

## Our Latest Industry Insights

IP File

February 18, 2015

### **Aqua Shield v. Inter Pool Cover Team – Evidence of Actual Profits Does Not Hold Water in Reasonable Royalty Analysis**

The Federal Circuit, in *Aqua Shield v. Inter Pool Cover Team*, 774 F.3d 766 (Fed. Cir. 2014), recently provided further guidance on the traditional method for assessing the market value of a patent: the hypothetical negotiation. The court considered evidence of an infringer's actual profits and clarified that such evidence is of limited value in the determination of a reasonable royalty award for patent infringement.

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February 11, 2015

### **Joinder Denied: The Ins And Outs Of Filing And Joining IPR Petitions On A Timely Basis**

**By:** Dan Liu

For patent infringement defendants filing an Inter Partes Review (“IPR”) petition to challenge the validity of the patents asserted against them has become popular, largely because of the high rate of patents rendered invalid as a result of the petitions. Thus, knowing when to file an IPR petition is crucial.

**TAGS:** Inter Pares Review, IPR, Patent Litigation

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February 4, 2015

## **Navigating Patent Damages Part II: How Infringement Allegations Can Impact or Limit Potential Damages**

Previously, we discussed the implications of the failure to mark defense on damages prior to the filing of a patent case. In this next article in the series, we examine how allegations of direct and/or indirect infringement, as well as the type of patent claim being asserted (e.g., method, system, or apparatus) can impact the amount of potential damages a patent holder can recover.

**TAGS:** asserted patents, contributory infringement, direct infringement, direct infringement damages, indirect infringement, indirect infringement theory, induced infringement, infringement allegations, method claims, patent case, patent claim, patent damages, patent holder, patent litigation, pre-filing damages, strict liability tort, synqor inc. v. artesyn techs. inc., system claims

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IP File

January 28, 2015

## **For the Redskins, NFL Playoff Season Means. . . Constitutionality Questions?**

The NFL playoffs aren't the only big football news happening this month! The U.S. Department of Justice recently decided to intervene in the Washington Redskins trademark litigation over the constitutionality of certain provisions of the Lanham Act.

**TAGS:** commercial speech, doj, eastern district of virginia, federal court, fifth amendment, first amendment, football, free speech, intellectual property, lanham act, lanham act section 2a, native americans, nfl, notice of intervention, redskins, registered trademark, trademark & trade dress, trademark litigation, trademarks, ttab, u.s. department of justice, u.s. district court, u.s. trademark trial and appeal board, washington redskins

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IP File

January 27, 2015

## **Supreme Court Modifies Claim Construction Review Standard**

**By:** Rex Hwang

On Tuesday, the U.S. Supreme Court issued its decision in *Teva Pharmaceuticals USA, Inc. v. Sandoz, Inc.* partially modifying the standard of review to be applied by the Federal Circuit when reviewing a district court's construction of a claim term. Prior to *Teva*, the Federal Circuit applied a *de novo* standard for claim construction review. Now, based on the *Teva* decision, the Federal Circuit must apply a "clear error" standard for factual questions, and a *de novo* standard for legal questions when reviewing a claim construction on appeal.

**TAGS:** claim construction, claim term, clear error standard, *de novo* standard, Federal Circuit, intrinsic evidence, patent claim, Patent Litigation, Phillips, *Teva*, *Teva Pharmaceuticals USA v. Sandoz Inc.*, U.S. Supreme Court

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IP File

January 22, 2015

## **Who A-Tacks a Decision on Tacking? U.S. Supreme Court Rules That Tacking Trademarks to Gain Earlier First Use Is a Question Of Fact**

It's a historic week for trademarks! On January 21, 2015, the U.S. Supreme Court issued a decision in the case of Hana Financial, Inc. v. Hana Bank, which marks the high court's first substantive ruling on trademarks in more than ten years. In its decision, the Supreme Court unanimously held that trademark tacking is a factual question, and thus, should be decided by juries.

**TAGS:** doctrine of tacking, factual question, hana bank, hana financial, hana financial inc. v. hana bank, judge, jury, justice sonia sotomayor, legal question, ninth circuit, supreme court, tacking trademarks, trademark & trade dress, trademarks, u.s. supreme court

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IP File

January 14, 2015

## **Low Octane Levels? Octane Fitness' Impact in the Trademark and Trade Secret Realms**

We have previously addressed the Supreme Court's decision in Octane Fitness, LLC v. Icon Health & Fitness, Inc., 12-1184, Slip Op. at 7 (2014), which relaxed the standard for awarding attorney's fees under Section 285 of the Patent Act ("§285") and ruled that decisions on §285 are entitled to deference on appeal. In the patent litigation realm, the Octane Fitness decision does not seem to have led to an overwhelming trend toward awarding fees. It does, however, beg the question: how has this impacted the standard for awarding attorney's fees in other types of intellectual property cases, such as trademarks and trade secrets?

