

RULES OF PRACTICE FOR
PATENT CASES
IN THE SOUTHERN DISTRICT OF TEXAS
(Effective January 1, 2008)

1. SCOPE OF RULES

1-1. Title.

These are the Rules of Practice for Patent Cases before the United States District Court for the Southern District of Texas (“Patent Rules,” to be cited as “P. R. __”).

1-2. Scope and Construction.

(a) These Patent Rules apply to all civil actions filed in or transferred to the Southern District of Texas that allege claims for patent infringement in a complaint, counterclaim, cross-claim or third-party claim, or seek a declaratory judgment that a patent is not infringed, is invalid, or is unenforceable (a “patent claim”).

(b) The presiding judge may accelerate, extend, eliminate, or modify the obligations or deadlines established in these Patent Rules based on the circumstances of a particular case, including, without limitation, its complexity or the number of patents, claims, products, or parties involved.

(c) If any motion filed before the Claim Construction Hearing (*see* P.R. 4-6) raises claim construction issues, the presiding judge may, for good cause, defer the motion until after the parties’ disclosures or filings for the Claim Construction Hearing.

(d) The Local Civil Rules of the Southern District of Texas apply to patent cases except to the extent that the Local Civil Rules are inconsistent with these Patent Rules.

1-3. Effective Date.

These Patent Rules will become effective January 1, 2008, and apply to all cases involving a patent claim filed thereafter, unless otherwise ordered by the presiding judge. The parties in each case involving a patent claim pending on the effective date of these Patent Rules must confer and, to the extent possible, submit an agreed scheduling order consistent with these Patent Rules. The parties must use the Scheduling Order Template available at the Southern District of Texas Court website (www.txs.uscourts.gov). To the extent the parties cannot agree, they must notify the presiding judge, who will resolve the issues.

2. GENERAL PROVISIONS

2-1. Procedure.

(a) **Parties' Preparation for Initial Case Management Conference.** In addition to the matters covered by FED. R. CIV. P. 26, the parties must confer and address in their Joint Case Management Report the following topics:

- (1) any proposed modification of the schedule provided in the Scheduling Order Template, which is available at the District's website;
- (2) a plan for completing electronic discovery;
- (3) the need for presenting technical tutorials to the presiding judge and the mode for such presentations (*i.e.*, live testimony, video presentations) at or before the claim construction hearing;
- (4) any deviations from and additions to the form protective order (available at the District's website);
- (5) whether any party desires to present live testimony at the claim construction hearing;
- (6) the need for and any specific limits on discovery relating to claim construction, including depositions of fact and expert witnesses;
- (7) the order of presentation at the claim construction hearing;
- (8) the scheduling of a claim construction prehearing conference after the "Joint Claim Construction and Prehearing Statement" provided in P.R. 4-3 has been filed; and
- (9) whether the presiding judge should authorize the filing under seal of any documents containing confidential information,

(b) **Insufficient Information.** If warranted by the patent(s) and/or products in issue, the party claiming patent infringement ("claimant") may include in the Joint Case Management Report a statement that the claimant in good faith lacks sufficient information concerning the opponent's products or processes to provide the necessary specificity for the

Preliminary Infringement Contentions (*see* P.R. 3-1). If the presiding judge orders, the opponent within twenty 21 days must produce to the claimant sufficient information concerning each product or process of the type or class specified by the claimant in its statement to enable the claimant to determine whether to claim that the product or process infringes. Neither the claimant's statement nor the opponent's production will be an admission or evidence of infringement or noninfringement. These steps are solely to determine what is alleged to be infringing.

(Amended by General Order 2009-17, effective 12/1/09)

(c) Case Management Conference and Scheduling Order. At the initial case management conference, after considering the parties' Joint Case Management Report, the presiding judge will enter a Case Management Scheduling Order ("Scheduling Order").

(d) Further Case Management Conferences. If some or all of the matters provided under P.R. 2-1(a) are not resolved or decided at the initial case management conference, the parties must propose dates for further case management conferences.

2-2. Confidentiality and Proposed Protective Order.

