

Trust your Neighbor But Brand Your Cattle; Managing Foreign and Cross Border Disputes – An In-House Counsel Perspective

Panel:

Robert Earle, Vice President for Patent Assertion and Enforcement at Ericsson
Jessica Hannah, Partner at DLA Piper and former Senior Managing Counsel, IP Litigation at Apple
Eric Tautfest, General Counsel United Biomedical (UBI)
Kim Udovic, Vice President, Regulatory at Toyota

Moderator: Jared Hoggan, Munck Wilson Mandala, LLP

Jared Hoggan gives a brief introduction of panel. The goal is to provide attendees with insight into in-house counsel perspectives on and best practices for foreign and cross border legal matters.

Panel Bios:

Robert Earle is the Vice President for Patent Assertion and Enforcement at Ericsson. Mr. Earle is responsible for developing and implementing Ericsson's global patent assertion and enforcement strategies necessary to facilitate FRAND global patent licensing agreements. Prior to his legal career, Mr. Earle was a naval officer, including working as an assistant operations officer on the Battleship New Jersey and twice deploying to the Persian Gulf as the operations officer on a destroyer and a minesweeper.

Jessica Hannah is an experienced patent litigator who focuses on trying patent cases in the district courts and the ITC, as well as litigating patent appeals before the Court of Appeals for the Federal Circuit. Most recently, she served as Principal and Senior Managing Counsel for IP Litigation at Apple, where she spent eight years managing an active docket of patent litigation that spanned the globe. Within that role, Jessica oversaw patent litigation, as well as related inter partes review proceedings, ex parte reexams and arbitrations. She also contributed to management of an active docket at the US Court of Appeals for the Federal Circuit, as well as IP-related amicus filings. Jessica also sits on the Board of Directors for the Federal Circuit Bar Association.

Kim Udovic is the Vice President for Regulatory at Toyota Motor North America, where she is responsible for leading the regulatory representation of Toyota's affiliates in North America, including vehicle safety, privacy and cybersecurity, customs & trade, and environmental, health and safety compliance.

QUESTION AND ANSWER PORTION OF PANEL

Q: What are some of the most significant issues you face as in-house counsel in foreign and multi-jurisdictional cases? (3 minutes) (1:19-1:22)

Robert Earle: Coordination between various jurisdictions and teams; outside attorneys tend to be focused on their “piece of the pie” to the exclusion of all else.

Jessica Hannah: [Coordination and communication are most important to me; provide additional details]

Kim Udovic: Regulatory – Standards and regulations differ in various countries, and the same facts can be viewed differently. Also, timing can be very different.

Q: You have identified communication as a primary concern in various ways. What are ways that outside counsel can communicate better in these situations? (4 minutes) (1:22-1:26)

Jessica Hannah: Talk outside of my presence, preferably often. This doesn’t happen often enough. [embellish]

Kim Udovic: For documents and translations, need native speakers in both languages. Documents can be perfect in one language but do not sound the same in another language. Also, team consistency is needed to ensure translations are consistent across documents. It is also preferable to have teams with native speakers in both the local language and the in-house counsel language(s) to provide accurate and helpful translations and advice. Understand cultural differences.

Robert Earle: Be considerate of coordination needs. Don’t silo information or try to direct other counsel. Provide brief drafts well in advance for entire team input. Bring humility as to the U.S. system and figure out how the team can work together to make the entire process stronger.

Q: Positions taken by a client in one country can sometimes have ripple effects overseas. What tips would you give to outside counsel to coordinate messaging and positions with co-counsel? (4-5 minutes) (1:26-1:31)

Kim Udovic: Discuss creating virtual law firm and bringing lawyers together with conference and conference calls to make sure they act as one team; coordinate and then come to client with one voice. Comms messaging important in addition to legal messaging; need time to coordinate and maybe using different teams.

Robert Earle: In-house counsel works at a high level and can’t be involved in every aspect of the case or on all communications. Don’t want to see all the sausage being made, and issues need to be vetted before they come to in-house team. Echo Kim’s comments about virtual law firm that needs to work together.

Jessica Hannah: Sometimes getting people together in person, such as through a global summit, can be worth the cost if it means more seamless communications and better working together. Have point person at each firm responsible for knowing what is occurring with other teams. Have team members that have operated in various countries at issue so they understand both cultures and laws and can communicate effectively.

Q: Some of you work for companies based overseas, and all of you have worked with foreign outside counsel. What special considerations should your outside counsel be considerate of when working with a foreign home office? (5 minutes) (1:31-1:36)

Robert Earle: Understand how your client operates and communicates, and act accordingly. Our parent company requires coordination through the U.S. in-house team for limiting and grouping communications so they are not inundated with constant interruptions and requests.

Jessica Hannah: Echo Kim's comment about understanding cultural differences. When working with teams in Korea, always have at least one lawyer who has worked in the U.S. to interact directly with for better coordination. Anecdote: went to Supreme Peoples' Court in China. Associate at local firm had been U.S. lawyer and had worked in U.S. firm. He acted as "handler" to help culturally, legally and procedurally for how to be prepared for each situation. Very helpful and a nice way for the firm to be helpful to the client when being in a foreign country.

