# 2022 FFA FEDERAL BENCH-BAR ROUNDTABLE

## Creative Caseflow Management:
## A Shared Responsibility of Bench and Bar

compiled by J. Gregory Whitehair, Esq.

### BACKGROUND

Litigants in this District know that each of our judicial officers is deeply committed to efficient pretrial and trial proceedings. Members of this Bench have been thought leaders with the Sedona Conference, taken leadership roles in the District Judges and the Magistrate Judges associations, and implemented innovations in our Local Rules and in their own rules of practice, including in many cases same-day ruling protocols. The Federal Civil Rules Committee issues amendments frequently, most recently to bring more efficiency to deposition practice under Rule 30(b)(6) by expanding pre-issuance conferrals and clarifying third-party preparation obligations.

But even the most efficient procedures and judicial support will fail where litigants are underprepared, wait idly for the next event, or seek delay for delay's sake. As described in the attached Executive Summary from IALLS (Institute of the Advancement of the American Legal System housed at DU), we as FFA members get to "work with the bar generally, and with opposing counsel specifically, to *foster expectations of efficient case processing*." Below are some potential opportunities for outside-the-box ways to move cases with dispatch here in Colorado.

CREATIVITY + PROACTIVITY = CASE PROGRESS AND EARLY RESOLUTION

**STAGES OF TRIAL COURT PROCEEDINGS WHERE CREATIVITY AND ACTIVE CASE MANAGEMENT MAY SPEED TIME TO TRIAL OR RESOLUTION (hint: all)**

Items underlined with an* can be actively supported by your Magistrate Judge

**Prefiling Stage**:

- Plaintiff: pull JURY INSTRUCTIONS and prepare ELEMENTS CHART
  - fill in support from INFORMAL INVESTIGATION
  - drop ineffective or emotionally satisfying but weak claims for relief
  - outline likely DISCOVERY PATH, with PHASES and a HOT START
    - consult with likely experts about their FOUNDATION NEEDS
    - begin damages SPREADSHEET in trial format

- Defendant (when aware):
  - pull JURY INSTRUCTIONS and prepare ELEMENTS CHART
  - create early discovery overview and realistic CASE BUDGET
    - including E-DISCOVERY challenges and KEY WITNESS LIST
  - pragmatically assess only MERITORIOUS DISPOSITIVE MOTIONS
  - prioritize DAMAGES ESTIMATES to know proportionality
  - consider EARLY RESOLUTION*, e.g., Early Neutral Evaluation (ENE)

- *mindfully prepare for first productive contact with opposing counsel!*

**CONSENT* To Magistrate Judge Stage**:

- Investigate and share with client assigned Magistrate Judge ANALYTICS*
  - Time to trial, average motion pendency, motions calendar
  - See Magistrate Judge Hegarty's annual report; Westlaw Analytics

- share with client assigned Magistrate Judge personal AVAILABILITY*
  - informal resolution by telephone
  - online hearings
  - accessible formal proceedings when needed

**EARLY Dispositive Motion Stage (sometimes referred to Magistrate Judge*)**:

- If truly dispositive, emphasize that up front AND pursue STAY OF DISCOVERY*
  - though historically "deemed denied," in a proper case stay often granted
  - consider PROVIDING DISCLOSURES so case is not paralyzed
  - resist urge to "tutor the Court" and notice where amendment will allow Plaintiff second bite, curing otherwise overlooked problems

- if delay in ruling, consider filing SUPPLEMENTAL AUTHORITY and/or seeking ORAL ARGUMENT* (be wary of approaching some Chambers; others welcome it)

**Gathering Forces Stage – SCHEDULING* and EARLY ISSUANCE**:

- Parties COLLABORATE* to create HIGH-PACED* but REALISTIC* schedule
  - Statement of Case complies with Local Rule
    - focus on discovery context (proportionality, cost, timing) in the Statement rather than attempting a summary judgment brief
  - FORECAST expected breakdowns if opponent already uncooperative
  - constrain self and client to "GOOD ENOUGH"* (2-card poker) discovery
  - ENROLL MAGISTRATE JUDGE IN SHARED PROBLEM-SOLVING*

- issue EARLY WRITTEN REQUESTS and NOTICES of deposition of third-parties or lower-level witnesses to show commitment to speed to trial
  - last-minute, compressed scheduling may earn only days extra, not months
  - unwelcome discovery motions better viewed if movant has been ACTIVE

**SETTLEMENT* Stage – ENE, Court-ordered; Private Mediation**:

- Make SETTLEMENT CONVERSATION a key part of counsel communications
  - show that your client has an ADR (alternative dispute resolution) mindset
  - ask about opponent's ENE* appetite (even if you don't want one)
  - consider asking for a Court-ordered SETTLEMENT CONFERENCE* given right conditions – note that grant of conferences is *up significantly*

- solve "don't blink first" by NEGOTIATING FIRM MEDIATION DATE(S)*
  - with low cost and easy scheduling by Zoom, consider phases at post plaintiff deposition, post fact discovery; NEGOTIATE MISSING PIECES*
  - consider using a mediator to work contentious discovery, could lead to broader conversations

**No Stone Unturned Stage – often the unnecessary delay phase**:

- Resist omnibus motions for enlargement or for expansion of witnesses
  - push for LASER LIMITS* on unfinished business
  - highlight early efforts you made to accelerate case and get case to trial
  - if highly contentious, consider seeking appointment of a special master (preferably known as "court-appointed neutral" to avoid outdated term)

**Late Dispositive Motion Stage**:

- FILE BEFORE DEADLINE, of course stripping down to minimal case
- know (and follow!) thy Judge's Practice Standards for summary judgment

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TORT TRIAL & INSURANCE PRACTICE

Committee News

Defending Liberty Pursuing Justice

Winter 2011

# Intellectual Property Law Committee

## LETTER TO THE INTELLECTUAL PROPERTY LAW COMMITTEE

We are proud to have you as members of the ABA TIPS Intellectual Property Law Committee and want to report that we are off to a great year. The ABA TIPS Continuing Legal Education Committee has chosen our program, "Bio Terrorism, Bio Ethics and Intellectual Property on Trial" for the ABA Annual Meeting in Toronto in August 2011.

**The TIPS Intellectual Property Law Committee mixes together its unique blend of litigation, Intellectual Property and insurance expertise to educate and inform its members and grows leaders in the ABA on interdisciplinary legal analysis and matters of conscience.**

Already, we have attracted outstanding co-sponsors, with TIPS Ethics and Professionalism, Trial Techniques, Products General Liability and Consumer Law, Workers' Compensation and Employers' Liability Law Committee, Business Litigation, and Media, Privacy and Defamation Law Committee and within the ABA, Government and Public Sector Lawyers Division, Young Lawyers Division, Section of Intellectual Property Law, and the ABA Bioethics Committee.

Not only that, we have received the unanimous vote of the Hispanic National Bar Association to co-sponsor our program. Please come to the ABA Annual Meeting in Toronto and cheer us on, and even meet your leadership face to face at our business meeting.

We are also changing the face of TIPS to be more diverse and more international, and are actively seeking articles for our newsletter that reflect this. Yolanda Alvarez, our diversity officer, has reached out to both Central and South America, as you will see in our winter and spring newsletters.

This year, we are proud to introduce our two initiatives, which are in addition to our obligation to serve you according to our mission: "The TIPS Intellectual Property Law Committee mixes together its unique

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## IN THIS ISSUE:

# SHORTENING THE DISPUTE RESOLUTION TIMELINE IN PATENT CASES

By J. Gregory Whitehair

Few civil actions match the complexity – or expense – of patent litigation. Dubbed the "sport of kings," medium-sized patent cases taken through trial cost on average more than $3.5 million a side,[1] while the median verdict award for a prevailing patent holder[2] has been running below $5 million,[3] and more than two-thirds of patent holders fail to achieve any award by the end.[4] Lengthy post-trial proceedings also create an unpredictable appellate path.[5] These high-stakes matches drain litigation budgets and leave the intellectual property of smaller companies trapped in a file cabinet, while paralyzing businesses interested in innovating their way around issued but weak patents.

Yet, unlike one-shot tort suits, most patent cases involve market competitors, customers, or profit-minded patent holders, a true business setting.[6] Consequently, the goal of alternative dispute resolution (ADR) in a patent case should be to forge early, fully informed business solutions (solutions typically unavailable via jury verdict), while the parties still have resources left, and any surviving patent still has some life in it.[7]

To do this, however, the parties – and their trial warriors – must set aside traditional scorched earth tactics and, at the earliest moment, strike a new path: collaboratively focused and phased discovery, some mechanism to reach a working consensus on the meaning of the patent claims, and a willingness to make decisions on less than complete information. These small steps are best accomplished with the aid of a proactive judicial officer, or a highly informed patent mediator.

## A. Why are Patent Cases So Expensive?

First-time patent litigants are often surprised at the complexity of even a garden variety patent dispute. This complexity stems in large measure from (1) the numerous ways in which patents can be attacked, (2) the uncertainty of the meaning of key terms in any patent, and (3) often murky damages issues. Add to this trial counsel's fear of a major malpractice suit if some key stone is left unturned and the stage is set.

