

A Comparative Study of Patent Litigation Defenses in the Top 5 U.S. District Courts

特許訴訟の比較研究 米国上位5地裁の答弁書



自己紹介



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Disclaimer

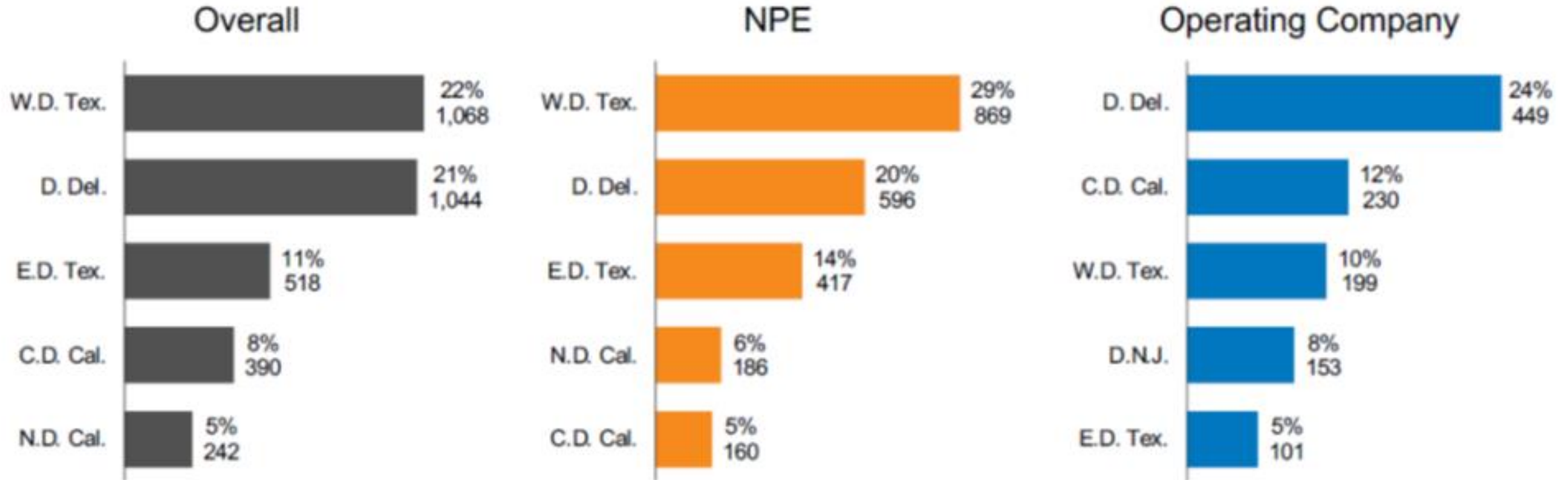
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Overview - 概要

