BAKER & McKENZIE

Los procedimientos de infracción de patente en USA (experiencias norteamericanas de un abogado de Barcelona).

Ignacio Marqués Jarque

Abogado –Baker & McKenzie Barcelona

Graduado en US Patent Law

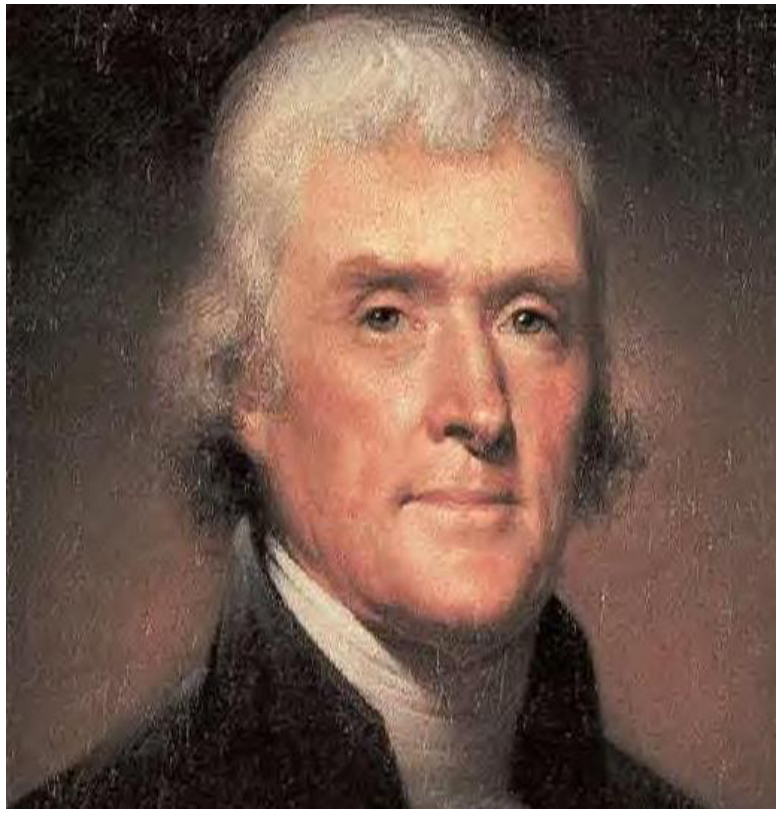
Miembro de la American Intellectual Property Association

UN POCO DE HISTORIA (1)

- **O**rigen en el *Common Law* (*a property owner under the common law could recover damages from a trespasser for his tort*).
- **P**rimer litigio en 1.641: Samuel Winslow ante el *Massachusetts General Court* (“*new method of making salt*”).

James I (19/6/1566 – 27/3/1625)

UN POCO DE HISTORIA (2)

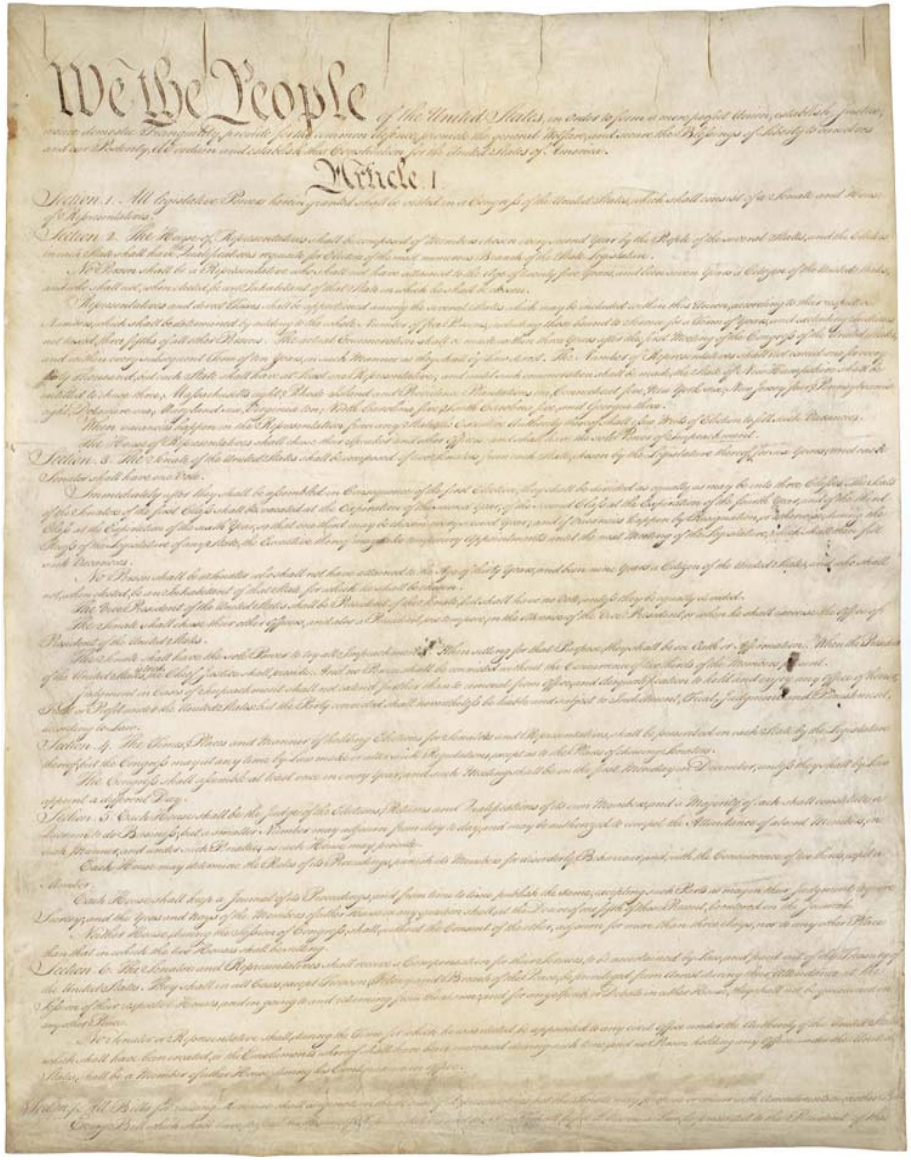


Thomas Jefferson

(13/4/1743 — 4/7/1826)