### 1. Numerous Available Modes of Attack on Validity or Enforceability

Patents are creatures of governmental review, in this instance the Patent and Trademark Office (PTO), in a back-and-forth negotiation known as patent prosecution. An examiner conducts a worldwide patent and literature search, typically finding pieces of "prior art" that arguably "anticipate" the applicant's claims,[8] or that in combination purportedly render the claimed invention "obvious" to an ordinarily skilled artisan in the field of the invention.[9] The PTO also may object to the form of the claims[10] or decline to proceed due to nonpatentable subject matter, e.g., laws of nature.[11] Applicants then respond, arguing where they can, amending where they must.

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1 AIPLA, 2009 Report of the Economic Survey, at 29.

2 When a patent holder does not have the capacity to design, manufacture or distribute covered products, it is known as a "non-practicing entity," or NPE; sometimes called a "patent troll."

3 C. Barry, et al., PWC 2010 Patent Litigation Study (Price Waterhouse Coopers), at 7-8, found at http://www.pwc.com/us/en/forensic-services/publications/assets/2010-patent-litigation-study.pdf. That award number was closer to $10 million last year, though that may be a statistical anomaly. Interestingly, NPEs recently appear to be garnering awards as much as three times larger than practicing entities. *Id*.

4 *Id*. at 7-8, 14-15. *See also* B. Hershkowitz, *What Are My Chances? From Idea Through Litigation*, at 5, FindLaw linked at http://immagic.com/eLibrary/ARCHIVES/GENERAL/GENREF/F031016H.pdf.

5 K. Moore, Markman *Eight Years Later: Is Claim Construction More Predictable?,* 9 Lewis & Clark L. Rev. 231, 232 (2005) (34.5% reversal rate through 2003); *see also* T. Sichelman, *Are Appeals at the Federal Circuit a "Coin Flip"?* Patently-O (April 2010) http://www.patentlyo.com/patent/2010/04/are-appeals-at-the-federal-circuit-a-coin-flip.html (explaining that general reversal rates at the Federal Circuit in fact track other circuits, at least for complex cases, though claim construction reversals do run at 33%).

6 One of the leading lights in patent ADR is Delaware Magistrate Judge Thynge, who has written and spoken extensively on the topic, and emphasizes the *business* focus of most patent disputes. *See, e.g.*, M.P. Thynge, *Mediation in Patent Cases – One Judge's Perspective,* 17 IP Litigation Committee Newsletter at 1, 26 (ABA Spring 2006).

7 For a fine overview and an early call for active mediation in the patent arena, *see* M. Panarella, "Stemming the Patent Litigation Tide" (MDDI March 2004), link at http://www.mddionline.com/article/stemming-patent-litigation-tide .

8 35 U.S.C. § 102.

9 *Id*. § 103. The hypothetical "person having ordinary skill in the art" (skilled artisan) can be a complicating phantom: the trier of fact is expected to stand in the shoes of a skilled artisan when rendering certain decisions (e.g., obviousness for juries, claim construction for judges), though actual skilled artisans (other than the parties) rarely attend court or give testimony.

10 *Id*. § 112.

If the application survives, the issued patent is deemed presumptively valid;[12] any attack in court must be proven by "clear and convincing evidence."[13] Damages will include at least a reasonable royalty.[14] If willful infringement is shown, triple damages can be awarded, along with attorney's fees in an "exceptional" case.[15] The patent will usually have an enforceable life of 20 years from the filing date of the first underlying application.[16] Accused infringers are thus highly motivated to break the asserted patent, or escape its coverage.

One attack path is a rigorous prior art search, to essentially revisit the anticipation and obviousness review done at the PTO.[17] The trial team will also look for premature sales,[18] unattributed inventors,[19] improper assertion of the PTO's small-entity discount,[20] unpaid maintenance fees, botched assignments, and any previous working version of the alleged invention by an unrelated entity.[21] Even if a patent survives this review, if it can be proven to the judge that the applicants or their counsel violated the duty of candor owed to the PTO during prosecution, the doctrine of inequitable conduct will render the patent entirely unenforceable.[22]

### 3. Unresolved Meaning of Key Claim Words: Markman Orders

The claims of a patent are like the metes and bounds of a deed to land: they describe and cover a discrete patch of intellectual property. Predictably, patent holders see a wide ranging tract, while accused infringers often see a postage stamp (if they see anything). The judge is left to ascertain the true reach of each claim in a process known as a *Markman* claim construction.[23] Claim construction involves translating into jury friendly language the words of the issued claims, viewed by the light of the rest of the application and prosecution history, through the lens of an ordinarily skilled artisan of the day. It is a challenging process even for the well-practiced.

### 4. Non-standard Damages Assessments

Patent owners may pursue either a minimum reasonable royalty by applying fifteen so-called *Georgia Pacific* factors,[24] or in some cases, lost profits if those exceed the royalty figure.[25] Unlike the ready availability of comparable sales in, say, residential real estate, the proper damages to be paid by an infringer must be distilled from the barest materials. There are almost no industry-compiled or standard royalty rates, and profit margins can vary wildly. Moreover, third parties are not obligated to answer subpoenas seeking company-critical information like this, so the only data points are often from the existing licenses of the litigants.

## B. Why Do Patent Cases Take So Long to Settle?

Studies show that fewer than 4% of patent cases go to trial, another 9% are resolved by summary judgment, and the rest are resolved outside of court.[26] So given the near certainty of a negotiated outcome, why do patent cases take so long to resolve?[27]

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11 *Id*. § 101; *Bilski v. Kappos*, 130 S. Ct. 3218 (U.S. 2010).

12 *Id*. § 282.

13 *See, e.g., Apotex USA, Inc. v. Merck & Co., Inc*., 254 F.3d 1031, 1036 (Fed. Cir. 2001), *cert. denied*, 534 U.S. 1172 (2002). This standard is now under Supreme Court review, at least for prior art not reviewed previously by the PTO. *See Microsoft Corp. v. i4i Ltd. P'ship*, *cert. granted* at 2010 U.S. LEXIS 9311 (Nov. 29, 2010).

14 35 U.S.C. § 284.

15 *Id*. § 285.

16 *Id*. § 154(a)(2).

17 The average PTO examiner is allotted perhaps 20-30 hours to handle a given application. *See* http://www.patentbaristas.com/archives/2009/10/03/significant-changes-coming-to-examiner-count-system/

18 35 U.S.C. §102(b). Applicants have one year from first sale to seek a patent in the United States; most foreign countries do not even allow that grace period.

19 *Id*. § 116.

20 13 CFR 121.802(a).

21 35 U.S.C. § 102(g).

22 37 C.F.R. § 1.56 ("Rule 56") (where an applicant arguably fails to come forward with some material piece of prior art, or other information that would have been material to the examination of the patent).

23 *Markman v. Westview Instruments, Inc.,* 517 U.S. 370 (1996).

24 *Georgia-Pacific Corp. v. U.S. Plywood Corp*., 318 F. Supp. 1116 (S.D.N.Y. 1970), *mod. and aff'd*, 446 F.2d 295 (2d Cir. 1971), *cert. denied*, 404 U.S. 870 (1971).

25 *See Panduit Corp. v. Stahlin Bros. FibreWorks*, 575 F.2d 1152, 1156 (6th Cir. 1978). To claim lost profits beyond the reasonable royalty floor, a patent holder must have been capable of marketing a covered product during the infringing period. It is beyond this article to list the proof difficulties inherent in seeking lost profits, but the paper discovery and expert effort together make this an expensive alternative.

26 *See* J. Kesan & G. Ball, "How Are Patent Cases Resolved? An Empirical Examination of the Adjudication and Settlement of Patent Disputes," 84 Washington U. L. Rev. 267 (2006), download at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=808347; *see also* University of Houston Law Center PatStats, http://www.patstats.org/ (2009).

27 Studies from a decade ago indicated that patent cases took some 12-15 months on average to settle, with many settlements occurring much later. *See* J. Kesan & G. Ball, *supra* note 26, at 67. Anecdotally, that period of time appears to have since lengthened.

### 1. Informational Asymmetry

Of course, in every complex case, each side is ignorant of certain critical information. But because of the very secret nature of the typical technology company's proprietary materials and inner workings, discovery is often arduous. Add to this the burden of collecting and understanding gigabytes of (often meaningless) data, sometimes in a foreign language, and the task is enormous, ruinously expensive, and essentially fruitless, as there is no indication in the literature that the amount or quality of information proffered at trial has increased at all.[28]

### 2. *Markman* Paralysis

In the pitched battle over the scope of the claims, parties routinely overstate their base position, creating an expansive umbrella on the one side, and an inoperative or tiny doily on the other. There is essentially no tradition of collaborative interpretation in patent cases, and losing parties often continue to resist the meaning imposed by the court. Worse, the parties often argue that no real discovery can proceed until a *Markman* ruling issues, asserting that all discovery requests, deposition questions, and any expert opinions are merely provisional.

### 3. Financial Asymmetry

Well-heeled parties, whether patent holder or infringer, can often simply overwhelm and outlast a smaller opponent. Given the backlog of cases in most federal districts, and the known aversion of judges to entertaining discovery fights, stonewalling in discovery is rarely punished, and no party ever gets extra trial points for being early and thorough in its disclosures.

### 4. Risk Asymmetry

On the other hand, a small patent holder may feel it has little to lose, and a lottery ticket of opportunity if it can merely survive to trial, no matter how marginal its case. A looming risk to a large opponent usually increases the settlement payday, with the value cresting on the courthouse steps.