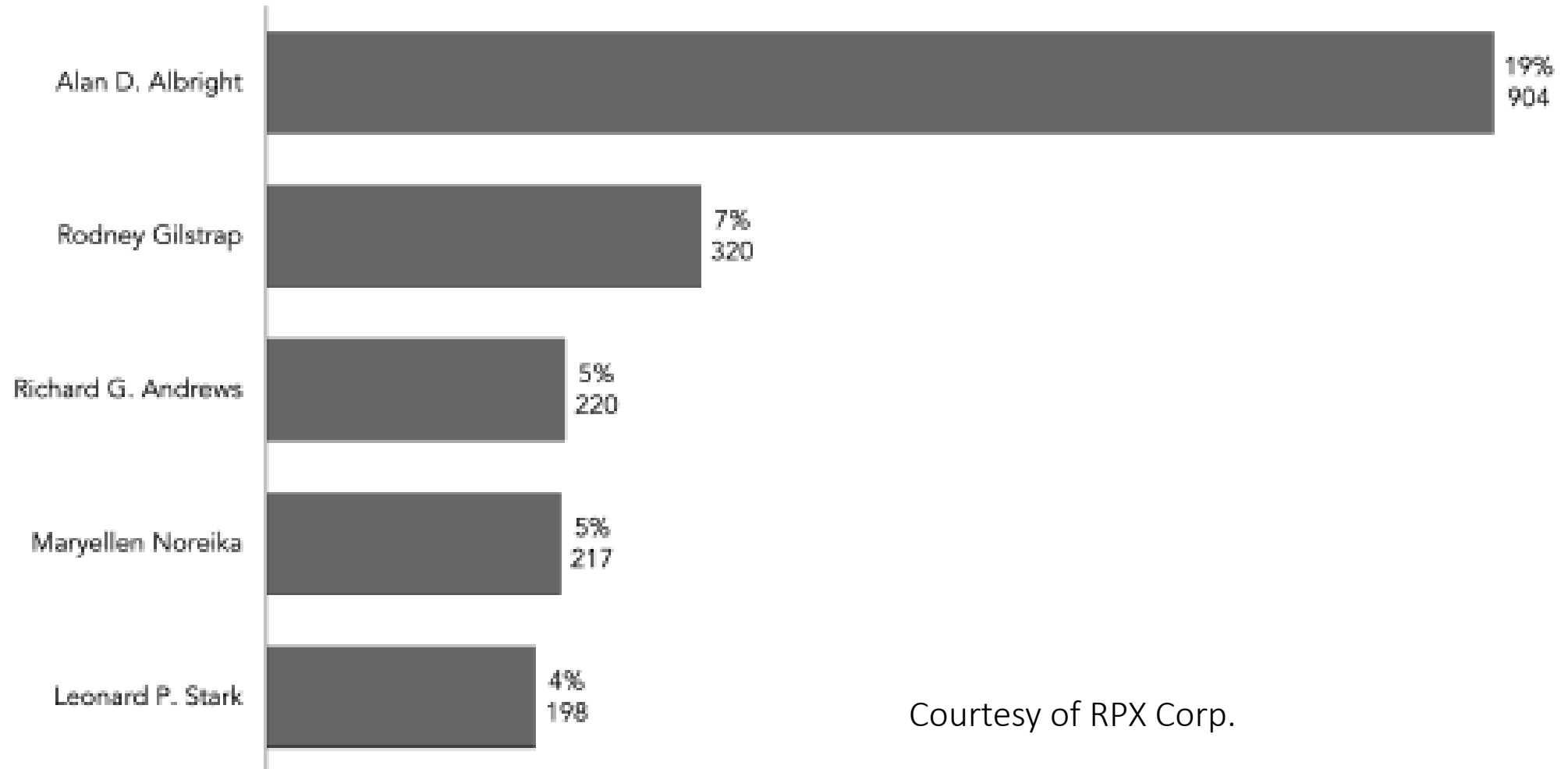
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I. Introduction - イントロダクション



Courtesy of RPX Corp.

District Court Judges With The Most Patent Cases in 2021



Courtesy of RPX Corp.

Methodology - 方法論

- We generally limited our research to 2018, 2019, 2020 and 2021;
- We limited our data from the Western District of Texas to cases assigned to Judge Albright; and
- We provided a cumulative average, if possible, to smooth out annual variations.

Motions We Studied

A. Procedural Motions:

1. Motion to Transfer for Forum non conveniens
2. Motion to Stay Pending IPR

B. Substantive Motions:

1. Motion to Dismiss for Unpatenable Subject Matter
2. Motion for Summary Judgment – Invalidity
3. Motion for Summary Judgment - Noninfringement

Districts We Studied

W. D. Texas
E. D. Texas
D. Delaware
C. D. California
N. D. California

II. What Our Research Shows About The Top 5 Patent Litigation Districts

A. Procedural Motions

1. Motions to Transfer for Forum *non conveniens*

According to 28 U.S.C. § 1404(a),

- “[1] [f]or the convenience of parties and witnesses,
- [2] in the interest of justice, a district court may transfer any civil action to any other district or division
- [3] where it might have been brought or
- [4] to any district or division to which all parties have consented.”

