

FORWARD

Forging a New Way Forward: Patent Litigation in the Wake of COVID-19

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Federal courts across the nation continue to respond to the Coronavirus ("COVID-19") pandemic through general orders updating their procedures on court business, operating status, and public and employee safety. See United States Courts' Website, Court Orders and Updates During COVID-19 Pandemic. Responses from individual judges, however, have varied, with some cancelling or postponing hearings, and others seeking to forge ahead remotely through the use of telephonic and video conferences. Patent litigation is taking a new shape as the pandemic evolves, and below we discuss examples of what patent litigation may come to look like in the coming months and years.

Some Courts are Suspending or Extending Dates Through General Orders or Specific Decisions

While some courts have declared a "[m]istrial based upon the current state of extraordinary circumstances due to the Coronavirus/COVID-19 Pandemic," Finjan, Inc. v. ESET, LLC et al, 3:17-cv-183 (S.D. Cal. March 16, 2020), many courts have continued trials or *Markman* hearings, with the caveat that additional time granted should be used to prepare to move forward remotely. For example, although ordering trial continued, Chief Judge Stark of the District of Delaware provided that "the Court will be disinclined to again continue the [] trial to accommodate a lawyer or witness conflict that is known and foreseeable today . . . [a]ssuming the Court deems it safe to empanel a jury on the rescheduled trial date." Guardant Health, Inc. v. Foundation Medicine, Inc., 1:17-cv-1616, Order at 4 (D. Del. April 23, 2020). Regarding discovery, the court explained that it "will not continue trial again due simply to an inability to timely take depositions in person," and notably, while the court was "concerned about the amount of discovery and motions practice that remain to be completed," such concerns were "not sufficiently strong on their own to continue the [original] trial." Id. Similarly, in Image Processing Technologies, LLC v. Samsung Electronics Co., Ltd., et al 2:20-cv-50 (E.D. Tex. March 12, 2020), Chief Judge Gilstrap grappled with discovery of foreign witnesses in view of the pandemic. Continuing trial for three months, the court directed that the parties "work diligently to ensure that both Parties are prepared to go to trial with or without the physical presence of witnesses identified in the Motion," which included Samsung "tak[ing] depositions of its Korean witnesses ... through remote connections so that no one needs to travel to or from Korea," "select[ing] a U.S. corporate representative [to] fully prepare him/her to serve as its representative for the trial," and to "take steps to ensure that real-time court reporting is in place so that they can effectively participate in the trial from Korea with their U.S. attorneys." Id. at 1-2. The court encouraged the parties to coordinate "to the fullest extent possible . . . so that this case is ready to go to trial on June 1, 2020, even if the current travel restrictions remain in place." Id. at 2.

Many Courts are Pushing Forward

On the other hand, some courts are moving forward with hearings and trials without delay. For example, although one district court "acknowledge[d] the[] obstacles" facing the parties such as seeking "materials and testimony from witnesses who are located outside of the United States, including in

China," the court declined to vacate a *Markman* hearing where "[t]he parties' briefs and supporting documents have been submitted" and "the parties previously agreed not to present live expert testimony" *UPL NA Inc. v. Tide Int'l (USA), Inc. et al,* 8:19-cv-1201 (C.D. Cal. March 6, 2020). See also Certain Lithium-Ion Battery Cells, Battery Modules, Battery Packs, Components Thereof, and Products Containing the Same, ITC Inv. No. 337-TA-1181, Order No. 9 (April 20, 2020) ("The Markman hearing will not be rescheduled, and the parties' claim construction disputes will be considered based on the parties' written submissions. To further aid in this consideration, the parties may file reply Markman briefs"); Certain Wearable Monitoring Devices, Systems, and Components Thereof, ITC Inv. No. 337-TA-1190, Order No. 8 (April 20, 2020) ("the [Markman] hearing . . . is hereby suspended . . . The parties' claim construction disputes will be considered based on the written submissions."); see also Unified Patents, Inc. v. MV3 Partners LLC, IPR2019-00474, Paper No. 45 (P.T.A.B. May 15, 2020) (rejecting "patent Owner's request for a third delay of the oral hearing date" even though Patent Owner argued "it cannot access its offices until the orders are lifted" where "Patent Owner has online access to all documents in the record to prepare and participate")