Documents and information produced in cases governed by these Patent Rules will be governed by the form protective order available at the District's website, www.txs.uscourts.gov, unless the presiding judge otherwise orders. If the parties seek to modify the form protective order, they must submit to the presiding judge, with the Joint Case Management Report, the protective order they propose and must identify proposed variations to the form protective order.

2-3. Certification of Initial Disclosures and English Translations.

(a) All statements, disclosures, or charts filed or served in accordance with these Patent Rules must comply with the Federal Rules of Civil Procedure and the Administrative Procedures for Electronic Filing of Documents in Civil and Criminal Cases issued by the United States District Court for the Southern District of Texas.

(b) To the extent any document or disclosure is not in English, an English translation of the portion(s) relied on must be produced.

2-4. Admissibility.

Statements, disclosures, or charts governed by these Patent Rules are admissible in evidence to the extent permitted by the Federal Rules of Evidence or the Federal Rules of Civil Procedure. However, the statements or disclosures provided for in P.R. 4-1 and 4-2 are not admissible for any purpose other than in connection with motions seeking an extension or modification of the deadlines set out in these Patent Rules.

2-5. Relationship to Federal Rules of Civil Procedure.

(a) Unless the presiding judge otherwise directs, the scope of discovery is not limited to the preliminary infringement contentions or preliminary invalidity contentions, but is governed by the Federal Rules of Civil Procedure.

(b) Except as provided in this paragraph or as otherwise ordered, it is not a legitimate ground for objecting to an opposing party's discovery request or declining to disclose information under FED. R. CIV. P. 26(a)(1) that the discovery request or disclosure requirement is premature or otherwise conflicts with these Patent Rules. A party may object to certain categories of discovery requests or may decline to disclose information under FED. R. CIV. P. 26(a)(1) on the ground that the request or disclosure is premature in light of the timetable provided in the Patent Rules. The categories are:

- (1) requests seeking to elicit a party's claim construction position;
- (2) requests seeking to elicit from the patent claimant a comparison of the asserted claims and the accused apparatus, product, device, process, method, act, or other instrumentality;
- (3) requests seeking to elicit from an accused infringer a comparison of the asserted claims and the prior art; and
- (4) requests seeking to elicit from an accused infringer the identification of any opinions of counsel and related documents that it intends to rely upon as a defense to a willful infringement allegation; however, a party may not assert a prematurity objection to a request for nonprivileged information identifying the existence of such opinions of counsel.

(c) When a party properly objects to a discovery request, or declines to provide information in its initial disclosures under FED. R. CIV. P. 26(a)(1), as set forth above, that party must provide the requested information on the date it is required to provide the

requested information to an opposing party under these Patent Rules, unless there is another legitimate ground for objection.

3. PATENT INITIAL DISCLOSURES

3-1. Disclosure of Asserted Claims and Preliminary Infringement Contentions.

As provided in the Scheduling Order issued by the presiding judge at the initial scheduling conference, a party claiming patent infringement must serve on all parties a “Disclosure of Asserted Claims and Preliminary Infringement Contentions,” which must contain the following information:

- (a) each claim of each patent-in-suit that is allegedly infringed by an opposing party;
- (b) for each asserted claim, a specific and separate identification of each accused apparatus, product, device, process, method, act, or other instrumentality (“Accused Instrumentality”) of each opposing party, including where possible:
 - (1) each product, device, and apparatus identified by name or model number, and
 - (2) each method or process identified by name, any product, device, or apparatus that, when used, allegedly results in the practice of the claimed method or process;
- (c) a chart identifying specifically where each element of each asserted claim is found within each Accused Instrumentality, including for each element that is allegedly governed by 35 U.S.C. § 112, ¶ 6, the identity of the structures, acts, or materials in the Accused Instrumentality that performs the claimed function;
- (d) for each Accused Instrumentality and each element of each asserted claim, identification of whether the element is claimed to be literally present or present under the doctrine of equivalents;
- (e) for any patent that claims priority to an earlier application, the priority date to which each asserted claim allegedly is entitled; and
- (f) if a party claiming patent infringement wishes to preserve the right to rely, for any purpose, on the assertion that its own apparatus, product, device, process,

method, act, or other instrumentality practices the claimed invention, the party must identify, separately for each asserted claim, each such apparatus, product, device, process, method, act, or other instrumentality that incorporates or reflects that particular claim.

