

**UNITED STATES DISTRICT COURT FOR
THE EASTERN DISTRICT OF VIRGINIA
(Alexandria Division)**

TRIANAFYLLOS TAFAS,

Plaintiff,

v.

JON W. DUDAS, in his official capacity as Under-Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, and the UNITED STATES PATENT AND TRADEMARK OFFICE,

Defendants.

CIVIL ACTION: 1:07cv846 (JCC/TRJ)
and Consolidated Case (below)

SMITHKLINE BEECHAM CORPORATION,

Plaintiff,

v.

JON W. DUDAS, in his official capacity as Under-Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, and the UNITED STATES PATENT AND TRADEMARK OFFICE,

Defendants.

**PLAINTIFF TRIANAFYLLOS TAFAS' MEMORANDUM OF LAW IN
SUPPORT OF HIS OBJECTION TO MAGISTRATE JONES' OPINION
AND ORDER DENYING TAFAS' MOTION TO COMPEL AND QUASHING
TAFAS' NOTICES OF DEPOSITIONS FOR SENIOR USPTO OFFICIALS**

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PRELIMINARY STATEMENT

Pursuant to Rule 72 of the Federal Rules of Civil Procedure, the Plaintiff, Triantafyllos Tafas (“Tafas”), respectfully submits this memorandum of law in support of his Objection to Magistrate Thomas Rawles Jones, Jr.’s Opinion and Order dated November 28, 2007 (the “Ruling”) denying, inter alia, Tafas’ motion to compel a complete administrative record and privilege log dated November 20, 2007 and granting Defendants’ motion for the issuance of a summary judgment briefing schedule dated November 9, 2007, which motion included a request to quash Tafas’ notices to take the depositions of four (4) USPTO officials involved in the rule-making at issue in this action.

As set forth more particularly herein, the Ruling is clearly erroneous and/or contrary to law. First, Magistrate Jones erred in not compelling Defendants to produce all documents and information that the United States Patent & Trademark Office (the “USPTO”) considered, directly or indirectly, in proposing and promulgating the new continuation and claim rules (the “Rules”). With respect to documents, the relief sought by Tafas was simply intended to insure a complete administrative record before the parties proceeded to summary judgment and encompassed nothing more than what the Court is required to consider in adjudicating an APA rule-making case.

Second, the Court erred in not requiring Defendants to substantiate their claims of deliberative process and attorney-client privilege, based on the Magistrate’s adoption of the USPTO’s erroneous assertion that privileged documents are not part of the administrative record in the first place. Magistrate Jones adopted an argument espoused by the USPTO’s DOJ attorney that is not only directly contrary to law and customary practice, but also contrary to the Department of Justice’s own internal guidance to government agencies on this very issue. More

importantly, if not overturned, the Ruling creates a dangerous and chilling precedent -- effectively inviting government agencies to withhold in a blunderbuss manner any information or documents that an agency may deem privileged on a “blanket” basis, with the knowledge and comfort that an agencies’ privilege analysis (however non-existent or faulty it might be) will be totally immune from judicial review or challenge by the regulated public.

Third, Tafas identified a multitude of unmistakable “holes” in the administrative record, all of which cry out for further inquiry (to be developed both through supplementation of the record and through Tafas’ requested depositions). It is well established that an incomplete or “cherry picked” administrative record is a valid reason to permit discovery in an APA case or, at the very least, remand to the agency for supplementation. Nonetheless, Magistrate Jones did not order either remedy and was overly deferential to the USPTO’s *ipse dixit* certification that the record was complete. As is reflected in the hearing transcripts, Magistrate Jones appears to have been operating under the misapprehension that so long as the administrative record in an APA case is fairly substantial or voluminous, that it is not necessarily imperative that it also be totally complete. This is not the law and Tafas is entitled to a complete administrative record.

Fourth, Tafas submitted a compelling *prima facie* case of bad faith in the form of, inter alia, inconsistent statements by senior agency personnel, as well as a wholesale and massive withholding by the USPTO, inter alia, of pertinent internal documents from the administrative record. Tafas’ showing is more than sufficient in a discovery motion context to warrant the taking of targeted depositions to explore these incongruities. Magistrate Jones reasoned, however, that if Tafas’ bad faith claims were “already demonstrated” then, in such case, a “speculative” further search for “additional evidence” would somehow be improper (or perhaps unnecessarily cumulative). Of course, Tafas should be able to put on the strongest case he is

capable of making based on a true and complete record and he should not be limited to “some” evidence. Similarly, Tafas should be permitted to probe the actual intent (and to expose possible bad faith) behind the USPTO’s inconsistent statements and missing record documents.

Magistrate Jones erred in not permitting Tafas some reasonable latitude to pursue additional evidence supportive of his claims.

Finally, Magistrate Jones erred as a matter of law in precluding Tafas from taking limited and reasonable discovery in aid of his constitutional claims.

RELEVANT PROCEDURAL HISTORY

On November 5, 2007, Tafas noticed the depositions of four (4) USPTO officials who were significantly involved in, if not the primary architects of, the new Rules -- Defendant Jon W. Dudas (“Dudas”), John J. Doll (“Doll”), Robert Bahr, Esq. (“Bahr”) and John J. Love (“Love”)(collectively the “Deponents). (Docket Nos. 51-54).

On November 9, 2007, the USPTO filed a Motion for Issuance of a Proposed Briefing Schedule in Lieu of a Standard Initial Scheduling Order and supporting memorandum of law, in which Defendants demanded that summary judgment briefs be filed no later than December 20, 2007. Defendants also sought: (i) to quash the above referenced notices of deposition; and (ii) the entry of an order barring any discovery at all. (Docket Nos. 60-62).

On November 14, 2007, Tafas filed his memorandum of law in opposition to Defendants’ motion, with numerous substantive exhibits. (See Docket No. 66-67; 69). In sum, Tafas argued that each of the Deponents were extensively involved in the rule-making process including, without limitation, the USPTO’s decisions to propose and later promulgate the new Rules. Tafas argued that Defendants engaged in a biased, results oriented rule-making process. Tafas demonstrated sufficient indicia of bad faith and withholding of factual information and

documents from the administrative record so as to warrant discovery concerning the inconsistent positions taken by the USPTO concerning the new Rules and the lack of completeness of the administrative record. Tafas also argued that discovery was permissible and necessary concerning his *bad faith* certification claim under the Regulatory Flexibility Act (RFA), as well as on his constitutional claims. Id.

