Managing Intellectual Property
The Global IP Resource

SHOULD I REQUEST A JURY TRIAL?

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Following the big damages award to Apple by a California jury, under what circumstances is it worth requesting a jury rather than a judge?

The jury consultant

It is a common belief that judges are more sophisticated than juries and more capable of understanding technical IP arguments, while a jury is much more likely to react emotionally and superficially to your case. But rarely is it that simple. It is often difficult to identify the right reasons to request a jury trial rather than a bench trial in an IP dispute. The decision is further complicated by research and experience suggesting judges and jurors deciding IP disputes are more alike than they are different. While there are often case-specific issues, three key questions can help determine which fact finder is the better option in your next patent or trade mark trial.

Are you a patent or trade mark holder?

In jurors' eyes, little matters more than the fact of patent or trade mark ownership rights issued by the USPTO. Our national research of jury-eligible Americans shows potential jurors consistently rate the USPTO as the most credible federal government agency and we have observed in years of IP mock-trial research that presumption of credible authority consistently translates to jurors leaning in favour of the IP owner (particularly in patent cases). Reports of patent trial outcomes confirm the observation, with patent holders prevailing in approximately two thirds of patent jury trials. While judges are vulnerable to many of the same decision-making biases, they typically defer to the USPTO much less frequently than jurors. Patent holders have generally had much lower success rates in bench trials than in jury trials.

What level of technical argument is required?

Trial counsel often feel more comfortable making technical arguments to a judge than to a jury, and rightfully so. Jurors can be impatient with technical arguments, especially those they perceive as creating loopholes that may meet the letter of the law, but fail the gut test of fairness. In those instances, jurors consistently reach decisions which favour fairness over legalities. But judges are vulnerable to mistakes with the technicalities too, with estimates showing that district court judges

make errors in about one in every three claim constructions. Still, when you expect to make technical (as opposed to technological) arguments, you are usually best served in a bench trial; if fairness is on your side, a jury is likely the better option.

Is your judge IP-savvy?

In the same way that not all jury trial venues are created equal, not all federal judges are created equal. A judge in a rocket-docket venue like Delaware may be quite familiar with IP litigation, while a peer in another venue may have little familiarity. When addressing a judge without substantial experience in IP cases, counsel may have to educate the court in many of the same ways she would have to educate a jury in the same venue. Whether your judge is IP-savvy influences not only your view on how well he or she will understand your technological arguments (for instance, counsel may mistakenly assume that experienced patent judges are better equipped than jurors to understand complex technology), but should also affect the need for trial counsel to spend precious time educating the court on the intellectual property at issue.


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The trade mark lawyer

Most jurors are familiar with trade marks. They encounter trade marks every day in stores or online. Many jurors have even experienced some degree of confusion between products or brands in the marketplace that are using similar marks. Familiarity with the subject matter makes trade mark cases potentially ideal for juries. However, there are some circumstances where a bench trial is a better strategic play.

For a trade mark owner, requesting a jury usually makes sense when the main issue to be determined is likelihood of confusion. Juries can easily understand evidence of similarity of the marks, the goods on which the marks appear, and channels of trade and any instances of actual confusion. The stronger the trade mark owner's evidence on these factors, the more likely a jury may quickly make a decision about the similarities. The trade mark owner's case is stronger when asserting federally registered marks. There is something to be said for submitting a registration certificate to a jury. In addition to jury instructions allowing jurors to assume ownership and the exclusive right to use the mark in connection with the goods or services in the registration certificate, the registration carries the written authority of the federal government. A registration certificate can be a powerful weapon, especially if incontestable. Of course, when a mark owner is seeking monetary damages, the defendant will be entitled to a jury trial. The trade mark owner sends a subtle but straightforward signal to the defendant when requesting a jury in the complaint. Essentially, it is saying: "We are comfortable with our facts and would be happy to have a group of nice folks decide in our favour."

When, however, a trade mark owner expects a defendant to raise questions of ownership of the mark or whether the owner committed fraud on the USPTO when obtaining a registration certificate, the

trade mark owner may want a bench trial. Questions regarding ownership often involve whether third-party use, even use by the defendant, weaken an owner's rights to a mark. Jurors can be misled and confused by defence counsel making reference to these third-party uses. Likewise, jurors can be presented with facts that question whether the plaintiff, as an applicant, was forthright with the USPTO. Good defence counsel can twist the simple language in the affidavit filed with an application into a far-flung tale of trickery and deceit when, in practice, the statements made in the affidavit are rather mundane and narrow. Further, the fact that an applicant relied on common law rights for years before seeking a registration can be a negative before a jury and may warrant a bench trial.

Whether to request a jury is a complicated decision. A close review of the claims and expected defences can aid in the decision.

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The patent litigator

There are two broad questions to consider when deciding whether or not to request a jury in a patent case:

- What are the critical issues in your case?
- How important is the story to your case?

Where invalidity is a critical issue, the patent owner may want to request a jury, whereas the alleged infringer may want a judge. It has been shown time and again that judges are more likely to invalidate a patent than juries. Juries trust the USPTO to do its job correctly and often do not want to take a patent away from its owner. Judges on the other hand give less deference to the patent office and are more likely to invalidate patents.

Where equities weigh in your client's favour, consider a jury. Juries are more likely to be concerned about whether something seems fair. If a strict application of the law dictates an unjust outcome, juries will often opt for equity. Judges on the other hand feel more bound by the law and past court precedents (they write them after all), and will hand down a judgment the law dictates, even if that judgment seems unfair.

Where strict application of the rules of evidence weighs against your case, consider a judge trial. Judges are more likely to relax the rules of evidence when there is no jury. Judges consider themselves qualified to give the appropriate significance to questionable evidence, whereas they may be concerned about a jury's ability to do the same. Thus, if potentially inadmissible evidence such as hearsay statements are important to your case, consider trying the case with a judge.

If story plays into your case strongly, opt for a jury. Juries relate to story, particularly stories about average citizens trying to do the right thing, about the little guy against the big guy, and about

companies going out of their way to make products customers want. Any story that appeals to a broad audience will get a strong hearing from a jury.

While the decision to request a jury is very case-specific and depends on many factors, there are some cases for which juries are almost never recommended. If a case involves highly complex technology where the products look different on their face, but operate in a manner covered by a patent, and there is an unsympathetic plaintiff (for instance an unpopular corporation) and a sympathetic defendant (such as a small, family business), you almost certainly won't want a jury if you can help it.

Venue can also play an important role. Consider the judge you may get in the absence of a jury trial and her or his experience and tolerance for patent cases, as well as the reputation of juries in that forum.

Finally, keep in mind that a jury trial may give you a second bite at the apple in the form of post-verdict motions. If you lose on a particular issue in a jury trial, you may have a shot at remedying the situation in post-verdict motions and on appeal. However, remember that jury verdicts are more difficult to reverse on appeal than judges' opinions, as appellate courts give more deference to juries' findings of facts.

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