Multiple-Venue Patent Litigation: Navigating Among Alternative Rulings

Lee Carl Bromberg, Esq.
Bromberg & Sunstein LLP
Boston, Massachusetts

Judith R.S. Stern, Esq.
Bromberg & Sunstein LLP
Boston, Massachusetts

I. INTRODUCTION

The patent owner seeking to enforce its patent rights may find itself engaged in litigations in multiple jurisdictions in the United States, and in foreign courts as well. In the United States, each patent infringement defendant is entitled to a ruling by the fact finder on the question of infringement based upon the particular facts presented by the defendant's device or method. Each defendant is also entitled to independently attack the validity of the patent on any and all available grounds. Each defendant is also entitled to mount whatever enforceability defenses it has available to it.

Claim construction, however, is a question of law to be decided by the court. What is the impact of a claim construction ruling in one federal district court proceeding on the same patent in another federal district court? What happens when a federal district court makes an interlocutory ruling that finds certain claims of the patent invalid, while those same claims are being pressed against another defendant in another court? How can the patentee navigate between the hazards of unfavorable rulings in one court and minimize their impact upon the patentee's position in other courts? Are similar issues presented by proceedings in foreign jurisdictions involving a counterpart patent? For example, will proceedings in the United Kingdom resulting in a determination of invalidity have any impact on enforcement of the patent in the United States?

This paper attempts to identify the risks presented to the patent holder of multiple proceedings and to make suggestions for practical steps and strategic approaches designed to minimize those risks.

II. IMPACT OF CLAIM CONSTRUCTION RULING

When a federal district court issues claim construction rulings after a *Markman* proceeding, that ruling may have a binding effect on proceedings in another federal district court involving the same patent claim if the requirements of issue preclusion (also called collateral estoppel) are met. Typically, the crucial factors in determining whether the first *Markman* ruling will preclude the patentee from arguing a different claim construction in the other action are whether the court's ruling was essential to a "final judgment," and whether the patentee had a full and fair opportunity to litigate the issue. Settlement following an adverse claim construction presents an especially tricky trap for the unwary, as some courts have held that such *Markman* rulings have preclusive effects on subsequent litigation, while others have refused to bind the patentee; the law on this issue is currently unclear. A claim construction approved or made by the Court of Appeals for the Federal Circuit may be binding even against nonparties under the principles of *stare decisis*. Even where neither issue preclusion nor *stare decisis* applies, the second court may find the prior ruling persuasive, or at least instructive. Therefore, the patentee should consider the potential impact on future litigation involving other infringing products and other defendants, when making strategic decisions concerning the timing and scope of *Markman* hearings, and in settlement following an adverse claim construction.

A. Issue Preclusion/Collateral Estoppel

1. Elements

The law of the circuit in which the second district court sits applies to the issue of issue preclusion. *RF Delaware, Inc. v. Pacific Keystone Techs., Inc.*, 326 F.3d 1255, 1261 (Fed. Cir. 2003); *Pharmacia & Upjohn Co. v. Mylan Pharms., Inc.*, 170 F.3d 1373, 1381 n.4 (Fed. Cir. 1999); *cf. Dana v. E.S. Originals, Inc.*, 342 F.3d 1320, 1328 (Fed. Cir. 2003) (Dyk, C.J., in a concurring opinion, pushes for the application of Federal Circuit law to issues of collateral estoppel, to promote uniformity and discourage forum shopping). Most circuits apply a basic four-part test or similar variation:

- The issue must be identical to one decided in the prior litigation;
- The issue must have been actually litigated in the prior suit;
- Resolution of the issue must have been essential to a final judgment in the prior action; and
- The party against whom the earlier decision is asserted must have had a full and fair opportunity to litigate the issue in the prior proceeding.

RF Delaware, 326 F.3d at 1261 (applying law of Eleventh Circuit); Rachel Clark Hughey, RF Delaware, Inc. v. Pacific Keystone Technologies, Inc.*: The Federal Circuit Has Finally Spoken on Collateral Estoppel of Claim Interpretation*, 20 Santa Clara Computer & High Tech. L. J. 293, 298-99 & n.51 (2004), citing Rachel Marie Clark, Note, *Collateral Estoppel of Claim Interpretation after* Markman, 86 Minn. L. Rev. 1581, at 1592 & n.69. The third factor, resolution of the issue essential to a final judgment in the first action, is often crucial in determining whether the patentee is bound by an adverse claim construction.

Even if these factors are met, the courts recognize various exceptions to the general rule, permitting the court to deny preclusive effect to the prior construction. *See Restatement (Second) of Judgments* §§

28, 29 (1982). One exception, discussed further below, concerns situations where the patentee could not, as a matter of law, have obtained review of the judgment in the initial action. *See id.* § 28(1). Under Federal Circuit law, because the doctrine of issue preclusion is premised on principles of fairness, the court has some discretion in deciding whether a particular case is appropriate for application of the doctrine, even where all the requirements have been met. *In re Freeman*, 30 F.3d 1459, 1467 (Fed. Cir. 1994). Keep in mind, however, that the court will apply the law of its own circuit, not the law of the Federal Circuit. A review of the law of estoppel of every circuit is beyond the scope of this article.

When a competitor uses collateral estoppel against the patentee not to defend against an infringement claim but to support a declaratory judgment claim of nonvalidity, the use falls into the category of "offensive collateral estoppel." *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 329 (1979) (offensive collateral estoppel means that "a plaintiff is seeking to estop a defendant from relitigating the issues which the defendant previously litigated and lost against another plaintiff"); *The Chamberlain Group, Inc. v. Interlogix, Inc.*, No. 01 C 6157, 2004 WL 1197258, at *1, 2 (N.D. Ill. May 28, 2004) (discussing non-party's potential use of court's claim construction in separate declaratory judgment action against patentee in another court as "offensive collateral estoppel"). Offensive collateral estoppel is treated differently than defensive use of collateral estoppel:

> *Since a plaintiff will be able to rely on a previous judgment against a defendant* [in this discussion, the patentee] *but will not be bound by that judgment if the defendant wins, the plaintiff has every incentive to adopt a "wait and see" attitude, in the hope that the first action by another plaintiff will result in a favorable judgment. Thus offensive use of collateral estoppel will likely increase rather than decrease the total amount of litigation, since potential plaintiffs will have everything to gain and nothing to lose by not intervening in the first action. A second argument against offensive use of collateral estoppel is that it may be unfair to a defendant. If a defendant in the first action is sued for small or nominal damages, he may have little incentive to defend vigorously, particularly if future suits are not foreseeable. Allowing offensive collateral estoppel may also be unfair to a defendant if the judgment relied upon as a basis for the estoppel is itself inconsistent with one or more previous judgments in favor of the defendant. Still another situation where it might be unfair to apply offensive estoppel is where the second action affords the defendant procedural opportunities unavailable in the first action that could readily cause a different result.*

439 U.S. at 329-30 (citations omitted); *see* 18 James Wm. Moore, *Moore's Federal Practice* § 132.04[2][c][iii] (Daniel R. Coquillette et al. eds., 3d ed. 2004) [hereinafter *Moore's Federal Practice*]. The Supreme Court granted trial courts broad discretion to determine whether offensive collateral estoppel should be applied. The trial court should not allow use of offensive collateral estoppel if for any reason "the application of offensive estoppel would be unfair to a defendant." 439 U.S. at 331. Regardless of whether defensive or offensive collateral estoppel applies, "statements regarding the scope of patent claims made in a former adjudication should be narrowly construed." *In re Freeman*, 30 F.3d at 1466.

The policy considerations that support the defensive application of issue preclusion weigh against the patentee's natural desire to escape adverse rulings in one jurisdiction by seeking better rulings in another jurisdiction. Once a patentee has duked out claim construction, invalidity or other issues, societal interests in finality and conservation of judicial and other resources tend to outweigh the patentee's interest in relitigating. On the other hand, failure of the defendant to prove the requirements for issue preclusion will give the patentee free range to seek more favorable rulings in a new jurisdiction.

2. Finality

a. Interlocutory Rulings

If the claim construction in the first proceeding is made as part of a preliminary injunction proceeding, the finality element of the third factor typically is not satisfied, and issue preclusion will rarely if ever apply. 18 *Moore's Federal Practice* § 132.03[5][b][ii]; *see Tate Access Floors, Inc. v. Interface Architectural Resources, Inc.*, 185 F.Supp.2d 588, 595 n.5 (D. Md. 2002) (Federal Circuit's prior claim construction done on review of a preliminary injunction was not dispositive, because it was based on an incomplete record and reached only tentative conclusions), citing *CVI/Beta Ventures, Inc. v. Tura LP*, 112 F.3d 1146, 1160 n.7 (Fed. Cir. 1997).

If the claim construction is made as part of partial summary judgment that does not go to final judgment (such as the denial of a motion for summary judgment of noninfringement), finality likewise will be lacking, and preclusion will not apply. *Cf. Interconnect Planning Corp. v. Feil*, 774 F.2d 1132, 1134, 1136 (Fed. Cir. 1985) (summary judgment of invalidity – a decision that was not final, not certified, not appealed, and was mooted by subsequent events – lacked collateral estoppel effect).

Depending on the circuit, whether or not a partial summary judgment has been certified as final under Rule 54(b) may be a crucial factor in determining whether the judgment is final for purposes of issue preclusion. *See, e.g., Vardon Golf Co. v. Karsten Mfg. Corp.*, 294 F.3d 1330, 1333-34 (Fed. Cir. 2002), decided under the law of the Seventh Circuit, holding that a grant of partial summary judgment of noninfringement as to the claims of one patent (leaving allegations concerning a second patent to be resolved) was not final for purposes of collateral estoppel, where neither party moved to certify the court's interlocutory decision as final, and therefore the decision was subject to revision at any time before entry of judgment adjudicating all the claims (and, in addition, the patentee obtained a reissue patent and surrendered the parent patent, thereby mooting the summary judgment and extinguishing the patentee's right to appeal the claim construction and finding of noninfringement).

