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**ENSURING SUCCESSFUL CLAIM CONSTRUCTION
AND SUMMARY DETERMINATION:
HOW TO OBTAIN THE RESULTS YOU WANT**

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I. Introduction

The “claims of a patent define the invention to which the patentee is entitled the right to exclude.”¹ It is therefore axiomatic that the purpose of the claim construction process in any proceeding is paramount insofar as it determines the meaning and scope of the asserted patent claims.²

In Markman v. Westview Instruments, Inc. and its progeny,³ the Federal Circuit established a framework for claim interpretation – namely, when interpreting patent claims, the presiding judge⁴ should first look to the intrinsic evidence (i.e., the patent claim, specification, and the prosecution history) and look only to extrinsic evidence (all other evidence) when the intrinsic evidence does not resolve the dispute. Since the first of these determinations, U.S. district courts have considered various options to efficiently and effectively implement the claim construction directives. Today, Markman hearings – hearings generally limited to the issue of claim construction to assist the presiding judge interpret the asserted patent claims – are commonplace in U.S. district court patent cases. However, aspects regarding the timing of such hearings and rulings continue to create substantive and procedural issues for U.S. district court judges and counsel. In this

¹ Phillips v. AWH Corp., 415 F.3d 1303 (Fed. Cir. 2005), cert. denied, 546 U.S. 1170 (2006).

² 02 Micro Int’l, Ltd. v. Beyond Innovation Tech. Co., 521 F.3d 1351 (Fed. Cir. 2008).

³ Markman v. Westview Instruments, Inc., 52 F.3d 967 (Fed. Cir. 1995), aff’d, 517 U.S. 370 (1996); see also Phillips v. AWH Corp., 415 F.3d 1303 (Fed. Cir. 2005), cert. denied, 546 U.S. 1170 (2006); Vitronics Corp. v. Conceptronic, Inc., 90 F.3d 1576 (Fed. Cir. 1996).

⁴ Claim construction is entirely a legal question and such determinations are to be made by the presiding judge, as a matter of law. Cybor Corp. v. FAS Techs., Inc., 138 F.3d 1448 (Fed. Cir. 1998).

regard, the Federal Circuit has given U.S. district courts substantial discretion regarding the timing of Markman hearings and rulings.⁵ Therefore, although common, the timing of Markman hearings and rulings vary widely, from early in proceedings, to late in proceedings, and everywhere in between.

Due to the speed at which patent litigation proceeds before the U.S. International Trade Commission (“Commission”) under Section 337 of the Tariff Act of 1930, as amended,⁶ and the statutory and regulatory deadlines that must be met, the substantive and procedural issues created by the timing of claim construction hearings and rulings are magnified in these investigations. While not as common as in U.S. district courts, the use of claim construction hearings has increased in Section 337 investigations relatively recently. With this increase in use, the substantive and procedural issues created by the timing of these hearings and rulings in Section 337 investigations have come to the forefront – most notably, in Certain Mobile Telephones and Wireless Communication Devices Featuring Digital Cameras and Components Thereof, Inv. No. 337-TA-703 (“Mobile Telephones”).

Will the Commission’s recent determination in Mobile Telephones affect the use of claim construction hearings in Section 337 investigations going forward? How have the various Commission Administrative Law Judges approached the claim construction process, both before and following the Commission’s recent determination in Mobile Telephones, Inv. No. 337-TA-703? What are the most effective techniques for the claim construction process in Section 337 investigations? This paper begins with a summary of

⁵ Sofamor Danek Group, Inc. v. DePuy-Motech, Inc., 74 F.3d 1216 (Fed. Cir. 1996).

⁶ 19 U.S.C. § 1337.

the claim construction process and determination in Mobile Telephones and then addresses the foregoing and other questions related to the claim construction process in Section 337 investigations.