Motions to Transfer

Transfers are authorized by 28 U.S.C. § 1404(a) -

- [1] “[f]or the **convenience of parties and witnesses**,
- [2] in the interest of justice, a district court **may** transfer any civil action to any other district or division
- [3] **where it might have been brought** or
- [4] to any district or division to which all parties have consented.”

- the “**convenience of the parties and witnesses**” is most important;
- “**may**” gives District Court Judges broad discretion; and
- “**where it might have been brought**” means the case can only be transferred to a District where the case could have filed originally – the *TC Heartland* case controls.

Success Rates For Motions To Transfer For Forum *non conveniens*

District	2018	2019	2020	2021	Cumulative
W.D. Texas	0%	38%	19%	30%	28%
E.D. Texas	15%	7%	41%	17%	18%
D. Delaware	12%	33%	45%	33%	31%
C.D. Cal.	75%	75%	75%	43%	63%
N.D. Cal.	0%	33%	60%	100%	38%

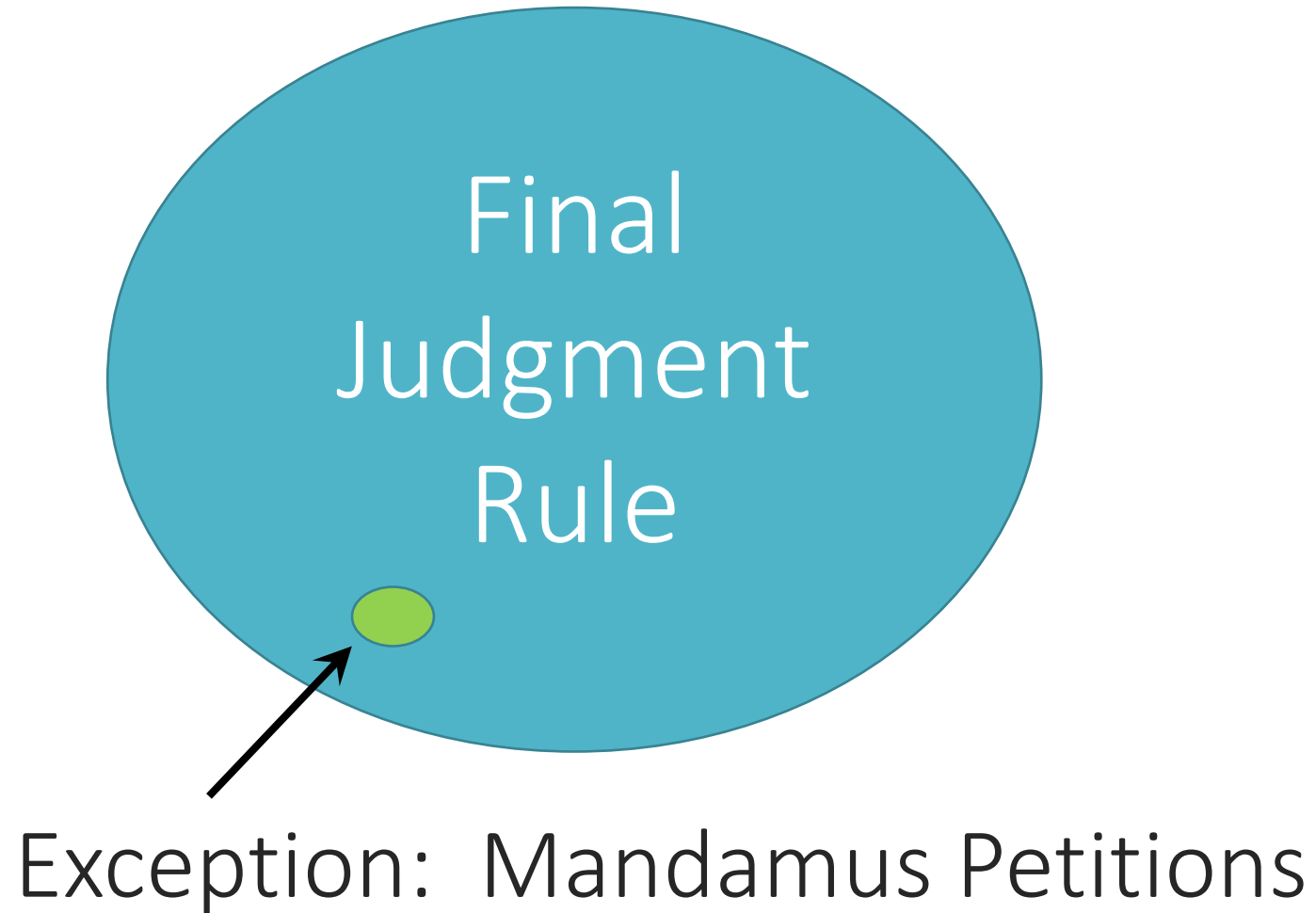
Data courtesy of Docket Navigator

What if a motion to transfer is denied?



In U.S. District Courts, only a final judgment can be appealed.
28 U.S.C. §1291.