However, finality for purposes of issue preclusion is a more relaxed standard than the finality required for appeal. 18 *Moore's Federal Practice* § 132.03[5][b][i] at 132-130; *Restatement (Second) of Judgments* § 13 (1982); *RF Delaware, Inc. v. Pacific Keystone Techs., Inc.*, 326 F.3d 1255, 1261 (Fed. Cir. 2003). In determining whether a judgment qualifies as "final," courts have considered "the nature of the decision (*i.e.*, that it was not avowedly tentative), the adequacy of the hearing, and the opportunity for review." 18 *Moore's Federal Practice* § 132.03[5][b][i] at 132-130.1 - 132-131; *TM Patents, L.P. v. International Business Machines Corp.*, 72 F.Supp.2d 370, 376 (S.D.N.Y. 1999).

b. Final Judgments Binding Pending Appeal

Issue preclusion may apply when the claim construction was essential to a final judgment, or to summary judgment disposing of all claims and entered as a final judgment, or a partial summary judgment in a case that goes to final judgment. 18 *Moore's Federal Practice* §§ 132.03[2][j], 132.03[5][b]; *Abbott Labs v. Day, L.P.*, 110 F.Supp.2d 667 (N.D. Ill. 2000) (issue preclusion applied to claim construction essential to final judgment against different infringer in prior action in Western District of New York); *cf. Scripps Clinic and Research Found., Inc. v. Baxter Travenol Labs., Inc.*, 729 F.Supp. 1473, 1475 (D. Del. 1990) (collateral estoppel applied when prior determination of invalidity was made on summary judgment), citing *Stevenson v. Sears, Roebuck & Co.*, 713 F.2d 705, 712 (Fed. Cir. 1983).

In such cases, the first ruling is binding even if the patentee has filed an appeal. *See, e.g.*, *Abbott Labs.*, 110 F.Supp.2d at 671; *JVW Enters., Inc. v. Amazon.com, Inc.*, No. 03-CV-6221 (CJS), 2004 WL 1737173 (W.D.N.Y. Aug. 2, 2004) (alleged infringing retailers' motions for summary judgment and to dismiss granted, where patentee's suit was barred by collateral estoppel based on Maryland District Court's ruling in favor of manufacturer that the same product did not infringe, despite pendency of patentee's appeal). If the underlying judgment is reversed on appeal, then the second ruling must likewise be vacated. Fed.R.Civ.P. 60(b)(5); *see*, *e.g.*, *Kim v. Conagra Foods, Inc.*, No. 01 C 2467, 2003 WL 22669035 at *2 (N.D. Ill. Nov. 10, 2003) (where the underlying judgment was reversed on appeal unbeknownst to the court a week before it granted a motion for summary judgment based on collateral estoppel, the summary judgment was promptly vacated).

Occasionally a court may be willing to issue a stay, or to delay claim construction, pending outcome of the appeal of the underlying judgment. *See*, *e.g.*, *Micron Tech., Inc. v. Rambus Inc.*, 189 F.Supp.2d 201, 211 (D. Del. 2002) (delaying claim construction and trial until after appeal of underlying judgment, where appeal briefing would be completed in a few weeks and "awaiting the Federal Circuit's opinion appears both prudent and efficient."). The *Micron* court wished to avoid wasting its resources by, *inter alia*, granting summary judgment of noninfringement and proceeding to trial on the defendant's counterclaims, only to later face a potential reversal of the underlying judgment. The court held that the accused infringer would not be prejudiced by the delay, because the "cloud of uncertainty" caused by the undecided infringement claims and affecting the defendant's ability to invest in product development should be dissipated by the underlying verdict, and summary judgment of noninfringement based on collateral estoppel could not do more to diminish this uncertainty. *Id.* at 212. In addition, the court conditioned the delay on the terms proffered by the patentee: a worldwide stay of all other litigation (except a suit in Germany) between the parties, and an agreement by the patentee not to file additional suits relating to the patents. The court also informed the defendant that if the delay were to cause it unexpected prejudice, it could petition the court for redress.

Usually, however, such stay motions are denied. In *JVW Enterprises*, for instance, the patentee, who was unable to appeal the adverse ruling for some time due to a bankruptcy stay, argued to the New York court that if the Maryland District Court's judgment against the manufacturer were reversed on appeal, the patentee would need to re-file its New York action against the retailers, and would be barred by the applicable statutory limitation, 35 U.S.C. § 286, from recovering at least some of the damages it was seeking. 2004 WL 1737173 at *2. The patentee sought a stay, both to avoid the loss of the original filing date, and on the grounds that the Federal Circuit has historically reversed nearly half

of the cases involving claim construction. The New York court noted that it has discretionary authority to stay a case when the interests of justice so require, where doing so would not result in undue prejudice, and where failing to stay the case would result in undue prejudice. *Id.* at *3. The court agreed with the defendants that the patentee could have avoided any possible statute of limitations problem had it sued the defendants in the original action in Maryland, but in any event the court stated that it would give the patentee the benefit of the original filing date if the patentee later reopened the action pursuant to Fed.R.Civ.P. 60(b)(5), citing *Jordan v. U.S.*, 694 F.2d 833, 836 (D.C. Cir. 1982), "[n]oting that when a Rule 60(b) motion is granted, 'the complaint should be reinstated as of the date it was originally filed'". 2004 WL 1737173 at *3. The *JVW Enterprises* court agreed with the defendants that they would be unduly prejudiced by having the current suit hanging over their heads for an unknown period during the appeal, particularly where the patentee had not made any particularized showing that it was likely to succeed on its appeal. *Id.*

3. Non-Appealable Claim Construction Not Binding

Note that an adverse claim construction may not have a preclusive effect where the patentee succeeded in winning an infringement verdict despite the construction. Prior to *Markman*, the Federal Circuit held that collateral estoppel should not be applied where the patentee won its infringement claim, but believes the claim was too narrowly construed. *Jackson Jordan, Inc. v. Plasser Am. Corp.*, 747 F.2d 1567, 1577-78 (Fed. Cir. 1984). The court based its holding on an exception to the general rule of preclusion, set forth in the *Restatement (Second) of Judgments* § 28(1) (1982), "The party against whom preclusion is sought could not, as a matter of law, have obtained review of the judgment in the initial action." After citing *A.B. Dick Co. v. Burroughs Corp.*, 713 F.2d 700, 704 (Fed. Cir. 1983), which held that "judicial statements regarding the scope of patent claims are entitled to collateral estoppel effect in a subsequent infringement suit only to the extent that the determination of scope was essential to a final judgment on the question of validity or infringement," the *Jackson Jordan* court went on to state:

> *Inherent in the above-quoted statements is the concept that the interpretation of the claim had to be the reason for the loss on the issue of infringement. Theoretically, it would be possible to look only at claim interpretation, as a separate and distinct issue from validity or infringement and determine whether a party won or lost on that sub-issue regardless of what happened on the larger issue. In a sense, a party can be said to have "lost" if it urged a broad scope of the claim, and the court upheld validity on a narrower interpretation. However, if a claim is held valid and infringed on a narrower than necessary basis, the patent owner cannot appeal. Thus, under the first exception to issue preclusion noted in* Restatement *§ 28(1) (availability of review), [the first infringer] could not evoke an estoppel . . . since [the patentee] won on both validity and infringement.* A fortiori*, Jackson Jordan has no better rights.*

747 F.2d at 1577-78. Some district courts have held that pre-*Markman* cases such as *Jackson Jordan* are inapplicable in the post-*Markman* era, at least to the extent that they limit collateral estoppel effects from claim construction to matters that were essential to a judgment of validity or infringement. *See, e.g., TM Patents, L.P. v. International Business Machines Corp.*, 72 F.Supp.2d 370, 378-79 (S.D.N.Y. 1999). However, no case appears to hold that *Jackson Jordan* is abrogated insofar as

it holds that when the patentee has no opportunity to appeal the claim construction (because it won on validity and infringement claims), issue preclusion does not apply.

4. Perils of Settlement

Patentees need to beware, however, of the potential preclusive effects that may follow settling a case after an adverse claim construction. Currently district court opinions are split on whether and under what circumstances issue preclusion applies to a *Markman* ruling followed by settlement. At one extreme, claim construction has been held not preclusive in the absence of a final determination of infringement or validity to which the construction was essential. Under this line of cases, the patentee is not bound by an adverse construction if the parties settle after claim construction but before determination of infringement/validity. On the other end of the continuum, estoppel can apply where the parties settle after a *Markman* ruling, regardless of whether there is any judgment on the merits as to infringement/validity. Rachel Clark Hughey, RF Delaware, Inc. v. Pacific Keystone Technologies, Inc.*: The Federal Circuit Has Finally Spoken on Collateral Estoppel of Claim Interpretation*, 20 Santa Clara Computer & High Tech. L. J. 293, 304-05 (2004); Joel Van Over, *Collateral Estoppel and* Markman *Rulings: The Call for Uniformity*, 45 St. Louis U.L.J. 1151 (2001); Timothy Le Duc, Note, *The Application of Collateral Estoppel to* Markman *Rulings: The Search for Logical and Effective Preclusion of Patent Claim Construction*, 3 Minn. Intell. Prop. Rev. 297 (2002).

