



## INTELLECTUAL PROPERTY | PATENT LITIGATION | OCT. 22, 2009

### CHICAGO FEDERAL COURT ADOPTS LOCAL PATENT RULES

The U.S. District Court for the Northern District of Illinois, one of the busiest patent courts in the country, recently adopted local rules in order to provide more predictability and uniformity for patent cases. The rules are designed to reduce the average time to trial from four to two years and to standardize the patent case procedures, which previously varied from judge to judge. Because the Northern District of Illinois is an appropriate venue for so many potential patent claims, our clients need to understand the new rules, which include:

- Early Disclosure of Documents and Contentions
- Two Step Process for Contentions
- Innovative Claim Construction Procedures
- Case Schedule Designed for Claim Construction in 12 Months and Trial in 24 Months

Howrey Partner Mike Padden was one of 11 lawyers and judges on a committee tasked with drafting the patent case management rules for the Chicago federal court.

**Initial Disclosures.** The new rules have some significant changes in the required initial disclosures which could be helpful to plaintiffs.

Unlike most patent local rules, the Chicago rules require document disclosures before the submission of initial contentions. Most significantly, the defendant is required to produce documents sufficient to show the operation and construction of its accused products *before* the plaintiff serves its initial infringement contentions. With this information, the plaintiff will be able draft infringement contentions specifically tailored to the details of the defendant's products, and avoid asserting inconsistent contentions based on a misunderstanding of those products. The defendant's obligation to make an early production of these documents arises only if the accused products are "identified with specificity" in the pleadings. Thus, plaintiffs who follow the common practice of only vaguely identifying the accused products in the complaint will miss out on an opportunity.

This new rule also calls for the defendant to produce invalidating prior art before the plaintiff has served any infringement contentions. This requirement could give plaintiffs a significant advantage in that they could adjust their infringement contentions to avoid the applicability of the art the defendant has disclosed. However, it is not clear that this requirement will be significant in practice, as the duty to disclose invalidating prior art is limited to art of which the defendant is then aware.

**Contentions.** The contention process called for by the new Chicago rules may also attract plaintiffs to the forum.

Like many districts, plaintiffs will be required to provide detailed infringement contentions very early in the process, but unlike most districts, these contentions will not be final. Final contentions will be due several

months later, after both sides have had the opportunity to conduct discovery in light of the initial contentions exchanged by both sides.

Defendants who are unfamiliar with these rules will be in for an unpleasant shock as they are required to focus on their theory of defense much sooner than in most districts. Six weeks after filing their answer, and just two weeks after receiving the plaintiff's infringement contentions, defendants will need to provide detailed contentions supporting their non-infringement, invalidity, unenforceability positions. While these contentions will not be final, defendants will need to make detailed disclosures much sooner than in most districts. Defendants do get one advantage not found in other local patent rules. The plaintiff is required to serve a response to the defendant's invalidity contentions, with a claim chart corresponding to latter's invalidity claim chart, stating whether the plaintiff admits that elements the defendant claims to be in the prior art are actually in the identified prior art and if not, why not.

**Claim Construction.** The Chicago procedures for claim construction depart from most patent local rules in two respects. First, the parties are required to submit no more than 10 terms or phrases for construction by the court and for each such term or phrase the parties are required to certify whether its construction is outcome-determinative. If the parties cannot agree on these terms, each side will have five. Second, these rules invert the normal order of the briefs. Thus, the accused infringer, not the patentee, will file the opening brief. The patentee will respond and the accused infringer will have the last word with a reply brief. The theory here is that this inverted order will lead to a more focused and informed debate, as the plaintiff often merely says that the terms should be construed broadly as having their "plain and ordinary" meaning, and the defendant commonly proposes more restricted definitions.

**Case Schedule.** The new patent rules in Chicago are designed to move cases to trial in about two years. While this schedule will not make Chicago particularly speedy, the time to trial will be a significant improvement over the current average of more than four years. Similarly, while the time for claim construction is not shockingly fast at about one year after the filing of the complaint, that would be much sooner than the current average in Chicago and most other jurisdictions. These rules do not attempt to make Chicago a "rocket docket", rather they would be more accurately described as seeking to establish Chicago as a "Goldilocks" district for both plaintiffs and defendants – not too fast and not too slow.

**FOR FURTHER INFORMATION:**

You may wish to consult any attorney at Howrey LLP with whom you have an existing relationship or contact one of our offices below:

**Amsterdam:** +31 (0)20 592 4411

**Munich:** +49 (0)89 20 308 1200

**Brussels:** +32 (0)2 741 10 11

**New York:** +1 212.896.6500

**Chicago:** +1 312.595.1239

**Northern Virginia:** +1 703.663.3600

**East Palo Alto:** +1 650.798.3500

**Paris:** +33 (0)1 42 22 46 11

**Houston:** +1 713.787.1400

**Salt Lake City:** +1 801.533.8383

**Irvine:** +1 949 721 6900

**San Francisco:** +1 415.848.4900

**London:** +44 (0)20 7936 5300

**Taipei:** +886 2 8175 6600

**Los Angeles:** +1 213.892.1800

**Washington, DC:** +1 202.783.0800

**Madrid:** +34 91 426 44 70

Disclaimer: This document is intended as a report on legal developments. It is not intended as legal advice. Readers should not act upon the contained information without professional advice. No portion of this paper may be reproduced without express permission.