Mandamus Petition Explanation



Mandamus Petitions Granted For Motions to Transfer Denied

Time Period: 2018-9-18 to 2021-10-21

W. D. Texas (J. Albright):

25 mandamus petitions filed/13 granted = 52% success rate

E.D. Texas:

63 mandamus petitions filed/18 granted = 29% success rate

2. Motions to Stay Pending *Inter Partes* Review (“IPR”)

District	2018	2019	2020	2021	Cumulative
W.D. Texas	0%	0%	0%	88%*	58%
E.D. Texas	44%	45%	0%	0%	16%
D. Delaware	15%	48%	48%	64%	45%
C.D. Cal.	44%	50%	69%	46%	55%
N.D. Cal.	78%	69%	55%	45%	66%

Data courtesy of Docket Navigator

* Includes 2 sets of related cases that were stayed in late December of 2021.

B. Substantive Defenses

1. Rule 12(b)(6) Motions To Dismiss For Lack of Patentable Subject Matter

A. In response to a complaint filed in U.S. District Court, Defendants have 2 options -

Option 1:

File an answer, asserting all of your defenses, including invalidity under §101.

Option 2:

File a Rule 12(b)(6) motion to dismiss asserting invalidity under § 101.

What is a Rule 12(b)(6) §101 Motion?

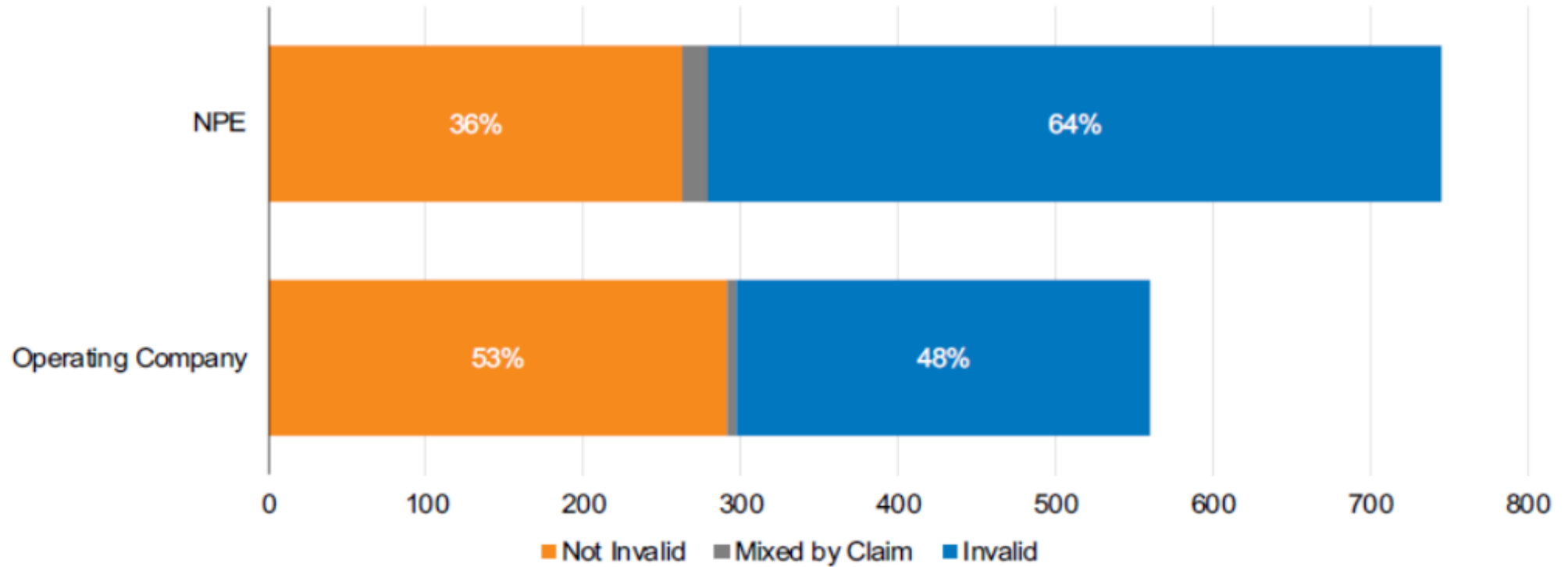
Here is the concept:

