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THE IP BEACON[®]

The Intellectual Property Law Newsletter
of Haynes and Boone, LLP

**YEAR IN REVIEW 2016-2017
SPECIAL EDITION**

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Orange County Palo Alto Richardson San Antonio Shanghai Washington, D.C.

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WELCOME

Welcome! We are pleased to highlight some of our representative intellectual property-related client successes and publications over the past year that might be relevant to your business.

Our IP Department has grown by leaps and bounds to extend from California through Texas, Colorado, and Illinois, to Washington, D.C. and New York. Our team now includes 124 IP lawyers, 10 Patent Agents, and 6 Scientific Advisors. We handled more than 90 PTAB proceedings for clients in 2016, and our patent prosecution team filed more than 2,000 U.S. patent applications and helped issue more than 1,000 U.S. patents just in 2016. Read on for updates on some of our litigation efforts last year.

RECENT CASES

TRANSDATA, INC.

Haynes and Boone represented TransData, a leading manufacturer of advanced solid-state electricity meters, in a patent infringement litigation relating to smart electric meters covered by TransData's U.S. Patent Nos. 6,181,294; 6,462,713 and 6,903,699.

In late 2010, TransData filed the first of several lawsuits alleging that numerous electric utilities were infringing its patented technology. Originally filed in the Eastern District of Texas (EDTX), the matter was consolidated in a multi-district litigation in Oklahoma. After prevailing on every issue during claim construction, as well as key summary judgment motions, the consolidated cases were remanded back to the respective district courts for trial – the first time a patent case litigated under the Multidistrict

Litigation (MDL) rules has been remanded for trial. On the eve of trial, defendants relented and settled with very favorable terms for TransData.

RIVERBED TECHNOLOGY

Haynes and Boone defended Riverbed Technology against patentee/plaintiff Realtime Data, LLC. We are counsel for Riverbed as petitioner in multiple IPRs challenging validity of patents-in-suit.

This is an important matter because Realtime asserts that Riverbed's biggest product—the Steelhead WAN-optimization product—infringes Realtime's patents. We are lead trial counsel in the district court litigation and lead counsel on multiple IPRs.

ARGO DATA RESOURCE CORPORATION

Haynes and Boone defended ARGO Data Resource Corporation in a theft of trade secrets case, filed by Spear Marketing, Inc. ("SMI"), involving claims related to cash monitoring software. After defeating SMI's claims by summary judgment and obtaining an affirmance at the Fifth Circuit, ARGO and its co-defendant BancorpSouth moved for, and obtained, an award of nearly \$1 million in costs and attorneys' fees incurred defending SMI's claims. SMI appealed the award, and the Fifth Circuit affirmed the award a mere two weeks after the early December hearing.



RECENT CASES

ERICSSON INC.

Haynes and Boone defended Ericsson, a Swedish multinational communication and technology services corporation, in a patent suit brought by Sycamore IP Holdings LLC in the Eastern District of Texas. The plaintiff in the case alleged that certain Ericsson products that fall under industry standards infringed the patent-in-suit. The matter was resolved with quite favorable terms for Ericsson.

Haynes and Boone also represented Ericsson as petitioner in four inter partes reviews of Intellectual Venture patents, with all claims found to be unpatentable on Final Written Decision. The firm continues to represent Ericsson as both petitioner and patent owner in at least four additional ongoing inter partes review matters pending before the U.S. Patent and Trademark Office.



GN AUDIO A/S

Haynes and Boone was the lead counsel in a U.S. International Trade Commission (ITC) investigation, and successfully defended GN Netcom A/S, a Danish manufacturer of hearing instruments, against a claim that it was importing products that allegedly infringed U.S. Patent Nos. 7,865,258 and 8,131,391. The patents were alleged to cover any wireless headset capable of using Bluetooth technology to pair with a digital audio transmitter to listen to high definition music.

Had the complainant prevailed, GN Netcom A/S would have been barred from importing any allegedly infringing wireless headsets and receivers to the U.S. The ITC granted a summary judgment motion for GN Netcom A/S, however, finding that the asserted patents were invalid and that no violation had occurred. The case has been appealed to the Court of Appeals for the Federal Circuit.

MICHAEL ARAM, INC.

