

Tips For Trying Your 1st Patent Infringement Case

Law360, New York (March 13, 2015, 5:09 PM ET) --

The vast majority of patent cases settle before trial ever begins. This results in many patent litigators rarely, if ever, having an opportunity to present a case at trial. For those patent litigators who are among the lucky few and end up in the courtroom, here are five tips to keep in mind.

1. Expert Reports Should Address All Variations on Claim Construction

Preparation for trial begins months or years in advance. Proper preparation includes preserving the right to present at trial expert testimony on technical issues of infringement and/or validity. Many courts do not provide claim construction rulings until late in the case, and even if a claim construction is provided, it is subject to change. Indeed, the Hon. Sue L. Robinson of the District of Delaware, in her guideline for claim construction, specifically states that in certain circumstances, the court may “clarify, revise, expand or narrow its prior constructions.” This written guideline is consistent with the practice of many judges.



Daniel Silver

Given the absence of absolute certainty on claim construction, it is best to have experts go beyond the position you are advancing and apply all potential constructions. Experts are required to state all opinions and the bases for those opinions in their reports. Fed. R. Civ. P. 26(a)(2)(B). Addressing all possible constructions preserves the experts’ ability to testify at trial following the court’s ruling or in the event the court reconsiders claim construction. It also eliminates the need to file a supplemental expert report and the ensuing fight over the timeliness of such a report.

2. Defendants Should Send, and Plaintiffs Should Scrutinize, the Section 282 Notice

Most patent litigators know that 35 U.S. C. § 282 specifies that an issued patent is presumed valid. But Section 282 also contains particular notice requirements, including a requirement that accused infringers provide specific information regarding the prior art that will be relied upon at trial. Specifically, at least 30 days before trial, the accused infringer must give notice of the (1) “country, number, date and the name of the patentee of any patent,” (2) “title date, and page numbers of any publication,” and (3) “name and address of any person who may be relied upon as the prior inventor or

as having prior knowledge of or as having previously used or offered for sale the invention of the patent in suit.” Failure to provide this information will bar an accused infringer’s ability to raise invalidity defenses at trial.

In line with the general goal of providing a level playing field in litigation, the Federal Circuit interprets Section 282 to “prevent unfair and prejudicial surprise” at trial. *ATD Corp. v. Lydall Inc.*, 159 F.3d 1272, 1280 (Fed. Cir. 2012). Trial courts have relied upon Section 282 to preclude a defendant from asserting defenses at trial. In a recent case in the District of Delaware, a Section 102(f) invalidity challenge was found to be untimely because, although the defense arguably was presented in the pleadings, the specific information required by Section 282 was not provided to the patent holder. *Cubist Pharms. Inc. v. Hospira Inc.*, No. 12-367, Slip Op. at 45 (D. Del. Dec. 8, 2014). In excluding the Section 102(f) defense, the court noted that the patentee “was unfairly confronted with this invalidity challenge at trial.”

The requirements of Section 282 can be satisfied in the “pleadings or otherwise.” Indeed, most of the time, the required information is disclosed in expert reports or otherwise months in advance of trial. Nonetheless, a defendant should remain cognizant of the requirement and send a specific notice at least 30 days before trial. This practice ensures compliance and reduces the risk of preclusion of evidence or invalidity theories at trial.

A plaintiff on the receiving end of a Section 282 notice should scrutinize it upon receipt to ensure that the defendant is not attempting to shoehorn new prior art or defenses into the case; a defendant’s inclusion of something in the Section 282 notice does not absolve a defendant of their failure to include a theory in interrogatory responses, expert reports or the pretrial order. While in many instances the Section 282 notice is consistent with the defendants’ prior disclosures, plaintiffs must be diligent to confirm that to be the case. Our firm was recently involved in a case in which a defendant identified a new reference as prior art in the Section 282 notice — although the reference had been contained in a laundry list of prior art earlier in the case, it was not addressed in the defendant’s expert reports on invalidity. Because we scrutinized the Section 282 notice and identified the new reference, we were able to flag the issue for the trial judge in the pretrial order.

3. Settlement Can Be Good, but “Settle” Is a Dirty Word When it Comes to Trial Preparation

The vast majority of cases settle, and settlement can be a good thing for a variety of reasons, but trial preparation — an intense activity — should not be disturbed. In our experience, and to the extent possible, the majority of the trial team should largely be kept in the dark regarding settlement discussions. Lead counsel may need to engage in negotiations, but the rest of the trial team needs to remain focused on preparing for trial. The potential for settlement — especially if it seems likely — may cause distraction and reduce drive (especially when that extra hour of sleep seems so appealing).