- Redactor de la Declaración de Independencia y de la Constitución.
- Secretario de Estado.
- Miembro de la “Commission for the Promotion of the Useful Arts”
- Inventor.

UN POCO DE HISTORIA (3) "WE THE PEOPLE"



- Plasmación constitucional: Cláusula 8 de la Constitución (17/9/1787).
- Se faculta al Congreso *"to promote the **progress of science and useful arts**, by **securing for limited times** to authors and inventors **the exclusive right to their respective writings and discoveries**"*

.

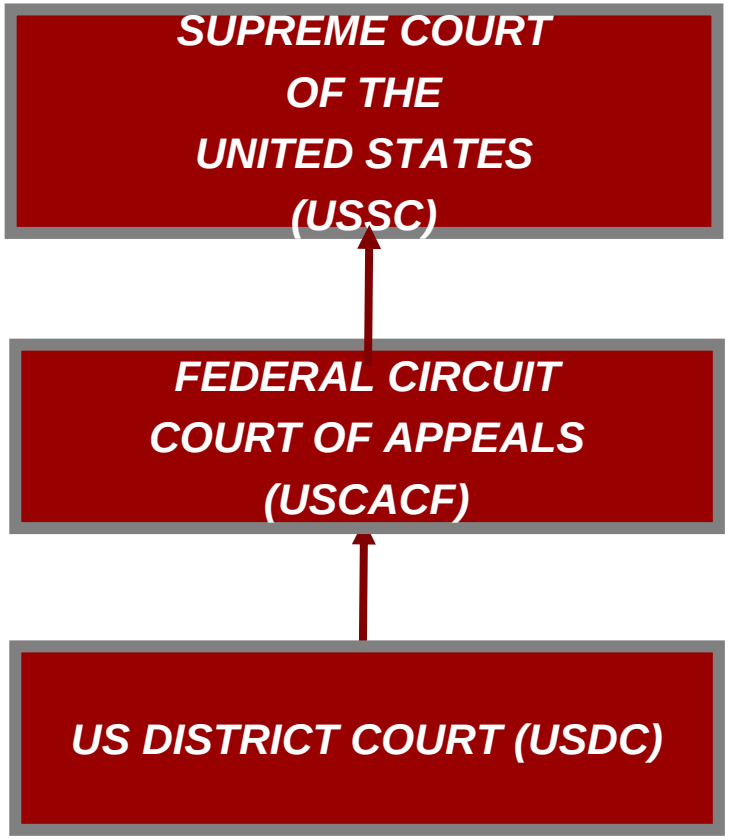
UN POCO DE HISTORIA (4)

- Primera regulación específica: Ley de Patentes de 10 de abril 1.790 (*infringer shall pay to the patentee (…) such damages as assessed by a jury*).

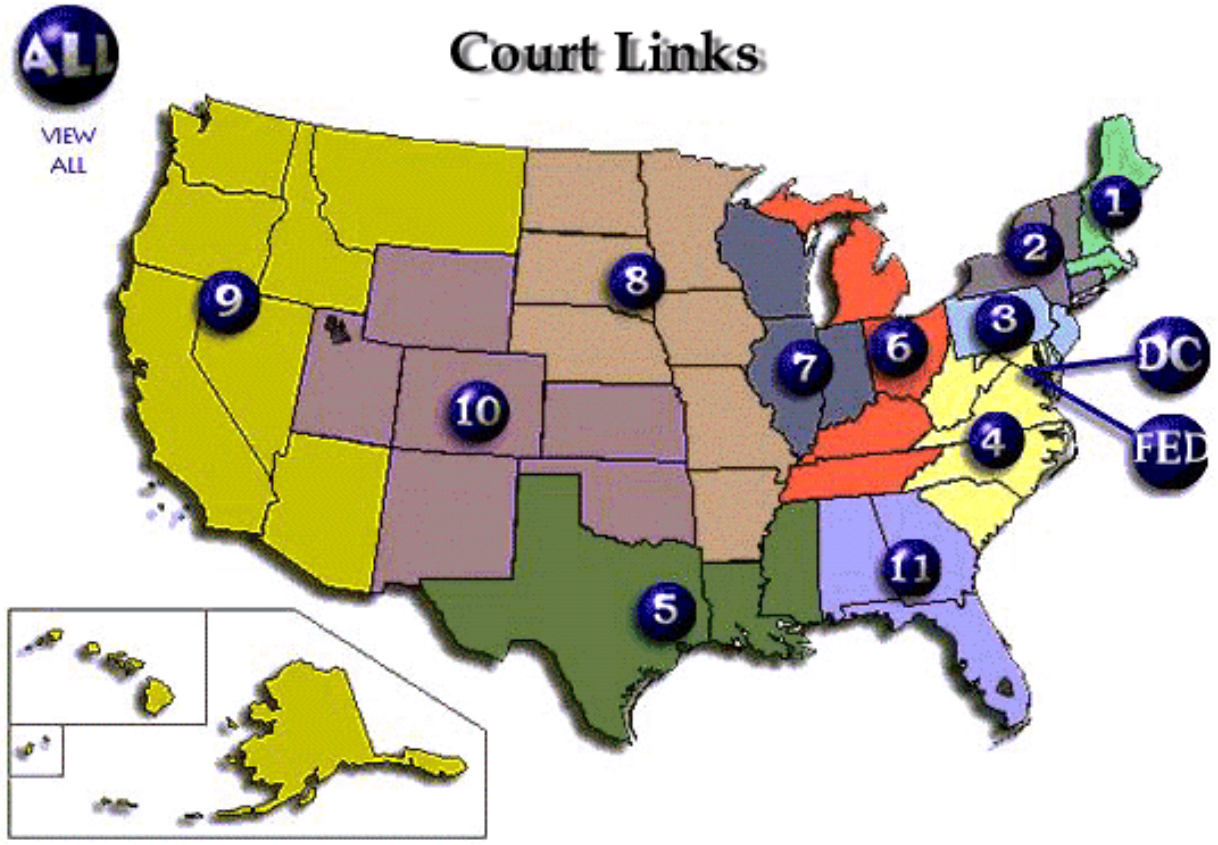
- En la actualidad: ***Title 35 of the United States Code* (última versión 8/1/2.008):** *"A patentee shall have remedy by civil action for infringement of his patent."*

