

Colorado Bar Association

INTELLECTUAL PROPERTY SECTION NEWSLETTER

March 2008

Upcoming Events:

CBA - Intellectual Property Law Section - Topical Lunch

Richard Owens

Director, Copyright E-Commerce Technology and Management Division

World Intellectual Property Organization (WIPO)

When: March 17, 2008 -11:45 a.m. - 1:15 p.m.

Location: Pepsi Center - Lexus Club

Topic: Digital technologies are a two-edged sword for authors, publishers, and copyright holders generally. While they offer new possibilities to reach consumers with legitimate product and license offerings, they also enable infringement on a previously unheard-of scale. At the international level, a mix of legal, political, and market challenges are being addressed. On the legal side, implementation of the 1996 WIPO treaties (WCT, WPPT) is proceeding, with the European Copyright Directive 2001 and the U.S. Digital Millennium Copyright Act (DMCA) as prototypes. Work is also underway in a number of countries and regions to ensure that the balance between the protection of rights and the public interest in access to information and knowledge is maintained. Mr. Owens will examine different forces at work on both the political and market levels, in addition to offering a range of related insights. This event is co-sponsored by the Copyright Society.

The cost of the luncheon is \$30 and students may attend for free. If you are interested in attending, you may pay at the door.

*****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 Programs

April 9, 2008

Samson Yu

Managing Partner, Kangxin Partners

Blue Sky Grill at the Pepsi Center - 11:45 a.m. -1:15 p.m.

Topic: Mr. Yu is widely viewed as one of the leading IP attorneys in China and will share his perspectives of the evolving landscape for Chinese IP protection and enforcement. More specifically, he will address the current patent system and development trends of patent law in China, along with perspective and suggestions on patent preparation and prosecution. He will also address IP-related litigation in China and anti-counterfeiting through different channels.

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.

- Updates - Lemley on Patent Law, Ballon on Copyrights, Bernstein on Trademarks, Dodd on Licensing
- KSR and obviousness, a year later
- Advanced claim drafting
- Patent Office appeals
- IP and Sarbanes Oxley: What you should know
- The changing finance landscape for IP
- Anatomy of a complex license

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 '07 - '08 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. 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.

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.

JurisNotes

Patent Cases

Univ. of California v. DakoCytomation (Fed Cir 2/28/08)

Fed Cir - Amendment was tangential to accused equivalent (2-1).

UC, Abbott Molecular, Inc., and Abbott Laboratories, Inc. (collectively "UC") sued DakoCytomation, Dako A/S, and Dako North American, Inc. (the latter two referred to collectively as "Dako") for patent infringement. The trial court denied UC's motion for a preliminary injunction and also granted in part summary judgment of non-infringement. The Federal Circuit affirmed in part, reversed in part, and remanded.

The patents are directed to methods for classifying chromosomes in order to detect abnormalities. The specification discloses three ways to disable the hybridization capacity of the repetitive sequences: blocking, removal, and screening. The '841 patent claims are directed to blocking the repetitive sequences. During prosecution of the '841 patent, the patentees indicated that the claims were limited to the blocking embodiment. They further indicated that claims to the other major embodiment of disabling the hybridization capacity (removal) would be pursued in another application. That application resulted in the '479 patent, which employs the method of removing repetitive sequences from the heterogeneous mixture. The trial court granted summary judgment of non-infringement of the '479 patent based on its construction of the "heterogeneous mixture" limitation. The trial court granted summary judgment of non-infringement as to two of Dako's products upon concluding that UC was barred from asserting infringement of the "blocking nucleic acid" limitation under the doctrine of equivalents.

