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## FEDERAL CIRCUIT AND IP APPEALS

When litigating intellectual property issues, the end of the story usually isn't in the trial court. Appeals are common in these high-stakes cases, and so it is never enough to "just" win at trial—winning means winning in the court of appeals as well.

Jones Day was among the first general practice law firms to offer an intellectual property practice to its clients. And Jones Day was also among the earliest firms to recognize the client value that comes from having a focused appellate practice. For the past 20 years, lawyers from Jones Day's Intellectual Property Practice and the Firm's Issues & Appeals Practice have combined their efforts to bring superior appellate representation to the Firm's clients in intellectual-property matters. Our tested lawyers have honed their skills through experience and teamwork, making it possible for Jones Day to offer one of the deepest and most skilled rosters anywhere of appellate experience in intellectual-property matters.

Our team of experienced Federal Circuit and IP Appeals lawyers has experience in well over 200 cases before the Federal Circuit, and includes practitioners who are also well-known scholars and teachers in the area.

### THE FEDERAL CIRCUIT

Created in 1982 by an Act of Congress, the United States Court of Appeals for the Federal Circuit is unique among the 13 federal courts of appeals, as it is the only one whose jurisdiction is defined entirely by the subject matter of its cases. Prominent among the categories of cases heard by the Federal Circuit is almost every kind of patent case—INFRINGEMENT and validity cases that arise in the federal district courts, "exclusion" cases originating in the U.S. International Trade Commission (ITC), takings cases where the federal government is accused of "taking" a patent by infringing it, and petitions for review of administrative actions of the U.S. Patent and Trademark Office (PTO).

The Federal Circuit is a specialized court, but it is not accurately characterized as a court of specialist judges, and it is certainly not a bench made up of patent or technical experts. In addition to the Federal Circuit's jurisdiction in patent cases, it hears and decides cases in such diverse areas as takings cases, tax cases, federal tort claims, government-contract disputes, government-employment claims, veterans' affairs disputes, international trade matters such as

customs and antidumping disputes, and ITC exclusion proceedings not involving patents (*i.e.*, those involving copyrights, trademarks, and antitrust issues).

Jones Day takes an approach different from that of many other law firms, which may offer lawyers with only a narrow “patent” focus instead of a broader appellate perspective. We recognize that the often high-stakes appellate litigation before the Federal Circuit may require specialized technical knowledge (such as the often complicated factual issues inherent in the life sciences or various other high-tech industries), but it also requires a mature understanding of the appellate process in general, and in particular the institutional limitations of an appellate court in reviewing those factual matters. An appeal is not a second chance to try the case; it is a much more limited opportunity to have a judgment reviewed for prejudicial legal error.

Apart from client focus, legal skill, and depth of people, experience, and resources, another of Jones Day’s key strengths is our team orientation. We do not subscribe to the notion that a sophisticated intellectual property appellate practice can be or should be built on the back of a single lawyer. Jones Day’s Federal Circuit and IP Appeals service includes not just one or two, but numerous lawyers with broad experience before the Federal Circuit and other appellate courts, including the U.S. Supreme Court. Jones Day lawyers have appeared in the Federal Circuit more frequently than lawyers from any other general practice firm, and more than all but the most active intellectual-property “boutique” firm. And while wins and losses are not always the best or most accurate measure of whether a law firm is accomplishing its clients’ goals, we are pleased to have our record compared to anyone else’s.

## APPEALS IN OTHER IP CASES

Jones Day’s intellectual-property appellate experience extends beyond patent cases and into such areas as copyright, trademark, trade secret, antitrust, and other types of cases. Our experience has included a variety of trial-court and appellate matters, including leading roles in challenging the Sonny Bono Copyright Term Extension Act. Digital Millennium Copyright Act matters, trademark appeals, cases involving trade secrets in both state and federal courts, and cases involving patent misuse and antitrust concerns.

## NEW OR ADDITIONAL COUNSEL ON APPEAL

Jones Day’s Federal Circuit and IP Appeals lawyers are pleased to be considered as new or additional counsel on appeal when circumstances warrant. Our lawyers can provide a “fresh look” at the record when a client is facing

an appeal, and can counsel the company with respect to its options and best avenues for success on appeal.

When we are retained as new or additional counsel on appeal, we tend to urge our clients to create a cocounsel relationship with trial counsel, so that the client retains the benefits and efficiencies of the accumulated knowledge of trial counsel, while adding the fresh eyes and judgment of appellate lawyers who have not lived with the case for years. Our “teamwork” ethic has served us and our clients well in these circumstances, limiting the inevitable concerns of “Monday-morning quarterbacking” and most typically creating a friendly, seamless, and productive working relationship with the existing counsel, so that the team works together to achieve the best possible results for our mutual client.

