State Bar of Texas
Intellectual Property Section

Vol. 11 No. 1 **February 5, 2016**

Update From the Chair

By Stephen Koch

Happy New Year and Best Wishes for 2016 from your IP Section Officers, Council, and Committee Chairs! In this edition of your Section's Newsletter, Tenley Krueger and Chris Nichols of McGlinchey Stafford provide a summary of an important recent case in the post-*Nautilus* world, the Federal Circuit's August 2015 decision in *Dow Chemical Company v. Nova Chemicals Corporation*. Patent drafters and prosecutors need to be aware of the guidance that the Federal Circuit has, implicitly and explicitly, given to us in this opinion.

Section members should by now have received a postal mail brochure for the 29th Annual Course in Advanced Intellectual Property Law, to be held February 18–19 at the Hyatt Regency Hill Country Resort and Spa in San Antonio. This Session of the Annual Course, co-sponsored with Texas Bar CLE, includes updates in Patent Law, Inter Partes

Review Proceedings, and Legislative Activities as well as reviews in Trademark and Copyright subjects. Importantly, two sessions will include reviews of practice before the Patent Trial and Appeal Board—the first an Ethics Review and the second a PTAB Mock Trial. Do not miss this important CLE Course.

In addition, on the afternoon of February 17, an intellectual property law workshop entitled "Advising on Corporate IP Policies" will be held. The Workshop will include sessions on such important topics as Software Licensing, Software Compliance, IP Indemnities and Risk Management, and Employment Agreements in the Corporate Setting. This workshop is a great opportunity to continue to develop your expertise for counseling your corporate clients.

An additional important activity during the 29th Annual Course in the Women in IP Law Committee's Annual Breakfast, which is held on Thursday, February 18, before the beginning of the Course. The Breakfast is open to all; the title is "Breakfast with the Bench: Insights from Women in the USPTO" and includes, as panelists, The Honorable Susan Hightower of the USPTO, Austin; The Honorable Miriam Quinn, of the USPTO, Dallas; and Hope Shimabuku, the newly appointed Director of the USPTO Texas Regional Office.

Thursday's luncheon presentation is "One-on-One with the Director of the USPTO Texas Regional Office." Your Section's own Hope Shimabuku, recently named to be that Director, has been invited to be the speaker. How better to learn of what the USPTO plans for its new Texas Regional Office than directly from its director?

Complete details of this CLE, and all the rest of your Section's activities, are included on your Section's Website at texasbariplaw.org.

As always, your Section's Council, Officers, and Committee Chair's welcome your comments and suggestions for the newsletter, the Section's activities, and most importantly your interest in participating in the Section's Committees. You can find all of our names on the Website. ♦

Mark Your Calendar

FEBRUARY 17-19

The IP Law Section will present the 29th Annual Advanced IP Workshop and CLE at the Hyatt Hill Country Resort and Spa in San Antonio. On February 17, the Section will present a half-day workshop on corporate IP policies. On-line registration is currently available.

On February 18, the Section's Women in IP Law Committee will host the 6th Annual Women in IP Breakfast. During the breakfast, Judges Susan Hightwer and Miriam Quinn of the USPTO will discuss their career paths and their appellate practices with the USPTO.

Hotel rooms have been blocked at special rates on a space-available basis. For more information, visit here.

MARCH 4

The Texas Intellectual Property Law Journal will

present the 17th Annual IP Symposium at the University of Texas School of Law. The event will run from 8 AM to 5 PM in the Eidman Courtroom. The symposium will focus on PTAB proceedings and include a panel discussion of federal judges about the effects of PTAB proceedings on pending district court litigation. Deputy Chief Judge Boalick of the USPTO will present at the symposium.

MARCH 10-11

The University of Texas School of Law, George Mason University School of Law, and the USPTO will present the 11th Annual Advanced Patent Law Institute in Alexandria, Virginia. The Institute wll include the latest from leading practitioners and key USPTO personnel on PTAB practice and proceedings, Section 101 developments, and other key issues affecting the current patent practice landscape.

JUNE 16-17

The State Bar of Texas 2016 Annual Meeting will be held at the Omni Hotel in Fort Worth, Texas. On Friday, June 17, the Section will once again offer a full day of high-quality CLE. Block out those dates now, and make plans to attend the Annual Meeting in Fort Worth.

