

LITIGATORS CORNER: Technical Advisors



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Beware. Some federal courts are imposing user fees. Title 35, United States Code, § 281 says that a “patentee shall have remedy by civil action for infringement of his patent.” § 261 says a patent is property. But to have those statutory rights, you’d better be prepared to buy a seat in the courthouse, and pay for expenses you never dreamed of.

There is much discussion about how those of limited means are deprived access to all the benefits of a civilized society. One of those benefits is the right to protect one’s property by peaceful means, without resorting to the unlawful and sometimes violent means of past centuries. You hear a great deal about the right of a criminal in the federal system to have a defense paid for by you and me and every other American taxpayer, because – and I agree with this – it is unfair to send people to jail because they cannot afford to defend themselves.

But the right to protect one’s property by peaceful means is being eroded. The federal courts are the only place a patent owner can go for protection against those who trespass. That court system is paid for by our taxes. It is supposed to be available not just to criminals, but also to those with disputes that are civil in nature.

How is this erosion occurring? Through a new form of user fee, in the guise of a “technical advisor.” First, the patentee is denied a decision by an Article III judge —

the person designated by the constitution and by federal law to decide questions of patent infringement. Second, the patentee is forced to pay for the work of the technical advisor who, in effect, becomes a “rent-a-judge.” It is one thing to agree to such an arrangement. It is an altogether different thing to have a technical advisor forced upon you. The consequence of a technical advisor in a patent case can be enormous. Patent cases hinge on one or two points these days: claim construction and summary judgment. The use of a technical advisor can be a complete abdication of the court’s duty to decide. When the basis for the decision is secret, as was true in one of our cases, which I will describe later in this article, then fairness is gone.

Technical advisors are used by judges who believe that a case is too complicated for the court to understand. But complexity is not a reason to fob off work:

It is very doubtful that complexity tends to legitimate references to a master at all. La Buy [v. Howes Leather Co., 352 U.S. 249 (1957)] noted that the complexity of an antitrust case, rather than justifying a reference, “is an impelling reason for trial before a regular, experienced trial judge rather than before a temporary substitute appointed on an ad hoc basis and ordinarily not experienced in judicial work.” *Id.* at 259.

United States v. Microsoft Corp., 147 F.3d 935, 955 (D.C. Cir. 1998).

In Microsoft, the district court appointed a “special master” to assist it in resolving complex technical issues relating to allegations of contempt of a consent decree. United States v. Microsoft Corp., 980 F.Supp. 537, 545-46 (D.D.C. 1997). The court of appeals held the trial court lacked authority to appoint what, in effect, was “a surrogate judge”:

In short, when we said in Bituminous Coal [Operators’ Ass’n, 292 U.S. App. D.C. 309, 949 F.2d 1165, 1168 n.4 (D.C. Cir. 1991)] that we were granting the writ “not because the district judge simply abused his discretion, but because he has no discretion to impose on parties against their will ‘a surrogate judge,’ “ *id.* at 1168 (citations omitted), we effectively ruled out nonconsensual references in nonjury cases except as to peripheral issues such as discovery and remedy.

Microsoft, 147 F.3d at 956.

Such an appointment could never be justified, the court of appeals held, because of the existence of the alternate mechanism of Rule

706 for providing assistance with “highly technical” issues:

To the extent that adjudication may lead the court into deep technological mysteries, we note the court’s power under Rule of Evidence 706 to appoint expert witnesses. Whether such an expert is appointed by agreement of the parties or not, the expert’s exposure to cross-examination by both sides, see Rule 706(a), makes the device a far more apt way of drawing on expert resources than the district court’s unilateral, unnoticed deputization of a vice-judge.

Microsoft, 147 F.3d at 955 n.22. The Seventh Circuit harshly criticized a judge for meeting alone with experts appointed by the court. In re James R. Edgar, 95 F.3d 256 (7th Cir. 1996).

We had a technical advisor inflicted on us in one of our cases; the results were unhappy for our client. Some background: the court allowed us a period of discovery and then held a claim construction hearing. Our client prevailed. We were looking forward to a trial. The adversary then moved for a summary judgment of non-infringement. At this point, our judge took it upon himself to appoint a technical advisor, without consulting any party to the lawsuit, and without their agreement. Since we didn’t know his background beforehand, we had no idea that the supposed expert in our case didn’t even have credentials appropriate to the issues.

The technical advisor became a surrogate judge. The court’s order appointing him provided that he was to be like a law clerk: his communications were to be in secret; he did not have to make any written report; he did not have to submit to a deposition; and he could not be called to testify. This degree of secrecy is not consistent with the Federal Rules of Civil Procedure. Rule 706(a) says that experts appointed by the court must advise the parties of their findings, can be deposed, and can be called to testify by the court. Rule 706(a) was amended in 1972 to add the deposition requirement.

