



# PROGRAM AGENDA



**Thursday, March 8, 2018**

5:30-7:30 p.m. **Welcome Reception & Conference Check-in**

**Friday, March 9, 2018**

8:30 a.m.- 4:15 p.m. **Conference Check-in Throughout the Day**

8:30-9:00 a.m. **Continental Breakfast**

9:00 a.m. **Welcoming Remarks**  
Michael B. Ray, Managing Director

9:05 a.m. **Conference Overview**  
Robert Greene Sterne, Founding Director and Conference Chair

9:30 a.m. **Panel One: Building a Globally Robust Portfolio**  
This panel will address strategies for developing global patent and trademark portfolios that deliver meaningful return on investment. It includes a discussion of USPTO and global fast track patent prosecution regimes that yield high quality portfolios quickly and efficiently. Special consideration will be given to key markets, including the US, the EU and China.

**Featuring:**

- Sugi Hadikusumo, Senior Legal Director, Global IP Law, PepsiCo, Inc.
- Joseph Hollinger, Vice President, Intellectual Property, Roku, Inc.
- Joseph Mazzarella, Senior Vice President, General Counsel and Board Director, Mutualink, Inc.
- Michael Q. Lee, Director
- **Moderator:** Mark W. Rygiel, Director

10:30 a.m. **Morning Break**

## 10:45 a.m. Top 10 PTAB Insights from Leading Practitioners at the Board

This quick hitting presentation by two of Sterne Kessler's leading PTAB litigators will discuss critical insights patent owners and petitioners need to consider when defending or challenging the validity of patents at the USPTO Patent Trial and Appeal Board.

### Featuring:

- Deborah Sterling, Ph.D., Director and Co-Chair, Biotechnology and Chemistry Practice Group
- Jason D. Eisenberg, Director and Chair, Electronics Practice Group, Co-Editor-in-Chief of *Patent Office Litigation, 2nd Edition*

## 11:15 a.m. Panel Two: Efficient Defense in the PTAB Era

This panel will highlight strategies that enable companies to efficiently defend against assertions of patent infringement in this post-AIA era. The discussion will include considerations for how best to leverage and integrate litigation across venues (e.g., District Court, PTAB, ITC, etc.). It will also highlight strategies involving 'patent forensics' (i.e., deep analysis of patent prosecution history) and prior art searches that can quickly resolve infringement litigation favorably for those on the defense.

### Featuring:

- Kevin O'Neil, VP, Intellectual Property & Licensing - Legal, AMD, Inc.
- Paul Evans, VP, Intellectual Property, Vivint, Inc.
- Glenn Perry, Administrative Judge, Patent Trial and Appeal Board (ret.)
- Nirav Desai, Director
- **Moderator:** Jonathan Tuminaro, Ph.D., Director

## 12:15 p.m. Lunch Buffet & Networking

## 12:45 p.m. Luncheon Keynote - The European Perspective

### Featuring:

- David Rose, Partner, Mishcon de Reya LLP (UK)
- Massimo Sterpi, Partner, Gianni, Origoni, Grippo, Capelli & Partners (Italy)
- Dr. Tobias Wuttke, Partner, Meissner Bolte (Germany)

**1:15 p.m. Panel Three: Brand Enforcement and Defense**

This panel will discuss strategies to defend brands and differentiated products in the US and worldwide. It will address strategies for combatting counterfeit products and counterfeiters. Strategies to be discussed include the use of design patents in key markets around the world, cultivation and enforcement of trademarks and trade dress, and anti-counterfeiting strategies in end markets and at the point of manufacture.

**Featuring:**

- Gillian Thackray, Vice President, Associate General Counsel and Global Chief Intellectual Property Counsel, The Clorox Company
- Jon D. Ruttencutter, Department of Homeland Security, IP Rights Coordination Center
- Nicholas Nowak, Director
- **Moderator:** Monica Riva Talley, Director and Chair, Trademark & Brand Protection Practice

**2:15 p.m. Afternoon Break**

**2:30 p.m. Panel Four: Monetization and Global Enforcement**

This panel will discuss strategies that can enable innovators and patent owners to monetize and enforce their patents that reach far beyond District Court litigation in the US (where enforcement has become extremely difficult). The panel will discuss the role that EU and Chinese courts can play in an enforcement campaign. Further, the panel will share insights into how and when the USITC can serve as an effective venue for combatting patent infringement in the US and beyond.

**Featuring:**

- Keith Askoff, VP, Associate General Counsel, Varian Medical Systems, Inc.
- Ami Patel Shah, Managing Director, Fortress Investment Group LLC
- Wayne Sobon, Vice President, Intellectual Property, JUUL Labs, Inc.
- Daniel Yonan, Director
- **Moderator:** J.C. Rozendaal, Director and Co-Chair, Trial & Appellate Practice Group

# PROGRAM AGENDA

**3:30 p.m. Top 10 Federal Circuit & Supreme Court IP Decisions**  
This fast paced presentation will highlight the most important recent decisions by the Court of Appeals for the Federal Circuit and the US Supreme Court in the IP realm.

**Featuring:**

- Michael Joffre, Director and Co-Chair, Appellate Practice
- Jon E. Wright, Director and Co-Chair, Appellate Practice

**4:00 p.m. Closing Remarks**  
Robert Greene Sterne, Founding Director and Conference Chair

**4:15-5:30 p.m. Closing Reception**



# Trends at PTAB

Global Intellectual Property Strategy Conference

Deborah Sterling, Ph.D. (Co-Chair Biotech/Chem Group)

Jason Eisenberg (Chair Electrical Group)

March 9, 2018

Technical Minds. Legal Muscle.

# Agenda

- Petitioner – §§ 325(d), 314(a) – Mitigating deferential denial of institution
- Patent Owner – Broadest **reasonable** interpretation consistent with specification
  
- Petitioner – Proving publicly availability and date of printed publication
- Patent Owner – Objective indicia of non obviousness success stories
  
- Petitioner – Proving a § 102(e) and §§ 102(e)/119(e) date
- Patent Owner – Institution trending towards 60%
  
- Petitioner – Standing to appeal
- Patent Owner – Declarations with POPR – risks and rewards
  
- Petitioner – District Court and USPTO estoppels
- Patent Owner – Motions to Amend after Aqua

## Petitioner - 325(d), 314(a) – Mitigating deferential denial of institution

- 35 U.S.C. § 325(d): the PTAB may take into account whether “the same or substantially the same prior art or arguments previously were presented to the Office”
- 35 U.S.C. § 314(a): institution is permitted if Petitioner meets its burden, but is not mandatory

## Same or substantially the same: 35 U.S.C. § 325(d)

- *Unified Patents* (IPR2016-01571):
  - obviousness over a reference considered by Examiner and art cumulative to that also considered by Examiner
  - obviousness over art not considered during prosecution
- *Hospira* (IPR2017-00739):
  - Examiner's previous priority determination was dispositive as to each of the asserted grounds of unpatentability
- *Cultec* (IPR2017-00777):
  - Examiner's considered art previously cited in third-party submission and art cited throughout prosecution; any additional references were cumulative



## Second bite at the apple: 35 U.S.C. § 314(a)

- *General Plastic:*

- Follow-on IPRs denied under 35 U.S.C. § 314(a) and 37 C.F.R. § 42.108(a).




- **Factors:**

- previous petition on same patent
- knew or should have known of the prior art
- already received POPR or Decision on Institution
- time between learning of art in 2<sup>nd</sup> petition and filing of the 2<sup>nd</sup> petition
- explanation for the time between petitions directed to the same claims
- the finite resources of the Board
- the requirement to issue a FWD in  $\leq 1$  year




## Patent Owner - BRI

- Good specifications that really explain invention mitigate lack of ability to amend
- ***PPC Broadband v Corning, 815 F.3d 747*** – broadest ***dictionary*** interpretation is not broadest ***reasonable*** since must be consistent with specification
- ***In re Smith, 871 F.3d 1375*** – broadest ***possible*** is not broadest reasonable since must be consistent with specification
- ***Home Semiconductor v. Samsung, 701 Fed. Appx. 1006*** – “over” and “above” not the same in view of the specification despite dictionary definitions




## Petitioner - Proving public availability and publication date of printed publication - General

- *LG Electronics* (IPR2015-01986): 
  - Drafts of technical specifications
  - Written testimony that drafts handed out without restriction and published on public server with notice
- *Coalition for Affordable for Drugs* (IPR2015-01835): 
  - slide set, along with an accompanying webcast, presented at an investor day, but no evidence establishing expertise of target audience
  - Hyperlink from Wayback machine did not establish link worked at critical time
- *Activision Blizzard* (IPR2015-01951): 
  - college technical report in an improperly indexed online library
  - no evidence that a reasonably diligent searcher would have been able to locate the report on the library's website



## Petitioner - Proving public availability and publication date of printed publication - Videos

- *Intex Recreation Corp.* (IPR2016-00180): 
  - Petitioner relied on an instructional video, which had been packaged with its filter pumps
  - **BUT**, Patent Owner stipulated before oral hearing that it would no longer challenge the authenticity or printed publication status of instruction manuals or video
- *Medtronic* (IPR2015-00780): 
  - Narrated video recorded on CD is “printed” **BUT**, not “publication” because audience was far more qualified than those of ordinary skill
- *Acco Brands* (IPR2015-01167): 
  - Video continuously available to public on website for about a year
  - Declaration from employee concerning development and availability of web content

# Petitioner - Proving public availability and publication date of printed publication - Datasheets and drug labels

- *Toshiba Corp.* (IPR2014-01447): 
  - Press announcement of product launch (obtained from Wayback machine) not evidence that datasheet for product publicly distributed
  - Testimony that “it stands to reason” not based on specific knowledge or facts
- *Kinetic Tech* (IPR2014-00690): 
  - Declaration from corporate director of marketing that company’s practice was to make datasheets publicly available once article for sale
- *Multiple pharmaceutical cases:* 
  - package insert for a pharmaceutical product not sufficiently shown to be printed publication

## Petitioner - Proving public availability and publication date of printed publication - Stipulation

- *Argentum Pharm.* (IPR2016-00204): 
  - Patent Owner stipulating in concurrent litigation to public availability of a thesis insufficient to show public availability
- *Teva Pharm.* (IPR2016-01166): 
  - drug label not shown to be printed publication even though Patent Owner appeared to stipulate to that in a concurrent litigation

## Patent Owner – Objective indicia of non obviousness success stories

- Two successful sets of PTAB cases since January 2018: *Telebrands v Tinnus* (PGR2016-00030, 00031) and *Polygroup v Willis* (IPR2016-01610, 01612).
- Now PO gets a rebuttable presumption of a nexus (*WBIP v. Kohler Co*, 829 F.3d 1317) especially “when a product is “coextensive” with a patent claim.” (*Teva v. Sandoz*, 723 F.3d 1363)
- In these proceedings the Board panels:
  - Found nexus for mechanical inventions; alleged distinct and discrete claim elements
  - Commercial success, industry praise, copying, licensing, failure of others/long felt need
  - Alleged that obviousness discussion was already weak

## Patent Owner – Objective indicia cont'd.

- **Demonstrate presumption of nexus:** “the asserted objective evidence is tied to a specific product and that product ‘is the invention disclosed and claimed in the patent’.” *WBIP, LLC v. Kohler Co.* Burden shifts to the Petitioner.
- Tie nexus to a combination of features not a single feature because when relying on one feature Petitioner can defeat nexus by showing it in the prior art.
- Combination of features usually leads to more needing more than one reference; hard to defeat a combination of features nexus argument.
- When using claim charts to show the presumption have the expert do a full analysis rather than just incorporate the charts by reference.
- If the number of products is limited, PO should have the analysis in the response itself to show that the product embodies the claims.