3-2. Document Production Accompanying Disclosure.

(a) With the “Disclosure of Asserted Claims and Preliminary Infringement Contentions,” the party claiming patent infringement must produce to each opposing party or make available for inspection and copying, the following:

- (1) documents (*e.g.*, contracts, purchase orders, invoices, advertisements, marketing materials, offer letters, beta site testing agreements, and third-party or joint development agreements) sufficient to show each discussion with, disclosure to, or other manner of providing to a third-party, or sale of or offer to sell, the claimed invention before the application date for the patent-in-suit;
- (2) documents evidencing the conception, reduction to practice, design, and development of each claimed invention, which were created on or before the application date for the patent-in-suit or the priority date identified under P.R. 3-1(e), whichever is earlier;
- (3) a copy of the file history for each patent-in-suit; and
- (4) license agreements for the patents-in-suit.

(b) The producing party must separately identify by production number which documents correspond to each category.

(c) A party’s production of a document as required by this paragraph is not an admission that the document is evidence of or is prior art under 35 U.S.C. § 102.

3-3. Preliminary Invalidity Contentions.

After service upon it of the “Disclosure of Asserted Claims and Preliminary Infringement Contentions,” each party opposing a patent infringement claim must serve on all parties, by the deadline set forth in the Scheduling Order, “Preliminary Invalidity Contentions” containing the following information:

(a) the identity of each item of prior art that allegedly anticipates each asserted claim or renders it obvious, including:

- (1) each prior art patent identified by its number, country of origin, and date of issue;
- (2) each prior art publication identified by its title, date of publication, and, author and publisher when feasible;
- (3) prior art under 35 U.S.C. § 102(b) identified by the item offered for sale or publicly used or known; the date the offer or use took place or the information became known; and the identity of the person or entity that made the use or that made and received the offer, or the person or entity that made the information known or to whom it was made known;
- (4) prior art under 35 U.S.C. § 102(f) identified by the name of the person(s) from whom and the circumstances under which the invention or any part of it was derived; and
- (5) prior art under 35 U.S.C. § 102(g) identified by the identities of the person(s) or entities involved in and the circumstances surrounding the making of the invention prior to the patent applicant(s);

(b) whether each item of prior art anticipates each asserted claim or renders it obvious and, if the latter, the detailed bases for these contentions;

(c) a chart identifying where specifically in each alleged item of prior art each element of each asserted claim is found, including for each element that such party contends is governed by 35 U.S.C. § 112, ¶ 6, the identity of the structure(s), act(s), or material(s) in each item of prior art that performs the claimed function; and

(d) any other invalidity grounds including, but not limited to indefiniteness under 35 U.S.C. § 112, ¶ 2, or lack of enablement or written description under 35 U.S.C. § 112, ¶ 1, of any of the asserted claims, including the detailed basis for these contentions.

3-4. Production Accompanying Preliminary Invalidity Contentions.

With the “Preliminary Invalidity Contentions,” the party opposing a claim of patent infringement must produce or make available for inspection and copying:

(a) documents and information sufficient to show the operation of any aspects or elements of an Accused Instrumentality identified by the patent claimant in its P.R. 3-1(c) chart (*e.g.*, source code, specifications, schematics, flow charts, artwork, or formulas);

(b) a copy of each item of prior art identified under P.R. 3-3(a) that does not appear in the file history of the patent(s) at issue; and

(c) documents and information, including summaries when reasonably available, sufficient to show the amount sold, revenues, costs, and profits of each Accused Instrumentality identified under P.R. 3-1(b) since the issuance of the patents-in-suit.

3-5. Disclosure Requirement in Patent Cases Seeking Declaratory Judgment.