1. La planta jurisdiccional.

Los tribunales



ÁMBITO GEOGRÁFICO DE LOS USCAFC



2. Determinación del foro.

DETERMINACIÓN DEL FORO (1)

- Jurisdicción sobre el demandado.
- Conveniencia (“Local Rules”).
- Hostilidad hacia las partes.
- Duración del proceso.
- Gestión del proceso por parte del Juzgado.

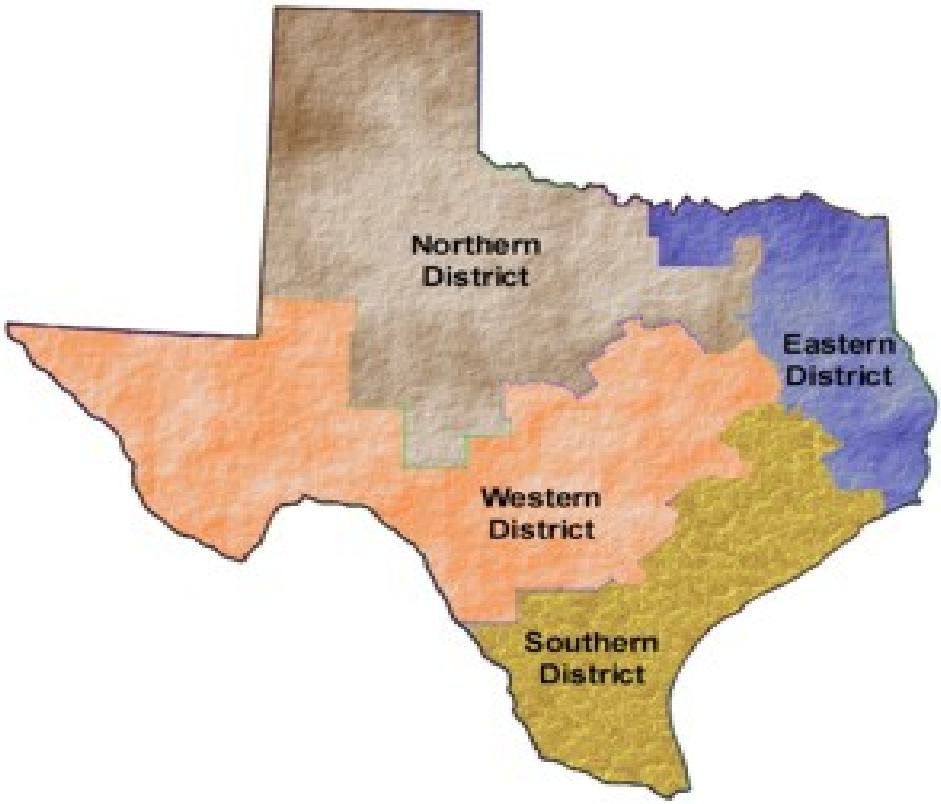
DETERMINACIÓN DEL FORO (2)

➢*Rocket Dockets*:

- ***Eastern District of Virginia.***
- ***Southern District of Texas.***
- ***Western District of Wisconsin.***

