

Intellectual Property

2009 SPRING BULLETIN

2009 Will Highlight the Mixed Heritage of Intellectual Property

BY STUART P. MEYER

A bipartisan quartet of senators and representatives held a press conference on March 3, 2009 announcing yet another push at patent law reform. Hearings commenced the following week. The legislation amends provisions in the law relating to damages, review of granted patents, venue for infringement actions and the like, and is in response to widespread and ongoing concerns that our patent system is “broken.” However, the newly introduced bills do not address some of the more fundamental issues that continue to stymie those who rely on our intellectual property system. Just a couple of recent examples make clear that more than a superficial tune-up is required to achieve a truly robust system that provides the appropriate balance of benefits and burdens.

On January 13, 2009, the Federal Circuit issued a decision that “barred at the threshold” the claims of a patent because they were directed to unpatentable subject matter. *In re Comiskey*, 2006-1286, 2009 U.S. App. LEXIS 400 (Fed. Cir. 2009). The court based its decision on the Founding Fathers’ recognition that the 1623 English Statute of Monopolies curtailed the Crown’s practice of “granting monopolies to court favorites in goods or businesses.” One judge writing in dissent countered that the prohibited “patents” were patronage grants and other “odious monopolies,” utterly different than the “invention” patents that stayed in place after 1623. Because the same word—“patent”—was used for two very different concepts four centuries ago, a huge swath of modern innovation is excluded from protection. In another case, *Bilski v. Doll*, a petition for writ of certiorari was filed with the Supreme Court on January 28, 2009 asking the Court to revisit what qualifies as a patentable invention.

If the provenance and basic nature of patent protection is so unclear, what of the other forms of intellectual property? Patents and copyrights are both expressly recognized in the Constitution, but there is no reference to trademarks or trade secrets. Review of intellectual property law shows that they emanate not from a unitary theme, but from an amalgam of diverse and sometimes conflicting interests, which has led to difficulty in drawing the best legislative balance and in making appropriate judicial interpretations.

To illustrate, a tenet of U.S. patent law is the *quid pro quo* that rewards inventors for teaching the public about their inventions. Trade secret law, which developed under a very different path relating to commercial morality, instead rewards those who take “reasonable measures” to keep their information secret. Trade secrecy has a legacy of state common law, while patents are creatures of federal statutes.

Even within the federal schemes, vast differences exist. The United States Patent and Trademark Office resides under the Department of Commerce, an executive branch agency, while the United States Copyright Office is part of the Library of Congress, a legislative branch entity. Thus, copyright rules emanate from the Copyright Office, but international copyright aspects, being the subject of treaties entered into by the executive branch, may be studied and analyzed by the Patent and Trademark Office. While patent and copyright laws both arise from the same clause of the Constitution, the fact that they have not otherwise shared

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a common heritage leads to a number of anomalies. For example, compulsory licensing is a concept that exists for copyrights but not patents—a non-practicing entity can withhold its patented invention from the entire world for the full term of the patent. Under patent law, no rights are enforceable before publication, while a copyright plaintiff can put off registering a work until just before bringing a lawsuit to address past infringement. Even though copyrights and design patents can cover similar subject matter, the duration of a copyright is often over a century while a design patent expires in 14 years.

Trademarks muddy the water even more. Trademarks can be protected under state law, federal law, or both, and trademark disputes can be found in both state and federal courts. Patents and trademarks share some guild heritage, but modern trademark law has more in common with trade secrecy than patents. The commercial norms supported by trademark infringement and unfair competition actions relate to being a good citizen in a competitive economy, while the patent scheme is focused more on ensuring incentives to provide public teachings. Trademarks and trade secrets also differ from copyrights and patents in that the protections available for these forms of intellectual property are not subject to specific time limits and can be maintained indefinitely.

