

NYIPLA®

December/January 2017

# The Report

## In This Issue

Has Functional Claiming  
Functionally Changed Since  
*Williamson v. Citrix*?  
Recent District Court Cases  
Suggest Not..... 1,3-9

President's Corner .....2-3

Strategic and Practical Tips for  
Successful Ex Parte Seizure  
Under the DTSA.....10-13

Importing Limitations from the  
Specification into the Claims:  
When Is It Proper? .....14-16

Historian's Corner .....17

December 2016/January 2017  
IP Media Links.....18

Notable Trademark  
Decisions .....19-24

CLE Programs.....25-28

Calendar .....27

Board Minutes.....29-30

Moving Up & Moving On.....31

New Members.....32



## Has Functional Claiming Functionally Changed Since *Williamson v. Citrix*? Recent District Court Cases Suggest Not

By Vicki M. Franks\*

### I. Introduction

In June 2015, the Federal Circuit in *Williamson v. Citrix Online* overturned a 2004 decision in *Lighting World v. Birchwood Lighting* concerning functional claiming.<sup>1</sup> Some commentators called the *Williamson* decision “a game changer”<sup>2</sup> and “a tremendous step forward to address the scourge of bad patents with functional claiming.”<sup>3</sup> Others predicted that it would “have a significant impact for years to come.”<sup>4</sup> But, a review of recent district court decisions indicates that the *Williamson* decision has not yet played a major role in eliminating previously issued patents with potentially dubious claims.

### II. Background Regarding Functional Claiming

Functional claiming in the context of patent law refers to defining an invention by stating various functions instead of specifying structural arrangements or physical characteristics. The patent statute expressly permits a form of functional claiming.<sup>5</sup> In particular, it authorizes a claim limitation expressed as “a means . . . for performing a specified function without the recital of structure . . . in support thereof.”<sup>6</sup> Thus, an inven-

tor may employ means-plus-function claiming when defining an invention.

But an invention defined only in terms of functions could broadly cover any products performing the recited functions and therefore expand a patent’s scope well beyond the actual invention.<sup>7</sup> To address that breadth issue, the patent statute restricts the coverage of a means-plus-function limitation to “the corresponding structure . . . described in the specification and equivalents thereof.”<sup>8</sup>

In a 1998 decision, the Federal Circuit noted that its earlier decisions “clarified that use of the word ‘means’ creates a presumption” that the claim invokes means-plus-function claiming and “that the failure to use the word ‘means’ creates a presumption” that the claim does not.<sup>9</sup> The court also noted that sufficient evidence may rebut either presumption.<sup>10</sup>

In the 2004 *Lighting World* decision, the Federal Circuit again addressed the absence of “means” in claims containing functional language. The court ruled that “the presumption flowing from the absence of the term ‘means’ is a strong one that is not readily overcome.”<sup>11</sup>

To avoid the presumption concerning means-plus-function claim-

The views expressed in *The Report* are the views of the authors except where Board of Directors approval is expressly indicated. © Copyright 2017 The New York Intellectual Property Law Association, Inc.

January 2017

By the time you read this, the groundhog will have predicted the timing of spring. But as of this writing, it is still the holiday season. So best wishes for a great 2017!

With the media inundating us with “Best of 2016” and “Worst of 2016” lists, it is hard to resist joining in. “Worst of” lists are more fun to read, but this column is about the NYIPLA and I am the current President, so forget that. And, since I reported summer 2016 highlights in a prior column, I am down to one season. Here is the Best of the NYIPLA Fall 2016.

(1) The Young Lawyers Committee is growing the NYIPLA’s millennial ranks. Membership in the lawyers practicing less than three years group is up 17%. How is the Young Lawyers Committee doing it? By staging its own programs and by working with other Committees on events young lawyers care about. The YLC staged a roundtable discussion with music industry leaders on servicing that client sector (presumably noting the risks of suing Led Zeppelin), and at the YLC’s suggestion, the Law Firm Management Committee devoted a seminar to business development for young lawyers. The YLC also does social networking—at happy hours, not by tweeting at 3 a.m. And the YLC again wangled an invitation this year to the Corporate Committee’s annual In-House Counsel Mixer. Thank you YLC, Law Firm Management Committee, and Corporate Committee.

(2) The Legislative Action Committee is exploring the next patent reform frontier—Section 101. The LAC arranged for Peter Thurlow, Board Liaison to the Patent Law & Practice Committee, to speak at a USPTO roundtable on Section 101 examination guidelines, and LAC Co-Chair and Past President Dorothy Auth spoke at a second USPTO roundtable at Stanford on the broader state of Section 101 law. After the Stanford event, Dorothy and LAC Co-Chair Jeffrey Butler, as well as President-Elect Anne Hassett and I, participated in a seminar on Section 101 reform put on by the Innovation Alliance in Washington, D.C. Following that, we met with Senator Chuck Schumer’s Chief Counsel. (A Presidents’ Forum scheduled for March will

bring leaders of other IP law associations and stakeholders together with NYIPLA members to further consider the issue.) Thank you LAC and Patent Law & Practice Committee.

(3) The Programs Committee flawlessly executed the NYIPLA’s One-Day Patent CLE Seminar. This year’s program featured judges, in-house counsel, USPTO officials, and outside counsel speaking on an array of topical issues, including litigation discovery from the perspective of in-house counsel, remedies for patent infringement, and recent developments in USPTO practice. The Hon. Dora L. Irizarry, Chief Judge, U.S. District Court for the Eastern District of New York, delivered the keynote address, and the Hon. Arthur J. Gajarsa, former Federal Circuit Judge, and the Hon. Scott Kamholz, former administrative patent judge, highlighted a panel discussion of Supreme Court, Federal Circuit, and PTAB developments. The Programs Committee also joined the New Jersey Intellectual Property Law Association in staging a joint NYIPLA/NJIPLA half-day program on ethics topics in Woodbridge, N.J. Thank you Programs Committee.

(4) The Amicus Brief Committee continued to exert the NYIPLA’s influence in cases of broad import, submitting amicus briefs to the Supreme Court in *Life Technologies Corp. v. Promega Corp.* and *Lee v. Tam*. In *Life Technologies*, the NYIPLA advocated a flexible analysis of what constitutes supplying “a substantial portion of the components of a patented invention” under 35 U.S.C. § 271(f)(1) rather than a strict numerical test. In *Tam*, the Court is taking up the constitutionality of Section 2(a) of the Lanham Act, which authorizes refusal to register trademarks that “may disparage.” The NYIPLA did not take

a position on constitutionality but argued that the Federal Circuit erred in basing its ruling that Section 2(a) is unconstitutional in part on the premise that Section 43(a) of the Lanham Act is unavailable for marks refused registration under Section 2(a). Thank you Amicus Brief Committee.

(5) The Patent Litigation Committee offered a behind-the-scenes peek at the handling of patent cases in the post-issuance review world by presenting a panel discussion among former U.S. district and



cont. on page 3

cont. from page 2

magistrate judges and former administrative patent judges of the PTAB. On the agenda in January was a panel discussion among leading practitioners from some of the nation's busiest patent courts about the practices, policies, and preferences of the judges in their districts. Thank you Patent Litigation Committee.

(6) The Trademark Law & Practice Committee presented a program in which damages experts and practitioners offered tips and guidance to litigators on devising damages theories in trademark cases. The Committee kicked off the second half of January with a program featuring speakers from the U.S. Patent & Trademark Office on the new rules of practice going into effect. Thank you Trademark Law & Practice Committee.

(7) The Women in IP Law Committee staged its fall networking event, bringing in Sarah Feingold, formerly of Etsy and current General Counsel at Vroom, to

share her background and insights. And there was wine tasting, too. Thank you Women in IP Law Committee.

The peril of making a “best of” list is leaving things out. Other Committees did important work in the fall, such as the Copyright Law & Practice Committee, which drafted and submitted comments for the NYIPLA on the Copyright Office’s study of 17 U.S.C. § 1201, and the Publications Committee, which produced *The Report* (and prodded me to submit my columns). I should also mention Committees whose focal point is in the spring, such as the Inventor of the Year and the Hon. William C. Conner Writing Competition Committees. And, finally, I thank Joel Schmidt, former Copyright Law & Practice Committee Co-Chair, for organizing on short notice a roundtable discussion with Asa Kling, Director of the Israel Patent and Trademark Office. Many thanks and best wishes to all.

Walt Hanley



cont. from page 1

ing and obtain broader patent protection, applicants drafted claims lacking the word “means” that still included functional language. For instance, drafters used alternatives to “means for” followed by one or more functions, such as the following:

- processor for
- component for
- element for
- mechanism for
- module for
- system for
- unit for
- adapted to
- configured to/configured for
- operable to/operable for

### III. The Federal Circuit’s En Banc Ruling in *Williamson*

In the 2015 *Williamson* decision, the Federal Circuit reconsidered the absence of “means” in claims containing functional language and the “strong” presumption in effect since 2004.<sup>12</sup> According to the court, the “strong” presumption produced “a proliferation of functional claiming untethered” to the pertinent statutory provision and “free of the strictures set forth in the statute.”<sup>13</sup>

In *Williamson*, the Federal Circuit overruled the “strong” presumption and held that the absence of “means” creates a presumption that the claim does not invoke means-plus-function claiming and that this presumption may be rebutted without “any heightened evidentiary showing.”<sup>14</sup> The court reasoned that the “strong” presumption inappropriately placed “a thumb on what should otherwise be a balanced analytical scale.”<sup>15</sup>

The Federal Circuit then articulated a general standard for rebutting the presumption resulting from the absence of “means”: whether a person skilled in the art would understand the claim language as having “a sufficiently definite meaning as the name for structure.”<sup>16</sup> The court discussed two particular ways to rebut the presumption, i.e., by demonstrating that “the claim term fails to ‘recite sufficiently definite structure’ or else recites ‘function without reciting sufficient structure for performing that function.’”<sup>17</sup> A patent challenger must rebut the presumption by a preponderance of the evidence.<sup>18</sup>

When evaluating whether the presumption against means-plus-function claiming due to the absence of “means” has been rebutted, a court should consider the surrounding claim language, the specification (or written description), the prosecution history, and any relevant extrinsic evidence, such as technical dictionaries and expert testimony.<sup>19</sup>

### IV. The Framework of Presumption, Structure, and Function When “Means” Is Absent from a Claim Limitation

For claim limitations reciting functions and lacking the word “means,” the Federal Circuit has explained that means-plus-function claiming does not apply where a limitation contains a term or phrase “used in common parlance or by persons of skill in the pertinent art to designate structure.”<sup>20</sup> For instance, “many devices take their names from the functions they perform,” such as “‘filter,’ ‘brake,’ ‘clamp,’ ‘screwdriver,’ or ‘lock.’”<sup>21</sup>

cont. on page 4



Further, the claim language around the specified function may supply sufficient structure.<sup>22</sup> For example, a limitation may include language describing how to accomplish the specified function, e.g., by reciting input, operation, and output.<sup>23</sup> Similarly, the remainder of the specification may provide sufficient structure, e.g., by describing various components as well as their interconnections and operation.<sup>24</sup>

So, even if a limitation uses a generic term, such as “mechanism,” “module,” or “device,” that limitation may have a structural meaning in the context of the invention that avoids means-plus-function claiming.<sup>25</sup> Moreover, a limitation “need not connote a single, specific structure” but instead may “describe a class of structures.”<sup>26</sup>

If, however, the claim recites a generic term in lieu of “means” and “the remaining claim language, specification, prosecution history, and relevant external evidence provide no further structural description to a person of ordinary skill in the art, then the presumption against means-plus-function claiming is rebutted.”<sup>27</sup> In that situation, means-plus-function claiming applies.<sup>28</sup>

## **V. Construing a Means-Plus-Function Limitation**

Construing a means-plus-function limitation involves two steps: first, identify the claimed function or functions; and second, determine what structure, if any, disclosed in the specification corresponds to the claimed function or functions.<sup>29</sup> For the second step, a person of ordinary skill in the art must “recognize the structure in the specification and associate it with the corresponding function in the claim.”<sup>30</sup> When a limitation recites two or more functions, the specification “must disclose adequate corresponding structure to perform *all* of the claimed functions.”<sup>31</sup>

## **VI. To Support a Computer-Implemented Function, the Patent Must Disclose a Suitable Algorithm**

For a computer-implemented function, the “corresponding structure” for a means-plus-function limitation “may differ from more traditional, mechanical structure.”<sup>32</sup> In particular, “there must be some explanation of how the computer performs the claimed function.”<sup>33</sup> Thus, the specification must disclose more than a general-purpose computer or microprocessor because those devices “can be programmed to perform very different tasks in very different ways,” and merely disclosing one of those devices as structure for performing a claimed function does not limit claim scope.<sup>34</sup>

For a computer-implemented function, a suitable “algorithm for performing the claimed function” supplies the necessary disclosure.<sup>35</sup> An algorithm is “a step-by-step procedure for solving a problem or accomplishing some end.”<sup>36</sup> The algorithm may appear “as a mathematical formula, in prose, as a flow chart, or in any other manner that provides sufficient structure.”<sup>37</sup> Any “specific set of instructions or rules” should suffice.<sup>38</sup>

“[T]he patent need only disclose sufficient structure for a person of skill in the field to provide an operative software program for the specified function.”<sup>39</sup> Hence, a suitable algorithm need not eliminate all “implementation choices by a skilled artisan.”<sup>40</sup> But, simply referencing “software” without “providing some detail about the means to accomplish the function” does not suffice.<sup>41</sup> And, merely restating the claimed function does not suffice.<sup>42</sup> Instead, the patent should explain how the computer performs the claimed function.<sup>43</sup>

According to the Federal Circuit, “[r]equiring disclosure of an algorithm properly defines the scope of the claim and prevents pure functional claiming.”<sup>44</sup> The court reasoned that “[a] general purpose computer, or microprocessor, programmed to carry out an algorithm” through software instructions becomes “‘a new machine,’” i.e., a special-purpose computer.<sup>45</sup>

There is a narrow exception to the rule that the specification must disclose more than a general-purpose computer or microprocessor for computer-implemented functions.<sup>46</sup> Where a device without special programming can accomplish the claimed functions, such as receiving data, storing data, and processing data, a general-purpose computer or microprocessor provides sufficient structure.<sup>47</sup> This exception applies only for functions deemed “coextensive” with those particular devices.<sup>48</sup>

## **VII. Means-Plus-Function Limitations Present a Unique Validity Issue**

Due to the patent statute’s definiteness requirement for claims, a unique validity issue exists for claims containing means-plus-function limitations. According to the definiteness requirement, a claim must “particularly point[] out and distinctly claim[] the subject matter” regarded as the invention.<sup>49</sup> Thus, when “viewed in light of the specification and prosecution history,” a claim must “inform those skilled in the art about the scope of the invention with reasonable certainty.”<sup>50</sup>

When the specification lacks an adequate disclosure of structure corresponding to the function or functions specified in a means-plus-function limitation, there is a failure “to particularly point out and distinctly claim the invention” as required by the patent statute.<sup>51</sup> Without

an adequate disclosure of corresponding structure for a means-plus-function limitation, for instance, those skilled in the art could not ascertain the limitation's "equivalents" according to the patent statute.<sup>52</sup> Hence, a failure to adequately disclose corresponding structure equates to a failure to satisfy the definiteness requirement and renders a claim invalid.<sup>53</sup>

Further, the specification must adequately disclose corresponding structure even if those skilled in the art could create suitable structure without that disclosure.<sup>54</sup> So, even if the specification explains to those skilled in the art how to make and use a claimed invention—thus satisfying the patent statute's enablement requirement—the absence of sufficient corresponding structure will result in claim invalidity due to indefiniteness.<sup>55</sup>

The test for determining whether the specification adequately discloses corresponding structure parallels the second step for construing a means-plus-function limitation. In particular, "the specification or prosecution history [must] clearly link[] or associate[] that structure to the function recited in the claim."<sup>56</sup>

### **VIII. District Courts Confront the *Williamson* Decision When Considering Computer-Implemented Inventions**

Cases concerning computer-implemented means-plus-function limitations divide generally into two groups: (1) the specification discloses no algorithm; or (2) the specification discloses an allegedly insufficient algorithm.<sup>57</sup> When a limitation recites two or more functions but the specification fails to disclose an algorithm for each function, the analysis proceeds as though the specification discloses no algorithm.<sup>58</sup> And, if the specification discloses no algorithm for a computer-implemented function, the definiteness requirement renders the claim invalid.<sup>59</sup> When the specification discloses an allegedly insufficient algorithm, the sufficiency analysis proceeds from the perspective of a person skilled in the art.<sup>60</sup> In particular, "the sufficiency of the disclosure of algorithmic structure must be judged in light of what one of ordinary skill in the art would understand the disclosure to impart."<sup>61</sup>

As noted in the introduction, the *Williamson* decision has not yet had the impact on invalidating issued patents that some practitioners had predicted. Among other things, *Williamson* did not abrogate the rule that the absence of "means" creates a presumption that means-plus-function claiming does not apply. Rather, the court reduced the resulting presumption from strong to ordinary. Accordingly, if a patent challenger asks a court to limit a claim lacking the word "means"

to a particular structure disclosed in the specification and "equivalents thereof," the patent challenger still must overcome a presumption that means-plus-function claiming does not apply.<sup>62</sup>

Numerous district courts have been asked by patent challengers to construe claims lacking the word "means" as means-plus-function claims. Decisions from those courts indicate that while the Federal Circuit lessened the burden for overcoming the presumption against means-plus-function claiming, that change has not produced a significant increase in invalidity determinations.

