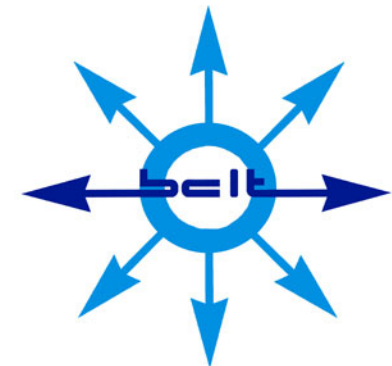


Intellectual Property in the New Technological Age

Summer 2021 IP Webinar Series
for Federal Judges

Patent Case Management



**PATENT
CASE MANAGEMENT
JUDICIAL GUIDE**

Third Edition

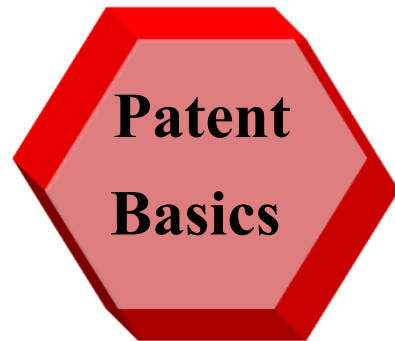
Federal Judicial Center
2016

Key Features

- **comprehensive**
- **user-friendly**
- **best practices**
 - **menu of choices**
- **intended for wide audience:**
 - **district judges**
 - **new and experienced**
 - **law clerks**
 - **practitioners**
 - **scholars**
- **basis for promoting exchange of information about case management among courts**
- **periodic updating**

Intellectual Property Law and Case Management Series Summer 2021

June 8



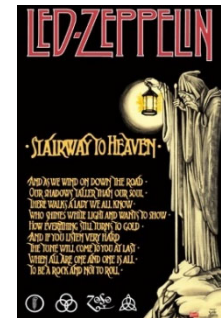
June 24



July 23



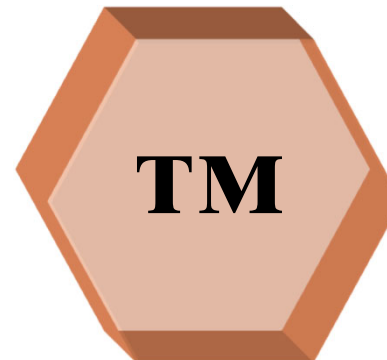
July 30



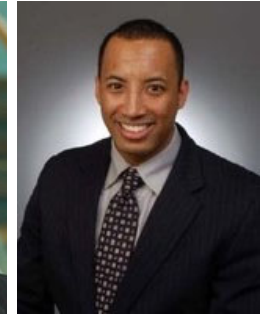
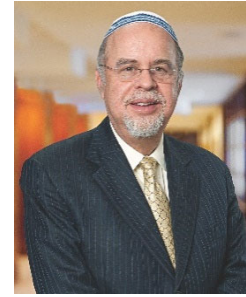
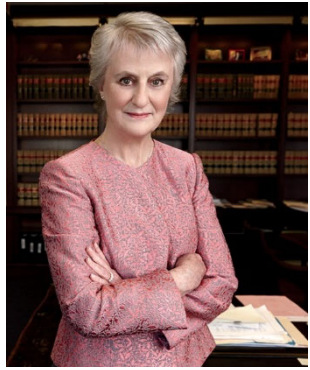
August 27



Sept. 24







Patent Case Management



**Chief Judge
Leonard Stark
(D. Del.)**



**Judge Cathy Ann
Bencivengo
(S.D. Cal.)**



Peter Menell



Kathi Vidal



Matt Powers



Jennifer Wu



James Winn

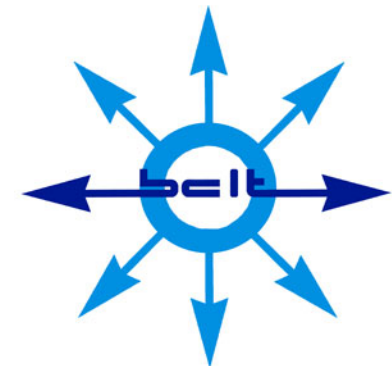


**Samantha
Jameson**

Intellectual Property in the New Technological Age

Summer 2021 IP Webinar Series
for Federal Judges

Patent Basics





US Patent
Claims
Term: 20
years from
filing



Disclosure

Obviousness

NOVELTY

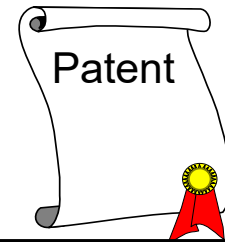
UTILITY

**Subject
Matter**





Patent Components



Specification

Description: description of the technical problem faced by the inventor and how the inventor solves the problem.

Drawings: if necessary

Claim(s): single sentence rule

- preamble introduction
- transition
 - comprising (open)
 - consisting of (closed)
 - consisting essentially of (hybrid)
- body elements/restrictions

A slicing device for cheese and the like,

[54] FOOD SLICER
[75] Inventors: John F. Aby, Jr.,
L. Davis, Ph.D.
er—Willie G. Abercrombie
D. Beecher et al.
ABSTRACT

comprising:

a base providing a flat cutting surface and having a passageway extending inwardly from an edge thereof parallel to said flat cutting surface and displaced down from the plane thereof;

a bar having a generally U-shape with one leg extending into said passageway for pivotal movement of said bar about the axis of said passageway;

a cutting element extending transversely across said base and having one end secured at the pivot axis of said bar;

and a handle rotatably mounted on the other leg of said bar and rotatable about the longitudinal axis of said other leg between a first and a second angular position, said cutting element being secured to said handle at a point displaced from the axis of rotation thereof.

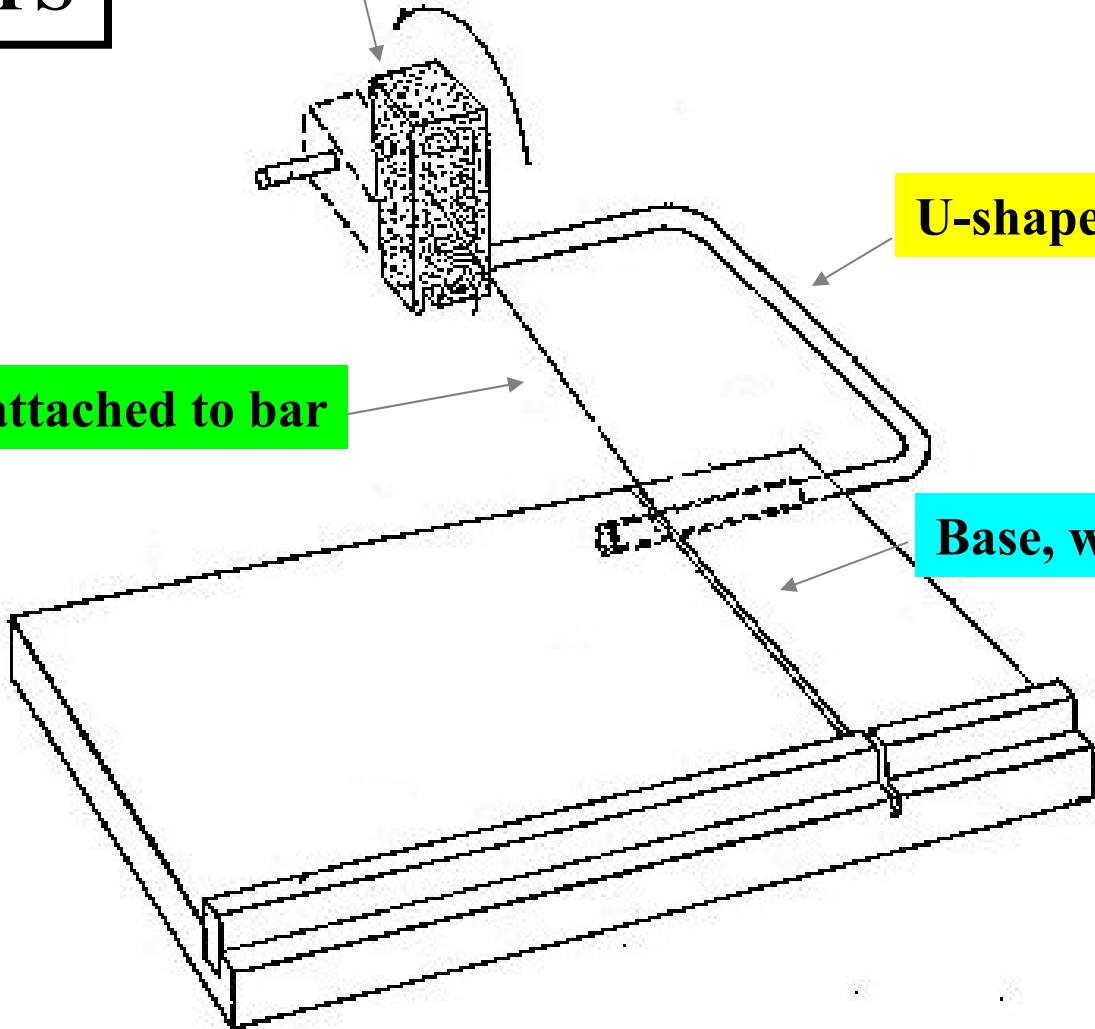
**CLAIM
ELEMENTS**

Rotating handle at end of bar

U-shaped bar

Cutting element attached to bar

Base, with passageway



Metes and Bounds

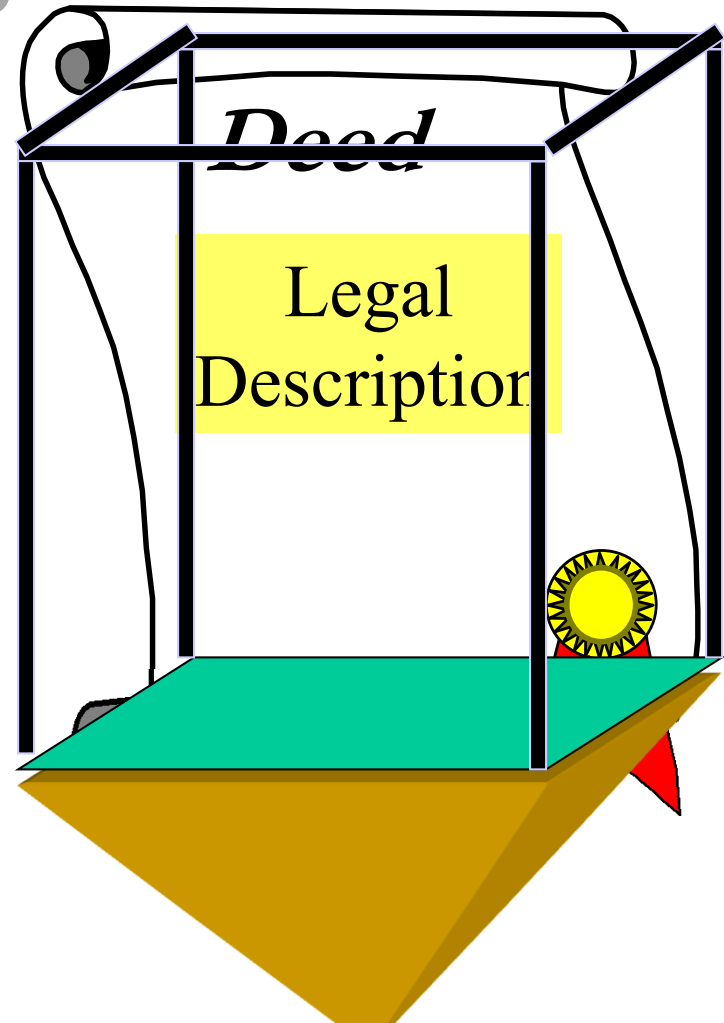
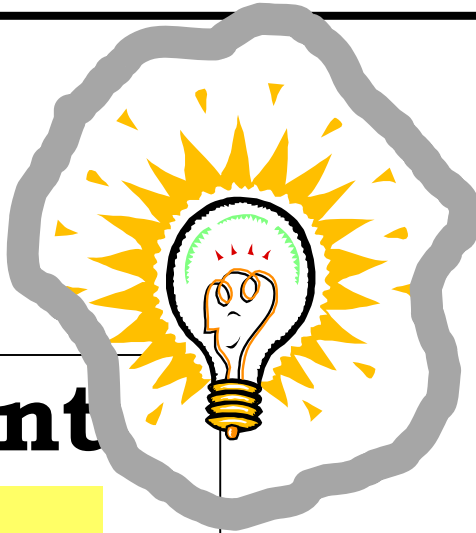