II. Claim Construction Rulings at the Commission Must Be In the Form of An Order Rather Than an Initial Determination

A. Summary of Mobile Telephones

On October 20, 2010, following a July 22, 2010 notice determining to review presiding Chief Administrative Law Judge Luckern's Initial Determination on claim construction,⁷ the Commission decided that claim construction determinations are not properly issued in the form of initial determinations pursuant to Commission Rule 210.42(c) (19 C.F.R. § 210.42), but rather must be issued in the form of orders.⁸

Specifically, the Commission stated that:

Upon review of Commission Rules 210.18 and 210.42, 19 C.F.R. §§ 210.18, 210.42, and the parties' submissions, the Commission has determined that the June 22, 2010, initial determination on claim construction issued by the presiding administrative law judge is an order rather than an initial determination. Commission Rule 210.42 does not include claim construction in the list of issues that must be decided in the form of an initial determination. Nor is claim construction properly the subject of a motion for summary determination under Commission rule 210.18 since claim construction, standing alone, is not an "issue" or "any part of an issue" within the meaning of that rule. While the Commission finds that the rules are unambiguous, to the extent interpretation is required, the Commission determines in its discretion and in the interest of the

⁷ Certain Mobile Telephones and Wireless Communication Devices Featuring Digital Cameras, and Components Thereof, Inv. No. 337-TA-703, Notice of Comm'n Determination to Review Initial Det. (July 22, 2010).

⁸ Certain Mobile Telephones and Wireless Communication Devices Featuring Digital Cameras, and Components Thereof, Inv. No. 337-TA-703, Notice of Comm'n Determination That June 22, 2010, Initial Determination is an Order Rather Than an Initial Det. (Oct. 20, 2010).

expeditious conclusion of section 337 investigations that a ruling on claim construction is properly issued in the form of an order.⁹

By way of background, the investigation in which the Commission rendered its determination, Mobile Telephones was instituted on February 17, 2010 based on a complaint filed by Eastman Kodak Company against Research In Motion, Ltd., Research In Motion Corporation, and Apple Inc. On April 19, 2010, presiding Chief Administrative Law Judge Luckern, at the request of the respondents (which was opposed by Eastman Kodak Company), issued an order granting respondents' request and set a claim construction hearing (as well as procedural schedule for requesting summary determination on claim construction) in the investigation. The claim construction hearing was conducted on May 24 and 25, 2010, and following that hearing, Chief Administrative Law Judge Luckern issued an Initial Determination on June 22, 2010, construing the claim terms in dispute.¹⁰ Therein, Chief Administrative Law Judge Luckern noted:

As set forth in the Procedural History, supra, pursuant to Order No. 5, which issued on March 31, 2010, an evidentiary hearing on violation is set to commence on September 1, 2010 with prehearing statements by the private parties to be filed on August 4, 2010 and by the Staff on August 18, 2010. Moreover, as set forth also in said Procedural History, Order No. 4, which issued on March 19, 2010, set a target date of May 23, 2011. Hence a final determination on claim construction on all claim language, or at least certain of the claim language, treated in said determination, before the commencement of the evidentiary hearing on violation on September 1, would lead to efficiencies at the violation hearing. Thus an early

⁹ Id.

¹⁰ Certain Mobile Telephones and Wireless Communication Devices Featuring Digital Cameras, and Components Thereof, Inv. No. 337-TA-703, Initial Det. (June 22, 2010).

decision by the Commission on this Initial Determination is respectfully requested.¹¹

Petitions for review and responses thereto were filed by the parties on June 30, 2010 and July 8, 2010, addressing, among others, whether claim construction rulings at the Commission are appropriately made in the form of initial determinations. On July 22, 2010, the Commission issued a notice determining to review in its entirety the Initial Determination on claim construction issued by Chief Administrative Law Judge Luckern.¹² Therein, the Commission also solicited additional briefing with respect to the issues on review and, in particular, “the question of the legal authority for addressing the issue of claim construction as a matter for summary determination and treating the claim construction ruling as an initial determination under the Commission’s rules of practice and procedure as currently written.” In this regard, the Commission requested that the parties respond to the following hypothetical analysis:

As used in Rule 210.18(a), the term “issues to be determined in the investigation” can be viewed as limited to claims and affirmative defenses; a “part” of such an issue includes an element (or subpart thereof) of a claim or affirmative defense. Thus, the following could be a non-exhaustive list of examples of issues or parts thereof that are covered by Rule 210.18(a): violation, importation, infringement, domestic industry (technical or economic prong), invalidity on any basis (such as anticipation or obviousness), unenforceability. Claim construction may be a necessary underpinning to the resolution of certain issues or elements, and may be part of a summary determination that addresses an issue or element. On its own, however, claim construction might not be viewed as constituting such an issue or element.¹³

¹¹

Id.

¹²

Certain Mobile Telephones and Wireless Communication Devices Featuring Digital Cameras, and Components Thereof, Inv. No. 337-TA-703, Notice of Comm’n Det. to Review Initial Det. (July 22, 2010).

