

*DISCUSSION:*

**U.S. JUDGES ON THE VALIDITY OF PATENTS  
IN THE PATENT OFFICE AND THE COURTS**

*FEATURED PANELISTS:*

**Judge Patti Saris\***  
**Judge Avern Cohn\*\***

**Audience Member:** In England today, judges do not allow the inventor to testify, usually because the inventor didn't know about all the prior art actually applied. Why don't American judges simply excuse the inventors on the grounds that their stories are rarely relevant because they don't normally have the best prior art before them?

**Judge Cohn:** First of all, if the patent holder calls the inventor, that's one thing, but if the infringer calls the inventor, that's something else. Let's assume that the accused calls the inventor for some reason. If there is not a motion *in limine* to exclude the testimony or argument that this testimony is not "arguably relevant," then the judge cannot on his/her own simply exclude that testimony. Furthermore, if the motion is made, then there has to be justification of arguable relevance. If the inventor has arguable relevant testimony to offer, how do you exclude that testimony? I don't know the basis on which an English judge would not allow the testimony, unless you have it in context.

What you're suggesting is considered a great evil in trial, which is making an evidentiary ruling in advance of the person taking the stand and understanding what the argument for the relevance of the evidence is in the context of the progress of the trial. Maybe Judge Saris has a different answer. I can't answer the question in the abstract because I don't know what testimony the inventor is asked to offer.

**Audience Member:** The story of the invention, how the inventor made his or her invention – which is usually a story where the inventor did not have the best prior art now present in the case. That's my hypothetical. If the inventor had the best prior art and still stayed up six-months every night, that story might be relevant. If the inventor didn't have the best prior art, it is irrelevant?

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\* U.S. District Court for Massachusetts.

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**Cohn:** Is the inventor one skilled in the art?

**Audience Member:** Maybe, maybe not.

**Cohn:** If he is not skilled in the art, his testimony is not relevant.

**Audience Member:** But it goes in all the time.

**Judge Saris:** A trial is a story. It's a drama played out. To take all the human elements out of it... I think one would be hard-pressed to not let the inventor get on. I have a case in which a Doctor who just came to this country, became an MIT professor, and developed a power converter, had to explain how he did it.

**Audience Member:** That's only irrelevant if the jury heard that; that would confuse the jury.

**Saris:** I don't know of any judge who has ever excluded that.

**Audience Member:** It is now being excluded in England.

**Saris:** Maybe in England, but not here.

**Cohn:** Let me ask you this. In the intermittent windshield wiper case, Robert Kurds chose to represent himself in the damages phase of the trial to the jury, after the jury had found the patent infringed. Are you telling me I couldn't let him represent himself?

**Audience Member:** He was a better lawyer than inventor. [Laughter.]

**Audience Member:** One thing Judge Saris has mentioned is the extreme cost in the United States of patent litigation. From an in-house counsel perspective, a great percentage of that has to do with the discovery process in the United States. What, if anything, do the judges do in a patent case to call discovery?

**Saris:** There's always a tension. We get our statistics in Boston every month, our throughput, so there is always pressure on us to move cases quickly. At the same time, we experience tension in trying to minimize costs. What I started doing, when people want to bifurcate discovery between infringement, validity, and damages, I first say "no way, let's just do it all at once, let's try it at once, it will proceed more quickly." I now see that there are many stopping points along the way for patent litigation, so I now routinely defer damages discovery because it is so expensive. Until I get past basic issues like claims construction and infringement, I don't want the parties to go through enormous expense if they are not even going to get past base one. Inevitably, as much as I agree with Judge Cohn, you can't find a jury willing to try a case for more than two or three weeks. People beg to get off; it's embarrassing what people say to get off. But if I bifurcate trials into

infringement and validity, I can usually try willfulness with the main part of the trial and then damages. That takes forever, because you're empanelling three or four different juries and you have attorney schedules, making it expensive, but it's a trade-off. I've come down to doing it segment-by-segment, discovery-wise, just to keep down the cost, but the trade-off there is that it's going to progress slowly.

**Cohn:** Under Rule 26, you're now supposed to come in with a discovery plan. I control discovery myself. First, I do not refer discovery motions to a magistrate judge. Second, at the initial conference, I tell the lawyers that before any motion on discovery can be filed they must have a conference call with me first or conference in chambers. I simply attempt to hold things down. Now, if you have instructed your lawyers to be careful in discovery and have given them a budget, that's one thing, because if you are willing to limit your discovery and you get a judge to participate, then you can control the cost. Not all judges will do it, I admit. On the other hand, when the stakes are very high no one wants to let anything escape them.

