Patent Litigation
(Trials Segment)

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PREPARING FOR TRIAL

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Most Patent Cases Settle, But You Need to Be Prepared When They Don't

- Some patent cases are filed solely in the hope of securing a cheap settlement.
- Some are filed before the facts are clearly understood, or before the difficulties or availability of the necessary evidence is understood.
- Often, after discovery, disputed facts become clear, or new unforeseen facts are revealed, which lead to a settlement.
- Or, after discovery, problems with witness testimony or other evidence are revealed in depositions, which lead to settlement.
- Often, the court's ruling on claim construction will be deemed dispositive, or so nearly dispositive that it leads to settlement.
- But sometimes, whether due to a mistake or misperception about the strength of its case by one side or the other, or sometimes for external business reasons outside what is alleged in the case at hand, patent cases will go to trial.
- Hopefully, unlike some litigation teams that are always playing reactive catch up, you will have been thinking about trial and preparing for it long before you learn that the case has to be tried.

What Needs to be Presented in Your Case at Trial?

- Your case should include two overlapping presentations:

    (1) Proof of the necessary elements of each cause of action or defense; and

    (2) A jury story or set of themes that organize the facts into patterns that match the jurors' life experiences.

Proof of the Elements of Your Case

- The necessary elements of each cause of action or defense have to be covered in your proofs to survive post-trial motions and appeal.
- Long before the eve of trial, you should have a checklist of these elements so that you can be sure each one is covered in your final preparation of witnesses and documentary evidence.
- A useful check can be to review each of the recent Federal Circuit and local cases where a verdict was overturned for insufficient evidence on a required element of the case. Be sure your evidence will be sufficient on each required element to avoid a similar ruling.

Jury Story and Themes

- Most jurors do not organize facts in their mind the way lawyers do. They organize them into patterns based on their own life experiences.

- Lawyers tend to organize the facts into logic trees including alternatives where either A or B must be true because of C etc. Jurors typically will not organize the facts the same way, even if you tell them to, and even if the court instructs them to. They are more likely to organize the facts into stories that fit their own experience.

- For example, if a juror knows a friend or neighbor, or knows about a friend of a friend or neighbor, who was an inventor and who tried to get a patent, or did get a patent and tried to license it or start a business, and the juror knows or thinks he knows what happened in that case, if your story about an inventor follows the same pattern, the juror will be ready to believe your case very easily. Conversely, if the evidence you are presenting is completely different from what happened in the case the juror knows about, he or she is going to be more skeptical and ready not to believe your case. At a minimum, you will have more of an uphill battle to convince that juror that what you are saying happened is true.

- The same is true if a juror knows someone who was cheated by a large corporation, someone who couldn't move the bureaucracy of a public agency, someone who was held up on trumped up charges by an unscrupulous plaintiff in a court case seeking a settlement from the insurance company, and so on.

Discovery of Juror Patterns and Mock Trials

- You will probably be able to anticipate many types of experiences that prospective jurors may have had and be able to think of jury stories and themes based on them simply by brainstorming with your own team.

- It is rare that you will think of all of them, however, and often questionable whether you will always analyze correctly which among competing themes is the strongest or most prevalent without additional research.

- For that reason, whenever there is a lot at stake, we think it is important to design and conduct confidential mock trials and/or focus groups. Invariably you learn something about how some jurors may react to your case that you would not otherwise have anticipated.

- More than a test run or rehearsal, mock jury research in the form of focus group exercises provides a unique opportunity to gain the clarity necessary to persuade fact finders.

- Small Group Research (SGR) applied to litigation matters tends to follow a daylong structure, the results of which are analyzed and which drive a report of recommendations by Ph.D. level social scientists.

- A venue matched group of diverse 36 to 48 juror eligible adults (mixed by age, race, socioeconomic level and education) are recruited prior to the exercise and rescreened the day of the exercise to be sure the resulting group represents the eventual juror sample.

- Mock jurors who would likely be excused in the real trial for hardship are often screened and excused.

- The full group hears a short neutral statement similar to what is to be delivered by the judge. Data is collected by survey to assess juror leanings.