Claims

Patent

**Claim
Limitations**

- A. Rotating Handle
- B. Cutting element attached to bar
- C. Base with passageway
- D. U-shaped bar

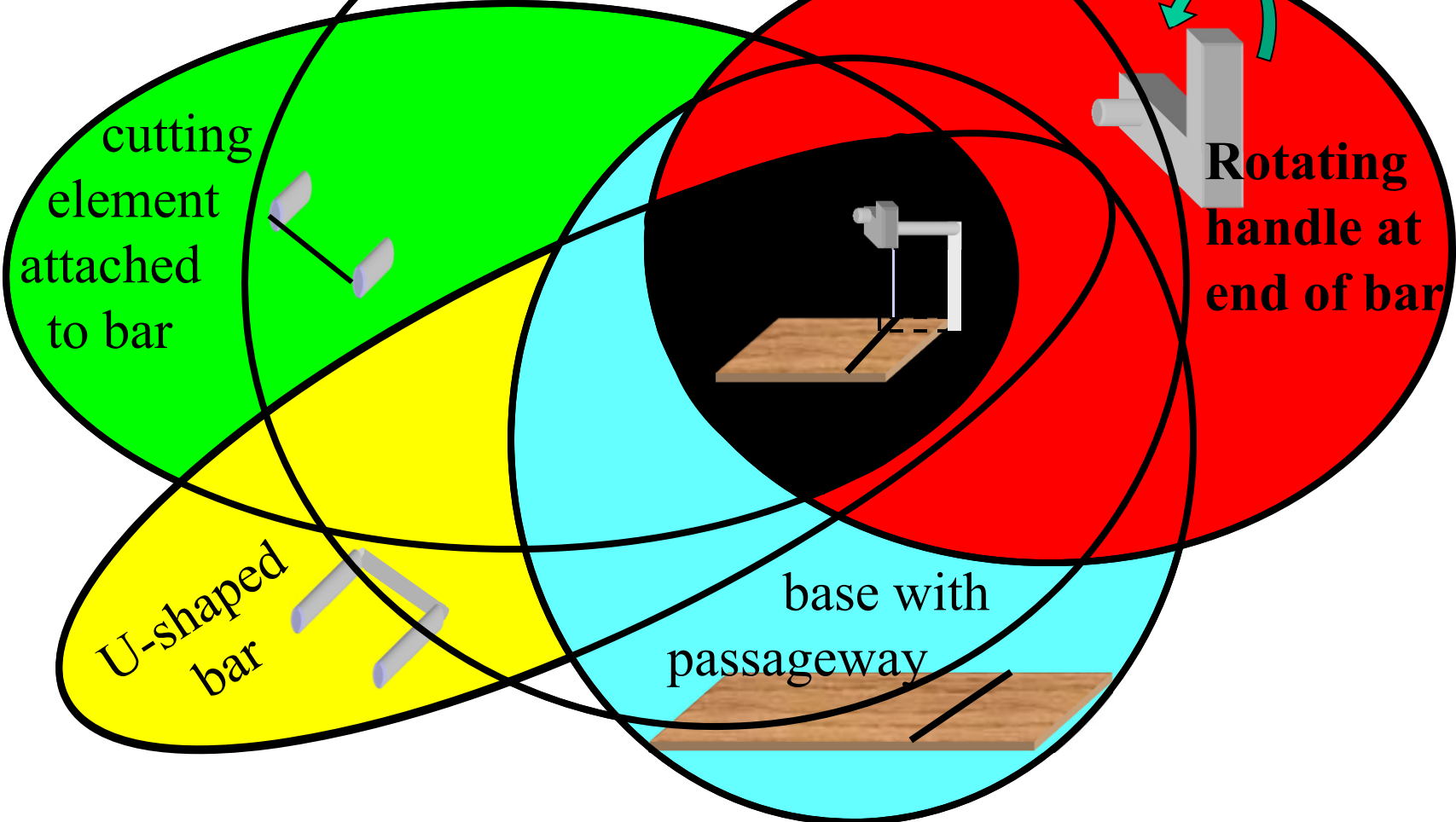


Patent Scope



Claim Limitation
or Restriction

Cheese Slicing
Devices



Patent Case Management

Claim Construction



Validity

§ 101 Patentable Subject Matter

§ 101 Utility

§ 102 Novelty – Does Prior Art Anticipate?

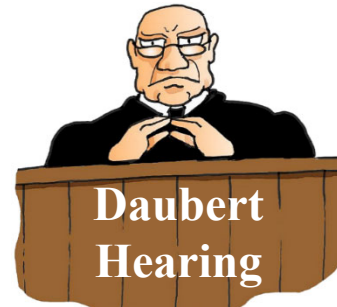
§ 103 Nonobviousness

§ 112 Disclosure: Enablement/Written Description



Infringement

Remedies



Initial Patent CMC Checklist

Summary of Claims and Defenses including:

- **Accused products/Basis for liability (direct or indirect)/key defenses**
 - § 101 patentable subject matter challenge?
- **Whether any technology standards are implicated**
- **Whether PTAB review has been or will be pursued**
- **Whether willfulness is asserted – if so:**
 - **Timing of assertion**
 - **Timing of reliance on any opinion of counsel**
 - **Possibility of bifurcation**
 - **Possibility of disqualification of counsel**

Set Contentions Disclosures and Timetable and Procedures for Claim Construction and Dispositive Motions

- **Procedures for claim construction –**
 - **Tutorial?**
 - **# of terms**
- **Will dispositive motions that turn on claim construction be resolved at the same time as claim construction**
- **Limits on number of MSJs and/or briefing page limits?**

Claim Construction Management

Patent Local Rules: Rationales

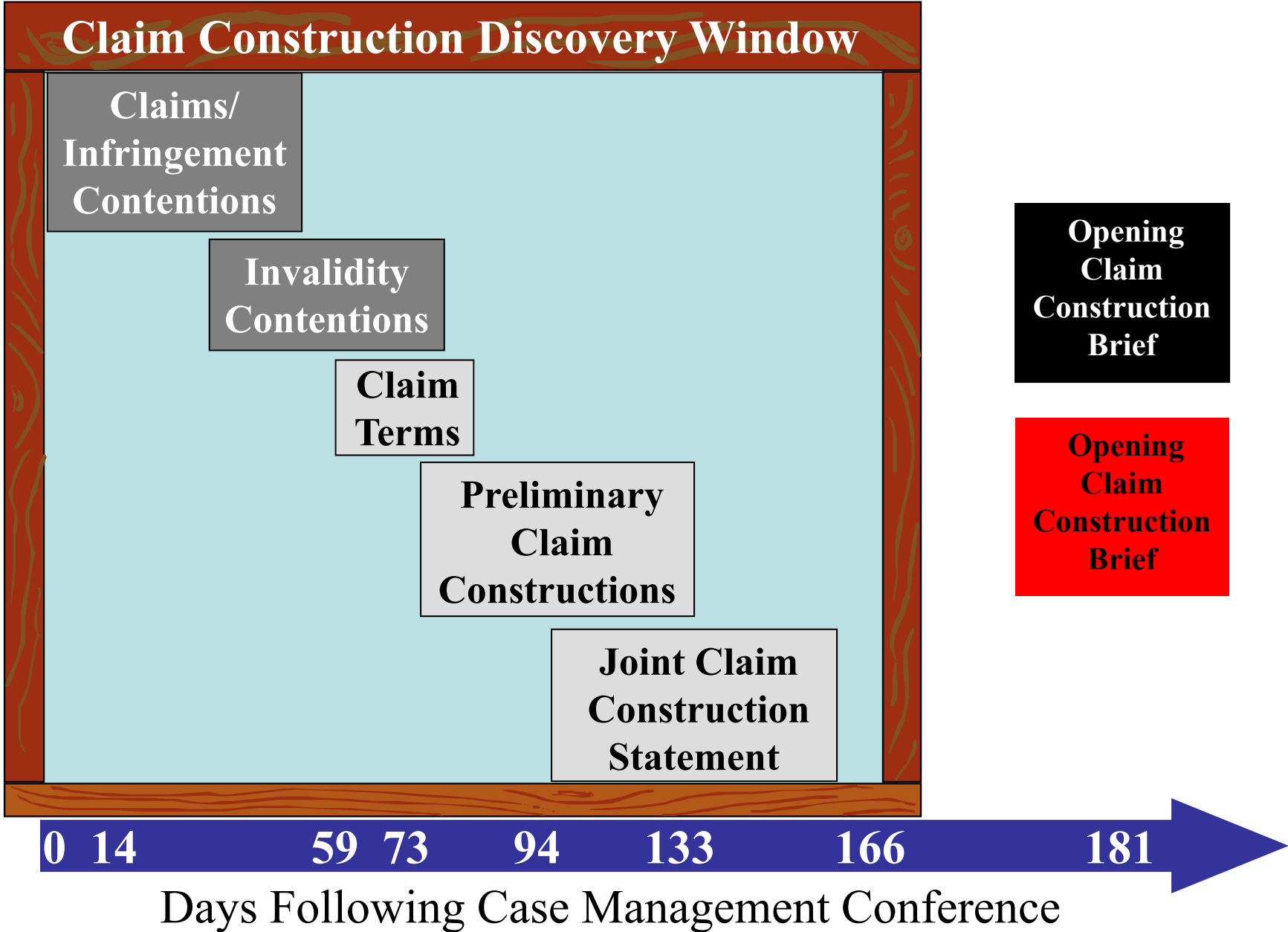
Rationales

- Put pressure on parties to narrow contentions and provide them early in discovery
- Avoid changes in the parties' positions
- Streamline and expedite case management
- Facilitate claim construction

Result

**Joint,
Sequenced,
Staged,
Timely
Disclosure**

Patent Local Rules: ND Cal



Patent Local Rules

Case Management Stage	Timing	Patent L.R.
(1) Case Management Conference	Set by court	
(2) Disclosure: Claims/Infringement Contentions	14 days of (1)	3-1 & 3-2
(3) Disclosure: Invalidity Contentions	45 days of (2)	3-3 & 3-4
(4) Identify Claims Terms to Be Construed	14 days of (3)	4-1
(5) Preliminary Claim Constructions	21 days of (4)	4-2
(6) Joint Claim Construction Statement	60 days of (3)	4-3
(7) Close of Claim Construction Discovery	30 days of (6)	4-4
(8) Opening Claim Construction Brief	45 days of (6)	4-5(a)
(9) Responsive Claim Construction Brief	14 days of (8)	4-5(b)
(10) Reply Claim Construction Brief	7 days of (9)	4-5(c)
(11) Markman Hearing	14 days of (10)	4-6
(12) Claim Construction Order	TBD by court	
(13) Produce Advice of Counsel, if any	50 days of (12)	3-7

Limitations on Asserted Claims

Due process concerns if claims are simply barred from assertion (rather than severed and stayed)

Basic rule: Party must show that limits on claims go beyond merely barring duplicative assertions

