YOU ARE PATENT PROSECUTION COUNSEL: DO YOU GET TO SEE THE HIGHLY CONFIDENTIAL INFORMATION IN LITIGATION?

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EXECUTIVE SUMMARY

If you are patent prosecution counsel for a client involved in patent litigation, you may or may not get to see the confidential information in the litigation. You can affect the access you may or may not have by organizing your client and litigation relationships in ways intended to affect the access. As litigation counsel or through your litigation counsel, you can also affect the access by how you argue the case. In two recent cases with mutually opposite results, Banner & Witcoff lawyers gained access for a client's counsel, and barred access by a client opponent's counsel.

INTRODUCTION

A common issue in current patent litigation is whether the counsel responsible for patent application prosecution and procurement should have access to all the information marked confidential in the litigation. The issue arises as the parties negotiate and if necessary, brief to the court the issues of a confidential information protective order. Many confidential information protective orders have two "tiers" or levels of confidentiality. They have a first, "confidential," tier, and a highly confidential tier, typically restricting access to such information to litigation attorneys. The highly confidential tier is thus also an "AEO," or "attorney's eyes only," tier. More and more of the AEO tiers of these orders that are being negotiated and briefed in court attempt to include "prosecution bars," which are attempts to prevent the access of "patent application counsel" to attorney's eyes only information. More and more documents are classified "AEO."

THE LAW OF "PROSECUTION BARS"

The law is largely undeveloped as to "bars" to access of counsel responsible for patent application prosecution and procurement to attorney's eyes only information. A Federal Circuit case is universally understood to state that "the factual circumstances surrounding each individual counsel's activities, association, and relationship with a party… must govern" the access.[1] Beyond this one court of appeals decision, the case law is composed of a nonprecedential and unpublished case,[2] a non-Federal Circuit trade secret case,[3] and cases at the level of the federal district courts.[4] As a result, the case law is almost completely not binding on future court decisions.

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Not surprisingly, the case law at the district court level diverges into two opposing lines of cases. In a first line, several district courts have held that in some circumstances, involvement in patent prosecution can appropriately lead to a prosecution bar.[5] In a second line, several district courts have held that involvement in patent prosecution should not bar attorney access to any confidential information.[6] The split is generally over whether patent prosecution can be considered "competitive decisionmaking."[7] MORE▸

[1] *See U.S. Steel Corp. v. U.S.*, 730 F.2d 1465, 1468 (Fed. Cir. 1984).

[2] *In re Sibia Neurosciences, Inc.*, 1997 WL 688174 (Fed. Cir. 1997) (unpublished). See, *e.g., Phoenix Solutions Inc. v. Wells Fargo Bank*, N.A., 254 F.R.D. 568, 580 (N.D. Cal. 2008)(unpublished Sibia opinion not considered and contention that Sibia rationale should control decision found improper).

[3] *Brown Bag Software v. Symantec Corp.*, 960 F.2d 1465 (9th Cir. 1992).

[4] *See infra.*

[5] *See Methode Electronics, Inc. v. DPH-DAS LLC*, 2010 WL 174554 (E.D.MI. 2010) for citations to the cases.

[6] *See Methode* again for citations to the cases.

[7] *Id.*

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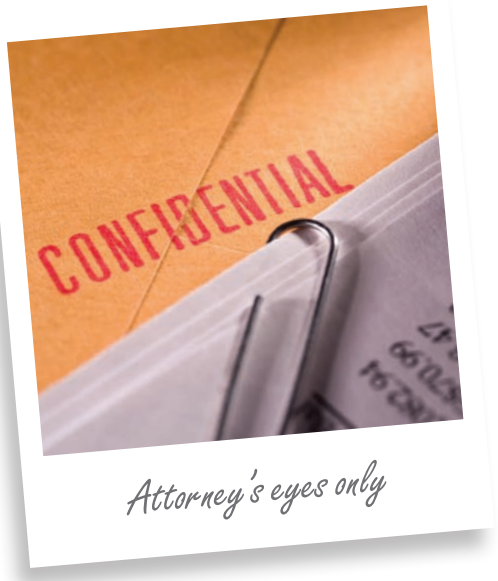
WHAT YOU SHOULD DO / WHAT YOUR COUNSEL SHOULD DO