## Patent Owner – Objective indicia cont’d.

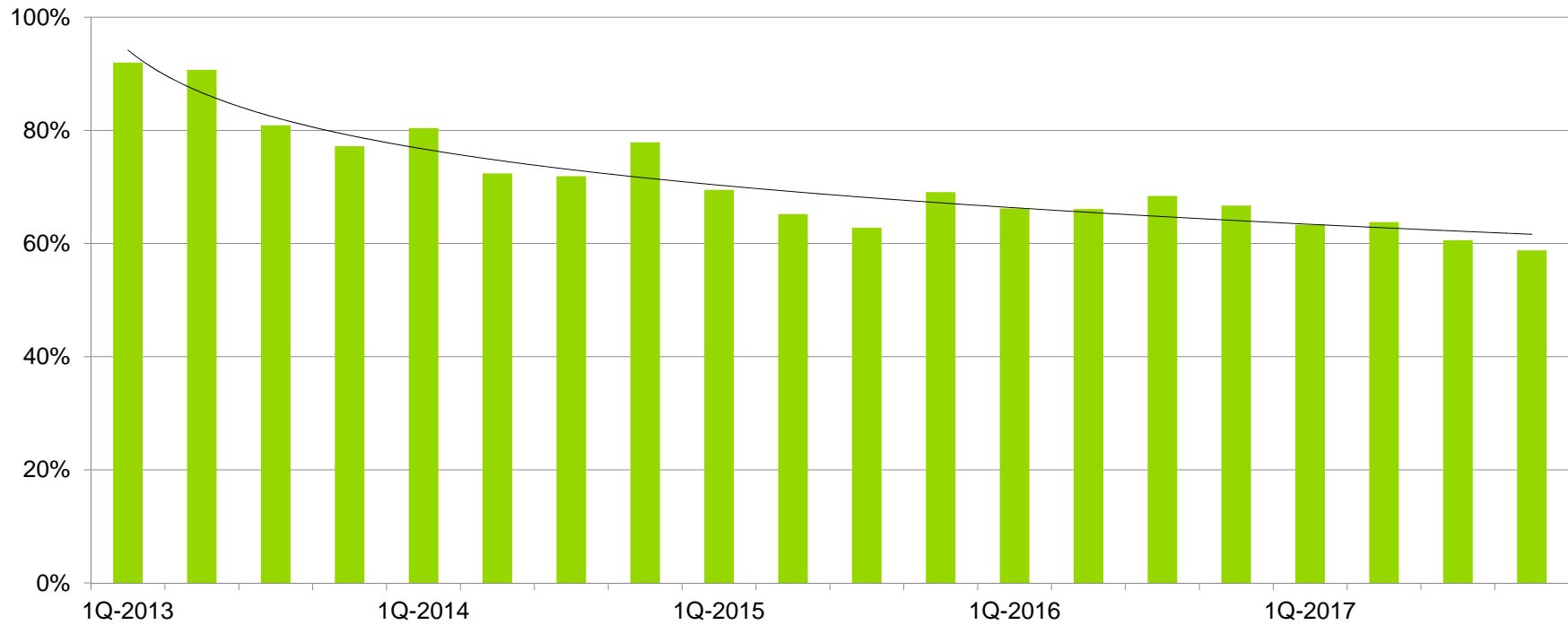
- **Narrowly tailor evidence offered:** Evidence removed from the actual invention disclosed undermines nexus
- **Bolster commercial success evidence with surveys:** Evidence of commercial success is often presented because sales data is easy to acquire. To add more probative weight to this evidence and further establish nexus, consider commissioning surveys. Surveys can show that customers would pay less for products without the patented features and more for products containing the features. *Apple Inc. v. Samsung*, 839 F.3d 1034
- **Present detailed economic analyses:** Avoid the mere presentation of raw sales data. Instead, consider commissioning an economic expert to analyze the raw sales data to show price premiums, market shares, market trends, and other economic conclusions
- Use “objective indicia” not secondary considerations: Avoids being treated *after* obviousness is already determined

## Petitioner - Proving a §102(e) and § 102(e)/119(e) date

- *Dynamic Drinkware, LLV v. Nat'l Graphics, Inc.*, 800 F.3d 1375 (Fed. Cir. 2015)
  - patent qualifies as §102(e) prior art as of the filing date of an earlier-filed priority application only if the disclosure in the priority application provides §112, ¶1 support for *claims* in the issued patent
- *Amgen, Inc. v. Sanofi*, 872 F.3d 1367 (Fed. Cir. 2017)
  - PCT published applications not 102(e) art b/c no evidence showing that the provisional applications describe/enable the PCT claims
- *Ariosa v. Illumina*, IPR2014-01093 and 705 Fed. App'x 1002 (Mem) (Fed. Cir. 2017)
  - PTAB: “[w]e cannot agree with Petitioner that the holding of *Dynamic Drinkware* applies only to issued patents, and not to published patent applications”
  - CAFC: “the Board did not err in determining that Fan is not prior art”

# Patent Owner – Institution trending below 60%

## Proceeding Institution Rate



## Petitioner - Standing to appeal

- *Phigenix v. ImmunoGen*, 2016-1544 (Fed. Cir., Jan. 9, 2017)
  - “[A]lthough **Article III standing** is not necessarily a requirement to appear before an administrative agency,” **an appellant must nevertheless supply the requisite proof of an injury in fact** when it seeks review of an agency’s final action in a federal court
- *Momenta v. BMS*, No. 17-1694, appeal from IPR2015-01537
  - BMS: “Momenta’s Hypothetical Future Biosimilar Drug Application Does Not Provide An Injury-In-Fact”
  - Momenta: at a fork, if can’t appeal, need to change business plans

## Patent Owner – Declarations with POPR – Risks and Rewards

- PTAB denied 535 petitions filed after May 2016
- PO filed 179 expert declarations in these 535 denied proceedings
- We sampled 50 of 179 decisions denying institution where declaration filed and determined the Board relied on PO's expert declaration in 60% of the sampled decisions:
  - 80% of the time, PO's expert was credited for an obviousness ground
  - 10% of the time, PO's expert was credited for an anticipation ground
  - 10% of the time, PO's expert was credited for a claim construction argument.
- The Board appears to have allowed sur replies in only 19 of the 179 cases

## Patent Owner – Declarations with POPR – Risks and Rewards cont'd.

- Effective for claim construction or legal issues
- Effective for attacking factual underpinnings of rationales to combine – to show why and how **not** combinable
- Want to avoid creating a factual dispute that can require trial, e.g., if prior art is amenable to two readings
- Petitioner sur-replies not typically allowed after PO files expert declaration – need to prove not foreseeable arguments in POPR or declaration

## Petitioner Estoppel – *Shaw*: Limits of Estoppels

- *Shaw Industries Group, Inc. v. Automated Creel Systems, Inc.*, 817 F.3d 1293, (Fed. Cir. 2016)
  - PTAB denied grounds based on the Payne reference as redundant.
  - CAFC rejected Shaw’s estoppel arguments for Payne, stating: “The IPR does not begin until it is instituted.... The plain language of the statute prohibits the application of estoppel under these circumstances.”

## Petitioner Estoppel – *Biscotti/Solutran*: Questioning *Shaw*

- *Biscotti Inc. v. Microsoft*, 2-13-cv-01015 (TXED May 11, 2017)
  - “Th[e] broad reading of *Shaw* and *HP* has prompted increasing concern in the trial courts.”
  - The Court recommends adopting the narrow view of *Shaw* .... Namely, the Court reads *Shaw* and *HP* to exempt an IPR petitioner from §315(e)’s estoppel provision only if the PTAB precludes the petitioner from raising a ground during the IPR proceeding for purely procedural reasons, such as redundancy.
- *Solutran, Inc. v. US Bancorp et al*, 0-13-cv-02637 (MND March 3, 2018)
  - “the Court can gain guidance from the Federal Circuit’s discussion of the term 'grounds' in the context of post-grant review before the PTAB. In [*Shaw Industries*], the Federal Circuit described several different 'grounds' for obviousness that constituted varied combinations of prior art. . . . [T]he Court agrees with Defendants that the word 'ground' in the CBM estoppel provision refers to a discrete claim of invalidity based upon a prior art or a combination of prior art“ and not on the entire 35 U.S.C. § 103 provision.



## Petitioner Estoppel – at the PTAB

- *Praxair Distribution* (IPR2016-00781)
  - Petitioner had previously filed two other IPR petitions challenging the validity of the same patent on different, but similar, grounds.
  - PTAB examined legislative history: “reasonably could have been raised” applies to “prior art which a skilled searcher conducting a diligent search reasonably could have been expected to discovery.”
- *Great West Casualty Co.* (IPR2016-01534)
  - PTAB refuses to apply *Shaw* to limit estoppel
  - “Congress would not have included the additional words ‘or reasonably could have raised’ after ‘raised’ if Congress had desired to limit the estoppel to grounds actually raised.”

## Patent Owner – Motions to Amend after Aqua

- We are not seeing major change in entry of amendments
- One example – Patent Owner accepted adverse judgment on a claim to force consideration of motion to amend (IPR2016-01613).
- PTAB Guidance for *Aqua Products, Inc. v. Matal*, 872 F.3d 1290:  
[https://www.uspto.gov/sites/default/files/documents/guidance\\_on\\_motions\\_to\\_amend\\_11\\_2017.pdf](https://www.uspto.gov/sites/default/files/documents/guidance_on_motions_to_amend_11_2017.pdf)

	Denied	Denied (Moot)	Granted in Part	Granted
Pre-Aqua Products	173	28	9	4
Post-Aqua Products	14	6	1	0
<b>Total</b>	<b>187</b>	<b>34</b>	<b>10</b>	<b>4</b>

	Denied	Denied (Moot)	Granted in Part	Granted
Pre-Aqua Products	81%	13%	4%	2%
Post-Aqua Products	67%	29%	5%	0%
<b>Total</b>	<b>80%</b>	<b>14%</b>	<b>4%</b>	<b>2%</b>

# Contacts



Jason Eisenberg  
[jasone@sternekessler.com](mailto:jasone@sternekessler.com)  
(202) 772 8645



Deborah Sterling, Ph.D.  
[dsterling@sternekessler.com](mailto:dsterling@sternekessler.com)  
(202) 772 8501



# Top 10 Federal Circuit and Supreme Court IP Decisions

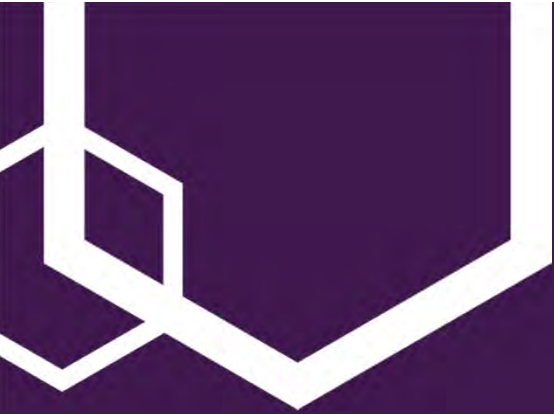
Jon Wright and Michael Joffre

March 9, 2018

Technical Minds. Legal Muscle.

# Agenda

- Federal Circuit
  - Judicial review of PTAB decisions
  - Amending claims in IPR proceedings
  - Standing to bring an appeal from the PTAB
  - Subject matter eligibility
- Supreme Court
  - Venue
  - Extraterritorial sales and damages
  - Constitutionality of IPR proceedings
- Appellate Statistics



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# FEDERAL CIRCUIT Cases

# Judicial Review

- *Wi-Fi One, LLC v. Broadcom Corp.*, 878 F.3d 1364 (Fed. Cir. 2018) (en banc)
  - **Holding:** The one year time-bar of Section 315(b) is reviewable on appeal.
  - Do ITC or arbitration complaints trigger? Is the assessment of privity/RPI correct?
  - Will this decision impact the scope of discovery?
  - Does this decision open the door to other challenges that touch on the PTAB's authority (e.g., joinder)?
  - This is a rare expansion of judicial review, post-*Cuozzo*.
- **Case to Watch:** *Click-to-Call Technologies, LP v. Oracle Corporation*, Appeal No. 15-1242 (supplemental briefing ordered post *Wi-Fi One*)

# Motions to Amend

- *Aqua Products, Inc. v. Matal*,  
872 F.3d 1290 (Fed. Cir. 2017) (en banc)
  - **Holding:** No statute or regulation places the burden on a patent owner to prove patentability of an amendment.
  - Majority holds that none of the requirements set forth in *Idle Free* and *MasterImage 3D* are entitled to *Chevron* deference because they are not rulemakings.
  - Practical impact is that amendment practice in IPR/PGR/CBM proceedings has become more accessible to patent owners.
  - The PTAB has implemented some guidance and new procedures.
  - Will amendments become routine, or at least more common?
  - Will the Patent Office will try to formally promulgate new rules?

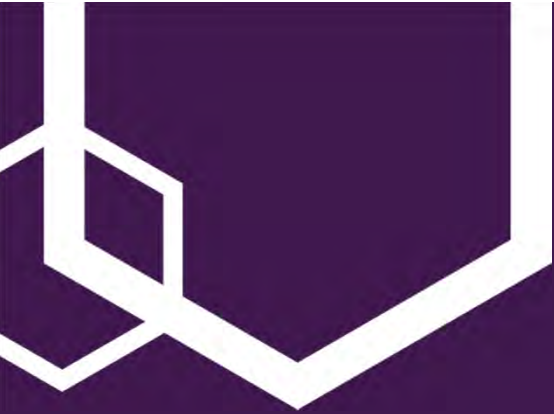


# Standing

- *Phigenix, Inc. v. ImmunoGen, Inc.*, 845 F.3d 1168 (2017) (Fed. Cir. 2017)
  - **Holding:** While there is no standing requirement before the PTAB, Article III standing is required to obtain judicial review on appeal to the Federal Circuit.
  - Article III standing requires an “injury-in-fact”—consequently, a petitioner who has not been sued, threatened, or otherwise injured may lack standing to appeal.
  - How will the standing requirement impact petitioners who do not compete with the patent owner, or who are in early stages of development?
- **Case to Watch:** *Momenta Pharm., Inc. v. Bristol-Myers Squibb Company*, Appeal No. 17-1694 (likely to address at what stage of development a biosimilar manufacturer/petitioner needs to be to have standing)

# Subject Matter Eligibility

- *Berkheimer v. HP Inc.*, 881 F.3d 1360 (Fed. Cir. 2018)
  - **Holding:** The burden of proof for showing unpatentability under § 101 is by clear and convincing evidence.
  - Section 101 has factual underpinnings, e.g., what was “conventional.”
  - Selection of representative claims is important (consider using dependents).
- *Aatrix Software, Inc. v. Green Shades Software, Inc.*, No. 2017-1452, 2018 WL 843288 (Fed. Cir. Feb. 14, 2018)
  - **Holding:** Facts supporting eligibility need to be pleaded in the complaint.
  - Here, the plaintiff should have been allowed to amend the complaint.
  - A dissent argues that 101 should remain largely a “legal” question.