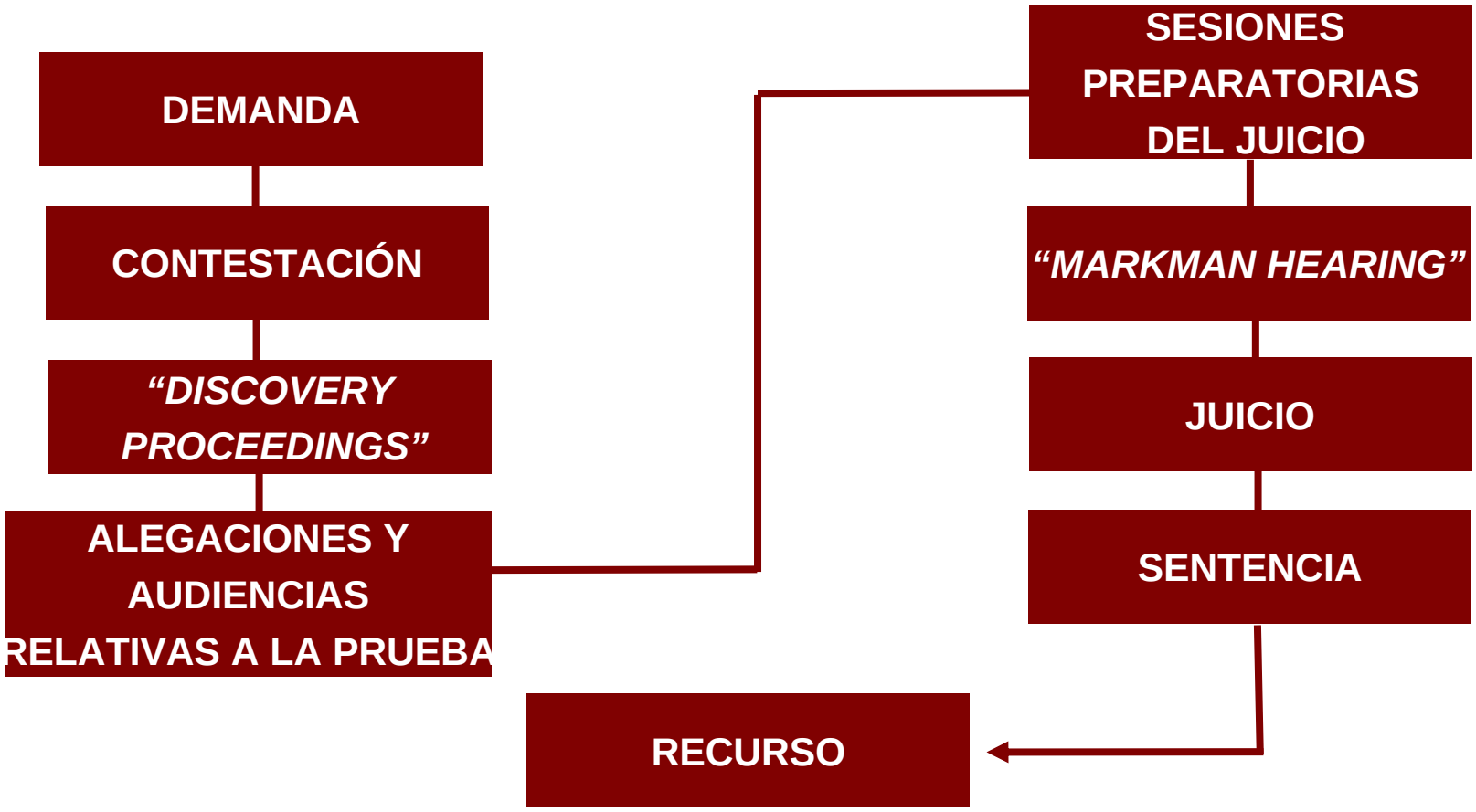
FORUM CONVENIENS

- *Eastern District of Texas.*



3. El proceso civil.

EL PROCESO *"STANDARD"*



DISCOVERY PROCEEDINGS (*"Nothing off-limits"*)

- Ámbito de la prueba: Expansiva e invasiva.
- Prueba inicial:
  - Testigos e información no confidencial.
  - Documentación relativa a los daños y perjuicios.
- Medios de prueba adicionales:
  - Testificales.
  - Requerimiento de documentación (tanto de la parte como de sus agentes, proveedores, abogados y demás asesores).
- Prueba pericial.
- Sanciones por desacato al Juzgado (*Comptempt of Court*).

DISCOVERY PROCEEDINGS ("Patent litigation in the United States: preparing for future discovery"- Canuso, Vito A., III,Chun, Amy Christensen)

- Sales Histories
- Corporate Documents
- Licenses
- Opinions of Counsel
- Drafts of Documents
- Technical Reports
- Test Protocol and Test Results
- Marketing and Advertising Materials.
- Financial Information
- Laboratory Notebooks
- Research and Development Documents
- Manufacturing and Production Specifications
- Internal Memoranda
- Internal and External Correspondence, including Emails
- Sales Information, Purchase Orders and Invoices

MARKMAN HEARING ("Claim Construction"- 1)

Markman v. Westview Instruments, Inc. **(U.S. SC, 517 U:S. 370, 1996).**

- **Interpretación de las reivindicaciones:** "*question of fact*" o "*matter of law*"?

> ***"The construction of a patent, including terms of art within its claim, <u>is exclusively within the province of the court</u>". (USSC)***

- **"**Not later than 10 days after service of the "Invalidity Contentions" **<u>each party shall simultaneously exchange a list of claim terms, phrases, or clauses which that party contends should be construed by the Court</u>**" (Patent Local Rules, Eastern District of Texas USCD).

MARKMAN HEARING (“Claim Construction” - 2)

- Tipos de prueba:
  - Intrínseca.
  - Extrínseca.

MARKMAN HEARING (“Claim Construction” -3)

“Coupled”: Enganchado, asociado, conectado.

SENCILLO? NO WAY.

- **"*coupled* to receive"** — "capable of receiving." *In re Translogic Technology, Inc.*, 504 F.3d 1249 (Fed. Cir. 2007).
- **"*coupled*"** — "is not limited to a mechanical or physical coupling." *Johnson Worldwide Associates, Inc. v. Zebco Corp., et al.*, 175 F.3d 985 (Fed. Cir. 1999).
- **"*coupled*"** — "adjacent and directly connected to." *Boston Scientific SciMed, Inc., et al. v. ev3 Inc.*, 502 F. Supp. 2d 931 (D. Minn. 2007).
- **"*coupled*"** — "connected, directly or indirectly." *Biax Corp. v. Intel Corp., et al.*, 2007 U.S. Dist. LEXIS 14250 (E.D. Tex., March 1, 2007).
- **"*coupled* to"** — "linked together, connected, or joined." *Bradford Co. v. Afco Manufacturing, et al.*, 2006 U.S. Dist. LEXIS 88547 (S.D. Ohio, Dec. 5, 2006).
- **"*coupled* to"** — "joined or connected to during performance of the algorithm." *Roche Diagnostics Corp., et al. v. Apex Biotechnology Corp., et al.*, 455 F. Supp. 2d 840 (S.D. Ind. 2005).

