

Colorado Bar Association

# INTELLECTUAL PROPERTY SECTION NEWSLETTER

April 2008

## Upcoming Events:

### CBA - Intellectual Property Law Section - Topical Lunch

**Kent Stevens**

**Special Counsel, Cadwalader, Wickersham & Taft**

**Washington, D.C.**

**When: May 8, 2008 -11:45 a.m. - 1:15 p.m.**

**Location: Pepsi Center - Lexus Club**

Speaker: Mr. Stevens specializes in international trade aspects of intellectual property litigation, with particular focus on Section 337 investigations before the U.S. International Trade Commission (ITC). He also focuses on proceedings relating to ITC investigations before the U.S. Customs and Border Protection and the U.S. Court of Appeals for the Federal Circuit.

Mr. Stevens has more than 20 years of experience with Section 337 litigation before the ITC. He was a law clerk for the Hon. John J. Mathias in the ITC's Office of Administrative Law Judges, and he served as an Investigative Attorney and Senior Investigative Attorney for the ITC's Office of Unfair Import Investigations. Mr. Stevens' Section 337 litigation experience includes numerous patent cases involving pharmaceutical and electronic products. He has had trials before six ITC Administrative Law Judges (Luckern, Saxon, Harris, Terrill, Bullock, and Charnesky).

Mr. Stevens is a Former President of the ITC Trial Lawyers Association and a frequent speaker on international trade issues relating to IP litigation. He is also the former Editor-in-Chief of the 337 Reporter and founder of the Section 337 Reporter Summer Associate Edition

The cost of the luncheon is \$30 and students may attend for free. RSVP by calling (303) 860-1115 ext. 727 or by e-mailing <mailto:lunches@cobar.org>. If leaving a message, please spell your name, specify that you are attending the Intellectual Property Section Topical Lunch, and include your name (and spelling), and phone number. Please request a vegetarian lunch, if required.

#### **\*\*\*PARKING IS FREE. PARK IN LOT A & ENTER THROUGH THE VIP ENTRANCE\*\*\***

The Pepsi Center is located in Denver's Central Platte Valley.

Directions:

- Traveling S on I-25 take the Speer Boulevard South exit. At the second stop light, turn right onto Chopper Circle.
- Traveling N on I-25, take the Auraria Parkway exit. Turn left on 9th Street to enter the grounds of Pepsi Center.
- From downtown Denver, take Speer Boulevard to Auraria Parkway. Go west on Auraria Parkway and turn right on 9th Street. Parking in Lot A, enter through the main entrance.

## ***Additional 2008 IP Section Sponsored Programs***

**June 4-6, 2008**

### **6th Annual Rocky Mountain Intellectual Property Institute**

June 5-6, 2008

Marriott Downtown - Denver

*and*

Fundamentals of IP

June 4, 2008

The 6th Annual Rocky Mountain IP Institute will include presentations on the key branches of IP law, and provide opportunities to meet or reconnect with 300 practitioners from throughout the state and region.

Co-sponsored by the Intellectual Property Section of the Colorado Bar Association; the Stanford Program in Law, Science and Technology; and the ABA Section on Science and Technology

- Networking opportunities with more than 300 IP Practitioners
- Updates on patent litigation, licensing, trademarks, trade secrets, and trade dress
- Hear from practice leaders from around the nation
- In-house counsel from major technology companies
- Learn more about real-world impact of recent decisions on IP litigation
- Trends in licensing and transactional work, including IP finance
- Disturbing developments in attorney ethics in e-discovery

About the Primer:

IP Fundamentals 2008 is an opportunity to learn more about two of most common areas in where IP intersects with transactional practice, technology licensing, and brand protection. In the morning, our panel of trademark specialists will guide participants through the process of protecting their brands, policing infringement, and exploiting its value. In the afternoon, our panel will guide participants through the six most heavily negotiated areas of a complex technology license.