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# U.S. SUPREME COURT Cases

# Venue

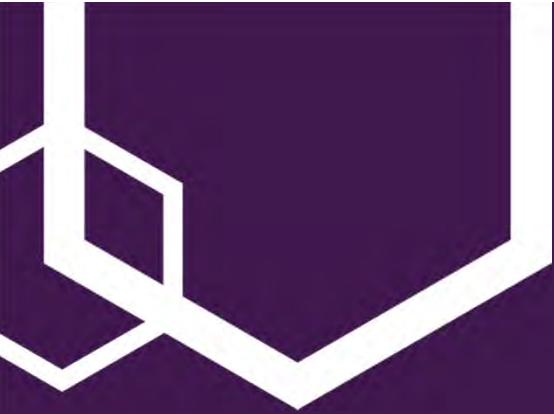
- *TC Heartland LLC v. Kraft Foods Grp. Brands LLC*, 137 S.Ct. 1514 (2017)
  - **Holding:** A domestic defendant in a patent infringement case can only be sued in a jurisdiction where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business.
  - A domestic defendant “resides” only in its state of incorporation.
- *In re Cray Inc.*, 871 F.3d 1355 (Fed. Cir. 2017)
  - First application: The location of defendant’s employees who work from home is not a regular and established place of defendant’s business when the defendant corporation has no other material connection to the place—e.g., by way of rent, inventory, conditioning employment based on the location, other relevant facts.

## Extraterritorial Issues

- *Impression Prod., Inc. v. Lexmark Int'l, Inc.*, 137 S. Ct. 1523, 1529 (2017)
  - **Holding:** A patentee's decision to sell a product exhausts all of its patent rights in that item, regardless of any restrictions the patentee purports to impose or the location of the sale.
  - This includes extraterritorial sales.
- **Case to Watch:** *WesternGeco LLC v. ION Geophysical Corp.*, Supreme Court Appeal No. 16-1011
  - Are profits arising from prohibited extraterritorial combinations categorically unavailable for damages in cases where infringement is proven under § 271(f)?

# Constitutionality

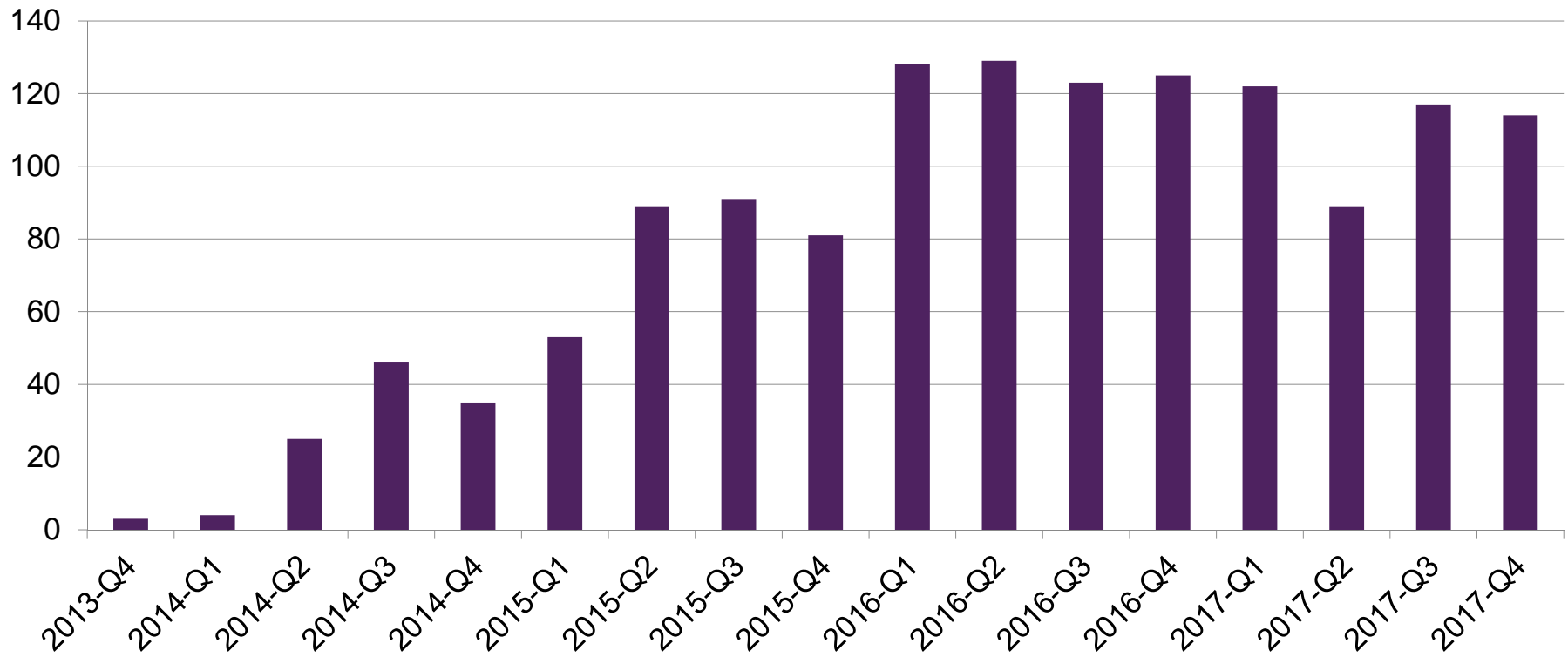
- **Case to Watch:** *Oil States Energy Services, LLC v. Greene's Energy Group, LLC*, Supreme Court Appeal No. 16-712
  - Whether inter partes review, an adjudicatory process used by the Patent Office to review the validity of issued patents, violates the Constitution by extinguishing private property rights through a non-Article III forum without a jury.
  - What are the possible implications?



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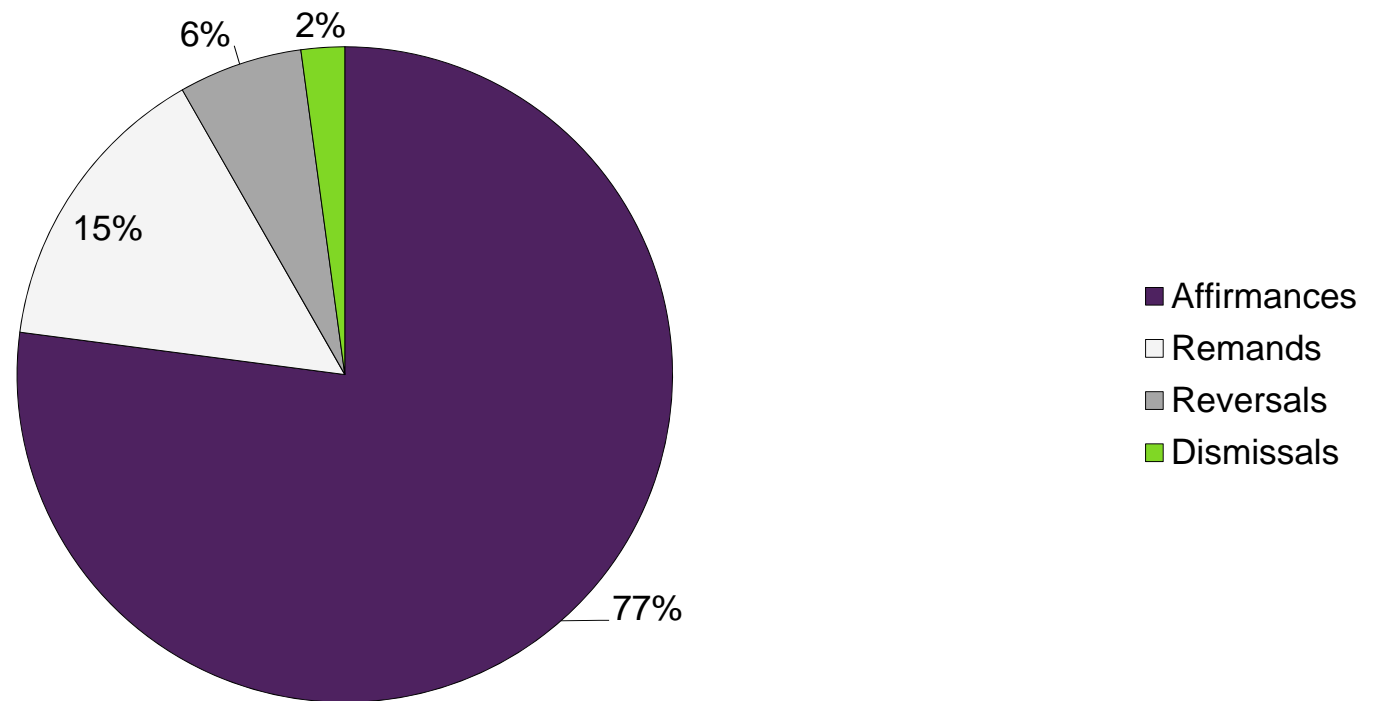
# FEDERAL CIRCUIT Statistics