JULY 21-22

The IP Law Section will present its annual Advanced Patent Litigation Course at the La Cantera Resort in San Antonio. Look for updates in this newsletter and at texasbariplaw.org.

In The Section

Hope Shimabuku Hired as Director of USPTO's Texas Office

On December 8, the USPTO announced the hiring of Hope Shimabuku as the first Director of the Texas Regional Office. Most recently, Hope was part of the Office of General Counsel at Xerox Corporation, serving as Vice-President and Corporate Counsel responsible for all intellectual property matters for Xerox Business Services, LLC. She also worked for Blackberry, advising on U.S. and Chinese standards setting, cybersecurity, technology transfer, and IP laws and legislation. Prior to her time with Xerox, she was an engineer for Procter & Gamble and Dell Computer Corporation. Hope holds a B.S. in Mechanical Engineering from the University of Texas at Austin and a cum laude J.D. from the Southern Methodist University Dedman School of Law. She currently serves as the Chair-Elect of the IP Law Section.

Public Relations Committee Seeking Members

The Public Relations Committee educates the public about intellectual property law and engages in public service activities to further that goal. The Committee is seeking new members to assist with current activities and to develop ideas for new committee activities. The Committee expects to have committee conference calls or meetings at SBOT or IP Section events twice biannually.

Currently the Public Relations Committee includes the Inventor Recognition Committee, which reviews nominations and selects the State Bar of Texas IP Section Inventor of the Year. The Inventor of the Year receives an award at the IP Section Luncheon of the State Bar of Texas Annual Meeting. Although the time commitment for this committee varies depending on the number of nominations received, typically it is up to 5 hours a year in April or May. The Inventor Recognition Committee includes a broad mix of attorneys in terms of technical background, experience, and employers, and we welcome anyone interested in serving.

The Public Relations Committee may engage in further activities as opportunities arise, upon consultation with the IP Section officers and council.

Those interested in serving on the Public Relations Committee or anyone with ideas for Public Relations Committee activities should contact Neil Chowdhury at ichowdhury@cgiplaw.com.

Public Relations Committee Seeking Speakers Bureau Members

The Public Relations Committee is developing a Speakers Bureau to present on IP Law topics to non-attorneys or general attorneys. Once a healthy list has been established, we will place a notice on the SBOT IP Section website (and other locations, as appropriate) offering to refer speakers upon request. Those interested in joining the Speakers Bureau should provide the following: i) your name; ii) your employer (or indicate that you are retired, self-employed, etc.) and location; iii) titles of presentations you have available or topics on which you will present (general topics, such as "copyrights" are fine, but some specific subtopics would be helpful); iv) target audiences (e.g., general attorneys, children, musicians, garden clubs, etc.), and v) an expiration date no more than three years later (when you will be contacted to ask if you would like to update your information and continue with the Speakers Bureau).

When the SBOT IP Section receives a request for a speaker, we will determine the best matches for the request based on location, topics, and target audience and contact those Speakers Bureau members. The goal it to serve as a filter so our members are not bombarded with inappropriate requests.

Assistance with organizing the Speakers Bureau and any suggestions relating to it are welcome.

Please contact Neil Chowdhury via email at ichowdhury@cgiplaw.com if you are interested in joining or assisting with the Speakers Bureau, or if you have any suggestions.

Call for Nominations for 2016 Awards

The State Bar of Texas IP Law Section is now accepting nominations for the Awards presented at its Annual Meeting held during the IP Section Luncheon on June 17, 2016, in Fort Worth.

Inventor of the Year Award

Nominated inventors should have at least one issued patent. Groups may be nominated as well as single inventors. Nominations must be received by April 4. Further details are provided here.

Women and Diversity Scholarships

Two scholarships will be awarded. Any woman or member of a recognized minority group who intends to practice IP law in the State of Texas and is enrolled in an ABA-accredited law school in Texas at the time the application is submitted is eligible to apply. Nominations must be received by March 18. Further details are provided here.