¹³

Id.

Detailed briefs and responses thereto were filed by the parties on August 5, 2010 and August 16, 2010, and the Commission subsequently issued its decision, on October 20, 2010, finding that the June 22, 2010, initial determination on claim construction should have properly been issued as an order rather than an initial determination.¹⁴

B. Practical Considerations of the Form and Timing of Claim Construction Hearings and Rulings at the Commission

While a number of claim construction ruling have been issued by Commission Administrative Law Judges in the form of orders, Chief Administrative Law Judge Luckern's decision in Mobile Telephones represented the first claim construction ruling at the Commission issued in the form of an initial determination. Historically, Commission Administrative Law Judges, like their U.S. district court counterparts, have struggled with determining the most appropriate timing for claim construction hearings and rulings. On the one hand, early claim construction hearings and rulings will simplify and narrow the issues for subsequent discovery and the evidentiary hearing, thus reducing litigation costs, as well as possibly result in early settlement of the dispute. However, claim construction is an evolving process and early claim construction hearings and rulings may unnecessarily restrict a judge from altering claim interpretation with information gained through subsequent discovery, or once the positions of the parties have been fully vetted during the evidentiary hearing. On the other hand, later claim construction hearings and rulings, either later in the discovery process, or at or following the evidentiary hearing, with a better understanding of the relevant facts and information,

¹⁴ Certain Mobile Telephones and Wireless Communication Devices Featuring Digital Cameras, and Components Thereof, Inv. No. 337-TA-703, Notice of Comm'n Determination That June 22, 2010, Initial Determination is an Order Rather Than an Initial Det. (Oct. 20, 2010).

albeit at the sake of higher litigations costs as a result of pursuing discovery, etc., with respect to alternative constructions, may result in a more learned claim construction ruling.

In addition to the foregoing concerns, which are generally equally applicable to U.S. district court judges, Commission Administrative Law Judges also must take into account the speed at which Section 337 investigations proceed, the statutory and regulatory deadlines that must be met, and the regulatory vehicles provided for in these investigations. Specifically, the discovery period in Section 337 investigations typically lasts 5-6 months, with an evidentiary hearing generally occurring within 8-10 months of institution. Initial determinations on violation in Section 337 investigations issue, on average, approximately 12 months following institution. As to deadlines and regulatory litigation vehicles provided for in Section 337 investigations, to become final, Commission Administrative Law Judge determinations must be approved, either explicitly or implicitly, by the full Commission. Pursuant to Commission Rule 210.42(c), initial determinations on issues other than violation are final and become the determination of the Commission 30 days after the date of service of the initial determination, unless the Commission orders review of the initial determination or certain issues therein.¹⁵ Moreover, any motion for summary determination in Section 337 investigations (orders resulting from which constitute initial determinations) must be filed at least 60 days before the date fixed for the evidentiary hearing.¹⁶ Rulings on issues other than those set forth in Commission Rules 210.42 and 210.18, may be disposed of by

¹⁵ 19 C.F.R. § 210.42(h)(3).

¹⁶ 19 C.F.R. § 210.18(a).

the presiding Administrative Law Judge in the form of a non-final order, not reviewable by the full Commission until an initial determination concerning violation is issued, pursuant to Commission Rule 201.42(a).

In light of the foregoing, it is understandable why Chief Administrative Law Judge Luckern sought an early disposition of the claim construction issues in Mobile Telephones to finally dispose of those issues in the form of an initial determination on summary determination. Approval, either explicitly or implicitly, of that Initial Determination by the Commission would have foreclosed the possibility of alternative constructions, and thereby streamlined the remaining discovery process and the evidentiary hearing (not to mention the presiding Chief Administrative Law Judge's initial determination on violation). Accordingly, such an outcome would have conserved valuable Commission resources and reduced overall litigation costs incurred by the private parties in the short-term. However, Chief Administrative Law Judge Luckern and the parties thereafter would have been bound by the claim interpretations approved by the Commission, despite any additional evidence that might have been forthcoming on the issue in discovery or at the evidentiary hearing. Any such evidence would constitute grounds for subsequent appeal following the initial determination on violation and might require remand and reopening of the administrative record, thus potentially consuming additional Commission resources and increasing overall litigation costs in the long-term.

