

The 16th Annual Sedona Conference on Patent Litigation:
*Global Strategies for Managing Both Multifront Domestic and International
 Litigation of IP Assets*

The Willard InterContinental Hotel,
 Washington, D.C.

DAY ONE: Monday, October 24, 2016

7:30 — 8:30 Breakfast & Registration

8:30 — 8:45 Welcome and Introductions

(Cooper, Selwyn, Weinlein)

8:45 — 10:00 [Panel 1] The Increasing Prominence And Impact Of National Competition Authorities To Global IP

(Gupta, Johnson, Jordan (J), Marshall, Wong-Ervin)*

The convergence of IP concerns and antitrust/competition regulatory and litigation schemes world-wide may herald a potentially explosive new era of enforcement. New or amended national competition agency IP guidelines are on the rise in several countries, including Canada, China, India, Japan, and Korea. Meanwhile, the European Commission has conducted investigations in areas such as the licensing of Standard Essential Patents (SEPs) and, along with the Competition Commission of India, also continues to scrutinize patent settlements between brand pharmaceutical companies and generic manufacturers of drugs for their potential anticompetitive effects. What’s at stake for IP holders if agencies inside and outside the United States potentially seek to define and challenge anticompetitive licensing practices for both SEPs and non-SEPs, and/or pharmaceutical companies? To what extent is transparency going to become a driving force in SEP and competition enforcement around the world, including the requirement that patent portfolio owners provide greater access to the scope of their deals—even, perhaps, requiring compulsory licensing? How will this global change in the attitude of national competition authorities challenge U.S. courts and federal agencies in evaluating the potentially anticompetitive effects of IP ownership, including what evidence to consider and how to calculate, regulate, and enforce standard setting obligations related to what is, and what is not, a “fair, reasonable and non-discriminatory (“FRAND”) royalty calculation, or whether a particular agreement to regulate the introduction of drugs is anticompetitive? And to what extent will the growth in antitrust/competition enforcement worldwide engender intra-agency tensions both domestically and abroad?

Materials:

- [01] Cooper & Selwyn, *The Sedona 16th Annual Patent Litigation Conference Scoping Paper* (Oct. 2016)
- [02] *Executive Summary of Sedona WG9/WG10 Commentaries* (Oct. 2016)
- [02*] *WG10 Commentary on Patent Litigation Best Practices: Introductory Chapter* (July 2015 Edition) (.pdf is embedded in [02] *Executive Summary*)
- [03] OECD, *Intellectual Property and Standard Setting* (2014)
- [04] Wong-Ervin, *Standard-Essential Patents: The International Landscape* (2014)
- [05] FTC, *Amicus Brief - American Sales v. Warner-Chilcott* (2015)
- [06] Kobayashi, et al., *Actavis and Multiple ANDA Entrants: Beyond the Temporary Duopoly* (2015)
- [07] Edlin, et al., *Activating Actavis* (2013)
- [08] FTC, *Patent Assertion Entity Activity: An FTC Study* (2016)

* = Panel Leader (J) = Judge

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10:00 — 11:15 [Panel 2] The Bottom Line And Global Patent Litigation: How And Where To Get The Best Return For Your Enforcement or Defense Dollars

(Antush, Busey, Cohen, Hufnagel, Obermann (J), Wine)*

How should the evolving state of the law reflecting that IP is enforced in multiple domestic venues (including the ITC and multi-district litigation (MDL)) and multiple European and Asian courts with jurisdiction over IP litigation affect where patent, copyright, and other IP cases are brought, including how they are managed? What can U.S. courts learn from the practices abroad in enforcement of IP, and what can international courts learn from U.S. domestic litigation? How do the vastly different approaches to discovery taken in prominent IP venues around the world affect strategic decisions in formulating a global litigation strategy? Will Revocation proceedings in the new European Unified Patent Court prove to be as popular in challenging patents as *Inter Partes* Review and Covered Business Method Patent proceedings in the United States? How will the infringement proceedings in the new European Unified Patent Court change global patent enforcement strategy? What advantages do other forms of patent challenge proceedings already in existence in Europe and elsewhere present to parties seeking to defend against patent infringement claims, and how do they integrate with companies' global patent litigation strategies? Do the different approaches to discovery provide any insight into the "right" amount of discovery to reach a fair, just, and efficient result? How can 28 U.S.C. § 1782 be used effectively as a gap filler for foreign discovery—and what are its limits? What approach do different jurisdictions take to a letter of request from a foreign court for documentary disclosure or depositions?

