Managing Patent Litigation: Views From The Bench And Bar

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The San Diego Chapter of the Federal Bar Association recently presented a program on managing patent litigation which took place at the Carmel Valley office of Mintz Levin. The panel included District Judge Dana M. Sabraw and Magistrate Judge Cathy Ann Bencivengo of the Southern District of California, Juanita Brooks of Fish & Richardson, and Randy Kay of Jones Day. This distinguished panel showed practitioners how they can "raise the bar" on their patent litigation practices from the second litigation is filed until the case is finally completed. Seven main areas were covered by the panel:

(1) Unique Aspects of Patent Cases Within the Southern District

The Southern District recently implemented local rules governing patent cases which apply to any case filed after December 1, 2009. Judge Bencivengo, who was an active patent litigator in private practice and a central member of the committee which drafted these rules, stated that the court is committed to improving the efficient handling of such cases, noting that the number of patent cases within the Southern District has dramatically increased. The rules are intended for typical patent infringement cases involving one to three patents and one to three defendants. The Southern District always welcomes helpful insights on ways to make them better.

There has been an increase in patent cases in the district, which was partly attributed to the efficiency with which the district has handled them as a result of its local rules and the discovery role of magistrates judges. Judge Sabraw stated that within the Southern District, there is a nineteen-month average between the filing of a patent case to the time of settlement, a twenty-six-month average between the filing of the case to disposition by motion for summary judgment, and that on average the court decides motions for summary judgment in patent cases in 2.7 months. Judge Bencivengo reminded attendees that patent cases may be tried by stipulation to a magistrate judge with or without a jury (in the larger courtrooms). Judge Bencivengo welcomes the opportunity to preside over more patent trials, having recently presided over her first one by consent. This is an excellent opportunity to take advantage of some judges' patent litigation experience (such as Judge Bencivengo).

(2) Considerations Before Filing a Patent Case

Attendees were reminded to carefully consider the issue of venue before filing a patent case. The Southern District does not have a "rocket docket" for such cases as a result of the new patent local rules, but is well paced for the average patent case. In contrast, the Central District of California has no local patent rules, leaving case management issues to the full discretion of each judge.

(3) Pleading Requirements in Patent Cases

Although pleading requirements in federal court may have been heightened as a result of the Supreme Court's rulings in *Ashcroft v. Iqbal*, 129 S.Ct. 1937 (2009) and *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544 (2007), the panel warned against filing a Rule 12(b)(6) motion unless the moving party is confident that the court will grant the motion without leave to amend. Otherwise, the plaintiff will likely be allowed to remedy the pleading deficiency and will be in a better position given the information gained through the process. With finite resources, litigators were reminded to save the chambers time to address substantive motions.

(4) Experts in Patent Cases

The panel stressed that judges and juries are often swayed by the testimony of expert witnesses and, as a result, lawyers should carefully consider their selection early in the case. It was the collective experience of the panel that experts who have dealt specifically with the subject matter and are able to teach the technology are far more effective witnesses and thus more desirable than experts who are perceived as more accomplished or decorated. Practitioners can safely assume that San Diego juries will have a healthy respect for experts from UCSD and Cal Tech.

(5) Discovery in Patent Cases

Attendees were reminded to carefully consider all discovery needs, including foreign discovery, and be prepared to explain such needs to the court at the case management conference to assure that they will have sufficient time to complete discovery before the *Markman* hearing. The panel also warned that if discovery is

delayed for any reason, the adversely impacted party should promptly seek relief from the court, noting that the practitioner who waits too long to raise such concerns may be unable to obtain relief.

The panel also advised lawyers who represent large institutional clients to spend considerable time before filing suit identifying the location of relevant documents and knowledgeable employees within the client's organization, warning that the time investment may make for a rush if saved until suit is filed. Lawyers should also take steps to assure that the knowledgeable employees will be available and cooperative throughout discovery and trial (which may take place two or three years after the lawyer's initial contact with the employee). To that end, lawyers may wish to advise their clients to refrain from termination decisions for such employees until the completion of litigation and, if separation occurs, to consider the practical advantages of entering into consulting contracts with those employees to assure continued access and cooperation.

(6) Tutorials and *Markman* Hearings

Judge Sabraw encouraged the use of technical tutorials (non-evidentiary presentations prepared for the educational benefit of the court) and recommended that they be presented on the same day as the *Markman* hearing, if possible. Although lawyers can handle such tutorials if the subject matter is simple, practitioners were encouraged to use experts and visual aids where appropriate, including animation, when dealing with complex matters, noting that visual aids can be very effective. The panel discouraged the use of complicated Power Point presentations and voluminous text, noting that such presentations mean little, unless the court understands the technology at issue.

(7) Trial

The panel agreed that patent lawyers with little trial experience should seek the assistance of an experienced trial attorney in preparing and trying patent cases, noting that patent lawyers often make the mistake of presenting too much detail and using patent jargon. The panel also stressed that patent defendants should refrain from asserting too many defenses at trial. According to the panel, when a defendant asserts every available defense or piece of prior art, it may sound like a series of excuses to the jury. Moreover, if the judge or jury bases its ruling on a weak theory, the odds of reversal on appeal are much greater.

While the panel concluded by complimenting the consistent high caliber of patent practitioners in the Southern District, one could not help but realize that presentations such as this could only make the caliber that much higher.