

# *Fitch, Even, Tabin & Flannery*

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FITCH EVEN TABIN & FLANNERY  
INTELLECTUAL PROPERTY LAW | EST. IN 1859

## Patent Litigation in The United States

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# *Adversarial System Of Dispute Resolution*

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- Courts Only Resolve Actual Disputes
- Resolve All Related Disputes Between Parties
- Resolve Disputes Through Conflicting Witness Testimony
- Broad Range Of Admissible Evidence
- Powerful Procedures For Obtaining Evidence
- Evidence Disclosed In Advance
- Trial Strategies Protected
- Unsupported Allegations Subject To Dismissal
- **GOAL:** Trial Is A Well-Fought Battle

# *U.S. Federal Court System*

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- **District Court**
  - Court of first instance
  - One or more in each state
  - Broad subject matter jurisdiction
  - Patent cases small percentage of docket
- **Court Of Appeals For Federal Circuit**
  - Washington D.C.
  - Exclusive first appellate court for patents
  - Has applied patent law more consistently
  - Relatively competent
- **U.S. Supreme Court**
  - Jurisdiction is discretionary
  - Rarely hears patent cases

# *The Roles Of Judge And Jury*

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- **Judge**

- Referees trial
- Instructs jury regarding the law
- Decides pure issues of law
  - Interpretation of disputed claim terms
  - Limits on Doctrine of Equivalents
  - Summary judgment rulings
  - Enhanced damages

- **Jury**

- Determines the true facts
  - Details of accused product & infringement
  - Content of prior art
  - Best mode known to inventor
  - Damages

# Pleadings

- **Complaint**

- Identify parties
- Identify asserted patent(s)
- Allege infringement by accused product / method
- Specify requested relief (injunction / damages)
- Request jury

- **Answer**

- Deny infringement
- State all defenses
  - Invalidity
  - Inequitable Conduct (Need specific facts)
  - Laches and Estoppel
- Allege counter claims
  - Declaratory judgment

# *Defendant's Pleading Motions*

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- **Failure To State A Proper Claim**
  - Technical pleading defects
- **Dismiss For Lack Of Personal Jurisdiction**
  - Minimum contacts with forum state
  - Specific – sale of accused product
  - General – property ownership
  - Foreign defendants – stream of commerce theory
- **Transfer To More Convenient Court**
  - Favorable jury
  - Faster docket
  - Related cases

# *Discovery In General*

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- **Purpose**

- Accumulate evidence to support client's position
- Identify opponent's evidence
- Learn opponent's legal theories
- Limit trial testimony of witnesses
- Obtain testimony from unavailable witnesses
- Obtain admissions
- Examine opinions of expert witnesses

# *Discovery In General*

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- **Tools**

- Request for documents
- Interrogatory questions
- Request for admissions
- Depositions
- Equipment / process inspections

- **Schedule**

- Fast court – 3 to 6 months
- Slow court – 1.5 to 2 years
- Depends on case complexity

# *Discovery in General*

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- **Intrusive and Expensive**
- **Confidential information**
  - Governed by “Protective Order”
  - Foreign counsel often allowed some access
  - Multi-defendant cases present difficulties
- **Strategic Use of Discovery Is Crucial**
  - Build winning case
  - Manage costs
  - Facilitate settlement

# Scope Of Discovery

- **Extremely Broad!**

- Admissible Evidence – makes fact less or more true

- Discoverable Evidence – likely to lead to admissible evidence

- **Limitations**

- Attorney – Client Privilege

- Confidential communications

- Between client and attorney

- For purpose of rendering legal advice

- Protected if not waived

- Attorney Work Product Immunity

- Materials generated in anticipation of litigation

- By or at the direction of attorney

- Protected almost always

# Opinions Of Counsel

- **May Produce Opinion To Defend Willfulness**
  - Reasonable reliance on opinion of counsel is a defense
  - Totality of the circumstances
  - Risk of enhanced damages
- **Producing Causes *Broad Waiver* Of A-C Privilege**
  - Communications relating to opinion
  - Information *considered* in rendering opinion
  - Drafts and notes
  - Information relating to client's reasonable reliance
    - Communicated to client; and
    - Relates to a *subject* of the opinion

# *Request For Documents And Things*

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- **Procedure**

- Requesting party specifies categories of documents / things
- Produce nonprivileged information within “possession, custody, or control”

- **“Documents And things” Defined Broadly**

- **Example Request (To Defendant)**

- The memo from Mr. Smith dated October 1, 1994
- All documents relating to development of accused process
- All documents relating to marketing the accused product

