

Q&A With Robins Kaplan's Jake Holdreith

Law360, New York (June 07, 2012, 1:09 PM ET) -- Jake Holdreith is a partner with Robins Kaplan Miller & Ciresi LLP in the firm's Minneapolis office. He focuses his practice on intellectual property litigation with particular experience in patent infringement cases involving an array of technologies, from medical devices and pharmaceuticals to computer hardware and software. He is also experienced at handling trade secret disputes. His litigation experience includes disputes in courts in the United States, Europe, Hong Kong and other jurisdictions.

Q: What is the most challenging case you have worked on and what made it challenging?

A: Most of my cases are pretty challenging, and that is one of the reasons I love trying patent and trade secret cases. In the life sciences area, I would say my most challenging case was one that involved cross-claims of patent infringement on catheter-delivered vascular devices. I represented a start-up device company that had some great technology and it had grown to the point that it was challenging the giants in the marketplace. One of those giants was the former employer of some of the top executives at my client.

The case was particularly challenging because we had to deal with well-funded opposing counsel who had the budget and the marching orders to fight on many fronts. Eventually we faced a set of companion trade secret misappropriation claims that grew from a small side issue into a hydra that was starting to dwarf the patent case. I was very conscious of the risk of disruption of the executives' ability to predict and manage the defense budget, let alone the standard concern of delivering earnings in line with forecasts.

Fortunately the client had patent rights in an early and good invention. Our biggest risk turned on a few issues of claim interpretation. The trial judge told us early in the Markman hearing that she was not persuaded of our views. We were fortunate to be able to get the attention of the trial judge at a Markman hearing that ran many hours over several days. Getting the judge's attention allowed us to address the initial skepticism and show the court why we had the better positions. We came out of the claim construction with a stronger hand in the patent case.

We still had to deal with the trade secret allegations. In any trade secret case, you worry about how jurors will react to the mere allegation that your client took someone else's secrets. To manage that risk, we were also able to show the court how the state law trade secret claims were drifting far afield of the patent case, and starting to swamp the federal patent issues with unrelated state-law trade secret and unfair competition issues. The court accepted our suggestion to decline to exercise supplemental jurisdiction over the unrelated portion of the trade secret case, even though the case was fairly advanced. That cut the litigation back down to a more manageable set of issues, and we were able to resolve it.

Q: What aspects of your practice area are in need of reform and why?

A: The difference in the time to judgment in different venues is unfortunate, sometimes unfair, and it can be a real injustice in the area of drug litigation under the Hatch-Waxman Act. There are a number of things that could help, including filling judicial vacancies and allowing cases to move to a faster venue if they can't be resolved quickly where they were filed.

The fact that so many patent cases go to appeal also contributes to the problem. Currently, claim constructions are reviewed as questions of law, with no deference given to the district court. *Cybor Corp. v. FAS Techs. Inc.*, 138 F.3d 1448 (Fed. Cir. 1998). That means there is a guaranteed appeal issue in every patent case. A party that wins the initial claim construction battle at the Markman hearing doesn't gain the leverage it should to resolve the case before trial, because the opponent inevitably believes it can change the construction on appeal. It is harder for the lawyers to predict outcomes, even after trial, and it is expensive and slow for clients to get to a final resolution of their cases.

The drumbeat for addressing this problem is getting louder. Recently, in *Retractable Technologies Inc. v. Becton, Dickinson & Co.*, 2010-1402 (October 31, 2011), Judges Kimberly Moore and Kathleen O'Malley recognized in dissent that there are fact issues bound up in claim construction. Up to five judges of the Federal Circuit have now suggested that de novo review of claims construction is a problem.

Q: What is an important issue or case relevant to your practice area and why?

A: The America Invents Act will have a dramatic impact on patent litigation in the coming years.

Under the former version of the patent statutes, an inventor's date of conception was often key to whether patent claims were valid. Revisions to 35 U.S.C. §102 make the date of an invention's conception irrelevant. The key date will now be the date of filing (subject to a previous disclosure exception). Because the filing date is not absolute, we can expect a new set of litigation issues to arise surrounding disclosure and derivation.

Apart from AIA-driven changes, the Supreme Court's decision in *Mayo Collaborative Svcs. v. Prometheus Labs. Inc.* (No. 10-1150) (March 20, 2012) will also have a significant impact on patent litigation. The opinion ensures that there will be many life science and biotech cases in which there will be fact-intensive disputes over whether method or process claims include sufficient, additional limitations to transform a "law of nature" into patentable subject matter.

In the Mayo case, the claim steps of administering a drug and determining the relevant level of metabolites in the blood were insufficient to confer patentability, at least in part because methods for determining metabolite levels were so routine and well known in the art. The court's approach is likely to result in accused infringers merging their arguments regarding patentability under 35 U.S.C. § 101 with their arguments about validity under 35 U.S.C. §§ 102 and 103.

Q: Outside your own firm, name an attorney in your field who has impressed you and explain why.

A: I had a great time trying a case in Phoenix on a formulation patent in which Paul Molino and Deanne Mazzochi [of Rakoczy Molino Mazzochi Siwik LLP] represented co-defendants. We were able to shut down an injunction threat and we had a great time at trial. Paul impressed me on his feet in court, and Deanne came up with some of the best impeachment material I've seen.

Q: What is a mistake you made early in your career and what did you learn from it?

A: In the first patent case I tried, I nearly lost the case by thinking I knew what my opponent would do at trial. I called a witness for the other side adverse in my case. I expected my opponent to take a direct from him in my case for a couple of hours. I therefore planned for him to testify past the end of court that day. As it turned out, my opponent figured out I wasn't ready to call the next witness I planned. My opponent did a short examination and reserved his direct for his case. He sat down and I was without my next planned witness and facing a motion to dismiss for failure to proceed. Fortunately, I had adverse examinations ready to go of other witnesses and was able to call them and adverse them to get through the afternoon.

The obvious lesson is to have your witnesses ready, but what I really took away from that day is what my opponent showed me: that you want to be alert to any opportunity your opponent presents and be prepared to change your plan fast to seize that advantage. You really have to be thinking about all the chess moves all the time in trial and have a plan B, C and D.

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