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A View of Patent Litigation from the Inside: Lessons Learned as In-House Counsel

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Before I returned to private practice, I worked as in-house litigation counsel for a large corporation on many cases around the world. Making my way through each case, I would occasionally stop to consider a particularly difficult point. We were always able to work through it, but once we were past the sticky point, I often found myself saying, "I wish I had thought of that issue before."

Litigation Starts with the Trial

In any litigation case, the focus should be on the trial – especially the presentation of evidence – with the case being built towards a trial. The trial must be considered early in the litigation process and kept in mind throughout the case so as not to get lost in the mire of discovery. Be prepared to proceed to trial, and conduct your case as though it were inevitable. The trial must be the beacon for the case, guiding you as you prepare your evidence. Without that focus, it is too easy to wander as you travel the litigation pathway.

Litigation is a Relationship with the Company

As a litigation case develops, a relationship grows between the case and the company. At the outset, people in the company are usually very interested, but as the case develops, the relationship begins to show strain. The case is no longer new and exciting, and people may grow tired of the drudgery of document production and depositions. This is difficult, since

court-imposed deadlines must not be missed, and you need the insights and efforts of the technical and business people inside the company to meet deadlines.

It is important to recognize that ups and downs will occur. You need to ensure that the company proceeds through the litigation relationship with minimal amounts of internal strife. It is crucial that the relationship does not reach a point where people become so frustrated with the process that communication breaks down.

As a plaintiff, always check internally to see whether your company has any business relationship with the potential defendant, its subsidiary or its parent. Once you sue, the defendant will likely try to gain advantage by applying pressure through its business relationships. Before you file your case, make a top-down request to help identify your relationship with the potential defendant.

If you are a potential plaintiff in a patent case, you should also use the time before filing to investigate areas that may become important during the case. Consider it axiomatic that if you think you will have time to address an aspect of litigation at a later time, it will inevitably come back to haunt you.

One area to consider are the inventors. If the inventors are still employees of the company, talk to them before you file an infringement action. This type of discussion could be delayed until discovery, but it is often better to meet with them earlier to discuss their role. Any issues arising from these discussions can be addressed before you are in the midst of litigation.

Finally, having a face to face meeting with inventors and any other key people from technical, finance and marketing roles helps to build a relationship between them and counsel. These people may be able to recommend expert witnesses, and you will need their expertise so start building the relationship before you decide to sue.

Once you set a set a schedule for the case, set another schedule for internal purposes, to ensure that you can meet the deadlines. Moreover, keep everyone in the company updated on the schedules, so they know what deadlines need to be met. Keeping in contact with the key people on a regular basis is crucial, especially if you need them to search for and produce relevant documents, or if they will be witnesses.

With respect to examinations or depositions, external counsel are very adept at preparing witnesses for depositions. However, future relationships with the witnesses inside the company should be considered as well. The process of being examined can be extremely artificial, and the preparation session itself is a stressful and mentally tiring experience. If you are responsible for managing litigation, once the examination or deposition is finished, talk to the witnesses; they will undoubtedly want to talk to someone about their experience. Always thank them for the time spent on the examination and the preparation time. You will undoubtedly need to speak to them again as discovery proceeds, and a simple thank you will go a long way in helping to secure their future cooperation.

The End Is Near

If the parties are closing in on a negotiated settlement, a few issues are likely to pop up. Once a settlement agreement is signed, make sure you arrange to have an original signed copy, and that its location is noted in a central record system. Original signed settlement agreements are often misplaced, and it is very frustrating to look for the agreement years later when litigation may erupt.

If you are paying to settle a patent infringement case, be as greedy as possible. Typically, a defendant will seek and obtain a release for all patents that were asserted in the case and likely all divisional applications, continuations and corresponding patents in other countries. After you have invested so much time in litigating against this plaintiff, try to make sure that same plaintiff will not assert other patents against you immediately, or shortly after you settle.

Conclusion

As long as we make our living toiling through litigation, we will always add to our experiences and continue to encounter situations that we might have handled differently. The real struggle is to learn from those experiences and, more importantly, to continue sharing them and the lessons learned with others in this profession. The only thing better than learning from your own experiences or mistakes is to learn from those of others.