For example, in *Smartflash LLC v. Apple Inc.*, a Texas district court decided that means-plus-function claiming did not apply to limitations specifying a "processor for controlling access to data" and a "processor . . . for implementing . . . code."<sup>63</sup> The court reasoned that the limitations convey "sufficient structural meaning" because the claim language "describe[s] the processor's objective and operation" and the specification "further describe[s] the processor's connections."<sup>64</sup> The court determined that the term "processor" does not "define a specific structure" but instead "describes a class of structures."<sup>65</sup>

The *Smartflash* decision predates the Federal Circuit's June 2015 *Williamson* decision.<sup>66</sup> After the *Williamson* decision, the patent challenger in *Smartflash* requested reconsideration of the ruling regarding the "processor" limitations.<sup>67</sup> But the district court declined to reconsider.<sup>68</sup> Among other things, the court noted that the patent challenger's own expert "opined that the word 'processor' connotes structure to a person of ordinary skill in the art as 'a general-purpose processor that can be programmed to carry out specific functions.'"<sup>69</sup> The court also noted that "a technical dictionary definition reinforce[s] that the word 'processor' connotes structure to a person of ordinary skill in the art."<sup>70</sup>

In *Finjan, Inc. v. Proofpoint, Inc.*, a California district court rejected a patent challenger's argument that means-plus-function claiming applied to a limitation reciting "a content processor (i) for processing content received over a network, the content including a call to a first function, and the call including an input, and (ii) for invoking a second function with the input. . . ."<sup>71</sup> The court noted that the presumption against means-plus-function claiming applied.<sup>72</sup> Based on the claim language and the specification, the court then decided that "[t]he term 'content processor' has a sufficiently specific structure."<sup>73</sup> The court reasoned that claim language "describes how the 'content processor' interacts with the invention's other components" and the specification identifies "the content processor's location and its relationship to other components."<sup>74</sup>

In *SyncPoint Imaging, LLC v. Nintendo of America Inc.*, a Texas district court considered whether means-plus-function claiming applied to certain limitations in claims directed to “remotely controlling a computer using a cursor generated externally to the computer.”<sup>75</sup> One asserted claim required a “processor . . . for processing” a computer-produced image to detect the cursor’s position and “converting the position . . . to corresponding commands to control the computer. . . .”<sup>76</sup> The court decided that the patent challenger did not overcome the presumption against means-plus-function claiming because (1) the term “processor” connotes structure, (2) the claim recited the processor’s objectives and operations, and (3) “one of ordinary skill in the art would understand the structural arrangements of the processor from the recited objectives and operations of the processor.”<sup>77</sup>

In *SyncPoint Imaging*, the district court also considered whether means-plus-function claiming applied to various limitations expressed as “instructions for” implementing a computer program in claims covering computer-readable media, such as discs or other data-storage devices.<sup>78</sup> In particular, the claims recited “instructions for detecting,” “instructions for generating,” “instructions for processing,” and “instructions for converting.”<sup>79</sup> The court again decided that the patent challenger did not overcome the presumption against means-plus-function claiming.<sup>80</sup> The court reasoned that (1) the term “instructions” connotes structure, i.e., as embodied in a tangible storage medium, (2) the claims recited the objectives and operations of the instructions, and (3) “one of ordinary skill in the art would understand the structural arrangements of the instructions from the recited objectives and operations of the instructions.”<sup>81</sup>

Less than a week after the *SyncPoint Imaging* decision, another Texas district court, in *Intellectual Ventures II LLC v. BITCO General Insurance Corp.*, considered whether means-plus-function claiming applied to various limitations in two asserted patents.<sup>82</sup> One patent concerned the distribution and retrieval of content over a network, and the claims recited various “access points,” such as a “centralized access point . . . operative to” and a “distributed information access point . . . operative to.”<sup>83</sup> For the “access point” limitations, the court ruled that the patent challenger failed to overcome the presumption against means-plus-function claiming because the evidence showed “that ‘access point’ refers to the structure of a network resource that serves to provide access to the system.”<sup>84</sup> For that patent, the court also addressed a limitation containing the phrase “administrative interface . . . operative to.”<sup>85</sup> Because the specification (1) “describe[d] a software

management tool that facilitate[d] administrative functions” and (2) “conform[ed] to the extrinsic evidence dictionary definition . . . of ‘interface’ in the context of a software interface,” the court rejected the contention that means-plus-function claiming applied to the “administrative interface” limitation.<sup>86</sup>

The other patent in *Intellectual Ventures* concerned data-encryption systems and methods.<sup>87</sup> The means-plus-function issue involved two limitations in the systems claims: (1) an “encryption/decryption module adapted to randomly generate” a digital value used to produce a cryptographic key “and adapted to apply the generated [digital value] . . . to data encryption of the data”; and (2) a “storage device adapted to store data . . . [and] adapted to randomly generate” the digital value used to produce a cryptographic key.<sup>88</sup> The district court concluded that means-plus-function claiming did not apply to the “storage device” limitation because: (a) “the term ‘storage device’ connotes a structural meaning to those of skill in the art”; (b) the patent “clearly describes the term in structural terms”; and (c) “extrinsic evidence from a Microsoft Computer Dictionary . . . indicates the term carries structural meaning to those skilled in the art.”<sup>89</sup> But the court reached the opposite conclusion for the “encryption/decryption module” limitation.<sup>90</sup> The court reasoned that the word “module” operated as a substitute for “means” and that the evidence did not show that the prefix “encryption/decryption” had “a known structural context.”<sup>91</sup> Because the specification failed to disclose structure corresponding to each function specified in the “encryption/decryption” limitation, the court agreed that the limitation was indefinite.<sup>92</sup>

In *GoDaddy.com, LLC v. RPost Communications Ltd.*, an Arizona district court considered whether means-plus-function claiming applied to a limitation reciting a “processor for associating” one data set with another data set “to generate authentication data.”<sup>93</sup> The court decided that persons skilled in the art “would understand ‘processor’ to mean a general purpose computer, a central processing unit (‘CPU’), or a program that translates another program into a form acceptable by the computer being used.”<sup>94</sup> The court then determined that means-plus-function claiming applied because “‘associating’ two sets of data in order to ‘generate’ a third set of data is not a typical function found in a general purpose processor and requires additional programming of the processor to implement.”<sup>95</sup> After making that determination, the court identified the claimed functions and where the specification disclosed an algorithm sufficient to perform the claimed functions.<sup>96</sup> Consequently, the court declined to invalidate the claim as indefinite for lack of corresponding structure.<sup>97</sup>



In contrast to *GoDaddy.com*, about one week later a California district court in *Nomadix, Inc. v. Hospitality Core Services LLC* decided that means-plus-function claiming did not apply to network-management-system claims reciting a “processor configured to”:

- (1) “receive incoming data from a redirection server,”
- (2) “send . . . an outgoing response based on the incoming data” to a user’s computer,
- (3) “complete a connection handshake while appearing to be the external server,” and
- (4) “perform an operation of determining if the [user’s] computer is entitled to access the external server.”<sup>98</sup>

When construing “processor,” the court determined that “there is no reason for a formal claim construction of the term ‘processor’ because it is a well-known term in the relevant art.”<sup>99</sup> And even though the claims specified various functions for the processor, the court decided that “the claim term ‘processor’ is a structural term that cannot be reasonably disputed . . . to be a ‘verbal construct[] not recognized [as] structure.’”<sup>100</sup>

In *Cox Communications Inc. v. Sprint Communications Co.*, a Delaware district court considered limitations reciting a “signaling processor” and a “call processor” in claims covering methods for operating telecommunications systems.<sup>101</sup> The claims specified various functions for each “processor.”<sup>102</sup> For instance, an asserted claim recited a “signaling processor” for “receiving and processing . . . [certain] signaling for a call, and in response, generating and transferring control messaging indicating identifiers. . . .”<sup>103</sup> Another asserted claim recited a “call processor” for “processing signaling information for a call. . . [and] transfer[ring] a control message for the call. . . .”<sup>104</sup> Based on the specifications’ descriptions of each processor’s components and their interactions as well as the absence of “means,” the court concluded that the limitations did not invoke means-plus-function claiming.<sup>105</sup>

Less than one month later, the same Delaware district court considered a limitation lacking “means” and reached a different conclusion.<sup>106</sup> In *MobileMedia Ideas, LLC v. Apple Inc.*, the claims covered communication devices, such as smartphones, that allow users to reduce the volume of or stop a ringtone alert for an incoming call without apprising the caller.<sup>107</sup> The limitation at issue required “an alert sound generator for generating the alert sound when the call is received from the remote caller.”<sup>108</sup> The court concluded that the limitation invoked means-plus-function claiming because “the limitation is defined by its function, i.e., a generator used to generate an alert sound.”<sup>109</sup> But the court did not invalidate the claim because it determined

that the specification adequately disclosed corresponding structure for the limitation.<sup>110</sup>

In *M2M Solutions LLC v. Sierra Wireless America, Inc.*, another Delaware district court concluded that limitations reciting a “programmable interface,” a “processing module,” and a “memory module” along with certain functions did not invoke means-plus-function claiming.<sup>111</sup> For “programmable interface,” the court reasoned that “both component terms have well understood definitions” and therefore denote “sufficient structure to one of skill in the art.”<sup>112</sup> For “processing module,” the court observed that the limitation itself specified how that module accomplished the claimed function: “processing module for authenticating an at least one transmission . . . wherein the processing module authenticates the at least one transmission by determining if the at least one transmission contains . . . [a] coded number.”<sup>113</sup> The court reasoned that even though the limitation recites the generic term “module,” it also recites a sufficient description of its operation that leaves the presumption against means-plus-function claiming intact.<sup>114</sup> For “memory module,” the court similarly decided that the presumption against means-plus-function claiming remained intact because the limitation in its entirety “convey[s] a sufficient description of its operation” and thus “recites sufficient structure . . . from the perspective of” a person skilled in the art.<sup>115</sup>

## IX. Conclusion

Despite several predictions, the Federal Circuit’s *Williamson* decision has not—at least yet—led to the large-scale invalidation of many of the supposed “scourge of bad patents with functional claiming.”<sup>116</sup> For claims lacking the word “means,” a patent challenger must still adduce evidence to overcome the ordinary presumption against means-plus-function claiming.

### (Endnotes)

\*Ms. Franks is Special Counsel at McCarter & English, LLP. Her practice focuses on patent litigation and assisting with patent prosecution for technological fields including, but not limited to, mechanical and chemical engineering, pharmaceuticals, and wireless hand-held devices. This article reflects the views only of the author. It does not necessarily reflect the views or opinions of McCarter & English, LLP, or any past or current clients.

<sup>1</sup> See *Williamson v. Citrix Online, LLC*, 792 F.3d 1339,



cont. on page 8

1349 (Fed. Cir. 2015) (en banc in relevant part); *Lighting World, Inc. v. Birchwood Lighting, Inc.*, 382 F.3d 1354, 1358 (Fed. Cir. 2004).

<sup>2</sup> David Long, *En Banc Federal Circuit Broadens What Constitutes a Means-Plus-Function Limitation* (Williamson v. Citrix), ESSENTIAL PATENT BLOG (June 17, 2015), <http://www.essentialpatentblog.com/2015/06/en-banc-federal-circuit-broadens-what-constitutes-a-means-plus-function-limitation-williamson-v-citrix>.

<sup>3</sup> Ryan Davis, *The Biggest Fed. Circ. Patent Rulings So Far in 2015*, LAW360 (July 14, 2015) (quoting practitioner Brian LaCorte), <http://www.law360.com/articles/678802/the-biggest-fed-circ-patent-rulings-so-far-in-2015>.

<sup>4</sup> Ryan Davis, *The Biggest Patent Cases of 2015*, LAW360 (Dec. 14, 2015) (quoting practitioner James Barney), <http://www.law360.com/articles/736439/the-biggest-patent-cases-of-2015>.

<sup>5</sup> 35 U.S.C. § 112(f).

<sup>6</sup> *Id.*

<sup>7</sup> See *Halliburton Oil Well Cementing Co. v. Walker*, 329 U.S. 1, 10-12 (1946); see also *Ariad Pharm., Inc. v. Eli Lilly & Co.*, 598 F.3d 1336, 1353-54 (Fed. Cir. 2010) (en banc).

<sup>8</sup> 35 U.S.C. § 112(f).

<sup>9</sup> *Personalized Media Commc'ns, LLC v. Int'l Trade Comm'n*, 161 F.3d 696, 703-04 (Fed. Cir. 1998) (citing *York Prods., Inc. v. Cent. Tractor Farm & Family Ctr.*, 99 F.3d 1568, 1574 (Fed. Cir. 1996) (explaining that “the use of the word ‘means’ triggers a presumption that the inventor used this term advisedly to invoke the statutory mandates for means-plus-function clauses”) and *Mas-Hamilton Grp. v. LaGard, Inc.*, 156 F.3d 1206, 1213 (Fed. Cir. 1998) (discussing the presumption resulting from the absence of the word “means”)).

<sup>10</sup> *Personalized Media*, 161 F.3d at 704.

<sup>11</sup> *Lighting World*, 382 F.3d at 1358.

<sup>12</sup> *Williamson*, 792 F.3d at 1347-49.

<sup>13</sup> *Id.* at 1349; see also Mark A. Lemley, *Software Patents and the Return of Functional Claiming*, 2013 WIS. L. REV. 905, 905 (2013) (noting that “[s]oftware patent lawyers are increasingly writing patent claims in broad functional terms”).

<sup>14</sup> *Williamson*, 792 F.3d at 1349.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.* at 1348-49.

<sup>17</sup> *Id.* at 1349 (quoting *Watts v. XL Sys., Inc.*, 232 F.3d 877, 880 (Fed. Cir. 2000)).

<sup>18</sup> *Advanced Ground Info. Sys., Inc. v. Life360, Inc.*, 830 F.3d 1341, 1347 (Fed. Cir. 2016).

<sup>19</sup> *Apple Inc. v. Motorola, Inc.*, 757 F.3d 1286, 1296-97 (Fed. Cir. 2014), overruled on other grounds by *Williamson v. Citrix Online, LLC*, 792 F.3d 1339 (Fed. Cir. 2015); see *Flo Healthcare Solutions, LLC v. Kappos*, 697 F.3d 1367, 1374 (Fed. Cir. 2012), overruled on other grounds by *Williamson v. Citrix Online, LLC*, 792 F.3d 1339 (Fed. Cir. 2015); *Inventio AG v. ThyssenKrupp Elevator Am. Corp.*, 649 F.3d 1350, 1356-57 (Fed. Cir. 2011), overruled on other grounds by *Williamson v. Citrix Online, LLC*, 792 F.3d 1339 (Fed. Cir. 2015).

<sup>20</sup> *Lighting World, Inc. v. Birchwood Lighting, Inc.*, 382 F.3d 1354, 1359 (Fed. Cir. 2004), overruled on other grounds by *Williamson v. Citrix Online, LLC*, 792 F.3d 1339 (Fed. Cir. 2015); see also *Flo Healthcare*, 697 F.3d at 1374.

<sup>21</sup> *Greenberg v. Ethicon Endo-Surgery, Inc.*, 91 F.3d 1580, 1583 (Fed. Cir. 1996).

<sup>22</sup> *Flo Healthcare*, 697 F.3d at 1374.

<sup>23</sup> *Apple*, 757 F.3d at 1299.

<sup>24</sup> *Inventio*, 649 F.3d at 1358-59.