Construing claim terms in the form of an order, permits the Administrative Law Judge to alter claim interpretations if subsequent evidence mandating revisions is forthcoming on the issue in discovery or at the evidentiary hearing. Issuing claim

construction rulings in the form of an order, however, generally permits the parties to continue to litigate the case (i.e., continue to conduct discovery and put on their cases during the evidentiary hearing) based on alternative claim constructions. Proceeding based on potential alternative claim constructions creates a full administrative record that is less likely to have to be reopened should the full Commission or the Federal Circuit disagree with any of the presiding Administrative Law Judge's constructions.

Accordingly, while some clarity may be gained from a claim construction ruling in the form of an order and possible efficiencies recognized in the long-term as a result of the comprehensive administrative record created, the efficiencies and streamlining that would be gained in the short-term from a claim construction ruling issued as an initial determination are not.

Certain Commission Administrative Law Judges – namely Judges Bullock, Essex, and Gildea (as discussed further infra) – have developed an alternate procedure that seeks the short-term efficiencies of claim construction rulings issued as initial determinations, but without finally disposing of the issue. These Administrative Law Judges issue their claim construction rulings in the form of non-final orders, but instruct the parties in their Ground Rules or in their claim construction rulings that following the issuance of the order “discovery and briefing in th[e] investigation[s] shall be limited to th[e] claim construction [set forth therein].” As with initial determinations, the exclusion of evidence regarding alternative constructions by the Administrative Law Judges may, if the constructions are overturned by the Commission or the Federal Circuit, require remand and reopening of the administrative record, thus potentially consuming additional

Commission resources and increasing overall litigation costs in the long-term. However, this procedure permits the Administrative Law Judge, in extraordinary circumstances and at his discretion, to take evidence on alternative constructions and/or amend claim construction rulings in the subsequently issued initial determinations on violation.

Following the Commission's October 20, 2010 determination in Mobile Telephones Commission Administrative Law Judges are precluded from issuing claim construction rulings in the form of initial determinations. Accordingly, all such determinations must now be issued in the form of non-final orders. The practical affect of the Commission's determination on the investigation in which private parties are either currently or soon to be involved will only be moderate. This is buttressed by the fact that Chief Administrative Law Judge Luckern's decision in Mobile Telephones represented the first claim construction ruling at the Commission issued in the form of an initial determination. However, to the extent that the Commission's determination may signal a lack of interest in providing finality as to claim construction rulings prior to the initial determination on violation, certain Administrative Law Judges may utilize early claim construction hearings and rulings less frequently.

In this regard, Administrative Law Judges Rogers and Charneski, who view consolidated claim construction and evidentiary hearings as most efficient in fast-paced Section 337 investigations, will continue not to hold claim construction hearings. Administrative Law Judge Bullock, who views an independent claim construction process as providing additional efficiencies to Section 337 investigations, will continue to hold claim construction hearings and issue claim construction rulings that limit the

discovery and briefing of the parties to those constructions in the majority of investigations over which he presides. Similarly, Administrative Law Judge Gildea will carry on with claim construction hearings and issue claim construction rulings in the majority of investigations over which he presides. Administrative Law Judge Essex will continue to hold claim construction hearings and issue claim construction rulings that limit the discovery and briefing of the parties to those constructions where such a process is likely to narrow the scope of the investigation (i.e., the asserted patent claim), streamline the evidentiary hearing, and/or encourage settlement and disposition of the investigation. Similarly, Chief Administrative Law Judge Luckern will hold claim construction hearings and issue claim construction rulings in those investigations that are particularly well suited for such a process and in which such a ruling is likely to narrow the scope of the investigation, streamline the evidentiary hearing, and/or encourage settlement and disposition of the investigation. Going forward, in those investigations in which Chief Administrative Law Judge Luckern holds claims construction hearings and issues rulings, he will place the burden on the parties during pre-hearing brief, the evidentiary hearing, and post-hearing briefing to convince him that his early claim constructions were in error.

C. Evaluation of Ground Rules and Claim Construction Approaches Implemented by the Commission Administrative Law Judges

1. Chief Administrative Law Judge Luckern

Chief Administrative Law Judge Luckern's Ground Rules do not contain any specific language regarding claim construction hearings or rulings. In those investigations in which Chief Administrative Law Judge Luckern has held claim

construction hearings and subsequently issued rulings, requests were made by the parties (in most instances the majority of the parties) in their discovery statements, proposed procedural schedules, and/or during the preliminary conference.

