LITIGATORS CORNER:
The Gobi Desert Revisited

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When I read scholarly articles or news reports about how easy it's gotten for patent owners, I start to laugh. Just a couple of days ago (November 11, 2004), an article in *The Economist* claimed, "In recent years, the scope of patents has broadened to encompass new technologies, as well as software, and in some instances business methods." The article concludes by asking whether the patent system needs to be shrunk. In essence, according to this article, patents are more extensive, cover more areas and have more influence than ever before.

I wonder how such seemingly intelligent people can come to such odd conclusions. When I see such publications as *The Economist*, as well as university economists and *New York Times* columnists moaning about how many powerful rights inventors have as patent owners, my first reaction is to ask what planet they visited to gather this evidence. Then I realize that the people writing these articles have never seen a patent suit, or even part of one, first hand.

The truth is, modern patent litigation is a trek interrupted only by a series of gauntlets. They are numerous, high, and painful to overcome.

In my January, 2001 column, *The Long Walk From the Gobi Desert to the River Styx: How the Poor Inventor Views the System*, I described the poor solo inventor's trek through the patent system as an arduous journey — the litigation equivalent of *The Long Walk* by Ronald Downing, who wrote about trying to find the Yeti, the legendary Abominable Snowman of Tibet. While researching his book, Downing heard about a man who had walked from eastern Siberia, through Mongolia and the Gobi Desert, through China, Tibet and the Himalayas to India. The hero was Slavomir Rawicz, a Polish army officer captured and tortured by the Russians and accused of being a Nazi. He walked 5,000 miles after escaping from a Russian prisoner of war camp. He survived the ordeal, which took about a year.

Since I wrote that column, the difficulties inventors must face have grown and multiplied, not decreased. Contrary to the opinion of lots of so-called experts, it is harder for the inventor than it has ever been before. It isn't just a long walk. Not only does the inventor have to travel a long, long way to enforce his patent. He has to run the gauntlet, too, and not once, but many times. It reminds me of another book, *Follow the River*, by James Alexander Thom, which tells the story of Mary Ingles. She was kidnapped by the Shawnees from West Virginia in 1755. Some of her townspeople were murdered on the spot. She and her two sons were taken by the Shawnees to a village on the Scioto River near what is now Portsmouth, Ohio. At the village, prisoners were given a choice: run a gauntlet, or be killed or sold as slaves. One prisoner tried twice to run the gauntlet, and failed both times. On his third try, he succeeded and was adopted by the tribe. Ingles avoided the gauntlet because she had given birth on the trip west, thereby earning respect from the Shawnees. After a lengthy captivity, Ingles and another woman escaped, and walked a thousand miles through the Ohio River valley, back to her home in West Virginia.

The average inventor who wants to enforce a patent is also looking at a kind of trek, followed by a gauntlet, followed by another trek, followed by more gauntlets, and on and on.

The obstacles in modern patent litigation are numerous, and they favor the well-financed defendant, rather than the solo inventor. The principal defense in most cases is delay, delay, delay. As Irving Younger once said, "Maybe the world will end, and then who will care?" Money helps the delay defense. I am not even counting as obstacles the difficulties any solo inventor faces — that is, the hardships in making the invention itself: the conception of the invention, scraping together money to make prototypes, experimenting to find what works best, and trying to find a trustworthy and interested licensee.

The official hurdles start with the prosecution of the application, which may require years. Even according to the PTO, the average pendency of a patent application is more than two years. In its Strategic Plan for 2003, the PTO says it wants to reduce pendency to twenty-seven months. Everything said in the prosecution gets argued twice — once by the examiner and again by a defendant in a lawsuit. Nor is consistency required. In one of our suits, the defendant argued that our client and its prosecuting attorney had deliberately concealed a critical patent from the examiner in the course of one of several related patent applications. Then the defendant argued that the same prosecuting attorney had buried the examiner with prior art patents during the prosecution of one of the later applications in the same series. It was *Alice in Wonderland*: one day the roses were painted white and the next day, red. The absurdity, and the burden it imposes, is magnified when there are multiple layers of decision makers.

Let's assume your inventor/client gets a patent and discovers that the company that has infringed won't take a license. Now, the fun really begins — with a lawsuit! First you must slug your way to the Markman hearing to get the claims construed. Of course, some defendants will contest too many terms: one construction in their favor, and they are off the hook. Their goal is to wear down the judge, like a child asking to stay up late, or looking for one more piece of candy. Like weary parents, judges sometimes give in.