The Federal Circuit has addressed the issue in one post-*Markman* case, but has left it far from clear. *RF Delaware, Inc. v. Pacific Keystone Technologies, Inc.*, 326 F.3d 1255, 1261 (Fed. Cir. 2003); Jennifer Gordon, Victor G. Hardy, *After the* Markman *Hearing – Practical Guidance to the Problems Caused by the Timing, Lack of Finality, and Preclusive Effect of Claim Construction Rulings*, 795 PLI/Pat 289, 331-32 (2004). Moreover, given that the Federal Circuit has held that the law of the circuit where the court deciding the issue of preclusion applies, it is unclear whether the Federal Circuit will resolve this split. Arguably it can and should, as the law of the Federal Circuit applies to substantive issues of patent law, and the applicability of issue preclusion to *Markman* rulings implicates patent law. In the meantime, as the patentee cannot know in which circuit it may end up litigating its patents, the patentee should try to err on the side of caution and do all that is possible to minimize the impact of adverse claim construction when followed by settlement.

TM Patents, L.P. v. International Business Machines Corp., 72 F.Supp.2d 370 (S.D.N.Y. 1999), which falls at one extreme, held that collateral estoppel applied even though the prior case was settled during trial. Relying on Second Circuit law, the court held that whether the prior ruling is sufficiently "final" depends on factors such as the "nature of the decision (*i.e.*, that it was not avowedly tentative), the adequacy of the hearing, and the opportunity for review," and found that those factors were satisfied. *Id.* at 376-78. The prior suit by the patentee was against a different defendant in the District of Massachusetts. Chief Judge Young held a *Markman* hearing, and construed some of the claims later disputed in the New York case. He read and provided a written copy of his ruling to the jury on the first day of trial, in a preliminary jury instruction. The action settled during the trial.

The *TM Patents* court found inapplicable the pre-*Markman* cases, such as *Jackson Jordan*, cited by the patentee for the proposition that the preclusive effects from claim construction should be limited to matters essential to a judgment of validity or infringement, at least where the district court held a

special pre-trial *Markman* hearing. "These authorities were decided at a time when patent claims were construed during jury deliberations. It therefore made perfect sense to limit the collateral estoppel effects emanating from a jury's judgment on issues of validity and infringement to matters of claim construction that were necessarily comprehended in the verdict. The rule makes no sense when a court, acting as a matter of law, draws binding conclusions about the meaning of disputed patent terms for the benefits of the litigants and the jurors." 72 F.Supp.2d at 378-79. The court found it irrelevant that the claim construction could not be reviewed by higher court, because "[a] party who cuts off his right to review by settling a disputed matter cannot complain that the question was never reviewed on appeal." *Id.* at 378. "The *Markman* rulings were not vacated as part of the settlement. They therefore remain preclusive." *Id. Cf. Edberg v. CPI – The Alternative Supplier, Inc.*, 156 F.Supp.2d 190 (D. Conn. 2001) (applying collateral estoppel to claim construction made in prior case by the same court, where prior case settled prior to trial).

On the other end of the continuum, *Kollmorgen Corp. v. Yaskawa Elec. Corp.*, 147 F.Supp.2d 464 (W.D. Va. 2001) held that a Wisconsin court's claim construction did not have preclusive effect, on the grounds that the settlement that followed the prior *Markman* order was not essential to a "final judgment." Although the parties informed the Wisconsin court that their agreement was conditioned on vacatur of the *Markman* order, that court denied the patentee's motion for a vacatur of the claim construction order, and then denied the patentee's motion to certify the denial of vacatur for appeal, or in the alternative to reconsider the denial. In denying preclusive effect to the claim construction order, the *Kollmorgen* court held, "The Court in *TM Patents* and Defendants in this case incorrectly interpret *Markman*'s ruling as nullifying pre-existing Federal Circuit analysis regarding collateral estoppel. Although *Markman* did empower the judge, rather than the jury, to construe the patent scope and claim at issue, it did not single-handedly redefine 'finality' for collateral estoppel purposes." 147 F.Supp.2d at 467. The court discussed at some length its holding that the Markman order was not essential to a final judgment, including the policy favoring patent claim consistency, the effect on future settlements, and the absence of a final reviewable judgment:

> *When the parties settle, . . . the Federal Circuit lacks jurisdiction to review the* Markman *Order without a certified interlocutory appeal. However, even if a District Judge certifies an appeal, the Federal Circuit consistently declines to review patent claim interpretations. Disturbingly, although the Federal Circuit generally declines interlocutory appeals, when the court dismisses the claim or when parties battle the patent dispute to trial and then appeal the court's claim interpretation, 'nearly 40 percent of claims constructions are changed or overturned by the Federal Circuit.'. . .*
>
> *Clearly, uniformity of patent claims laid the foundation for the Supreme Court's [*Markman*] analysis. This foundation, however, presupposes that the court's construction of the patent is correct. Surely no judicial scholar would argue the Supreme Court's interest in uniformity is mutually exclusive to an interest in a proper patent claim construction. Further, . . . the [Supreme] Court appeared to value the role of the Federal Circuit as the final interpreter of patent claim construction. Accordingly, this Court believes* Markman *supports the promotion of uniformity, yet*

> *it does not stand for the blanketed adoption of patent constructions without first undergoing the Federal Circuit's rigorous review.*
>
> *Moreover, this Court believes that applying collateral estoppel doctrine to an unappealable order would have a chilling effect on settlements. . . . Why would a party settle a patent dispute, after a damaging* Markman *Order, with the knowledge that it cannot appeal the district court's patent claim construction? Parties to a settlement will lack any incentive to settle if the virtually unreviewable* Markman *ruling will have a preclusive effect on other potential patent actions. . . .*
>
> *Contrary to . . . the holding in* TM Patents*, this Court holds that pre-*Markman *analysis still holds precedential value and applies quite poignantly to this patent dispute. . . . . Under clear Federal Circuit guidance, this Court may only apply collateral estoppel if it finds that [the prior construction] was essential to a final judgment on the question of the patents' infringement. . . . [N]either the court nor a jury ever decided whether defendants infringed upon plaintiff's patents. Thus, the court never reached a 'final judgment on the question of validity or infringement.' . . . [T]his Court believe the lack of any realistic opportunity for Federal Circuit review greatly outweighs the adequacy of the hearing and the nature of the* Markman *Order.*

147 F.Supp.2d at 467-69 (citation omitted). The *Kollmorgen* court ignores the Federal Circuit's dictum in *Jackson Jordan*, which arguably leaves some room for issue preclusion based on claim construction distinct from validity or infringement: "Theoretically, it would be possible to look only at claim interpretation, as a separate and distinct issue from validity or infringement and determine whether a party won or lost on that sub-issue regardless of what happened on the larger issue. In a sense, a party can be said to have 'lost' if it urged a broad scope of the claim, and the court upheld validity on a narrower interpretation." *Jackson Jordan, Inc. v. Plasser Am. Corp.*, 747 F.2d 1567, 1577 (Fed. Cir. 1984). On the other hand, the *Kollmorgen* court's concern with the chilling effect on settlements appears to dictate its decision, regardless of theory. For another perspective, see the underlying decision in *Kollmorgen, Allen-Bradley Co., LLC v. Kollmorgen Corp.*, 199 F.R.D. 316, 318, 319-20 (E.D. Wisc. 2001), refusing to vacate the adverse claim construction, stating:

> *[T]he availability of post-*Markman *hearing vacatur [may] encourage the gambler within some litigants. They may well decide to litigate the construction of the claims in the hope that the court's construction will be favorable to them. If they are ultimately disappointed, they can then come back to the court and ask that the order be vacated. * * * Given the substantial amount of time and effort typically entailed by* Markman *decisions, judicial economy would be enhanced by structuring the incentives so as to encourage pre-*Markman *hearing settlement. . . . Not vacating this court's* Markman *order also serves another valuable systemic purpose. Regardless of whether the decision has preclusive effect in another action involving the same patent claims, it might be of some yet undefined assistance to other judges and litigants in the future.*

See also Clever Devices, Ltd. v. Digital Recorders, Inc., No. 3:03-CV-679-M, 2004 WL 1265934, at *3 (N.D. Tex. June 3, 2004) (denying parties' joint motion to vacate *Markman* Order, where parties'

motion was pursuant to terms of settlement agreement), which concluded that refusing to vacate the *Markman* Order "would promote judicial economy by encouraging settlement prior to the Court's entry of *Markman* rulings."

Graco Children's Prods., Inc. v. Regalo Int'l, LLC, 77 F.Supp.2d 660 (E.D. Pa. 1999) concerned an underlying case (in the same district) where the patentee won on patent infringement, but lost on a claim interpretation issue. The infringer appealed. The appeal was dismissed after a settlement was reached. The *Graco* court concluded that because the patentee could not appeal the claim interpretation by itself (because the patentee won on the infringement claim), issue preclusion did not apply. Holding that *Jackson Jordan* is still good law, the court also determined that because the patentee obtained a jury verdict in its favor based on the doctrine of equivalents, the claim construction was not essential to the final judgment. The court was also concerned that "granting preclusory effect to claim construction would encourage more appeals and discourage settlement. Under such circumstances, a plaintiff who obtains a favorable verdict would still be compelled to file an appeal rather than be content with winning the lawsuit or settling the case in order to correct what they perceive as unduly narrow claim construction." 77 F.Supp.2d at 664.