Courts are embracing the use of videoconference in at least bench trials, over some parties' objections. For example, one district court rejected a party's concerns over "its ability to effectively cross examine witnesses by video" where both parties were required "to disclose all exhibits, except those for [SIC] used for purposes of impeachment, in advance of trial" so that "both sides will know what evidence is intended to be presented at trial." *Centripetal Networks, Inc. v. Cisco Systems, Inc.* 2:18-cv-94 (E.D. Va. April 23, 2020). In another case, while acknowledging counsel's "strong preference for a trial in person," Chief Judge McMahon of the Southern District of New York was "not eager to hear that [counsel did not] want to go to trial on [the] chosen date," and provided "ruminations" on the potential "concerns and complications that would have to be resolved prior to... trial":

[A]t bench trials I always take direct testimony of witnesses under any party's control in writing. So our concern is cross examination. I rather imagine that most of the witnesses have been deposed and ordinarily we could simply introduce their depositions and dispense with questioning altogether. But I am interested in whether we can utilize a video platform of some sort to conduct cross examination at the trial. It is the Court's view that cross examination via a video platform would allow me to make necessary credibility determinations. I know that many arbitrators are presently conducting arbitrations in this fashion, and I cannot see why we could not utilize videoconferencing at a civil trial. The Parties have indicated that counsel and witnesses, including non-US witnesses, reside in jurisdictions that remain under stay at home orders. The parties have also indicated that this poses a challenge for virtual witness testimony. However, the coronavirus presents challenges that must be overcome somehow; and cases must be moved. Video conferencing systems can maintain two-way video and audio between individuals in different locations, with the benefit of allowing for objections in real time. Further, examinations involving exhibits could be accomplished over a video conferencing system. I have little doubt that security concerns could be addressed A videoconferencing system would allow the parties to review documents during witness testimony. Exhibits used on direct would already be in the record. A party could identify exhibits to be used on cross examination so that the witness would have access to them; impeachment exhibits can be displayed on screen. I rarely exclude documents during bench trials, on the theory that I, unlike a lay juror, can figure out and decline to rely on what is irrelevant, what is hearsay, and the like; but I would be happy to entertain objections to designated exhibits in real time. I do recognize that the exhibit and witness list may need to be modified to accommodate remote testimony. But witnesses who can neither appear in court for cross examination nor present their testimony via video conference can of course have their depositions submitted instead.

Ferring Pharmaceuticals Inc. et al v. Serenity Pharmaceuticals, LLC et al, 1:17-cv-9922, at 1-2 (S.D.N.Y. May 14, 2020).

Counsel should keep in mind that while many courts are sympathetic to genuine delay caused due to the COVID-19 outbreak, courts have rejected requests for extensions where delay can be attributed to events other than the outbreak. See, e.g., A&J Manufacturing, LLC v. L.A.D. Global Enterprises, Inc. et al, 2:19-cv-2009 (D. Kan. May 14, 2020) ("The Court also finds wholly unpersuasive Reich's explanation that 'the current pandemic has further complicated A&J's finding local counsel.' Since the Court's clerk

first notified plaintiff's counsel of their obligations to satisfy local pro hac vice requirements, they had nearly a year and a half to find local counsel and seek admittance."); *Geospatial Technology Associates, LLC v. United States of America*, 1:16-cv-346 (Fed. Cl. May 7, 2020) (rejecting request for stay of discovery served from 2016-2019 despite government representations "that the ongoing coronavirus pandemic has prevented . . . in-person searches for responsive information and documents," where the government failed to "address what efforts it has undertaken to date to search for information and documents that are responsive to GTA's outstanding discovery requests at these agencies" or "explain why the required searches for responsive documents and information could not be performed electronically by the impacted federal agencies."); *NeuroGrafix et al v. Brainlab, Inc. et al*, 1:12-cv-6075 (N.D. III. April 17, 2020) (rejecting "conten[tion] that the coronavirus pandemic is an extraordinary circumstance that should lead the Court to set aside the advocate-witness rule for purposes of trial" where "the Court made it clear . . . months ago that Filler could not act as an advocate and a witness at trial; and plaintiffs ought to be expected to have planned accordingly by bringing on board another attorney or attorneys who are capable of conducting the trial.")

Looking Ahead

Although COVID-19 presents unprecedented challenges, courts are reassuring clients that their legal rights are still enforceable by thinking outside the box to secure the just, speedy, and inexpensive determination of proceedings amidst the pandemic. Notably, new measures such as video and telephone conferencing will remain in place until "30 days after the date on which the national emergency ends, or the date when the Judicial Conference finds that the federal courts are no longer materially affected, whichever is earlier." *See United States Courts Website*, Judiciary Authorizes Video/Audio Access During COVID-19 Pandemic.