matters related to the deposition.[27]

~~(c)~~ Absent agreement of the Designating Party or order of the Court for good cause shown, disclosure of Category I Information produced by any Designating Party shall not be made to any deponent who is currently, or who is known or believed by the plaintiffs, Plaintiffs' Counsel or the Designating Party to be or to be intending to become, (i) an officer, director, employee, consultant or agent of a Competitor[28] or (ii) to

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to a document's use, "[p]roducing counsel will undertake to bring a copy of such document to the deposition for the use of the witness").

~~Centurion Industries, Inc. v. Warren Steurer & Assocs~~., 665 F.2d at 327 n. 7 ("attendance at the . . . deposition shall be limited to the deponent, court reporter, counsel for plaintiffs, and counsel for [deponent]"); ~~Puritan-Bennett Corp. v. Pruitt~~, 142 F.R.D. at 310 (under protective order, attendance at deposition was limited to plaintiff's counsel of record); ~~Air Products & Chems., Inc. v. Johnson~~, 296 Pa. Super. 405, 442 A.2d 1114 (1982) (corporate defendant excluded from deposition).

~~Culinary Foods, Inc. v. Raychem Corp~~., 151 F.R.D. at 311 ("no document designated 'CONFIDENTIAL' . . . nor the substance thereof, shall be disclosed to known current or former employees, principals, owners or agents of competitors"); ~~New England Savings Bank v. First Commercial Corp~~., 88 Civ. 2570, 1989 WL 90838, at 4 (D.N.J. Aug. 9, 1989) ("ORDERED that plaintiff . . . [is] barred from disclosing to any of

an expert who does not meet the conditions set forth in paragraph 12.

~~(d)~~ All depositions at which Category I Information is to be disclosed or discussed shall take place at the offices of Custodial Counsel for the Designating Party for the Category I Information at issue.

~~(e)~~ To the extent practicable, examining counsel shall confine all discussion of Category I Information to a continuous segment of the deposition. Under no circumstances shall examining counsel ask questions at the deposition of a witness other than an Authorized Deponent that contain or disclose or otherwise, directly or indirectly, reveal Category I Information.[29]

~~(f)~~ After the questioning concerning the Category I Information document or material has concluded (or at the end of the day's deposition session, if the questioning has not yet concluded), Custodial Counsel shall retain custody of the Category I Information material and place all notes taken by individuals (other than the Designating Party's representative or counsel) in attendance at the deposition in the

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defendant's competitors the contents of any [confidential documents] that are turned over to plaintiff in the course of this litigation"); ~~cf.~~ ~~Wang Laboratories, Inc. v. CFR Assocs., Inc.~~, 125 F.R.D. at 13 (plaintiff's former employee who had access to confidential information barred from serving as expert for competitor); ~~Master Palletizer Systems, Inc. v. T.S. Ragsdale Co.~~, 123 F.R.D. 351, 353-54 (D. Colo. 1988) (plaintiff "shall not disclose the information redacted by [defendant] now under court seal to any auditing competitor of [defendant]").

~~Cf.~~ ~~In re Braniff, Inc.~~, 1992 WL 261641, at 13 (M.D.Fla. Oct. 2, 1992) ("While a deponent is being examined about any stamped confidential document or the confidential information contained therein, persons to whom disclosure is not authorized under an applicable confidentiality agreement or order shall be excluded"); ~~Friedlander v. Nims~~, 571 F. Supp. 1188, 1201 (N.D. Ga. 1983) (absent court order, deposing party may not disclose confidential documents or information where deponent has refused to sign confidentiality agreement).

double locked files in the Examining Room (a separate drawer or file for each party).[30] Access to the notes will be available, upon request, on a 24-hour basis. No copies of Category I Information materials shall be made or attached to the deposition transcript.

