

Colorado Bar Association
INTELLECTUAL PROPERTY SECTION
NEWSLETTER

May 2009

Upcoming IP Section Events:

May IP Section Event

IP and Technology Policy in the Obama Administration
12:15 - 1:30 Luncheon, Hyatt Regency Convention Center
Organized by the IP Section and Silicon Flatirons

Featuring the following key Obama Advisors:

Q. Todd Dickinson, Executive Director of the AIPLA
former Director of the PTO, Chief IP Counsel at GE, and Partner at Howrey

Mark Lemley, Professor of Law, Stanford University

Phil Weiser, Executive Director, Silicon Flatirons
Professor of Law, University of Colorado,
Deputy Assistant Attorney General for International, Policy and Appellate matters,
U.S. Department of Justice's Antitrust Division

The IP Section and Silicon Flatirons have joined forces to put together a luncheon panel to occur on the first day of the 7th Annual Intellectual Property & Technology Institute (for more information go to <http://www.cobar.org/cle/photos/RMIP.html>). The luncheon is included as part of the admission for all attendees of the IP Institute. The luncheon will feature leading Obama advisors Q. Todd Dickinson, Mark Lemley and Phil Weiser discussing the Administration's policy on a number of important IP matters, including patent reform, appointments to the Federal Circuit, the DMCA, and antitrust.

Report on Past IP Section Events:

Report on the April 28, 2009 IP Section Luncheon (Survey Expert Phil Johnson)

On April 28, 2009, approximately 55 IP Section members attended the IP Section luncheon presented by Phil Johnson, the CEO of Shapiro & Associates. Mr. Johnson is a widely recognized and frequently engaged expert in the field of the design and conduct of trademark surveys. He has conducted hundreds of surveys and has testified in at least 90 cases. Mr. Johnson noted at the outset that the key issue in any trademark case is the consumers' reaction to the competing marks in the marketplace. Because it is typically impractical to directly observe every consumer decision, a trademark survey is used to model those reactions. To be useful, especially in litigation, a correctly-designed survey must query the right mix of consumers, using the appropriate stimulus which is presented to the consumers in the correct context, and the results of which are tested using the appropriate control. Mr. Johnson noted that it can take 6-8 weeks and \$100,000 to design and conduct a "good" litigation survey. Thus, the task should not be approached lightly.

Selecting the stimulus and the control is one of the key decisions in any survey. The stimulus must contain the elements which are being tested. In contrast, the control should be very similar to the stimulus, but lacking the feature that is being tested, i.e. the potential infringing element.

Selecting the appropriate consumer universe is also a difficult task, especially as telephone surveys are becoming more difficult to conduct. Online surveys have not been widely used for litigation purposes because they are not reliably projectable. Only 2% of the internet users agree to participate in surveys, so most surveys are taken by the same group of people. However, because internet survey participants tend to be prescreened, and because they are asked to provide extensive personal information which can benefit in the analysis of the survey results, internet surveys can be useful.

Finally, the survey must ask the right questions that will provide insight into the consumers' reaction to the marks. However, the survey must not ask too many questions that could give rise to bias or permit unnecessary explanations.

At the conclusion of his talk, Mr. Johnson touched on the new importance of surveys in dilution cases under the Trademark Dilution Revision Act. A survey can be useful to show association between the marks by asking consumers "What, if anything, came to mind when you first say the allegedly diluting mark?" Because consumer cannot be both confused and "diluted," dilution surveys are typically conducted in concert with confusion surveys, with the dilution question being asked at the end. The combination of confusion and dilution result is referred to as the "total association." A copy of Mr. Johnson's presentation slides can be found at <http://www.cobar.org/index.cfm/ID/21245>.

Special thanks to Lucky Vidmar of Greenberg Traurig for this summary.

Report on the April 2, 2009 Luncheon (IP Due Diligence by Tom Irving)

On April 2, 2009, approximately 65 IP Section members were entertained by an animated presentation by Tom Irving of Finnegan, Henderson, Farabow, Garrett and Dunner. Tom has recently entered his fourth decade of work in the intellectual property field, and is widely regarded as the authority on intellectual property due diligence investigations. In his presentation, Tom focused on why IP due diligence investigations are critical to both the suitor and the target - that is, the acquiring party, and the party being acquired - albeit with each party having different goals for the investigation.

