



Intellectual Property Law Section

State Bar of Texas

Fall 2007

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Chairman's Update

By Ted Lee

The Intellectual Property Law Section is off to a great start this year. Our 2007 State Bar of Texas 125th Annual Meeting and IP Section CLE held this past June in San Antonio and our Third Annual Advanced Patent Litigation, chaired by Dan Perez, held this past July at the Resort at Squaw Creek, Lake Tahoe, were fantastic programs. I hope you were able to attend. These are but two excellent examples of our Section committees hard at work.



Let me tell you about one of the main focuses during my term as Chair. Perhaps the most important aspect of the IP section is its committees. We have already appointed chairs for our various committees and are hard at work to make our section

even better than ever. I encourage each of you to get involved. While I am impressed with the qualities and efforts of each committee, there are a few committees that deserve special attention.

Our website is www.texasbariplaw.org. Our Section Website Committee is chaired by Michael Sebastian. This committee is responsible for administering and maintaining our website. It is the goal of this committee to create one of the premier Intellectual Property websites in the country. It is also my goal to make our website **the** place that IP attorneys go to for information. For example, a list of all of our officers, members, and committees are available on our website. Our website also provides helpful links to other websites that a practitioner may find particularly useful in his or her field.

Our Membership Committee, headed by Paul Storm, is an excellent place to start

getting involved. This committee is dedicated to maintaining and increasing our Section's current membership by actively recruiting and coordinating with various law student divisions, providing mentoring programs, and offering a one-year free membership for 1st year attorneys. Our Patent Legislation/PTO Practice Committee is chaired by Carey Jordan and is actively monitoring and providing input concerning legislation that will affect IP practice for years to come. Under the leadership of Stephen Koch, the Pro Bono Task Force Committee provides pro bono services to low-income individuals and ensures that all have equal access to our courts regardless of their economic backgrounds. I also want to recognize the tireless efforts of our Newsletter Committee, headed by Dave Hofman, in ensuring our membership is informed of relevant news and information, including the Section's various activities.

These and all our other committees can be found on our website. I encourage you to take a moment and visit our website where you can catch a copy of one of our past newsletters, get updated on what the Section has been doing, and find out about upcoming events. I also encourage you not to stop there, but instead to contact a committee chair and get involved. Our Section is always open to and welcomes new ideas.

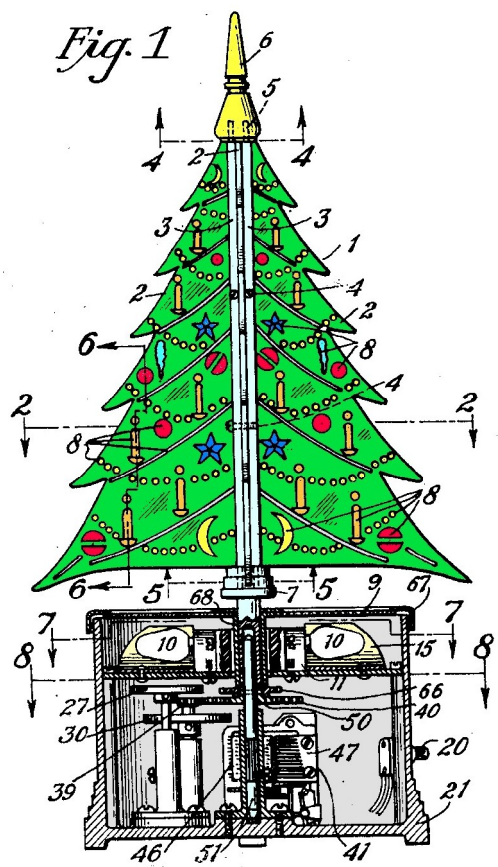
Finally, we are preparing for our annual CLE seminar in March 2008, chaired by Craig Lundell, and this promises to be an excellent program. I encourage you to mark your calendars and plan to attend. As we near the end of 2007, on behalf of the IP Section, I wish you a warm and safe holiday and look forward to seeing you next year at our CLE seminar in March.



Mark Your Calendar

The **21st Annual Intellectual Property Law Course**, cosponsored by the IP Law Section and [TexasBarCLE](#), will be held at the Four Seasons in Austin on March 6-7, 2008.

The **State Bar of Texas 126th Annual Meeting** will be held on **June 26-27, 2008** in Houston, Texas. On Friday June 27th, our section will once again offer a full day of high-quality CLE. Block out June 26-27 on your calendar now, and make plans to attend the Annual Meeting in Houston – we look forward to seeing you there!





In The Section

Section Member Profiles

The following section members were asked to answer questions about their professional and personal lives. These questions were:

- Where do you work?
- How would you describe your legal practice?
- What is the last book you read?
- What is your favorite movie?
- What are your hobbies?
- If you could have dinner with three famous people (not limited to Hollywood types) of the past or present, who would they be and why?