# PTAB/AIA Appeals Opened

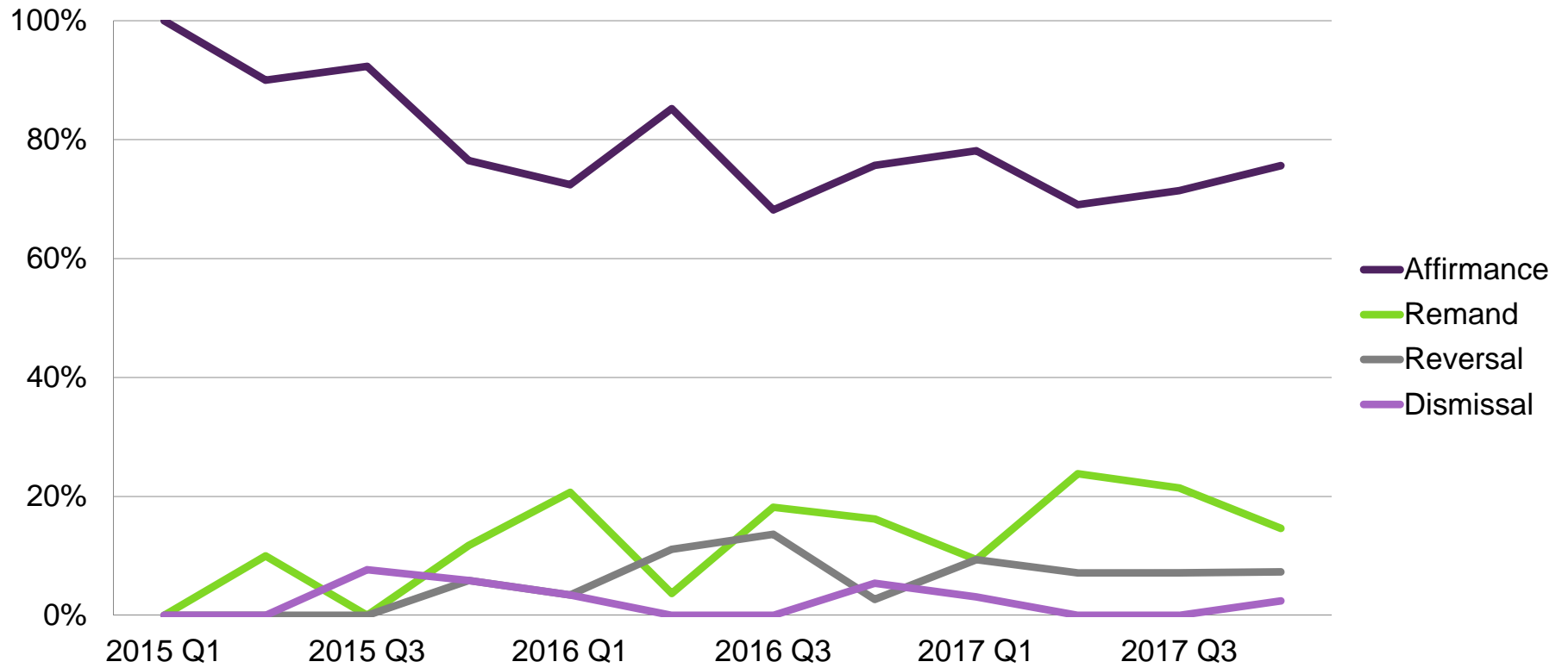




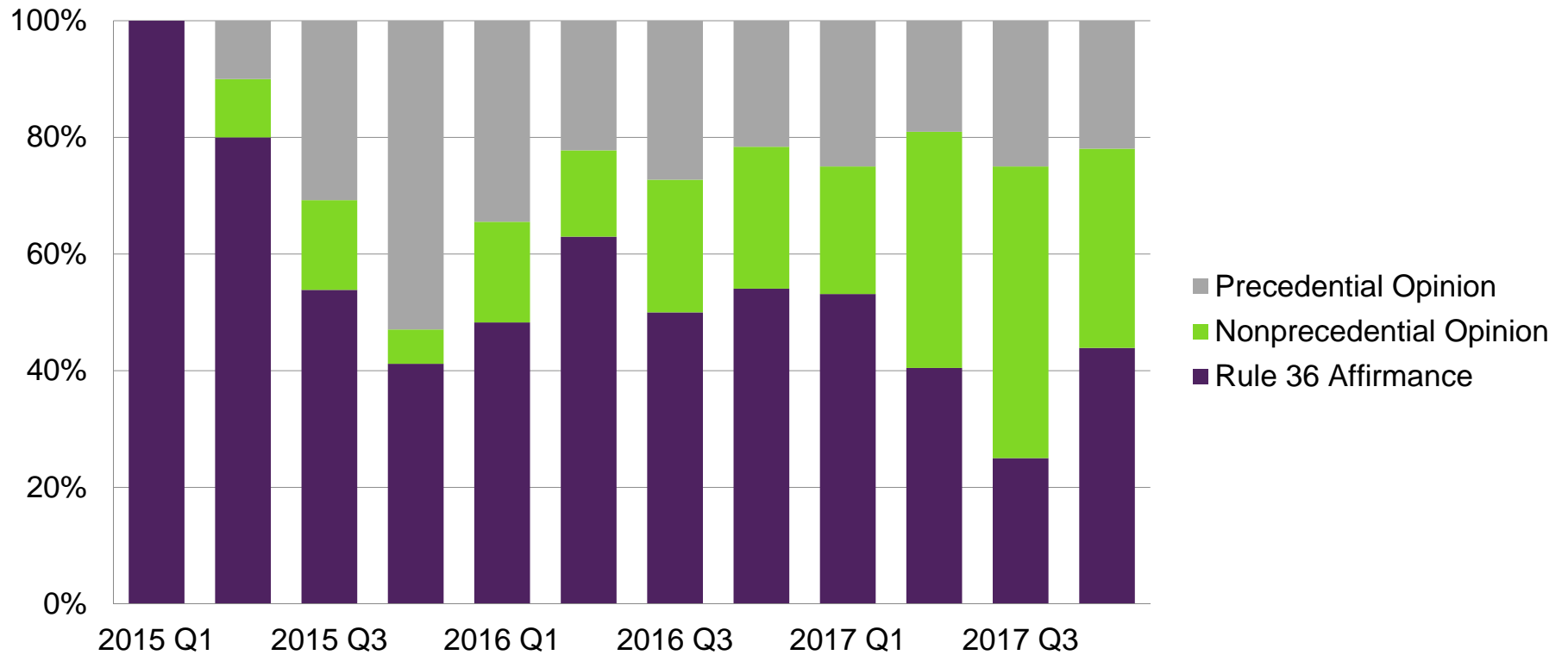
# PTAB/AIA Appeals Outcomes



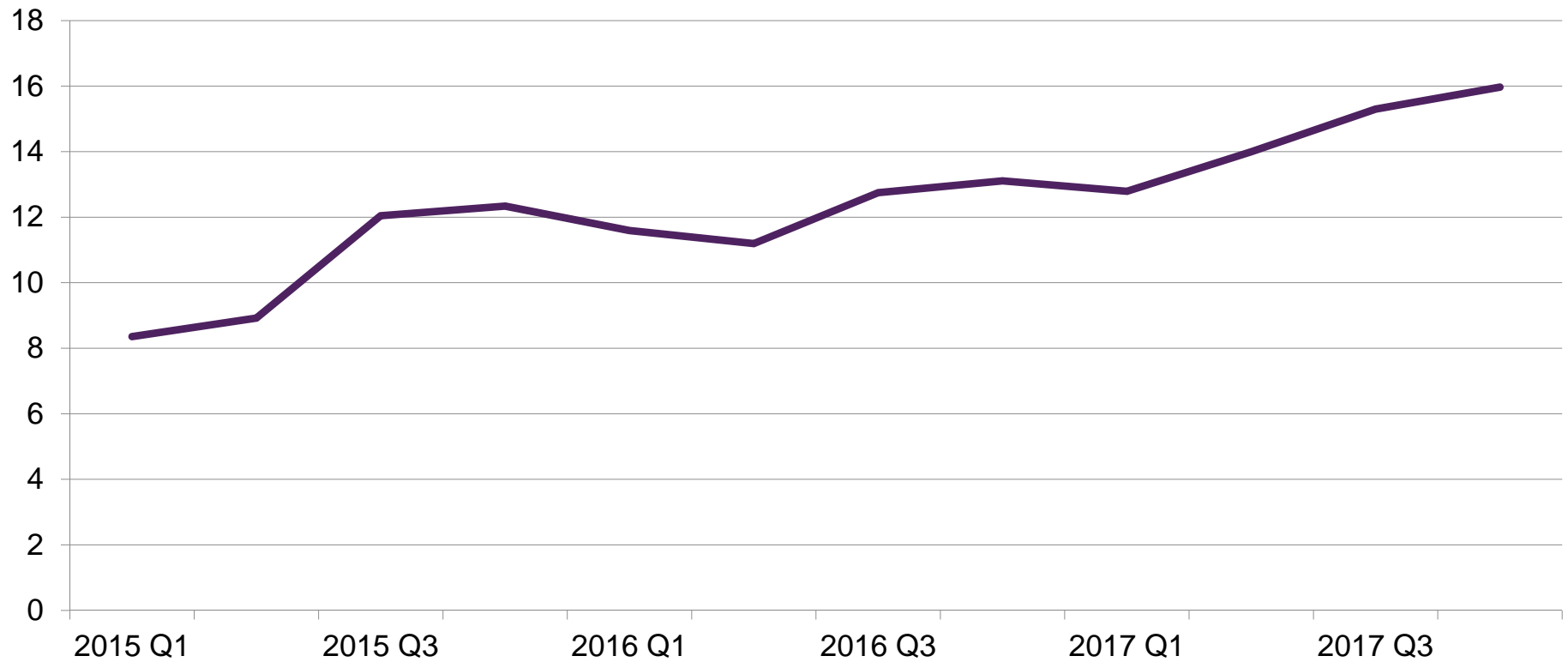
# PTAB/AIA Appeals Outcomes



# PTAB/AIA Appeal Disposition Type



# PTAB/AIA Appeal Pendency (Months)



# THANK YOU



**Michael E. Joffre**

(202) 772-8856

[mjoffre@sternekessler.com](mailto:mjoffre@sternekessler.com)



**Jon E. Wright**

(202) 772-8651

[jwright@sternekessler.com](mailto:jwright@sternekessler.com)

# LUNCHEON SPEAKER PRESENTATIONS

**David Rose**

**Partner**

**Mishcon de Reya**

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**Avv. Massimo Sterpi**

**Partner**

**Gianni Origoni Grippo Cappelli & Partners**

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**Dr. Tobias Wuttke**

**Partner**

**Meissner Bolte**

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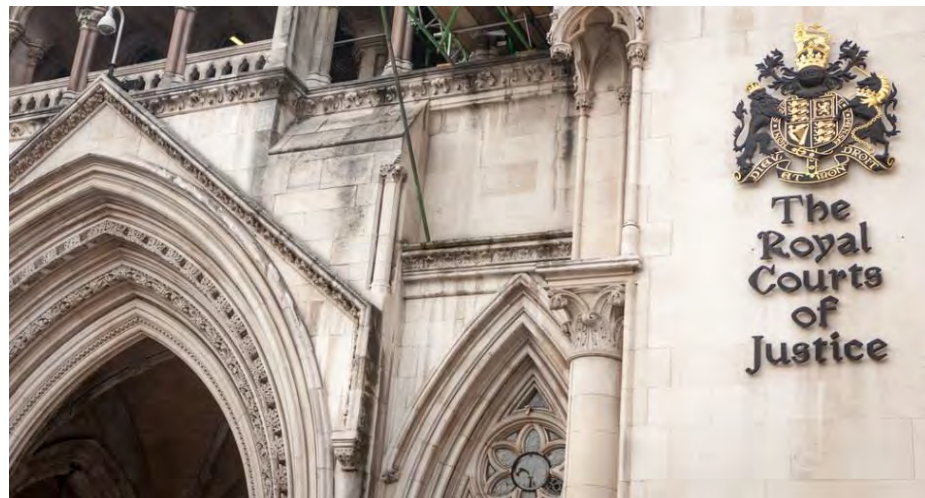
MARCH 9, 2018

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Mishcon de Reya

# Patent Litigation in the UK

David Rose, Partner



- 
- Expedient procedure
  - Infringement and validity heard together – optimises possibility of squeezes
  - (Mostly) specialist judges at first instance and two specialist IP judges in the Court of Appeal (take the lead on patent appeals)
  - Thorough assessment of infringement and validity, and rigorous testing of factual and expert evidence
  - Courts usually grant final injunction but are innovative in relation to remedies
  - Sizeable cost recovery for the winning party



# PATENT LITIGATION IN THE UK



- Patents Court [Practice Statement](#): Listing of cases for trial in the Patents Court (December 2015)
  - Patent cases to be brought to trial within 12 months of the claim being issued
  - Trials (and appeals) may also be expedited
- Active (aggressive?) use of case management powers to achieve this
- Judgment in Patents Court within 6-12 weeks of trial
- Appeal hearing typically within 9-12 months of trial decision

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## EXAMPLE:

# FINAL DECISION IN UNDER 6 MONTHS

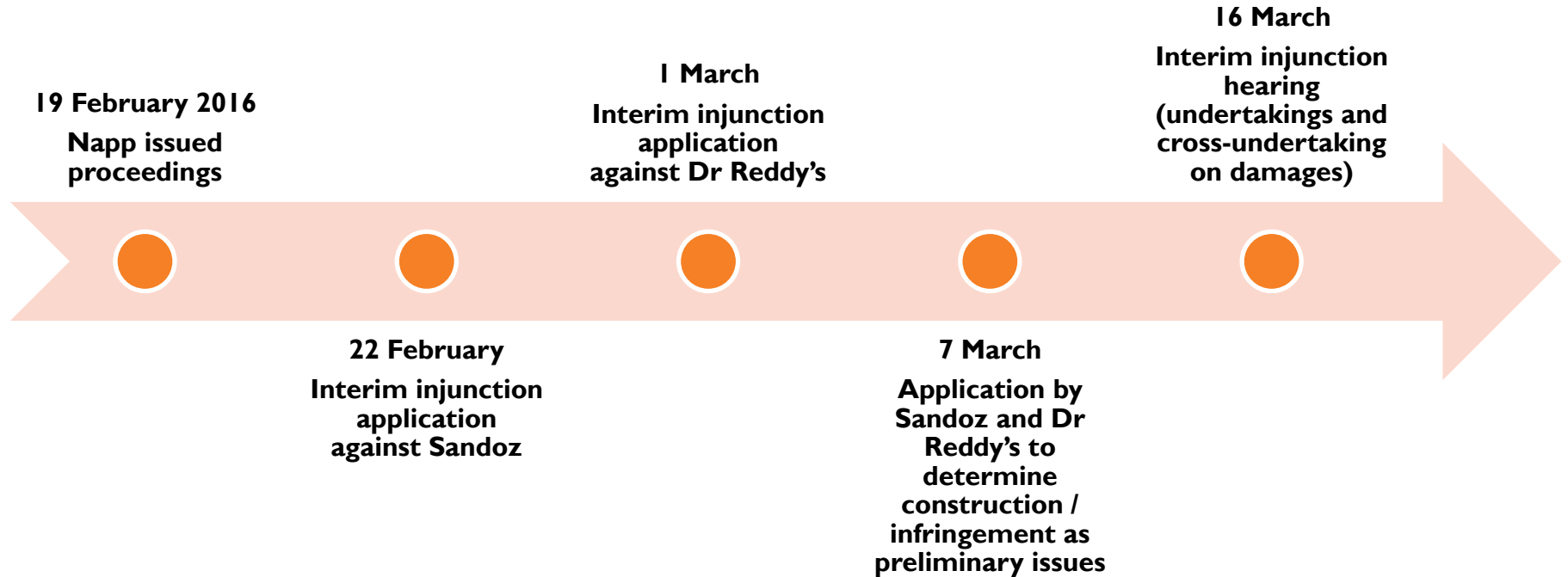
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### *Napp Pharmaceuticals v. Dr Reddy's & Sandoz (2016)*

- NAPP owned a number of patents for its transdermal buprenorphine formulations, marketed as BuTrans®.
- Sandoz and Dr Reddy's had developed generic versions and were in the process of obtaining marketing authorisations.
- Napp issued claims for patent infringement against Dr Reddy's and Sandoz. The defendants did not challenge validity but claimed non-infringement.