Relating his experience and advice through personal war stories, Mr. Irving outlined six key areas to focus attention on during an intellectual property due diligence investigation involving patents. Among those points, he emphasized the necessity to assess the enforceability of the target's patent portfolio in a post-KSR world. Also, perhaps surprisingly, he noted the necessity of the suitor to verify whether the patents being acquired actually cover the desired technology. Tom related, through first hand experience, an instance where a deal valued at over a billion dollars was slashed in value to less than a quarter of the initial asking price when the suitor discovered the target's patents did not read on the target's intellectual property crown jewels. A PowerPoint presentation of Tom Irving's presentation is available at <http://www.cobar.org/index.cfm/ID/21221>. A video reply of this event is available <http://www.cobar.org/cle/datadetail.cfm?productid=IP040209N>. A copy of Mr. Irving's presentation slides can be found at <http://www.cobar.org/index.cfm/ID/21221>.

Special thanks to Karan Saab at Townsend, Townsend & Crew for this summary.

Report on the March IP Section Program - Evaluating Software Patents Conference Co-sponsored by Silicon Flatirons and the IP Section

On March 19, the IP Section co-sponsored the Evaluating Software Conference presented by Silicon Flatirons at the Wolf Law Building, University of Colorado. At this conference, over 100 attendees heard multiple panels of distinguished commentators evaluate the premises for fundamental reform of software patents, as well as specific suggestions for changing how patents are granted and how patent litigation operates. The panels included "The Debate Over the Proper Scope of Patents," "The Realities of Patent Litigation: A Search for Truth or Leverage for Patent Holders?," "Patents, Start-up Companies, and Financing Decisions," and "Roundtable Discussion: Software Patents in Perspective." The panelists included distinguished lawyers from academia (including John Duffy from GW and Mark Lemley from Stanford) and the IP Section (including Tim Scull, Natalie Hanlon-Leh, John Posthumus, Jason Haislmaier, and Bill Volbach). A complete description of the panels and panelists can be found at <http://www.silicon-flatirons.org/events.php?id=486>. A free video replay of the event is available for viewing at <http://itp.colorado.edu/itp-content/sftp-conference-videos>.

ANNOUNCEMENTS:

Call for Suggestions or Ideas

The IP Section Officers are also soliciting your suggestions and ideas for topics and speakers for our Luncheon programs for 2009. Please forward any comments you may have to John Posthumus at posthumusj@gtlaw.com.

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 John Posthumus at posthumusj@gtlaw.com.

IP Section Website

Don't forget to check out the Colorado Bar Association website. 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.