The first post-*Markman* Federal Circuit case to consider the issue, *RF Delaware, Inc. v. Pacific Keystone Techs., Inc.*, 326 F.3d 1255, 1261 (Fed. Cir. 2003), was unusual in that no *Markman* evidentiary hearing was held in the underlying case (in the Virginia district court). This permitted the Federal Circuit to base its ruling on narrow grounds, and to ignore the district court split. The court does not indicate whether *Jackson Jordan* is still good law.

At issue in *RF Delaware* was whether the patentee was bound by a prior claim construction in rulings on partial summary judgment from the Virginia court in a subsequent case involving the same patents in the Alabama district court. In the Virginia case, the court issued two interlocutory orders. It found no literal infringement of one patent, but found a genuine issue of material fact with respect to infringement under the doctrine of equivalents. The Virginia court denied the patentee's motion for summary judgment of literal infringement and granted in part and denied in part the defendant's motion for summary judgment of non-infringement. As to the second patent, the court denied the patentee's motion for summary judgment of literal infringement and granted the patentee's motion for summary judgment of validity of one claim. It made no ruling of non-infringement. In making its claim construction, in the course of deciding these summary judgment motions, the court did not conduct an evidentiary hearing, and did not entertain oral argument on the claims of one of the patents. The case was ready for trial on the issue of infringement when the parties settled. There was no judgment, nor a certification of a final order.

The Federal Circuit, deciding the case under the law of the Eleventh Circuit, held, "[I]f the parties to a suit enter into an extrajudicial settlement or compromise, there is no judgment, and future litigation is not barred by . . . collateral estoppel . . . ." 326 F.3d at 1261 (emphasis omitted). "'[F]or purposes of issue preclusion . . . , 'final judgment' includes any prior adjudication of an issue in another action that is determined to be sufficiently firm to be accorded conclusive effect.' *Christo v. Padgett*, 223 F.3d 1324, 1339 n.47 (11th Cir. 2000) . . . . Criteria for determining whether a decision is firm include whether the parties were 'fully heard.'" *Id.* In *Christo*, a non-patent case, a prior district court order satisfied the limited standard for finality because the district court considered a wide range of evidence

from all concerned parties, notified the parties of possible preclusive effect, clearly considered the findings final, and entered a final order approving the proposed settlement.

In *RF Delaware*, the Federal Circuit held that the standard for judicial finality was not satisfied. "The orders granting partial summary judgment were not sufficiently firm to have preclusive effect." 326 F.3d at 1262. Due to the lack of an evidentiary hearing, or even oral argument with respect to the claims of one of the patents, "it is questionable whether the parties were 'fully heard'. . . ." *Id.* The Federal Circuit also found it relevant that the Virginia court did not put parties on notice that the orders could have preclusive effect. Finally, the Virginia district court did not enter a final order approving the proposed settlement. "We conclude that collateral estoppel does not apply in the present case because no judgment, much less final judgment, was ever entered in the Virginia district court case." *Id.* at 1261.

RF Delaware leaves open the door for the possibility that where a full *Markman* hearing is held followed by a settlement, and the district court enters a final order approving the settlement, estoppel may apply, at least if the court has warned the parties of this possibility. The decision leaves open the possibility that estoppel may apply to claim interpretation in the absence of a decision on the merits of infringement or validity.

B. Stare Decisis

Issue preclusion can be asserted against parties who were parties to the earlier proceeding. However, if an underlying decision involving claim construction is appealed to the Court of Appeals for the Federal Circuit, then the claim construction approved by the Federal Circuit will be binding in future proceedings, regardless of whether the parties are the same or not, and regardless of whether the elements of issue preclusion are satisfied or not, under the doctrine of *stare decisis*. *See Phonometics, Inc. v. Choice Hotels Int'l, Inc.*, 21 Fed. Appx. 910, 911-12 (Fed. Cir. 2001) (plaintiff's bringing the same claim construction argument decided previously was deemed "simply baffling", as *stare decisis* bound the court and future panels to follow the construction previously set forth by the court; warning that further appeal would be sanctionable); *Wang Labs., Inc. v. Oki Elec. Indus. Co., Ltd.*, 15 F.Supp.2d 166, 175-76 (D. Mass. 1998) (applying *stare decisis* to Federal Circuit's prior claim construction). The Federal Circuit has held that parties may cite nonprecedential Federal Circuit opinions construing the same patent claims, under the catchall provision of Fed.Cir.R. 47.6(b), which provides, "Opinions and orders which are designated as not citable as precedent . . . shall not be employed or cited as precedent. This rule does not preclude assertion of issues of claim preclusion, issue preclusion, . . . or the like based on a decision of the court rendered in a nonprecedential opinion or order." *Burke, Inc. v. Bruno Independent Living Aids, Inc.*, 183 F.3d 1334 (Fed. Cir. 1999) (assignee of patent permitted to cite nonprecedential opinion construing the same claims).

However, if the construction was done on review of a preliminary injunction, it will not be deemed dispositive, because a preliminary injunction opinion is based on an incomplete record and reaches only tentative conclusions. *Tate Access Floors, Inc. v. Interface Architectural Resources, Inc.*, 185 F.Supp.2d 588, 595 n.5 (D. Md. 2002), citing *CVI/Beta Ventures, Inc. v. Tura LP*, 112 F.3d 1146, 1160 n.7 (Fed. Cir. 1997).

When the Federal Circuit has construed a patent claim based on the full record, a party seeking to challenge that construction may face sanctions. *See, e.g., Phonometrics, Inc. v. Westin Hotels Co.*, 319 F.3d 1328, 1332 (Fed. Cir. 2003) (assessing sanctions of $3,000 against patentee and its attorney, jointly and severally, for repeatedly (with different defendants) challenging the court's previous claim construction of a specific phrase).

C. Impact of Non-binding Claim Constructions

Even where the claim construction is not binding, the second court may find it persuasive, or at least instructive. The court is less likely to be persuaded where the claim construction was made as part of a preliminary injunction determination, because it is based on an incomplete record and only reaches tentative conclusions. *Cf. CVI/Beta Ventures, Inc. v. Tura LP*, 112 F.3d 1146, 1160 n.7 (Fed. Cir. 1997) (Federal Circuit reached a different claim construction than a different panel in a prior nonprecedential opinion that considered a claim construction made in a grant of a preliminary injunction, where the second case was based on the final and complete record). If the Federal Circuit has reviewed the preliminary injunction, the second court may find the Federal Circuit's claim construction "useful" though not dispositive. *See Tate Access Floors, Inc. v. Interface Architectural Resources, Inc.*, 185 F.Supp.2d 588, 595 n.5 (D. Md. 2002) (both cases were in same district court).

On the other side of the coin, sometimes a patentee may wish to take advantage of a favorable claim construction in litigation against different infringers. Although issue preclusion cannot apply against non-parties, the court may find the first construction persuasive or at least "instructive." *See*, *e.g.*, *Verizon California Inc. v. Ronald A. Katz Tech. Licensing, L.P.*, 326 F.Supp.2d 1060, 1069 (C.D. Cal. 2003) (other district court's claim construction "can be viewed as persuasive and highly relevant, rather than binding, authority"); *Wilson Sporting Goods Co. v. Hillerich & Bradsby Co.*, No. 00 C 6517, 2003 WL 21911241 at *3 (N.D. Ill. Aug. 8, 2003) (portion of prior claim construction opinion of District Court of Oregon that was not addressed on appeal to the Federal Circuit, while not binding, "certainly is a persuasive opinion. Nevertheless, at times we may not agree with that court"); *Lamps Plus, Inc. v. Dolan*, 2003 WL 22435702, at *2 (N.D. Tex. Aug. 26, 2003) (although "neither collateral estoppel nor *stare decisis* dictate the adoption of the Florida court's claim construction . . . , this Court finds the Florida court's determination instructive"); *Gummow v. Splined Tools Corp.*, No. 3-03-CV-1428-L, 2004 WL 893436, at *5 n.4 (N.D. Tex. April 26, 2004) (prior constructions may be instructive).

D. Strategies

Claim construction is often outcome determinative. As patent infringement jurisprudence has developed post-*Markman*, it appears that district court judges take increasing care to fully develop the record of the case before them before issuing claim construction rulings. Under the authorities discussed above, this would appear to indicate that the prospects for preclusive effect may be enhanced by full dress adjudicatory proceedings. The patentee who contemplates or anticipates proceedings in multiple venues must accordingly take steps to maximize the prospect for favorable claim construction in its first full-scale proceeding. The patentee should be leery of filing a second action in advance of court rulings on claim interpretation in the first action, and if brought into a

second action by means of a declaratory judgment proceeding, patentee should seek to defer to full dress adjudicatory proceedings already underway.

In addition, the patentee should redouble its efforts to develop its claim construction position and the testimony of experts and inventors in connection therewith, before launching suit. If multiple proceedings become essential for business or strategic reasons or otherwise, constant attention to consistency in patentee's presentation of its claim construction position will be an essential part of a successful patent enforcement campaign. A careful analysis of appropriate claim scope is also essential. *See* Robert C. Weiss., Todd R. Miller, *Practical Tips on Enforcing and Defending Patents*, 85 J. Pat. & Trademark Off. Soc'y, 791, 818 (2003). Be aware that the construction may be applied to products that do not yet exist, in future litigation against as yet unknown infringers. Jennifer Gordon, Victor G. Hardy, *After the* Markman *Hearing – Practical Guidance to the Problems Caused by the Timing, Lack of Finality and Preclusive Effect of Claim Construction Rulings*, 795 PLI/Pat 289, 331 (2004).