### 5. Emotionalism and Naiveté

The old gypsy curse comes to mind: "May you be correct in a lawsuit." Sometimes the desire for the fight trumps the numbers. Yet, as the battle hardened know, no patent case has a greater than 80% chance of success, even after a trial: If the patent is found valid and infringed, it can still be attacked by another infringer, reversed, or taken apart by the PTO if an outsider seeks reexamination. Conversely, even if the patent is struck down and the accused products are cleared of infringement, appellate review modifies as many as 35% of appealed verdicts. But some clients do not wish to hear bad news and will punish a devil's advocate; some lawyers are content to keep quiet.

### 6. Proceduralism

Most parties in patent cases have engineering or other "rational" training and are comfortable with formal and iterative processes and structured debate. Most patent litigators grew up prosecuting patents before a PTO that can be quite formalistic, and where a year or more might be spent arguing over a word. This crowd then arrives at the federal courthouse, where pragmatism is the watchword. This culture shock is compounded by the reluctance of procedure-focused lawyers to volunteer information without a formal and very exact demand.

### 7. Lack of Neutral Feedback

One of the most frustrating parts of modern federal litigation is the lack of ongoing feedback from the court. Judges underestimate the major impact that even a small colloquy or upturned brow can have on party expectations. At the same time, judges are wise to realize that any premature critiques, without benefit of the entire record, may become fodder for future appeals. So the parties are left to listen to their own self-reinforcing echo chamber.

### 8. Lack of Standardized Outcomes

Almost every patent case is sui generis, new and decidedly different from most other cases. Diverse owners and industries, diverse products, diverse royalty and profit structures, shifting economics – all conspire to make case valuation a dark art, hardly science. Dueling economists talk about the 25% rule or about "whole value" versus "invention value," as if these concepts are drawn from objective metrics. Yet without some shared sense of the value of a case (even while disagreeing on liability), one or both parties can be stuck negotiating in fantasy.

### 9. Late-arriving Smoking Guns

Every seasoned patent litigator knows of a case where the key to victory was delivered at the eleventh hour: a material piece of prior art, an unnamed and

[28] The burgeoning field of e-discovery management, with anecdotal 7-figure vendor fees paid just to collect and collate e-mail (no review), is proof that the system is spinning out of control.

disgruntled co-inventor, a PTO reexamination notice, the loss of a key witness. Of course, one must buy a truckload of Wonka bars to improve the odds of finding a golden ticket, but sometimes it pays.

### 10. The Dreaded Opening Bid

It is an article of faith in negotiating circles that the party that opens settlement talks often fares more poorly than the party that holds off. This creates a major delay in many cases, as the litigants puff and posture in advance of admittedly inevitable settlement talks, while consuming massive resources awaiting "the right time."

## C. Which Patent Cases are Least Likely to Resolve?

In their excellent groundbreaking study, Keson and Ball[29] identified several key components of cases that resist settlement:

- Patents that are young and untested
- Patents held by individuals or small companies
- Patents with numerous independent claims
- Patents in fields with extensive prior art
- Patents that have long and rocky prosecution histories.

The chief mediator for the Federal Circuit Court of Appeals[30] has compiled a list of party practices and positions that tend to impair a mediated resolution, at least on the appellate level:[31]

- The wrong representatives (by accident or purposefully) attended the session
- The appellant was just not ready to accept its (unexpected) loss below
- A contingent fee was involved, or a party felt it deserved multiple damages or an "exceptional case" fee award
- An NPE (troll) was involved and the accused infringer felt the need to take a stand
- Patent holders on appeal needed vacatur of invalidity below as a condition to settle[32]
- An emotional inventor sought "justice" (think of the movie *Flash of Genius*)
- Patent holders who lost on summary judgment of non-infringement imagined complete reversal and an award of riches on remand (the "lottery" case).

## D. What Might be Done to Accelerate and Focus Settlement Talks?

Not every case can or should settle. Trials serve a salutary purpose, and many times parties simply misread their chances. But especially for cases with a long-term business profile, attempting to settle should be an early priority. The following steps could help:

### 1. Slay the "First to Act" Dragon

Almost every federal district imposes an early and mandatory mediation phase in patent cases, whether using a magistrate judge of the court, or an approved mediation panelist from the community.[33] Similar rules are in place at the Federal Circuit[34] and more recently at the ITC. Add to that the number of major companies signatory to the CPR ADR pledge,[35] or that have their own ADR-first corporate guidances and contract provisions, and an important trend is underway that should provide cover for both sides. Perhaps even allowing a mediation effort before filing.[36]

### 2. Maintain a Constant Business Mindset

The cost of patent litigation should sober even the most aggrieved participants. And for parties facing off against a business competitor (or worse, a potential client), the need to keep it all business should be paramount. One advantageous move: an early-evaluation culture, where humility is practiced by those directly involved in the patent fight, and outside company personnel are recruited to provide clear eyed and unemotional guidance.

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29 J. Kesan & G. Ball, "How Are Patent Cases Resolved? An Empirical Examination of the Adjudication and Settlement of Patent Disputes," 84 Washington U. L. Rev. 267 (2006), download at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=808347.

30 James Amend, an experienced patent litigator, literally wrote the book that federal district judges use in this arena. See J. Amend, Patent Law – A Primer for Federal District Court Judges 2nd ed. (Berkeley Center for Law & Tech. 2006).

31 http://www.metrocorpcounsel.com/current.php?artType=view&artMonth=July&artYear=2009&EntryNo=8659.

32 Interestingly, 19 of 20 vacatur requests down to the trial court have been granted during Mr. Amend's tenure. Personal conversation with the author August 20, 2010.

33 *See* The ADR Act of 1998, 28 U.S.C. §§ 651-658 (1998).

34 For an overview, *see* K. Casey, "IP Mediation at the Federal Circuit," Del. Law. Mag. At 24 (Winter 2008/2009).

35 http://cpradr.org/About/ADRPledge.aspx. The International Institute for Conflict Prevention and Resolution is an independent, nonprofit think tank that promotes innovation in commercial dispute prevention and resolution.

36 *See* "More Cos. Seek Early Mediation in IP Disputes" (IP Law360 August 3, 2010), link at www.law360.com/176352 (proprietary).

### 3. Prepare a Proactive Standstill Agreement to Forestall DJ Risk

When approaching a potential infringer, the risk of a declaratory judgment action is real.[37] One solution was proposed by counsel for Hewlett-Packard in the *Acceleron* case: a modified standstill agreement, with a clear expiration date, and a free-exchange period for swapping claims charts. Though this proposal was rejected, it could be ideal in some settings. One could imagine building in a focused discovery exchange, perhaps overseen by a jointly hired neutral, on limited topics agreed to by the parties. A 90- or 120-day period could be fixed, along with an agreed mediation protocol using the same neutral, or calling in a second with a special expertise, e.g., for claim construction or damages.

### 4. Prepare an Expedited and Collaborative Discovery Plan

For reasons perhaps peculiar to U.S. litigation, discovery has become adversarial. While adversarial zeal has its place in cross-examination and closing argument, it is counterproductive during discovery (or in claim construction for that matter). A move is underway as an outflow of the Sedona Discovery Conferences to create a more collaborative discovery environment.[38] The concept is timely, and with the proper focus, discovery could be phased, with an expeditious attack on perhaps two or three hot discovery topics, and a lesser effort for a second or third wave. Early claim charts would also be a priority.

Since any information produced in this format would be produced eventually in litigation,[39] the only risk is not getting an equivalent level of disclosure from the opposing party. However, a heavily involved magistrate judge or private neutral should be able to referee this exchange and assure each party is not being duped.

### 5. Invite Neutral Facilitation and Feedback

A core cause of delayed settlement talks and tin-eared trial decisions stems from the lack of neutral feedback during the course of litigation. Enter the shared neutral. From facilitating key word searches to helping focus expedited discovery and resolving minor disputes, then to assessing claim construction arguments and summary judgment positions secretly and without disclosure to the other side: most cases would be well-served by the early and ongoing involvement of a knowledgeable neutral. And in cases with thorny claim construction or royalty questions, recruiting a second neutral might be considered. Though mediators admittedly cost money, each party pays only half. One more advantage: either party can pull the plug and ask the neutral to leave, an option unavailable with a judge or arbitrator.

### 6. Live with 2-card Poker

Good litigators want all the facts before they act, leading to the "defensive medicine" conundrum. But just as health care costs are forcing cutbacks, so too have the costs of patent litigation put the brakes on extreme discovery. Modern businesses make major decisions on limited facts every day. Like an opening 2-card deal, smart players can act based on the odds. And with the price running at $1-2 million per metaphoric dealer card, acting on limited knowledge is often the only option. The necessary craft of the new age patent litigator, and of any involved neutral, is to make sure those cards are dealt cleanly, and without the risk of being false indicators.

## CONCLUSION

The salad days of patent litigation may have come to a close. Between daunting e-discovery obligations, soaring expert witness fees, and cases with too many unproductive moving parts, clients are seeking early exit strategies. When the lawyers and their vendors become a disruptive transaction cost, the game must change. Not every case is right for the expedited approach discussed here, but for those that are, millions of dollars and untold stress might be avoided, and businesses allowed to get back to business. This is what the patent system was designed for in the first place.

