

## IP File

The IP File's mission is to scour the universe for compelling stories in intellectual property law. In the United States, there are four main types of intellectual property protection available: patents, copyrights, trademarks and trade secrets.

March 28, 2017

### **Supreme Court Kills Laches Defense for Patent Infringement**

On March 21, 2017 the Supreme Court issued an opinion that abrogated the equitable defense of laches, for unreasonable and prejudicial delay in filing suit, in patent cases. *SCA Hygiene Prod. Aktiebolag v. First Quality Baby Prod., LLC*, No. 15-927, 2017 WL 1050978 (U.S. Mar. 21, 2017). In that case, Appellant SCA Hygiene argued that the Supreme Court's 2014 *Petrella* decision, which conclusively eliminated laches as a defense in copyright cases, also mandated the elimination of laches as a defense to patent infringement. The Supreme Court agreed, reversing the Federal Circuit's holding of unenforceability due to laches, and remanding for trial on infringement and Appellee First Quality's equitable estoppel defense.

**TAGS:** intellectual property, laches, patent infringement, patent litigation, petrella, sca hygiene prod. aktiebolag v. first quality baby prod.

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March 24, 2017

### **Supreme Court Cuts Through the Noise to Clarify Copyrightability of Designs in Useful Articles**

**By:** Justin Thiele

On October 20, 2016, we published an article discussing the Supreme Court's decision to grant review of the Sixth Circuit's August 2011 ruling in *Varsity Brands, Inc. v. Star Athletica, LLC*. The Supreme Court heard oral arguments on October 31, 2016, and, on March 22, 2017, issued its highly anticipated decision. As discussed below, the Supreme Court has clarified the test to determine whether a design feature on a useful article is subject to protection under the Copyright Act of 1976.

**TAGS:** cheerleading uniforms, copyright & idea theft, copyright act, intellectual property, supreme court, varsity brands inc v. star atletica

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February 24, 2017

## **Life Technologies v. Promega: Supreme Court Limits Infringement Liability under Section 271(f)(1)**

**By:** Dan Liu

On February 22, 2017, the Supreme Court in *Life Technologies v. Promega* ruled that “a single component does not constitute a substantial portion of the components that can give rise to liability under §271(f)(1).”<sup>[1]</sup> This ruling limits the reach of §271(f)(1) and will benefit U.S. manufacturers across the board.

**TAGS:** genetic testing, Intellectual Property, Intellectual Property, Life Technologies, Patent Litigation, Promega, Section 271(f)(1)

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February 2, 2017

## **Strategies Against Nuisance Patent Suits Part II – Cases on California Civil Procedure Code 1030**

This is the next part of our series of posts on utilizing California Code of Civil Procedure, Section 1030, in patent cases, particularly as a strategy against nuisance suits. Section 1030 provides that a defendant may move the court to require an out-of-state plaintiff to file an undertaking to secure an award of costs and attorneys' fees upon showing a reasonable possibility of success on the merits. Part one of our series, discussing the requirements of Section 1030, can be found [here](#).

**TAGS:** california code of civil procedure, patent litigation, patent litigation, section 1030

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January 26, 2017

## **Checking On The Defend Trade Secrets Act**

The Defend Trade Secrets Act (“DTSA”) went into effect on May 11, 2016. As the DTSA passes its half-year anniversary, we take a look at DTSA developments through the end of 2016 and what they tell us about the future of the DTSA.

**TAGS:** defend trade secrets act, dtsa, free country ltd v. drennen, state trade secret laws, trade secret & unfair competition

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January 5, 2017

## **Strategies Against Nuisance Patent Suits – Utilizing California Civil Procedure Code 1030**

**By:** Andrew Choung

Much is lamented about the burden and costs that nuisance patent litigation imposes. Recently, with the Supreme Court agreeing to hear a case on restricting patent litigation venue, the problems of forum shopping by NPEs have come back into the spotlight. Limiting venue is one way that might reduce or discourage nuisance litigation by NPEs. But as some defendants quickly realize, even after successfully transferring venue out of so-called patent friendly jurisdictions, the fundamental problem of the lawsuit remains. You may now be in a court you think is favorable to you, but you still have to litigate what you may believe is a frivolous case.