In re Katz Interactive Call Processing Patent Litigation, 639 F.3d 1303 (Fed. Cir. 2011) (District Court barred Katz from assertion of more than 16 claims per defendant; Federal Circuit upheld the limit given Katz's failure to argue that any additional claim was non-duplicative)

Limitations on Claim Terms

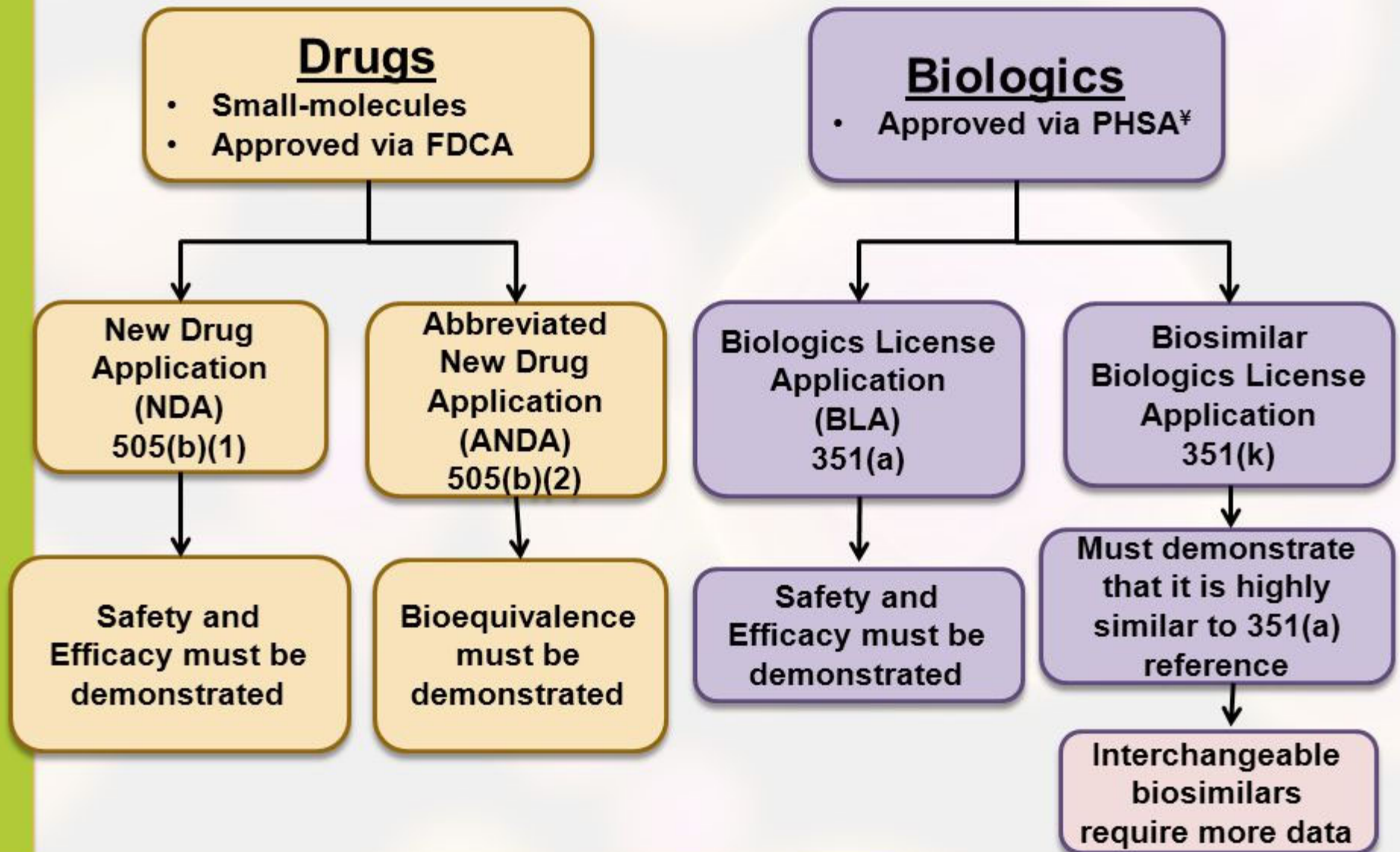
Parties often identify many terms for construction, burdening the Court with unnecessary interpretation; but there are often a large number of claims and products at issue and the parties seek to avoid waiver

ND Cal PLR 4-3

Not later than 60 days after service of the “Invalidity Contentions,” the parties shall complete and file a Joint Claim Construction and Prehearing Statement, which shall contain the following information:

(c) An identification of the terms whose construction will be most significant to the resolution of the case up to a **maximum of 10**. The parties shall also identify any term among the 10 whose construction will be case or claim dispositive. If the parties cannot agree on the 10 most significant terms, the parties shall identify the ones which they do agree are most significant and then they may evenly divide the remainder with each party identifying what it believes are the remaining most significant terms. However, the total terms identified by all parties as most significant cannot exceed 10. * * *

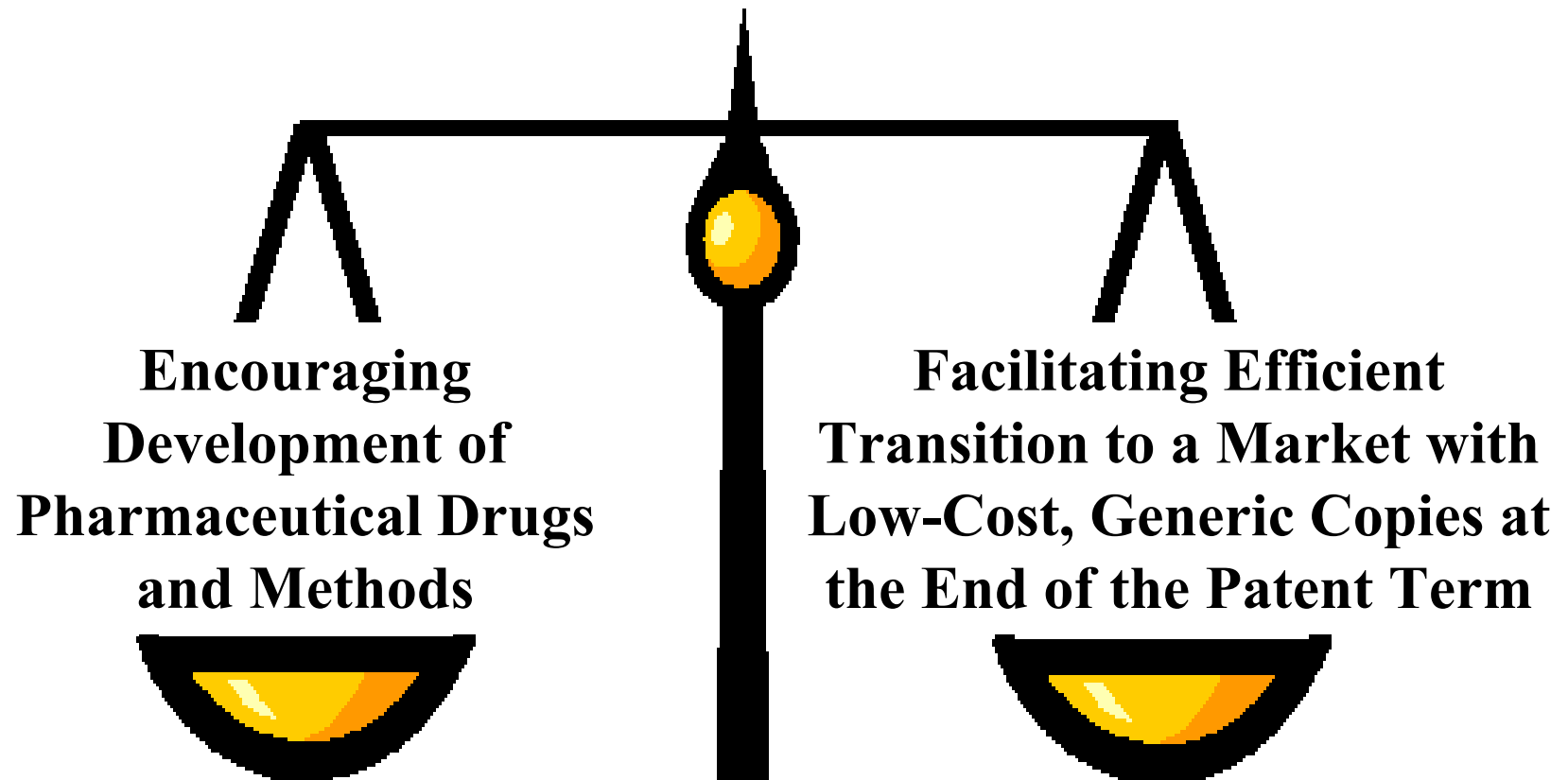
FDA Approval Pathways



[†]FDCA = Federal Food Drug and Cosmetic Act

[‡]PHSA = Public Health Service Act

Drug Price Competition and Patent Term Restoration Act of 1984 (Hatch-Waxman Act)



**Opportunity for judiciary to resolve patent issues
before generic launch**

Parallel Litigation: Venue, and Stays (PTAB, ITC)