Greg Whitehair is owner and principal mediator at the national ADR consultancy IP Resolution Co. Before he opened IPR last year, he was a first-chair commercial and IP trial attorney for over 25 years. Mr. Whitehair can be reached at jgw@ipresolutionco.com.

37 28 U.S.C. § 2201. *See Hewlett-Packard Co. v. Acceleron, LLC*, 587 F.3d 1358 (Fed. Cir. 2009).

38 http://www.thesedonaconference.org/content/tsc_cooperation_proclamation/proclamation.pdf.

39 *See* M.P. Thynge, *supra* note 6, at 27.

# Expert Witnesses: Rule 702, Daubert, and Presenting and Challenging Expert Testimony

Faculty of Federal Advocates
Bench-Bar Roundtable, October 14, 2022

Federal Rule of Evidence 702

A witness who is qualified as an expert by knowledge, skill, experience, training, or education may testify in the form of an opinion or otherwise if:

(a) the expert's scientific, technical, or other specialized knowledge will help the trier of fact to understand the evidence or to determine a fact in issue;

(b) the testimony is based on sufficient facts or data;

(c) the testimony is the product of reliable principles and methods; and

(d) the expert has reliably applied the principles and methods to the facts of the case.

## 1. When Expert Testimony Is Admitted

A. To be admissible, expert testimony must be relevant and reliable.

> Rule 702 imposes a gatekeeping function on district courts to ensure expert testimony is admitted only if it is relevant and reliable. *See Kumho Tire*, 526 U.S. at 141, 119 S. Ct. 1167; *Daubert*, 509 U.S. at 597, 589, 113 S. Ct. 2786. The "help the trier of fact" language of Rule 702 is a relevance test for expert testimony. *See Daubert*, 509 U.S. at 591, 113 S. Ct. 2786. Even if scientifically valid, the expert testimony must "fit"—it must relate to a disputed issue in the case.

*Etherton v. Owners Ins. Co.*, 829 F.3d 1209, 1217 (10th Cir. 2016).

> Expert testimony must be relevant and reliable. Fed. R. Evid. 702; *Daubert v. Merrell Dow Pharms., Inc.*, 509 U.S. 579, 588–89, 113 S. Ct. 2786, 125 L.Ed.2d 469 (1993). To be reliable, expert testimony must be "based on actual knowledge, and not mere 'subjective belief or unsupported speculation.'" *Mitchell v. Gencorp., Inc.*, 165 F.3d 778, 780 (10th Cir. 1999) (quoting *Daubert*, 509 U.S. at 590, 113 S.Ct. 2786).

*Pioneer Centres Holding Co. Employee Stock Ownership Plan & Tr. v. Alerus Fin., N.A.*, 858 F.3d 1324, 1341–43 (10th Cir. 2017).

B. Expert testimony is necessary when proving your claim requires answering questions outside the ken of the average layperson.

> If the subject matter lies beyond the ambit of common knowledge or experience of ordinary persons, expert testimony is required to establish these elements.

*Shinn v. Melberg*, No. 12-CV-01180-LTB-BNB, 2014 WL 334662, at *3 (D. Colo. Jan. 30, 2014) (citing *Melville v. Southward*, 791 P.2d 383, 387 (Colo.1990)).

> Expert testimony is required to prove causation when proof of causation requires answering technical questions which are outside the experience of the average layperson. *See Truck Ins. Exch.*, 360 F.3d at 1214; *see also Mathison v. United States*, 619 Fed.Appx. 691, 694 (10th Cir. 2015). Where appropriate, causation may also be inferred by a jury if the Plaintiff has provided evidence that would make the inference reasonable. *See Truck Ins. Exch.*, 360 F.3d at 1215.

*Nash v. Wal-Mart Stores, Inc.*, No. 15-CV-02330-RM-MEH, 2017 WL 5188339, at *9 (D. Colo. Feb. 15, 2017), *aff'd*, 709 F. App'x 509 (10th Cir. 2017).

**2. The Line Between Expert And Lay Testimony**

A. Rule 701 permits, to a certain extent, lay opinion testimony.

> If a witness is not testifying as an expert, testimony in the form of an opinion is limited to one that is:
>
> (a) rationally based on the witness's perception;
>
> (b) helpful to clearly understanding the witness's testimony or to determining a fact in issue; and
>
> (c) not based on scientific, technical, or other specialized knowledge within the scope of Rule 702.

Fed. R. Evid. 701.

B. A lay witness may not give an opinion based on specialized knowledge.

> As we have said, Rule 701 "does not permit a lay witness to express an opinion as to matters which are beyond the realm of common experience and which require the special skill and knowledge of an expert witness."

*James River Ins. Co. v. Rapid Funding, LLC*, 658 F.3d 1207, 1214 (10th Cir. 2011).

**3. Particular Circumstances**

A. Depending on the content of their testimony, treating physicians may need to write a report.

> Although a witness's records as a treating physician may, in some instances, obviate the need for a report, "[i]t is the substance of the expert's testimony, not the status of the expert, which will dictate whether a Rule 26(a)(2)(B) report will be required." *Trejo,* 2007 WL 2221433, at *2 (quoting *Harvey v. United States of America,* No. 04–cv–00188–WYD–CBS, 2005 WL 3164236, at *8 (D.Colo. Nov. 28, 2005)). When a witness's testimony is limited to "his observations, diagnosis and treatment of a patient, the physician is testifying

about what he saw and did and why he did it, even though the physician's treatment and his testimony about that treatment are based on his specialized knowledge and training." *Grifith v. Northeast Ill. Reg'l Commuter R.R. Corp.,* 233 F.R.D. 513, 518 (N.D.Ill.2006). Under these circumstances, no Rule 26(a)(2)(B) report is necessary. *Id.* However, when a witness "opines as to causation, prognosis, or future disability, the physician is going beyond what he saw and did and why he did it ... and [is] giving an opinion formed because there is a lawsuit." *Id.* A similar conclusion may be reached when a witness is asked to review the records of another health care provider in order to formulate his or her own opinion on the appropriateness of care. *Trejo,* 2007 WL 2221433, at *1–*2 (quoting *Wreath v. Kansas,* 161 F.R.D. 448, 450 (D.Kan.1995)). In both instances, the witness is considered "retained or employed" under Rule 26(a)(2)(B) and must file a written report accordingly. *Id.*

*Davis v. GEO Grp.*, No. 10-CV-02229-WJM-KMT, 2012 WL 882405, at *2 (D. Colo. Mar. 15, 2012); *see also Olivero v. Trek Bicycle Corp.*, No. 16-CV-0761-WJM-MJW, 2017 WL 5495817, at *16 (D. Colo. Nov. 16, 2017) (citing *Davis* with approval).

B. Expert testimony regarding medical causation may not be necessary.

Courts have allowed lay testimony about medical causation in cases where causation is fairly obvious. For example, in a prison brutality case, the Seventh Circuit permitted a prisoner to testify about the connection between being beaten by a prison guard and the pain he subsequently felt: "No expert testimony is required to assist jurors in determining the cause of injuries that are within their common experiences or observations. Here, the cause of [the prisoner's] pain was perfectly clear: [the guard] beat him." *Hendrickson v. Cooper*, 589 F.3d 887, 892 (7th Cir.2009) (citation omitted). But the court went on to note a scenario where the causal connection might not be so obvious: "Had [the prisoner] claimed that [the guard] never touched him but merely denied him access to medical care for several days, and that this delay in treatment exacerbated his back problems, we might require [the prisoner] to support his theory of causation with some objective medical evidence." *Id*.

*Llewellyn v. Ocwen Loan Servicing, LLC*, No. 08-CV-00179-WJM-KLM, 2015 WL 2127892, at *3 (D. Colo. May 5, 2015).

C. An expert may not state legal conclusions.

But an "expert may not state his or her opinion as to legal standards nor may he or she state legal conclusions drawn by applying the law to the facts." *Okland Oil Co. v. Conoco Inc.*, 144 F.3d 1308, 1328 (10th Cir. 1998). This type of opinion does "not aid the jury in making a decision, but rather attempts to substitute [the expert's] judgment for the jury's." *Baumann v. Am. Family Mut. Ins. Co.*, 836 F.Supp.2d 1196, 1202 (D. Colo. 2011).

*Pioneer Centres Holding Co. Employee Stock Ownership Plan & Tr. v. Alerus Fin.,* N.A., 858 F.3d 1324, 1341–43 (10th Cir. 2017).

These cases demonstrate that an expert's testimony is proper under Rule 702 if the expert does not attempt to define the legal parameters within which the jury *810 must exercise

its fact-finding function. However, when the purpose of testimony is to direct the jury's understanding of the legal standards upon which their verdict must be based, the testimony cannot be allowed. In no instance can a witness be permitted to define the law of the case.

*Specht v. Jensen*, 853 F.2d 805, 809–10 (10th Cir. 1988).

D. A jury may reduce the amount of damages testified to by an expert.

This assumption is incorrect, for a jury can reduce an expert's calculations on damages even when unable to "run the exact numbers and calculations of [a damages] model with 'mathematical certainty.'"

*In re Urethane Antitrust Litig.*, 768 F.3d 1245, 1268 (10th Cir. 2014).