~~(g)~~ Each court reporter and videographer transcribing or videotaping depositions shall, at any deposition at which a Designating Party identifies Category I Information as being disclosed, store all transcription papertapes and computerized, electronic or other records of the deposition in a designated room at the offices of or under the control of Custodial Counsel for the Designating Party whose Category I Information is at issue (the "Court Reporter's Room") to which only the court reporter shall have access.[31] All transcripts and other media of depositions containing Category I Information shall be prepared only in the Court Reporter's Room and shall not be transmitted beyond that room by modem or by any other means except as further described below. Any added costs incident to this procedure, such as for the transportation of the court reporter's equipment to the site, shall be borne entirely by the Designating Party. Upon completion of the transcription, all papertapes and other

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~~Cf~~. ~~Collins v. Polk~~, 115 F.R.D. 326, 329 (M.D. La. 1987) ("all depositions, together with all notes or summaries of the depositions, shall be filed with this Court in a sealed container there to remain until further orders of this court").

~~Cf~~. ~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 692 (under protective order, deposition transcript related to confidential information "immediately placed under seal" and "Remington shall obtain from each court reporter all [deposition transcripts], excluding the transcribed original and the parties' copies of same, and shall maintain all such records until the conclusion of all . . . litigation"); ~~Citicorp v. Interbank Card Assoc~~., 87 F.R.D. at 50 (protective order provided that answers to written interrogatories and deposition transcripts disclosing confidential information "shall be kept by the custodian [counsel] under seal throughout this litigation, and the security thereof scrupulously maintained").

media (other than the actual hardcopy transcript and videotape), shall be destroyed unless either Plaintiffs' Counsel and/or the Designating Party's counsel requests that it be preserved, in which event it shall be (i) preserved for no more than thirty days and (ii) securely safeguarded by the Designating Party in the Court Reporter's Room or in a file at the offices of Custodial Counsel accessible only to the Court Reporter.

~~(h)~~ If a deposition involving Category I Information has simultaneous readout on computer screens or any other monitors for the benefit of counsel in attendance at the deposition, the image or information transcribed (and appearing on the computer screens) shall not be transmitted to any other computer (such as, but not limited to, laptop or other computers employed by and Counsel or deponents present at the deposition) and shall not be copied, and any media on which it is placed or in which it is embodied shall be completely erased at the conclusion of each day's deposition in which Category I Information shall have been the subject of testimony. The media so erased shall be given to the Custodial Counsel for retention, and Custodial Counsel shall provide the court reporter with new replacement media.

~~(i)~~ The Designating Party may identify Category I Information at the deposition as contemplated by paragraph 7 of the June 15, 1995 Order. If the Designating Party states that any Category I Information has been disclosed during the deposition, the entire transcript (in hard copy and videotape format) shall initially be delivered only to Custodial Counsel, who shall within 20 business days advise the court reporter of the pages and lines and specific video segments in which Category I Information appears. The portions of any deposition transcript in which Category I Information is discussed, and any Category I Information materials that are marked as

exhibits, shall remain under the control of Custodial Counsel, who shall permit access to it in accordance with the procedures set forth in this Addendum. The remaining portions of the transcript shall then be delivered to all Counsel in this action and shall be treated as set forth in this Addendum and the Order. Those portions of the deposition containing Category I Information shall not be delivered in any medium to anyone other than Custodial Counsel for the Designating Party.[32]

16. ~~Presentation of Category I Information to the Court~~. No documents containing Category I Information may be filed with the Court or disclosed in substance in any papers or pleadings that are filed with the Court.[33] Presentation of any Category I Information to the Court shall only be made ~~in camera~~ in the presence of Plaintiffs' Counsel, counsel and/or other representatives of the Designating Party, and outside Counsel for co-defendants in this action, and then only upon at least 10 business days prior notice to the Designating Party.

17. During the trial in this action, Custodial Counsel for the Designating Party shall, as requested by Plaintiff's Counsel or, as may be agreed, by

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~~Puritan-Bennett Corp. v. Pruitt~~, 142 F.R.D. at 310 ("neither [plaintiff] nor counsel for [plaintiff] will be allowed to retain a copy of the deposition" transcript disclosing confidential information).