<http://www.cobar.org/index.cfm/ID/20590/DPCLE/Annual-CLE-Conferences/>

**July 14-15, 2008**

AIPLA Patent Cooperation Treaty Seminar, Denver, CO

*We are still soliciting ideas for our Luncheon programs of 2008. If you are interested in presenting on a current Intellectual Property topic or have suggestions for topics or speakers, please forward your comments to any of the current Section officers.*

## ***Other Announcements***

### **IP Section '08-'09 Officer Nominations**

It's time to begin the process of choosing a new member for the IP Section leadership for the '08 - '09 term. To ensure stability and forward momentum, section officers serve three-year rotating terms, with each officer beginning his or her term as Secretary/Treasurer before becoming Vice Chair and then Chair. If you or someone you know would be interested in serving, please send a resume and a statement of interest to Michael Drapkin at [mldrapkin@townsend.com](mailto:mldrapkin@townsend.com). Please make submissions before April 20, 2008, as interviews with the current slate of Officers will be conducted in early May.

### **IP Newsletter**

Subject to editorial discretion and review, the IP Section newsletter is open to the submission of short articles and columns on IP topics of interest. If you are interested in contributing, please contact Michael Drapkin at [mldrapkin@townsend.com](mailto:mldrapkin@townsend.com).

### **IP Section Website**

The Colorado Bar Association website has undergone a significant overhaul, and is now up and running, and please refer to it often for updates on news and events.

<http://www.cobar.org/group/index.cfm?EntityID=PATENT>

The Colorado Bar Association has posted member directories for each practice section on-line. See ours at:

<http://www.cobar.org/directory/sections.cfm?section=PATENT>

Our contact at the Colorado Bar is Melissa Nicoletti, the Director of Sections and Committees. She can be reached at (303) 824-5321, or [melissan@cobar.org](mailto:melissan@cobar.org).

# JurisNotes

## Patent Cases

### **Ortho-McNeil Pharmaceutical v. Mylan Labs., Inc. (Fed Cir 3/31/08)**

*Specification showed use of "and" to join alternatives*

The trial court permanently enjoined Mylan from infringing Ortho's '006 patent. Because the trial court correctly ruled on claim construction, inequitable conduct, obviousness, and enablement, and because the trial court did not err in resetting the effective date of Mylan's ANDA, the Federal Circuit affirmed. Regarding the issue of claim construction, the trial court correctly ruled that, in the circumstances of this case, the use in claim 1 of the term "and" meant "or." As used in claim 1, "and" linked alternatives that occurred under the different conditions of independence and togetherness. Further, it was clear that Ortho did not make misrepresentations to the PTO during prosecution. Concerning the issue of obviousness, the challenges of this inventive process would have prevented one skilled in the art from traversing the multiple obstacles to easily produce the invention.

### **Aristocrat Tech. v. Int'l. Game Tech. (Fed Cir 3/28/08)**

*Limitations lacked sufficient disclosure of structure.*

Aristocrat and an affiliate (collectively "Aristocrat") sued IGT and a related entity (collectively "IGT") for patent infringement. The trial court found in favor of IGT on summary judgment and the Federal Circuit affirmed.

Aristocrat holds the '102 patent directed to an electronic slot machine. IGT makes and sells gaming products that allegedly infringe the '102 patent. On summary judgment, the trial court held all of the claims of the '102 patent invalid for indefiniteness. The trial court observed that the key question was the definiteness of the term "game control means" used several times in claim 1. The claim describes the "game control means" as performing these functions: 1) controlling images displayed; 2) paying a prize when a predetermined combination of symbols matches the symbol positions selected by the player; and 3) defining the pay lines for the game. The trial court held that there was no adequate disclosure of structure in the specification to perform these functions, rejecting Aristocrat's contention that the structure corresponding to the recited functions was a standard microprocessor based gaming machine with appropriate programming.

The trial court committed no legal error in its analysis of the means-plus-function limitation in this case. Aristocrat's principal contention was that the trial court was wrong to hold that the patent's disclosure of a general purpose, programmable microprocessor was not a sufficient disclosure of structure. However, the Federal Circuit had consistently required that the structure disclosed in the specification be more than simply a general purpose computer. The reference to "appropriate programming" imposed no limitation whatever, as any general purpose computer had to be programmed. Aristocrat argued that the specification disclosed algorithms that were sufficient to constitute a qualifying disclosure of structure, pointing to language in claim 1 that, according to Aristocrat, set forth a mathematical equation that described the result of practicing the third function. The equation was not an algorithm that described how the function was performed, but was merely a mathematical expression that described the outcome of performing the function. Moreover, the description of the embodiments was simply a description of the outcome of the claimed functions.