<sup>25</sup> *Apple*, 757 F.3d at 1299-1300; see also *Greenberg*, 91 F.3d 1583-84.

<sup>26</sup> *Apple*, 757 F.3d at 1300.

<sup>27</sup> *Id.*

<sup>28</sup> *Id.*

<sup>29</sup> *Williamson*, 792 F.3d at 1351.

<sup>30</sup> *All-Voice Computing PLC v. Nuance Commc'ns, Inc.*, 504 F.3d 1236, 1241 (Fed. Cir. 2007).

<sup>31</sup> *Media Rights Techs., Inc. v. Capital One Fin. Corp.*, 800 F.3d 1366, 1374 (Fed. Cir. 2015); see *Williamson*, 792 F.3d at 1351-52; see also *Noah Sys., Inc. v. Intuit Inc.*, 675 F.3d 1302, 1318-19 (Fed. Cir. 2012) (means-plus-function limitation specifying two functions).

<sup>32</sup> *Apple*, 757 F.3d at 1298.

<sup>33</sup> *Blackboard, Inc. v. Desire2Learn Inc.*, 574 F.3d 1371, 1384 (Fed. Cir. 2009).

<sup>34</sup> *Aristocrat Techs. Austl. Pty Ltd. v. Int'l Game Tech.*, 521 F.3d 1328, 1333 (Fed. Cir. 2008); see also *Media Rights*, 800 F.3d at 1374; *Net MoneyIN, Inc. v. VeriSign, Inc.*, 545 F.3d 1359, 1367 (Fed. Cir. 2008).

<sup>35</sup> *Williamson*, 792 F.3d at 1352.

<sup>36</sup> *In re Chatfield*, 545 F.2d 152, 156 n.5 (C.C.P.A. 1976) (quoting *Webster's New Collegiate Dictionary* (1976)); see *Typhoon Touch Techs., Inc. v. Dell, Inc.*, 659 F.3d 1376, 1384-85 (Fed. Cir. 2011) (explaining that “algorithm” broadly refers to “a step-by-step procedure for accomplishing a given result”); see also *Ibormeith IP, LLC v. Mercedes-Benz USA, LLC*, 732 F.3d 1376, 1379 (Fed. Cir. 2013) (defining “algorithm” as “a sequence of computational steps to follow”).

<sup>37</sup> *Williamson*, 792 F.3d at 1352.

<sup>38</sup> *Apple*, 757 F.3d at 1298.

<sup>39</sup> *Typhoon Touch*, 659 F.3d at 1385.

<sup>40</sup> *Ibormeith*, 732 F.3d at 1379.

<sup>41</sup> *Finisar Corp. v. DirecTV Grp., Inc.*, 523 F.3d 1323, 1340-41 (Fed. Cir. 2008).

<sup>42</sup> *Augme Techs., Inc. v. Yahoo! Inc.*, 755 F.3d 1326, 1337-38 (Fed. Cir. 2014).

<sup>43</sup> *Blackboard*, 574 F.3d at 1384.

<sup>44</sup> *Ergo Licensing, LLC v. CareFusion 303, Inc.*, 673 F.3d 1361, 1364 (Fed. Cir. 2012).

<sup>45</sup> *WMS Gaming Inc. v. Int'l Game Tech.*, 184 F.3d 1339, 1348 (Fed. Cir. 1999) (quoting *In re Alappat*, 33 F.3d 1526, 1545 (Fed. Cir. 1994) (en banc), superseded by *Bilski v. Kappos*, 561 U.S. 593, 605-06, 610-11 (2010), and *Alice Corp. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2359 (2014)).

<sup>46</sup> See, e.g., *EON Corp. IP Holdings LLC v. AT&T Mobility LLC*, 785 F.3d 616, 621-22 (Fed. Cir. 2015); *In re Katz Interactive Call Processing Patent Litig.*, 639 F.3d 1303, 1316-17 (Fed. Cir. 2011).

<sup>47</sup> *EON*, 785 F.3d at 622-23.

<sup>48</sup> *Id.* at 622.

<sup>49</sup> 35 U.S.C. § 112(b).

<sup>50</sup> *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2129 (2014).

<sup>51</sup> *In re Donaldson Co.*, 16 F.3d 1189, 1195 (Fed. Cir. 1994) (en banc); see *In re Dossel*, 115 F.3d 942, 946 (Fed. Cir. 1997).

<sup>52</sup> See 35 U.S.C. § 112(f).

<sup>53</sup> See, e.g., *Advanced Ground*, 830 F.3d at 1349-50; *Aristocrat Techs.*, 521 F.3d at 1337-38.

<sup>54</sup> See *Med. Instrumentation & Diagnostics Corp. v. Elekta AB*, 344 F.3d 1205, 1211-12 (Fed. Cir. 2003); see also *Blackboard*, 574 F.3d at 1385 (“That ordinarily skilled artisans could carry out the recited function in a variety of ways is precisely why claims written in ‘means-plus-function’ form must disclose the particular structure that is used to perform the recited function.”); *Biomedino, LLC v. Waters Techs. Corp.*, 490 F.3d 946, 953 (Fed. Cir. 2007) (explaining that “a bare statement that known techniques or methods can be used does not disclose structure”).

<sup>55</sup> See, e.g., *EON*, 785 F.3d at 624; *Ergo Licensing*, 673 F.3d at 1363-65; see also *Function Media, L.L.C. v. Google, Inc.*, 708 F.3d



1310, 1319 (Fed. Cir. 2013).

<sup>56</sup> *B. Braun Med., Inc. v. Abbott Labs.*, 124 F.3d 1419, 1424 (Fed. Cir. 1997).

<sup>57</sup> *Noah Sys.*, 675 F.3d at 1313.

<sup>58</sup> *Id.* at 1318-19.

<sup>59</sup> *Id.* at 1319.

<sup>60</sup> *Id.* at 1313; *see also* *Telcordia Techs., Inc. v. Cisco Sys., Inc.*, 612 F.3d 1365, 1376 (Fed. Cir. 2010).

<sup>61</sup> *Aristocrat Techs.*, 521 F.3d at 1337.

<sup>62</sup> *Williamson*, 792 F.3d at 1348-49.

<sup>63</sup> *Smartflash LLC v. Apple Inc.*, 77 F. Supp. 3d 535, 541-42, 567 (E.D. Tex. 2014).

<sup>64</sup> *Id.* at 541-42.

<sup>65</sup> *Id.* at 541.

<sup>66</sup> *Id.* at 535.

<sup>67</sup> *Smartflash LLC v. Apple Inc.*, No. 6:13-CV-447, 2015 U.S. Dist. LEXIS 91669, at \*2-4 (E.D. Tex. July 6, 2015).

<sup>68</sup> *Id.* at \*8-16.

<sup>69</sup> *Id.* at \*8-9.

<sup>70</sup> *Id.* at \*9 (footnote omitted).

<sup>71</sup> *Finjan, Inc. v. Proofpoint, Inc.*, No. 13-cv-05808, 2015 U.S. Dist. LEXIS 162504, at \*28-32 (N.D. Cal. Dec. 3, 2015).

<sup>72</sup> *Id.* at \*30-31.

<sup>73</sup> *Id.* at \*31-32.

<sup>74</sup> *Id.*

<sup>75</sup> *SyncPoint Imaging, LLC v. Nintendo of Am. Inc.*, No. 2:15-cv-00247, 2016 U.S. Dist. LEXIS 677, at \*5-7, \*50-72 (E.D. Tex. Jan. 5, 2016).

<sup>76</sup> *Id.* at \*52.

<sup>77</sup> *Id.* at \*59-62.

<sup>78</sup> *Id.* at \*65-72 & n.6.

<sup>79</sup> *Id.* at \*62-65.

<sup>80</sup> *Id.* at \*68-72.

<sup>81</sup> *Id.* at \*68-71.

<sup>82</sup> *Intellectual Ventures II LLC v. BITCO Gen. Ins. Corp.*, Nos. 6:15-cv-59 and 6:15-cv-60, 2016 U.S. Dist. LEXIS 3299, at \*11-15, \*32-33, \*35, \*37-38, \*56-57, \*62, \*72-73, \*83-85 (E.D. Tex. Jan. 11, 2016).

<sup>83</sup> *Id.* at \*11-12.

<sup>84</sup> *Id.* at \*25-27 (citing the patent's text and figures and stating that "the intrinsic record itself may provide sufficient detail to" avoid means-plus-function claiming).

<sup>85</sup> *Id.* at \*37-38, \*41-45.

<sup>86</sup> *Id.* at \*42.

<sup>87</sup> *Id.* at \*5-6.

<sup>88</sup> *Id.* at \*56-57, \*72-73.

<sup>89</sup> *Id.* at \*61.

<sup>90</sup> *Id.* at \*79-83.

<sup>91</sup> *Id.* at \*79.

<sup>92</sup> *Id.* at \*83.

<sup>93</sup> *GoDaddy.com, LLC v. RPost Commc'ns Ltd.*, No. CV-14-00126, 2016 U.S. Dist. LEXIS 5955, at \*158-63, \*170-73 (D. Ariz. Jan. 19, 2016).

<sup>94</sup> *Id.* at \*169-71 (citing *American Heritage Dictionary of the English Language* 1398 (4th ed. 2006)).

<sup>95</sup> *Id.* at \*172-73, \*190.

<sup>96</sup> *Id.* at \*176, \*187-90.

<sup>97</sup> *Id.* at \*189-90. In a later decision, the court did, however, invalidate the patents under *Alice Corp. v. CLS Bank Int'l*, 134 S. Ct. 2347 (2014), for failing to claim patent-eligible subject matter. *See GoDaddy.com LLC v. RPost Commc'ns Ltd.*, No. CV-14-00126, 2016 WL 3165536, at \*13, \*17 (D. Ariz. June 7, 2016); *see also* Matthew Bultman, *GoDaddy Gets Email Patents Axed Under Alice*, LAW360 (June 8, 2016), <http://www.law360.com/articles/805041/godaddy-gets-email-patents-axed-under-alice>.

<sup>98</sup> *Nomadix, Inc. v. Hospitality Core Servs. LLC*, No. CV 14-08256, 2016 U.S. Dist. LEXIS 9749, at \*9-11, \*14-19 (C.D. Cal. Jan. 27, 2016); U.S. Patent No. 8,156,246, col. 131, ll. 1-30.

<sup>99</sup> *Nomadix*, 2016 U.S. Dist. LEXIS 9749, at \*11.

<sup>100</sup> *Id.* at \*19 (quoting patent challenger's brief).

<sup>101</sup> *Cox Commc'ns Inc. v. Sprint Commc'ns Co.*, No. 12-487-SLR, 2016 U.S. Dist. LEXIS 39891, at \*53-56 & nn.3-4 (D. Del. Mar. 21, 2016); U.S. Patent No. 6,697,340 ('340 patent), col. 28, ll. 47-56; U.S. Patent No. 6,563,918 ('918 patent), col. 18, l. 54-col. 19, l. 4; U.S. Patent No. 6,262,992 ('992 patent), col. 24, l. 66 to col. 25, l. 23.

<sup>102</sup> *Cox Commc'ns*, 2016 U.S. Dist. LEXIS 39891, at \*53-56; '340 patent, col. 28, ll. 49-52; '918 patent, col. 18, ll. 61-65; '992 patent, col. 25, ll. 1-23.

<sup>103</sup> *Cox Commc'ns*, 2016 U.S. Dist. LEXIS 39891, at \*53; '340 patent, col. 28, ll. 49-52.

<sup>104</sup> *Cox Commc'ns*, 2016 U.S. Dist. LEXIS 39891, at \*56; '918 patent, col. 18, ll. 61-64.

<sup>105</sup> *Cox Commc'ns*, 2016 U.S. Dist. LEXIS 39891, at \*54-56.

<sup>106</sup> *MobileMedia Ideas, LLC v. Apple Inc.*, No. 10-258-SLR, 2016 U.S. Dist. LEXIS 48091, at \*4-5, \*13-14 (D. Del. Apr. 11, 2016).

<sup>107</sup> *Id.* at \*3-6.

<sup>108</sup> *Id.* at \*5.

<sup>109</sup> *Id.* at \*14.

<sup>110</sup> *Id.* at \*15-18.

<sup>111</sup> *M2M Solutions LLC v. Sierra Wireless Am., Inc.*, Nos. 12-30-RGA, 12-32-RGA, 12-33-RGA, 2015 U.S. Dist. LEXIS 134558, at \*6-15 (D. Del. Oct. 2, 2015); *M2M Solutions LLC v. Sierra Wireless Am., Inc.*, No. 12-30-RGA, 2016 U.S. Dist. LEXIS 42943, at \*16-21 (D. Del. Mar. 31, 2016).

<sup>112</sup> *M2M Solutions*, 2015 U.S. Dist. LEXIS 134558, at \*6-7.

<sup>113</sup> *Id.* at \*12-13.

<sup>114</sup> *Id.* at \*15.

<sup>115</sup> *M2M*, 2016 U.S. Dist. LEXIS 42943, at \*19-21.

<sup>116</sup> Davis, *supra* note 3.



## Not Receiving NYIPLA E-mails?

Contact your IT/ISP and  
request them to place

**admin@nyipla.org** and **dinner@nyipla.org**

on your Safe List!

# Strategic and Practical Tips for Successful Ex Parte Seizure Under the DTSA

*By Peter M. Brody and Cassandra Roth\**

The Defend Trade Secrets Act (“DTSA”) became effective on May 11, 2016, establishing the first-ever private, federal civil cause of action for misappropriation of trade secrets. One of the unusual features of the DTSA, not found in preexisting state trade secret laws, is an ex parte seizure remedy for the prevention of disclosure of the misappropriated trade secret and the preservation of evidence of the misappropriation. Despite the potential potency of this extraordinary remedy, applicants face certain challenges to obtaining relief under the DTSA’s ex parte seizure provisions. Among them are the courts’ unfamiliarity with this new statute and an absence of developed procedures and best practices for resolving and implementing applications for seizure. The development of such procedures and practices is further hampered by the fact that ex parte seizure requests are filed, and then typically litigated, under seal, leaving little in the way of public-record materials that could guide practitioners in their cases. Supplementing the limited information from publicly available litigation records, the authors have drawn on their own experience litigating several DTSA cases, including ex parte seizure relief, to fill this gap with some practical observations and suggestions.

## I. Overview of the DTSA

The DTSA creates a private, federal civil cause of action for misappropriation of trade secrets, which is a powerful tool for litigants. Available remedies include injunctive relief and damages, including the potential for actual or exemplary damages, attorney’s fees, damages for unjust enrichment, and the imposition of a reasonable royalty.<sup>1</sup> As noted above, the DTSA also contains a novel feature: provisions for ex parte seizure of assets containing misappropriated trade secrets. Indeed, creation of this ex parte remedy was a driving motivation for those who sought the enactment of this new federal legislation.

