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COLLATERAL ESTOPPEL & MARKMAN TIMING

By
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I. INTRODUCTION

The defining characteristic of the Supreme Court's *Markman* decision is that the construction of a patent is to be done by the court. *Markman v. Westview Instruments*, 517 U.S. 370 (1996). From this decision, a jurisprudence has developed with respect to *Markman* rulings, touching upon both their procedure and their finality. The importance of finality is well illustrated in cases where an adverse construction for the patentee/plaintiff has been used in an effort to prevent relitigation of those claims in a second suit. Certainly, in some of those instances, and perhaps in all of them, the patentee/plaintiff did not realize that an adverse construction could be used against it in subsequent suits and indeed that such construction might be irreversible even in the first case. Thus, an all-encompassing *Markman* construction of a patent can be a high-stakes proposition. But if uniformity is to be achieved, the patentee/plaintiff must not be able to forum shop for the best claim construction.

The circumstances in which *Markman* rulings have the same preclusive effect as final judgments and other rulings traditionally encompassed by the doctrine of collateral estoppel is

hardly settled, though. Courts have reached different results on this issue, as will be discussed in this paper, but none have disagreed that under the right circumstances, collateral estoppel precludes relitigation of the same claim construction issues. Indeed, a contrary conclusion would conflict with the overarching principle of collateral estoppel to provide one procedurally complete opportunity to litigate an issue and not to permit endless relitigation of the same issue against different litigants in different courts.

The Supreme Court has made this point more eloquently:

Uniformity would, however, be ill served by submitting issues of document [***40] construction to juries. Making them jury issues would not, to be sure, necessarily leave evidentiary questions of meaning wide open in every new court in which a patent might be litigated, for principles of issue preclusion would ordinarily foster uniformity. Cf. *Blonder-Tongue Laboratories, Inc. v. University of Ill. Foundation*, 402 U.S. 313, 28 L. Ed. 2d 788, 91 S. Ct. 1434 (1971). But whereas issue preclusion could not be asserted against new and independent infringement defendants even within a given jurisdiction, treating interpretive issues as purely legal will promote (though it will not guarantee) intrajurisdictional certainty through the application of *stare decisis* on those questions not yet subject to interjurisdictional uniformity under the authority of the single appeals court.

Markman v. Westview Instruments, 517 U.S. 370, 391 (1996).

But where does this defense find useful application in patent litigation?

The answer depends upon whether the patent at issue has broad applicability and may reach many businesses or has more limited reach. Because of *Markman*'s strong uniformity policy, it is well advised to research your opponent's litigation history; you may be pleasantly surprised and discover a valuable patent construction tool.

Two conclusions arise from *Markman*: (1) issue preclusion does apply where applicable according to established precepts; and (2) where issue preclusion does not apply, *stare decisis* can still achieve a measure of uniformity.

The premise of this paper, then, is that collateral estoppel applies to prior constructions of the same claims, and can be an important element in developing a strategy for timing of a *Markman* hearing.

II. HOW DOES COLLATERAL ESTOPPEL WORK IN THE PATENT CONTEXT?

Collateral estoppel has four familiar elements according to the Federal Circuit. *E.g. Aqua Marine Supply v. AIM Machinery, Inc.*, 247 F.3d 1216 (Fed. Cir. 2001)

1. The issue raised in the current proceeding must be identical to the one decided in the first action;
2. That issue must have been actually litigated in the first action;
3. Resolution of that issue must have been essential to a final judgment or ruling in the first action; and
4. The plaintiff must have had a full and fair opportunity to litigate the issue in the first action.

Only by reviewing these four elements and making a judgment as to their applicability can you make a determination as to how collateral estoppel might work in the *Markman* process.

In *TM Patents v. International Business Machines*, 72 F. Supp.2d 370 (S.D.N.Y. 1999), the court was asked to construe claims that had been the subject of an exhaustive review by another district court in a separate patent infringement action brought by the same plaintiff.