Valerie Verret:

Work? Baker Botts L.L.P. – Dallas office.

Practice? My practice includes clearance, prosecution, licensing and enforcement of trademarks and copyrights.

Last book read? *The Namesake* by Jhumpa Lahiri.

Favorite movie? *The Pink Panther Strikes Again* with Peter Sellers.

Hobbies? My hobbies include kickboxing and traveling. One of my favorite trips was to Iceland where we went snowmobiling on a glacier on top of an active volcano one day and relaxed in



the Blue Lagoon geothermal hot springs the next.

Dinner? Leonardo da Vinci, Louis Pasteur and Jerry Seinfeld – all significantly changed their industries.

Robert Brown:

Work? Dallas (Plano) office of Conley Rose.

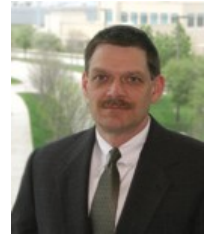
Practice? Seventh year practicing a broad range of intellectual property law with a focus on U.S. and international preparation and prosecution of electrical, telecommunications, and software patent applications.

Last book read? The Bible.

Favorite movie? *The Wind and the Lion*. It's a little known, but great old (1975) movie with Sean Connery and Candice Bergen.

Hobbies? Running, playing Halo 3 with my son, and snow skiing.

Dinner? George Washington – to say thanks. Alan Greenspan – to get the inside scoop. Julius Caesar – to get tips on conquering the world.



Call for Submissions

The Newsletter Committee welcomes the submission of articles for potential publication in upcoming editions of the IP Law Section Newsletter, as well as any information regarding IP-related meetings and/or CLE events. If you are interested in submitting an article to be considered for publication or to calendar an event, please email your submission to Newsletter@texasbariplaw.org.

Article Submission Guidelines:

STYLE: Journalistic, such as a magazine article, in contrast to scholarly, such as a law

review article. We want articles that are current, interesting, enjoyable to read, and based on your opinion or analysis.

LENGTH: 1-5 pages, single spaced

FOOTNOTES AND ENDNOTES: Please refrain! If you must point the reader to a particular case, proposed legislation or Internet site, or credit another author, please use internal citations.

PERSONAL INFO: Please provide a one paragraph bio and a photograph, or approval to use a photo from your firm's website.

If you have any additional questions, please email Dave Hofman, Newsletter Chair, at Dave.Hofman@haynesboone.com.

Nominations & Scholarships

TEXAS INVENTOR OF THE YEAR AWARD: Nominations for 2008 are now open. Get the new [nomination form](#) from the IPLS website (www.texasbariplaw.org). Starting this year, all nominations are to be submitted in electronic format. Completed forms should be emailed to michael.r.barre@intel.com.

Nominations must be submitted by March 28, 2008. The winner will be recognized at the State Bar Annual Meeting in Houston, June 26-27, 2008.

WOMEN AND MINORITY SCHOLARSHIP AWARD: Women and minority law students who intend to practice IP law in Texas may apply for one of two scholarships offered by the IP Section. The application form is available at the section's web site.

LAW STUDENT WRITING COMPETITION: In 2007, the Section introduced the Law Student Writing Competition. The subject matter must be related to intellectual

property law. The article must be written by a student or students either in part time or full-time attendance at a Texas law school or by Texas residents attending other law schools.

The Inventor Of The Year award, the scholarships, and the writing competition winner are announced during the IP Law Section's luncheon and business meeting at the State Bar Annual Meeting.

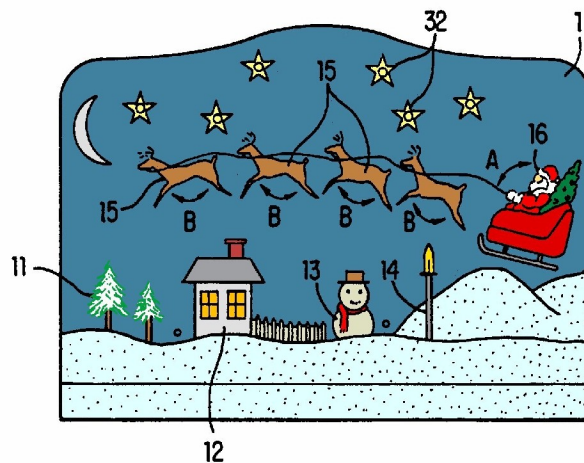


The Watercooler

On The Move

Craig Bohn has joined Semitool, Inc., in Kalispell, Montana, as Chief IP Counsel. Craig formerly worked for Haynes and Boone, LLP, and FMC Technologies in Houston, Texas.