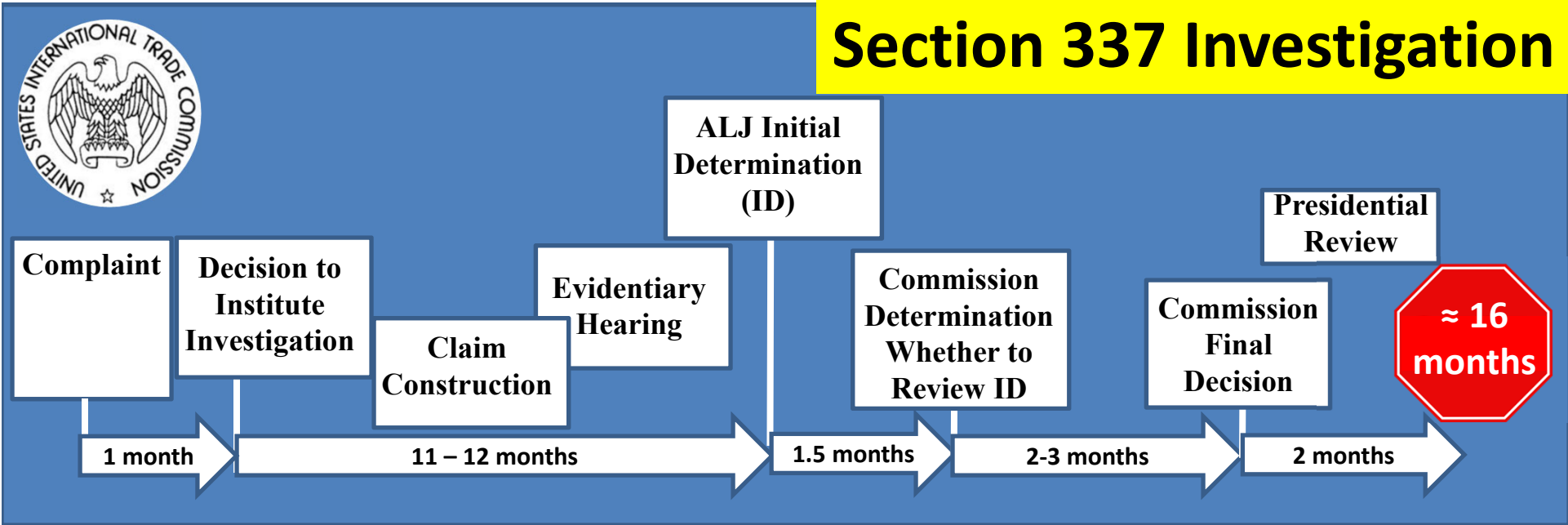
Inter Partes Review

< 18 months

Trial Proceeding Timeline

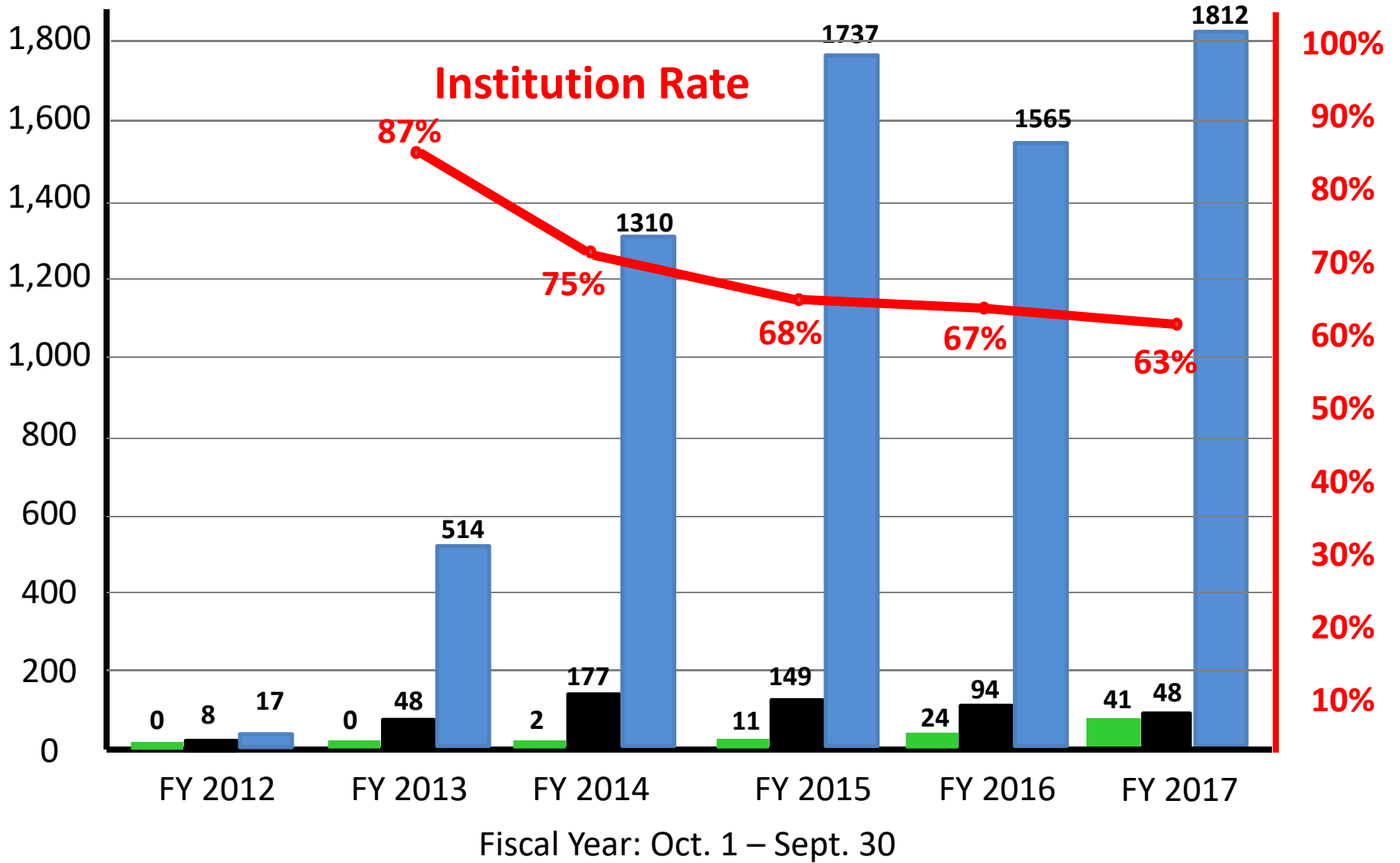


Section 337 Investigation



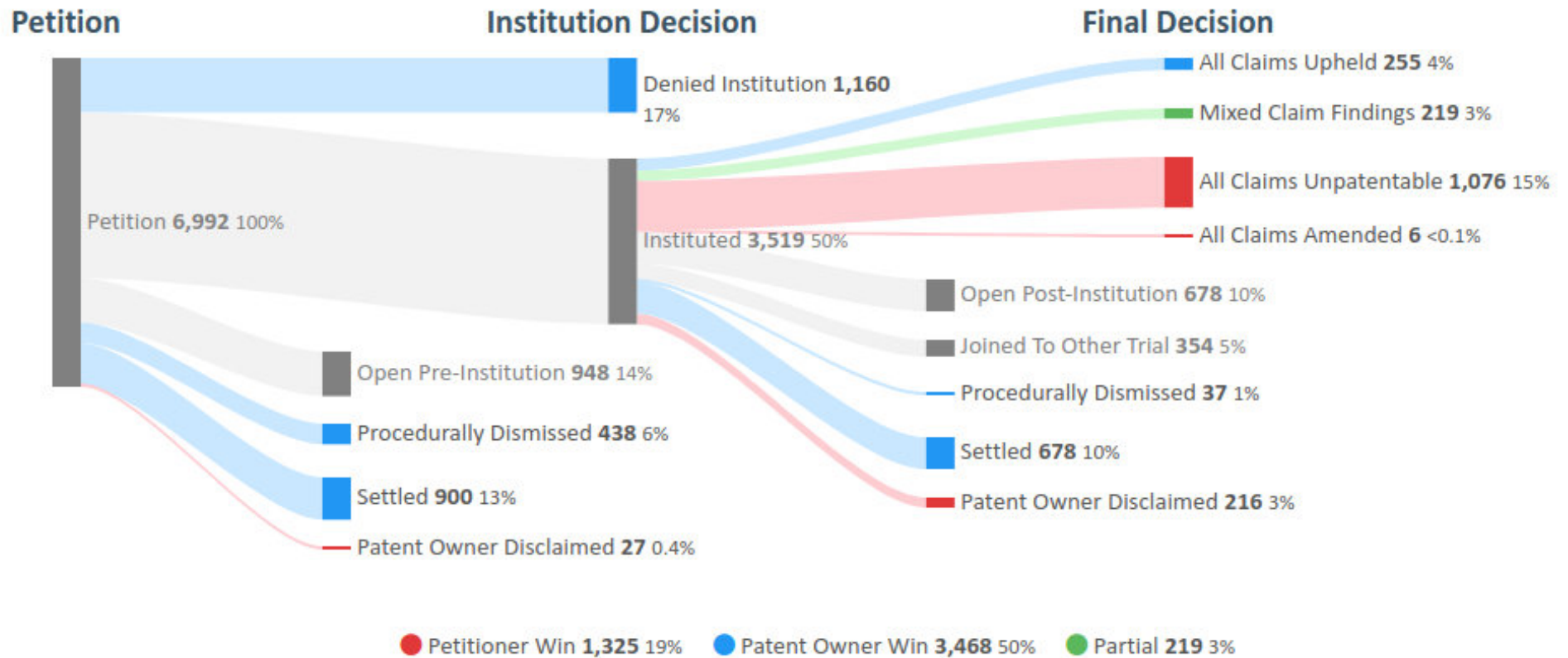


Growth of AIA Petitions



IPR Dispositions

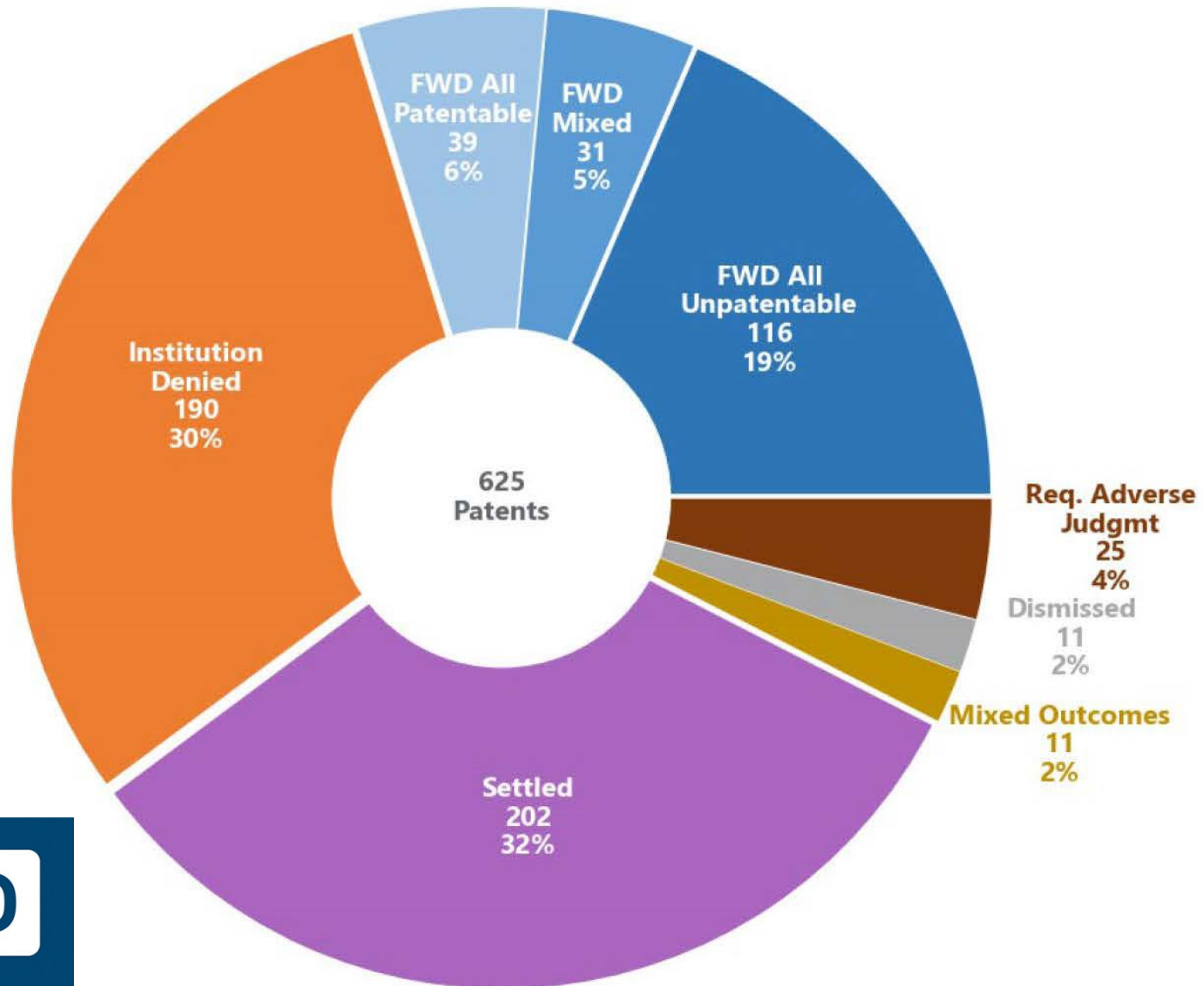
Showing 6,992 PTAB trials; filed between 2012-09-16 and 2017-06-08



Source: LexMachina

Outcomes by patent

(FY21 through Q2: Oct. 1, 2020 to Mar. 31, 2021)



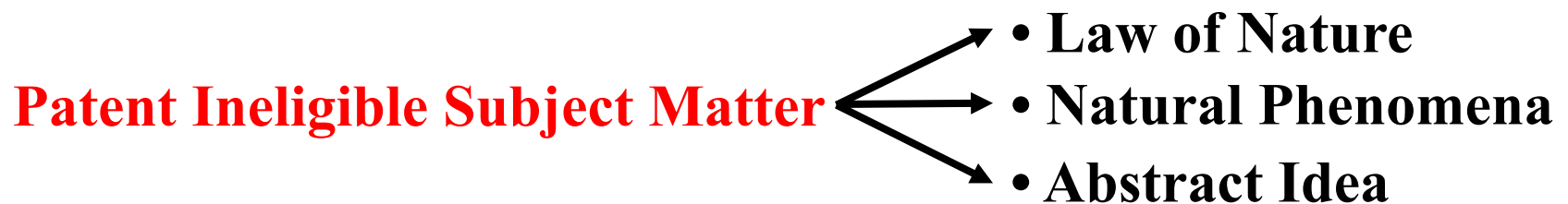
AIA Review: Comparison Chart

	<i>Inter Partes</i>	Post-Grant
Evidentiary Standard	Petitioner to prove invalidity by the preponderance of the evidence	
Grounds for Review	§ 102, § 103	Any Invalidity Defense
Prior Art Limitations	Patents and Printed Publications	No Limits
Stay Considerations	<ol style="list-style-type: none"> 1. Does stay simplify issues and streamline trial? 2. Is discovery complete, trial date set? 3. Stay tactically advantage moving party or unduly burden nonmoving party? 	
Estoppel Effects	Any ground raised or reasonably could have been raised	
Effect of Settlement	Estoppel provisions do not apply	

SUBJECT MATTER

§ 101 Inventions Patentable

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.