~~Hotchkiss v. Sears, Roebuck & Co~~., 139 F.R.D. 313, 316-17 (M.D. Pa. 1991) (plaintiff's counsel may not file copies of confidential documents or recite their contents in any filed document without leave of court); ~~Citicorp v. Interbank Card Assoc~~., 87 F.R.D. at 50 (confidential documents and information subject to protective order need not be filed with the court); ~~Spartanics, Ltd. v. Dynetics Engineering Corp~~., 54 F.R.D. at 527 ("Confidential information so designated shall not be filed with the Clerk of the Court or included in whole or in part in pleadings, motions, or briefs, except under seal and, when so filed, shall be opened only by personnel authorized by this Court").

outside Counsel for a defendant, deliver materials containing Category I Information to Court for use at trial, and shall return those materials to a secure facility under the control of that Custodial Counsel at the end of each trial day.

18. Nothing in this order shall prevent or otherwise restrict any Counsel in this action from rendering legal, non–business advice to their clients, and, in the course thereof, relying generally on an examination of Category I Information, provided, however, that in rendering such advice and otherwise communicating with such client, Counsel shall not directly or indirectly disclose any Category I Information.[34]

19. Any description of Category I Information shall not be construed as an admission that such information is or may be properly sought for production by any pending or future discovery request.

20. If any party or individual who has been given access to Category I Information in accordance with this Addendum is served with a subpoena requiring disclosure or production of such information or documents or materials containing or embodying it, such person shall promptly notify the Designating Party and provide it with a copy of the subpoena and shall refrain from complying with such subpoena absent this Court's order on notice for good cause shown.[35]

~~Puritan-Bennett Corp. v. Pruitt~~, 142 F.R.D. at 310-11 (protective order prevents plaintiff's counsel "from disclosing any [confidential] information obtained in [discovery] to their clients, expert witnesses, or any other individuals without written permission from this court").

~~Cf~~. ~~Iowa Beef Processors, Inc. v. Bagley~~, 601 F.2d 949, 954-55 (8th Cir. 1979) (where third party subpoenaed recipient plaintiff for documents subject to protective

21. ~~Handling of Confidential and Trade Secret Information~~. Documents and information other than Category I Trade Secrets may, at the election of a Designating Party, be designated as "Confidential" and/or "Trade Secret," as defined and contemplated in the Order. Documents so designated shall be placed in the Minneapolis depository, except as to B.A.T. Industries, which shall place "Confidential" documents and information in its Guildford Depository, and "Trade Secret" documents and information in a secure location either at its Guildford Depository or at the offices of its London Counsel.[36]

22. Except as provided in this paragraph 22, no defendant or its counsel other than the Designating Party shall view any "Confidential" or "Trade Secret" document or information or request that any document or information so designated be copied by the appropriate depository custodian (Smart Legal Assistance in Minneapolis and B.A.T. Industries' authorized personnel in Guildford; collectively, the "Depository Custodian").

(a) If at any time plaintiffs request a copy of a particular document or information so designated from the Depository Custodian, the Depository Custodian shall make two copies: one for plaintiff and one for the defendants. The copy made for the defendants shall be delivered to Dorsey & Whitney, except as to B.A.T. Industries, as to whom no defendants' copy shall be made. The staff of Dorsey & Whitney shall

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order, plaintiff's motion to dissolve protective order denied), ~~cert. denied~~, 441 U.S. 907, 99 S Ct. 1997 (1979).

Plaintiffs' proposal provides for functionally equivalent protection.

deliver the defendants' copy to counsel for the Designating Party and shall retain no copies thereof except that it may retain copies of "Confidential" and/or "Trade Secret" information so designated by defendant Philip Morris. No party or counsel for any party, other than the Designating Party and the Designating Party's counsel, shall be permitted to inspect or review the copy that Dorsey & Whitney receives from the Depository Custodian.