### **Computer Docking Station Corp. v. Dell, Inc. (Fed Cir 3/21/08)**

*Prosecution history statements amounted to clear disavowal.*

On summary judgment, the trial court held that Dell did not infringe the asserted claims of the '645 patent. Because the patentee disavowed an interpretation of "portable computer" that would encompass a computer with a built-in display or keyboard, the Federal Circuit affirmed the trial court's finding of no infringement. The sum of the patentees' statements during prosecution would have led a competitor to believe that the patentees had disavowed coverage of laptops. CDSC stipulated that if the claims were construed to require a computer without a built-in display and keyboard, the accused laptops and docking stations did not infringe. The Federal Circuit also affirmed the trial court's conclusion that this case was not exceptional for purposes of a fee award. The patentees' disavowal of laptops was not self-evident at the beginning of the claim construction analysis and CDSC engaged in a serious effort to evaluate its likelihood of success.

### **Scott-Blanton v. Universal City Studios Prod. (D DC 3/20/08)**

*Alleged similarities were not protected under copyright law.*

Because no reasonable juror could conclude that Universal had access to Scott's novel before the completion of the short story and because the alleged similarities between the two works were not protected under copyright law, the court granted Universal's motion for summary judgment on Scott's copyright claim. Scott failed to substantiate her allegation that Universal backdated the short story. Further, the facts showed that the short story and the related works were created before Scott published her novel. Moreover, several elements identified by Scott were simply not protectible. Of the elements relating to the screenplay and motion picture, several were commonplace incidents and settings, which were not protected under copyright law. The remaining elements identified by Scott, even if protectible, were not so substantially similar to elements in the screenplay and motion picture to survive summary judgment.

### **V. Mane Fils S.A. v. Int'l. Flavors & Fragrances, Inc. (D NJ 3/3/08)**

*Disclosure of opinion letters constituted waiver of privilege.*

The court granted Mane's motion to compel, holding that IFF's dissemination of the opinion letters at issue constituted a deliberate disclosure that waived the attorney-client privilege as to those opinions, in addition to all other documents surrounding these opinion letters. Contrary to IFF's contentions, the supplemental opinion letter was linked to Mane's United States patents and was not limited to Mane's Chinese patent. Regardless of whether certain of the opinions originated four years after the others, they nonetheless concerned the same subject matter: Mane's MMS patents. Finally, the court was not required to stay discovery on the issue of whether a defendant subjectively believed it was committing willful infringement until after there had been a finding that a defendant acted despite an objectively high likelihood that its actions constituted infringement of a valid patent.

## **Copyright Cases**

### **Bridgeport Music, Inc. v. WB Music Crop. (6th Cir 3/25/08)**

*Given litigation strategy, a fee award was justified*

The 6th Circuit affirmed the trial court's order awarding attorney fees and costs to defendant Universal-Polygram International Publishing, Inc. as a prevailing party. This case presented

one of the rare instances in which a district court ordered a party to pay attorney fees and costs in spite of finding that the party advanced an objectively reasonable legal theory. Despite the objective reasonableness of Bridgeport's royalty-receipt theory, there were other factors that were sufficiently weighty to justify an award against Bridgeport. As the trial court correctly observed, Bridgeport pressed a futile claim as part of the pattern of the company's overly aggressive litigation tactics. Once the trial court had rejected the theory under similar circumstances in a companion case, it was fruitless for Bridgeport to pursue that same theory before the same judge and force Universal to incur expenses preparing for trial.