Patentable Subject Matter Limitations

- 1. Patent Ineligible Subject Matter**
 - Law of Nature
 - Natural Phenomena
 - Abstract Idea
 - **Rationale:** Pre-emption – “patent law may not inhibit further discovery by improperly tying up the future use” of basic building blocks of human ingenuity; could impede cumulative creativity.

- 2. Inventive Application Doctrine:** To be patentable, a claim directed to a **patent ineligible concept** must contain an **inventive concept** sufficient to transform the patent ineligible concept into a patent-eligible **application** of the concept.
 - Must be more than **well-understood, routine, conventional** activity already engaged in by the scientific community.
 - requires “more than simply stat[ing] the [abstract idea] while adding the words ‘apply it.’ ”

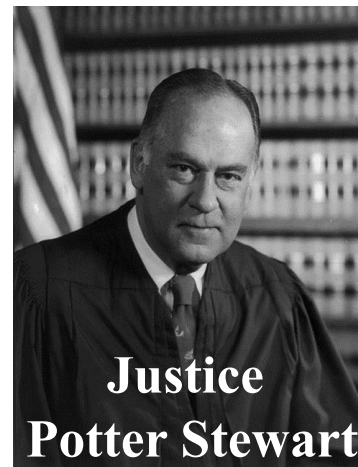
The *Mayo/Alice* Fallout

Bioscience Industries

Clear **ineligibility** of path-breaking applied discoveries

Software Industries

Vague ineligibility of abstract software-related inventions

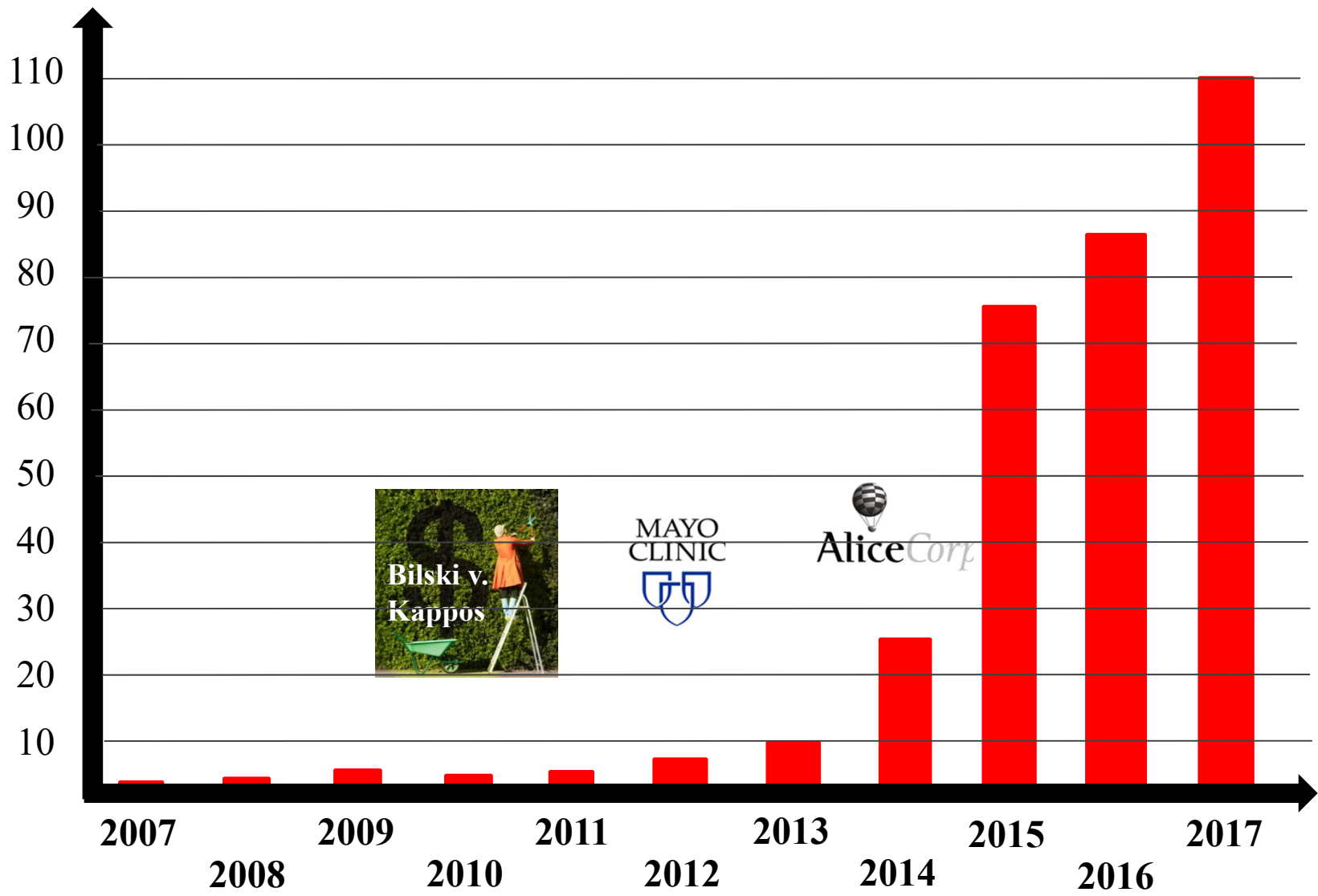


intermingling
§§ 101, 103, 112

**“I know it
when I see it”**

Jacobellis v. Ohio, 378 U.S. 184 (1964) (Powell, J., concurring)

§ 101 District Court Invalidity Rulings



Sources: Prof. Peter Menell
UC Berkeley

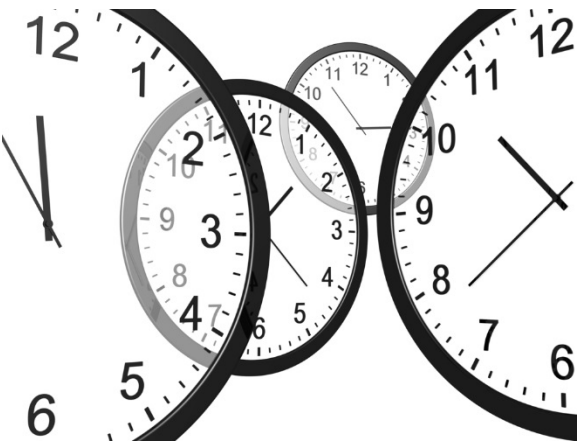


§ 101 Patentable Subject Matter: Case Management

Interplay with §§ 103, 112 Analysis

Question of Law

Timing



12(c)
12(b)(6)
MSJ §101

Claim Construction
MSJs (§§103, 112)
Trial

Berkheimer v.



**HEWLETT®
PACKARD**

The question of whether a claim element or combination of elements is well-understood, routine and conventional to a skilled artisan in the relevant field is a question of fact. . . .

[N]ot every § 101 determination contains genuine disputes over the underlying facts material to the § 101 inquiry. . . . Whether a claim recites patent eligible subject matter is a question of law which may contain disputes over underlying facts. Patent eligibility has in many cases been resolved on motions to dismiss or summary judgment. . . .

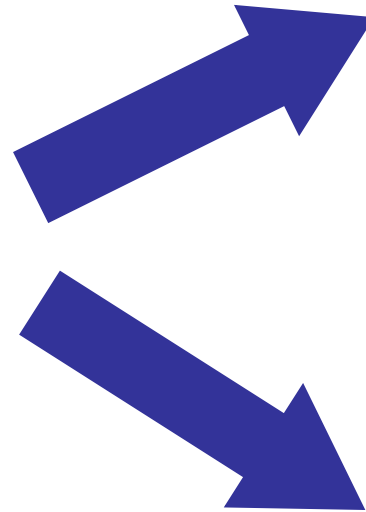
. . . Whether a particular technology is well-understood, routine, and conventional goes beyond what was simply known in the prior art. The mere fact that something is disclosed in a piece of prior art, for example, does not mean it was well-understood, routine, and conventional.

Berkheimer v. HP Inc., 881 F.3d 1360 (Fed. Cir. 2018)

Claim Construction

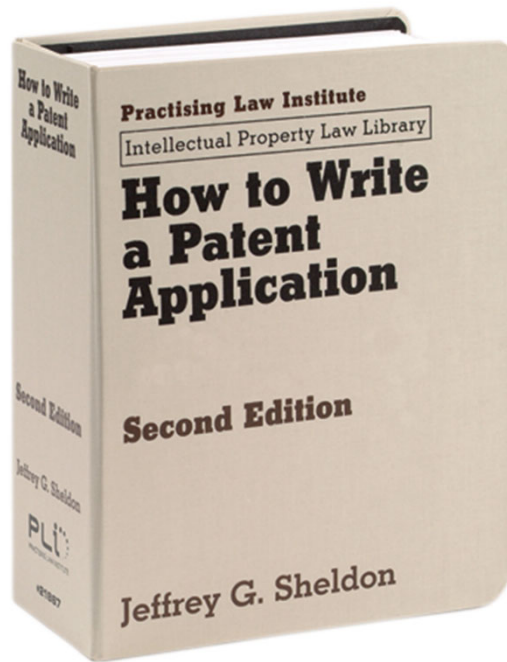
Validity

Claim
Construction



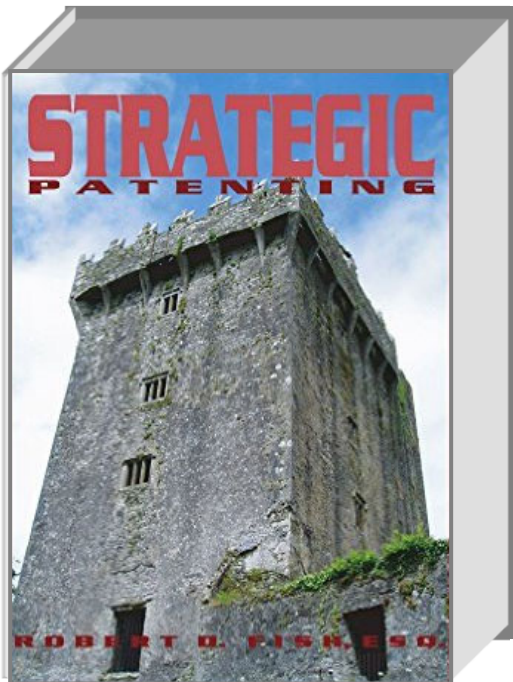
Comparison of:
claimed invention and
accused device





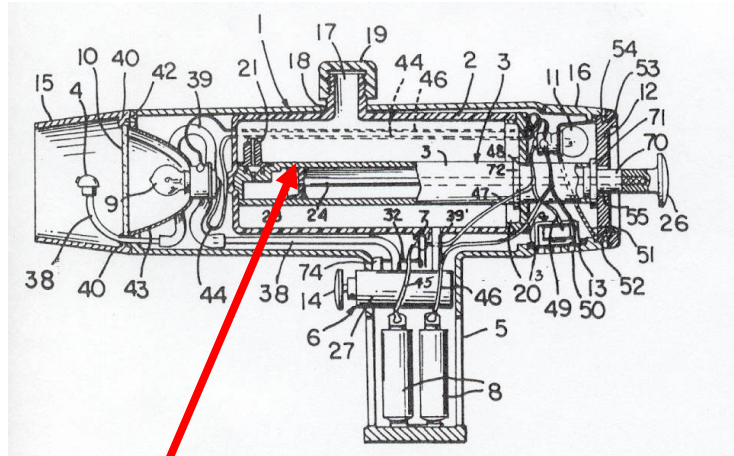
§ 7.5.20 Include Ambiguous Claims

offering numerous “strategies” for “intentionally writ[ing] ambiguous claims”



advising drafters to “[a]void . . . like the plague” claim language that clearly identifies the “gist of the invention” or the “factor” that makes it “unique” (page 7-35)

Claim Construction



TTMP Gun



**Larami
"Super Soaker"**

Tank "thereon"

“A toy comprising an elongated housing [case] having a chamber **therein** for a liquid [tank], a pump including a piston having an exposed [piston] rod . . . facilitating manual operation for building up an appreciable amount of pressure in said chamber for ejecting a stream of liquid therefrom . . .”

