

# USING EXPERT WITNESSES IN THE UNITED STATES

International Wine Lawyer's Association Congress,  
Vienna, Austria

18-19 October 2013

**Paul W. Reidl**  
**Law Office of Paul W. Reidl**  
**Half Moon Bay, California**

[www.reidllaw.com](http://www.reidllaw.com)

[paul@reidllaw.com](mailto:paul@reidllaw.com)

**(650) 560-8530**

**Twitter @ tmguy**

© 2013. Paul W. Reidl. All Rights Reserved.

# Overview

---

- Who is an “expert?”
- What do experts do and why?
- “Consulting” vs. “Testifying” Expert
- Procedural Issues
- Who pays for the expert?

# Two Disclaimers

---

1. This is a very basic overview of a complicated area. US lawyers who do not litigate can get tripped-up on using experts. As a non-US lawyer, you need to trust the judgment of your counsel in the US but you should not hesitate to ask as many questions as necessary so that you can explain the situation to your client.

# TWO DISCLAIMERS

---

2. The Federal Courts and each of the 50 state courts have their own rules of evidence. I will be addressing the Federal rules, the substance of which (in this area) is generally followed by the states.

# Who is an “Expert?”

---

## **Federal Rule of Evidence 702:**

“[A] witness qualified as an expert by knowledge, skill, experience, training, or education.”

In practice, this means that the witness has something in their background such that their testimony “will assist the trier of fact to understand the evidence or to determine a fact in issue.” (Rule 702).

# Who is an “Expert?”

---

You can have experts on many different subjects in wine-related cases:

- A market research professional who does a survey in a **trademark** case on likelihood of confusion, fame, genericness, etc.
- A marketing consultant or a retired industry executive who testifies about industry custom and practice in a **trademark** case, a **breach of contract** case, or a **distributor termination** case.
- A retired TTB or state ABC executive who testifies about the government regulatory scheme(s).
- A retired TTB Trademark Judge who testifies on standards for clearing trademarks in a **trademark** case.
- A CPA, retired industry executive or real estate broker, etc. to testify on the value of property or damages in a **breach of contract**, **distributor termination** or other case.

# Who is an “Expert?”

---

- An agricultural professor who can testify to the reasonably expected grape yield in a **breach of contract** case.

In fact, I have been an expert witness in two cases:

- Brand name development and use, and TTB practice in a trademark case.
- Industry custom and practice in drafting assignment and license agreements in a breach of contract case.

# Who is an “Expert?”

---

It is not difficult to find people with sufficient expertise. The debate centers around whether their area of expertise is sufficient to permit them to testify reliably on what they did, or to do the analysis they did, or whether their analysis is of any probative value. (More on this later).

**Example:** A Certified Public Accountant (CPA) who specialized in forensic financial investigation (bank fraud) was not qualified to prepare a damages report in a trademark infringement case because nothing in her background or experience qualified her to make sales projections, price projections and valuations. She was just a “number cruncher.”



# What Experts Do and Why?

---

- **Federal Rule of Evidence 702:** They can give opinion testimony.
- **Federal Rule of Evidence 703:** They can do so based on hearsay.
- **Federal Rule of Evidence 704:** They may be able to testify on the ultimate issue (e.g. likelihood of confusion in a trademark case), but generally not on what the law is or should be (with the exception of foreign law).

# What Experts Do and Why?

---

## **Why is this a big deal?**

Because under our Rules of Evidence, hearsay is generally inadmissible AND a witness can only testify to his or her personal knowledge AND a non-expert cannot give opinion testimony. The kinds of expert testimony mentioned earlier all involve hearsay, lack of personal knowledge and opinions that would not be admissible without an expert.

## **Hearsay Rule (Federal Rule of Evidence 801):**

Hearsay is an out of court statement offered to prove the truth of the matter asserted therein.

Q: How do you know that?

A. My friend told me.

Objection: inadmissible hearsay.

# What Experts Do and Why?

**Example of what an expert can do that a lay witness cannot:** A market research professional did a survey in a trademark case to determine whether consumers who saw the Defendant's packaging mistakenly believed that it came from the Plaintiff, i.e., that they were confused.

**Hearsay:** All of the statements made by the respondents to the survey are hearsay. Why? Because they were not made in court and are being offered for their truth. But the expert can testify to the survey.

**No personal knowledge:** The expert has no personal of the business or the survey respondents. But he has specialized expertise & knowledge.

**Opinion testimony:** The expert can opine on the likelihood of confusion.

# What Experts Do and Why?

---

## **Is an Expert Mandatory?**

No. In all of the cases discussed earlier it may be possible to prove/defend the case without an expert. However, if your US counsel suggests that the client should seriously consider an expert, you should have a serious discussion about that. Why? Because expert testimony may be the only way to get admissible evidence into the record.

## **But Experts Can be Incredibly Important.**

A good expert is a **teacher** who can explain complex matters to the Judge or the jury. Their testimony can be **decisive** (or it can be **very damaging**.)