### **Nordstrom Consulting v. M & S Technologies, Inc. (ND Ill 3/4/08)**

*Violation of clean room procedure did not show access.*

The court granted in part and denied in part the parties' summary judgment motions. Regarding the claim for declaration of copyright ownership, MST had not shown Marino's contributions to be original expression. Rather, Marino's actions amounted only to direction and ideas regarding how the software should operate and were therefore not sufficient to make Marino a joint author of the NCI software. It was Nordstrom who translated those ideas into a fixed expression by actually writing the code for the software. As to the copyright infringement claims, MST allegedly used a "clean room" procedure to develop the new software. While NCI responded that MST violated the clean room procedure, it was clear that Butler's possible violation did not satisfy the access requirement, as MST failed to show that the code suggested by Butler was either identical or substantially similar to the copyrighted code.

### **Trade Mark Cases**

#### **Bell v. Harley Davidson Motor Co. (SD Cal 3/3/08)**

*Defendants prevailed on all elements of fair use defense.*

The court granted Harley's summary judgment motion and denied Bell's summary judgment motion, noting that Bell had not established the elements of trademark infringement as a matter of law. There was at least a material dispute of fact as to whether Harley first used in commerce the phrases "Ride Hard" in a 1988 ad and "Hard Ride" on a 1993 T-shirt. In addition, a reasonable jury could find that Harley's use of "Ride Hard" was not likely to confuse consumers as to the source of Harley's products, as Bell had submitted no evidence of actual confusion. Moreover, Harley's use of "Ride Hard" was meaningfully different from Bell's mark, in that sense that Bell's mark had a stylized brush stroke and Harley used standard or cursive script. In any event, the evidence established that Harley prevailed on all three elements of its fair use defense.

#### **Johnson & Johnson Consumer Cos., Inc. v. Aini (ED NY 3/25/08)**

*Alleged prior versions of products deemed counterfeit*

Defendants argued that they were not subject to the remedial provisions of the Lanham Act because the AMBI Green and Red products they sold were not counterfeit, but were instead prior versions of Johnson's products made in Jamaica. The court found it appropriate to apply the gray goods test for genuineness to determine whether a prior version of a product was a counterfeit of its successor under the Lanham Act. Such goods were not intended for sale in the United States and differed materially from the current versions of the products at issue. Therefore, the allegedly prior versions could not be considered "genuine" under the Lanham Act. Moreover, the evidence did not support defendants' contention that their products were

prior versions of Johnson's products. As to the infringement claim, there was a substantial likelihood of consumer confusion between the products.

**Smith v. Wal-Mart Stores, Inc. (ND GA 3/20/08)**

*ND Ga - Use of marks for parody was unlikely to cause confusion.*

It was clear to the court that Smith's concepts were parodies of the registered Wal-Mart marks. Smith's concepts adequately evoked Wal-Mart while maintaining their differentiation and conveying Smith's satirical commentary. While Wal-Mart presented consumer research studies conducted by Jacoby to prove the likelihood of consumer confusion and resulting damage to Wal-Mart, the studies were flawed. Specifically, the studies: 1) failed to properly screen the universe; 2) failed to adequately replicate the shopping experience; 3) used improperly leading questions; 4) failed to actually test all of the challenged merchandise; and 5) used a non-random sample that was too small. After conducting its analysis, the court concluded that no fair-minded jury could find that a reasonable consumer was likely to be confused by the challenged marks.

Intellectual Property Notes is published by **JurisNotes.com, Inc.**

Jason Sanders, Townsend and Townsend and Crew, compiled the Notes for this newsletter.

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### **Employment Opportunities**

#### **Patent Attorney**

Sheridan Ross is currently seeking a registered patent attorney with 4-6 years experience in area of intellectual property litigation and patent opinion work. The candidate should also have experience in drafting and prosecuting U.S. and foreign patent applications.

Founded in 1954, Sheridan Ross P.C. is one of the largest intellectual property boutique law firms in the Rocky Mountain region. From our office in Denver, Colorado, we provide a full range of intellectual property services, including patent prosecution, trademark and copyright law, intellectual property litigation, and technology transactions and licensing.

