



Intellectual Property Law Section

State Bar of Texas

Special Issue - March 2007 CLE

20th Annual IP Law CLE Dallas, TX - March 2007

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The 20th Annual Intellectual Property Law Course, co-sponsored by the TexasBarCLE and our section, was held at the Fairmont Hotel in Dallas, Texas.



Course Co-Directors Steve Schortgen, Carolyn B. Southerland and David A. Chaumette prepare for the e-discovery presentation.

The course kicked off on Wednesday evening, February 28th, with a workshop regarding recent e-discovery developments. The Course Director was Sharon Israel, and the course Co-Directors were David Chaumette, Steve Schortgen, and Carolyn Southerland.

Mr. Chaumette gave opening remarks and set the stage for the rest of the first evening's discussion. He discussed the general jury perspective regarding the destruction of documents, explained the effect of an adverse inference on the jury, and described how both plaintiff and defendant may use the new rules to their advantage. Mr. Chaumette also described the voluminous paper equivalent that can be

saved on various new electronic storage devices. Mr. Schortgen presented the new amendments to the Federal Rules of Civil Procedure, suggested possible interpretations, and emphasized the importance of preservation of evidence. Ms. Southerland discussed the logistics of implementing the amendments to the Federal Rules, where potentially relevant electronically stored information may be kept, and the importance of reaching agreements with opposing counsel during the 26(f) conference to minimize future e-discovery disputes. The three member panel ended the workshop by performing a mock 26(f) conference.



Course Director Sharon A. Israel gives opening remarks on the first full day of the CLE.

On Thursday morning, March 1st, Course Director Sharon Israel commenced the first full day of the CLE session with her opening remarks. Molly Buck Richard then discussed the latest Trademark Trial and Appeal Board decisions, as well as recent trademark litigation cases. Ms. Richard emphasized that fraud cases seeking to cancel trademark registrations have recently

become much more common, and such cases are being used both offensively and defensively.

Bill Barber highlighted key features of the new Trademark Dilution Revision Act (TDRA) of 2006. Under the TDRA, it is sufficient to prove likelihood of dilution rather than actual dilution, and non-inherently distinctive marks are afforded protection. Mr. Barber also provided several practical examples of dilution by blurring.



Chair-Elect Ted D. Lee answers questions of members of the audience.

Alison McDade discussed domain name tasting (registering and using a domain name for a limited time without paying for it) and its negative effect on trademark owners. Ms. McDade pointed out that a majority of the “gross deletes” are held by only 8 registrars.

Ted Lee, Chair-Elect, hearkened back to yesteryear and his days of playing baseball on the farm, presenting an analogy between the rules of baseball and the rules of ethics that bind attorneys. Mr. Lee effectively described the various pitfalls associated with lawyer advertising through the use of a strategically placed “plant” in the audience who posed several questions. Mr. Lee spoke about “winning the game” by not “striking out” with impermissible conduct and how you can be “the luckiest man alive” by building and maintaining relationships with satisfied clients.

Next, Steve Malin reviewed the various districts that have either established patent rules or are contemplating doing so. Mr. Malin placed each district on a preliminary infringement contentions (PICs) amendment continuum, explaining that some districts are more strict and some districts are less strict, which may impact where the case is filed. Mr. Malin also reviewed key aspects of the patent rules proposed for the Northern District of Texas, including case management conferences, confidential information, preliminary infringement and invalidity contentions, reliance on the advice of counsel, and claim construction procedures.

To complete the morning session, Scott Breedlove discussed the *EchoStar* case and the questions that remain regarding privilege and the scope of waiver for opinions of counsel after *EchoStar*.



Lunch is served Thursday.

During lunch, the Honorable Barbara H. G. Lynn (N.D.) treated the attendees to an entertaining and humorous discussion regarding effective court presentations based on her experiences in the courtroom. Judge Lynn provided insight into jury perspective, advanced technology, the importance of being prepared, knowing when to say “I don’t know,” and the importance of being flexible. Judge Lynn also advised that any question a judge asks is relevant, and it should not be brushed off

by counsel.

The afternoon session began with Moderator Genie Hansen introducing Bill Rooklidge, who provided an update on legislative developments involving patent law, including proposed legislation to prohibit tax shelter patents, prohibit human genetic material patents, and prohibit settlement agreements that stall the entry of a generic drug into the marketplace.

