

## What You Need to Know About Managing a Patent Mega-Case

By Michael Carlson and Michael Vella

With the expanded use of patents to protect business innovation, high-stakes patent litigation has become an unwelcome byproduct of business success. Increasingly, such litigation involves numerous patents on different technologies asserted by each side in several forums around the world. The resulting “mega-case” presents a strategic and logistical challenge that tests the skills of the best patent litigators. Unless those challenges are met efficiently, the costs of the mega-case can quickly spiral out of control.

To manage a mega-case, teamwork is essential. No one person can oversee all the many issues and tasks involved. Responsibilities must be divided among teams of lawyers — and those teams must effectively communicate.

### ESTABLISHING SUBJECT MATTER TEAMS

Smaller patent cases are sometimes divided into two teams, each responsible for the patent(s) asserted in the complaint or counterclaim. But in a mega-case, such a clean division is not possible or desirable. Further division into teams of limited subject matter becomes necessary to maintain case momentum.

One approach is to assign a team to each asserted patent. To the extent related patents are asserted, a single team can easily handle the related subject matter.

However, as the number of patents handled

by a team grows, the amount of work multiplies significantly. Further division of the team may be necessary, such as creating an infringement team and an invalidity team. Without further division of responsibility, labor-intensive tasks may not be accomplished on a timely basis, and the case will soon stall.

When patents are asserted in different countries, it will also be necessary to form a local team with local expertise. However, if one of the foreign patents is the counterpart of a patent asserted in the U.S. litigation, the U.S.-based team should also be involved in the foreign proceeding to ensure the teams do not act at cross-purposes.

In a mega-case that we handled recently, we found it useful to organize teams by the technology asserted in various patents — regardless of whether those patents were in the same patent family, or were asserted in the complaint, counterclaim, a related lawsuit in a foreign country, or a patent-office proceeding. These technology teams were able to concentrate on the substantive issues of claim construction, infringement and invalidity involved in the particular technology, ensuring consistency of positions across the various matters.

### ESTABLISHING TASK-SPECIFIC TEAMS

A patent lawsuit is a beast of many burdens, and the burdens imposed by routine tasks — such as responding to opposing counsel, reviewing documents and answering discovery — are amplified many times over in a mega-case. These tasks can overwhelm the subject matter teams, making them less effective in advocating the merits of the case. It can be very useful in such situations to appoint task-specific teams to handle these tasks, regardless of the subject matter. While the subject matter teams will still be significantly involved in these tasks, the simple act of placing the final responsibility for the product in the task-specific team can greatly alleviate the demands on the subject matter team. Furthermore, because the

task-specific teams are responsible for executing these tasks for the entire case, they can ensure that one subject matter team does not take positions that are inconsistent with the positions taken by other teams in these tasks.

The unique circumstances of each case will determine the tasks that need delegation to such teams. In the mega-case we recently handled, these task-specific teams were formed:

- Meet and Confer Team;
- Document Review Team;
- Written Discovery Team;
- Damages Team;
- Foreign Litigation Coordination Team; and
- Settlement Team.

Team formation, however, is not an end in itself. The trick is to strike a balance between keeping teams to a manageable minimum to control costs, while ensuring that work is done well and on time. In a mega-case, momentum is a crucial strategic factor for gaining advantage in the litigation and in driving settlement negotiations. Plaintiffs generally want to push the case forward as quickly as possible so that defendants fully appreciate the magnitude of the risk. Defendants sometimes seek ways to stall the litigation so that the plaintiff will lose stomach for the fight.

In either case, however, the lawyers cannot undertake the legal maneuvers necessary to control case momentum unless the right mix of teams is in place to execute quickly when opportunities arise. Managing attorneys must therefore be sensitive to when they, or one of their teams, is becoming a bottleneck to efficient and successful handling of litigation tasks and opportunities.

### KEEPING THE TEAMS ON TRACK

No matter how a firm divides its teams, the teams all must share the same goal — to prepare their part of the case consistently with the themes and positions taken by other teams. In a mega-case, where many events occur simultaneously, it is easy to get caught up in responding to events and lose sight that

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the case must one day be tried in a comprehensible way to a jury. If trial preparation is not the goal from Day 1, the task of gearing up for trial on a mega-case will soon become insurmountable.

Our approach to keeping our teams on track is the "roadmap to victory" — a written document that details what we want to accomplish at trial both legally and factually, and the steps we intend to take to get ready for that trial. The roadmap to victory is a living document, which is never final until the trial starts. It is reviewed and revised throughout the case as claim constructions are made and new facts are developed. But it is surprising how many times the trial actually involves the legal issues that are identified as the focus of the case at the very beginning.