E. Other particular circumstances?

## 4. Challenging Expert Testimony

A. The burden is on the party offering the expert testimony.

The proponent of expert testimony bears the burden of showing that its proffered expert's testimony is admissible.

*United States v. Nacchio*, 555 F.3d 1234, 1241 (10th Cir. 2009).

B. Strategic considerations relating to challenging expert testimony.

i. When?

ii. How?

C. Judges have their own procedures regarding challenges to expert testimony.

*See, e.g.*, Procedures for Rule 702 Motions, CMA Civ. Practice Standard 7.1C, attached hereto as Exhibit A.

## 5. Other Issues

A. How do juries perceive experts? Judges?

i. Do juries defer to experts? Can opposing experts actually "help" juries?

ii. Do juries discount expert opinions as bought and sold?

iii. Is there a CSI effect, where juries insist on expert testimony?

B. Court-Appointed Experts

i. The Court may appoint an expert, pursuant to Fed. R. Evid. 706.

C. Expert reports

i. What is appropriate level of detail?

ii. Are expert reports admissible?

iii. Common problems with expert reports?

D. Protections for expert materials

> **(B)** *Trial-Preparation Protection for Draft Reports or Disclosures*. Rules 26(b)(3)(A) and (B) protect drafts of any report or disclosure required under Rule 26(a)(2), regardless of the form in which the draft is recorded.
>
> **(C)** *Trial-Preparation Protection for Communications Between a Party's Attorney and Expert Witnesses*. Rules 26(b)(3)(A) and (B) protect communications between the party's attorney and any witness required to provide a report under Rule 26(a)(2)(B), regardless of the form of the communications, except to the extent that the communications:
>
> **(i)** relate to compensation for the expert's study or testimony;
>
> **(ii)** identify facts or data that the party's attorney provided and that the expert considered in forming the opinions to be expressed; or
>
> **(iii)** identify assumptions that the party's attorney provided and that the expert relied on in forming the opinions to be expressed.

Fed. R. Civ. P. 26(b)(4)(B)–(C).

E. Experts and demonstrative evidence

*The administration of justice is the firmest pillar of government.*
– George Washington

# CIVIL PRACTICE STANDARDS

## JUDGE CHRISTINE M. ARGUELLO
## UNITED STATES DISTRICT COURT DISTRICT OF COLORADO


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Revised: December 2021

supplemental filing. The motion shall address all difficult or unusual evidentiary issues the party anticipates will arise at trial, **with each discrete evidentiary dispute separately numbered within the motion**. Each motion and response shall be limited to eight pages, unless there is a showing of **substantial** good cause and the Court grants leave to extend the page limits. All text in these filings will count against the page limits, except for the attorney or party signature blocks and the certificate of service. No reply brief in support of a motion *in limine* will be permitted.

**(c) Filing Deadlines**. In order to ensure that motions *in limine* are ripe for ruling at the Final Trial Preparation Conference, such motions must be filed **no later than twenty-one (21) days prior** to the Final Trial Preparation Conference. A response to a motion *in limine* must be filed no later than fourteen (14) days after the filing of the motion.

**CMA Civ. Practice Standard 7.1C – Motions Pursuant to Fed. R. Evid. 702**

**(a) Duty to Confer.** The Court will not consider any motion challenging expert opinion/testimony under Fed. R. Evid. 702, unless counsel for the moving party, prior to filing the motion, has conferred or made reasonable, good-faith efforts to confer with opposing counsel in an effort to attempt to resolve the disputed matter(s). If the parties are able to resolve the dispute, the motion shall be entitled "Unopposed Motion for _____," and the parties shall submit via email to Chambers the proposed order that the parties wish the Court to enter. If the parties are unable to resolve the dispute, the moving party shall state in the motion the specific efforts that were taken to comply with this duty to confer.

**(b) Content.** All Rule 702 motions shall:

**(1)** Identify the expert witness and separately state each opinion/testimony the moving party seeks to exclude;

**(2)** Follow each opinion with the specific foundational challenge made to the opinion/testimony;

**(3)** Indicate whether an evidentiary hearing is requested, explain why such a hearing is necessary, and specify the time needed for the evidentiary hearing (assuming time is divided equally between the parties); and

**(4)** Include the expert witness's report as an exhibit.

**(c) Evidentiary Hearing.** If an evidentiary hearing is held, the time for the evidentiary hearing will be divided equally between the parties. Unless otherwise ordered, **the expert witness** whose testimony or opinion is proffered **shall be present at the hearing.**

**(d) Filing Deadlines.** Motions under Fed. R. Evid. 702 often require additional time for the Court to fully analyze and may require evidentiary hearings. Thus, parties should file such motions **as early as is practicable** and, in all cases, **not later than seventy**

**(70) days (ten weeks) prior** to the Final Trial Preparation Conference. Deadlines for responses and replies to Rule 702 motions are governed by D.C.COLO.LCivR 7.1(d). Rule 702 motions requiring an evidentiary hearing may be referred to the assigned Magistrate Judge for hearing and decision.

**CMA Civ. Practice Standard 7.1D – Motions to Dismiss Pursuant to Fed. R. Civ. P. 12(b)**

**(a) Procedure**. Motions brought pursuant to Fed. R. Civ. P. 12(b) are discouraged if the defect is correctable by the filing of an amended pleading. Counsel should confer prior to the filing of the motion to determine whether the deficiency can be corrected by amendment (*e.g.*, failure to plead fraud with specificity), and should exercise their best efforts to stipulate to appropriate amendments. **If such a motion is nonetheless filed, the movant shall include a conspicuous statement describing the specific efforts undertaken to comply with this Practice Standard.** Counsel are on notice that failure to comply with this Practice Standard may subject them to an award of attorney fees and costs assessed personally against them. The requirement to confer shall not apply in cases where the non-movant is proceeding *pro se*.

**(b) Single Motion**. All requests for relief under any part of Fed. R. Civ. P. 12(b) must be brought in a single motion. All motions to dismiss shall state in the caption or in the opening paragraph under which rule or subsection thereof such motion is filed.

**(c) 12(b)(1)–(5) Motions**. Motions brought pursuant to Fed. R. Civ. P. 12(b)(1)–(5) shall identify the grounds for dismissal, which party has the burden of proof, the material facts, and whether materials outside the pleadings should be considered.

**(d) 12(b)(6) Motions**. With respect to motions brought pursuant to Fed. R. Civ. P. 12(b)(6):

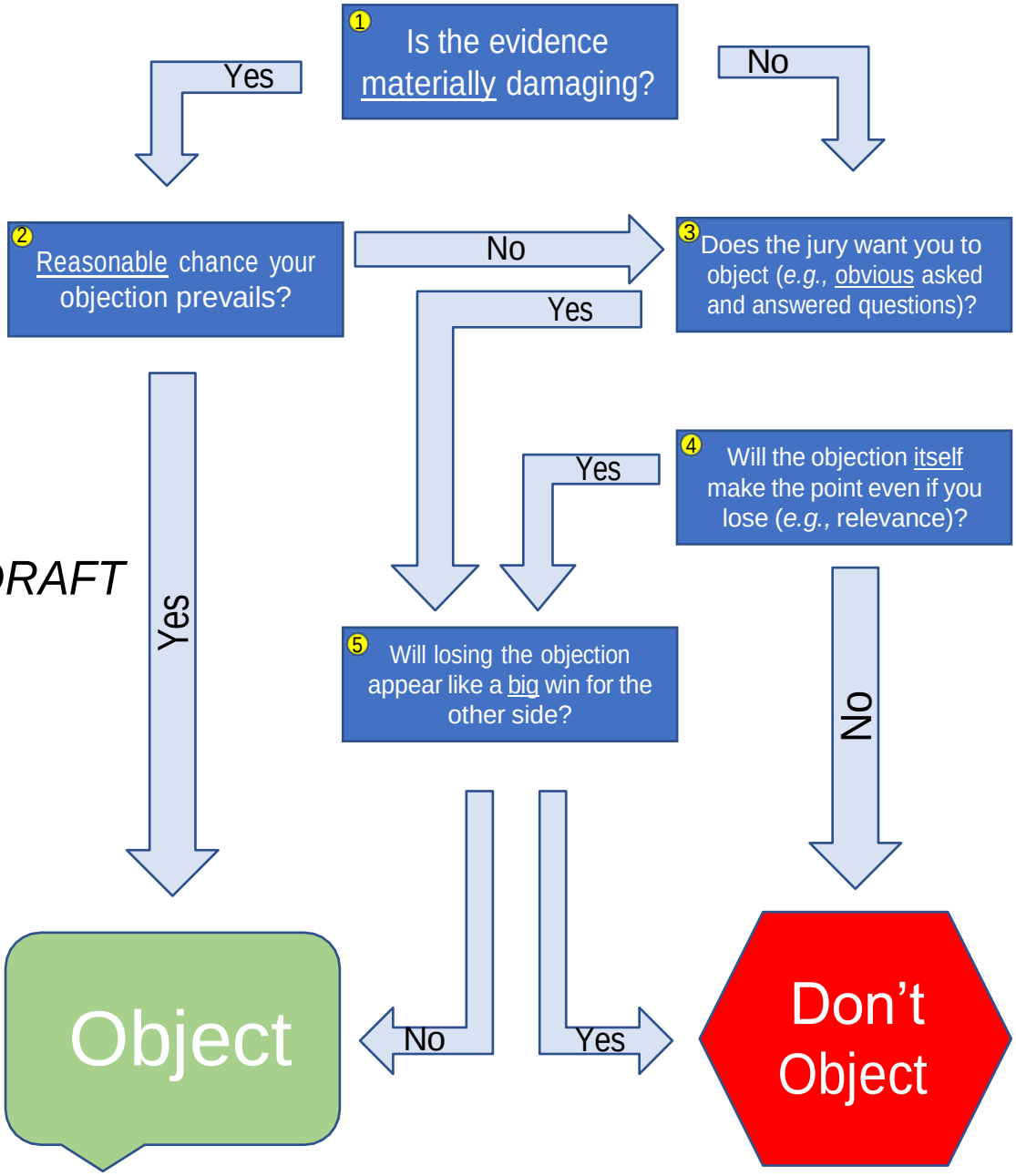
**(1)** For each claim for relief that the movant seeks to have dismissed, the movant shall clearly enumerate each element that movant contends must be alleged, but was not.