Even if everything in the complaint is true, the case should be dismissed because the patent-in-suit claims an abstract idea.

B. Substantive Defenses

1. Rule 12(b)(6) Motions To Dismiss For Lack of Patentable Subject Matter

Success Rate For § 101 Rule 12(b)(6) Motions Nationwide



Courtesy of RPX Corp.

Success Rate of § 101 Motions to Dismiss by District

District	2016	2017	2018	2019	2020
W.D. Texas	0%	0%	0%	0%	0%
E.D. Texas	56%	47%	17%	29%	0%
D. Delaware	21%	11%	36%	33%	48%
C.D. Cal.	56%	67%	23%	25%	67%
N.D. Cal.	40%	50%	29%	63%	86%

Data courtesy of Docket Navigator

Why is the W.D. Texas 0% Percent Every Year?

Judge Albright's View of §101 Motions to Dismiss:

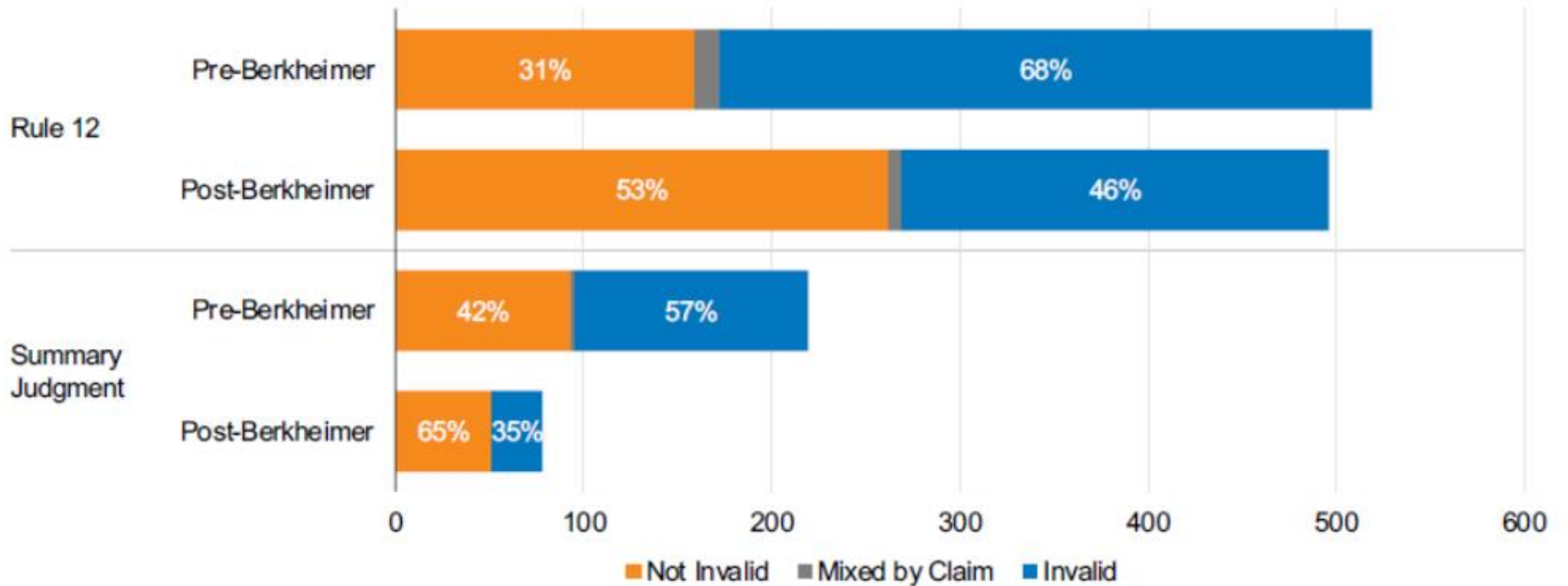
1. “[A] Rule 12(b) motion to dismiss is a procedurally awkward place for a court to resolve a patent’s § 101 eligibility.” *Slyce Acquisition Inc. v. Syte-Visual Conception Ltd.*, No. 6:19-cv-257-ADA, 2020 WL 278481 at *5 (W.D. Texas Jan. 10, 2020).
2. On December 27, 2021, Judge Albright granted his first Rule 12(b)(6) Motion to Dismiss under § 101. It is too soon to tell if this is a new trend or an aberration for Judge Albright.