On November 16, 2007, Magistrate Jones held a lengthy and hotly contested hearing during which Tafas contended, inter alia, that a massive amount of matter considered by the USPTO in its rule making, if not a preponderance of all such documentation, was not provided as part of the administrative record. Tafas argued that Defendants were improperly refusing to provide a privilege log and/or to submit their privileged documents for *in camera* review to substantiate their conclusory privilege assertions. (See 11/16 Hearing Transcript at pp. 16-19; 22-23)(Ex. 4; Docket No. 82).

At the conclusion of the November 16th hearing, Magistrate Jones took the matter under advisement and continued the hearing to November 27th. Tafas and the USPTO were directed to file supplemental memoranda concerning the privilege issue, as well as addressing whether discovery should be permitted with respect to Tafas' constitutional claims. Tafas was also asked to file a supplemental memorandum particularizing the topics and subject matters he proposed to cover with the Deponents. (See Docket Nos. 68 and No. 80, 11/16 Hearing Tr. at pp. 45-48; Ex. 4).

On November 19th, Tafas filed a Supplemental Memorandum Addressing the Need for Defendants to Furnish a Privilege Log Concerning Matter Withheld from the Administrative Record. (Docket No. 73). On November 20th, Tafas filed a Supplemental Memorandum In Support of Notices of Depositions for USPTO Officials and a Supplemental

Memorandum Concerning the Presumption of Regularity in APA Proceedings and Availability of Discovery on Constitutional Claims. (See Docket Nos. 78 and 79). Tafas also filed a Motion to Compel requesting that Defendants be compelled to produce all materials that were required to be placed in the administrative record in the first place under applicable law (to the extent not already included), and to substantiate any excisions from the record based on claims of privilege:

Tafas...requests that the Court issue an order compelling [Defendants] to furnish a privilege log identifying...all documents withheld or redacted from the administrative record Defendants produced in this...action based on any claim of privilege...and to include in the administrative record any and all non-privileged documents that were considered or reviewed in connection with the proposed and final rules...

Tafas' Motion to Compel, Docket No. 80, p. 1.

On November 20th, Defendants filed a memorandum in opposition to Plaintiffs' demand for a privilege log. (Docket No. 74). On November 26th, Defendants filed an *Omnibus* Memorandum In Opposition to Plaintiffs' Motion to Compel a Complete Administrative Record and an objection to Tafas' motion to compel. (See Docket No. 83 and 84).

Magistrate Jones heard extensive oral argument on all the above referenced matters on November 27th. (See 11/27 Hearing Transcript, Docket No. 92, Ex. 5). Ruling from the Bench, Magistrate Jones denied all of Plaintiffs' motions and requests for relief, ruling that Plaintiffs would not be permitted any discovery and that Defendants need not substantiate any of their sweeping assertions of privilege. Magistrate Jones also granted Defendants' request that the summary judgment filing deadline be set for December 20th. (See Docket No. 90 and 11/27 Hearing Tr. at pp. 55-63, Ex. 5). On November 28th and 29th, Magistrate Jones issued his written Ruling and Scheduling Order. (See Docket Nos. 91 and 93, respectively).

ARGUMENT

Point I

THE COURT ERRED IN FAILING TO COMPEL DEFENDANTS TO PRODUCE A COMPLETE ADMINISTRATIVE RECORD AND PRIVILEGE LOG

A. Magistrate Jones Erred in Not Compelling Production of A Complete Administrative Record.

First, Magistrate Jones erred in accepting the USPTO's argument that no discovery would be appropriate to complete the administrative record unless it was "so bare" as to frustrate any effective judicial review. Magistrate Jones also repeatedly expressed the sentiment that Plaintiffs may not be prejudiced (and may actually benefit) if the USPTO did not provide a complete administrative record -- seemingly reasoning that the potential absence of a substantial record information may preclude or hinder the USPTO from demonstrating that its rules were not arbitrary and capricious and/or were supported by the record. (See 11/16 Hearing Tr., Ex. 4 at pp. 20-23; 24-26 and 11/27 Hearing Tr., Ex. 5 at pp. 7-12).

Providing a complete and true administrative record for the Court is not optional, however, as the USPTO erroneously led Magistrate Jones to believe. (See Defendants' *Omnibus* Mem. dated 11/26 at pp. 2; 11)(No. 83). Section 706 of the APA expressly commands the Court to review the "whole record" (see 5 U.S.C. § 706) and numerous precedents mandate that the government agency must produce a complete and true record in an APA rule-making case. See e.g., Citizens to Preserve Overton Park, Inc. v. Volpe, 401 U.S. 402, 420 (1971)(under the APA a court reviewing an agency action must consider "the full administrative record before the [decision-maker] at the time he made his decision."); Motor Vehicle Manufacturers Ass'n. of the United States v. State Farm Mutual Automobile Ins. Co., 463 U.S. 29, 43 (1983) (a complete and thorough administrative record is necessary so that the court may decide whether the agency

“failed to consider an important aspect of the problem,” or failed to “explain the evidence which is available,” which would render the decision arbitrary and capricious under the APA); Thompson v. United States Dep't of Labor, 885 F.2d 551, 555 (9th Cir.1989) (citations omitted)(“The ‘whole’ administrative record ... consists of all documents and materials directly or *indirectly* considered by agency decision-makers and includes evidence contrary to the agency's position.”); Bar MK Ranches v. Yuetter, 994 F.2d 735, 739 (10th Cir.1993)(before the district court may review the parties' dispositive motions and the merits in an administrative record review case, it “must have before it the ‘whole record’ on which the agency acted.”)(emphasis added); Biodiversity Legal Foundation v. Norton, 180 F.Supp.2d 7 (D.D.C. 2001); Walter O. Boswell Mem'l Hosp. v. Heckler, 749 F.2d 788, 792 (D.C.Cir.1984)(a court reviewing agency actions under the APA must review the *exact* record that was before the agency at the time of its decision and, to ensure fair review of an agency action, the court “should have before it neither more nor less information than did the agency when it made its decision.” ... “To review less than the full administrative record might allow a party to withhold evidence unfavorable to its case, and so the APA requires review of ‘the whole record.’”); Merck & Co., Inc. v. Food and Drug Admin., 148 F.Supp.2d 27 (D.D.C. 2001)(in order to allow for meaningful judicial review, the agency “must” produce an administrative record that delineates the path by which it reached its decision)(emphasis added); Fund for Animals v. Williams, 391 F.Supp.2d 191 (D.D.C. 2005)(to ensure fair review of an agency action, therefore, the court should have before it neither more nor less information than did the agency when it made its decision); Colorado Wild, Inc. v. U.S. Forest Serv., 2007 WL 3256662 (D.Col., Nov. 01, 2007)(the APA provides for judicial review of agency action based on the adversarial review of the administrative record and the presumption is not to shield an agency's action from a

thorough, probing, in-depth review).