- The full group hears a Plaintiff presentation in some form (could be read by a research consultant or delivered by attorneys with full visual support). Data is collected by survey to determine individual leaning.

- The full group hears a Defense presentation in some form (could be read by a research consultant or delivered by an attorney with full visual presentation support). Data is collected by survey to determine degree of shift in individual leaning.

- Brief Plaintiff Rebuttal is delivered. Data is collected by survey to determine degree of swing back in individual leaning.

- During a break, individual surveys are reviewed and provide the basis for forming 3 or 4 smaller groups of Plaintiff/Defense mock jurors.

- All groups hear Jury Instructions.

- Each group deliberates and is asked to complete a Verdict Form.

- Deliberations are often recorded and observed live. Robust discussion offers "a peek through the keyhole" at the issues that resonate jurors on both sides of the arguments.

- Executive Summary reports will often put the findings in the context of many other jury research exercises and many other trial results, so that they can be applied to the current case strategy.

- Once reports have been generated, subsequent, fine-tuned mock jury exercises are often conducted to apply the learnings from earlier mock jury research.

- Mock witness examinations can also be presented in this forum. Data can be collected and analyzed to help prepare the witness for trial. We discuss witness preparation further below.

Combining the Elements of Proof with the Jury Story and Themes --- Importance of Being Able to Show Relevance

- The necessary elements of proof should overlap and fit into the jury story you present. Inevitably, parts of the jury story may be seen as biased and prejudicial, ----after all that is why you are presenting them, --- so you need to be ready to show why everything you're presenting is legally relevant.

- The secondary considerations deemed to be circumstantial evidence of obviousness are good source for showing relevance. Similarly, if reasonable royalty is at stake, the *Georgia Pacific* factors can make all sorts of business considerations relevant. But be careful, and be prepared, if obviousness and/or reasonable royalty are not at issue in your case. You can usually get away with some testimony as "background", but, depending on the judge, the testimony or documentary evidence you most want to present may get sharply curtailed be if you cannot show it is relevant to a specific issue.

Selection and Preparation of Witnesses

Witness Selection

- Live witness testimony is typically the most important evidence in your case.

- Select the best and most credible communicator where you have a choice of more than one potential witness with knowledge of the same facts. The best witness does not have to be the most knowledgeable. You want a witness who knows enough to be credible and who will tell the story most effectively without becoming confused on cross.

- Credibility is not just honesty. It is also how clearly, concisely and confidently a witness answers questions both on direct and cross.

- A witness who comes across as not credible can be a real problem, not just in failing to persuade the jury on the points he or she is supposed to cover, but for the whole case. It can reflect on your credibility, because the jury will begin to wonder why you would put on a witness who is not credible. Is it because you are not credible or not competent or because you have a really weak case?

- There are some weaker witnesses you cannot avoid putting on, if their absence would raise suspicion. For example, if you are plaintiff and the inventor is local and available, you may not be able to avoid letting him testify without causing jurors to be suspicious that he thinks differently about the scope or value of the invention than what you are saying. In this situation, put the witness on, but have him cover much less and be ready to limit cross to the scope of his testimony.

Experts

- Selecting the best expert can be extremely important in patent cases. As with fact witnesses, you want the best communicator, not necessarily the expert with the most knowledge. At the same time, you need to balance the advantages of having an experienced and skilled witness against the drawbacks of having an expert that is such a professional witness that he comes across as nothing but a "hired gun" that will say anything. Jurors will almost always assume that a paid expert is a "hired gun" to some extent, but how much this detracts from credibility can vary widely, depending on the skill of the witness.

- Academic credentials can be important, but it is often useful to find an expert with some hands-on experience in the field as well. Preferably, for witnesses testifying about validity issues, this experience should include experience around the time the invention was made.

- The expert's skill and experience as a witness is particularly important on cross. You do not want the expert to roll over on cross, but you do not want him or her to sound argumentative either.

- The line between a witness that sounds argumentative and unable to answer simple questions on cross without arguing and a witness who makes opposing counsel sound argumentative can be a close one. The best experts can answer most cross questions with a simple yes or no while interjecting just enough very short qualifiers to sound confident and helpful without agreeing to potentially harmful admissions.