The law office of David Person, Esq., in Houston, Texas, is pleased to announce the affiliation of **J. Anthony (Tony) Hale** as lead counsel for intellectual property litigation.





Practice Points

You Want It When?

By Garrett Atkinson and Dave Hofman.

We recently received a first-action prediction from the patent office estimating that, for a patent application filed several months earlier, the first office action would be mailed in 108 months. That's nine years! When discussing with colleagues, we were shocked to learn that other first-action predictions had been in excess of 200 months!

It comes as no surprise, then, that the backlog at the USPTO includes hundreds of thousands of applications. Despite hiring more examiners (1200 new examiners last year) and attempting to streamline the application process, the USPTO has had little success reducing the time between filing and examination. Of course, it doesn't help that the number of patent applications filed each year continues to increase. The increase last year alone was 8.3%, bringing the total up to 443,000 applications. The ever-increasing queue of unexamined patent applications is leading to longer pendency and delayed issuance.

Normally, the USPTO processes applications in the order in which they are received, forcing most applicants to passively accept the lengthy pendency in the absence of any truly desirable recourse. However, the USPTO will reduce this

pendency by fast-tracking certain applications, upon approval of either a petition to make special or a petition for accelerated examination.

Due to recent limitations, the petition to make special now generally requires the applicant to be at least 65 years of age or to produce evidence indicating that their health might prevent their ability to assist in the prosecution of the application. Otherwise, accelerated examination is the only way to expedite an application.

Nonetheless, accelerated examination can be quite effective: the USPTO promises a final disposal within 12 months from filing, regardless of the technology center. Of course, the requirements for accelerated

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examination explain why health and age are still sufficient to support the petition to make special – satisfying the accelerated examination requirements may take a while (or render you ill), because the applicant is required to take substantial steps to allow an abbreviated

examination.

For example, the applicant must conduct a thorough prior art search of all elements that could reasonably be construed as part of the claims, and then disclose the results thereof. The applicant must also identify claim limitations in each prior art reference, and explain in detail how each claim is patentable over the references. The applicant must also concisely state the utility of the invention, and reference those

portions of the specification in which each claim finds support.

But, wait – there’s more! For example, the petition for accelerated examination must be filed simultaneously with the application. The application itself must be complete when originally filed, and it must be filed electronically. The application cannot have more than three independent claims or twenty total claims. The applicant must also be willing to have an interview with the examiner to discuss prior art.

Still interested? If so, be aware that the petitioner automatically agrees to two important waivers of the normal process. First, the claims must all be directed to a single invention; if an examiner requires an election, it must be made without traverse. More severely, the petitioner agrees not to argue any dependent claim separately from its independent claim in any appeal brief.

One positive difference, as compared to the petition to make special, is that the new accelerated examination process does not require the application and/or the applicant to fit into one of a list of categories. Thus, domestic manufacturers are no longer required to promise not to manufacture or increase manufacturing without a patent. Also, accelerated examination need not be based upon the belief that an infringing product is already on the market.

Once the USPTO has reviewed the petition, it will either approve or disapprove it, which commences the 12-month examination period. Therefore, if the accelerated

examination petition process becomes mired down by a lengthy queue, the gains associated with the accelerated examination process will be offset by the amount of time required just to get into the program. In any case, if a petition is approved, the 12-month goal between initial action and dispositive action begins. If disapproved, the applicant has a single, non-extendable, one-month period to cure any defects in the petition.

After the USPTO approves the petition, the application is assigned to an examiner. The application then skips ahead in the examiner’s line of regular applications (but presumably still behind others approved for accelerated examination). The examiner will then substantively examine the application and may request an interview, which the applicant is bound to take.

The applicant has a limited ability to reply to the subsequent office action. The response must be made within a non-extendable one-month period, and any amendments that result in more than three independent or twenty total claims, presents claims not encompassed by the pre-examination search or the accelerated examination support document, or presents claims to a non-elected invention will not be entered. However, new claims may be entered if the applicant files an update to the accelerated examination support document.

The applicant’s action is also limited after issuance of a notice of allowance. Since the notice of allowance is a “final disposition” for the purpose of the 12-month goal, any additional filings made by the applicant may take significantly longer relative to normal prosecution. The MPEP is scant on guidance here: “for the application to be expeditiously issued as a patent, the applicant must ... not file any post-allowance papers that are not required by the USPTO (e.g., an amendment under 37 CFR 1.312 that was not requested by the USPTO).”

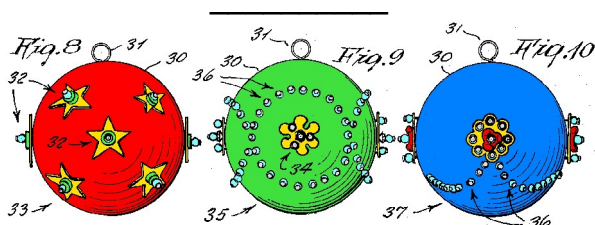
Thus, post-allowance amendments may cause the application to drop out of the accelerated examination program, and thus take its place in line with the “normal” applications. Requests for continued examination will likewise end the 12-month goal period; however, with an RCE, the application retains its special status.