(b) If plaintiffs' counsel shall elect to use any document or information designated "Confidential" and/or "Trade Secret" for any particular deposition, as a condition of doing so, plaintiffs shall timely and fully comply with the predesignation provisions of paragraph 14 of the Order dated March 20, 1996. In recognition that such documents contain competitively sensitive information and are not otherwise available to counsel for the defendants other than the Designating Party, that Order's exception for two-day predesignation shall not apply to documents or information designated as "Confidential" and/or "Trade Secret."

(c) Upon any Confidential and/or Trade Secret documents' being predesignated by plaintiffs for use as a deposition exhibit, counsel for the Designating Party shall promptly deliver, and in all events timely before the deposition, one copy of the predesignated document to outside local counsel for each of the codefendants other than the Designating Party, except as to B.A.T. Industries which, if requested, shall provide such copy to one outside counsel for each co-defendant who will attend the deposition. Those outside counsel shall be entitled to disclose the information so designated only to members of their respective firms and support staffs.

(d) Confidential and/or Trade Secret information shall not be

disclosed to any defendant other than the Designating Party including, without limitation, to in-house counsel, unless (i) the Designating Party shall otherwise agree or (ii) the document or information becomes publicly available other than through any breach of any confidentiality provisions in this Addendum, the Order or any other order by this Court.

23. Nothing contained in this Addendum shall be deemed to preclude any party or subpoenaed nonparty from seeking, for good cause shown, to modify the Order or this Addendum in any respect.[37]

24. A copy of the Order and the Addendum shall be served with any subpoena compelling the production of documents from any third party.[38]

25. When any attorney of record in this action or any attorney who has filed an affidavit of compliance becomes aware of any violation of, or of facts constituting good cause to believe a violation of, the Order or the Addendum may have occurred or is about to occur, such attorney shall report that there may have been such a violation to the Court and/or counsel for the Designating Party.[39]

~~Spartanics, Ltd. v. Dynetics Engineering Corp~~., 54 F.R.D. at 527 ("Nothing herein shall preclude either party from seeking in the future an order from this Court modifying this Order").

~~Upjohn Co. v. Hygieia Biological Laboratories~~, 151 F.R.D. 355, 363 (E.D. Ca. 1993) (protective order provided that "[c]ounsel for plaintiffs shall serve by certified mail a copy of this entire order and protective order on the person/entity served initially with the subpoenas").

~~Fireman's Fund Insur. Co. v. ECM Motor Co~~., 132 F.R.D. 39, 42 (W.D. Pa. 1990) (protective order provided that in the event of breach of protective order's terms, "counsel of record for the party involved shall immediately give notice of such unauthorized disclosure or breach to counsel of record for [defendant]").

26. The Court shall assess appropriate costs and sanctions against persons violating the provisions of the Order and/or Addendum and may award such damages for breach of confidentiality duties to the Designating Party as may be appropriate.[40] Nothing in this Addendum shall limit the right of any other court to award damages or other remedies to the Designating Party in a separate action for such breach.[41]

27. The Court shall retain jurisdiction for purposes of enforcement of the Order and the Addendum after the conclusion of this action.[42]

28. The Order, Addendum and the Undertakings and the agreements embodied therein shall survive Termination (see paragraph 30) and continue in full

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~~Culinary Foods, Inc. v. Raychem Corp.~~, 151 F.R.D. at 311 ("Upon breach of the Protective Order, the breaching party (or parties) shall be jointly and severally liable to the party making the 'CONFIDENTIAL' designation for damages to be determined by this Court"); ~~St. Jude Medical, Inc. v. Intermedics, Inc.~~, 107 F.R.D. at 399 n.1 ("The order also provided that [the parties] be fined $1000 per day for each day . . . that they are not in compliance with the order").

~~Westinghouse Electric Corp. v. Newman & Holtzinger, P.C.~~, 39 Cal. App. 4th 1194, 1205, 46 Cal. Rptr. 2d 151 (2d Dist. 1995) (absent direct undertaking aggrieved party has no civil right of action).