EL “SUMMARY JUDGMENT”

- Norma 56 (c) de la Federal Rules of Civil Procedure:

  - “The judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that **there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.**

- Decide “ex ante” cuestiones de relevancia antes del juicio.

4. Acciones procesales.

TIPOLOGÍA DE INFRACCIONES

- **Infracción literal (incluye *"insubstantial difference"*** *Hilton Davis Chem. Co. v. Warner-Jenkinson Co.*, 62 F.3d 1512, 1517-18 (Fed. Cir. 1995).
- **Infracción por equivalentes**.

  "in order for the accused product to infringe under the doctrine of equivalents, that product must perform ***substantially the same function*** *in* ***substantially the same way*** *to produce* ***substantially the same result****". Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605, 608 (1950).
- ***Contributory infringement*.**
- **Inducción a la infracción.**

OTROS REMEDIOS PROCESALES

- Cese provisional (*Temporary Restraining Order*):
  - Apariencia de buen derecho.
  - Daño irreparable.
  - *Balance of hardships.*
  - Interés público.

- Cese definitivo (*permanent injunction*): no opera *ope legis*.

JUICIOS DECLARATIVOS (*TORPEDO ACTIONS*)

- El demandado inicia un pleito declarativo de la falta de validez, no infracción o la "ineficacia" (*unenforceability*).
- Ventajas:
  - Posibilidad de *forum shopping*.
  - No se requiere de previo requerimiento (efecto sorpresa).

5. La indemnización. Los “punitive damages”.

Want to serve the nation? Stop whining about council gritters and shovel some snow Jeremy Clarkson

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From Times Online

December 23, 2009

Microsoft to pay $290m damages for patent infringement

Alexandra Frean, US Business Correspondent

11 COMMENTS | RECOMMEND? (10)

Microsoft has been barred from selling its flagship word processor Word and must pay $290 million in damages for infringing a patent held by a small Canadian software company, i4i.

The ruling, by the United States Court of Appeals for the Federal Circuit, prevents Microsoft from selling any versions of Word 2003 or Word 2007 after January 11, 2010. Copies of these products sold before this date are not affected.

Loudon Owen, the chairman of i4i, described the ruling as "a

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JULY 27, 2009, 1:37 P.M. ET
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BARRON'S
(Adds details on settlement and background on other Medtronic deals.)
By Jon Kamp
Of DOW JONES NEWSWIRES
Medtronic Inc. (MDT) will pay rival Abbott Laboratories (ABT) $400 million to settle all patent fights between the companies and clear the air regarding artery-opening heart stents, nearly completing Medtronic's effort to resolve such cases.
Medtronic is also making a $42 million "success payment" to a small company called evYsio Medical Devices LLC, from which Medtronic had licensed stent patents, and will now be granting a sublicense to a third party. Medtronic declined to disclose who that third party is.
Medtronic expects to report a fiscal first-quarter charge related to the settlement with Abbott, which prevents the companies from suing each other over heart stents or delivery systems for at least 10 years. Abbott said the agreement will be treated as a specified item in its third-quarter earnings.
Shares of Medtronic recently traded down 1.3% at $34.58. Abbott shares were off 0.7% at $44.68.
The new agreement follows deals Medtronic reached earlier this year to resolve stent-patent disputes with both Boston Scientific Corp. (BSX) and Johnson &
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The Canadian Press: RIM to pay US$267.5 million to settle dispute with Visto, licence patents - Microsoft Internet Explorer pro

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RIM to pay US$267.5 million to settle dispute with Visto, licence patents

By David Friend (CP) – Jul 16, 2009

TORONTO — Research In Motion (TSX:RIM) has settled another long-standing patent dispute, this time with California-based Visto Corp., and while it may seem like the BlackBerry maker is persistently infringing on other people's creations, industry watchers say this type of litigation is common for a technology company.

In fact, patent infringements are practically necessary to keep the industry growing and advancing, some observers suggest.

In RIM's case, it seems like the globally successful BlackBerry device wouldn't have existed without infringing on some of them.

On Thursday, Waterloo, Ont.-based RIM agreed to pay US$267.5 million to Visto, which has since renamed itself to Good Technology, for several unspecified patents.

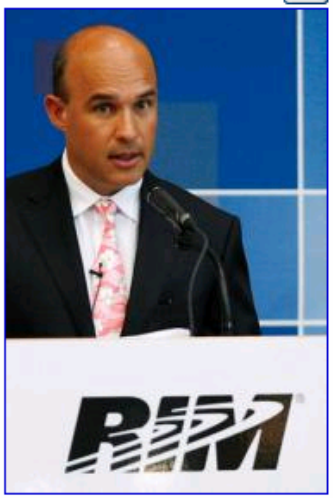
In return for the money, RIM said it will get a perpetual licence on all Visto patents and a transfer of certain intellectual property.

UBS analyst Phillip Huang wrote in a note that he considered the Visto settlement a positive move for RIM because it gets a licence to use the company's technology.

"Although the long-standing patent litigation ... has not been a major recent headline item, it removes a potential overhang and could modestly lower RIM's legal costs," Huang wrote.