Claim Construction

```
graph TD; A[Claim Construction] --> B[Technical Terms]; A --> C[Common Terms];
```

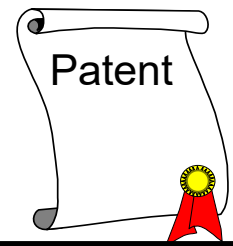
Technical Terms

- **hydroxypropyl methylcellulose**
- **oligonucleotide**
- **cyclic redundancy**
- **repeatedly substantially simultaneously activating**

Common Terms

- **the**
- **a**
- **about**
- **therein**

Patent Components



Specification

Description: description of the technical problem faced by the inventor and how the inventor solves the problem.

Drawings: if necessary

Claim(s): single sentence rule

- preamble introduction
- transition {
 - comprising (open)
 - consisting of (closed)
 - essentially of (hybrid)

• body



A slicing device for cheese and the like,

[54] FOOD SLICER
[75] Inventors: John F. Abercrombie, Willie G. Abercrombie, D. Beecher et al.
L. Davis, Ph.D. ABSTRACT

comprising:

a base providing a flat cutting surface and having a passageway extending inwardly from an edge thereof parallel to said flat cutting surface and displaced down from the plane thereof;

a bar having a generally U-shape with one leg extending into said passageway for pivotal movement of said bar about the axis of said

cutting element

a cutting element extending transversely across said base and having one end secured at the pivot axis of said bar;

and a handle rotatably mounted on the other leg of said bar and rotatable about the longitudinal axis of said other leg between a first and a second angular position, said cutting element being secured to said handle at a point displaced from the axis of rotation thereof.

Metes and Bounds



Claims

Patent

**Claim
Limitations**

- A. Rotating Handle
- B. Cutting element attached to bar
- C. Base with passageway
- D. U-shaped bar

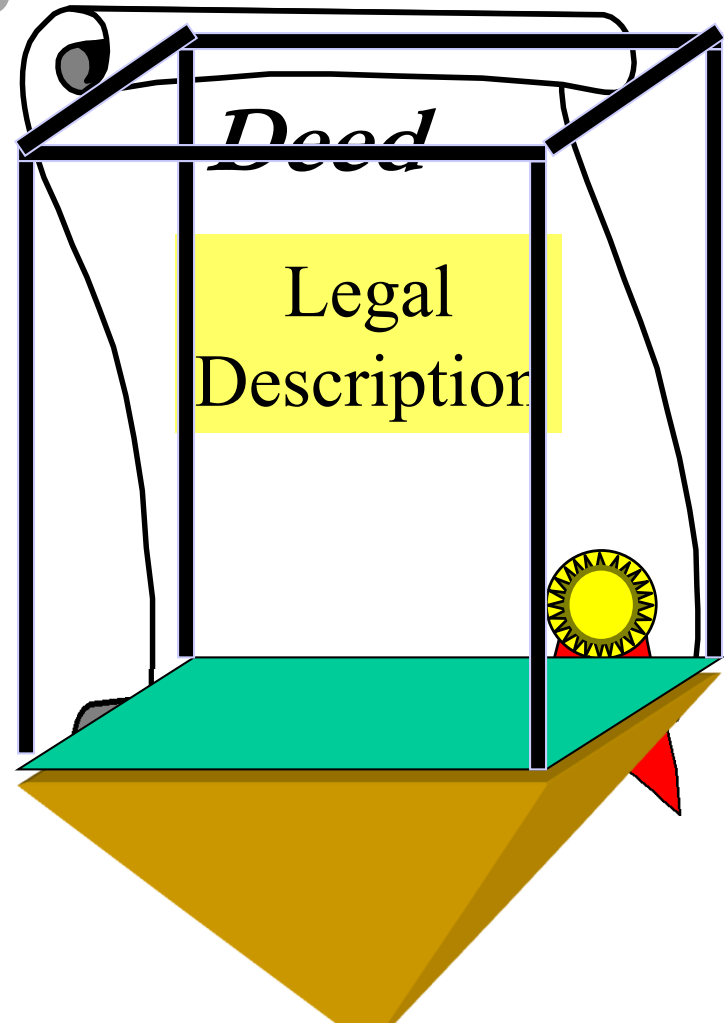
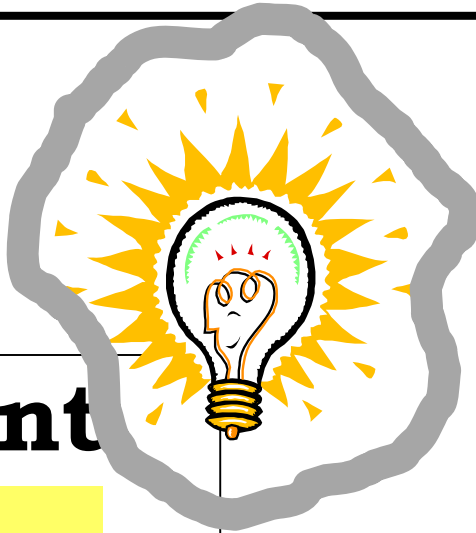
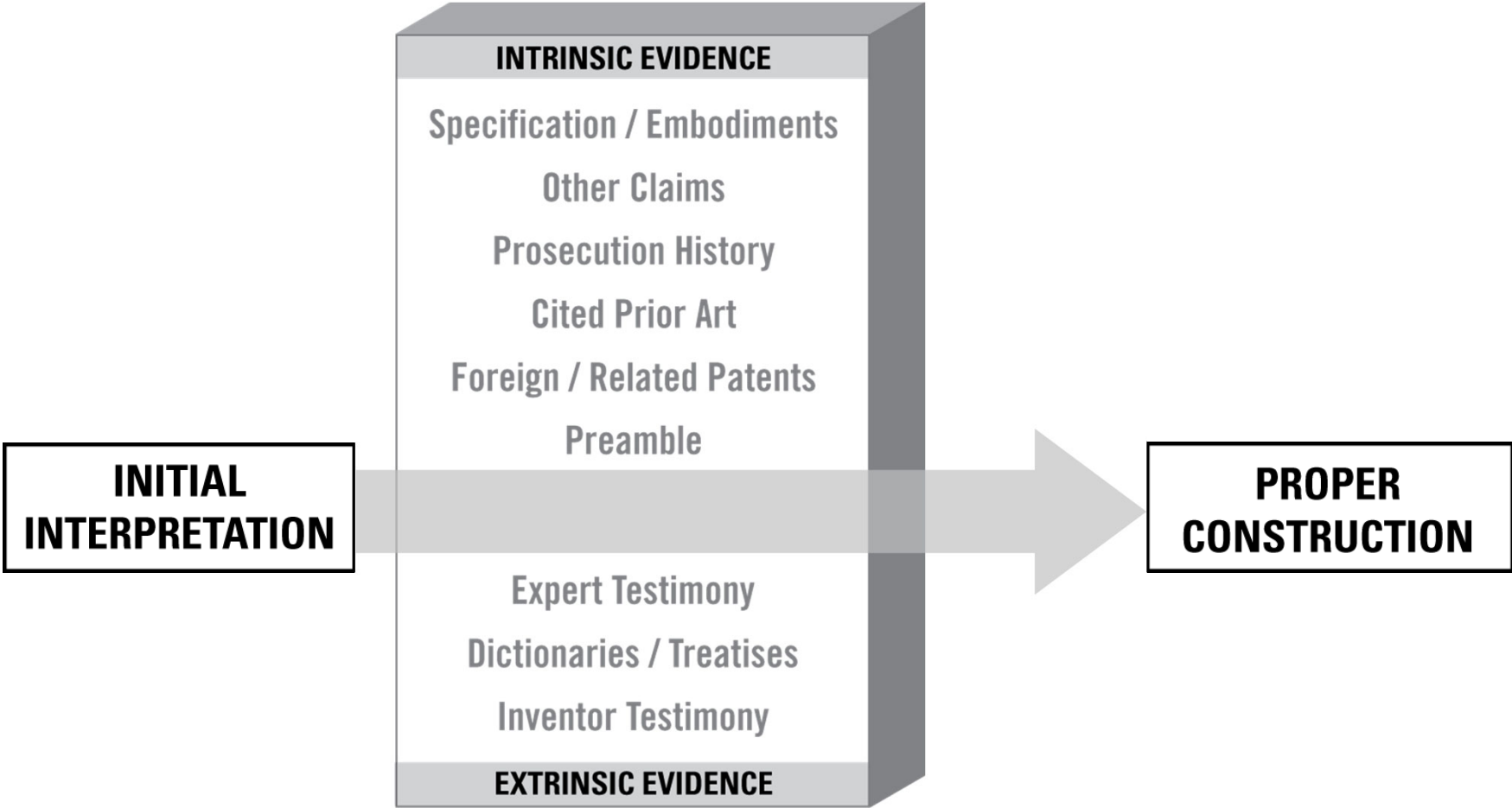


Chart 5.7
Claim Construction Process



Claim Construction

Foundational Principles

- Perspective: Person Having Ordinary Skill in the Art (PHOSITA)
- Time Period: time of invention (i.e., effective filing date)
- Principal Source: intrinsic evidence (spec and pros history) as a whole
 - Secondary Sources: extrinsic evidence permissible, but cannot contradict intrinsic evidence
 - No “presumption in favor of dictionary definition”
 - No “heavy presumption” in favor of ordinary meaning

Narrower Construction

Description of Invention

- “the present invention”
- distinctions over prior art
- consistent usage of claim terms in patent and prosecution history

Special Cases:

- patentee as lexicographer
- specification limits coverage to embodiments
- ambiguity in claim term may restrict scope to preferred embodiment
- means + function claims

Prosecution Disclaimer

- surrendering claim scope
- “clear and unmistakable disavowal”