Each subject matter team is responsible for writing and updating the roadmap for its portion of the case. The team leader assigns a lawyer to do the initial drafting, but is responsible him- or herself for the final project. Each roadmap is reviewed with the partner in charge of the case.

The roadmaps also form the basis for the discovery to be formulated by the discovery team. Each roadmap identifies the facts that need to be proven and the recommended vehicles for proving those facts. Using these recommendations, the discovery team drafts appropriate interrogatories and document requests and identifies the list of witnesses to be deposed. The subject matter team then reviews, edits, and supplements the discovery requests to ensure that all issues are covered.

## MANAGING COMMUNICATION AMONG THE TEAMS

Once the teams are established, they must communicate effectively. Internal communication on a case needs to be done both at the strategic and the operations level. Strategic communication is necessary to be sure there is a consistent, rational and thought-out approach to winning the case. Operational communication is necessary to be sure balls don't get dropped.

### *Strategic Communications*

We use the roadmap to victory to accomplish strategic communication. With each iteration, the roadmap, once approved by the partner-in-charge, is circulated to every lawyer working on the case so that everyone knows what the case goals are. A junior associate, reviewing documents in connection with issue A, will undoubtedly see documents that are relevant to issues B and C. Unless the associate knows all the issues, he or she will not identify a crucial document.

### *Operational Communications*

The other aspect of internal communications is to let people know what is happening in the case on a day-to-day basis.

In the case we handled, we had lawyers in five different geographic locations. On most days, there would be three to five pieces of correspondence exchanged between the parties, along with deposition notices and court filings. We had to choose between circulating everything to everyone on the case and putting someone in the role of deciding what documents needed to be circulated to which people. We decided that it was safer to have each individual lawyer make a judgment about the importance of a letter or filing to his or her portion of the case. We converted every document in the case to a .PDF file that was e-mailed to every lawyer on the case.

We also create a running task list. We kept a document that listed every task that we knew needed to be accomplished, the date by which we wanted to get the task done, and the person assigned to make sure that happened. The list was circulated at the end of the day each Monday. The task list was the responsibility of the partner coordinating activities on the case. Every Monday morning, he would review the list and delete completed tasks, check on the status of overdue tasks, and contact other team leaders to get a list of additional tasks that needed to be added to the list.

The third communication method we used was to create a master calendar of all deadlines for the case. The master calendar, which was circulated weekly, allowed each attorney to know everything that was scheduled to go on in the case.

### COMMUNICATING WITH THE CLIENT

Mega-cases also present problems for communicating with the client. There can be so much going on in the case that no one takes the time to communicate important developments to the client. At the other extreme, the client can easily be inundated with information. A balance has to be reached, which should be governed by what the client wants.

There are two types of client communication that need to be managed. First, there is the active communication to allow you to do your job: Getting information from the client to allow you to develop the case and respond to discovery, reporting to the client on developments, and giving the client advice. The client should hear these communications with as close to "one voice" as possible.

Ideally, all communication would be funneled through a single attorney to insure

consistency, but this is usually impractical. Therefore, the law firm should establish guidelines on who will be communicating with the client, and about what topics. If the subject matter team approach is followed, then the leader of each team would speak with the client about topics relevant to his or her subject matter. There also has to be one person, with overall responsibility for the case, who communicates with the top management of the client.

The second type of communication with the client involves passing on other communications in the case: Correspondence, pleadings, deposition transcripts, and the like. The easiest system is to send the client everything, subject to protective order restrictions. However, if the client wants only certain categories of communications, it is important that someone be designated to decide what gets sent to the client. That decision should be made within 24 hours of receipt of a document by someone with sufficient understanding of the case and sufficient judgment and experience to make the right call.

### COMMUNICATING WITH OPPOSING COUNSEL

Similar communication issues exist in communicating with opposing counsel. Again, speaking with one voice needs to be the goal. Obviously, each attorney in a deposition or at a hearing will have the authority to speak on his own, but we recently followed a system where all correspondence regarding discovery was funneled through a single lawyer. Since he knew every discovery issue in the case, and every discovery position that had been taken, we managed to largely eliminate miscues with this approach.

### PARTING THOUGHTS

There is no one way to organize and run a mega-case. The organization scheme you choose must have two goals: Winning the case and controlling costs. No matter how strong your patents or your infringement position, your case will suffer if you are not prepared to bring it to trial. If you are better prepared than your adversary, you can drive the dynamics of the case. By being prepared and demonstrating that preparedness to the other side, the client's interests will be well served by a strong trial or a favorable settlement.



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