An agency may not skew the record in its favor by excluding pertinent but unfavorable information nor may it exclude information on the grounds that it did not “rely” on the excluded information in its final decision. E.g., *Envtl. Def. Fund, Inc. v. Blum*, 458 F.Supp. 650, 661 (D.D.C.1978); *Ad Hoc Metals Coalition v. Whitman*, 227 F.Supp.2d 134, 139 (D.D.C.2002); *Amfac Resorts v. U.S. Dept. of the Interior*, 143 F.Supp.2d 7, 12 (D.D.C. 2002). To ensure that the administrative record contains “neither more nor less” information than was before the agency, courts have directed agencies to collect those materials “that were compiled by the agency that were before the agency at the time the decision was made.” *James Madison Ltd. v. Ludwig*, 82 F.3d 1085, 1095 (D.C.Cir. 1996); *Common Sense Salmon Recovery v. Evans*, 217 F.Supp.2d 17, 20 (D.D.C. 2002); *Trout Unlimited v. Lohn*, 2006 WL 1207901 (W.D. Wash. 2006)(the whole administrative record is not always what the agency has compiled and submitted as “the” administrative record); *Tenneco Oil Co. v. Dept. of Energy*, 475 F.Supp. 299, 317 (D. Del. 1979) (“It strains the Court’s imagination to assume that the...decision-makers reached their conclusions without reference to a variety of internal memoranda, guidelines, directives and manuals ...”); *Franklin Savings Ass’n v. Ryan*, 922 F.2d 209, 210 (4th Cir. 1991)(discovery permitted after preliminary showing that the administrative record as presented might be incomplete and that there might be documents or evidence available for review by the agency that were not reviewed, or which were reviewed and not relied upon by agency, or which were reviewed and relied upon by agency but not contained in the administrative record).

Production of a true and complete administrative is a mandatory disclosure by a governmental agency in an APA case. Thus, it makes no sense, nor is it in the interests of sound public policy or the proper administration of justice, to sharply limit the parties’ ability to

challenge the integrity or completeness of the agency's proffered record -- through discovery or otherwise. Such challenges, if limited in scope and duration, are *salutary* in helping to insure that the record to be relied upon by the Court in rendering decisions of wide public importance is true and complete. In his comments from the Bench, and in his written Ruling, Magistrate Jones, however, repeatedly exhibited an overly restrictive view, both in terms of giving too little weight to the importance of insuring that a complete record is available to the parties and the Court, as well as giving undue deference to the government's *ipse dixit* reliance on the presumption of regularity. For example, Magistrate Jones reasoned as follows in his Ruling:

[Plaintiffs] claim...that the administrative record is incomplete....Plaintiffs assert that discovery would be useful if not necessary to pursue these claims. However, their assertions...make it clear that despite their denials that they want to go on a classic "fishing expedition." Their argument, stripped to its essence, is that bad faith...and incompleteness of the administrative record are all apparent on the face of the present record, and they want to go on a speculative search for additional evidence to support already demonstrated claims. That is not a proper basis for discovery under the APA...

Ruling at p. 2 (Emphasis Added).

Magistrate Jones' reasoning is not consistent with the line of cases cited above (pp. 6-8, *infra*), which make it crystal clear that the administrative record *must* be complete in order for the Court to properly perform its statutory duties under the APA. It also ignores the well established body of case law expressly authorizing the use of discovery to deal with incomplete administrative records. (See also Tafas Mem. of Law dated 11/14/2007 (No. 66) at pp. 5-11; Tafas Supp. Mem. of Law dated 11/20/2007 (No. 78) at pp. 3-5). Magistrate Jones' logic is also internally inconsistent because he is essentially saying on one hand that Tafas must establish an incomplete record in order to obtain discovery, but at the same time, that if Tafas actually succeeds in persuading the Court that administrative record is incomplete that this

somehow negates any need for discovery.

Moreover, Magistrate Jones' deference to the USPTO is particularly puzzling in the face of the numerous examples Tafas provided of glaring holes in the administrative record where one would logically expect there to be a multitude of documents. (See Tafas Mem. In Opp. To Defs. Mot. For Scheduling Order dated Nov. 14, 2007 (No. 66) at pp. 8-11; Tafas Supp. Mem. In Support of Depositions dated November 20, 2007 (No. 79), at pp. 3-6). The fact that many categories of common documents Tafas identified should logically have been part of the administrative record, but where the record tendered by the USPTO contains either none, or a bare handful, of such categories of documents is an extreme statistical improbability necessitating further investigation before a final hearing on the merits. Id.; Tenneco Oil, supra, at p. 8.

Similarly, and as previously stated, Magistrate Jones seemingly gave no credence to and/or failed to appreciate the fact that potentially negative matter that should have been included by the USPTO in the record could potentially be helpful to Plaintiffs in establishing that the Rules are arbitrary and capricious. Instead, as a result of erroneous arguments put forth by the USPTO, Magistrate Jones may have been laboring under the misapprehension that the omission of material from an administrative record could only be helpful to a party challenging administrative regulations if the omitted material rose to a sufficient level to permit a party challenging the administrative decision to argue that the record contains no information at all to support the decision (resulting in either a win on the merits and/or a remand to the agency).¹ (See 11/16 Hearing Tr., Ex. 4 at pp. 4-7; 16-32 and 38-39; 44 and 11/27 Hearing Tr., Ex. 5 at pp.

¹ While certainly remand is a procedural option open to the Court faced with an incomplete record, discovery to complete the record is likewise permissible and preferable. Tafas' respectfully suggests that Magistrate Jones failed to adequately consider the latter option.

7-8; 28-30; 38-39; 54-55). Consequently, Tafas is in effect being deprived of the opportunity as part of his summary judgment filing to cite to specific potentially negative information that should have been included in the record that may be inconsistent with the USPTO's stated reasons and purported supporting evidence for the Rules.²

In Tafas' papers and at the 11/16 hearing, the undersigned advised the Court that, among other deficiencies, there were numerous public presentations omitted from the USPTO's administrative record. Consequently, Tafas and wanted to inquire of the Deponents concerning the selective inclusion in the record of their public meeting materials (as well as their numerous *ex parte* contacts concerning the rules in these public appearances and how the inputs they received may have impacted on the decision-making). In their *Omnibus* memorandum filed the day before the final November 27th hearing, Defendants sought to rebut Tafas' claim in this regard and represented to the Court that all materials related to the numerous public presentations and town-hall type meetings were in fact included in the administrative record, which representation, *inter alia*, was relied upon by Magistrate Jones. (See Def. *Omnibus* Mem. at pp. 19-20).