Tom Arnold Lifetime Achievement Award

The Tom Arnold Lifetime Achievement Award recognizes lawyers who have practiced law, or have otherwise been involved with intellectual property law, for at least 25 years. The recipient's career should have had a significant impact on the intellectual property law practice in Texas and should preferably be a long-time member of the IP Law Section of the State Bar of Texas. The award may be awarded posthumously. Nominations must be received by March 18. Further details are provided here.

Practice Points

Lessons Learned After Dow Slammed By Section 112 Law Change Under *Nautilus*

By Tenley Krueger and Chris Nichols

The Federal Circuit recently reversed a $30 million damages award to Dow Chemical Co. in a patent infringement suit with Nova Chemicals Corp. *See Dow Chem. Co. v. Nova Chems. Corp. (Can.)*, No. 2014-1462, 2015 U.S. App. LEXIS 15191 (Fed. Cir. Aug. 28, 2015). On appeal, Nova argued that the claims at issue in the Dow patents were invalid for indefiniteness and the court concurred, determining that under the new *Nautilus* standard (the decision under appeal was issued pre-*Nautilus* under the "insolubly ambiguous standard"), the claims must provide the public notice as to what is claimed "with reasonable certainty." *See id.* at 29–30 citing *Nautilus, Inc. v. Biosig Instruments, Inc.*, 134 S. Ct. 2120, 2124 (2014).

The claim term at issue related to the "slope of strain hardening," which was utilized to calculate a slope of strain hardening coefficient (SHC) recited in the claims. The specification stated that the slope of strain hardening was determined from a tensile curve plot. *See id.* at 22–23. The Specification further indicated that the tensile curve plot showed three phases of behavior, including a strain hardening region, utilized to determine the

slope of strain hardening. *See id.* at 23–24.

Nova argued that the patent failed "to teach with reasonable certainty where and how the 'slope of strain hardening' should be measured." *Id.* at 24-25. The specification stated that "FIG. 1 shows the various stages of the stress/strain curve used to calculate the slope of strain hardening." *Id.* However, the Specification did not contain the referenced Figure 1. *See id.* In addition, Dow admitted that three different methods existed to determine the maximum slope and all typically occur at the same place—at the end of the curve. *See id.* at 25–26.

Thus, the ultimate question was when multiple methods exist to determine a physical property or value, must one of those methods be identified in the Specification (or in prosecution history). Prior to *Nautilus*, a claim was not indefinite if someone skilled in the art could arrive at a method and practice that method. *See id.* at 28–29 (citing *Exxon Research & Engineering Co. v. United States*, 265 F.3d 1371, 1379 (Fed. Cir. 2001)). Relying on this pre-*Nautilus* standard, the Court determined that "the mere fact that the slope may be measured in more than one way does not make the claims of the patent invalid." *Id.* at 29 (discussing *Dow Chem. Co. v. Nova Chems. Corp. (Can.)*, 458 Fed. App. 910, 920 (Fed. Cir. 2012)). This was because Dow's expert, Dr. Hsiao, a person skilled in the art, had developed a method for measuring maximum slope. *See id.* In other words, although Nova showed that other regions in the slope were capable of measurement, such measurements did not preclude one of ordinary skill in the art identifying that the maximum slope leads to the most appropriate reading of the strain hardening slope. Nor was it too difficult for one or ordinary skill in the art to make a few measurements and determine, based on the result, what the scope of the invention is. *See Dow Chem. Co. v. Nova Chems. Corp. (Can.)*, 458 Fed. App'x 910, 920 (Fed. Cir. 2012).

However, the Court, applying the post-*Nautilus* standard, found that ambiguity in which method to use, compounded by the issue that the different methods could provide a different result, rendered "slope of strain hardening" indefinite. *See Dow Chem. Co. v. Nova Chems. Corp. (Can.)*, No. 2014-1462, 2015 U.S. App. LEXIS 15191 (Fed. Cir. Aug. 28, 2015) at 20, citing *Teva Pharms. USA, Inc. v. Sandoz, Inc.*, 789 F.3d 1335, 1344–45 (Fed. Cir. 2015) (stating that one "must disclose a single known approach or establish that, where multiple known approaches exist, a person having ordinary skill in the art would know which approach to select"). Under *Nautilus*, "[t]he claims, when read in light of the specification and the prosecution history, must provide objective boundaries for those of skill in the art." *See id.* at 20, citing *Interval Licensing LLC v. AOL, Inc.*, 766 F.3d 1364, 1371 (Fed. Cir. 2014). Such a determination is in keeping with the decision in *Teva* (where molecular weight could be