The mixed heritage of U.S. intellectual property law was particularly evident in the 1980s as the United States sought to accede to the Berne Convention on copyrights. One prerequisite was to protect the moral, as well as economic, rights of copyright. The rights we generally think of, such as copying and distribution, are economic rights. However, European copyright heritage also includes an author's personal rights of integrity and paternity. The right of integrity allows an artist, for instance, to object to "mutilation" of a work—in the modern world, a "mash-up" might be an example. The right of paternity guarantees that a work will always be attributed to its creator. It was resistance to moral rights that for a century prevented the United States' accession to this treaty. In the 1980s, the United States argued that a patchwork of its state and federal laws, in areas ranging from defamation to privacy, already provided equivalent protection. Just to be sure, a minor amendment was made to the U.S. Copyright Act in 1990 to grant rights of attribution and integrity, albeit limited to the visual arts. This legal equivalent of a tap dance was needed to satisfy concerns that the U.S. copyright regime did not meet the international standard.

The lack of a coherent backdrop for U.S. intellectual property law is not just a matter of academic interest, as it impacts efforts to establish best practices. For instance, copyright law considers a company to be the actual author of works written by its employees, the employees being little more than scribes. Not so in patent law. Even if an invention is made solely by company employees doing what they were hired to do, the patent application must be made in the names of the individual inventors, and the company does not have clear legal title until an assignment specific to that patent application is executed by the inventors and recorded with the Patent and Trademark Office.

As another example, consider two partners who write a computer program together and get both patent and copyright protection for it. Unless they enter an agreement expressly setting forth their respective rights, the patent and copyright laws differ as to whether exploitation by one developer requires an accounting to the other.

On the enforcement side, the inconsistencies can be even more dramatic. To prove patent invalidity in court, a patent infringement defendant has the heavy burden of overcoming a presumption of validity and establishing invalidity by "clear and convincing evidence" after the court makes a reasonable interpretation of the patent claims. Yet, by petitioning the Patent and Trademark Office to undertake an *inter partes* reexamination, the same defendant could instead initiate a proceeding in which no presumption of validity applies, no heightened standard is involved, and the claims are given their broadest reasonable interpretation. It is no surprise that while the majority of court challenges to validity fail, statistics show that only 12 percent of patents subject to *inter partes* reexamination come out with their claims intact.

Congress has had enough trouble trying to enact meaningful reform in isolated areas of intellectual property law. There seems little hope for legislation any time soon that might also harmonize various aspects of patent, copyright, trademark, and trade secret law.

How do all these inconsistencies impact practitioners? Sometimes, the conflicts and inconsistencies in the law actually can be welcome. In arguing first principles in a new area of technology, for instance, an advocate who knows the panoply of intellectual property heritage can generally find support from some quarter of the law. This provides little comfort, though, for those seeking clarity in the law, such as corporate counsel trying to build a business around legal constraints.

Those who have myopia and only consider a current snapshot of one facet of intellectual property law are particularly subject to pitfalls. In contrast, those who have a broader perspective, both historically and as to the interplay among patents, copyrights, trade secrets, and trademarks, generally can find the solutions they need. IBM recognized this in the 1970s when software was largely considered unpatentable; IBM nonetheless described software-implemented inventions in “machine” terms and eventually built the world’s preeminent data processing patent portfolio. Likewise, Apple did not wait for software copyright issues to mature, but instead pushed many of the issues directly, both on the regulatory front and through litigation.

Smaller players have a voice as well, and many advances in intellectual property law have come from small businesses and individuals. For instance, the issue of what constitutes patentable subject matter was brought to a head last year because Bernard Bilski fought back against a patent examiner’s rejection of his business method invention. In public remarks, the Federal Circuit’s Chief Judge Michel has repeatedly chided the patent bar for waiting a decade after the watershed *State Street* decision on business methods to give the entire court a chance to consider this issue. The *en banc* decision in *Bilski* overturned *State Street* and held that a process is not patentable unless it is either tied to a particular machine or transforms a particular article into a different state or thing. Some practitioners like the “machine or transformation” test and others do not; some hope the Supreme Court will step in to settle the issue. The absence of congressional action makes it imperative for interested parties to present their views on how the law should be clarified, stretched, or changed to keep pace with technology and modern society.