The undersigned merely had to go on the Internet to turn up a myriad of USPTO presentations and public appearances not included in the administrative record (a significant number of which include information contrary to the USPTO's espoused positions on the Rules). (See 11/27 Hearing Tr., Ex. 5, at pp. 17-20). This only heightens Tafas' serious concern that this

² Defendants have mischaracterized Tafas' arguments as related only to the issue of whether the rules are arbitrary and capricious (that is that Tafas' bad faith arguments "represent reasons why he may choose to argue at summary judgment that the Rules are arbitrary and capricious." Def. *Omnibus* Mem. at p. 24.). However, bad faith is encompassed within "arbitrary and capricious." Latecoere International, Inc. v. United States Department of the Navy, 19 F.3d 1342, 1354 (11th Cir. 1994)("proof of subjective bad faith ... depriving ... fair and honest consideration ... generally constitutes arbitrary and capricious action.").

publicly available material is only the tip of the iceberg of non-privileged and potentially damaging material that the USPTO might be withholding. For illustrative purposes, and to further evidence that there should be no presumption of regularity in this case, Tafas has attached publicly available documents not produced by the USPTO as part of its administrative record that contradict the USPTO's assurances of completeness made to Magistrate Jones. (See Ex. 7-18; and 20).³

The fact that Tafas has found publicly available documents which were not provided in the administrative record, some of which is materially adverse to the USPTO's position, speaks volumes about the fact that Tafas' requests for limited discovery are not fairly pejoratively characterized as a "fishing expedition." All of the above, combined with the USPTO's blanket and facially all-encompassing assertion of a sweeping deliberative process privilege for thousands of internal documents (as discussed in the next section). The USPTO has provided no credible and detailed information from which the Court could reasonably conclude that anyone ever conducted a serious and thorough privilege reviewed for privilege and, therefore, there is an overwhelming basis for the Court to permit further investigation through the discovery process is necessary and should have been permitted.

B. Magistrate Jones Erred in Not Requiring Production of a Privilege Log.

The Ruling itself is silent as to Magistrate Jones' rationale for not compelling the USPTO to produce a privilege log to substantiate its claims of privilege concerning a vast amount of withheld documents that may have been considered by the USPTO as part of the rule-making process. It appears, however, that Magistrate Jones simply adopted the USPTO's

³ In Exhibit 20, the USPTO represents to the Office of Management and Budget (OMB) that there was no economic significance to the proposed new Rules, while internal data at the USPTO, as depicted at A04553 of the administrative record, shows that there was substantial economic effect (i.e., over the \$100 million threshold under Executive Order 12866).

circular argument that a privilege log would only be required with respect to matter that would otherwise be part of an administrative record filed in court and that privileged documents would never be part of an administrative record filed in court.⁴

The USPTO espoused that a government agency need not consider any privileged document to be a proper part of the administrative record -- even if the documents were directly or indirectly relied upon as part of the rule-making -- and that such privilege assertions need not be logged. In short, the USPTO seeks a blanket and absolute immunity from any judicial challenge as to whether its assertions of privilege are valid. The USPTO even went so far as to say that *Tafas* would have an obligation -- without access to a privilege log to work from to reasonably facilitate such an exercise -- to first prove that the USPTO was erroneously claiming privilege before a privilege log or *in camera* review could be required.

For example, at the November 16th hearing Attorney Wexler from the U.S.

Department of Justice argued:

MS. WETZLER: [T]hese deliberative, they are of course deliberative materials. But deliberative materials don't belong in a record, they are immaterial. And, therefore, we have an no obligation to provide a privilege log. We asked --

THE COURT: Well, Mr. Nealon's point, I expect, is that he needs a privilege log to determine if the materials that you claim were deliberative were in fact deliberative.

MS. WETZLER: Your Honor, there is a presumption of regularity of what the government does.

THE COURT: I understand.

⁴ The USPTO's position would be akin to a litigant saying that no privilege log is required in a routine case under the Federal Rules of Civil Procedure because even its liberal discovery rules do not contemplate parties being forced to turn over privileged documents. Of course, this is not correct in that the Federal Rules contemplate privileged documents being withheld from production based on privilege so long as claims of privilege are properly claimed and able to be substantiated if challenged. There is no reason for any exception to this same principle in the APA context.

MS. WETZLER: And unless Mr. Nealon could provide specific reasons to believe that what we have designated as privileged is not privileged, the reasoning...is incredibly compelling....

* * * *

MS. WETZLER: [T]his is a burden that the Government should not have to bear because in any administrative decision there are going to be deliberative materials, there are going to be extensive deliberative materials –

11/16 Hearing Tr. at pp. 40-41 (Emphasis Added).⁵

The USPTO reiterated this position in its supplemental privilege memorandum, the Omnibus memorandum and again at the November 27th hearing:

The Court may find it useful to know, anecdotally, that despite the large number of APA cases handled by the U.S. Attorneys' Office each year, none of the undersigned's colleagues in the Alexandria Division has reported submitting a privilege log for an administrative record, either voluntarily or because it was required to do so by the Court.

Defs. Mem. In Opp. To Privilege Log Req. dated Nov. 20, 2007 at p. 3 n. 3 (No. 74)

This Court too should deny Plaintiffs' request for a privilege log because deliberative documents simply do not belong in the administrative record.

Id. at p. 6 (No. 74).

The administrative record does not, however, include privileged materials such as documents that fall within the deliberative process privilege, attorney-client privilege, and attorney-work product privilege.

Def. *Omnibus* Mem. at p. 6 (citations omitted)(No. 83).

⁵ Moreover, what is particularly troubling here is that the burden that the USPTO does not want to bear (referenced below) is not the sheer mechanical or administrative task of typing up a privilege log, but rather taking the time and effort to locate, segregate and review potentially internal deliberative material to determine whether each such document is even privileged at all. The USPTO would prefer to simply assume that all internal communications and a broad grouping of other categories of internal documents are presumptively privileged (as obviously happened in this instance) thus obviating the need for any actual search and review process. Of course, this turns well established due diligence requirements for the proper assertion of privilege on their head.

[T]urning then to the question of deliberative materials. They are not part of the record. It's not simply that they are privileged, it is that they are not part of the record.

