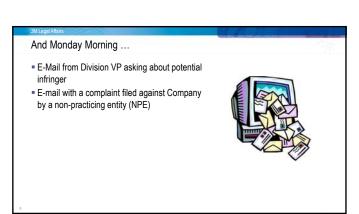
### In-House IP Litigation Management: Trends and Strategies Erik M. Drange - Senior Intellectual Property Counsel 3M Legal Affairs, Litigation & Preventive Law 2016 Salishan Patent Law Conference In-House IP Litigation Management: Trends and Strategies A "Day in the Life" of an In-House IP Litigator Questions In-House IP Litigation Management: Trends and Strategies Housekeeping Items The views and opinions expressed in this article are my own and not those of 3M Co., 3M innovative Properties Co., or 3M Legal Affairs. $-\$ l apologize in advance for excessive animations. Go Trailblazers!

# A "Day in the Life" of an In-House IP Litigator





#### A "Day in the Life" of an In-House IP Litigator—Modules Patent Presuit Investigations ■ Firm Retention—Alternative Fee Agreements ■ NPE Litigation—Strategies Parallel Patent Office Proceedings—Considerations and Strategy Patent Presuit Investigations Identification of Matter Consultation with Business Objectives, success metrics, costs, etc. Careful Investigation and Case Analysis Evaluate Case Set Expectations Streamline Case Patent Presuit Investigations Careful Investigation—Evaluate Case Patent Review Identify and Interview Witnesses Collect and Review Documents Construe Claims and Analyze Infringement Validity and Enforceability Analyses Ownership Jurisdiction and Venue Analyses Identify Expert Witnesses

#### 3M Legal Af

#### Firm Retention—Alternative Fee Agreements

- What is an "Alternative" or "Custom" Fee Agreement (AFA/CFA)?
- $-% \frac{1}{2}\left( -\right) =-\left( -\right) \left( -\right) \left($
- Or only if no hourly component?
- Value (not hourly) based
- Shared risks
- Examples

## NPE Litigation—Strategies

#### NPEs are not Monolithic

#### THE LO GIO HOL WOHOHUHO

Recognize that not all NPEs are the same (in fact, they are all different)







- Keep track of dealings with each NPE (and firms representing the NPEs)
- Utilize your company's outside law firms to gather information

#### Sort Things Out

- <u>Case 1</u> Company, Competitor, and two of their customers are sued by NPE alleging that Company's and Competitor's products infringe NPE's patent (and that the customers' use of the products infringes too)
- Two separate lawsuits
  - Customer 1, Company, and Competitor
     Customer 2, Company, and Competitor
- Both customers tender defense to Company and demand indemnification
- Company has been selling its product since well before priority date of the patent
- Several other companies have been sued by NPE on the same patent

#### Sort Things Out

Sort things out



Customer 1
S. Company
Competitor



Customer 2 Company Competitor

#### Sort Things Out

- <u>Case 2</u> Company sued by NPE for infringing a patent directed towards its use of a third-party feature on its website
- Company is multinational corporation with affiliates in several countries
- Investigation shows that Company purchases software including accused feature from five (5) vendors—some uses being "substantial" and some being "insubstantial"
- A number of companies, including some of Company's vendors, are obtaining licenses from the NPE on a rolling basis

3M Logal Affairs Sort Things Out	Licen	sed	*					
Vendor 1 Vendor 2 Vendor 3 Vendor 4 Vendor 5	Not Licensed/Substantial Use Vendor 2	Not Licensed/Insubstantial Use						
ч								

#### NPE Litigation—Other Basic Strategies

- Do what you can yourself as in-house counsel
- To respond—or not to respond?
- Have a reasoned response
- Be thoughtful about joint defense group participation

3M Legal Affairs
Parallel Patent Office Proceedings—Considerations and Strategy
Eligibility for an IPR proceeding
■ Cost
Counsel selection
■ IPR statistics
<ul><li>Estoppel</li></ul>
<ul> <li>Technical and substantive issues involved</li> </ul>
<ul><li>Impact of petitions/proceedings on other defenses</li></ul>
Stay statistics
Settlement posture and ability to withdraw petition or end IPR proceedings