It's a continuing struggle, but you have to enlist the judicial officer's cooperation. Without that, it won't happen. Regretfully, too many judicial officers – I won't say they're intimidated, but too many just don't do anything. You can limit the number of depositions, limit the hours, allow so many depositions over so many hours, limit the number of interrogatories, issue a blanket order that all documents are to be delivered, and any document you want to withhold must be submitted to the judge for an in-camera examination; there are ways of doing it. They must do it in the Eastern District of Virginia, in the "rocket docket," because they get the cases to trial in six months. If you get a case to trial in six months and there's only 168 hours a week, without sleep, there's only so much time to can spend on discovery. I can only tell you that history has shown that the greatest discovery disputes have a direct correlation with the lack of assertiveness of the judicial officer managing the case.

**Audience Member:** Sleep is not allowed in the Eastern District of Virginia. That is in the local rules. [Laughter.]

**Audience Member:** First a comment and then a question to Judge Saris. Regarding your observation of the problems of resolving obviousness fights between two distinguished experts, I was involved in a case in the High Court with Lord Aldis in the Court of Appeal in the U.K. I had two competing Nobel Laureates on an issue of obviousness. The court remedied by saying that the evidence of the Nobel Laureate on what was obvious to him was not particularly helpful and the evidence of the Nobel Laureate on what was not obvious to him was.

My question is regarding your comments about the issues surrounding the doctrine of equivalence. There are proposals floating around to adopt a more "German style" litigation where validity is tried separately, and not tried in the Federal Court but maybe in an expert or administrative court. If you held onto the doctrine of equivalence, would that be a fair trade for efficiency in a District Court?

**Saris:** I had the opportunity to go to the Federal Circuit Bar Conference in Greenbriar with 1,000 American patent attorneys. Maybe some of you were there. I felt, as do many Federal District Court Judges, that maybe the solution to all of this is, if you are going to have an expert patent appellate court, you should have an expert trial court. With judges who love doing this, maybe sitting in the District of Columbia or maybe just picked nationally, we would gain a certain expertise, and maybe there would be more respect from the Federal Circuit for the trial process. Interestingly, every lawyer that I've bounced that off of has hated the idea. I'd be curious to hear what you all think. I think that in general, when push comes to shove, lawyers like to know the local judges; they like to have a sense of who they're dealing with.

For those of you who don't know, in the last month I not only handled a huge power converter case, but I also had an arson, a guy who was hurt at Fenway Park at a Red Sox game, and a major securities litigation. I'll do four types of cases in a month. While I personally would make the trade for an expert court of validity, I think most members of the bar wouldn't want it. They like judges who know how to try cases generally.

**Cohn:** I think it would be possible, as the judge says. There are district judges who don't like patent cases and drop them to the bottom. There are others, like the two of us, who are a little crazy, who find some psychological or intellectual satisfaction in being able to master something with which we had no familiarity before we came to the bench. It reflects an intellectual challenge, which when you surmount it, is helpful.

It might be possible if the patent bar got together, with the cooperation of the Federal Circuit; they might come up with a different method of assigning patent cases. But you have to remember that overall, one of cardinal rules of most districts that I know of in the federal system is random assignment of cases. There is nothing that can get a lawyer into more trouble, really deep trouble, than if the judge suspects that lawyer is engaged in judge shopping or trying to manipulate the docket. Years ago, it was quite common. In some districts, I think in the District of Maryland, up until a few years ago, chief judges assigned all the cases. But the system has changed. We want random assignment to assure that no matter whose case it is, they have no choice over the judge. If you notice, no one knows who the Microsoft case will go back to in the D.C. District, except that it won't go back to Judge Shacksey. No one has any idea which judge will get it because the mandate has not issued.

**Saris:** Would you want an expert trial court in the district to sit in tandem with the Federal Circuit?

**Audience Member:** If I may just comment on that, perhaps the influence of the bars might not be that high. If you think about one dramatic change in IP law, the 20-year term, that was brought about by industry. I think industry has the same frustration as you. I think it might also be a function of the extent of your experience overseas. The more you see – for example, dealing with the High Court in London, where there are a limited number of judges doing the same thing over time....

**Cohn:** May I ask a question? We know that some of the strong special interest groups that works over the Congress when changes in patent law are considered are associations of small inventors. Am I right? Does that phenomenon exist in Germany or the U.K., where the small inventor has a strong political voice? Well, you see that's one of the problems you have when you begin to reform patent statutes and so forth. You have many different special interest groups out there.

**Audience Member:** This question is somewhat related to the issue. Outside the United States, in countries like Germany, Japan or many European countries, political issues traditionally were not reviewed in court proceedings, but rather were the exclusive jurisdiction of the patent office. The tendency now seems to be to give the power to the court. That may definitely change the life of judges, so I wonder.... It used to be that judges did not need to hear validity issues like in Europe. What kind of problems will judges in the future encounter, and would you advise against greater judicial control or for it?

**Cohn:** Let me ask you this: In the European or Japanese systems, when they determine validity, do they also give you the construction of the claim?

**Audience Member:** Of course.

**Cohn:** They tell you what the claims mean? Because a claim can mean different things at different stages in the case, depending upon what is revealed. That is one of the ironies. When you are construing the claim, determining the validity, you're supposed to ignore the accused device, but it's impossible. Sometimes you can't understand the patent unless you see the accused device. You're not even supposed to look at the patent reduced to practice. That's supposed to be a no-no.

