

UNITED STATES OF AMERICA BEFORE FEDERAL TRADE COMMISSION

In the Matter of

SCHERING-PLOUGH CORPORATION,
a corporation,

UPSHER-SMITH LABORATORIES,
a corporation,

and

AMERICAN HOME PRODUCTS
CORPORATION,
a corporation.

TO: The Honorable D. Michael Chappell Administrative Law Judge

NON-PARTY KV PHARMACEUTICAL COMPANY'S MOTION TO ENFORCE PROTECTIVE ORDER

Non-party KV Pharmaceutical Company requests that respondent Upsher-Smith Laboratories be prevented from carrying out its stated intention of breaching the provisions of the applicable Protective Order.

During the course of these proceedings, and in response to discovery requests, KV has produced documents containing highly sensitive, proprietary information. To protect its rights in the manner allowed by the Protective Order, KV designated its documents "Confidential" or "Restricted Confidential, Attorney Eyes Only," where appropriate. See Protective Order, ¶

2(a), (b). Under the Protective Order, "Restricted Confidential" documents may not be disclosed to anyone other than the specific individuals listed in the Protective Order. *Id.* at \(\mathbb{A} \) 2(b), 4. It is clear that these provisions restrict the parties' ability to use Confidential documents during trial (as well as at all other times), since the Protective Order specifically restricts which "witnesses . . . at trial" may view "Restricted Confidential" documents. *Id.*, \(\mathbb{A} \) 2(b), (c).

After Christmas, 2001, KV received notice from Upsher that Upsher intended to use certain "Restricted Confidential" KV documents at the upcoming merits hearing, but that Upsher had no intention of seeking in camera treatment of KV's documents. Subsequent communications with Upsher's counsel confirmed that Upsher intends to place "Restricted Confidential" KV documents in the public record, notwithstanding the provisions of the Protective Order.

This breach of the Protective Order will harm KV. KV has produced documents that reveal some of the company's most sensitive confidential information. The documents listed by Upsher as possible evidence would reveal analysis of competing products, product development plans (including plans regarding the development of specific products), research and development plans (including plans regarding specific technologies to be developed), confidential sales data (including both overall sales and sales to certain specific customers), sales forecasts, market analysis, and customer negotiations (including price terms). Such information should not be disclosed generally, and in particular should not be revealed to KV's competitors, including the private parties to this proceeding. KV does not object to its information being used if afforded in camera treatment. (Indeed, for the reasons stated the KV documents in question merit in camera treatment if they are to be used at all.) However, KV objects strongly to any use

of KV's Confidential information that does not strictly comply with the dictates of the Protective Order.

Therefore, KV requests an order prohibiting Upsher's counsel from placing in the public record, revealing to their client, or revealing to any other person or entity not authorized in the Protective Order any Confidential document or information provided by KV, including the following documents: KV 1998-2004, KV 3916-3942, and the Declaration of Philip J. Vogt.

In the alternative, KV requests an order providing that any Confidential document or information provided by KV, including those listed above, shall be afforded in camera treatment, and may not be proffered at any hearing in any manner inconsistent with the Protective Order.

DATED: January 16, 2002

Respectfully submitted,

Yonathan Berman

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ORDER

Respondent Upsher-Smith Laboratories has stated its intention of using the following documents as evidence at the upcoming hearing: KV 1998-2004, KV 3916-3942, and the Declaration of Philip J. Vogt. These documents have been designated by the producing entity, non-party KV Pharmaceutical Company, as "Restricted Confidential, Attorney Eyes Only." These documents contain proprietary, non-public information, the disclosure of which would injure KV Pharmaceutical Company. Other documents produced in discovery by KV Pharmaceutical Company have likewise been designated "Confidential" or "Restricted Confidential, Attorney Eyes Only." Upon the motion of KV Pharmaceutical Company, and for good cause shown, IT IS HEREBY ORDERED that:

(1) Upsher-Smith Laboratory's counsel may not place in the public record (by proffering as evidence or otherwise), reveal to their client, or reveal to any other person or entity

not authorized in the Protective Order any Confidential or "Restricted Confidential, Attorney

Byes Only" document or information provided by KV Pharmaceutical Company, including the
documents listed above; and

(2) the documents listed above may be included in the *in camera* portion of the record, but may not be used at any hearing in any manner inconsistent with the Protective Order's limitations regarding to whom such documents may be disclosed, and may not be used in any manner inconsistent with *in camera* treatment.

| ORDERED: | D. Michael Chappell |
|----------|--------------------------|
| | Administrative Law Judge |
| Date: | |

CERTIFICATE OF SERVICE

I hereby certify that today I caused a copy of the attached document, entitled Motion to Enforce Protective Order to be delivered by facsimile and U.S. Mail to:

Laura Shores, Esq. Howrey Simon Arnold & White 1299 Permsylvania Avc., N.W. Washington, DC 10004-2402

Christopher M. Curran, Esq. White & Case 601 13th St., N.W. Washington, DC 20005

Karen Bokat, Esq. FTC 601 Pennsylvania Ave., N.W. Rm. 3112 Washington, DC 20580 Honorable D. Michael Chappell Administrative Law Judge Federal Trade Commission Room 104 600 Pennsylvania Avenue, N.W. Washington, D.C. 20580

David Pender Assistant Director, Bureau of Competition Room S-3115 601 Pennsylvania Avenue, N.W. Washington, D.C. 20580

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Jones, Day, Reavis & Poguc

DATED: January 16, 2002