

*The Sedona Conference*  
*Commentary on Patent Litigation Best Practices:*  
*International Trade Commission Section 337 Investigations Chapter*  
*(May 2019 Edition)*

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The Sedona Conference Commentary on Patent Litigation Best Practices: International Trade Commission Section 337 Investigations Chapter provides Principles and Best Practice recommendations for International Trade Commission (ITC) litigation.

The International Trade Commission (ITC) is a critical forum for those seeking to protect their intellectual property rights, particularly patent claims, against unfair imports. As overseas manufacturing has increased and injunctive relief from the federal courts has become more difficult to obtain as a result of the Supreme Court's *eBay* decision, ITC exclusion orders to ban infringing imports have become a more attractive option for some plaintiffs who can show the existence of a domestic industry for the products at issue. Similarly, the federal courts' willingness, unlike the ITC, to stay and defer to pending *Inter Partes* Review proceedings before the USPTO Patent and Trial and Appeal Board has made the accelerated decision-making of the ITC a more attractive alternative to slower district court proceedings. Finally, the America Invents Act's joinder rules are not an issue in Section 337 investigations, as the target of the investigation is the article being imported, with the manufacturer, distributors, downstream users, and/or importers being named, essentially, to defend against exclusion of the imported article.

While the ITC has adopted a number of common procedures, ALJs have individual rules of practice, some of which can differ significantly.

This *Chapter* presents eight practical Principles of International Trade Commission Section 337 Investigations to parallel the extensive set of commentary chapters that WG10 has published for patent litigation in the federal courts:

- Principle 1** With the expedited schedule utilized by the ITC, issues for trial should be identified as soon as possible and discovery should be limited to such issues.
- Principle 2** ITC discovery should be proportionate with the overall nature of the dispute. However, even in complex ITC patent investigations, the determination of proportionality also should take into account the limited time available and inherent difficulties in obtaining information from foreign non-party entities.



- Principle 3** Each party should be required to disclose primary relevant documents and contentions very early in the discovery process and have an ongoing duty to disclose any additional such documents once it learns of their existence or relevancy. While some degree of supplementation should be allowed if done in a timely manner, the ALJ should consider not allowing untimely produced documents or contentions to be admitted at trial absent good cause.
- Principle 4** To assist in the prompt disclosure of material issues in dispute, parties are encouraged to use contention interrogatories regarding lack of infringement, invalidity, and domestic industry and to provide substantial responses to contentions on the schedule established by the ALJ or as otherwise agreed by the parties.
- Principle 5** Where appropriate and necessary, the ALJ should try to resolve discovery disputes expeditiously and should use some form of gating function to determine which disputes truly require formal motion practice.
- Principle 6** Discovery sanctions should not be routinely requested and should not be pursued by a party in a manner that overshadows the substantive issues in the case.
- Principle 7** If a party's or attorney's conduct during discovery warrants fee-shifting or sanctions, the ALJ should consider appropriate monetary or evidentiary sanctions against the party or counsel to remedy, deter, or punish such conduct.
- Principle 8** If it is likely that the construction of disputed claim terms will be critical to or dispositive of any issues of infringement, invalidity, or the technical prong of domestic industry, a claim construction hearing should be held and a decision should be issued in advance of expert reports and contention responses where practicable.

The full text of *The Sedona Conference Commentary on Patent Litigation Best Practices: International Trade Commission Section 337 Investigations Chapter*, May 2019 Edition, is available free for individual download from  
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