After reviewing the criteria for application of the defense as set forth in *Blonder-Tongue Lab.*,

Inc. v. University of Illinois Foundation, 402 U.S. 313 (1971), the court concluded that the criteria were met and that the plaintiff/patentee should be precluded from relitigating the meaning of those terms. In reaching this conclusion, the court noted the discussion about uniformity in *Markman* and remarked that it is “inconceivable that a fully-litigated determination after a first *Markman* hearing would not be preclusive in subsequent actions involving the same disputed claims under the same patent. The nature of the *Markman* proceeding is such that finality is its aim.” *Id.* at 377.

In *Bristol-Myers Squibb Co. v. PAR Pharmaceutical, Inc.*, 2001 WL 225044 (S.D.N.Y.), the court was asked to consider modifying a protective order to permit access to certain court records on the theory that access might show that the patentee/plaintiff was collaterally estopped from litigating or relitigating certain claims, as the case might prove to be. The court found that this argument constituted good cause to modify the protective order, implicitly holding that collateral estoppel is available for prior *Markman* rulings.

In *Graco Children’s Products, Inc., v. Regalo International, LLC*, 77 F. Supp.2d 660 (E.D. Pa. 1999), the court was asked to apply the defense to a patentee/plaintiff who had previously litigated certain claim constructions and had received an adverse ruling. The court declined to do so, noting that an intervening settlement had deprived the patentee/plaintiff of the opportunity to appeal that ruling and thus the defense would not apply. This result is in contrast to *TM Patents* where an intervening settlement also occurred, but that court rejected it as a basis not to apply the defense, noting that the settlement was voluntary and thus was a willing abandonment of appellate rights.

In *Kollmorgen Corp. v. Yaskawa Electric Corp.*, 2001 WL 732012 (W.D.Va. 2001), the court was asked to apply the defense and refused to do so, reasoning that a consensual settlement, reached after a definitive *Markman* ruling, did not meet the criterion for a final judgment because there was no opportunity for an appeal of the *Markman* ruling. The court rested its decision heavily upon the fact that no interlocutory review of *Markman* rulings is available in the Federal Circuit and thus one must either litigate a case all the way through to judgment, so that the *Markman* ruling can be appealed, or settle, knowing that preclusive effect attaches upon settlement. In light of the fact that a large portion of appeals to the Federal Circuit are reversed, the court concluded that such a rule would have a chilling effect on settlement and rejected the defense, also rejecting the rationale from *TM Patents*.

The *Kollmorgen* saga did not end in Virginia, though. Back in Wisconsin, the original court, the parties had settled and petitioned the court to vacate its *Markman* ruling as a part of the settlement. The defendant/alleged infringer in Virginia sought to intervene, in order to protect its interest in the collateral estoppel effect of the *Markman* ruling (the Virginia Court apparently had not ruled at the time). The Wisconsin court assumed, without deciding, that its prior order would have preclusive effect and addressed itself to the *vacatur* motion with that premise. The court noted the public interest in saving other judges and litigants from revisiting the same issue and the interests of other parties in the court's rulings and determined that the benefits of preserving those rulings outweighed the value of settlement. The motion for *vacatur* was therefore denied. *Allen-Bradley Co., LLC v. Kollmorgen Corp.*, 199 F.R.D. 316 (E.D.Wis. 2001).

The *Kollmorgen* story is an instructive one. It teaches the plaintiff/patentee not to rely upon the district court to cooperate in vacating adverse *Markman* rulings. The practice of

vacatur is not uncommon and many judges have cooperated, recognizing the value of settlement. But, if the court refuses to do so, then the plaintiff/patentee may never escape that first claim construction.

In *Abbott Laboratories v. Day*, 110 F. Supp. 667, 55 U.S.P.Q. 2d 1728 (N.D. Ill. 2000), the risk is well illustrated. In that case, the court held that the prior claim construction had preclusive effect, even though that very construction was then on appeal from the first court.