* * * *

MS. WETZLER: That's not the focus. And, therefore, there is no reason that these deliberative materials should have to come out either themselves in a production or through enumeration in a privilege log.

Producing a privilege log in this case, Your, Honor, would be an extraordinarily burdensome task. These rules were in development for more than two years. One can only imagine how many, how much deliberation went into this and how many memoranda and e-mails and materials exist.

11/27 Hearing Tr. at pp. 39-40 (Emphasis Added)

MS. WETZLER: [I]n addition, with respect to the privilege log, I perhaps didn't make the point orally just before that there is no compelling, binding authority requiring a privilege log. Plaintiffs have not identified any.

* * * *

MS. WETZLER: And under those circumstances, the case we have shown, *Blue Ocean Institute*, reasons from a D.C. circuit case which leads to the conclusion that a privilege log is not appropriate because deliberative materials do not belong in the case.

So, that is the compelling authority here, Your Honor. This Court would be the first in this circuit that we know of to order a privilege log under these kinds of circumstances on an administrative record.

11/27 Hearing Tr. at 54-55 (Emphasis Added).

Of course, there are a number of serious problems with the USPTO's position as advocated by Ms. Wexler.

First, the general proposition of law (as well as the USPTO's stated approach as to how privileged material that may have been directly or indirectly considered as part of a rule-making should be treated) advocated by the USPTO **is directly contrary to the Department of Justice's own guidance provided to administrative agencies**, titled "Guidance to Federal Agencies on Compiling the Administrative Record." This DOJ memorandum instructs agencies

to treat privileged materials as part of the administrative record and to carefully log any such information or documentation is to be withheld from the administrative record ultimately produced for use in litigation. (See Exhibits 1-3).

1. *General Principles for Compiling the Administrative Record*

The administrative record consists of all documents and material directly or indirectly considered by the agency decision maker in making the challenged decision. It is not limited to documents and material relevant only to the merits of the agency's decision. It includes documents and materials relevant to the process of making the agency decision.

* * * *

- Include privileged **and non-privileged** documents. (See Section 4).

See Exhibit 1, pp. 1-2 (Emphasis Added).

4. *How to Handle Privileged Documents and Materials.*

Generally, the administrative record **includes privileged documents** and materials and documents and materials that contain protected information. However, once the record is compiled privileged or protected documents are redacted or removed from the record.

The agency should consult with the agency counsel and the DOJ attorney or the AUSA as to the type and extent of the privilege(s) asserted. Be sensitive to the relevant privileges and prohibitions against disclosure, including, but not limited to, attorney-client, attorney work product, Privacy Act, deliberative or mental processes, executive and confidential business information.

If documents and materials are determined to be privileged or protected, the index of the record must identify the documents and materials, reflect they are being withheld, and state on what basis they are being withheld.

Exhibit 1, p. 4 (Emphasis Added).

Second, the USPTO tries to hide behind the alleged fact that there is no controlling case in the Fourth Circuit explicitly addressing whether a privilege log must be produced upon request in an APA informal rule-making case. However, the lack of a “controlling case” should not serve as a justification for a new precedent here that is completely

at odds with open government principles and/or the customary and salutary practice of litigants providing privilege logs and court's narrow interpretation of privileges generally.⁶

The USPTO is asking this Court to essentially give a blank check to government agencies, which will give license to overzealous bureaucrats (particularly where judicial challenge to rule-making is anticipated) to play fast and loose by interpreting privileges over broadly and/or perhaps induce compilers of administrative records use less care in reviewing documents for privilege knowing that there is no practical mechanism to challenge their privilege calls.⁷

To the exclusion of (and without addressing) the cases Tafas cited in his supplemental privilege memorandum⁸ supporting the need for the USPTO to provide a privilege log, the Court instead seemingly relied only on Blue Ocean Inst. v. Gutierrez, 503 F. Supp. 2d 366, 372 (D.D.C. 2007) in concluding that the USPTO was not required to submit a privilege

⁶ Privilege logs play an important and salutary role in the proper administration of justice and blanket assertions of privilege by government agencies are not favored. In re Franklin Nat'l Bank Sec. Litig., 478 F.Supp. 577, 582 (E.D.N.Y. 1979).

⁷ Along the same lines, the USPTO's argument that the requirement that a government agency provide a *Vaughn* index in connection with a litigated FOIA request is somehow distinguishable from a judicial challenge to a rule-making makes even less sense. This case effects inventors all over the world and its ultimate outcome may turn in substantial part on the contents and quality of the administrative record. As such, it is ridiculous for the USPTO to suggest that there is less of a need to insure that an agency does not overreach with respect to privilege in a rule-making context than in a FOIA context -- which in many cases simply involve curious citizens inquiring about the actions of their government.

⁸ See e.g., Trout Unlimited v. Lohn, 2006 WL 1207901 at *5 (W.D. Wash. 2006)(requiring production of privilege log and *in camera* review); Eugene Burger Mgmt. Corp. v. U.S. Dept. of Housing and Urban Development, 192 F.R.D. 1 (D.D.C. Jul 12, 1999)(agency required to produce privilege log); U.S. v. Farley, 11 F.3d 1385, 1388-1391 (7th Cir. Ill. 1993)(approving of district court's use of privilege log and *in camera* review to determine challenges to agency's assertion of attorney-client and deliberative process privilege); People of State of Cal. Ex rel. Lockyer v. U.S. Dept. of Agriculture, 2006 WL 708914 (N.D.Cal. Mar. 16, 2006)(stressing the importance of an agency producing a privilege log to substantiate its claims of privilege in the face of a contention that the administrative record is incomplete).

log. The line of cases cited by the USPTO to support its contention that it does not have to provide a privilege log are readily distinguishable. (See Def.'s Privilege Mem. dated Nov. 20, 2007 at pp. 4-6). First, most of those cases are not even in the context of agency rule-making, but rather in the context of various agency proceedings and actions. See Norris & Hirshberg, Inc. v. SEC, 163 F.2d 689 (D.C. Cir. 1947); Madison County Building and Loan Assoc. v. Federal Home Loan Bank Bd., 622 F.2d 393 (8th Cir. 1980); Amfac Resorts v. U.S. Dept. of the Interior, 143 F.Supp.2d 7 (D.D.C. 2001); In re Subpoena Duces Tecum served on the Office of the Comptroller of the Currency, 156 F.3d 1279 (D.C. App. 1998). Additionally, excluding Blue Ocean, none of the USPTO's cases cited in its privilege briefing even address the issue of privilege logs nor do any of them hold that an agency is exempt from providing a privilege log or, for that matter, even discuss privilege logs. Despite the USPTO's failure to cite a single case that actually discusses under what circumstances an agency is exempt from providing a privilege log, this Court held in the USPTO's favor, exempting it from the requirement of a privilege log.⁹