The procedures for filing an application for ex parte seizure are similar to those for requesting a temporary restraining order. All local rules for emergency motions should be followed. The application should be made under seal to prevent the respondent from receiving

advance notice of the seizure. If an order granting seizure issues, it must set a date for a hearing following the seizure no later than seven days from the issuance of the seizure order.<sup>2</sup> The order must set forth specific findings of fact and conclusions of law, and the applicant has the burden at the hearing to prove the facts supporting those findings and conclusions.<sup>3</sup>

## II. Strategic Use of the DTSA

### A. Practitioners Use the DTSA to Obtain Federal Jurisdiction

A DTSA claim establishes federal subject-matter jurisdiction. Lawsuits that previously could have been litigated only in state court under preexisting state trade secret laws (i.e., where diversity or a federal claim, such as patent infringement, did not exist), can now be brought in federal district court. Moreover, state causes of action for trade secret misappropriation are not preempted and may be included in a federal lawsuit.<sup>4</sup> Finally, while pre-DTSA acts of trade-secret misappropriation cannot support federal jurisdiction, an “ongoing” misappropriation that began before the DTSA’s enactment but continued afterward *is* actionable under the DTSA.<sup>5</sup> Indeed, some litigants in pending lawsuits appear to have amended their complaints to solidify their grounds for federal jurisdiction after the DTSA became law.<sup>6</sup>

### B. The Use of the Ex Parte Seizure Provisions

The DTSA authorizes civil seizure of property “in extraordinary circumstances” to prevent the propagation or dissemination of trade secrets, the transfer of trade secrets beyond the court’s jurisdiction, and the spoliation of evidence of a misappropriation.<sup>7</sup> In determining whether “extraordinary circumstances” exist, courts have looked, to some extent, to ex parte seizure in the context of the Lanham Act.<sup>8</sup> Practically speaking, “extraordinary circumstances” are likely limited to ongoing criminal activity, concrete examples of prior concealment of evidence (and not mere deletion of emails before a threat of litigation), or previous disregard for court orders. The bar is likely to be high. For example, assertions that a theft was planned in advance and in-

volved electronically stored information “do not constitute the ‘extraordinary circumstances’ contemplated by DTSA.”<sup>9</sup>

To merit *ex parte* relief, an applicant must establish eight factors, including the following factors similar to those required to obtain a temporary restraining order (“TRO”): an immediate or irreparable injury will occur absent seizure; the harm to the applicant in denying the application outweighs the harm to the respondent’s legitimate interests and substantially outweighs the harm to any third parties; and the applicant is likely to succeed in showing that the respondent either misappropriated or conspired to misappropriate a trade secret by improper means.<sup>10</sup>

But the TRO factors are not enough: the DTSA explicitly requires applicants to show that a TRO would be inadequate to protect their rights and interests.<sup>11</sup> Thus, in addition to the TRO-like factors, the DTSA also requires a showing of the following: the person against whom seizure is authorized (the respondent) has actual possession of the trade secret and property to be seized; the matter to be seized is described with reasonable particularity, including its location; the respondent would make the matter to be seized inaccessible to the court if the respondent had notice; and the applicant has not publicized the requested seizure.<sup>12</sup> The standard of proof is similar to that for an application for a TRO, namely, a “clear” showing from “specific facts.”<sup>13</sup>

Applicants seeking *ex parte* seizure typically also seek a TRO. Although physical seizure of known assets containing or embodying the trade secret may prevent further acts of misappropriation or destruction of evidence, a TRO can provide an important additional layer of protection against, for example, the use or destruction of unknown assets or the dissemination of trade secrets from unknown or unreachable locations, such as cloud-based storage sites. The application for a TRO requires little in addition to the showing required to obtain an *ex parte* seizure order.<sup>14</sup>

### **C. Circumstances May Permit Use of the DTSA to Protect Other Business Interests Along with the Trade Secrets**

DTSA *ex parte* seizure applications can complement other federal causes of action. For example, misappropriation of trade secrets often occurs through abuse of an applicant’s computer systems. Of the more than 130 DTSA claims brought since the DTSA became effective, 15% were brought with Computer Fraud and

Abuse Act (“CFAA”) claims. For egregious CFAA violations, a company may be able to leverage the DTSA to seize machines used to hack the company’s computer systems. An *ex parte* seizure order may not offer complete relief, however, if the applicant is in immediate need of information on the computers to restore their computer systems or to prevent further hacking, as applicants cannot access seized matter until after a hearing on the *ex parte* seizure application.

### **D. Expedited Discovery**

Applicants may also seek expedited discovery under the DTSA, in advance of a hearing on any application for a TRO or *ex parte* seizure. Practitioners should consider whether information from the respondent could help them mitigate damage caused by the misappropriation of the trade secrets. For example, a trade secret owner may want to know with whom the respondent has shared the trade secret, where else the respondent stored the trade secret, how the respondent was able to access the applicants’ computer systems, or how to restore the applicants’ computer systems. Where a court believes that an application for *ex parte* seizure is motivated solely by a desire to preserve evidence, the court may construe the application as a request for expedited discovery, affording the respondent an opportunity to respond.<sup>15</sup>

## **III. Practical Challenges to Succeeding on an Ex Parte Seizure Request**

### **A. Educating the Court and Law Enforcement**

Given the recent passage of the DTSA, many federal judges are as yet inexperienced and unfamiliar with its detailed statutory requirements. The applicant’s moving papers should, at minimum, educate the court as to those requirements. Best practice is to anticipate and address the court’s concerns with granting the requested relief by pointing to specific statutory requirements.

Applicants should submit a detailed proposed order that meets the requirements of the DTSA. An *ex parte* seizure order must: list findings of fact and conclusions of law; provide for the narrowest seizure necessary and minimize the risk to third parties; prohibit the parties from accessing the seized materials until the hearing or if access is granted, limit access to the data; indicate the hours when the seizure may be executed and whether force may be used to access locked area; set a date for a hearing no more than seven days after the order issues; and require security (e.g., a bond) from the applicant.<sup>16</sup>



The proposed order should be as particularized as possible in identifying the items to be seized, including brand, model number and even serial numbers if possible. A catchall provision can be included to allow for the possible identification of additional assets during seizure. The proposed order should also provide a deadline for execution of the seizure order, effectively underscoring to the law enforcement agency the order's urgency.

If an *ex parte* seizure order issues, a federal law enforcement agency, typically the United States Marshals Service, is charged with executing it. Although law enforcement agencies carry out seizures of counterfeit goods,<sup>17</sup> or impound items infringing copyright,<sup>18</sup> seizures under the DTSA create unique challenges when the seizure involves enterprise or consumer electronics. To facilitate a smooth, productive seizure, applicants must educate the law enforcement agency charged by the court with executing the seizure order.

To that end, the applicant should begin working with the law enforcement agency immediately after the *ex parte* seizure order issues. If the agency anticipates a delay in executing the order, the applicant may wish to ask the court to permit another federal law enforcement agency to execute the seizure or supervise its execution by a state or local law enforcement agency.<sup>19</sup> Law enforcement will want to know the location of the seizure and what their agents may find there, such as access to the particular location or the individuals likely to be at that location.

The applicant should determine whether the court or the law enforcement agency has facilities for the secure storage of the assets. The DTSA directs courts to take custody of the assets.<sup>20</sup> But the court may or may not have the practical ability to do so. The applicant could propose the use of a designated, third-party custodian to serve as the court's agent. Once the court permits the parties to access the assets, a third-party custodian may be able to facilitate access outside of normal business hours if time is critical.

The execution of the seizure itself presents practical problems. The statute forbids the applicant from attending the seizure, and law enforcement agents may not have the ability to identify all of the assets containing trade secrets even if the order identifies them with particularity. Questions may arise about whether a particular asset is within the scope of the order or whether additional assets observed at the location should also be seized.

Congress built one solution to these sort of real-time execution problems into the DTSA: the court may

authorize a technical expert to assist law enforcement during execution of the seizure at the law enforcement agency's request.<sup>21</sup> Congress's solution, however, may pose difficulties of its own. The expert must be unaffiliated with the applicant, and therefore the applicant may not prepare an expert in advance of entry of the seizure order.<sup>22</sup> Once the order is entered, the applicant has until the hearing—a hearing that must occur no later than seven days after entry of the order—to identify and educate a neutral technical expert, including execution of a court-approved non-disclosure agreement (“NDA”). In many cases, the risk of delay outweighs the risk that the law enforcement agents will not be able to identify all of the assets. That said, such delay may be unavoidable in cases where the applicant may not be able to identify the assets with particularity or where law enforcement agents face insuperable difficulties in isolating the appropriate assets. To minimize the delay, the applicant's moving papers should propose a technical expert and provide the court with a draft NDA.

After seizure, the applicant should work with the law enforcement agency or designated third-party custodian to ensure that the seized items are properly stored and not turned on to prevent electronic access to any devices. The seizure order may not permit imaging or copying of information from the sealed assets until the respondent has been heard.<sup>23</sup>

## **B. Reaching an Agreement—Modification of the Ex Parte Seizure Order**

Once a seizure takes place, ex-employees or contractors subject to *ex parte* seizure orders may choose to cooperate and seek quiet resolution of the dispute through some joint review process allowing recovery of the trade secret at issue and the remedying of any other harm to the applicant's information systems. To permit that process to unfold, the parties may need to seek modification of the seizure order. The statute permits only a respondent or a person harmed by the order to move to modify the seizure order.<sup>24</sup> If the parties have not reached an agreement by the time of the hearing, the applicant should present the court with a plan for review of the seized assets that protects the confidentiality of materials unrelated to the trade secret information.<sup>25</sup>

## **C. Stolen Secrets in the Cloud**

The DTSA's *ex parte* seizure provision was not intended for use against innocent third parties such

as cloud computing services.<sup>26</sup> To protect innocent bystanders, seizure may only be ordered against a person who misappropriated or conspired to misappropriate a trade secret using improper means and who has actual possession of the trade secret.<sup>27</sup> As a consequence, an applicant typically cannot seize the property of a cloud computing service even if the applicant knows the respondent stores the trade secret with a specific provider. An applicant may still seek a TRO or expedited, third-party discovery. The TRO should effectively bind the third party, and a third-party subpoena would reveal whether any trade secrets are stored with the provider.

#### D. Filing Under Seal: A Necessary Complication

To prevent the respondent from receiving advance notice of the anticipated seizure (which could result in the respondent's fleeing the jurisdiction or disposing of the assets to be seized), the DTSA requires the court to seal the documents if the applicant so requests.<sup>28</sup> Many

federal districts require that filings in a sealed case be filed traditionally, that is on paper. This can slow the filing process. Moreover, as a consequence of the statute's sealing requirements, courts may have authorized ex parte seizures under the DTSA, but the documents may not yet be publicly available or may be severely redacted. And, the redacted documents that eventually become public may be filed as exhibits to court filings, effectively obscuring them from public view.

#### IV. Conclusion

The DTSA offers unique relief to litigants, including a way into federal court, ex parte seizure of property, and expedited discovery. A DTSA cause of action can complement CFAA claims. To increase the chances of a successful ex parte seizure, applicants should educate the court and the law enforcement agents as to the strict statutory requirements and carefully anticipate the respondent's likely reaction. For any entity with trade secrets, the DTSA will remain an important tool.

#### (Endnotes)

\*Peter M. Brody is a partner in Ropes & Gray LLP's Intellectual Property Litigation Group. In addition to litigating a wide variety of IP cases, including patent, copyright, trade secret, trademark, and false advertising disputes, he has also served as lead counsel in numerous domestic and international arbitrations, as well as hearings and proceedings before federal and state administrative agencies. He is also an active member of the firm's social media group, and routinely advises clients on trademark and copyright protection and enforcement in the social media arena, best practices for protecting confidential information and trade secrets from disclosure on social media sites, and federal and state regulation of advertising and promotion via social media. Cassandra Roth is an associate in Ropes & Gray's Intellectual Property Litigation Group.

<sup>1</sup> 18 U.S.C. § 1836(b)(2)(A), (3).

<sup>2</sup> § 1836(b)(2)(B)(v).

<sup>3</sup> § 1836(b)(2)(F)(ii).

<sup>4</sup> 18 U.S.C. § 1838.

<sup>5</sup> *Adams Arms, LLC v. Unified Weapon Sys., Inc.*, No. 8:16-CV-1503-T-33AEP, 2016 WL 5391394, at \*6 (M.D. Fla. Sept. 27, 2016); *Syntel Sterling Best Shores Mauritian Ltd. v. The TriZetto Grp., Inc.*, No. 15-cv-211 (LGS)(RLE), 2016

WL 5338550, at \*6 (S.D.N.Y. Sept. 23, 2016) (ongoing use of trade secrets by a competitor after the effective date).

<sup>6</sup> See, e.g., *EmployBridge, LLC v. Riven Rock Staffing, LLC*, No. 16-cv-833-WJ-KK, Amended Compl. at 22 (D.N.M. Aug. 17, 2016) (amending complaint to include DTSA claim and revising basis for subject matter jurisdiction).

<sup>7</sup> § 1836(b)(2)(A)(i), (A)(ii)(VII).

<sup>8</sup> See *Balearia Caribbean Ltd. v. Calvo*, No. 1:16-cv-23300-KMW, slip op. at 7 (S.D. Fla. Aug. 5, 2016).

<sup>9</sup> *Id.* at 7-8.

<sup>10</sup> § 1836(b)(2)(a)(ii)(II), (III), (IV).

<sup>11</sup> § 1836(b)(2)(a)(ii)(I).

<sup>12</sup> § 1836(b)(2)(a)(ii)(V), (VI), (VII), (VIII).

<sup>13</sup> § 1836(b)(2)(a)(ii); Fed. R. Civ. P. 65(b)(1)(A).

<sup>14</sup> Compare § 1836(b)(2)(a)(ii)(II), (III), (IV) with *Winter v. Natural Resources Defense Council*, No. 07-1234, 555 U.S. 7, slip op. at 10 (2008).

<sup>15</sup> *Balearia*, slip op. at 8; see also *Henry Schein, Inc. v. Cook*, No. 16-cv-03166-JST, 2016 WL 3212457, at \*4-5 (N.D. Cal. June 10, 2016).

<sup>16</sup> § 1836(b)(2)(B).

<sup>17</sup> 15 U.S.C. § 1116(d)(9).

<sup>18</sup> 17 U.S.C. § 503(a)(3).

<sup>19</sup> § 1836(b)(2)(E).

<sup>20</sup> § 1836(b)(2)(D)(i).

<sup>21</sup> § 1836(b)(2)(E).

<sup>22</sup> See *id.*

<sup>23</sup> See § 1836(b)(2)(B)(iii), (D).

<sup>24</sup> See § 1836(b)(2)(F)(iii).

<sup>25</sup> § 1836(b)(2)(B)(iii)(II), (D).

<sup>26</sup> Compare § 1836(b)(2)(A)(ii)(IV) (requiring showing that respondent misappropriated trade secrets) with § 1836(b)(2)(A)(ii)(V) (requiring showing that respondent must be in actual possession of any property to be seized).

<sup>27</sup> § 1836(b)(2)(A)(ii)(IV); see also Report Defend Trade Secrets Act of 2016, Committee on the Judiciary, HR Report 114-529, at 10 ("The requirement of actual possession contained in clause (V) serves to protect third-parties from seizure.").

<sup>28</sup> See § 1836(b)(2)(C).



# Importing Limitations from the Specification into the Claims: When Is It Proper?

By William Valet\*

Claim construction is a seemingly simple proposition that continues to challenge even the most seasoned patent practitioners, as well as the courts. After all, it is well understood that claim terms are to be given their ordinary and customary meaning as understood by one having ordinary skill in the art at the time of the invention.<sup>1</sup>

If, on its face, claim construction seems rather straightforward, where does the problem lie? Perhaps giving rise to the difficulty of interpreting claim language is the conundrum that the claims themselves are not dispositive.<sup>2</sup> Rather, as noted in *Phillips v. AWH Corp.*, “the person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification.”<sup>3</sup>

Therein lies the issue: by reading the claims in view of the specification, it is exceedingly difficult to merely *interpret* the claims in view of the specification, rather than to *import* limitations into the claims from the specification. This difficulty is a problem, because importing limitations from the specification is regarded by the courts as being “one of the cardinal sins of patent law.”<sup>4</sup>

But, if importing limitations into claim terms is considered to be a major breach, how can the Court of Appeals for the Federal Circuit justify the result reached in the unpublished, nonprecedential opinion *ProFoot, Inc. v. Merck & Co.*, No. 2016-1216 (Fed. Cir. Oct. 26, 2016), which seemingly imports limitations from the specification into the claims? The answer to this question depends upon the specific facts of this case.

The district court in *ProFoot* was tasked with interpreting claims 1 and 3 of ProFoot, Inc.’s (“ProFoot”) U.S. Patent No. 6,845,568 (“the ’568 Patent”). For purposes of brevity, only claim 1 will be discussed. Claim 1 recites:

1. A method of fitting an individual with right and left foot inserts which place the ankles of the individual in a neutral position comprising the steps of:

for creating a right foot insert, having the individual place the right foot on a *neutralizer* while elevating the left foot off of the *neutralizer*;

using the *neutralizer* to determine the angle necessary to place the right ankle in a *neutral position*;

providing an insert having an angle which represents the *neutral state* for the right ankle;

for creating a left foot insert, having the individual place the left foot on a *neutralizer* while elevating the right foot off of the *neutralizer*;

using the *neutralizer* to determine the angle necessary to place the left ankle in a *neutral position*; and

providing an insert having an angle which represents the *neutral state* for the left ankle.<sup>5</sup>

During a claim construction proceeding, the district court determined that the term “neutralizer” is “a device that has a housing, a protractor, and an angularly adjustable plate capable of supporting the foot.”<sup>6</sup> Based upon this claim construction alone, the parties stipulated that Merck & Co. (“Merck”) did not infringe any claims of the ’568 Patent.<sup>7</sup>

The issue on appeal was whether, when viewed in the context of the specification, the district court’s construction of the claim term “neutralizer” was proper.