In *Stephen C. Edberg v. CPI-The Alternative Supplier, Inc.*, 156 F. Supp.2d 190 (D.Conn. 2001), the court had previously construed the patent in suit, and issued a *Markman* ruling on certain claim limitations. See *Environetics, Inc. v. Millipore Corp.*, 923 F. Supp. 344 (D.Conn. 1996). The construction no longer entirely suited the plaintiff/patentee and so it asked the court to reconsider and modify its prior ruling of five years earlier. The defendant asserted collateral estoppel. In its analysis, the court reviewed the elements of collateral estoppel, and the decisions in *TM Patents*, *Graco* and *Abbott Laboratories*. The court rejected the argument that the policy of encouraging settlements precluded invocation of collateral estoppel, distinguishing *Graco* and adopting the rationale of *TM Patents*.

A. Are The Issues Identical?

In the patent context, the requirement that the issues between the two cases be identical will most typically find expression in arguments over specific claim language in the same patent. In one of our recent cases, this is precisely what happened and yet the plaintiff argued that the issues were not identical because some claims at issue in the second case were not at issue in the first case. Thus, the argument continued, the meaning of those non-overlapping claims on the contested language had not been considered by the first judge. In other words, the plaintiff

argued that even if some claims were definitively construed in the first case and were common to both cases, the fact that all contested claims were not common to both cases precluded collateral estoppel. This is because claim differentiation can not be given full effect if the first judge did not appreciate how the dependent claims in the second case could affect independent claim language at issue in the first case.

This argument, of course, raises the issue as to the proper role of claim differentiation. If this argument is correct, it eliminates collateral estoppel in patent cases because it is not likely that two patent cases are going to involve precisely the same constellation of claims from the patent and of course the alignment of allegedly infringed claims is entirely within the patentee/plaintiff's ability to manipulate to avoid such a precise duplication. In our case, the judge summarily rejected this argument. That conclusion seems clearly correct to keep the dependent claim tail from wagging the independent claim dog. *North American Vaccine, Inc. v. American Cyanamid Co.*, 7 F.3d 1571, 1577 (Fed. Cir. 1993).

For *Markman* planning purposes, the litigant should assume that the court will look at the words and phrases that were actually construed by the prior judge, compare them to the words, phrases and claims directly at issue in the second case, and determine identity on that basis.

B. Was The Prior Ruling Necessary To A Final Judgment?

This requirement raises a couple of interesting issues in patent cases. First, the phrasing of the first court's order and the results of that order are crucial in determining whether this element is present. Because collateral estoppel is a doctrine that is narrowly construed, the defendant must be satisfied that the court adequately articulated its rationale, and that rationale necessarily depended on a particular claim construction, or that the result in the prior litigation

inexorably embraces the asserted construction. Typically, this rationale will be well articulated because courts understand that the *Markman* decision provides the basis for the parties to assess whether the defendant infringed the patent and to reach conclusions about the necessity for an infringement trial. A *Markman* construction that is vague and uncertain accomplishes neither of those goals.

In *Jackson Jordan v. Plasser American Corp.*, 747 F.2d 1567 (Fed. Cir. 1984), the court rejected the idea that a party who is asserting collateral estoppel must adopt the prior opinion in its entirety. This decision is consistent with the idea that collateral estoppel operates as a one-way street so that the defendant may select those rulings for which it seeks preclusive effect. In *In Re Jerre M. Freeman*, 30 F.3d 1459 (Fed. Cir. 1994), the Federal Circuit reiterated the importance that the finding be necessary to the final judgment, while *A.B. Dick Co. v. Burroughs Corp.*, 713 F.2d 700 (Fed. Cir. 1983), *Studiengesellschaft Kohle v. Eastman Kodak*, 616 F.2d 1315 (5th Cir. 1980) and *Phonometrics Inc. v. Northern Telecom Inc.*, 133 F.3d 1459 (Fed. Cir. 1999) provide three examples where such necessity was not shown and collateral estoppel did not apply.

