

IP Group Of The Year: Irell & Manella

By Ryan Davis

Law360, New York (January 24, 2017, 12:02 PM EST) -- Irell & Manella LLP guided the Wisconsin Alumni Research Foundation to a \$234 million patent infringement verdict against Apple and helped get a Converse sneaker trademark asserted against Skechers invalidated at the U.S. International Trade Commission, earning the firm a place among Law360's 2016 Intellectual Property Groups of the Year.

Those decisions, along with a music copyright victory for CBS Corp. based on an unusual legal theory and a high-profile DNA test patent win for Ariosa Diagnostics Inc., illustrate the wide-ranging abilities of the firm's 65-member IP group, said managing partner Andrei Iancu.

"We have a deep level of expertise in all areas of technology, all areas of intellectual property and all fora relevant to intellectual property," he said.

The group notched notable wins in patent, copyright and trademark cases in district court, appellate courts, the ITC and the U.S. Patent and Trademark Office, he noted.

"I think our history and attention to excellence enables clients to call on us for their most complicated cases, irrespective of the the specific field, whether it's biotech, high tech or aerospace technology," and no matter the forum, Iancu said.

In October 2015, a Wisconsin jury found that Apple products including the iPhone and the iPad infringed a patent on computer processor technology owned by WARF, the patent manager for the University of Wisconsin.

The \$234 million damages award was one of the largest in the nation that year, and was the result of a great deal of work by Irell, Iancu said.

"The damages portion of the case was especially complex in light of recent case law that has required damages to be apportioned to the infringing component," he said.

Under recent Federal Circuit decisions, patent owners must put forth very detailed evidence to prove damages. As a result, WARF used seven experts for the damages phase alone, some testifying about technology and some about economics.



"We prevailed and won a very significant damages award," Iancu said. "I do think this is an example of how to correctly handle damages in a patent case under the current damages cases."

Irell also notched an important victory for Skechers USA Inc. at the ITC, a venue that does not often hear trademark cases. Converse Inc., a Nike Inc. subsidiary, alleged that Skechers, Wal-Mart, and other major companies infringed a trademark on its Chuck Taylor shoe.

Converse sought to bar imports of the infringing shoes, but the ITC found in June that the key trademark was invalid. The commission agreed with the defendants that the design had been used by other shoemakers for decades and Converse did not have substantially exclusive use of it to warrant trademark protection.

"It was a very big victory for us. The ITC very rarely has trademarks go all the way through trial," said partner Samuel Lu.

On the copyright front, Irell notched a victory for CBS in June, when a California federal judge threw out a class action alleging that the broadcaster must start paying royalties for songs recorded prior to 1972, siding with the firm's novel argument.

Recordings from before 1972 are protected by state laws rather than federal copyright law, and judges in other cases have found that state law requires broadcasters to make royalty payments for those recordings. CBS argued that it was not required to pay royalties because it plays "remastered" versions of the pre-1972 recordings that were created years later.

The judge agreed and held that the remastered recordings are covered by traditional federal copyright law, which allows radio station to play songs for free.

In another closely-watched case, Irell represented Ariosa Diagnostics Inc. in a case in which it secured a Federal Circuit ruling that a Sequenom Inc. fetal DNA test patent it was accused of infringing was invalid for claiming only a natural phenomenon. The U.S. Supreme Court sealed the victory for Ariosa when it decided in June not to hear Sequenom's appeal.

The firm also scored two wins for B/E Aerospace in dispute with rival MAG Aerospace Industries over vacuum toilet patents in a matter of days in March. First, the U.S. Patent and Trademark Office invalidated three patents that MAG asserted against B/E, and the following week, the Federal Circuit affirmed a district court ruling that B/E did not infringe the same patents.

"This multi-forum parallel-track approach to patent litigation is becoming more common in the intellectual property field and this is an important example of how IP litigation is being handled now," Iancu said.

Irell plans to continue expanding its intellectual property practice, which is a significant part of the firm, Iancu said.

"It is an area of growth for us, and will continue to be for quite sometime," he said.