ProFoot argued that the district court erred because its construction of the term “neutralizer” was “too narrow because the claims are silent as to what components comprise the neutralizer, and a person of ordinary skill in the art would recognize that a ‘neutralizer’ is simply just some kind of measuring device.”<sup>8</sup> The Federal Circuit countered ProFoot’s argument by pointing out that “the only meaning that matters in a claim construction is the meaning in the context of the patent.”<sup>9</sup>

To analyze the claim term “neutralizer,” the Federal Circuit initially reviewed the claim itself, “as ‘the context in which a term is used in the asserted claim can be highly instructive.’”<sup>10</sup> The court noted that “the claims state that the neutralizer is something that the athlete steps on, one foot at a time . . . and is ‘us[ed] . . . to determine the angle necessary to place the [left/right] ankle in a neutral position.’”<sup>11</sup> According to the Federal Circuit, this language “by itself, is not strong enough to



require these components, [however] it at least supports the district court's construction."<sup>12</sup>

To further support its analysis, the Federal Circuit determined that "[t]he specification . . . closes this gap."<sup>13</sup> The court stated that "[w]hen a patent 'repeatedly and consistently' characterizes a claim term in a particular way, it is proper to construe the claim term in accordance with that characterization."<sup>14</sup> Importantly, the specification of the '568 Patent discloses only two embodiments of the neutralizer, each of which discloses all of the components listed in the district court's construction.<sup>15</sup> Specifically, the specification of the '568 Patent states:

The present invention includes a number of components such as a foot neutralizer 10 as shown in FIG. 1. . . . Neutralizer 10 includes a *housing* 12, *protractor* 14, an *angularly adjustable plate* 16, crank 18 with threaded rod 19 having threads 23 that coast with threads 21 on support 22, and rod 24. . . .

FIG. 2 shows an alternate embodiment of a foot neutralizer 100. It includes a *housing* 102, *angularly adjustable plate* 104, foot rests 106 and 108, upright support bar 110, and positionable horizontal bar 112 that adjustably slides along bar 114 of support 110. Also included is *protractor* 116.<sup>16</sup>

The court further noted that "the abstract states that '[t]he neutralizer has a *housing, protractor, and an angularly adjustable plate capable of supporting the foot.*'"<sup>17</sup>

Because the '568 Patent failed to disclose *any* embodiment of a neutralizer that did not include a housing, protractor, or angularly adjustable plate, nor did it provide any indication that a neutralizer omitting these components was contemplated, the Federal Circuit concluded that "inclusion of these components is consistent with the specification of how the neutralizer is used."<sup>18</sup> Therefore, "because the specification consistently and repeatedly disclose[d] that the neutralizer include[d] the housing, protractor, and angularly adjustable plate components, the district court did not err in including them in its construction."<sup>19</sup>

The Federal Circuit also analyzed the prosecution history of the parent patent, U.S. Patent No. 6,564,465 ("the parent '465 Patent"), which through a series of amendments recited a similar process to that of claim 1 of the '568 Patent, but specifically required "'a neutralizer . . . said neutralizer having a housing, protractor, an angularly adjustable plate capable of supporting a foot'" to perform the process.<sup>20</sup> The court acknowledged that "[a]lthough this history arose during

prosecution of the parent '465 patent, it is still relevant here as evidence of the inventor's understanding of 'neutralizer' at the time."<sup>21</sup>

The Federal Circuit stated that "nowhere in the '568 patent does the inventor indicate that he intended the 'neutralizer' of the '568 patent to be different from the 'neutralizer' in the parent '465 patent."<sup>22</sup> The court therefore concluded that "the prosecution history of the parent '465 Patent also supports the district court's inclusion of the housing, protractor, and angularly adjustable plate components within the meaning of 'neutralizer.'"<sup>23</sup>

ProFoot attempted to rebut this finding by arguing that the prosecution history of the parent '465 Patent suggests that the "neutralizer" of the '568 Patent was intended to be different from the "neutralizer" of the parent '465 Patent because "claim 1 of the parent '465 patent recites 'said neutralizer having a housing, protractor, an angularly adjustable plate capable of supporting a foot' but claim 1 of the '568 patent does not."<sup>24</sup> The Federal Circuit rejected this argument as "turn[ing] the correct analysis on its head."<sup>25</sup> Specifically, the court ruled that "the overwhelming similarities between the parent '465 patent and the '568 patent suggest that the inventor intended 'neutralizer' to have the same meaning between the two patents. *If he had not, he could have said so explicitly, or revised the '568 patent to include other, broader embodiments of the neutralizer.*"<sup>26</sup> The Federal Circuit therefore concluded that "when read in combination with the rest of the intrinsic evidence, the prosecution history supports, rather than refutes, the district court's construction."<sup>27</sup> In view of this conclusion, the Federal Circuit affirmed the district court's construction of the claim term "neutralizer."<sup>28</sup>

Although nonprecedential, *ProFoot* provides another important example of how the Federal Circuit is applying the holding of *ICU Medical, Inc. v. Alaris Medical Systems*, 558 F.3d 1368, 1374-76 (Fed. Cir. 2009), where the term "spike" was held to mean "an elongated structure having a pointed tip for piercing the seal, which tip may be sharp or slightly rounded" and not to mean "an upward projection," and similar decisions when interpreting claim terms. *ProFoot* thus illustrates how the specification can impact the scope of the claims (often negatively), particularly in a manner that is contrary to the practitioner's intent.

In view of *ProFoot*, practitioners should not only be aware of how claim terms are defined in the specification but, also, how those claim terms are referred to throughout the specification. Therefore, it may be prudent to disclose as many possible embodiments of the invention as feasible. Further, it is also important to question whether certain components are *required*

for the claimed invention to properly function. Practitioners should also consider adding qualifying language, such as “although generally illustrated as X, it is contemplated that X may be any suitable [component] capable of [being used in that particular situation]” or “X may be any suitable [component] capable of [being used in that particular situation] known in the art” in order to avoid having the claims limited to only those embodiments disclosed in the specification.

The inventor can be a key player in identifying required components or any additional variants of components that may be utilized to enable the invention other than those initially described. Practitioners should thus seek to involve the inventor early and often while drafting a patent application. By maintaining open communication with the inventor, the practitioner may be able to draft a more comprehensive patent application that, ultimately, may avoid inadvertently narrowing the claims.

*ProFoot* also highlights the fact that the prosecution history of parent applications may be utilized to construe the meaning of claim terms. With this in mind, practitioners should ensure that arguments made during prosecution say no more than is necessary to overcome the cited art. Practitioners should focus on making concise arguments that highlight the differences between the claims and the cited art, and that reference only those portions of the claims and art that are necessary.

The lessons gleaned from *ProFoot* also extend to litigation. Practitioners should be aware that the specification may be used to construe a claim more narrowly than it appears on its face. Therefore, if the specification provides only a few embodiments of an invention or repeatedly and consistently refers to a claim term having specific elements, the claim term may be interpreted as requiring those elements. This is important for practitioners to keep in mind when determining whether or not a claim is infringed.

If nothing else, *ProFoot* is yet another reminder that practitioners should be mindful of how they draft a patent application, and should keep in mind that research and planning do not start and end at receipt of the invention disclosure. It is incumbent upon practitioners to expand the scope of the claims by including as much detail as possible in the specification and by identifying as many variations of components or embodiments of the invention as possible. *ProFoot* highlights the pitfalls that may befall practitioners who fail to go beyond the bare minimum when drafting patent applications.

## (Endnotes)



\* William Valet is an associate at Carter DeLuca Farrell & Schmidt LLP. He is involved in patent preparation and prosecution in a wide range of technologies, including medical devices, computer hardware and software, and optics and optical systems.

<sup>1</sup> See, e.g., *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312-13 (Fed. Cir. 2005) (en banc).

<sup>2</sup> See *Medrad, Inc. v. MRI Devices Corp.*, 401 F.3d 1313, 1319 (Fed. Cir. 2005) (“We cannot look at the ordinary meaning of the term . . . in a vacuum. Rather, we must look at the ordinary meaning in the context of the written description and the prosecution history.”).

<sup>3</sup> 415 F.3d at 1313.

<sup>4</sup> *Id.* at 1319-20 (quoting *SciMed Life Sys., Inc. v. Advanced Cardiovascular Sys., Inc.*, 242 F.3d 1337, 1340 (Fed. Cir. 2001)).

<sup>5</sup> *ProFoot, Inc. v. Merck & Co.*, No. 2016-1216, slip op. at 4 (Fed. Cir. Oct. 26, 2016) (emphasis in original) (hereafter “*ProFoot* Slip Op.”).

<sup>6</sup> *Id.* at 4.

<sup>7</sup> *Id.* at 5.

<sup>8</sup> *Id.* at 5-6.

<sup>9</sup> *Id.* at 6 (quoting *Trs. of Columbia Univ. v. Symantec Corp.*, 811 F.3d 1359, 1363 (Fed. Cir. 2016)).

<sup>10</sup> *Id.* (quoting *Phillips v. AWH Corp.*, 415 F.3d 1303, 1314 (Fed. Cir. 2005) (en banc)).

<sup>11</sup> *Id.* (quoting the ’568 Patent, col. 5, ll. 11-13; col. 6, ll. 3-5; col. 5, ll. 14-15; col. 6, ll. 6-7).

<sup>12</sup> *Id.* at 7.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.* (quoting *GPNE Corp. v. Apple Inc.*, 830 F.3d 1365, 1370 (Fed. Cir. 2016)).

<sup>15</sup> *ProFoot* Slip Op. at 7.

<sup>16</sup> *Id.* (emphasis in original).

<sup>17</sup> *Id.* (quoting the ’568 Patent, abstract) (emphasis in original).

<sup>18</sup> *Id.* at 8.

<sup>19</sup> *Id.*

<sup>20</sup> *Id.* at 8.

<sup>21</sup> *Id.* at 8-9 (citing *Phillips v. AWH Corp.*, 415 F.3d 1303, 1317 (Fed. Cir. 2005) (en banc)).

<sup>22</sup> *Id.* at 9.

<sup>23</sup> *Id.* at 9-10.

<sup>24</sup> *Id.* at 10.

<sup>25</sup> *Id.*

<sup>26</sup> *Id.* (emphasis added).

<sup>27</sup> *Id.*

<sup>28</sup> *Id.* at 5.

## As Time Goes By— Back to the Future for America's IP Policy?

America's IP policy has sunk to a low point during the last decade, a low point not previously reached since the 1940s. A salient question for President Trump is: "Can you make IP policy in America Great Again?"

In this regard, the tools available to President Trump are limited, to say the least. The damage done by the prior Administration was not limited to actions by the Executive Branch, although the ineptly-framed America Invents Act of 2011 and the siloing-encouraging Defend Trade Secrets Act of 2016 are themselves train wrecks waiting to happen. Indeed, they are train wrecks in which Congress was complicit, plied by lobbying efforts on the part of major multinational corporations to the tune of countless millions of dollars.

Additional damage was inflicted by the U.S. Supreme Court, as it was constituted from 2006 through 2016, in the form of opinions in: (a) *eBay* limiting entitlement to injunctive relief for patent infringement; (b) *KSR* inserting "common sense" into the nonobviousness equation; and (c) *Alice* commingling Section 101 with Sections 102 and 103 of the Patent Act, and many others. The net result is that many thousands of patents, which would have been valid under the law as it existed until the SCOTUS opinions were rendered, are now likely invalid.

Yet further damage was inflicted by administrative agencies, such as the FTC. In its recent Report on patent trolls, the FTC divided all of trolldom into two parts, Portfolio patent assertion entities ("PAEs") (think "good trolls") and Litigation PAEs (think "bad trolls"). It goes without saying that the FTC's good trolls are the same well-capitalized entities that have been showering lobbying money on Congress to facilitate anti-innovation IP legislation.



*Dale Carlson, a retired partner at Wiggin and Dana, LLP is "distinguished practitioner-in-residence" at Quinnipiac University School of Law, NYIPLA historian, and a Past President. His email is dlcarslon007@gmail.com. The views expressed herein are those of the author and do not reflect the views of Quinnipiac University School of Law or the NYIPLA.*

So, under these circumstances, what is a new President to do? More to the point, what can one individual do to reverse the tide of uncertainty, unpredictability, and, frankly, bleakness, that now shrouds America's IP policy?

For one thing, President Trump is in a position to appoint a new PTO Director who understands how the patent system works, and is in favor of a policy that is supportive of inventors and innovation in America. The new Director should be a person who is in favor of a return to a strong patent system, not one mired by uncertainty and unpredictability as to the validity and enforceability of patents. In the last few decades, one role model that comes to mind for this position is former Commissioner of Patents Donald Banner.

For another thing, President Trump might consider creating a new position, namely that of "IP Czar," to act as a point person on behalf of the Executive Branch in developing strong IP policy in coordination with the other branches of government. In an ideal world, the IP Czar would be well-versed in all aspects of intellectual property, and be independent of the lobbying influences that have gotten us into the hole in which we find ourselves today.

Our illustrious NYIPLA members will certainly have other ideas to share with the new Administration that will help make IP in America great again. Surely the new Administration will need all the help it can get.

With a heap of guidance, and perhaps a little luck, hopefully our country can get back on track to incentivize innovation by individuals, and harness the resulting innovation. In doing so, we may regain a key part of what once made our country great!



With kind regards,

Dale Carlson



## December 2016/January 2017 IP Media Links

By Jayson L. Cohen\*

Common themes in the world of (biotechnology) patents—interference, obviousness, written description, the prokaryote/eukaryote distinction, and innovation potentially worth billions of dollars — spilled into mainstream scientific news recently. On December 6, 2016, the University of California, Berkeley (“UCB”), and the Broad Institute presented arguments to the PTAB in their interference hearing over CRISPR-Cas9 for use in eukaryotic cells (including mammalian cells), such as CRISPR-Cas9 as a mammalian gene-editing tool. The two most prestigious scientific journals, *Nature* and *Science*, each published a news story about the hearing, which may lead to a ruling resolving who has lucrative rights in this revolutionary technology. In Interference No. 106,048, UCB is the senior party, and Broad Institute is the junior party whose patent issued first. Sara Reardon, writing for *Nature*, described the central issue of the interference as UCB’s claim “that once its researchers demonstrated that CRISPR-Cas9 could be used to edit DNA in bacteria, any reasonably skilled person could have adapted the technique for use in more complex cells.” Jon Cohen, writing for *Science*, similarly reported that “UC contends it was ‘obvious’ to extend [its earlier] prokaryote work to eukaryotes, which is the heart of the Broad patents, and Broad contends that there was no reasonable expectation of success by people who had ordinary skill in the art.” These articles provide an example of how the mainstream scientific media employs patent law concepts to report on cutting-edge technology developments and the important IP rights that result from such developments. (<http://www.nature.com/news/crispr-heavyweights-battle-in-us-patent-court-1.21101>; <http://www.sciencemag.org/news/2016/12/crispr-patent-hearing-produces-no-clear-winner-only-soft-signals>.)

In the December 11, 2016 “Retro Report” of *The New York Times*, Clyde Haberman published a combined written and video report entitled, “Lives and Profits in the Balance: The High Stakes of

Medical Patents.” The article and video present a view of the cost of pharmaceutical innovation, the high price of certain drugs, public health considerations, and the connection between public investment and private commercialization in the pharmaceutical industry under the Bayh-Dole Act. ([http://www.nytimes.com/2016/12/11/us/retro-report-medical-patents-profits.html?\\_r=0](http://www.nytimes.com/2016/12/11/us/retro-report-medical-patents-profits.html?_r=0).)

On December 10, 2016, Hugo Martin reported for the *Los Angeles Times* that recent patent applications may be the first hint at how Universal theme parks in Los Angeles, Florida, and Japan will incorporate Nintendo video games into their attractions. The article, entitled “Universal seeks patent for flight simulator and drift-racer rides,” discusses three patent applications that may be related to turning popular Nintendo video games into amusement park rides. These include patent applications related to “a race car that allows its back tires to drift or fishtail” and “a flight-simulator ride that puts riders in what resembles an Iron Man suit.” (<http://www.latimes.com/business/la-fi-flight-simulator-drift-racer-20161209-story.html>.)

(Endnote)



\*Jayson L. Cohen is Of Counsel at Morrison & Foerster LLP, where his practice focuses on patent litigation and counseling. He is a member of the Publications Committee of the NYIPLA.

# Notable Trademark Decisions

By Scott Greenberg, Pina Campagna, and Michael Kraich\*

## U.S. Court of Appeals for Federal Circuit Rules That Single Sale to an Out-Of-State Resident Satisfies Requirement of Federally Regulable Commerce

The U.S. Court of Appeals for the Federal Circuit (“the Federal Circuit”) reversed the Trademark Trial and Appeal Board’s (“the Board’s”) affirmance of a petition to cancel two registered marks on the ground of lack of use-in-commerce, holding that the registrant’s single pre-filing sale of the trademarked product to an out-of-state resident satisfied the requirement of use of the marks in commerce which may be lawfully regulated by Congress. The Federal Circuit remanded the case to the Board for further proceedings on the cancellation-petitioner’s other grounds for cancellation.