In closing, the accelerated examination program may be of some value. As a preliminary matter, if accelerated examination becomes popular, the pendency time will begin to approach the pendency of a normal application. Moreover, the process can be somewhat burdensome on the applicant, as well as expensive.

An applicant set on using accelerated examination might consider filing a normal application and simultaneously filing a continuation application under the accelerated examination process. In this manner, lost patent scope (e.g., through strict election requirements and rejected dependent claims that are not subject to appeal) can potentially be recouped in the normal application. However, the applicant would still have to conduct an expansive prior art search, submit all the additional paperwork and fees, and wait for the petition to be approved, all of which will increase costs without guaranteeing a substantially expedited issuance.

The above article expresses the view of the authors, and not necessarily those of the State Bar of Texas IP Law Section.

Garrett Atkinson is completing his J.D. at Vanderbilt Law School. Dave Hofman is an Associate in the Houston Office of Haynes and Boone, LLP.



U.S. Trademark Trial and Appeal Board Rule Changes

By Pamela Ratliff

Introduction

The U.S. Trademark Office has introduced new rules and amended existing rules of practice for Trademark Trial and Appeal Board proceedings. The new rules institute a disclosure practice with a mandatory settlement/discovery conference at the beginning of a proceeding, and mandatory initial disclosures, expert witness disclosures, and pretrial disclosures. The new rules also require plaintiffs in *inter partes* proceedings to serve their complaints directly on defendants. The new rules took effect November 1, 2007 and are applicable to proceedings commenced on or after November 1, 2007.

The amended rules make the standard protective order applicable in every case, allow the Board to send notifications to parties via email under certain circumstances and prohibit submissions in CD-ROM form. These amended rules took effect on August 31, 2007 and apply to proceedings pending or commenced on or after August 31, 2007.

All of the new and amended rules and their effective dates were published in the Federal Register, Volume 72, Number 147, on Wednesday, August 1, 2007.

New Service Procedures

For opposition or cancellation proceedings commenced on or after November 1, 2007, the plaintiff must file its complaint with the Board and concurrently serve a copy directly on the defendant at the defendant's correspondence address in Trademark Applications and Registrations Retrieval (“TARR”). The plaintiff in a concurrent use

proceeding must serve a copy of its application directly on any defending applicant, registrant or common law mark owner, but service takes place after the Board issues a notice of the commencement of the concurrent use proceeding.

In addition to the methods of service currently available, a plaintiff may serve the defendant by facsimile or e-mail if the defendant has agreed with plaintiff to accept such service. Proof of service must accompany service copies.

Undeliverable Service Copy; Board May Serve Defendant by Publication

If a service copy is returned to the plaintiff as undeliverable, the plaintiff must notify the Board within 10 days of receipt of the returned service copy or any notice indicating that the service copy could not be delivered. The

The plaintiff does not... have a duty to search for current correspondence information for a defendant should the plaintiff be unable to serve.

plaintiff must also notify the Board of any new information regarding the defendant's current correspondence address, if the plaintiff has acquired such information since the initial service attempt. The plaintiff does not, however, have a duty to search for current correspondence information for a defendant should the plaintiff be unable to serve. Instead, the Board assumes responsibility for serving the defendant, and such service may include publication in the Official Gazette.

Board's Notice of Commencement of Proceeding – The Institution Order

The Board will, after a notice of opposition or petition for cancellation is filed, or after a

concurrent use application is published for opposition and found free of any opposition, send an Institution Order notifying all parties to the proceeding of the filing of the complaint or publication of the concurrent use application. The Institution Order sets the due date for filing an answer, the deadline for holding the settlement/discovery conference, and the disclosure, discovery and trial schedule.

The Board may send the Institution Order by e-mail to a party that has provided an e-mail address or authorized the Office to communicate with it by e-mail. Where the Institution Order is undeliverable to any party, the Board may effect notice of the proceeding by publication in the Official Gazette.

Board's Standard Protective Order Applicable in All Cases

The Board's standard protective order is applicable in all proceedings pending or commenced on or after August 31, 2007. The parties may vary the terms of the standard protective order or use an alternative order with the Board's approval.

The Schedule for Proceedings Under the New Disclosure Model

The Institution Order sets the due date for filing an answer, the deadline for holding the settlement/discovery conference, and the disclosure, discovery and trial schedule. Due dates are calculated from the date of the Institution Order. An example schedule is set forth below. The due dates and/or the schedule may be modified upon stipulation of the parties approved by the Board, or upon a motion granted by the Board, or by order of the Board.

