

IP Group Of The Year: Finnegan - 2013

By **Ryan Davis**

Law360, New York (January 02, 2014) -- Finnegan Henderson Farabow Garrett & Dunner LLP secured a win for SAP America Inc. in the first-ever decision in an America Invents Act patent challenge and handled a case that established that copyright can be transferred electronically, landing the firm among Law360's IP Practice Groups of the Year of 2013.

The SAP case, which helped blaze new trails in a closely watched area of patent law, garnered significant attention last year for Finnegan, one of the world's largest firms focused solely on intellectual property law.

SAP challenged the validity a Versata Software Inc. patent on a product pricing method that SAP had been ordered to pay \$391 million for infringing. The U.S. Patent and Trademark Office sided with SAP in June, ruling that the patent covers an abstract idea that is not patent-eligible.

The ruling was the first since the new AIA system took effect in 2012, so it was an exciting opportunity to help shape a new area of the law, said Finnegan managing partner James Monroe.

At the same time, "it's uncharted territory, which makes it quite challenging," he said. "The biggest challenge was that it was new for everyone. People are learning from each other."

The new AIA reviews, a kind of trial-like proceeding at the USPTO, provided a chance for Finnegan's attorneys who work primarily in the patent office to collaborate with those who focus on litigation to help set standards that will be relied on in future AIA cases, Monroe said.

"We were able to combine our deep bench of patent office expertise with our litigation expertise," he said. "We see that as a significant area for us."

Finnegan, which has 350 attorneys in nine offices in the U.S., Europe and Asia, has seen its head count hold fairly steady in recent years, but plans to increase its focus on AIA cases, which are becoming increasingly important, Monroe said.

"We're going to continue to grow in that area," he said. The firm, which recently moved its European base from Brussels to London, also plans a greater focus on its work in Europe, he said.

Finnegan is proud of the diversity of its practice, which includes representing clients in all areas of IP law and in a wide array of technologies, Monroe said.

He said the breadth of its practice is highlighted by a case in which it represented Metropolitan Regional Information Systems Inc. in a copyright dispute with rival real estate listings website American Home Realty Network Inc.

In July, the Fourth Circuit affirmed an injunction that Metropolitan had won in the case, in the process deciding two issues of first impression that had never by addressed by any appeals court.

First, the court held that copyright can be transferred electronically under the 2000 federal E-Sign Act, which ensures the validity of electronic signatures, but which no court had previously analyzed in the copyright context.

The court also ruled that Metropolitan could register copyrights on its photographic databases as collective works because it held the rights to the individual images, disagreeing with several district court ruling that the authors of component works must be listed when applying for a copyright on a compilation.

The ruling will make it easier to register copyrights on databases and will have a significant impact on copyright law going forward, Monroe said.

“It’s a way for owners of databases to register for copyright protection without going through the laborious and administratively burdensome process of listing each photo in the database,” he said.

Also in 2013, Finnegan won significant victories for clients AbbVie Inc. and Abby Software House, defending both against infringement suits in which the plaintiffs had sought substantial damages.

“It’s been an exciting year,” Monroe said.

AbbVie, maker of the blockbuster anti-inflammatory drug Humira, had paid more than \$100 million in royalties over the last 10 years to Mathilda and Terence Kennedy Institute of Rheumatology Trust, an obligation set to end when the institute’s primary patent expired in 2012.

After the Kennedy Institute contended that AbbVie would owe royalties for another six years based on a more recent patent, AbbVie filed suit to invalidate the patent. A judge sided with AbbVie in June, ruling that the patent was invalid for obviousness-type double patenting.

Abby was accused by Nuance Communications Inc. of infringing patents related to optical character recognition software and document processing as well as trade dress for software packaging. Before trial, Nuance sought more than \$260 million in damages from the defendants, which also included Lexmark International Inc.

In August, a jury in the Northern District of California found for the defendants on every issue, ruling that they did not infringe any of the patents and that Nuance’s trade dress was not protectable.

“That was a particularly big victory given the potential damages being sought,” Monroe said.

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