Haynes and Boone represented Michael Aram, Inc. in its trade dress and copyright dispute with Bed Bath & Beyond, Inc. and Classic Touch Décor, Inc. Michael Aram, Inc. contended that both defendants have misappropriated Michael Aram's unique artistic designs. The case settled successfully.

PUBLICATIONS

Kenneth Parker in *Law360*: The Biggest Patent Cases of 2016

Law360 | December 7, 2016

Kenneth Parker

This article provides a roundup of the biggest patent rulings of 2016 and their implications for patent law, including the U.S. Supreme Court revamped the law on enhanced damages, the Federal Circuit provided a lifeline for software patent owners struggling with eligibility challenges, and courts grappled with new pleading standards for patent cases.

Brian Kwok, Nicholas Martini and Nicole Johnson for *Law360*: An Update on Post-Grant Review Filings and Decisions

Law360 | November 3, 2016

Brian Kwok, Nicholas Martini, Nicole Johnson

In June 2016, we observed the increasing popularity of post-grant review (PGR) and its role as a component of overall patent litigation strategy. Since that time, several more PGR petitions were filed and the Patent Trial and Appeal Board issued its first three written decisions.

This article updates our previous analysis of PGR petitions to provide a contextual overview of the types of patents, parties and challenges being considered by the PTAB. We also examine the PTAB's three written decisions to better understand how the PTAB will assess challenges based on grounds such as patent-eligible subject matter and public use prior art.

Changes Coming to Trademark Trial and Appeal Board Rules of Practice

Haynes and Boone News | October 31, 2016

Jason Whitney, Michael Goodman

In 2016, the United States Patent and Trademark Office published its first major update to the rules for trademark trials and appeals in nearly a decade.

The final changes to the Trademark Trial and Appeal Board ("TTAB") Rules of Practice appear in the October 7, 2016 Federal Register (81 Fed. Reg. 69950) and are scheduled to go into effect on January 14, 2017. Unlike substantive rule changes that generally apply only to future proceedings, the procedural TTAB rule changes will apply to all active proceedings as of January 14, 2017, whether pending on or filed after the effective date.

Breathing New Life (Science) into Patent Eligibility? The PTO's Memo

Haynes and Boone News | July 21, 2016

Jeffrey Wolfson, Evert Tu

In July 2016, the U.S. Patent and Trademark Office ("USPTO") released a memorandum to patent examiners ("the Memo") stating that the rulings in *Rapid Litigation Management v. CellzDirect* and *Sequenom v. Ariosa* did not change the PTO's approach to the subject matter eligibility framework. The Memo also stated that the cases were consistent with the USPTO's current guidance and training examples. While these judicial rulings may not have changed how the USPTO analyzes subject matter eligibility, the Memo notes that Rapid Litigation Management provides additional information and clarification with regard to whether claims are directed to an abstract idea in life sciences-directed patent applications.

Tom King in *Law360*: The Top Patent Cases of 2016 Midyear Report

Law360 | July 14, 2016

Tom King

This article provides a look at the most significant patent decisions as of the middle of 2016, including the Federal Circuit reversal of two decisions invalidating patents under Alice, offering a ray of hope to patent owners and reassuring those challenging patents in America Invents Act reviews that doing so won't gut their arguments in later litigation.

PUBLICATIONS

Google Beats Oracle's \$8.8 Billion Damages Claim after Jury Finds Fair Use

Haynes and Boone News | July 13, 2016

Jason Bloom, Stephanie Sivinski

Six years after Oracle first accused Google's popular Android platform of infringing Oracle's copyrights in Java application programming interfaces ("APIs"), a Northern District of California jury found that Google's copying constituted fair use. Oracle was seeking \$8.8 billion in damages for the alleged infringement. But the verdict allows Google to avoid all liability and obviates the need for a second trial in which the jury was set to hear evidence that Google willfully infringed.