Recently Filed U.S.D.C. Colorado Cases

CAPTION	TYPE	CASE NO.	JUDGE	FILING ATTORNEY(S) - Local
Alcohol Monitoring Systems, Inc v. CB Home Detention Equipment and Services, Inc et al	Patent	09cv605	Philip A. Brimmer	Phillip S. Lorenzo Lathrop & Gage, LC
Alcohol Monitoring Systems, Inc v. Phillips	Patent	09cv517	Richard P. Matsch	Phillip S. Lorenzo Lathrop & Gage, LC
B & R Plastics, Inc v. Big R et al	Patent	09cv705	Walker D. Miller	Erik G. Fischer Fischer & Fischer, LLP William W. Cochran Cochran, Freund & Young, LLC
B & R Plastics, Inc v. Norm Thompson Outfitters, Inc	Patent	09cv901	Robert E. Blackburn	Erik G. Fischer Erik G. Fischer, LLP William W. Cochran Cochran, Freund & Young, LLC
BMW of North America, LLC et al v. Autowerks East, Inc et al	Trademark	09cv1009	John L. Kane	KC Groves, Jr. Mark E. Lacin Ireland, Stapleton, Pryor & Pascoe, PC
Cellport Systems, Inc v. Peiker Acoustic GMBH & Co KG	Patent	09cv1007	Philip A. Brimmer	Lisa A. Hogan Brownstein Hyatt Farber Schreck, LLP
Dataworks, LLC v. Commlog LLC	Copyright	09cv528	Philip A. Brimmer	James W. Bain Benjamin, Bain & Howard, LLC
Dataworks, LLC v. Planit Planners, Inc	Trademark	09cv504	Marcia S. Krieger	James W. Bain Benjamin, Bain & Howard, LLC
E.I. Dupont De Nemours and Company v. AUTOS2LAST.COM	Trademark	09cv601	Robert E. Blackburn	Amy Elizabeth Arlander Kamlet Shepherd & Reichert, LLP
Echo Geophysical Corporation v. Eckard Land & Acquisition, Ltd et al	Trademark	09cv681	Christine M. Arguello	Arthur H. Bosworth , II Treece, Alfrey, Musat & Bosworth Harold R. Bruno , III Robinson, Waters & O'Dorisio, PC
Frilly Jilly LLC v. Coconut Grove Intimates Inc	Patent	09cv968	Philip A. Brimmer	Benjamin Baughman Lieb Sheridan Ross, P.C.
Frilly Jilly LLC v. Sassybax LLC	Patent	09cv593	Marcia S. Krieger	Benjamin Baughman Lieb Sheridan Ross, P.C.
Green v. Lifestest Publishing, Inc et al	Copyright	09cv925	Philip A. Brimmer	Kevin Scott Neiman Pearson, Horowitz & Burnett, PC
Hildebrand v. Harbor Freight Tools	Patent	09cv700	Robert E. Blackburn	David L. Hildebrand, Pro Se
Home Design Services, Inc v. C & H Builders, LLC et al	Copyright	09cv931	Marcia S. Krieger	Floyd S. Yarnell Parrish, Lawhon & Yarnell, P.A.
Home Design Services, Inc v. Edwards et al	Copyright	09cv1003	John L. Kane	Floyd S. Yarnell Parrish, Lawhon & Yarnell, PA

CAPTION	TYPE	CASE NO.	JUDGE	FILING ATTORNEY(S) - Local
Home Design Services, Inc v. Rodriguez et al	Copyright	09cv1002	Richard P. Matsch	Floyd S. Yarnell Parrish, Lawhon & Yarnell, PA
Home Design Services, Inc v. Trumble et al	Copyright	09cv964	Wiley Y. Daniel	Anthony M. Lawhon Parrish, Lawhon & Yarnell, P.A.
Honeywell International Inc v. Shanghai Pegasus Materials Co, Ltd Et A	Patent	09cv847	Philip A. Brimmer	Elizabeth Miller Roesel Paul, Hastings, Janofsky & Walker, LLP-DC
Hospice of Metro Denver, Inc v. Hospice of Larimer County	Trademark	09cv991	Wiley Y. Daniel	J. Mark Smith Pendleton, Friedberg, Wilson & Hennessey, PC
Melco Industries, Inc v. Elliot	Copyright	09cv523	Philip A. Brimmer	Ann Marie Byers Cooley Godward Kronish, LLP
Partminer Worldwide Inc v. Siliconexpert Technologies Inc et al	Trademark	09cv586	Marcia S. Krieger	Randall H. Miller Holme Roberts & Owen, LLP
Precision Concrete Cutting, Inc v. Sidewalk Shavers, LLC Et A	Patent	09cv856	Philip A. Brimmer	James B. Belshe Workman Nydegger Nina Y. Wang Faegre & Benson, LLP-Denver
Predator International, Inc v. Gamo Outdoor USA, Inc	Patent	09cv970	Philip A. Brimmer	John M. Cogswell Cogswell Law Offices, PC
Tian Yi Tong Investments Ltd v. Air Austral	Copyright	09cv745	John L. Kane	Patrick D. Vellone Allen & Vellone
Video Professor, Inc v. Amazon.com, Inc	Trademark	09cv636	Robert E. Blackburn	Gregory C. Smith Fairfield & Woods, P.C.
Video Professor, Inc v. Clevenger	Trademark	09cv830	Robert E. Blackburn	Gregory C. Smith Fairfield & Woods, P.C.
Video Professor, Inc v. Strategic Business Communications, Inc	Trademark	09cv619	Walker D. Miller	Gregory C. Smith Fairfield & Woods, P.C.
Video Professor, Inc v. Weinman	Trademark	09cv815	Wiley Y. Daniel	Gregory C. Smith Fairfield & Woods, P.C.
Viesti Associates, Inc v. Globe Pequot Press, Inc	Copyright	09cv534	Marcia S. Krieger	Christopher Seidman Craig F. Wallace Harmon & Seidman LLC
Viesti Associates, Inc v. Houghton Mifflin Harcourt Publishing Company et al	Trademark	09cv743	John L. Kane	Christopher Seidman Craig F. Wallace Harmon & Seidman
Wine Masters Cellars, LLC v. Vinotemp International Corporation	Patent	09cv972	Marcia S. Krieger	John R. Posthumus W. Alex Furman Greenberg Traurig

