LAWDRAGON
LAWYER PROFILES AND LEGAL NEWS

Lawyer Limelight: Mark Scarsi

By John Ryan

(Photo provided by Milbank)

Mark Scarsi was interested in a legal career back in high school. Like many successful patent lawyers, however, he ended up taking a detour that paid dividends for his legal practice down the road. Scarsi received his B.S. and M.S. in computer science at Syracuse and spent a decade working as a software engineer on U.S. Navy defense projects. He started his legal career after getting his law degree from Georgetown in 1996.

Scarsi left O'Melveny & Myers in 2007 to lead the West Coast IP practice for Milbank, Tweed, Hadley & McCloy. He is currently defending Apple and Lockheed Martin in patent litigation matters. Recently, he discussed his career with Lawdragon and also recent trends involving the Eastern District of Texas, a popular patent venue which historically has been seen as favorable for plaintiffs.

Lawdragon: What are some of the reasons why the Eastern District in Texas became such a popular venue for patent cases?

Mark Scarsi: It became a popular venue because there was a sense that most patent cases took a long time to wend their way through the Federal District Courts, and in the Texas Eastern District, cases moved more quickly. Some districts have adopted patent rules to speed up the process a bit, and the Northern District of California was at the forefront of this. The Eastern District of Texas not only adopted these kinds of rules, but also made them more stringent, and thus became known as a faster jurisdiction. So, originally, the big pull toward the East District of Texas was the plaintiff's ability to get a patent case to trial within a year or so, which is a pretty attractive thing.

LD: In your view, has the district been excessively friendly to plaintiffs, including patent trolls, as is the common perception, or is that too simplistic?

MS: I think that's a little bit simplistic. At first, the sense was that it was a very plaintiff-friendly jurisdiction, and I think people felt that East Texas juries would value a patent more than juries in other locations. I think that's a myth; I think that jurors everywhere probably have the same respect for patents as jurors in the Eastern District of Texas. Certainly, the speed at which those cases moved was something that favored plaintiffs, who are the master of their cases. So, if you're a plaintiff, you have the ability to get all of your ducks in a row before filing, and then speed really works to your advantage.

In that sense, the Eastern District of Texas was deemed to be plaintiff-friendly, but I think that while there have been big verdicts in the Eastern District of Texas (such as i4i Ltd. P'ship v. Microsoft Corp. in 2009), we've also seen judges there invalidate patents (The Ohio Willow Wood Co. v. Thermo-Ply, Inc. in 2009), and we've seen defendants win cases there with non-infringement theories (Sorkin v. Universal Building Products in 2009). So, I think it's probably too simplistic to say it's a plaintiff, or troll-friendly jurisdiction. I think the cases proceed and are decided on the facts, just like they are in any other forum.

LD: What is changing now? What are some of the important case developments showing that defense attorneys are succeeding in winning venue transfers?

MS: In the last three or four years, the jurisdiction got flooded with patent cases. But the size of the judiciary in a federal district court doesn't change that dynamically, so the number of judges in the Eastern District of Texas has not expanded to meet the rate of case filings. As a result, the speed of patent cases has slowed down considerably there.

Also, people have tried to transfer cases out of the Eastern District of Texas, arguing that the cases could be tried in a more convenient forum. Historically, the judges in the Eastern District, by and large, didn't transfer many cases because, like judges everywhere, they felt that since the plaintiff in a patent case has their choice of forum. There's a view that the choice of forum ought to be respected, and a resultant sense that you couldn't transfer a case out of the Eastern District of Texas very easily.

Recently, though, some appellate court decisions from the Fifth Circuit (in In re Volkswagen of Am., Inc. in 2008) and from the Federal Circuit have held that courts should be more liberal in transferring cases to more convenient forums. Those cases have pushed the Eastern District of Texas justices to consider transferring cases in circumstances where they may not have considered it before, especially in cases where the evidence and the witnesses predominantly reside in another venue.

So now, a plaintiff filing in the Eastern District of Texas may have to deal with the likelihood of a transfer fight early on in the case, and that's something that a plaintiff may not want to have happen. As a result, we've seen increased case filings in other jurisdictions recently. We've seen some troll-type cases recently filed in the Central District of California, the North-

ern District of California and in Delaware. So the recent appellate law may result in cases being spread around a bit more. But since these decisions only came out recently, it's hard to tell what the long-term impact will be.

LD: What are some of the possible effects?

MS: Plaintiffs will be looking to file in other jurisdictions, and lawyers that routinely appear in patent cases will have to continue maintaining their awareness of the differences and nuances among the districts. Many of us have practiced in Delaware, the Northern District of California, and the Southern District of California, as well as the Eastern District of Texas, and I think that a good patent litigator will be one that stays abreast of the procedures, the judgments and the proclivities in each of those districts.