C. Was The Prior Judgment Final?

This may be the most problematic of the four criteria. *Markman* rulings typically are not going to be final appealable orders. By their very nature, coming before a trial on infringement issues, they are interlocutory and non-appealable. Thus, at first blush it would seem difficult to satisfy this element. Most courts that have considered this issue, however, appear to have had no difficulty concluding that a *Markman* ruling involves sufficient certainty and finality to be a final

judgment within the meaning of this element. *See TM Patents v. IBM*, 72 F. Supp. 2d 370 (S.D.N.Y. 1999); *Graco Childrens Products, Inc. v. Regalo International*, 77 F. Supp. 2d 660 (E.D. Pa 1999); *Abbott Labs v. Dey*, 110 F. Supp. 2d 667 (N.D. Ill. 2000). Finality might be avoided if the court specifically indicated that its ruling is tentative, or other indicia of finality are clearly lacking, but a “difficult” decision may likely be final and susceptible to preclusive effect. Arguments to the effect that there was insufficient *Markman* procedure or process are likely unavailing. The absence of oral argument, of witnesses on the stand, of experts, or of some other procedure does not avoid preclusive effect because *Markman* hearings have no definite form, and there is no rulebook that requires certain procedures. This is especially true if the prior litigant acquiesced in the process employed, and did not contend that the absence of such procedures deprived the proceeding of its *Markman* nature. If the court received papers from the parties and undertook a definitive interpretation of the patent pursuant to *Markman*, then it seems likely that the finality element is satisfied. *See, e.g., Employees Own Federal Credit Union v. City of Defiance*, 752 F.2d 243 (6th Cir. 1985).¹

In *Kollmorgen*, though, the court rejected the notion that interlocutory *Markman* rulings can have collateral estoppel effect at least if the case subsequently is settled. In doing so, the court noted that, with the high reversal rate of district court patent decisions, the Federal Circuit could not be presumed to agree with many *Markman* rulings. But, the court reasoned, since interlocutory review is not available, parties are forced to make a difficult choice between settlement and issue preclusion, thus discouraging, rather than encouraging, settlement.

In contrast, the *TM Patents* court was much more generous about finality, relying upon *Lummus Co. v. Commonwealth Oil Ref. Co.*, 297 F.2d 80, 89 (2nd Cir. 1961) for the notion that an issue is finally decided for issue preclusion purposes when the court determines there is “no really good reason for permitting it to be litigated” further. *Id.*

D. Did the Estopped Party Have A Full And Fair Opportunity To Litigate?

This element is often going to be a difficult one for the patentee/plaintiff. If the patentee/plaintiff has had a favorable overall result in one court, then it is likely to return to that court for future enforcement of its patent rights. In doing so, the patentee/plaintiff will need to either be able to articulate a specific deficit in the procedure previously employed by the court, or point to a development after the *Markman* hearing that ended its opportunity to appeal or to continue contesting an adverse construction. The leading case in this area is *Graco*. In that case, the patentee/plaintiff had an adverse claim construction in a *Markman* hearing held before trial but subsequently won the infringement trial. Because of its trial success, the patentee/plaintiff could not independently appeal from the *Markman* ruling. The losing party did appeal but the case settled during the course of the appeal. The patentee/plaintiff then filed suit against another alleged infringer and was met with the adverse construction from the first case. The second court held that because the patentee/plaintiff did not have the opportunity to fully litigate through an appeal, there could be no collateral estoppel. In pretty much the same situation, however, the *TM Patents* court reached the opposite conclusion, finding that the litigant who “cuts off his right

¹ Another issue that may arise involves the entry of consent judgments and the issue will be whether the consent judgment is consistent with the prior *Markman* ruling and clearly evidences a manifest intent to create a preclusive effect.

to review by settling a disputed matter cannot complain that the question was never reviewed on appeal.” 72 F. Supp. 2d at 378.

And finally, the *Kollmorgen* decision in Virginia might be viewed as standing for the proposition that a *Markman* ruling from a district court will never constitute a full and fair opportunity to litigate claim construction because district courts cannot get it right.

