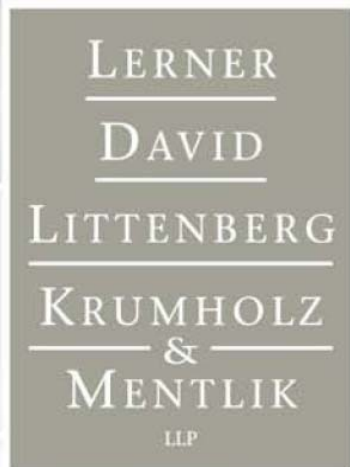


The Local Patent Rules for the District of New Jersey:

“The Rules”



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History and Background

Preliminary Matters

Rule 3.1 - 3.4 - Infringement/Invalidity Contentions

Rule 3.5 - DJ Cases

Rule 3.6 - Hatch – Waxman Cases

Rule 3.7 - Amendments to Disclosures

Rule 3.8 - Advice of Counsel

Rule 4 - Claim Construction Procedures

History and Background

1. Enacted as Local Civ. R. 9.3
2. Scope and modification of the rules (Rules 1.1-1.4)
 - a) Effective as of January 1, 2009
 - b) Applies to all patent cases
 - c) Flexible - court may modify

History and Background

Structure of the Local Patent Rules

- General provisions (Rules 2.1 – 2.4)
- Patent disclosures (Rules 3.1 - 3.5)
 - Plaintiff/Patentee (Infringement Contentions)
 - Defendant (Invalidity Contentions)
- Advice of Counsel (Rule 3.6)
- Claim construction Issues (Rules 4.1 – 4.6)

Preliminary Matters

- Initial Scheduling conference (Rule 2.1)
- Confidentiality (Rule 2.2)
- Relationship to Federal Rules

O2 Micro v. Monolithic, 467 F.3d 1355 (Fed. Cir. 2006).

- Expert Witness Issues

Initial Scheduling Conference

Scheduling conference (Rule 2.1)

- a) Propose modifications to Local Patent Rules
- b) Discuss claim construction timing
- c) Address format for claim construction hearing
- d) How parties will educate the court on the patent(s)
- e) Need for a Confidentiality Order

Confidentiality Issues

Confidentiality (Rule 2.2)

- a) Within 30 days of Scheduling Conference
- b) Pending entry of Confidentiality Order – produce documents as “outside counsel’s eyes only”
- c) Documents under seal - Local Civil Rule 5.3
- d) Appendix S – District’s approved Discovery Confidentiality Order

Relationship to Federal Rule – Rule 2.3

1. Cannot object to discovery requests or decline to provide 26(a)(1) disclosures, as premature.
2. Exceptions:
 1. Seeking claim construction positions
 2. Comparison of patent to accused device
 3. Comparison of asserted claims to prior art
 4. Advice from counsel (opinions)
3. If a party objects as untimely - provide information when timely

Expert Witnesses – Rule 2.4

1. Claim construction experts governed under L. Pat. R. 4.1
2. Expert reports other than claim construction generally will be delayed until after claim construction ruling
 1. Avoids parties doing expert reports in the alternative
 2. Still allows expert reports during claim construction

Contentions – Rule 3

14 Days after Scheduling Conference:

Typical
Plaintiff

- Disclosure of Asserted Claims and Infringement Contentions (Rule 3.1)
- Document Production (Rule 3.2)

45 Days after Rule 3.1 Disclosures:

Typical
Defendant

- Disclosure of Invalidity Contentions (Rule 3.3)
- Document Production (Rule 3.4)



Sharon Shea

Infringement Contentions – Rule 3.1

1. Each claim that is infringed
2. Identify “Accused Instrumentality” of opposing party – as specific as possible, *e.g.*, by name or model number
3. Chart identifying limitations on Accused Instrumentality
4. Description of the acts of any alleged indirect infringement
5. Literal infringement or by DOE
6. Priority date each claim is entitled
7. Identification of parties own instrumentalities that practice the invention
8. Basis of willfulness