# TIMETABLE OF PROCEEDINGS

Mishcon de Reya

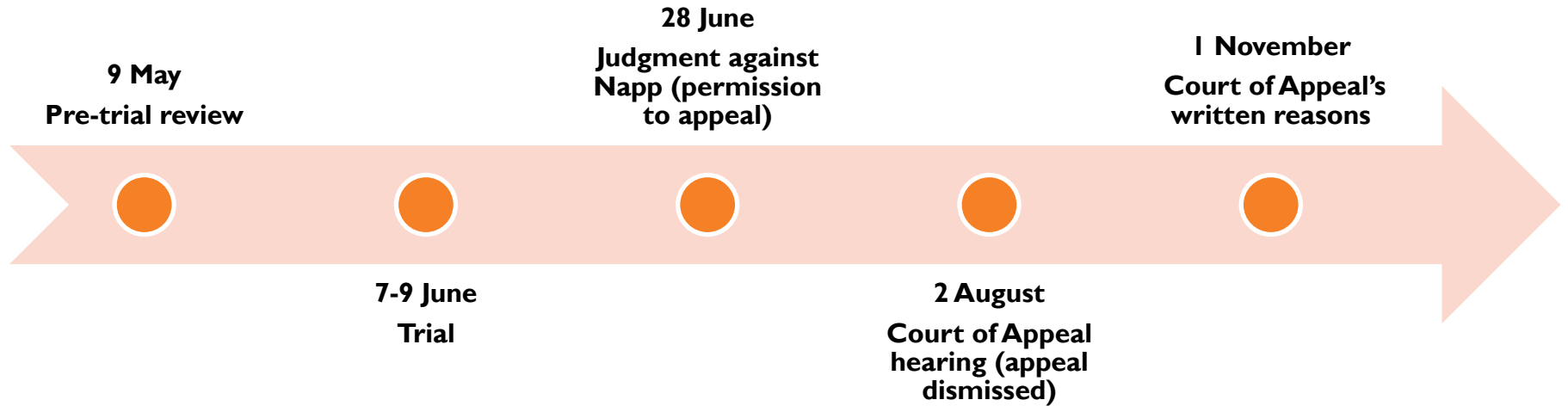


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# CONTINUED...

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- Shorter Trial Scheme (STS) for patent actions that can be reasonably dealt within in a trial of up to a maximum of 4 days
- Features of STS procedure:
  - a compressed procedural timetable with a streamlined pre action protocol, limited disclosure and limited oral evidence;
  - a docketed judge for case management and trial, with very active case management to keep things on track;
  - costs assessed summarily (no cost budgeting)

- No automatic right to an appeal
- Permission to appeal no more likely in patent cases than any other case (*Teva v. Boehringer Ingelheim* 2017 Court of Appeal)
- Court of Appeal will only intervene on appeal if there has been an error of principle

- 
- Cost effective and proportionate approach to disclosure: e.g., patentee will not ordinarily be required to disclose documents relating to the making of the invention
  - Thorough and rigorous examination of issues and evidence through cross-examination
  - Remedies: final injunctions usually granted but Courts are increasingly flexible and innovative on remedies
  - Intellectual Property Enterprise Court procedure for ‘smaller claims’:
    - Damages limited to £500,000
    - Recoverable costs capped at £50,000



## Costs of taking a case to trial in the Patents Court

- Between £500,000 to £2 million
- Depends on number of patents, issues, complexity etc

## Costs of taking a case to trial in the IPEC

- Between £100,000 and £800,000

## Costs of an appeal to the Court of Appeal

- Between £75,000 and £350,000

- Lawyers can enter into alternate fee arrangements with their clients (unusual in Europe):
  - Options include conditional fee arrangements, ATE insurance, third party funding and damages based agreements.
  
- Costs budgeting:
  - where value of claim is less than £10 million, case will be subject to costs budgeting (and may be in higher value cases)
  - provides transparency

- Costs awards are in the Court's discretion (in costs budgeted cases, successful party is awarded level of last approved budget)
- Costs must be proportionate to the matters in issue
- General rule – loser pays the winner's costs
  - Standard basis in patent cases: 60-70%
  - Indemnity basis in patent cases: 80-90%(but note re impact of proportionality assessment and costs budgeting)
- Court can award costs on issue by issue basis whilst also recognising 'commercial winner'



**PATENT LICENSE  
AGREEMENT**

**INNOVATIVE PATENTS  
COURT**

THIS AGREEMENT

- Patents Court granted first ‘FRAND injunction’ in *Unwired Planet v Huawei* (2017) and settled the terms of a FRAND licence between the parties:
  - Infringement proceedings over six patents: five claimed to be SEPs.
  - Unwired Planet made open offer to license its entire global portfolio (SEPs and non-SEPs). Unwired Planet subsequently made an offer for just the SEPs.
  - Each side made further open offers, the principal difference being that Huawei would take a “UK SEP” licence, while Unwired Planet offered a global SEP licence.
  - Huawei argued Unwired Planet had abused its dominant position in breach of CJEU judgment in *Huawei v. ZTE* by issuing claim for injunction.
  - Two patents held valid and infringed.

- A global licence was FRAND in the circumstances:
  - Huawei’s multi-national business and the geographical scope of Unwired Planet’s portfolio
  - Willing and reasonable parties would enter into a global licence
  - Even assuming that Unwired Planet had a dominant position, its conduct in the negotiations did not abuse that position, even though it had initially bundled non-SEPs with SEPs and asked for a higher royalty rate than the benchmark rate
  
- Judge determined the global licence commercial terms of the licence and the general terms based on a draft UK only licence discussed between the parties

- *Arrow* declaration:
  - A product would have been obvious and/or anticipated at the priority date of a particular application (e.g., a divisional application: the problem of submarine divisionals)
  - If that application proceeds to grant, *Arrow* declaration operates as a 'squeeze' to a claim of infringement
  
- Court granted *Arrow* declaration in *Fujifilm v AbbVie* (2017) as would serve useful purpose of dispelling commercial uncertainty.
  
- AbbVie had:
  - Threatened infringement whilst shielding its patents from court scrutiny
  - Made threats to sue throughout the world

# DOCTRINE OF EQUIVALENTS: ACTAVIS V LILLY (2017)

	Old Test	New Test
<b>The Key Question</b>	“the question is always what the person skilled in the art would have understood the patentee to be using the language of the claim to mean” ( <i>Kirin-Amgen</i> )	Two issues: (i) Does the variant infringe any of the claims as a matter of normal interpretation (remains a question of purposive construction); and, if not (ii) Does the variant nonetheless infringe because it varies from the invention in a way or ways which is or are immaterial?  If the answer to either issue is ‘yes’ there is infringement; otherwise, there is not.



# DOCTRINE OF EQUIVALENTS

## ACTAVIS V LILLY

	Old Test	New Test
“Improver questions”		
Q.1	Does the variant have a material effect on the way the invention works? If yes, the variant is outside the claim. If no -	<u>Notwithstanding that it is not within the literal meaning</u> of the relevant claim(s) of the patent, does the variant achieve substantially the same result in substantially the same way as the invention, i.e. the inventive concept revealed by the patent? (If yes - )
Q.2	Would this (i.e. that the variant had no material effect) have been obvious at the date of publication of the patent to a reader skilled in the art? If no, the variant is outside the claim. If yes -	Would it be obvious to the person skilled in the art, reading the patent at the priority date, <u>but knowing that the variant achieves substantially the same result as the invention</u> , that it does so in substantially the same way as the invention? (If yes - )
Q.3	Would the reader skilled in the art nevertheless have understood from the language of the claim that the patentee intended that strict compliance with the primary meaning was an essential requirement of the invention? If yes, the variant is outside the claim.	Would such a reader of the patent have concluded that the patentee nonetheless intended that strict compliance with the literal meaning of the relevant claim(s) of the patent was an essential requirement of the invention? (If ‘yes’, outside the claim; if ‘no’ (and first two questions ‘yes’), there may be infringement)

# THE FUTURE OF PATENT LITIGATION IN EUROPE

- 15 Member States have ratified the UPC Agreement: Germany and UK need to ratify
- Provisional Application Phase (likely to be 6 month period before UPC opens)
- Sunrise period for opt-outs
- Can UPC open doors for business before the UK leaves the EU?

## Ratifying Member States (as at March 1, 2018):

Austria	France
Belgium	Italy
Bulgaria	Latvia
Denmark	Lithuania
Estonia	Luxembourg
The Netherlands	Malta
Finland	Portugal
	Sweden

- UK has completed necessary legislative steps required to ratify UPC Agreement
- IP Federation has recently called on Government to ratify as soon as possible, and before EU Summit on March 23, 2018 to allow for negotiations to secure UK's continued involvement post-Brexit in UPC and, if possible, Unitary Patent

- No mechanism in Agreement for leaving the UPC
- Gordon and Pascoe [Opinion](#)
  - UPCA establishes specialised, non-EU patent court under international law
  - On balance, UK can participate provided sufficiently strong international agreement (some arguments to the contrary based on the CJEU's language in Opinion 1/09) providing for:
    - Respect for supremacy of EU law
    - Ability to bring infringement proceedings and obtain damages for breach of EU law
    - Uniformity through preliminary references
- CJEU will have interpretative role in the UPC: sticking point might be how much

*“...the UPC is an international court. It will not be a UK court or an EU institution, but will have its own court of appeal. The role of the CJEU will be contained to issues of interpretation in limited areas where EU law impacts on patent law. In referring a question to the CJEU for interpretation, the UPC will not be acting as a UK domestic court”*  
UKIPO Spokesperson  
(quoted in WIPR)

- Gordon/Pascoe: international agreement to continue UK's participation in Unitary Patent is possible
- Similar arguments can be made re preserving unitary patent rights as for EUTMs and designs
- Unlikely to be reduction in Unitary Patent renewal fees, even without UK?

*“whether the UK continues to participate in the Unitary Patent and Unified Patent Court ... will be a political decision for the EU, its remaining Member States and the UK and may be addressed as part of the exit negotiations. Should the UK's withdrawal from the EU become legally effective, [the Unitary Patent Regulation] ... will cease to apply there. **This will not, however, lead to a loss of patent protection in the UK for unitary Patent proprietors. Appropriate solutions that avoid any loss of rights or legal uncertainty can be expected.** The protection of acquired rights and the preservation of legal certainty are general principles of law respected throughout Europe”.* (emphasis added)

[EPO Unitary Patent Guide](#)

- Regime without UK involvement will be unwelcome to users
- A middle way: UK could stay in UPC but UP not extend to UK?
- If UK leaves UPC, more focus on competitiveness?
- Location of London seat of Central Division (pharmaceuticals) would be up for grabs?
- Clarity on post-Brexit position not expected soon



- Constitutional complaint against German ratifying legislation + application for provisional measures
- Argues UPC legislation exceeds limits on transfer of sovereignty under constitutional right to democracy in German Basic Law:
  - Decision to adopt legislation needed a qualified majority of 2/3 of Parliament and Federal Council (this should be resolved easily, but would involve delay)
  - Democratic defects in relation to the legislative powers of the UPC organs
  - Lack of independence and democratic legitimacy of the UPC judges
  - Incompatibility of the UPC with EU law
- German Court will hear cases in 2018
  - Risk of a reference to the CJEU?
  - Impact on timing (nb. clock is ticking to March 2019....)



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# QUESTIONS?

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Mishcon de Reya



David Rose  
Partner  
david.rose@mishcon.com  
DDI: +44 20 3321 6331

# Patent Litigation in Italy: Options and Opportunities

**Avv. Massimo Sterpi**

March 9, 2018

# Number of patents in Italy

## Patent Applications\*

Year	Resident	Non-Resident	Abroad
2002	3,336		9,829
2003	3,676		10,284
2004	3,998		12,366
2005	4,200		13,375
2006	4,197		13,956
2007	13,647	870	14,878
2008	12,931	861	15,294
2009	12,698	903	13,828
2010	12,965	846	14,981
2011	12,776	927	15,532
2012	12,192	871	16,331
2013	12,017	905	16,879
2014	12,243	781	17,045
2015	3,988		17,620
2016	13,019	973	18,072

## Patents in force

2010	65,417
2011	66,170
2012	60,563
2013	61,341
2014	63,071

Source: WIPO

\*A **resident** filing refers to an application filed in the country by its own resident; whereas a **non-resident** filing refers to the one filed by a foreign applicant. An **abroad** filing refers to an application filed by this country's resident at a foreign office.