Tafas respectfully submits that the USPTO has simply assumed that all internal memoranda and discussions would automatically fall within the deliberative process privilege and that Tafas must simply accept the USPTO's blanket assertions of privilege without recourse to any judicial challenge in an APA rule-making case. Given the significant number of

⁹ The USPTO also misstated the law to the Court when it attempted to distinguish the General Electric and Spiller cases cited by Tafas for the proposition that privilege logs are required by courts in rulemaking challenges. (See Def. Priv. Mem. dated Nov. 20th at p. 8)(No. 74). The USPTO's representation that these cases were not APA cases is simply wrong. In fact, judicial review of agency actions under NEPA and CERCLA is governed by the APA. Tulare County v. Bush, 306 F.3d 1138, 1143 (D.C.Cir. 2002). The APA, 5 U.S.C. §§ 500-596, 701-706, provides the standard of review for Plaintiff's challenge under NEPA. Lujan v. Nat'l Wildlife Fed., 497 U.S. 871, 882, 110 S.Ct. 3177, 111 L.Ed.2d 695 (1990); Ecology Center, Inc. v. U.S Forest Serv., 192 F.3d 922, 924-25 (9th Cir.1999).

qualifications and technical requirements underlying a proper assertion of deliberative process privilege discussed below, Tafas respectfully submits that it is impossible to properly conduct a deliberative process privilege review unless it is performed by highly trained attorneys on a document-by-document basis.

For example, one limitation to the proper assertion of the deliberative process privilege is that a disclosure of particular documents or communications must discourage candid discussion within an agency so as to undermine the agency's ability to perform its functions.

Tummino v. Von Eschenbach, Case No. 1:05-cv-00366-ERK-VVP, Ex.19 at p. 12

(2006)(“Tummino”). Another limitation is that each document or communication must be “pre-decisional.” Id., at 12. A document is considered pre-decisional when it is prepared to assist an agency decision-maker in arriving at his decision. Id. at 12. Documents that reflect reasons for an agency decision that has already been made or documents that are merely peripheral to actual policy formulation are not covered by a deliberative process privilege. Id. at p. 13. Also, the agency must be able to pinpoint the specific agency decision to which the document correlates for a document to be considered pre-decisional. Id. at 13. The agency must also be able to establish that the author prepared the document to assist the agency official charged with making the agency decision. Id. at 13. The document or communication must also temporally precede the agency decision. Id. at page 13.

Furthermore, documents or communications may lose their pre-decisional character if the document or communication includes information “adopted, formally or informally, as the agency position on an issue or ... used by the agency in its dealings with the public.” Nat'l Council of La Raza v. Department of Justice, 411 F.3d 350, 356-357 (2d Cir. 2005) (quoting Coastal States Gas Corp. v. Dep't of Energy, 617 F.2d 854, 866 (D.C. Cir.

1980)); Tummino, at 14; Tax Analysts v. IRS, 483 F.Supp.2d 8 (D.D.C. 2007).

The deliberative process privilege is also inapplicable where the decision-making process itself is the subject of the litigation, such as when a private litigant is challenging an agency's decision. In such case, the agency's decision-making process is not protected by the deliberative process privilege. Marisol v. Guiliani, 1998 Dist LEXIS 3719 (S.D.N.Y. 1986). Here, the deliberative process privilege should be very narrowly construed, to the extent it is even allowed at all, inter alia, because the core APA issue in this case is whether the USPTO's decision-making process was arbitrary and capricious. This Court should be very circumspect about sweeping assertions of the privilege so that it is not improperly used by the USPTO as a shield against exposure of a biased, result oriented and flawed decision-making process.

Moreover, a party claiming deliberative process privilege must make a specific showing establishing the application of a privilege for **each document** that it is withholding on that basis.¹⁰ Tummino, at page 12; Arizona Rehabilitation Hosp., Inc. v. Shalala, 185 F.R.D. 263, 267 (D.Ariz. 1998); Miami Nation of Indians of Indiana v. Babbitt, 979 F.Supp. 771, 778-780 (N.D. Ind. 1996) ("The United States is expected to specify which materials it contends the deliberative process privilege protects with specificity, in the spirit of Fed. R. Civ. P. 26(b)(5)").

Another technical limitation on the scope of the decisional process privilege is that if the documents merely restate facts, and do not involve legal or policy matters, then any comments or opinions about these documents are not privileged and must be produced, or produced in redacted form. Tummino, at 15; Allocco Recycling, Ltd. v. Doherty, 220 F.R.D.

¹⁰ Some of the factors courts will consider in conducting a document-by-document analysis is whether the document formed an essential link in the consultative process; whether the document reflects the personal opinions of the writer rather than the agency's policy; and, whether if released, the document would inaccurately reflect or prematurely disclose the views of the agency. Tummino, at page 14. Courts will also consider whether each document reflects the give and take of the consultative process and whether the give and take reflects opinions on legal

407, 414 (S.D.N.Y. 2004). The importance of holding a government agency to its burden of segregation concerning non-deliberative matter that might be inter-mingled with privileged matter has been noted as especially important in the deliberative process area because the public has a vital interest in knowing the facts that are available to the agency. Natural Resources Defense Council v. U.S. Department of Defense, 442 F.Supp.2d 857, 877 (C.D. Cal. 2006). In the present situation, by not requiring the USPTO to submit a privilege log, the Magistrate has deprived Tafas of the opportunity to evaluate whether some of the claimed privileged documents might fail to meet all of the above referenced technical requirements of the deliberative process privilege. The fact that the USPTO has produced a *single* document in redacted form in the is hardly an indication of a serious privilege review. The Court should take judicial notice of the extreme statistical improbability that there was only one (1) document among the thousands of documents the USPTO says it may be withholding based on deliberative process or attorney-client privilege actually containing factual material or non-privileged matter.

The USPTO has failed to claim a privilege for each document that it is withholding. It is apparent that no one at the USPTO or DOJ performed the type of exacting document-by-document analysis described above. Jennifer McDowell, an attorney in the USPTO's Office of General Counsel, admitted in her Declaration that there could be hundreds, if not thousands of documents, subject to various privileges. McDowell averred that it would take twenty to thirty employees innumerable hours to collect and review these documents. (See McDowell Decl. at ¶¶ 6-9)(Docket No. 74 - Ex. 3). McDowell's admissions further confirms that the USPTO has not established the legitimate invocation of a privilege (deliberative process

or policy matters. Tummino, at page 15.

or otherwise) for each document that it is withholding as required by cases such as Arizona Rehabilitation Hospital and Miami Nation of Indians of Indiana.