Infringement Documents – Rule 3.2

1. Disclosures and offers for sale

2. Conception / reduction to practice / development

3. File history

4. Ownership

5. Operation of own instrumentalities covered by patent

6. Identify by production numbers which documents correspond to which category

Invalidity Contentions – Rule 3.3

1. Prior art under § 102
2. Obviousness – must show combinations
3. Chart correlating prior art to claim limitations
4. Invalidity under § 101
5. Lack of enablement or written description under § 112(1)
6. Indefiniteness under § 112(2)

Invalidity Documents – Rule 3.4

1. Documents sufficient to show the operation, composition or structure of Accused Instrumentality
2. Prior art that is not in file history
3. Identify by production numbers which documents correspond to which category

DJ Cases – Rule 3.5

- Roles are typically “flipped” – Assuming infringement counterclaim, then DJ defendant patentee will still go first with infringement contentions in normal schedule
- If no infringement claim, then DJ Plaintiff must comply with Invalidity Contentions

Invalidity contentions due 10 days after initial scheduling conference

“Disclosure of Asserted Claims and Infringement Contentions” does not apply

- Rule does not apply to counterclaim

Hatch – Waxman Cases – Rule 3.6

- Inverts the process of 3.1 to 3.5
- Takes precedence over any conflicting provision in Rules 3.1 to 3.5 (disclosures)

- At or prior to scheduling conference – production of Abbreviated New Drug Application or New Drug Application
- 14 Days after scheduling conference – defendant provides written basis for invalidity contentions and non-infringement contentions
- Invalidity and non-infringement contentions must be accompanied by documents
- 45 days after disclosure of non-infringement contentions plaintiff provides defendant with infringement contentions with documents

Amendments to Disclosures – Rule 3.7

- ❖ Order of the court by timely application and showing of good cause
- ❖ Enumerated examples of good cause (nonexclusive):
 1. Claim construction differs from that proposed by the party seeking amendment.
 2. ~~Recent discovery of material prior art.~~
 3. Discovery of nonpublic information about accused instrumentality.
 4. Disclosure of asserted claim and infringement by plaintiff under Hatch Waxman not previously presented or anticipated.

Advice of Counsel – Rule 3.8

- Not later than 30 days after entry of court's claim construction order ...

.. if relying upon advice of counsel, defendant must produce written advice and documents related to:

1. Attorney work product - protection waived
2. Written summary of oral advice
3. Serve privilege log related to advice documents still being withheld except those authored by counsel acting solely as trial counsel

Claim Construction Procedures – Rule 4

Rule 4.1 - Exchange proposed terms for construction

14 Days after invalidity cont. or 45 days after infringement cont. if no validity issue

- a) Meet and confer for purposes of limiting terms

Rule 4.2 - Exchange preliminary construction and extrinsic evidence

21 Days after exchange of proposed terms

- a) Identify all intrinsic and extrinsic evidence for support and experts

Rule 4.3 - Joint Claim Construction and Prehearing Statement

30 Days after preliminary claim constructions

- a) Identify terms on which parties agree
- b) Proposed construction of disputed terms and evidence (intrinsic and extrinsic)
- c) Identify terms that are significant to resolution of the case
- d) State length of time needed for claim construction hearing
- e) State whether the parties will present live witnesses at claim construction hearing