Ordinary Meaning

Broader Construction

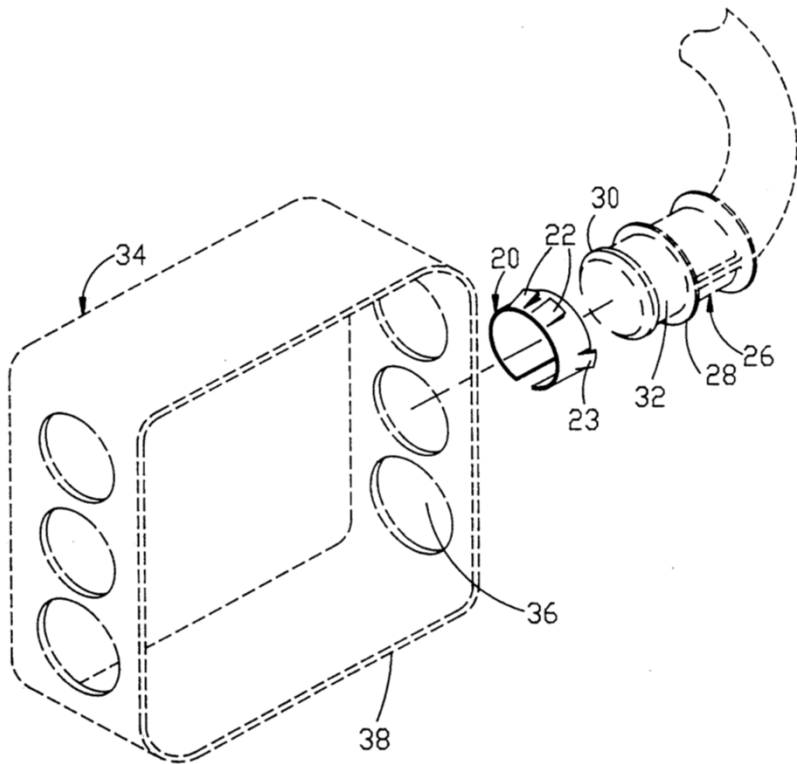
Claim Differentiation

- “Pure” claim differentiation creates a presumption that independent claims are broader than dependent claims
 - may be rebutted based on:
 - specification
 - prosecution history
 - means + function claims
 - cannot trump prosecution history or scope of written description

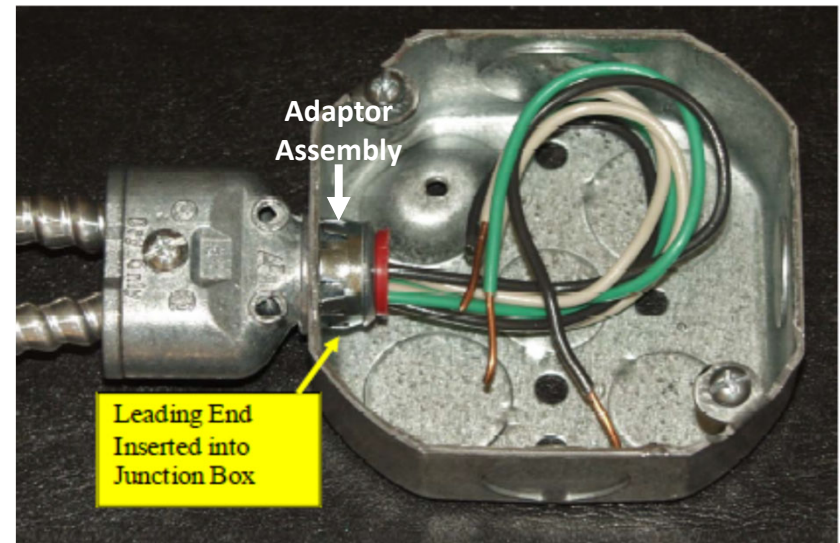
Preferred Embodiment Generally

Not Limiting

Claimed Invention



Accused Device



8. A quick connect fitting for an electrical junction box comprising:
a hollow electrical connector through which an electrical conductor may be inserted having a leading end thereof for insertion in a hole in an electrical junction box;
a circular **spring metal adaptor** surrounding said leading end of said electrical connector which has a leading end, a trailing end, and an intermediate body;
at least two outwardly sprung members carried by said metal adaptor near said trailing end of said adaptor which engage the side walls of the hole in the junction box into which said adaptor is inserted;
at least two spring locking members carried by said metal adaptor that spring inward to a retracted position to permit said adaptor and locking members to be inserted in a hole in an electrical junction box and spring outward to lock said electrical connector from being withdrawn through the hole; and
an arrangement on said connector for limiting the distance said connector can be inserted into the hole in the junction box.

Claim Construction Simulations



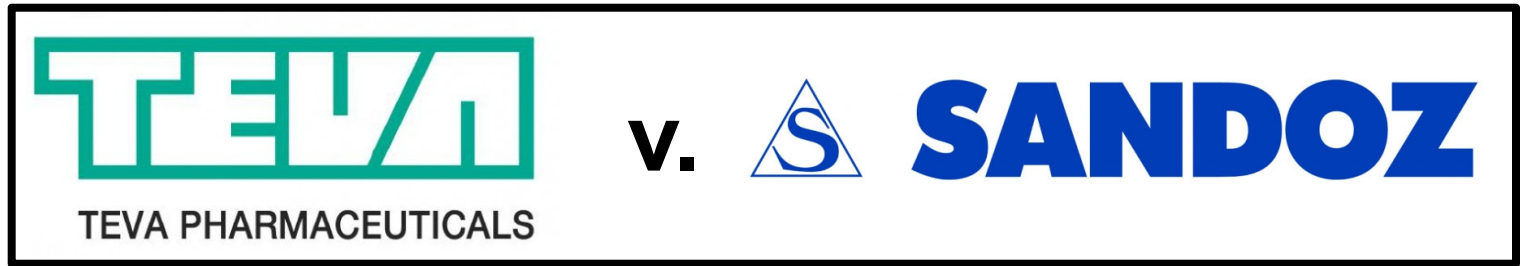
Spring 2011 FJC Program	Lux v BrightBlue				Eyebeam v Optiflex				Mangosoft v Oracle				
	confidence	High	Med	Low	Total	High	Med	Low	Total	High	Med	Low	Total
170	Π	1	3	2	6	0	3.5	1	4.5	3	5	0	8
	Δ	0	1	3	4	0	1.5	4	5.5	0	1	1	2
	other	0	0	0	0	0	0	0	0	0	0	0	0
240	Π	0	2.5	0	2.5	0	2	1	3	0	3	1	4
	Δ	.5	2	1	3.5	1	4	1	6	1	2	1	4
	other	1.5	.5	0	2	0	0	0	0	0	0	0	0
244	Π	1	3	2	6	1	3	0	4	0	2	4	6
	Δ	0	2	1.5	3.5	2	3	1	6	3	0	1	4
	other	1	0	.5	1.5	0	0	1	1	1	0	0	1
Total	Π	2	6.5	4	12.5	1	8.5	2	11.5	3	10	5	18
	Δ	0	5.5	5.5	11	3	7.5	6	16.5	4	3	3	10
	other	2.5	.5	.5	3.5	0	0	1	1	1	0	0	1

"This thing you call language, though . . . most remarkable. You depend on it for so very much, but is any one of you really its master?"

- Spock/Kollos (Medusian Ambassador)

"Is There In Truth No Beauty?"





“FRCP 52(a)(6) states that a court of appeals ‘must not ... set aside’ a district court’s ‘[f]indings of fact’ unless they are “clearly erroneous.””

- consistent with *Markman*, which recognized “subsidiary factfinding is sometimes necessary” in patent claim construction.

Use of experts

- conduct a **focused** evidentiary hearing on disputed claim terms requiring judicial construction
 - this hearing would be in addition to, although it could be combined with, a technology tutorial involving the same expert(s)



PATENT MEDIATION GUIDE

FEDERAL JUDICIAL CENTER

Patent Mediation Guide

KATHI VIDAL
Winston & Strawn LLP

LEERON G. KALAY
Fish & Richardson PC

PETER S. MENELL
University of California, Berkeley, School of Law

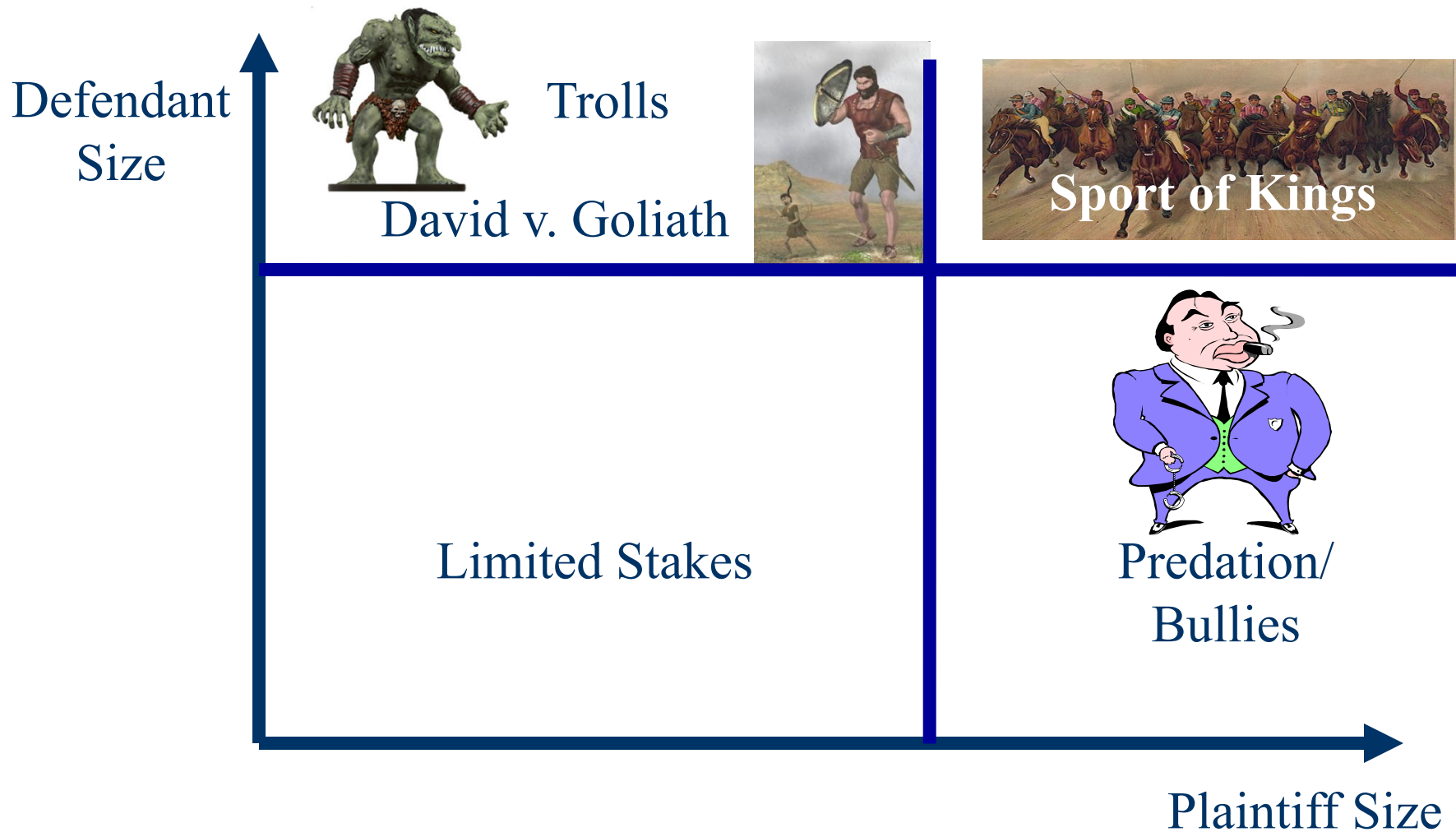
MATTHEW POWERS
Tensegrity Law Group

SARITA VENKAT

Federal Judicial Center
2019

This Federal Judicial Center publication was undertaken in furtherance of the Center's statutory mission to develop educational materials for the judicial branch. While the Center regards the content as responsible and valuable, it does not reflect policy or recommendations of the Board of the Federal Judicial Center.