We may wish that U.S. intellectual property law had a single historical underpinning from which legislators, judges, lawyers, and society could seek guidance. It does not, and so we must continually devote our energies to find the unifying aspects. In the canine world, certain types of mongrels that show highly desirable characteristics become, over time, recognized and highly regarded breeds. So too should we seek to take the good, and leave behind the bad, from the mixed sources that have brought us our current intellectual property laws.

Drama Unfolds Over Jeans in Trade Secret Discovery Ruling

BY RACHAEL G. SAMBERG

Increasingly, litigants seeking to shield purportedly sensitive business information from discovery have fought an uphill battle, as courts have criticized parties for over-designating materials as “trade secrets” or otherwise ordered the trade secrets’ disclosure. An unusual recent California Court of Appeal case bucks this trend. *Citizens of Humanity, LLC v. Costco Wholesale Corp.*, 171 Cal. App. 4th 1 (2009)

Citizens highlights the ever-present tension between the quest for truth in fact-finding, and a party’s right to keep its proprietary information private, both from the other parties and the public. Where possible, a balance is generally struck through protective orders governing the use and disclosure of confidential information.

Whether stipulated to or imposed by the court, protective orders allow parties to designate the appropriate level of confidentiality for their proprietary information, in some cases confining disclosure only to opposing counsel, so that the information remains out of the hands of litigants who could otherwise make competitive use of it.

In *Citizens*, however, the California Court of Appeal for the Second District ruled that the defendant’s trade secrets did not have to be disclosed at all, irrespective of whether they could be sufficiently safeguarded through a protective order. In *Citizens*, California high-end jeans manufacturer Citizens of Humanity challenged Washington-based Costco’s sale of Citizens’ jeans, which Citizens had intended only to be sold by authorized retailers. When Citizens learned that some of its jeans were being sold at Costco, it purchased samples and determined that the merchandise originated from a few of Citizens’ authorized retailers. Nonetheless, Citizens came to the conclusion, based on little more than suspicion, that the jeans must have been stolen and sued Costco for selling stolen goods under California Penal Code § 496.

Citizens next sought discovery from Costco seeking the names of Costco’s suppliers. Costco refused to identify them, claiming that their supplier information was a valuable trade secret. On a motion to compel (jointly heard with a demurrer by Costco), the Los Angeles Superior Court ordered Costco to identify the transactions through which it obtained the jeans, but not the identity of Costco’s suppliers.

After subsequently obtaining discovery on the nature of the transactions, Citizens amended its complaint to add claims for fraud and unfair competition. These new claims were based on an alleged conspiracy by Costco to violate an implicit agreement Citizens had with its authorized retailers that the jeans would be sold only in the retailers' stores and not resold to discounting retailers like Costco. Finding no basis for Citizens' allegation that the jeans had been stolen, and only "vague allegations of conspiracy," the Superior Court sustained Costco's demurrer to the amended complaint. Citizens appealed both the demurrer and the original order on the motion to compel.

On appeal, the court began by analyzing the case broadly to determine what was really going on. It characterized Citizens' complaint as an "unacceptable retailer" matter in which a manufacturer attempts to prevent discount retailers from selling the manufacturer's products. Noting that California courts have not ruled upon "unacceptable retailer" cases, the court surveyed cases from other states and eras, going as far back as 1899. Those cases confirmed that retailers like Costco were generally protected by the first-sale doctrine: once the manufacturer has made its first sale of the goods to a distributor, the manufacturer can have no control over the retailers to whom the distributor resells the goods. If the manufacturer wishes to retain control over its distributors' resale rights, it can best do so by contract with the distributors directly. Even then, the manufacturer's remedy is generally restricted to claims against the distributor for breach of that contract, unless the retailer maliciously induced the distributor's breach. Citizens was improperly attempting to bypass these rules by claiming that Costco knowingly sold stolen goods or conspired to commit fraud to obtain the jeans from the authorized retailers.