The only logical inference to be drawn from McDowell's Declaration is quite troubling (i.e., that the USPTO has not yet conducted any meaningful or comprehensive deliberative process review at all). Nonetheless, the Court simply accepted the USPTO's blanket assertion of privilege, including the USPTO's garbled, perfunctory and essentially incomprehensible explanation of the USPTO's privilege review process at the November 27th hearing.¹¹ (See 11/27 Hearing Tr., Ex. 5 at pp. 32-44). Tafas respectfully submits that this is flagrant error.

Finally, even assuming *arguendo* that the USPTO were to be able to demonstrate on a document-by-document basis that all of the aforementioned technical line item requirements of the deliberative process privilege were met, the deliberative process privilege is still only a **qualified** privilege. It may be overridden if necessary in the interests of judicial fact-finding. Tummino, at pp 15-16. Thus, once a court determines that the a particular document is properly classified as subject to a deliberative process privilege, the inquiry is still not over. The court must then proceed to balance the parties' interests to determine whether the documents should nevertheless be produced, even if they are deliberative. The government bears the initial burden of establishing that the deliberative process privilege applies; a plaintiff bears the burden of showing its need for the documents outweighs the government's interest in non-disclosure. Utah Medical Prod. v. McClellan, 2004 WL 988877 (D. Utah 2004). The critical focus is whether the public interest would be furthered by shedding light on government decision-making sufficient to

¹¹ The inference that Magistrate Jones' first articulated to the effect that McDowell's Declaration seriously called into doubt the presumption of regularity afforded to governmental agencies was the right one to draw under the circumstances. (See 11/27 Hearing Tr. at pp. 43 lines 5-9).

warrant overriding the qualified privilege so as to permit scrutiny of the decision-making process. Tummino, at 16. Here, absent the USPTO providing a privilege log, it will be very difficult for Tafas to effectively mount such an argument as a practical matter, inter alia, because there will be no specific points of reference for him to cite to the Court.

As concerns the attorney-client privilege, Tafas also respectfully submits, for all the same reasons covered in the discussion of deliberative process privilege above, that Magistrate Jones applied the wrong legal standard and was overly deferential to the USPTO's contention that no outside challenge to its privilege calls should be permitted because of the presumption of regularity.

Moreover, the practical effect of Magistrate Jones' privilege ruling is to deny Tafas any practical ability to follow up on possible waivers of the attorney-client privilege. It is well established that the attorney-client privilege may be **waived** by public disclosure of the allegedly privileged communications.¹² Wyoming v. United States Department of Agriculture, 239 F.Supp. 2d 1219, 1229 (D. Wyo. 2002)(“Wyoming”)(“the party asserting the attorney-client privilege has the burden of proving that the privilege is warranted under the circumstances and has not been waived,” which includes establishing that an attorney is acting in a legal capacity).

Here, Tafas argued at the hearing that there may well be substantial waivers of the attorney-client privilege by virtue of the fact that Mr. Toupin, the USPTO's General Counsel, and Mr. Whealan, formerly the USPTO's General Counsel for Intellectual Property and Solicitor, seemingly crisscrossed the country making numerous public appearances in support of the proposed Rules and, as part of this process, may well have waived substantial areas of

¹² Documents withheld under the privilege must have been intended to be confidential at the time they were written and must have been maintained as confidential since. Coastal Corp. v. Duncan, 86 F.R.D. 514, 521 (D. Del. 1980).

privileged information in the process. (See 11/27 Hearing Tr. at pp. 11-12 and 18-19). Mr. Whealan's presentation materials were not produced as part of the administrative record and may instead be found by searching the internet. (See Whealan presentations and documents reflecting public appearances attached as Ex. 7 to 12). Id. Of course, Mr. Whealan's presentations, combined with the fact that they have been withheld, brings to mind a serious doubt as to whether the USPTO simply improperly assumed that anything related to the Office of General Counsel or Solicitor's Office was simply deemed privileged without any review in compiling the record.

Additionally, Mr. Whealan readily admits in his presentation materials that the Solicitor's Office was not only involved in giving legal advice, but also in providing **policy**¹³ advice on the new Rules:

1. Legal Advice
 - Promulgate and implement rules – e.g., proposed rules regarding continuations, claims and IDS.
 - * * *
 - Advise on complex **policy** questions.

Whealan Presentation Excerpts, Ex. 7; p. 3 (Emphasis added).

2. Latest Rules Proposals
 - Latest rules proposals address (i) continuations, (ii) claims, and (iii) IDS practice (coming soon)
 - Solicitor's Office brought in early

¹³ Of course, when an attorney for a governmental agency is functioning as a regulator or administrator rather than in a legal capacity, then those specific communications are no longer protected by the attorney-client privilege. Wyoming, 239 F.Supp. 2d at 1229; Texaco Puerto Rico, Inc. v. Dept. of Consumer Affairs, 60 F.3d 867, 871-884 (1st Cir. 1995)(the First Circuit held that the agency could not invoke the attorney-client privilege because it had “delegated policymaking authority to its outside counsel to such an extent that counsel ceased to function as lawyers and began to function as regulators”).

- Importance of rules to practitioners
- Anticipated legal challenges

Id., Ex. 7, p. 3.

2. *Major Responsibilities of the Solicitor's Office*

Advice: Provide legal and **policy** advice to senior management on complex legal/technical issues.

Id., Ex. 7; p. 2.

Summary: Unique Aspects About the Work of the Solicitor's Office

- Involved in both litigation and **policy**.

Id., Ex. 7; p. 13.

The USPTO is, of course, free to utilize Messrs. Toupin and Whealan and others in the Office of General Counsel or Solicitor's Office as public advocates for the new Rules, as well as have them participate in policy discussions concerning same. The mere fact that they are also attorneys, however, does not shield from disclosure or inquiry their *public advocacy* and *policy* making roles nor may the USPTO shield their documents from inclusion in the administrative record absent a valid invocation of privilege. The USPTO must be required to provide a detailed privilege log so that Tafas is afforded the opportunity to determine areas of subject matter or public disclosure waiver in connection with Messrs. Toupin and Whealan's numerous public appearances and *ex parte* contacts in connection with the new Rules.

