Expert Reports, Testimony, Exhibits

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Overview

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What is Evidence?

• Evidence is what parties present to the fact-finder (judge or jury) for consideration as proof of their contentions of the case
  – Direct Evidence
  – Circumstantial Evidence

• Evidence may be presented in many forms:
  – Live Testimony
  – Testimony by Deposition
  – Documents & Things
  – Written Admissions

• Law or legal argument is NOT evidence
Evidence: Governing Rules

• Federal Rules of Evidence

• Only “admissible” evidence may be considered by the fact-finder
  
  – “Judge as Gatekeeper” - It is the role of the trial judge to exclude inadmissible evidence from the fact-finder’s consideration
    
    • Motions in limine ("at the threshold")
    • Motions to strike
    • Live objections at trial
  
• We refer to the Federal Rules of Evidence ("Fed. R. Evid. or FRE") for specific guidelines as to what evidence is “admissible.”
Burdens of Proof

• Beyond a Reasonable Doubt
  – Exclusive to criminal proceedings

• Clear and Convincing
  – Invalidity, Unenforceability, Willfulness, etc.

• Preponderance of the Evidence
  – Infringement, Damages, etc. (general burden in civil litigation)

• Sufficient to Support a Finding
  – Admissibility, Relevance, etc.
Admissibility & Relevance

• Only relevant evidence is admissible
  
  – **FRE 401**: “Relevant evidence” means evidence having any tendency to make the existence of any fact that is of consequence to the determination of the action more probable or less probable than it would be without the evidence.

  – **FRE 402**: All relevant evidence is admissible, except as otherwise provided by the Constitution of the United States, by Act of Congress, by these rules, or by other rules prescribed by the Supreme Court pursuant to statutory authority. Evidence which is not relevant is not admissible.

  – **FRE 403**: Although relevant, evidence may be excluded if its probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or misleading the jury, or by considerations of undue delay, waste of time, or needless presentation of cumulative evidence.
Hearsay

• Definition (FRE 801):
  – Hearsay is an out of court statement introduced to prove the truth of the matter asserted
    • A “statement” may be oral, written, or non-verbal conduct

• FRE 803(d) excludes certain statements from the definition of hearsay:
  – Prior statements by a trial witness who is subject to cross-examination
  – Admissions by a party-opponent

• Barring an exception, hearsay is inadmissible
Exceptions to the Hearsay Rule

• Common exceptions to the hearsay rule include:

  – Present sense impression
  – Then existing mental, emotional, or physical condition
  – Recorded recollection
  – Business records
  – Learned Treatises

  • “To the extent called to the attention of an expert witness upon cross-examination or relied upon by the expert witness in direct examination, statement contained in published treatises, periodicals, or pamphlets on a subject of history, medicine, or other science or art, established as reliable authority by the testimony or admission of the witness or by other expert testimony or by judicial notice. If admitted, the statements may be read into evidence, but may not be received as exhibits.”

  – Reputation as to character
  – Former testimony
  – Statement against interest
Evidence: Fact or Opinion?

• Anyone may testify as to relevant facts.
  – Layperson
  – Expert
  – Interested/Disinterested parties

• Only an EXPERT may testify as to a relevant opinion, unless:
  – The opinion testimony of the lay witness is “limited to those opinions or inferences which are (a) rationally based on the perception of the witness, and (b) helpful to a clear understanding of the witness’ testimony or the determination of 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.
Experts in Patent Litigation

• Patent litigation makes frequent and critical use of experts.

• Experts commonly testify in patent litigation regarding:
  – Claim Construction
  – Infringement
  – Inducement of Infringement
  – Invalidity
  – Inequitable Conduct
  – Willfulness (declining)
  – Damages
  – Other issues common to commercial litigation

• Experts are also critical to "litigation-like" patent proceedings, e.g.:
  – IPR proceedings
Opinion Testimony – The Expert Realm

• Fed. R. Evid. 702:

– If scientific, technical, or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue, a witness **qualified as an expert** by knowledge, skill, experience, training, or education, may testify thereto in the form of an opinion or otherwise, if (1) the testimony is based upon sufficient facts or data, (2) the testimony is the product of reliable principles and methods, and (3) the witness has applied the principles and methods reliable to the facts of the case.
General Requirements for Admissibility of Expert Testimony

• Testimony must assist the trier of fact
• Expert must be “qualified”
• Testimony and its underlying basis must be reliable
• Opinion must be based on sufficient facts or data
“Qualifying” an Expert

• District Courts Have Broad Discretion
  – Trial judge is the “gatekeeper”
  – Whether a proposed expert is “qualified” to give testimony on a particular subject matter is within the discretion of the trial court
  – Field of expertise and level of skill required are determinative

• Concrete Factors:
  – Education
  – Legitimate work experience
Reliability of Expert Testimony