III. COLLATERAL ESTOPPEL RELATIONSHIP TO THE TIMING OF MARKMAN HEARINGS

The proper timing for a *Markman* hearing is dependent upon several factors. If the litigation is part of a campaign by a patentee/plaintiff to enforce patent rights, then collateral estoppel or *stare decisis* may play a significant role in that timing analysis. For purposes of collateral estoppel, the litigant must first assess the four factors discussed above in deciding whether the *Markman* timing strategy should be tied to a collateral estoppel ruling. This brief review indicates that the issue of whether collateral estoppel applies is not dependent on many facts. For the defendant in the second lawsuit, most of these facts can be obtained by review of the prior court record. This court record will indicate: (1) whether there is identity between claim construction issues, (2) the issues that were actually litigated in the prior case, (3) the role that claim construction played in the prior ruling, and finally (4) the opportunity or process that the plaintiff received in the prior proceeding for a full and fair adjudication of those claim constructions. The history of the case will indicate whether any subsequent event cut off a right of appeal, through no fault of the patentee/plaintiff, or whether there is any other factor that militates against the application of collateral estoppel. Thus, one can quickly assess whether collateral estoppel is a viable defense.

A. When To Have The Collateral Estoppel Motion Heard

Assuming that the defense does appear viable, then the next issue is when should it be litigated?²

1. The Defendant/Alleged Infringer's Analysis

For the defendant/alleged infringer, there are only two timing options for collateral estoppel on claim construction: (1) before the *Markman* hearing, or (2) contemporaneous with it. This is not a defense that ages well after the *Markman* ruling. From the alleged infringer's perspective, an early resolution will often be desirable. Indeed, the briefing on collateral estoppel will force the patentee/plaintiff to explain why the prior ruling is not applicable and preclusive. Few lawyers, when placed in that position, will be able to resist an attempt to argue that the prior ruling was in error which will also provide some useful information.³

For the defendant, a patentee/plaintiff's argument on the merits of the first court's ruling can provide useful discovery in two respects. First, it enables defense counsel to understand how the patentee/plaintiff will argue for its claim construction in the second case, while navigating around the adverse aspects of the prior ruling. Second, the new court will be introduced to some

² As an affirmative defense, collateral estoppel must be pleaded in the answer.

³ The argument of error is not completely without legal foundation. A prior ruling can be ignored in those circumstances where it is demonstrated that the prior court "wholly failed to grasp the technical subject matter and issues ensuit, and whether through no fault of his own the patentee was deprived of crucial evidence or witnesses in the first litigation." *Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation*, 402 U.S. 313 (1971). Obviously, this argument is a dangerous one under any circumstances because it forces the patentee to argue that another federal judge, perhaps from the same district, completely misunderstood the issue presented to it. I have watched that argument made to another district judge in the same court where it was clear that the first district judge had invested a significant amount of effort to understand the construction issues and authored a specific, though not lengthy, memorandum opinion on the claim construction issues. The argument was not successful.

of the key claim construction issues and counsel may learn about the court's predisposition towards those issues and how the rest of patent may be construed. In other words, pursuit of a collateral estoppel motion before a *Markman* hearing may provide the defendant with useful information for the *Markman* hearing. An additional virtue associated with an early ruling on collateral estoppel is narrowing the scope of issues for the *Markman* hearing itself.

To be sure, an early hearing on the defense is not without risk for the defendant. Most significantly, such an early hearing, if unsuccessful, may signal the court's sympathy for the patentee/plaintiff's asserted claim construction and could bode ill for the *Markman* hearing. But this should not be a big concern because the elements for collateral estoppel are expressly directed toward procedure, not substance, and should not extend to the merits of the prior claim construction. In other words, an unfavorable result on the collateral estoppel motion should result from the second court's decision that the prior ruling was not final, that it was not necessary to the final ruling, or that some other procedural reason, unrelated to the proper construction of the patent, prevents application of the defense. Indeed, for the second court to reach the conclusion that the prior decision was simply wrong might require the second judge to conclude that the prior district judge had wholly failed to grasp the technical nature of the issue, a territory that most judges, like most lawyers, are reluctant to visit.