~~Adam v. Silicon Valley Bancshares~~, 93 Civ. 20399, 1995 WL 110568, at 3 (N.D. Ca. Mar. 6, 1995) ("All provisions of this Order shall continue to be binding after the conclusion of this action . . . . The Court shall retain jurisdiction to modify or enforce this Order or any parts thereof for good cause shown"); ~~Dushkin Publ. Group, Inc. v. Kinko's Service Corp.~~, 136 F.R.D. 334, 336 n.5 (D.D.C. 1991) ("Because the life of the protective order was intended to extend past judgment, the issuing court still retains jurisdiction") (citing ~~Public Citizen v. Liggett Group, Inc.~~, 858 F.2d 775, 782 (1st Cir. 1988)).

force and effect thereafter.[43]

29. This Addendum shall become effective when signed by the parties and shall operate retroactively as to all documents and information produced since the inception of this action.

~~Hartman v. Remington Arms Co~~., 143 F.R.D. at 692 (following termination of litigation, confidential information filed with the court "shall remain under seal, subject to further order of this Court"); ~~Hotchkiss v. Sears, Roebuck & Co~~., 139 F.R.D. at 317 ("This protective order shall remain in effect in perpetuity or until modified by a subsequent order"); ~~Citicorp v. Interbank Card Assoc~~., 87 F.R.D. at 51 ("The termination of the action shall not terminate these limitations on disclosure of critical, proprietary information").

30. Within 30 days after conclusion of all aspects of this litigation ("Termination") (or, insofar as production is made for use in other litigation, that other litigation), all documents and materials, including but not limited to court papers, drafts and notes containing Category I Information or confidential information or trade secret information and all copies thereof (other than exhibits to the official court record) shall be returned to the Designating Party or, at the sole option of the Designating Party, shall be destroyed.[44] All Counsel shall make written certification of compliance herewith and shall deliver the same to counsel for each Designating Party not more than 60 days after final termination of this litigation.[45]

Dated: _____, 1996

_____
Kenneth J. Fitzpatrick,
Chief Judge

~~Culinary Foods, Inc. v. Raychem Corp.~~, 151 F.R.D. at 311 ("All 'CONFIDENTIAL' information or material shall be returned to the disclosing and/or producing party upon the conclusion of this litigation"); ~~Hartman v. Remington Arms Co.~~, 143 F.R.D. at 692 ("no later than ninety (90) days after completion of this proceeding and any related appeals, all Trade Secret information furnished under the terms of this Protective Order, including all copies and notes of same . . . shall be returned to counsel for Remington"); ~~Citicorp v. Interbank Card Assoc.~~, 87 F.R.D. at 51 ("No later than 10 days after final termination of this litigation . . . [plaintiff's counsel] shall be under an obligation to producing counsel and to this Court to destroy all [confidential] documentary and other physical material").

~~Citicorp v. Interbank Card Assoc.~~, 87 F.R.D. at 51 (["plaintiff's counsel] shall execute and deliver to producing counsel an affidavit of destruction in the form annexed as Exhibit B").

EXHIBIT A

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: Other Civil

THE STATE OF MINNESOTA,

Court File No. C1-94-8565

BY HUBERT H. HUMPHREY, III,
ITS ATTORNEY GENERAL,

and

BLUE CROSS AND BLUE SHIELD
OF MINNESOTA,

Plaintiffs,

vs.