The only claim construction related provision in Chief Administrative Law Judge Luckern's Ground Rules, is contained in "The Pre-Hearing Statement" section and indicates that the prehearing statement should contain:

a statement, as to each claim in issue, indicating how a party wants the language to be interpreted and the basis in detail for that interpretation. Moreover, if there is a dispute as to the interpretation of any language in a claim each party should state what the dispute is, and why it wants the administrative law judge to accept the interpretation the party wants and not the interpretation advocated by an opposing party. If there are words in any claim which are not in dispute, the party should so represent. If a party in a prehearing statement does not raise an issue as to a word in each claim in issue, the administrative law judge will take the position that the party will have no objection as to how said word is interpreted by the administrative law judge.

Notably, in at least one prior investigation in which he held a claim construction hearing, Chief Administrative Law Judge Luckern allowed expert declarations to be utilized in claim construction briefing and live expert testimony at the hearing.. In addition, Chief Administrative Law Judge Luckern has noted that if his claim construction rulings are treated as orders, "the parties will have to convince the administrative law judge at the evidentiary hearing that each of the claim constructions in said [orders are] in error."

2. Administrative Law Judge Gildea

The summary to Administrative Law Judge Gildea's Ground Rules notes that

the proposed [procedural] schedule provides dates for the submission of proposed claim constructions for disputed claim terms. Absent a showing of good cause, the parties will be bound by their proposed constructions for disputed claim terms on the date the joint submission of disputed claim terms is due. The parties may submit proposals [] with their comments as to whether a Markman hearing at least two months in advance of the hearing would be useful in resolving disputed claim terms.

Administrative Law Judge Gildea's form Procedural Schedule also contains the following entries for the early exchange of claim terms: (1) "Parties exchange list of patent claim terms for construction"; (2) "Deadline for proposals requesting a Markman hearing"; (3) "Complainant(s) and Respondent(s) provide Staff with their proposed construction of the disputed claim terms"; (4) "Parties meet and confer (including Staff) in an attempt to reconcile or otherwise limit disputed claim terms"; and (5) "Parties submit a joint list showing each party's proposed construction of the disputed claim terms."

The "Pre-Hearing Brief" section of Administrative Law Judge Gildea's Ground Rules further indicates that the prehearing brief should contain:

complete proposed claim constructions for all patent claims at issue, consistent with the claim constructions provided in the joint list of proposed claim constructions for disputed claim terms submitted in accordance with the procedural schedule.

Where Administrative Law Judge Gildea does determine to hold a claim construction hearing, he generally establishes a period for the parties to put on short

technology and claim construction tutorials. Administrative Law Judge Gildea has also permitted the use of experts in the claim construction process.

3. Administrative Law Judge Essex

Administrative Law Judge Essex's Ground Rules address claim construction hearings in a section entitled "Markman Hearing on Claim Construction." That section provides:

If the Administrative Law Judge determines that a Markman hearing would be beneficial to the investigation, the Administrative Law Judge may conduct a Markman hearing on the date set forth in the procedural schedule for the purpose of construing any disputed claim terms of the patents at issue in the investigation. The parties and the Staff shall meet and confer on these issues no later than ten (10) days before the Markman hearing in order to reduce the number of disputed claim terms to a minimum. Before the Markman hearing, each party and the Staff shall file with the Administrative Law Judge, jointly or separately, by the date set forth in the procedural schedule, a short written statement of its interpretation of each of the remaining disputed claim terms together with its support for each interpretation as a matter of ordinary meaning, or as derived from the claims, specification, or prosecution history of the patent(s) at issue, or from extrinsic evidence. Rebuttal briefs may also be filed by the date set forth in the procedural schedule. After the Markman hearing, the parties shall submit a joint chart, by the date set forth in the procedural schedule, setting forth their post-hearing constructions. Afterwards, the Administrative Law Judge will issue an order construing the disputed claims for the purposes of this Investigation. Thereafter, discovery and briefing in this investigation shall be limited to that claim construction.