In the event of settlement, keep it extra-judicial. Harold A. Barza, Scott A. Florance, *After the* Markman *Ruling*, 795 PLI/Pat 335, 349 (2004). State in the settlement documents that the claim construction is not preclusive, even though that will not bind non-parties. *See Dana v. E.S. Originals, Inc.*, 342 F.3d 1320, 1328-29 (Fed. Cir. 2003) (Dyk, C.J., concurring) ("It can be argued that the 'strong public interest in favor of settlement of patent litigation' would be served by allowing the parties to a settlement at the district court level to determine the collateral estoppel effect of earlier orders in the litigation").

Have adverse claim construction or other adverse rulings vacated, if possible. It may not be possible, even when the settlement is conditioned on vacatur. The practice of using a stipulation to vacate a judgment as a condition of settlement "has been a controversial subject for some years" and "the focus of extensive academic commentary." *Sentinel Trust Co. v. Universal Bonding Ins. Co.*, 316 F.3d 213, 219 & n.1 (3d Cir. 2003) (a non-patent case), and articles cited. *See Allen-Bradley Co., LLC v. Kollmorgen Corp.*, 199 F.R.D. 316, 318-20 (E.D. Wisc. 2001) (citing *U.S. Bancorp Mortgage v. Bonner Mall Partnership*, 513 U.S. 18 (1994) in refusing to vacate prior order merely to facilitate settlement); *Dana v. E.S. Originals, Inc.*, 342 F.3d at 1328 (in a concurring opinion, Circuit Judge Dyk noted that *U.S. Bancorp* addressed only the actions of the Supreme Court and the Court of Appeals, and "did not . . . address the power of the district court to vacate non-final orders pursuant to a settlement agreement"); *The Chamberlain Group, Inc. v. Interlogix, Inc.*, No. 01 C 6157, 2004 WL 1197258 (N.D. Ill. May 28, 2004) (where parties settled following briefing of appeal of summary judgment of non-infringement, and where a non-party planned to use the construction against the plaintiff under the doctrine of offensive collateral estoppel in a declaratory judgment action in Arizona district court, plaintiff's motion to vacate claim construction summary judgment order was denied, noting that the patentee is free to challenge the preclusive effect of the construction in the Arizona court, and that the patentee chose to voluntarily abandon its appeal right in favor of settlement); *Clever Devices, Ltd. v. Digital Recorders, Inc.*, No. 3:03-CV-679-M, 2004 WL 1265934 (N.D. Tex. June 3, 2004) (denying parties' joint motion to vacate *Markman* order, where parties' motion was pursuant to terms of settlement agreement, following analysis in *U.S. Bancorp Mortgage v. Bonner Mall Partnership*, and concluding that concerns about possible collateral estoppel effect of *Markman* rulings that might discourage settlement did not justify vacatur). *Clever Devices* specifically did not

address "whether, if the parties' settlement agreement were conditioned upon the vacatur of earlier rulings, and if the further pendency of the case in the district court would expend a massive quantity of resources, the Court's interest in conserving its own judicial resources and the parties' interest in conserving their resources could constitute 'exceptional circumstances'" justifying vacatur. 2004 WL 1265934 at *4 n.3.

In the event of unfavorable rulings on claim interpretation, it is difficult to resist the urge to seek a stay pending appeal. However, a stay pending appeal is rarely granted in the same or a second action in a different venue.

On the positive side, it makes sense to take advantage of favorable constructions. Press for summary judgment, if appropriate, in the instant case, and look for opportunities to trumpet the favorable rulings in the second action. If not preclusive, such rulings are likely to have at least persuasive effect in the second case.

III. IMPACT OF INVALIDITY RULINGS

The elements of issue preclusion discussed above regarding claim preclusion apply to invalidity rulings as well. *See, e.g., Stevenson v. Sears, Roebuck & Co.*, 713 F.2d 705, 709 (Fed. Cir. 1983), citing *Blonder-Tongue Labs., Inc. v. University of Illinois Found.*, 402 U.S. 313 (1971). If the alleged infringer raises the defense of collateral estoppel, the burden is on the patentee to demonstrate the lack of "'a fair opportunity procedurally, substantively and evidentially to pursue his claim the first time.' Among the factors to be considered in determining whether the patentee had a full and fair opportunity to litigate the validity of the patent in the prior case are whether the opinions filed by the District Court and the reviewing court, if any, indicate that the prior case was one of those relatively rare instances where the courts wholly failed to grasp the technical subject matter and issues in suit; and whether without fault of his own the patentee was deprived of crucial evidence or witnesses in the first litigation." *Mississippi Chem. Corp. v. Swift Agric. Chem. Corp.*, 717 F.2d 1374, 1376-77 (Fed. Cir. 1983), citing *Blonder-Tongue*, 403 U.S. at 333. Other factors include considerations of choice of forum and incentive to litigate. *Blonder-Tongue*, 403 U.S. at 333. "But as so often is the case, no one set of facts, no one collection of words or phrases, will provide an automatic formula for proper rulings on estoppel pleas. In the end, decision will necessarily rest on the trial courts' sense of justice and equity." *Id*. at 333-34. The Federal Circuit "held that [its] own law determines whether a patentee is collaterally estopped from contesting the validity of its patent." *Dana v. E.S. Originals, Inc.*, 342 F.3d 1320, 1328 (Fed. Cir. 2003) (Dyk, C.J., concurring).

As with adverse claim construction, a patentee should beware of the perils of settling a case following a ruling of invalidity, and, if possible, should have the adverse ruling vacated. In *Hartley v. Mentor Corp.*, 869 F.2d 1469 (Fed. Cir. 1989), the prior litigation involved a district court grant of summary judgment based on invalidity. The parties then negotiated a settlement that provided for entry of a stipulated judgment dismissing the plaintiff's infringement claim, as well as the accused infringer's counterclaim requesting a declaration of invalidity, with prejudice. *Id.* at 1471, 1472 n.3. Under Ninth Circuit law, to conclusively avoid collateral estoppel effect, the patentee would have had to have the district court vacate its order, which he failed to do. *Id*. at 1473. Moreover, this was not a typical type

of consent decree under which the accused infringer acknowledges validity and infringement in exchange for a license. Because the patentee instead dismissed his claim with prejudice, the judgment operated as an adverse adjudication on the merits. *Id.* The court held that the intent of the parties controls with respect to the preclusive effect of the stipulated judgment; here, the alleged infringer apparently intended that the patentee would be precluded from asserting the patent against it regardless of the devices the alleged infringer made. Thus, the settlement agreement stated that the parties wished to compromise "all present and future disputes between them with respect to" the patent at issue. *Id.* The court went on to hold that no circumstances justified the patentee's relitigation of the validity issue with the new defendant, Mentor.

If the ruling is not binding, it may be given weight in a subsequent suit. Arguably, that "weight," like the weight given a prior adjudication that a patent is "valid," is weight as a legal precedent, not evidentiary weight with respect to disputed underlying facts. *Cf. Mendenhall v. Cedarapids, Inc.,* 5 F.3d 1557, 1569-70 (Fed. Cir. 1993) (affirming refusal to admit prior order, judgment, and opinion regarding patent validity). Should an infringer seek to introduce a prior ruling of invalidity before the jury, the patentee can also argue that the ruling is irrelevant hearsay, and that the evidence should be excluded on the ground that the jury would be unfairly prejudiced and confused, under Rule 403, Fed.R.Evid. *Cf. Mendenhall.,* 5 F.3d at, 1572-75 (Fed. Cir. 1993); *Nipper v. Snipes*, 7 F.3d 415 (4th Cir. 1993) (a non-patent case, holding that judicial findings of fact were inadmissible hearsay, noting that at common law a judgment from another case would not be admitted, and holding that judicial findings of fact would likely be given undue weight by the jury); *Blue Cross and Blue Shield of New Jersey, Inc. v. Philip Morris, Inc.*, 141 F.Supp.2d 320 (E.D.N.Y. 2001) (a non-patent case, holding that fact findings of judge in a separate case could not be used to impeach expert witness, and was excludable as inadmissible hearsay and unfairly prejudicial).

Arguably, a prior ruling or fact findings may fall within the public records and reports exception to the hearsay rule, Rule 803(8)(C), which includes in that exception:

> *Records, reports, statements, or data compilations, in any form, of public offices or agencies, setting forth . . . (C) in civil actions and proceedings . . . , factual findings resulting from an investigation made pursuant to authority granted by law, unless the sources of information or other circumstances indicate lack of trustworthiness.*

2 *McCormick on Evidence* § 298 (John W. Strong ed., 5th ed. 1999) [hereinafter *McCormick*] states: "Since reports of official investigations are admissible under the official written statement exception [Rule 803(8)(C)], the judgment of a court, made after the full investigation of a trial, should likewise be admissible in subsequent litigation to prove the truth of those facts necessarily determined in the first action. . . . However, the courts were often unwilling to admit judgments in previous cases if neither res judicata nor collateral estoppel applied under the theory that they are hearsay. A variety of reasons have been advanced for this rule." *McCormick* goes on to refute the reasons commonly given, and concludes that the only remaining reasons concern jury prejudice and confusion as to "the distinction between a prior judgment offered as evidence and one that is conclusive. . . ." *See Greycas, Inc. v. Proud*, 826 F.2d 1560, 1567 (7th Cir. 1987) (difficulties in weighing the judgment against other evidence "are, however, the only good reasons offered for the rule (others are canvassed in McCormick on Evidence . . .), and as they are of less or no force . . . as where, as in this case, the trial is not to a jury, we are not sure the rule should apply in such cases").