- Due date for an answer—Institution Order date plus 40 days.
- Deadline for a discovery/settlement

conference—30 days from the date the answer is due. (Institution Order date plus 70 days)

- Discovery opens—30 days after the date the answer is due. (Institution Order date plus 70 days)
- Deadline for making initial disclosures—30 days from the opening of the discovery period. (Institution Order date plus 100 days)
- Deadline for disclosure of expert testimony—30 days prior to close of discovery. (Institution Order date plus 220 days)
- Discovery closes—180 days from the opening date of the discovery period. (Institution Order date plus 250 days)
- Deadline for plaintiff's pretrial disclosures—15 days prior to the opening of plaintiff's testimony period. (Institution Order date plus 295 days)
- Plaintiff's 30-day testimony period—closes 90 days after the close of discovery. (Institution Order date plus 340 days)
- Deadline for defendant's pretrial disclosures—15 days prior to the opening of defendant's testimony period. (Institution Order date plus 355 days)
- Defendant's 30-day testimony period—closes 60 days after the close of

...a practitioner representing the plaintiff should educate the plaintiff regarding the degree of information, documents and evidence required for the initial disclosures.

plaintiff's testimony period. (Institution Order date plus 400 days)

- Deadline for plaintiff's rebuttal pretrial disclosures—15 days prior to the opening of plaintiff's rebuttal testimony period. (Institution Order date plus 415 days)
- Plaintiff's 15-day rebuttal testimony period—closes 45 days from close of defendant's testimony period. (Institution Order date plus 445 days)

Discovery/Settlement Conference

The parties must attend a discovery/settlement conference within 70 days of the Institution Order. The parties are to discuss the topics listed in the Federal Rules of Civil Procedure ("FRCP") 26(f), including the subjects on which discovery is needed, whether the Board's standard protective order is sufficient, the specificity of initial disclosures, and whether experts may be engaged to testify. The conference may be in person or by other means. Upon request, an Interlocutory Attorney or Administrative Trademark Judge will participate in the conference via telephone. The parties do not need to file a disclosure/discovery plan with the Board except under certain limited circumstances.

Initial Disclosures

The parties must make initial disclosures within 100 days from the Institution Order. The parties must disclose basic information about witnesses, documents and things having or containing discoverable information that the disclosing party may use to support its claims or defenses. See FRCP 26(a)(1)(A) and (B).

In general, a party may not seek discovery through traditional devices or move for summary judgment until after it has made its initial disclosures. Initial written disclosures

and disclosures of documents will be treated like responses to written discovery requests. A party may submit written disclosures and disclosed documents with the brief supporting a motion for summary judgment.

The parties can stipulate to forgo disclosures and use only traditional discovery devices, with the Board's approval.

Expert Disclosures and Pretrial Disclosures

If a party plans to use any expert at trial, this must be disclosed, and the Board must be notified that it has made the required disclosure. The Board may then suspend the proceeding to allow for discovery limited to experts. Pretrial disclosures are governed by FRCP 26(a)(3), but the Board does not require pretrial disclosure of each document or other exhibit that a party plans to introduce at trial.

...a practitioner may... find it advisable to serve courtesy copies of the complaint on parties at other addresses.

Practice Tips

1. Prior to commencement of an opposition or cancellation proceeding, a practitioner representing the plaintiff should educate the plaintiff regarding the degree of information, documents and evidence required for the initial disclosures.
2. Under the new rules, maintaining a current correspondence address in TARR is key. To ensure receipt of service of complaints and institution orders, a practitioner should make sure that TARR reflects a current correspondence address for all applications and registrations for

which the practitioner is responsible. A practitioner should promptly update TARR when there is a change of correspondence address. Maintaining a current correspondence address in TARR will help avoid placing the Board in the position of having to effect notice by publication in the Official Gazette, which notice may go undetected unless the practitioner regularly checks the Official Gazette for notices published therein. The undesirable consequence to be avoided is a default judgment entered against a defendant that was unaware the notification published in the Official Gazette.

3. Although the new rules require service only on the correspondence address in TARR, a practitioner may nonetheless find it advisable to serve courtesy copies of the complaint on parties at other addresses. For example, a practitioner often corresponds with the defendant or its attorney prior to serving the complaint. Should the practitioner find that the correspondence address in TARR differs from the correspondence address known to the practitioner, the practitioner may wish to serve a courtesy copy on that address. Keeping in mind that an assignment or merger affecting ownership of an application or registration may not be reflected in TARR, a practitioner may wish to serve any party it believes has an ownership interest in the relevant application or registration. Following a broader service procedure than is required by the new rules will help ensure that any judgment rendered by the Board is binding upon the correct party.
4. A practitioner who is adverse to a *pro*

se defendant may wish to request that an Interlocutory Attorney or an Administrative Trademark Judge participate in the discovery/settlement conference so that the TTAB can assume the responsibility of educating the *pro se* defendant, as appropriate.