UC argued that the trial court erred by interpreting the "heterogeneous mixture" limitation as excluding repetitive sequences. Although the trial court erred in its reasoning, the Federal Circuit affirmed its construction of the "heterogeneous mixture" limitation. The patentees disclaimed embodiments that included repetitive sequences during prosecution of the '479 patent. Thus, the accused products, which used a mixture that included repetitive sequences, did not infringe the '479 patent. The addition of the term "unique sequence" to the "heterogeneous mixture" limitation, coupled with the patentees' statements during prosecution, evinced a clear intent to limit the claims of the '479 patent to those embodiments in which the repetitive sequences had been excluded from the heterogeneous mixture.

As to the '841 patent, the Federal Circuit held that the trial court erred by applying prosecution history estoppel to the "blocking nucleic acid" limitation. Claim 1 was amended for a substantial reason related to patentability. The prosecution history suggested that the patentees limited the claim to the blocking method at least in part to overcome the examiner's rejections. However, in narrowing the claim to overcome the prior art rejections, the focus of the patentees' arguments centered on the method of blocking, not on the particular type of nucleic acid that could be used for blocking. Thus, the narrowing amendment was only tangential to the accused equivalent (i.e., the peptide nucleic acid). Regarding the trial court's denial of UC's motion for a preliminary injunction, the Federal Circuit affirmed that decision, but noted that the trial court erred in its construction of the term "morphologically identifiable cell nucleus." (Dissent: The amendment bore more than a tangential relationship to the amendment).

Offer to mass produce was not experimentation (Fed Cir 2/21/08)

Atlanta Attachment Co. v. Leggett & Platt, Inc.

The trial court granted summary judgment in favor of Atlanta and the Federal Circuit reversed and remanded. It was clear that embodiments of claim 32 of the '603 patent were on sale before the critical date. Atlanta was not experimenting within the contemplation of the experimental use doctrine when Atlanta sold its invention to Sealy because the latter performed the testing and Atlanta did not have control over it. Further, Atlanta's offer to mass produce production models did not square with experimentation under any standard. Because the third prototype demonstrated the workability and utility of the invention of claim 32 during Atlanta's February 2001 demonstration to Sealy, claim 32 was reduced to practice and ready for patenting. Accordingly, claim 32 was invalid due to the on-sale bar.

F & G Research, Inc. v. Creative Technology Ltd. (SD Fla 2/5/08)

Statement constituted clear disavowal of type of scroll wheel.

Creative had submitted undisputed evidence that its mouse used a scroll wheel, which was clearly distinguishable from what was taught by the '229 patent, namely, a spring-loaded lever. Thus, the Creative mouse did not literally infringe the '229 patent. Regarding infringement under the doctrine of equivalents, the inventors of the '229 patent expressly distinguished the claimed "supplementary control means" from a thumbwheel during prosecution of the patent. The inventors' unambiguous statement constituted the necessary clear disavowal of the type of scroll wheel used in the Creative mouse to sustain a claim of prosecution history estoppel. Accordingly, FGR was precluded from claiming direct infringement of claim 12 of the '229 patent under the doctrine of equivalents. In addition, none of the evidence was sufficient to demonstrate direct infringement by any third-party or through any combination of the Creative mouse and a third-party's software.

Medtronic Navigation, Inc. v. BrainLAB (D Colo 2/12/08)

Party crafted an intentionally misleading trial strategy.

The court concluded that the manner in which Medtronic's counsel continued the prosecution of claims through trial was in disregard of their obligations as officers of the court. The court held Medtronic and its counsel (including the entire firm) jointly and severally liable for the attorney fees and expenses that Brain incurred in defending this action after Brain's summary judgment motions showed that the claim construction rulings had eviscerated Medtronic's case. After receiving the court's claim constructions, Medtronic and its attorneys had a duty to reexamine this litigation and make an objective assessment of the validity of Medtronic's claims that Brain's products infringed the patent claims as construed. After the court's claim construction rulings, Medtronic's primary objective in pursuing this case was to put economic pressure on its competitor in the market.

Sitrick v. Dreamworks, LLC (Fed Cir 2/1/08)

Plaintiff did not enable full scope of the asserted claims.