Post-Prosecution Pilot Program (P3) – Life "After Final"

Haynes and Boone News | July 11, 2016

Jeffrey Wolfson, Jordan Maucotel

Eager to promote the concept of "compact" patent prosecution, in 2016 the U.S. Patent and Trademark Office ("PTO") introduced a new tool to respond to a final rejection in a patent application. The Post-Prosecution Pilot Program ("P3") allows a patent applicant to request and participate in a conference with a panel of three (3) patent examiners to review the applicant's response to the final rejection. The P3 builds on features from other PTO programs and creates a new opportunity to expedite prosecution before a Notice of Appeal is due. For example, the P3 combines:

- an after final response to be considered by a panel of examiners (from the Pre-Appeal Brief Conference Pilot Program);
- an after final response that may include an optional non-broadening amendment (from the After Final Consideration Pilot Program 2.0); and
- an opportunity to make an oral presentation to the panel of examiners (new, similar to Pre-Appeal Brief Conf. Pilot Program).

Tom King in *Corporate Counsel*: Six Takeaways From the Supreme Court's Big PTAB Decision

Corporate Counsel | June 21, 2016

Tom King

In June 2016, the U.S. Supreme Court ruled in an appeal from the first inter partes review proceeding ever decided by the U.S. Patent Trial and Appeal Board. The high court in *Cuozzo Speed Technologies v. Lee* granted the U.S. Patent and Trademark Office leeway to enact reasonable rules giving effect to the America Invents Act (AIA). In a unanimous ruling authored by Justice Stephen Breyer, the high court upheld the PTAB's use of a claim construction standard, which is broader than the standard used by federal courts and which patent owners say causes too many patents to be canceled. The court, here with some division, also ruled that the PTAB's initial decision to institute proceedings is not reviewable on appeal, absent unusual circumstances that the court did not spell out.

Haynes and Boone Successfully Defends Lenox Lounge in Trademark Dispute

Haynes and Boone News | May 2, 2016

Philip Hampton, Scott Benfield

In 2016, two Haynes and Boone lawyers successfully represented the owner of the Lenox Lounge, the famed jazz club and restaurant in Harlem, New York, in a matter before the Trademark Trial and Appeal Board (TTAB). Founded in 1939, the iconic Lenox Lounge was a popular venue frequented by musicians, artists and other celebrities, and served as a location in various films and television shows.

In 2011, Alvin Reed, owner of the Lenox Lounge, forgot to renew the trademarks for the famous club. At that time, a former employee agreed to file two new Lenox Lounge trademarks applications on Reed's behalf. Instead, she named herself and Reed as co-owners of the trademarks and attempted to independently license the name and goodwill of the Lenox Lounge.

PUBLICATIONS

Russ Emerson in *Law360*: 7 Ways To Survive An Alice Patent Challenge

Law360 | March 14, 2016

Russell Emerson

While the U.S. Supreme Court's Alice decision has led to a wave of software-related patents being invalidated by district courts, there are still opportunities for obtaining protection for such inventions from the patent office and keeping them intact in an infringement fight.

EU and U.S. Finally Reach Deal on New Data Transfer Framework

Haynes and Boone News | February 4, 2016

Gavin George

Less than two days after an enforcement moratorium expired, U.S. and EU officials in transatlantic data transfer talks have reached a new "Privacy Shield"

framework to replace the Safe Harbor regime struck down in the Schrems case. The new framework, also known as Safe Harbor 2.0, is expected to increase obligations on U.S. companies that handle the personal data of Europeans, while bringing stronger privacy enforcement by the U.S. Federal Trade Commission ("FTC"). The new Privacy Shield framework also includes new limitations on data surveillance by U.S. authorities, which had been a major sticking point during the negotiations.

2016 NEWSLETTERS

The IP Beacon®

April 2016

July 2016

October 2016

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The IP Beacon®: Patent Law Review

IP QUIZ

IS THERE A
LIKELIHOOD OF
CONFUSION?

Attempted registration of



for athletic apparel, namely, shirts, pants, shorts, jackets, footwear, hats and caps

Logo with Prior Rights



used for athletic apparel, including shirts, hats, shorts, and socks

See answer on page 7

AWARDS

BEST LAWYERS IN AMERICA 2016

- **Jeffrey Becker**
Litigation - Intellectual Property, Technology Law, Trademark Law
- **Jason Bloom and David O'Dell**
Litigation - Intellectual Property
- **Randall Brown**
Patent Law
- **Randall Colson**
Privacy and Data Security Law, Technology Law
- **Russell Emerson, David Harper, David McCombs, Phillip Philbin and Thomas Williams**
Commercial Litigation, Litigation - First Amendment, Litigation - Intellectual Property
- **Kenneth Parker**
Litigation - Intellectual Property, Trademark Law