Kim Udovic: Try to understand cultural differences for the parent company, and preferably have a dual-native speaker for clients that can understand how to communicate effectively. Outside counsel should know how to draft things to the in-house teams so they can then properly characterize it to their legal and business heads. Know that almost everyone you are dealing with has to report to someone else and make the emails as easy for them to use for that purpose as possible.

Q: What experiences have you had dealing with how cultural issues can affect foreign or cross border issues? (5 minutes) (1:36-1:41)

Jessica Hannah: Agree that local-local counsel really know the system and are necessary (U.S. and abroad). The way that people from different cultures resolve disputes (including strategic decisions between different outside counsel) can result in difficulties in resolving disputes. [consider how to embellish]

Kim Udovic: Standard rules do not always apply. Share anecdote about situation in which outside counsel needed to inform you of why the normal rules you were accustomed to did not work in that jurisdiction. Has observed situations where two outside counsel are sitting in the same room that are obviously not in sync. And sometimes lower-level counsel do not want to speak out spontaneously in presence of higher-level peers.

Robert Earle: Always have local-local counsel who know the system well, even with teams that have offices in relevant jurisdictions. Share anecdote about running a case and it went way sideways with the judge (potential bribe). Ericsson hired a retired judge who then came in and admonished the judge on the record and he recused himself. It was a way to get the result while maintaining their ethical position. That suggestion came from local counsel and it worked, including identification of which retired judge to get.

Q: What are qualities you need in a good team of outside co-counsel? (4 minutes) (1:41-1:45)

Kim Udovic: Trust is very important, as is acting like a cohesive virtual firm.

Robert Earle: Understand Ericsson's business, and how decisions are made. Sometimes politics or business decisions play a larger role than litigation issues, and litigators need to understand and work with those considerations.

Jessica Hannah: Team members should learn as much as possible about culture and law of foreign jurisdictions before working with co-counsel teams and starting case coordination. Do not expect co-counsel to teach you everything necessary about their law and culture. Act as one cohesive team.

Q: Attorney-client privilege and work product protections are not the same world-wide. How can outside counsel assist you in maintaining privilege and confidentiality? (4 minutes) (1:45-1:49)

Robert Earle: Old-school and prefers spoken communications to emails for everything. Be careful with communications overseas, even in hotel rooms. In some countries team members have been repeatedly given the same exact hotel rooms over multiple trips. Have also seen social media in some countries regarding local litigations or regulatory matters appear to be monitored and influenced by government.

Jessica Hannah: Very frustrating in-house. Similar route as Robert. Maintain spoken communications when possible.

Kim Udovic: Do not assume that everyone is a lawyer working across teams, as not all jurisdictions have lawyers working on legal issues. Outside counsel in a given jurisdiction needs to inform their clients about what the privilege laws are for their jurisdictions. Some attorneys overseas are considered business people, and clients need to understand what issues can arise in communications.

Q: What are some things that U.S. counsel can learn from their foreign counterparts? (5 minutes) (1:49-1:54)

Kim Udovic: Be very candid about things that client should not do when the client is operating or showing up in that country. What are big mistakes that the client can make? Need to know what issues could be fatal to case/position?

Jessica Hannah: When you get into countries without discovery like the U.S. (all others), counsel act very differently and much more strategically. Sometimes U.S. counsel lose sight of the larger perspective/picture because of being down in the weeds of discovery. Someone still needs to know the details, but someone needs to be focused on the big picture strategy.

Robert Earle: Share anecdote about how rulings do not carry the same weight in some jurisdictions as compared to similar rulings in U.S. or other jurisdictions due to subsequent proceedings, and that client should be informed not only of ruling but also the weight of it and what next steps may affect or alter it going forward.

Misc (if time): Final piece of advice to outside counsel (5-6 minutes) (1:54-2:00)

Jessica Hannah: When evaluating pitches, it was important to hire the right team overall. Something outside lawyers can do better is be strategic about how they put together team with necessary specialties and makes sense for each case/matter (such as specific technology, right case/issue/judge experience). Not enough outside counsel consider that when making pitches. The way people write emails can make in-house counsel's jobs so much easier or harder. A good email should be have an "executive summary" of (1) what I need; (2) why I need it; and (3) when I need it (and why by then). That helps the in-house counsel understand the importance and urgency so they can prioritize and decide how much more they need to read or spend time on that email immediately.

Robert Earle: Budgets are important. Sometimes things happen, but give a heads-up before sending an unexpected bill. Also, the sooner I know there is an issue, the quicker I can resolve/mitigate it. Share bad news quickly and fully. Also do not overstate something (good or bad), which can also be disruptive.

Kim Udovic: Outside counsel needs to be the calming influence. In these situations, there are high-stakes and lots of concerns. Everyone is trying to do the best they can, so be helpful and calming to assist, not Chicken Littles.