Perhaps the most serious patent battle fought - and lost - by Research In Motion involved NTP

THE CANADIAN PRESS



Jim Balsillie the Co-Chief Executive Officer for Research In Motion (RIM) speaks at the annual general meeting on Tuesday, July 14, 2009 in Waterloo, Ontario. THE CANADIAN PRESS/Dave Chidley

Done Internet 100%

■ **Largest patent jury verdict awarded in Texas**. A jury in the plaintiff-friendly Eastern District of Texas in July awarded Centocor Ortho Biotech and New York University $1.67 billion, the largest US jury verdict in a patent case. The jury found that the plaintiffs' patent was willfully infringed by Abbott Laboratories' drug Humira, which is used to treat rheumatoid arthritis. If Judge John Ward decides to uphold the Verdict, he could award up to treble damages for willful infringement.

Question No. 1:

Do you find that Centocor has proven by a preponderance of the evidence that Abbott has infringed any of the following claims of U.S. Patent No. 7,070,775 ("the '775 patent")?

Answer "yes" or "no" for each claim.

Claim 2: yes

Claim 3: yes

Claim 14: yes

Claim 15: yes

Question No. 4:

What sum of money, if any, if paid now in cash, would fairly and reasonably compensate Centocor for any infringement you have found?

Answer in dollars, if any, for any lost profits.

Answer: $1,168,466,000

Answer in dollars, if any, for a reasonable royalty.

Answer: $504,128,000

REGULACIÓN DE LOS DAÑOS Y PERJUICIOS POR INFRACCIÓN DE PATENTE (1)

- Art. 284: una vez declarada judicialmente la infracción de la patente, el tribunal fijará a favor del actor una indemnización adecuada para compensarle de manera plena (*for any and all damages).*

REGULACIÓN DE LOS DAÑOS Y PERJUICIOS POR INFRACCIÓN DE PATENTE (3)

- Deber del demandante: acreditar el daño efectivo ("*actual loss suffered*") = determinar el desempeño económico "sin infracción" (hipotético) y el desempeño económico "real".
- Dos alternativas:
  - Loss of profits.
  - Reasonable royalty.

REGULACIÓN DE LOS DAÑOS Y PERJUICIOS POR INFRACCIÓN DE PATENTE (4)

a. Pérdida de beneficios por ventas (“*but for the infringement” criterion*).

- Daños resultantes de la sustitución en el mercado del producto legítimo por el infractor.

REGULACIÓN DE LOS DAÑOS Y PERJUICIOS POR INFRACCIÓN DE PATENTE (5)

- Test de Panduit (USCAFC, 1.970): acreditación de cuatro extremos fácticos cumulativos:

1. La demanda del producto patentado satisfecha por el demandado.
2. La ausencia de productos sustitutivos y razonablemente similares.
3. Capacidad fabril y comercial del actor para haber satisfecho la demanda del infractor.
4. Beneficio hipotético del actor de no haber mediado la infracción: (ganancia que hubiera obtenido por producto) x (cantidad de productos infractores vendidos).

REGULACIÓN DE LOS DAÑOS Y PERJUICIOS POR INFRACCIÓN DE PATENTE (6)

B) **LA REGALÍA RAZONABLE** (Georgia Pacific Corp. v. U.S. Plywood Corp., 318 F. Supp. 1116, 1120 (S.D.N.Y. 1970).

- "A *reasonable royalty contemplates a* ***hypothetical negotiation*** *between the patentee and the infringer at a time before the infringement began.*

- *Critically,* ***the hypothetical negotiation presumes that the patentee is a willing licensor and the alleged infringer is a willing licensee*** *(…)*".

REGULACIÓN DE LOS DAÑOS Y PERJUICIOS POR INFRACCIÓN DE PATENTE (7)

- Ambas partes reciben “un beneficio razonable” = partición del margen de beneficio.
- Requiere el estudio de los parámetros relacionados con la política comercial de las partes y con el mercado (“*requires sound economic proof of the nature of the market (…) factored out of the economic picture*”:
  - existencia de política de licencias
  - ámbito territorial o carácter exclusivo.
  - años de vigencia de la patente.
  - duración de la licencia.
  - margen de beneficio.
  - valía intrínseca de la patente.
  - disponibilidad en el mercado de alternativas no infractoras.

REGULACIÓN DE LOS DAÑOS Y PERJUICIOS POR INFRACCIÓN DE PATENTE (8)

- Prevención frente a este parámetro: "*the infringer would have nothing to lose, and everything to gain (…) and would be in a "heads-I-win, toss-you-loss position*[1]"..

- Consecuencia: discrecionalidad judicial para divorciar" en la práctica la regalía razonable de la regalía de mercado "*The methodology encompasses fantasy and flexibility*"[2].

[1] USCAFC in Re Panduit, op cit.
[2] USCAFC in Re Fromson, 853, F.2d, 1.988.

OTRAS CIRCUNSTANCIAS A VALORAR EN LA FIJACIÓN DE LA INDEMNIZACIÓN

- "Ventas colaterales".
- "Valor agregado de mercado" (*entire market value*).
- "Reducción de precios por parte del titular de la patente" (*price erosion*).
- Desviación de RRHH.

[1] USCAFC in Re Rite-Hite, 819, F.2d, 1915, 1.995.