The "Pre-Hearing Submissions" section of Administrative Law Judge Essex's Ground Rules further indicates that the prehearing statement should contain:

a statement, as to each claim in issue, indicating how a party wants the language to be interpreted and the basis in detail for that interpretation. Moreover, if there is a dispute as to the interpretation of any language in a claim each party should state what the dispute is, and why it wants the administrative law judge to accept the interpretation the party wants and not the interpretation advocated by an opposing party. If there are words in any claim which are not in dispute, the party should so represent. If a party in a prehearing statement does not raise an issue as to a word in each claim in issue, the administrative law judge will take the position that the party will have no objection as to how said word is interpreted by the administrative law judge.

Notably, Administrative Law Judge Essex permits the deposition of persons, including experts, who will provide declarations in support of claim construction. Administrative Law Judge Essex also provides for a period for the parties to put on short technology and claim construction tutorials prior to the claim construction hearing.

4. Administrative Law Judge Rogers

While Administrative Law Judge Rogers does not hold claim construction hearings or issue independent claim construction rulings, his Ground Rules nevertheless address claim construction hearings in a section entitled “Markman Hearing on Claim Construction.” That section provides:

If the Administrative Law Judge determines that a Markman hearing would be beneficial to the investigation, he may conduct a Markman hearing on the date set forth in the procedural schedule for the purpose of construing any disputed claim terms of the patents at issue in the investigation. The parties and Commission Investigative Staff shall meet and confer on these issues no later than ten (10) days before the Markman hearing in order to reduce the number of disputed claim terms to a minimum. Before the Markman hearing, each party and the Commission Investigative Staff shall file with the Administrative Law Judge, jointly or separately, by the date set forth in the

procedural schedule, a short written statement of its interpretation of each of the remaining disputed claim terms together with its support for each interpretation as a matter of ordinary meaning, or as derived from the claims, specification, or prosecution history of the patent(s) at issue, or from extrinsic evidence. Rebuttal briefs may also be filed by the date set forth in the procedural schedule. After the Markman hearing, the parties shall submit a joint chart, by the date set forth in the procedural schedule, setting forth their post-hearing constructions. Afterwards, the Administrative Law Judge will issue an order construing the disputed claims for the purposes of this Investigation. Thereafter, discovery and briefing in this investigation shall be limited to that claim construction.

Administrative Law Judge Rogers' form Procedural Schedule, however, contains the following entries for the early exchange of claim terms for construction and proposed constructions of claims terms: (1) "Parties exchange list of patent claim terms for construction"; "Parties exchange proposed constructions of claim terms"; and "Parties submit joint list showing each party's proposed construction of disputed claim terms."

5. Administrative Law Judge Charneski

Administrative Law Judge Charneski's Ground Rules do not address claim construction hearings or rulings.

6. Administrative Law Judge Bullock

Administrative Law Judge Bullock's Ground Rules address claim construction hearings and rulings in a section entitled "Markman Hearing on Claim Construction."

That section provides:

If the Administrative Law Judge determines that a Markman hearing would be beneficial to the investigation, the undersigned may conduct a Markman hearing on the date set forth in the procedural schedule for the purpose of construing any disputed claim terms of the patents at issue

in the investigation. The parties and Commission Investigative Staff shall meet and confer on these issues no later than ten (10) days before the Markman hearing in order to reduce the number of disputed claim terms to a minimum. Before the Markman hearing, Complainant(s), Respondent(s) (if there is more than one Respondent, they are required to file a joint brief), and Staff shall file with the Administrative Law Judge, by the date set forth in the procedural schedule, a short written statement of its interpretation of each of the remaining disputed claim terms together with its support for each interpretation as a matter of ordinary meaning, or as derived from the claims, specification, or prosecution history of the patent(s) at issue, or from extrinsic evidence. If there are multiple patents at issue, the brief should be organized by patent, similar to the outline for post-trial briefs (see Appendix B). Rebuttal briefs may also be filed by the date set forth in the procedural schedule. After the Markman hearing, the parties shall submit a joint chart, by the date set forth in the procedural schedule, setting forth their post-hearing constructions. Afterwards, the Administrative Law Judge will issue an order construing the disputed claims for the purposes of this Investigation. Thereafter, discovery and briefing in this investigation shall be limited to that claim construction.

The “Pre-trial Brief” section of Administrative Law Judge Bullock's Ground Rules further indicates that the pre-trial brief should contain:

complete proposed claim construction for all patent claims at issue. Any contentions not set forth in detail as required herein shall be deemed abandoned or withdrawn, except for contentions of which a party is not aware and could not be aware in the exercise of reasonable diligence at the time of filing the pre-trial brief.