It almost got to the point in the last couple of years where, if you were an expert in the Eastern District of Texas, you were an expert in patent litigation overall. Now, I think that we're going to see a circumstance where lawyers will need to make sure that they're up to speed in all of those jurisdictions.

LD: Can you describe your background a bit and your work as a software engineer? What exactly did you design for the Navy?

MS: I worked for a decade as a software engineer on defense projects for the United States Navy. The projects that I worked on were geared towards assimilating various sonar data to better define torpedoes or other enemy contacts in the water. I worked on similar systems for submarines as well. The experience was a very rewarding and enriching one from a technical standpoint because there was a lot of engineering and software programming involved. It was also very beneficial to see how large software systems are developed in practice. It gives you a better appreciation for the kinds of documents that are generated, what software code actually looks like and what you can find in the code.

Those are all skill sets that I've been able to apply to the legal cases I handle – I'm perfectly comfortable sitting down with a pile of code to see what I can find, as opposed to solely relying on experts. Some of the most fun I've had as a trial lawyer has been in situations where I've been able to confront a software engineer with examples of his code that contradict statements that he's making on the record.

LD: What made you want to go to law school?

MS: As a high school student, one of my career ambitions was to go into the law, but I got out of high school in 1983 and at that time, technology was really taking hold and it seemed like it would be important to understand how technology and computer software work. I saw technology and computing as a huge part of where the economy was going. So, instead of going the traditional pre-law route, I got a bachelor's degree in computer science. Enjoying the complexity of the field, I went on to get a master's degree in Computer Science as well. During that time, I was working as an engineer.

When I was done with the master's degree, it seemed to be a good natural breaking point so I thought that it was time to return to my original ambition of going to law school. I thought law school was going to be a very foreign experience, but I found that an engineering background, with the focus on logical thinking, seemed to translate very well into legal reasoning and writing. I found that my engineering background prepared me very well for succeeding in law school.

LD: Do you have a patent litigation victory early in your career that you're particularly fond of or that you feel really helped establish your reputation in the field and with colleagues?

MS: I've been really fortunate in my career to get trial experience early on. I think that's helped a lot because until you see trial, you don't have an appreciation for the litigation leading up to trial. Near the end of my first year as a lawyer I had a standup role in a federal trial in Charlotte for Avery Denison. This was a patent proceeding under Section 285. It was an inventorship dispute that was being tried in Federal District Court and I was able to cross-examine witnesses at trial and put on direct examinations. That really helped me build my skill sets.

Not too long afterward, I was involved in an International Trade Commission (ITC) case on behalf of TV Guide, and again, I was able to cross-examine witnesses. It was a case that involved software and it was a good opportunity for me to use my software background to come up with impeachable evidence that perhaps others would have missed; I was able to dig into the actual software code and use what I found to impeach the engineers on the stand, as I alluded to earlier. I have also tried about a dozen number of criminal cases (pro bono).

LD: Can you talk about your decision to leave O'Melveny to lead Milbank's West Coast intellectual property practice?

MS: It was a very tough decision because, of course, I have tremendous respect for the people at O'Melveny. They are great friends and colleagues and I really learned so much about litigation at O'Melveney. It was a great place to grow from a junior associate to a young partner. But there's a sense at some point in your career where you want to see what you can build. Milbank had a great IP practice on the East Coast and I got to know them well on a case where I represented one defendant and they represented another. At Milbank, they are all very good IP litigation attorneys, and all of them had technical backgrounds — all of the partners were able to bring deep technical knowledge to bear on the cases they handled, much in the same way I was able to do on some of my cases.

So, I really resonated with that model of a firm — one that's made up of IP litigation attorneys who have the ability to dig in and understand the case not only on a legal level, but also on a technical level. They were very interested in building up that capability in their Los Angeles office, and as a result I found both the opportunity to work with a group of individuals that I have a tremendous amount of respect for, and an opportunity to do something entrepreneurial and to grow a practice. It was really a confluence of those things that made it a very attractive option.

LD: What are some of the challenges of growing the practice during a difficult economic environment?

MS: One challenge is that we are still looking for some additional talent for our Los Angeles office and because of the recent economic downturn, very talented lawyers have a tendency to stay put. They don't want to take the risk of moving to a new forum for fear that they'd give up their cache of goodwill without having a sufficient store of goodwill at the new firm. So, that makes it a little more difficult to attract the lateral candidates that we're looking for, but it's certainly not an insurmountable challenge. Yet, I still think we've had the ability to attract some great candidates, and we hope to continue that track record in the future.