



From helping Apple Inc. protect its iPhone patents from HTC Corp. smartphones to leading the Associated Press in its copyright infringement case over Shepard Fairey's Obama "Hope" posters, Kirkland & Ellis's intellectual property team notched big wins across the board in 2011, earning a spot on Law360's list of IP Groups of 2011.

Though the firm's nearly 300-attorney IP group doesn't specialize in any one industry, some of its biggest wins over the last year came on behalf of tech industry giants like Apple, Samsung Electronics Co. Ltd. and Alcatel-Lucent.

In July, Kirkland client Alcatel-Lucent won a \$70 million jury verdict in the retrial of the company's long-running suit accusing a number of Microsoft Corp. products of infringing its patents for graphical user interface technology. Though a jury had originally awarded the company about \$350 million in 2008, the Federal Circuit later overturned the damages portion of the decision, saying it seemed based on speculation and guesswork.

On remand, the parties went through further discovery on damages, came up with new expert reports and Kirkland even had a survey done in support of Alcatel's damages claims, which is a "somewhat unusual" step in patent cases, according to partner Luke Dauchot, who represented the company in the case.

"We're going to see more and more of those [because they] help establish the value of the technology," Dauchot said, something which becomes even more important when cases deal with patents for technology that is part of a broader product that isn't sold on its own.

IP Group of the Year: KIRKLAND

"This is an area of law that is still evolving," Dauchot said. "What you have is the component that isn't of itself sold on the market. You don't have a sales price out there for it, so how do you go about calculating a reasonable royalty?"

The Federal Circuit will have another chance to weigh in on the matter as both Alcatel and Microsoft have challenged parts of the court's decision at retrial. Alcatel is appealing the judge's decision to trim the \$70 million award down to about \$40 million including interest, while Microsoft is seeking to reverse a number of other issues in the case.

In another major case, Kirkland wrangled a complete victory for Samsung in a dispute against Spansion Inc. over flash memory patents at the U.S. International Trade Commission (ITC) in February. After a six-day trial over everything from whether the patent Samsung had asserted was infringed and valid to whether there was a practicing domestic industry, an administrative law judge agreed to bar Spansion's chips and products made by Spansion customer D-Link Corp. from being imported into the United States.

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That decision, which came on the heels of a similar victory for Samsung against Spansion's claims that the technology giants' chips infringed Spansion's own patents, quickly led the two companies to

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settle their global dispute over the chip technology, according to partner Greg Arovas, who represented the Samsung in the case.

Shortly after that case wrapped up, the firm began representing Apple in its own ITC suit against HTC over two wireless technology patents. In July, an ITC judge agreed that HTC's Android-based smartphones infringed the Apple patents, though the full commission reversed part of that decision in December, limiting the infringement finding to the narrower of the two patents.

Outside of the technology sector, the firm also scored a \$101 million jury verdict for Medtronic unit Warsaw Orthopedic Inc. in September amid a patent infringement battle with NuVasive Inc. over spinal technology.

Beyond its patent prowess, the firm also played key roles in a number of major copyright and trademark cases in 2011, including the AP's watershed infringement suit over the iconic poster Fairey created of then-presidential candidate Barack Obama during his 2008 campaign.

News of the suit reached nearly the same level of ubiquity as the poster itself, and the case generated intense interest among copyright attorneys as it touched on the debate over where the line for fair use should be drawn as technology makes it ever easier to copy and manipulate everything from images to music.

“Even as early as when the lawsuit was filed, people start having within weeks panels and seminars about the case and what it meant — even before there was a decision,” said partner Dale Cendali, who represented the AP in the case. “There is a real debate now about ... the balancing between the rights of the original creator of copyrighted works and the right of secondary creators, derivative creators who might want to use that work.”

The AP — a nonprofit news organization supported by membership fees from publications that use its stories as well as by licensing fees for its photos and videos — contended that rather than a run-of-the-mill image of the then-presidential candidate, the picture Fairey used was a unique depiction of Obama as a junior senator at a press conference about one of George Clooney’s trips to Africa.