Please email John Posthumus at posthumusj@gtlaw.com with any interesting Colorado District Court IP decisions or IP news involving Colorado Companies (e.g., issued patents, trademark or copyrights).

CASE LAW UPDATES

The IP Section has discontinued its license. We are working to find an alternative source for case law updates. The following summarizes some decisions since the March Newsletter. Other sources to consider for case law updates are IPLAW360 (<http://ip.law360.com/>) and Patentlyo (<http://patentlaw.typepad.com/>).

Copyright Cases

Scranton Times, L.P. v. Wilkes-Barre Publishing (M.D.Pa 3/6/09)

Misappropriation claim preempted by copyright law.

The court held that obituaries appearing in the Scranton Times publications conveyed information about many time-sensitive details, and thus, satisfied the "time-sensitive" extra element. However, the Court found that the alleged copying and re-use of the original obituaries did not pose a threat to the existence of the Scranton Times newspapers or the ability of them to continue the timely publication of obituaries. As a result, the court found that the state law claim for misappropriation was preempted the US Copyright Statute because it did not satisfy the extra element test.

Golan v. Holder (D.Colo. 4/3/09)

Removing works from public domain violated interests.

Plaintiffs represent a broad range of artisans and businesses that use works in the public domain for their trade. These works were produced by foreign authors and, for varying reasons, did not enjoy copyright protection in the United States prior to enactment of the URAA. With the enactment of the Uruguay Round Agreements Act, Section 514 granted copyright protection to these foreign authors, and removed from the public domain the works upon which Golan relied. As a result, Golan now faced having to either pay for the previously free use, or cease using the works altogether. Golan argues that his 1st Amendment rights were violated by Congress when these works were removed from the public domain. The government proffered various interests allegedly served by Section 514. The court found none of them persuasive, stating that while compliance with international treaty obligations represented an important governmental interest, Section 514 simply did not meet the requirements of the Berne Convention in a manner that was not substantially broader than necessary to achieve the government's interest. The Court further held that Section 514 interfered with Golan's vested 1st Amendment rights to unrestrained use of the restored works and that the impact of removing the restored works without accommodating Golan's reliance interest was substantial.

Patent Cases

TransCore v. Electronic Transaction Consultants (Fed.Cir. 4/8/09)

Sales were authorized and patent rights were exhausted.

In 2000, TransCore sued a competitor, Mark IV Industries, for infringement of several patents. That action was resolved by a settlement agreement, in which Mark IV agreed to pay a specific amount in exchange for an unconditional covenant not to sue and a release of all existing claims. Several years later, Mark IV sold certain systems to ETC, and TransCore sued ETC for infringement of three patents that had previously been in suit against Mark IV. An unconditional covenant not to sue authorized sales by the covenantee for purposes of patent exhaustion. The parties' intent with respect to downstream customers was of no moment in a patent exhaustion analysis. The real question was not whether the agreement was framed in terms of a "covenant not to sue" or a "license," but what the settlement agreement authorized. It was quite clear that the settlement agreement at issue authorized sales. The language of the agreement was unambiguous and did not include a restriction on sales, but instead authorized all acts that would otherwise be infringements. As a result, the trial court correctly found that Mark IV's sales to ISTHA were authorized and that TransCore's patent rights were exhausted.

