TEN MISTAKES TO AVOID AT THE FEDERAL CIRCUIT

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Few things are as painful to watch as an argument before the Court of Appeals for the Federal Circuit in which a misguided and uninformed attorney attempts to persuade that court that the judgment below should be reversed. From the perspective of a former law clerk, few things are as frustrating as reading an appeal brief that is garbled, unconvincing, and burdened with distortions of law and fact.

As the examples below illustrate, both of the foregoing problems are all too frequent in practice. Fortunately, many of the most common mistakes can be easily avoided through preparation and forethought. Other, more subtle mistakes, can only be avoided through experience. The following ten tips can help you improve your chances of success at the Federal Circuit.

1. RECITING FACTS AT ORAL ARGUMENT

Frequently an advocate will begin with something like "This is a patent case — the patent covers a widget, which is a red and green device with two little gears, and I happen to have a sample with me here today, which I'd like to give you." Typically, such an introduction will be followed by five or more minutes of a dry recitation of the facts of the case. It is apparent that in these cases, the attorney fervently hopes that if only the judges would see the facts in the proper light, the court would rule accordingly.

If ever there were a reason for an oral argumentectomy, the Federal Circuit is the place to perform the surgery. The Federal Circuit is not the proper venue for "smoking gun" jury litigators who hope to persuade the judges as if they were a jury. Contrary to what some advocates might believe, the Federal Circuit judges as a group are extremely well prepared and briefed on the facts of each case. There is no need to waste your time (and that of the court) by regurgitating the facts. A better way to kick off your argument is to quickly and precisely zoom in on the heart of the appeal. As an appellant or cross-appellant, the heart of your case is the specific error of law made by the district court in ruling against you. The heart of an appellee's case is the body of case law that supports the district court's decision, on which you can comfortably rely absent in banc action or a deviation from stare decisis.

An attorney who begins by reciting the facts is likely to have his or her presentation cut short by a judge seeking to ask a pertinent question. Some of the presiding judges warn attorneys in advance that the court is thoroughly familiar with the facts, and that each party should proceed immediately to the heart of the case. Obviously, an advocate who has prepared a detailed speech reciting the facts will quickly be thrown off balance and may have difficulty recovering.

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One of the most effective oral arguments at the Federal Circuit was one in which the appellee stated his case in five minutes and sat down. (Fifteen minutes are allotted for each side). The presentation was refreshing, crisp, and persuasive. And, not incidentally, he won.

There is one place, however, where the facts should always be laid out in detail: in the briefs. It is advisable to recite your own version of the facts in every case, rather than taking pot shots at your opponents' facts. The statement of the case should read like a newspaper or magazine story, with each material fact supported with a pinpoint citation to the appendix. Briefs should be combed carefully to eliminate immaterial and long-winded factual assertions.

2. FAILURE TO APPRECIATE THE STANDARD OF REVIEW

Not infrequently, appellants base their appeal on an argument that goes something like this: "Our accused device does not infringe the patent because it does not include the XYZ element. Instead, it includes a gizmo that does ABC." They will then spend the next ten minutes (or ten pages in a brief) trying to convince the court that in fact an ABC element is not at all like the XYZ element recited in the claim, notwithstanding the fact that evidence in the record supports both sides of the issue, and ignoring the fact that a jury concluded that the device infringes. This problem stems from the failure to recognize the high burden (lack of "substantial evidence") that an appellant must overcome in order to overturn a jury verdict.

Substantial evidence, which is among the most deferential standards of review, is that degree of evidence that a reasonable person would consider sufficient to support a conclusion. Where the record contains conflicting or ambiguous evidence on a factual issue, it is a generally no-win proposition to argue that there is not substantial evidence to support the verdict. Suppose that three fact witnesses testified at trial regarding whether the accused devices performed a particular function. One witness, whose testimony was biased and lacked credibility, was contradicted by two very credible witnesses who explained in detail why the accused device could not perform as claimed. Ultimately, the jury decided to believe the non-credible witness. On appeal to the Federal Circuit, it is quite likely that the jury verdict will be upheld under the "substantial evidence" standard. Yet countless advocates will begin their brief or oral argument arguing that the jury should not have believed the non-credible witness. That time would be better spent arguing that the claim construction was incorrect, a purely legal issue that is reviewed de novo.

Similar problems arise for appealed issues that are reviewed under the deferential "abuse of discretion" standard, such as inequitable conduct, evidentiary questions, and the granting or denial of preliminary injunctions. The Federal Circuit rarely reverses a district court's ruling on procedural issues. It is much easier to affirm a district court's ruling based on deference to that court's discretion or to a jury's decisionmaking than it is to explain how and why the lower court got it wrong. Of course, if you are the appellee you should focus on the standard of review to your advantage.