However, *McCormick* does not address the reasons given in *Nipper v. Snipes*: that a judge in a civil trial is not an investigator, and therefore findings by a judge do not fall within the exception, and further that the advisory committee note to Rule 803 "makes plain that the drafters intended this portion of the rule to relate to findings of agencies and offices of the executive branch." *Nipper*, 7 F.3d at 417, citing Advisory Committee's Note, 56 F.R.D. 183, 311-313, and *Zenith Radio Corp. v. Matsushita Elec. Indus. Co., Ltd.*, 505 F.Supp. 1125, 1185 (E.D. Pa. 1980), *aff'd in non-relevant part, rev'd in non-relevant part*, *In re Japanese Electronic Products Antitrust Litigation*, 723 F.2d 238 (3rd Cir. 1983), *rev'd*, *Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp.*, 475 U.S. 574 (1986).

Zenith Radio (like *Nipper* a non-patent case) further holds that judicial findings of fact do not fall within the Rule 803(8)(C) hearsay exception, because that rule requires an assessment of the trustworthiness of the findings.

> *[A] third basis for our rejection of plaintiffs' position is that the trustworthiness evaluation which we have discussed at length supra would be totally unsuited to evaluating judicial findings. Indeed, such evaluation might well conflict with Rule 605, which makes the judge incompetent as a witness. This result follows because the process of determining trustworthiness, either in limine or by way of defense at trial (if a preliminary determination of trustworthiness were made), cognizes the possibility of calling the author of the fact-finding, or his staff members, as witnesses so as to impeach their work. That just cannot be done under the F.R.E. with respect to a judge.*

505 F.Supp. at 1185.

The *Zenith* court had yet another basis for finding that Rule 803(8)(C) did not apply: "[T]he fourth reason for our rejection of plaintiffs' argument is that where the drafters wished to make judicially found facts admissible, they did so expressly. See Rule 803(22) pertaining to judgments of previous conviction and Rule 803(23) pertaining to judgments as to personal, family, or general history, or boundaries. The drafters did not so provide with respect to other judicial findings or judgments." *Id.* at 1185-86; *Nipper*, 7 F.3d at 417 (same).

Courts have refused to admit prior judgments or findings under Rule 403. *McCormick* addresses the issue of jury prejudice and confusion in connection with Rule 803(8)(C): "Other arguments against admissibility of prior judgments relate to the danger of undue prejudice and the need for orderly administration of trials. Also juries may have difficulty grasping the distinction between a prior judgment offered as evidence and one that is conclusive, giving the judgment binding effect even if this is contrary to substantive law." *McCormick* at ¶ 298 & n.7, citing cases; *Zenith*, 505 F.Supp. at 1186 ("such findings would present a rare case where, by virtue of their having been made by a judge, they would likely be given undue weight by the jury, thus creating a serious danger of unfair prejudice"), *Nipper*, 7 F.3d at 418 (same); *Greycas, Inc. v. Proud*, 826 F.2d 1560, 1567 (7th Cir. 1987) ("A practical reason for denying [a judgment] evidentiary effect is . . . the difficulty of weighing a judgment, considered as evidence, against whatever contrary evidence a party to the current suit might want to present. The difficulty must be especially great for a jury, which is apt to give exaggerated weight to a judgment").

The alleged infringer may be able to get a non-binding ruling in front of the jury in connection with the issue of the infringer's good faith, in defending against a charge of willful infringement, assuming that the infringer learned of the first ruling before beginning its infringing activities. The accused could also try to use a prior ruling to impeach the patentee's expert witness. In those cases, hearsay would not be an issue. However, concerns about jury prejudice and confusion would remain. Whether a judgment alone, or an entire opinion, is at issue may affect the court's decision as to admissibility. *Cf. Mendenhall v. Cedarapids, Inc.*, 5 F.3d 1557, 1572-75 (Fed. Cir. 1993) (holding that trial judge did not abuse its discretion in refusing to accept as evidence opinion of judge in another litigation, but leaving open the question of whether the judgment should have been admitted apart from the opinion). In a dissenting opinion in *Mendenhall*, Circuit Judge Mayer argued that a limiting instruction would alleviate any perceived danger of prejudice.

A patentee cannot assert issue preclusion against different defendants based on a prior ruling of validity, as issue preclusion cannot be asserted against those who were not parties to the first litigation. *Mendenhall*, 5 F.3d at 1569. Such non-binding findings are entitled to be given weight. *Stevenson v. Sears, Roebuck & Co.*, 713 F.2d at 711. This does not mean that the prior ruling may be introduced into evidence. It means that the opinion is given weight "respecting validity as a legal precedent, not as substantive evidence of disputed facts. . . . A prior decision that a patent has previously survived an attack on its validity serves only to inform the district court . . . that caution must be taken in reaching a contrary legal conclusion. Further, for use as legal precedent, a prior decision need not be admitted into evidence but will be given 'weight' merely by its citation in a brief to the second court." *Mendenhall*, 5 F.3d at 1569-70 (*but see* Circuit Judge Mayer's dissenting opinion). The "weight" given the prior holding of validity will vary depending on the evidence produced in the subsequent suit. "If, however, the record in the second suit is substantively identical to the record produced in the first suit, then it is extremely likely that the court will give its prior holding stare decisis effect." *Stevenson*, 713 F.2d at 711 n.5.

In addition, a patentee can rely on prior validity rulings to help meet its burden of demonstrating a likelihood of prevailing on the merits, when seeking preliminary injunctive relief. *Monsanto Co. v. Scruggs*, 249 F.Supp.2d 746, 748 (N.D. Miss. 2001); *Aoki Tech. Lab., Inc. v. FMT Corp.*, 26 F.Supp.2d 319, 323 (D.N.H. 1998).

IV. IMPACT OF FOREIGN JURISDICTION LITIGATION

Assume that a United States patent holder brings patent infringement litigation against defendants in a federal district court in the United States, but also becomes embroiled in patent infringement litigation in a foreign jurisdiction, such as the United Kingdom, Germany or Japan, involving foreign counterpart patents to the United States patent. Under these circumstances, what impact does a ruling in the foreign jurisdiction have on the proceedings in the United States court?

A. Issue Preclusion/Collateral Estoppel

Unless the U.S. proceedings are in the Northern District of Illinois, it appears unlikely that the foreign ruling will be given preclusive effect by the district court. The Federal Circuit in ruling on an

infringer's argument that it should adopt the conclusion of a German tribunal holding the German counterpart patent obvious, deemed the argument "specious. The patent laws of the United States are the laws governing a determination of obviousness/nonobviousness of a United States patent in a federal court." *Medtronic, Inc. v. Daig Corp.*, 789 F.2d 903, 907-08 (Fed. Cir. 1986). The *Medtronic* court cited *In re Dulberg*, 472 F.2d 1394, 1398 (C.C.P.A. 1973), which held, "We need not even consider the actions taken in foreign countries with respect to the patentability of this application under our law. The granting of a patent on an 'invention' in a foreign country has no relevance to the determination of whether the same 'invention' would be obvious within the ambit of § 103 since it is notoriously well known that the standards of patentability vary from country to country." Moreover, "[c]aution is required when applying the action of a foreign patent examiner to deciding whether the requirements of 35 U.S.C. § 103 are met under United States law, for international uniformity in theory and practice has not been achieved." *Heidelberger Druckmaschinen AG v. Hantscho Commercial Prods., Inc.*, 21 F.3d 1068, 1072 n.2 (Fed. Cir. 1994)

One district court has found, "Where the prior adjudication was by a foreign nation's court applying its patent law to its patents, the barriers to reliance on the foreign judgment for collateral estoppel purposes become almost insurmountable. Differences in the law of the two nations and in the detailed language of the patent are emphasized to avoid issue preclusion in a patent case pending in this country even where the invention, the technological and economic competition between the parties, and the consequences of the judgments are for all practical purposes the same." *Cuno Inc. v. Pall Corp.*, 729 F.Supp. 234, 238-39 (S.D.N.Y. 1989) (denying preclusive effect to United Kingdom court's findings concerning validity of European counterpart patent, and of infringement). The *Cuno* Court also found that even it if "were to apply collateral estoppel to certain factual findings made by the British court – as opposed to importing its legal conclusions wholesale – it is not clear that trial time would be significantly shortened. Furthermore, the Federal Circuit's reluctance to give collateral estoppel effect to foreign judgments would seem to apply here to foreign findings of fact insofar as those findings involve mixed questions of fact and foreign law." 729 F.Supp at 239. *See Heineken Tech. Serv., B.V. v. Darby*, 103 F.Supp.2d 476, 479-80 (D. Mass. 2000) (refusing to apply collateral estoppel to German court's ruling in favor of a defendant regarding his inventorship rights to German and European patent applications, and stating, "The Federal Circuit has noted this antipathy towards foreign patent determinations on numerous occasions"); *cf. In re Nylen*, 97 Fed. Appx. 293 (Fed. Cir. 2004) (affirming decision of Board of Patent Appeals and Interferences, affirming final rejection of claims as obvious, and holding that grant of Canadian patent on the device is not relevant to the determination of obviousness).

The *Cuno* Court (District Judge Weinstein) bemoaned this result:

> *It is a quiddity of our law that a well and thoroughly reasoned decision reached by a highly skilled and scientifically informed justice of the Patent Court, Chancery Division, in the High Court of Justice of Great Britain after four weeks of trial must be ignored and essentially the same issues with the same evidence must now be retried by American jurors with no background in science or patents, whose average formal education will be no more than high school. This curious event is the result of the world's chauvinistic view of patents.*

729 F.Supp at 239.

A recent case, citing *Cuno*, as well as the Northern District of Illinois cases discussed below, refused to apply collateral estoppel to a determination by a British court that a European patent was invalid as obvious. *Merck & Co, Inc.. v. Teva Pharm. USA, Inc.*, 288 F.Supp.2d 601, 610, 611-12 (D. Del. 2004). The court found that the standards for determining obviousness in the two countries are different. The alleged infringer, Teva, conceded that there may be differences in the legal standards for validity between the two countries. The court found that many of the "factual findings" that Teva argued should be adopted, were actually mixed questions of law and fact, which should not be adopted where the legal standards differ. 288 F.Supp.2d at 611. The court further found that the factual findings relating to obviousness were not essential to the British court's decision, because the decision was based on three separate grounds.