# General overview

- **Civil Courts**

- No technical background for Judges
- Resort to court experts

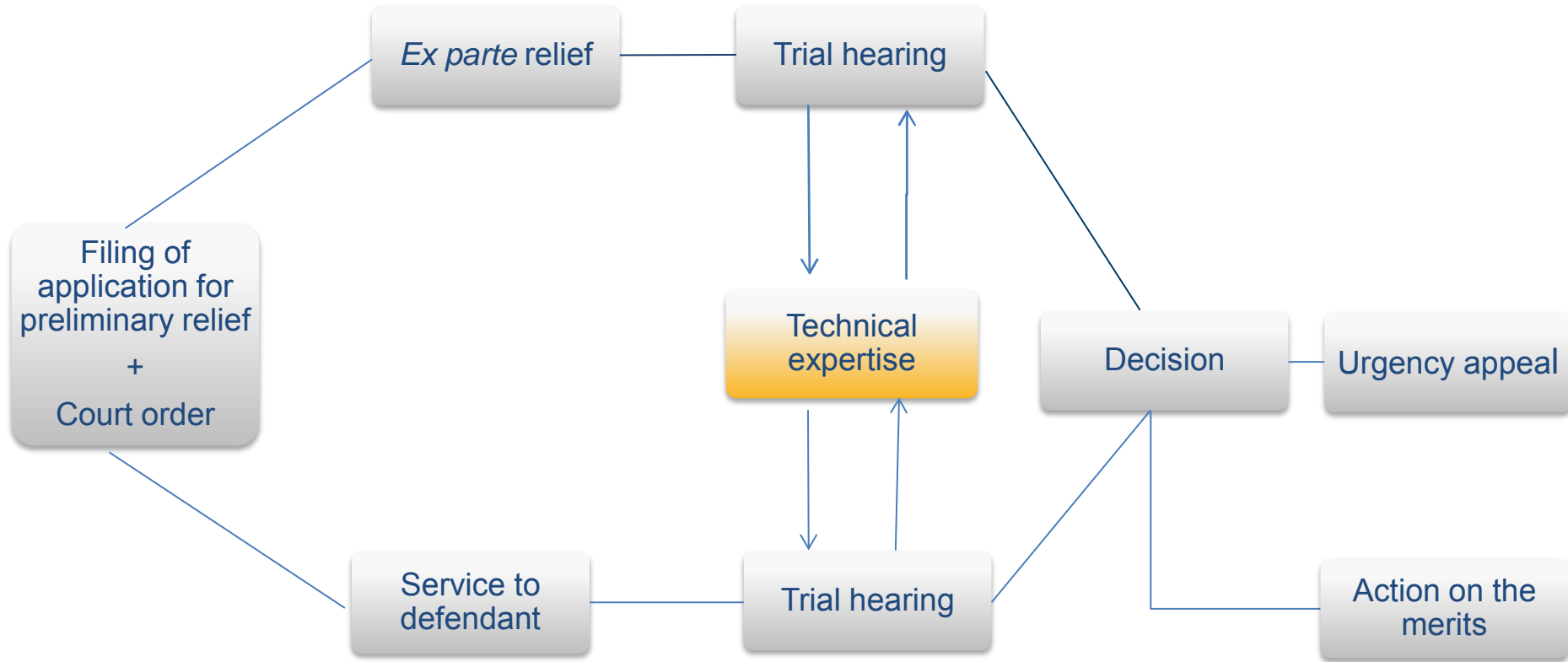
- **No role of Italian PTO in litigations**

- **Raising role of Criminal Courts**

# Type of proceedings

- Urgency proceedings for preliminary relief
- Description proceedings
- Pre-trial technical expertise
- Action on the merits

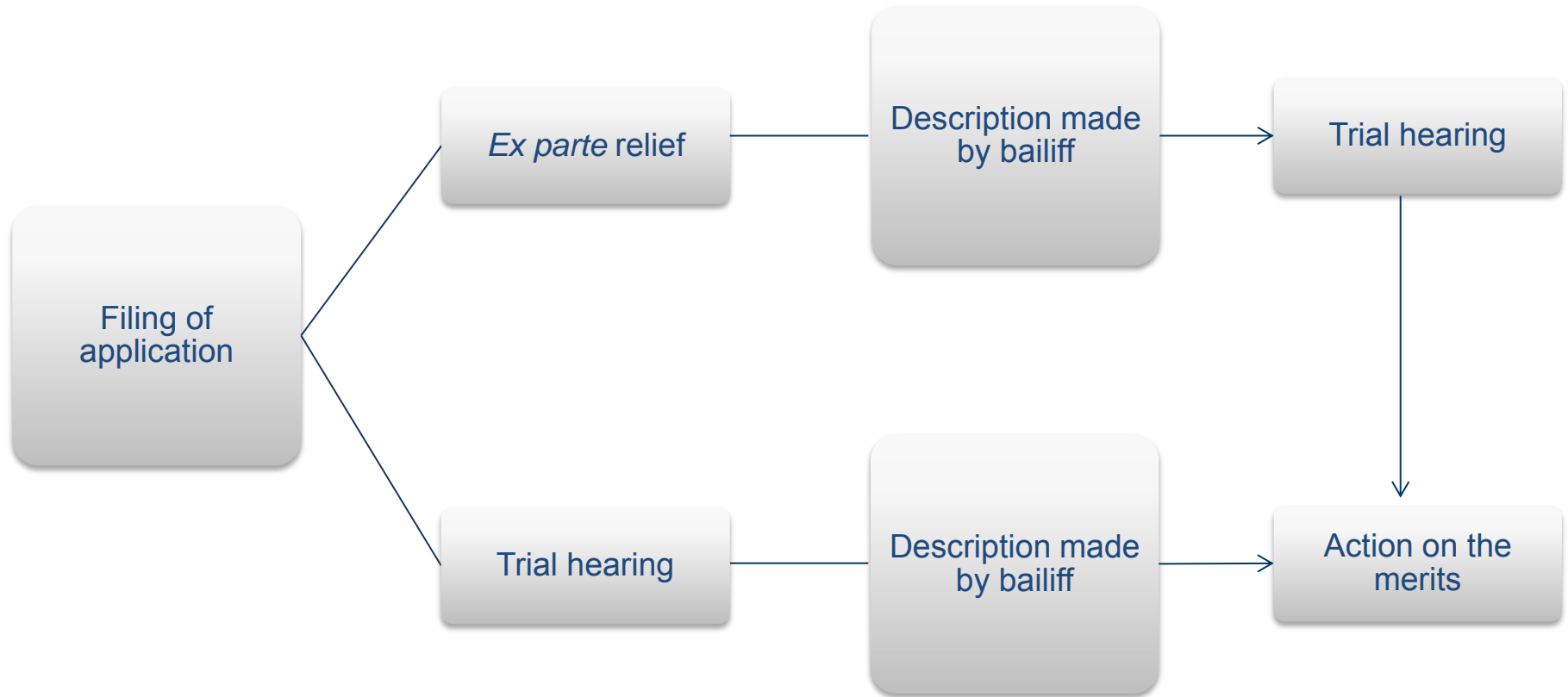
# Urgency proceedings for preliminary relief



**Remedies:** injunction, seizure, recall of products and publication of court order

**Timing:** 2 weeks to 8 weeks (without technical expertise)

# Description proceedings



**Remedies:** description of infringing goods, of tools to manufacture them and accountancy and documents relating thereto

**Timing:** 2 to 6 months

# Pre-trial technical expertise

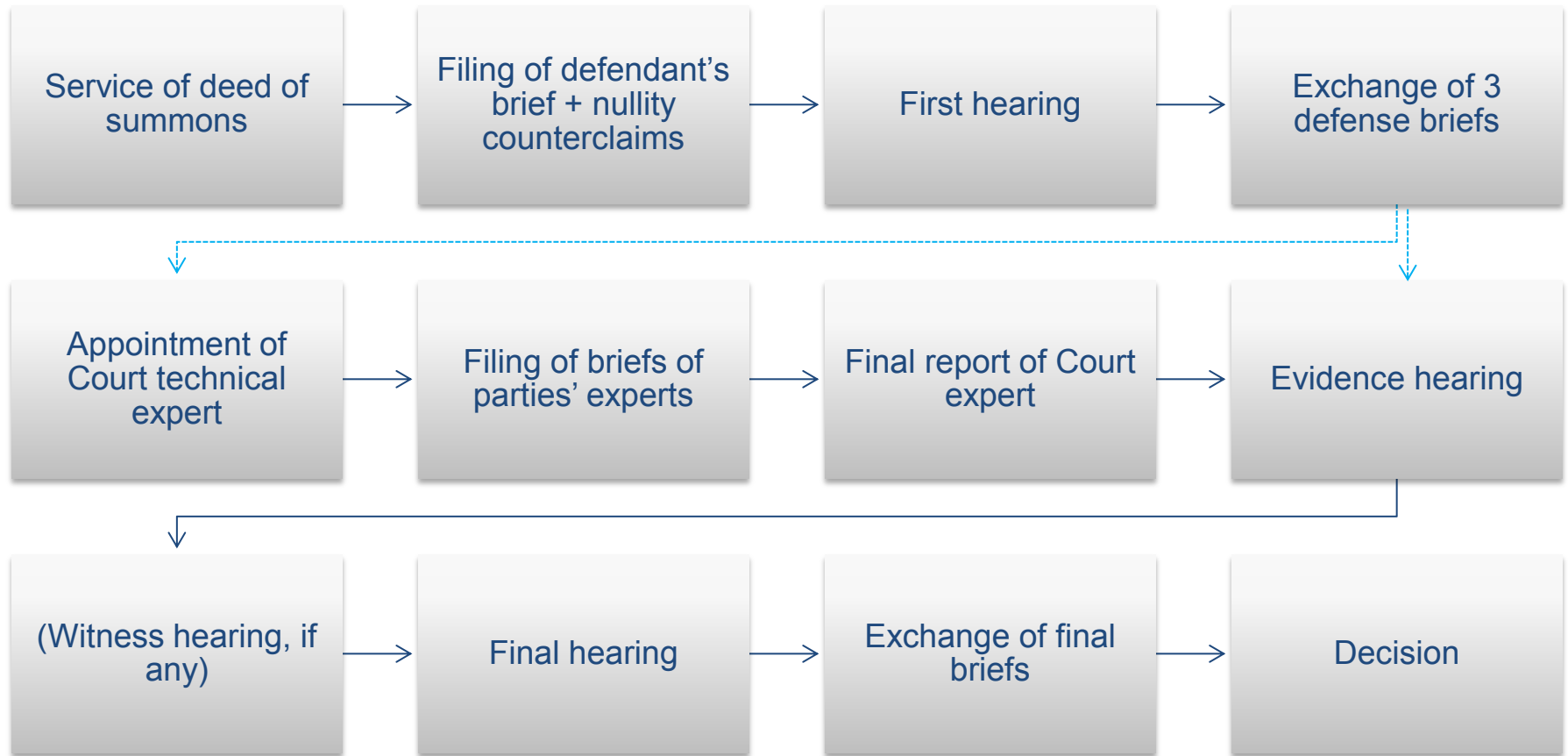


**Remedies:** assessment of infringement and calculation of possible damages (for reference purposes only)

**Timing:** 2 to 6 months



# Proceedings on the merits



**Remedies:** injunction, infringing products recall, seizure and destruction of infringing products, publication of decision, damages.

**Timing:** 18 to 36 months

# And finally...the Italian Torpedo

- **What:** a court action brought in Italy for declaration of invalidity / non-infringement of different national and foreign portions of the same patent
- **Why:** this action was based on *lis pendens* rules of the Brussels Convention (and then of the Brussels EU Regulations)
- **When:** very popular when Italian court were much slower
  
- **Now:**
  - actions for declaration of non-infringement may still be brought also with respect to foreign patents (Court of Cassation, n. 14508/13, referring to ECJ C-133/11);
  - however, lower courts have issued contradictory decisions admitting or denying jurisdiction for declaratory actions on foreign patents, or admitting it only if the action concerns **only** non-infringement, excluding any challenge of validity of the foreign patent (Court of Genova, 23 April 2014).