(a) **Invalidity Contentions If No Infringement Claim.** In all cases in which a party seeks a declaratory judgment (“declaratory plaintiff”) that a patent is not infringed, is invalid, or is unenforceable, P.R. 3-1 and 3-2 do not apply unless and until a party makes a patent infringement claim. If the declaratory defendant does not assert a patent infringement claim in its response to the claim, then, by the deadline set in the Scheduling Order, the declaratory plaintiff must serve on each opposing party its Preliminary Invalidity Contentions conforming to P.R. 3-3 and must produce or make available for inspection and copying the documents and information described in P.R. 3-4. The declaratory plaintiff will file its Final Invalidity Contentions by the deadline in the Scheduling Order.

(b) **Application of Rules When No Specified Triggering Event.** If the pleadings in a case do not initially trigger the application of these Patent Rules, but later filings reveal that patent claims or issues are involved, the parties, as soon as practicable, must confer about whether these Patent Rules should be applied to the case and notify the presiding judge of the issue.

(c) **Inapplicability.** P.R. 3-5 does not apply to cases in which a request for a declaratory judgment that a patent is not infringed, is invalid, or is unenforceable is filed in response to a complaint alleging infringement of the same patent.

3-6. Amended and Final Contentions – Leave of Court Not Required.

Each party’s “Preliminary Infringement Contentions” and “Preliminary Invalidity Contentions” will be that party’s final contentions, *except* as set forth below.

(a) If a party claiming patent infringement has good cause to believe that the material produced by an opposing party under P.R. 3-4 requires amendment of its “Preliminary Infringement Contentions” with respect to the information

required by P.R. 3-1(c) and (d), leave of court is not required. These amended contentions must be served within a reasonable time after the opposing party's document production.

- (b) If a party claiming patent infringement has good cause to believe that the Court's Claim Construction Ruling requires "Final Infringement Contentions" amending its "Preliminary Infringement Contentions" with respect to the information required by P.R. 3-1(c) and (d), leave of court is not required. These Final Infringement Contentions must be served by the deadline set in the Scheduling Order.
- (c) By the deadline set in the Scheduling Order, each party opposing a claim of patent infringement may serve, without leave of court, "Final Invalidity Contentions" that amend that party's "Preliminary Invalidity Contentions" with respect to the information required by P.R. 3-3, *if either*:
 - (1) a party claiming patent infringement has served amended infringement contentions under P.R. 3-6(a) or "Final Infringement Contentions" under P.R. 3-6(b), *or*
 - (2) the party opposing a patent infringement claim has good cause to believe that the Court's Claim Construction Ruling requires the amendment.

3-7. Amendments to Contentions By Leave of Court.

(a) Amendment or modification of the Preliminary or Final Infringement Contentions or the Preliminary or Final Invalidity Contentions, other than expressly permitted in P.R. 3-6, may be made only if the presiding judge finds there is good cause for the requested changes.

(b) Good cause may include, but is not limited to, newly discovered (1) accused instrumentalities, (2) bases for claiming infringement, or (3) prior art references, provided that good cause may be found only if the party seeking leave to amend shows that it exercised diligence in seeking the newly discovered information or documents.

3-8. Willfulness.

(a) If a party opposing a patent infringement claim will rely on an opinion of counsel as part of a defense to a claim of willful infringement, that party must by the date(s) set in the Scheduling Order:

- (1) produce or make available for inspection and copying each opinion and documents relating to the opinion as to which that party agrees the attorney-client privilege or work-product protection has been waived; and
- (2) serve a privilege log identifying any other documents, except those authored by counsel acting solely as litigation counsel, relating to the subject matter of the opinion and withheld based on attorney-client privilege or work product protection claims.

(b) If a party opposing a patent infringement claim does not comply with the requirements of P.R. 3-8, that party may not rely on an opinion of counsel as part of a defense to willful infringement unless all parties agree or the presiding judge permits the defense based on a good cause showing.

4. CLAIM CONSTRUCTION PROCEEDINGS

4-1. Exchange of Proposed Terms and Claim Elements for Construction.

- (a) By the deadline set in the Scheduling Order, each party must simultaneously exchange a list of claim terms, phrases, or clauses that the party contends should be construed by the presiding judge and must identify any claim element that the party contends should be governed by 35 U.S.C. § 112, ¶ 6.
- (b) The parties must then meet and confer for the purposes of finalizing this list, resolving or narrowing differences, and facilitating the preparation of a Joint Claim Construction and Prehearing Statement.