The trial court concluded that the asserted claims of Sitrick's patents were invalid for lack of enablement and indefiniteness and also held that the patents were not infringed. The Federal Circuit affirmed the trial court's judgment of invalidity and concluded that Sitrick waived his

objection to the transfer order. Defendants met their evidentiary burden and showed that Sitrick did not enable the full scope of the asserted claims. Specifically, defendants showed with clear and convincing evidence that one skilled in the art could not take the disclosure in the specification with respect to substitution or integration of user images in videogames and substitute a user image for a preexisting character image in movies without undue experimentation. Neither patent specification taught how the substitution and integration of a user image would be accomplished in movies.

Trade Secret Case

AI Minor & Assoc., Inc. v. Martin (Ohio 2/6/08)

Memorized data could be basis for trade secret violation.

The trial court entered judgment in favor of Minor and the Supreme Court of Ohio affirmed. The Supreme Court of Ohio concluded that the client information at issue in this case did not lose its status as a trade secret, or the protection of the [Ohio Uniform Trade Secrets Act](#) ("UTSA"), because it had been memorized by Martin, a former employee of Minor. Nothing in the UTSA suggested that, for purposes of trade secret protection, the General Assembly intended to distinguish between information that had been reduced to some tangible form and information that had been memorized. In addition, nothing in the six-factor test indicated that the determination of whether a client list constituted a trade secret depended on whether it was capable of being memorized or had been memorized. [Top](#)

Copyright Cases

Situation Mgmt. Systems v. ASP Consulting (D. Mass 2/28/08)

Copying occurred, but substantial similarity not shown.

While the facts showed that ASP copied Situation's materials, ASP was not liable for copyright infringement because the accused works were not substantially similar to the original works. Much of the content of Situation's works was not copyrightable because it was devoted to discussing concepts and processes. At their creative zenith, Situation's works translated common sense communication skills into platitudinal business speak. Further, self-assessment was essentially a scene a faire that was not copyrightable. In addition, no copyright inhered in Situation's use of a five-point rating system. The works at issue were so dominated by non-protectable materials that it was impossible to reduce the work to a copyrightable essence or structure. To the extent that the content could be characterized as expression, much of it was simply not original.

Home Design Services v. David Weekley Homes (MD Fla 2/19/08)

Copyright on architectural work was clearly invalid

Weekley argued that HD's architectural work did not fall within copyright protection because the plans were published before the [Architectural Works Copyright Protection Act](#) was enacted and because a house was constructed using such plans prior to enactment of the statute. The court agreed, noting that the sale of the plans to Reiche constituted publication of the plans. Further, construction of the house before December 1, 1990 by someone other than the

copyright holder also satisfied the statute. Thus, HD's copyright on the plans as an architectural work was invalid. Fact issues existed as to whether HD had committed fraud on the Copyright Office in securing its technical drawing registration. But despite the similarities between the general layout of the parties' designs, a reasonable jury could not find them to be substantially similar.

Smith v. NBC Universal (SD NY 2/22/08)

Emotional damages available in some copyright suits.

Smith argued that the broadcast of a video showing him being attacked by an orca caused him emotional harm. Contrary to the arguments raised by NBC, the court stated that emotional damages could be recoverable in some copyright actions. Under certain circumstances, an individual could sustain foreseeable emotional harm due to the infringement of a copyright on private materials. In that event, compensation for emotional harm would be in harmony with the plain language and intent of copyright law. In this case, however, emotional damage to Smith following the airing of a thirty-seven second clip of a video that he had previously licensed for national broadcast was not foreseeable. As a result, Smith was precluded from introducing evidence of emotional harm that he suffered as a result of the broadcast. [Top](#)

Trade Mark Cases

Constellation Brands, Inc. v. Arbor Hill Assoc., Inc. (WD NY 2/26/08)

Triable issue of fact existed as to actual confusion.