This technical advisor violated the court order appointing him; he was not to engage in “independent investigation,” but he did so anyway. Contrary to Edgar, the advisor had unrecorded ex parte conferences with the court. The advisor went looking for evidence outside the record, like a judge going to the scene of a crime, even though the order said he was not allowed to do so. He failed to complete pre- and post-employment affidavits required by the appointment order. We did not know about his extra-judicial investigation until after the summary judgment. When the so-called expert submitted an affidavit supporting his claim for expenses, we learned for the first time that he had been busy with extra-judicial investigation.

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The Federal Circuit approved what the district court did. It found our evidence of the expert's violation of the appointment order to be too weak. The dissent said the advisor's errors were harmless because the claim interpretation was obviously correct. (Given the error rate in claim constructions, that hardly seems a realistic conclusion, especially where the court below had said the technology was so complex that it had to have help.) The weakness of our evidence was, of course, exactly the problem we were complaining about: the decision, how it was reached, and how it was communicated to the judge, was all in secret. Our client was denied knowledge of what the technical advisor did, and how he influenced the court, precisely because of the way he was appointed. There was no way to know what else he might have done. His indiscretions were treated as harmless error, even though no one knew the scope of those indiscretions. One might as well assume that the iceberg that sank the Titanic consisted only of what could be seen above the water's surface.

This mis-use of a technical advisor was unnecessary. Nor should our client have been required to pay for this. How ironic, in these days of complaints that governmental bodies must not deliberate behind closed doors, that we accept a court's use of an advisor who is (1) appointed without any consultation or right of reasonable approval by a party, (2) meets alone with the court in unrecorded sessions, (3) breaches an order requiring him to avoid seeking facts outside the record, (4) does not put his findings in writing, (5) is not deposed, and (6) causes the court to grant summary judgment of non-infringement. Does this strike you as fair? It should not. It is not a satisfactory answer to all of these shortcomings to say, "You lose, Mr. Litigant, because you don't have enough evidence." We should be concerned here about the fairness of the process. Procedural safeguards shouldn't only

be for those who need Miranda warnings. Our Bill of Rights came about in part because of the use of secret evidence by the Star Chamber; its procedure was untrustworthy. I am not saying our case was in a Star Chamber, but I am saying this: when procedural safeguards are deprecated and lost, the system of justice suffers. That it might be called harmless error in a case is unsatisfactory; a flawed system is not okay because it produces an occasional correct result. The old saw about even a broken clock being right twice a day applies here. The Federal Rules of Civil Procedure are a good guide, and we should follow them.

How did this happen to us? In our case, the judge relied on a decision by the Ninth Circuit, Ass'n of Mexican Am. Educators v. California, 195 F.3d 465 (9th Cir. 1999). That case relied, in turn, on Reilly v. United States, 863 F.2d 149 (1st Cir. 1988). Heather Reilly was born in the Newport Naval Hospital, but suffered irremediable, severe brain damage. The judge sought an economist regarding damages. The United States found out about the search by accident. An economist told the government lawyer that he had already worked on the case for the plaintiff, and had been contacted by the judge. In a conference, the judge told the parties about his efforts; no one objected, or asked for a written report, or that the expert be instructed in writing. The government conceded the power to appoint such an expert. The First Circuit held that "a technical advisor, by definition, is called upon to make no findings and supply no evidence," and was outside the scope of Rule 706(a). Of course, in our case, there was some evidence that the advisor had supplied evidence.

The First Circuit said it would have been the better practice to document the exchange between the judge and the advisor. That was not done in our case. The First Circuit said that the proposed appointment should only

have been made after the parties had an opportunity to object. That was not done in our case. A post-employment affidavit was required in Reilly to insure the advisor had not contributed evidence. That was required but not done in our case.

Unfortunately, we are going to see more of this, because caseloads are not going down. Given what we have been told about who should do claim construction, and the preference for the indisputable public record in claim construction, technical advisors should not be used. If one is necessary, however, I believe in court-appointed experts, not in an advisor in the shadow, with the court pretending he is a law clerk. Here are the principles I would like to see observed:

- Any court considering a technical advisor should give the parties the ability to comment and propose suitable advisors.
- Before imposing this substantial cost on the parties, the court should make a determination that it is necessary, with input from both parties.
- Any technical advisor must be guided by an order, or a conference with the parties as described in Rule 706.
- Any technical advisor should be required to put his findings or recommendations on paper, in report that the parties can see. Why should his work product be hidden when that of every other expert must be described and supported as required by Rule 26(a)(2)(B)?
- In some cases, the court-appointed expert should be subject to deposition.

A litigant, particularly one with limited means, should not be coerced into paying for a surrogate judge whose work is done in darkness, shielded from the parties and their advocates, and from the jury. 