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IP Practice: Morgan Lewis

By **Jesse Greenspan**

Law360, New York (August 05, 2008) -- Patent litigation is booming, particularly in the electronics and life sciences fields, and those cases are going to trial more often than they used to, according to Kell Damsgaard, head of the IP group at Morgan Lewis & Bockius LLP.

There has been a lot of jockeying lately between U.S., Korean, Japanese and Taiwanese companies over patents that cover liquid crystal displays and other high-end electronics, according to Damsgaard.

"All the components that go into a computer is an area there is a lot of litigation about," Damsgaard said.

He added that he has also noticed an increased number of medical patent cases involving such things as catheter stents and tissue banks.

"When I look ahead, I think the biotech area is really interesting and exciting," Damsgaard said. "It's a fabulous area which I think is really going to take off."

Though he said patent cases are more frequently going to trial, he pointed out that the vast majority are still decided by summary judgment or settlement.

Damsgaard said he was opposed to any reform that would remove juries from patent trials.

"These patents involve such high-tech technologies that there's a question of whether the juries get it," he said. "I think the juries do get it."

"Especially in a patent case, communicating with a jury is very important," he added.

On a separate front, Damsgaard said that one important issue right now is whether a majority of judges at the Board of Patent Appeals and Interferences have been unconstitutionally appointed.

The director of the U.S. Patent and Trademark Office has been appointing patent appeals judges since March 2000.

But earlier this year, John F. Duffy, a law professor at George Washington University Law School, argued that certain types of government officials can only be appointed by the president, the courts or heads of government agencies, and that patent appeals judges are powerful enough to fall into that category.

If Duffy's thesis holds, it arguably throws into question any decision made by the judges over the last eight years.

"It could throw a lot of subtle decisions into flux," Damsgaard said.

The U.S. Supreme Court has been asked to look into the matter. Although it has not yet decided whether to do so, Damsgaard pointed out that it has taken a very active role in patent litigation over the past couple of years.

Just this month, for example, the high court ruled in *Quanta v. LG Electronics* that patent holders could not demand royalties from companies downstream after a license had already been granted.

Other important Supreme Court decisions of late include *eBay v. MercExchange*, which made it tougher to obtain an injunction after a finding of patent infringement; *KSR v. Teleflex*, which made it easier to invalidate a patent for obviousness; and *MedImmune v. Genentech*, which held that a licensee was not required to terminate its license before challenging a patent.

Michael Clayton, head of Morgan Lewis' trademark and copyright group, said only one patent case made it to the Supreme Court between 1981 and a couple of years ago.

Meanwhile, the U.S. Court of Appeals for the Ninth Circuit is currently taking up the issue of whether the *eBay* decision applies to trademarks as well as patents, according to Clayton.

"If you're in a trademark dispute and someone is outside and they open up a shop and they call it Jesse's reporting service, and you own Jesse's reporting service, then you need to stop them," Clayton said. "In trademark law, there's always been a presumption of irreparable harm."

Morgan Lewis' IP group consists of about 160 attorneys and 50 professionals spread out over 10 offices. Some of the attorneys are also in the litigation group and are known as "dual citizens," Damsgaard said.

He added that the concept of dual citizenship comes from the belief that clients are best represented by trial lawyers when IP cases go before juries.

In addition to a litigation group, the IP practice also has a trademark and copyright group and a patent group.

The trademark and copyright group is one of the largest of any general practice firm, according to Clayton.

The group does IP due diligence, IP valuation and IP validity work. It also litigates disputes before the USPTO, and fights trademark infringement, copyright infringement and false advertising suits in the courts.

Increasingly, the firm is also doing international IP work, Clayton said.

“The competition between companies is global, and intellectual property becomes part of that,” he said.

On the trademark side, Clayton said the firm represents about 200 different clients a year, but that it does less than half an hour of work for roughly 100 of them.

“My particular passion is to represent clients where the principal value of the company is in the brand,” he said.

Like much of the rest of the firm, Morgan Lewis' IP group has been expanding. In 2003, the firm acquired about 45 attorneys (and an ongoing malpractice lawsuit) from Pennie & Edmonds' Palo Alto, Calif., office.

In 2006, it signed up a team of 10 IP attorneys from Dorsey & Whitney LLP, and since then it has added about 10 new partners from Fulbright & Jaworski LLP and Baker & McKenzie.

Overall, Morgan Lewis has about 1,450 attorneys in 22 offices spread throughout the United States, Europe and Asia.

--Additional reporting by Jacqueline Bell