

---

*county bar*  
**update**

---

---

May 2008 • Vol. 28 No. 5 | An E-Publication of the Los Angeles County Bar Association

---

### New Discovery Rules, Same “Old” Ethics Rules

***By Patrick A. Fraioli Jr., partner in the firm of Moldo Davidson Fraioli Seror & Sestanovich LLP and member, LACBA Professional Responsibility and Ethics Committee. He may be reached at [pfraioli@mdfslaw.com](mailto:pfraioli@mdfslaw.com). The views expressed are his own.***

The changes to the Federal Rules of Civil Procedure regarding electronic discovery became effective more than a year ago. In addition, some states followed suit, with more expected to do so. Questions have been raised about whether the “old” ethics rules, developed in the age of paper discovery, still apply in the “new” era of e-discovery. A recent court decision answers this question with an emphatic “yes” and “provide[s] a roadmap to assist counsel and corporate clients in complying with their ethical and discovery obligations and conducting the requisite ‘reasonable inquiry.’”<sup>1</sup>

On January 7, 2008, Magistrate Judge Barbara L. Major issued an order granting sanctions against Qualcomm and several of its attorneys for discovery abuses. To summarize, Qualcomm sued Broadcom for patent infringement. Broadcom filed a counterclaim alleging inequitable conduct and waiver based upon Qualcomm’s participation in a standards-setting Joint Video Team in 2002 and early 2003. In discovery, Qualcomm produced only one e-mail related to JVT, and at deposition, its witness testified that Qualcomm did not participate in the JVT in that time frame.

On the eve of trial, Qualcomm’s lawyers searched the witness’s laptop and found e-mails appearing to confirm that Qualcomm had been involved with the JVT prior to late 2002 but did not produce the e-mails. At trial, the same witness was cross-examined on the one e-mail and asked if she had seen any others. She answered truthfully that she had (on her laptop). Broadcom demanded the immediate production of any and all such e-mails. Qualcomm turned over the 21 e-mails during the lunch hour. The jury eventually returned verdicts in favor of Broadcom.

The court ordered a post-trial investigation into the alleged discovery abuses. Apparently, a simple word search of archived emails for “JVT” and related search terms would have found 46,000 unproduced documents containing more than 300,000 pages inconsistent with the arguments made by Qualcomm’s counsel at trial. After a hearing, the court issued sanctions against Qualcomm and several of its attorneys, relying in part upon the California Rules of Professional Conduct, Rule 5-200, which provides that a lawyer shall not seek to mislead the judge or jury by a false statement of fact or law, and Rule 5-220, that a lawyer shall not suppress evidence when the lawyer or the lawyer’s client has a legal obligation to reveal or produce.<sup>2</sup> The court also referred several attorneys to the State Bar for investigation.

If there were any doubts as to whether the “old” ethics rules still apply on the “new frontier,” this decision should emphatically dispel them. The *Qualcomm* court made clear that attorneys’ ethical duties and discovery obligations have not changed with the advent of e-discovery. Attorneys must still make a *reasonable* inquiry and may sign a discovery response *only* if it is “formed after a reasonable inquiry.”<sup>3</sup>

It is fair to ask whether the definition of a “reasonable” inquiry will change when what is being searched is not just file cabinets and desk drawers but also hard drives, servers, PDAs, and cell phones. It is likely that it will. As cases like *Qualcomm* and *Zubulake vs. UBS Warburg*<sup>4</sup> and its progeny clearly indicate, “attorneys must take

responsibility for ensuring that their clients conduct a comprehensive and appropriate document search.”<sup>5</sup> In the age of e-discovery where clients and attorneys cannot always physically touch each document, attorneys—to satisfy their own ethical obligations—must work closely with the clients to determine where documents are likely to be found and how best to obtain them. In the case of paper files, it is easier, both literally and figuratively, to get your arms around a set of files. One can go to a physical space, see the file with one’s own eyes, and review it. With ESI (electronically stored information), because it proliferates so easily, the formulation of appropriate queries becomes the critical function in any search for discoverable information.

Thus, it is also possible—some would say inevitable—the requirement that attorneys manage and direct the search for discoverable documents will implicate the attorney’s duty of competence.<sup>6</sup> While attorneys need not become technological wizards to do their jobs, it is doubtful that they can afford to remain entirely ignorant of the ways in which computer networks capture and store information. It will be difficult for an attorney managing the document search for a company with several offices, hundreds of computers, and multiple mobile devices to be “reasonably” confident that all responsive documents have been located if that attorney has no idea where to look for ESI or how to be reasonably certain that one has found it. Certainly, just as before, attorneys can associate with other attorneys who have knowledge in this area.<sup>7</sup> Moreover, attorneys also can employ outside services that specialize in the management and retrieval of ESI to help them craft searches and retrieve documents. However attorneys choose to ensure they satisfy their duty of competence, the key is to remember that the nature of the obligation has not changed even if the subject matter has.

The *Qualcomm* case reminds us that suppression of evidence is no less egregious when the evidence suppressed lives in the ether. And while lead counsel are ultimately responsible for the activities of the individuals working under their direction, all attorneys are required to comply with the discovery rules and their ethical obligations independent of what instructions they may be given by supervising attorneys. There is nothing new about that.

<sup>1</sup> See *Qualcomm Inc. v. Broadcom Corp.*, U.S.D.C., S.D. Cal. Case No. 05-CV-1958-B (BLM).

<sup>2</sup> See also Cal. Bus. & Prof. Code §§6068 (c) and (d).

<sup>3</sup> *Qualcomm*, U.S.D.C., S.D. Cal. Case No. 05-CV-1958-B (BLM).

<sup>4</sup> *Zubulake vs. UBS Warburg*, 220 F. R. D. 212 (S. D. N. Y. 2003).

<sup>5</sup> *Qualcomm*, U.S.D.C., S.D. Cal. Case No. 05-CV-1958-B (BLM).

<sup>6</sup> See Cal. R. of Prof'l Conduct, Rule 3-110(A)-(C); *Layton v. State Bar*, 50 Cal. 3d 589, 900 (1990).

<sup>7</sup> Cal. R. of Prof'l Conduct, Rule 3-110(C).