**UTAH STATE BAR**

**IP Summit 2020**

**Right To Trial By Jury in Patent Cases**

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February 21, 2020

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1. **The Seventh Amendment**

In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise re-examined in any Court of the United States, than according to the rules of the common law.

1. **Need for Timely Demand**

Fed. R. Civ. P. 38(b)(1):

On any issue triable of right by a jury, a party may demand a jury trial by:

(1) serving the other parties with a written demand—which may be included in a pleading—no later than 14 days after the last pleading directed to the issue is served . . .

1. **At Law or in Equity: The Nature of the Issue to be Tried**

The Court has construed this language [of the Seventh Amendment] to require a jury trial on the merits in those actions that are analogous to “Suits at common law.” Prior to the Amendment's adoption, a jury trial was customary in suits brought in the English law courts. In contrast, those actions that are analogous to 18th-century cases tried in courts of equity or admiralty do not require a jury trial.

*Tull v. United States*, 481 U.S. 412, 417 (1987).

The Seventh Amendment question depends on the nature of the issue to be tried rather than the character of the overall action.

*Ross v. Bernhard*, 396 U.S. 531, 538 (1970).

1. **The Common Law Remedies**

The traditional forms of a legal remedy are money damages or recovery of real and personal property. *See e.g., Mertens v. Hewitt Assocs*., 508 U.S. 248, 255 (1993); *Pernell v. Southall Realty*, 416 U.S. 363, 370 (1974); *Scott v. Neely*, 140 U.S. 106, 110 (1891); *Whitehead v. Shattuck*, 138 U.S. 146, 151 (1891).

1. **Injunctive Relief and Disgorgement**

If the plaintiff seeks only an injunction, and not patent damages, and the defendant raises defenses only, without counterclaims, there is no right to a trial by jury. *See e.g., Texas Advanced Optoelectronic Solutions, Inc. v. Renesas Electronics Am.*, 895 F.3d 1304 (Fed. Cir. 2018) (holding disgorgement of profits in a trade secret case does not invoke the right to trial by jury, relying on patent cases treating disgorgement as equitable rather than legal remedy).

1. **The Declaratory Judgement**

Declaratory relief is essentially “an equitable cause of action” and “is analogous to the equity jurisdiction in suits *quia timet* or for a decree quieting title.”

*Great Lakes and Dock Co. v. Huffman*, 319 U.S. 293, 300 (1943).

But when a Declaratory Judgment claim simply anticipates a claim at law, it cannot undermine the right to trial by jury.

Whether a claim for declaratory judgment, which did not exist in 1791, is properly classified as legal or equitable turns on the underlying controversy on which is founded.

*In re Lockwood*, 50 F.3d 966, 973 (Fed. Cir. 1995), *vacated* 515 U.S. 1182 (1995); *see also In re Tech. Licensing Corp*., 423 F.3d 1286, 1289 (Fed Cir. 2005) (per curiam).

1. **1970-80: Right to Trial by Jury in Complex Cases**

As our cases indicate, the "legal" nature of an issue is determined by considering, first, the pre-merger custom with reference to such questions; second, the remedy sought; and, third, *the practical abilities and limitations of juries*. Of these factors, the first, requiring extensive and possibly abstruse historical inquiry, is obviously the most difficult to apply.

*Ross v. Bernhard*, 396 U.S. at 538 n.10 (emphasis added).

A judicially created “complexity exception” caused some courts to strike jury demands. *See e.g., In re Japanese Elec. Prods. Antitrust Litigation*, 631 F.2d 1069 (3d Cir. 1980); *Bernstein v. Universal Pictures, Inc.*, 79 F.R.D. 59 (S.D.N.Y. 1978); *ILC Peripherals Leasing Corp. v. IBM Corp*., 458 F. Supp. 423 (N.D.Ca.1978), *aff'd on other grounds sub nom. Memorex Corp. v. IBM Corp*., 636 F.2d 1188 (9th Cir. 1980); *In re Boise Cascade Securities Litigation*, 420 F. Supp. 99 (W.D. Wash. 1976).

1. **The Federal Circuit’s Promotion of the Jury Trial in Patent Cases**

In the 1980s, the Federal Circuit, led by Chief Judge Markey, defended the use of juries in complex patent cases and instructed the courts and bar how to handle such trials.

It is at least doubtful that the experiential background of any judge could match that of this particular jury [in the *MCI v. ATT* antitrust trial]. Jurors, if properly instructed and treated with deserved respect, bring collective intelligence, wisdom, and dedication to their tasks, which is rarely equaled in other areas of public service. ... We do not accept [the view] that a single judge is brighter than the jurors, collectively functioning together.