**TAGS:** California code of civil procedure section 1030, Patent Litigation, patent litigation, patent litigation venue

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October 20, 2016

## **Supreme Court To Consider Copyrightability of Cheerleading Uniform Designs**

**By:** Brittany Elias

On May 2, 2016, the U.S. Supreme Court granted review of the Sixth Circuit's August 2015 ruling in *Varsity Brands Inc. v. Star Athletica LLC*[i] The Supreme Court will determine the proper test to assess whether Varsity's two-dimensional cheerleading uniform designs are entitled to copyright protection. Notably, this is the first time the Supreme Court will address copyright protection in the context of useful articles and apparel. Thus, its decision bears the potential for a far-reaching impact on the apparel and fashion industries.

**TAGS:** cheerleading uniforms, copyright & idea theft, copyright act, intellectual property, supreme court, varsity brands inc v. star atletica

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October 14, 2016

## **Supreme Court October Term 2016 Preview – Patent Cases**

**By:** Dan Liu

As the Supreme Court kicked off October Term 2016, it continues to show a strong interest in patent law, granting three petitions so far with more petitions to be considered.

**TAGS:** Apple Inc. v. Samsung Elecs. Co., First Quality, Intellectual Property, Life Technology, Patent Litigation, Promega, SCA Hygiene

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July 5, 2016

## **Litigation Financing Is Not Champerty: Delaware Confirms That Litigation Financing Is Here To Stay**

**By:** Andrew Choung

On March 9, 2016, in *Charge Injection Technologies, Inc. v. E.I. Dupont De Nemours & Company*, C.A. No. 07C-12-134-JRL, the Superior Court of the State of Delaware issued a decision on a motion to dismiss for violating state champerty and maintenance laws. In 2008, plaintiff Charge Injection Technologies, Inc. (“CIT”) sued E.I. Dupont De Nemours & Company (“Dupont”) for various patent and trade secrets related infractions. During the course of the litigation, CIT entered into a litigation financing arrangement with Burford Capital LLC (“Burford”). Dupont sought to have the case dismissed, arguing in part that CIT was not the true owner of the claims and Burford was wielding de facto control over the lawsuit. The Court denied Dupont’s motion, finding that CIT had not assigned its claim to Burford, and Burford had no right to maintain, direct, control or settle the litigation. In denying the motion, the Court affirmed the propriety of litigation financing, and strongly dispelled many of the criticisms raised by those opposed to such arrangements.

**TAGS:** champerty, champerty and maintenance, CIT v. Dupont, ethical conflicts, frivolous litigation, Intellectual Property, Intellectual Property, legal ethics, Litigation, litigation financing, patent, patent case, patent claim, Patent Litigation, patent litigation

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June 22, 2016

## **High Court Clarifies: Objective Unreasonableness Factor Favored in Attorneys’ Fees Analysis Under the Copyright Act**

**By:** Brittany Elias

Section 505 of the Copyright Act provides for recovery of attorneys’ fees by prevailing litigants. It states that a court, “in its discretion may allow the recovery of full costs.” However, no guidance has been provided on this language in more than 20 years. The last word from the High Court occurred in 1994,[1] where the Court held that fees should be equally available to prevailing plaintiffs and defendants, but stated that “no precise rule or formula” existed for when they should be awarded. Four non-exclusive factors were articulated for courts to consider when determining whether attorneys’ fees should be awarded, including: (1) the frivolousness of the case, (2) the motivation of the loser, (3) the objective unreasonableness of the case, and (4) considerations of compensation and deterrence.[2] Yet, the Court complicated matters, noting that the factors must be applied in a manner that is “faithful to the purposes of the Copyright Act.”[3] From this decision sparked a circuit split – while some courts weighed the factors evenly, others focused mainly on serving the “purposes of the Copyright Act.” To confuse matters more, the Second Circuit placed a strong emphasis on the “objective unreasonableness” factor, at the expense of the other factors.

**TAGS:** Copyright & Idea Theft, Copyright Act, Copyrights, Intellectual Property, Intellectual Property, objective unreasonableness factor, Second Circuit, Supreme Court, U.S. Supreme Court

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