Only the Northern District of Illinois has surmounted the "insurmountable" barriers and applied collateral estoppel to foreign rulings. The most ambitious such case, now nearly 15 years old, *Vas-Cath, Inc. v. Mahurhar*, 745 F.Supp. 517 (N.D. Ill. 1990) (Judge Easterbrook of the Seventh Circuit, sitting by designation), *rev'd on other grounds*, 935 F.2d 1555 (Fed. Cir. 1991), held that a Canadian judgment involving the patentee's Canadian patents has preclusive effect as to certain facts. That case happened to favor the patentee.

The court relied heavily on the policy in favor of conserving resources, and concluded that the Federal Circuit's cases permit the adoption of facts found by foreign tribunals, to the extent that they are free of the influence of legal differences:

> *Patent litigation is costly, and the Canadian case was hard fought. Why begin from scratch? Conservation of resources is the principal objective of the law of preclusion, and that is a vital objective when costs are high, the more so when similar patents have been secured in many of the industrial countries. Patent litigation should not be allowed to become a war of attrition. . . . If litigation squanders the returns to invention, we will have less innovation – a depressing thought, given the importance of invention to economic growth. Whenever there is a choice, a court ought to opt for cost-saving and decision-expediting devices, of which preclusion is an attractive one. . . . Is there a choice? Judge Weinstein believes that the Federal Circuit is so hostile to preclusion in patent cases that a district court must decline to give effect to a foreign judgment even on questions of fact extensively litigated. . . . I do not read the Federal Circuit's cases as compelling courts of the United States to ignore informed decisions rendered abroad; the judges of that distinguished court are not xenophobes. Decisions from the Federal Circuit instead reflect the legitimate concern that when considering what the first case settled, courts not disregard differences in the law. If a foreign court renders judgment on a question of fact with significance in each system of law, there is no reason not to take over that decision. Despite Judge Weinstein's omens, I propose to do just that; to examine the Canadian judgments, to learn what has been decided, and to apply those decisions to this litigation to the extent – and only to the extent – they are legally relevant, and the findings are free of the influence of legal differences.*

745 F.Supp at 525-26. The court specifically held that the fact that Canada does not afford parties the same discovery rights as the Federal Rules of Civil Procedure is not important. "Vas-Cath does not

contend that the system of litigation in Canada is uncivilized or unlikely to product sound judgments." *Id.* at 526.

The Canadian court resolved a number of issues in favor of the patentee, with the exception of a holding that several claims were too broad. 745 F.Supp. at 524. The district court applied issue preclusion to the Canadian court's conclusion that patentee invented the tip covered by the Canadian patent, and the ground that the Canadian decision did not depend on any features of Canadian law not shared by U.S. law. *Id.* at 527.

The district court also applied preclusion to the Canadian court's holding that the Canadian patent was anticipated by prior art. Although U.S. and Canadian law as to anticipation differ, the court found that the differences were irrelevant. The Canadian court found that persons skilled in the art would not have been aware of a particular work. This is relevant in Canadian law, but irrelevant in the U.S., which imputes to experts awareness of prior art. However, the *Vas-Cath* court held that the difference in law was unimportant, as both judges concluded that the prior art invention was sufficiently different that it did not anticipate the patent as a matter of law. In addition, Canada cuts off references to prior art as of the date of invention (in that case, January 1, 1981), whereas American law takes note of prior references up to one year before the filing date of the application (several years later). The district court held that, based on the Canadian decision, the prior art before January 1981 did not anticipate the U.S. patent, leaving open the question of whether later prior art anticipated the patent.

The district court adopted the Canadian court's decision that the Canadian patent was not obvious. The court held that Canadian and American standards on obviousness are identical in all significant respects except for one: the United States presumes that practitioners know the prior art, but Canada does not. That distinction was deemed irrelevant, because the Canadian judge relied on the fact that even the most skilled practitioners at the time who were aware of the prior art, did not find the invention obvious. *Id.* at 529

The district court further held that the Canadian court's decision that the specifications were sufficient to allow one skilled in the art to practice the invention would be preclusive depending on the priority date of filing of the U.S. application, which remained to be determined.

One can sympathize with Judge Easterbrook for his desire to rely on matters that appear to have been fully adjudicated by a competent court in Canada. Judge Weinstein felt the same way but recognized his obligation to adjudicate the issues anew, in the *Cuno* case. However, the *Vas-Cath* ruling overlooks many differences between U.S. and Canadian law as it relates to patents and procedural matters, and, in its eagerness to conserve resources, arguably goes too far. *See* David R. Marsh, *The Preclusive Effect of Foreign Country Patent Judgments in the United States*, 27 N.Y.U. J. Int'l L. & Pol. 469, 488-89 (1995); James P. Muraff, Note, *Issue Preclusion – Recognizing Foreign Judgments in United States Patent Infringement Suits: A New Approach*, 26 J. Marshall L. Rev. 627, 667-68 (1993).

In a more recent Northern District of Illinois case, *Northlake Mktg. & Supply, Inc. v. Glaverbel, S.A.*, 958 F.Supp. 373, 379 (N.D. Ill. 1997) and *Northlake Mktg. & Supply, Inc. v. Glaverbel, S.A.*, 986 F.Supp. 471, 475-76 (N.D. Ill. 1997) (Senior Judge Shadur), the parties had previously litigated the validity of a Belgian patent corresponding to the U.S. patent in suit. The district court held that the Belgian court's conclusions concerning the scope and content of the prior art were binding on the parties in the U.S. The Belgian court determined that the document was found "in a private library"

and was not printed or published because, under Belgian law, those terms refer to documents "available to the public." 958 F.Supp. at 379. The parties agreed that the proceedings in the Belgian tribunal were "fundamentally fair." Although the Belgian law differs from U.S. law, the *Northlake* court held that factual finding of the Belgian court "conclusively demonstrates that the document is not a 'printed *publication*' under the United States patent laws. . . ." *Id.* The court also held that the alleged infringer was foreclosed by issue preclusion from relitigating a contention it lost in the Belgian litigation: that the patentee's two prior art patents disclose the same invention as the patents at issue. 986 F.Supp. at 475. The Belgian prior art patents corresponded to the U.S. prior art patents. Because the prior art patents did not disclose the invention of the patents in suit, the alleged infringer lost the issues of anticipation and obviousness. *Id.* at 476. Like *Vas-Cath, Northlake* glosses over differences in the laws of the U.S. and the foreign country.

The District of Connecticut afforded comity to a French decision as to the ownership of a patent. *International Nutrition Co. v. Horphag Research Ltd.*, No. 3:96CV386(DJS), 2000 WL 1863560, at *4 (D. Conn. April 14, 2000). However, the district court made clear that the issue did not concern American patent law, but merely who owned an American patent pursuant to a French contract.

It is not clear whether the law of the Federal Circuit or the law of the circuit where the district court sits applies to the question of whether issue preclusion applies to foreign decisions concerning patent claim construction or validity. See *Northlake*, 986 F.Supp. at 475 (same result under law of Seventh Circuit and law of Federal Circuit). Arguably, given that a comparison of the laws of the countries may be needed, Federal Circuit law should apply. The Federal Circuit follows the *Restatement (Second) of Judgments*, § 28, which lists exceptions to the application of issue preclusion, including situations such as, "A new determination of the issue is warranted by differences in the quality or extensiveness of the procedures followed in the two courts . . . ; or [t]he party against whom preclusion is sought had a significantly heavier burden of persuasion with respect to the issue in the initial action than in the subsequent action. . . ." A party opposing preclusion could argue that rules of evidence differ, if that had an impact on the factual findings. It could also be argued that the ultimate facts necessarily differ, where the law differs.

B. Impact of Non-Binding Foreign Rulings

If a foreign decision is not binding, will it have any impact on proceedings in a United States court? If the foreign decision involves an issue of law, or a mixed issue of law and fact, it appears that the decision should be deemed irrelevant, at least with respect to the corresponding U.S. issue. However, at least one district court found (in a case preceding *Medtronic*) that "[w]hile the decisions of two foreign patent offices 'are in no way controlling upon this court, . . . they are valuable as opinions of trained experts in the country of the inventor and where the art is best understood. The opinions of such men, learned, able and disinterested, officially expressed after thorough examination, are persuasive to say the least.' Their expert judgment is considered probative since it is recognized that in applying standards of novelty and nonobviousness, the patent offices of 'Germany and Holland are among the strictest in the world,' on a par with, if not superior to, the American office. They found no anticipation . . ; this Court finds none." *Warner-Jenkinson Co. v. Allied Chem. Corp.*, 477 F.Supp. 371, 387 (S.D.N.Y. 1979) (citing expert testimony), *aff'd*, 633 F.2d 208 (2d Cir. 1980).