The applicant, Christian Faith Fellowship Church (“CFFC”), filed a use-based application to register ADD-A-ZERO for hats and shirts, which issued to registration. Adidas later filed an application to register ADIZERO for clothing, which was refused based on CFFC’s registrations. Adidas petitioned to cancel on three grounds: (1) no use in commerce at the time of filing; (2) subsequent abandonment after registration, and (3) abandonment for nonuse (CFFC was using “Add-A-Zero” as a slogan for its fundraising drive).

CFFC is a church in Illinois near the Wisconsin border, with parishioners in both states. To support its claim of use in commerce, CFFC was relying on one sale of two hats bearing the marks at the church’s bookstore to a parishioner claimed by the church to be a Wisconsin resident. *Christian Faith Fellowship Church v. adidas AG*, 841 F.3d 986, 998 (Fed. Cir. 2016).

The Board upheld the first ground for cancellation—no use in commerce at the time of filing—and declined to decide the other two grounds. *Id.* The Board found that the evidence that the purchaser was an out-of-state resident (mainly the address on her pre-printed check which the Church kept in its records) was admissible and sufficiently persuasive of that fact. *Id.* The Board also noted that intrastate sales can suffice if such sales have a sufficiently significant effect on interstate commerce. However, in this case the Board concluded that, in view of the *de minimis* nature of the sale, the registrant failed to prove that the sale had a significant effect on interstate commerce. *Id.*

CFFC appealed the Board’s conclusion as to sufficient use in commerce. On the appeal, Adidas challenged the Board’s decision to admit the address on the check into evidence.

On the evidentiary issue, the Federal Circuit reviewed the Board’s ruling for abuse of discretion, and under that standard, upheld the Board’s evidentiary determination, which was made on the basis that the copy of the check retained in CFFC’s records made it admissible under the exception to the hearsay rule for certain types of business records, Fed. R. Evid. 803(6). *Id.* at 990.

However, the Federal Circuit reviewed the Board’s substantive determination on the use-in-commerce issue *de novo*, and held that the sale of two hats bearing the mark to the out-of-state resident constituted sufficient use of the mark in commerce to support the filing, because it is commerce of a type that may be lawfully regulated by Congress.

The court noted that “use in commerce” is defined in the trademark statute as “bona fide use of the mark in the ordinary course of trade, and not made merely to reserve a right in a mark,” and, for a trademark for goods, the mark is deemed to be used in commerce when the mark is used in a sufficient manner on or in connection with the goods and the goods are “sold or transported in commerce.” “Commerce” is defined as “all commerce which may lawfully be regulated by Congress.” *Id.* at 989.

The Federal Circuit also noted that under both (a) Supreme Court precedents dealing with other statutes empowering Congress to act under the Commerce Clause, and (b) the Federal Circuit’s own precedents construing the “in commerce” requirement of the Lanham Act, it is sufficient for Congress to have regulatory authority over intrastate transactions, even when the transaction in question is minimal in nature, if the transaction belongs to a category of transactions which, when viewed in the aggregate, had the requisite effect on interstate commerce. *Id.* at 993. In this case, the general category of transaction in question is “the private sale of goods, particularly apparel, to an out-of-state resident. . . .” *Id.*

The court thus concluded that, in this case, because the registrant proved a transaction in the above-mentioned category prior to filing its application, it sufficiently proved that its use was “in commerce.” An applicant does not have to also prove any “actual and

specific effect” of its sale upon interstate commerce, or that the goods were destined to travel out of state. *Id.* at 1645.

The Federal Circuit noted that two earlier Board decisions, *In re Cook, United, Inc.*, 188 USPQ 284 (TTAB 1975), and *In re The Bagel Factory, Inc.*, 183 USPQ 553 (TTAB 1974), could be interpreted as requiring such additional proof by the applicant, e.g., proof that the applicant’s particular transaction had a significant effect on interstate commerce, or that the applicant knowingly directed the movement of goods across state lines. The court held that, to the extent that those decisions impose such additional requirements, they are incorrect statements of the law. *Christian Faith Fellowship*, 841 F.3d at 995.

Therefore, the Federal Circuit reversed and remanded for further proceedings (which would include the other cancellation claims, i.e., abandonment and non-trademark function).

*Christian Faith Fellowship Church v. adidas AG*, 841 F.3d 986, 120 USPQ2d 1640 (Fed. Cir. 2016).

### **Board Holds That “ALDECOA” Is Primarily Merely a Surname, Notwithstanding Its Rarity**

Applicant (Eximius Coffee LLC) applied to register “ALDECOA” for coffee. Registration was refused under Section 2(e)(4) on the ground that the mark is primarily merely a surname, and this refusal was affirmed by the Board in a precedential decision.

The Board considered the factors set out in *In re Benthin Mgmt. GmbH*, 37 USPQ2d 1332 (TTAB 1995), for determining whether a mark is primarily merely a surname: (1) the degree of the surname’s rareness; (2) whether anyone connected with the applicant has that surname; (3) whether the term has any recognized meaning other than that of a surname; (4) whether the term has the “structure and pronunciation” of a surname; and (5) whether the stylization of the lettering is distinctive enough to create a separate commercial impression.

In this case, the Board acknowledged, as maintained by the applicant, that “Aldecoa” is a rare surname in the United States, with the evidence of record showing, at most, 950 people in the U.S. having that surname, along with a “few” news articles mentioning such people. *In re Eximius Coffee LLC*, 120 USPQ2d 1276, 1280-81 (TTAB Sept. 27, 2016). However, the Board stated that even a rare surname can be “primarily merely a surname” under the statute if the totality of the evidence shows that “the purchasing public for an applicant’s goods or services is more likely to perceive

the applicant’s proposed mark as only a surname than as something else.” *Id.* at 1283.

The Board concluded that such was the case with respect to the likely perception of “Aldecoa” by the purchasing public for the applicant’s coffee. The Board was persuaded by the evidence of record showing that the applicant’s product packaging and promotional materials, including its website, discuss the applicant’s association, both historically and currently, with the “de Aldecoa” family, members of which were the founders of the applicant company and are involved in its current operation. *Id.* at 1279, 1283. Thus, “Applicant is educating consumers as to the surname significance of ALDECOA.” *Id.* at 1279. The Board also noted that some of the applicant’s references to the family in question state the name as “Aldecoa” without the “de,” and also that there was no evidence of record to show the meaning of “de” or whether its omission would affect consumer perception of ALDECOA as a surname. *Id.*

Regarding the other *Benthin* factors, the Board held that (a) there was no evidence of record to show that “Aldecoa” had any other meaning, and (b) the evidence was inconclusive as to whether “Aldecoa” has the structure and pronunciation of a surname. *Id.* at 1280. On the latter point, the examining attorney had argued that Aldecoa “follows some of the same linguistic patterns of other, more common, Hispanic surnames like Figueroa and Ochoa.” However, the Board noted that the examining attorney offered no evidence to support this argument. *Id.* at 1280. In any event, the Board affirmed the refusal based primarily on the applicant’s own promotional references to “Aldecoa” as a family surname.

*In re Eximius Coffee LLC*, 120 USPQ2d 1276 (TTAB Sept. 27, 2016) [precedential].

### **Board Rejects Fraud Claim Based on Registrant’s Failure to Disclose Petitioner’s Mark-Usage in Registrant’s Application**

The Board denied, due to insufficient proof, a petition to cancel the registrations of Village Car Company (“Registrant”) based on a claim of fraud in the procurement of the registrations. Specifically, the petition alleged that Registrant’s failure to disclose, in its applications as filed, Petitioner’s allegedly prior and superior rights in Petitioner’s common law marks.

Registrant, in 2002, filed for and eventually obtained registrations for QUIRK and QUIRK AUTO PARK for automobile dealership services. During the prosecution of each of these applications, Registrant filed a response and supporting declaration, in 2003, indicating (a)



Registrant's use of its own marks since 1973 in Bangor, Maine; (b) Registrant's awareness of the existence of a "Quirk Automotive Dealers group" in southern Massachusetts, 250 miles away from Registrant; and (c) Registrant's belief that the two entities' respective markets were separate from each other. *Daniel J. Quirk, Inc. v. Village Car Co.*, 120 USPQ2d 1146, 1152-53 (TTAB Sept. 27, 2016). (Although not mentioned in the Board's decision, file history documents in the USPTO database indicate that these statements were made in the context of a successful argument against a refusal of the applications on surname grounds.)

Petitioner, a car dealership operating in southern Massachusetts and concededly the dealership group to which Registrant referred in its prosecution papers, subsequently filed its own applications to register QUIRK and QUIRK WORKS TO SAVE YOU MONEY, which were refused based on Registrant's prior registrations. Petitioner then commenced the subject cancellation proceeding, claiming that Registrant committed fraud in the procurement of the registrations by failing to disclose, in its applications as filed, Petitioner's allegedly prior and superior rights in Petitioner's marks. With the Board's approval, the parties stipulated to trial of the proceeding based on the documents submitted by the parties in their previous cross-motions for summary judgment (both of which motions had been denied by the Board). *Id.* at 1147.

The Board held, based on several Board precedents, that in order to prevail on its allegation of fraudulent procurement, Petitioner would have to prove that: (1) Petitioner was the user of the same or a confusingly similar mark at the time the oath was signed; (2) Petitioner had legal rights superior to Respondent's rights at the time Respondent signed the applications for registration; (3) Respondent knew that Petitioner's rights in the mark were superior to Respondent's and either believed that a likelihood of confusion would result from Respondent's use of its mark or had no basis for believing otherwise; and (4) Respondent, in failing to disclose these facts to the USPTO, intended to procure a registration to which it was not entitled. *Id.* at 1149. In general, a party alleging fraud bears a heavy burden of proof; fraud must be proven "to the hilt" with clear and convincing evidence. *Id.* at 1148.

In this case, the Petitioner's proof failed in two major respects. First, Petitioner failed to persuasively prove priority of use. Petitioner made an (undocumented) claim of first use of its mark in 1977. However, Registrant claimed to be using its QUIRK mark since 1973 and did not concede Petitioner's priority. *Id.* at 1150, 1152. In addition, the record indicated that the Registrant, when it filed its applications with the required declarations,

believed that Petitioner's rights were local and limited to southern Massachusetts, and that Petitioner's use was thus limited to intrastate commerce. Therefore, there was nothing in the record to suggest that Registrant had anything other than a good faith belief that no one else had a right to use the QUIRK mark "in commerce" as to be likely to cause confusion, as stated in the declaration, regardless of whether or not that belief was correct. *Id.* at 1153-54. Furthermore, the Board concluded that Registrant's subsequent disclosure of the Petitioner's use in the prosecution of its applications indicated Registrant's belief that (1) there was no likelihood of confusion between the parties' marks due to the geographical separation and (2) Petitioner's use of its mark was not use "in commerce." The Board held that this was not proof of an intent to deceive, but instead was a "forthright disclosure" which, if anything, establishes the opposite. *Id.* at 1154.

*Daniel J. Quirk, Inc. v. Village Car Co.*, 120 USPQ2d 1146 (TTAB Sept. 27, 2016) [precedential].

### **Board Holds That "BARR GROUP" Is Primarily Merely a Surname and Likely to Cause Confusion with "BARR"**

The applicant (Integrated Embedded) filed to register "BARR GROUP" (standard characters; "Group" disclaimed) for engineering services in the field of computer hardware, software and integrated circuits, in Class 42; as well as training services in Class 41 and expert witness services in Class 45, both in the same field as the engineering services. Registration was refused (a) under Section 2(e)(4) on the ground that the mark is primarily merely a surname; and (b) under Section 2(d) on the ground of likelihood of confusion with the registered mark "BARR" (standard characters), which was registered under Section 2(f) for services including "engineering services," "professional computer consulting services," and "computer software and web site design for others." The applicant appealed and, in a precedential opinion, the Board affirmed the refusal on both grounds.

The Board considered the *Benthin* factors (*In re Benthin Mgmt. GmbH*, 37 USPQ2d 1332 (TTAB 1995)) for determining whether a mark is primarily merely a surname: (1) the degree of a surname's rareness; (2) whether anyone connected with the applicant has that surname; (3) whether the term has any recognized meaning other than that of a surname; (4) whether the term has the "structure and pronunciation" of a surname; and (5) whether the stylization of the lettering is distinctive enough to create a separate commercial

*cont. on page 22*

impression. In the case of “BARR GROUP,” the Board determined that factor (2) was critical—there was substantial evidence of record that the applicant’s founder, current Chief Technical Officer, and “namesake” is Michael Barr and that the applicant promotes this fact to consumers at several places on the applicant’s website. *In re Integrated Embedded*, 120 USPQ2d 1504, 1506-07 (TTAB Sept. 27, 2016).

With regard to factor (1) (rarity), the examining attorney’s phone directory evidence showed that about 13,600 people in the United States have the surname “Barr.” The Board held that this makes the name “not so unusual that such significance would not be recognized by a substantial number of persons.” *Id.* at 1507. As to the disclaimed word “Group” that follows “Barr” in the mark, the Board held that it “merely creates a perception of an assemblage of people led by an individual named BARR, and is incapable of lending source-indicating significance to the mark.” *Id.* The Board thus concluded that the addition of “GROUP” following “BARR” is itself highly persuasive that the public would perceive the mark in its entirety as a surname. *Id.*

The applicant submitted evidence of third-party registrations including the term “BARR.” However, the Board observed that these registrations either (a) issued under Section 2(f) or on the Supplemental Register, both of which indicate that the mark was deemed to be primarily merely a surname in those cases, or (b) were for marks which combined “Barr” with significant other words or a substantial design element. Therefore, these registrations were not persuasive of the applicant’s case. *Id.* at 1509-10.

Finally, the Board noted that the applicant, in its request for reconsideration to the examining attorney and in its brief, stated that it was “reserving the right” to amend the Supplemental Register if the surname refusal was upheld. The Board held that this purported reservation of a right was to no avail. The Board concluded that it was not the same thing as actually making an amendment, which can permissibly be done in the alternative, but which applicant never actually did, either directly or in the alternative. *Id.* at 1511.

As noted, the Board also affirmed the refusal under Section 2(d) on the ground that “BARR GROUP” for engineering services, training services, and expert witness services, all in the field of computer hardware, software, and integrated circuits, was likely to cause confusion with the registered mark “BARR,” registered under Section 2(f) for services including “engineering services,” computer consulting services,” and “computer software and website design for others.”

The Board held that the most important likelihood

of confusion factors in this case are the similarity of marks and relatedness of services. These were deemed to outweigh the sophistication of the purchasers—even sophisticated purchasers are not immune to trademark confusion, especially when the services are identical and/or closely related and offered under the same surname. *Id.* at 1516.

As to the services, the applicant’s Class 42 “engineering services” were legally identical to the registrant’s engineering services. The examining attorney presented evidence (e.g., third-party websites) showing that the applicant’s other services are of a type that are offered by various parties under the same mark as “engineering services,” e.g., engineering services and training services in computer hardware or software field, and engineering services and expert witness services in the computer hardware or software field. Therefore, these latter services were deemed to be commercially related to the registrant’s services. *Id.* at 1514-15.

Regarding the marks, the Board held that they were confusingly similar. The applicant’s mark begins with the cited mark “BARR” and adds the disclaimed, descriptive word “GROUP,” which indicates that the services are provided by an aggregation of persons led by an individual named BARR. This addition is insufficient to distinguish the applicant’s mark. *Id.* at 1513.

The applicant also argued, to no avail, that the cited mark “BARR” was weak, based in part on the fact that the registration issued under Section 2(f), which indicates that it was deemed to be primarily merely a surname. The applicant also submitted evidence of third-party registrations for marks constituting or including “BARR.” However, the Board observed that the third-party registrations were all in unrelated areas of goods and services (e.g., food, beverages, musical entertainment services). The Board concluded that the applicant did not submit evidence that “BARR” is entitled to such a narrow scope of protection as to permit registration of a confusingly similar mark for services that are identical and/or related. For example, no evidence was presented of any use of “Barr” in the marketplace or third-party registrations of relevant marks in connection with related services. *Id.* at 1512-13.

*In re Integrated Embedded*, 120 USPQ2d 1504 (TTAB Sept. 27, 2016) [precedential].