# *Request For Documents And Things*

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- **Example Requests (To Plaintiff):**
  - All documents relating to the development of the invention
  - All documents relating to the prosecution of the patent and related foreign patents
  - All known prior art to the patent in suit
  - All licenses granted under the patent

# Interrogatories

- **Procedure**
  - Written questions answered in writing under oath
- **Example Interrogatories (To Defendant)**
  - Identify all persons involved in the development of the accused process
  - State why you believe the patent is invalid, and identify all invalidating prior art
- **Example Interrogatories (To Plaintiff)**
  - State the amount of damages you are claiming, and the complete basis for your damage claim
  - Apply the asserted claims to accused device, providing your interpretation of each claim element

# *Request For Admissions*

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- **Procedure**

  - Requesting party asks opponent to admit facts

- **Purpose**

  - Limit issues for trial / useful to display to jury

- **Example Request (To Defendant)**

  - Admit that Reference X was published on or before March 1, 1998

- **Example Request (To Plaintiff)**

  - Admit that Reference X discloses a coextruded film

# Depositions

- **Procedure**

- Semi-formal examination of witness under oath
- Transcribed and/or videotaped
- Witness is “represented” by counsel

- **Purposes**

- Identify additional facts, documents and witnesses
- Extract important admissions
- Assess witness credibility
- Limit witness trial testimony
- Preserve testimony of an unavailable witness
- Learn basis of expert witness opinions
- Encourage opponent to consider settlement

# Depositions

- **Plaintiff's Depositions**

- Engineers who developed accused product
- Marketing manager
- Customers and suppliers
- Division VP
- Defendant's expert witness
- Counsel who provided noninfringement opinion
- In-house patent counsel

- **Defendant's Deposition**

- Named inventor(s)
- Engineers who developed patented product
- Non-party prior art witnesses
- Accounting manager
- Plaintiff's expert witnesses
- Counsel who prosecuted plaintiff's U.S. patent

# *Inspections*

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- **Procedure**

- Parties negotiate timing and procedures
- Attorneys and experts usually attend

- **Purpose**

- Measurements and testing
- Photographs and videotape
- Foundation for expert opinion

# Summary Judgment Motions

- **Purpose**

- Eliminate unsupportable claims and defenses
- Obtain judge's ruling on issues of law

- **Procedure**

- Written argument supported by evidence
  - Documents
  - Admissions
  - Deposition testimony
  - Inspection evidence
  - Expert Affidavits
- Oral argument
- Granted only if no “genuine issues of material fact” and entitled to Judgment “as matter of law”

# Claim Construction Hearings

- **Rules**

- Judge interprets claims
- Terms given ordinary meaning unless clearly defined
- Interpret based on intrinsic evidence
  - Claim language
  - Specification
  - Prosecution history
- Extrinsic evidence, may be considered but given less weight

- **Procedure**

- Briefs
- Hearing
  - Attorney argument
  - Expert testimony
  - Inventor testimony

# Trial

- **Opening arguments**
  - Each party summarizes what the evidence will prove
  - Usually very short
- **Testimony**
  - The essence of the trial
  - Introduce all evidence through witness examination
  - Fact witnesses and expert witnesses
  - Evidence rules exclude unreliable evidence
  - Judge rules on objections and keeps trial moving
  - May proceed for days, weeks, even months
- **Closing arguments**
  - More detailed and argumentative than opening arguments

# Trial

- **Jury Instructions**

→ Judge instructs jury on infringement, validity, damages...

- **Deliberations**

→ Jury deliberates with the aid of written jury instructions

- **Verdict**

→ Jury presents its decision and the amount of any damage

- **Post-Trial Motions**

→ Request to overrule unreasonable jury decisions

- **Appeal**

→ Briefs and oral argument directed to the CAFC

→ CAFC gives considerable deference to fact findings below

→ CAFC gives little or no deference to legal conclusions below

# *Proceedings In The U.S. PTO*

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- **Reexamination**

- Any person may request at any time
- Need at least one new issue of patentability
- PTO considers only patents and publications
- May not enlarge scope of claims
- Relatively fast (12-18 months)
- Decisions may be appealed
- Validity often upheld
- Defenses to amended or new claims

# *Proceedings In The U.S. PTO*

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- **Reissue**

- Only patent owner may request
- PTO considers all types of prior art
- Any person may file protest
- Only patent owner responds to examiner
- May enlarge claims within 2 years of grant
- May appeal ruling of invalidity
- Validity often upheld
- Defenses to amended or new claims

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