# “Consulting vs. Testifying Experts”

---

## **Federal Rule of Civil Procedure 26:**

There are two types of experts: consulting and testifying.

**Consulting expert:** Works “behind the scenes” to help the lawyer prepare the case. Confidential, need not be disclosed, and their work cannot be discovered by the other side.

**Testifying Expert:** Must be disclosed, must do a written report, and must sit for a deposition on request.

**Why Use a Consulting Expert:** You can shape your case without risk of disclosing “bad ideas” or “bad results” to the other side.

(C) 2013. Paul W. Reidl. All Rights Reserved.

# Procedural Context: Definitions - Trial

---

**“Trial”** – A proceeding in which evidence is presented so that the Judge or jury can decide “facts.”

- **Federal and State Courts:** Live testimony under oath in the courtroom only – direct, cross, redirect, re-cross
- **Administrative proceedings:**
  - Some require live testimony like Federal and State Courts
  - Some (like the Trademark Trial and Appeal Board) require testimony by deposition only.

(C) 2013. Paul W. Reidl. All Rights Reserved.

# Procedural Context: Definitions - Deposition

---

**“Deposition”** – Testimony taken under oath outside of the Court and in front of a Court reporter.

- Usually in a conference room
- Right to cross examine and make objections to evidence or questions
- The Court reporter prepares a transcript
- Used at trial as substantive testimony **ONLY** for non-expert witnesses and **ONLY** if the witness is outside the subpoena jurisdiction of the Court **BUT** can always be used to cross examine or impeach the witness testifying in the Courtroom.
- Used in some Administrative proceedings (like TTAB proceedings) as the “trial testimony.”

# Procedural Context: Definitions – Summary Judgment

---

“**Summary Judgment**” is a **motion**, not a trial.

- **Purpose:** to determine whether there are any genuine issues of material fact for trial
- Must be based on admissible evidence
- There is no oral testimony
- “Testimony” consists of declarations (affidavits) given under oath.
- Deposition transcripts may be used subject to evidentiary objections.



# Procedural Matters

---

- **Who Selects.** You do. Federal Rule of Evidence 706 allows the Court to appoint an expert in certain circumstances, This is rarely used.
- **Disclosure.** Testifying Experts must be disclosed by the time set forth in the Court's Scheduling Conference Order.
- **Written Report.** Testifying Experts must prepare a written report setting forth their qualifications, their opinions, and the complete basis for their opinions. (Federal Rule of Civil Procedure 26). If you fail to disclose anything that is required, you may not get it admitted. "Trial by ambush" is not permitted.
- **Deposition.** The other side has the opportunity to depose the testifying expert. Note that the attorney-client privilege or work product immunity may not apply to communications between the lawyer and the expert.

# Procedural Matters

- **Rebuttal Experts.** You can have a rebuttal expert.
- **Challenging Experts.** Prior to trial, a party may challenge the qualifications of the expert and/or admissibility of the expert opinion(s). This forces the party proffering the expert to show that the testimony meets the requirements of the rule. This can even involve a mini-hearing on the issue. This is called a “Daubert” motion, after the Supreme Court case that established this requirement. (*Daubert v. Merrell Dow Pharmaceuticals*, 509 U.S. 579 (1993)).
- **Type of Testimony.** The expert must testify personally. The only exception is on a motion for summary judgment where the evidence is submitted via sworn declaration(s). In TTAB proceedings at the Patent & Trademark Office, the “live testimony” is simply the testimonial “deposition” taken during the testimony period.

# Procedural Matters

- **Cross Examination.** The other side does the cross examination, but Judges can also ask questions (although many do not, and they will rarely do so in a jury trial). If the expert adds a new basis for his opinion during cross examination it may be stricken on a motion.
- **Re-Direct.** You have the opportunity to ask follow-up questions of the expert after cross-examination. These must be limited to the points raised on cross. The other side then has the opportunity to follow-up on your re-direct.
- **Who pays for the expert.** The client unless: (a) there is a statute that awards attorneys fees and costs to the winning party, and (b) you meet the standard of proof (e.g. “willful and deliberate infringement.”)

# Summary

---

- Expert witnesses can testify to things that fact witnesses cannot. This makes them very important in some cases.
- Expert witnesses must fully disclose their opinions in a written report and their basis for them.
- Expert witnesses must sit for a deposition and defend their report.
- Expert witnesses can be challenged prior to their testifying.
- Expert witnesses can “testify” by declaration in summary proceedings but otherwise they must testify in court and be subject to cross-examination.

# Thank You!

---



PAUL W. REIDL  
ATTORNEY AT LAW

214 Eagle Trace Drive  
Half Moon Bay, CA 94019  
(650) 560-8530  
paul@reidllaw.com  
Twitter @ tmguy  
[www.reidllaw.com](http://www.reidllaw.com)

© 2013. Paul W. Reidl. All Rights Reserved.