Materials:

- [09] Prokop et al., *The Applicability of Section 1782 to Private International Arbitration Proceedings* (2016)
- [10] Wine et al., *ITC Litigation and Enforcement in the U.S.* (2016)
- [11] Panel 5 Hypothetical
- [02*] *WG10 Commentary on Patent Litigation Best Practices: Case Management Issues from the Judicial Perspective* (Dec. 2015 Edition)
- [02*] *WG10 Commentary on Patent Litigation Best Practices: Heightened Pleadings Standard Chapter* (May 2016 Public Comment Version)
- [02*] *WG10 Commentary on Patent Litigation Best Practices: Section 101 Motions on Patentable Subject Matter Chapter* (September 2016 Public Comment Version)
- [02*] *WG10 Commentary on Patent Litigation Best Practices: Section on Exceptional Case Determination* (October 2016 Public Comment Version)
- [02*] *WG10 Commentary on Patent Litigation Best Practices: Parallel USPTO Proceedings Chapter* (October 2016 Edition)

11:15 — 11:30 Morning Break

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11:30 — 12:30 [Panel 3] Getting Ready For The New Paradigm For European Patent Litigation: The Introduction Of The Unified Patent Court

(Fröhlich, Hoffman, Pegram, Trenton)*

The introduction of the Unified Patent Court (UPC) will represent a seismic change to the European patent system. What are the major changes, and what strategies should patent holders adopt now to prepare themselves? What is the transitional period and opt-out? How will the UPC affect how patents are litigated in Europe and what will the forum shopping look like? What will the resulting impact be globally?

Materials:

- [12] Pegram, *The EU Unified Patent Court—Background, Structure and Procedures* (2016)
- [13] Trenton, *The New European Forum Shopping* (2016)
- [14] Tilmann, *The Future of the UPC after Brexit* (2016)

12:30 — 1:45 Lunch

1:45 — 3:00 [Panel 4] Valuing SEPs Around The World: Are We Any Closer To A Solution To Determining “FRAND”?

(Chang, Devlin, Robart (J), Selwyn, Waterland)*

FRAND-committed SEPs are subject to multiple regulatory and enforcement schemes both domestically and world-wide. How should companies and courts evaluate and calculate the value of their global patent portfolios for licensing and enforcement? Is there a role for domestic courts in evaluating the value of global portfolios of SEPs for not only U.S. patent litigation, but also other far-reaching purposes such as valuation of IP in the context of mergers and acquisitions? How can such patents be evaluated in a way that is consistent with basic patent principles, but with an understanding that it may not be feasible or practical to adjudicate the merits of large numbers of patents, including whether they are, in fact, necessary to practice international standards?

Materials:

- [16] Kattan, *The Next FRAND Battle: Why the Royalty Base Matters* (2015)
- [17] Sidak, *The Meaning of FRAND, Part I: Royalties* (2013)
- [18] Lemley, et al., *A Simple Approach to Setting Reasonable Royalties for Standard-Essential Patents* (2013)

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3:00 — 4:15

[Panel 5] What Is The Future for Domestic Enforcement Of IP Activities Occurring Abroad?

(Brody*, Harlan, Jeffries, Lynn (J), Michel (J), Scott)

In the U.S., the New Defense of Trade Secrets Act will permit U.S. domestic courts to entertain jurisdiction over civil cases involving misappropriation of trade secrets that occurs entirely extraterritorially. To some extent, such a remedy already is permissible through ITC enforcement actions. Copyright and anti-piracy enforcement regularly involves activities that occur overseas. Patent litigation raises a host of questions related to extraterritorial damages. What challenges do courts face in enforcing remedies in this area of IP law, what reforms are necessary, and what lessons can courts already take from the existing state of the law? In Europe, how can the availability of extraterritorial relief be a useful tool in global litigation, and what steps can a defendant take to mitigate potential exposure?

Materials:

- [19] Brody, et al., *Extraterritorial Application of Patent Laws* (2016)

4:15 — 4:30

Afternoon Break

4:30 — 5:30

[Panel 6] Effective Management of Multidistrict Litigations (MDLs) and “Pseudo-MDLs” from the Court and the Parties’ Perspectives

(Arenz*, Beckwith, Garbis (J), Hochberg (J), O’Malley (J), Shelton)

When and how should parties seek Multidistrict Litigations (MDLs)? How does the process work? What parts will be consolidated? What if the various litigations already have different schedules? Can individual judges agree to and force the cases before them to be consolidated for certain activities, i.e. “pseudo-MDLs”? How can the MDL process be simplified for the plaintiff patent owner? How can the various defendants better coordinate their activities?