The court next turned to the motion to compel ruling that denied Citizens' discovery request for the identity of Costco's suppliers. Since Costco had, indeed, demonstrated that the identity of its suppliers was a trade secret, it became Citizens' burden to demonstrate that the information was "necessary" to the litigation before the court could order disclosure. Citizens could not do this. The court reasoned that Citizens did not need the identity of its suppliers to prove whether its jeans had been stolen because, if they had been stolen from Citizens directly, then Citizens would have records of its lost inventory. Alternatively, if they had been stolen from a few authorized retailers, then Citizens could have asked its retailers whether a theft had occurred.

Thus, it seems that whether the trade secret information could be safeguarded with a protective order was beside the point. Citizens was not entitled to discover it in the first place since it was not "necessary." Accordingly, the Court of Appeal affirmed the lower court's ruling denying the motion to compel on that point. It also affirmed the lower court's ruling that sustained Costco's demurrer on the fraud and unfair competition causes of action, reversing only as to the theft cause of action for which Citizens had technically met pleading requirements.

There seems to be a puzzling omission in the appellate court's decision. In analyzing the case as an "unsuitable retailer" matter, and making a specific determination on the non-discoverability of Costco's trade secrets, the court went to great lengths to cite cases from other jurisdictions because it found no existing decision on record in California. Yet Costco itself had been sued by the Bare Escentuals cosmetics company just the year before in the US District Court for the Southern District of California on virtually identical claims, and Costco had lost that discovery battle over its trade secrets.

In *Bare Escentuals Beauty, Inc. v. Costco Wholesale Corp.*, No. 07CV90, 2007 U.S. Dist. LEXIS 90893 (S.D. Cal. Dec. 11, 2007), the district court affirmed a magistrate judge's order granting Bare Escentuals' motion to compel discovery. Just like Citizens, Bare Escentuals sells high-end products through upscale stores and its own retail boutiques. Bare Escentuals learned that Costco was selling its cosmetics products at deeply discounted prices and was concerned that the products were counterfeit, stolen, or acquired from an unauthorized supplier. Bare Escentuals sued for trademark infringement and unfair competition and sought to discover the identity of Costco's suppliers. As in *Citizens*, Costco refused to disclose on trade secret grounds. Unlike in *Citizens*, the magistrate and district court judges in *Bare Escentuals* found it irrelevant whether the suppliers' identities were trade secrets because the information was "necessary" to evaluate Costco's affirmative defenses, including the first-sale doctrine. The *Bare Escentuals* court affirmed that Costco should disclose the identities of its suppliers to Bare Escentuals, but allowed it to do so pursuant to a stipulated protective order with appropriate confidentiality protections.

Bare Escentuals therefore seems at odds with the later-decided *Citizens*. It is not clear from the *Citizens* opinion, itself, whether Citizens ever raised the decision for the appellate court's consideration. Presumably, the Bare

Escentuals cosmetics being sold by Costco could be traced to their original, authorized retailers in the same way that Citizens could trace its jeans, and *Bare Escentuals* still found the suppliers' identities were "necessary" and should be produced. Thus, a good argument would exist to order production in *Citizens* too. The omission is all the more puzzling because, even if federal courts like *Bare Escentuals* had not required the same showing of "necessity" before ordering production, this still would not explain *Citizens*' failure to reference *Bare Escentuals* even if the California Court of Appeal had found it inapposite.