Some issues, such as obviousness, are legal questions that involve underlying factual predicates. In such cases, a "mixed" standard of review may be applied, such that the underlying facts will be reviewed under a substantial evidence standard but the ultimate legal conclusion will be reviewed for legal correctness.

3. RAISING NEW ISSUES ON APPEAL OR IN THE REPLY BRIEF

Occasionally, but with surprising frequency, an appellant or cross-appellant will raise a seemingly meritorious issue in a brief or at oral argument that was not raised before the lower tribunal. Examples include claim construction arguments; problems with jury instructions that were never the subject of a proper objection; or making a more specific argument than the one presented below. None of these is permissible.

Nor is it permissible to raise a new argument in a reply brief; all arguments must be raised in the opening brief. Becton Dickinson & Co. v. C.R. Bard, Inc., 922 F.3d 792, 800 (Fed. Cir. 1990). Appellees sometimes overlook the fact that the appellant is attempting to raise a new issue in the principal brief or in its reply brief. You can bring this to the court's attention at oral argument if necessary.

The Federal Circuit generally strictly enforces this "no new argument" rule. All arguments made in the district court must be raised with particularity; it is not sufficient to make a general argument and then "refine" it on appeal. See Johns Hopkins University v. Cellpro, Inc., 152 F.3d 1342, 1361 (Fed. Cir. 1998)(chiding party for raising a slightly different "written description" argument). The same rule applies to rebuttal arguments; see Federal Circuit Rule 34.

4. OVERUSE OR MISUSE OF EXHIBITS

Patent cases are complicated and often involve detailed scientific or engineering principles. Understandably, attorneys appearing before the Federal Circuit seek to make things as easy as possible for everyone to understand. One of the ways attorneys try to simplify things is through the use of demonstrative exhibits or visual aids. (Indeed, Federal Circuit Rule 34 encourages such visual aids). Unfortunately, the use of such exhibits can lead to unintended consequences.

One attorney brought several different accused devices, each weighing several pounds, to the oral argument. At the start of oral argument, he asked for permission to turn over the exhibits to the court for inspection. While carrying the devices to the bailiff, he tripped, sending the devices smashing across the floor, startling everyone in the courtroom.

Another errant exhibit involved a large poster on which the attorney had enlarged the claim at issue in the case. The attorney had cleverly placed sticky labels over certain terms of the claim that he believed were being rewritten by the opposing party. To make the point, he ripped off the labels at the appropriate point in his argument to reveal the original terms in the claim. Unfortunately, when he ripped off the labels, he ripped the underlying words out of the claim because the tape was too

sticky. Needless to say, it gave a whole new meaning to "reading limitations out of the claims."

Yet another example concerns videotaped demonstrations. Sometime, the video fails to operate as intended, or cannot easily be seen by one or more of the judges. On more than one occasion, a presiding judge has rejected an attorney's proposal to play a videotape showing an accused device or a patented invention. Nonetheless, for a particularly complicated invention that may be difficult to visualize, the potential benefits of a concise, focused video may outweigh the risk of having the video rejected outright or of encountering technical difficulties. As with facts presented in the briefs, any videotaped demonstration should be carefully prepared to avoid any argument that it is biased or based upon a distorted or misleading view of the facts.

Other problems involve using too many posters placed on easels in the courtroom. The exhibits can be a source of distraction as "helpers" try to prop up and change them in tune with the presenter's arguments. Exhibits sometimes fall off the easels or create viewing problems for opposing counsel, thus generally adding confusion to the argument.

Finally, some attorneys fail to recognize that the oral arguments are tape recorded, and refer to exhibits as "this device" and "that device." This renders the taped argument confusing when it is played back. Some judges catch this as it happens and scold the attorneys not to refer to "this device" and "that device" but instead refer to them by their exhibit number.

In general, exhibits should be used sparingly and with careful planning. Note that you must advise the clerk's office before the oral argument of your intention to use visual aids. And, if you ever must turn over an exhibit to the court during oral argument, never approach the bench directly. Give it to the bailiff.

5. FAILURE TO PROVIDE PINPOINT CITATIONS TO THE RECORD

One of the most frustrating passages that law clerks and judges encounter when reading a brief is something like the following: "Defendants admit that their accused device contains a red widget. See A5221-69." In addition to violating Federal Circuit rules, such block citations to the record generate suspicion on the part of the reader. Parties are mistaken if they believe that the judges and law clerks will not bother to check these citations. An appendix citation to support a particular factual allegation should refer to a specific page and, if possible, a specific line number on that page.

Also annoying yet surprisingly common are erroneous citations to the record, usually the result of a careless employee who transposes a digit in an appendix reference. These problems can be easily corrected and should be carefully screened before filing briefs.