Miscellaneous New Rules and Clarifications

The table of contents, index of cases, description of record, statement of the issues, recitation of facts, argument and summary all count toward the 25-page limit for a brief in support of a motion or in response to a motion and the 10-page limit for a reply brief.

Printouts or copies of records from the U.S. Trademark Office electronic database may be submitted to prove the status and title of a registration and for purposes of making the registration of record.

Any stipulation of parties to exceed the interrogatory limit requires the Board's approval.

The above article expresses the view of the author, and not necessarily those of the State Bar of Texas IP Law Section.

Pamela Ratliff is an associate attorney in the Dallas office of Conley Rose, P.C.

Reform Act Will Undermine Patent Holders' Rights

By David L. Fox

Continuing what some have called this year's assault on the rights of patent holders — as witnessed by *MedImmune*, *KSR*, *Seagate* and *SanDisk* — those so inclined may now add to the list the Patent Reform Act of 2007 ("Act"), which is currently

pending in Congress.

Among the potentially troubling aspects of the Act is the proposed amendment to 35 USC § 284 regarding willful infringement. If the amendment passes into law in its current

Continuing what some have called this year's assault on the rights of patent holders... those so inclined may now add to the list the Patent Reform Act of 2007...

form, it may force patent holders to risk a declaratory judgment ("DJ") action by the accused infringer in order to assert willful infringement.

The proposed amendment to Section 284(b), "Willful Infringement,"

reads in its relevant part:

"(2) Permitted grounds for willfulness — A court may find that an infringer has willfully infringed a patent only if the patent owner presents clear and convincing evidence that —

(A) after receiving written notice from the patentee —

(i) alleging acts of infringement in a manner sufficient to give the infringer an objectively reasonable apprehension of suit on such patent, and

(ii) identifying with particularity each claim of the patent, each product or process that the patent owner alleges infringes the patent, and the relationship of such product or process to such claim,

the infringer, after a reasonable opportunity to investigate, thereafter performed one or more of the alleged acts of infringement;"

This language is identical in both the Senate version of the Act (S 1145) and the House

version (HR 1908). And the provision has not generated any comments or proposed amendments in either the Senate or the House. So if the Act passes, this amendment is likely to be passed into law in its current form.

The conduct required under amended Section 284 on the part of the patent holder to assert willful infringement appears to fall directly within the type of conduct that the Federal Circuit has held, at least in the context of patent licensing, gives an accused infringer DJ jurisdiction to sue the patent holder.

Before the Supreme Court *MedImmune* case, the Federal Circuit had determined that conduct on the part of a patent holder in the context of patent licensing that created a “reasonable apprehension” of suit on the part of the accused infringer was sufficient to give the accused party DJ jurisdiction to challenge the asserted patent.

Proposed amended Section 284(b)(2)(A)(i) calls for action on the part of the patent holder that literally creates a “reasonable apprehension of suit.” The amendment requires the patent holder to provide “written notice” to the accused infringer “alleging acts of infringement in a manner sufficient to give the infringer an objectively reasonable apprehension of suit on such patent.”

In January, the Supreme Court determined

that the Federal Circuit’s “reasonable apprehension” of suit test for DJ jurisdiction was too demanding and lowered the standard of conduct on the part of the patent holder that is sufficient to create DJ jurisdiction for the accused infringer. (*MedImmune, Inc. v. Genentech, Inc.*, 127 S. Ct. 764, 166 L. Ed. 2d 604 (2007)).

This spring, the Federal Circuit followed the *MedImmune* decision and held that where a potential licensor had made a “studied and determined consideration of infringement,” including a claim-by-claim comparison of the accused products with the asserted claims, the accused infringer had DJ jurisdiction to sue the patent holder. (*SanDisk Corp. v. STMicroelectronics, Inc.*, 480 F.3d 1372, 1382-83 (Fed. Cir. 2007)).

Again, the actions required in amended Section 284 by the patent holder to assert willful infringement require the patent holder to write the accused infringer “identifying with particularity each claim of the patent, each product or process that the patent owner alleges infringes the patent, and the relationship of such product or process to such claim” (proposed amended Section 284(b)(2)(A)(ii)).

These actions plainly fall within the activity that *SanDisk* found, at least in the context of patent licensing, gave the accused infringer DJ jurisdiction to sue the patent holder.

To be sure, in the context of another notice statute, 35 USC § 287(a) regarding notice for pre-litigation damages, the Federal Circuit has held that a patentee may provide actual notice of infringement under the statute without creating declaratory judgment jurisdiction for the accused infringer. (*SRI Int’l v. Advanced Tech. Lab.*, 127 F.3d 1462, 1470 (Fed. Cir. 1997)). (“The criteria for actual notice under § 287(a) are not coextensive with the criteria for filing a declaratory judgment action.”)