Perhaps the Court of Appeal went forward without reference to *Bare Escentuals* to take a stand against what it believed was really going on: that *Citizens* was using Costco to net the retailers who were, in *Citizens*' eye, unacceptably re-selling its products. Absent any malicious interference by Costco with a contract between *Citizens* and its retailers, no claim actually lay against Costco, and perhaps the Court of Appeal believed they should not be bootstrapped into court through the back door. Though it is difficult to know for certain, the Court of Appeal may have been following the letter of discovery rules stringently to protect companies from being hauled into court on what it may have perceived as anticompetitive fishing tactics.

What remains clear while the matter is on remand to the Superior Court on the Penal Code claim, is that *Citizens* will not be able to obtain from Costco its trade secret supplier information to pursue this remaining cause of action. As a result, defense attorneys and their clients litigating in state court may wish to reconsider whether, and how, to fight discovery of information claimed to be trade secrets.

State Court Decision Raises Issue of Whether California County Copyrights Are in Public Domain

How does California's Public Records Act square with the Copyright Act of 1976? The California Public Records Act (CPRA) requires government entities to provide copies of public records to members of the public, but the Copyright Act gives copyright holders (including non-federal government entities) the exclusive right to make and distribute copies to the public and the right to decline to do so. A California Court of Appeal decides this issue of first impression in favor of record requestors in an important, albeit ambiguous, decision. *County of Santa Clara v. Superior Court*, 170 Cal. App. 4th 1301 (2009).

In 2006, Santa Clara County refused a request to provide a copy of the county's Geographic Information Systems (GIS) basemap to the California First Amendment Coalition (CFAC) under the California Public Records Act, Cal. Govt. Code §§ 6250-6270. CFAC petitioned for a writ of mandate to compel production of the basemap, which the Superior Court granted and the California Court of Appeal for the Sixth District affirmed.

GIS technologies provide a widely-used means of creating and enhancing location-based information by combining computer mapping and database technologies. Starting with the County Assessor's map data, the GIS basemap builds layers of data on it, making information from a variety of separate databases accessible and more useful. The County of Santa Clara sells its GIS basemap to members of the public for a substantial fee (hundreds of thousands of dollars for county-wide data) and requires purchasers to enter into a non-disclosure agreement. CAFC sought to obtain the data at the significantly lower cost of reproduction normally charged for electronic county records and without the burden of the non-disclosure agreement by making a request under the CPRA.

The county contended the GIS basemap was exempt from disclosure under CPRA on a number of theories rejected by the Court of Appeal. One theory was an issue of first impression—whether the county's federal copyright interest in the GIS basemap would allow the county to (1) impose contractual restrictions on the use and disclosure of the GIS basemap and (2) charge more than the cost of reproduction. Observing that state law determines whether non-federal public officials can claim a copyright in their offices' creations, the Court of Appeal stated that the issue is how the CPRA treats the county's copyright claim.

The court considered and rejected the county's contention that the CPRA supports its copyright interest, citing § 6254.9(e) which states that "Nothing in this section is intended to limit any copyright protections." However, § 6254.9 only addresses computer software, providing *inter alia* that "[c]omputer software developed by a state or local agency is not itself a public record under this chapter." Since the statement regarding copyright protections refers to "this section," the court declined to interpret the copyright protections seemingly endorsed by § 6254.9(e) as applying broadly to the entire chapter comprising the CPRA.

Noting that the Legislature “knows how to explicitly authorize public bodies to secure copyrights when it means to do so,” the court contrasted the explicit provisions authorizing state entities to secure copyrights under the Education Code and the Health and Safety Code with the very limited authorization under § 6254.9. “By the express terms of section 6254.9,” the Court of Appeal explained, “the Legislature has demonstrated its intent to acknowledge copyright protection for computer software only. . . . [The section] provides no statutory authority for asserting any other copyright interest.” Further, the court concluded that any end user restrictions (non-disclosure agreements) “are incompatible with the purposes and operation of the CPRA.” Since “[t]he CPRA contains no provisions either for copyrighting the GIS basemap or for conditioning its release on an end user or licensing agreement by the requester,” the court held that the GIS basemap must be disclosed under the CPRA, without the county’s conditions or limitations.