EN CUALQUIER CASO, HAY QUE HACER LOS DEBERES (PROCESALES)

"*Accordingly, Mr. Gemini's current expert report improperly inflates both the royalty base and the royalty rate by relying on* ***irrelevant or unreliable evidence*** *and by* ***failing to account for the economic realities*** *of this claimed component as part of a larger system.* ***This court hereby precludes Mr. Gemini from testifying at the trial of this case or otherwise presenting his opinions on the issue of damages based on his current expert report****".* (DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS, Case No. 2:07-cv-447 (RRR)

INDEMNIZACIÓN PUNITIVA (*ENHANCED PUNITIVE DAMAGES*) (1)

- Antecedente legislativo: Ley de Patentes de 1.793: *"infringer shall pay to the patentee a sum equal to three times the price for which the patentee has usually sold the invention.*
- Regulación actual: art. 284.2: *the court may increase the damages up to three times the amount found or assessed.*
- Jurisprudencia sentada: sólo en supuestos de infracción dolosa (*willfull or wanton infringement*) o de mala fe procesal (*bad faith, misconduct during litigation*[1]).

[1] USCAFC in Re Rite-Hite, 819, F.2d, 1915, 1995.

INDEMNIZACIÓN PUNITIVA (*ENHANCED PUNITIVE DAMAGES*) (2)

- **Circunstancias relevantes:**
  - El carácter servil de la copia (*faithful copying*).
  - Ausencia de diligencia por parte del infractor una vez fue advertido.
  - Comportamiento del infractor durante el procedimiento judicial.
  - Dimensión del demandado y su capacidad financiera, fabril o comercial.
  - La duración de la conducta infractora.

DEFENSA HABITUAL FRENTE A LA PETICIÓN DE DAÑOS PUNITIVOS

- "***Soundest prior legal advice***": previo asesoramiento jurídico en relación a la infracción y la eventual falta de validez de la patente (*innocent infringement*).

CONTROL JUDICIAL DE LA INDEMNIZACIÓN PUNITIVA

- Debida justificación por parte del tribunal de instancia (correlativa al porcentaje de aumento de la indemnización).

- Objetivo: facilitar la revisión de su decisión en fase de recurso (*to enable appellate review*) y depurar todo abuso de discrecionalidad "evidente" (*clear showing of abuse of discretion*[1]).

… Y SIEMPRE Y SOBRE TODO: LA SANA CRÍTICA JUDICIAL.

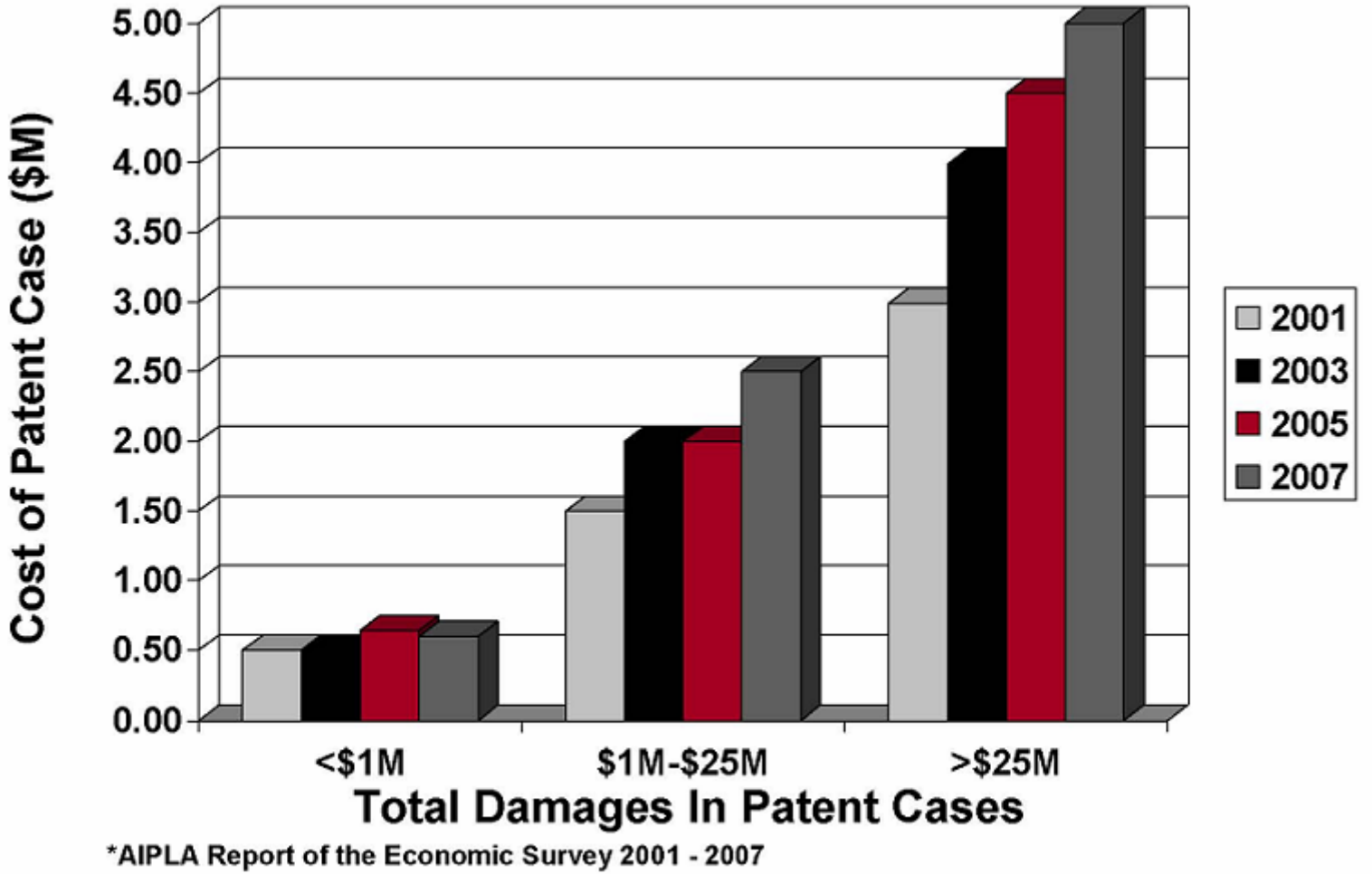
- *"There is no duty to exercise meticulous care to avoid a hardship to the infringer" [1].*

- *"any doubts concerning the calculation of profits must be resolved against the infringer"**[2]***).