Notably, Administrative Law Judge Bullock has also established in prior investigations a schedule for the exchange of initial and rebuttal expert reports on claim construction issues, as well as a period for the parties to put on short technology and claim construction tutorials prior to the claim construction hearing.

II. Considerations for the Claim Construction Process

As an initial matter, the determination as to whether a claim construction hearing and ruling should be pursued is dependent upon the specific facts involved and must be made on a case-by-case basis. However, due to the speed at which Section 337 investigations proceed and the fact that complainants have a significant advantage in the early stages as a result of their pre-filing investigations and efforts, claim construction hearings and rulings, particularly early claim construction hearings and rulings, are generally beneficial to complainants as they tend to place additional pressure on respondents during the early stages of the investigation. However, claim construction hearings and rulings, again, particularly early claim construction hearings and ruling, can also be beneficial to respondents. For example, where respondents have good non-infringement positions, want additional clarity with respect to litigation risks, or want to begin the process of potential re-designs, early claim construction hearings and rulings can also benefit respondents. Requests for early claim construction hearings and rulings generally should be made in a party's discovery statement, during the preliminary conference, and/or in response to the request for proposed procedural schedules. In this regard, it is important to meet and confer with opposing counsel and the Staff attorney regarding the claim construction process from the outset of the investigation inasmuch as Commission Administrative Law Judges are generally responsive to agreements reached among counsel.

In addition, a fact that is often overlooked is, if permitted, claim construction tutorials may be the first true opportunity to educate the presiding Administrative Law

Judge as to the technology at issue.¹⁷ In this regard, the parties should encourage the presiding Administrative Law Judge to set aside time at the outset of any claim construction hearing for such a tutorial. Any such opportunity should be taken advantage of by complainants and respondents alike, by compiling a clear and comprehensive tutorial. However, it is important to remember that the primary purpose of any such tutorial is to educate the presiding Administrative Law Judge, not necessarily to directly advance your preferred constructions or other issues in the litigation. While promoting the client's interest is obviously first and foremost in most advocate's minds, that might be done at the sake of losing credibility before the presiding Administrative Law Judge as he is cognizant of the fact that advocacy is not the primary purpose of any technical tutorial. And, after all, if the presiding Administrative Law Judge is not properly educated as to the underlying technology, effectively advocating on behalf of one's client becomes extremely uncertain and difficult. As for tutorial specifics, there is no prescribed format for technology tutorials at the Commission. Indeed, there have been instances where Administrative Law Judges have required the parties to respond to questions about the technology in lieu of technology tutorial presentations. In other investigations, a tutorial on CD-ROM providing the explanation of technical terms was required prior to claim construction briefing to assist the Administrative Law Judge in construing certain of the claim terms.

¹⁷ Certain Administrative Law Judges are amenable to brief presentations during the preliminary conference which could touch upon the technology at issue in the investigation. However, these presentations are generally limited to very basic concepts.

A. Consideration of the Timing of Claim Construction Hearing and Ruling

Turning to the timing of claim construction hearings and rulings, in certain investigations, the presiding Administrative Law Judges have ordered that the claim construction hearing and ruling occur early in the investigations, before the commencement of expert discovery. Such a schedule generally enables the parties and the presiding Administrative Law Judge to narrow discovery and make more efficient use of the resources of the parties and the Commission. However, and as suggested above, this may prevent the parties from fine-tuning the primary terms in dispute and discovering relevant information, such as prior art, that may be vital to a party's claim interpretations. These are extremely important points in Section 337 litigation, where the Administrative Law Judges generally request that the parties provide a list of claim terms in dispute for which they are requesting claim construction rulings. Accordingly, critical terms may go without interpretation throughout discovery and the evidentiary hearing due to lack of knowledge of the parties at the time constructions were requested. The lack of relevant information through discovery may also adversely affect the presiding Administrative Law Judge's constructions and require subsequent revisions to those constructions. Finally, early claim construction hearings and rulings may result in the construction of terms by Administrative Law Judges that are unnecessary, as established through subsequent discovery, which may prove harmful to the claim construction positions of a party.

