The Sedona Conference WG9 and WG10 Joint Annual Meeting
The Bellevue Hotel
Philadelphia, Pennsylvania
March 28-29, 2019

AGENDA

Wednesday, March 27, 2019

6:00 — 8:00 Welcome Reception

Thursday, March 28, 2019

7:30 — 8:30 Breakfast & Registration

8:30 — 8:45 Welcome and Introductions
(Hutz, Powers, Rea, Weinlein)

8:45 — 10:00 [Panel 1] Alice and Section 101: Current Trends and Future Possibilities
(Powers, Guilford (J))*

The law of patent eligibility is one of the fastest moving and consequential areas of patent law in the United States today. It is also one of the most divisive areas, with some groups welcoming its effect on the patent litigation they face, and others feeling that the law has moved too far and threatens innovation and legitimate patent rights. This panel will explore these issues in detail, including the many current changes in the law and several possible future developments.

Materials

1.1 WG10 Chapter on Section 101 Motions on Patentable Subject Matter (Sept. 2016 public comment ver.)

10:00 — 10:15 Morning Break

10:15 — 11:30 [Panel 2] WG10 Primer for Cross-Border Discovery Issues for Patent Litigation and Trade Secrets Litigation in the U.S. and Abroad
(Licks)*

Increasingly, the globalization of technology markets has complicated how businesses and individuals protect and enforce their intellectual property rights. While international laws generally protect rights in patents, copyrights, trade secrets and trademarks, the enforcement of such rights is complicated by unique requirements of how discovery functions within individual nations. For instance, transnational patent and trade secret litigation in the United States often involves parties who require evidence that is within the custody and control of both parties and non-parties located in any number of foreign jurisdictions. Yet such foreign states often employ significantly different discovery practices than what is permitted in the United States and may not even allow the parties to take depositions or demand specific forms of documentation. These problems are further complicated by the fact that how patents and

trade secrets are enforced internationally requires an evaluation of the legal protections afforded such rights on a country-by-country basis. As patent and trade secret enforcement disputes themselves become increasingly international, such that it is no longer uncommon for parties to file multiple actions involving the same underlying intellectual property in myriad jurisdictions across the globe, the complexities of coordinated cross-border discovery and the implications of how to address related concerns such as protective orders, privacy requirements and equitable relief may seem overwhelming to many practitioners.

This drafting team, which uniquely will combine the collected wisdom of the Sedona Conference's Working Groups 9, 10 and 12 (addressing best practices in both patent and trade secret litigation), will examine issues arising from this new reality, focusing its guidance on what are the best practices to ensure that the parties to United States patent and trade secret litigation with international components can ensure that they receive adequate discovery from all foreign sources so as to ensure that their claims and defenses are adequately presented to the courts addressing such disputes.

Materials

2.1 WG10 Primer for Cross-Border Discovery Issues for Patent Litigation and Trade Secrets Litigation in the U.S. and Abroad (Mar. 2019 for-posting version)

11:30 — 12:30 [Panel 3] WG10 Commentary on The Evolving Relationship Between Federal Courts and Administrative Agencies
(O'Malley (J), Stroud)*

The issue of which types of patent actions and decisions by administrative agencies may be reviewed by the courts, and if so, under what deference or terms, has been the subject of an extraordinary amount of judicial activity recently. Two Supreme Court cases (*Cuozzo* and *SAS*) addressed these issues squarely, as have two highly fractured en banc Federal Circuit decisions (*Aqua Products* and *WiFi One*). More appear imminent. Appeals from the PTO and the ITC to the Federal Circuit have now eclipsed appeals from the district court; how the various administrative and judicial tribunals' decisions and rulings will be honored, bound, or estopped over one another has grown increasingly fraught. As this complex web of law develops, this drafting team will be examining these issues from both a patent and administrative law perspective, as the two grow increasingly entwined.

Materials

3.1 WG10 Commentary on The Evolving Relationship Between Federal Courts and Administrative Agencies (Mar. 2019 for-posting version)

12:30 — 1:45 Lunch

1:45 — 3:00 **[Panel 4] WG5 Commentary on the Markman Process and Claim Construction (2d Edition)**

(Noreika (J), Wine)*

In 2010 a Sedona Conference working group conducted a study on the Markman process with the stated goal of articulating best practices for conducting claim construction. The 22 best practice recommendations came after exhaustive efforts to elicit comment and input from lawyers, academics and judges on what was believed to the optimal use of this important procedural step in a patent litigation. It was an important piece of work that helped to bring focus on what had become a confusing array of differing approaches among the various district courts in the years since the Supreme Court's decision in *Markman v. Westview Instruments*, 517 U.S. 370 (1996).

Now we are convening another Sedona Conference team to take a look at the claim construction process with a slightly different focus. We will be exploring the issue of how the claim construction process has evolved—specifically what procedures and practices have been generally accepted among the district courts and which suggestions that seemed to have support in 2010 have not found favor in practice. In addition, we will make an effort to determine what procedures have been modified to fit the needs of the claim construction process and which of them have been abandoned or substantially revised in order to address issues of procedural or substantive law that have arisen in the intervening nine years. We will also take a close look at the appellate process in patent cases to determine whether the historically high reversal rates in claim construction cases that existed in 2010 still continues in recent times. Our efforts will draw on the collective knowledge of those who conduct patent litigation in the major venues throughout the United States on a regular basis and have knowledge of what claim construction looks like in places as geographically diverse as Marshall, Texas, Wilmington, Delaware and San Jose, California.

From this review of what has been implemented since the seminal 2010 Markman report we will gain a better understanding of the realities of today's patent litigation environment and the demands being made on trial judges and trial lawyers alike. We will also develop some insights on efficiencies and innovations in the process that were not envisioned when the original study issued. Hopefully by sharing this information we will be able to provide a set of new best practices that will provide useful guidance to the patent litigation community going forward.