But the statutory requirements for notice of infringement under Section 287(a) — “that the infringer was notified of the infringement and continued to infringe thereafter” — are substantially less than those required under amended Section 284.

While *MedImmune* and *SanDisk* were decided in the context of patent licensing, there appears to be no reason why the holdings of these cases would not include similar actions by the patent holder outside the context of licensing—including asserting willful infringement under the proposed amendment to Section 284. So it appears that the acts required of a patent holder in order to assert willful infringement under the proposed amendment to 35 USC § 284 would lead directly to DJ jurisdiction by the accused infringer.

And in order for the patent holder to assert willful infringement under amended Section 284, the patentee must take the required actions before it can sue for infringement.

As the Federal Circuit recently stated: “in ordinary circumstances, willfulness will depend on an infringer’s prelitigation conduct. ... when a complaint is filed, a patentee must have a good faith basis for alleging willful infringement. Fed. R. Civ. Pro. 8, 11(b). So a willfulness claim asserted in the original complaint must necessarily be grounded in the accused infringer’s pre-filing conduct.” (*In re Seagate Tech.*, 2007 U.S. App. LEXIS 19768, *29-30 (Fed. Cir. 2007) (*en banc*)).

...the patent holder would be faced with a choice: if it wants to try to obtain enhanced damages for pre-litigation willful infringement, it must open itself up to the risk of being sued first by the accused infringer

If the amendment to Section 284 passes as is, it would appear that in order for a patent holder to assert willfulness at the time of suing for patent infringement, it must first perform acts that appear likely to subject the patent holder to DJ jurisdiction by the accused infringer.

Thus, the patent holder would be faced with a choice: if it wants to try to obtain enhanced damages for pre-litigation willful infringement, it must open itself up to the risk of being sued first by the accused infringer, with all that this entails, such as the ability to choose a favorable forum. If the patentee wants to preserve the right of first-to-sue, it must forgo claiming pre-litigation willful infringement.

The above article expresses the view of the author, and not necessarily those of the State Bar of Texas IP Law Section.

David L. Fox, Ph.D., J.D. is in the Intellectual Property Department of the Houston office of Fulbright & Jaworski LLP. He focuses his practice primarily on biotechnology-related matters.

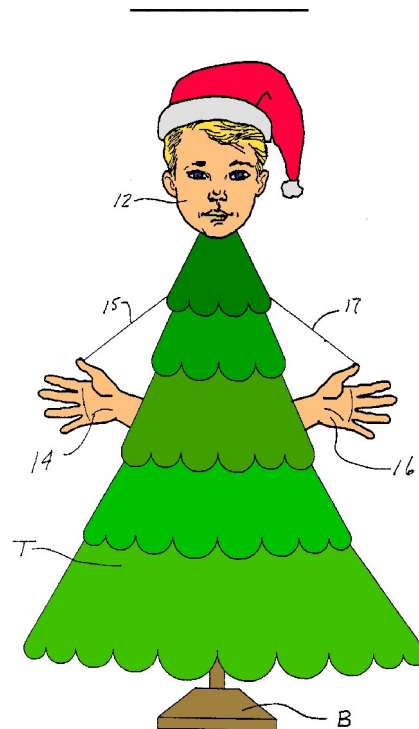


Fig. 1

Caption Contest

WRITE A WINNING CAPTION, GET A PRIZE

The IPLS Newsletter Committee announces the fifth **Caption Contest**. The rules are simple: (1) write a humorous caption for the picture; and (2) email your entry to newsletter@texasbariplaw.org by the entry deadline. Please include your contact information with your entry. The Newsletter Committee members will select a winner from the eligible entries and award a prize, which may vary from issue to issue.

This issue's prize: \$25 GIFT CARD to the winner's choice of Amazon.com, Starbucks, or Brinker restaurants (Chili's, On the Border, Maggiano's, and Macaroni Grill).