**(2)** The respondent should utilize the same format for each challenged claim. If the respondent disputes that a particular element must be alleged, the element should be identified as disputed and substantiated with accompanying legal argument. If the respondent contends that a proper and sufficient factual allegation has been made in the complaint, the respondent should specifically identify the page and paragraph containing the required factual allegation.

**(e) Matters Outside the Pleadings**. Rule 12(b) motions should not be stated in the alternative as a Rule 56 motion for summary judgment. If matters outside the pleadings are submitted in support of or opposition to a Rule 12(b) motion, both parties should address whether the 12(b) motion should be converted to a summary judgment motion.

**CMA Civ. Practice Standard 7.1E – Motions for Summary Judgment Pursuant to**

# Should I Object?




*6/30/22 DRAFT*

1. Don't object solely because you can. Is the evidence (1) *actually favorable*; (2) better dealt with on cross or redirect; (3) not worth the fight. If your opponent wants to endorse plainly weak evidence: let them.

2. Will you win and actually exclude the evidence? Knowledge of your judge is important. *E.g.*, even if you believe 403 is implicated, will the judge agree? Can opposing counsel easily work around your objection?

3. Especially for form objections (leading, asked and answered), wait until you sense the jury is hoping for an objection. Only proceed when obvious.

4. Does the objection itself make the point or achieve the effect? *E.g.*, "relevance" show the weakness of the evidence (weigh against #5, below). An objection can also interrupt the flow of a cross (use sparingly).

5. Jurors are human. If one side continually objects and loses, jurors may conclude you're losing the case as well (or obstructing). Objections draw the immediate interest of the jury: use that spotlight wisely.

**Every situation is different.**
**There are exceptions to every rule.**

Chart created by Jeff Graves, Assistant United States Attorney.

# civil case processing in the federal district courts

*A 21st Century Analysis*

INSTITUTE FOR THE ADVANCEMENT OF THE AMERICAN LEGAL SYSTEM

UNIVERSITY OF DENVER

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**The Institute for the Advancement of the American Legal System** at the University of Denver (IAALS) is a national, nonpartisan organization dedicated to improving the process and culture of the judicial system. We provide principled leadership, conduct comprehensive and objective research, and develop innovative and practical solutions – all focused on serving the individuals and organizations who rely on the system to clarify rights and resolve disputes.


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**ACKNOWLEDGMENTS**

Many people and organizations made this report possible. We are grateful to the eight United States District Courts that waived charges for PACER access to their districts, allowing IAALS to collect the data presented here. We are also thankful for the judges and court administrators who took the time to answer questions about their local procedures and processes, and who reviewed the preliminary data, to help us understand the collected information and put it in context. The cooperation of many individuals in all the courts is greatly appreciated.

We also appreciate the dedication and attention to detail exhibited by the five data entry specialists on this project – Bryan Lange, Lee Moorhead, Daniel Murphy, Emily Seamon and Nate Stephens. All were students or recent graduates of the J.D. or M.S.L.A. programs at the Sturm College of Law at the University of Denver.

Raj Chiklita and Professor Sachin Desai created and maintained our database, and provided regular assistance in developing queries for our statistical analysis.

Professor Terry Dalton provided regular counseling on our sampling and analytical methods, and conducted an extensive round of data analysis shortly after data entry was completed. She conducted her analysis without knowing the identity of any of the subject courts, avoiding any possible coloring of her analysis based on preconceived notions of each court's performance.

We are particularly appreciative of the many individuals who took the time to read and provide thoughtful comments on earlier drafts of this report, including Robert Bone, Justice Colin Campbell, Ernie Friesen, John Greacen, Barry Mahoney and Russell Wheeler.

Finally, we express our gratitude to Steve Ehrlich, whose tireless work on this project from its initial stages shaped our analysis and conclusions, and whose willingness to assist in any way possible advanced our thinking and our progress.

## EXECUTIVE SUMMARY AND RECOMMENDATIONS

The problem is simply stated but not easily solved: too many civil cases in American courts take too long to resolve. An incident or accident that takes less than a minute to unfold on the street or in a boardroom may take several years to be revisited and examined in a courtroom. During that time, litigants may feel economic pressure to settle the case even though they believe they would prevail on the merits. If they do not settle, they still have to contend with increasingly fading memories, and wait longer for financial resolution and emotional closure. And lengthy cases affect more than the litigants. From the judge's perspective, cases that linger on the docket take up time and resources that could be spent on other matters, and may involve retuning as judicial officers turn over. For attorneys, long cases similarly consume resources. And for the general public, extended cases epitomize government inefficiency and drive reduced public confidence in the judicial system.

For these reasons and others, there is already widespread agreement that delay in civil cases is a serious problem. In a recent national survey of nearly 1500 experienced litigation attorneys, 69% of respondents agreed that the civil justice system takes too long as a general matter, and 92% agreed that the longer a case goes on, the more it costs. The survey results echo findings from previous studies stretching back to the 1950s. Delay in civil cases is pervasive, and it is costly.

Many researchers have suggested that the best solution to preventing delay is to increase the judge's control over the timing of a case – a process known as caseflow management. But while much has been written about caseflow management, not every judge (and not every attorney or court administrator) has taken previous recommendations to heart, leading to wide discrepancies across courts in the time needed to bring a case to a close. This study found, for instance, that the same type of case may take two or three times as long on average to resolve in one district court than in another. As a practical matter, this means that litigants may have to wait months or even years longer for a resolution to their dispute simply because the case was filed in one court rather than another.

This study is concerned primarily with why this discrepancy exists. What contributes to delay in civil cases? What part of delay is occasioned by factors outside the civil docket, and what part can be lessened by different procedures implemented by judges, attorneys and court

administrators? We seek to answer these questions – and also test some of the existing assumptions about caseflow management – with new data drawn from nearly 7700 federal civil cases that were terminated between October 1, 2005 and September 30, 2006. Some of these cases were opened and closed in a matter of days; others took many years before reaching a final disposition. Looking at this wide range of cases, we find that some small changes in the approach to civil processing, easily within the ability of a single judge or attorney, may help individual cases move more quickly toward resolution. Other changes, admittedly more complex and reliant on the culture of the legal community as a whole, may also be necessary to assure that expeditious processing remains the norm for every civil case.

While we focus here solely on time to disposition and time between events, we do not mean to suggest that speed alone equals justice. In some cases, judges and counsel understandably need more time to collect and present appropriate information or to work through complex facts or legal theories. And "justice," however conceived, surely cannot be defined without reference to the use of adequate due process safeguards, the financial, physical and emotional cost to the parties, and the completeness and impartiality of the legal analysis. Delay, however, cannot be ignored; even the most thoughtful, fair and accurate result is discounted if it takes more time than necessary to reach. Not every case can or should reach resolution in three months, but in no case should resolution require three years.

At the end of this executive summary, we set forth a series of recommendations, based on findings from three different types of analysis. First, we identified the quantifiable areas of pretrial procedure that are most strongly correlated with overall disposition times. Put another way, we looked at the aspects of how a case is handled that give the strongest clues about how long a case will take from start to finish. Second, we compared how various procedural tools – including motions filed with the court, extensions of time, hearings and sanctions – are used in each district in the study. Finally, we spoke with court representatives and considered survey responses from attorneys in each district in the study, to see if elements of court culture contribute to the overall length of a case in a

manner that cannot be captured merely by numbers. We lay out each of our central findings below in bold, with an explanation immediately following.

**Finding #1: Cases in which: (1) a trial date is set early, (2) discovery issues are raised and resolved within the set discovery period, and (3) dispositive motions are filed as early as possible tend to be resolved more quickly than cases where these things do not occur.**

We examined the collective data from all 7700 closed cases, and looked for the strongest statistical relationships between the use of various procedural tools available to judges and counsel and the overall time from the filing to the disposition of a case. For example, with respect to motions to compel and similar motions disputing the exchange of information during the pretrial discovery process, we examined the number of such motions filed per case, the average time it took to resolve each motion, how long after an initial scheduling conference the motion was filed, whether a hearing was held, and whether the motion was granted. We then compared these data to the overall time from filing to disposition of each case. We ran similar queries for dispositive motions (i.e., those that resolve one or more substantive claims before trial), motions to extend deadlines, use of scheduling conferences, and trial settings, and looked for the strongest relationships with overall time to disposition. Ultimately, we found that the following measurements were the most strongly correlated with the overall length of the case:

1. The elapsed time between the filing of a case and the setting of a trial date;
2. The elapsed time between the scheduling conference required under Federal Rule of Civil Procedure 16 and a party's request for leave to conduct additional or extraordinary discovery; and
3. The elapsed time between the filing of a case and the filing of a motion disputing discovery, a motion to dismiss or a motion for summary judgment.