“It was just a great portrait that made him look like someone with a vision,” Cendali said. “It was not like he was the star of the panel, but because [the AP’s photographers] were told to get images beyond the news, that’s why this photo was taken.”

While Kirkland initially faced off against a defense team made up of law firms and copyright specialists from Stanford and Harvard, Fairey’s original counsel dropped out after the firm managed to show that the artist had destroyed and fabricated evidence in an effort to show he had used a different image of Obama taken from another angle.

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Kirkland eventually won a settlement for the AP in January 2011 and then triumphed over Obey Clothing, which had an exclusive license to use Fairey’s image, on summary judgment on the fair use image. The company too then agreed to settle on the eve of trial, Cendali said.

While the Fairey case might have stolen the limelight on the copyright and trademark

side, Kirkland also had several other big wins in the entertainment industry.

The firm represented J.K. Rowling publisher Scholastic Inc. in a suit brought by the estate of Adrian Jacobs, the author of a book about a character named Willy the Wizard.

Jacobs’ estate claimed Rowling’s fourth Harry Potter novel copied parts of the other author’s 1987 novel, but in January 2011, a federal judge ruled there were no similarities at all between the two works.

Then in July, another federal judge tossed an infringement suit filed against Kirkland clients ABC Inc. and a slew of other media producers and distributors involved in hit sitcom “Modern Family.”

Though script writer Martin Alexander claimed the ABC show’s producers had plagiarized his pilot script to develop ideas for the popular program, the court agreed that the plaintiff had not managed to show any substantial similarity between the works.

The firm also won a major trademark victory for client The Walt Disney Co. in May on summary judgment in a suit brought by THOIP, which owns the rights to the popular “Little Miss” children’s books.

The company claimed Disney’s T-shirts printed with slogans like “Little Miss Bossy” were likely to confuse customers, but a New York state federal judge ruled in late 2010 that there was no risk consumers would think Disney’s shirts were made by THOIP. After further discovery she nixed the rest of the suit in May, concluding there was no risk of “reverse confusion” or that customers would think Disney created the “Little Miss” trademark and that THOIP was infringing Disney’s mark.

Not only did Kirkland prevail for its client on summary judgment, but it also convinced the judge to strike both of THOIP’s survey experts. The judge ruled that neither of the surveys THOIP conducted after the first summary judgment ruling replicated actual marketplace conditions and thus had no evidentiary value.

Led by a committee of 10 IP attorneys, including Arovas, Kirkland’s IP group accounts for nearly 20 percent of the 1,500-attorney firm. The group prides itself on its national scope, with attorneys spread across the

firm’s Chicago, New York, London, Los Angeles, Palo Alto, San Francisco, Shanghai and Washington D.C., offices.

“When we go about staffing a case, the first question is not, ‘Where does the attorney fit?’ but, ‘What does the case need in the way of background, in the way of experience level and the like?’” Dauchot said. “And then we go about staffing by answering that question.”

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Though technology has taken care of many of the difficulties of that kind of interoffice staffing, the group still pushes its attorneys to build the kind of ties that might otherwise fall by the wayside for lawyers who don’t work down the hall from one another.

In addition to encouraging regular meetings and interaction among partners and associates, the IP group also uses an annual retreat to help build cohesiveness, according to Arovas.

“We’re very aware of the fact that a strength is the ability to tap into this national pool of talent,” Arovas said. “There are a lot of my cases where I’m the only one on case from the New York office, and that would be true for partners in many of the other offices as well.”

That focus on creating one integrated IP team across all eight offices also extends to the group’s strategy for future growth, Arovas said, allowing the firm to focus on hiring the top talent in each city, regardless of where those recruits come from.

“When we staff ... keeping everything as one pool and looking at it nationally allows us to not really have to worry about regional variations from year to year, both in terms of hiring out of law school and in lateral recruiting,” Arovas said. “One of the hallmarks of the group ... is that it’s a very diversified group both in terms of the industries we work in and the number of lawyers who are contributing. It’s not really tied to any one industry, it’s not really tied to any one person.”