## **POWERED BY JUJU and JUJU JOINTS Refused Registration for Designating Illegal Drug Paraphernalia**

JJ206, LLC (“Applicant”) filed an intent-to-use application and was refused registration on the Principal Register for the marks “POWERED BY JUJU” and

“JUJU JOINTS” (“the marks”) for vaporizing devices for cannabis or marijuana. The examining attorney denied registration under Sections 1 and 45 of the Trademark Act because lawful use of the goods in commerce was not possible. *See* 15 U.S.C. §§ 1051, 1127; TMEP § 907. The Board affirmed the examining attorney’s refusal. *In re JJ206, LLC*, 120 USPQ2d 1568 (TTAB Oct. 27, 2016). The applicant first argued that, considering existing registrations “in support of the marijuana industry,” the applicant’s goods should likewise be registrable. The Board rejected this argument, stating that “each application must be considered on its own record to determine eligibility to register.” *Id.* at 1570 (citing *Cordua Rests., Inc.*, 823 F.3d 594, 118 USPQ2d 1632, 1635 (Fed. Cir. 2016)). In addition, the Board noted that “none of [the registrations] presents lawfulness issues analogous to those presented[.]” *Id.*

The Board rejected the applicant’s second argument that sale of the goods in states that permit lawful use of marijuana should be considered lawful use. Citing *In re Brown*, 119 USPQ2d 1350, 1351 (TTAB 2016), the Board reiterated that “the fact that the provision of a product or service may be lawful within a state is irrelevant to the question of federal registration when it is unlawful under federal law.” *In re JJ206*, 120 USPQ2d at 1571.

The Board noted that under the Controlled Substances Act (“CSA”) it is “unlawful for any person [] to sell or offer for sale drug paraphernalia.” 21 U.S.C. § 863. The Board further stated that the CSA defines marijuana as a controlled substance which is illegal to possess. 21 U.S.C. § 863. Considering the evidence of record, the Board found that the applicant’s goods were properly characterized as unlawful drug paraphernalia that could not be marketed legally in commerce, and therefore affirmed the refusal. *JJ206*, 120 USPQ2d at 1570.

*In re JJ206, LLC*, 120 USPQ2d 1568 (TTAB Oct. 27, 2016) [precedential].

### **“I ♥ DC” Fails to Function as a Trademark**

Jonathan E. Chien’s (“Applicant/Respondent”) application for the stylized mark

**I ♥ DC**

(“the mark”) (Application No. 77/962853) for clothing goods was the subject of an opposition filed by D.C. One Wholesaler, Inc. (“Opposer/Petitioner”) on the grounds that the mark is “incapable of distinguishing Applicant’s goods from the goods of others and therefore cannot function as a trademark.” *D.C. One Wholesaler, Inc., v.*

*Jonathan E. Chien*, 120 USPQ2d 1710 (TTAB Oct. 4, 2016). Applicant’s prior registration for the same mark (“the registration”), registered on the Supplemental Register (Registration No. 3759575) for backpacks, clothing, and stuffed toys, was the subject of a cancellation action on the ground that the registered mark also fails to function as a trademark. The Board sustained the opposition to the mark, refused registration of the mark, and ordered the cancellation of the registration.

**I ♥ DC**

Upon inquiry, the Board determined that the mark would not be perceived as a designation of source by the relevant public. Looking to the facts submitted as evidence, the Board noted that the Opposer/Petitioner had supplied invoices for goods bearing the mark dating back as early as 2004, with receipt of the first shipment of goods in 2005. *Id.* at 1713-14 and notes 17 and 18. Additionally, the Opposer/Petitioner provided examples of other designations consisting of “I ♥” followed by terms other than “D.C.” such as “I ♥ ME,” and “I ♥ EXCEL,” as well as testimony by a professor that he “d[id] not believe that consumers perceive the phrase I ♥ XXX as designation of origin or source. Instead, it [would be] perceived as a slogan that is ornamental and connotes an affection for or association with the ‘XXX’ object.” *Id.* at 1714 and note 28.

The Board stated that, “[t]o be a mark, the phrase must be used in a manner calculated to project to purchasers or potential purchasers a single source or origin for the goods.” *Id.* at 1716 (citing *In re Volvo Cars of North America, Inc.*, 46 USPQ2d 1455, 1459 (TTAB 1998)). On the record provided, the Board found that “I ♥ DC” was in wide use over a long period of time and goods bearing the mark were selected by consumers for the designation’s ornamental value, not designation of source. *D.C. One*, 120 USPQ2d at 1716. (citing *In re Eagle Crest, Inc.*, 96 USPQ2d 1227, 1230 (TTAB Aug. 10, 2010)). As such, the pending application for the mark was denied registration, and the registration was canceled for failing to function as a trademark for the applicant’s goods. *D.C. One*, 120 USPQ2d at 1717.

*D.C. One Wholesaler, Inc. v. Chien*, 120 USPQ2d 1710 (TTAB Oct. 4, 2016) [precedential].

### **Surname ADLON Refused Registration Even Though Found to Be a Rare Surname**

Adlon Brand GmbH KG filed an application to register the mark “ADLON” (“the mark”) on the Principal Register for goods in International Classes 33 and 41 for alcoholic beverages, entertainment, and bar services. The examining attorney refused registration

*cont. on page 24*



under Section 2(e)(4) of the Trademark Act, finding it to be primarily merely a surname without a showing of acquired distinctiveness. *See In re Adlon Brand GmbH & Co. KG*, 120 USPQ2d 1717, 1718 (TTAB Nov. 23, 2016) (citing 15 U.S.C. § 1052(e)(4)).

The Board considered the examining attorney's evidence that "ADLON" has no other apparent meaning, including "negative dictionary evidence" as well as the applicant's statement that "the word ADLON has no meaning in a foreign language." *In re Adlon*, 120 USPQ2d at 1719 and note 7. The Board ultimately determined that the examining attorney's evidence was sufficient to show that the mark had no meaning or significance other than as a surname, even though there may have been only approximately 75 individuals in the United States with the surname. The applicant's arguments that the designation had been recognized as a trademark for certain goods and that the primary meaning of "ADLON" refers to the historic Hotel Adlon in Berlin were found to be unpersuasive by the Board, upholding the examining attorney's refusal to register the mark. *Id.* at 1721-22.

On the facts presented in this proceeding, the dissent stated that the surname "ADLON" would be seen as extremely rare, and likely not perceived by the consumer as a surname. *Id.* at 1725-26 (citing *In re Garan*, 3 USPQ2d at 1540).

*In re Adlon Brand GmbH & Co. KG*, 120 USPQ2d 1717 (TTAB Nov. 23, 2016) [precedential].

(Endnote)



\* Scott Greenberg is senior counsel in the New York office of Locke Lord LLP. His practice focuses on trademark, copyright, and unfair competition matters, and includes litigation before the courts and the U.S. Patent and Trademark Office in those fields as well as in domain name disputes. Prior to entering private practice, Mr. Greenberg was a Trademark Examining Attorney at the U.S. Patent and Trademark Office. Pina M. Campagna is a partner at Carter, DeLuca, Farrell & Schmidt, LLP. Ms. Campagna's practice includes representing regional, national and international businesses, with a particular concentration in trademark and design patent matters. Michael Kraich, a recent graduate of the University of Pittsburgh Law School, is a technical advisor for Carter, DeLuca, Farrell, & Schmidt, LLP, and focuses on patent and trademark preparation and prosecution.

## 2017 NYIPLA

### HONORABLE WILLIAM C. CONNER

### INTELLECTUAL PROPERTY LAW

### WRITING COMPETITION

**Submission Deadline:**

**March 3, 2017**



- ✓ The Winner will receive a cash award of \$1,500.00
- ✓ The Runner-up will receive a cash award of \$1,000.00

- The competition is open to students enrolled in a J.D. or LL.M. program.
- The subject matter must be directed to one of the traditional subject areas of intellectual property, i.e., patents, trademarks, copyrights, trade secrets, unfair trade practices and antitrust.
- Entries must be submitted electronically by March 3, 2017 to the address provided below:  
Richard H. Brown  
Day Pitney LLP  
7 Times Square  
New York, NY 10036-7311  
Tel: 1.212.297.5854 Fax: 1.212.916.2940  
E-mail: [rbrown@daypitney.com](mailto:rbrown@daypitney.com)
- See [rules](#) for details on submission requirements at [www.nyipla.org](http://www.nyipla.org)

## One-Day Patent CLE Seminar

*By Mark Bloomberg, Michael Johnson,  
Jamie Lucia, and Ksenia Takhistova*

On Thursday, November 17, 2016, the NYIPLA Programs Committee hosted its annual One-Day Patent CLE Seminar at The Princeton Club. The program included four panels, a luncheon keynote speaker, and an interactive ethics presentation. Panel I was directed to the in-house counsel perspective on litigation discovery issues. Panel II addressed damages issues in patent litigation. Panel III focused on current issues at the Patent and Trademark Office. Panel IV provided a legal update concerning the interplay between the Supreme Court, the Federal Circuit, and the PTAB. Immediately following lunch was an interactive ethics presentation on the use of email in the practice of law. The Luncheon Keynote Speaker was the Honorable Dora L. Irizarry, Chief Judge of the United States District Court for the Eastern District of New York.

### ***Panel I – Corporate***

The members of Panel I included Programs Committee Co-Chair and Moderator, Michael Johnson from Willkie Farr & Gallagher LLP, and panelists Philip Blum, Vice President and Senior Counsel, CA Technologies; Serena Farquharson-Torres, Senior Patent Counsel, Bristol-Myers Squibb Company; and Kevin Jordan, Vice President and Assistant General Counsel, J.P. Morgan Chase. The panel addressed issues related to e-discovery, litigation holds, protective orders, and litigation coordination across the globe.



The panel focused on providing the perspective of in-house counsel on litigation discovery issues. The panel discussed the timing and scope of the litigation hold memorandum, and strategies for dealing with, and potentially limiting, electronic discovery. The panel discussed strategies to minimize the escalating costs associated with e-discovery, the pressure that they face internally to minimize the costs, and the burden on employees to provide extensive discovery.

The panel also addressed some issues that they encounter with protective orders. More specifically, the panelists discussed balancing their need to be informed about the key issues in the litigation while minimizing the chances that their confidential information will be used inappropriately. The panel also discussed coordination between litigation that may be occurring in several different countries or in different venues (for example, litigation in district court and concurrent PTAB proceedings).

### ***Panel II – Damages***

The members of Panel II included Programs Committee Co-Chair and Moderator, Jamie Lucia of Saul Ewing LLP, and panelists Heidi Martinez, Associate General IP Counsel, Xerox Corporation; Steven Purdy, Counsel, Corporate Litigation, IBM; William McCabe of Perkins Coie LLP; and Jessica Copeland of Hodgson Russ LLP. The panel covered a variety of issues related to damages, including enhanced damages, willfulness, and apportionment.



*cont. on page 26*



The panel addressed some of the most complicated issues associated with damages. The panel began with a discussion of enhanced damages and the development of the law in this area post-*Halo Electronics, Inc. v. Pulse Electronics, Inc.* The panel then discussed the complicated issue of apportionment of damages and particularly recent developments in the law concerning the smallest saleable unit. Finally, the panel discussed the state of the law on injunctive relief.

After the presentations, the panel had an interesting discussion about how these various issues are impacting their companies and practices. In particular, the panel discussed the scope of notice letters and how to respond to them, how developments in willfulness and enhanced damages are impacting pleadings standards, and how companies can best position themselves with respect to the evolving areas of willfulness and enhanced damages.

### **KEYNOTE SPEECH**

The Keynote Speaker, the Honorable Dora L. Irizarry, Chief Judge for the Eastern District of New York, gave an engaging speech that began with her personal story about her ascension to the bench. She also provided insight and perspective on how she sees IP cases and the unique role intellectual property plays in our society.



Judge Irizarry went on to discuss how the bench and bar need to work together to raise awareness about the role of the courts in our society. She encouraged the IP bar to identify educational programs that can be provided to assist with this goal.

### **Interactive Ethics Presentation on the Use of Email**

The interactive ethics presentation on social media, which followed lunch, gave the program attendees the

chance to test their knowledge of ethics issues relating to the use of electronic mail and the potential pitfalls of this type of communication. The attendees participated in the presentation by voting by table on the correct responses to a series of multiple-choice questions. This is one of the NYIPLA's One-Day Patent Program signature segments that is always well received by the attendees. It was identified as an excellent manner for providing updates on complex and non-intuitive ethical issues. The questions were prepared by Programs Committee members Andy Berks of Cittance & Chinta LLP, John Resek of Resek, Liang & Frank LLP, and Ksenia Takhistova of Andrews Kurth Kenyon LLP. Andy Berks presented the segment.

### **Panel III – PTO Presentation**

The members of Panel III included NYIPLA Board Member and Moderator, Mark Bloomberg from Zuber Lawler & Del Duca LLP, and three speakers from the United States Patent and Trademark Office (PTO)—William Covey, Deputy General Counsel of Enrollment and Discipline; Robert Oberleitner, Assistant Deputy Commissioner of Patent Operations; and Anthony Knight, Administrator of the Office of Stakeholder Outreach and Patent Ombudsman.



Mr. Covey gave a presentation on Professional Responsibility and Practice before the PTO. He discussed an interesting series of ethical scenarios and pitfalls to avoid in practicing before the PTO. He also provided interesting statistics on the numbers of disciplinary cases brought before his office.

Mr. Oberleitner next gave a presentation on the changes and enhancements to interview practice at the PTO. He provided an interesting perspective on ways to use the new procedures at the PTO to expedite the patent prosecution process.

Mr. Knight concluded with a presentation concerning the ombudsman program at the PTO. He explained how practitioners can use his office and the types of situations in which the ombudsman can help facilitate patent prosecution.



Finally, the panel entertained a lively discussion of questions from the audience concerning the subject matter of their presentations.

#### ***Panel IV – Legal Update***

The members of Panel IV included NYIPLA Board Member and Moderator, Robert Rando of the Rando Law Firm, and three panelists—the Honorable Arthur J. Gajarsa, the Honorable Scott E. Kamholz, and Charlie Macedo of Amster Rothstein & Ebenstein, LLP. The panel began with an overview of the Supreme Court’s recent activity in the patent space touching on some of the most significant recent Supreme Court decisions. The presentation also touched on the Supreme Court’s activity in reviewing decisions coming out of the PTAB and the cert petitions currently pending before the Court.



The panelists continued with an interesting discussion of the level of Supreme Court activity in the patent space and the interaction between the Federal Circuit and the Supreme Court. The panel then shifted its focus to the PTAB and specifically the decisions thus far interpreting the rules of practice before the PTAB. The panel provoked a lively discussion with considerable audience participation as well. This panel was particularly well received and was a fitting conclusion to a very good day of presentations.

Overall the One-Day Patent CLE Seminar Program was well received and a huge success, adhering to the high quality and standards of NYIPLA CLE programs and exceeding expectations both in style and substance. The presenters provided clear guidance on a variety of topical issues and the feedback from attendees was very positive. The Programs Committee members all invested much time and energy enlisting outstanding presenters/speakers to provide informative and engaging discussions and analyses of the issues at the forefront of patent litigation and prosecution practice. The Programs Committee achieved or exceeded that goal.

## ***NYIPLA Calendar***

[www.nyipla.org](http://www.nyipla.org)

➤ **FEBRUARY 28, 2017** ◀

### **Protecting Valuable and Sensitive Information in the Corporate Setting**

Skadden Arps, 4 Times Square, New York, NY 10036

➤ **MARCH 31, 2017** ◀

### **DAY OF DINNER CLE: Intent in Patent Cases: How Courts Sort Out Whether Infringement Is Knowing, Egregious, or Exceptional**

*FOLLOWED BY*

### **95TH ANNUAL DINNER IN HONOR OF THE FEDERAL JUDICIARY**

New York Hilton Midtown, 1335 Avenue of the Americas, New York, NY 10019

➤ **MAY 16, 2017** ◀

### **NYIPLA 2017 ANNUAL MEETING**

The Princeton Club, 15 West 43rd Street, New York, NY 10036

# The NYIPLA and NJIPLA Joint Program: Ethics Issues in IP Practice

By Ksenia Takhistova

The NYIPLA and the NJIPLA held their annual joint CLE program on December 8, 2016, at the Renaissance Woodbridge Hotel in New Jersey. The program included lunch and four hours of CLE instruction focused on various ethical issues arising in IP practice. The attendees heard from four experts: USPTO Deputy General Counsel for Enrollment and Discipline, William Covey; David Hricik, a Professor at Mercer Law School in Atlanta; and two partners at law firms specializing in legal malpractice work, David Rabinowitz of Moses and Singer LLP, and Anthony Davis of Hinshaw Culbertson LLP.