From the defendant's perspective, then, an early resolution of the collateral estoppel issues likely serves an important purpose in narrowing the scope of the issues, obtaining the benefit of prior claim constructions that have been adverse to the patentee/plaintiff (and the leverage that goes with those rulings) and should dispose of any argument by the

patentee/plaintiff that constructions favorable to it should have preclusive effect, as opposed to precedential effect.

Another possible timing option for the defendant would be to propose that the collateral estoppel motion be taken up at the same time as the *Markman* hearing. Perhaps the biggest virtue of this approach is to avoid the risk that an early ruling against the defendant on collateral estoppel might prejudice settlement efforts, and diminish the defendant's opportunity to persuade the court that its other claim constructions should also be adopted. In most circumstances, it will be difficult for counsel on both sides of the case to adjust during the course of the *Markman* hearing to collateral estoppel rulings that might be entirely favorable to one side, or, as is more likely the case, partially helpful to each side. This problem could certainly be avoided by preparing a *Markman* presentation that assumes a range of outcomes on the collateral estoppel issue, but such an approach is expensive and unnecessary in most instances.

I did have the opportunity to participate in such a hybrid proceeding, but it was not by choice. We had persuaded the court that the collateral estoppel issues should be decided first, and that *Markman* briefings should come afterwards and should be done with a full appreciation of the court's collateral estoppel rulings. Certainly, this would be the most efficient way to proceed. Unfortunately the court, after receiving the collateral estoppel briefs, and despite a couple of requests from the plaintiff, did not schedule the argument, while trial was fast approaching. Due to these scheduling problems, the court ultimately held a hybrid proceeding, ruling first on the collateral estoppel issues and then launching immediately into the *Markman* hearing. While this procedure worked reasonably well in the end, it was one that neither the parties nor the court believed was the optimal process to follow.

2. The Patentee/Plaintiff's Timing Analysis

For the patentee/plaintiff, the analysis is significantly different. First of all, the patentee/plaintiff's ability to rely upon offensive use of collateral estoppel is extremely limited and is likely to be available in very few cases. To rely on offensive collateral, the patentee/plaintiff must show that the infringer was a defendant in the prior action, and lost on the same issue to a different plaintiff. *See Parklane Hosiery Co., Inc. v. Shore*, 439 U.S. 327 (1979). Such a fact pattern is hard to imagine in a patent infringement case.

Without collateral estoppel, the patentee/plaintiff must fall back upon the doctrine of *stare decisis* to bolster its asserted claim construction. *Stare decisis* is more flexibly applied than collateral estoppel and it will not apply at all if the case involves different district courts. But here, the Supreme Court's language in *Markman* is helpful to the patentee/plaintiff because the principles of consistency and uniformity apply no less strongly when the patentee/plaintiff has been the beneficiary of prior favorable *Markman* claim construction than when the patentee/plaintiff has been the recipient of an unfavorable construction. As counsel for the patentee/plaintiff, I would advise a strategy to encourage the court to adopt that precedent early in the case, before the *Markman* hearing, as the presumptive law of the case.

We recently had the opportunity to advise a client in such a *stare decisis* circumstance. In that case, the patentee/plaintiff had obtained very favorable claim constructions on a series of patents against another competitor. With these claim constructions in hand, the patentee/plaintiff then began a campaign to obtain license fees from other companies and if negotiations were not successful, to institute infringement claims, relying upon the earlier *Markman* rulings. These claim constructions were contained in a lengthy, detailed opinion that fully demonstrated the

considerable efforts of the district court. We could say to our client with great confidence that collateral estoppel would not apply to it, but we had grave doubts that we could avoid the *stare decisis* impact of that earlier decision. Our reservations sprang from many sources, including the detailed nature of the prior court's review, the possibility of transfer to the first court and the *Markman* policy favoring uniformity. It seemed unfair that these issues could have been decided before our client even became a litigant, but the reality was that we appeared to have only a modest chance of avoiding that ruling, even if *stare decisis* did not technically apply.