There will be times, however, when a client believes that it is appropriate to completely replace prior counsel on appeal in those circumstances, too. Jones Day is prepared to present clients with the best team possible for tackling the appeal. Because each of our appellate lawyers also has trial experience, we can quickly winnow out the irrelevant issues from the issues likely to give the client the best chance of prevailing on appeal.

Our services involve not only writing appellate briefs and arguing appeals, but assisting our clients in making the hard strategic calls to select the handful of truly important appealable issues at the outset of the appeal, as well as navigating the sometimes Byzantine procedural requirements of the various appellate courts.

## APPELLATE LAWYERS IN THE TRIAL COURTS

Jones Day’s Federal Circuit and IP Appeals service includes litigators with tested experience in strategy, writing, and arguing. Those skills can also be usefully deployed in trial-court litigation. We thus may present clients with a team of lawyers that include one or more appellate lawyers from the outset, with the idea that these skilled lawyers will participate in the aspects of the trial-court case best suited for them, such as trial-court briefing and motion arguments in areas crucial to the eventual appeal, such as *Markman* claim-construction hearings, summary-judgment motions, and post-trial briefing and motions.

Because the Federal Circuit reviews many of these matters (patent claim construction foremost among them) *de novo*, meaning without any deference to the trial-court decision, it is important in any patent trial to ensure that these legal issues are presented in the right way for the eventual appeal. The *Markman* regime of *de novo* review of patent claim-construction matters makes setting up the case with an eye to an eventual appeal all the more crucial. Jones Day’s

# CASE STUDIES

## DIRECTV—A TRUE TALE OF “HOW TO BET THE COMPANY”—AND WIN

When a plaintiff sued satellite TV provider DIRECTV for patent infringement in the “rocket docket” of the Eastern District of Texas, demanding \$1.658 billion in past damages and an injunction that would have shut down the DIRECTV service within the United States, Jones Day’s Federal Circuit lawyers teamed up with DIRECTV’s Jones Day trial lawyers to achieve a complete victory for our client.

Two of Jones Day’s Federal Circuit lawyers joined the trial team on location in Beaumont, Texas. Their responsibility during trial was to handle the in-trial briefing, advise the trial lawyers when thorny procedural issues arose, shape the jury charge, and argue the in-trial and post-trial motions, including the opposition to the plaintiff’s injunction request. The trial yielded a relatively modest \$79 million verdict for the plaintiff, and the judge agreed with DIRECTV’s arguments and declined to impose an injunction.

But the Jones Day team was not finished. On appeal, the team achieved a reversal of the \$79 million verdict, an appellate invalidation of the principal patent claim asserted by the plaintiff, and a remand for further proceedings on the remaining claims. On remand, the district court invalidated all of the plaintiff’s remaining claims, and on a second appeal to the Federal Circuit, the judgment of invalidity was affirmed two days after argument. In the end, thanks to Jones Day’s teamwork on behalf of its client DIRECTV, the plaintiff took nothing.

## MARTEK BIOSCIENCES—AN UNUSUAL “ANIMAL” OF A CASE

Martek sued one of its principal competitors, Nutrinova, in the District of Delaware, for infringement of four patents related to the production of algae-based DHA food additives. A Jones Day trial team won a judgment of infringement, damages, and an injunction for Martek on two of the four patents; the trial judge had made pre-trial and post-trial rulings against Martek on the other two patents. One of those rulings involved the curious issue of whether the term “animal” in one of those two patents included human beings; the district judge ruled that “animal” didn’t include humans even though the patent said that “animal” included “any organism belonging to the kingdom Animalia,” a term everyone agreed did include humans.

Both parties appealed, and Martek added experienced Federal Circuit counsel from Jones Day to the team to lead the briefs and argument. The argument was pulled from the court’s regular calendar and set for a special session to coincide with a conference featuring hundreds of intellectual-property judges from all over the world. The parties arrived at the court on the day of argument to find not only a packed courtroom, but five—instead of the usual three—judges sitting to hear the arguments.

The end result, after a very spirited argument (featuring a surprising amount of humorous banter among the five judges), was a total appellate win for Martek—affirmance of its jury verdict, and reversals on the two other patents. On the question of whether human beings are “animals,” the court split 3-2 in Martek’s favor. On all of the other issues, the court was unanimously for Martek.