*Pay close attention to definitions, testing methods, measurement methods and ranges to identify each and every embodiment that will cover the inventive subject matter. Experienced patent practitioners may believe that such suggestions are obvious even pre-*Nautilus*. However, an important take-away from the* Dow v. Nova *case is that technical expertise can cloud the need to define particular aspects of an invention.*

measured three different ways and each method would yield different results), which held that "the existence of multiple methods leading to different results without guidance in the patent or the prosecution history as to which method should be used renders the claims indefinite."

So, how does the patent practitioner avoid indefiniteness? The easiest way to avoid such ambiguity is to define all properties by recognized ASTM methods. However, not all physical properties can be measured by a published ASTM method. In such cases, clearly identify each and every step for measurement and when multiple testing methods exist, clearly and concisely identify only a single measurement method in the specification.

Furthermore, how does the patent practitioner draft a specification to anticipate potential changes in law? The *Dow v. Nova* case provided a rare example of the application of the "intervening change in the law" exception in the patent infringement context, which ultimately was the root cause of a divergence between the respective *Dow* holdings regarding liability. The "intervening change in the law" exception applies whether the change in law occurs while the case is before the district court or while the case is on appeal. *See id.* at 16. The Court stated that three conditions must be satisfied to reopen a previous decision under the intervening change in the law exception for both law of the case and issue preclusion:

- the governing law must have been altered;
- the decision sought to be reopened must have applied the old law; and
- the change in law must compel a different result under the facts of the particular case.

See id. at 17–18

The Court held that each of these requirements was satisfied in the *Dow v. Nova* case. *See id.* at 18. Specifically, the Court stated that each of these requirements was met because *Nautilus* changed the law of indefiniteness; the earlier decision applied pre-*Nautilus* law; and as discussed in the section above, the Court's earlier decision would have been different under the post-*Nautilus* standard. *See id.* at 18–22.

Thus, it is clear that patent law is subject to potential changes in law. However, the best protection against changes in law is to draft a thorough and precise specification within the bounds of the information that is presented. Specifically, pay close attention to definitions, testing methods, measurement methods, and ranges to identify each and every embodiment that will cover the inventive subject matter.

Experienced patent practitioners may believe that such suggestions are obvious even pre-*Nautilus*. However, an important take-away from the *Dow v. Nova* case is that technical expertise can cloud the need to define particular aspects of an invention. For example, while the term "slope of strain hardening" likely was clear to those drafting the specification at the time, when removed from the specific context of the Dow environment, that same term was not so clear. Thus, it may be helpful to have a colleague, outside the technological field of the subject matter of an application, review your specification to identify potentially ambiguous terms that could benefit from further definitions, including measurement or testing methods.♦

Tenley Krueger is Of Counsel in the Houston office of McGlinchey Stafford. She practices in the firm's business section, focusing primarily on intellectual property. She has extensive experience in all phases of domestic and

international patent practice and management, including patent procurement, licensing, opinion work, litigation management and development, and implementation of intellectual property strategies.

Chris Nichols is an intellectual property associate in the firm's Baton Rouge office. He is a registered patent attorney and former patent examiner with the USPTO. Prior to practicing law, Chris was a registered professional engineer with a major engineering and construction company, leading and managing process design projects for oil refineries, gas processing facilities, and chemical plants.

This article expresses the view of the authors and not necessarily that of the State Bar of Texas IP Law Section.

Three Precedential Trademark Cases from Fall 2015

By Nick Guinn

***Boston Athletic Association v. Velocity, LLC*, Opposition No. 91202562 (T.T.A.B. Oct. 26, 2015).**

Boston Athletic Association argued that Velocity, LLC's mark MARATHON MONDAY falsely suggests an association with the Boston Marathon. Specifically, the Association argued that Boston Marathon identifies the Association; and that the marks MARATHON MONDAY and BOSTON MARATHON were interchangeable.