Rule 4.4 - Completion of claim construction discovery

30 days after filing joint claim construction and prehearing statements

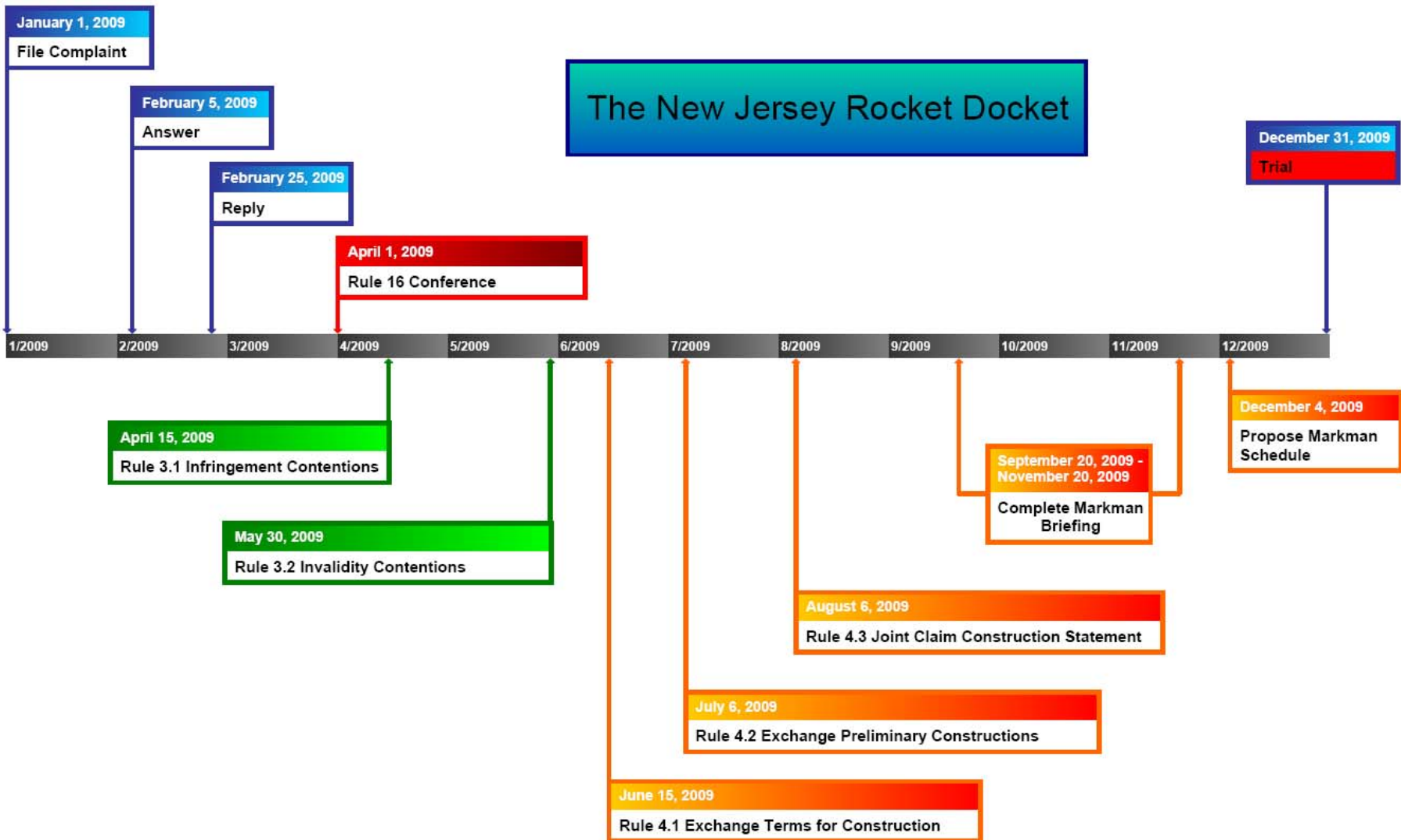
- a) Witnesses other than experts
- b) Expert depositions by 30 days after initial *Markman* briefs