Materials

4.1 WG5 Commentary on the Markman Process and Claim Construction (Nov. 2010)

3:00 — 4:00 **[Panel 5] WG10 Chapter on Biopharma Patent Litigation**

(Johnson, Robinson (J))*

Biologic and pharmaceutical patent litigation differs from other types of patent litigation in significant ways. They are frequently the result of statutory provisions for resolving patent disputes that are part of the generic drug or biosimilar approval framework. These provisions create unique substantive and case management issues. Where innovative biologic and pharmaceutical products requiring first-time FDA approvals are involved, other unique legal and case management issues often arise. Biologic and pharmaceutical patent litigations also frequently call on courts to balance the public's interest in encouraging and rewarding the discovery and development of new drugs and biologics against that of making differentiated, life-altering and/or life-sustaining therapies available to patients who may benefit from them.

Materials

5.1 WG10 Chapter on Biopharma Patent Litigation (Mar. 2019 for-posting version)

4:00 — 4:15 Afternoon Break

4:15 — 5:30 [Panel 6] WG9 Framework for Analysis of Standard-Essential Patent (SEP) and Fair, Reasonable, and Non-Discriminatory (FRAND) Issues (Stage Two)
(Holz)*

WG9 published for public comment "Stage One" of its Framework for Analysis of SEP/FRAND Issues in February 2018 to address certain issues specific to alleged standard-essential patents (SEPs) and to consider the effects of commitments made to license patents on fair, reasonable, and non-discriminatory (FRAND) terms in infringement suits. This "Stage Two" WG9 drafting team continues this effort, addressing numerous additional topics in the SEP/FRAND context including:

- Comparable Licenses
- Royalty Base and Apportionment
- Other FRAND Royalty Approaches; and
- Other Considerations

[note: WG9 will further form a "Stage Three" drafting team addressing SEP/FRAND issues from a global perspective, consisting of experienced practitioners experienced in SEP/FRAND litigation in various patent regimes around the world.]

Materials

6.1 WG9 Framework for Analysis of SEP and FRAND Licensing and Royalty Issues (Stage One) (Feb. 2018 public comment ver.)

Friday, March 29, 2019

7:30 — 8:30 Breakfast & Registration

8:30 — 10:00 [Panel 7] WG10 Framework for Analysis for Strategic and Tactical Considerations in Selecting Venues for International Patent Enforcement
(Brody)*

This drafting team will summarize and compare the procedures and relief available in the principal international patent venues and consider the strategic and tactical considerations informing the choice of various venues. These issues will be addressed from the perspective of the different types of plaintiffs and defendants likely to engage in international patent litigation, including parties engaged in competitor litigation, parties engaged in litigation brought by practicing entities seeking to maximize the value of their patent estates, and parties engaged in litigation brought by non-practicing entities seeking to maximize their return on their patent investments. Current trends in venue selection will also be addressed.

Materials

7.1 WG10 Framework for Analysis for Strategic and Tactical Considerations in Selecting Venues for International Patent Enforcement (Mar. 2019 for-posting version)

10:00 — 10:15 Morning Break

10:15 — 11:30 [Panel 8] WG9 Commentary on Case Management of Patent Damages and Remedies Issues
(Hutz, Illston (J))*

The efforts of Working Group 9 initially culminated in a single draft white paper, entitled, Commentary on Patent Damages and Remedies (, that spanned several topics. That initial paper was submitted for feedback and comments and was revised to reflect the advanced thinking that resulted from the public community dialogue. After this process, WG9 divided the original paper into two separate papers. The first paper, entitled Commentary on Reasonable Royalty Determinations, has been published and addresses the history of the reasonable royalty and discusses principles and best practices to be considered in evaluating reasonable royalty damages. The second paper, entitled, Case Management of Patent Damages and Remedies Issues is intended to address damages and remedies issues as they arise in the various stages of litigation. The goal of this panel is to explore proposed principles and best practices from this second paper's drafting team's efforts, including injunctive relief, ongoing royalties, the interface between damages and technical experts, and other key issues.

Materials

8.1 WG9 Commentary on Case Management of Patent Damages and Remedies Issues (Mar. 2019

for-posting version)

8.2 WG9 Commentary on Patent Reasonable Royalty Determinations (Dec. 2016 Edition)

11:45 — 1:00 [Panel 9] WG10 Chapter on Parallel USPTO Proceedings – "Stage Three"
(Banowit, Hochberg (J), Obermann (J))*

There have been numerous significant changes to PTAB practice since WG10 last edited its Stage 1 and Stage 2 WG10 Parallel USPTO Proceedings documents in July 2017. Just a few are listed below:

- Supreme Court's *SAS* decision and PTAB's resulting change to a binary approach for institution decisions
- Updated Trial Practice Guide released August 2018
- Move from BRI to *Phillips* claim construction standard
- *Applications in Internet Time, LLC v. RPX Corporation* decision from the Federal Circuit and its impact on PTAB RPI/Privy decisions
- PTAB's developing practice of discretionary denials under 325(d) and 314(a)
- Proposed changes to PTAB motion to amend practice

This drafting team will combine the existing WG10 Parallel USPTO Proceedings Stage One and Stage Two publications into a single publication, make current the content therein, and propose new best practices for improving efficiency and collaboration among the Federal Courts addressing these issues.

Materials

9.1 WG10 Parallel USPTO Proceedings Chapter ("Stage One") (Oct. 2016 Edition)

9.2 WG10 Parallel USPTO Proceedings Chapter ("Stage Two") (July 2017 public comment ver.)

1:00 — 1:05 Closing Statements
(Weinlein)

1:05 — 2:00 Grab and Go Lunch (provided)