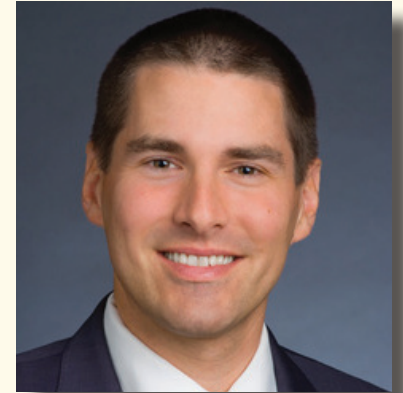


Litigator of the Week: William Jay of Goodwin Procter



William Jay

By Scott Flaherty
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At the tender age of 38, Goodwin Procter's William Jay has already argued more than a dozen cases before the U.S. Supreme Court. That experience paid off this week, when the court sided with Jay's client, Teva Pharmaceutical Industries Ltd., and ruled that district courts deserve more deference when they interpret patent claims.

In a 7-2 decision in *Teva Pharmaceuticals v. Sandoz*, the Supreme Court held that a district judge's factual findings in patent claim construction rulings can't be rejected on appeal unless they're clearly in error. The majority also held, however, that a district judge's ultimate conclusion as to what a claim means should still be subject to de novo review at the U.S. Court of Appeals for the Federal Circuit.

The decision marked the latest in a string of recent Supreme Court decisions overruling the Federal Circuit in patent cases. And it's a clear victory for Jay, who maintained at oral arguments in October that the Federal Circuit had overstepped by insisting on de novo review for all aspects of claim construction.

"This case has the potential to change how a number of appeals are litigated in the Federal Circuit, and also to change how litigants approach the *Markman* claim construction process," Jay told us on Thursday.

Before joining Goodwin Procter in 2012, Jay spent five years as an assistant to the U.S. solicitor general, where he worked on appellate and Supreme Court cases for a variety of federal agencies, handling cases that ranged from criminal law matters to more esoteric land rights issues.

In all, Jay has argued at the Supreme Court 13 times, twice since joining Goodwin Procter in 2012. His latest argument came in early December in another closely watched IP case, *B&B Hardware v. Hargis Industries*. That case raises the question of whether a finding of a "likelihood of confusion" about a trademark by the U.S. Patent and Trademark Office's Trademark Trial and Appeal Board precludes a federal district court from reconsidering the issue later in an infringement suit.

In the *Teva* case, Jay squared off against another former assistant to the solicitor general, Sidley Austin's Carter Phillips, whose firm represents Mylan Inc. in the underlying patent dispute. The

case stems from Mylan's and Sandoz Inc.'s plans to make generic forms of Teva's patented multiple sclerosis drug Copaxone. At the district court, Teva had defeated the generic makers' claims that the patent contained an indefinite description and was therefore invalid. But the Federal Circuit later reversed that ruling after conducting a de novo review.

During the Supreme Court arguments, Phillips said that all aspects of claim construction, including a judge's factual findings, should be subject to de novo review on appeal at the Federal Circuit. He argued that changing that standard—which the Federal Circuit has used since the Supreme Court's 1996 decision in *Markman v. Westview Instruments*—would add an unnecessary layer of confusion into claim constructions appeals.

Forcing the Federal Circuit to parse which parts of the lower court's ruling were matters of law and which were factual could "create a cottage industry of trial lawyers fighting with the judge about which bucket some particular evidence fits into," Phillips said.

In countering that argument, Jay appealed to the Supreme Court's seemingly growing irritation at the Federal Circuit for setting itself apart from other circuit courts. Just like factual findings in nonpatent cases, Jay argued, a district court's factual findings in construing a patent claim deserve deference on appeal.

"In our judicial system, the trial judges find the facts," Jay told the justices.

Goodwin Procter has represented Teva since the case began, but Jay's involvement began after the Federal Circuit denied a rehearing, when he persuaded the Supreme Court to take up the case last March. In its ruling on Tuesday, the court vindicated Jay's position that the Federal Circuit had wrested too much control over claim construction from the lower courts.

"We hold that the appellate court must apply a 'clear error,' not a de novo, standard of review" to claim construction fact findings, Justice Stephen Breyer wrote for the majority.

The case will now return to the Federal Circuit, so Tuesday's ruling doesn't bring the litigation to an end. Mylan's CEO, Heather Bresch, said in a statement that the company continues to believe Teva's Copaxone patent is invalid and will keep fighting to invalidate it in the courts.