

NEUMAN, WILLIAMS, ANDERSON & OLSON

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CHICAGO, ILLINOIS 60602

COPY



January 7, 1985

Algy Tamoshunas, Esquire
North American Philips Corporation
580 White Plains Road
Tarrytown, New York 10591

Re: Magnavox v. Activision

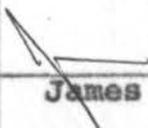
Dear Algy:

On December 21 we filed a memorandum concerning the Order of Proof in the Activision case. A copy is enclosed for your files.

Very truly yours,

NEUMAN, WILLIAMS, ANDERSON & OLSON

By


James T. Williams

JTW/krs
Enclosure

cc: Thomas A. Briody, Esq. - w/o encl.
Louis Etlinger, Esq. - w/encl. ←
Theodore W. Anderson, Esq. - w/o encl.

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Attorneys for Plaintiffs
The Magnavox Company and
Sanders Associates, Inc.

UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF CALIFORNIA

THE MAGNAVOX COMPANY, a corporation,)
and SANDERS ASSOCIATES, INC.,)
a corporation,)
Plaintiffs,)
v.)
ACTIVISION, INC., a corporation,)
Defendant.)

No. C 82 5270 CAL
PLAINTIFFS'
MEMORANDUM RE
ORDER OF PROOF

The defendant, Activision, seeks leave to present its
case at trial first, thus reversing the normal order of

PLAINTIFFS' MEMORANDUM
RE ORDER OF PROOF

1 presentation of trial evidence. The burden is upon Activision to
2 demonstrate why such a procedure should be followed in this
3 action. It has failed to do so. The authority it relies upon,
4 Stratoflex, Inc. v. Aeroquip Corp., 713 F.2d 1530 (C.A.F.C. 1983),
5 is inapposite. The relevant authorities support the wisdom of the
6 plaintiff-patentee proceeding first in a patent infringement
7 action.

8
9 Activision is perfectly correct in arguing that it bears
10 the burden of putting forth evidence to show that plaintiffs'
11 patent is invalid, and it bears the risk of nonpersuasion on that
12 issue. The assignment of burden results from the statutory
13 mandate that "(a) patent shall be presumed valid." 35 U.S.C.
14 §282. That same statutory section states that invalidity and
15 other items "shall be defenses in any action involving the
16 validity or infringement of a patent" 35 U.S.C. §282;
17 emphasis added. Indeed, Activision set forth its contention of
18 patent invalidity in its answer under the heading "Affirmative
19 Defenses." The only logical conclusion to draw is that plaintiffs
20 should present their case on infringement first, and defendant
21 should then attempt to establish patent invalidity as a defense.

22 Indeed, the normal practice is to permit the patent
23 owner to present his evidence first. This is true even where the
24 formal positions of plaintiff and defendant are reversed, the
25 plaintiff/infringer having brought an action for a declaratory
26 judgment that the defendant/patentee's patent is not infringed and
27 is invalid.

1 In the trial of a patent case it is convenient
2 for the patent owner always to assume the role
3 of plaintiff. Even when the parties are
4 reversed because the action was initiated by
5 the accused infringer under the Declaratory
6 Judgments Act, it will be a most unusual case
7 in which the declaratory judgment defendant
8 does not present a counterclaim for
9 infringement, and he will have the burden with
10 respect to this basic issue. Although the
11 accused infringer always will have the burden
12 with respect to proving invalidity, a more
13 orderly procedure usually will result from the
14 patent owner's presenting his case first, and
15 for purposes of discussion it is assumed that
16 this practice normally will be followed.

17 3 White, Patent Litigation: Procedure & Tactics, §8.01[1].

18 "It would seem more suitable for the patentee
19 to initially present the patent in an
20 affirmative manner to the Court before
21 plaintiff is given the opportunity to attack
22 its validity."

23 John Wood Co. v. Metal Coating Corp., 148 U.S.P.Q. 246 (N.D. Ill.
24 1966).

25 The Stratoflex case is not pertinent. It says
26 absolutely nothing about the order in which the patentee and
27 infringer shall present their evidence on infringement and
28 validity. Activision's intimation to the contrary (Activision
memo., page 2, first paragraph) is simply in error. That same
case specifically states that the statutory presumption of patent
validity is in no way dissipated by rebuttal evidence; the
presumption remains and must be overcome by the party asserting
invalidity. 713 F.2d, 1534.

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2 With respect to civil actions generally, the party
3 against whom judgment would be entered if no evidence were
4 introduced at trial is the party that has the right to open.

5 The test is that the party against whom
6 judgment would be rendered on the pleadings if
no evidence were introduced, has the right to
open and close.

7 Hunter, Federal Trial Handbook 2d (1984) §22.2.

8 The question is usually determined by ascertaining the
9 party who would prevail, or be entitled to verdict or
10 judgment if no evidence were introduced by either party,
or by ascertaining the party who, under the pleading, is
required first to produce evidence.

11 * * *

12 The one entitled to open and close is the party who has
13 the burden of proof on the whole case under the
14 pleadings, and not the one who has the burden of proof
on the charge or the special issues.

15 88 C.J.S. Trial §43b; footnotes omitted

16 Plaintiffs have the burden of proving infringement.

17 Activision so acknowledges in its memorandum. (Page 4, footnote
18 2.) If no evidence is introduced by either party, plaintiffs will
19 have failed to carry that burden, and judgment will be entered
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1 against them. Thus, on principles applicable even in nonpatent
2 cases, plaintiffs should be permitted to present their evidence
3 first at trial.
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