Materials:

- [20] Arenz, et al., *An Overview of Multidistrict Litigation in Patent Cases* (2016)
- [21] Garbis, et al., *Judicial Cooperation in Multi-National Intellectual Property Litigation: An Objective to Explore* (2016)

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DAY TWO: Tuesday, October 25, 2016

7:30 — 8:30 Breakfast & Registration

**8:30 — 10:00 [Panel 7] Comparative Approaches To Injunctive Relief In Patent Actions:
United States, Europe & China**

(Essex (J), Finocchio, Ho, Müller-Stoy, Prost (J), Sterne)*

Courts around the world take vastly different approaches to preliminary and permanent injunctive relief in patent actions. What is the range of approaches, and how does the availability of injunctive relief affect damages remedies in the same jurisdictions? How do recent changes in the U.S. approach to injunctive relief in patent cases affect global IP prosecution and enforcement strategies? What is the interplay between the availability of injunctive relief in court actions and exclusionary relief in customs actions? Will patent and other IP disputes move increasingly to the customs arena, and what steps can a manufacture take to prepare for such litigation?

Materials:

- [22] Finocchio, et al., *Comparative Approaches to Injunctive Relief in Patent Actions: United States, Europe & China* (2016)

**10:00 — 11:15 [Panel 8] The Growing Role Of The Chinese Patent System And The Future For IP
Enforcement In China**

(Hsu, Lee, Moga, Rea)*

The number of patent applications filed in China has surged in recent years. What is behind the increase, and what strategies should corporate counsel consider now given the growing impact of patent litigation in China? What changes has China introduced in recent years in IP enforcement (e.g., the introduction of specialty courts in 2014), and how effective have they been? How does enforcement of, and remedies for, patents in China compare to other jurisdictions? What will be the future role and influence of the Chinese patent system on the world stage?

Materials:

- [23] Love, et al., *Patent Litigation in China: Protecting Rights or the Local Economy?* (2016)
- [24] China IPR Blog, *Patent Litigation, Protectionism and Empiricism: Data Sources and Data Critiques* (2016)
- [25] Moga, *China's Utility Model Patent System: Innovation Driver or Deterrent* (2012)
- [26] Cohen, Kappos, & Rader, *Faux Amis: China-U.S. Patent Administrative Enforcement Comparison* (2016)
- [27] China IPR Blog, *New State Council Decision on Intellectual Property Strategy for China as a Strong IP Country* (2016)

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11:15 — 11:30 Morning Break

11:30 — 1:00 [Panel 9] The New Trade Secrets Act—A New Vehicle for the Enforcement of International IP in the U.S. Courts

(Cooper, Pooley, Sammi, Songer)*

The Defense of Trade Secrets Act has received massive bi-lateral support (including an 87-0 vote in support of the Act's passage, 410-2 comparable support in the House, and statements from the Obama administration signaling approval for the legislation), and appears poised to be enacted into law in 2016. If so, it will present numerous novel issues and problems for federal courts to wade through as this new area of federal IP protection becomes a source of litigation. The proposed act permits misappropriation of trade secrets that occurs entirely on foreign soil nonetheless to be prosecuted as a civil action in the U.S. district courts and subject to *ex parte* seizure orders, raising a myriad of jurisdictional and procedural problems.

How will parties decide in what venue to bring such actions, and how will they obtain personal jurisdiction over the defendants consistent with constitutional due process? How will the courts marshal discovery in such cases? Will they require the trade secrets to be defined with particularity before discovery begins and, if so, how will they ensure there is adequate proof trade secrets are identified in the context of *ex parte* seizures? How will damages for misappropriation occurring overseas be calculated in the United States? How will the district courts ensure foreign companies produce adequate discovery related to the misappropriation? What will the Act's impact be upon employee movement, and issues such as non-compete agreements and the accusation of "inevitable disclosure"? And how will the availability of remedies under the Act impact other areas of IP litigation, including copyright, trademark and patent litigation, not to mention cybersecurity legislation like the Computer Fraud and Abuse Act?

Materials:

- [28] Lemley, *The Surprising Virtues of Treating Trade Secrets as IP Rights* (2008)
- [29] Rowe, et al., *Trade Secrets, Trade, and Extraterritoriality* (2014)
- [30] Almeling, et al., *A Statistical Analysis of Trade Secret Litigation in Federal Courts* (2010)
- [31] Riley, et al., *A Survey of Trade Secret Investigations at the International Trade Commission: A Model for Future Litigants* (2013)
- [32] Pooley, *The Myth of the Trade Secret Troll: Why the Defend Trade Secrets Act Improves the Protection of Commercial Information* (2016)

1:00 — 1:05 Closing Statements

(Weinlein)

1:05 — 2:00 Grab and Go Lunch (provided)