

**In-House IP Litigation Management:
Trends and Strategies**

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In-House IP Litigation Management: Trends and Strategies

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

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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.
 - I apologize in advance for excessive animations.
 - Go Trailblazers!

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

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The Weekend




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And Monday Morning ...

- E-Mail from Division VP asking about potential infringer
- E-mail with a complaint filed against Company by a non-practicing entity (NPE)



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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

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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

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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

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Firm Retention—Alternative Fee Agreements

- What is an “Alternative” or “Custom” Fee Agreement (AFA/CFA)?
 - Anything other than straight hourly billing?
 - Or only if no hourly component?
- Value (not hourly) based
- Shared risks
- Examples

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NPE Litigation—Strategies



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NPEs are not Monolithic

- 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

- **Case 1** – 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



Sort Things Out

- **Case 2** – 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

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Sort Things Out

Vendor 1	Licensed	
Vendor 2	Not Licensed/Substantial Use Vendor 2	Not Licensed/Insubstantial Use
Vendor 3		
Vendor 4		
Vendor 5		

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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

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Parallel Patent Office Proceedings—Considerations and Strategy

- Eligibility for an IPR proceeding
- Cost
- Counsel selection
- IPR statistics
- Estoppel
- Technical and substantive issues involved
- Impact of petitions/proceedings on other defenses
- Stay statistics
- Settlement posture and ability to withdraw petition or end IPR proceedings

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Questions?

Thank You!

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