

## IP Group of the Year: Finnegan – 2012

By **Melissa Lipman**

Law360, New York (January 02, 2013) -- From winning a key precedent on joint patent infringement to helping AOL Inc. score a \$1 billion patent deal, Finnegan Henderson Farabow Garrett & Dunner LLP has used its range of expertise to notch victories for clients over the past year, earning the firm a place on Law360's list of IP Groups of 2012.

With more than 375 lawyers in nine offices stretching from Atlanta to Shanghai, the firm has the resources to handle patent prosecution, litigation and everything in between. While Finnegan's expertise runs the gamut, some of the firm's biggest victories from November 2011 to November 2012 came from the tech and pharmaceutical industries.

In one high-profile case, Finnegan attorneys helped HTC Corp. secure a broad settlement with Apple Inc. in November in global smartphone patent litigation war. The deal put an end to a series of disputes between the two tech giants in federal court and the U.S. International Trade Commission with a 10-year licensing deal.

"Apple is well-known for settling nothing," said Finnegan managing partner Barbara McCurdy. "HTC was the first smartphone company to my knowledge that they settled with ... and I know our clients are very pleased with that result."

Inside the courtroom, the firm scored another major win in late August, when it convinced the Federal Circuit en banc to reverse a panel decision that made it difficult for patent holders to win damages against companies accused of joint patent infringement.

In that case, Finnegan client Akamai Technologies Inc. had accused Limelight Networks Inc. of infringing a patent on delivering Web content, but the lower court ruled that because Limelight's customers, not the company itself, performed one of the steps, it was not liable for infringement.

A Federal Circuit panel upheld that decision, but the en banc court ruled 6-5 that a patent holder could still prove a defendant was liable for induced infringement if it performs some steps of a patent and induces others to perform the remaining steps.

The move marked a shift in patent law that's particularly important for the software industry, according to McCurdy.

"In a smartphone, for example, the manufacturer might avoid infringement by hardwiring one of the software steps into the phone but having the rest of the steps performed when the user starts up the phone," McCurdy said. "[This decision] allows the patent holder to really go after the actual infringement that's happening even when the infringing facts are split."

Another Federal Circuit triumph came for fellow Finnegan client Otsuka Pharmaceutical Co. in May, when a panel ruled that efforts by several generic challengers to market their own version of blockbuster antipsychotic treatment Abilify would violate the patent for the drug's active ingredient.

Meanwhile, the firm similarly defended efforts to invalidate Pronova Biopharma Norge AS' patents for Lovaza, which is used to treat patients with high triglycerides. In May, a Delaware federal court rejected challenges from Teva Pharmaceuticals USA Inc., Apotex Corp. and Par Pharmaceutical Inc. Finnegan is now handling appeals of that ruling for Pronova at the Federal Circuit.

Though the cases may not set new precedent, the sheer scale and value of the disputed patents — Lovaza brought in \$900 million in sales in 2011 while Abilify racked up \$5.2 billion — makes the wins significant, according to McCurdy.

Finnegan also kept busy outside the courtroom in 2012, helping AOL negotiate a joint patent sale and license with Microsoft Corp. Announced in April, the deal gives AOL \$1.056 billion for selling more than 800 patents and giving the software giant a license on AOL's 300 other patents and applications. That amounts to roughly \$1.2 million per patent.

"In any sort of transaction, the value of the patents is the issue, and for your general practice firms that do IP litigation, they don't often have a patent prosecution group at all," McCurdy said. "We do IP from the beginning to end, [so] when it comes to analyzing a portfolio, we can assess not just 'Oh this might be good patent to litigate,' but, 'This would be a good patent to license.'"

The firm further became the first to file a petition for post-grant review of a business method patent under the American Invents Act on behalf of SAP AG shortly after the new law took effect in September.

And while Finnegan is not expecting to do any major expansion in 2013, it does see the new opportunities under the AIA as a chance to expand the practice of its 290 attorneys registered to practice before the U.S. Patent and Trademark Office.

"We're very much at the leading edge of that, a lot of our folks are lecturing and involved with advising clients on the new procedures available under AIA," McCurdy said. "It's exciting for us and [an area] we think we'll be leaders in."

--Additional reporting by Ryan Davis. Editing by Andrew Park. All Content © 2003-2013, Portfolio Media, Inc.