Another recurring problem is a brief that distorts the record. For example, the brief may say something like "Defendants admit that they sold infringing devices on at least two occasions, see A5446." Upon looking at appendix page A5446, the reader finds the following deposition colloquy with the defendant:

Q: Have you ever sold any water balloons of any type in your entire life?"
A: Yes, when I was a child my brother let me have his water balloons, which I gave to my friends.

Q: What was the structure of those water balloons?
A: I'm not sure, but I think they had some water in them.

Not surprisingly, the reader is left wondering, "where's the beef?" At the least, an objective reviewer should carefully review all material factual assertions in the briefs to ensure that they do not distort the record. After all, a party's credibility on appeal can be severely undermined by such distortions.

6. CROSS-APPEALING WHEN YOU WON BELOW

Some attorneys apparently do not realize that if they were the judgment winner on a claim in the district court, they lack standing to cross-appeal the judgment on that claim, even if the district court refused to adopt any of their arguments. For example, suppose that there are two claim construction issues in the district court, either one of which would result in a finding of non-infringement in your favor. If the district court resolves one claim construction issue in your favor but the other one against you, resulting in a judgment in your favor, you cannot cross-appeal the lower court's failure to adopt your other claim construction argument.

Similarly, if a district court denies a preliminary injunction motion on the grounds that no irreparable harm was shown, but nevertheless agrees with the plaintiffs that likelihood of success was shown, you (as the defendant) cannot cross-appeal the likelihood of success finding. You can, however, urge that the judgment should be affirmed on the alternative ground, as you should. See Genentech, Inc. v. Wellcome Foundation Ltd., 29 F.3d 1555, 1562 (Fed. Cir. 1994); Shamrock Tech. v. Medical Sterilization, 903 F.2d 789, 792 (Fed. Cir. 1990)(an appellee can urge affirmance on any ground fairly supported by the record, as long as the result would not enlarge the scope of the judgment or relief).

One situation in which an appellee must cross-appeal is where he seeks to modify or enlarge the judgment below. See A-Transport Northwest Co. v. United States, 36 F.3d 1576, 1580 n.7 (Fed. Cir. 1994). For example, if a district court rules that a patent is valid but not infringed, an appellee supporting the non-infringement ruling would need to separately cross-appeal the validity ruling in order to argue invalidity in the Federal Circuit. See Radio Steel & Mfg. Co. v. MTD Prods., Inc., 731 F.2d 840, 843 (Fed. Cir. 1984). This is because an invalidity ruling would "enlarge" the non-infringement judgment.

Finally, a cross-appellant is in the peculiar position of arguing out of both sides of his mouth. On the one hand, as the appellee, he is urging that the district court's judgment be affirmed. On the other hand, he is admitting that the district court made mistakes because a cross-appeal was filed. Consequently, parties should consider whether having the position of solely affirming the trial court is the better strategy.

There may be certain situations where it may be necessary to raise a conditional cross-appeal to preserve certain rights. In one situation, the Federal Circuit reversed an infringement ruling on the basis that the district court had too narrowly construed the claim, but refused to allow the appellee to argue that the claims were invalid under the broader construction because it failed to cross-appeal validity. Nevertheless, the court frowns upon improper cross-appeals, so it is advisable to get it right.

7. FAILURE TO ANTICIPATE QUESTIONS FROM THE JUDGES

The judges on the Federal Circuit want to hear from counsel not for a rehash of arguments in the briefs, but to test counsel's knowledge and to help understand how a ruling in that party's favor would affect future cases. To that end, the judges frequently ask hypothetical questions, to which advocates are frequently unprepared to respond. A little advance preparation, however, can provide the foundation for a stellar performance. Advocates should welcome questions from the judges, because they reveal the court's initial thoughts about the case and provide an opportunity to correct any misperceptions that may have taken hold after reading the briefs.

You should be prepared to explain why your fact situation falls within the holding of one case rather than another, including any of the cases cited by your opponent. You should also create your own hypotheticals in advance of the argument by extending your facts slightly in the direction of a case that reaches a different result. Counsel should be prepared to explain either why it is not appropriate to extend the facts in that direction, or offer a distinction or line of demarcation between the hypothetical facts and the holding of the contrary case. One of the most irritating responses a judge hears is, "that's not this case." Judges as a group don't want to radically change the law, and you must be prepared to convince them that your facts would not result in sweeping changes to the law. You can also use this to your advantage by painting your opponent's case as requiring a radical change in the law, or by characterizing your position as merely an incremental and justified extension to the law.