# Thank you!

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**Avv. Massimo Sterpi**  
**msterpi@gop.it**

**GIANNI ORIGONI GRIPPO CAPPELLI & PARTNERS**  
**Via delle Quattro Fontane, 20**  
**00184 Rome – Italy**  
**T.: +39 06478751**

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# Our Offices

## In Italy...



### Rome

Via delle Quattro Fontane, 20  
00184 Roma  
Tel. +39 06 478751  
Fax +39 06 4871101

### Milan

Piazza Belgioioso, 2  
20121 Milano  
Tel. +39 02 763741  
Fax +39 02 76009628

### Bologna

Via Massimo D'Azeglio, 25  
40123 Bologna  
Tel. +39 051 6443611  
Fax +39 051 271669

### Padua

Piazza Eremitani, 18  
35121 Padova  
Tel. +39 049 6994411  
Fax +39 049 660341

### Turin

C.so Vittorio Emanuele II, 83  
10128 Torino  
Tel. +39 011 5660277  
Fax +39 011 5185932

## ... and abroad



### Abu Dhabi

Penthouse 2102  
CI Tower - 32nd St.  
P.O. Box 42790  
Abu Dhabi  
Tel. +971 2 815 3333  
Fax +971 2 679 6664

### Brussels

184, Avenue Molière  
B-1050 Brussels  
Tel. +32 23401550  
Fax +32 23401559

### Hong Kong

Unit 208 - 2nd Floor  
St. George's Building  
2 Ice House Street  
Central Hong Kong  
Tel. + 852 21563490  
Fax + 852 21563499

### London

6 - 8 Tokenhouse Yard  
London EC2R 7AS  
Tel. +44 2073971700  
Fax +44 2073971701

### New York

1180 Avenue of the Americas  
8th Floor  
New York, NY 10036  
Tel. +1 212 957 9600  
Fax +1 212 957 9608

MEISSNER BOLTE

# Key Aspects of German Patent Litigation

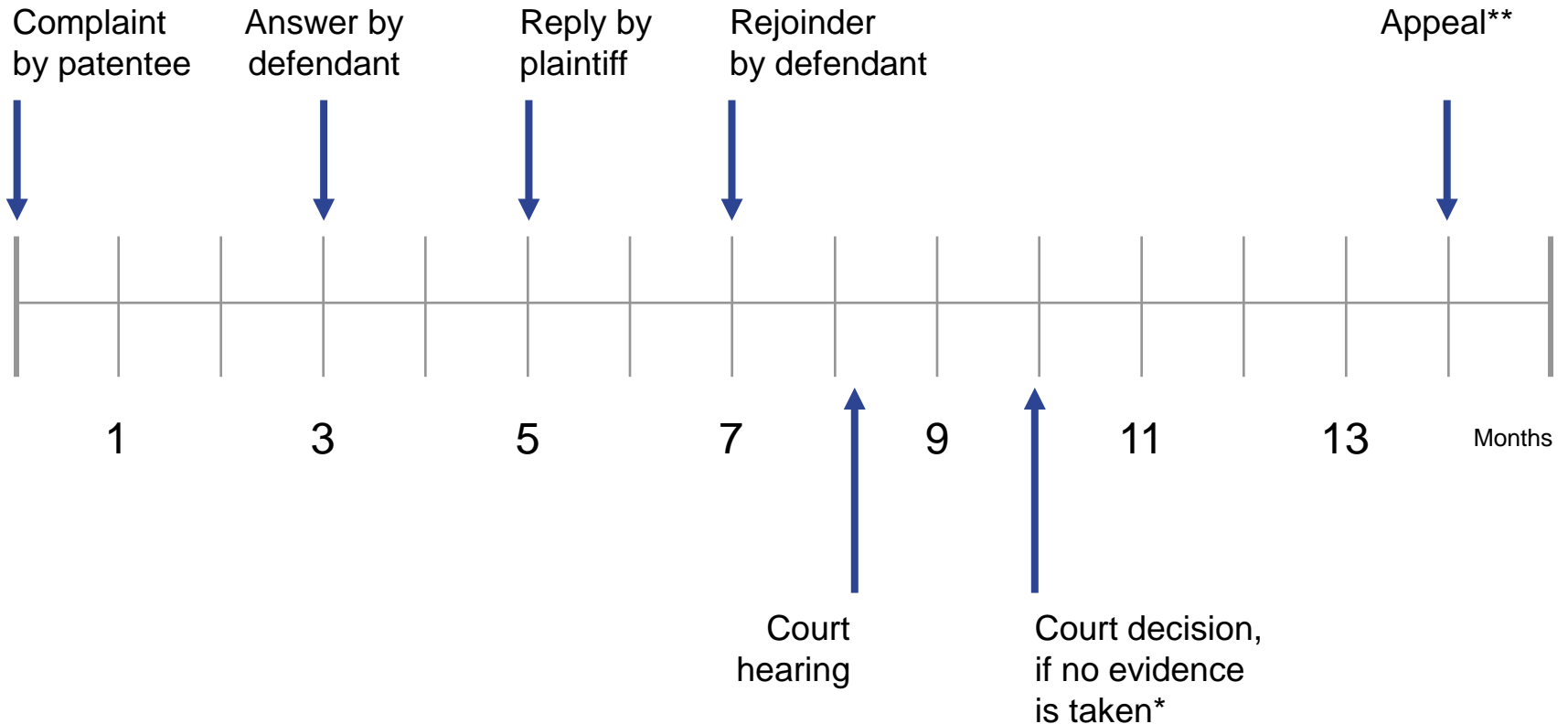
Dr. Tobias Wuttke



## Bifurcation



## Bifurcation: Timeline Infringement Mannheim Court



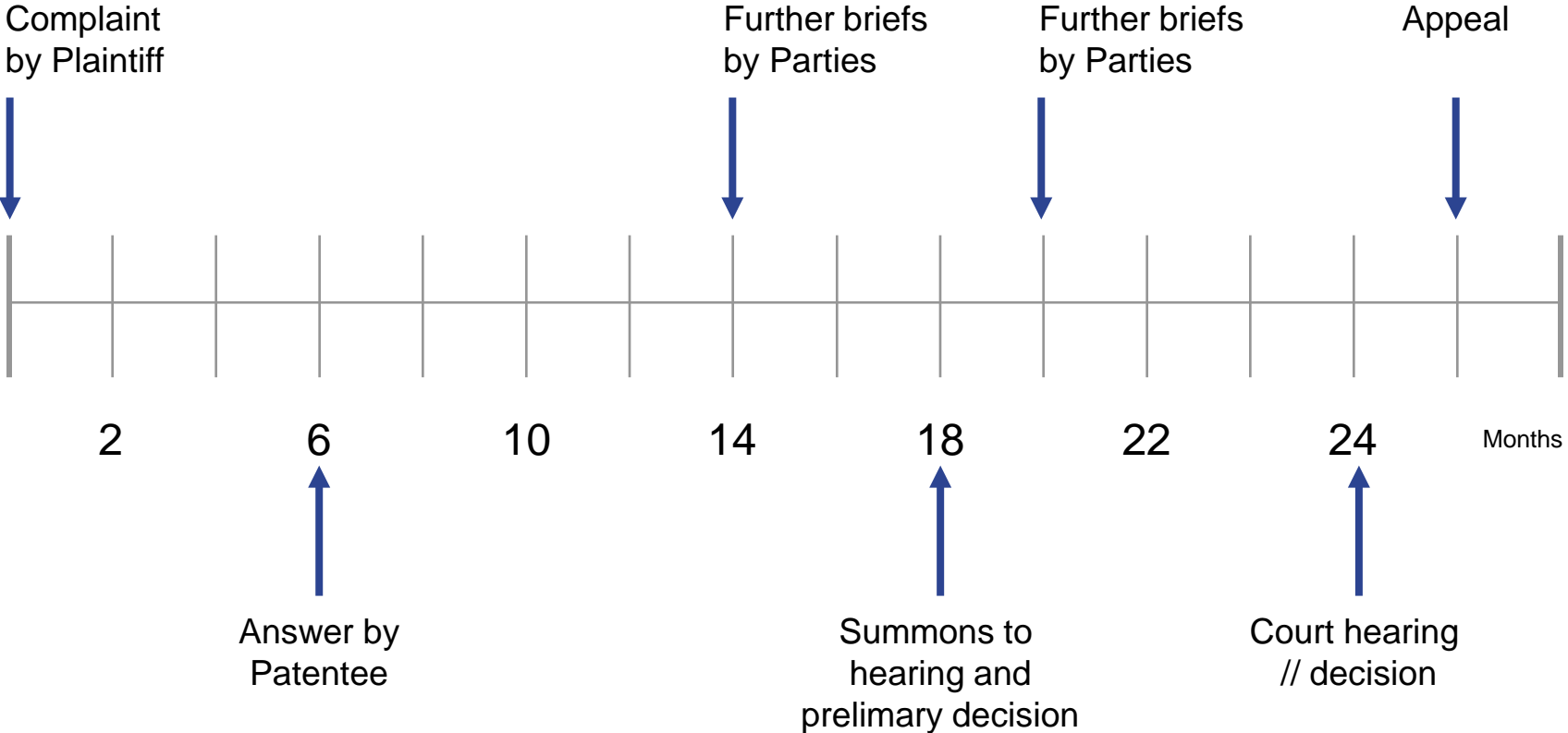
\*If evidence is taken procedure takes about 12-18 months longer.

\*\*Appeal takes about 12 months.





## Bifurcation: Timeline Nullity Action Federal Patents Court



## Bifurcation: Stay of Proceedings

### **Consequence: Head start for plaintiffs**

A stay is granted in only 10% (did not change due to new case law of Federal Supreme Court 'Short Message', 16.09.2014, X ZR 61/13) of the cases and presupposes:

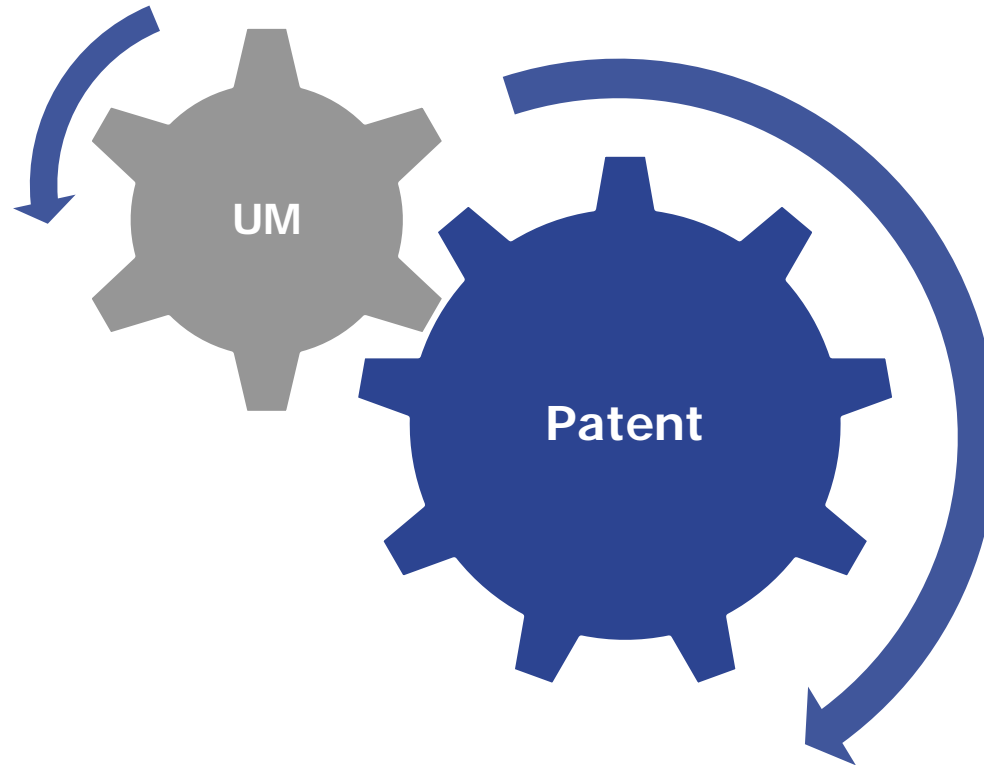
- (1) Prior art document which was not present during prosecution
- (2) Prior art document is closer to the subject matter of the invention than the prior art which had been examined during prosecution
- (3) In practice: only novelty destroying prior art warrants a stay

→ Preliminary enforceable decision is available after 10 – 14 months

→ Trigger for settlement!

