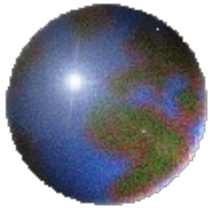




# *United States Patent Litigation*

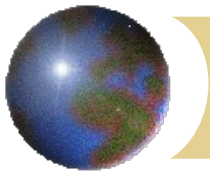


*INTA*

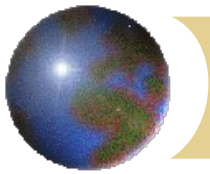
*Atlanta, Georgia*

*May 2-5, 2004*

Mark D. Schuman | Merchant & Gould, P.C. | 3200 IDS Center | 80 S. 8<sup>th</sup> Street | Minneapolis, MN  
55402 USA | 612.336.4720 | [mschuman@merchant-gould.com](mailto:mschuman@merchant-gould.com)

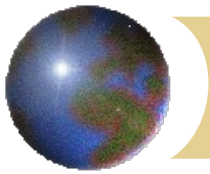


*Don't be afraid of  
United States  
Patent Litigation!*



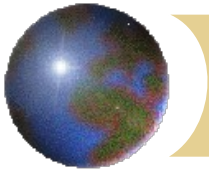
## *Why litigate?*

- ⊕ Threatening and/or initiating a lawsuit is the accepted mode of business in the United States.
- ⊕ Business people realize that very few cases ever go to trial. Almost all are settled.
- ⊕ Litigation opens the door for settlement and compromise because of its risks and costs for both sides.



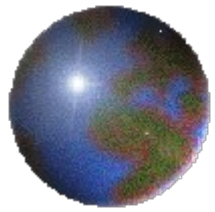
## *Myth v. Reality*

- ✚ **Myth:** U.S. litigation costs millions of dollars.
- ✚ **Reality:** Although a full trial can cost this much, less than 5% of U.S. patent cases even make it to trial. Most cases settle and the cost is far less.

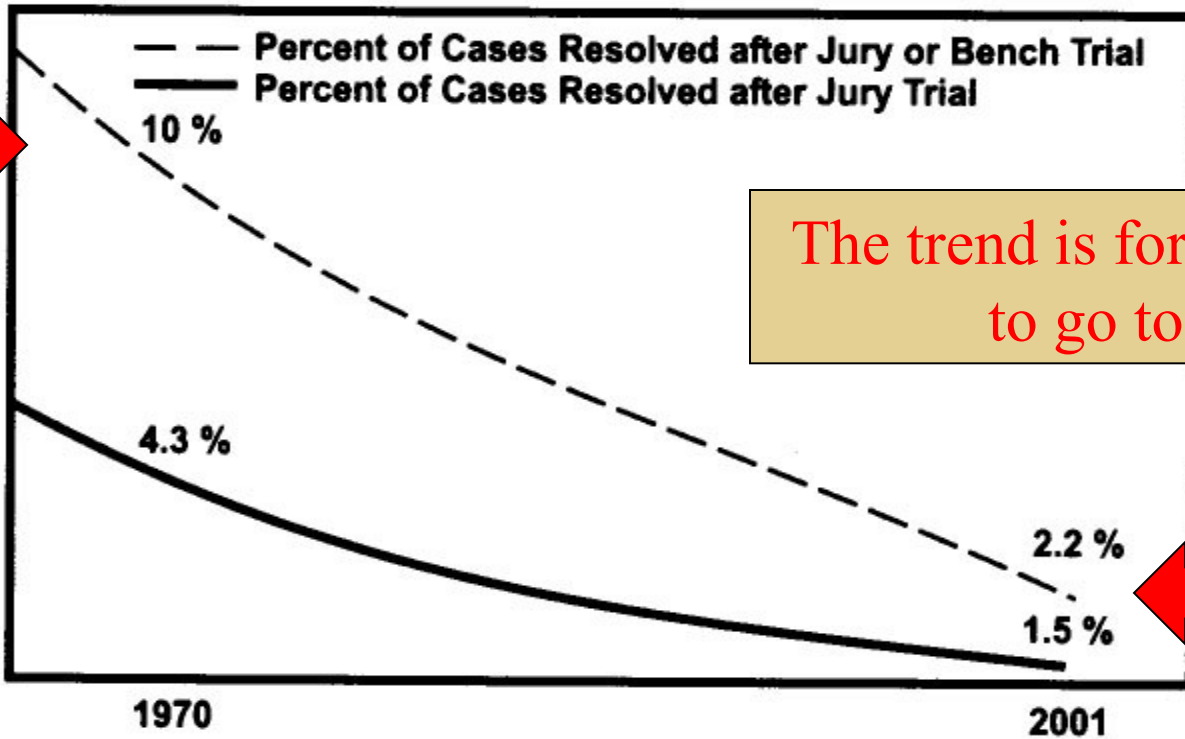
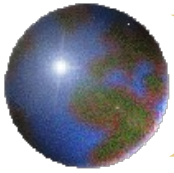