What exactly does this mean? In shorter cases, we more readily observed the early setting of a trial date, the avoidance of requests for additional discovery late in the discovery process, and earlier filing of motions that might resolve discovery disputes or resolve some or all of the claims immediately. In longer cases, we more frequently observed trial dates set much later after initial filing, late requests to conduct more discovery, and late filing of disputed discovery and dispositive

motions. Both the judge and the attorneys in a case have input into the ultimate timing of these events and accordingly, the timing of the case as a whole.

We note here (and not for the last time) that the strength of these correlations does not mean that, for example, an earlier setting of a trial directly *causes* a shorter time from filing to disposition. Correlation is not causation. But correlation is cause for attention. Where a particular practice or procedure is strongly correlated with a shorter overall time from case filing to disposition, we can expect that cases following that practice or procedure are more likely to have shorter disposition times.

**Finding #2: About one-third of civil cases take more than a year to resolve.**

Nearly two-thirds of cases in the study were resolved within one calendar year, and nearly 40% of cases were resolved in six months or fewer. However, about 35% of cases took more than one year to resolve, and the longest cases took ten years or more before a final resolution was reached. On average, the longest cases from filing to disposition by case type (otherwise known as "nature of suit") were stockholders' suits (mean time of 906 days to disposition), securities/commodities cases (mean time of 689 days) and environmental matters (mean time of 657 days). The shortest cases on average (by nature of suit) were tax customer challenges (65 days), rent lease & ejectment cases (89 days), and asbestos product liability cases (106 days). But nature of suit alone is not necessarily a good predictor of case length: for example, 83 employment discrimination cases in the study were resolved in less than three months, but an almost equal number – 89 cases – took between two and three *years* to complete.

**Finding #3: Rule 16 scheduling conferences are held in less than half of all civil cases.**

Federal Rule of Civil Procedure 16(b) mandates that the judge issue a scheduling order in most forms of civil action within 120 days after the complaint is filed. The judge also has discretion under Rule 16(a) to direct the parties to appear for a scheduling conference. In spite of this language, only 46% of the case dockets in the study showed evidence of a scheduling order and/or notation of a scheduling conference. This surprisingly low figure may be due in part to reasonable judgment by the

court about the trajectory of each case, and whether a Rule 16 conference is necessary. Nearly 33% of cases in the study terminated within 150 days of filing the complaint (the 150 days representing the 120-day deadline plus a 30-day cushion to account for cases where service of process or filing an answer was delayed). Another 15% of cases lasted beyond 150 days, but ended with a transfer, remand, dismissal on Rule 12 or other motion, default judgment, or dismissal for want of prosecution – circumstances in which holding a scheduling conference may not have been a good use of court resources. Still, the low percentage of cases where a Rule 16 conference was held suggests that scheduling conferences are not nearly as common as the Rules intend.

**Finding #4: The time it takes a judge to rule on motions on disputed discovery, motions to dismiss, and motions for summary judgment varies significantly across courts.**

We examined the patterns of rulings on motions raising discovery disputes – that is, motions to compel or quash discovery, impose discovery sanctions, or strike discovery responses. There was wide variation in the mean time it takes a judge to rule on these motions, from a low of 22 days on average in two districts to a high of 116 days on average in one district. The mean for all cases in the study was 48 days from filing to ruling – meaning the parties waited on average nearly seven weeks for a resolution to a discovery dispute.

Similar variation across courts was seen in motions to dismiss and motions for summary judgment. Across all cases, the mean time to rule on Rule 12 motions was almost 130 days, but when broken down by district the mean time varied from 63 days in the fastest court to 176 days in the slowest court. For all summary judgment motions, the mean time to rule was 166 days, but the variation across courts was even more pronounced: from a low of 63 days on average in the fastest court to a high of 254 days on average in the slowest court.

**Finding #5: Motions to dismiss were frequently filed and granted, even before the *Twombly* decision.**

In the wake of the U.S. Supreme Court's 2007 decision in *Bell Atlantic Corp. v. Twombly*, some commentators have suggested that motions to dismiss under Federal Rule of Civil Procedure 12 will be resurrected as a potent tool for defendants. In fact, motions to dismiss were never dead to

begin with; rather, they were routinely sought and granted before *Twombly* was decided. Almost 1800 motions under Rule 12(b) (motion to dismiss), 12(c) (judgment on the pleadings), or 12(f) (motion to strike) were filed in the 7700 cases studied. Nearly 84% of these motions sought dismissal of or judgment on the case in its entirety, and another 12.5% sought dismissal of or judgment on some claims. Over 44% of these Rule 12 motions were granted in their entirety, and another 10% were granted in part. Less than 30% of Rule 12 motions were flat-out denied.

The numbers were similarly high for motions for summary judgment brought under Rule 56. The study recorded nearly 2300 such motions in the 7700 cases, 70% of which sought full summary judgment. About 54% of all summary judgment motions in the study were granted in full or in part; in seven of the eight districts, at least half the motions were granted in full or in part.

**Finding #6: Holding a hearing is associated with faster times to ruling for motions on disputed discovery, although the evidence is less clear with respect to dispositive motions.**

We tracked whether a court decided each disputed discovery or dispositive motion with the assistance of an open court or telephonic hearing, or whether the judge decided the motion on the papers alone. For motions on disputed discovery, there was a marked reduction in mean time from filing to ruling when the court heard argument in the courtroom or by telephone. The mean time to rule was 56 days when no hearing was conducted, but only 35 and 39 days, respectively, for telephonic and open court hearings. While a thorough explanation of this difference is beyond the scope of this report, the 30% average reduction in time to rule when an open court hearing is held is certainly notable.

For Rule 12 motions, the difference in mean times from filing to ruling based on hearing type (or no hearing) was less pronounced. While Rule 12 motions with telephonic conferences were resolved in an average of 79 days (as opposed to 133 for no hearing), the number of such motions subject to telephonic conferences was a small fraction of those decided without a hearing. A larger number of Rule 12 motions were decided after an open court hearing, but the average time from filing to ruling of 118 days for open court hearings – representing only an 11% drop in time over not holding

a hearing at all – does not suggest strongly that holding hearings on motions to dismiss is a more efficient practice.

The situation is even more muddled for motions for summary judgment. The vast majority of these motions were resolved without a hearing, in a mean time of 172 days. Motions that were subject to a hearing were resolved in an average of 147 days, and the few with a telephonic hearing (nearly all of which were held in one district) took the longest to resolve on average – 198 days.

**Finding #7: Many cases settle shortly after a motion to dismiss or a motion for summary judgment is denied.**

The denial of a dispositive pretrial motion would not be expected to shorten the length of a case, because it would merely keep a case moving toward trial. In reality, cases often proceed toward a quick settlement after a dispositive motion is denied. In 17% of cases in the study in which a motion to dismiss was denied, the parties settled within 30 days after the motion was decided. For cases in which a motion for summary judgment was denied, nearly 25% settled within 30 days after the motion was decided, and nearly 40% settled within 90 days. These figures suggest that the parties look to the court to provide answers that affect settlement questions, and that denying motions to dismiss and for summary judgment provides valuable information to the parties about the strength of their respective claims and defenses.

**Finding #8: About 90% of all motions to extend deadlines are granted in every court, but in courts with faster average overall times, many fewer motions to extend deadlines are filed.**

Surprisingly, even the districts with the fastest overall times from filing to disposition granted motions to extend deadlines or continue major events about 90% of the time. This pattern held for relatively minor extensions (*i.e.*, to respond to a discovery request or continue a hearing) as well as continuances of major deadlines (to close all discovery, file dispositive motions, hold a pretrial conference, or begin trial). The major difference across districts was not the grant rate but the filing rate: in districts with lower overall mean times from filing to disposition, relatively few motions to extend deadlines were filed, while in districts with higher overall mean time to disposition, many more motions to extend time were filed. As one example, the study recorded a total of 1899 motions to

extend time to file or respond to discovery requests – an average of 24.7 motions per 100 cases. In the two fastest districts, the average number of filings for that same motion type was only 4 per 100 cases and 6 per 100 cases. With so few motions filed in those districts, a similar grant rate was less harmful in promoting delay.

**Finding #9: External reporting of case management data does appear to encourage courts to rule more rapidly on certain motions than might otherwise be the case.**

The Civil Justice Reform Act of 1990 and current Judicial Conference policy require external reporting of certain case management statistics from every U.S. District Court twice annually. These statistics include a count of all motions pending before each judge for six months or more, as of the semiannual reporting deadlines of March 31 and September 30. This study offers strong circumstantial evidence that judges rush to complete ruling on motions immediately prior to those reporting deadlines.

If judges ruled on motions at a perfectly constant rate, one would expect that on average about 8.5% of motions would be ruled upon during the last two weeks of March and the last two weeks of September combined in any given year. In fact, for those weeks during the study time period, rulings were handed down in about 11% of motions disputing discovery, 12% of Rule 12 motions, and 15% of motions for summary judgment – a noticeably higher rate. Furthermore, about 40% of motions disputing discovery and nearly 35% of summary judgment motions ruled on during the last two weeks of March or September had been pending for six months or more at the time of the ruling, meaning that they would have been listed on the individual judge's CJRA report if not resolved before the month-end deadline.

