

The Disputing Process in Patent Enforcement: Responses and Resistance in the Shadow of IP Law

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Although there is a wealth of useful scholarship studying patent law as applied in the courtroom, Congress, and the Patent and Trademark Office, most patent law enforcement occurs outside of these institutions through cease and desist letters and licensing negotiations. While quantitative empirical studies have documented the steady stream of licensing demand letters that in house counsel receive, very little scholarship has focused on the substantive steps, systems, and processes undertaken by patent targets to field and resolve licensing demands. This research-in-progress is an empirical study that explores how, why, and to what effect asserted patent claims at the initial stages of disputing outside of the formal legal system are responded to (or not), managed, and negotiated by the targets of such claim assertions and the patent lawyers who represent them.

The research is part of a series of studies that seeks to describe, understand, and theorize the “IP Disputing Process”—how IP claims, including patent, copyright, and trademark claims, are asserted, resisted, negotiated, and resolved in the “shadow of IP Law,” as almost all such claims are. This study and the companion studies it is related to, explore this understudied and only partially understood arena of IP practice. We draw on interdisciplinary literatures and methods in fields such as sociolegal/law and society studies, where informal disputing processes in many societies have been a vibrant arena of study—albeit not in IP law. We therefore employ primarily qualitative empirical methods to study the patent lawyers and their clients who are involved in the disputing process. The study data primarily derives from semi-structured interviews conducted among experienced patent lawyers and their clients.

The research questions explored seek to understand how and why patent claims are responded to, what the range of possible responses is and what are the determinants that influence particular responses and negotiating tactics in a particular case. Who assesses patent assertions within a company? To what degree are engineers and other non-lawyers involved? How much resources are devoted to non-infringement analyses or prior art searches? Under what circumstances do companies consult outside counsel or obtain formal opinion letters regarding patent assertions? This study also seeks to explore whether and how changes in formal patent law affect strategic disputing behavior. In recent years there have been dramatic shifts in patent law in several areas that could bear heavily on how companies respond to patent assertion letters. Have changes in the law of willful infringement, patent eligibility, venue rules, PTO reexamination procedures, or other areas altered the processes for counsel responding to patent assertions? Lastly, the study explores the everyday legal ethical issues patent lawyers face and deal with in the patent disputing process.