4-2. Exchange of Preliminary Claim Constructions and Extrinsic Evidence.

(a) By the deadline set in the Scheduling Order, the parties must simultaneously exchange a proposed “Preliminary Claim Construction” of each element of each claim term, phrase, or clause in issue. Each “Preliminary Claim Construction” must also identify the structures, acts, or materials corresponding to each claim element governed by 35 U.S.C. § 112, ¶ 6.

(b) At the same time the parties exchange their respective “Preliminary Claim Constructions,” they must also exchange a preliminary identification of extrinsic evidence

they contend supports their respective claim constructions, such as dictionary definitions, citations to learned treatises and prior art, and testimony of fact and expert witnesses. The parties must identify each item of extrinsic evidence by production number or produce a copy of any such item not previously produced. With respect to each fact or expert witness a party intends to rely on for claim construction, the party must also provide a brief description of the substance of that witness's proposed testimony.

(c) The parties must then meet and confer for the purposes of narrowing the issues and finalizing preparation of a Joint Claim Construction and Prehearing Statement.

4-3. Joint Claim Construction and Prehearing Statement.

(a) By the deadline set in the Scheduling Order, the parties must file a Joint Claim Construction and Prehearing Statement that contains the following information:

(1) the construction of those claim terms, phrases, or clauses on which the parties agree;

(2) each party's proposed construction of each disputed element of a claim, together with an identification of all references from the specification or prosecution history that support that claim construction, and an identification of extrinsic evidence known to the party on which it intends to rely either to support its proposed claim construction or to oppose any other party's proposed claim construction, such as dictionary definitions, citations to learned treatises and prior art, and fact and expert witnesses;

(3) the anticipated time necessary for the claim construction hearing;

(4) whether any party proposes to call one or more witnesses at that hearing, the identity of each witness and, for each such expert witness, a summary of the witness's anticipated testimony; and

(5) a list of any other issues that might appropriately be taken up at a prehearing conference before the Claim Construction Hearing, and proposed dates, if not previously set, for any such prehearing conference.

(b) At the time of filing the Joint Claim Construction Statement, for each expert witness a party discloses in response to P.R. 4-3(a)(4), that party must provide to the opposing parties the materials required by FED. R. CIV. P. 26(a)(2).

4-4. Completion of Claim Construction Discovery.

The parties must complete by the deadline in the Scheduling Order all discovery relating to claim construction identified in the Joint Claim Construction and Prehearing Statement.

4-5. Claim Construction Briefs and Charts.

(a) By the deadlines set in the Scheduling Order:

- (1) the party claiming patent infringement must serve and file an opening brief and any evidence supporting its claim construction;
- (2) each opposing party must serve and file its responsive brief and supporting evidence;
- (3) the party claiming patent infringement must serve and file its reply brief and any evidence directly rebutting the supporting evidence contained in an opposing party's response; and
- (4) the parties must submit the Joint Claim Construction Chart (*see* P.R. 4-5(b)) on electronic media in WordPerfect format or in such other format as the presiding judge directs.

(b) The Joint Claim Construction Chart must contain:

- (1) a column listing in separate rows the complete language of each disputed claim, with disputed terms in bold type;
- (2) separate columns for each party's proposed construction of each disputed term;
- (3) a column entitled "Court's Construction" and otherwise left blank; and
- (4) the patent and claim numbers where the disputed terms appears.

(c) The parties may also list agreed claim terms in the Joint Claim Construction Chart. If included, the agreed terms must be marked "[**AGREED**]" and state in the "Court's Construction" column the parties' agreed construction.

(d) The purpose of the Joint Claim Construction Chart is to assist the presiding judge and the parties in tracking and resolving disputed terms. Accordingly, aside from the requirements of this rule, the parties are afforded substantial latitude to fashion a chart in a format that most clearly and efficiently outlines the disputed terms and proposed constructions.

4-6. Claim Construction Hearing.

The presiding judge will determine if an evidentiary or other form of claim construction hearing is necessary. The hearing will be conducted on the date set in the Scheduling Order, unless otherwise reset by the judge.

