IP LAW360

Portfolio Media, Inc. | 648 Broadway, Suite 200 | New York, NY 10012 | www.law360.com
Phone: +1 212 537 6331 | Fax: +1 212 537 6371 | customerservice@portfoliomedia.com

Q&A With Brinks Hofer's Gary Ropski

Friday, Oct 05, 2007 --- To bolster the hiring of more qualified examiners, the U.S. Patent and Trademark Office should establish satellite offices at technology centers around the country, says Brinks Hofer's Gary Ropski in our series of chats with high-profile IP lawyers.

Q. What's the most challenging IP case you've worked on, and why?

A. Brinks recently scored a major victory defending our long-time client R.J. Reynolds Tobacco Company in a “bet the company” case. The patent owner, a well-funded but relatively small company, sued Reynolds for patent infringement seeking a quick jury trial.

The case had all the ingredients for being a tough case. The patent owner hoped to capitalize by relying on inflammatory arguments directed against a large tobacco company, and tried to paint a picture suggesting that its patents unlocked the secret to a safer cigarette.

It also attempted to try the case through the media and the emotion of public opinion. A PBS film even featured the undocumented story marketed by the patent owner.

In actuality, the patents were nothing more than an attempt to stake an exclusive claim to old tobacco curing technology.

Our task was to focus the case in court on the evidence alone and to convey its consequences through as simple and meaningful a story as possible, despite its many layers.

A turning point came when Reynolds uncovered evidence of fraud on the PTO and successfully pierced the attorney-client privilege based upon the crime-fraudexception.

As a result, the court ordered the patent owner to produce various incriminating documents that implicated numerous individuals in the scheme, including the inventor, patent prosecution counsel, upper management, and the patent owner’s trial counsel.

After this evidence came to light, the district judge ruled that he would conduct a first bench trial on the issue of inequitable conduct. Reynolds essentially became the plaintiff.

After a seven-day bench trial, the court issued a 47-page scathing opinion holding the patents-in-suit unenforceable for inequitable conduct. In a

separate ruling, the court also granted Reynolds's motion for summary judgment that the patents-in-suit were invalid for indefiniteness.

This well may be one of the largest defense wins ever in a patent case, because the patent owner sought more than a billion dollars and an onerous injunction, yet came away with nothing.

This major victory would not have been possible without the support of Reynolds's Chief Patent Counsel, August J. Borschke. Gus had a strong conviction that Reynolds had done nothing wrong, and he had the courage to fight the case. He was the driving force behind this important victory.

Q. What's the most ridiculous IP lawsuit you've defended a client against?

A. While we have defended against cases that appear to have very little merit for various reasons, I hesitate to label any one of them as ridiculous.

One of the more unusual was one in which our client was sued for trade secret misappropriation based on contracts that they supposedly signed. As it turned out, our client did sign some contracts, but not the ones attached to the complaint. After a document examiner reported that the signatures on the alleged contracts were not genuine, the plaintiff was eager to settle.

Q. Which aspects of IP law do you think are in need of reform?

A. Standards for proof of willful infringement and venue for patent cases. *In re Seagate* has taken a bold step in the direction of limiting the possibility for improper assertions of willfulness, and the current reform proposals pending in Congress include some good ideas on willfulness that could help define what "objective recklessness" means.

Also, because the courts have made 28 U.S.C. §1400 superfluous, the more limited venue provisions of the patent reform act make sense, focusing particularly on defendant-based venue.

Q. If you were the head of the USPTO, what changes would you make?

A. The PTO needs to be run more like a business. For years it has been receiving more and more applications but is backlogged because it does not have enough examiners.

Most businesses would be hiring people to meet the demand. Furthermore, a business would not raise procedural roadblocks to avoid new business as the PTO has done with its new rules.

In order to cure the backlog of cases, I would do several things. First, raise filing fees and use the additional revenue to hire more qualified examiners and take steps to retain them. Increase the examiners' salaries and institute policies to insure that the examining corps is sufficiently proficient in their

technical, legal, and communication skills to merit their pay.

To assist the hiring of more qualified examiners, establish satellite PTO offices at technology centers around the country. The PTO should go to where the engineers and scientists are located, and not force people in high demand elsewhere to relocate to Washington.

Q. Where do you see the next wave of IP cases coming from?

A. Patent litigation in biotech and pharma as well as healthcare generally (implants, drugs, and drug delivery mechanisms) will likely increase. Electrical cases will continue to be popular. Nanotechnology is an emerging area where we are starting to see more cases. And if “IP cases” also includes patent applications, we expect an increasing wave of applications from China.

Q. Outside your own firm, can you name one IP lawyer who's impressed you and tell us why?

A. Liza Toth -- she went from IP attorney at a startup company, Matrix Semiconductor, to Vice President, Intellectual Property of the company (SanDisk) that bought the startup a few years ago.

Q. What advice would you give to a young lawyer who's interested in getting into IP?

A. The competition is fierce. If you didn’t decide to focus on IP while in law school or before, you’re at a great disadvantage. If you want to practice patent law and don’t already have a solid technical degree, go back to school and get one, and pass the patent bar exam. Get some experience in industry if you can. Look for a place to practice that is steeped in IP law and where you can learn from others who have found success and enjoy the practice of IP law.

Q. I'm a General Counsel with a Fortune 500 company facing a major patent lawsuit. Why should I hire your firm?

A. For 90 years our firm has done nothing but IP law. Our 170 attorneys and scientific advisors are dedicated to a specialty practice with unparalleled resources and client service. We also have many attorneys who have been with the firm for dozens of years, so that a client can build relationships with them, and the attorneys know the client’s business thoroughly.

Our clients like going to a firm that does the one thing they need done well, and that treats them honestly and fairly and as more than a number. Our goal is that whenever anyone needs legal advice on an important IP matter, we are the firm that will partner with them to obtain the exceptional and timely results they deserve at a reasonable and predictable cost.

Gary M. Ropski is the President of Brinks Hofer Gilson & Lione.