Rule 4.5 - Claim construction submissions

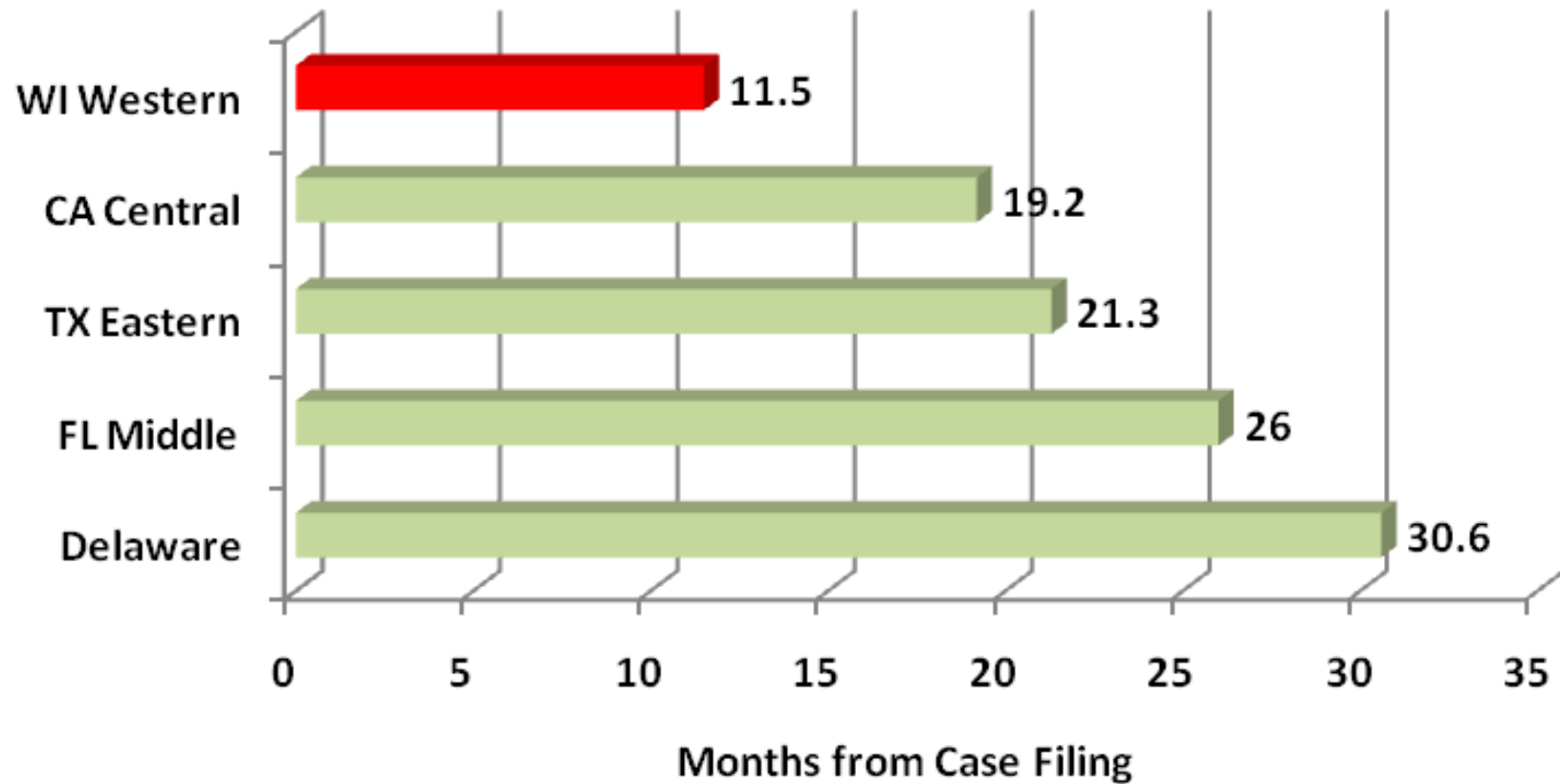
- a) Opening *Markman* briefs - not later than 45 days after filing joint claim construction and prehearing statement
- b) Conclusion of expert witness within 30 days after filing opening *Markman* briefs
- c) Responding *Markman* briefs - not later than 60 days after opening *Markman* briefs