Nonetheless, our client had come to believe that certain key portions of the opinion were incorrect, at least as those claim constructions would be applied to our client. Prior counsel had advised that, while venue was proper in the same court, a pre-emptive suit (assuming the licensing negotiations failed) should be brought in another jurisdiction to avoid the first judge. Putting aside a possible transfer, this was questionable advice because it assumed that another judge, in another court, who had not put any effort into reviewing the patent and the file history, could be more easily persuaded to reach a different result, in spite of the *Markman* interest in uniformity and the careful, scholarly quality of the first court's opinion. For the patentee/plaintiff, the choice of forum and precedent was clear and we knew they would make every effort to transfer any case filed elsewhere and that we would have difficulty defeating such a motion on venue grounds. In the end, we advised the client to make the same choice, believing that would maximize the slim possibility of avoiding the prior ruling. This may have been the thinking in the *Edberg* case discussed above, where the plaintiff/patentee sought reconsideration from the same court of a claim construction rendered six years earlier. In that case, counsel for the patentee may have decided that any effort to persuade another judge to change the original

construction of the patent was less likely to succeed than returning to the original court. And indeed, that analysis may have been right because the *Edberg* court did buttress its collateral estoppel analysis by construing the key language of the patent again, rather than simply applying the four elements of collateral estoppel without regard to the merits, as other courts have done. *Stephen C. Edberg v. CPI-The Alternative Supplier, Inc.*, 156 F. Supp. 2d at 196 *et seq.*

IV. GENERAL TIMING CONSIDERATIONS

Patent litigation can be extraordinarily expensive. Frequently, before the *Markman* hearing occurs, the issues have been well developed, considerable discovery has occurred, various discovery and other motions have been filed, argued and decided, experts have been retained, and everyone's blood pressure has risen. But how much discovery and other preliminary, life-shortening activity is really necessary before the court can hold a *Markman* hearing? While the *Markman* hearing is a major milestone from all parties' perspectives, that does not mean that all of this effort is needed.

If we think of claim construction as being similar to that of statutory construction, an apt parallel according to *Markman*, then it is apparent that a reasonable amount of document analysis is necessary, including reviewing the legislative history (file wrapper), and any pertinent prior rulings (prior claim constructions that might have preclusive effect or be accorded *stare decisis*). On the patent side, only one item might be added to this list: the references to prior art as they might have been used to limit the scope of the claims.

Statutory construction does not depend upon discovery or deposition testimony in the pending case, and similarly, claim construction has little reliance upon discovery. The only exception involves extrinsic testimony of the inventor. In some cases, expert testimony is also

appropriate, and this could have the effect of slowing down the schedule in the case, but the expert's task is easier than at trial because he is not much dependent on discovery, either. So, even expert involvement need not be much of a brake on the case. In any event, this is all discovery or investigation that can be accomplished rapidly and cost-effectively. For a litigant who is interested in rapid resolution, then, an early *Markman* hearing can be achieved if you believe that claim construction is likely to resolve the dispute between the parties. And, the statistics demonstrate that such rapid resolution is frequently the result of *Markman* rulings. If substantial discovery occurs before the hearing, the temptation will be considerable for litigants to draw the discovery record into the *Markman* proceeding to complicate the process.

An aggressive plaintiff patentee/plaintiff should consider requesting an early *Markman* hearing, with limited discovery, as a means of applying extra pressure on the defendant. The law is supportive of this strategy in that it recognizes only certain sources of information as bearing upon proper claim construction. The defendant may be prejudiced by this strategy because the limitation of discovery produces the opportunity to discover other facts that, while not bearing upon claim construction directly, may inform the defendant as to its prospects to prevail on any one of its defenses at trial. On the other hand, the defendant could be prejudiced if evidence of infringement obtained during discovery creeps into the *Markman* record.