## VIZIO—KEEPING THE U.S. MARKET OPEN FOR TELEVISION IMPORTS

Jones Day was retained after an International Trade Commission case initiated by a competitor had gone awry for VIZIO, one of the world’s largest makers of panel televisions. The company was facing a “limited exclusion order,” which was not so limited in VIZIO’s case—that order would have prohibited the company from importing its TVs containing the component found to be infringing.

On appeal, Jones Day’s Federal Circuit team obtained a temporary stay of that exclusion order, which gave the company a critical six weeks to redesign the offending component so that it did not infringe, and to obtain the approval of U.S. Customs for that redesign. The Jones Day team representing VIZIO then fought off administrative and Court of International Trade challenges to that redesign, while the Federal Circuit part of the team concentrated on VIZIO’s appeal.

After expedited briefing and argument, and then supplemental briefing ordered by the court, the Federal Circuit reversed the ITC’s ruling in significant part, holding that the complainant’s patent claims were not broad enough to cover the redesigned TV components. As a result, despite the competitor’s efforts, the flow of VIZIO’s televisions into the United States marketplace was unaffected.

Federal Circuit and IP Appeals lawyers can provide invaluable assistance in this area as well.

Similarly, because of the technical procedural requirements of motions for judgment as a matter of law (JMOL), the post-trial motion practice provides the last opportunities to properly frame the issues for the appeal. Jones Day's Federal Circuit and IP Appeals lawyers are also steeped in the sometimes arcane procedural requirements of JMOL practice and can offer crucial assistance in making sure that these procedural opportunities are not missed.

Our appellate lawyers also offer the benefit of experience in dealing with other types of post-trial matters that may have profound business consequences for our clients. An injunction may threaten the shutdown of a business line or even an entire company; a damages award may be so large that it threatens the continued existence of the company or makes it difficult, if not impossible, to secure the judgment with a supersedeas bond. Jones Day's Federal Circuit and IP Appeals lawyers can offer crucial assistance in protecting companies in the face of such difficult, bet-the-company type challenges.

## OUR SERVICES

Jones Day's Federal Circuit and IP Appeals lawyers can offer our clients these services, among others:

### APPEALS IN PATENT CASES

- Patent infringement and claim-construction issues
- Patent invalidity issues
- Unenforceability issues due to alleged inequitable conduct
- Antitrust, patent-misuse, and *Walker Process* claims and defenses
- ITC appeals

## LAWYER CONTACT

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## JONES DAY GLOBAL LOCATIONS

ALKHOBAR

ATLANTA

BEIJING

BOSTON

BRUSSELS

CHICAGO

CLEVELAND

COLUMBUS

DALLAS

DUBAI

DÜSSELDORF

FRANKFURT

HONG KONG

HOUSTON

IRVINE

JEDDAH

LONDON

LOS ANGELES

MADRID

MEXICO CITY

MILAN

MOSCOW

MUNICH

NEW DELHI

NEW YORK

PARIS

PITTSBURGH

RIYADH

SAN DIEGO

SAN FRANCISCO

SÃO PAULO

SHANGHAI

SILICON VALLEY

SINGAPORE

SYDNEY

TAIPEI

TOKYO

WASHINGTON

- Appeals from and petitions for review of PTO rulings
- Appeals in takings cases involving patents
- Petitions for rehearing or rehearing *en banc*
- Briefs *amicus curiae*
- Petitions for certiorari in the U.S. Supreme Court

### APPEALS IN OTHER TYPES OF INTELLECTUAL PROPERTY

#### CASES

- Copyright cases
- Trademark cases
- Trade-secret cases

### MOTION PRACTICE IN THE COURT OF APPEALS

- Motions for stays of judgment or injunctions pending appeal
- Motions for expedited appeal
- Motions for summary affirmance

### BRIEFING AND ARGUMENT IN TRIAL COURTS

- *Markman* claim-construction hearings
- Summary-judgment motions
- Post-trial motions for JMOL or new trial
- Ensuring trial errors are preserved for appeal
- Motions for stay of execution of judgment
- Motions for stay of injunction pending appeal
- Approval of supersedeas bonds

## ADDITIONAL INFORMATION

For additional information regarding Jones Day's Federal Circuit and IP Appeals practice, please contact your principal Firm representative or the lawyer listed in this publication. General email messages may be sent using our "Contact Us" form, which can be found at [www.jonesday.com](http://www.jonesday.com).