Rule 4.6 - Claim construction hearing

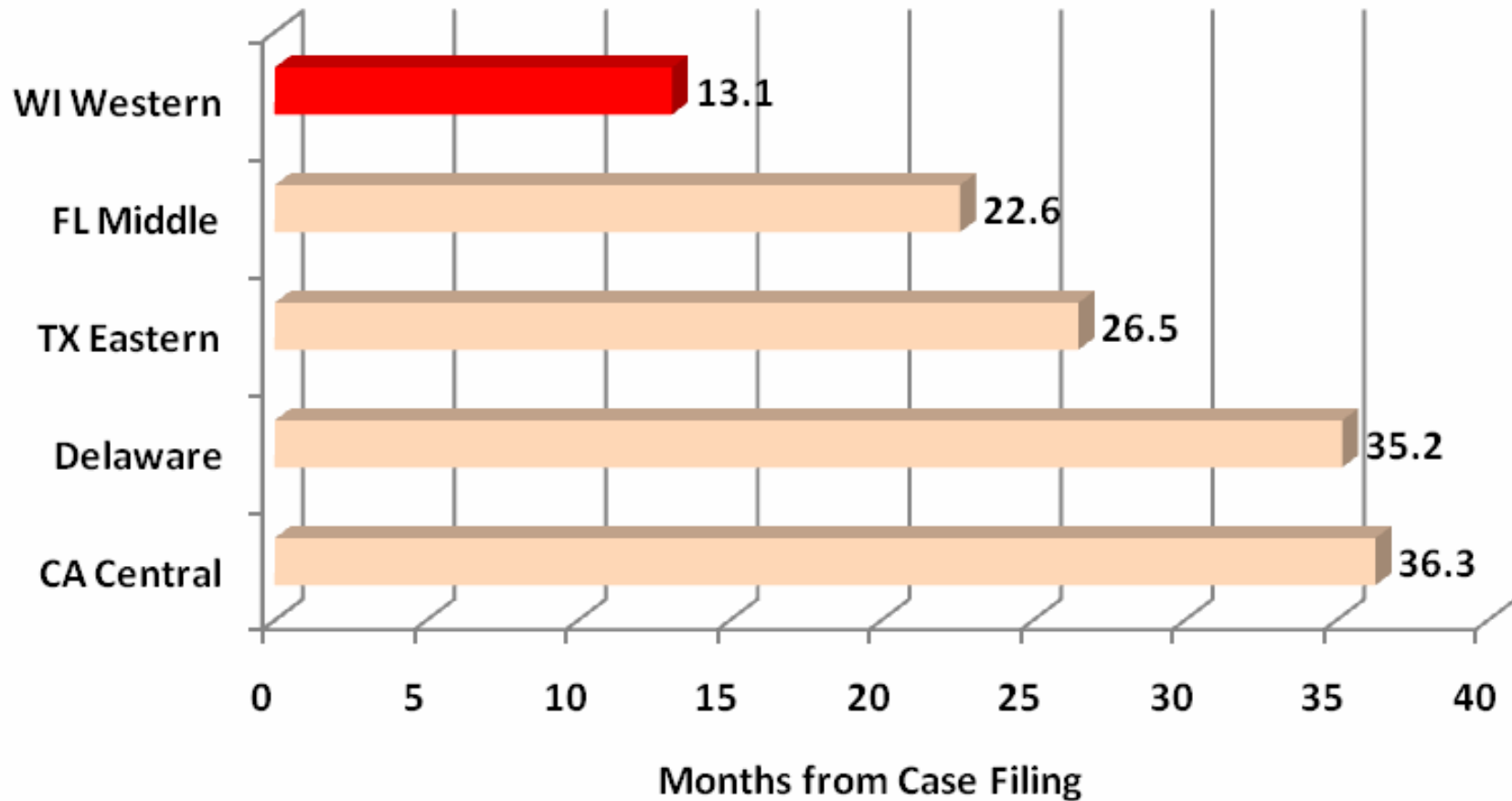
- a) Two weeks following submission of briefs – counsel confer and propose schedule
- b) Court set date



