

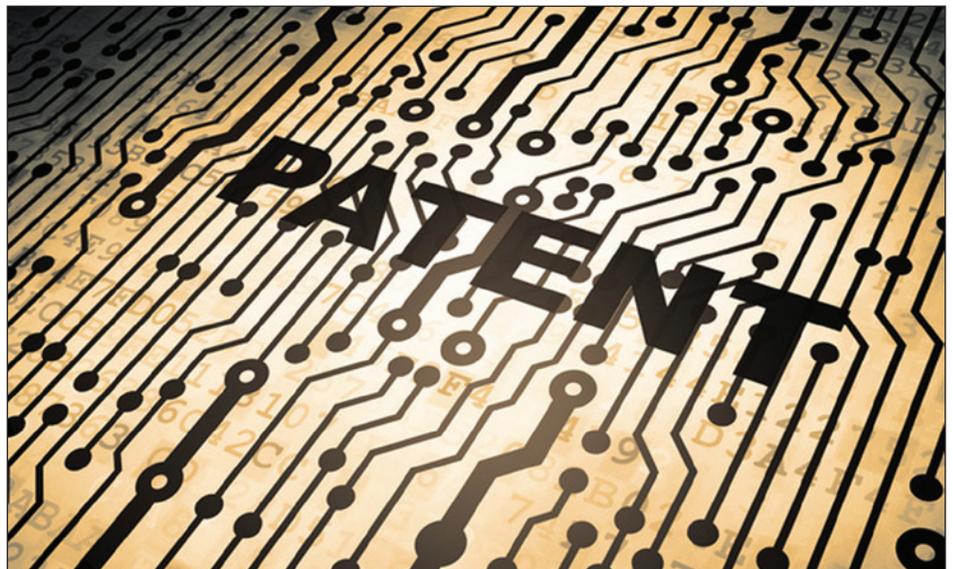
## INSIDE WILMERHALE'S APPROACH TO MATTER MANAGEMENT FOR IP

The chair and vice chair of law firm WilmerHale's IP Department discuss how the firm has used matter management technology for patent prosecution, post-grant proceedings and more.

*DON STEINBERG AND JOE HAAG, WILMERHALE*

Matter management has become increasingly important for law firms and the clients that they serve. For clients, effective matter management can result in lower fees, more accurate estimates of costs, and better results, as their lawyers take a more active role in the processes for delivering legal services. For law firms, on top of the benefits to clients, effective matter management can provide for easier billing, fewer write-downs, and more satisfied clients.

In recent years, our firm has made significant investments in new tools, services, and education programs to equip our lawyers to confidently manage client matters with the efficiency, predictability and transparency our clients expect. Collectively known as "Matter Management," these tools, services, and a more



*patent*

disciplined approach to our practice play a critical part in meeting our economic goals, managing client engagement risk, and sustaining and deepening strong relationships with our clients. In this article, we discuss our approach to matter management for patent prosecution and for post-grant proceedings.

### **A Hands-On Approach**

At WilmerHale, we take a bespoke approach on each matter, using a combination of internally-developed software and our lawyers' experience, and recognizing that different types of matters require different tools, and each matter has its own considerations.

For IP matters such as patent prosecution and post-grant proceedings, we recently developed a customized set of tools to create budgets and to manage the progress of matters. These tools encourage lawyers to more actively engage in the management of matters because they are easy for lawyers to use and targeted to the unique needs of IP matters. We use a customized budgeting tool that enables us to quickly create budgets both for clients and for internal purposes. We then receive periodic reports that help in managing progress and ensuring that we stick to budgets – or let us know that a matter is off-budget so that we can take steps to adjust it. Progress reports and active matter management also helps us ensure that matters are staffed efficiently.

This proactive approach to managing IP matters supports predictability and transparency both for clients, who gain a better understanding of what we are doing and their legal expenses, and our internal team, which gains a better understanding of the budget, their progress against that budget, and client expectations.

### **Patent Prosecution**

Some patent prosecution matters are based on fixed fees and others are based on hourly rates. Our prosecution budget tool has proven useful in either

situation. The tool permits us to develop a budget by phase (for example, to prepare a new utility application or to prepare a response to an office action) or for a period of time (for example, a budget for preparing a response to an office action, an information disclosure statement, and/or other actions required over the next six months or for the next year). The budgets can be tailored to the lawyers working on a matter or to the general seniority levels of the team. We can adjust budget periods and amounts, and when planning can prepare different alternatives.