**Finding #10: An attitude of efficiency, especially when embraced by both the bench and bar, can contribute to lower disposition times.**

The statistical analyses discussed above are new and important, but they are not the end of the story. Such analyses can tell us what is happening, but not why. Accordingly, we also explored the specific role of judges and attorneys in creating efficient case processing times. We consider information gleaned from interviews with court administrators and judges in each of the subject

districts, designed to elicit their perspectives on the civil litigation process in their courts, as well as interviews with attorneys whose primary practice is in one of three of the subject courts. Based on their views and the voluminous existing literature, we have attempted to account for non-quantifiable factors that affect case processing time as well – factors such as local legal culture, court rules, a commitment to transparency, and judicial leadership. We find that efficient case processing is most likely to occur where the local legal community, steered by the expectations of the judiciary, embraces (or at least accepts) strong case management.

Perhaps also indicative of cultural norms, the study found that efficient courts move quickly at *every* stage of the case. The fastest courts in overall time to disposition were also the fastest courts in processing at each stage of the litigation, and the slowest courts overall were the slowest courts at each stage of litigation. Lowering overall time to disposition, then, does not appear to be a matter of addressing one or two specific pretrial practices, but rather striving to improve the time between events at every stage of the case.

## RECOMMENDATIONS

Based on the findings set forth in detail in this report – both statistical and anecdotal – we offer some recommendations for expediting civil case processing. We offer the obvious but necessary caveats that our recommendations are not based on a review of every district court in the United States, nor are they based on direct courtroom observation or interviews with the parties or attorneys involved in the cases studied. And while the statistics speak for themselves, the conclusions we reasonably draw from those statistics have not yet been tested through pilot programs. Still, we believe our conclusions are reasonable and supported by sound empirical data, and we welcome experimentation within federal districts and state courts, and by individual judges, to test the conclusions more robustly. With those prefatory notes, we suggest that judges may be able to reduce processing times by:

1. Setting firm dates early in the pretrial process for the close of discovery, the filing of dispositive motions, and trial, and maintaining those dates except in rare and truly unusual circumstances;

2. Ruling expeditiously on motions, even when the motions are denied;

3. Limiting the number of extensions sought by the parties during any phase of the case;

4. Working to foster a local legal culture that accepts efficient case processing as the norm, and enforcing that culture through active judicial case management; and

5. Tracking the status of cases and motions through internal statistical reporting, and disseminating the results internally and externally as appropriate.

In the same vein, attorneys may also resolve cases more quickly for their clients by:

1. Agreeing to realistic deadlines early in the case and not seeking a deviation from those deadlines except under rare and truly unusual circumstances;

2. Commencing discovery early in the discovery period, so that any discovery disputes may be presented to the court and resolved well before the discovery deadline;

3. Filing dispositive motions as early as possible in the case; and

4. Working within the bar generally, and with opposing counsel specifically, to foster expectations of efficient case processing.

Many of the findings in this report support the conclusions reached by previous studies of civil case processing. Other findings offer new insights or question widely accepted beliefs about caseflow management. We hope that this study will be an important chapter in the development of case processing best practices, and will spur further research and renewed discussion and experimentation at both the federal and state level.

# Things Judges Wish Lawyers Knew

Kirstin M. Jahn, Esq.

The following list was compiled by interviewing Judges Brimmer, Jackson, Martinez and Magistrate Judge Hegarty. The opinions, although not necessarily universal among all the judges, provide some helpful guidance for practitioners.

## A Perspective from the Bench

1. **Stand Up.** If you are talking to the Court, you should be standing.

2. **Complaints/Answers**.
*Complaints*: Be thoughtful. Ensure your case facts relate to the allegations. Delete extraneous or repetitive claims.
*Answers*: Only use the affirmative defenses which have merit. Stop including everything in the kitchen sink – it is just a waste of everyone's time and resources.

2. **Trial.**

*A. ELMO*

The trial attorney should go to the court and **practice using the ELMO** - ***do not*** assign this task to a paralegal or an attorney who is not trying the case. When the trial attorney does not know how to use it well, s/he might gather pity from the jury the first time they use it, but jurors become irritated after awhile and the attorney appears disorganized.

Display: Does the exhibit display well? Pay attention to how the exhibit looks on the screen, sometimes the type is so small the jury is straining to see it.

*B. Exhibits.*

Lighten Your Load. The goal should be to have as few documents as possible and only ones which are necessary to prove or defend your case. This will help to make the juror's job as easy as possible. If trials have too many exhibits, the jury gets confused and may not be able to locate the crucial ones which help your case during deliberations.

Authentication and Foundation. To the extent your fiduciary duty allows, stipulate to authentication and foundation ahead of time to avoid having the jury endure this laborious (and boring) task. If you lose the jury's attention on this task, they may not be paying attention when you are trying to make a salient point.

*C. Simplify!*

Eliminate all but the necessary claims to win your case. Clients will appreciate this focus in the end of the case. Jurors will appreciate being able to focus on the most important claims. It is better to win one claim than obfuscate the issues by requiring the jury to decide weak claims.

*D. Go Off The Record.*

If you are going to talk to opposing counsel during trial (e.g., did we stipulate to this exhibit?), ask to go off the record. The court reporter is taking every spoken word down and is often unclear on what to do when this banter occurs.

3. **Jury Instructions**. Take them very seriously. Most are given little thought until trial. The jury instructions should be reviewed at the outset of your case and should be well thought out ahead of trial. Most attorneys underestimate the value of reviewing them early on in your case.

4. **Jurors.**

A. *They See Everything*. Jurors see everything, and collectively they work very hard to follow the instructions and use their common sense to come to a decision. They are not easily swayed by emotion.

B. *Damages are difficult*. Try to make the damage claim or defense easier on the jury by providing more help for them to make a determination.

C. *Stop Repeating Yourselves.* Jurors do not like repetition. They understand it the first time you stated it - really, *truly,* they got it! The most common question a judge gets asked was whether the lawyers thought they were stupid because they kept repeating themselves. One judge commented that after one trial, he saw a picture drawn by a juror of a horse with a lawyer beating on it.

D. *No Drama*. Jurors prefer efficiency and appreciate the attorney who is brief and to the point.

E. *Jurors are Wary of Partial Exhibits*. Jurors like to see the whole exhibit. Jurors might think you are trying to pull a fast one on them when only part of an exhibit is shown, or when the exhibit is displayed too quickly and taken down before they understand it fully.

5. **Objections To Evidence.** Demonstrative evidence is evidence. Treat it as such.

6. **Briefs.**

*A. Timelines are very helpful for the Court (and Juries)*. Add them to your brief. B them out during opening arguments so the jury can follow along as the case

proceeds.

*B. Use ECF Document Numbers*. Do not use the name of the paper filed (e.g., "ECF or DOC 50" vs. "the declaration of Ms. Smith attached to the first motion to dismiss").

*C. Refresh Our Memory*. Judges do not always remember what happened five months ago in your case. They oversee a lot of cases and move on from one to the next. Refresh their memory by briefly restating the procedural posture and relevant background facts in the brief.

7. **Be Creative: Ask for What You Need/Want.** In a polite and respectful manner, ask the Court for permission to:

*Oral Argument*. Attorneys do not get into court very often, so take the opportunity to hone your skills or the skills of a new attorney at your firm.

*Voir Dire*. If you have a good reason ask for more time.

*Talk to Us After a Trial*. As us to provide a critique after a hearing or trial, of course it is at the discretion of the judge, but most are probably likely to oblige. What better way to learn how to improve?

*Complex Case?* Ask for multiple openings as transitions in your case, for example: "We just heard from the Plaintiff, now we are moving to a new point and Ms. Jones will talk about ....." These can assist in moving your case along and help the jury to follow the case and focus on the issue.

*Witness Photos*. Take pictures of the witnesses at trial and put their photo with their names underneath them and show them to the jury so the jury can remember who is who.

*Consequences for Being Creative*: The worst that can happen is that the judge says "no."

8. **Motion Practice**.

*Unnecessary Motions Clog Our Docket*. Only move the court if you have very good reasons to support your motion. Judges see far too many 12(b)(6) motions, which seem to be filed as a matter of course too early with little factual support.

*Motions for Reconsideration- Think Again*. The rule on these motions is very clear. Read it and make certain you meet the standard. If you do not, then you are merely asking us to "think it over" or, "read it again." We work hard. We work very hard. Do not insult us with a perfunctory motion and waste valuable judicial resources.

9. **Magistrate Judges Carry Great Esteem.** Magistrate judges have our respect. It

would be a mistake to think, or imply, to the magistrate judge that it does not matter what s/he does because at the end of the day you are just going take the matter to the district court judge. The district court judges value the magistrate judges' opinions and work and require a high burden to sustain an objection to a magistrate judge's recommendation.

11. **Busy Court**. This Court has had the same amount of Article III Judges since 1984, yet our population has almost doubled since then. Be mindful of our busy dockets. When you tailor your motions accordingly, you gain esteem and appreciation from us, and we can better serve you and your clients.