Preparation of Witnesses

- Preparing witnesses is probably the most important part of preparing for trial. You should not leave all your thinking about the basic themes of your arguments to the end and then delegate preparation of even your most important witnesses to junior team members. Preparing witnesses is too important.

- Direct testimony needs to be rehearsed. It cannot sound canned and cannot be read, but it most go completely smoothly. Nothing is worse than a lawyer being surprised by his own witness on direct. It is important to rehearse with exhibits and any demonstratives you plan to use.

- Involve the witness in preparing witness outlines. You can explain the issues and why certain language may be a harmful way to describe something, but you have to let the witness use language they are comfortable with.

- Be prepared for objections in any area where your witness may be testifying close to the line on relevance or prejudice. You need to have a back-up plan for the where the testimony will go if you receive an adverse ruling. The witness also needs to know about the potential for adverse evidentiary rulings and where your testimony will go if it happens.

- It is also important to rehearse likely cross examination. You should try to coach the witness to keep his or her answers short while appearing to be as helpful as possible without sounding argumentative and without looking at you for guidance except when you object.

- For experts, part of your preparation has to be to know your expert report cold, so that you can respond immediately with page and paragraph numbers if you encounter objections to testimony for being beyond the scope of the report. You do not want the flow of the expert's testimony to be interrupted with long disputes or side bars about what is fairly in or not in the expert's report. This is an area where it is important to know your judge. Some judges allow more leeway from the report than others.

Exhibits

- Documentary evidence is also important. Some documents, like patents, file histories, licenses and other contracts, are themselves a key part of the proofs in your case. Others serve to reinforce the credibility and force of testimony by confirming a witness' recollection of communications and other facts, particularly dates. Of course, on cross, documents are usually the primary tool for impeachment by showing that an opposing witness' memory is inconsistent with the documentary record.

- Documentary exhibits should be authenticated well in advance of trial. Usually, this can be accomplished by stipulation. Where authenticity is challenged, you need to know in advance, so you can have the necessary witnesses authenticate.

- In addition, it is often helpful to try to stipulate admissibility in advance where possible, although some hearsay issues will depend on how the document is actually used and will have to be deferred. The important thing is to have your evidentiary defense ready for any document you plan to use where an objection is reasonably foreseeable. You do not want the flow of testimony interrupted with long disputes or side bars over admissibility.

- In the same way that you need to be prepared with a back-up plan if testimony on a point is stopped by an adverse evidentiary ruling, you need to have an alternative exhibit (perhaps a redacted portion of the same exhibit) ready as a back-up plan if an exhibit you plan to use is excluded.

- Be sure to check the local rules and practices of the judge regarding which admissible exhibits will go into the jury room during deliberations. Some court's allow all exhibits admitted by stipulation to go in. Some allow only exhibits that were referred to in the testimony of a witness, and some allow only exhibits the jury asks for. If the latter, be sure your slides of the key exhibits have large easy to read exhibit numbers, so that any note takers on the jury can record the numbers and allow the jury for them to ask later.

Closing and Opening Arguments

Closing

- The closing argument will, of course, come last in the trial, but it is normally what you should prepare first. Preparing a tentative closing is probably the best way to focus on what testimony and documentary exhibits you need to be in the record for the most persuasive case.

- The closing should go over the story and themes of the case that you believe will best fit the juror patterns of experience and make it easy for them to decide in your favor. At the same time, you should be sure to cover the necessary legal elements of your case that will be covered in the jury instructions, even though you do so in the context of your jury story.

- The final version of the closing argument will obviously change from the tentative version used for case preparation depending upon what actually happens during trial.

- It is important to find out in advance how the court structures and sequences the closing arguments. Who speaks first and who speaks last can be extremely important, and it often varies from court to court. In some courts there are only two arguments. The defense goes first and the plaintiff goes last. In other courts the plaintiff goes first and last with a rebuttal, and the defendant gets one argument in between. Still another variation is for each side to go first and last on the issues upon which they have the burden of proof. Thus, plaintiff will go first and last on infringement, and defendant will go first and last on validity.