Felix v. American Honda Motor Company, Inc. (Fed. Cir. 4/10/09)

Presumption of prosecution history estoppel attaches to added claim limitations

The patentee filed suit against the alleged infringer for infringing claim 6 of U.S. Patent No. 6,155,625 (the '625 Patent), which claimed a trunk-like compartment in the bed of a pick-up truck. After claim construction, the district court granted summary judgment for the alleged infringer finding no infringement either literally or under the doctrine of equivalents because of a difference in gasket mountings. In prosecuting claim 6, the patentee had cancelled a former independent claim and rewritten a dependent claim in independent form, thereby adding dependent limitations, including the gasket limitation. Therefore, prosecution history estoppel precluded the patentee from arguing for "equivalence" of the added gasket limitation. This was so even though the gasket limitation was not added to directly address the examiner's concerns and did not actually render the claim allowable. The Federal Circuit affirmed, holding that "the presumption of prosecution history estoppel attaches when a patentee cancels an independent claim and rewrites a dependent claim in independent form for reasons related to patentability, even if the amendment alone does not succeed in placing the claim in condition for allowance."

Synthes (U.S.A.) v. G.M. Dos Reis Jr. Ind. Com. De Equip. Medico (Fed. Cir. 4/17/09)

Trade show subjects Brazilian company to personal jurisdiction

The district court dismissed a patent infringement suit for lack of personal jurisdiction over a Brazilian corporation that brought its products into the United States and displayed them at a

California trade show. The district court conducted an analysis pursuant to Fed. R. Civ. P. 4(k)(2) and found that the accused infringer's minimum contacts with the United States as a whole (not just with the forum state) were insufficient to establish general or specific jurisdiction. The Federal Circuit agreed that the district court lacked general jurisdiction, but reversed with respect to specific jurisdiction, finding that there were sufficient "minimum contacts" with the United States as a whole. The court found the accused infringer purposefully directed its activities at parties in the United States by bringing its allegedly infringing products into the United States, and displaying and presenting those products at a trade show as part of its "international sales effort."

Trademark Cases

In re Vertex Group LLC (TTAB citable 2/13/09)

Sound proposed for registration was functional.

Vertex applied to register as a trademark a sound described as a descending frequency sound pulse in a specific range for personal security alarms and a similar product consisting of a child's bracelet to deter child abductions. The examining attorney refused registration on the basis of functionality and on the ground that the sound did not function as a trademark. The Board affirmed both grounds for refusal. The Board stated that registration of Vertex's sound as described would deprive competitors of many combinations of frequencies available for personal alarms.

Internet Specialties v. Milon-DiGiorgio Enter. (9th Cir 3/17/09)

In absence of prejudice, laches did not bar suit.

The 9th Circuit affirmed the trial court's granting of an injunction against any further use of MDE's domain name, stating that the trial court did not err in determining that laches did not bar IS's trademark infringement claim. While the trial court erred in finding that IS was diligent, MDE had suffered no prejudice resulting from IS's delay in bringing suit because MDE did not spend the time in the interim developing brand recognition of its mark.

CLASSIFIED ADVERTISING

Classified advertisements are printed by the IP Section free of charge and will run for three months, unless we receive a request to drop or continue running the ad. Submit or resubmit your ad by e-mailing the proposed text to John Posthumus at posthumusj@gtlaw.com.

Contract or Overflow Work

Naval Academy grad with M.S. Chemistry and over 25 years' patent experience available for patent prosecution (chemical, mechanical, design, business methods) and trademark work at reasonable rates. Admitted in California and D.C. only. Please contact James K. Poole at (970) 472-5061; FAX (970) 472-5041, or jkpoole@aol.com. Mail materials or inquiries to P.O. Box 925, Loveland, CO 80539. (expires 07/09)

Trademark Paralegal

Trademark paralegal with 17 years of experience. I can assist you with USPTO filings and with creation and upkeep of your docket. I have worked in firms in Denver but currently would prefer to work on a contract basis. References available. Call Jennifer Rothschild at 303-850-9297. (expires 06/09)

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