The result for CFAC and the GIS basemap is clear. The scope of the holding and the broader implications for copyright ownership by California public agencies is not so clear. Read broadly, *County of Santa Clara* suggests that California public agencies and offices, including counties, do not own valid copyrights unless expressly authorized by statute under California law to secure copyrights. Without express authorization, any works of authorship they create are in the public domain. Read more narrowly, the case may stand for the less ambitious proposition that any copyrights such agencies own, while valid, may not stand in the way of disclosures required by CPRA except where the California legislature has expressly reserved copyright protection for such works. Different parts of the court’s analysis lend support to one interpretation or the other. Future cases will have to resolve how closely government copyright ownership in California hews to the federal model of non-ownership.

Federal Patent Law Does Not Protect Patentees from State Trade Secret Misappropriation Claims

Questions regarding federal patent law preemption of state trade secret claims have challenged courts in the past. Recently, in *Russo v. Ballard Medical Products*, 550 F.3d 1004 (10th Cir. 2008), the United States Court of Appeals for the Tenth Circuit shed some light on this issue, clarifying that patentees cannot avoid trade secret misappropriation claims simply by patenting the misappropriated invention.

In 1997, Ballard Medical Products sought help from a medical device inventor, Ronald Russo, in extending the useful lifespan of Ballard’s catheter products. The parties signed a confidential disclosure agreement (CDA), and Mr. Russo provided Ballard with a prototype and drawings of his innovations. When licensing negotiations with Russo failed, Ballard claimed to have lost Russo’s confidential materials and never returned them. Ballard later introduced an improved, longer-lifespan catheter product incorporating Russo’s innovations, and Ballard acquired two patents on the catheter. Russo sued Ballard for trade secret misappropriation and breach of the CDA contract. The jury awarded Russo \$17 million in unjust enrichment damages for trade secret misappropriation and \$3 million for breach of contract. On appeal to the Tenth Circuit, Ballard challenged the damages award.

In the appeal, Ballard first raised a jurisdictional question, arguing that the United States Court of Appeals for the Federal Circuit should have exclusive appellate jurisdiction since Russo’s state law trade secret claims raised issues of federal patent law. The Tenth Circuit found, however, that Ballard’s use of Russo’s ideas to secure patents did not implicate any question of federal patent law because the role of the use was as relevant evidence in the case rather than the subject at issue.

Ballard also argued on appeal that Russo’s case was irreconcilable with federal patent law, and so was preempted by it, since Russo’s case raised an issue of presumption of inventorship for Ballard’s patents. The court disagreed, however, finding that Russo did not seek to establish inventorship or any other patent rights, but simply sought to establish a valid trade secret using Ballard’s patents as *evidence* of Ballard’s trade secret misappropriation, which did not raise a patent law issue. The court explained that “[w]ere the law otherwise, it would be incongruous indeed. Any defendant could (and would have significant incentive to) insulate itself from a trade secret misappropriation claim simply by patenting the stolen idea.” Patent law would thus preempt many, if not most, trade secret claims.

Ballard further argued on appeal that even if the case were consistent with patent law, the lower court erred in instructing the jury to award Russo the full value of Ballard’s invention *per se*, as opposed to the incremental value of his misappropriated trade secret. The Tenth Circuit disagreed, however, noting that the lower court had properly instructed the jury to award *only* damages

caused by Ballard's trade secret violation. Russo argued that Ballard would not have been able to extend the original catheter's lifespan without using Russo's improvements, so the incremental value *was* the creation of the new catheter. Further, the Tenth Circuit did not find the damages award to be unreasonable, stating that "[w]hen the damages awarded by the jury fall within the range permitted by the evidence admitted at trial. . .we may not second guess the award." Thus, the appellate court affirmed the lower court's decision, and upheld the damages award.