Please submit a humorous caption for this picture showing a "unique" invention of yesteryear. To be eligible to win, your entry must be emailed to newsletter@texasbariplaw.org by December 31, 2007. **Good luck!**

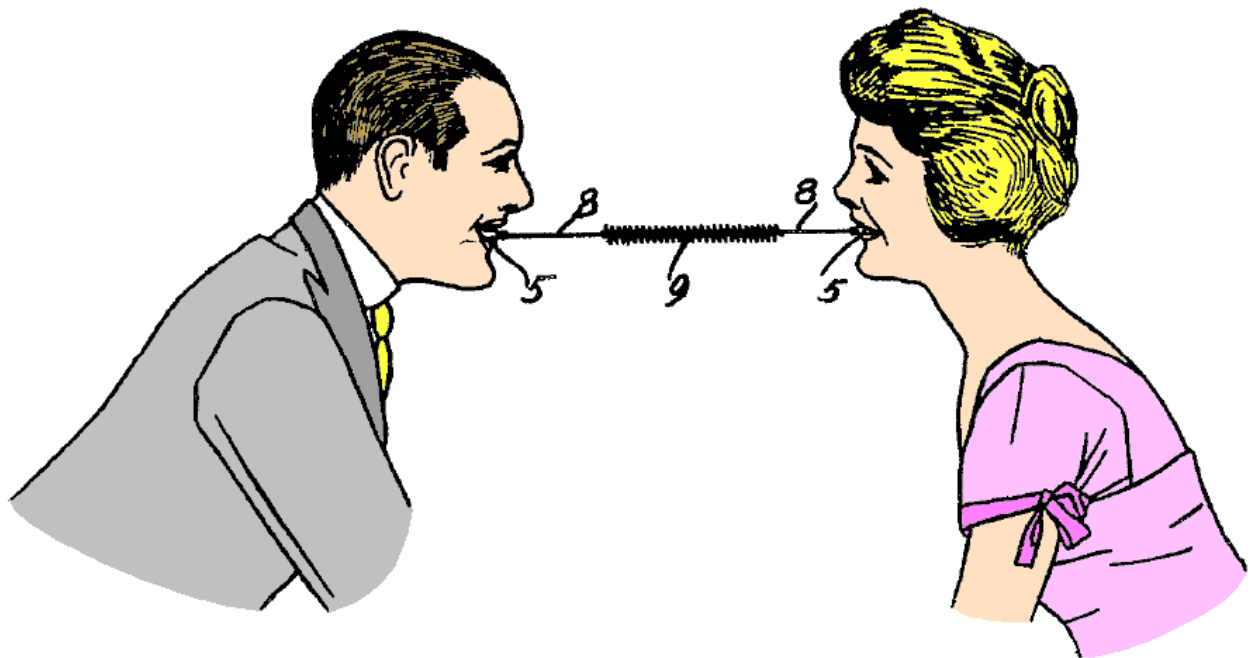


Caption Contest Winner!

In the Summer 2007 newsletter we announced the fourth Photo Caption Contest, and we sincerely thank all of you who took the time to submit an entry. The captions were judged by the Newsletter Committee, and a winner has been chosen.

Drum roll, please...

And, the winning caption is...



“An Apparatus for Distracting Others So They Will Not See What You Are Doing With Your Hands, and Associated Method.” Submitted by Paul Herman, Senior Counsel, Intellectual Property Practice Group of Halliburton Energy Services, Inc., Carrollton, Texas.

Runner Up: *“Is this as novel for you as it is for me?”* The runner-up caption was submitted by Alan Thiele in the San Antonio office of Strasburger & Price, LLP.

(For the curious, this image was derived from patent 1,466,559.)

The Intellectual Property Law Section of the **State Bar of Texas** Announces

The Annual Intellectual Property Law Writing Competition

Who? J.D., L.L.B., and L.L.M. degree candidates who are either in part-time or full-time attendance at a Texas law school, Texas residents attending other law schools, or recent graduates of a Texas law school or Texas residents recently graduated from another law school.

What? Subject matter must be related to Intellectual Property Law and be a maximum of fifty pages.

When? The paper must be written between August 31, 2007 and April 30, 2008 and submitted on or before May 15, 2008.

Why? \$2500 cash prize to be awarded at the annual SBOT Meeting.

Where? Submit final entry to:

Texas IP Law Journal
727 East Dean Keeton Street
Austin, TX 78705

If you have questions about the Intellectual Property Law Writing competition, please contact Brandy Nolan by telephone at (512) 232-1399 or by e-mail at tiplj@mail.law.utexas.edu

For more information, forms, and questions about both competitions, visit:
www.texasbariplaw.org

All applications may also be submitted electronically at
tiplj@mail.law.texas.edu

Three
\$2500 Scholarships
Awarded at the
Annual SBOT
Meeting

**The Women and
Minority Scholarship**
Open to all women and minorities

Who? Any woman or member of a recognized minority group, including but not limited to African Americans, Hispanics, Native Americans, and Asian Americans who intend to practice IP law in the state of Texas.

What? Application is available online at www.texasbariplaw.org.

When? Applications must be postmarked by no later than May 1, 2008.

Why? Two \$2500 scholarships to be awarded at the annual SBOT Meeting.

Where? Submit all applications to:
Women and Minority Scholarship Selection Committee
c/o Hope Shimabuku
3800 Lincoln Plaza
500 N. Akard Street, Dallas, TX 75201-6659