Regarding CBI's claim for declaratory judgment that the "Arbor Mist" mark did not infringe Hill's "Arbor Hill" mark, Hill's mark was deserving of protection, but was not entitled to the fullest protection available under law given the extensive third-party use of the word "arbor" in the wine industry and Hill's modest, regional success with its wine. Apart from the fact that both wines were sold in similarly shaped bottles, there was very little similarity between the appearance of the marks and products. In short, the two products created very different impressions. The differences were sufficiently memorable to dispel confusion among consumers viewing the products serially. Further, the nature of the two products was different since Hill's product was a traditional table wine, while CBI's product was a mix of wine and fruit juice with a lower alcohol content. However, the court concluded that triable issues of fact existed as to actual confusion.

American Rice, Inc. v. Producers Rice Mill, Inc. (5th Cir 2/22/08)

Flow-through status not relevant to profits award (2-1).

The trial court did not clearly err in finding ARI's mark to be fanciful and thus strong, as the image of a girl icon used to sell rice was not intrinsic to such a product. Nor was the trial court's finding that the parties' designs were very similar clearly erroneous. Both marks depicted young women with similar hair, dress, and features, posed behind a rectangular shape, holding a bowl of rice, and using the same color scheme. Further, it was clear that Mill intended to trade on ARI's goodwill by using its girl icon. In short, the facts showed a likelihood of confusion between the parties' girl designs. Regarding ARI's challenge to the trial court's calculation of Mill's profit that had to be disgorged, the 5th Circuit agreed with ARI that Mill's

flow-through status was irrelevant to the profits award. In other words, that Mill passed its profits on to its patrons was not relevant to such an award.

Vail Associates, Inc. v. Vend-Tel-Co., Ltd. (10th Cir 2/7/08)

Mark merely traded on "Vail" as a ski destination (2-1).

The trial court found that VA failed to prove that Vend's use of its 1-800-Ski-Vail service mark posed a likelihood of consumer confusion between the services offered by VA and Vend. The 10th Circuit affirmed, noting that VA failed to prove that the ordinary consumer, looking for winter recreation in and around the town of Vail, Colorado, associated the word "Vail" exclusively, if at all, with VA or its ski resort. Rather, the ordinary consumer saw Vail as a place to ski, without associating it with any particular entity or service provider. The trial court properly found that VA's mark was not particularly strong given the fact that VA's evidence of secondary meaning was not particularly strong. The geographically descriptive nature of the mark, coupled with its extensive use by third-parties, substantially undermined its strength. The 10th Circuit declined to extend unwarranted service mark protection to VA for a geographical term describing a ski destination in Colorado.

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Employment Opportunities

Patent Attorney/Patent Agent - Biotech

Sheridan Ross P.C. is currently seeking a patent attorney or registered patent agent with 1-5 years experience, in the biological sciences/biotechnology fields. Responsibilities will include drafting and prosecuting U.S and foreign patent applications and opinion work.

Founded in 1954, Sheridan Ross P.C. is one of the largest intellectual property 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.

Qualifications for current opening include 1-5 years experience in U.S. and international patent prosecution in the biological sciences/biotechnology fields. All applicants must be 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 Gary J. Connell, Esq. at gconnell@sheridanross.com. No phone inquiries, please.

(Exp. 06/08)

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

(Exp.4.08)

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 info@neugeborenlaw.com.

(Exp.3.08)

Experienced Patent Attorney or Agent for small full-service biotechnology firm in Erie, Colorado. Firm seeks an experienced patent attorney or agent for patent preparation and prosecution. The ideal candidate will have experience, a B.S. in Chemistry, Biology or Molecular Biology as well as strong analytical and writing skills and professional recommendations. Patent bar admission required. Resumes, including exemplary patent numbers, professional references and salary requirements may be sent to: Sonya Oster at mail@mccallumlaw.net. Background information on the Firm may be found at www.mccallumlaw.net. Please reference "Patent Attorney / Agent" in the subject line.

(Exp.3.08)

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

(Exp.6.08)

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