In other investigations, the presiding Administrative Law Judges have order that the claim construction hearing and ruling occur during later stages. Later claim

construction hearings and rulings have the benefit of a more complete evidentiary record on which the parties may identify disputed claim terms and on which the presiding Administrative Law Judge will render his constructions. However, later claim construction hearings and rulings require the parties to conduct discovery and otherwise litigate based on alternative constructions. If experts have undertaken substantial efforts prior to any claim construction ruling, or if expert reports have been exchanged, such efforts and/or reports may need to be revised based on the presiding Administrative Law Judge's claim construction rulings. Where claim construction hearings and rulings occur during the later stages of an investigation, the parties should be sure that the timing of any ruling provides sufficient time for meeting the Commission's 60-day deadline for summary determination motions on infringement, technical prong of the domestic industry requirement, and/or validity.¹⁸

Finally, in other investigations, the presiding Administrative Law Judges have combined the claim construction hearing with the evidentiary hearing on violation. Even more so than where later claim construction hearings and rulings occur, proceeding in this fashion has the benefit of a complete evidentiary record on which the parties may identify disputed claim terms and on which the presiding Administrative Law Judge will render his constructions. However, consolidated claim construction and evidentiary hearings require that the parties conduct discovery, litigate and provide hearing testimony relevant to alternative claim constructions, including alternative theories and proofs of infringement and technical prong domestic industry issues. This, without question,

¹⁸ Pursuant to Commission Rule 210.18 (19 C.F.R. § 210.18), any motion for summary determination must be filed at least 60 days before the start of the evidentiary hearing.

complicates these already involved proceedings. Consolidated claim construction hearings and evidentiary hearings also act to shift a critical settlement juncture to near the end of the litigation process. Moreover, another critical litigation and settlement juncture, that of summary determination, is rendered extremely difficult as to infringement, technical prong of the domestic industry requirements, and, in certain instances, validity where consolidated claim construction and evidentiary hearings are ordered.

B. Addressing Claim Construction in Expert Discovery

Technical experts often play a significant roll in the claim construction process at all stages. The Federal Circuit in Phillips v. AWH Corp., recently reaffirmed the significance of this role in the claim construction process.¹⁹ The Court, while highlighting the importance of intrinsic evidence in claim interpretation, also discussed the reliance of judges in many patent litigations on extrinsic evidence, including expert opinions, to increase their knowledge and understanding of the general technology or the specific terms when the intrinsic evidence is ambiguous.²⁰

As noted above, the timing of claim construction hearings and rulings can have a significant effect on expert discovery and opinion. Where claim construction hearings and rulings occur early in investigations, and discovery and briefing in the investigation are limited to the constructions in any such rulings, it may be possible to avoid expert discovery on alternative claim constructions. However, where claim construction hearings and ruling occur later in investigations, it is generally necessary to advise

¹⁹ Phillips v. AWH Corp., 415 F.3d 1303 (Fed. Cir. 2005), cert. denied, 546 U.S. 1170 (2006).

²⁰ Id.

technical experts to opine and draft expert reports based on the alternative claim constructions proposed by both parties. In doing so, one must be mindful that its own experts do not take weak or unsupported positions as establishing an expert's credibility is extremely important. In this regard, expert witness testimony that is clearly at odds with the intrinsic evidence may be at best ignored or discounted and at worst excluded. To this end, in many investigations the claim construction issues will not turn on expert testimony at all, rather they will primarily turn on issues limited to intrinsic evidence and a small amount of extrinsic evidence that are better left to the parties to independently brief without expert opinion.

C. Selecting Disputed Claim Terms

In selecting proposed disputed claim terms, counsel should consider a number of factors. First and foremost, the dispositive nature of the claim terms selected must be considered. However, the dispositive nature of the claim terms must be considered in light of the strength of the party's proposed claim constructions. The strengths and weaknesses of the party's proposed claim constructions must, in turn, be considered based on whether they rely primarily upon intrinsic or extrinsic evidence. Clearly, those positions that derive their strength from intrinsic evidence are preferred over those that rely primarily upon extrinsic evidence. In addition, Commission Administrative Law Judges primarily view the claim construction process as a means by which to narrow or streamline the investigation. Accordingly, the parties are well advised to limit the number of claim terms they seek to have construed by the Administrative Law Judge. In this regard, this point largely intersects with the point above insofar as parties operating

with such an understanding are likely to focus their attention to outcome-determinative claim terms that can result in settlement and termination of the investigation. Finally, it is ill advised to pursue constructions as to claims that are either secondary, or as to which the evidence is weak as it risks losing credibility with the presiding Administrative Law Judge.