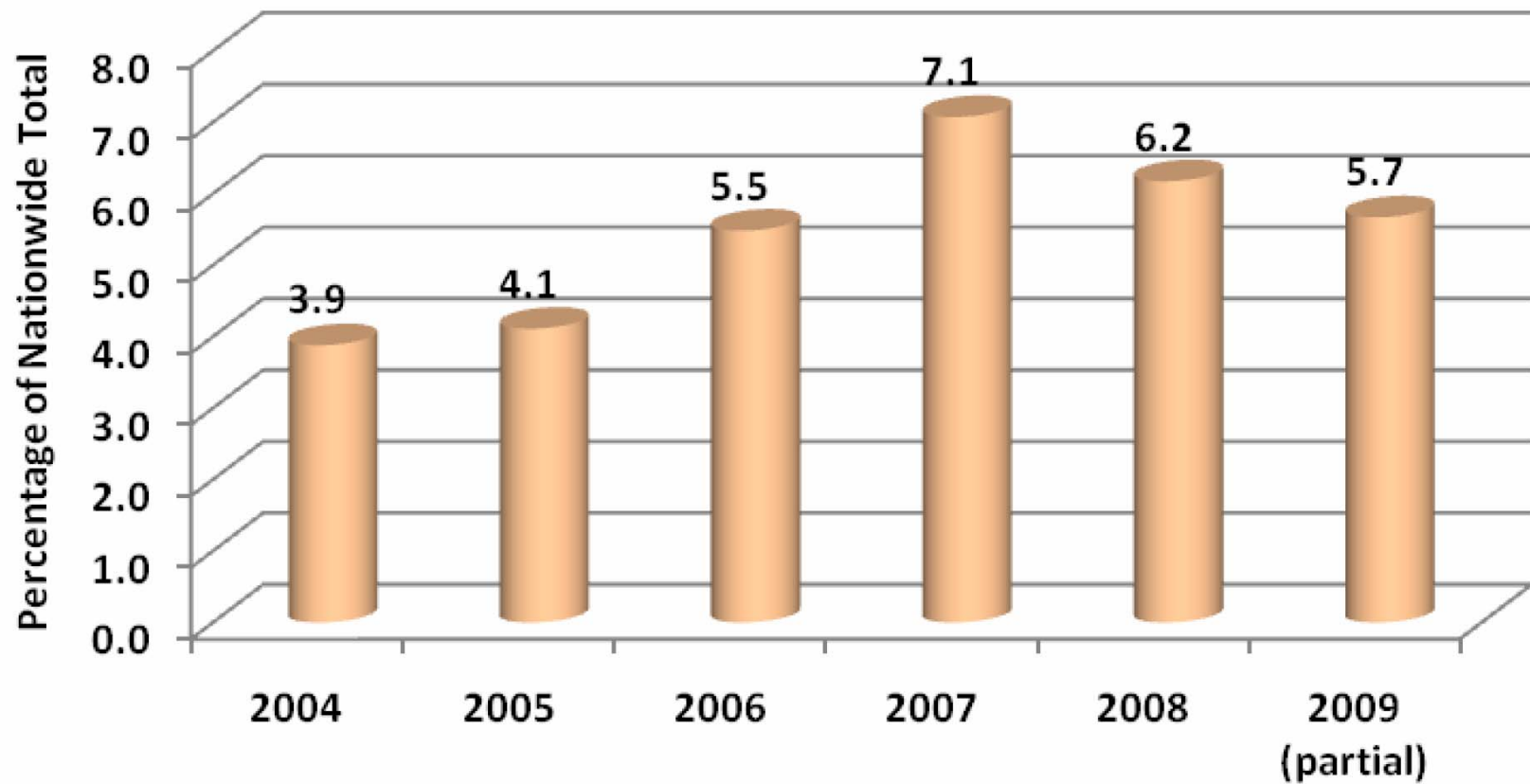
Average Time to Termination by Summary Judgment



Average Time to Termination by Jury Trial



New Jersey District Share of Patent Litigation



Question: Should Contentions be Prior To Claim Construction?

<p>Claims of U.S. Patent 5,530,966</p>	<p>Invalidity under 35 U.S.C. § 102(b)/§ 103 over U.S. Patent No. 5,029,341 to Wingo ("Wingo"), or, alternatively, Invalidity under § 103 over Wingo in view of U.S. Patent No. 4,993,076 to Dierickx ("Dierickx")</p>
<p>1. A protective garment for the torso of a body for use by baseball umpires comprising in combination</p>	<p>Figs. 1 and 2 of Wingo are reproduced below:</p> <p>FIG. 2</p>