Opening

- The opening should be relatively short. It should simply introduce the case and your basic jury story and themes, and briefly forecast your key witnesses and evidence.

- Be sure any evidence you refer to is evidence that will definitely be admitted. You do not want to risk referring to evidence that you are later prohibited from presenting.

- It is important in the opening to say something (no matter how brief) to diffuse the main points you expect to be made in your opponent's case. This is particularly important if you are defendant and will not be presenting evidence for several days after the plaintiff. You should say enough so that jurors will remember there is at least some question about the truth or significance of what the plaintiff is presenting and they should wait before making up their minds.

Jury Instructions

- Most paragraphs of the preliminary and final jury instructions have become fairly standard. Various patent bar groups and the Federal Circuit have published standard instructions. Thus, most of the work of preparing the recommendations for the jury charge consists of selecting applicable instructions and deleting inapplicable ones from the standard lists.

- Sometimes, one set of standard instructions will have a wording on a particular instruction that sounds better for your side than another, and once in a while, you may want to try to compose a new instruction for a particular situation, but this can be risky unless you have very clear precedential support. Normally, sticking with the standard instructions already blessed by the Federal Circuit is the safest course.

- Preparing jury instructions is the type of work that can be delegated to more junior team members, but the work should definitely be largely done in advance so that you do not chew up valuable time on the eve of trial preparing fairly standard instructions to be attached to the pre-trial order.

- None of this means that the instructions are not very important. They are the last words that the jury will normally hear, and they will usually be given in writing to the jury when they begin deliberations. Often the foreman will start by referring to them. So you should be sure to incorporate the important ones, often burden of proof instructions, in your closing argument.

Pre-Trial Orders

- The pre-trial order is typically a fairly standard document with a list of attachments prescribed by local rules. It typically includes proposed jury instructions, exhibit lists, witness lists, stipulated facts, and a fairly abbreviated list of the primary contentions of each side.

- The pre-trial order may also contain final rulings on the time to be allowed for each side to present its case, which is obviously important in timed trials.

- The pre-trial order can also include procedural stipulations about how and when the parties will exchange notice of what witnesses they plan to call the following day, in what order and with what exhibits and demonstratives on direct. These stipulations can also include a deadline for the other side to serve advance notice of whatever objections it has to the witnesses, exhibits and demonstratives to be used by the other side. I find these stipulations to be among the most important in ensuring that a trial runs smoothly, because it allows for known evidentiary disputes to be teed up for rulings first thing in the morning before the jury is brought in rather than having repeated interruptions and side bars during the testimony.

In Limine Motions

- In limine motions are important for the same reasons as stipulations regarding advance notice of witness order, exhibits and objections. They permit many of the anticipated evidentiary disputes to be ruled on in advance so that the trial proceeds smoothly and the jury's time is not wasted during repeated evidentiary disputes that have to be argued outside their presence.

- In general, judges want trials to proceed smoothly and they do not want their jury's time to be wasted when they have to send the jury out. This does not mean they like a lot of in limine motions, however. In many cases they would rather decide evidentiary issues after a witness' testimony has begun and they can better understand the context. At the same time, however, judges can be annoyed if an easily foreseeable, but difficult and contentious, issue comes up in the middle of the trial and neither side has alerted them in advance that the issue was going to arise.

- The compromise is often a limit in the number of in limine motions permitted for each side. As a result, it is important to think carefully about what evidentiary disputes are most important for you to have decided in advance. Think about what the other side is likely to argue that will be most unfair and prejudicial, that will be most damaging if you do not get an advance ruling prohibiting it from coming up.

- Courts, and appellate courts, often think that unfair, prejudicial and inflammatory arguments, testimony, and demonstrative exhibits can be compensated for by a curative instruction. This may or may not be enough to avoid the prejudicial damage to your case in the eyes of the jury, however, depending on the nature of the violation and the particular jury.

- It is much safer to think carefully in advance about what might be really damaging and to move to prevent it from coming up by using one of your motions in limine.

Closing Thought

- Even though most patent cases settle, it is important to be prepared for trial in advance in case they don't.

- Indeed, making it clear that you are already prepared for trial can often be one of your strongest points in securing a favorable settlement.