Moreover, there is a risk that despite good faith efforts at settlement throughout negotiations and up to the eve of trial, the case does not settle. For example, our firm recently had a case that settled at 4 a.m. on the day trial was to begin after all-night negotiations. Had the entire trial team been involved in the negotiations and the case not settled, the core of the trial team would then go into trial unnecessarily sleep-deprived and have had their attention diverted away from trial preparation. Because we knew that settlement was not a sure thing, we had the attorneys handling the opening argument and first-day witnesses focus on trial preparation, including necessary sleep, while others handled the settlement negotiations.

4. Preserving the Ability to Appeal Claim Construction Rulings in Jury Trials

If you think that making your record during Markman briefing and the Markman hearing preserves claim construction arguments for appeal, think again. The Federal Rules of Civil Procedure require parties that object to jury instructions, or the failure to give a jury instruction, to provide on the record the specific grounds for the objection. The Federal Circuit has repeatedly and clearly stated that if a party disagrees with the district court's claim construction ruling, the party must object to the court's jury instructions on claim construction. See, e.g., *Praxair Inc. v. Atmi Inc.*, 543 F.3d 1306, 1323 (Fed. Cir. 2008) ("After the district court's claim construction, ATMI renewed its construction arguments as an objection to the district court's jury instructions on claim construction, as required by Federal Rule of Civil Procedure 51(c)").

Rule 51 provides for a time to make such an objection. Rule 51 (c)(2)(A) requires that the court provide an opportunity to object on the record out of the jury's presence and before the instructions and arguments are given. If the court does not provide such an opportunity, Rule 51(c)(2)(B) states that a party may object promptly after learning whether the instruction will be given. In light of the Federal Circuit's willingness to overturn erroneous claim construction decisions, preserving your ability to appeal claim construction rulings is critical to your chances of success on appeal.

5. Preserving Your Right to Seek Judgment as a Matter of Law

For all but the least experienced trial lawyers, preserving your ability to challenge an unsupported jury verdict may seem repetitive. But there are two crucial steps for preserving a challenge to the sufficiency of the evidence presented at trial under the Federal Rules of Civil Procedure. First, Rule 50(a) allows a challenge to the sufficiency of the evidence prior to submission to the jury for a final determination. Second, Rule 50(b) allows for such a sufficiency challenge after the jury has issued a verdict. But of course, there is a catch.

It is important to know that these provisions are linked — a challenge under Rule 50(b) is not permissible without first raising a challenge under Rule 50(a). *Exxon Shipping Co. v. Baker*, 554 U.S. 471, 486 n.5 (2008). Thus, you will not be allowed to move for a judgment as a matter of law after the jury issues a verdict if you did not move for JMOL before the jury issues its verdict.

And, the JMOL raised under Rule 50(a) must be specific. The Federal Circuit has repeatedly held that a party forfeits its right to challenge a jury's verdict on a specific issue under Rule 50(b) if it did not first raise a challenge under Rule 50(a). See *Duro-Last, Inc. v. Custom Seal, Inc.*, 321 F.3d 1089 (Fed. Cir. 2003) (finding a specific JMOL challenging the sufficiency of the evidence under Rule 50(b) on inequitable conduct and the on-sale bar waived even though the party filed a broader JMOL under 50(a) that the patents were not invalid for obviousness); *i4i Limited Partnership v. Microsoft Corp.*, 598 F.3d 831 (Fed. Cir. 2010) (the right to challenge the factual findings implicit in the jury's verdict on obviousness waived because a pre-verdict JMOL on obviousness for the specific references was not raised).

To preserve your right to seek JMOL, you should consider assigning a member of the trial team the task of prompting lead counsel to move for JMOL, and provide talking points to create a record of sufficient depth to support a request for JMOL.

Conclusion

The best advice we can give to inexperienced patent litigators is to read the rules and seek the advice of someone who has tried patent cases (or any cases) many times before. Those who have lived through

the experience are an invaluable teaching tool.

—By Daniel M. Silver and Brian R. Lemon, McCarter & English LLP

Daniel Silver is a partner in McCarter & English's Wilmington, Delaware, office and was part of the team that obtained judgment in favor of the plaintiffs in Pfizer Inc. v Teva Pharmaceuticals USA Inc. Brian Lemon is an associate in the firm's Wilmington office and former research scientist for the United States Navy.

The opinions expressed are those of the author(s) and do not necessarily reflect the views of the firm, its clients, or Portfolio Media Inc., or any of its or their respective affiliates. This article is for general information purposes and is not intended to be and should not be taken as legal advice.

All Content © 2003-2015, Portfolio Media, Inc.