Point II

**THE COURT ERRED IN NOT PERMITTING DISCOVERY
CONCERNING TAFAS' CONSTITUTIONAL, BAD FAITH
AND INCOMPLETE ADMINISTRATIVE RECORD CLAIMS**

Magistrate Jones did not explain in his Ruling why he denied Tafas the ability to take discovery with respect to his constitutional claims. Rather, Magistrate James instead seemingly simply accepted the non-controlling and distinguishable precedents cited by the USPTO in its papers. Tafas respectfully submits that Magistrate Jones' interpretation and application of the case precedents is wrong as a matter of law. In the interests of brevity and avoidance of redundancy, Tafas will not repeat all of his legal arguments in support of his contention that discovery is permissible on his constitutional claims and respectfully refers the Court to the oral arguments made at the hearing and his prior legal memoranda. (See Tafas' Mem. In Opp. dated Nov. 14, 2007 (No. 66) at p. 8, 12-24; Tafas' Supp. Mem. Concerning Presumption of Regularity and Availability of Discovery for Constitutional Claims dated November 20, 2007 (No.78) at pp. 2-6).

As concerns bad faith, and as previously stated, Tafas believes that he made a strong *prima facie* showing of bad faith both as a matter of fact and law. It appears from the Ruling, however, that Magistrate Jones improperly applied or misconstrued the law in concluding that once there is some showing of bad faith in an APA rule making context it is not permissible or appropriate for the Court to then afford discovery for purposes of further exploring the decision-maker's intent. In fact, the Blue Ocean case relied upon by the USPTO, and seemingly adopted by Magistrate Jones, makes it clear that the subjective intent of the rule-makers becomes fair game and may be the subject of discovery once there is some showing of bad faith. Blue Ocean v. Gutierrez, 503 F.Supp.2d 366, 371 (D.D.C. 2007)(the actual subjective

motivation of the decision-makers is immaterial as a matter of law – unless there is a showing of bad faith).

Similarly, in Tummino v. C. Von Esehenbach, 427 F.Supp.2d 212, 234 (E.D.N.Y. 2006), relied upon by Tafas below, the court noted that consistent with Overton Park a showing of bad faith pierces not only dispenses with the presumption of regularity, but also the deliberative process privilege. The *Tummino* court appropriately applied the standard and reasoned that a showing of bad faith serves as a valid basis to order discovery. *Id.* at 230. Where “there is considerable evidence that suggests that improper [action] ... may have influenced agency decision-making, it is necessary to allow extra-record discovery to uncover [if] that is true.” Sokaogon Chippewa Community v. Babbitt, 961 F.Supp. 1276, 1277 (W.D. Wisc. 997). In deciding whether extra-record discovery is appropriate, a court should look at the evidence of bad faith “in combination” to determine whether the evidence as a whole “raises substantial suspicion,” even if each isolated piece of evidence may be rationalized as “innocent in and of themselves.” *Id.*

Again, in the interests of brevity and avoiding redundancy, Tafas respectfully refers the Court to the oral arguments made at the hearing and his prior legal memoranda evidencing the USPTO’s bad faith (including inconsistent statements and withholding of documents from the record) and that discovery should be afforded to permit investigation of the incongruities Tafas has identified. The USPTO’s inconsistent use of statistical data presented in different forums squarely calls into question whether the USPTO engaged in good faith and fair dealing in generating the statistics/numbers for its RFA certifications and the rules. Tafas alleges (and firmly believes that discovery will further confirm) that the USPTO did not engage in a good faith analysis and manipulated the numbers as part of a biased, results oriented process to

generate the result that it wanted in order to sustain what the USPTO knew would be (to put it mildly) highly controversial new rules.¹⁴ (See Tafas’ Mem. In Opp. dated Nov. 14, 2007 (No. 66) at pp. 11-24, and exhibits; Tafas’ Supp. Mem. In Support of Notices of Depositions of Senior USPTO Officials dated November 20, 2007 (No. 79) at pp. 2-6, and exhibits; Tafas’ Supp. Mem. Concerning Presumption of Regularity and Availability of Discovery for Constitutional Claims dated November 20, 2007 (No. 78) at pp. 2-6). Moreover, the apparent massive withholding of documents that should either be in the administrative record and are not raises serious questions as to whether the USPTO compiled the record in good faith or, alternatively, is seeking to withhold access to documents and information that might potentially be helpful to Tafas.¹⁵

¹⁴ It is well established that “good faith” is the central factor in an agency head properly certifying pursuant to 5 U.S.C. §506(b) that there is no need for the agency to engage in an initial or final Regulatory Flexibility Act analysis. See e.g., Alenco Communications Inc. v. Fed. Communications Comm’n, 201 F.3d 608, 625 (5th Cir. 2000); National Women, Infants, and Children Grocers Ass’n v. Food and Nutrition Serv., 416 F.Supp.2d 92, 108 (D.D.C. 2006). Thus, evidence of an intent to obscure numbers in a certification of no economic impact on small entities is extremely relevant to proof under the Regulatory Flexibility Act. When a central factor “ultimately governs an issue ... some inquiry into the legitimacy of the reasons offered” for proof of the factor must be permitted when a preliminary showing of bad faith or improper behavior is made. Tummino, 427 at 231.

¹⁵ The lower court proceedings in Maritime Management v. U.S., 242 F.3d 1326, 1329-1330 (11th Cir. 2001) (“Maritime”) illustrates the well-established exception of bad faith on an agency’s part as providing the basis for discovery in the APA context. The Maritime court found that “[l]imited discovery was indeed proper because of the Government’s ‘failure to include relevant documents in the report to the GAO and in light of the negative nature of those documents purposefully excluded from the report. Such evidence constitutes a showing of bad faith or improper behavior on the part of Defendant justifying additional discovery.’” Id. at 1330.

CONCLUSION

WHEREFORE, for all the foregoing reasons, as well as the reasons set forth in Tafas' supporting memorandum of law, Tafas respectfully moves the Court to reverse the Ruling; to order Defendants to produce any and all documents or information directly or indirectly relied by Defendants upon as part of the rule-making; to order Defendants to provide a detailed privilege log with respect to all claims of privilege; deny Defendants' motion to quash the depositions; stay the summary judgment filing deadline by thirty (30) days to afford a reasonable but limited amount of time for discovery; remand this matter to Magistrate Jones for further proceedings consistent with the Court's ruling, along with such other, further and different relief as the Court deems just, equitable and proper.

Dated: December 7, 2007

Respectfully submitted,

s/ Joseph D. Wilson

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