

The Exponential Speed of Innovation: Is IP Driving Your Business?



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Maximizing Your Patent Dollars In A Global Economy



Panelists

- Gregory Bollis, Senior IP Counsel, Diversey Inc.
- Jeff Costakos, Partner, IP Litigation Practice
- Ken Goldman, Global Head, Diagnostics Patents, Novartis Vaccines & Diagnostics, Inc.
- Antoinette Konski, Partner, Chemical, Biotech & Pharmaceutical Practice
- Daniel Shulman, Chief IP Counsel, AGC, Pactiv Corporation
- Michael Whitehead, Chief Counsel, IP, The Lincoln Electric Company
- [Assisted by: Lucas Silva, Associate, IP Litigation Practice]

Challenges of Global Legal Counsel

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- Deciding Where to File
- Addressing Conflicting Standards of Patentability in Various Jurisdictions
- Creating a Culture Focused on International IP Issues
- Working With Internal Management and Managing Outside Counsel
- Finding Value Outside Your Patent Portfolio
- Understanding Patent Reform Legislation



Costs Of Procuring And Enforcing IP in the US*

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■ Patent Procurement (2010)

Novelty Search → \$2,000

Original application** → \$10,500

Application amendment/argument → \$3,000

■ Patent Infringement Suit (2011)

<\$1M at Risk → \$650,000

\$1-25M at Risk → \$2,500,000

>\$25M at Risk → \$5,000,000

*AIPLA Report of the Economic Survey 2011

**Relatively Complex Technology (electrical/computer)

Deciding Where to File

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- Cost associated with each country's filing
- Likelihood of bringing product to market in a given country
- Operations of competitors
- Issues of timing
- Where can you actually enforce?
- Reaching a "critical mass" might be enough, regardless of other factors.

Patent Filings In China Since 2006*

Year	Regular	Utility Model	Design	TOTAL
2006	210,000	161,000	201,000	573,000
2007	245,000	181,000	268,000	694,000
2008	290,000	226,000	313,000	828,000
2009	315,000	311,000	351,000	977,000
2010	391,000	410,000	421,000	1,222,000

*Statistics taken from SIPO Website (http://www.sipo.gov.cn/sipo_English/statistics/)

- Overcoming Challenges Presented to Global Legal Counsel
 - Consider the Full Scope of Issues Unique to International Practice
 - Use All Resources At Your Disposal
 - Look Beyond Your Patent Portfolio
 - Understand Your Domestic Priorities

Addressing Conflicting Standards of Patentability in Various Jurisdictions

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- Prosecution Perspective
- Transactional Perspective
- Litigation Perspective

Taking A Holistic Approach To International IP Protection

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- Think globally.
 - Company Policies and Practices
 - Internal Training
- Look Beyond Your Patent Portfolio.
 - Advantages of Trademark Enforcement
 - Trade Secrets
 - “Non-IP” Claims

Overcoming Internal And External Challenges

- International IP Considerations in M&A
- Use Company Resources to Inform Your Filing Decisions
- Outside Counsel – Communicate Early and Often Regarding Filing Decisions



Therasense, Inc. v. Becton, Dickinson, and Co.,
No. 2008-1511 (Fed. Cir. 2011) (en banc)

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- “This court now tightens the standards for finding both intent and materiality in order to redirect a doctrine that has been overused to the detriment of the public.”
 - Specific Intent to Deceive the PTO
 - “But-for” Materiality

“But-For” Materiality

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- PTO would not have allowed a claim had it been aware of the undisclosed prior art
- Courts apply the preponderance of the evidence standard and give claims their broadest reasonable construction.
- Affirmative Egregious Conduct

Specific Intent to Deceive Required

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- Negligence or gross negligence is not enough.
- For non-disclosed prior art, the accused infringer must prove that the applicant knew of the reference, knew it was material and made a deliberate decision to withhold it.
- No Sliding Scale
- Circumstantial Evidence

The “Unintended Consequences” of Encouraging Disclosure

- Reduced standards for intent and materiality have caused inequitable conduct to become a litigation strategy.
- Inequitable conduct defenses discourage settlement.
- Inequitable conduct defenses increase the complexity and cost of litigation.
- Patent practitioners regularly bury PTO examiners in prior art references of marginal value.



Post-*Therasense* Practice

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- How will the decision affect your approach to information disclosure?
- What effect might the decision have on re-examination strategy?
- Will the decision reduce the frequency of inequitable conduct defenses in litigation?
- What other effects might it have?

Patent Reform Legislation

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- First Inventor to File
- Best Mode
- “Prior Art” Under 102(a)
- Threshold for *Inter-Parties* Re-Exam
- False Marking - Gone
- Post-grant review