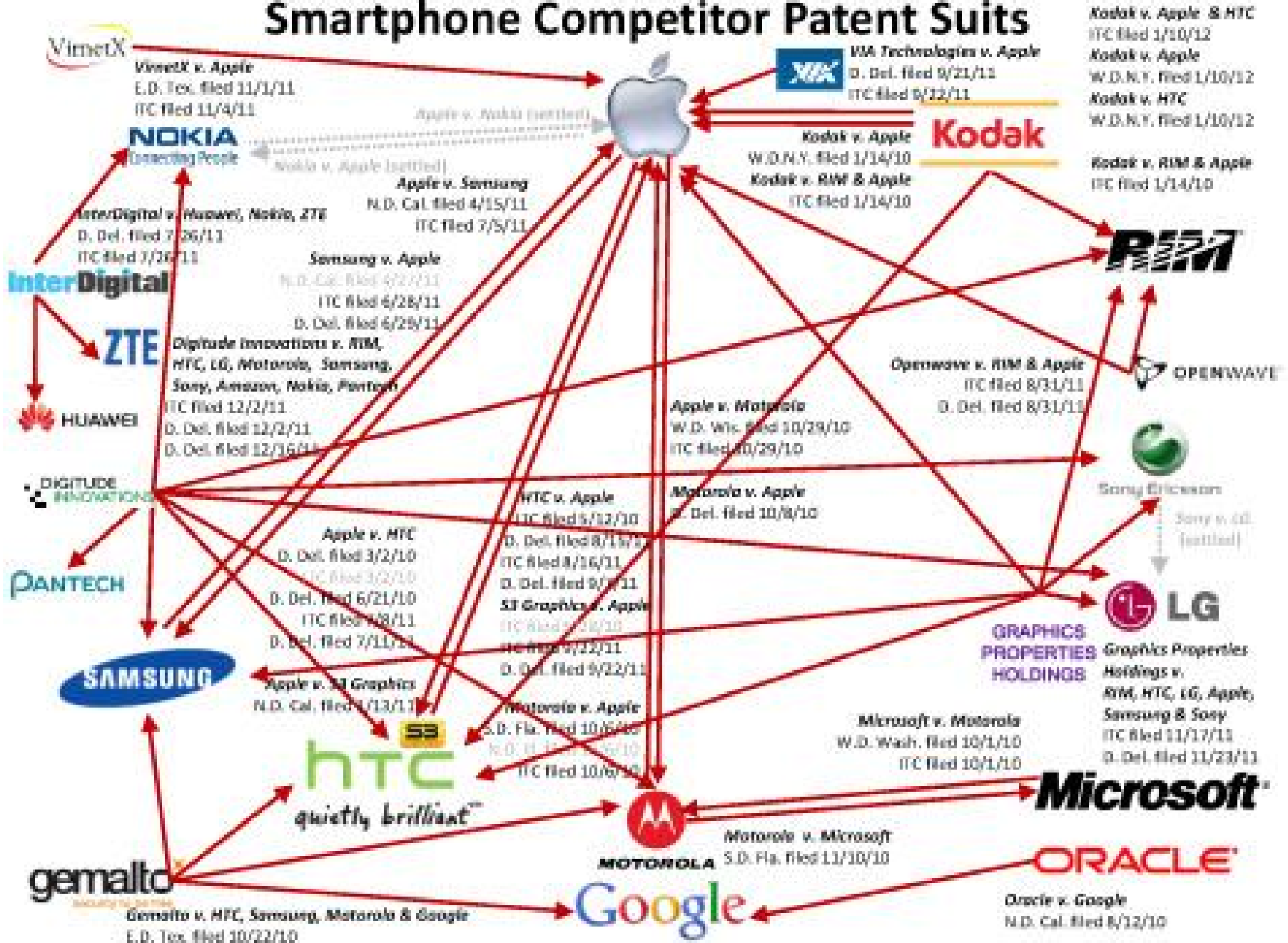
High Tech* Patent Litigation Typology




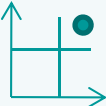

*High Tech covers hardware, software, and financial inventions

Source: Colleen V. Chien, *Of Trolls, Davids, Goliaths, and Kings: Narratives and Evidence in the Litigation of High-Tech Patents*, *North Carolina L. Rev.* (2009)

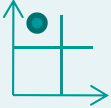
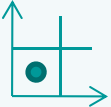

Smartphone Competitor Patent Suits



Competitor Settlements

Parties	Likelihood of Settlement
<p>Large Enterprise vs. Competitor— Core Technology</p> 	<p>Difficult to settle absent a counterclaim or other significant risk to the patent owner or strategic opportunity available from business agreement</p>
<p>Large Enterprise vs. Competitor— Non-Core Technology</p> 	<p>Likely to settle through mediation, potentially early</p> <ul style="list-style-type: none">➤ Need right representatives to negotiate: e.g., senior management of relevant division➤ If monetizing patent(s), need management able to evaluate business risk including from potential counterclaim
<p>Large Enterprise vs. Start-up/New Entrant</p> 	<p>If no other competitor offers substantial equivalents or former-employee founders, may be difficult to settle. If other competitors exist, settlement is likely, potentially early</p>

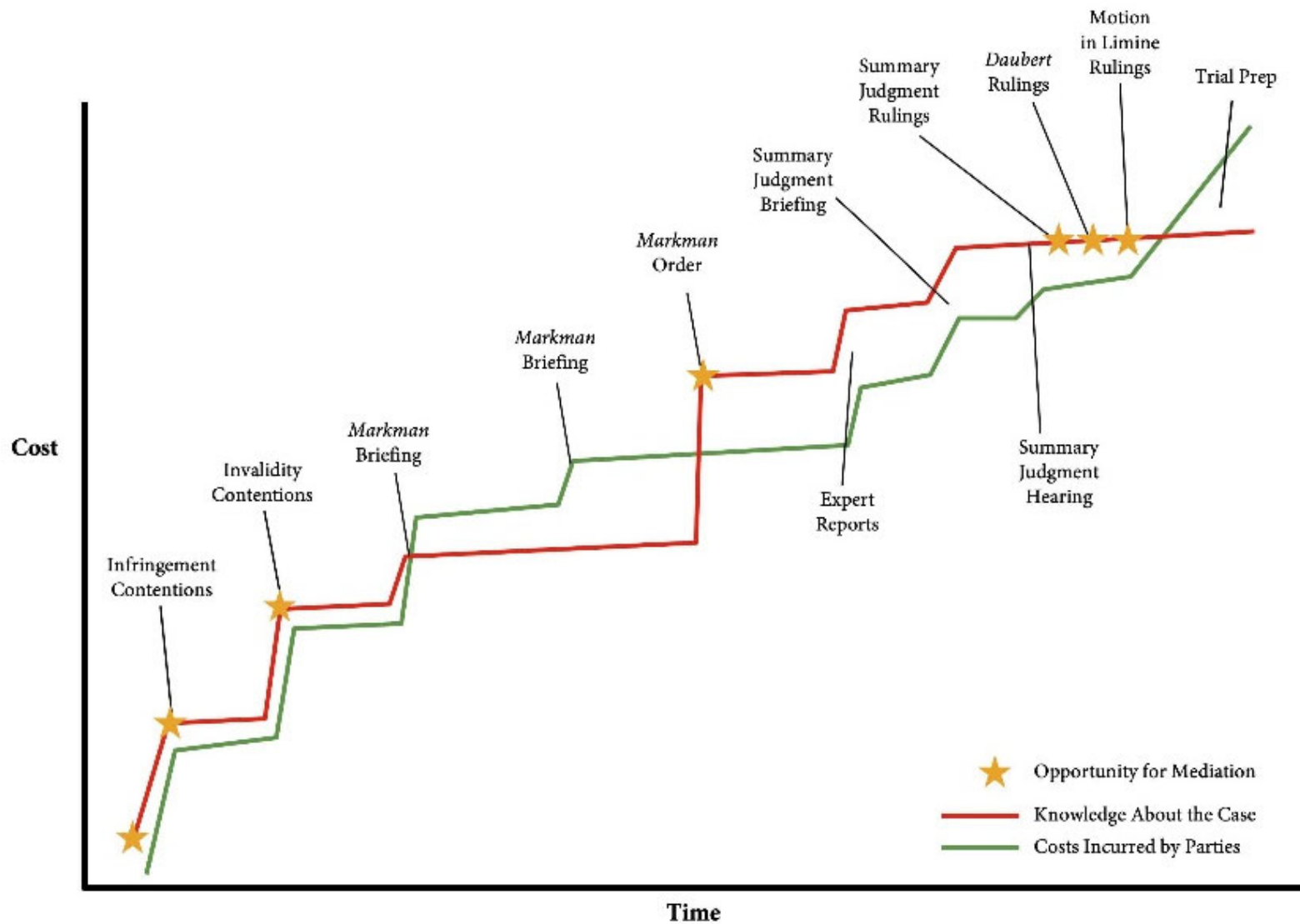
Licensing Company Settlements

Parties	Likelihood of Settlement
<p>Licensing Company vs. Large Enterprise</p> 	<p>Dependent on:</p> <ul style="list-style-type: none">(1) the amount demanded;(2) licensing company's portfolio;(3) concern for reputational effects; and,(4) potential formal or informal strategic alliance against future defendants. <p>Because solely monetary risk post-<i>eBay</i>, more likely to go to trial</p>
<p>Licensing Company vs. Start-up Enterprise</p> 	<p>Often timed to critical events for start-up. Early settlement or settlement just after the event possible</p>
<p>Serial Litigant vs. First Alleged Infringer</p> 	<p>Often settlement opportunities while important substantive rulings are pending</p>

Pharmaceutical & Medical Device Cos.

Parties	Likelihood of Settlement
Pharmaceutical vs. Pharmaceutical — Competitive Products	Settlement difficult
Pharmaceutical vs. Generic	Often based on Hatch-Waxman Act provisions: 60-month FDA delay; 180-day generic competitor delay; and, “reverse payments” issues.
Medical Device Companies	Early settlement especially unlikely if serial adversaries; otherwise, like competitor vs. competitor

Figure 3. Knowledge of Case and Cost to Parties During Phases of Patent Litigation

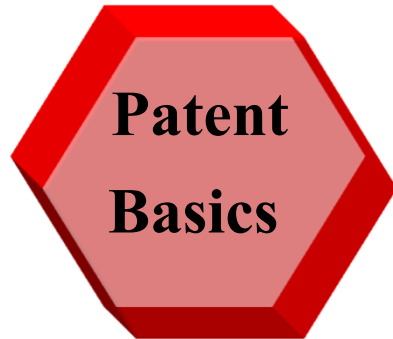




**Coming
Attractions**

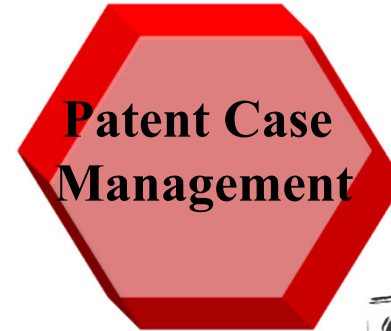
Intellectual Property Law and Case Management Series Summer 2021

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**Patent
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**Patent Case
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Claims

July 23

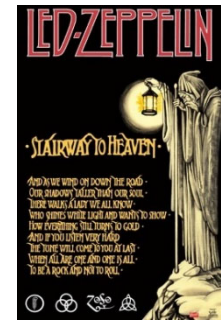


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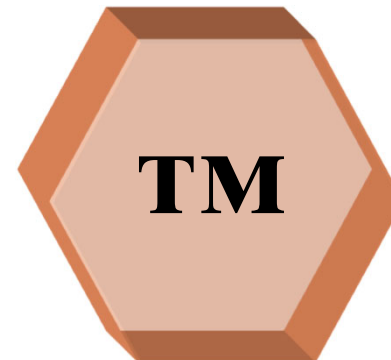


August 27



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