Stephen Walsh, Assistant Solicitor for the USPTO, followed with a presentation regarding patent office developments, including the goal of hiring 1,000 examiners for each of the next five years. Mr. Walsh also shared that the USPTO received approximately 440,000 applications in 2006, and approximately 80% of patent applications are now filed with 20-25 claims.

Next, Sharon Israel discussed the rare review of patent cases by the Supreme Court, and how such review has increased in recent years. Ms. Israel noted that the Supreme Court is addressing more substantive areas of patent law, such as the “teaching, suggestion and motivation to combine” obviousness test being reviewed in the then-pending *KSR* case.

Professor Paul M. Janicke provided a humorous rendition of “the most interesting patent cases of 2006”, including issues dealing with patent scope, exclusive licensees as necessary parties, findings of willfulness not dischargeable in bankruptcy, the ever-present danger of inequitable conduct, sovereign immunity, and the doctrine of equivalents. Mr. Janicke noted that we seem to be slipping into a “should have known” standard for inequitable conduct.

Bart Showalter, Section Chair, then discussed willful infringement and case law regarding opinions of counsel, as well as the uncertainties of attorney/client privilege

waiver in the wake of *In Re EchoStar* and the pending case *In Re SeaGate Technology*.

Valerie Kay Friedrich described practice tips for drafting patent applications with an eye toward patent enforcement, reviewing the relevant cases along the way. Ms. Friedrich advised: (1) don’t criticize the prior art, (2) don’t state objects or goals, (3) describe more than one embodiment, (4) don’t use limiting language, and (5) use terms consistently.

To conclude the first full day of presentations, Richard Lemuth and Russell Holloway II discussed foreign filing strategies, which may depend upon the locations of company operations and competitors.



Rebecca Lively, Judith Reed Blakley, CLE Speaker Kelly Riddle and Chair-Elect Ted D. Lee catch up during the evening reception.

The evening ended with a reception sponsored by Susman Godfrey where attendees and speakers alike had a chance to meet and talk with each other in a more informal and relaxed setting.

Gail Peterson began the Friday morning session by moderating a panel discussion of trade secret issues. Bill Parrish discussed injunctive relief in trade secret misappropriation actions, and entertained the audience with his own war stories in this area. Drew DiNovo described remedies in

the form of damages that were available in trade secret cases.



Panel comprising of Moderator David Huffman, CLE Speaker J. Scott Denko, and Dan Williams discussing the effects of eBay.

Next, John Cone discussed the ethics involved in using personal investigators, and Kelly Riddle, a private investigator, entertained the audience with his own experiences as a private investigator. (The names were changed to protect the innocent.)

David Hricik talked about ethical issues regarding opinions of counsel as well as the use of patent agents.

Paul Fulbright discussed the fair use doctrine in copyright infringement cases and gave an update on some of the more recent cases.

Steve Adkins closed the morning session with a presentation regarding Section 337 IP infringement investigation at the U.S. International Trade Commission.

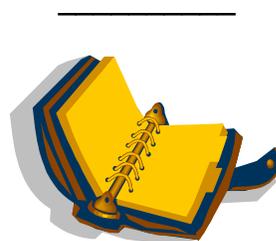
During lunch, the Honorable Paul J. Luckern, an Administrative Law Judge with the U.S. International Trade Commission, gave his own personal perspective regarding Section 337 disputes at the ITC.

Next, a panel consisting of Dan Williams and Scott Denko and moderated by David Huffman discussed the effects of *eBay*. Mr. Williams gave a perspective on the point of view of a plaintiff, while Mr. Denko gave a

perspective on the point of view of a defendant.

A subsequent panel featuring Jonathan Suder and Paul Krieger dispelled the myths of patent trolls and described the due diligence necessary before taking a patent infringement case on a contingency fee basis.

Michael Smith provided an update on recent developments in the Eastern District of Texas, and Jerry Selinger ended the program with his discussion of personal jurisdiction via the use of websites.



Mark Your Calendar

State Bar of Texas 125th Annual Meeting. June 21-22, 2007, in San Antonio. On Friday June 22nd, our section will once again offer a full day of high-quality CLE.

We will also conduct our section's annual business meeting at a ticketed luncheon on Friday, June 22nd. During this meeting, new officers and Council members will be elected, and awards will be presented to the Inventor of the Year, the Women & Minority Scholarship recipients, the Chair Award recipient, and the winner of our first annual IP law writing competition.

Block out June 21-22 on your calendar now, and make plans to attend the Annual Meeting in San Antonio – we look forward to seeing you there!