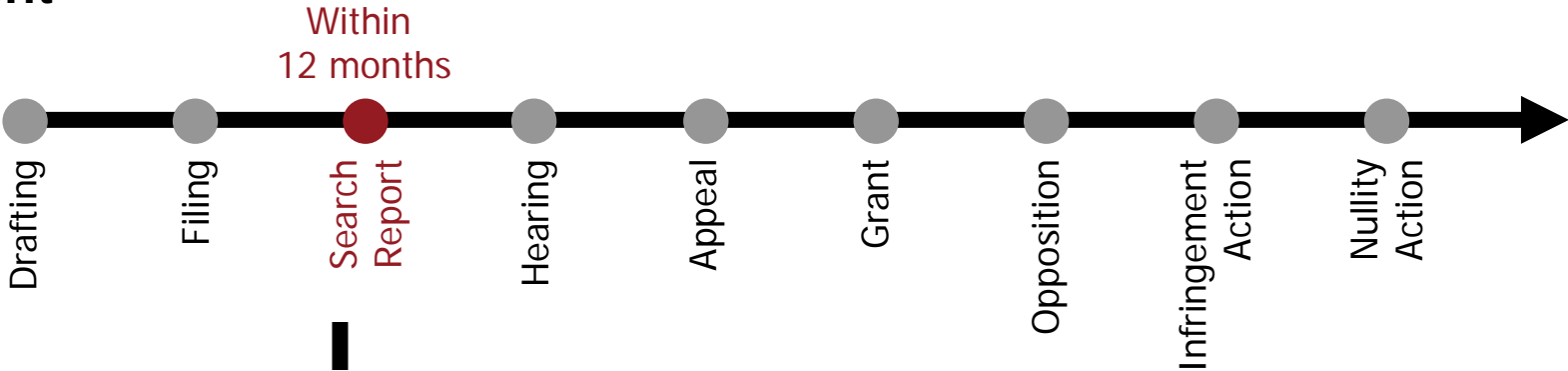


## Multiple Protection

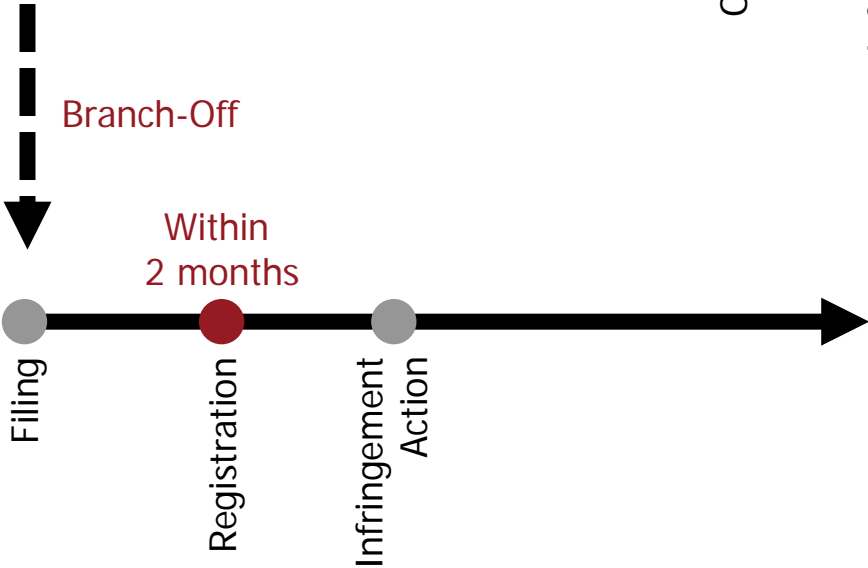


## The "branch-off" of a German Utility Model

### Patent



### Utility Model

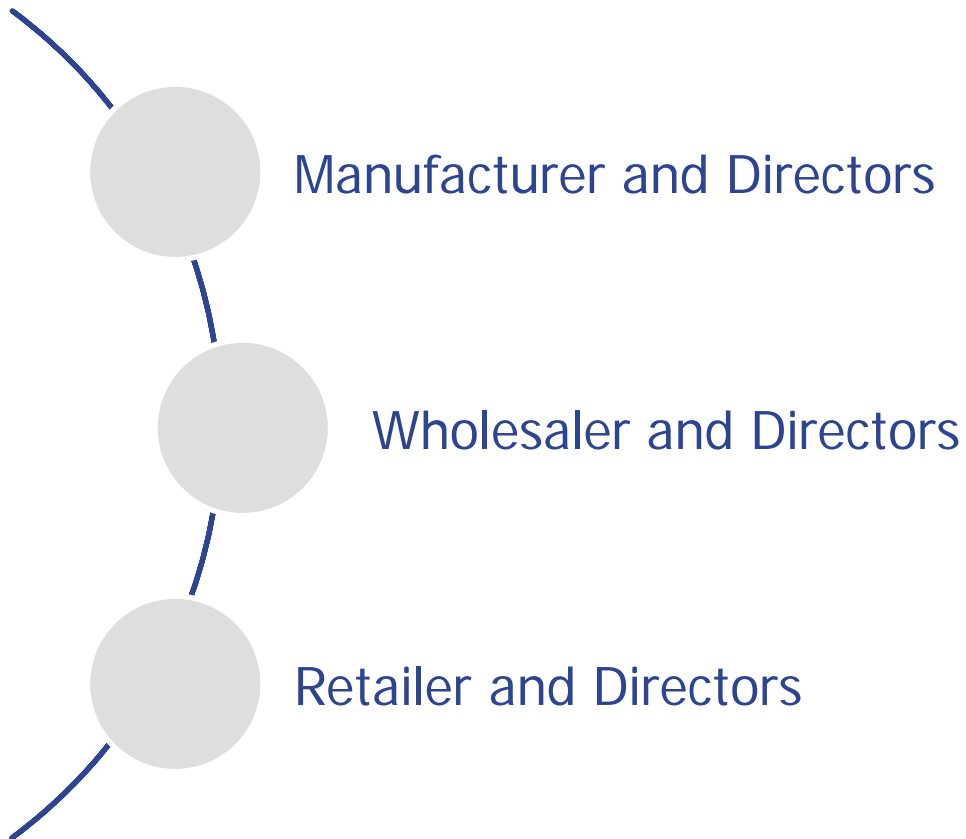


## Strong Remedies

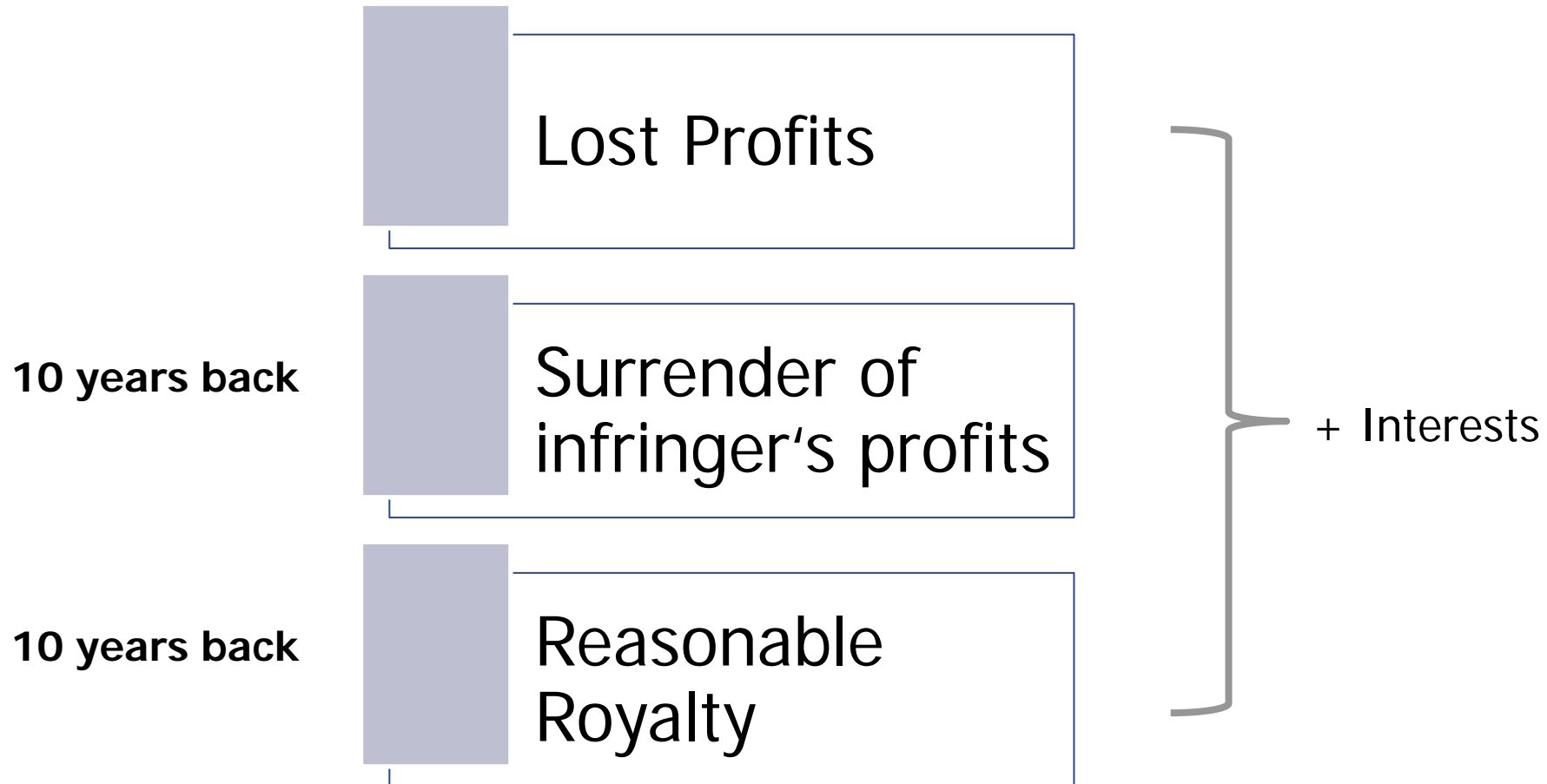
- Injunction (no exception)
- Information/Rendering accounts
- Damages
- Destruction/Recall
- Removal from distribution chain
- Publication of decision



## Cumulative Liability

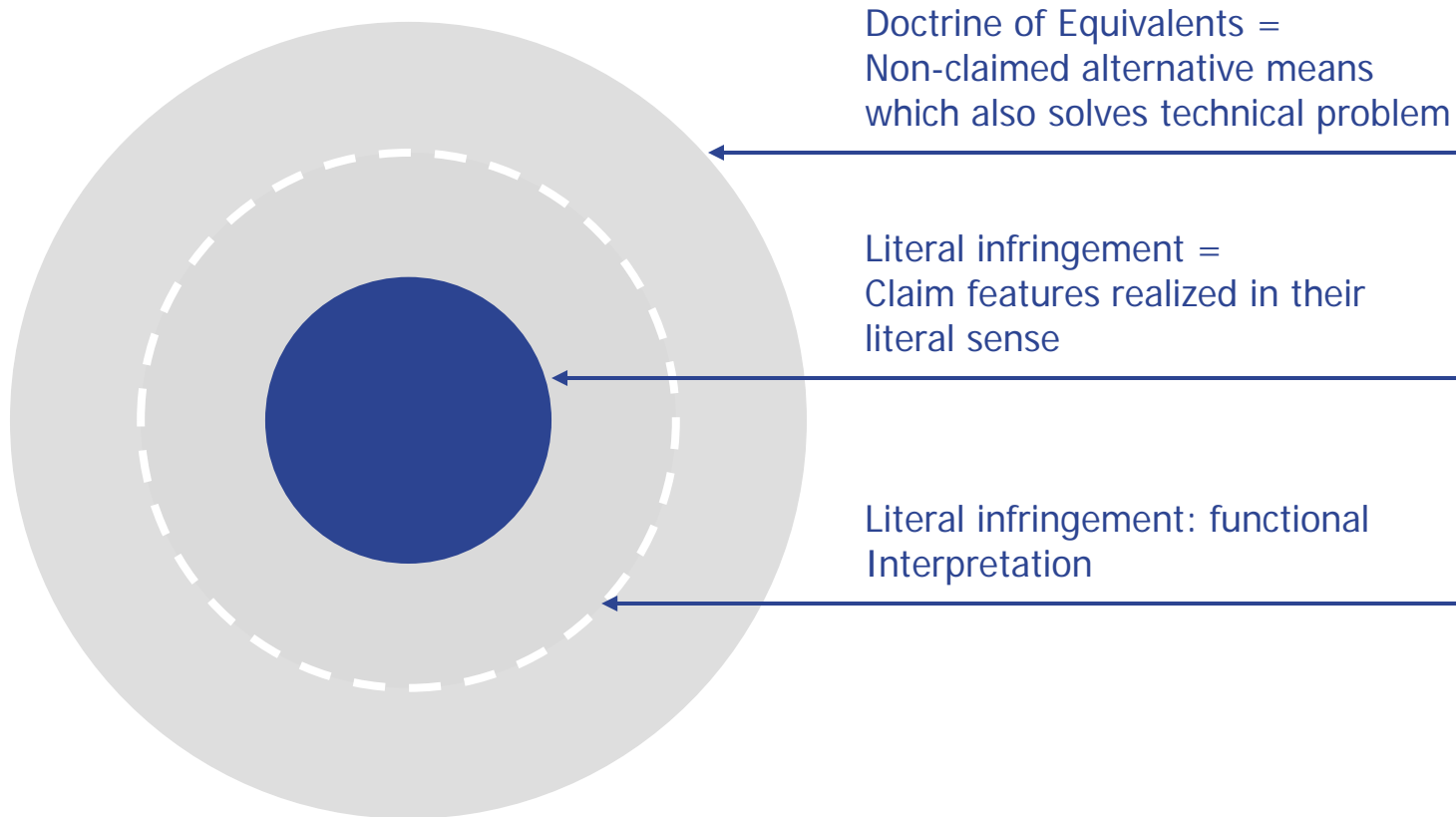


## High damage awards



## Broad Scope

Scope of Protection (= patentee's monopoly)



**No file wrapper estoppel!!!**



## Preliminary Injunctions for Patent and Utility Model matters



# MEISSNER BOLTE



Thank you for you Attention!

**CONTACT**

Tel. +49(0)89-2121860, Fax +49(0)89-21218670, [mail@mb.de](mailto:mail@mb.de)