• Only “reliable” expert testimony is admissible

• Under Daubert v. Merrill Dow Pharms., Inc., 509 U.S. 579 (1993), the trial court must determine:
  – Whether the reasoning or methodology that forms the basis for the expert testimony is scientifically valid; and
  – Whether that reasoning or methodology can properly be applied to the facts at issue in the litigation
**Daubert’s Four Factors**

- Has the scientific theory or method been tested?
- Has the scientific theory or method been subject to peer review and publication?
- What is the potential rate of error concerning the scientific technique or method?
- Is the theory or method “generally accepted”?
  - This last prong is not necessary, but can be highly instructive
Old News is Good News

• Generally, expert evidence that has previously been admitted will likely be admitted in the future
  – General rule applies to:
    • Individual experts
    • Subject matter
    • Theories
    • Conclusions?
When and Why to Use an Expert

• Remember: Expert evidence, in the form of expert opinion, is admissible, “if scientific, technical, or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue.”
  – What are the issues in the case?
  – What is the field of technology?
  – Who is “one of ordinary skill in the art”?
  – Is the subject matter readily understood by a lay fact-finder?
Experts in Litigation

Practical Considerations and Procedures
Chronology in Litigation

• Contemplation of Litigation
• Inception of Litigation
  – Identification of issue(s) that will be the subject of expert testimony
• Identification of Expert
• Recruitment of Expert
• Vetting
• Expert Reports
• Expert Deposition(s)
• Expert Trial Testimony
• Experts on Appeal
Contemplation & Inception

• Will the expert serve as an expert consultant, expert witness, and/or fact witness?

• Anticipation of Litigation
  – Infringement and Invalidity Opinions
    • Potentially discoverable, even if only partial waiver. See generally, In re Echostar Comms. Corp., 2006 WL 1149528 *7 (Fed. Cir. May 1, 2006)
  – Technical Consulting
    • Design around patented technology
  – Develop theories of the case prior to filing

• Inception of Litigation
  – Identify and anticipate potential issues in the case
  – Analyze issues that will be the subject of expert testimony
Identification of Issues

• Identify issues that will be the subject of expert testimony early in the litigation
  – What is the technical or scientific subject matter that is outside the common understanding laypersons?
  – What experts will your adversary likely retain?
  – What is the ordinary skill in the art?

• Start Early!
  – Limited number of experts?
  – Adversaries competing for the same experts?
  – Beware of an adversary attempting to corner the expert market in a particular field!
Identifying an Expert

• What kind of expert is required?
  – Identify right “fit” for the issues of your case – do not be too broad or too narrow
  – Keep an open mind – you may find an expert in a field that you never knew existed.

• Who is “your” expert?
  – Personal Contacts and Referrals
  – In-house expertise
  – Expert Referral Services
  – Research
    • Web research
    • Publications in the relevant field (prior art??)
    • Prior testimony (Westlaw)
    • Referral by counsel who has used a particular expert in litigation
    • Referral by other experts / authorities in the field

• In-house, academic/practicing authority, or professional in industry?
  – Does your situation require multiple consulting or testifying experts?
Identifying an Expert

• Who is the authority in a particular field?

• Has the expert offered prior testimony or published pieces that support your position?
  – Analyze publications and prior testimony

• Has the expert offered prior testimony or published pieces that run counter to your position?
  – (Keep your friends close and your enemies closer)

• How many experts are required?
  – Determine how experts will work together?
  – Avoid internal conflicts between experts?

• Does a potential expert have an interest adverse to the client?
  – Implication of confidential and/or proprietary information
Recruiting an Expert

• Initial Contact
  – Who makes the call?
    • Beware of attorney-client and work product waiver – execute retention agreement prior to discussing any sensitive information.
      – Consulting or Testifying Expert? Fact Witness?
  – Company’s and Counsel’s reputation is key!
  – What’s the case about? Is it interesting?

• Screen for Conflicts

• AGAIN, be cautious not to disclose confidential, privileged or work-product information!
  – Explore possibility of limiting scope of expert disclosure by agreement with other parties to litigation (i.e., agreement not to produce drafts or notes)
Recruiting an Expert

• Will the expert be a good “fit”?  
  – Expert fees vs. litigation budget
  – Location (geographic proximity to counsel or venue)
  – Is the expert interested in the subject matter?
  – Does the expert have prior litigation experience?
  – Does the expert have time for your case?
    • e.g. Chairman of clinical department v. Chairman emeritus

• Will the expert cooperate with other experts in the case?

• Does the expert’s schedule coincide with the scheduling order?
  – Leave room for flexibility
Recruiting an Expert

• The Retention Agreement
  – Confidentiality and Nondisclosure
    • With whom (if anyone) may the expert communicate?
  – Non-Compete Agreement: “Following the termination of this agreement, you may not consult for, be employed by, or otherwise engage in any relationship with a party or counsel in connection with any litigation adverse to EAP&D, [X] Corporation, for a period of [Y] years following the conclusion of this matter, including any appeals or subsequent litigation.”
  – Specify Hourly Rate, Billing Practices, Procedures for Reimbursement
  – Define Scope of Engagement

• Define procedures for communication, exchange of drafts, and work-product
  – BEWARE – much of this material may be discoverable and can cause a waiver of attorney-client privilege and/or attorney work-product immunity if disclosed to a testifying expert!
  – Best always to have written agreement with other side
Vetting Your Expert

• Run a comprehensive conflicts check internally and with the client

• Verify the expert’s credentials to the extent possible
  – Does he/she really have the degrees and/or certificates that he/she claims to have?