On the other hand, *see Ferag AG v. Grapha-Holding AG*, No. Civ. A. 91-2215-LFO, 996 WL 293542 (D.D.C. May 29, 1996), where the court granted the alleged infringer's motion to exclude from evidence the opinions of German courts concerning the validity of the German counterpart of a prior art patent. The defendant argued that although the German decisions did not have collateral estoppel effect it was "'only fair' to allow this Court to examine decisions by German tribunals on the 'identical issue' that has been presented to this Court." *Id.* at *1. The patentee's motion was granted based on the prohibition against the "needless presentation of cumulative evidence" of Rule 403 of the Federal Rules of Evidence, as the German decisions were offered merely to rebut the plaintiff's evidence. "The considerable time and effort needed to set forth the proper factual and legal foundation for the introduction of the German decisions did not justify what appeared to be an immaterial end: yet another piece of evidence, in addition to defendant's eight experts and hundreds of pages of exhibits, to 'rebut' plaintiff's evidence." *Id.*

The weight given may vary depending on the country where the decision originated. *See* discussion in *Films by Jove, Inc. v. Berov*, 341 F.Supp.2d 199 (E.D.N.Y. 2004), which rejects a ruling by a Russian court on a question of copyright ownership.

If the party who won a non-binding favorable foreign ruling seeks to introduce the ruling into evidence in a jury trial, the opposer should argue that the evidence is irrelevant, based on all the differences that make the ruling non-binding, and inadmissible hearsay. Where the proponent seeks admission of a foreign ruling under the Rule 803(8)(C) exception to the hearsay rule, the opposer can raise the arguments discussed above. In addition, if the opposer can "come forward with some evidence which would impugn its trustworthiness," then the court will need to assess the trustworthiness of the foreign proceedings. *In re Japanese Elec. Prods. Antitrust Litigation*, 723 F.2d 238, 265 (3d Cir. 1983). The Notes of the Advisory Committee on Proposed Revisions to Rule 803(8)(C) include a nonexhaustive list of factors that may be considered in assessing trustworthiness, such as "whether a hearing was held and the level at which conducted." 723 F.2d at 264. Other factors that arguably should be considered, depending on the country involved, would include whether the foreign court provided due process, whether the court was impartial and competent, and whether there was fraud during the proceeding or prejudice by the court. Philip L. McGarrigle, *The Role of Foreign Judgments in Patent Litigation: A Perspective and Strategic Overview*, 39 IDEA 107**,** 135 (1998) citing, *inter alia*, *Hilton v. Guyot*, 159 U.S. 113, 202 (1895) (a comity case), and *Restatement (Third) of Foreign Relations Law* § 482 (grounds for nonrecognition of foreign judgments).

If the court finds that the foreign ruling has some evidentiary value and is not hearsay, the challenger should argue that any evidentiary value is substantially outweighed by its prejudice and because of likelihood of confusion of the jury under Rule 403, Fed.R.Evid., as discussed above.

The Federal Circuit has considered a foreign court's invalidation of a patent as supporting an accused infringer's good faith belief that the corresponding U.S. patent was invalid. *See BIC Leisure Products Inc. v. Windsurfing Int'l, Inc.*, 1 F.3d 1214, 1223 (Fed. Cir. 1993) ("[T]he invalidation of Windsurfing's British patent served to strengthen further BIC's belief that the claimed invention was obvious in light of prior art"); *Corning Glassworks v. Sumitomo Elec. U.S.A., Inc.*, 671 F.Supp. 1369, 1401 (S.D.N.Y. 1987), *aff'd*, 868 F.2d 1251 (Fed.Cir. 1989) (deciding it was appropriate to consider the decision of a Canadian court, which held the patent invalid, in determining if there was a good

faith belief). Both cases were bench trials. Where a jury is involved, the Rule 403 considerations would come into play.

Assume that a U.S. patent application issues as a patent and a continuation application is filed to continue prosecuting further claims from the same original application. Meanwhile, a European application has been filed that is a counterpart to the issued U.S. Patent. The European Patent Office rejects the claims in the counterpart and the patentee is unable to obtain an EPO patent with counterpart claims in it. Meanwhile, back in the United States prosecution, the applicant continues to prosecute the continuation application and, in an abundance of caution, files the proceedings in the European Patent Office in the U.S. continuation application in order to avoid an argument that the applicant failed to satisfy obligations under Rule 56. The continuation application in the United States subsequently issues. Thereafter, patentee sues on both the parent and the continuation patents. The prosecution history for the continuation patent now includes the EPO rejection of the claims. The prosecution history is clearly relevant on the issue of claim construction and arguably becomes part of the evidence in the case when it is presented to a jury. Does this mean that the accused infringer will be able to put before the jury the EPO rejection of the claims as evidence questioning the validity of the claims in the U.S. proceeding? If so, it would appear that the patentee will have to be content with a curative instruction from the court to the effect that the jury should not consider it as bearing upon the validity of the U.S. issued claims but only as evidence of disclosure during the prosecution of the continuation application.

Regardless of whether foreign rulings have any impact on the U.S. proceeding, statements made by the inventor, expert witnesses and others about the prior art, the invention, inventorship and so on in the course of prosecuting the foreign patent or in foreign litigation may be admissible in the U.S. proceeding (as admissions, or for impeachment purposes), and can potentially be quite damaging. *See, e.g. Molins PLC v. Textron, Inc.*, 48 F.3d, 1172, 1180 (Fed. Cir. 1995) (in determining inequitable conduct, court based its finding of materiality on evidence that one of patentee's foreign patent agents indicated during foreign prosecution that the prior art at issue was the most relevant prior art to the corresponding foreign applications of which he was aware). The patentee should be careful to make sure that foreign counsel and witnesses are aware of issues pertaining to U.S. patent protection and enforcement.

Moreover, differences in procedure may lead to inadvertent waiver of rights in the U.S., if care is not exerted. For instance, in some countries the notion of subject matter waiver of privilege does not apply, and foreign counsel may produce attorney-client privileged documents leading to waiver of the privilege in the U.S. This risk underscores the importance of good communication with foreign counsel.

The Federal Rules of Civil Procedure permit extensive discovery compared to most other countries, some of which permit none at all. Consider timing actions so that patentee can obtain discovery in the U.S. in time to use it in foreign actions. On the other hand, 28 U.S.C. § 1782(a) provides that a court of "the district in which a person resides or is found may order him to give his testimony or statement or to produce a document . . . for use in a proceeding in a foreign . . . tribunal . . . upon the application of any interested person." *See In re Application of Procter & Gamble Co.,* 334 F.Supp.2d 1112 (E.D. Wisc. 2004).

CONCLUSIONS

The patent owner embarking upon a patent enforcement campaign against multiple infringers must be prepared for the complexities of multiple-venue litigation in the United States, and possibly abroad. The obvious expense and demand on client resources of a multi-front "war" are only the beginning of the problems that must be grappled with, as the foregoing discussion indicates. Hence the first word of caution is to avoid simultaneous cases in different venues if possible.

It may be, however, that strategic business considerations or other concerns make it either necessary or unavoidable to proceed in more than one court, or even in more than one country. Under those circumstances, conflicting rulings on key issues such as claim construction may present difficulties with long term consequences. An adverse ruling on a key point in one case may present problems of claim preclusion or persuasive impact in a second case with severe consequences for the enforcement effort. Conversely, a favorable ruling could provide substantial leverage for advantageous rulings and settlements in other proceedings.

The prospect of multiple-venue litigation puts even greater emphasis on the importance of strategic planning in advance of filing suit, or (for the defendant) at the earliest possible time after suit has been launched. The party's theory of the case and strategic litigation plan should be well-developed. Key claim terms requiring interpretation should be identified and arguments marshaled to support the party's preferred claim construction. Prior art must be assessed and analyzed. Expert witnesses, inventors, and other key witnesses should be identified and consulted in advance, and evidence prepared so that a consistent position can be presented and maintained.

Once proceedings are underway, it is essential to maintain consistency in position and litigation strategy, and to assure clear lines of communication with key participants, including experts, inventors, witnesses, local counsel, and in the case of foreign proceedings, foreign counsel. Corrections to the strategy will obviously have to be made as rulings are handed down, and perhaps in the light of market developments as well. However, consistency in presentation and position will be key, as will appropriate steps to contain and minimize adverse rulings and to capitalize on favorable rulings. In these proceedings, coordination of the substantial resources needed for the battles in different venues and effective communication among client, counsel, foreign counsel, experts and witnesses are essential for an effective litigation campaign that seeks to advance the client's business goals while simultaneously maximizing the understanding and control of risk.

ABOUT THE PRESENTER(S)

Lee Carl Bromberg

Lee Carl Bromberg is a founding partner of Bromberg & Sunstein LLP and chairs the firm's Litigation Practice Group. A leading intellectual property litigator and accomplished trial strategist, Mr. Bromberg has successfully handled a wide range of technology-based disputes, including numerous patent infringement actions, and trademark, copyright, trade secret, unfair competition and related cases in high technology areas. He has extensive experience in presenting complex technical and scientific subject matter in civil actions in federal court and before the International Trade Commission, and has achieved outstanding results in a number of cases. Mr. Bromberg has authored numerous articles and been a frequent speaker on intellectual property law and litigation at continuing legal education programs and before bar associations and other professional organizations.

Mr. Bromberg graduated from the University of Michigan with high honors and received an M.A. from Cornell University. He received his law degree from Harvard Law School.

Judith R.S. Stern

Judith R.S. Stern is Special Counsel to Bromberg & Sunstein LLP and concentrates in intellectual property matters, including trademark prosecution and licensing, copyright prosecution and licensing, and litigation in federal courts. Ms. Stern works with a variety of businesses to create global strategies for developing and enforcing trademark rights in the United States, the European Union and numerous foreign countries. Her practice involves a wide range of goods and services, including computer technologies, Internet-based services, and pharmaceuticals.

Ms. Stern graduated from Yale University, cum laude, received an M.A. from Boston University. She received her law degree from the University of Michigan, cum laude.