[1] USCAFC in Re McCord Radiator & Manufacturing, Co., 536 F.2d, 1.938.
[2] USCAFC in Re Milgo Elec. Corp. 623 F.2d, 1.980.

6. El coste del proceso.

EL COSTE DEL PROCESO DE PATENTES



*AIPLA Report of the Economic Survey 2001 - 2007

EL COSTE DEL PROCESO DE PATENTES (2)

- "***In 2009, the cost of the average patent lawsuit, which was $5,000,000 in 2007, rose to $5,500,000***.

- *Since 2001, the cost of patent, trademark and copyright lawsuits has risen 48 percent, 38 percent and 73 percent respectively*. ***And with estimates showing the cost of IP litigation rising at almost 20 percent a year, there is no indication that the trend of rising costs will end anytime soon".***

"Controlling The Costs Of Intellectual Property Litigation" (Sanford E. Warren Jr.en "The Metropolitan Corporate Counsel“)

Los *"Court Costs"*

Federal Rule of Civil Procedure 54(d)(1) *"costs -other than attorney's fees- should be allowed to the prevailing party."*

- A cargo de la parte vencida
  - honorarios de *clerk*
  - honorarios de *marshal*
  - honorarios del *"Court reporter"*,
  - gastos de transporte
  - costes relativos a transcripciones, medios audiovisuales, fotocopias, muestras (*"demonstrative aid"*), testimonios e impresiones
  - gastos relativos a los testigos (*attendance, mileage and subsistence*)
  - *"docket fees"* (tasa judicial)
  - honorarios y desembolsos de peritos judiciales e intérpretes

EL COSTE DEL PROCESO DE PATENTES

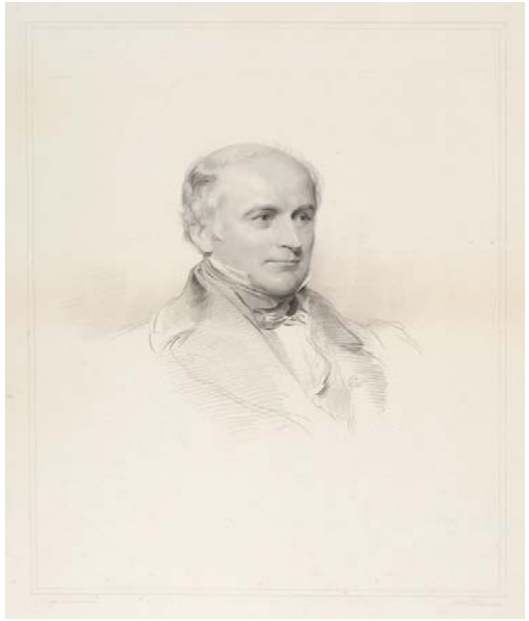
Factores usuales:

- El valor de la patente para el titular (impacto económico de la victoria y la derrota – análisis coste/beneficio).
- El valor del producto para el presunto infractor.
- Número de patentes y partes.
- Defensas por invalidez o falta de carácter ejecutivo (ineficiencia).
- La prueba. Extensión y prolijidad.
- Forum.
- Elección de abogado y la estrategia procesal.

7. El “litigator”.

El difícil (doble) papel del *“litigator”* (1)

- **The Right Honourable Henry, Baron Langdale KC PC (**1783 –1851): *“A lawyer is not the servant of his client. (…)* **He is an officer of the Court,** *with all the rights and responsibilities which the character of his office gives and imposes.* [1]*”*



[1] Citas extraídas de “THE LAWYER'S OFFICIAL OATH AND OFFICE“. (JOSIAH HENRY BENTON, LL.D.)

El difícil (doble) papel del *“litigator”* (2)

Paxson, C.J. (Supreme Court)

The profession of the law is one of the highest and noblest in the world. *(…) “Lawyers have a duty, undoubtedly, to their clients; but this is not the first duty, as is generally supposed.* ***Their first duty is the administration of justice****, and their duty to their client is subordinate to that."*

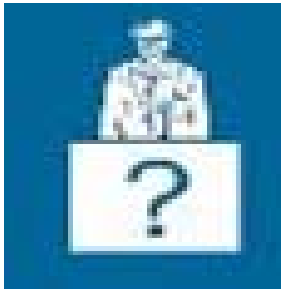
CONSEJOS PRACTICOS

- Asumir que la experiencia española no siempre sirve (necesariamente).
- Recabar "*Soundest prior legal advice*" con carácter previo al litigio.
- Seleccionar el foro judicial más favorable.
- Necesidad de una correcta gestión documental.
- Establecer una estrategia procesal: Obtener resoluciones judiciales favorables con carácter previo al juicio (*summary judgment*).
- Generar un equipo dedicado a la gestión del proceso: abogados, técnicos internos, expertos independientes y asesores financieros.
- Gestión de presupuestos.

Y RECUERDE …

Prepare el pleito antes de que empiece.

Absténgase de experimentos.



Consulte a su abogado.

Gracias

ignacio.marques@bakermckenzie.com