Mr. Covey spoke about disciplinary proceedings that attorneys and patent agents admitted to practice before the PTO may face, conflicts of interest that may arise in prosecuting patents for different clients in the same technology area, and the unauthorized practice of law occasionally attempted by patent agents.

Professor Hricik discussed conflicts and ethical issues that may arise from representation of different clients—and sometimes even the same client—before different tribunals, namely, in patent prosecution before the PTO, in patent post-grant proceedings before the Patent Trial and Appeal Board, and in district court litigations.

Mr. Rabinowitz led an interactive discussion on real-life attorney behavior taken from the recent malpractice cases (some IP-related, some not) that resulted in ethical violation findings, malpractice

liability, or both. He then explained the better course of action in each case, supported by citations to the ethics rules, including the ABA model rules and the New York and New Jersey versions of the same rules—the takeaway: in most cases, the New Jersey rule is much stricter than New York's.

Finally, Mr. Davis presented an interesting—and at times, controversial—overview of outside attorney guidelines frequently employed in the industry. He argued that the recent proliferation of such guidelines imposed by a client on outside counsel is, at best, unnecessary, and at worst, counterproductive in the long run, since the guidelines tend to harm the outside lawyer, the client, and the lawyer's position as the client's trusted advisor.

The program was put together by the NJIPLA's President Gregory Murgia and Treasurer Thomas Triolo, with assistance from the NYIPLA's President Walter Hanley and the Programs Committee Co-Chairs. The program was very well attended by law firm practitioners and in-house counsel from both sides of the Hudson River. The attendees received 4.5 ethics credits in NY and NJ, and four credits in PA, which allowed the attending lawyers to meet their entire CLE ethics requirements for the year. But, even more importantly, the topics presented were of great interest and relevance to the attendees and generated a lively discussion at times. The program was a great success, and we plan to continue this tradition of joint CLE programs in the years to come.

## THE NEW YORK INTELLECTUAL PROPERTY LAW ASSOCIATION

THE NEW YORK  
INTELLECTUAL PROPERTY  
LAW ASSOCIATION

*The*  
**95<sup>th</sup>**  
*Annual Dinner*  
IN HONOR OF THE  
*Federal  
Judiciary*

MARCH 31, 2017  
NEW YORK HILTON MIDTOWN

### SAVE THE DATE

FRIDAY

**MARCH 31, 2017**

NEW YORK HILTON MIDTOWN

◆ NEW LOCATION ◆

OUTSTANDING PUBLIC SERVICE AWARD

**Honorable Denny Chin**

United States Court of Appeals for the  
Second Circuit

DINNER SPEAKER

**Walter Isaacson**

President and CEO of the Aspen Institute  
Author of *The Innovators*; *Steve Jobs*;  
*Einstein*; *Benjamin Franklin*  
Past chairman of CNN  
Past managing editor of *Time*

[WWW.NYIPLA.ORG](http://WWW.NYIPLA.ORG)

## MINUTES OF OCTOBER 20, 2016

### MEETING OF THE BOARD OF DIRECTORS OF THE NEW YORK INTELLECTUAL PROPERTY LAW ASSOCIATION

# BOARD MINUTES

The Board meeting was held at Andrews Kurth Kenyon, 450 Lexington Avenue, 15<sup>th</sup> Floor. President Walter Hanley called the meeting to order at approximately 12:00 p.m. In attendance were:

Dorothy Auth (by phone)	Charles Macedo
Mark Bloomberg	Kathleen McCarthy
Garrett Brown (by phone)	Colman Ragan (by phone)
Frank DeLucia (by phone)	Robert Rando
Walter Hanley	Heather Schneider
Annmarie Hassett	Peter Thurlow (by phone)
Robert Isackson	Jeanna Wacker (by phone)

Matthew McFarlane and William McCabe were absent and excused from the meeting. Feikje van Rein was in attendance from the Association's executive office.

The meeting was called to order by President Hanley. The Board approved the Minutes of the September 20, 2016 Board meeting.

Mr. Rando addressed the financial report, indicating that the Association is in sound financial condition. There is some decline in financial holdings compared to last year, which is due largely to deposits that were just made for the Judges Dinner hotel and speaker, as well as to reduced membership fees resulting from a decline in membership.

The Board approved new members and then discussed the membership decline, including the draft membership survey that was prepared by Ms. Schneider. The Board will discuss that survey more once everyone has had a chance to review it. To retain and encourage new members, we will have the co-chairs of the Young Lawyers Committee email new student members and young lawyer non-renewals. We will also work to identify where some of the non-renewals went if they changed jobs or graduated from school. For example, Ms. Schneider can forward the contact information for the Willkie Farr & Gallagher LLP people to the Corporate Committee, and Mr. Hanley can look into the Kenyon & Kenyon people. Other firms can look into this as well. Right now, there is no easy way to continue contact with people who change jobs or graduate from school unless they contact the NYIPLA.

The Board then discussed the Amicus Brief Committee items, particularly the proposals for the *Lee v. Tam* case regarding disparaging trademarks. The Board reviewed and discussed two competing

proposals drafted by the Amicus Brief Committee taking opposite positions. After much substantive discussion, the Board decided it might be useful for the NYIPLA to submit a brief to the Court explaining how trademark law works, explaining how trademarks get prosecuted, explaining any errors of law in the lower court opinions, and explaining the impact of a mark being registered or not. The Amicus Brief Committee will consider that and prepare a new proposal. Also, the Board members who were not recused approved the *Life Technologies Corp. v. Promega Corp.* brief.

President Hanley announced that Judge Chin accepted the nomination for the public service award at the Judges Dinner and that Mr. Isaacson is confirmed as the keynote speaker.

Ms. Auth and Ms. Hassett presented an update from the Legislative Action Committee, which is preparing for two upcoming roundtables with the Patent Office on November 14 and December 3, first on Section 101 guidelines and then a more general approach to patent eligibility. They are working with ACG to get a speaker slot, with Mr. Thurlow's assistance. Ms. Auth and Ms. Hassett discussed also working with the IPO and the AIPLA with Marion Underweiser, to get speaker slots. However, Ms. Underweiser said those organizations do not want to add anyone else. They will consider reaching out to the Boston, NJ, or LA IP law associations.

The Board next discussed the Strategic Planning Committee. Mr. Ragan and Mr. McFarlane have not had much time to follow up, so Ms. Hassett and Mr. Rando may help, and they may reach out to Ms. Schneider as needed to liaise with the Young Lawyers Committee. They will consider instituting the IP Institute at law schools that was previously discussed, at the earliest in Fall 2017.

Ms. Schneider provided an update on the Young Lawyers and Women in IP Law Committees, both of which are very active and recently had well attended events. She will work to get the Young Lawyers Committee more involved with the Programs Committee to coordinate events.

Mr. Bloomberg provided an update on the Programs Committee's One-Day Patent CLE Seminar and the NJIPLA & NYIPLA Joint Ethics event, for which planning is underway.

At this point, Ms. Schneider had to leave and the Programs Committee discussion continued regarding the upcoming events. Then the meeting was adjourned.



## MINUTES OF NOVEMBER 9, 2016

### MEETING OF THE BOARD OF DIRECTORS OF THE NEW YORK INTELLECTUAL PROPERTY LAW ASSOCIATION

The Board meeting was held at the Waldorf Astoria New York Hotel. President Walter Hanley called the meeting to order at approximately 12:00 p.m. In attendance were:

Dorothy Auth	Matthew McFarlane
Mark Bloomberg	Charles Macedo
Garrett Brown (by phone)	Colman Ragan
Walter Hanley	Robert Rando
Annemarie Hassett	Heather Schneider
Robert Isackson	Peter Thurlow
William McCabe	Jeanna Wacker
Kathleen McCarthy	

Frank DeLucia was absent and excused from the meeting. Feikje van Rein was in attendance from the Association's executive office.

The meeting was called to order by President Hanley. The Board approved the Minutes of the October 20, 2016 Board meeting.

Mr. Rando addressed the financial report, indicating that the Association is in sound financial condition.

The Board approved new members and then discussed membership issues. Compared to last year the membership numbers for students and members admitted three or more years are down. The Board discussed whether there are ways to track student members to see if they stay with the organization after graduation and entering the job market. The Board then discussed the draft membership survey and gave comments to Ms. Schneider and Ms. van Rein to implement.

The Amicus Brief Committee then discussed its numerous activities, including the *Lee v. Tam* amicus brief proposal. The Strategic Planning Committee then discussed a call it had with additional members to discuss membership. Rather than organize an NYIPLA Institute, they proposed doing YouTube videos on various topics, and Ms. Auth has agreed to do the first one.

The Legislative Action Committee then discussed the upcoming Patent Office roundtables. Mr. Thurlow agreed to prepare short bullet point talking points for the Board's review. Then the Board discussed the Presidents' Forum in February, which may also address Section 101; namely, does 101 require a legislative fix and what would it look like?

The Board then discussed a draft letter to the Copyright Office due November 16, for which Board members will provide comments. The Programs Committee discussed its recent events, including the Breakfast Roundtable with the Director of the Israel Patent and Trademark Office and the Trademark CLE on Long Island. At this time, 76 people have registered for the One-Day Patent CLE Seminar, and four speakers are confirmed for the joint NJIPLA/NYIPLA event on December 8. The Patent Law & Practice Committee had a useful program on design patents and needs more active members. Finally, the Board discussed the Inventor of the Year awards.

Then, the meeting was adjourned, and the members attended the Past Presidents' Dinner.

The next Board meeting will take place on December 14, 2016 at the offices of Andrews Kurth and Kenyon, 450 Lexington Avenue.

### Extra . . . Extra – Call for Submissions!

The Publications Committee seeks original articles for possible publication in upcoming issues of *The Report*. Articles on all intellectual property-related topics will be considered.

An article can be any length, but a length of 1700 to 2500 words is about average. Articles should be submitted in MICROSOFT WORD®, 1997-2003 format (i.e., ".doc," not ".docx") and with endnotes rather than footnotes. Authors should also provide us with electronic copies of any sources cited in either the text of the article or in the endnotes to assist us with the editing process.

Please send your submission via e-mail to Publications Committee Co-Chairs Mary W. Richardson at [mary.e.w.richardson@gmail.com](mailto:mary.e.w.richardson@gmail.com), William Dippert at [wdippert@patentusa.com](mailto:wdippert@patentusa.com), and Dale Carlson at [dlcarlson007@gmail.com](mailto:dlcarlson007@gmail.com). Please check with the Co-Chairs regarding the deadline for submission of your article.



## Moving UP ▲ & Moving ON >>>

- Yung-Hoon (Sam) Ha, Ph.D., and Omar Khan have been promoted to partner at WilmerHale.
- Matthew D. Robson has been promoted to partner at Quinn Emanuel Urquhart & Sullivan, LLP.
- Jennifer Tempesta has been promoted to partner at Baker Botts L.L.P.
- Michael Turner has been promoted to partner at Andrews Kurth Kenyon LLP.
- Brian Biddinger, formerly of Ropes & Gray LLP, joined Quinn Emanuel Urquhart & Sullivan, LLP as a partner in its Intellectual Property Litigation practice.
- David Bomzer, formerly of Aetna, Susan Doughty, Ph.D., formerly of SD IP, LLC, and Troy LaMontagne, formerly of United Technologies, joined Cantor Colburn LLP as Counsel in its Hartford office.
- Jay Deshmukh, formerly of Knobbe Martens Olson & Bear LLP, joined Arent Fox LLP as a partner in its Intellectual Property practice.
- Sarah Gilbert, formerly of Satterlee Stephens Burke & Burke LLP, joined Crowell & Moring LLP as a partner in its Commercial Litigation Group.
- Julian Perlman, formerly of BakerHostetler LLP, joined Phillips Nizer LLP as a partner in its Litigation practice area.

*The Report's **Moving Up and Moving On** feature is for publicizing news of intellectual property attorneys' transitions and accolades. If you have changed your firm or company, made partner, received professional recognition, or have some other significant event to share with the Association, please send it to *The Report* editors: Mary Richardson ([mary.e.w.richardson@gmail.com](mailto:mary.e.w.richardson@gmail.com)), William Dippert ([wdippert@patentusa.com](mailto:wdippert@patentusa.com)) or Dale Carlson ([dlcarlson007@gmail.com](mailto:dlcarlson007@gmail.com)).*



## NYIPLA Job Board

A perfect chance to submit job openings,  
refer members to postings,  
and search for new opportunities  
at [www.nyipla.org](http://www.nyipla.org).

Last Name	First Name	Company/ Firm /School	Membership Type	State
Atton	Corinne	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Bedu	Omobolaji	Fitzpatrick, Cella, Harper & Scinto	Active 3-	New York
Begley	Courtney	Fordham University School of Law	Student	New York
Bienstock	Ronald	Scarinci Hollenbeck Attorneys at Law	Active 3+	New Jersey
Bingaman	Caitlyn	Fitzpatrick, Cella, Harper & Scinto	Active 3-	New York
Boeshore	Seth	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Breyer	April	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Brooks	Daniel	Scarola Malone & Zubatov LLP	Active 3+	New York
Calabro	Josh	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Costantini	Vanessa	Cowan, Liebowitz & Latman, P.C.	Active 3-	New York
Crockatt	Douglas	Fordham University School of Law	Student	New York
Dwyer	Anna	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Ghaffari	Kayvan	Orrick Herrington & Sutcliffe LLP	Active 3-	New York
Johnson	Joni-Kay	New York Law School	Student	New York
Kaliko	Scott	Kaliko & Associates, LLC	Active 3+	New York
Klimek	Jordan	Fitzpatrick, Cella, Harper & Scinto	Active 3-	New York
Kutas	Andrew	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Laurence	John	W.R. Samuels Law PLLC	Active 3+	New York
McDonagh	Sean	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Nadipuram	Joyce	Fitzpatrick, Cella, Harper & Scinto	Active 3-	New York
Roby	Robert	Knobbe, Martens, Olson & Bear, LLP	Associate	California
Rosenbaum	CJ	Cory J. Rosenbaum, P.C.	Active 3+	New York
Rothenberg	Erica	Orrick Herrington & Sutcliffe LLP	Active 3-	New York
Saltos	Lena	Hughes Hubbard & Reed LLP	Active 3+	New York
Seidel	Chika	Fitzpatrick, Cella, Harper & Scinto	Active 3-	New York
Serbagi	Christopher	The Serbagi Law Firm, P.C.	Active 3+	New York
Sharret	Jonathan	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Shulman	Alice	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Sivakumar	Maddy	Fitzpatrick, Cella, Harper & Scinto	Active 3-	New York
Stoddard	Yvonne	Fitzpatrick, Cella, Harper & Scinto	Active 3-	New York
Stringham	Jared	Fitzpatrick, Cella, Harper & Scinto	Active 3+	New York
Weeks	Rita	Citigroup Inc.	Corporate	New York
Welsh	Margaret	Sughrue Mion PLLC	Active 3+	District of Columbia
Williams	Hubert	Quinnipiac University School of Law	Student	Connecticut

## THE NEW YORK INTELLECTUAL PROPERTY LAW ASSOCIATION, INC.

Telephone (201) 461-6603 [www.NYIPLA.org](http://www.NYIPLA.org)

*The Report* is published bi-monthly for the members of The New York Intellectual Property Law Association.

Correspondence may be directed to *The Report* Editors,

Dale Carlson, [dlcarlson007@gmail.com](mailto:dlcarlson007@gmail.com), William Dippert, [wdippert@patentusa.com](mailto:wdippert@patentusa.com), and Mary Richardson, [mary.e.w.richardson@gmail.com](mailto:mary.e.w.richardson@gmail.com)

### Officers of the Association 2016-2017

President: Walter E. Hanley Jr.

President-Elect: Annemarie Hassett

1st Vice President: Matthew B. McFarlane

2nd Vice President: Peter G. Thurlow

Treasurer: Robert J. Rando

Secretary: Heather Schneider

### Publications Committee

#### Committee Leadership

Mary Richardson, William Dippert, and Dale Carlson

#### Committee Members

Jayson Cohen, TaeRa Franklin, Robert Greenfeld,

Annie Huang, Michael Keenan, Keith McWha,

Vadim Vapnyar, Joshua Whitehill

*Board Liaison* Frank DeLucia Jr.

*The Report Designer* Johanna I. Sturm