Grants of Transfer Outnumber Denials in First Wave of Post-*TS Tech* Decisions from the Eastern District of Texas

In December, the United States Court of Appeals for the Federal Circuit granted a petition for writ of mandamus, ordering the US District Court for the Eastern District of Texas to transfer a patent action to the Southern District of Ohio pursuant to 28 U.S.C. § 1404(a). *In re TS Tech USA Corp.*, 551 F.3d 1315 (Fed. Cir. 2008).

Applying new Fifth Circuit Court of Appeals precedent, *In re Volkswagen of Am., Inc.*, 545 F.3d 304 (5th Cir. 2008), the Federal Circuit noted that transfer *should* be granted upon a showing that the transferee venue is "clearly more convenient" and that the plaintiff's choice of venue is *not a distinct factor* for the change of venue analysis under § 1404(a). Reversing the denial of transfer from a venue with "no meaningful ties to the case," the Federal Circuit emphasized the importance of the convenience to willing witnesses—here all party witnesses who resided in Ohio, Michigan, and Canada. The location of physical and documentary evidence, which was located closer to Ohio than Texas, also favored transfer. Further, the Federal Circuit confirmed that in a patent case, like any other, that the public interest in having "localized interests decided at home" did not weigh against transfer simply because an allegedly infringing product sold nationwide is also available in the Eastern District of Texas.

Defendants, and anyone hoping to see *TS Tech* and *Volkswagen* usher in a new era for venue transfer analyses, may not be disappointed. While the full impact of the case has yet to be seen, three of the first five post-*TS Tech* orders to issue from the Eastern District of Texas have granted transfer of patent cases.

Chief Judge Folsom granted transfer of a multiparty action to the Northern District of California. *Partsriver, Inc. v. Shopzilla, Inc.*, Civ. A. No. 2:07-CV-440, 2009 U.S. Dist. LEXIS 12482 (E.D. Tex. Jan. 30, 2009). Finding the "overall nature" of the case to be "regional," Judge Folsom noted that the plaintiff and six of the seven unrelated defendants had their principal places of business in California.

In *Odom v. Microsoft, Corp.*, Civ. A. No. 6:08-CV-331, 2009 U.S. Dist. LEXIS 9835 (E.D. Tex. Jan. 30, 2009), Magistrate Judge Love granted transfer of an action to Oregon which he found to be "significantly localized in the Northwest." In finding that the convenience to the witnesses favored transfer, the court endorsed Microsoft's identification of likely witnesses as "attorneys in Microsoft's in house legal department" and "the development team for Microsoft Office 2007 with knowledge of the accused product's development and operation" as sufficient under the circumstances. With both departments located in Washington, the court rejected plaintiff's call for a "list identifying with specificity" witness names, locations, and expected testimony. The existence of potentially relevant contracts entered into by the plaintiff in Oregon also favored transfer.

In *Invitrogen Corp. v. General Electric Co.*, Civ. A. No. 6:08-112, 2009 U.S. Dist. LEXIS 9127 (E.D. Tex. Feb. 9, 2009), Magistrate Judge Love granted transfer of a patent dispute to Maryland. The Maryland court's intimate familiarity with prior, lengthy litigation involving three of the same patents-in-suit favored transfer, as well as the convenience of witnesses. In a companion case issued the same day, however, the court denied transfer where that case lacked a connection to the prior Maryland actions. *Invitrogen Corp. v. General Electric Co.*, Civ. A. No. 6:08-113, 2009 U.S. Dist. LEXIS 9113 (E.D. Tex. Feb. 9, 2009).

Finally, in *Novartis Vaccines and Diagnostics, Inc., v. Hoffman-La Roche Inc.*, Civ. A. No. 2:07-CV-507, 2009 U.S. Dist. LEXIS 14656 (E.D. Tex. Feb. 3, 2009), Chief Judge Folsom denied transfer of an action where the defendants—who were involved at various stages of development, manufacture, and distribution of a pharmaceutical drug (Fuzeon)—were not focused in a single geographic location.



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