*“The greatest risk is not  
taking one.”*

*-Anonymous*

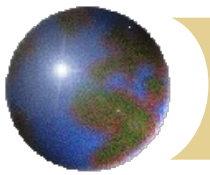


# *Supporting Data*



The trend is for fewer cases to go to trial

Source: Administrative Office of the U.S. Courts



# District Court Statistics (2002)

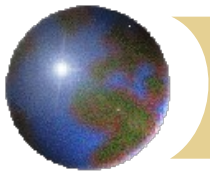
OVERALL CASELOAD STATISTICS	Filings*		344,546	302,104	310,346	307,997	301,569	310,504	U.S.	Circuit
	Terminations		323,629	295,308	306,211	316,312	301,069	284,694		
	Pending		312,971	297,236	290,156	288,156	304,579	304,163		
	% Change in Total Filings	Over Last Year	14.0						-	-
Over Earlier Years				11.0	11.9	14.3	11.0	-	-	
Number of Judgeships		665	665	655	646	646	647			
Vacant Judgeship Months**		806.4	749.9	597.5	566.5	720.2	791.7			
ACTIONS PER JUDGESHIP	FILINGS	Total	518	454	474	477	467	480	-	-
		Civil	413	377	396	403	398	420	-	-
		Criminal Felony	84	77	78	74	69	60	-	-
		Supervised Release Hearings**	21	-	-	-	-	-	-	-
	Pending Cases	471	447	443	443	443	443	443	-	-
	Weighted Filings**	521	479	479	479	479	479	479	-	-
	Terminations	487	444	467	467	467	467	467	-	-
Trials Completed		19	20	22	22	22	22	-	-	
MEDIAN TIMES (months)	From Filing to Disposition	Criminal Felony	6.8	6.6	6.5	6.5	6.5	6.5	-	-
		Civil**	8.7	8.7	8.2	10.3	9.2	8.4	-	-
	From Filing to Trial** (Civil Only)		21.8	21.6	20.0	20.5	19.5	19.0	-	-
OTHER	Civil Cases Over 3 Years Old**	Number	34,067	35,274	30,423	17,126	25,621	22,642	-	-
		Percentage	12.8	13.9	12.2	6.8	9.6	8.3	-	-
	Average Number of Felony Defendants Filed Per Case		1.4	1.4	1.4	1.4	1.5	1.5	-	-
	Jurors	Avg. Present for Jury Selection	45.54	44.89	41.48	39.91	38.19	37.26	-	-
Percent Not Selected or Challenged		39.3	39.2	36.9	34.9	33.9	33.0	-	-	

8254 patent cases filed in 2002

2002 CIVIL AND CRIMINAL FELONY FILINGS BY NATURE OF SUIT AND OFFENSE												
Type of	TOTAL	A	B	C	D	E	F	G	H	I	J	K
Civil	274841	18322	5651	55295	3270	8059	18285	30192	62919	8254	4083	
Criminal*	55219	12382	919	7306	515	1635	17472	**	1173	7719	724	91







*With Knowledge comes Opportunity, With Opportunity comes Success.*

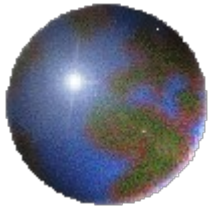
*-Anonymous*

*Opportunities Multiply as they are Seized.*

*-Sun Tzu*

*Patent Litigations are Opportunities for Success!*

*-Merchant & Gould*



*The End*