PHILIP MORRIS INCORPORATED, R.J. REYNOLDS TOBACCO COMPANY, BROWN & WILLIAMSON TOBACCO CORPORATION, B.A.T. INDUSTRIES P.L.C., LORILLARD TOBACCO COMPANY, THE AMERICAN TOBACCO COMPANY, LIGGETT GROUP, INC., THE COUNCIL FOR TOBACCO RESEARCH - U.S.A., INC., and THE TOBACCO INSTITUTE, INC.,

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CONFIDENTIALITY AGREEMENT[46] AND UNDERTAKING[47]

STATE OF _____)
: ss.
COUNTY OF _____)

COMES NOW _____, who being duly sworn on oath, states the following:

~~1.~~ I hereby attest to my understanding that materials or information designated Category I Information may be provided, or access to them permitted, to me; and that such production is pursuant to the terms and conditions and restrictions of the Protective Order of June 16, 1995 (the "Order") and the [May] ___, 1996 Addendum to that Protective Order (the "Addendum") in the captioned action in the District Court for the County of Ramsey, State of Minnesota (the "Court"); that I have been given a copy of and have read the Order and the Addendum and have had their meaning and effect explained to me by the attorneys who may be providing me with Category I,

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Plaintiffs' proposal provides for functionally equivalent protection.

A protective order may require that any party, witness or expert execute an undertaking prior to receiving access to confidential or trade secret information. ~~See~~, ~~e.g.~~, ~~Culinary Foods, Inc. v. Raychem Corp.~~, 151 F.R.D. at 311 ("Upon breach of this Protective Order, the breaching party (or parties) shall be jointly and severally liable to the party making the "CONFIDENTIAL" designation for damages to be determined by this Court"); ~~Puritan-Bennett Corp. v. Pruitt~~, 142 F.R.D. at 309 ("the protective order may require a bond to protect against the risk of injury from the disclosure of trade secrets"); ~~Westinghouse Electric Corp. v. Newman & Holtzinger, P.C.~~, 39 Cal. App. 4th at 1205 (2d Dist. 1995) (an undertaking is required in order to bring a private cause of action against a recipient for violation of the terms of a protective order).

Trade Secret and/or Confidential materials or information; and that I hereby agree to be bound by the terms of the Order and the Addendum, both with respect to the Court's powers of supervision of the litigation and, contractually to any Designating Party, which shall be a third party beneficiary of the undertakings I give herein.[48]

~~2.~~ I shall not disclose to others, except in accordance with the Order and the Addendum, Category I, Trade Secret and/or Confidential materials or information. I also confirm that it is my understanding that, in the event I should fail to abide by the terms of this undertaking or the Order and the Addendum, I shall be subject to sanctions by way of contempt of Court, imposed by the Court; and to separate legal and equitable recourse by the adversely affected Designating Party in its capacity, as a third party beneficiary of this undertaking. I hereby waive any claim of privilege or immunity I may now or hereafter have as a defense to violation or enforcement of this Order or breach of this undertaking.

Dated: _____ _____

Signature

_____

Printed Name

_____

Address

_____

Individual or Entity Represented and Case Name and

~~Westinghouse Electric Corp. v. Newman & Holtzinger, P.C.~~, 39 Cal. App. 4th at 1205 (2d Dist. 1995) (unless otherwise provided, a protective order supersedes any confidentiality agreement and its breach does not give rise to a private right of action).

Subscribed and sworn to
before me this _____ day of
_____ 199___. Witness
my hand and official seal.

_____
Notary Public

EXHIBIT B

STATE OF MINNESOTA | DISTRICT COURT

COUNTY OF RAMSEY | SECOND JUDICIAL DISTRICT

Case Type: Other Civil

THE STATE OF MINNESOTA,

Court File No. C1-94-8565

BY HUBERT H. HUMPHREY, III,
ITS ATTORNEY GENERAL,

and

BLUE CROSS AND BLUE SHIELD
OF MINNESOTA,

Plaintiffs,

vs.

PHILIP MORRIS INCORPORATED, R.J. REYNOLDS TOBACCO COMPANY, BROWN & WILLIAMSON TOBACCO CORPORATION, B.A.T. INDUSTRIES P.L.C., LORILLARD TOBACCO COMPANY, THE AMERICAN TOBACCO COMPANY, LIGGETT GROUP, INC., THE COUNCIL FOR TOBACCO RESEARCH - U.S.A., INC., and THE TOBACCO INSTITUTE, INC.,

Defendants.