Although our prosecution budget tool is directed toward patent prosecution matters, it can be used with other IP projects, such as opinions or other advice.

Developing a budget, though, is just the beginning. Once the budget is in place (and regardless of whether it is just for internal purposes or is shared with the client), we receive weekly electronic reports on progress versus the budget. The reports can be directed to the entire team or just a subset of the team. The fees incurred are broken down by task and allow us quickly to see how close to budget we are, the rate of spend, and the amount of time that each member of the team has

spent on the task(s). We can assess whether the time spent matches expectations and can discuss the status with the team.

Additionally, we can obtain (electronically) a budget report at any time. This is particularly useful if we are preparing to speak with the client or others on the team.

A concern with patent prosecution matters is that budgets are not large and we can move in well under a week from comfortably under-budget to at or over-budget as team members dive into the work. With that in mind, we can receive alerts when the fees incurred hit a predefined percentage of the budget. The alert, which comes with a current budget report, allows us to assess whether we are on target and whether the budget is realistic (and might need to be revised). For example, when drafting a new application, if we hit a percentage that we would expect to reach when a draft is fairly complete but have only finished interviewing the inventor, we know that we are going to need to confer with the team to determine why we are behind where we expected to be, and we can assess whether it is appropriate to revise the budget.

It is much easier to discuss potential budget changes with a client or changes to

procedures before we have gone over budget, and closer to when issues arise. For example, if an inventor is playing a larger role in reviewing a draft than usual, or is making lots of changes or additions to the description, we can flag this with our contact at the client. This may lead to a change in the budget or a reminder to the inventor that numerous changes can make the process more expensive.

### Post-Grant Proceedings

We have been fortunate to have a large portfolio of post-grant proceedings (primarily *inter partes* reviews) for both petitioners and patent owners. From this experience and set of data relevant to budgeting, we have developed tools to assist in creating budgets for these matters. We have variations depending on whether the work is for the petitioner or the patent owner, with the budget divided up by phase and factoring in the number of related proceedings.

For example, the cost to prepare two petitions for related patents or to address different claims within a single patent typically will be significantly less than the cost to prepare two petitions for two completely unrelated patents, involving different technologies, and using

different experts. The budget can be based on specific identified team members, and we can assess how different team mixes might impact the budget.

By preparing the budget by phase we can plan and manage the matter more effectively. Additionally, a budget by phase is more realistic considering that most of the proceedings do not proceed all the way through a final hearing. The budgets also can account for alternatives, such as whether the patent owner seeks to amend claims.

We find the budgets invaluable when preparing a pitch, to provide to the client, or for internal purposes. We can monitor progress against the budget by phase and can account for the likely costs every few months over the 1-2 years the proceeding may be pending. As with the patent prosecution budget tool, we receive weekly reports that allow us to compare our progress to the budget (by phase) and to see the amount of time that each member of the team has spent on the phase, allowing us better to assess our progress and to discuss the progress with the team.

At WilmerHale, we have embraced matter management as fundamental to good

business and serving our clients in today's challenging economic reality. When matter management tools are simple for lawyers to use and complement the needs and experience of the practice they support, they quickly become valuable to the delivery of legal services to clients. Regardless of whether requested by the client, we have found customized budgeting and reporting tools invaluable for developing and keeping to budgets, and for managing the progress of IP matters, whether relatively large (such as an IPR) or relatively small (such as a single patent prosecution matter).

*Don Steinberg is chair of WilmerHale's Intellectual Property Department, resident in the Boston office. He advises clients on IP matters, obtaining patent and trademark protection, litigation, and post-grant proceedings before the Patent Trial and Appeal Board. Don can be reached at don.steinberg@wilmerhale.com. Joe Haag is vice chair of the firm's Intellectual Property Department, resident in the Palo Alto office. He is an experienced IP lawyer who focuses his practice on patent litigation, patent prosecution and client counseling for patent matters. Joe can be reached at joseph.haag@wilmerhale.com.*