The Board disagreed. Although the Board noted most consumers would recognize an association between the Boston Athletic Association and the Boston Marathon, it concluded there was little to no evidence that MARATHON MONDAY would suggest any connection with the Association. Although it may be generally known by the consuming public that the Boston Marathon is held annually on the third Monday of May, the Association "failed to show that MARATHON MONDAY was a recognized name or identity of the entity responsible for organizing the Boston Marathon."

The Board also pointed to third-party uses of MARATHON MONDAY. Such uses included multiple references to the Monday after the ING New York City Marathon, as well as other Mondays immediately following a Sunday marathon race. Additionally, other third-party uses included training plans and blogs that were posted on Mondays during the weeks leading up to a race. The Board found that the frequent and various third-party uses of the term MARATHON MONDAY reflect that the term does not point uniquely and unmistakably to the Boston Athletic Association.

***In re William Adams and i.am.symbolic, LLC*, App. Ser. No. 85/044,494 (T.T.A.B. Oct. 7, 2015).**

William Adams (a/k/a will.i.am) tried to register the mark I AM for goods in International Class 3, but the examining attorney refused registration based on a likelihood of confusion with the registered mark I AM for perfume. Adams holds registrations for "will.i.am" in IC 9 and IC 41, and for I AM in IC 25.

First, Adams argued his mark will be perceived as identifying him over the registrant. The Board disagreed, stating that "[e]ven if we were to accept Applicant's contention that Mr. Adams is known by "i.am." and that this brand has gained notoriety, the statute still protects the registrant and senior user from adverse commercial impact due to use

of the similar mark by a new comer.'"

Second, Adams attempted to distinguish "cosmetics, beauty and personal care products" from that of the registrant for perfume. The Board disagreed, finding probative the examiner's citations to third-party registrations for both types of goods. (citing In re Mucky Duck Mustard Co., 6 USPQ2d 1467, 1470 n.6 (T.T.A.B. 1988), aff'd, 864 F.2d 149 (Fed. Cir. 1988)).

***In re Heatcon, Inc.*, App. Ser. No. 85/281,360 (T.T.A.B. Sept. 29, 2015).**

Heatcon, Inc. sought registration of a three dimensional configuration of the arrangement of its hot bonder user interface components. After refusal to register by the examining attorney based on functionality, Heatcon argued that the arrangement of the functional features was nonfunctional.

The Board affirmed the refusal, indicating that any applicant who might disclaim all functional elements in favor of establishing non-functionality of an arrangement would wind up with nothing claimed at all. The Board indicated alternatively, however, that in this case the arrangement in and of itself offered utilitarian benefits. That is, the arrangement of the hot bonder provided additional safety, ergonomic benefits, and other benefits.

This decision of the Board is useful for IP practitioners looking for one or more means of protecting their clients' product ideas. It may be tempting in some situations to consider trade dress, but there may be some instances where product design is not registerable as trade dress given its functionality.♦

Nick Guinn is an associate with the intellectual property boutique of Gunn, Lee & Cave in San Antonio,. Nick is a TYLA director and co-chairs the Member Outreach Committee. Nick is also a director of the San Antonio Young Lawyers Association, co-chairing the Professional Development Committee. Prior to private practice, Nick served as a law clerk to Chief United States District Judge Fred Biery of the United States District Court for the Western District of Texas. Nick earned his J.D. from St. Mary's University School of Law.

This article expresses the view of the author and not necessarily that of the State Bar of Texas IP Law Section.

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 CLE events. If you are interested in submitting an article to be considered for publication or adding an event to the calendar, please email 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, 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 company or firm website.

If you have any questions, please contact Michael Paul at newsletter@texasbariplaw.org.

We Need a Name!

It's been 10 years since Shannon Bates and Mike Sebastian spearheaded publication of the first issue of this newsletter. As we start the 11th year of publication, we've freshened up the look and feel of the newsletter, but we still don't have a name.

If you have ideas for a newsletter name, or any suggestions about how we can improve this newsletter, let us know at newsletter@texasbariplaw.org.

Quotable

"A country without a patent office and good patent laws is just a crab and can't travel any way but sideways and backwards."

- Mark Twain