• Get a COMPLETE list of publications, presentations, and prior testimony (independently verify that the list is complete)

• Review and analyze substance for inconsistencies with your positions

• Review the experts’ character as viewed by peers and the greater community
  – For example: you don’t want to rely on the testimony of a lying, conniving, axe-murderer - even if s/he is the dean of a prestigious university
Vetting Your Adversary’s Expert

• Verify his/her credentials, to the extent possible

• Ask your opponent for a COMPLETE list of publications, presentations, and prior testimony (independently verify that the list is complete)

• Review and analyze substance for consistency with your positions
  – Look for grounds to impeach
  – One can almost always find something someone has said in the past that is inconsistent with a current position. The devil is in the details!

• Run a comprehensive conflicts check internally and with the client
  – You may be able to knock out your opponent’s expert before the issue ever goes before a judge
Expert Reports

  – a complete statement of all opinions to be expressed and the basis and reasons therefor;
  – the data or other information considered by the witness in forming the opinions;
  – any exhibits to be used as a summary of or support for the opinions;
  – the qualifications of the witness, including a list of all publications authored by the witness within the preceding ten years;
  – the compensation to be paid for the study and testimony; and
  – a listing of any other cases in which the witness has testified as an expert at trial or by deposition within the preceding four years.

• Fed. R. Civ. P. 26(a)(2) does not apply to expert reports in IPR proceedings
  – but such reports wind up looking very similar anyway
Drafting the Expert Report

• Intensive process, both in expert and attorney time and resources

• Attorney must be sure not to “taint” the expert’s opinion(s)
  
  – **NOTE:** 2009 Amendment to Rule 26 limits discoverability of draft reports and most communications with counsel required to prepare said report. Fed. R. Civ. P. 26(b)(4)(B)-(C).

• Scope of Report:
  
  – Narrowly limit to essential needs of the case
  
  – Must be detailed and comprehensive
  
  – Attorney must only disclose materials to the expert that will not result in waiver of attorney-client privilege and/or work-product immunity

• Be sure to reserve rights to amend and reply
Exchange of Expert Reports

• The party carrying the burden of proof and wishing to offer expert testimony must timely produce an expert report.

• The party defending on that issue then has the opportunity to rebut the opinions expressed in the expert report.

• In some cases, the party carrying the burden of proof will then have the opportunity to sur-rebut.

• The Federal Rules of Civil Procedure contain default provisions for the disclosure of expert testimony (exchange of reports), although courts will normally establish a schedule for expert disclosure and discovery (including the exchange of reports).
Expert Depositions – Defense

• The subject matter of an expert’s deposition is generally limited to the scope of the supporting report

• Expert witness preparation is critical
  – Make sure the expert knows the limits of his own knowledge
    • An expert deposition is not an opportunity to educate the opponent!
  – Be aware of potential language barriers, hearing conditions, etc.

• There is a very fine line between discoverable information and protected information under the Attorney Client Privilege and Work-Product Immunity

• Deposition Day – unless otherwise subpoenaed or ordered, bring NOTHING to the deposition room

• Beware of the Video Deposition…
Expert Depositions: Taking

• Draw a box around the experts’ testimony

• Learn as much as you can from the expert

• Know the subject matter of the report and the relevant art
  – Explore option of engaging consulting expert to assist with technical subject matter at depositions

• Find holes in the expert’s opinions and inconsistencies with prior publications and testimony

• Challenge opposing experts with your experts’ logic and conclusions

• Be prepared to challenge the limits of the “scope” of the expert’s report
Deposition Testimony at Trial

• Evidence
  – Admissions
  – Designations of unavailable witnesses' testimony
  – Withdrawn experts (admissions)

• Impeachment
  – Inconsistent testimony – attack on credibility
Trial Testimony

• Just like a deposition, preparation is key!

• At trial, however, your expert is a teacher – teaching the fact-finder information necessary to understand the relevant art
  – Demonstratives and animations are useful teaching aids

• Testimony must be limited to the scope of disclosure in the report

• Experts may, in some instances, rely on hearsay (i.e., learned, discussed earlier)
Trial Exhibits

• Documents

• Things

• Prepared Demonstratives
  – Animation

• Chalks (not an “exhibit” entered into evidence)
Experts on Appeal

• You’re limited to your record of trial testimony – make sure that testimony preserves the facts and opinions upon which you may want to rely!

• Be sure to proffer at least foundational expert materials, including:
  – Tutorial testimony, animation and demonstratives
  – Testimony, documents, things, references, animations and/or other demonstratives/exhibits used at trial or evidentiary hearings, including Markman
Thank you!