All applicants should be licensed attorneys who are registered to practice before the U.S. Patent and Trademark Office. Excellent academic credentials and writing skills are required. Please submit resume, transcript(s) and writing sample to Miriam D. Trudell, Esq. at [mtrudell@sheridanross.com](mailto:mtrudell@sheridanross.com). No phone inquiries, please.  
(Exp. 07/08)

#### **Patent Attorney**

Neugeboren O'Dowd PC - Growing intellectual property practice in downtown Boulder is looking for a mid-level associate to handle various aspects of patent and trademark prosecution, litigation support and overall IP portfolio management. USPTO and Colorado bar admission required. While no particular technical background is required, experience in any of the mechanical, electrical, and/or software fields is highly preferred. Flexible hours and compensation schemes available and encouraged. Send resumes, writing samples, and references to [craig@neugeborenlaw.com](mailto:craig@neugeborenlaw.com).  
(Exp.7.08)

#### **Sr. Transactional Counsel at Activant Solutions Inc., Westminster, CO**

Activant Solutions Inc. is a leading technology provider of business management solutions serving small and medium-sized retail and wholesale distribution businesses in three primary vertical markets: hardlines and lumber; wholesale distribution; and the automotive parts aftermarket. Founded in 1972, Activant provides customers with tailored proprietary software, professional services, content, supply chain connectivity, and analytics. More than 30,000 customer locations use an Activant solution to manage their day-to-day operations. Headquartered in California, Activant has operations in Colorado, Connecticut, Illinois, Massachusetts, New Jersey, Pennsylvania, South Carolina, Texas, Utah, Canada, Ireland, and the United Kingdom.

#### **Job Description**

The individual selected for this position will be working with Activant's Intellectual Property & Licensing Group, which provides legal services and counsel to the Company's corporate infrastructure, particularly with regard to intellectual property outlicensing and associated contract negotiation. This position calls for a skilled attorney who can advise on all issues relating to intellectual property licensing, and who can effectively develop agreements, contribute to new business models, manage projects, and negotiate licenses with Activant's customers. Negotiate and draft technology agreements.

Interface with and manage outside counsel with regard to intellectual property issues. Provide internal IP legal support for Activant's business divisions and subsidiaries. Collaborate with Technical and Marketing groups in connection with new products and initiatives. Work directly with and advise management on IP licensing strategy. Assist in the training and professional development of supporting staff members. Advise Activant on intellectual property issues related to Activant's mergers and acquisitions. Anticipate and analyze emerging product sectors and develop responsive licensing strategies. Manage the NDA process.

#### Requirements

J.D. and membership in Colorado bar required. Bachelor degree in EE or CS or significant software experience is desirable. Major law firm training with a minimum of 4 years experience in IP licensing. 4 years corporate experience. Strong background in, and working knowledge of, US and foreign patent, copyright and trademark law. Additionally, an understanding of antitrust law is desirable. Superior interpersonal skills, exceptional writing and organizational skills and the ability to self-motivate and work independently. Ability to think strategically and apply sound business judgment. Ability to work successfully in a team environment with a diverse group of technical, business and legal personnel is essential. Familiarity with licensing of software and hardware is preferred. Ability to make effective and persuasive presentations on controversial or complex topics to senior executives. Must be computer literate and familiar with standard business applications such as Word, Excel, etc., and willing to work independently in proprietary database programs.

#### If interested:

Please send your resume/CV to:

Sandra Jensen, Sr. Staffing Consultant

Email: [Sandra.jensen@activant.com](mailto:Sandra.jensen@activant.com)

(Exp.4.08)

#### **Services Offered**

Patent Attorney seeks overflow work. University of Michigan Law School 1977, PTO-1984. Patent applications, amendments, inventor counseling, infringement analysis, etc. Experience in large corporation and law firms. Member of CO and TX Bars. Henry L. Smith, Jr., 9273 S. Cornell Circle, Highlands Ranch, CO 80130-4141. Phone/fax 303-346-5045.

Website: [www.hlsmithlaw.com](http://www.hlsmithlaw.com)

(Exp.6.08)

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All correspondence, phone calls, facsimiles and emails concerning this newsletter, as well as advertising submissions should be directed to Michael Drapkin.