**Audience Member:** I always peek.

**Cohn:** This is part of the problem. Let me suggest this: I come here and I listen to all that goes on in Germany, Japan, China and elsewhere. I have enough problems to deal with in the Eastern District of Michigan, not to concern myself with much of that.

**Saris:** I just had a case where the jury decided the patent was valid; this was the power converter case. However, I know a German court found it invalid. It's the exact same patent and the exact same obviousness claim. We are increasingly seeing international disputes as the different tribunals come out differently on these issues.

**Audience Member:** Judge Cohn, are you suggesting that perhaps U.S. Courts should become like courts in other parts of the world, where they are inquisitorial rather than adversarial in their relationship?

**Cohn:** They're not inquisitorial in this country? [Laughter.]

**Audience Member:** I would say that in many countries in Europe, for instance, judges are not letting the parties grab hold of a case and run with it.

**Cohn:** First of all, if you grab hold of a case and run with it, that's a recipe for reversal and remand. There's a distinction between whether you have a jury or you don't have a jury. Now if it is a bench trial in a patent case, it is semi-inquisitorial. I can't sit in a patent case in a bench trial and listen to testimony I don't understand. I just can't do it. So invariably, if I'm not satisfied with the lawyer, I have to ask because I have to understand. In a jury trial, I frequently have to say to the lawyers – maybe this is inquisitorial – “You know what you're asking, and the witness knows what's being answered, but you know something? I don't understand what you two are talking about, and if I don't understand, I'm sure the jury doesn't.” So, it's not strictly adversarial. I think a judge must play some role in assuring that what is being testified to and what is being developed by the evidence is understandable to both the finder of the fact, the jury, and to the judge.

I recently tried a case involving the duty to invent and the object at issue was a high-speed check sorter. They started out without showing the jury what a high-speed check sorter looked like. I said to the attorneys, outside the present jury, “Don't you think the jury ought to know what a high-speed check sorter looks like?” Both of them said “no,” and one of them said, “it's our case.” So I called a clerk and asked her to go look at the Unisys website and see if they had pictures of their high-speed check sorter. I didn't know what one looked like. She came back twenty minutes later with models A, B, and C, and all the detail that Unisys uses for promotion. Again, I said to them, “I now have this material. Don't you think the jury ought to see it?” And they both said, “no.” Now what am I supposed to do at that point? Four days later the case settled, so it never made a difference. I don't know the answer.

**Audience Member:** Do the judges have any insights or views as to why there is such an extraordinarily high reversal rate on the Federal Circuit? I was wondering if you feel that the Federal Circuit doesn't accord much deference to the District Courts?

**Cohn:** Lack of respect. [Laughter.]

**Audience Member:** Certainly, you handle many complex civil and criminal cases, yet your reversal rates are comparatively much lower in regional circuits.

**Saris:** I wasn't the judge who wrote this, but one judge spoke about the people in D.C. with their little propeller hats. I can't remember which judge that was. I actually think that the reason they set up the Federal Circuit was to create a group of people who have expertise in that area of law. I think six of them actually have scientific expertise as well; and to some extent, because of the level of expertise, they feel as if they have both the right and the obligation to take a more pro-active view across the country. It is frustrating for a lot of trial court judges.

I really hand it to the Federal Circuit. They are making more of an effort, considerably more of an effort, to get to know us. I eat lunch with the First Circuit. Breaking bread is a

terrific thing. Just getting to know one another sort of eases the pain of a reversal. But you also talk about common issues and problems. They don't have that in Washington; it's just not the way it's set up. I think one of the best things that can happen to them and us, is to get to know each other more in the Circuit Court Conferences, in educational seminars, and the sort. I actually think they recognize this and are going more than halfway to try and meet us.

**Cohn:** There has been a great deal of study in the Academy of the substantive work of the Federal Circuit, with criticism and critiques of discrete cases. I'm not sure there has been enough institutional study of how they operate. They have their own problems in getting along if you look at some of the re-hearings *en banc*. There are divisions among them. They have a very diverse set of cases.

You just heard the judge say that she could be doing a patent case in the morning and sentencing a dope dealer in the afternoon; or in the middle of the patent case, she might have to take a short recess while she sentences somebody who deals in child pornography. It runs the gamut. They have a huge variety of subject matter that has nothing in common.

So they have their own set of internal problems, and then they have the odd system in which they deal only with substantive patent law. However, if a procedural question comes up in a patent case and it's raised to them on appeal, they look at the law of the circuit where the case came from to decide the case, because they don't establish procedural law for patent cases on their own. In some respects it's a very bizarre system.

**Meller:** I keep expecting Judge Rader to suddenly materialize on the screen to defend himself, but short of that, I think we're beyond our time for this panel. I hope you'll join me in thanking the panelists. We can continue this discussion in the hall.