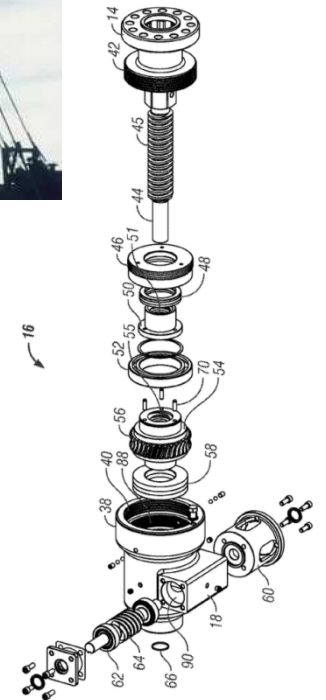
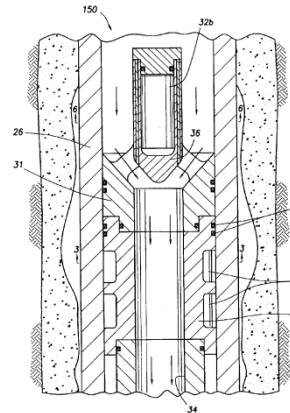
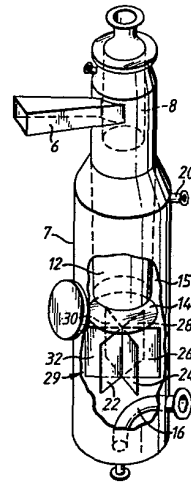


Your Patent Has Been Infringed: Now What?

Timothy Ellam
Steven Tanner



April 23, 2014
Calgary, Alberta



11 Factors to Consider Prior to Commencing a Lawsuit

1. Patent Portfolio
2. Infringement Opinion
3. Business Considerations
4. Demand Letter
5. Forum / Options
6. Canada vs. US



11 Factors to Consider Prior to Commencing a Lawsuit (con't)

7. Patent Counsel / Litigation Counsel

8. Benefits / Drawbacks of Commencing Lawsuit

9. Lawsuit Timeline

10. Expert Retention

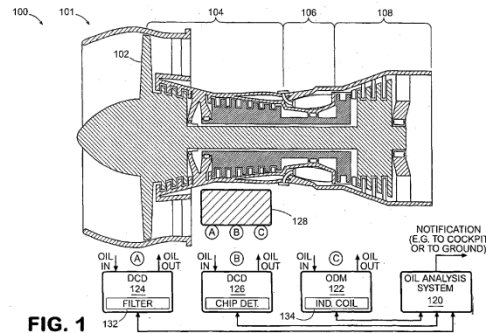
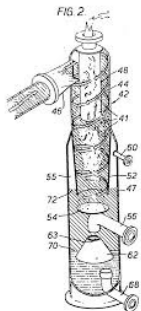
11. Remedies



Patent Portfolio

Four Questions to Answer:

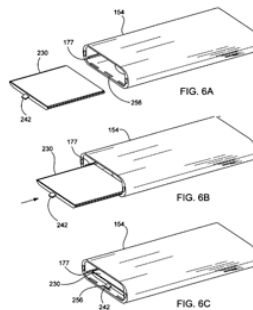
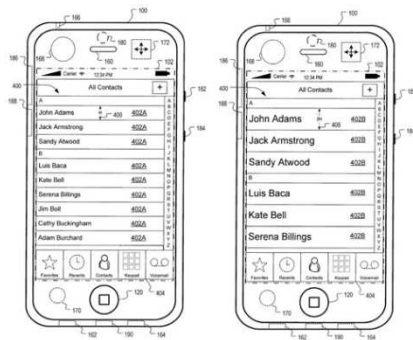
1. What patents does your company own that can be asserted against the alleged infringer?
2. What patents can your company acquire to assert against the alleged infringer?



Patent Portfolio

Four Questions to Answer (con't):

3. What patents does the alleged infringer own that it can assert against your company?
4. What patents can the alleged infringer acquire that it can assert against your company?



Infringement Opinion

- Infringement is a question of fact, but is based upon a legal determination as to the meaning of the claims
- An experienced patent litigator or patent agent may provide an opinion as to whether the alleged infringer is likely to be found liable for infringement



Infringement Opinion

- Two questions for liability:
 1. Do the alleged infringer's activities fall within the bounds of the claims of the patent?
 2. Are those claims valid?
- Assistance of a properly qualified expert may assist, but client may have expertise.
- Market dynamics may render this question irrelevant.



Business Considerations

- Consider carefully any past / present / future relations with the alleged infringer prior to moving ahead.
- Business solutions may be superior to legal solutions.
- Can you afford to lose?
- Can you afford to win?




Demand Letter

Before you write:

1. What are you trying to accomplish?
2. On what terms are you prepared to settle?
3. What will you do if your letter is ignored?

Be ready:

1. A demand letter often gets lawyers involved.
 2. Response can be legal and/or commercial.
 3. Sending a letter alerts potential infringer that litigation may be coming, which gives the alleged infringer time to prepare.
- 

Forum / Options

Two Canadian litigation options:

1. Federal Court
2. Provincial Superior Courts



Non-litigation options include:

1. Discussion
2. Arbitration
3. Mediation



Canada vs. US

Advantages of Canadian Litigation:

1. Can halt activities at their source
2. Typically cheaper and can be quicker



Advantages of US Litigation:


1. Largest market may raise the pressure
2. Some jurisdictions favorable for patent holders



- Coordination between jurisdictions is both necessary and common



Patent Counsel / Litigation Counsel

- The firm that prosecutes a patent is often not the firm that litigates with respect to that patent.
 - Though there is overlap, the patent prosecution bar is distinct from the patent litigation bar.
 - Within the patent litigation bar, lawyers typically have specialties.
- 

Benefits / Drawbacks of Commencing Lawsuit

Pros:


- Potential recovery of money
- Injunction to prevent competition
- Market perception

Cons:

- Time / Effort / Expense
- Focus
- Resources



Lawsuit Timeline

- Timeline depends on forum
 - In Federal Court, 2+ years to trial
 - Intermediate steps:
 - ↳ Documentary discovery
 - ↳ Oral discovery
 - ↳ Expert reports
 - ↳ Pre-trial with Court
- 

Retention of Experts

- Patent cases can be “battle of the experts”
- Finding the best expert can be a significant advantage, depending on the field
- Retaining an expert is not the same as paying an expert
- No general requirement to use retained experts
- Be careful of conflicts



Remedies

- Available remedies:
 - ↳ Damages
 - ↳ Accounting of profits
 - ↳ Injunction (permanent and temporary)
 - ↳ Destruction of goods (“delivery up”)
 - ↳ Costs
 - ↳ Declaratory relief (infringement / validity)

Questions or Comments? Thank You

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