*SRI Int’l v. Matsushita Electric Corp*., 775 F.2d 1107, 1128 n.7 (Fed. Cir. 1985) (Markey, C.J., additional views)

“The requirement is that trials be fair, not perfect.”

*Id.* at 1128 n.6.

In 1995, Chief Judge Nies of the Federal Circuit observed that the Supreme Court reported that only 13 of 382 patent trials went to a jury during 1968 through 1970. *Blonder-Toungue Lab. V. Univ. Illinois Found*., 402 U.S. 313, 336 n.30 (1971).

She contrasted that statistic with the three-year span of 1992 through 1994 where 163 of 274 patent trials went to a jury (60%), and over 70 percent of the patent trials went to jury in 1994. *See* *In re Lockwood*, 50 F.3d at 990 (Fed. Cir. 1995) (Nies, C.J., dissenting from denial of rehearing en banc).

1. **Patent Validity as a Public Right**

“The Seventh Amendment protects a litigant’s right to a jury trial only if a cause of action is legal in nature and it involves a matter of “private right.”

*Granfinanciera, S.A. v. Nordberg*, 492 U.S. 33 (1989).

“Validity of a patent is a matter of public right.”

*Oil States Energy Servs., LLC v. Greene’s Energy Grp., LLC*, 138 S. Ct. 1365 (2018).

1. **Dismissed Claims**

Dismissed claims are not considered when determining right to trial by jury. *See Wall v. Trust Co. of Ga.*, 946 F.2d 805, 808 (11th Cir. 1991); *In re Evangelist*, 760 F.2d 27, 32 (1st Cir. 1985); *Armco, Inc. v. Armco Burglar Alarm Co.*, 693 F.2d 1155, 1158 (5th Cir. 1982); *Skippy, Inc. v. CPC Int’l, Inc.*, 674 F.2d 209, 215 (4th Cir. 1982); *Anti-Monopoly, Inc. v. General Mills Fun Group*, 611 F.2d 296, 307 (9th Cir. 1979).

1. **Willful Patent Infringement**

“Knowledge of the patent alleged to be willfully infringed continues to be a prerequisite to enhanced damages. “

*WBIP, LLC. v. Kohler Co.*, 829 F.3d 1317, 1341 (Fed. Cir. 2016) (holding that there is a right to a jury trial on the issue of willfulness of patent infringement).

“[Nothing changes] the established law that the factual components of the willfulness question should be resolved by the jury.”

*Id.*

1. **When Issues Are Both At Law and In Equity**

“A jury will decide the legal claims while the judge will decide the equitable issues. In such cases, the jury must first decide any common issues of fact.”

*Beacon Theatres, Inc. v. Westover*, 359 U.S. 500 (1959).

1. **Inequitable Conduct**

Inequitable conduct is an issue that is “entirely equitable in nature” and thus not required to be decided by a jury. *See Agfa Corp. v. Creo Prods.*, 451 F.3d 1366 (Fed. Cir. 2006); *Gardco Mfg., Inc. v. Herst Lighting Co.*, 820 F.2d 1209 (Fed. Cir. 1987).

Whether the undisclosed prior art was material to the patentability of the invention is now determined under “but for” test. *Therasense, Inc. v. Becton, Dickinson & Co*., 649 F.3d 1276 (Fed. Cir. 2011).

Courts have not resolved whether the *Therasense* materiality test causes a *Beacon Theaters* overlap when an invalidity defense rests on the same undisclosed reference.

1. ***Walker Process* Antitrust Claims**

*Walker Process* claims rest on the patentee’s inequitable conduct when obtaining the patent with the intent to monopolize the relevant market. Thus, the inequitable conduct issue overlaps with the *Walker Process* claim. *See, e.g.*, *Schering Corp. v. Mylan Pharms. Inc.*, Civil Action No. 09-6383 (JLL), 2010 WL 11474547, at \*1 (D.N.J. June 10, 2010); *Celgene Corp. v. Barr Labs., Inc.*, Civil Action No. 07-286 (SDW), 2008 WL 2447354, at \*2-3 (D.N.J. June 13, 2008)*.*

1. **Post-Trial Royalties**

A jury trial is also not required to determine the royalty rate for post-verdict patent infringement.

“[N]ot all monetary relief is properly characterized as ‘damages.’”

*Paice LLC v. Toyota Motor Corp.*, 504 F.3d 1293, 1316 (Fed. Cir. 2007).

1. **FRAND Issues Analogous To Patent Infringement**

A SEP owner has right to trial by jury on its claim for past royalties for past use of its SEP because that claim is analogous to a claim at law for patent infringement. *TCL Commc’n Tech. Holdings Ltd. v. Telefonaktiebolaget LM Ericsson*, 943 F.3d 1360 (Fed. Cir. 2019).