DON RUPERT | Balancing IP Clients' Products, Resources, and Goals

by **John Toth**

From the establishment of the Federal Circuit Court of Appeals, to the increased prominence of non-practicing entities (sometimes disparaged as "patent trolls") to passage of the America Invents Act, intellectual property law has been changing dramatically.

Donald W. Rupert, partner in Chicago IP boutique **Marshall Gerstein & Borun LLP**, reflects many of the field's changing dynamics in 35-plus years in a dispute resolution and transactional practice. During that time, he's handled more than 100 litigation matters and advised on IP deals having cumulative values of more than $15 billion.

He's also directly involved in intellectual property change management. He is in his second term on the patent jury instruction sub-committee of the Seventh Circuit Jury Instruction Committee, working with lawyers and federal judges from Illinois, Indiana, and Wisconsin to revise patent jury instructions so that they reflect recent changes in the patent case law, as well as the America Invents Act.

And as a member of the Litigation and Alternate Dispute Resolution Committees of the Intellectual Property Law Association of Chicago (IPLAC), he has presented CLE programs that help keep other lawyers up to date on the changing dynamics of IP law.

'He's Invariably Right'

Such assignments reflect a strategic viewpoint that Rupert's clients appreciate. Daniel Shulman, chief IP counsel of food and beverage packaging leader Reynolds Group Holdings, first met Rupert when learning from him as an associate at Mayer Brown.

Today as a client, Shulman says, "When I have IP issues that need another set of eyes, I take them to Don. He has tremendous insight and a great way of looking at problems from all angles, and often from an angle I would never have considered. He has a particular skill at being able to perceive unintended consequences. The best conversations that I have with him are along the lines of, 'Did you ever think about this? If this case means that, what would be the consequences?' And when he does this, he's invariably right."

Certainly, for Rupert, some fundamentals of the practice haven't changed in 35 years; as he observes, "It comes down to a balance of the client's resources versus the importance of the patents or the products. It's expensive to litigate today, but it was also expensive 35 years ago in those dollars."

But there is a major difference, and that was the creation of the Federal Circuit.

"When I started, patent cases were appealed to the regional circuits, each of which had its own point of view. It was difficult to determine which one was more favorable. Today with the Federal Circuit, there is more standardization and certainty than there was 35 years ago."

Rupert currently emphasizes patent litigation focused on consumer products, computer technology and heavy equipment, but he also handles chemical matters and breaches of patent and technology licenses.

He follows a highly analytical process in counseling clients on these disputes.

"In terms of working with clients who are being sued or about to sue, the first step is to take a close look at the products and patents at issue," he explains. "That emphasizes the meaning and validity of the patent claims in light of how the Federal Circuit considers those issues."

"The second step is to look at the client's perspective—how valuable is the product/patent to the client's overall business objective? That requires an analysis of the client's sales of the product, how much litigation will cost, and whether other solutions (like a licensing agreement, a cross-license, or redesigning the product) are most cost-effective. After these two steps, you reach a conclusion on whether litigation is the right strategy."

Of course, patent disputes are frequently resolved through negotiation, and Rupert notes that "my tendency is to have the litigate/negotiate decision addressed earlier rather than later. You want to know early on what result the client wants to achieve, so you can determine the best way to arrive at that result. If the client has a limited budget, it may be more appropriate to pursue an earlier settlement. However, if substantial money has already been spent on discovery and other trial prep, it may be cheaper to go to trial. The ultimate decision must factor in a detailed risk/benefit assessment."

Rupert is increasingly involved in arbitration and mediation of IP disputes, whether representing clients in such proceedings or acting as an arbitrator himself under the auspices of the American Arbitration Association.

'Do Better Today Than Yesterday'

When handling an IP dispute, Rupert's analytical strengths serve clients well.

Blake Trimble, general counsel of diversified manufacturer Hickory Springs Manufacturing Company, recalls Rupert's defense of an infringement and trade secrets case.

"Don was here at our corporate offices for a number of days to prepare, and I will never forget his intensity in that preparation," Trimble says. "I remember him going through a huge number of physical files and electronically

stored data looking for information and facts, and I've never seen anyone so focused as Don Rupert was during that search. It was just constant activity around him, and it seemed like he never even got out of his chair. Not only was he completely focused he was extremely analytical, thorough and pragmatic, and an extremely strong advocate."

Such analysis and focus support Rupert's wide-ranging litigation practice.

"I've been very fortunate to represent companies based in many countries around the world," he says. "It's very exciting to be on top of technical and legal developments in various parts of the world."

In one action for an international sports product manufacturer, he defended a breach of license action that also involved a companion trademark infringement case brought by the manufacturer, a bankruptcy action filed in the US by the manufacturer's licensee, and two actions filed against the manufacturer in Canada by the licensee.

Rupert also tries cases heading teams of lawyers from his or other firms ("It's the basic principle that two or three heads are better than one") and recalls an instance where he headed a three-firm, eight-person team defending a company against patent and trademark infringement and unfair competition claims involving floor display products.

"We lived in the trial jurisdiction for 11 months over a 14-month period, and once we went to trial on the liability issue, the jury was empanelled for 50 days," he recalls.

After an appeal to the Federal Circuit, the plaintiff's original $100 million damage claim ultimately settled for less than $ 3 million.

"In creating a trial team, it's important to develop respect for and confidence in each other among the team members," Rupert adds. "What you try to do is build off the natural competitiveness of lawyers, but stress that the competition is not with each other, but with yourself to do the best job you can for the client and the team—to do better today than you did yesterday."

Air Force Influence

That's a philosophy Rupert has embraced from his earliest years. "I always had a 'Perry Mason syndrome' growing up in rural Pennsylvania."

After graduating from college with a chemistry degree and entering the Air Force as an officer. law school was far from his thoughts. But in the Air Force, "I was a research chemist and then a specialist in the military intelligence area, focusing on foreign science and technical development. That was my training on how to learn about new technologies and it both spurred me to law school and gave me research techniques that I've continued to use in my practice."

While Rupert was in the Air Force, his wife got a master's degree in school psychology and sought a doctorate in clinical psychology. He went to Washburn University School of Law on the GI Bill, and after both got their degrees, they began their careers in 1976 in Houston—Rupert with an IP specialty firm, Arnold White & Durkee.

In 1978, they moved to Chicago, where Rupert advanced through the partnership of major firms like Kirkland & Ellis, Keck Mahin & Cate, and Mayer Brown before joining his current firm in 2007.

Rupert writes and speaks extensively on intellectual property topics, saying, "I believe it's important to share information with the legal community. When I write an article, I spend a lot of time making sure I understand why I want to write it and what significant contributions it can make. I definitely strive to write informative legal articles and not marketing pieces."

As a litigator, writer, speaker and coach, Rupert definitely has many demands on him but it's a schedule he enjoys.

In his analytical way, he sums it up: "The more I have to do the more I like to do it, and I intend to keep doing exactly what I do now." ■