

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.

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

June 21, 2016

The Cuozzo Conundrum: Prosecution History Estoppel Remains An Open Issue

By: Andrew Choung

On June 20, 2016, the Supreme Court issued its decision in *Cuozzo Speed Technologies, LLC v. Lee*. One of the questions presented to the Court was the appropriate claim construction standard for inter partes review (IPR). The fundamental dispute, as framed by the Court, was the apparent intent of the Leahy-Smith America Invents Act (AIA) and the express rule-making authority it granted. Pursuant to the rule-making authority granted by the AIA, the Patent Office set forth the broadest reasonable interpretation (BRI) as the standard for construing claims under an IPR. This is the standard used during original examination of an application for a patent. The patent-owner argued that, since IPRs were intended to be an alternative to litigating validity in the courts, it should be subject to the same standard of claim construction used there, which is generally understood to be narrower. Ultimately, the Court held that the rule-making authority trumped any arguments about intent and consequences and affirmed the Patent Office's application of the BRI standard.

TAGS: broadest reasonable interpretation, claim construction, Intellectual Property, inter partes review, IPR, patent, patent act, patent case, Patent damages, patent infringement, Patent Law, Patent Litigation, patent litigation, prosecution disclaimers, prosecution history estoppel, PTAB, PTAB, Supreme Court, U.S. Supreme Court, US Supreme Court

June 14, 2016

The Supreme Court Relaxes The Standard For Increased Patent Damages

By: Rex Hwang

Through its recent decision in *Halo Elecs., Inc. v. Pulse Elecs., Inc.*^[1], the Supreme Court discarded the mechanical two-part test governing enhanced damages fashioned by the Federal Circuit in *Seagate*, and gave district courts broad discretion to decide when to award enhanced damages in cases involving willful patent infringement. The Supreme Court also held that enhanced damages do not need to be proven by clear and convincing evidence, but only by a preponderance of the evidence. While this will make it easier for plaintiffs to obtain enhanced patent damages involving willful patent infringement, the high court made it clear that enhanced damages should still be reserved for cases involving egregious infringement behavior.

TAGS: Intellectual Property, Intellectual Property, patent, patent act, patent case, patent claim, Patent damages, patent infringement, Patent Law, Patent Litigation, patent litigation, patent-eligible, patent-ineligible, PTAB, PTAB, Seagate, Supreme Court, U.S. Supreme Court, USPTO

March 16, 2016

Lexmark International, Inc. v. Impression Products, Inc. – The Latest on Patent Exhaustion

By: Steven Basileo
Summary

TAGS: Federal Circuit, federal court, Intellectual Property, Intellectual Property, Litigation, patent, patent case, patent claim, Patent damages, patent infringement, Patent Law, Patent Litigation, patent litigation, PTAB, PTAB, Supreme Court, U.S. Supreme Court

September 30, 2015

Laches As a Defense to Patent Damages Survives – For Now

By: Rex Hwang

In last week's 6-5 decision in *SCA Hygiene Prod. v. First Quality Baby Prod., LLC*, No. 2013-1564, 2015 WL 5474261 (Fed. Cir. Sept. 18, 2015), the US Court of Appeals for the Federal Circuit, sitting en banc, reaffirmed that laches remains a viable defense in patent infringement lawsuits. The decision was reached despite the relatively recent U.S. Supreme Court decision in *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 134 S.Ct. 1962 (2014), where the high court struck laches as an available copyright infringement defense. However, the Federal Circuit's sharp divide on this issue suggests that further review by the U.S. Supreme Court may be on its way.

TAGS: Federal Circuit, federal court, Intellectual Property, Intellectual Property, laches, patent act, patent case, patent claim, patent infringement, Patent Law, Patent Litigation, patent litigation, U.S. Supreme Court, US Supreme Court

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

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

December 10, 2014

Hana Financial, Inc. v. Hana Bank: U.S. Supreme Court to Decide Whether Tacking Trademarks to Gain Earlier First Use is a Question for the Court or the Jury

By: Kollin J. Zimmermann

"Priority of use" is a key issue in any case involving a trademark ownership dispute. As the Ninth Circuit has explained, "To acquire ownership of a trademark it is not enough to have invented the mark first or even to have registered it first; the party claiming ownership must have been the first to actually use the mark in the sale of goods or services." *Brookfield Commc'ns, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1047 (9th Cir. 1999).

TAGS: brookfield commc'ns inc. v. w. coast entm't corp., federal circuit, hana bank, hana financial, hana financial inc. v. hana bank, hana overseas korean club, ninth circuit, priority of use, sixth circuit, tacking doctrine, tacking trademarks, trademark & trade dress, u.s. supreme court