**TAGS:** apple inc. v. samsung elecs. co., bmw of north america v. cudahar, fair wind sailing v. dempster, intellectual property, lanham act, monster daddy v. monster cable products, ninth circuit, octane fitness, octane fitness llc v. icon health & fitness inc., patent act, patent infringement, patent litigation, patent litigation, premium balloon accessories v. creative ballon mfg., sixth circuit, supreme court, third circuit court of appeals, tivo research, tns, tns media research v. tivo research, trade secret & unfair competition, trade secret statutes, trade secrets, trademark & trade dress, trademark attorney fees, trademarks, uniform trade secrets act, utsa

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IP File

January 7, 2015

## **Ericsson, Inc. v. D-Link Sys., Inc. Guidance on Determining Damages for Standard Essential Patents**

Patents claiming inventions which must be used to comply with certain technical standards (for example, the Wi-Fi standard or standards for 3G) are referred to as standards-essential patents or “SEPs”. There has, historically, been little judicial guidance concerning damages in cases where SEPs are implicated.[1] The recent Federal Circuit ruling in *Ericsson, Inc. v. D-Link Sys., Inc.*, finally provides some guidance on the issue of determining damages in such cases. No. 2013-1625, 2014 WL 6804864 (Fed. Cir. Dec. 4, 2014). In addition to providing insight on several apportionment issues specific to SEPs, the court also held that simply reciting all Georgia-Pacific factors to a jury is unacceptable and that jury instructions must only include the specific factors relevant to the evidence presented.

**TAGS:** apportionment of value, d-link, eastern district of texas, ericsson, ericsson inc. v. d-link sys. inc., federal circuit, frand terms, garretson v. clark, georgia-pacific factors, intel, patent hold-up, patent litigation, royalty stacking, sep patents, seps, standards-essential patents, supreme court

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IP File

December 23, 2014

## **Federal Circuit Reverses Judgment for Willful Infringement**

**By:** Rex Hwang

Through its recent decision in *Stryker Corp. v. Zimmer, Inc.*, the Federal Circuit gave Zimmer an early Christmas gift worth approximately \$140 million by reversing a district court’s determination of willfulness and vacating a corresponding award of trebled damages against Zimmer. The reversal was based on the Federal Circuit’s finding that the noninfringement and invalidity defenses raised by Zimmer were “not objectively unreasonable.”

**TAGS:** Federal Circuit, noninfringement and invalidity defenses, not objectively unreasonable, orthopedic procedures, patent infringement, Patent Litigation, pressurized irrigation for certain medical therapies, Stryker Corp v Zimmer Inc, willfulness

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IP File

December 17, 2014

## **“Crumbs” of Hope for Trademark Licensees**

You are a trademark licensee, and your licensor suddenly declares bankruptcy. Then, to make matters worse, the bankruptcy trustee rejects your licensing agreement. What does this mean for you? Although intellectual property rights are protected under Section 365(n) of the Bankruptcy Code, trademarks are not covered under this provision, calling into question the trademark licensee’s right to continue to use the mark where the licensor has gone into bankruptcy and the license has been rejected by the bankruptcy trustee. However, a recent New Jersey bankruptcy court decision suggests that trademark licensees may avail themselves of the protections of Section 365(n) after all. In the case of *In re Crumbs Bake Shop Inc.*, Case No. 14-24287 (Bankr. D. N.J. Oct. 31, 2014) (ECF No. 288), the court did what Congress failed to do, finding that trademark licensees are entitled to protection under Section 365(n) of the Bankruptcy Code, and allowing licensees to continue to use their intellectual property following the rejection of their licensing agreements by a bankruptcy trustee.

**TAGS:** bankruptcy, bankruptcy 365n, executory contract, in re crumbs bake shop, in re exide, intellectual property, intellectual property licenses in bankruptcy act, iplba, lubrizol enters inc v richmond metal finishers inc, non-executory contract, sunbeam products, sunbeam products inc v chicago american mfg, trademark & trade dress, trademark license, trademark licensees