The *Berkheimer* & *Aatrix* Cases

Whether a claim is unpatentable or not (e.g., an abstract idea) may require fact finding.

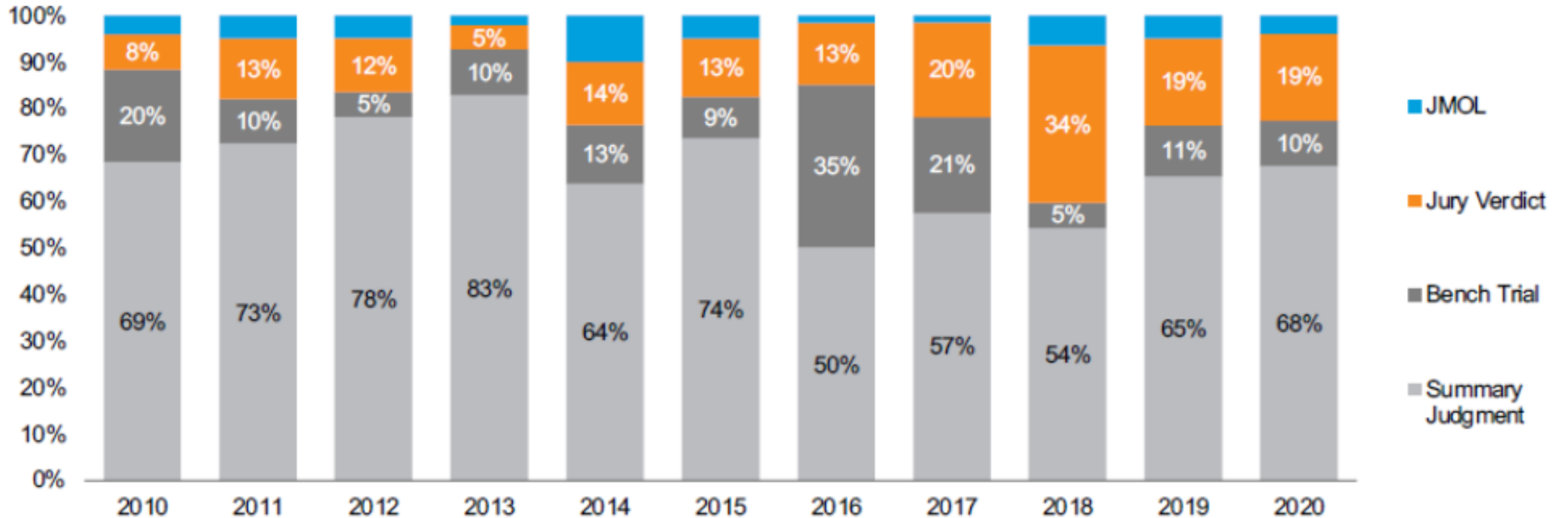
If fact finding is required, the §101 motion is denied.

