

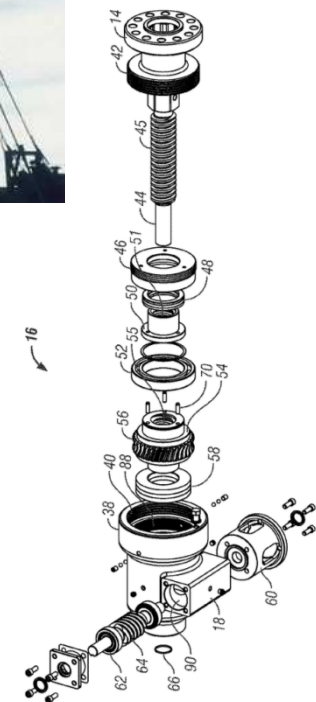
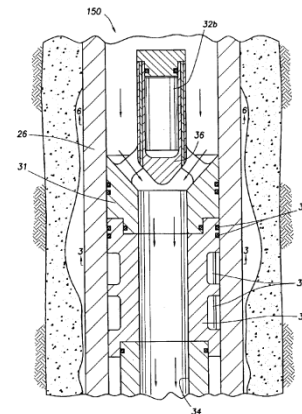
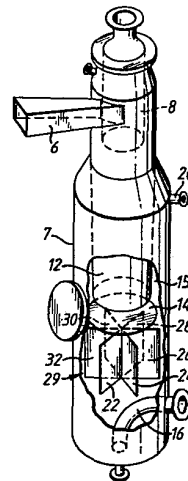
Responding to Threats of Patent Infringement

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Introduction

- Patent disputes no longer unique in Alberta
- Patent trials are no longer rarefied proceedings different from other litigation
- Success is based on litigation expertise and not necessarily by winning a debate over underlying science / technology
- Claim of patent infringement requires an appropriate response



Investigate Business Relationship with the Patentee/Complainant

- Know your enemy
- Patent troll or a legitimate party?
- Extent of complainant patent portfolio
- Who else is in this space? Other targets of patentee – strength in numbers
- Why are you the target?



Review Patent Portfolio for Potential Counterclaims

- Best defence may be strong offence
- Review your patents for possible counterclaim
- Review patent database for third party patents for counterclaim



Retain Experienced Patent Counsel to Assess Merits of Threatened Litigation

- Seek legal advice early
- Initial response important
- Consider conducting patent validity assessment



Retain a Properly Qualified Expert in the Field of Technology of the Patent

- Retain early in the process
- May be invaluable in preparing a response (either formal or informal)
- Incremental cost in retaining a “world class” expert from a “regular” expert is worth it
- Do not be scared off by experts who have no previous litigation experience

Determine Potential Liability

- Has limitation period expired?
- Are you liable for “reasonable compensation”?
- What is the allegedly infringing timeframe?
- What are your profits arising from the alleged infringement of the patent?
- What are the claimant’s likely damages?

Limit Your Potential Losses

- Determine if infringement is likely
- If so, consider “work-around” to limit potential damages
- Expert assistance may be necessary
- Legal opinion on adequacy of “work-around” may be required



Document Retention

- Prospect of litigation triggers obligation
- Implement document retention policy
- Issue litigation hold notice to key custodians



Consider Patent Impeachment Action in the Federal Court

- Best defence may be strong offence
- Consider impeachment action in Federal Court to invalidate the asserted patent(s)
- May be strategic reasons to commence in Federal Court
 - minimize risk of injunction



Consider Settlement



- Mediation door should be left open
- License / purchase of patent in issue a consideration
- Know strength of your case vs. litigation cost
- Trial is not always the end of the road



Questions or Comments? Thank You

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