Counsel should always respond to questions directly, either by answering the question or by stating a tentative answer and qualifying the answer with some uncertainty. Not enough can be said of the need for attorneys appearing at oral argument to have a detailed understanding of the full record and the case law cited in the briefs. Judges will frequently ask questions such as, "doesn't the gizmo in the photograph at appendix page A458 show a blue rim instead of the claimed red rim?" All too frequently, advocates are unprepared to respond to detailed questions regarding the meaning of terms in a patent because of unfamiliarity with the entire prosecution history or the full scope of a patent specification. There is no substitute for extensive preparation based on the entire record and a complete reading of all pertinent case law likely to affect the outcome of the appeal.

Finally, you should be prepared to explain why the cases cited in your opponent's brief do not apply to your facts. You should know what your weakest argument is, and which case is the strongest one against you. Identify the weakest point of your case, confront it directly, and find support in the case law to support your position. After all, many questions are directed to your weakest point, not your strongest one.

8. FAILURE TO KNOW THE COURT

Some people do not know that Jan Horbaly, the clerk of the court, is a man. (Letters frequently arrive at the court addressed to "Ms. Horbaly."). Embarrassing situations arise when attorneys repeatedly mispronounce the name of a judge during oral argument. Typical examples are Judge Plager (mispronounced "Plajer" instead of a hard "G"), Judge Michel (mispronounced "Michael" instead of "Michelle"); and Chief Judge Mayer (pronounced "Mayor," not as in the famous bologna). A trip to the clerk's office beforehand can avoid such blunders. Other advocates attempt to approach the bench to turn over documents or exhibits, a definite no-no. There are many other examples of misinformed attorneys who embarrass clients and the bar at large by their court appearances and briefing errors.

The Federal Circuit is a specialized court. If you have never argued a case before the Federal Circuit, attend one or more oral arguments before the date on which yours is scheduled, or associate with an attorney familiar with Federal Circuit practice.

9. TREATING THE JUDGES AS ADVERSARIES RATHER THAN AS COLLEAGUES

Advocates sometimes seem to be locked in mortal combat with the judges on the panel, dodging and ducking questions and parrying at every possible point of contention. A much more effective presentation style is to help the judges to understand the consequences of ruling in the opponent's favor. For oral argument, it is advisable to pick your three most important points and stick to them, conceding the unimportant points. One technique is to begin with something like the following: "There are three points that I need to convince you of today to win this case: (1), (2), and (3)." Phrases such as "Let me see if I can explain the principles on which my entire case turns" are likely to lead to a collegial discussion with the court. The entire tone and demeanor of your presentation should be one of helping the judges, as colleagues, to understand the implications of ruling for the other side.

Some habits and gestures are particularly antithetical to a collegial oral argument. Surprisingly, some advocates believe that pounding a fist on the podium, raising their voice, pointing fingers at opposing counsel, rolling their eyes in response to arguments made by opposing counsel, or feigning surprise or indignation will add to the melodrama of the argument and help their cause. Some attorneys who primarily try cases before juries apparently believe that the sort of flair that persuades juries will translate into a successful appellate argument. They are entirely mistaken. Nor are such unhelpful practices confined to those standing at the podium. Similar gestures and facial

expressions are easily discerned on those sitting at counsel's table in the courtroom. The most successful advocates before the Federal Circuit maintain a confident, measured, and evenhanded tone with deference to both the judges on the court and to opposing counsel.

10. SHOTGUNNING THE ISSUES

Some appellants believe that if they include enough allegations of error in their appeal brief, at least one of them will stick and the judgment will be reversed. That strategy almost always backfires. The weak and frivolous arguments included in such a brief detract from any meritorious ones. Once the reader has concluded that some arguments are frivolous or have little merit, he or she begins to suspect that the seemingly meritorious ones are also flawed. In short, the party loses credibility with the judge or law clerk.

It is not unusual to find a brief alleging a dozen or more errors that were committed by a district court, with issues sprinkled generously throughout footnotes and the reply brief. Such a "shotgun" approach often exhibits desperation or incompetence. Raising multitudes of issues in an appeal also makes the oral argument particularly challenging, because the attorney will undoubtedly be able to discuss no more than two or three issues during the allotted 15 minutes. Even if only a limited number of issues are raised in the appeal, unpersuasive arguments should be dropped in favor of focusing on the stronger ones.

A persuasive brief reads like a judicial opinion: unbiased, not argumentative; neutral, yet forceful. Weak arguments should be eliminated and strong arguments buttressed with hard evidence. There is no need to use up the entire page limit when filing a brief.

CONCLUSION

The foregoing examples are by no means the only mistakes committed by counsel appearing before the Federal Circuit. A little common sense, coupled with a recognition that inexperience and lack of know-how can be a recipe for disaster, can lead to a successful appeal. Advocates appearing before the court for the first time should, at a minimum, watch other arguments before the court and, if necessary, use the clerk's office as a resource for general information.