CONFIDENTIALITY AGREEMENT AND UNDERTAKING FOR EXPERTS AND OTHERS WHO ARE GIVEN ACCESS TO CATEGORY I INFORMATION

STATE OF _____)

: ss.

COUNTY OF _____)

COMES NOW _____, who being first duly sworn on oath, states the following:

~~1.~~ I have been retained by _____ [party] to serve [as an expert witness] [as counsel] in this action.

2. I hereby attest to my understanding that materials or information designated Category I Information may be provided, or access to them given, to me; and that such production is pursuant to the terms and conditions and restrictions of the Protective Order of June 15, 1995 (the "Order") and the Addendum to the Order, dated May __, 1996 (the "Addendum"), in the captioned action in the District Court for the County of Ramsey, State of Minnesota (hereinafter "Court"); that I have been given a copy of and have read the Order and the Addendum and have had their meaning and effect explained to me by the attorneys providing me with Category I, Trade Secret and/or Confidential materials or information; and that I hereby agree to be bound by the terms of the Order and the Addendum, both with respect to the Court's powers of supervision of the litigation and, contractually to any Designating Party, who is intended to be a third party beneficiary of the undertakings I give herein. The capitalized terms in this Confidentiality Agreement and Undertaking shall have the meaning set forth in the Order and the Addendum.

~~3.~~ I am not currently,[49] and agree that as a means of further protecting Category I Information to which I shall be exposed, for a period of two years after I am last given access to any Category I Information material or information, I shall not be, an officer, director, employee, consultant or agent of any Competitor of the Designating Party.[50] I recognize that, as a practical matter, this limitation is unlikely to have an impact on my employment opportunities, but understand that if I do wish to take a position that would otherwise be barred by virtue of this provision, I shall consult with the Designating Party in an effort to reach agreement about whether my intended activity with or for a Competitor can be structured in such a way, or the Designating Party can otherwise be reasonably satisfied, that there is not a material risk of unauthorized use or disclosure of Category I Information material or information. The Designating Party and I shall in good faith cooperate to waive the restriction or to work with me, and, as appropriate, the Competitor, to structure any such proposed activity or agree to appropriate confidentiality safeguards not preventing the proposed activity.

~~4.~~ I hereby submit to the jurisdiction of this Court for purposes of

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~~Hartman v. Remington Arms Co~~., 143 F.R.D. at 691 ("No such expert retained by plaintiff may be an officer, director, or regular employee or ever have been a regular employee of any corporation, entity or person who is a manufacturer of bolt action firearms or a competitor of Remington in the firearms market"); ~~Culinary Foods, Inc. v. Raychem, Inc~~., 151 F.R.D. at 311 (no disclosure of confidential information to "current or former employees, principals, owners or agents of competitors of defendant").

~~Cf~~. ~~Wang Laboratories, Inc. v. CFR Assocs, Inc~~., 125 F.R.D. at 12-13 (former plaintiff's employee was barred from serving as expert for defendant where expert was also serving as a consultant to plaintiff's competitors); ~~Glasser v. A.H. Robins Co~~., 950 F.2d at 148-49 (expert having had access to confidential documents was precluded from serving as an expert to others in related litigation where such service would risk expert's disclosure of confidential information).

enforcement of this Undertaking, both with respect to the Court's powers of supervision of the litigation and, contractually to any Designating Party, who is intended to be a third party beneficiary of the undertaking herein. I also attest to my understanding that, in the event I fail to abide by this undertaking and the Order and the Addendum, I shall be subject to sanctions, by way of contempt of Court, which may be imposed by the Court, and to legal and equitable recourse by the adversely affected Designating Party in its capacity as a third party beneficiary of this undertaking. I hereby waive any claim of privilege or immunity I may now or hereafter have as a defense to violation or enforcement of the Order, the Addendum or breach of this undertaking.

Dated: _____ _____

Signature

_____

Printed Name

_____

Address

Subscribed and sworn to
before me this _____ day of
_____ 199__. Witness
my hand and official seal.

_____

Notary Public