CHAMBERS USA 2016

- **Purvi Patel Albers and Jeffrey Becker**
Intellectual Property: Trademark & Copyright (Texas)
- **Randall Colson**
Technology: Outsourcing (Texas)
- **Russell Emerson, David McCombs and Phillip Philbin**
Intellectual Property (Texas)

D MAGAZINE BEST LAWYERS

- **Purvi Patel Albers**
- **Jeffrey Becker**
- **David McCombs**
- **Phillip Philbin**

DAILY JOURNAL: 2016 TOP 100 LAWYERS IN CALIFORNIA

- **Tom Chen**

INTELLECTUAL ASSET MANAGEMENT (IAM) PATENT 1000

- **Randall Brown**
- **David McCombs**
- **Phillip Philbin**
- **Mark Tidwell**
- **Jeff Wolfson**

IP LITIGATION RISING STARS 2016

- **Scott Cunning**
- **Elizabeth Crompton**

SAN ANTONIO BUSINESS JOURNAL: 2016 OUTSTANDING LAWYER

- **Bill Nash**

TEXAS SUPER LAWYERS 2016

- **Purvi Patel Albers**
- **Jeffrey Becker**
- **Russell Emerson**
- **David Harper**
- **David McCombs**
- **Phillip Philbin**
- **Thomas Williams**

Intellectual Property & Intellectual Property Litigation

TEXAS SUPER LAWYERS: RISING STARS 2016

- **David Bell**
- **Jason Bloom**
- **Gavin George**
- **Charles Jones**

WORLD TRADEMARK REVIEW 2016

- **Purvi Patel Albers**
- **Jeffrey Becker**
- **David Bell**
- **Jennifer Lantz**
- **Kenneth Parker**
- **Richard Rochford**
- **Philip Hampton**

WASHINGTON, D.C. SUPER LAWYERS

- **John Bateman**
- **Jeffrey Wolfson**
- **Philip Hampton**

IP QUIZ - ANSWER

IS THERE A LIKELIHOOD OF CONFUSION?

Attempted registration of



for athletic apparel, namely, shirts, pants, shorts, jackets, footwear, hats and caps

Logo with Prior Rights



used for athletic apparel, including shirts, hats, shorts, and socks

According to the U.S. Trademark Trial and Appeal Board, the answer is YES.

The Board sustained an opposition brought by the owner of an unregistered (a “common law”) H design mark that had been used in connection with athletic apparel, including shirts, hats, shorts, and socks since 2008 against an application for another H design mark covering overlapping goods. In its Notice of Opposition, opposer also pleaded ownership of a pending application for its H design mark covering fitness and health services, which application proceeded to registration in February 2014. However, the Board declined to allow opposer to rely on its registration since opposer failed to introduce a copy of the issued registration. Therefore, opposer was forced to rely, albeit successfully, on its common law rights.

In its decision, the Board found that the goods covered by each mark were identical, that they traveled in the same trade channels, and that the similarity of the marks themselves weighed in favor of a finding of likelihood of confusion.

The Board noted that the similarity needed to support a determination of likelihood of confusion is less where, as here, the parties are using their marks in

connection with identical goods. In addition, the Board emphasized the recollection of the average consumer, who will retain a general, rather than specific impression of a mark in finding that consumers will likely recall some fanciful representation of the letter H, rather than the specific design features and distinctions between the marks. Although the Board explicitly recognized the differences between the marks, it reiterated that a side-by-side comparison is not the proper test and that, overall, the two marks were “more similar than not.”

Also of major significance was opposer’s evidence of actual consumer confusion. The Board found it highly persuasive particularly as confusion occurred among individuals familiar with the players in the industry and in a relatively short period of concurrent use by the parties. Thus, despite visual differences in the marks themselves, the Board found that confusion was likely and sustained the opposition.

Hybrid Athletics, LLC v. Hylete LLC, Opposition No. 91213057 (December 15, 2016) [not precedential].

Please contact any member of our team to discuss how we can assist with your specific IP needs:
<http://www.haynesboone.com/experience/practices/intellectual-property>

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