The Impact of the *Berkheimer* & *Aatrix* Cases



Courtesy of RPX Corp.

The Prevalence of Summary Judgment Dispositions



Nationwide Merits Dispositions, courtesy of RPX Corp.

How did we deal with partial summary judgment?

We provided 2 percentages:

100% Grant	Partial Grant
33%	45%

Percentage only includes when all motion claims were found invalid or not infringed.

Percentage includes all claims found invalid or not infringed and if some claims were found invalid or not infringed.

Invalidity Summary Judgment - Success Rates By District

District	2018		2019		2020		2021		Cumulative	
W.D. Texas	0%		0%		33%	66%	29%		18%	27%
E.D. Texas	11%		14%	34%	22%	33%	0%	33%	12%	28%
D. Delaware	26%	32%	19%	23%	11%		19%	24%	18%	22%
C.D. Cal.	33%		24%	35%	20%	33%	33%		27%	33%
N.D. Cal.	9%	18%	33%		33%		33%	40%	26%	31%

Data courtesy of Docket Navigator

Non-Infringement Summary Judgment - Success Rate By District

District	2018		2019		2020		2021		Cumulative	
W.D. Texas	0%		0%		0%		17%	33%	8%	17%
E.D. Texas	4%	18%	25%	33%	18%	21%	8%	25%	15%	25%
D. Delaware	19%	31%	32%	47%	7%	29%	9%	31%	17%	35%
C.D. Cal.	24%	38%	22%	57%	29%	47%	17%	25%	30%	46%
N.D. Cal.	38%	54%	36%	55%	31%	44%	62%	69%	46%	55%

Courtesy of Docket Navigator

III. Summary & Takeaways

As our data shows, it is considerably harder for a Patent Challenger to win procedural and substantive motions in the Western and Eastern Districts of Texas compared to the Central or Northern Districts of California.

Invalidity Summary Judgment Motions:

E.D. Texas: 12%

C.D. California: 27%

III. Summary & Takeaways

Non-infringement summary judgment motions –

W.D. Texas: 8%

N.D. California: 46%

which is a 38% difference in win rates.

III. Summary & Takeaways

Delaware is also not a great place to defend a patent case –

Invalidity		Non-Infringement	
18%	22%	17%	35%



Why doesn't every Defendant file a motion to transfer out of the Western or Eastern District of Texas?

You can't just transfer anywhere

1. Remember, a case can only be transferred to a District where the case might have been brought, according to 28 U.S.C. § 1404(a).

Case 1: If only a Japanese (e.g., parent) company is a defendant, it will difficult to prove that N.D. Cal. is more convenient than the W. D. Texas for travel from Japan.

You can't just transfer anywhere

Case 2: If a Japanese parent company and U.S. subsidiary are both sued, then the *TC Heartland* case says that a company can only be sued for patent infringement:

Where the
defendant
resides

OR

Where the defendant
has committed acts of
infringement and has a
regular and established
place of business

Where the defendant resides

OR

Where the defendant has committed acts of infringement and has a regular and established place of business

If the U.S. Subsidiary is -

Delaware



New York



then the case cannot be transferred to the Northern or Central District of California.

III. Summaries & Takeaways

Comparison of the Western District of Texas and the Northern District of California

W.D. Texas	N.D. California
Fact Discovery mostly deferred until after the claims are construed by the Court.	Fact discovery begins immediately after the scheduling conference.
No Early Neutral Evaluation	Mandatory Early Neutral Evaluation
Mandatory early exchange of Infringement and Invalidity Contentions	Mandatory early exchange of Infringement and Invalidity Contentions
Simplified discovery motion practice	Cumbersome discovery motion practice
Early Claim Construction Before Fact Discovery	Claim Construction During Fact Discovery



ご質問はありますか?

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ありがとうございました。

いつでもご連絡ください。



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