One of our cases took three years to get to a Markman hearing. Such a hearing may well be assigned to a magistrate judge, so you must first persuade that judicial officer. Another district I have practiced in assigns a case at the outset to a magistrate judge.

You must decline — and risk irritating someone — in order to get a district judge.

Our Markman hearing was assigned to a magistrate judge. The court was generous to the parties; the defendant was permitted to file multiple, lengthy briefs, each of which we had to address. We had oral argument and witnesses. The court ultimately ruled, largely in our favor, about nine months later. Thus, we did not have a claim construction until the case was four years old.

But the Markman process isn't over yet. There is the next hurdle: the defendant's motion for reconsideration, which was — like many motions for reconsideration — reargument.

Nor does a denial of a motion to reconsider end the Markman process. A Markman ruling is aimed at resolving questions of law, so any review is *de novo*, which is Latin for "Let's Do the Whole Thing Over Again." After the motion for reconsideration, the typical defendant will appeal to the district judge, who does a *de novo* review.

After the Markman double-dip is over, you face the next gauntlet: the summary judgment motions. Those often get assigned to a magistrate judge, too. After that judge makes a decision, there is an appeal to the district judge, who does another *de novo* review.

If you and your client are lucky enough to survive all of this, you get to a trial. But it may not be only one trial. Bifurcation into liability and damages phases before one jury is fairly common. Bifurcation, at least if the same jury handles both, is tolerable if cumbersome. But now some courts are going further: splitting one trial into three. One district court has taken to trifurcating patent cases into an infringement case, a validity case, and a damages case. Each one of these trials is done before a different jury. One trial thus becomes three, with three sets of jurors. I've been watching one such case in Delaware. The plaintiff won an infringement verdict in late 2003. Now, in late 2004, the parties are waiting for the next trial, about the defense of inequitable conduct. If the plaintiff wins that one, there will, I suppose, be a third trial for damages. Our joke is that we're waiting for someone to "four-nicate" a case.

Now suppose that you have survived the Markman hearing and review, and the summary judgments and the review, and two or three trials. Are you finally done? Not by a long shot. Now you face post-trial motions. Those can take months or even a year to resolve. If you win those, you get to face an appeal, in a court which reverses claim constructions right and left, so you can go back and do everything again. And, of course, the review of any claim construction ruling or summary judgment motion is — oh goody! — *de novo*. This isn't second-guessing; it's triple-guessing.

There can be a bonus round anywhere along the way, too: a trip back to the Patent Office for, say, a reexamination. In one of our cases, which I wrote about in my June, 2003 column, *What's Wrong With the Patent Office?*, two simple electronic patents generated two reexaminations, one of which took five years to resolve.

A reexamination isn't the only potential detour. You may be sent off to a special master or a technical advisor, so you get a three-layer cake: advisor, magistrate and judge, with repetitive decisions and repetitive reviews of decisions. What's really going on isn't case management; it is case parking.

So there's the prosecution, the Markman hearing, the Markman reconsideration, the Markman *de novo* review, summary judgment, *de novo* summary judgment review, an infringement trial, a validity trial, a damages trial, post-trial motions, a *de novo* appeal, and perhaps a reexamination, as well. And there may be even more, if we're not careful: the November 11th *Economist* article I quoted earlier mentions yet another possibility: "a pre-grant notice period when third parties can come forward with 'prior art' that would invalidate the patent." This idea, the article states, is taken from a new book, *Innovation and Its Discontents: How Our Broken Patent System Is Endangering Innovation and Progress and What To Do About It*, by Adam Jaffe and Josh Lerner. In all, it sounds like the Shawnees had nothing on modern patent litigation. At least their punishment was over quickly and, if you made it through the gauntlet, you were treated humanely and adopted.

It's clear to me that the "experts" who opine that patents are more powerful and broader than ever haven't been in a deposition room or at a Markman hearing; and they certainly haven't attended a trial. The truth is that patents are more difficult than ever to enforce for a variety of reasons: an under-budgeted Patent Office, an overloaded federal court system, and some decisional errors like Markman. Those who think it's easy need to take a bite of a reality sandwich. They should get their heads out of their computers, and see what real inventors experience. IPT