If you are patent application counsel for a client involved in patent litigation, you can affect the access you may or may not have to the litigation AEO information. Lessons can be drawn from two recent cases in which Banner & Witcoff (B&W) lawyers were advocates, one in which B&W lawyers gained access for a client's counsel, who was the author of this article, and one in which B&W lawyers, including the author, barred access by a client opponent's counsel. In the first case, a "*PNA*"[8] case, the author was both litigation counsel and prosecution counsel. The client had no other prosecuting law firm, had few if any patent and prosecution lawyers other than the author, had no one else with experience back through earlier inventions by the same inventors and in the same vein as those of pending continuation applications most at issue, and had client representatives educated in the prosecution process and engaged as prosecution decisionmakers. In the second case, a "*Delphi*"[9] case, opposing counsel had no inside patent counsel with which he was interacting, or any other educated decisionmakers, he had others at his law firm involved in the client's prosecution, the client had other law firms involved in its prosecution, and while counsel had some history of prosecution with the client, he did not have involvement in the original prosecution of a continuation case that was most in controversy. As will be seen in relation to case arguments, you can affect your access by whether you organize your client and litigation relationships to be like those in the first case, or like those in the second case.

As litigation counsel or through your litigation counsel, you can also bring these relationships to bear and affect the access to information, by how you argue for your confidential information protective order. In the *PNA* case, B&W's opponent broadly argued that counsel's involvement in decisions about patent scope should lead to a prosecution bar. B&W argued in response that an argument so phrased and adopted would lead to the result that no prosecuting attorney could ever review AEO information. A blanket exclusion was rejected by the Federal Circuit when it established that the factual circumstances of each individual counsel's activities, association, and relationship with a party had to govern the decision on access.[10] B&W also argued the hardship to the B&W client if its counsel could not access AEO information because of past representation of the client in infringement litigation on the same patent.



In the *Delphi* case, B&W argued not that counsel's mere involvement in decisions about patent scope should lead to a prosecution bar, but that based on the specific circumstances of opposing counsel's relationship with his client, he should be barred. Counsel claimed in a filed affidavit that he was not a competitive decisionmaker, but did not support his conclusion with an explanation of the circumstances of his prosecution. Among other facts identified for the court to avoid an argument that if adopted would lead to an improper blanket exclusion, B&W identified the facts that counsel had no inside patent counsel with which he was interacting, such that he was making decisions on patent scope *for* the client, not *with* the client, that he had others at his law firm involved in the client's MORE▸

[8] *Greenstreak Group, Inc. v. P.N.A. Construction Technologies,* 251 F.R.D. 390 (E.D.Mo. 2008). The case is referenced as a "PNA" case because "PNA" was the B&W client.

[9] *See Methode* again. The case is referenced as a "Delphi" case because Delphi was the B&W client.

[10] *See U.S. Steel,* footnote 3 above.

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prosecution such that he was not personally indispensible, that the client had other law firms involved in its prosecution such that even the firm was not indispensible, and that while counsel had some history of prosecution with the client, he did not have involvement in the original prosecution of a continuation case that was most in controversy. Many of these facts were found through United States Patent and Trademark Office (USPTO) website research, and not denied through court questioning of counsel at a hearing on the matter.

Lessons from these two B&W cases where opposite results were gained include that a prosecution counsel who wants AEO litigation information access should take care not to involve other lawyers in prosecution such that the appearance is that he or she is dispensible, and that the persons at the client whom counsel interacts with should be educated to the prosecution process and engaged in it such that counsel does not appear to be making the decisions of the prosecution, but rather taking direction from those other persons. Lessons also include that in arguing for and against prosecution bars, care must be taken to consider where the potential arguments lead, and to avoid arguments that would lead to blanket exclusions or inclusions of all prosecution counsel in all cases, as such arguments will likely be unsuccessful. Further, in arguing to the court, those involved should recognize that prosecution counsel can be undercut or supported by facts that are available from public sources such as the USPTO website, where anyone can research to find facts toward arguments that counsel is dispensible or indispensible. Arguments should be attentive to these public sources of facts. Counsel who is the subject of decision may also consider whether being present in court at any hearing on the matter is advisable or inadvisable.

Competitive decision making

CONCLUSION: CONTROL YOUR ACCESS BY ORGANIZING YOUR CLIENT AND LITIGATION RELATIONSHIPS

If you are patent prosecution counsel for a client involved in patent litigation, you may or may not get to see the AEO confidential information in the litigation. In advance, you can affect the access you may or may not have by organizing your client and litigation relationships such that you do not appear to have ultimate prosecution decisionmaking power, and you appear to be indispensible as your client's lawyer in both prosecution and litigation. As litigation counsel or through your litigation counsel, you can also affect the access you may or may not get by avoiding arguments that would lead to blanket inclusions of all prosecution counsel in all cases, and arguing specific facts, including those found through USPTO website research. Banner & Witcoff lawyers were able to gain client mutually opposite results in two recent cases. They provide valuable lessons in how to present yourself and your case. ■